



OFFICIAL MINUTES BUDGET ADVISORY COMMITTEE MEETING FOR MAY 30, 2018

Present: Terri Ward, Frank Bubenik, Jeff DeHaan, Paul Morrison, Robert Kellogg, Brittany Valli, Rebekah Morse, Joelle Davis, Cyndy Hillier, John Hannam, Graehm Alberty

Absent: Dan Gaur, Lou Ogden, Nancy Grimes, Monique Beikman

Staff Present: City Manager Sherilyn Lombos; City Attorney Sean Brady; Police Chief Bill Steele; Community Services Director Paul Hennon; Finance Director Don Hudson; Planning Manager Aquilla Hurd-Ravich; Deputy City Recorder Nicole Morris; Parks Maintenance Manager Tom Steiger; Maintenance Services Division Manager Clayton Reynolds; Street/Sewer/Storm Division Manager Bert Olheiser; Library Manager Jerianne Thompson; Economic Development Manager Jonathan Taylor; Management Analyst II Kelsey Lewis; City Engineer Jeff Fuchs; Project Engineer Dominique Huffman; IS Director Bates Russell; Program Coordinator Lisa Thorpe; Accounting Supervisor Matthew Warner; Human Resources Director Stacy Ruthrauff

A CALL TO ORDER

Committee Chair Ward called the meeting to order at 6:02 p.m.

B APPROVAL OF MINUTES

- 1 Consideration of Minutes from the Budget Advisory Committee Meeting of May 14, 2018

MOTION by Cyndy Hillier, SECONDED by John Hannam to approve the minutes from the Budget Advisory Committee meeting of May 14, 2018.

Vote: 9 - 0 MOTION CARRIED

C PUBLIC HEARING

- 1 Public Hearing in Accordance with ORS 221.270 Regarding State Shared Revenues

Finance Director Hudson stated the intent for the public hearing is to receive state shared revenues. He gave a brief report on the state shared revenues the City receives. He noted the City is estimated to receive \$374,400 in the FY 18/19 budget. The revenue is not restricted and is used for general city operations. Cigarette, gas, marijuana, and remaining liquor taxes are not covered in the public hearing.

PUBLIC COMMENT

None.

D MEETING AGENDA AND MATERIALS

- 1 Discussion of Fiscal Year 2018-19 Budget

Finance Director Hudson distributed questions that had been asked by the committee members via email. He briefly reviewed answers to questions regarding the audit, conferences and meetings, consultants, staffing, insurance, and funding for city projects.

Director Hudson stated funds to be discussed tonight include the building, road operating, road utility fee, water operating, sewer operating, storm drain operating, and the general fund. Common themes throughout the budget included interest earnings, utility rate revenues, personal services expenditures, consultants, conferences and meetings, expenditures per the replacement schedule, merchant discount fees, and capital expenditures.

Councilor Kellogg asked where the newly passed transportation bond monies will fit into the budget. Director Hudson stated the amendments to add the bond to the budget will be presented in the amendments.

Director Hudson presented an overview of revenues and expenditures for the building and road operating funds. Items reviewed included increases and decreases in line items, new line items, transfers, and one time expenditures.

Member Morse asked about the Myslony Bridge project. Public Works Director Fuchs explained where the bridge is located and explained the importance of the connection. He noted the bridge is a traffic relief project to detour some traffic off of Tualatin Sherwood Road.

Member Valli suggested additions to staffing be more clearly laid out in the budget. Director Hudson noted the suggestion for future budgets.

Director Hudson presented proposed utility rate increases. The proposed water rate increase is based off the Water Master Plan schedule and on average will be a 4.25% increase to residential meters. The average rate increase to a residential meter will be \$3.31. Revenues and expenditures for the road utility fee funds were discussed. He spoke to the pavement maintenance program including slurry seals, overlays, and crack seals.

Member Hillier asked about maintenance from weather related events for roads. Street Division Manager Olheiser explained there is minimal affect from storms but any damage is paid from the road utility fee fund.

Member Valli asked if budget totals are published online when the fiscal year is closed. Director Hudson stated the annual audit is made available and reflects those figures.

Director Hudson spoke to revenues and expenditures for the utility funds including the water operating, sewer operating, and storm drain operating funds. Items reviewed included increases and decreases in line items, new line items, transfers, and one time expenditures.

Member Alberty asked why the T-Mobile line dropped off the water operating fund. Director Hudson stated those revenues were moved to the general fund.

Council President Davis asked what classification studies where done this year. Human Resources Director Ruthrauff stated the AFSCME positions where reviewed for bargaining. She stated three positions where found to have an 8% differential and where reclassified.

A break was taken from 6:52 to 7:02 p.m.

Director Hudson gave an overview of revenues for the general fund. Items including

property taxes, right of way fees, public works permit fees, marijuana tax, motel taxes, recreation user and program fees, street trees, and donations where spoken to. Expenditures in the general fund for the city council, legal, information systems, non-departmental, community development, community services administration and recreation, library, parks maintenance, police, and engineering were reviewed. Items reviewed included new and one time expenditures and transfers.

Member Morse asked about the status of the relocation of the administration offices. Director Hudson stated staff is still spread out and the project has been put on hold.

E PUBLIC COMMENT

None.

F COMMITTEE QUESTIONS AND COMMENTS

Director Hudson presented the committee with proposed amendments. Amendments included capital project carryovers, materials and services carryovers, transfers, and the addition of the transportation bond.

MOTION by Brittany Valli, SECONDED by John Hannam to approve the Fiscal Year 2018-19 City of Tualatin budget, as amended, the property taxes it contains at the rate of \$2.2665 per \$1,000 of assessed value for operating purposes, and the amount of \$2,636,800 for payment of general obligation bond principal and interest.

Vote: 10 - 0 MOTION CARRIED


MOTION by John Hannam, SECONDED by Brittany Valli to approve the Fiscal Year 2018-19 Tualatin Development Commission budget.

Vote: 10 - 0 MOTION CARRIED

G ADJOURNMENT

Chair Ward adjourned the meeting at 7:42 p.m.

Sherilyn Lombos, City Manager

 Recording Secretary