



OFFICIAL MINUTES OF THE TUALATIN BUDGET ADVISORY COMMITTEE MEETING FOR MAY 20, 2020

Present: Bridget Brooks, Brittany Valli, Chris Brune, Frank Bubenik, John Hannam, Monique Beikman, Maria Reyes, Nancy Grimes, Paul Morrison, Rebekah Deal, Robert Kellogg, Cyndy Hillier, Veronica Williams, Valerie Pratt, Monica Gibson

Call to Order

Chair Hillier called the meeting to order at 6:01 p.m.

Welcome and Introductions

Approval of Minutes

Motion to adopt the Budget Advisory Committee meeting minutes of May 11, 2020 made by Williams, Seconded by Morrison.

Voting Yea: Brooks, Valli, Brune, Bubenik, Hannam, Beikman, Reyes, Grimes, Morrison, Deal, Kellogg, Hillier, Williams, Pratt

MOTION PASSED

1. Consideration of Minutes of the Budget Advisory Committee Meeting of May 11, 2020

Public Hearing

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

Director Hudson stated the intent of the public hearing is to receive state shared revenues. He noted it is the first of two public hearings required in order to receive a portion of the state liquor tax revenue. He stated the City is estimated to receive \$413,890 in the FY 20/21 budget. The revenue is not restricted and is used for general city operations. He noted cigarette, gas, marijuana, and remaining liquor taxes are not covered in the public hearing.

PUBLIC COMMENT

None.

Meeting Agenda and Materials

1. Discussion of Fiscal Year 2020-21 Budget

Director Hudson addressed questions asked by committee members via email. He answered questions about reserves and contingency. He stated contingencies are typically 15% of expenditures. Director Hudson stated there was a question about a small percentage for art. He stated there not been a discussion about this at this time. Director Hudson stated there was a question about water rates and the impact from Portland Water

building their new water treatment plant. He stated the city won't see impacts until two years after they are completed with the project which is estimated in 2028.

Councilor Brooks would like to make sure a percentage for the arts is considered in the future.

Director Hudson stated common themes throughout the budget included personal services expenditures, expenditures per replacement schedules, transfers into utility operating funds, transfers from funds to repay the Tualatin City Services building loan, interest earnings, and utility rate revenues. Director Hudson spoke to proposed residential utility rates that will be taken to the Council for adoption. He stated proposed rates are a 4.25% water rate which is based off the water master plan and a 3.36% road maintenance fee which is indexed by ordinance. He stated the total impact would be \$1.60 a month to utility customers.

Director Hudson presented the general fund capital outlay. He stated police vehicles will be replaced and the library public furniture replacement will be completed. Director Hudson stated capital outlay for parks maintenance will include a 60" riding mower, Atfalati Park sports court resurfacing, commons and community park restroom renovations, Jurgens Park playground surface replacement, Ki-a-Kuts pedestrian bridge repairs, and the Stoneridge Park planning and redesign. He stated road operating projects include Borland Road improvements, Herman Road widening design, and a transportation system plan update. The water operating outlay will include the Blake Street to 115th water line, SCADA system improvements, Tualatin-Sherwood Road water relocation, and the B1 Water Reservoir updates. The sewer operating outlay projects will include the 65th Avenue/Newberg trunk line. He stated stormwater operating outlay will include storm pipe replacement, the Sweek Drive/Emery Zidele retention pond, and the Ventia water quality facility.

Director Hudson presented an overview of revenues and expenditures for the building fund. He stated revenues are still coming and he is still comfortable with projected revenues. Expenditures are seeing the merchant discount fee line decreasing as there has been less payments on credit cards.

Director Hudson spoke to revenues and expenditures in the water operating fund. He explained the water operating fund loaned the park development fund money for a land purchase and the loan was paid back last year. Director Hudson stated he received a questions about the consultant line. He noted the water system operations and maintenance division purchase a valve burning machine that need an engineering consultant to put a manual together.

Director Hudson spoke to the sewer operating fund noting there were two capital projects: a sewer lateral repair and 65th/Nyberg trunk line which is being paid for by Clean Water Services and is reflected in the revenue side of the budget. Director Hudson stated capital line items for the fund include equipment and furnishings and a line for vehicle replacement expenses.

Director Hudson spoke to the road operating fund stating miscellaneous income this past year came from various grants for projects. He stated the road utility fee fund has been effected by COVID and he has backed down the revenue numbers in case businesses don't reopen.

Director Hudson spoke to the parks development fund noting capital outlay projects include the commons fountain renovation and the Tualatin River Greenway Trail extension.

Councilor Morrison asked what the likelihood of SDC funded projects happening this year is. Director Hudson stated revenues have started to come in and he anticipates the rest of the permits will be pulled by June 30.

Director Hudson spoke to the transportation projects fund, the Tualatin City Services fund, the vehicle replacement fund, the debt services fund, and the Tualatin Development Commission fund.

Director Hudson spoke to the general fund and the impacts to revenues from COVID-19. He stated impacted items included franchise fees, business license fees, motel taxes, passport execution fees, fingerprint fees, the GREAT program, and fines and forfeitures. He noted he is still analyzing revenue and expenditure impacts for the Parks and Recreation programs and events. Director Hudson spoke to expenditures in the City Council, Administration, Finance, Municipal Court, Legal, Information Services, Maintenance Services, Community Development, Engineering, Police, Parks and Recreation, Parks Maintenance, Library, Non-Departmental, and the General Account Reserves funds.

Councilor Pratt asked if funds were allocated to determine the scope of a climate action plan. Director Hudson stated there is nothing programmed at this time. He stated a scope will be brought to Council later in the year for consideration.

Director Hudson presented the committee with proposed amendments. He stated amendments included carryovers for the Trakt/Laserfiche project for Community Development, Ready to Read Grant for the Library, Public Furniture Replacement for the Library, and the Blake to 115th Waterline project.

Public Comment

None.

Councilor Brooks asked to have a placeholder added for an environmental consultant. Director Hudson stated there is money set aside in the contingency fund that can be transferred if the Council makes a decision to move that direction.

Motion to approve the Fiscal Year 2020-2021 City of Tualatin budget, as amended, the property taxes it contains at the rate of \$2.2665 per \$1,000 of assessed value for operating purposes, and the amount of \$2,923,950 for payment of general obligation bond principal and interest made by Pratt, Seconded by Hannam.

Voting Yea: Brooks, Valli, Brune, Bubenik, Hannam, Beikman, Reyes, Grimes, Morrison, Deal, Kellogg, Hillier, Williams, Pratt

MOTION PASSED

Motion to approve the Fiscal Year 2020-2021 Tualatin Development Commission budget made by Morrison, Seconded by Beikman.

Voting Yea: Brooks, Valli, Brune, Bubenik, Hannam, Beikman, Reyes, Grimes, Morrison, Deal, Kellogg, Hillier, Williams, Pratt

MOTION PASSED

Adjournment

Chair Hillier adjourned the meeting at 7:49 p.m.

Sherilyn Lombos, City Manager

_____ / Nicole Morris, Recording Secretary

_____ / Frank Bubenik, Mayor