



OFFICIAL MINUTES OF THE TUALATIN BUDGET ADVISORY COMMITTEE MEETING FOR MAY 30, 2023

Present: Brittany Valli, Chris Brune, Frank Bubenik, John Hannam, Maria Reyes, Cyndy Hillier, Valerie Pratt, Christen Sacco, Kelly Horsford, Elizabeth Michels, Octavio Gonzalez, Alyssa Colon, Joseph Tanous, Ryan Wilson- Student

Absent: Bridget Brooks

Call to Order

Chair Valli called the meeting to order at 6:05 p.m.

Welcome and Introductions

Approval of Minutes

1. Consideration of Minutes of the Budget Advisory Committee Meeting of May 8, 2023

Motion to adopt the Budget Advisory Committee Meeting of May 8, 2023 made by Tanous,
Seconded by Pratt

Voting Yea: Valli, Brune, Bubenik, Hannam, Reyes, Hillier, Pratt, Sacco, Horsford,
Michels, Gonzalez, Colon, Tanous

MOTION PASSED

Public Hearing

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

Assistant Finance Director Matt Warner stated the intent of the public hearing is to receive state shared revenues. He noted this is the first of two public hearings required in order to receive a portion of the state liquor tax revenue. Director Warner stated the City is estimated to receive \$456,315 in the FY 23/24 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 this public hearing.

PUBLIC COMMENT

None.

Meeting Agenda and Materials

1. Discussion of Fiscal Year 2023-24 Budget

Finance Director Don Hudson addressed various questions posed by committee members via email. He provided responses on a range of topics, including the transition of maintenance services to the Public Works department, the Leveton Project fund, the Urban Renewal Districts in the city, the stormwater master plan, the American Rescue Plan Act (ARPA) funds, the Transportation Development Fund tax spending, spending on repair and maintenance dollars in Information Services, equipment and furnishing spending,

maintenance services projects, budget reserves, impacts of HB 3115- Time, Place, and Manner, and contingencies and reserves.

Chair Valli asked if there is future forecasting in the city's budget. Director Hudson stated the city looks at several years and evaluates one-time needs and the future impacts. City Manager Lombos added the fiscal health model looks out three years.

Member Michaels asked if there is anything at the legislature currently that would impact the city's budget. Director Hudson stated there is nothing at this time.

Director Hudson highlighted several common themes in the proposed budget, such as personal services expenditures, expenditures per replacement schedules, software annual maintenance, utility rate revenues, transfers into Utility Operating Funds, and interest on investments. He also provided details on the proposed rate increases for various utility services, including water, sewer, stormwater, and road utility fees. Director Hudson noted the total overall impact of these rate increases would be \$8.04 per month for a typical residential utility bill. He also shared how revenues are being spent for the Tualatin River Greenway Trail extension.

Director Hudson provided an overview of revenues, noting they are very stable. He explained franchise and right-of-way fees and discussed intergovernmental revenues, including marijuana tax, PCN operations grant funding, and Transient Lodging Tax increases. He also spoke about the street tree revenues and expenditures.

Director Hudson then provided an overview of expenditures. He stated there were no significant changes in various general fund departments. Departments presented included finance, municipal court, information services, general fund non-departmental, library, parks and recreation, parks maintenance, police, and maintenance services. He also covered specific funds and projects related to building, water, sewer, stormwater, road utility, and transportation projects.

Public Comment

Director Hudson distributed a written comment from Marissa Houlberg regarding the consideration of a parks asset replacement fund.

Member Sacco asked if a fund like this could be used for matching funds for grants. Director Hudson stated it would depend on the specific requirements of the grants.

Member Reyes inquired about the current usage of the state shared revenues and whether they could be allocated to a fund like this. Director Hudson explained the marijuana tax funds are currently programmed in the general fund for operations.

Member Horsford asked about the funding needed to start such a fund. Member Pratt stated an assessment was done as part of the Parks and Recreation Master Plan and the numbers are located there.

Member Gonzalez asked if parks bond dollars could be used to establish this fund.

Member Hillier asked if the interest funds from the parks bond could be utilized for a replacement fund. Director Hudson clarified that he doesn't believe they could, but would look into it.

Member Tanous questioned the importance of establishing this fund when the current approach seems to be working. Director Hudson mentioned a parks analysis identified the need for replacement needs in parks.

Member Reyes asked about the appropriate timing to consider this fund. Director Hudson stated the budget is currently balanced, if the fund were to be established, funds would need to be reduced someplace else in the budget. He suggested considering it in the next year's budget after further analysis.

Member Hannam inquired about the establishment of the vehicle replacement fund. Director Hudson explained how it was created through ongoing costs for those items.

Member Sacco expressed support for adding a parks asset replacement fund.

Member Gonzalez suggested a method for calculating maintenance costs for park asset replacement.

Consensus was reached to consider establishing the fund in the next fiscal year cycle.

Committee Questions and Comment

Assistant Finance Director Warner presented proposed amendments to the committee. He mentioned the amendments are for purchases or projects that will not be complete before June 30th and need to be carried over to the FY 23/24 budget. Director Warner stated amendments are for the community engagement, Climate Action Plan, workers comp and Tri-Met taxes, Paid Leave Oregon, the river trail extension, water operating equipment and projects, the Martinazzi trunk upsizing, and the road operating fund projects.

Motion to approve the Fiscal Year 2023-2024 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 \$4,764,595 for payment of general obligation bond principal and interest made by Horsford, Seconded by Tanous.

Voting Yea: Valli, Brune, Bubenik, Hannam, Reyes, Hillier, Pratt, Sacco, Horsford, Michels, Gonzalez, Colon, Tanous

MOTION PASSED

Motion to approve the Fiscal Year 2023-2024 Tualatin Development Commission budget made by Horsford, Seconded by Tanous.

Voting Yea: Valli, Brune, Bubenik, Hannam, Reyes, Hillier, Pratt, Sacco, Horsford, Michels, Gonzalez, Colon, Tanous

MOTION PASSED

Adjournment

Chair Valli adjourned the meeting at 8:20 p.m.

Sherilyn Lombos, City Manager

_____/ Nicole Morris, Recording Secretary

_____/ Frank Bubenik, Mayor