

MINUTES FOR THE NEWBERG FINANCE COMMITTEE

July 31, 2000

Newberg Public Safety Building

Members Present: Donna McCain Robert Larson
Lisa Helikson Rebecka Radcliffe

Others Present: Kathy Tri, Finance Director
Debbie Smith Wagar, Assistant Finance Director

Chair Radcliffe called the meeting to order at 7:00 p.m..

APPROVAL OF MINUTES: Helikson/Larson moved to approve the minutes of the April 26, 2000 meeting. Passed by those present.

NEW BUSINESS:

Supplemental Budget #1: Kathy Tri discussed the items in the supplemental budget. The first was to transfer sufficient funds to cover the police union contract — \$80,300. The second item was a request from the Police Chief. He asked that the Police and Communications budgets be combined. Committee members generally did not support this action: 1) it may be important to separate them out again pending the status of the dispatch center; 2) separation provides closer watching of a cost center, 3) dispatch serves both police and fire, not just police, and 4) it may be better to wait and see and take action later in the year. The third item is to adjust the line item for property, casualty and liability insurance.

MOTION: Helikson/Larson moved to recommend to the City Council that it adopt Supplemental Budget #1 for the fiscal year 2000-01 as amended. **Passed.**

Bankruptcy: Kathy Tri presented a memo from Dawn Wilson regarding procedures for handling bankruptcy. Kathy Tri explained how the staff handles bankruptcy notices, which mostly affect utility accounts.

MOTION: Larson/Helikson moved to adopt the policy that bankruptcy notices not be processed unless the City has a total debt of \$300.00 or more for the debtor. **Passed.**

Purchasing Ordinance Provisions: Kathy Tri reviewed the history of the purchasing ordinance and its changes. She indicated that the City Council did not support changing the dollar limitations. She then reviewed the various sections which were changed.

MOTION: Larson/McCain moved to recommend to the City Council that it adopt Ordinance No. 2000-2531 pertaining to public contracting and purchasing and repealing Ordinance No. 96-2454. **Passed.**

Debbie Smith-Wager then reviewed a proposal to issue procurement cards to employees. The drafted policy was based on similar policies in Washington and Clackamas Counties. These cards would replace short form purchase orders and the monthly purchase orders. She stated that any employee or person could go into a local store and charge an item to the City. While there are good internal controls in place, the stores leave the City vulnerable. Procurement cards would tighten up the City purchasing procedures. They would reduce the number of checks written. Each card would be limited as to type of purchase and dollar amount, both on single purchases and monthly totals. Each card would have the employee's name on it and would have a separate account number. Committee members generally liked the change but indicated that employees and local merchants will have to be educated. Kathy Tri added that the jurisdictions which currently use procurement cards are very happy with them. She will check to learn if any one has had a problem with an employee or vendor.

The committee asked if the City Council needed to take action. Staff indicated that it might be a good idea to present it to the Council as information. Council members on the committee agreed.

Assessment Bills and Lien Checks: Kathy Tri presented a proposal to have lien checks on line. Net Assets has developed a lien docket web page and currently Cornelius and Wilsonville are using it. Tigard is considering using it. Staff was very impressed with the web page: it was easy to use and it worked. The other issue was billing assessments and Debbie Smith-Wagar is working with the City of Tigard on a billing system using Access. There are funds budgeted to bring the assessment billing and lien search system up to date. The Committee also discussed the charge for title company searches. The City currently charges \$10.00 and staff is recommending increasing the charge to \$20.00 which will help to pay for a system the title companies are requiring.

MOTION: Larson/McCain moved to accept the recommendation of the Finance staff to acquire Net Assets lien search system and to increase the lien search costs to \$20.00 as outlined in the memo from the Finance Director, dated July 25, 2000. **Passed.**

Water Leak Credits: The staff presented a revised water leak credit policy. Kathy Tri indicated that the previous policy did not have a clear path for disputed credits. The revised policy states that additional credits may be granted by the Finance Director or CDD director and appeals of their decisions may go to the City Manager. The Committee agreed that the process should be sufficient. Bob Larson asked if the policy should be changed to one credit in a 12-month period. Lisa Helikson felt that changing the time period from once in a calendar year to once every 12 months would be difficult to track and explain.

MOTION: Helikson/Larson moved to direct staff to implement the re-worked water leak credit policy. **Passed.**

Utility Billing Payments on the Internet: Debbie Smith-Wagar explained that she had recently attended a meeting with Springbrook Software regarding utility payments on the internet. She

explained how it would work. Committee members offered several suggestions, including clarification on who was responsible for accepting bad payments and some security issues. Kathy Tri explained that staff will probably present this to the Council when the staff reviews the procurement procedures.

Quarterly Report: The staff presented the fourth quarter report and primarily discussed with the committee the status of the General Fund. Bob Larson wanted to know when the report would go to the Council as he would like to attend and praise the staff for good financial management. The committee also discussed the Street Fund and EMS Fund.

ADJOURNMENT: The committee moved to adjourn at 8:45 p.m.

The next meeting was set at October 30, 2000.

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