# MINUTES OF
# FINANCE COMMITTEE MEETING

Wednesday, 6:15 P.M. Council Chambers December 30, 1987

The meeting was called to order by Chairman Hal Grobey at 6:10 P.M.

Members Present: Hal Grobey
Roger Gano
Joe Young

Staff Present: Jim Watson, City Manager
Doug Richmond, Assistant Finance Director

The first item on the agenda was a discussion of the Welcome to Newberg signs. Janet Kerr attended the meeting to present the proposal for the signs for the Chamber of Commerce, as Mr. Kreuger was unable to attend the meeting. Ms. Kerr stated that the estimated installation date for the signs is February of 1989. The total cost of the signs is $11,790, with 1/2 to be paid up front and the balance upon completion. In response to a question by Mr. Gano, Ms. Kerr indicated that funding for the signs would come from the City as much as possible, as no other sources of funding are currently available. Mr. Gano stated that no funds are available in the current year budget, and that it is doubtful that any funds would be available in FY 1988-89 given the budget constraints the City is now experiencing. Mr. Grobey indicated that at the most any money coming from the City for the signs would be a matching funds program in FY 1988-89, with no funds available in the current fiscal year. Mr. Young complimented the design of the sign, but said that the Chamber should first appeal for public support for the signs, which would give the Chamber and the Committee some idea of the public's mood. Mr. Watson offerred his support for the signs, saying it was just the first step in improving the entrances to the City. After further discussion, the Committee indicated to Ms. Kerr that at this time they would commit only to the process to working with the Chamber on this issue, looking at the possibility of a matching funds program in FY 1988-89. No further action was taken.

At the request of Ms. Kerr, the issue of the proposed County Motel/Hotel tax was moved up to the second order of business, as she would be presenting information on the current status of this proposed tax to the Committee. Ms. Kerr stated that the the County Commissioners and the County Tourism Council had selected an "Opt-in" tax as the best option, whereby the City could elect to collect a room tax under either the County ordinance or its own ordinance, but not both. They are currently considering an 8% tax. All Committee members present expressed concern as to how the Chamber of Commerce would replace the $2,500 funding they now receive from the Motel/Hotel tax if the tax ends up going to the County under the proposed ordinance. Mr. Grobey stated his concern that any money collected under the proposed ordinance and sent to the County Tourism Council should be spent promoting tourism in the Newberg area and not in some other part of the county. Mr. Watson suggested that should the proposed 8% tax be approved by the voters in 1988, the City could increase its own tax to 8% and use the additional revenue to fund tourism in the

Newberg area. Mr. Watson asked that each of the Committee members provide him with comments on their viewpoint on this issue. No further discussion or action was taken.
Mr. Richmond presented a report on the budgetary impact of the $3,000 authorized to be disbursed to the Centennial Committee at the December 7, 1987 Newberg City Council meeting. He stated that the City had budgeted $10,000 for miscellaneous items under the Dues, Meetings, Training and Travel expenditure account for General Government in the General Fund. The $3,000 disbursement to the Centennial Committee will be the first expendiure of the budgeted $10,000, leaving $7,000 in unexpended funds. Mr. Richmond also asked for clarification as to whether the $3,000 was to come out of the miscellaneous portion of the Dues, Meetings, Training and Travel expenditure account or out of the General Projects expenditure account, as the minutes of the December 7, 1987 Newberg City Council meeting stated General Projects. He was directed that the $3,000 is to come out of the Dues, Meetings, Training and Travel expenditure account.

At this time Mr. Gano raised the question as to whether the Newberg Downtown Association should incorporate. After some discussion, it was decided that City Attorney Terrance Mahr should be asked to attend the next meeting of the Newberg Downtown Association to discuss the legal ramifications of such a move. No futher action was taken.

Mr. Gano had several questions on the November financial statements. He asked why all of the WSIN grant monies were not spent, resulting in money having to be returned at the end of the grant period. Mr. Watson and Mr. Richmond were not aware of the reason. Mr. Watson will provide an answer at the January Finance Committe meeting.

Mr. Gano also asked why only $75 of the $1,000 budgeted for Other Business & Liquor Tax had been collected through November 30, 1987. Mr. Richmond did not know, and will get back to Mr. Gano in the next several days. No futher report to the Committee was directed.

Mr. Gano also asked why the State Liquor and State Cigarette Taxes collections were under budget year-to-date. Mr. Richmond responded that the collections were in line with those of the prior fiscal year at this time, and that more of these monies are collected later in the year. No further questions were asked.

**Motion:** Gano-Young to recommend approval of the November financial statements. Carried unanimously.

Mr. Grobey indicated that there were two resolutions to be considered. Mr. Gano asked if these were the resolutions regarding the budget transfer for the Police Department computer system and the budget transfer to cover employee reclassifications. Mr. Grobey said they were. No futher discussion.

**Motion:** Gano-Young to recommend approval of the resolutions for the budget transfers for the Police Department computer system and the employee reclassifications. Carried unanimously.

Mr. Watson brought up the $2,500 which the City has donated to George Fox Collage in the past for their ball field. He said George Fox College is preparing next year's budget and wanted to know if this was a continuing item, or if it is something the Council decides on each year. Mr. Gano responded that at the FY 1987-88 Budget Committee meetings it was stated that this is not an ongoing thing, and is up to the discretion of the Council each year. Mr. Grobey raised the question if the City is getting any value for the dollars being donated in the form of usage by City Police and Fire Department employees. Mr. Watson was directed to determine the amount of usage by City employees and report back to the Committee. No further action was taken.

Action

Mr. Gano asked Mr. Watson if he had reviewed a recommendation for reclassification of certain employees made by Bert Teitzel at a previous City of Newberg Council meeting as requested. Mr. Watson responded that he had reviewed and approved all of the employee reclassifications recommended to the Council by Mr. Teitzel. No futher questions were asked.

A general discussion on the level of social services and who is to provide those services followed. No action was taken.

Mr. Grobey expressed concern about the franchise fees from the cable company. At the current time, we do not audit their books or receive any statements indicating that they are paying the approprate amount to the City. Mr. Grobey stated that the ordinance allowing the cable company stipulates that they are to present reports to the Council on a periodic basis, but that they haven't done so. He also stated that the ordinance also stipulates that the City could take them over if so desired. Mr. Watson was directed to look into this matter and see what can be done.

Action

Action

Mr. Grobey stated that he had noticed trucks taking an alternate route on Emery St. and Crestview Drive rather than taking the truck route in going to Adec. Mr. Watson will discuss this with the Police Chief and report back to the Committee.

Mr. Richmond requested direction as to the next meeting date, suggesting January 28, 1988, which is the 4th Thursday. The Committee agreed, setting a time of 6:00 P.M. The meeting was adjourned at 8:25 P.M.