

MINUTES FOR THE NEWBERG FINANCE COMMITTEE

Monday, August 31, 1998
Newberg Public Safety Building

Members Present: Chuck Cox
Lisa Helikson Rebecka Radcliffe

Others Present: Donna Proctor, Mayor
Debbie Smith-Wagar, Asst.. Finance Director
Kathy Tri, Finance Director
Duane Cole, City Manager
Barton Brierley, Planning Manager

Chair Cox called the committee to order at 7:10 p.m. There was no quorum and no formal actions were taken.

MINUTES: The minutes of the May 26, 1998 were reviewed.

NEW BUSINESS:

Supplemental Budget #1 for 1998-99: Kathy Tri stated that it became evident a supplemental budget was necessary early in the fiscal year. She reviewed the major items of the supplemental, especially the recognition and appropriation of the new Community Development fees and interim financing for City Hall. She also reviewed with the Committee the need for a receptionist at the Public Safety Building. She added one item to the supplemental: a \$5,000 transfer in the Civil Forfeiture Fund to support the City's participation on the Yamhill County drug enforcement team. Barton Brierley added that the estimates of the Community Development fees was on the low end of the department's revenue trends. Donna Proctor asked how the fees compared to Dundee for a new business opening. The Committee expressed no objection to Supplemental Budget #1 as presented.

Council Policy on Funding Special Projects: The Finance Committee requested this policy. Kathy Tri reviewed it with Committee members. Duane Cole suggested that the policy be reviewed at the January Council retreat and added to the Council Guidelines. The Committee had no objections.

Review of Retirement Investment Results: Kathy Tri explained that the City directed Principal Financial Group to diversify the General Employee retirement plan investments in order to improve investment results to meet future obligations. Investments need to meet the 8% guaranteed rate plus plan administrative expenses. The report showed that investments earned 17.9%. She explained that the City has also directed them to diversify the Police/Fire Plan investments. Kathy Tri mentioned that at some time in the near future these two plans will have to be merged. Chuck Cox asked if there was a way to merge the balance of the Police/Fire

employees into PERS. Kathy Tri reminded Committee members that even when all the current employees in this plan have retired, the City still must finance the benefits for a 30 year period. Not until all employees and beneficiaries have died will there be no further obligations.

Delinquent Liens: Kathy Tri updated the Committee on the status of delinquent liens. All but one are in the Second/Third Street Assessment District. She indicated that the City had an excellent response to the notice letter which was mailed to each property owner. One property had actually changes ownership and she is working with the new owner to clear the lien.

MONTHLY TRANSACTIONS: No questions were asked about monthly transactions. Kathy Tri noted that July transactions were high, partly due to construction payments.

MONTHLY REPORT: Debbie Smith-Wagar reviewed the status of pending EDRF loans. One closed the last week of August and another should close the first week of September. Kathy Tri briefly reviewed the monthly reports.

ADJOURNMENT: The committee moved to adjourn at 7:42 p.m.

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