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From: Steve Mullinax <stevemullinax57@gmail.com>
Sent: Wednesday, August 12, 2020 10:40 AM
To: Moore-Love, Karla <Karla.Moore-Love@portlandoregon.gov>
Cc: Steve Mullinax <stevemullinax57@gmail.com>
Subject: Requesting to Testify at September 16, 2020 Council Meeting

Ms. Moore-Love,

I would like to speak during the "Communications" section of Council 9/16 agenda on the topic of Ordinance No. 190044, which references District Coalition grant agreements.

Please place me on the wait list for testimony at the 9/9 Council agenda on topic referenced above.

Thanks!

Steve Mullinax

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Request of Steve Mullinax to address Council regarding Ordinance 190044, which references District Coalition grant agreements (Communication)

September 16, 2020

Placed on File

Filed 9/8/2020

MARY HULL CABALLERO
Auditor of the City of Portland

Keelan
By McClymont Deputy

Digitally signed by Keelan
McClymont
Date: 2020.09.08 12:44:09
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COMMISSIONERS VOTED AS FOLLOWS:		
	YEAS	NAYS
1. Fritz		
2. Ryan		
3. Hardesty		
4. Eudaly		
Wheeler		

Good morning, Mayor Wheeler, Commissioners. Thank you for the opportunity to speak to you. I know you have difficult matters which demand your attention.

My name is Steve Mullinax, first Vice President of Southwest Neighborhoods, Inc. I am proud of my 22 years of volunteer service to the Bridlemile NA to improve our quality of life, and my past nine years of service to SWNI. SWNI is engaged in an audit, required and paid for by the city. We are glad to have this opportunity to show that we have managed the financial resources provided by the city wisely and carefully, in compliance with our contract and with our financial policies. We understand the audit will cover our financial management for the past five years. It will provide some insight into the consequences of inadequate policies in 2010, and how we corrected shortcomings identified at that time.

We are confident that once the auditor examines our present policies and our financial records, they will find we have good policies and that no money has been misused or misdirected.

The allegations of financial mismanagement were a surprise to us, and unsupported by evidence, as far as we can determine. We do not know their source. Our expectation is to provide you with a clean audit which will enable you to restore our suspended funding. Then we can continue our work for the city in the neighborhoods.

The [letter](#) you received from the Southwest Hills Residential League Board of Directors, dated September 1, summarizes the many services SWNI provides to our 17 member neighborhoods and our value to them.

Thank you again for this opportunity.

Steve Mullinax

SWNI 1st Vice President



Southwest Hills Residential League

c/o Southwest Neighborhoods, Inc.

7688 SW Capitol Hwy

Portland, OR 97219

<http://www.swni.org/swhrl>

contact@swhrl.org or president@swhrl.org

1 September 2020

To: Mayor Ted Wheeler

City Commissioners Chloe Eudaly, Amanda Fritz, Jo Ann Hardesty, Dan Ryan

Re. Value of SWNI

Dear Mayor Wheeler and City Commissioners,

Southwest Hills Residential League (SWHRL) is one of 17 neighborhood associations (NAs) under the Southwest Neighborhoods, Inc. (SWNI) coalition recognized under Chapter 3.96 of the city of Portland's Code & Charter. SWNI provides services to its member NAs so they do not need to duplicate the cost of these services. Ten years ago, SWNI developed internal control procedures and policies to help safeguard the coalition's and NA member's primary asset, cash. These controls and procedures as well as board communications and historical financial information may be found online at www.SWNI.org.

Portland's City Council is being told by a small group of neighborhood members that SWNI may have incurred some form of inappropriate financial activity without proof of such occurrence. The City Council now believes this small faction and is withholding essential funding from SWNI until an audit, without scope or without defining the extent of examination, is performed. This delay in funding may well jeopardize SWNI's existence and will force the NAs to individually pay for or seek money from the city for the services provided through SWNI.

SWHRL relies on SWNI to provide money management, and accounting for disbursements and receipts from donors to multiple restricted accounts. Each NA receives a monthly accounting of transaction activity for each restricted account by which the NA may make critical financial decisions. All accounting, reconciliations and protection of assets is done by SWNI and protected via strong internal controls. This eliminates the need for 17 different bank accounts, 17 entities performing accounting without accounting expertise or oversight, and eliminates the possibility of 17 events of potential fraud.

SWNI also provides each NA with tax reporting at both the federal and state levels. SWNI's prior filed federal form 990 may be found online at its website. This ensures SWNI maintains its 501(c)(3) status and allows tax free donations by the NAs. SWNI also pays for and ensures each NA is up to date on entity filings with Oregon's Secretary of State, something SWHRL was

sometimes delinquent in filing when it was done at the Neighborhood level. The cost of this service and cost of filing fees is worth thousands of dollars to each NA.

SWNI also provides each NA with an internet presence by allowing the NA to piggyback on SWNI's website. The website is maintained by SWNI along with neighborhood email addresses and communications. SWNI generously provides free technical assistance and training on newsletters and websites. The website includes a calendar to allow all neighbors a view of what's to come as well as maintaining a historical data base (protected by cloud backup) to ensure continuity of service. See www.SWHRL.org.

SWNI provides each NA with additional services including help with scheduling of events, such as the national night out event, meetings and educational forums. SWNI also provides each NA with insurance to cover events and meetings that protects NAs from risk. As part of this, SWNI maintains a resource of assets that can be shared by the NAs so such costs do not need to be duplicated. SWNI staff scan and forward land use notices, which is especially critical during Covid times when NAs are not receiving regular mail.

SWNI provides forums for exchange of ideas and solutions to problems experienced by NA's. It allows neighborhoods to support each other; it can amplify NAs' voices in providing feedback to the City on issues of common concern. SWNI Board Committees (Transportation, Land Use, Public Safety, Schools, Watershed, Parks and Equity & Inclusion) organize informative programming, facilitate NA discussion, and educate NAs' on issues in all of these areas. Again, this avoids duplication of efforts, and makes more efficient use of guest speakers – from the City and other organizations.

Finally, SWNI provides a system of communication through its newspaper and website that allows for inclusiveness of all neighbors regardless of race, religion, financial ability or disability. The paper keeps neighbors informed about what is happening in their neighborhood and keeps them aware of changes, events or issues critical to livability.

SWNI receives approximately \$300K each year from the City of Portland and relies on additional funding sources, albeit minimal, to accomplish its mission. These additional funds come from donations, planned activities and other government or non-governmental grants. In the past SWNI's semi-annual clean up event generated added funds, but that was curtailed this year due to Covid-19. In some years SWNI will have a slight overage from these added funds or there may be a shortfall that requires the use of prior year cash. SWNI has been fortunate to have a small safety stock of cash given the need to provide cost of living increases to its staff while the City has lowered its financial support to the Coalitions. But this safety stock is limited, and SWNI will run out of funds in a few months which will imperil SWNI's continued existence. SWHRL urges City Council to continue its funding of SWNI while the examination is underway. Any decision to continue or discontinue funding may be made after the Office of Civic Life has concluded its examination.

Respectfully,
The SWHRL Board of Directors (2020-2021)
cc. SWNI Executive Director Sylvia Bogert