



OFFICIAL MINUTES OF THE SPECIAL WORK SESSION
OF THE TUALATIN CITY COUNCIL FOR APRIL 12, 2011

- Present: Mayor Lou Ogden, Council President Chris Barhyte, Councilor Monique Beikman, Councilor Joelle Davis (arrived at 6:08 p.m.), Councilor Frank Bubenik (arrived at 5:11 p.m.), Councilor Ed Truax
- Absent: Councilor Wade Brooksby
- Staff Present: City Manager Sherilyn Lombos, City Attorney Brenda Braden, Police Chief Kent Barker, Operations Director Dan Boss, Community Services Director Paul Hennon, Finance Director Don Hudson, Planning Manager Aquilla Hurd-Ravich, Development Manager Eric Underwood, Management Intern Ben Bryant, Executive Assistant Maureen Smith, Assistant to the City Manager Sara Singer, Community Development Director Alice Rouyer
- Attendees: Bob Martin, Parks Maintenance Manager; Becky Savino, Program Coordinator; Bert Olheiser, Street/Storm/Sewer Manager; Mick Wilson, Water Division Manager; Kathy Kaatz, Operations Program Coordinator; John Wall, IT Manager; Clay Reynolds, Facilities Maintenance Manager; Larry Braaksma, Police Captain; Mark Gardner, Police Captain; Carl Switzer, Parks and Recreation Manager

A. CALL TO ORDER

Mayor Ogden called the special work session to order at 5:04 p.m.

B. ANNOUNCEMENTS

C. AGENDA

Agenda for April 12, 2011 Special Work Session

Council Priorities and Budget Update

City Manager Sherilyn Lombos began the discussion on Council Priorities and Budget Update for FY 2011/12, and reviewed the agenda - purposes and outcomes, update of fiscal health diagnostic, Council priorities and budget impact, and next steps and budget timeline.

Finance Director Don Hudson displayed a PowerPoint outlining the discussion and started with review of the fiscal health diagnostic, indicating ongoing revenues and expenses, and a history of one-time sources, and one-time expenses. He explained how the one-time expenses and one-time sources works with contingency, and there is an appropriate amount set aside to meet the reserves and contingency. The City is in a stable condition, which is not necessarily the case with other cities. Hudson reviewed the revenues, property taxes, franchise fees, state shared revenues, municipal court revenue; expenditures include current service levels continue to be funded, PERS impact, negotiated contract agreements, fuel/utility rate increases, and municipal court staffing.

Council priorities were reviewed, which are: comprehensive website redevelopment, health

and wellness campus/eastside redevelopment, review downtown redevelopment plans, comprehensive community engagement, and addressing community recreation. Website redevelopment was mentioned, and proposed to use "one-time" funds to accomplish this priority. Continued review of priorities; health and wellness campus/eastside redevelopment, and the downtown redevelopment plans are already addressing this priority through many avenues. Community engagement is another priority, which includes the visioning effort of *Tualatin Tomorrow* .

Tualatin Tomorrow Interim Project Manager Bethany Wurtz was present and spoke about the various aspects of Tualatin Tomorrow - who they are and what they do. Ms. Wurtz also reviewed their goals for the coming year, along with the proposed budget request for FY 2011-12.

A break was taken from 5:45 p.m. to 5:54 p.m .

Community Services Director Paul Hennon presented a PowerPoint on the "Council Goal on Recreation." Clarifying the Council goal statement of developing a senior citizen recreation program and intentions was reviewed. An overview of current conditions and age groups served, types of programs, locations of programs, attendance, and departments offering programs was given.

A pie chart was displayed on the distribution of participation by age group. Community Services Director Hennon explained how the breakout works in comparison to the programs that are being provided by Tualatin. He continued with review of changing conditions, in particular the Pohl Center, which is staffed by the Loaves & Fishes (L&F) organization. A recreation program position was eliminated due to budget constraints, the center director is now shared with Sherwood's center, with the nutrition manager supervising in the director's absence, and the increasing demands for older adult services. An addition and renovation project for the center is scheduled to be completed by December 2011.

Discussion followed on the Loaves & Fishes program, their primary objective being providing a nutrition program. A considerable subsidy is provided to the Center through the L&F organization, with the City historically contributing \$11,000 annually to L&F. To meet the Council goal of providing more older adult programming, there would need to be additional staff and funding, another option is the City managing the Center and continuing to partner with L&F for the nutrition program, and offer more programming for people of all ages, which would require \$85,000 in new funding.

Discussion continued on Center funding, and how to address the recreation/management of the Center. It was noted that centers are typically 98% volunteer-driven. Council asked staff for a comparative of what type of services would be able to be provided with the variable amounts of funding considered. Finance Director Hudson displayed the modeling spreadsheet and entered numbers to view how the proposed additional funding for the Center changes the budget alignment.

Discussion followed. Council asked how the budget "gap" would be addressed, and City Manager Lombos said it is not uncommon that there is a "hole" in the out years, partly due to assumptions that are made. She added in the coming years there also needs to be a discussion with Council on service level priorities and how to fund one-time expenditures.

A question was asked if by making adjustments during the year, should there be rethinking of the assumptions going into it. It was noted that it would be good information to know what the gap has been over the past several years. City Manager Lombos noted staff is budgeting tighter than before and there is not as large a gap as in years past. Discussion of whether or not to fund the proposed increases. The assumptions that are made and the adjustments during the fiscal year have typically ended up with a balanced budget. It was suggested to go ahead with the additional funding and deal with the "fall out", if needed, in future years.

Discussion continued and a suggestion was made that getting quarterly reports on budget issues during the fiscal year would be helpful for Council. Council President Barhyte questioned adding to the budget when looking at holding the line on benefits, etc. Council consensus was to go ahead with the changes, and address the outcome in future fiscal years.

The next steps are the upcoming Budget Advisory Committee meetings in May, with budget adoption at the June 27, 2011 Council/Commission meeting agenda.

Process for Council Vacancy

Council briefly discussed the appointment process with the Council vacancy created by the resignation of Council President Chris Barhyte. Discussion followed on whether to get the position on board by July 1, 2011. Staff discussed the current application and its need to be revamped to include additional information. Discussion followed and it was decided to have applications ready by May 2, 2011, hold interviews on either June 8 or 15, and appoint the selected candidate at the second Council meeting in June.

D. EXECUTIVE SESSION

None.

E. COMMUNICATIONS FROM COUNCILORS

None.

F. ADJOURNMENT

Mayor Ogden adjourned the special work session at 7:57 p.m.

Sherilyn Lombos, City Manager


Maureen Smith / Recording Secretary