

A MEETING OF THE
FINANCE COMMITTEE
NOVEMBER 13, 1980

Present -	Robert Hurford	Elvern Hall
	Maurice Chandler	M. C. Gilbert
	Fred LaBonte	Arvilla Page

The Committee reviewed the request of Newberg Garbage Service for a rate increase. Last increase was 1½ years ago. The increase appears to be 10 to 12%. Mr. LaBonte will check the percentages. The Committee recommends approval of the rate increase request as submitted if the percentage is within the Portland CPI (housing excluded).

Interim between Administrators was discussed. The Committee recommends that Mayor Hall be Acting Administrator up to four hours per day, with set office hours from 2 P.M. to 4 P.M. Salary to be \$1,250.

The Committee recommends that Arvilla Page be appointed Finance Officer effective December 1, 1980. Facts and job description to be given to the Council on November 17, 1980.

The Committee recommends that Mike Warren be offered a two year contract as City Administrator with six month termination. Salary \$35,000 starting January 1, 1981. Car allowance of \$75 per month with no mileage allowance.

Finance Committee Meeting
October 28, 1980

Present:

Maurice Chandler
Robert Hurford

Mayor Hall
M. C. Gilbert

Jack Nulsen

Mayor Hall reviewed the financial proposals offered Rex Taylor for the City Administrator position.

Mr. Taylor has requested an additional \$3,000 (total \$6,000) for moving expenses. Also request: membership dues to ICMA be paid, consider furnishing an auto at later date, begin retirement payments to ICMA when employment begins and guarantee severance pay for the first year. Mayor Hall also advised that Taylor was concerned with Measure #6.

The Committee approved the additional \$3,000 allowance for moving expenses providing it is amortized over 30 month period to be paid back at this rate if Mr. Taylor voluntarily quits the City within that time.

The agreement sent to Mr. Taylor provides severance pay for involuntary separation within 6 months following date of employment.

The Committee approved beginning retirement contributions at time of employment and pay ICMA annual membership dues. The matter of furnishing a vehicle to be left for Council consideration after new Council takes office. Mr. Taylor to be given until November 5th to accept or reject the position.

City Administrator advised that the contractor for water transmission line construction has been advised to increase his liability insurance. The City will pay the additional premium cost.

A MEETING OF THE
FINANCE COMMITTEE
October 22, 1980

Present: Maurice Chandler
Elvern Hall
Arvilla Page

Fred LaBonte
M. C. Gilbert

1. Salary and benefits of the new administrator were discussed. The Committee recommends salary of \$32,000 per year with no increase January 1, 1981. At July 1, 1981 the same per centage increase given other employees will be considered. Retirement plan will be the same as provided other employees or its equivalent contribution through ICMA. Other benefits will be the same as other employees. Moving expenses up to \$3,000 will be paid by the City.
2. Federal Revenue Sharing. Congress has not approved continued funding. One quarter of the budgeted amount has been received. The Police and Fire Departments have been advised to not purchase budgeted equipment unless absolutely necessary. The Committee recommends contingency plans be prepared for Federal Revenue Sharing funds at three expenditure levels.
3. Assessments. The City is unable to market bonds at present because of the high interest rate. The Recorder and City Attorney are to be prepared to market bonds as soon as interest rates allow.
4. Ballot measure 6 and the proposed tax base were discussed. Articles on both will be in the October "News Notes".

MEETING OF THE FINANCE COMMITTEE
October 3, 1980

Present:

Fred LaBonte
Maurice Chandler

Mayor Hall
M. C. Gilbert

Executive Session delcared.

Discussed applications for City Administrator. Mayor Hall stated four applicants would be interviewed by the Council on October 8th and 9th.

Suggest salary offer of \$28,500 to begin and in 3 months increased to \$29,500. Thereafter salary review for each budget process. New Administrator to furnish own car and be paid \$50 month for local use plus 20¢ mile for all out of city trips. To receive same benefits as all other employes. A life insurance plan paid by the City and to protect the City was also suggested.

Executive session closed.

To employ Marshall and Meyer to prepare prospectus for Bancroft Bond sales covering five projects completed in past twelve months. Bonds will not be offered for sale until May or June of 1981 as interest rates at this time are very high.

A MEETING OF THE
FINANCE COMMITTEE
September 25, 1980 7 A.M.

Present: M. C. Gilbert
Elvern Hall
Robert Hurford

Fred LaBonte
Arvilla Page

Mr. Gilbert presented to the Committee and the Committee recommended approval of the following transfer of funds:

1. \$10,000 from State Tax Street Fund Contingency for emergency repairs of S. River Street.
2. \$34,378.38 for City's share of costs on Project #222, N.E. Area LID from Reserve for Street Resurfacing - Assessment Fund \$19,099.36 and Resurfacing Streets - Street Fund \$15,279.02. Cost of the projects was underestimated and the cost allocated to City owned property was not included in the budget.
3. Federal Revenue Sharing. Estimated fund balance at beginning of year was \$38,068 actual was (\$2,800). Estimated additional revenues of \$13,832. Reduce: Engineer-mapping: \$5,000; Sr. Citizen Transportation \$5,000; Reserve for Contingency: \$10,110; Public Works - Building Fund: \$5,000; Transfer to State Tax Street Fund: \$10,000; for a total reduction of \$35,110. The estimated ending fund balance 6/30/80 will be (\$8,074).
4. Transfer of \$56,000 from Contingency Account of Sewer Fund to Capital Equipment allocation to purchase sludge truck and tank.

A Meeting of the
Finance Committee
August 13, 1980

Present:

Maurice Chandler
Fred LaBonte
M. C. Gilbert

Elvern Hall
Arvilla Page

Items discussed were:

1. Insurance bids: Two bids received:

Hagen-Hamilton: Liability \$31,083.88
2 million Umbrella 8,889.00
5 million Umbrella 10,312.00

James Company: Liability \$30,064.00
2 million Umbrella 3,271.00
5 million Umbrella 12,350.00

2. Aged misc. accounts receivable. Receivables at 6/30/80 = \$42,027.59 of which \$23,604.00 was the Leisure Resources unpaid Public Land fees.

3. New tax base - Mr. Gilbert presented for the November 4, 1980 election a new tax base of \$790,683. Projection was made through 83-84 with 10% Personnel increase and 7½% increase in operating supplies and materials. No new programs or increase in number of personnel are included in the projection.

The Committee recommends:

1. Acceptance of the bid from James Co. for Liability \$30,064 and 2 million umbrella coverage \$3,271. (The Administrator to verify the 2 million umbrella coverage bid.)

2. Write off 4 misc. accounts totaling \$95.23 as uncollectable and the City Attorney to notify Leisure Resources that suit will be started in 30 days.

3. The new tax base of \$790,683 to the full Council for election November 4, 1980.

MEETING OF THE FINANCE COMMITTEE
JUNE 26, 1980

Present:

Fred LaBonte
Robert Hurford

Mayor Hall
M. C. Gilbert

1. Deferred Compensation Plan for City employees discussed. Plan change as of July 1, 1980 from Equitable Savings and Loan Association to First Federal Savings and Loan Association of McMinnville. Higher earnings of interest and better service from a local institution.
2. Fire and related insurance coverage for the hospital reviewed. Contractor requested Earthquake and flood insurance. Additional insurance cost of approximately \$18,000. City to self insure for earthquake and flood, and agree to pay contractor upto \$270,000 for construction loss due to earthquake or flood.
3. Proposal of SAIF to cover City employees with Workmen's Compensation for the year beginning July 1, 1980 approved.
4. Transfer of funds from contingency accounts to cover ash removal costs approved.
5. Bid specifications for comprehensive liability, false arrest and auto insurance reviewed. Alternate bid of \$2,000,000 and \$5,000,000 umbrella coverage to be included. Policy to begin September 9, 1980. 1979-1980 cost \$42,428.00.

MEETING OF THE FINANCE COMMITTEE
JUNE 9, 1980

Present:

Fred LaBonte
Maurice Chandler
Don Elsom

Mayor Hall
M. C. Gilbert

Bill Thomas - Employee Benefits Insurance Co.

Purpose of the meeting was to discuss the proposal on Workmen's Compensation offered by Employee Benefits Insurance Co.

There has been no other proposals requested or offered.

The premium exhibit comparison chart does not show in detail water, sewage, firemen or police payroll and rates. Mr. Thomas stated that a page had been left out, however the totals included those departments.

Questioned was the saving in premiums that could be obtained by combining the hospital with other City departments for rating purpose, but under separate billings.

Mr. LaBonte will obtain costs from SAIF for similar type plan.

Meeting adjourned until 7:00 P.M.

FINANCE COMMITTEE MEETING

May 27, 1980

Present:

Fred LaBonte
Maurice Chandler
Robert Hurford

Mayor Hall
M. C. Gilbert

1 member of Press

1. Recommend loan of \$5000 from General Fund to Garage fund to be paid back within ensuing year. For fiscal year end operating expenses covered by Accounts Receivables.

2. Recommend loan of \$250,000 from Sewer fund to Assessment fund to be paid back within the ensuing year. Assessments and Bancroft Bonding have not been completed on Meridian Street LID project, Hulet Avenue LID project, Orchard Drive LID project and Airpark LID project. Projects will be continued as one for sale of Bancroft bonds.

3. Increase of Water and Sewer User Fees was discussed.

Water Rates: Increase of 10% needed to offset increased costs of power, labor and supplies. Water fees with increases of 10% estimated at \$310,000 plus connection charges at \$30,000 for total operation revenue of \$340,000 for the next fiscal year. Operating expenses for same period estimated at \$331,000.

Sewer Rates: Increase of 20% needed to offset increased costs of sludge disposal, power, labor and supplies. Sludge disposal estimated at \$48,000 for coming year. Sewer user fees with 20% increase estimated at \$316,000 plus connection charges of \$20,000. Total operating revenue of \$336,000.

Last water rate increase was September 1974. Last sewer user rate increase September 1978. Committee will recommend increase in rates as proposed.

4. Discount of 25% on water and sewer charges for Senior Citizens recommended to be continued. Eligible Senior Citizen must be 65 years of age or older. A resident of the City and head of the household at the residence where rate is to apply. Total maximum income from all sources including Social Security not to exceed \$6864 for single and \$10,296 for married couple.

5. Committee advised that right of way agreement for Sitka Avenue has been signed. Bids expected to be advertised in week or ten days.

6. Personnel matter and promotions discussed.

FINANCE COMMITTEE MEETING
APRIL 23, 1980

Present:

Fred LaBonte
Maurice Chandler
Robert Hurford

Mayor Hall
M. C. Gilbert

2 Citizens

1. Supplemental budget discussed. The 79-80 budget provided for salary and wage increase of $2\frac{1}{2}\%$ on 4/1-80.--The increase granted was $2\frac{1}{2}\%$ salary and wage increase plus 2% additional on retirement contribution as of Jan. 1, 1980--This amounts to approximately 1.815% additional personal service increase.

An additional Building Inspector had to be added in the Building Dept. to take care of the additional permits from Sept. 1979. Part of his cost was offset by State Industrial reimbursement. An additional Engineering Aide was employed from Sept. 79 to Feb. 79. In addition in this department there was considerable overtime expense due to contractors working Saturdays.

It was not necessary to supplement personal service expense in all departments as some expense such as overtime, vacation and sick leave has been held to a minimum.

Supplemental also provided for large increase in gasoline, heat and electric power expense.

The largest unforeseeable expenditures for this year is in the sewage plant. First, chemicals came into the plant deactivating the primary digester, then following this the framework and piping in the digester had to be replaced. Following this the floating cover on the digester developed pin holes and would not hold in the gaseous. This is in process of being removed and repaired. As these repairs become necessary it was also necessary to remove the sludge from the digester and to continue pumping and hauling it away. This will continue until the digester cover is repaired and back in operation. Plant repairs so far this year have been \$18,000 with up to additional \$30,000 anticipated for the cover repair. \$52,000 has been expended for sludge disposal to 3/31-80 with approximately \$30,000 more expected.

Hospital personal services have been increased, however reduction in material and supplies will offset part. Net additional costs are offset by additional revenues.

Capital expenditures in Water and Hospital offset by bond sales revenue.

2. Administrator advised the Retirement Plan submitted by Bankers Life was not acceptable to the State PERS. PERS representative and Bankers agent to meet to correct deficiencies.

3. Proposal of International Systems Inc. to obtain grants for the City was briefly discussed. Committee requested to review proposal for discussion at a later date.

4. Committee advised of regulations requiring tax measure ballot title for June 24th election must be filed on May 20th (election day.)

5. Method of pay for Agent of Record if bid proposals accepted May 8th were discussed. Annual flat fee or percent of commission both discussed. More on this at a later date.

FINANCE COMMITTEE MEETING

April 2, 1980

Present:

Maurice Chandler
Fred LaBonte

Mayor Hall
M. C. Gilbert

1. Insurance bids for Fire, Extended Coverage and Vandalism on all City properties were reviewed:

	<u>Annual Premium</u>	
	<u>90% Average Claim Coverage with \$1000 Deductible</u>	<u>Alternate to add All Risk</u>
Hagan-Hamilton	5952.00	7387.00
Buckley	5851.00	6423.00
Ray Hopp	5810.00	6814.00

Committee recommends acceptance of Buckley Insurance bid including "all risk" coverage at annual cost of \$6423.00

2. The tantative Supplemental Budget for 1979-1980 was reviewed and discussed. Salary increases and other expenses have been included in the Supplemental in lieu of changing the Reserve for Contingencies in Funds. Bond issues to be added to the budget. Budget to have some revisions before submitting to the Budget Committee.

MEETING OF THE FINANCE COMMITTEE

March 7, 1980

1. Budget levy election. Ballot title for May 20th election must be submitted to the County election officer by March 20th. Election on budget levy is on March 25th. Levy in amount of \$353,359 to be submitted for May 20th election.
2. Sale of water and hospital bonds. Maximum interest acceptable to be considered. Possible alternative if interest rates are not acceptable is to reject bids and postpone construction until bond market is more favorable.
3. To recommend Hospital Administrator be authorized to invest hospital surplus funds in:
 1. Bonds or obligations of the City of Newberg.
 2. Legally issued general obligations of the United States.
 3. Time deposit open accounts, certificates of deposit and savings accounts in banks, mutual savings banks savings and loan associations.
 4. Local Government Investment Pool of the State of Oregon.
4. Specification for advertising for Insurance Agent of Record approved.
5. Recommends accepting proposal of General Appraisal Company in amount of \$6,600 for appraisal of City owned property.
6. Approved step increase from D to E for Sewage Plant Superintendent.
8. Administrator advised that fire insurance bids on City properties will be received and opened March 25th.

MEETING OF THE FINANCE COMMITTEE
February 12, 1980

Present:

Fred LaBonte
Maurice Chandler
Robert Hurford

Jack Nulsen
M. C. Gilbert

Purpose of the meeting was to review the 1980-81 budget and make recommendations to the budget committee.

Several alternatives were discussed including transfer of charges on some personnel, using contingencies from certain funds, increasing budget for all needs and present both A and B ballots.

Recommendations to be made to the Budget committee on two alternatives:

1. Place a "A" measure of \$353,359 and "B" measure of \$48,655 before the citizens at March election.

The "B" measure to provide for:

Senior Citizen bus transportation:	\$ 7,775
Human Resources	10,144
One police Officer	21,871
One police vehicle	4,000

2. Place "A" measure only of \$353,359.

In General Fund

Add:

One police officer begin 10/1/80	\$17,125
Police vehicle	4,000

Deduct:

Engineering Aide	21,125
Contingency	7,419

Revenues:

Transfer from Federal Revenue	7,419
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In Federal Revenue Sharing Fund

Add:

Aged Social Service Transportation	\$ 5,775
Newberg Human Resources	7,644

Deduct:

Aged Social Service-Utilities	6,000
Police personnel-Transfer to General	7,419

Meeting of the Finance Committee
February 5, 1980

Present:

Fred LaBonte	Bill Dolan
Maurice Chandler	Dr. Stan Kern
Robert Hurford	Joe Plews
Terry Mahr	Don Tarlow
M. C. Gilbert	Don Elsom
John McCarthy--Marshall & Meyer Inc.	

Purpose of the meeting was to discuss sale of \$3,400,000 hospital improvement bonds and \$2,700,000 water improvement bonds.

Mr. McCarthy stated that deferring payment of principal for two years would have little affect on bond sale or interest costs. Suggested that call able provision not be initiated before 10 years. Interest cost on 20 year maturity and deferring first principal payment for 2 years would be approximately \$6,488,050 based on a 7% interest rate. Interest cost on a 25 year maturity and deferring first payment for 2 years would be approximately \$7,490,680 based on a 7.2% interest rate.

Mr. Elsom presented hospital revenue and cost projection for 1980 to 1985. Suggested deferring payment on principal for three years.

Committee approved a three year deferrment on principal payment and 20 year payment.

Committee approved a 20 year payment schedule for water bonds with first payment on principal one year from sale.

Mr. McCarthy stated that the two issues possibly may be consolidated in order to obtain better interest rates. This will be checked with the City's bonding attorney.

Bond sale date tentatively set for April 1980.

City Administrator stated the City's fire insurance policies expire April 1, 1980. That specifications will be prepared and bids requested. Mr. Hurford stated he would help prepare specifications.

City Administrator reported on progress of change in employee's pension program in order to meet state requirements. City had requested time extension from PERS but this was denied. Banker's Life are expected to have new plan prepared within 30 days.

Finance Committee Meeting
January 21, 1980

Present:

Fred LaBonte	Mayor Hall
Maurice Chandler	M. C. Gilbert
Robert Hurford	

Review of 1980-81 budget before presenting to Budget Committee.

The Administrator advised that the budget as prepared would require a vote on both "A" and "B" ballots.

The Committee reduced the General Fund Budget so that voters would only vote on the "A" ballot.

<u>Reduced:</u>	1 Police Officer	\$22,171
	½ Police vehicle	4,000
	Police Equipment	1,037
	Fire equipment transfer	8,000
	10% each department on	
	Travel, Meetings, Dues	1,057
	City Hall expense	866
	Contingencies	9,250

Federal Revenue Sharing Fund requests reviewed:

"Three Squares" Senior Citizens requested \$500 for medical health program and \$1,000 for hot meal program. Approved.

"Chehalem Valley Senior Citizens" requested \$2,000 for bus operations and \$5,775 for a 20% matching grant funds for 17 passenger minibus. The \$2,000 was approved.

"Newberg Human Resources" requested \$9,480 for accounting purposes, same as last year. \$2,500 approved.

Taxi tickets for Senior Citizens approved at \$12,000. This is \$1,000 more than previous year. More Senior Citizens are applying for tickets.

Other appropriations in this fund approved as submitted.

The budget as approved by the Committee will require a total tax levy of \$785,312. Estimated tax rate of \$4.11.

Approved transfer of \$11,510.00 from Contingency Account to sludge disposal account in Sewer Fund.



FINANCE COMMITTEE MEETING

January 2, 1980

Present:

Maurice Chandler
Robert Hurford

Mayor Hall
M. C. Gilbert

Executive meeting declared by Mayor Hall.

Salaries and benefits costs for the budget 1980-1981 discussed.

Based upon requests of the City's employees the City Administrator recommended:

1. WAGES

Increase 7.5% July 1, 1980 plus 5.0% Jan. 1, 1981
If Portland CPI area exceeds 14% from Nov. 1980 the Jan. 1, 1981 increase shall be a 7.5%.

2. INSURANCE

Add and pay Blue Cross optical basic plan for employee and family.

City now pays one half of accrued unused sick pay to the retirement plan upon retirement. Recommend pay the balance (one-half) of unused sick pay to continue the employees medical coverage from retirement (60 yrs. minimum) until eligible for medicare coverage (employee only). This coverage shall be terminated if the employee is employed by an employer other than the City after his retirement.

3. HOLIDAYS

Recommend add the Friday following Thanksgiving.
(Beginning Jan. 1, 1980 the Lincoln's Birthday holiday has been dropped - Employees receive one day of his/her choice in lieu of.)

4. VACATIONS

The City's vacation schedule is pretty standard do not recommend change.

5. MID MONTH SALARY DRAW

Continue same policy as at present. Partial payment not to exceed 50% of employees net monthly earnings. Limited to one emergency partial payment draw in each ninety day period.

The Administrator stated that this represented approximate 11.67% average salary increase over 1979-1980 with cost to the City representing 12½% for salary and benefits. This does not include longevity and merit increases.

Continuance of employee's insurance coverage after retirement until Medicare is available was subject of discussion. This approved but subject to further clarification.

The members present approved the recommendation to be included in 1980-1981 budget.