

**Southwest Hills Neighborhood Association (SHiNA)**

**Special Event Minutes - City Accountability**

May 11, 2017, 7-9pm, Washington Park Center at 2025 Washington St

(Approved 6/8/17)

**Board Members Present:**

Vic Hariton, Chair  
Ralph McDonald, Vice Chair  
Janet Bevirt, Secretary  
Felipe Alonso III, At-Large  
Ron Bevirt, At-Large  
Dana Furgerson, At-Large  
Ann Miller, At-Large

**Board Members Absent:**

Francina Verrijt, At-Large

**Additional Attendees:**

|                         |              |
|-------------------------|--------------|
| George Brown            | SHiNA        |
| Lena Houston-Davisson   | FAN          |
| Artie Gilad             | SHiNA        |
| Abraham Likwornik       | SHiNA        |
| Colleen McCaffrey       | SHiNA        |
| Bonny Bettman McCornack | FAN          |
| Nathan Micheau          | SHiNA        |
| David Monk              | SEN          |
| Larry Moore             | FAN          |
| Margaret Moore          | FAN          |
| Mark Robinowitz         | Outside UGB  |
| Christine Sundt         | SHiNA        |
| Richard Sundt           | SHiNA        |
| Eric Swenson            | SHiNA        |
| Brian Weaver            | Far West N A |
| Pam Wooddell            | FAN          |

(4 Others Attended but did not Sign-In)

**Comments from the Co-Chair:**

**Ralph:** Introduced Bonny Bettman McCornack, George Brown and David Monk to speak about City Accountability and to answer any questions afterwards.

**Presentations/Discussions and Q&A, Speakers:**

Bonnie: George, David and I are the chief petitioners to put a measure on the ballot for an independent, elected City Auditor in Eugene.

A City Auditor would:

- Provide unbiased verification of public spending
- Achieve continuous improvement of city operations and service delivery
- Save money with performance, financial or other audits
- Insure fact-based decision making
- Detect and prevent fraud, waste and abuse
- Strengthen internal controls
- Increase trust and goodwill in the city government
- Promote accountability and transparency

Audit reports would be available to the City Councilors to use and the Public to see.

The City Auditor would hire their own staff and legal personnel to audit the use of public funds.

There would be an Auditor hotline to receive tips to investigate for possible fraud, waste or abuse.

The ballot initiative requires collection of 10,000 signatures in 100 days, so volunteers are needed.

The ballot is certified for the May 2018 elections.

This Auditor position and staff would will be funded at a level not less than .1% of the City's total adopted annual budget, and based on the 2017 adopted budget that would be an Auditor Office budget of approximately \$460,000 plus a City Auditor salary of \$161,000.

The Auditor's salary would be determined as a 70% average of the Eugene City Manager, Salem City Manager and the EWEB General Manager salaries.

With every \$1 spent to support a City Auditor, approximately \$5 could be recovered in savings.

The Auditor position is for 4 years and the individual needs to be a qualified CPA and CFA.

Can the City Manager try to kill this City Auditor position?

Bonnie: The City Manager will not be supportive since an City Auditor could answer questions of how public funds are spent or lost.

The Auditor could answer what was spent or lost on the City Hall and SW-SAZ debacles.

The Chamber of Commerce will not be supportive.

Bonnie has looked at 35 other U.S. cities that have City Auditors.

Eugene's 2017 total adopted budget of \$625 million does not reflect money citizens are paying for city services. Utility charges and fees are collected through EWEB and SaniPac, and transit money is handled through LTD.

The Auditor needs to look at these contracts.

A typical organization loses 5% of annual revenues to fraud, that's over 31 million of Eugene's budget.

The City Auditor is separate from the Police Auditor who has \$525,000 to look at closed cases.

David: Checks and Balances (<http://checks-balances.org>) is a 501(c)3 organization engaging in research, outreach, and education to help guide policy and financial decision making by our elected leaders. It is separate from City Accountability (<http://cityaccountability.org>), which is a petition committee proposing a charter amendment to establish an office of an independent elected City Auditor. (The City Accountability website has answers to frequently asked questions which will further clarify the information in these minutes.) City Accountability and Auditor/Ballot info was handed out.

Checks & Balances is presenting an event on May 17th, 6-7:30pm, at the Eugene Public Library. "How Auditors Can Improve City Government" will feature Gary Blackmer, a past Oregon Secretary of State Audits Division Director (6 years), a past elected Portland City Auditor (10 years) and a past elected Multnomah County Auditor (8 years).

Bonnie was asked about Elected verses Appointed Auditors.

For our Mayor, City Council and City Manager set up, an elected Auditor works best as demonstrated in other similar city government models.

The Budget Committee and the Financial Department have no transparency.

Joshua Skov and some others on the Budget Committee would oppose a City Auditor.

George: The Budget Committee has no Bookkeeper, no CPA and no Auditor.

The Downtown Urban Renewal had no financial accountability.

The City Hall's 15 million dollar Seismic Rebuild had no financial accountability.

The City Accountability Petition Committee wants to propose an initiative petition with the City of Eugene to amend the City Charter to establish an Office of an Independent Elected City Auditor.

The City Auditor will not be controlled by the City Manager or the City Councilors but will be directly accountable to the public.

The City Councilors should have a salary raise.

The City Auditor would provide benefits to the City Manager with research and oversight.

City funds and spending will be transparent to the City Councilors and the Public, so others will know what the City Manager is doing.

Bonnie: The City Auditor would need to adhere to the yellow book of Government Auditing Standards.

There would be a peer review every 3 years for accountability to the public.

A City Auditor could have helped avoid the LTD scandal and money wasted on widening Beltline, made sure the 64 million for police is well utilized, and addressed Joshua Skov's Climate Recovery Ordinance (CRO) proposal, by auditing city departments and programs.

### **Neighborhood Announcement:**

**Vic:** Wayne Morse Historical Park Corporation is having an Open House on May 21st from 1-4pm. SHiNA will have a neighborhood table there.

**Janet:** Please partake in the food and drink.

**Ann:** Also take a free plant (spider, strawberry & spearmint starts) home.

**Next Meeting:** June 8th, 6-8pm, Board Meeting at Wayne Morse Family Farm

**Minute Taker:** Janet Bevirt, Secretary