



TUALATIN CITY COUNCIL

Monday, OCTOBER 22, 2018

JUANITA POHL CENTER

8513 SW Tualatin Road

Tualatin, OR 97062

WORK SESSION begins at 5:00 p.m.

BUSINESS MEETING begins at 7:00 p.m.

Mayor Lou Ogden

Council President Joelle Davis

**Councilor Robert Kellogg
Councilor Paul Morrison**

**Councilor Frank Bubenik
Councilor Nancy Grimes**

Position 3- Vacant

Welcome! By your presence in the City Council Chambers, you are participating in the process of representative government. To encourage that participation, the City Council has specified a time for your comments on its agenda, following Announcements, at which time citizens may address the Council concerning any item not on the agenda or to request to have an item removed from the consent agenda. If you wish to speak on a item already on the agenda, comment will be taken during that item. Please fill out a Speaker Request Form and submit it to the Recording Secretary. You will be called forward during the appropriate time; each speaker will be limited to three minutes, unless the time limit is extended by the Mayor with the consent of the Council.

Copies of staff reports or other written documentation relating to each item of business referred to on this agenda are available for review on the City website at www.tualatinoregon.gov/meetings, the Library located at 18878 SW Martinazzi Avenue, and on file in the Office of the City Manager for public inspection. Any person with a question concerning any agenda item may call Administration at 503.691.3011 to make an inquiry concerning the nature of the item described on the agenda.

In compliance with the Americans With Disabilities Act, if you need special assistance to participate in this meeting, you should contact Administration at 503.691.3011. Notification thirty-six (36) hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to this meeting.

Council meetings are televised *live* the day of the meeting through Washington County Cable Access Channel 28. The replay schedule for Council meetings can be found at www.tvctv.org. Council meetings can also be viewed by live *streaming video* on the day of the meeting at www.tualatinoregon.gov/meetings.

Your City government welcomes your interest and hopes you will attend the City of Tualatin Council meetings often.

PROCESS FOR LEGISLATIVE PUBLIC HEARINGS

A **legislative** public hearing is typically held on matters which affect the general welfare of the entire City rather than a specific piece of property.

1. Mayor opens the public hearing and identifies the subject.
2. A staff member presents the staff report.
3. Public testimony is taken.
4. Council then asks questions of staff, the applicant, or any member of the public who testified.
5. When the Council has finished questions, the Mayor closes the public hearing.
6. When the public hearing is closed, Council will then deliberate to a decision and a motion will be made to either *approve*, *deny*, or *continue* the public hearing.

PROCESS FOR QUASI-JUDICIAL PUBLIC HEARINGS

A **quasi-judicial** public hearing is typically held for annexations, planning district changes, conditional use permits, comprehensive plan changes, and appeals from subdivisions, partitions and architectural review.

1. Mayor opens the public hearing and identifies the case to be considered.
2. A staff member presents the staff report.
3. Public testimony is taken:
 - a) In support of the application
 - b) In opposition or neutral
4. Council then asks questions of staff, the applicant, or any member of the public who testified.
5. When Council has finished its questions, the Mayor closes the public hearing.
6. When the public hearing is closed, Council will then deliberate to a decision and a motion will be made to either *approve*, *approve with conditions*, or *deny the application*, or *continue* the public hearing.

TIME LIMITS FOR PUBLIC HEARINGS

The purpose of time limits on public hearing testimony is to provide all interested persons with an adequate opportunity to present and respond to testimony. All persons providing testimony **shall be limited to 3 minutes**, subject to the right of the Mayor to amend or waive the time limits.

EXECUTIVE SESSION INFORMATION

An Executive Session is a meeting of the City Council that is closed to the public to allow the City Council to discuss certain confidential matters. An Executive Session may be conducted as a separate meeting or as a portion of the regular Council meeting. No final decisions or actions may be made in Executive Session. In many, but not all, circumstances, members of the news media may attend an Executive Session.

The City Council may go into Executive Session for certain reasons specified by Oregon law. These reasons include, but are not limited to: ORS 192.660(2)(a) employment of personnel; ORS 192.660(2)(b) dismissal or discipline of personnel; ORS 192.660(2)(d) labor relations; ORS 192.660(2)(e) real property transactions; ORS 192.660(2)(f) information or records exempt by law from public inspection; ORS 192.660(2)(h) current litigation or litigation likely to be filed; and ORS 192.660(2)(i) employee performance of chief executive officer.



OFFICIAL AGENDA OF THE TUALATIN CITY COUNCIL MEETING FOR OCTOBER 22, 2018

A. CALL TO ORDER

Pledge of Allegiance

B. ANNOUNCEMENTS

1. Proclamation Declaring October 23-31, 2018 as Red Ribbon Week in the City of Tualatin
2. Proclamation Declaring November 3-11, 2018 as Veteran's Appreciation Week in the City of Tualatin
3. Grand Opening of 124th Ave
4. New Employee Introduction- Amy Lopez, Court Clerk

C. CITIZEN COMMENTS

This section of the agenda allows anyone to address the Council regarding any issue not on the agenda, or to request to have an item removed from the consent agenda. The duration for each individual speaking is limited to 3 minutes. Matters requiring further investigation or detailed answers will be referred to City staff for follow-up and report at a future meeting.

D. CONSENT AGENDA

The Consent Agenda will be enacted with one vote. The Mayor will ask Councilors if there is anyone who wishes to remove any item from the Consent Agenda for discussion and consideration. If you wish to request an item to be removed from the consent agenda you should do so during the Citizen Comment section of the agenda. The matters removed from the Consent Agenda will be considered individually at the end of this Agenda under, Items Removed from the Consent Agenda. The entire Consent Agenda, with the exception of items removed from the Consent Agenda to be discussed, is then voted upon by roll call under one motion.

1. Consideration of Approval of the Minutes for the Regular Meeting of October 8, 2018
2. Consideration of **Resolution No. 5405-18** Adopting the City of Tualatin Investment Policy
3. Consideration of Approval of a New Liquor License Application for Sonic Audio & Auto Accessories

E. SPECIAL REPORTS

1. Annual Report of the Juanita Pohl Center Advisory Committee

2. Quarterly Financial Report

F. GENERAL BUSINESS

If you wish to speak on a general business item please fill out a Speaker Request Form and you will be called forward during the appropriate item. The duration for each individual speaking is limited to 3 minutes. Matters requiring further investigation or detailed answers will be referred to City staff for follow-up and report at a future meeting.

1. Consideration of Recommendations from the Council Committee on Advisory Appointments

G. ITEMS REMOVED FROM CONSENT AGENDA

Items removed from the Consent Agenda will be discussed individually at this time. The Mayor may impose a time limit on speakers addressing these issues.

H. COMMUNICATIONS FROM COUNCILORS

I. ADJOURNMENT

City Council Meeting

Meeting Date: 10/22/2018

ANNOUNCEMENTS: Proclamation Declaring October 23-31, 2018 as Red Ribbon Week in the City of Tualatin

ANNOUNCEMENTS

Proclamation Declaring October 23-31, 2018 as Red Ribbon Week in the City of Tualatin

Proclamation

Proclamation

*Declaring October 23-31, 2018
Red Ribbon Week
in the City of Tualatin*

WHEREAS, Alcohol and other drug abuse in this nation has reached epidemic stages; and

WHEREAS, It is imperative that visible, unified prevention education efforts by community members be launched to eliminate the demand for drugs; and

WHEREAS, National Family Partnership (NFP) is sponsoring the National Red Ribbon Campaign offering citizens the opportunity to demonstrate their commitment to drug-free lifestyles; and

WHEREAS, The National Red Ribbon Campaign will be celebrated during "Red Ribbon Week" October 23-31; and

WHEREAS, Business, government, parents, law enforcement, media, medical, religious institutions, schools, seniors, service organizations and youth will demonstrate their commitment to healthy, drug-free lifestyles by wearing and displaying Red Ribbons during this week long campaign.

NOW THEREFORE BE IT RESOLVED, that the City of Tualatin does hereby proclaim October 23-31, 2018 as Red Ribbon Week and encourages its citizens to participate in drug prevention education activities, making a visible statement that we are strongly committed to a drug-free community.

INTRODUCED AND ADOPTED this 22nd day of October, 2018.

CITY OF TUALATIN, OREGON

BY _____
Mayor

ATTEST:

BY _____
City Recorder

City Council Meeting

Meeting Date: 10/22/2018

ANNOUNCEMENTS: Proclamation Declaring November 3-11, 2018 as Veteran's Appreciation Week in the City of Tualatin

ANNOUNCEMENTS

Proclamation Declaring November 3-11, 2018 as Veteran's Appreciation Week in the City of Tualatin

Proclamation

Proclamation

*Declaring November 3-11, 2018
Veteran's Appreciation Week
in the City of Tualatin*

WHEREAS, the City of Tualatin has always supported our Military and Veteran population including becoming a Purple Heart City; and

WHEREAS, we want to make sure our Military Veterans are clearly aware that we value their service to our Nation, our State and most especially, our City of Tualatin; and

WHEREAS, Tualatin has a large population of Veterans including leaders awarded for valor and gold star families; and

WHEREAS, Tualatin appreciates the sacrifices of all our military veterans, combat veterans, the families of the killed in action residents, as well as the personal sacrifices that have been made by our servicemen and women and their families while defending our freedom; and

WHEREAS, Tualatin wishes to express its deepest appreciation and honor to each and every one of our Veteran's.

NOW THEREFORE, BE IT PROCLAIMED BY THE CITY COUNCIL OF THE CITY OF TUALATIN, OREGON that:

November 3-11, 2018 shall be Veterans Appreciation Week

The City Council hereby encourages the residents and businesses of the City of Tualatin to show their appreciation for the sacrifices that our Military Veterans have made in defending our freedoms, to acknowledge their courage, and to show them the honor and support they have earned, especially during the this week.

INTRODUCED AND ADOPTED this 22 day of October, 2018.

CITY OF TUALATIN, OREGON

BY _____
Mayor

ATTEST:

BY _____
City Recorder

City Council Meeting

Meeting Date: 10/22/2018

ANNOUNCEMENTS: Grand Opening of 124th Ave

ANNOUNCEMENTS

Grand Opening of 124th Ave



STAFF REPORT

CITY OF TUALATIN

TO: Honorable Mayor and Members of the City Council

THROUGH: Sherilyn Lombos, City Manager

FROM: Nicole Morris, Deputy City Recorder

DATE: 10/22/2018

SUBJECT: Consideration of Approval of the Minutes for the Regular Meeting of October 8, 2018

ISSUE BEFORE THE COUNCIL:

The issue before the Council is to approve the minutes for the Regular Meeting of October 8, 2018.

RECOMMENDATION:

Staff respectfully recommends that the Council adopt the attached minutes.

Attachments: [City Council Regular Meeting Minutes of October 8, 2018](#)



OFFICIAL MINUTES OF THE TUALATIN CITY COUNCIL MEETING FOR OCTOBER 8, 2018

Present: Mayor Lou Ogden; Councilor Frank Bubenik; Council President Joelle Davis;
Councilor Nancy Grimes; Councilor Paul Morrison; Councilor Robert Kellogg

Absent: Councilor Jeff DeHaan

Staff Present: City Manager Sherilyn Lombos; City Attorney Sean Brady; Planning Manager Aquilla Hurd-Ravich; Deputy City Recorder Nicole Morris; Engineer Associate Tony Doran; Teen Program Specialist Julie Ludemann; Program Coordinator Kathy Kaatz; Maintenance Services Division Manager Clayton Reynolds; Parks and Recreation Manager Rich Mueller; IS Director Bates Russell; Parks and Recreation Director Ross Hoover

A. CALL TO ORDER

Pledge of Allegiance

Mayor Ogden called the meeting to order at 7:04 p.m.

B. ANNOUNCEMENTS

1. Update on the Tualatin Youth Advisory Council's activities for October, 2018

Members of the Youth Advisory Committee (YAC) presented a PowerPoint on their latest activities and upcoming events. Members are currently planning activities for the upcoming West Coast Giant Pumpkin Regatta on October 20 and the annual Haunted House on October 24. All money raised from both events will go to help fund student attendance at the National League of Cities Conference.

2. Proclamation Declaring Intent To Participate In The Great Oregon Shakeout And Work Toward Becoming A Safer Community

Information Services Director Bates Russell and Program Coordinator Kathy Kaatz presented a proclamation declaring intent to participate in the The Great Oregon Shakeout. Coordinator Kaatz provided a brief update on the city's emergency management activities. She spoke to updates to the emergency management plan, evacuations procedures, and CERT activities.

Councilor Kellogg read the proclamation declaring intent to participate in The Great Oregon Shakeout.

3. New Employee Introduction- Kyla Cesca, Office Coordinator

Parks and Recreation Director Ross Hoover introduced Office Coordinator Kyla Cesca. The Council welcomed her.

C. CITIZEN COMMENTS

This section of the agenda allows anyone to address the Council regarding any issue not on the agenda, or to request to have an item removed from the consent agenda. The duration for each individual speaking is limited to 3 minutes. Matters requiring further investigation or detailed answers will be referred to City staff for follow-up and report at a future meeting.

Tualatin Chamber of Commerce Director Linda Moholt spoke to the proposed Parks System Development Charges (SDC). She was alarmed by the proposed maximum fees. She asked Council to consider setting the rate at a more comparable fee to surrounding cities.

Ms. Moholt invited the Council to attend the upcoming Community Candidate Forum to be held on October 10, 7pm, at the Police Training Room.

D. CONSENT AGENDA

The Consent Agenda will be enacted with one vote. The Mayor will ask Councilors if there is anyone who wishes to remove any item from the Consent Agenda for discussion and consideration. If you wish to request an item to be removed from the consent agenda you should do so during the Citizen Comment section of the agenda. The matters removed from the Consent Agenda will be considered individually at the end of this Agenda under, Items Removed from the Consent Agenda. The entire Consent Agenda, with the exception of items removed from the Consent Agenda to be discussed, is then voted upon by roll call under one motion.

MOTION by Councilor Nancy Grimes, SECONDED by Councilor Robert Kellogg to adopt the consent agenda.

Aye: Mayor Lou Ogden, Councilor Frank Bubenik, Council President Joelle Davis, Councilor Nancy Grimes, Councilor Paul Morrison, Councilor Robert Kellogg

Other: Councilor Jeff DeHaan (Absent)

MOTION CARRIED

1. Consideration of Approval of the Minutes for the Work Session of September 10, 2018 and Work Session and Regular Meeting of September 24, 2018
2. Consideration of Approval of a New Liquor License Application for Baja Fresh Mexican Grill
3. Consideration of **Resolution No. 5402-18** Authorizing the City Manager to Execute an Amendment of a Professional Services Contract with Murray, Smith, and Associates, Inc. for Additional Services on the Water Master Plan
4. Consideration of **Resolution No. 5403-18** Awarding Fiscal Year 2018/2019 Outside Agency Grant Funds to Provide Social Services to Residents of Tualatin

E. SPECIAL REPORTS

1. Update on Programs and Activities Offered this Summer by the City of Tualatin and its Partners, and a Preview of Fall Programs

Recreation Supervisor Julie Ludemann and Public Services Manager Sarah Jesudason presented the summer recap and fall preview. The library hosted a variety of activities this summer including the annual Summer Reading program, Atfalati Summer Lunch program, and Summer reading at the Commons. The summer camp program hosted kids ages four through eleven with nearly 6,000 contact hours. The teen adventure camp program hosted teens over nine weeks with 4,860 contact hours. Concerts and Movies on the Commons ran July through August and had nearly 8,000 people attend. ArtSplash was held in July and allowed 56 artists to showcase their work. Teen volunteers participated in TEAM Tualatin, assisted in the library, and served on the Youth Advisory Council. The Police Department held National Night Out in August and hosted 174 students in the Gang Resistance Education and Training (GREAT) Camp. The Juanita Pohl center hosted over 4,000 participants in fitness, enrichment, and wellness programs while also serving 4,600 meals. Recreation partners over the summer included the Tualatin Crawfish Festival, Tualatin Heritage Center, Browns Ferry Park Kayak and Canoe Rentals, Willowbrook Arts Camps, the Tigard-Tualatin Summer Lunch Program, and the YMCA and Skyhawks Camps. Facility rentals this year hosted 170 picnic shelter rentals. The Parks and Recreation Master Plan hosted public outreach events and is up for adoption on November 13.

Upcoming fall activities at the Library include makerspaces times for adults and kids, tech tutoring, a Library of Things, Hispanic Heritage Month, music programs, and trivia nights. Volunteer Services will be offering volunteer opportunities with the Put Down Roots in Tualatin event and other library programs including Spruce up the Library, Tween Takeover, and Teen Volunteer Club. The Juanita Pohl Center will be hosting the Annual Veterans' Recognition Breakfast, Commit to be Fit!, and a Better Balance Fair. Community Services will be hosting the West Coast Giant Pumpkin Regatta and the YAC Haunted House. Look for more information about all of these events on the city's website.

F. PUBLIC HEARINGS – Legislative or Other

1. Consideration of Plan Text Amendment 18-0002A to amend Tualatin Development Code Chapter 70 Flood Plain District to Meet Minimum National Flood Insurance Program Requirements

Community Development Director Aquilla Hurd-Ravich and Engineering Associate Tony Doran presented Plan Text Amendment (PTA) 18-0008A FEMA flood plain updates. Associate Doran stated FEMA issued two new map panels that didn't affect floodplains in Tualatin. He stated the City's code stayed consistent with Oregon Model Floodplain ordinance. On September 10 the Council approved the updates to the floodplain ordinance. He stated on September 11 FEMA informed the City of the need to adopt new model code language by October 19, 2018. Associate Doran provided a brief overview of the updated regulations noting there are no changes for tax lots with floodplain in Tualatin.

Mayor Ogden asked if there is an emergency clause included in this adoption to

make this affective by October 19, 2018. City Attorney Brady stated this does include an emergency clause.

PUBLIC COMMENT

George Fenton asked what would happen if this does not pass. Associate Doran stated current flood insurance policies would not be renewed.

Dave Elfonso asked if this would affect his ability to build a retaining wall on his property. Associate Doran stated this would not specifically affect something like that.

COUNCIL DELIBERATIONS

None.

MOTION by Council President Joelle Davis, SECONDED by Councilor Nancy Grimes to adopt Plan Text Amendment 18-0002A to amend Tualatin Development Code Chapter 70 Flood Plain District to meet minimum National Flood Insurance Program requirements.

Aye: Mayor Lou Ogden, Councilor Frank Bubenik, Council President Joelle Davis, Councilor Nancy Grimes, Councilor Paul Morrison, Councilor Robert Kellogg

Other: Councilor Jeff DeHaan (Absent)

MOTION CARRIED

G. GENERAL BUSINESS

If you wish to speak on a general business item please fill out a Speaker Request Form and you will be called forward during the appropriate item. The duration for each individual speaking is limited to 3 minutes. Matters requiring further investigation or detailed answers will be referred to City staff for follow-up and report at a future meeting.

1. Consideration of **Ordinance No. 1413-18** Relating to the Floodplain District; and Amending Tualatin Development Code Chapter 70 to Adopt Federal Emergency Management Agency Requirements for Development of the Floodplain

MOTION by Councilor Robert Kellogg, SECONDED by Councilor Frank Bubenik for first reading by title only.

Aye: Mayor Lou Ogden, Councilor Frank Bubenik, Council President Joelle Davis, Councilor Nancy Grimes, Councilor Paul Morrison, Councilor Robert Kellogg

Other: Councilor Jeff DeHaan (Absent)

MOTION CARRIED

MOTION by Council President Joelle Davis, SECONDED by Councilor Nancy Grimes for second reading by title only.

Aye: Mayor Lou Ogden, Councilor Frank Bubenik, Council President Joelle Davis, Councilor Nancy Grimes, Councilor Paul Morrison, Councilor Robert Kellogg

Other: Councilor Jeff DeHaan (Absent)

MOTION CARRIED

MOTION by Council President Joelle Davis, SECONDED by Councilor Nancy Grimes to adopt Ordinance No. 1413-18 relating to the Floodplain District; and amending Tualatin Development Code Chapter 70 to adopt Federal Emergency Management Agency Requirements for development of the floodplain.

Aye: Mayor Lou Ogden, Councilor Frank Bubenik, Council President Joelle Davis, Councilor Nancy Grimes, Councilor Paul Morrison, Councilor Robert Kellogg

Other: Councilor Jeff DeHaan (Absent)

MOTION CARRIED

2. Consideration of a Three City Agreement Regarding Concept Planning in Stafford

Community Development Director Aquilla Hurd-Ravich presented a three-city agreement regarding the concept planning in the Stafford area. She stated staff has provided the Council with bullet points from a meeting of the Mayors and City Managers of Tualatin, West Linn, and Lake Oswego where they discussed an IGA that would guide concept planning around the area.

Mayor Ogden provided background on the urban reserves decision in the area. He stated the next step for the area would be an urban growth boundary which cannot be done until there is a concept plan in place. The agreement will cover the geographic area each city will be responsible for planning and how each city will go about that effort. Mayor Ogden provided an overview of the bullet points noting they are intended to coordinate planning efforts for the area not joint concept planning. He highlighted a few main points including: the cities will not start concept planning or apply for urban growth boundary amendments until improvements to I-205 are underway, the cities will mitigate any adverse impacts on other cities and dispute resolution will be defined in the IGA, and planning for areas north of the Tualatin River will not begin for ten years after the IGA is finalized.

Mayor Ogden stated he is not in agreement with I-205 having to be built. He would like to just see the planning and funding complete. In addition, he had concerns with the inability to concept plan the area north of the Tualatin River for ten years. He noted there is a small portion just north of the river that could be developed and would not want to see that stalled.

Director Hurd-Ravich recapped a few additional bullet points including a mechanism to mitigate material negative affects specific to traffic and potential mediation over disputes. She also spoke to the point regarding minor UGB expansions specifically related to parks and open spaces.

Councilor Bubenik asked when the boundaries would be decided. Mayor Ogden stated all three city staff came together and laid out conceptual boundaries based on services and natural community boundaries. He suggested that map be the starting point for establishing boundaries.

Council President Davis stated she is concerned that allowing minor UGB expansion could potentially allow for land to be dedicated when there may be potential disputes. She requested more discussion around the topic.

Councilor Grimes spoke to concerns in regards to density transfer if minor UGB expansions are allowed.

Councilor Bubenik would like to see initial boundaries set forth for these discussions. Mayor Ogden stated the staff map is a great technical starting point.

Councilor Morrison stated he would like to see Borland Road upgraded before an expansion occurs. He also echoed the same concerns regarding minor UGB expansions.

City Manager Lombos asked for Council feedback regarding arbitration. She stated staff has concerns about the dangers of arbitration and past city experiences. Staff would like to see mediation or something similar as part of the process. She also added she would like to see some definitions and mechanisms in place for how to mitigate material negative effects.

Mayor Ogden asked when an IGA would be ready. City Manager Lombos stated a draft could be ready the first of November.

Council President Davis asked when community feedback would be heard. Director Hurd-Ravich stated this IGA will address how the cities work together and not land boundaries. She stated the next step will be to go through a more robust process where community feedback will be heard.

Council directed staff to take the concerns presented back to the other cities and come up with ways to address them in the IGA. Council requested a rough boundary map be included as a starting point.

Councilor Kellogg stated adding the map is essential as he sees no reason why Tualatin will ever give up self-determination over Stafford road west ward as it is the only way to get into the city from the east.

3. Consideration of Resolution No. 5404-18 Accepting the Resignation of Jeff DeHaan from City Council and Declaring City Council Position #3 Vacant

Mayor Ogden stated Councilor Jeff DeHaan notified the city of his resignation. City Manager Lombos stated the Council has three options: appointment a replacement, appoint the candidate who has filed for the position at the next election, or do nothing.

Councilor Kellogg asked why Council would consider appointing someone to the seat for the remainder of the term.

Councilor Morrison stated he would recommend the Council leave the position vacant.

Consensus was reached to vote on the ordinance and leave the position vacant until January.

MOTION by Council President Joelle Davis, SECONDED by Councilor Robert Kellogg to adopt Resolution No. 5404-18 accepting the resignation of Jeff DeHaan from City Council and declaring City Council Position #3 vacant.

Aye: Mayor Lou Ogden, Councilor Frank Bubenik, Council President Joelle Davis, Councilor Nancy Grimes, Councilor Paul Morrison, Councilor Robert Kellogg

Other: Councilor Jeff DeHaan (Absent)

MOTION CARRIED

H. COMMUNICATIONS FROM COUNCILORS

Councilor Kellogg stated he attended the Tualatin Lions Club Oktoberfest.

Councilor Bubenik spoke to the article in the Oregonian regarding the FCC and local preemption.

Councilor Bubenik attended the Regional Water Consortium where they approved their five year strategic plan. At that meeting they announced a 5-13% increase in membership dues.

Council President Davis stated she attended the League of Oregon Cities Conference and will be submitting her report to the Council soon. She also stated the Tualatin Community Police Foundations is currently selling ducks for their upcoming Duck Raffle at the Pumpkin Regatta. She stated tickets can be purchased on their website.

I. ADJOURNMENT

Mayor Ogden adjourned the meeting at 8:43 p.m.

Sherilyn Lombos, City Manager

_____ / Nicole Morris, Recording Secretary

_____ / Lou Ogden, Mayor



STAFF REPORT

CITY OF TUALATIN

TO: Honorable Mayor and Members of the City Council

THROUGH: Sherilyn Lombos, City Manager

FROM: Don Hudson, Finance Director
Matt Warner, Assistant Finance Director

DATE: 10/22/2018

SUBJECT: Consideration of **Resolution No. 5405-18** Adopting the City of Tualatin Investment Policy

ISSUE BEFORE THE COUNCIL:

Whether or not to approve Resolution No. 5405-18.

RECOMMENDATION:

Staff recommends approval of the attached resolution.

EXECUTIVE SUMMARY:

Currently, the City invests idle funds in the Local Government Investment Pool (LGIP) and follows the investment policies found in Oregon Revised Statutes Chapter 294. The LGIP has a statutory limit that the City consistently approaches and when we exceed the limit, we need to have another avenue for investing these excess funds. When this happens, we carry higher balances in our bank accounts and are not maximizing investment earnings for the short time until we have expenses to get us back below the limit. We also feel it is important to diversify our portfolio and lessen our investment risk, even when we are within LGIP limits. In order to maximize our investment earnings, having the option to make investments having a maturity longer than 18 months is beneficial. Under ORS 294.135(a), we can only make these investments after adoption of our own investment policy that includes guidelines concerning maximum investment maturity dates. The attached policy allows for investments up to 5 years. We will determine the appropriate lengths of maturities after a thorough review of cash flows needed in each fund. We will still maintain significant levels of investments in the LGIP for liquidity needs, but want the ability to analyze cash flows and determine the best mix of investments to maximize earnings, while still maintaining appropriate levels of safety and liquidity.

The attached policy establishes the City's investment objectives, delegation of authority, standards of prudence, eligible investments and transactions, internal controls, reporting requirements, and safekeeping and custodial procedures necessary for the prudent management and investment of the City's funds.

In order to adopt our own policy, we were required to submit our draft policy to the Oregon Short Term Fund Board for review and comment. We submitted the draft that staff included in the City Council Work Session packet on July 23rd. It was reviewed by Oregon State Treasury staff and then sent to the OSTF Board for their review at their October 11th meeting. The Board had a few very minor comments and their comments have been incorporated into the attached policy.

The attached policy meets statutory requirements and is in compliance with Oregon State Treasury guidelines.

OUTCOMES OF DECISION:

Approval of the attached resolution and policy will allow for diversification of our investment portfolio, and maintain the objectives of (in order of importance) safety, liquidity and maximizing yield.

ALTERNATIVES TO RECOMMENDATION:

Not approve the City of Tualatin Investment Policy and limit the investment options available to the City, as well as minimizing investment earnings of idle funds.

Attachments: Resolution No. 5405-18

RESOLUTION NO. 5405-18

A RESOLUTION ADOPTING THE CITY OF TUALATIN INVESTMENT POLICY

WHEREAS, the City of Tualatin has been operating under Oregon Revised Statute 294 which allows for investments without a specific investment policy and currently invests idle funds in the State Local Government Investment Pool (LGIP); and

WHEREAS, the LGIP has a limit on the amount of funds that can be invested in the Pool and the City is at the limit; and

WHEREAS, the City wishes to adopt its own investment policy; and

WHEREAS, the State of Oregon allows for an entity to adopt its own policy after submitting the policy to the Oregon Short Term Fund Board (OSTFB) for review, which was completed on October 11, 2018.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TUALATIN, OREGON, that:

Section 1. The Council wishes to allow for diversification of the City's investment portfolio and maintain the objectives of safety, liquidity and maximizing yield.

Section 2. The Council adopts the City of Tualatin Investment Policy, which is attached as Attachment A and incorporated by reference.

Section 3. This resolution is effective upon adoption.

ADOPTED this 22nd day of October, 2018.

CITY OF TUALATIN, OREGON

BY _____
Mayor

APPROVED AS TO FORM

ATTEST:

BY _____
City Attorney

BY _____
City Recorder

CITY OF TUALATIN



INVESTMENT POLICY **October 2018**

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1. INTRODUCTION

The purpose of this Investment Policy is to establish the investment objectives, delegation of authority, standards of prudence, eligible investments and transactions, internal controls, reporting requirements, and safekeeping and custodial procedures necessary for the prudent management and investment of the funds of the City of Tualatin.

2. GOVERNING AUTHORITY

The investment program shall be operated in conformance with federal, state, and other legal requirements. Specifically, this investment policy is written in conformance with ORS 294.035; 294.040; 294.052; 294.135; 294.145 and 294.810. All funds within the scope of this policy are subject to regulations established by the state of Oregon. Any revisions or extensions of these sections of the ORS shall be assumed to be part of this Investment Policy immediately upon being enacted.

This Policy has been adopted by Resolution No. 5405-18 by the City Council of Tualatin, Oregon on October 22, 2018.

3. SCOPE

This policy applies to activities of the City with regards to investing the financial assets of all funds except for funds held in trust for the Pension Portfolio and deferred compensation funds for the employees of the City which have separate rules. Other than bond proceeds or other unusual situations, the total of all funds ranges from \$40,000,000 to \$50,000,000. This policy provides direction for the following fund types:

1. General Fund
2. Special Revenue Funds
3. Capital Projects Funds
4. Debt Service Funds
5. Enterprise Funds
6. Internal Service Funds
7. Trust and Agency Funds
8. Other Funds

4. OBJECTIVES

The City's principal investment objectives in order of priority are:

4.1 Safety:

- Preservation of capital and protection of investment principal.
- Diversification to avoid incurring unreasonable risks regarding specific security types or individual financial institutions.

4.2 Liquidity:

- Maintenance of sufficient liquidity to meet operating requirements that are reasonably anticipated.

4.3 Yield – Return:

- Attainment of a market value rate of return throughout budgetary and economic cycles.

5. STANDARDS OF CARE

5.1 Delegation of Authority

- a. **Governing Body:** The ultimate fiduciary responsibility and authority for the investment of City funds resides with the City Council. The City hereby designates the Finance Director as the Investment Officer for the City's funds. The Finance Director shall invest City funds in accordance with ORS Chapter 294, Public Financial Administration, and with this Investment Policy. This Policy shall constitute a "written order" from City Council per ORS 294.035.
- b. **Investment Advisor:** Subject to required procurement procedures, the City may engage the support services of outside professionals in regard to its financial program, so long as it can be demonstrated or anticipated that these services produce a net financial advantage or necessary financial protection of the City's resources. External investment advisors shall be subject to Oregon Revised Statutes and the provisions of this Investment Policy. The Advisor shall provide non-discretionary advisory services, which require prior approval from the Finance Director on all transactions.

In order to optimize total return through active portfolio management, resources shall be allocated to the cash management program. This commitment of resources shall include financial and staffing considerations.

5.2 Prudence:

The standard of prudence to be used, by the Finance Director, in the context of managing the overall portfolio is the prudent person rule which states:

"Investments will be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

The City's Finance Director (ORS 294.004 (2)) and staff acting in accordance with this Investment Policy, written procedures, and Oregon Revised Statutes 294.035 and 294.040 and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price change or other loss, provided deviations from expectations are reported and appropriate action is taken to control adverse developments within a timely fashion as defined in this policy.

5.3 Ethics:

Officers and employees involved in the investment process shall refrain from personal activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. Disclosure shall be made to the governing body. They shall further disclose any personal investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City. Officers and employees shall, at all times, comply with the State of Oregon Government Standards and Practices code of ethics set forth in ORS Chapter 244.

6. AUTHORIZED FINANCIAL INSTITUTIONS

The City shall maintain a list of all authorized financial institutions and dealers that are approved for investment purposes. Any firm is eligible to make an application to the Finance Director and upon due consideration and approval, will be added to the list. Additions and deletions to the list will be made at the City's discretion. There should be in place, proof as to all the necessary credentials and licenses held by employees of the brokers/dealers who will have contact with the City of Tualatin as specified by but not necessarily limited to the Financial Industry Regulatory Authority (FINRA), Securities and Exchange Commission (SEC), etc.

6.1 Broker/Dealers:

The Investment Officer shall determine which broker/dealer firms and registered representatives are authorized for the purposes of investing funds within the scope of this investment policy. A list will be maintained of approved broker/dealer firms and affiliated registered representatives. The following minimum criteria must be met prior to authorizing investment transactions. The Investment Officer may impose more stringent criteria.

- a. Broker/Dealer firms must meet the following minimum criteria:
 - i. Be registered with the Securities and Exchange Commission (SEC);
 - ii. Be registered with the Financial Industry Regulatory Authority (FINRA).
 - iii. Provide most recent audited financials.
 - iv. Provide FINRA Focus Report filings.
- b. Approved broker/dealer employees who execute transactions with the City must meet the following minimum criteria:
 - i. Be a registered representative with the Financial Industry Regulatory Authority (FINRA);
 - ii. Be licensed by the state of Oregon;
 - iii. Provide certification (in writing) of having read; understood; and agreed to comply with the most current version of this investment policy.
- c. If the City's investment advisor is contracted to provide securities transactions on behalf of the City, the advisor's broker/dealer list must be provided to the Investment Officer for approval. The Investment Officer can assign the responsibility of

broker/dealer due diligence process to the Advisor, and all licensing information on the counterparties will be maintained by the Advisor and available upon request.

The advisor broker/dealer review should include:

- i. FINRA Certification check
- ii. Firm Profile
- iii. Firm History
- iv. Firm Operations
- v. Disclosures of Arbitration Awards, Disciplinary and Regulatory Events
- vi. State Registration Verification
- vii. Financial review of acceptable FINRA capital requirements or letter of credit for clearing settlements.

The advisors must provide the City with any changes to the list prior to transacting on behalf of the City.

6.2 Financial Bank Institutions:

All financial banks that provide bank deposits, certificates of deposits or any other deposit of the bank to the City must either be fully covered by the FDIC or the bank must be a participant of the Public Funds Collateralization Program (PFCP) program. ORS Chapter 295 governs the collateralization of Oregon public funds and provides the statutory requirements for the Public Funds Collateralization Program. Bank depositories are required to pledge collateral against any public funds deposits in excess of deposit insurance amounts. This provides additional protection for public funds in the event of a bank loss. ORS Chapter 295 sets the specific value of the collateral, as well as the types of collateral that are acceptable. ORS Chapter 295 creates a shared liability structure for participating bank depositories, better protecting public funds though still not guaranteeing that all funds are 100% protected.

6.3 Investment Advisors:

An Investment Advisor may be utilized to manage funds and will be selected through a competitive RFP process. The Advisor must meet the following criteria:

- a. The investment advisor firm must be registered with the Securities and Exchange Commission (SEC) or licensed by the state of Oregon; (Note: Investment advisor firms with assets under management > \$100 million must be registered with the SEC, otherwise the firm must be licensed by the state of Oregon);
- b. All investment advisor firm representatives conducting investment transactions on behalf of City must be registered representatives with FINRA;
- c. All investment advisor firm representatives conducting investment transactions on behalf of City must be licensed by the state of Oregon;
- d. Contract terms will include that the Investment advisor will comply with the City's Investment Policy.

A periodic (at least annual) review of all authorized investment advisors will be conducted by the Finance director to determine their continued eligibility within the portfolio guidelines. The Investment Advisor must notify the City immediately if any of the following issues arise while serving under a City Contract:

- a. Pending investigations by securities regulators.

- b. Significant changes in net capital.
- c. Pending customer arbitration cases.
- d. Regulatory enforcement actions.

6.4 Competitive Transactions:

The Finance Director will obtain telephone, faxed or emailed quotes before purchasing or selling an investment. The Finance Director will select the quote which best satisfies the investment objectives of the investment portfolio within the parameters of this policy. The Finance Director and/or the Investment Advisor will maintain a written record of each bidding process including the name and prices offered by each participating financial institution.

In the instance of a security for which there is no readily available competitive bid or offering on the same specific issue, the Investment Officer shall document quotations for comparable or alternative securities.

The City's investment advisor that is providing investment management services must provide documentation of competitive pricing execution on each transaction. The investment advisor will retain documentation and provide upon request.

7. SAFEKEEPING AND CUSTODY

7.1 Safekeeping of Securities and Funds:

Securities will be held by an independent third-party safekeeping institution selected by the City in the City's segregated account. Upon request, the safekeeping institution shall make available a copy of its Statement on Standards for Attestation Engagements (SSAE) No. 16.

All trades of marketable securities will be executed on a delivery vs payment (DVP) basis to ensure that securities are deposited in the City of Tualatin's safekeeping institution prior to the release of funds. The City will have online access through the safekeeping bank for verification of the account holdings and transactions.

7.2 Bank Deposits and Certificates of Deposit:

The City may hold bank deposits or certificates of deposits at banks qualified under ORS 295.

7.3 Accounting Method:

The City shall comply with all required legal provisions and Generally Accepted Accounting Principles (GAAP). The accounting principles are those contained in the pronouncements of authoritative bodies including but not necessarily limited to, the Governmental Accounting Standards Board (GASB); the American Institute of Certified Public Accountants (AICPA); and the Financial Accounting Standards Board (FASB).

7.4 Internal Controls:

The Finance Director shall maintain a system of written internal controls which shall address the following areas of concern:

- Compliance with investment policy constraints and requirements
- Clear delegation of authority
- Segregation of duties and separation of responsibilities for trade execution, accounting, and record keeping
- Written confirmation of transactions and funds transfers
- Timely reconciliation of custodial reports
- Appropriate security for online transactions and access to bank accounts and bank data
- Custodial safekeeping
- Control of collusion
- Review, maintenance and monitoring of security procedures both manual and automated
- Dual authorizations of wire and automated clearing house (ACH) transfers
- Avoidance of physical delivery of securities wherever possible and address control requirements for physical delivery where necessary

An external auditor shall provide an annual independent audit to assure compliance with Oregon state law and City of Tualatin policies and procedures.

8. AUTHORIZED AND SUITABLE INVESTMENTS

8.1 Authorized Investments:

All investments of the City shall be made in accordance with Oregon Revised Statutes: ORS 294.035 (Investment of surplus funds of political subdivisions; approved investments), ORS 294.040 (Restriction on investments under ORS 294.035), ORS 294.135 (Investment maturity dates), ORS 294.145 (Prohibited conduct for Finance Director including not committing to invest funds or sell securities more than 14 business days prior to the anticipated date of settlement), ORS 294.805 to 294.895 (Local Government Investment Pool). Any revisions or extensions of these sections of the ORS must be amended to this policy in order to be allowable.

If additional types of securities are considered for investment, per Oregon state statute they will not be eligible for investment until this Policy has been amended and the amended version adopted by City Council.

8.2 Suitable Investments:

This policy recognizes S&P and Moody's as the major Nationally Recognized Statistical Ratings Organizations (NRSRO).

In the case of split ratings, where the major NRSROs issue different ratings, the higher rating shall apply. Minimum credit ratings and percentage limitations apply to the time of purchase.

The City is empowered to invest in the following types of securities:

US Treasury Obligations: U.S. Treasury and other government obligations that carry the full faith and credit guarantee of the United States for the timely payment of principal and interest [ORS Section 294.035(3)(a)].

US Agency Obligations - Primary: Senior debenture obligations of US federal agencies and instrumentalities or U.S. government sponsored enterprises (GSE) that have actively traded markets and provide a higher level of liquidity. These include: Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), Federal Home Loan Banks (FHLB), and the Federal Farm Credit Bureau (FFCB).

US Agency Obligations - Secondary: Other US government sponsored enterprises that are less marketable are considered secondary GSEs. They include, but are not limited to: Private Export Funding Corporation (PEFCO), Tennessee Valley Authority (TVA), Financing Corporation (FICO) and Federal Agricultural Mortgage Corporation, (Farmer Mac).

Municipal Debt: Lawfully issued debt obligations of the States of Oregon, California, Idaho and Washington and political subdivisions of those states if the obligations have a long-term rating on the settlement date of AA- or better by S&P or Aa3 or better by Moody's.

Corporate Indebtedness: Corporate indebtedness must be rated on the settlement date AA- or better by S&P or Aa3 or better by Moody's.

Commercial Paper: Commercial Paper that is rated A1+/P1. Issuer constraints for commercial paper combined with corporate notes will be limited by statute to 5% of market value per issuer.

Local Government Investment Pool: State Treasurer's local short-term investment fund up to the statutory limit per ORS Section 294.810.

Certificates of Deposit: Certificates of deposit in insured institutions as defined in ORS 706.008, in credit unions as defined in ORS Section 723.006 or in federal credit unions, if the institution or credit union maintains a head office or a branch in this state [ORS Section 294.035(3)(d)].

Bank Time Deposit/Savings Accounts: Time deposit open accounts or savings accounts in insured institutions as defined in ORS Section 706.008, in credit unions as defined in ORS Section 723.006 or in federal credit unions, if the institution or credit union maintains a head office or a branch in this state [ORS Section 294.035(3)(d)].

Bankers' Acceptance: Banker's acceptances, if the banker's acceptances are: (i) Guaranteed by, and carried on the books of, a qualified financial institution*; (ii) Eligible for discount by the Federal Reserve System; and (iii) Issued by a qualified financial institution whose short-term letter of credit rating is rated in the highest category by one or more nationally recognized statistical rating organizations.

*For the purposes of this paragraph, "qualified financial institution" means: (i) A financial institution that is located and licensed to do banking business in the State of Oregon; or (ii) A financial institution that is wholly owned by a financial holding company or a bank holding

company that owns a financial institution that is located and licensed to do banking business in the State of Oregon [ORS Section 294.035(3)(h)].

8.3 Collateralization:

Time deposit open accounts, Certificates of Deposit and savings accounts shall be collateralized through the collateral pool for any excess over the amount insured by an agency of the United States government in accordance with ORS 295.015 and ORS 295.018.

9. INVESTMENT PARAMETERS

9.1 Diversification:

The City will diversify the investment portfolio to avoid incurring unreasonable risks, both credit and interest rate risk, inherent in over investing in specific instruments, individual financial institutions or maturities.

Credit risk: is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt.

Liquidity risk: is the risk that an investment may not be easily marketable or redeemable.

Interest rate risk: longer term investments have the potential to achieve higher returns but are also likely to exhibit higher market value price volatility due to the changes in the general level of interest rates.

Diversification Constraints on Total Holdings – Liquidity and Core Funds

Issue Type	Maximum % Holdings	Maximum % per Issuer	Ratings S&P	Ratings Moody's
US Treasury Obligations	100%	None	N/A	N/A
US Agency Primary Securities FHLB, FNMA, FHLMC, FFCB	100%	40%	N/A	N/A
US Agency Secondary Securities FICO, FARMER MAC etc.	10%	5%	Security must be rated	Security must be rated
Municipal Bonds (OR, CA, ID, WA)	10%	10%	AA-	Aa3
Corporate Bonds	20%	5%*	AA-	Aa3
Commercial Paper	10%		A1+	P1
Bank Time Deposits/Savings Accounts	25%	15%	Oregon Public Depository	Oregon Public Depository
Certificates of Deposit	10%	5%	Oregon Public Depository	Oregon Public Depository
Banker's Acceptance	25%	5%	A1+ AA-Underlying	P1 Aa3 Underlying
Oregon Short Term Fund	Maximum allowed per ORS 294.810	None	N/A	N/A

*Issuer constraints apply to the combined issues in corporate and commercial paper holdings.

9.2 Investment Maturity:

The City will not directly invest in securities with a stated maturity of more than five (5) years from the date of purchase.

- The maximum weighted maturity of the total portfolio shall not exceed two (2) years. This maximum is established to limit the portfolio to excessive price change exposure.
- Liquidity funds will be held in the State Pool, Bank Deposits or in money market instruments maturing six months and shorter. The liquidity portfolio shall, at a minimum, represent six month budgeted outflows.
- Core funds will be defined as the funds in excess of liquidity requirements. The investments in this portion of the portfolio will have maturities between 1 day and 5 years and will be only invested based on the diversification parameters listed in 9.1 of this policy.
- Total Portfolio Maturity Constraints:

Maturity Constraints	Minimum % of Total Portfolio
Under 30 days	10%
Under 1 year	25%
Under 5 years	100%

Maturity Constraints	Maximum of Total Portfolio in Years
Weighted Average Maturity	2.00

Security Structure Constraint	Maximum % of Total Portfolio
Callable Agency Securities	25%

9.3 Prohibited Investments:

- The City shall not invest in "144A" private placement securities, this includes commercial paper privately placed under section 4(a)(2) of the Securities Act of 1933
- The City shall not lend securities nor directly participate in a securities lending or reverse repurchase program.
- The City shall not purchase mortgage backed securities.
- The City will not purchase, per ORS 294.040, any bonds of issuers listed in ORS 294.035(3)(a) to (c) that have a prior default history.
- No commitments to buy or sell securities may be made more than 14 days prior to the anticipated settlement date, or receive a fee other than interest for future deliveries.

10. INVESTMENT OF PROCEEDS FROM DEBT ISSUANCE

Investments of bond proceeds are restricted further and will not include corporate bonds in the dedicated bond proceed portfolio. All other allowable investments including: US Treasury, US

Agency and Commercial Paper may be utilized. The investments will be made in a manner to match cash flow expectations based on managed disbursement schedules.

Liquidity for bond proceeds will be managed through the OSTF Pool or Bank deposit balances.

Funds from bond proceeds and amounts held in a bond payment reserve or proceeds fund may be invested pursuant to ORS 294.052. Investments of bond proceeds are typically not invested for resale and maturity matched with expected outflows.

Information will be maintained for arbitrage rebate calculations.

11. INVESTMENT OF RESERVE OR CAPITAL IMPROVEMENTS

Pursuant to ORS 294.135(1)(b), reserve or capital Improvement project monies may be invested in securities exceeding three years when the funds in question are being accumulated for an anticipated use that will occur more than 18 months after the funds are invested, then, upon the approval of the governing body of the county, municipality, school district or other political subdivision, the maturity of the investment or investments made with the funds may occur when the funds are expected to be used.

12. POLICY COMPLIANCE AND PERFORMANCE STANDARDS

12.1 Compliance Measurement and Procedures:

- a. Compliance Report: A compliance report documenting the portfolio versus the investment policy shall be maintained quarterly.
- b. Compliance Measurement: Guideline measurements will use market value of investments.
- c. Compliance Procedures:
 - i. If the portfolio falls outside of compliance with adopted investment policy guidelines or is being managed inconsistently with this policy, the Investment Officer shall bring the portfolio back into compliance in a prudent manner and as soon as prudently feasible.
 - ii. Violations of portfolio guidelines as a result of transactions; actions to bring the portfolio back into compliance and; reasoning for actions taken to bring the portfolio back into compliance shall be documented and reported to the City Council.
 - iii. Due to fluctuations in the aggregate surplus funds balance, maximum percentages for a particular issuer or investment type may be exceeded at a point in time. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.
 - iv. As determined on any date that the security is held within the portfolio. If the credit rating of a security is subsequently downgraded below the minimum rating level for a new investment of that security, the Finance Director shall evaluate the downgrade on a case-by-case basis in order to determine if the security should be held or sold. The

Finance Director will apply the general objectives of Safety, Liquidity, Yield and Legality to make the decision. *If the City has hired the services of an Investor Advisor, the Finance Director will act on the recommendation of the Advisor.*

12.2 Performance Measurement:

- a. The City yields will be compared to the OST Pool rates.
- b. The portfolio will be invested into a predetermined structure that will be measured against a selected benchmark portfolio. The structure will be based upon a chosen minimum and maximum effective duration and will have the objective to achieve market rates of returns over long investment horizons. The purpose of the benchmark is to appropriately manage the risk in the portfolio given interest rate cycles. The core portfolio is expected to provide similar returns to the benchmark over interest rate cycles, but may underperform or out perform in certain periods. The portfolio will be positioned to first protect principal and then achieve market rates of return. The benchmark used will be a 0-3 year or 0-5 year standard market index and comparisons will be calculated monthly and reported quarterly.
- c. When comparing the performance of the City's portfolio, all fees and expenses involved with managing the portfolio shall be included in the computation of the portfolio's rate of return.
- d. The mark to market pricing will be calculated monthly and be provided in a monthly report.

13. REPORTING REQUIREMENTS

The Finance Director will retain and provide quarterly investment reports to the City Council in a similar manner as outlined in ORS 208.090. The reports also will be available upon request. Securities holdings and cash balances held in the investment portfolio will be provided on the reports.

The minimum quarterly reporting requirements for total portfolio are as follows:

- Earnings Yield
- Holdings Report (including mark to market)
- Transactions Report
- Weighted Average Maturity or Duration
- Compliance Report

14. INVESTMENT POLICY ADOPTION

This Investment Policy shall be adopted by City Council annually in accordance with ORS 294.135(a). Any significant changes to the policy must be reviewed by the Oregon Short Term-Fund Board prior to submitting to City Council for adoption.

15. GLOSSARY

Accrued Interest: The interest accumulated on a security since the issue date or since the last coupon payment. The buyer of the security pays the market price plus accrued interest.

Agency Securities: See “Federal Agency Securities.”

Bankers’ Acceptance (BA’s): A draft or bill of exchange drawn upon and accepted by a bank. Frequently used to finance shipping of international goods. Used as a short-term credit instrument, bankers’ acceptances are traded at a discount from face value as a month market instrument in the secondary market on the basis of the credit quality of the guaranteeing bank.

Basis Point: A basis point is a unit of measure used in finance to describe the percentage change in the value or rate of a financial instrument. One basis point is equivalent to 0.01% (1/100th of a percent) or 0.0001 in decimal form. In most cases, it refers to changes in interest rates and bond yields.

Benchmark: A market index used as a comparative basis for measuring the performance of an investment portfolio. A performance benchmark should represent a close correlation to investment guidelines, risk tolerance and duration of the actual portfolio’s investments.

Bond: An interest-bearing security issued by a corporation, government, governmental agency, or other body. It is a form of debt with an interest rate, maturity, and face value, and it is usually secured by specific assets. Most bonds have a maturity of greater than one year and in general, pay interest semiannually.

Broker/Dealer: A person or firm transacting securities business with customers. A “broker” acts as an agent between buyers and sellers, and receives a commission for these services. A “dealer” buys and sells financial assets from its own portfolio. A dealer takes risk by owning an inventory of securities, whereas a broker merely matches up buyers and sellers.

Call: An option to buy a specific asset at a certain price within a certain period of time.

Callable: A bond or preferred stock that may be redeemed by the issuer before maturity for a call price specified at the time of issuance.

Call Date: The date before maturity on which a bond may be redeemed at the option of the issuer.

Certificate of Deposit (CD): Bank obligation issued by a financial institution generally offering a fixed rate of return (coupon) for a specified period of time (maturity).

Collateral: Securities or other property that a borrower pledges as security for the repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

Commercial Paper: Short-term, unsecured, negotiable promissory notes issued by a company or financial institution. Issued at a discount and matures at par or face value. Usually a maximum maturity of 270 days, and given a short-term debt rating by one or more NRSROs.

Core Fund: Core funds are defined as operating fund balance which exceeds the City’s daily liquidity needs. Core funds are invested out the yield curve to diversify maturity structure in the

overall portfolio. Having longer term investments in a portfolio will stabilize the overall portfolio interest earnings over interest rate cycles.

Corporate Note: A debt instrument issued by a corporation with a maturity of greater than one year and less than ten years.

Coupon Rate: The annual rate of interest that the issuer of a bond promises to pay to the holder of the bond.

Current Maturity: The amount of time left until an obligation matures. For example, a one-year bill issued nine months ago has a current maturity of three months.

Current Yield: The coupon payments on a security as a percentage of the security's market price. In many instances the price should be gross of accrued interest, particularly on instruments where no coupon is left to be paid until maturity.

CUSIP: A CUSIP number identifies securities. CUSIP stands for Committee on Uniform Security Identification Procedures, which was established under the auspices of the American Bankers Association to develop a uniform method of identifying municipal, U.S. government, and corporate securities.

Delivery Versus Payment (DVP): Settlement procedure in which securities are delivered versus payment of cash, but only after cash has been received. Most security transactions, including those through the Fed Securities Wire system and DTC, are done DVP as a protection for both the buyer and seller of securities.

Depository Trust Company (DTC): A firm through which members can use a computer to arrange for securities to be delivered to other members without physical delivery of certificates. A member of the Federal Reserve System and owned mostly by the New York Stock Exchange, the Depository Trust Company uses computerized debit and credit entries. Most corporate securities, commercial paper, CDs and BAs clear through DTC.

Discount Notes: Short term debt obligations issued by Federal Agencies at a discount. Discount notes mature at par and can range in maturity from overnight to one year. Discount Notes typically have very large primary (new issue) and secondary markets.

Federal Agency Security: A debt instrument issued by one of the federal agencies. Federal agencies are considered second in credit quality and liquidity only to U.S. Treasuries.

Federal Agency: Government sponsored/owned entity created by the U.S. Congress, generally for the purpose of acting as a financial intermediary by borrowing in the marketplace and directing proceeds to specific areas of the economy considered to otherwise have restricted access to credit markets.

Federal Farm Credit Bank (FFCB): A Government Sponsored Enterprise (GSE) system that is a network of cooperatively owned lending institutions that provide credit services to farmers, agricultural cooperatives and rural utilities. The FFCBs act as financial intermediaries that borrow money in the capital markets and use the proceeds to make loans and provide other assistance to farmers and farm-affiliated businesses. FFCB debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance

to the U.S. Financial system and agricultural industry. Also issues notes under its “designated note” program.

Federal Home Loan Bank System (FHLB). A Government Sponsored Enterprise (GSE) system, consisting of wholesale banks (currently twelve district banks) owned by their member banks, which provides correspondent banking services and credit to various financial institutions, financed by the issuance of securities. The principal purpose of the FHLB is to add liquidity to the mortgage markets. Although FHLB does not directly fund mortgages, it provides a stable supply of credit to thrift institutions that make new mortgage loans. FHLB debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes and callable agency securities. Also issues notes under its “global note” and “TAP” programs.

Federal Home Loan Mortgage Corporation (FHLMC or "Freddie Mac"). One of the large Federal Agencies. A government sponsored public corporation (GSE) that provides stability and assistance to the secondary market for home mortgages by purchasing first mortgages and participation interests financed by the sale of debt and guaranteed mortgage backed securities. FHLMC debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes, callable agency securities and MBS. Also issues notes under its “reference note” program.

Federal National Mortgage Association (FNMA or "Fannie Mae"). One of the large Federal Agencies. A government sponsored public corporation (GSE) that provides liquidity to the residential mortgage market by purchasing mortgage loans from lenders, financed by the issuance of debt securities and MBS (pools of mortgages packaged together as a security). FNMA debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes, callable agency securities and MBS. Also issues notes under its “benchmark note” program.

Federal Reserve Bank. One of the 12 distinct banks of the Federal Reserve System.

Federal Reserve System (the Fed). The independent central bank system of the United States that establishes and conducts the nation's monetary policy. This is accomplished in three major ways: (1) raising or lowering bank reserve requirements, (2) raising or lowering the target Fed Funds Rate and Discount Rate, and (3) in open market operations by buying and selling government securities. The Federal Reserve System is made up of twelve Federal Reserve District Banks, their branches, and many national and state banks throughout the nation. It is headed by the seven member Board of Governors known as the “Federal Reserve Board” and headed by its Chairman.

General Obligation Bonds (GOs): Bonds secured by the pledge of the municipal issuer's full faith and credit, which usually includes unlimited taxing power.

Government Bonds: Securities issued by the federal government; they are obligations of the U.S. Treasury. Also known as “governmentals.”

Government Sponsored Enterprise (GSE): Privately owned entity subject to federal regulation and supervision, created by the U.S. Congress to reduce the cost of capital for certain borrowing sectors of the economy such as students, farmers, and homeowners. GSEs carry the implicit backing of the U.S. Government, but they are not direct obligations of the U.S. Government. For this reason, these securities will offer a yield premium over Treasuries. Some consider GSEs to be stealth recipients of corporate welfare. Examples of GSEs include: FHLB, FHLMC, FNMA and FFCB.

Interest: Compensation paid or to be paid for the use of money. The rate of interest is generally expressed as an annual percentage.

Interest Rate: The interest payable each year on borrowed funds, expressed as a percentage of the principal.

Investment Advisor: A company that provides professional advice managing portfolios, investment recommendations and/or research in exchange for a management fee.

Investment Portfolio: A collection of securities held by a bank, individual, institution, or government agency for investment purposes.

Investment Securities: Securities purchased for an investment portfolio, as opposed to those purchased for resale to customers.

Liquidity: The ease at which a security can be bought or sold (converted to cash) in the market. A large number of buyers and sellers and a high volume of trading activity are important components of liquidity.

Liquidity Component: A percentage of the total portfolio that is dedicated to providing liquidity needs for the City.

Mark to Market: Adjustment of an account or portfolio to reflect actual market price rather than book price, purchase price or some other valuation.

Municipals: Securities, usually bonds, issued by a state or its agencies. The interest on “munis” is usually exempt from federal income taxes and state and local income taxes in the state of issuance. Municipal securities may or may not be backed by the issuing agency’s taxation powers.

NRSRO: A “Nationally Recognized Statistical Rating Organization.” A designated rating organization that the SEC has deemed a strong national presence in the U.S. NRSROs provide credit ratings on corporate and bank debt issues. Only ratings of a NRSRO may be used for the regulatory purposes of rating such as Moody’s, S&P, Fitch and Duff & Phelps.

Par Value: The value of a security expressed as a specific dollar amount marked on the face of the security, or the amount of money due at maturity. Par value should not be confused with market value.

Prudent Person Standard: Standard that requires that when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee will act with care, skill, prudence, and diligence under the circumstances the prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a

like character and with like aims, to safeguard the principal and maintain the liquidity needs of the entity.

Rate of Return: Amount of income received from an investment, expressed as a percentage of the amount invested.

State of Oregon Local Government Investment Pool (OSTF – Oregon Short Term Fund): The OSTF is organized pursuant to ORS 294.805 through 294.895. Participation in the Pool will not exceed the maximum limit annually set by ORS 294.810.

Total Return: Investment performance measured over a period of time that includes coupon interest, interest on interest, and both realized and unrealized gains or losses. Total return includes, therefore, any market value appreciation/depreciation on investments held at period end.

Treasury Bill (T-Bill): An obligation of the U.S. government with a maturity of one year or less. T-bills bear no interest but are sold at a discount.

Treasury Bonds and Notes: Obligations of the U.S. government that bear interest. Notes have maturities of one to ten years; bonds have longer maturities.

Yield: The annual rate of return on an investment, expressed as a percentage of the investment. Income yield is obtained by dividing the current dollar income by the current market price for the security. Net yield, or yield to maturity, is the current income yield minus any premium above par or plus any discount from par in the purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

Yield to Maturity: The average annual yield on a security, assuming it is held to maturity; equals to the rate at which all principal and interest payments would be discounted to produce a present value equal to the purchase price of the bond.



STAFF REPORT

CITY OF TUALATIN

TO: Honorable Mayor and Members of the City Council

THROUGH: Sherilyn Lombos

FROM: Nicole Morris, Deputy City Recorder

DATE: 10/22/2018

SUBJECT: Consideration of Approval of a New Liquor License Application for Sonic Audio & Auto Accessories

ISSUE BEFORE THE COUNCIL:

The issue before the Council is to approve a new liquor license application for Sonic Audio & Auto Accessories.

RECOMMENDATION:

Staff respectfully recommends that the Council approve endorsement of the liquor license application for Sonic Audio & Auto Accessories.

EXECUTIVE SUMMARY:

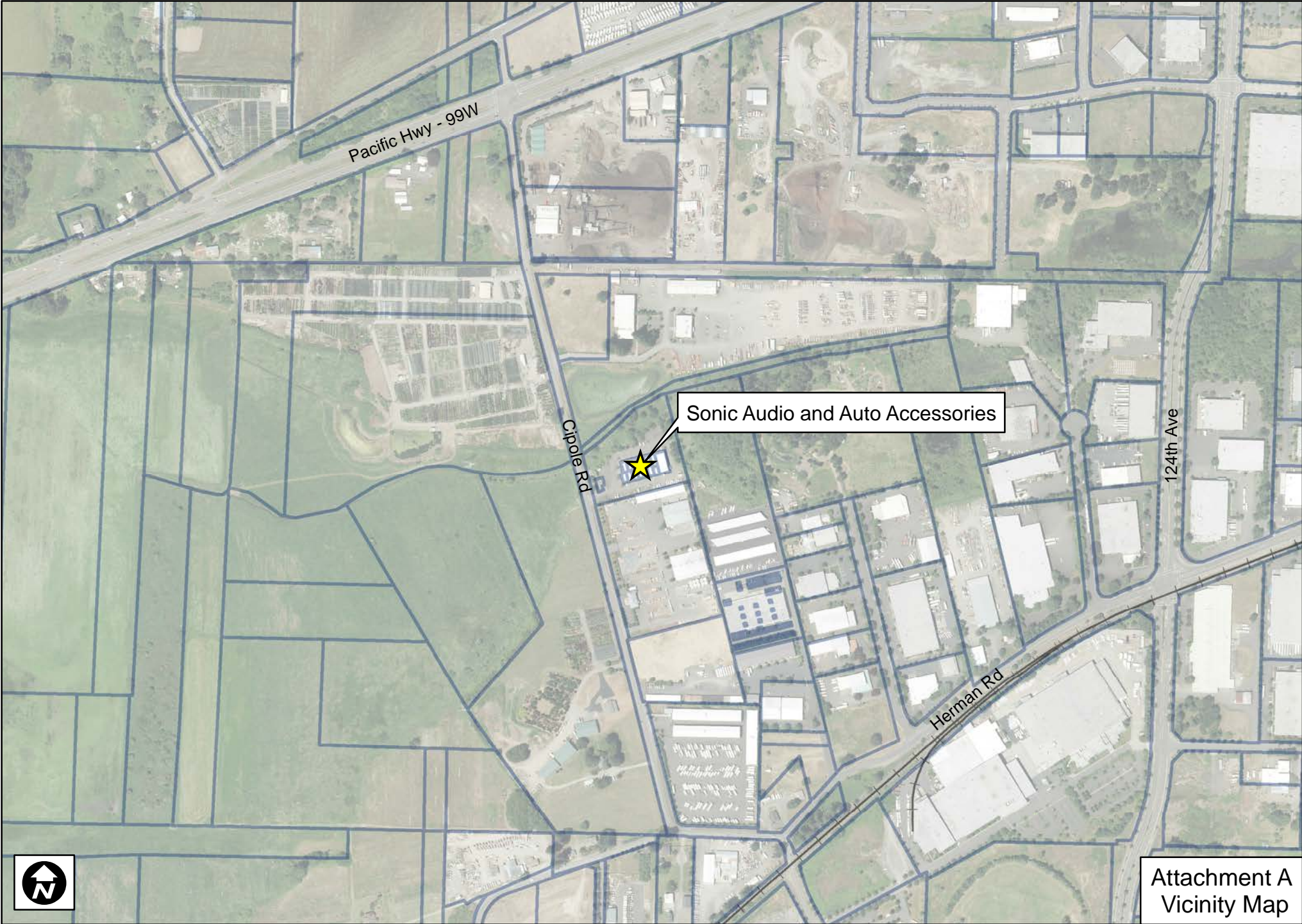
Sonic Audio & Auto Accessories has submitted a new liquor license application under the category of limited on-premises sales. Under the category of limited on-premise sales, they would be permitted to sell factory-sealed containers of malt beverages, wine, and cider for on-site consumption. The business is located at 19450 SW Cipole Rd, #104. The application is in accordance with provisions of Ordinance No.680-85 which establishes procedures for liquor license applicants. Applicants are required to fill out a City application form, from which a review by the Police Department is conducted, according to standards and criteria established in Section 6 of the ordinance. The Police Department has reviewed the new liquor license application and recommended approval. According to the provisions of Section 5 of Ordinance No. 680-85 a member of the Council or the public may request a public hearing on any of the liquor license requests. If such a public hearing request is made, a hearing will be scheduled and held on the license. It is important that any request for such a hearing include reasons for said hearing.

FINANCIAL IMPLICATIONS:

A fee has been paid by the applicant.

Attachments: [Attachment A- Vicinity Map](#)
[Attachment B- License Types](#)

Attachment C- Application



Sonic Audio and Auto Accessories

OREGON LIQUOR CONTROL COMMISSION

LICENSE TYPES

FULL ON-PREMISES SALES

- **Commercial Establishment**
Sell and serve distilled spirits, malt beverages, wine, and cider for consumption at that location (*this is the license that most "full-service" restaurants obtain*). Sell malt beverages for off-site consumption in securely covered containers provided by the customer. Food service required. Must purchase distilled liquor **only** from an Oregon liquor store, or from another Full On- Premises Sales licensee who has purchased the distilled liquor from an Oregon liquor store.
- **Caterer**
Allows the sale of distilled spirits, malt beverages, wine, and cider by the drink to individuals at off-site catered events. Food service required.
- **Passenger Carrier**
An airline, railroad, or tour boat may sell and serve distilled spirits, malt beverages, wine, and cider for consumption on the licensed premises. Food service required.
- **Other Public Location**
Sell and serve distilled spirits, malt beverages, wine, and cider for consumption at that location, where the predominant activity is not eating or drinking (for example an auditorium; music, dance, or performing arts facility; banquet or special event facility; lodging fairground; sports stadium; art gallery; or a convention, exhibition, or community center). Food service required.
- **Private Club**
Sell and serve distilled spirits, malt beverages, wine, and cider for consumption at that location, but only for members and guests. Food service required.

LIMITED ON-PREMISES SALES

Sell and serve malt beverages, wine, and cider for onsite consumption. Allows the sale of malt beverages in containers (kegs) for off-site consumption. Sell malt beverages for off-site consumption in securely covered containers provided by the customer.

OFF-PREMISES SALES

Sell factory-sealed containers of malt beverages, wine, and cider at retail to individuals in Oregon for consumption off the licensed premises. Eligible to provide sample tastings of malt beverages, wine, and cider for consumption on the premises. Eligible to ship manufacturer-sealed containers of malt beverages, wine, or cider directly to an Oregon resident.

BREWERY PUBLIC HOUSE

Make and sell malt beverages. Import malt beverages into and export from Oregon. Distribute malt beverages directly to retail and wholesale licensees in Oregon. Sell malt beverages made at the business to individuals for consumption on or off-site.

WINERY

Must principally produce wine or cider in Oregon. Manufacture, store, and export wine and cider. Import wine or cider *If bottled, the brand of wine or cider must be owned by the licensee*. Sell wine and cider to wholesale and retail licensees in Oregon. Sell malt beverages, wine, and cider to individuals in Oregon for consumption on or off-site.



CITY OF TUALATIN LIQUOR LICENSE APPLICATION

Return Completed form to: City of Tualatin Attn: Deputy City Recorder 18880 SW Martinazzi Ave Tualatin, OR 97062

Date 8/31/2018

IMPORTANT: This is a three-page form. You are required to complete all sections of the form. If a question does not apply, please indicate N/A. Please include full names (last, first middle) and full dates of birth (month/day/year). Incomplete forms shall receive an unfavorable recommendation.

Thank you for your assistance and cooperation.

REC'D CITY OF TUALATIN

SEP 18 2018

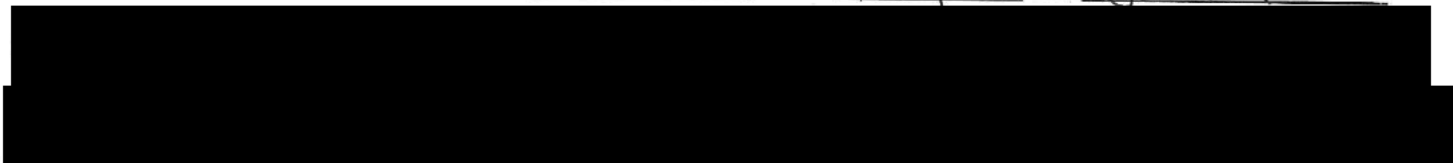
MAYOR COUNCIL POLICE ADM FINANCE COMM DEV LEGAL OPER COMM STAFF

SECTION 1: TYPE OF APPLICATION

- Original (New) Application - \$100.00 Application Fee. Change in Previous Application - \$75.00 Application Fee. Renewal of Previous License - \$35.00 Application Fee. Applicant must possess current business license. License # Temporary License - \$35.00 Application Fee.

SECTION 2: DESCRIPTION OF BUSINESS

Name of business (dba): Sonic Audio's Auto Accessories Business address 19450 SW Cipole Rd #104 City Tualatin State OR Zip Code 97066 Mailing address Same as above City State Zip Code Telephone # (503) 708-7840 Fax # (503) 692-4311 Name(s) of business manager(s) First Steven Middle Ray Last Johnson



Type of business Car Audio Shop

Type of food served Snacks, chips,

Type of entertainment (dancing, live music, exotic dancers, etc.) Music

Days and hours of operation Wed-Sunday 10am-7pm

Food service hours: Breakfast Snacks served Lunch all day Dinner

Restaurant seating capacity 5 Lobby Outside or patio seating capacity N/A

How late will you have outside seating? N/A How late will you sell alcohol? 6:30pm

How many full-time employees do you have? 8 Part-time employees? 8

SECTION 3: DESCRIPTION OF LIQUOR LICENSE

Name of Individual, Partnership, Corporation, LLC, or Other applicants NONE

Type of liquor license (refer to OLCC form) Limited on-premises

Form of entity holding license (check one and answer all related applicable questions):

INDIVIDUAL: If this box is checked, provide full name, date of birth, and residence address.

Full name Steven Paul Johnson Date of birth [REDACTED]
Residence address [REDACTED]

PARTNERSHIP: If this box is checked, provide full name, date of birth and residence address for each partner. If more than two partners exist, use additional pages. If partners are not individuals, also provide for each partner a description of the partner's legal form and the information required by the section corresponding to the partner's form.

Full name _____ Date of birth _____
Residence address _____
Full name _____ Date of birth _____
Residence address _____

CORPORATION: If this box is checked, complete (a) through (c).

(a) Name and business address of registered agent.

Full name _____
Business address _____

(b) Does any shareholder own more than 50% of the outstanding shares of the corporation? If yes, provide the shareholder's full name, date of birth, and residence address.

Full name _____ Date of birth _____
Residence address _____

(c) Are there more than 35 shareholders of this corporation? Yes No. If 35 or fewer shareholders, identify the corporation's president, treasurer, and secretary by full name, date of birth, and residence address.

Full name of president: _____ Date of birth: _____
Residence address: _____
Full name of treasurer: _____ Date of birth: _____
Residence address: _____
Full name of secretary: _____ Date of birth: _____
Residence address: _____

LIMITED LIABILITY COMPANY: If this box is checked, provide full name, date of birth, and residence address of each member. If there are more than two members, use additional pages to complete this question. If members are not individuals, also provide for each member a description of the member's legal form and the information required by the section corresponding to the member's form.

Full name: _____ Date of birth: _____
Residence address: _____

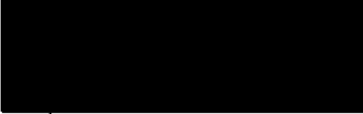
Full name: _____ Date of birth: _____

Residence address: _____

OTHER: If this box is checked, use a separate page to describe the entity, and identify with reasonable particularity every entity with an interest in the liquor license.

SECTION 4: APPLICANT SIGNATURE

A false answer or omission of any requested information on any page of this form shall result in an unfavorable recommendation.



Signature of Applicant

8/31/18
Date

For City Use Only

Sources Checked:

- DMV by [Signature]
- LEADS by [Signature]
- TuPD Records by [Signature]
- Public Records by [Signature]

Number of alcohol-related incidents during past year for location.

Number of Tualatin arrest/suspect contacts for Steven Ray Johnson

It is recommended that this application be:

Granted

Denied

Cause of unfavorable recommendation: _____

[Signature]
Signature

10-15-18
Date

~~Kent W. Barker~~ Bill Steele
Chief of Police
Tualatin Police Department

City Council Meeting

Meeting Date: 10/22/2018

SPECIAL REPORTS: Annual Report of the Juanita Pohl Center Advisory Committee

Submitted For: Sherilyn Lombos, City Manager

SPECIAL REPORTS

Annual Report of the Juanita Pohl Center Advisory Committee

- A. JPC Annual Report Presentation
 - B. Juanita Pohl Center Annual Report
-

Juanita Pohl Center Advisory Committee

2017-18 Annual Report



Committee Members

- **Candice Kelly, Chair**
- **Amanda Ballard**
- **Connie Dover**
- **Bob Grable**
- **Linda Hobbs**
- **Stephanie Jones**
- **Kate Lanman**
- **Bob Leveton**
- **Susan Noack**
- **Marilyn Ogorzaly**



Committee Role

- **Influence Policies, Programs and Services Offered at the Center**
- **Provide Input and Advise Staff on the Operation of the Center**
- **Establish Goals and Performance Measures to Successfully Increase Participation**



Increase Utilization

Programs

- Fitness & Wellness
- Nutrition
- Social
- Arts & Culture
- Evidence-Based

Center Visits

- 62,003 Visits
in 2017-18
(42% increase)



Partnerships

- AARP
- Alzheimer Association
- Barhyte Specialty Foods
- Farmington Square Tualatin
- Marquis Tualatin
- Meals on Wheels People
- New Horizons Big Band
- Oswego Place
- Parkinson Association
- Portland Community College



Benefits

- **Improve Health & Well-Being**
- **Life-Long Learning & Enrichment Opportunities**
- **Increase Quality of Life**
- **Cohesive Social Network & Interaction**



Active Older Adults at the Pohl Center



Active Older Adults at the Pohl Center



Rentals

- Business Meetings
- Private Parties
- Special Events



- Building Rented 330 Times
- 35,985 Guests Attended
(75% increase)

Enhance Center's Appearance

- **Kitchen Update (2018)**
- **Furniture Replacement in Back Lounge Area (2018)**
- **Dining Room Floor Replacement (2018)**



Action Plan for 2018-19

- Support, Grow and Demonstrate Benefits of Active Aging Programs and Services
- Increase Partnerships with National Organizations & Local Community Groups
- Develop & Implement a Strategic Marketing Plan to Increase Outreach



Questions/Comments?





2017-18 ANNUAL REPORT

Juanita Pohl Center Advisory Committee

1. BACKGROUND

The Juanita Pohl Center Advisory Committee (JPCAC) was established in March 2013. The bylaws provide that the JPCAC file an annual report with the Council including a summary of the committee's activities during the previous year.

Members of the JPCAC include Amanda Ballard, Connie Dover, Bob Grable, Linda Hobbs, Stephanie Jones, Candice Kelly, Kate Lanman, Bob Leveton, Susan Noack and Marilyn Ogorzaly.

2. ROLE OF THE COMMITTEE

- a. Influence policies, programs and services offered at the center
- b. Provide input and advise staff on the operation of the center
- c. Establish goals and performance measures to successfully increase participation

3. ACTIONS AND ACCOMPLISHMENTS IN SUPPORT OF ROLES

a. Healthy Aging Programs

Supported efforts to increase utilization of the center through new healthy active aging, evidence-based and educational programs, services and events that include:

- Fitness & Wellness Programs

Six days a week the center offered 954 class sessions during the year that included yoga, tai chi, strength, cardio, balance, aqua aerobics and dance fitness. The total annual healthy fitness participation was 11,570. Highlights included SilverSneakers®, tai chi and aqua aerobics exercise classes, bilingual fitness, Veterans yoga and pickleball.

- Nutrition Program

Meals on Wheels People served 8,796 lunch program meals at the center and delivered 9,305 meals to home bound seniors.

- Social Programs

There were 834 program sessions that promoted socialization at the center with total annual participation of 7,200. Highlights included Veterans Recognition Breakfast (180), Active Adult Day Trips (447), Bingo (841), Billiards (1,790) and Tuesday Night Social (764).

- Visitations

The center had 62,003 door count visits during the last year.



SilverSneakersClassic

This Monday, Tuesday, Wednesday and Friday class is the most popular class at the center and attendance continues to thrive and grow.

- Partnerships

- Increased and maintained partnerships and collaboration to assure quality programs:
 - AARP
 - Alzheimer Association
 - Barhyte Specialty Foods
 - Farmington Square Tualatin
 - Marquis Tualatin
 - Meals on Wheels People
 - New Horizons Big Band
 - Oswego Place
 - Parkinson Association
 - Portland Community College



Meals on Wheels People volunteers deliver lunch to home bound seniors in Tualatin. Meals on Wheels People have been providing essential healthy nutritional meals for over 35 years at the Juanita Pohl Center.

2017-18 Annual Report of the Juanita Pohl Center Advisory Committee

- Rentals

- The center accommodated 330 private parties, meetings or events for residents and businesses.
- The total rental attendance was estimated at approximately 35,985.
- The center continues to be popular gathering place for our diverse community.



The center is typically booked on Saturdays and Sundays during the year for citizen and business activities and events.

- Improved Circulation and Ambiance

Enhanced the center's circulation and appearance with an improved layout and updated furniture that included:

- The back lounge area was completed in 2018 and included a new couch, chairs and coffee tables.
- The large classroom was updated in 2018 with new chairs and the small classroom received a new conference table and new chairs.
- The main goal of this project is to provide safe, accessible and appealing furnishings for older adults, with a consistent theme throughout the building.

- Kitchen Update

The kitchen update was completed in 2018 and included a new double convection oven, freezer, stainless steel countertops and new shelving units for storage. These improvements help to provide a healthy nutrition program for older adults in partnership with Meals on Wheels People.



Newly Installed Furnishings

4. **ACTION PLAN FOR 2018-19**

a. Programs and Services

Continue to support, grow and demonstrate benefits of active aging programs, services, activities and events in the community to include:

- Lunch & Learn Educational Programs
- Fall Prevention Awareness/Better Balance Fair
- Arts & Culture
- Bilingual Programs
- Active Adult Day Trips/Regional Excursions & Hiking/Walking Programs
- Meals on Wheels People
- Pickleball Drop-in/Tournaments & Lessons
- SilverSneakers® & Silver&Fit® Insurance Reimbursement Programs
- Veterans Recognition Breakfast

b. Partnerships and Collaboration

Continue to increase partnerships with national organizations, local community groups and agencies.

c. Dining Room Floor Replacement

The dining room floor is scheduled to be replaced in late 2018. A new, updated floor will give the center an improved program and rental space that will support older adult services and private rentals well into the future.



Evidence-Based Program: WISE (Wellness Initiative for Senior Education)

City Council Meeting

Meeting Date: 10/22/2018

SPECIAL REPORTS: Quarterly Financial Report

Submitted For: Sherilyn Lombos, City Manager

SPECIAL REPORTS

Quarterly Financial Report

SUMMARY

Staff will be presenting a financial report for the quarter ending September 30, 2018.

PowerPoint

Fiscal Year 2018 - 2019

Quarterly Financial Report – 1st Quarter

October 22, 2018



Tonight's Agenda

- Fiscal Year 2017-18 Budget to Actual
- PERS
- Economic Forecast



Fiscal Year 2017-18 Budget to Actual

Fund	Fiscal Year 2017-2018			Fiscal Year 2018-2019		
	Budget	Actual	% of Budget	Budget	Actual	% of Budget
General Fund	\$ 32,021,805			\$ 32,781,190		
Revenues		\$ 2,047,312	6.39%		\$ 2,219,252	6.77%
Expenditures		\$ 5,309,894	16.58%		\$ 5,372,832	16.39%
Building Fund	\$ 3,044,350			\$ 2,549,600		
Revenues		\$ 342,429	11.25%		\$ 319,669	12.54%
Expenditures		\$ 270,192	8.88%		\$ 267,104	10.48%
Road Utility Fee Fund	\$ 1,546,670			\$ 1,793,270		
Revenues		\$ 319,750	20.67%		\$ 368,526	20.55%
Expenditures		\$ 641,085	41.45%		\$ 746,282	41.62%
Road Operating Fund	\$ 5,026,750			\$ 6,381,030		
Revenues		\$ 499,752	9.94%		\$ 586,682	9.19%
Expenditures		\$ 370,063	7.36%		\$ 565,657	8.86%



Fiscal Year 2017-18 Budget to Actual

Fund	Fiscal Year 2017-2018			Fiscal Year 2018-2019		
	Budget	Actual	% of Budget	Budget	Actual	% of Budget
Core Area Parking Fund	\$ 215,355			\$ 227,500		
Revenues		\$ 19,536	9.07%		\$ 39,937	17.55%
Expenditures		\$ 17,803	8.27%		\$ 10,679	4.69%
Water Operating Fund	\$ 13,982,765			\$ 12,737,455		
Revenues		\$ 2,434,958	17.41%		\$ 2,555,076	20.06%
Expenditures		\$ 1,202,909	8.60%		\$ 1,641,584	12.89%
Sewer Operating Fund	\$ 11,114,960			\$ 11,579,495		
Revenues		\$ 2,007,759	18.06%		\$ 2,035,265	17.58%
Expenditures		\$ 1,402,878	12.62%		\$ 1,384,965	11.96%
Storm Drain Operating Fund	\$ 5,509,550			\$ 6,165,710		
Revenues		\$ 716,086	13.00%		\$ 773,635	12.55%
Expenditures		\$ 506,203	9.19%		\$ 414,208	6.72%



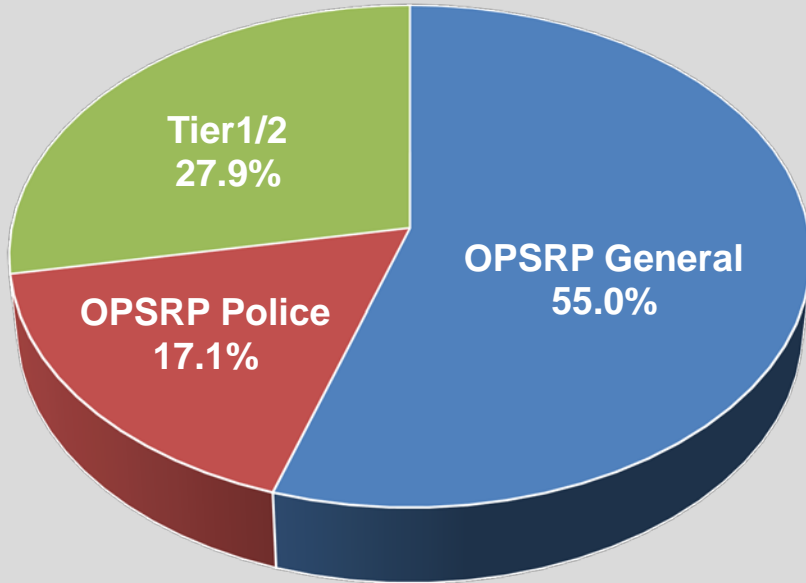
Oregon Public Employee Retirement System (PERS)

*“To pay the right person, the right benefit,
at the right time”*

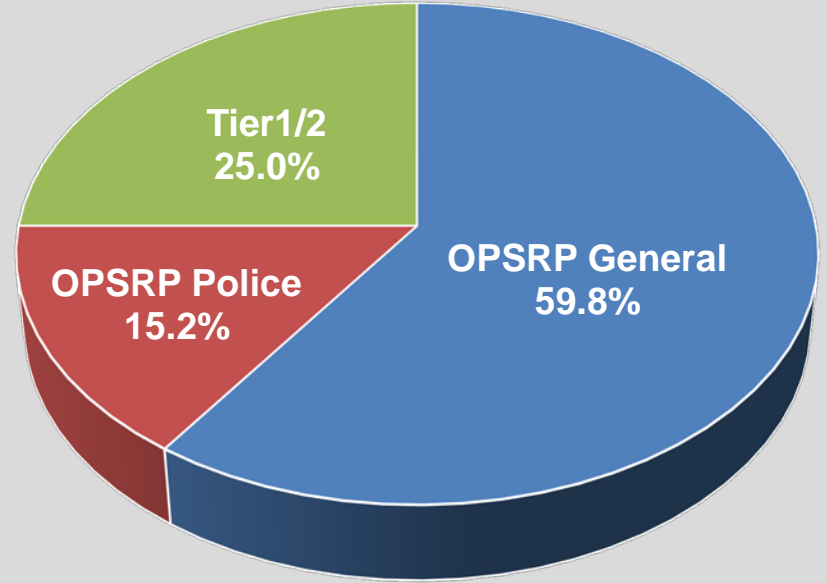


PERS - Percentage Salaries/Employees

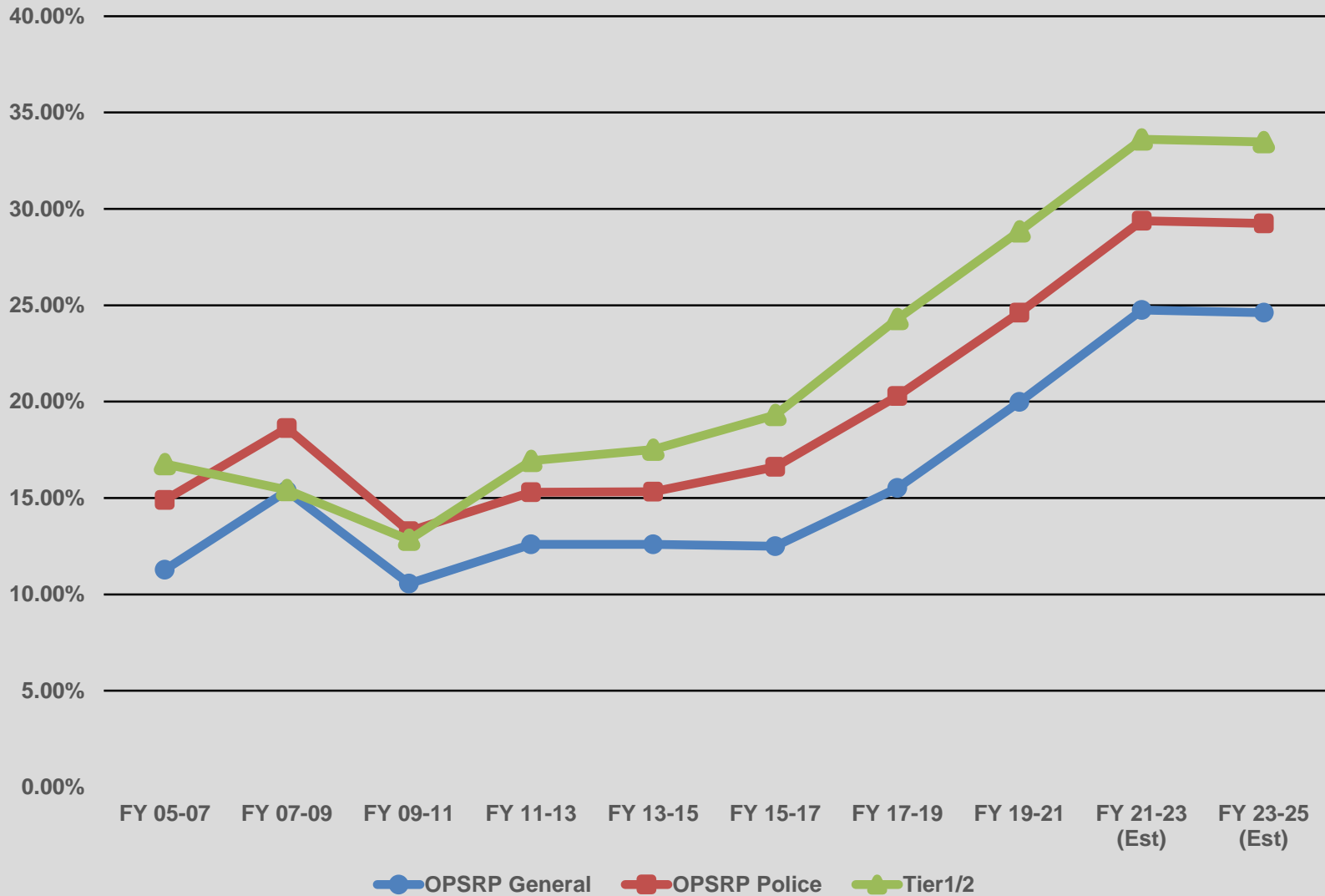
Salaries



of Employees



PERS – Contribution Rates



PERS – Expenditure Value





An economic forecaster is like a cross-eyed javelin thrower: they don't win many accuracy contests, but they keep the crowd's attention.
- Anonymous

Wall Street Journal Forecast Consensus

October 2018 Forecast

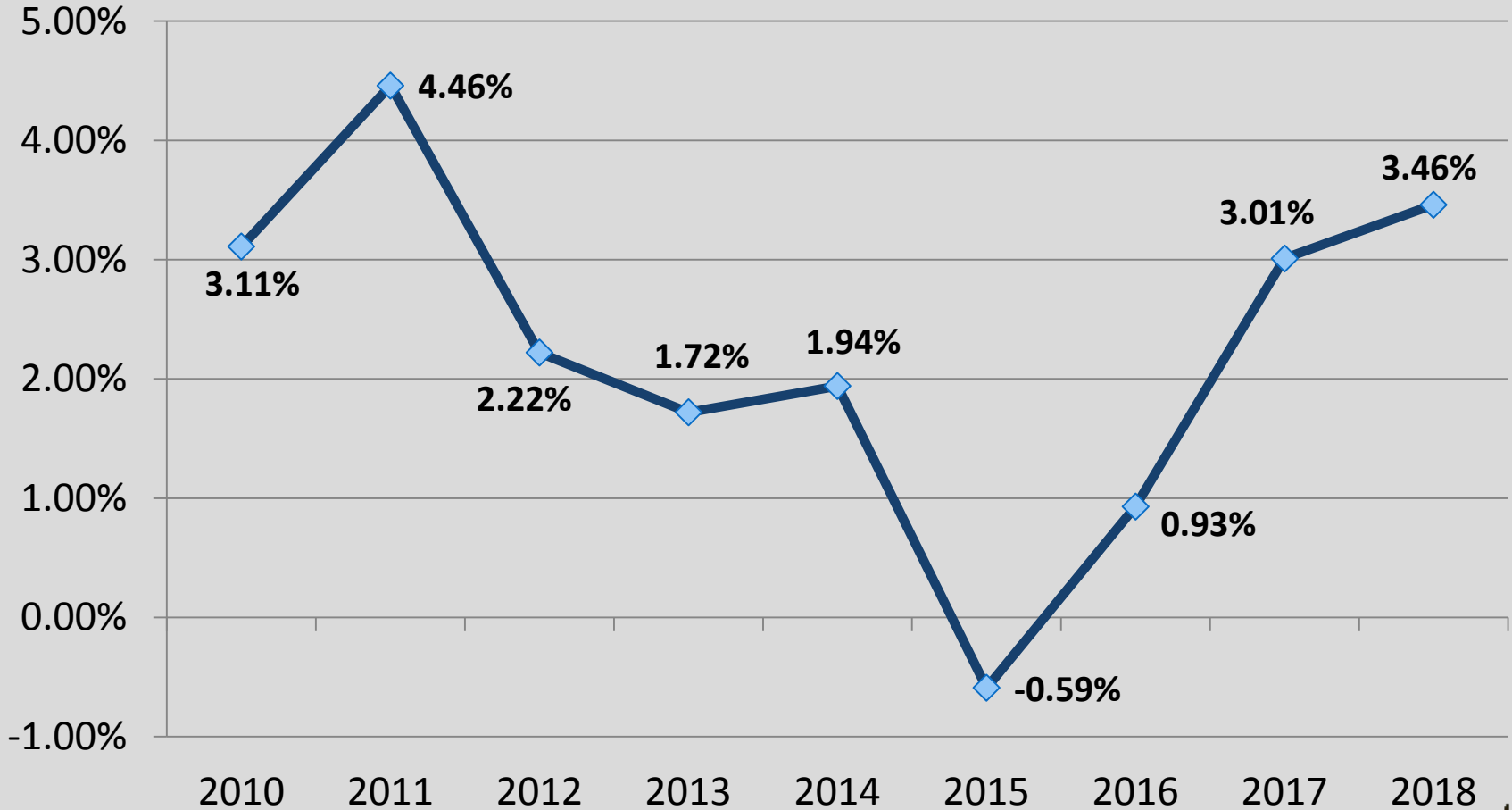
WSJ Forecast	Jun-18	Dec-18	Jun-19	Dec-19	Jun-20	Dec-20	Jun-21
CPI Growth	0.1%	2.5%	2.4%	2.3%	2.3%	2.3%	2.2%
Unemployment	4.0%	3.7%	3.6%	3.6%	3.7%	3.8%	4.0%
10 Year Note	2.85%	3.24%	3.40%	3.50%	3.49%	3.47%	3.52%
Fed. Funds Rate	1.88%	2.37%	2.82%	3.08%	3.15%	3.07%	3.04%

WSJ Forecast	2016	2017	2018	2019	2020
Housing Starts (millions)	1.17	1.20	1.28	1.31	1.33
Change in Home Prices	6.2%	6.7%	5.5%	4.1%	3.2%

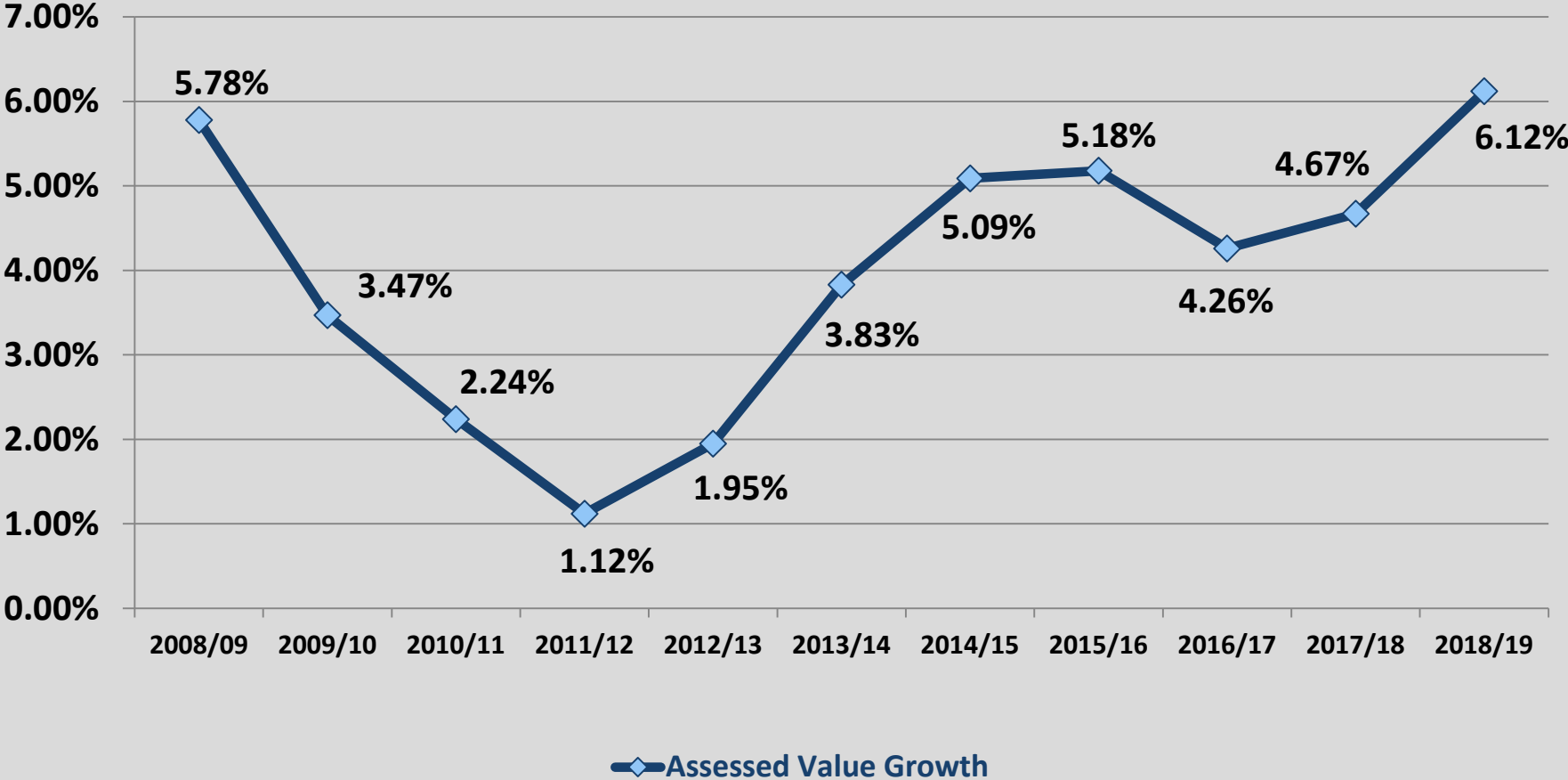
Actual
Forecast



Municipal Cost Index



Property Taxes – FY 17/18



Fiscal Health Model



Questions?





STAFF REPORT

CITY OF TUALATIN

TO: Honorable Mayor and Members of the City Council

THROUGH: Sherilyn Lombos, City Manager

FROM: Nicole Morris, Deputy City Recorder

DATE: 10/22/2018

SUBJECT: Consideration of Recommendations from the Council Committee on Advisory Appointments

ISSUE BEFORE THE COUNCIL:

Consideration of appointments to the Tualatin Arts Advisory Committee and Tualatin Planning Commission.

RECOMMENDATION:

Staff recommends the City Council approve the recommendations from the Council Committee on Advisory Appointments (CCAA).

EXECUTIVE SUMMARY:

The CCAA met and interviewed citizens interested in participating on City advisory committees. The Committee recommends appointing the following individuals:

Individuals	Board	Term
Kathleen Sillowaay	Tualatin Arts Advisory Committee	New Appointment Term Expiring 03/31/19
Alan Aplin	Tualatin Planning Commission	Re-appointment Term Expiring 08/31/21
Janelle Thompson	Tualatin Planning Commission	Re-appointment Term Expiring 08/31/21

Attachments: