

MINUTES OF A MEETING
OF THE FINANCE COMMITTEE

COUNCIL CHAMBERS

SEPTEMBER 29, 1987

Meeting called to order at 7:50 p.m. as a quorum was present.

Members Present: Roger Gano Tommy Tucker
 Hal Grobey Joe Young

Others Present: Bert Teitzel, Director of Public Works
 Jim Watson, City Manager
 Brenda Stroud, Finance Director
 Elvern Hall, Mayor
 Eldon McIntosh, Council member

Elvern Hall and Tommy Tucker entered during the discussion of the full time Purchasing Agent.

The chairman requested the Finance Director to make a report on the foreign exchange telephone lines. The Finance Director indicated that there were numerous changes in the charges for the use of the foreign exchange line. The City will now be charged \$100.54 per month plus approximately \$.078 per minute for incoming and outgoing calls which are local to our telephone numbers exchange. The Finance Director indicated the concern over the charge of incoming calls as well as outgoing calls. She recommended that the city continue to use the foreign exchange line, however certain changes should be made:

1. The phone number should be changed and access to the phone number limited.

Motion: Gano - Young to change the phone number and limit access to this number. Carried unanimously (Note: Tommy Tucker was not present for this motion).

The chair inventory was discussed by the committee. The inventory indicates there are a number of chairs which the city should look at replacing. The committee directed the City Manager to direct department heads to remedy any situation involving unsafe chairs.

The committee then discussed the potential for a full time purchasing agent. It was the consensus of the committee that a full time purchasing agent was not necessary at this point in time for the City.

The August 1987 financial reports were presented by the Finance Director to the committee. The committee had several questions regarding revenues and expenditures in the general fund, sewer fund, and water fund. Specific items looked at were the hotel-motel tax, traffic fines, and building permits. Water and sewer revenues were also discussed in light of the high water usage for July and August. The Finance Director indicated that she would be coming back to the committee with more information on water and sewer revenues around December or January of the current fiscal year.

Motion: Gano - Young to recommend approval of the August 1987 financial statements to the City Council. Carried unanimously.

Motion: Gano - Young to recommend approval of the 4 resolutions listed on the agenda.

The committee then proceeded to discuss the individual resolutions. Several questions were directed to the Public Works Director regarding the variable speed control pump. Bert Teitzel indicated that the purchase of this particular piece of equipment would increase the capacity of our current plant from 5 1/2 million gallons to 7 1/2 million gallons per day. This increased capacity is to be accomplished through the expenditure of \$25,000.00 and the payback period on this piece of equipment is anywhere from two to three years. The payback is a result of energy savings, savings for filter expenditures and reduced maintenance on other equipment at the water plant due to the ability to reduce water loads.

Motion: Carried unanimously.

The City Manager at this time requested that a discussion of the sewer and water rate study be placed on the October 1987 Finance Committee agenda. The committee agreed and directed the City Manager to place it on the agenda.

The City Manager then brought up the subject of the city's tax base. A discussion ensued regarding possible tax base needs and ways in which the city could stretch the tax base an additional two years. No decisions were made however the committee did indicate that every effort should be made to stretch the tax base for as long as possible.

Motion: Gano-Young to adjourn.

Meeting adjourned at 9:24 p.m.

A MEETING OF THE
FINANCE COMMITTEE

Tuesday, 12:00 Noon

Council Chambers

August 25, 1987

Present:

Committee Members: Hal Grobey, Chairman Tommy Tucker
 Roger Gano Joe Young

Staff: Dave Bishop, Police Chief
 Doug Richmond, Assistant Finance Director
 Brenda Stroud, Finance Director
 Jim Watson, City Manager

Others: Elvern Hall, Mayor

The Chairman called the meeting to order at 12:00 Noon.

The first item of business was the job description for the Assistant Finance Director. The Committee recommended one change in Item No. 6. Motion: Tucker-Young to accept the job description and recommend adoption of the resolution to the City Council. Carried unanimously.

Roger Gano left prior to the above motion in order to respond to a fire at Allen Fruit Company.

Elvern Hall brought up the fact that the foreign exchange telephone lines were being eliminated effective August 15, 1987. He questioned whether the City had received any correspondence on this matter. The Finance Director responded that she had received a phone call from GTE and that she was expecting written correspondence to the effect that the foreign exchange line was being eliminated. She also indicated that she gave verbal approval to the telephone company to continue the foreign exchange line as a watts line temporarily. Hal Grobey recommended that the City look into computerizing it's phone system so we are able to track the origination of all phone calls.

The second item on the agenda was discussion on the staff report of the Interim Manager and Special Projects Consultant. The Finance Director presented the staff reports. No action was required on these reports.

The third item on the agenda was the manpower changes for the Police Department. The Police Chief gave a presentation on his ideas for creating a traffic enforcement program in order to keep an officer out on the streets monitoring traffic. The Police Department wishes to employ a full-time word processing clerk to type all of the officers reports. The preparation of reports takes a tremendous amount of time for the officers at the present time. If the officers go to a system of tape recording their reports and submitting these for transcribing, the officers will have more available time out in the field. Numerous questions were brought up with regards to how the whole enforcement program will work. The Police Chief also discussed the impact of the additional work on the court system and specifically the Court Clerk. He cited an example of

one officer who had issued 36 citations in June. In August this same officer was instructed to be on the streets as much as possible and to not hand write any of his own reports. As a result, this same officer issued 147 citations in the month of August. This shows how much more productive the officers can be if they are out on the street as opposed to sitting in the Police Department hand writing reports.

The question of cost was brought up by Hal Grobey. Specifically, Mr. Grobey questioned whether or not a budget transfer would be required to fund this new position. The Finance Director responded that a budget transfer would be required. Mr. Grobey also asked when the position would be filled. Chief Bishop responded that the position would be filled as soon as the advertising and screening process could be completed. Mr. Grobey questioned whether or not we are affecting the average speeds on First and Hancock Streets through this enforcement program. Chief Bishop responded that the traffic speed is slowing down. However, no studies have been conducted to determine what the average speed is currently. Chief Bishop also noted that the speed signs on First and Hancock are going to be changed to a lower speed designation by the State in the next couple of months. Mr. Grobey responded that he would like to see the City monitor what the average speed is and what it drops to.

Mr. Grobey asked whether or not the new person would be kept busy full-time and if they were not 100% busy would that person be available in other departments that are overloaded. Chief Bishop responded that absolutely there would be no question that if the person was not kept 100% busy by the Police Department that they would be available for other work. However, Chief Bishop pointed out that he did not anticipate this to be a problem as the number of reports written by the police officers are extremely numerous. In fact, Mr. Bishop expects that there will be a backlog of reports waiting to be typed at any point in time. Mr. Tucker requested that the Police Chief report back in six months as to the achievements of the traffic enforcement program. Chief Bishop responded that he would be very happy to do this. Motion: Gano-Tucker to prepare a resolution for a budget transfer to the Police Department for the additional position. Carried unanimously.

Mr. Grobey asked who was paying for the use of the motorcycle. Chief Bishop responded that the police officer was currently providing his own motorcycle and that the City was providing maintenance and fuel for the motorcycle. The City also has full insurance coverage through its umbrella policy on the motorcycle. Mr. Grobey requested that the 1988-89 Police budget include the purchase of a motorcycle with appropriate maintenance costs.

Mr. Bishop discussed the fact that service calls are up 40% since January 1, 1987. Currently, the City of Newberg dispatches cars on all types of calls. This is a luxury that may not be available depending upon what

happens with next years budget. In other words, the dispatching of police cars may need to be cut back if budgeted funds are cut back.

The City Manager noted that the Newberg Downtown Association had called him requesting the Finance Committee consider the following question. If NDA is able to raise \$20,000 from the downtown merchants, will the City be willing to release \$10,000 for funding of NDA? A discussion of this question ensued. Roger Gano, Tommy Tucker and Joe Young all said that they were willing to support the NDA. However, they are requesting that NDA provide a specific project list/plan of what NDA is going to accomplish over the next year. Mr. Young pointed out that currently the NDA has money budgeted for recruiting new businesses to Newberg. He noted he did not feel this was a compatible task for NDA and the City of Newberg should not be paying NDA to perform this function. The Committee directed the City Manager to request NDA to come back to the Finance Committee with a plan of action detailing specific items and areas of accomplishments for the next year. Of specific interest is how this plan of action will help the downtown area. The Finance Committee will consider any additional funding to NDA at that time.

A discussion ensued as to what sort of activities the NDA should and should not be involved in. Some concern was expressed regarding the NDA acting as realtors. Mr. Tucker noted that NDA is supposed to be doing something which will benefit all of the downtown area, not just the retail merchants. He expressed concern in promoting NDA through taxes, donations or dues when all of the downtown merchants are not being helped. Mr. Gano asked how a program could be put together which would benefit all of the merchants in the downtown area. He cannot envision a way to do this. Mr. Grobey indicated that in order for the City to support NDA we must understand the program better. Prior to that, the Committee is not in a position to approve expenditures of the money.

The City Manager noted that it is understandable that members of the community would be concerned about the City providing \$10,000 to one area of commercial business and not to others. However, he noted that if we do decide to give the money to NDA, this year is the last year we will be able to providing funding to NDA due to 1988-89 budget constraints. Mr. Watson indicated that this should be made very clear to NDA. Mr. Watson indicated that he felt the number one problem in the downtown area was the traffic and specifically, the truck traffic. He indicated that until the trucks are off of First Street he has serious questions as to what NDA can accomplish with the \$10,000.

Mr. Watson reported back to the Committee on the cost of living study he is preparing. He indicated he has contacted Cascade Employers Association and is comparing our City to a number of cities which were looked at two years ago. He indicated he would report back to the Committee as soon as he had that study completed.

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Mr. Tucker requested that a discussion regarding the feasibility of a purchasing agent be put on the September agenda.

The July, 1987 Financial Statements were discussed at this time. Mr. Gano asked a couple of questions which were answered by the Finance Director. Motion: Gano-Young to recommend approval of the Financial Statements to the City Council. Carried unanimously.

Mr. Tucker requested that an inventory of all office chairs be taken. His concern is that a number of people may be using chairs that are causing them back problems or are not comfortable. He would like the inventory to consist of a physical inventory of the chairs, along with discussions with the people who sit in the chairs as to whether or not they like the chairs or would like to have something different to sit in. The Committee directed the City Manager to obtain the office chair inventory.

The meeting was adjourned at 2:08 p.m.

Thursday, 7:30 P.M.

July 23, 1987

MINUTES OF
FINANCE COMMITTEE

City Council Chambers

Newberg, Oregon

The meeting was called to order by the Chairman at 7:30 p.m.

Committee members present:

Harold Grobey, Chairman
Tommy Tucker
Roger Gano

Staff present:

Brenda Stroud, Finance Director
Dave Bishop, Chief of Police
Doreen Turpen, Librarian
Jim Watson, City Manager
Elvern Hall, Mayor

The Finance Director provided an update on tax collections. The turnover received in July, 1987 brought the tax collections for fiscal year 1986-87 to the expected level. The City Manager inquired as to the percentage of uncollectible on taxes. The Finance Director responded that the percentage is approximately 13%.

The Chief of Police distributed a memorandum on facilities improvements for the Police Department along with two floor plans of the improvements.

A discussion ensued as to the types of improvements that were being looked at and the cost of those improvements. The Chief of Police indicated that the cost for the improvements are estimated at approximately \$15,000. He then provided details on the lay-out of the floor plans.

Mr. Tucker indicated that he would also like the committee to consider the lunch room remodel which was budgeted for in the 1987-88 budget. In considering the lunch room, he mentioned that the shower which is currently upstairs should be moved downstairs and an should be opened up for file storage. Mr. Tucker indicated that the building is a very complex building and that the complexity of the building must be considered in any remodel being proposed. Mr. Grobey reiterated Mr. Tucker's statements regarding the complexity of the building. The City Manager indicated that we were all aware that the building was very complex and that a structural analysis of the building will be performed this fiscal year.

Mr. Grobey inquired as to where the City would get the money to do the remodel. The Finance Director provided three options.

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1. Money is currently budgeted for improvements in the capital improvement police fund.
2. Go through a supplemental budget process within the capital improvement police fund to expend monies currently in the reserve for contingency.
3. Do a budget transfer within the general fund into the building maintenance department.

The Finance Director indicated her recommendation would be option #1. She noted that it was very early in the fiscal year to begin anticipation of a supplemental budget and that a budget transfer of \$15,000 out of the general fund contingency account was a large budget transfer for this early in the year also.

At this time Mr. Gano asked a couple questions regarding the dispatch area. His inquiries centered around expanding the dispatch area. The Chief of Police responded that there were bearing walls in the dispatch area and that enlarging the dispatch area would be extremely difficult. The Police Chief also indicated that he felt that the dispatch area was adequate in size.

Mr. Tucker commented that one of the needs which must be addressed for City Hall is a centralized heating and air conditioning unit. He feels that the separate air conditioners and heating units currently being used are extremely inefficient and uneconomical for the City. Mr. Grobey responded that the problem with spending money on this building is that it does not appear to be a good investment. However, we must consider that our monetary investments in the building are actually investments in the people who work in the building. Mr. Grobey felt that as long as we were in the dollar constraints of the budget that we should proceed with the project. Mr. Grobey further indicated that he agreed with option #1 detailed by the Finance Director.

Mr. Tucker made a motion to proceed with the project as detailed in the layout provided by the Police Chief and that money for the project was to come from the capital improvements police fund. The motion was seconded by Roger Gano and carried unanimously.

The Chief of Police then left the meeting.

The Librarian began a discussion of the fees for non-residents cards. She brought up several areas which she thought the Committee and the City Council should be looking at in their consideration of a fee.

1. What is the intent of the card to generate income?

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2. We should address the inequities currently in the fee structure as it relates to City tax payers.
3. We need to recognize the impact on the library district formation of placing a fee on non-residents cards.

At that time, several questions were asked by committee members and the mayor. Mr. Hall asked whether the non-resident patrons had understood, over the last year, that their cards had been free because of the grant program. The Librarian responded that yes the information had been distributed regarding the grant program in the format of flyers. However, she could not state whether or not the patrons actually understood that they were receiving this service free because of the grant. Mr. Hall then inquired as to whether there had been any discussion on the part of the patrons regarding increasing the fee to \$25.00. The Librarian responded that yes, after the paper had come out saying that the fee might go as high as \$29.00 that several patrons had made comments to the library staff that they would not pay such an exorbitant fee.

The idea of phasing in the non-resident card fee was then discussed by the Committee. The Librarian responded that the advisory committee had recommended that the \$25.00 fee be effective immediately. The Library Board, however, thought that a phasing-in of the fee would be a good idea.

The City Manager, at this point, directed the discussion towards the impact of a fee on the formation of a library district. He questioned whether the imposition of a fee would be a good idea at this point given that the formation of the district would require non-resident support. The timing of the formation of the district was discussed. A March election would be utilized for the district formation and the May election would be utilized for financing the district. A discussion ensued regarding how much the district would fund for debt service and operations.

Mr. Grobey commented that he felt we should hold back on fees or at least keep the fee to a minimum until after the district formation. Mr. Tucker indicated that he would be willing to go for as low as \$12.00 a year. Mr. Tucker made a motion to recommend to the Council that a \$12.00 per year non-resident card fee be established until such time that the decision on the formation of the district had been made. The motion was seconded by Roger Gano and carried unanimously.

Mr. Hall indicated that he felt it was important that the Library Board understand that the City Council was not opposed to a reasonable fee for the non-residents cards, however, they felt that the formation of the district could be negatively impacted by the imposition of a large

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non-resident card fee at this time.

The Librarian asked whether the district would be like the Rural Fire District. Mr. Hall responded that yes, a district of this type was the only one he would accept in concept. He wants the library to remain the City of Newberg Public Library. The Committee directed the Librarian to contact the Library Board and have one of their members come to the Council meeting on August 3.

The Committee discussed the National League of Cities conference coming up in December and who would attend and the cost of attendance. Mr. Tucker indicated that he felt that the conference was very important and we should send representatives. Mr. Grobey stated that he would like to set a limit on how would go and that limit would be three people only. No motion was made regarding this discussion.

Mr. Gano made via motion that a request for a new job description for Doug Richmond be prepared which eliminates the STP grant and accounting functions from that description. Mr. Tucker seconded the motion and the motion carried unanimously. All three of the committee members expressed very strong opinions regarding the need for a new job description as they felt it was imperative that Mr. Richmond understand that his job was in no way jeopardized by the completion of the grant.

Mr. Grobey requested that staff prepare a report on the interim manager and special project person. The report should indicate how much money was spent, what budget accounts were utilized and what the status is of projects for the special projects person.

The Finance Director then asked several questions about the Senior Citizen Discount which is currently given to residents of the City of Newberg. Mr. Hall indicated that non-residents do not receive the discount because most of those people are in water districts and it is impossible to give a water district a senior citizen discount. He also indicated that seniors that live inside the City, who live in mobile home parks are ineligible for the senior citizen discount.

The meeting adjourned at 9:00 p.m.

MINUTES OF A MEETING
OF THE FINANCE COMMITTEE

Thursday, 7:30 P.M.

Council Chambers

June 25, 1987

The meeting was called to order at 7:55 P.M. by Chairman Grobey.

Members Present:

Harold Grobey
Roger Gano
Joe Young

Others Present:

Brenda Stroud, Finance Director
Terry Mahr, City Attorney
Arvilla Page, City Recorder

Mr. Mahr presented a letter from the Mid-Willamette Risk Management Group reporting research by Huggins Insurance that shows the group has had a 66% decline in loss from year 1 through 4. Newberg's loss rate on number of accidents has improved greatly. The agent is preparing dollar figures that should be ready next month.

Mr. Mahr also reported on self insurance. The legislation may be making a change to \$100,000 per individual and \$500,000 per incident. House bill 915 has passed the House and it now goes to the Senate. A \$200,000 drop to \$100,000 on the Hospital's insurance could affect the assets of the City as the City could be responsible in a bad case.

Mr. Mahr reported on Oak Hollow. George Fox Foundation owed over \$16,000 for public land fees on the original subdivision. About one-half was paid. Also, the City allowed them to give us a note instead of surety bond. The City could have Old Stone Mortgage pay the other half of the public land fee and give them the note to collect from the Foundation. The City has offered to work with Old Stone Mortgage and refigure the amount of the public land fee based on the number of lots in the subdivision being reduced. If we receive payment in 30 days.

Councilor Young recalled the Flightway situation where the City lost money dealing with George Fox Foundation. He stated he is not willing to give George Fox Foundation anymore.

Councilor Grobey said there should not be final approval on the plat until we receive payment in full.

Mr. Mahr responded that we have given Old Stone Mortgage 30 days. If we are not paid the negotiated total, the entire original amount will be due.

Councilor Gano left on an Emergency Truck call leaving no quorum present.

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Mr. Mahr continued his report. He stated the note, \$79,000 for improvements, is worthless as the City has released the security on the note.

Councilor Young explained the approval trail a developer must follow to get approval on a subdivision and the financing problems.

Councilor Grobey stated that we need to take a hard stand on enforcing the bonding rule.

Mr. Mahr said that if we do notes, and we shouldn't, we should charge the legal interest rate.

The Committee discussed water and sewer connections for the subdivision. They recommend that, since this is a new plat new connection fees should now apply.

Councilor Gano returned and there was now a quorum present.

The Committee discussed several old outstanding charges owed by Stuart Lindquist. The Committee recommended that no new plats or plans be approved until the outstanding bills are paid.

Ms. Stroud reported that utility billings will now be on postcards saving two cents per bill in postage. The newsletter will be mailed every other month by bulk rate at 8.3 cents each and without an envelope.

Ms. Stroud reviewed the Financial Statements with the Committee. Most of the funds are looking good in comparison with the projections for 1986-87. The current year tax collection is low but may recover with the next two turnovers in July and August. The cash projections for sewer and water at the end of the year for carry-over are about \$90,000 and \$55,000 respectively.

Motion: Gano-Young to approve the Financial Statements. Carried unanimously.

Ms. Stroud noted the cigarette and liquor tax receipts are down and the Committee discussed the reasons. State gas tax receipts are up with more people driving more miles now.

Councilor Gano asked the status of the Municipal Court programing. Ms. Stroud reported they are still working on it.

Councilor Gano then asked if anymore consideration has been given to hiring an officer solely for traffic enforcement on Hancock and First Streets. Councilor Grobey responded that the Police Chief believes he can increase the enforcement with present personnel.

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Councilor Gano then asked whether increased enforcement would place extra work on the court clerk. Councilor Grobey noted that increased work for the clerk is not the issue, but controlling speeding on these two streets. Councilor Young said we need to find a way to alleviate the speeding problem. It is time to put the officers back into the parked cars.

The Committee then discussed various ways to reduce the speeding.

Meeting adjourned at 8:45 P.M.

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MINUTES OF A MEETING
OF THE FINANCE COMMITTEE

Thursday, 7:30 p.m. Council Chambers April 30, 1987

The meeting was called to order by Chairman Hal Grobey.

Members Present: Roger Gano, Hal Grobey, Tommy Tucker,
Joe Young

Others Present: Elvern Hall, Mayor
Brenda Stroud, Finance Director
Terry Mahr, City Attorney
Arvilla Page, City Recorder

OLD BUSINESS:

A. Newberg Community Hospital - Workers Compensation Refund.

Newberg Community Hospital has given us a check for \$14,073.88 which is the amount of our refund plus interest at 6%.

B. Self Insurance - Newberg Community Hospital.

Mr. Mahr reported the hospital is paying \$192,000 per year for \$300,000 of liability insurance. Lindsey - Hart has offered to fine tune the alternatives for the hospital and has suggested that the city be included. They have experience with other cities. They would do the study not to exceed \$5,000.

Hal Grobey, member of the Hospital Commission, reported a split on the costs has been discussed and the recommendation is that the costs be split equally.

Motion: Tucker-Gano to retain the services of Lindsey - Hart, attorneys for a study of the alternatives on liability insurance.

Mr. Mahr reported there will be a meeting between the hospital's Executive Committee and Lindsey - Hart on Tuesday, May 5 at 7:00 a.m. Roger Gano and Joe Young volunteered to attend the meeting.

Vote on the motion: _Carried unanimously.

Chairman Grobey called the meeting into **Executive Session** under the rules of ORS 192.660 (1)(e) relating to real property.

The question of whether to purchase a particular piece of property for relocation of the Municipal Garage was discussed.

The Executive Session was then adjourned to the Regular Session.

NEW BUSINESS:

A. Resolutions

1. Sewer Fees:

Councilor Grobey questioned the percentage designation used in the Ph section stating that Ph cannot be measured in percentages. Ms. Stroud said she will ask the Public Works Director about this. However, this is the wording used in the previous resolution.

Councilor Young said his question is relevant to both the water and sewer. There is a certain development fee amount now in subdivisions under a contract with the City. Section 5 of the water resolution indicates the development fee would be that existing at the time of obtaining the building permits. Are contracts with the City negated by the wording in the resolution?

Councilor Grobey stated there should be language excepting previously made contracts. A contracted obligation cannot be changed.

Mr. Mahr provided additional wording "subject to previous contracted obligations." The change will be made in the water and sewer resolutions which are going to the Council on May 4.

2. Water Fees:

Ms. Stroud noted that the combined water and sewer minimum billing will now be quite large for some people to budget. Also, paying a bill every other month is hard for many people to remember. If a payment is missed, they then would have to pay almost \$100 within a very short period. Staff has been discussing going to monthly billings. There would be about 70 hours of reading time each month if it were changed from the present bi-monthly. Staff discussed estimating every other month, but that could get very complicated and people would not like it. A discussion about handheld computers took place. The computers would be more accurate and would cut down on rereads. Woodburn is presently using computers. We currently have budgeted \$2,000 that could be used for these computers. Monthly billing would improve our cash flow.

Councilor Grobey stated we should be cautious going into this. There is a lot of programming to interface with our computers.

Ms. Stroud said she has talked with Rick Rementeria about this and he has programmed two cities already.

Motion: Gano-Tucker to recommend to the Council that we establish a monthly water and sewer billing cycle and amend the resolutions to address this change. Carried unanimously.

Motion: Gano-Tucker to recommend to the Council adoption of the water and sewer resolutions with the monthly rates. Carried unanimously.

Mr. Mahr said he would see that a memo was included in the Friday Packet to the Council regarding the changes in the resolutions.

The Committee then discussed depreciation costs on the sewage treatment plant and the view the public has of this pool of money. Ms. Stroud said the depreciation plan had to be approved by D.E.Q. and they only accepted our plan after several proposals were made. At some point, we will go back and ask for approval of another plan.

3. Senior Citizen Discount:

Motion: Gano-Tucker to recommend adoption of the Senior Citizen Discount. Carried unanimously.

4. Renewal of Application of Eligibility for Federal Property Utilization Program:

Motion: Gano-Young to recommend adoption of the renewal. Carried unanimously.

5. Budget Transfer Resolution:

Motion: Gano-Tucker to recommend adoption of the Budget Transfer Resolution. Carried unanimously.

B. Review of March 31, 1987 Financial Statements:

Gano-Tucker to approve as presented and recommend to the Council. Carried unanimously.

Meeting adjourned at 8:55.

MINUTES OF A MEETING
OF THE FINANCE COMMITTEE

Wednesday, 7:30 p.m.

Council Chambers

April 1, 1987

The meeting was called to order by Chairman Hal Grobey.

Members Present: Roger Gano
Hal Grobey
Tommy Tucker

Others Present: Elvern Hall, Mayor
Brenda Stroud, Finance Director
Terry Mahr, City Attorney
Arvilla Page, City Recorder
Merlin LaJoie, Newberg Garbage Service
Marvin Schnieder, Newberg Garbage Service
Lowell Galambos, NDA
Carol Sprague, NDA

A. Request from NDA for \$1,000.00

Mr. Galambos said the money was needed by NDA to paint the tree pots, replace some dead trees, replace the evergreens with flowering plums and trim the trees. A budget has been prepared for the work and materials which totals \$928.75. Volunteers will pressure clean and paint all the pots. Some of the pots will be moved to a better position. The bicycle logo will not be retained.

Councilman Grobey reported he has been contacted by Norma Sohn wishing to volunteer on this project.

Motion: Tucker-Gano to grant NDA their request for \$1,000 for the street tree project. Carried unanimously.

The Committee recommended that NDA be will prepared when their annual request for assistance comes before the Budget Committee for review.

B. Newberg Garbage Service - Rate Increase

Mr. LaJoie responded to questions regarding revenue increases, stating the main reason is the transfer station operation. He noted that the expenses also increased for the same reason.

There was considerable discussion regarding the services provided to the City without charge. The service to the hospital was discussed at length. It was noted that even though the hospital provides many benefits to the community, the garbage service required should be taken into account in their 'cost of operation'. Councilman Tucker noted that the citizens are in effect paying the cost of the garbage service to the hospital through their garbage service charges.

Mr. LaJoie stated that one of their present concerns was that the service for the new sewage treatment plant might be added as a no charge benefit for the City. The Committee agreed this should be

investigated further as to amount of service that will be required and the cost.

Motion: Gano-Tucker to recommend adoption of the garbage service rate increase resolution to the Council. Carried unanimously.

C. Discussion on Fee For Service for State and Local Center.

Mayor Hall explained this is similar to the State Amicus which we support. We do derive a benefit from this and he cited an example.

Motion: Gano-Tucker to approve payment of \$250.00 for the State and Local Center. Carried unanimously.

D. Discussion on Newberg Community Hospital Request.

Ms. Stroud stated the Hospital has requested delay of payment to the City until May 1, 1987 of \$14,038.78 which represents a refund of premiums paid by the City for workers compensation insurance. Additionally, the Hospital has requested that they not be charged interest on the delayed payment. Ms. Stroud had included a memo in the information packet detailing the differing situations being experienced by the City and Hospital on workers compensation premiums. The present situation comes about because the City and Hospital were insured under the same insurance policy. However, the experience and cost for each was separated.

Ms. Stroud stated there was a second situation where the Hospital is contesting another insurance company's evaluation for the year 1984-85 and this is delaying a refund to the City of \$10,770.00.

The Committee discussed the request and the situation at length. Mr. Mahr suggested that we have our Agent of Record look over the audit given the Hospital and get his advise on this matter.

The Committee concurred in recommending that a letter be written to the Hospital Finance Director conveying the concern of the Finance Committee that he is involving the City in the Hospital's problems. The Committee also agreed that the \$14,038.78 delayed payment would be with interest.

Ms. Stroud stated she would like to have a written set policy regarding interfund loans.

The Committee recommended that a resolution be drafted setting a policy for interfund loans.

E. Discussion of Newberg Community Hospital Discontinuing Malpractice Insurance.

Mr. Mahr stated this item is informational only. The Hospital pays \$192,000 for only \$300,000 of coverage. He explained how other entities are pooling and self insuring. He noted that the City has just paid \$80,000 for liability coverage. The Hospital has a good claims record. The City's record is not as good. The Hospital could go self insured for \$300,000 with additional umbrella coverage. This could be considered for both the Hospital and the City.

Councilman Grobey noted that the timing on this is important as it would need to be worked into the budget. The Committee recommended that Staff proceed to investigate self insurance.

F. Discussion of City of Newberg Centennial Financial Support.

Motion: Tucker-Gano to recommend that \$2,500 be included in the 1987-88 Budget for support of the 1989 Newberg Centennial. Carried unanimously.

The Committee discussed who should be designated to take the lead in planning for the Centennial. They recommended the Newberg Historical Society take the lead.

G. Discussion of Funding Swingsets at Jaquith Park.

Discussion on this item tabled.

H. Review and Approval of February, 1987 Financial Statements.

Motion: Gano-Tucker to approve and recommend the February, 1987 Financial Statements. Carried unanimously.

I. Resolutions:

Motion: Gano-Tucker to recommend adoption of resolutions:

1. Authorizing the City Manager Pro Tem to enter into an audit contract.
2. Authorizing expenditure of grant funds.
3. Re-adopting written investment policy.

Motion carried unanimously.

OLD BUSINESS

B. Report on Risk Management Group Meeting held February 26, 1987.

Mr. Mahr reported that not all information is available yet and the report would be given at next month's meeting.

Executive Session:

Chairman Grobey adjourned the meeting to an Executive Session under the rules of ORS 192.660 (1) (c), real property purchase.

Only the Committee members, the Mayor, and the three (3) previously listed Staff members were present.

Mr. Mahr reported on a piece of property that would be available for the City to purchase in a location advantages to the City.

The Committee and Staff discussed the property and the City's financial ability to purchase property at this time.

Executive Session adjourned to Regular Session.

Motion: Gano-Tucker that Staff check the assessed value of the property discussed in Executive Session and report at the April 23, 1987 meeting of the Committee. Carried unanimously.

1987-1988 Budget Review and Discussion

Ms. Stroud stated she needed to know what the policies will be on several items; sewer rate increases, water rate increases and how the balance of the \$499,000 will be used. She noted that a new tax base in 1988 would dictate how we use the balance of the \$499,000 at that time. The sewer rate also affects the use of this money.

Ms. Stroud reported a new Cost To Serve study is scheduled for next year and depreciation may be restructured. Depreciation on the sewage treatment plant is now one-third of our rates.

Ms. Stroud pointed out that the Water Fund Balance is depleted and a rate increase will be required to cover just the cost of operations. A minimum rate of \$12.35 per month would cover operations and include \$2.00 for depreciation.

Ms. Stroud added that another concern that needs addressed is the Senior Citizen Discount. The EPA will not allow the discount on sewer charges when the new plant comes on-line. This means a large increase for those senior citizens now receiving a discount.

Motion: Gano-Tucker to set the water rate at \$10.00 per month and the sewer rate at \$16.00 per month. Carried unanimously.

Finance Committee

April 1, 1987

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Councilman Grobey suggested that the departments be prepared to come to the Budget Committee meeting with 5% projected cuts in their budgets.

Ms. Stroud responded that the department heads do not have a City Manager to speak for them this year. The departments have maintained their expenditures below projections for several years. A 5% cut in almost any department might affect personal services. A department may not even have 5% of its budget in materials and services. Because of inflation, the result is that we are now spending at the budgeted level.

Councilman Grobey noted that the Budget Committee will consider the budget level. Businesses throughout the United States are cutting back on personnel costs.

Councilman Tucker questioned whether City employees should take a salary cut based on some national criteria.

Ms. Stoud pointed out that an across the board reduction would be a Council policy and not an item for Budget Committee discussion. The Council can make this type adjustment in the budget without the approval of the Budget Committee.

After discussion, the date of the next meeting of the Committee was set for Tuesday, April 7, 1987 at 7:30 p.m. for continued review of the 1987-1988 Budget.

Meeting adjourned at 10:00 p.m..

MINUTES OF A MEETING
OF THE FINANCE COMMITTEE

Wednesday, 6:00 p.m. Council Chambers March 18, 1987

Members Present: Hal Grobey, Chair Roger Gano
Tommy Tucker Joe Young

Others Present: Elvern Hall, Mayor
Brenda Stroud, Finance Director
Terry Mahr, City Attorney
Arvilla Page, City Recorder
Fred Casey, Citizen

The meeting was called to order by Chairman Grobey at 6:05 p.m.

Councilman Grobey proposed that the Committee meet on a regular basis on the Thursday of the week prior to the Council meeting at 7:00 p.m. or on the fourth Thursday of the month. He stated he has a problem with meetings on Wednesdays. The Committee agreed to Councilman Grobey's proposal. (See further discussion.)

Chairman Grobey called the meeting into **Executive Session** under the rules of ORS 192.660 (1)(h), pending litigation. Mr. Casey was excused from the meeting during discussion under Executive Session. All others as previously noted remained.

Mr. Mahr stated the matter before the Committee is delinquent assessments owed by Mr. Casey. He presented the details of two assessments and the offer of the property owner for partial payment of the delinquency.

The Committee discussed the offer and procedures for collecting the balance of the delinquency.

Chairman Grobey adjourned the Executive Session to **Regular Session**.

Motion: Grobey-Young to direct the City Attorney to proceed on the delinquent assessment as per discussion of the Committee. Carried unanimously.

Mr. Mahr left to advise Mr. Casey of the Committee's discussion.

The Committee returned to discussion of meeting dates and the next meeting date in particular.

Motion: Gano-Tucker to set the next meeting date a Wednesday, April 1, 1987 at 7:30 p.m. Motion carried with one (1) nay, Grobey.

Motion: Gano-Tucker to consider adjournment tonight at 7:20 p.m. Carried unanimously.

Mr. Mahr returned to the meeting.

Agenda II B. Ordinance Amendment

Cost on installation of standby fire protection alarm systems. Rate change from \$95 to \$150. Amend Ordinance No. 1721.

Mr. Mahr stated the costs of just the equipment now exceeds the present charge of \$95. He suggested a mechanism could be set up where the city manager could set this type of charge by executive order so the charge could always match the costs without amending an ordinance. We could also look at the city manager approving certain dollar amounts for contracts.

Councilman Grobey noted that charges could also be changed by Resolution with the ordinance properly written.

Councilman Young stated he was concerned about throwing everything into one basket. He cited as an example the cost of providing blue prints where the actual cost is prohibitive to the average citizen.

Councilman Tucker suggested a minor - major approach.

Mr. Mahr stated he would consider the Committee's suggestions and come back to the Committee.

The Committee then discussed the charges made for false alarms. Presently there is no charge for the first false alarm. Additional false alarms during the year are charged \$50 each.

Motion: Grobey-Gano to raise the false alarm fee to \$100.

Motion Amendment: Tucker-Gano that \$50 additional be charged for each false alarm after the first during the fiscal year. i.e. \$0., \$50., \$100, \$150. Carried.

Motion as amended carried unanimously.

Agenda II A. 1987 - 1988 Budget Review

Ms. Stroud noted the material presented to the Committee is on the General Fund. There are revenue projections and expenditure projections for all the departments in the General Fund.

Ms. Stroud stated she plans to bring the Sewer and Street, and probably the Water, funds to the next meeting of the Committee. She noted that the first Budget Committee meeting is scheduled for April 14. She asked whether the Finance Committee would want to meet more often during the next two weeks to go over all the other funds in the budget. She noted that the other funds are similar to previous years.

Chairman Grobey stated he felt the Committee could forego review of the other funds. Mayor Hall stated review of the Water and Sewer funds is very necessary.

Ms. Stroud explained what some of the differences will be in the Water and Sewer funds. She noted that rates will have to be increased and listed some of the reasons.

Chairman Grobey noted that the \$399,000 left in Debt Service will also need to be discussed.

The Committee then discussed how the rate increases should be presented to the citizens. Rates shown on a comparison basis in the 'Newsnotes' and an ad in the 'Graphic' were suggested. Councilman Gano, presently editor of 'News Notes' stated he would like to see the detail on the increase so that he can do a comparison in the June issue.

Mayor Hall stated the Committee also needs to discuss the cost of living increase for the coming year. It was the consensus of the Committee to discuss this at a later meeting.

The Committee then reviewed the **General Fund Revenues**.

On the revenue of Dundee Communications, Councilman Gano suggested there should be revenue initiated for the communication services provided for the hospital. Ms. Stroud responded that Chief Bishop is opposed to any charge for this service. He feels that the City benefits more from services provided by the hospital to the City than on services provided to the hospital by the City. Councilman Tucker stated the City should monitor this and Chairman Grobey asked that the Police Chief provide a report on this to the Mayor.

Other projections of revenues for the coming year were discussed. Ms. Stroud pointed out that some of the projected revenues will not be available for the following year and the City will need to go to the voters for an increased tax base or depend on levy elections. She noted that a tax base election can only be held during even years at primary and general elections.

Councilman Tucker suggested an advertisement, other than the regular budget advertisement, pointing out what the options are for the future.

Chairman Grobey suggested the Mayor write a newspaper article. Mayor Hall responded that he has been asked to write an editorial.

Councilman Gano suggested the Committee have a special meeting to review future needs and our options.

Meeting adjourned at 7:21 p.m.

MINUTES OF A MEETING
OF THE FINANCE COMMITTEE

Wednesday, 6:00 p.m. Council Chambers February 25, 1987

The meeting was called to order at 6:11 p.m. by Co-chair Tommy Tucker.

Members Present: Roger Gano, Tommy Tucker, Joe Young.

Others Present: Elvern Hall, Mayor
Brenda Stroud, Finance Director
Arvilla Page, City Recorder

NEW BUSINESS

I-A. Request from George Fox College; \$2,500 for improvements to athletic fields.

Ms. Stroud said granting this request was recommended by Mike Warren to come from the general projects fund. We gave \$2,500 to George Fox College last year for improvements to the baseball field. The reasoning for giving this assistance is that the City utilizes a number of GFC facilities at no charge to the City.

The Committee discussed whether a request for this purpose should have been made to Chehalem Park & Recreation instead of the City and whether a request of this type will become an annual thing. Also, should money be budgeted for transfer to Chehalem Park & Recreation for such improvements and what will happen in the future with new members on the Council. The Committee discussed how this should be handled in the future and agreed the City should pay its own way on using the facilities.

The Committee unanimously recommended approval of giving the assistance this year.

The Committee asked that this be discussed by the Finance Committee during budget preparation.

I-C. Resolutions

The Committee unanimously recommended approval of the following resolutions:

1. Budget transfer to cover jail costs.
2. Budget transfer to allow expenditure of WSIN Grant Funds.
3. Budget transfer for the General Fund
4. Budget transfer for gift funds received from Smurfit.

I-B. Review of Financial Statements for January.

Revenues:

Ms. Stroud reported revenues are doing well overall.

Councilman Gano asked what would be the cost of hiring a police officer to concentrate on speed enforcement and suggested that the extra enforcement could pay the entire cost. Mayor Hall recommended this be put on the agenda of the Public Safety Committee.

Councilman Tucker suggested the City should initiate some constructive publicity pointing out the need to slow the traffic because of the poor condition of the highway through Newberg.

Ms. Stroud reported there is some concern on Sewer Fund revenues. Allen Industries is looking at several options for sewage treatment, some of which would not use the City facilities. We presently bill them between \$10,000 and \$12,000 per month with this past months billing at \$14,000. If we lose this revenue, we will have to increase the monthly sewage charge by \$2.50 to make up for the lose of revenue.

Mayor Hall noted that Allen Industries is also considering moving their operations outside the City to a location near Smurfit. This would affect our taxes.

The Committee then discussed methods by which the new sewage treatment plant and other property in the area could be annexed and methods of informing the public if the sewage fees do need to be increased.

The Committee then discussed other revenues.

Ms. Stroud reported that Dundee Communications (Agenda II-b under Old Business) are billed semi-annually in January and June.

Under discussion of the revenue for housing female prisoners, Councilman Tucker recommended we consider moving the shower to the jail area when the employee lounge is remodeled. Councilman Gano suggested that we could move the entire Police Department, except Dispatch, if we were to purchase the Newberg Auto Freight property. The building on the property could easily be remodeled for use by the Police Department. Ms. Stroud stated the main problem with this would be that we have no money for the property purchase.

Councilman Gano noted that the Hospital is not being charge for communications service performed by the City. Councilman Tucker said we need a "cost to serve" study done on this.

The Committee returned to the subject of an additional officer for speed control and increasing the revenue from Municipal Court. Mayor Hall noted that our Court is a cost to us and that he will be talking to the Judge and to McMinnville where the revenue is closer to the cost. Ms. Stroud reported a program is being worked on for Municipal Court to replace the archaic present system that gives us very little information. Councilman Young noted that on many violations much of the fine is suspended and asked whether this is part of the reason for the low revenues. Mayor Hall stated he would follow up on this with the City Attorney.

The Committee unanimously recommended approval of the Revenue Statements for January, 1987.

Expenditures:

Ms. Stroud reported that expenditures in the departments are all in good shape with the exception of Municipal Court and Finance Department, due to an unanticipated maternity leave and our payroll service costs being higher than anticipated. Transfers may need to be made later in the year.

The Committee unanimously recommended approval of the Expenditure Statements for January, 1987.

Ms. Stroud reported the estimate for repair of the roof on the main City Hall is \$12,000. This will be done later in the year.

I-D. Contribution for League Legal Advocacy Program.

Mayor Hall explained the purpose of the Legal Advocacy fund and gave examples where legal action against other cities might affect Newberg. He recommended approval of a contribution to the fund and compared it to an insurance policy.

The Committee unanimously recommended we budget for a contribution of \$250 to the League of Oregon Cities Legal Advocacy Program in the 1987-88 Budget.

II. OLD BUSINESS

II-A. Followup on City's population figures.

Ms. Stroud reported the Planning Director had been working with the Bureau of Population Research and had no luck. They would not revise the figures.

II-B. Followup on Dundee Communications Revenues.

This item previously covered under discussion on Revenues.

OTHER BUSINESS

Ms. Stroud advised that an auditing firm will need to be selected by April and she again recommended Moss Adams. She noted that

Moss Adams is a smaller firm and will give more attention to our audit than we would and have received from the larger auditing firms. She stated she would not like to put this out to bids as we would get "low ball" figures from the little guys and the big firms. We should get value

for the money we pay and we should get a break on price because the audit will be done during the slow season for auditing firms.

The Committee unanimously agreed that the Finance Director bring a contract with Moss Adams for review by the Finance Committee.

Meeting adjourned at 7:28 p.m.

MINUTES OF A MEETING
OF THE FINANCE COMMITTEE

Wednesday, 6:00 p.m.

Council Chambers

January 28, 1987

The meeting was called to order at 6:10 p.m. by Chairman Grobey.

Members Present: Roger Gano
Harold Grobey
Joe Young

Also Present: Elvern Hall, Mayor

Staff Present: Mike Warren, City Manager
Terry Mahr, City Attorney
Arvilla Page, City Recorder
Brenda Stroud, Finance Director

Others Present: Chuck Huggins, City's Insurance Agent of Record
Representatives from: C. C. I. S., A.I.M.
Insurance Management, J. G. Newman and
Northland Insurance.

I. NEW BUSINESS

A. Property - Liability Insurance.

Mr. Warren explained the role of Mr. Huggins. He reported that the City is part of a group of public entities that meet to consider risk management. However, the group is small and each goes out separately for insurance. The City has received two (2) bids for its insurance. There was \$140,000 budgeted and the two bids were: \$109,867 from J. G. Newman; \$83,642.01 from A.I.M. Mr. Huggins, as our agent, has recommended the higher bid of J. G. Newman because of a number of differences, particularly in the excess coverage, between the insurance offered under the two bids. Representatives from A.I.M. have asked for the opportunity to appear before you to respond to questions. Representatives from J. G. Newman have been invited to appear also.

Mr. Huggins stated that he is obligated to present as many bids as possible and then to point out the differences to the City. The insurance needed is of two different kinds; primary and excess or umbrella coverage. There are State limits on the amount for which the City can be held liable and this is covered in the primary. However, there could be instances where the City would be cited into Federal Court where there are no limits to liability. This is where the excess or umbrella coverage is needed. Mr. Huggins noted that the six areas of concern he listed in his recommendation primarily address the excess/umbrella coverage. There are significant differences between the two bids on the excess/umbrella coverage that warrant the extra cost of \$26,000 of the higher bid.

Committee members asked questions of Mr. Huggins and Cindy Utley the representative from C.C.I.S and A.I.M. Of special concern was the exclusion clause in the A.I.M. proposal. Ms. Utley stated she believes the underlying policy offers better coverage. She admitted

that the exclusion is not a good one, but the exclusion is only on the umbrella part of the insurance.

Gary Heer, representing the A.I.M. proposal, offered a revised exclusion statement. He also presented a comparison of the two bids that was made by an insurance consultant for the city of Springfield. The comparison is favorable to the A.I.M. proposal.

The representative from J. G. Newman stated that he was unfamiliar with the comparison made for Springfield and presented by A.I.M. and that he therefore could not adequately respond.

Mr. Huggins reiterated that it is his opinion that the proposal from J.G. Newman is superior to the A.I.M. proposal. Another factor to consider is that the C.C.I.S. pool could be depleted leaving the participants at risk. J.G. Newman is insured for the risk by another insurance company. He added that there is no significant difference between the two proposals on the primary coverage. An additional factor to be considered is that the A.I.M. insurance is a group insurance with an expiration date of July 1. There is no guarantee that the premium for the City would not change on that date.

Other factors discussed were "non-admitted" status of the insurance companies in the A.I.M. proposal, the effect of "claims made" vs "occurrence", no coverage under the umbrella for elected officials, and whether to consider not purchasing umbrella coverage.

The representative from J.G. Newman stated he would like to have the opportunity to respond to the unfavorable comparison presented. Mr. Mahr advised him that the final decision on the matter will be made by the Council on February 2 and anything submitted prior to that date will be considered.

The Committee recommended unanimously to the Council follow the recommendation of its insurance agent and accept the bid of J.G. Newman.

Councilman Young recommended that a thorough analysis of the two proposals be done for future reference. Mr. Warren stated that he would contact Alan Hershey to have another agent review the policies.

B. November & December Financial Statements.

The Committee recommended unanimously the Expenditure Statements to the Council.

The Committee members asked a number of questions regarding the Revenue Statements. Ms. Stroud responded to most of the questions with explanations and stated she would come back with the answers on those

questions she could not answer at this time. She stated she would also address a letter to the Department of Revenue advising them of the population error as recommended by the Committee.

The Committee recommended unanimously the Revenue Statements to the Council with the condition that the Finance Director come back to the Committee with responses to the unanswered questions.

C. Resolutions.

1. Budget Transfer - North Street, College Street water line replacement project.

The Committee unanimously recommended approval of the resolution to the Council.

2. Budget Transfer - Salary adjustments.

After some questions and brief discussion the Committee unanimously recommended approval of the resolution to the Council.

3. Budget Transfer - For expenditure of confiscation monies; expenditure of federal property grant fund carry over monies; improvement to record retention room; expenditures of monies in completion of City Hall remodel; purchase of catwalks for library roof.

Ms. Stroud explained that this resolution covers, among other things, the contract change order to complete the remodeling. She listed a few small items that are still incomplete.

The Committee unanimously recommended approval of the resolution to the Council.

II. OLD BUSINESS

A. City Hall Remodel - Specialty Contracting change order request.

Mr. Warren noted that this item has already been covered in the last resolution approved.

III. Chairman Grobey called the Committee into EXECUTIVE SESSION under the rules of ORS 192.660 (1) (a), personnel. All those not necessary to the discussion were excused. There was no member of the press present.

Those remaining were members of the Committee as already noted, City Manager Mike Warren, City Attorney Terry Mahr, City Recorder Arvilla Page, City Finance Director Brenda Stroud, and Mayor Elvern Hall.

Mr. Warren stated he has brought up the subject of salary adjustments for certain employees at previous meetings of the Committee. Details on his recommendations at this time are contained in the information packets. He pointed out that the City has no unions and he therefore must represent the employees. The pay for some positions is below the average given in the Local Government Personnel Institute salary survey listings.

The Committee asked questions of Mr. Warren regarding the positions under consideration for adjustment.

Chairman Grobey adjourned the Executive Session to Open Session.

The Committee unanimously recommended approval of the recommendation of the City Manager to adjust salaries for specific jobs and recommend approval of the resolution to the Council.

Chairman Grobey again called the Committee into EXECUTIVE SESSION under the rules of ORS 192.660 (1) (a) personnel.

Mayor Hall and Councilman Gano declared a conflict of interest in the matters to be discussed and were excused from the meeting.

The City Finance Director also left the meeting.

With the departure of Councilman Gano, there was NO QUORUM of the Committee.

Mr. Warren explained the management agreements under which Mayor Hall and Councilman Gano will work during the absence of a city manager.

Mr. Mahr reported on his investigation on compliance with State ethics laws and the City Charter and reviewed the main points of the contracts. He described the relationship there will be between the Mayor and Councilman Gano and described some of the projects that will be undertaken by Councilman Gano.

Meeting adjourned at 8:50 p.m.