

FRIDAY, 7:00 P.M.

APRIL 29, 1996

FINANCE COMMITTEE
MINUTES

NEWBERG PUBLIC LIBRARY

NEWBERG, OREGON

The meeting was called to order by Alan Halstead at 7:00 p.m. (Chair Cox arrived after the meeting was called to order).

ROLL CALL:

Present:	Tim Codiga	Bert Pennock
	Alan Halstead	Alan Larking
	Charles Cox	

Others Present:	Kathy Tri, Finance Director
	Duane Cole, City Manager
	Donna Proctor, Mayor
	Donna McCain, Councilor
	Diane Padilla, Asst. Finance Director

MINUTES: The minutes of the February 26, 1996 meeting were reviewed. There was a correction made on page two of the minutes. **MOTION:** Alan Halstead/Alan Larking moved to approve the minutes of the February 26, 1996 meeting as corrected. **VOTE:** Passed by those present.

NEW BUSINESS:

Budget Resolution: Kathy Tri explained that this was the last budget transfer resolution for the fiscal year. She reminded committee members that the staff had mentioned several times they needed to transfer funds to recognize the expense related to the plumbing inspector. She indicated that in her memo it reported that the City had received over \$52,000 so far this fiscal year for the service and had only expended \$28,000. Staff estimates a need of \$40,000 to cover this budget. A transfer of \$20,000 is being requested from contingency to cover this expense. This will leave a balance of \$306,252 in the general fund contingency.

Committee members noted that the fiscal year in the resolution was incorrect and should be 1995-96, instead of 1996-97. **MOTION:** Bert Pennock/Alan Larking moved to approve the budget resolution transferring and reappropriating funds in the general fund to cover plumbing inspection services. **VOTE:** Passed by those present.

Local Improvement Ordinance: Kathy Tri indicated that with the increased number of local improvement districts, and the change in State law dealing with special assessment financing that the City needed to revise its ordinance financing local improvements. The City's existing ordinance was adopted in 1963 and last amended in 1974. With the passage of Ballot Measure

5, the Oregon legislature made a number of changes to the local improvement process, which was explained in the packet. She explained that the attached ordinance had references to the old ordinance language, as well as the new ordinance language. She added that the Community Development Committee had reviewed the ordinance and approved it. She indicated that the two major points for presenting it to the Finance Committee at this time was the change in financing the administrative cost for loan payments and a change in the remonstrance provisions.

Kathy Tri explained that when the staff estimates the cost of local improvement assessments it usually includes a percentage for administrative costs. However, in reviewing this practice, it seemed more fair that those who pay for the full assessment up front should not be charged this additional administrative expense. The resolution included in the packet suggests a loan origination fee of \$30, or 2% of the loan, whichever is less (the breaking point is \$1500) and a semi-annual billing fee of a \$1.50. She indicated that she reviewed the cost for Pauline to do semi-annual bills and this seemed to be a fair amount. She added that these fees will be stated separately on the assessment bills and shall become a resource of the general fund to recover billing expenses.

The second change was related to the remonstrance provisions on page 11 of the ordinance draft. It changes remonstrance to representing 60% or more of the proposed assessment within the district, verses the existing ordinance which says "60% of the land". She discussed the various reasons for the change and felt this was a fairer way to have a remonstrance than in the existing ordinance. The committee discussed the different scenarios. The variations depend on the type of LID and how the cost of that LID would be spread among the properties. The committee was in agreement with this change. Kathy Tri indicated that Community Development also discussed this change and concurred with it.

Alan Larking noted confusion in the recommendation statement and recommended changes in the language. Kathy Tri indicated that she would have Diane Padilla review the ordinance for editorial and grammatical purposes. The committee generally concurred with the revised draft and agreed that the Council should adopt it.

Monthly Report: Kathy Tri reviewed the monthly report. Alan Larking asked what the Salem Library Grant was. Diane Padilla responded that it is a grant that the Salem Library would be undertaking to provide interconnectivity with libraries in the area. It would provide public access to the Internet for which individuals could pay an annual fee.

Kathy Tri reviewed the balance of the details in the monthly report. Bert Pennock asked for a breakdown of the total average bill by customer group. Kathy Tri stated that she would provide that.

Monthly Transactions: There were no questions from the committee on the March transactions.

Adjournment: The committee moved to adjourn at 7:45 p.m.