



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

Staff Present: City Manager Sherilyn Lombos; City Attorney Sean Brady; Police Chief Bill Steele; Finance Director Don Hudson; Planning Manager Aquilla Hurd-Ravich; Deputy City Recorder Nicole Morris; Parks Maintenance Manager Tom Steiger; Maintenance Services Division Manager Clayton Reynolds; Street/Sewer/Storm Division Manager Bert Olheiser; Assistant to the City Manager Tanya Williams; Library Manager Jerianne Thompson; Economic Development Manager Jonathan Taylor; Management Analyst II Kelsey Lewis; Parks and Recreation Manager Rich Mueller; City Engineer Jeff Fuchs; IS Director Bates Russell; Management Analyst II Gareth Prior; Program Coordinator Lisa Thorpe; Accounting Supervisor Matthew Warner; Management Analyst II Nic Westendorf; Parks and Recreation Director Ross Hoover; Human Resources Director Stacy Ruthrauff; Planning Manager Steve Koper

A CALL TO ORDER

Chair John Hannam called the meeting to order at 6:07 p.m.

B APPROVAL OF MINUTES

1 Consideration of Minutes of the Budget Advisory Committee Meeting of May 6, 2019

MOTION by Monique Beikman, SECONDED by Cyndy Hillier to approve the minutes from the Budget Advisory Committee meeting of May 6, 2019.

Vote: 13 - 0 MOTION CARRIED

C 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 and is the first of two public hearings required in order to receive a portion of the state liquor tax revenue. He noted the City is estimated to receive \$ 380,040 in the FY 19/20 budget. The revenue is not restricted and is used for general city operations. Cigarette, gas, marijuana, and remaining liquor taxes are not covered in the public hearing.

PUBLIC COMMENT

None.

D MEETING AGENDA AND MATERIALS

1 Discussion of Fiscal Year 2019-20 Budget

Director Hudson passed out changes to the stormwater operating fund and the fund balance page to be replace existing pages in the FY 2019/20 budget.

Director Hudson distributed questions asked by committee members via email. He briefly reviewed answers to questions regarding the Leveton Tax Increment District, contingencies, reserves and unappropriated, increases in the Water Operating Fund and Stormwater Development Fund, other revenue in the Road Operating Fund, replacement fund for playground equipment, Parks System Development Charges (SDC), consultants, equipment and furnishings, capital outlay, the Capital Improvement Plan, the Tualatin Development Commission Administration fund, the Core Area Parking District Fund, sidewalk and vegetation maintenance, and reverse frontage.

Director Hudson stated funds to be discussed tonight include the general fund, as well as the building, water operating, sewer operating, stormwater operating, road utility fee, road operating, transportation project, Tualatin Service Center, park development, and vehicle replacement funds. Common themes throughout the budget included interest earnings, utility rate revenues, copier monthly lease payments to IS budget, personal services expenditures, and capital expenditures.

Mayor Bubenik asked how liquid the cities investments are. Director Hudson explained everything invested in the Local Government Investment Pool is liquid. He noted some other investments are invested in term instruments.

Director Hudson presented an overview of revenues and expenditures for the building and vehicle replacement funds. Items reviewed included transfers, increases and decreases in line items, and merchant discount fees in the building fund.

Committee Member Morse asked if employees are feeling overworked without the addition of new staff. Director Hudson stated the City operates lean to continue to carry a fiscally prudent budget. Committee Member Morse asked when the addition of new staff is considered. Director Hudson stated departments monitor workload and if additional staffing is needed discussions are held with the City Manager and Finance Director.

Councilor Morrison asked when work on the Borland Road project would begin since it is in this year's budget. Public Works Director Fuchs explained they anticipate some work to begin on the project this fiscal year and the rest will be carried out in 2021.

Committee Member Pratt asked when the vehicle replacement fund would begin to be utilized. Director Hudson stated in the next year or two there would be funds available to start utilizing it.

Director Hudson addressed questions regarding miscellaneous incomes in the water operating fund. He explained the water operating fund loaned the park development fund money and is now paying it back.

Councilor Morrison asked about the timing of the payback of the inter-fund loan and whether or not the timing of the payback would impact land purchases that qualify for SDC funding. Director Hudson stated when the purchase was made it met qualifications and its eligibility did not factor into the loan.

Director Hudson discussed contract repair and maintenance expenses, corrected balances, and transfers to the water, sewer and stormwater funds, the road utility fee fund, and the road operating fund.

Committee Member Valli inquired about who owns the portion of Boones Ferry Road by the

railroad tracks. Street Division Manager Olheiser stated it is a state owned road.

Director Hudson spoke to the road operating fund transfers, street light maintenance, and the trail reserve. He gave an update on the transportation project fund and the park development fund.

Committee Member Morse asked if the \$1.2 million for program management included all projects or just those in next fiscal year. Public Works Director Fuchs stated the funds are for the design of this year's projects.

Committee Member Valli asked what will happen to all the material in the landscape strip where the Tualatin-Sherwood Road project is proposed. City Manager Lombos stated the plants will be recycled.

Committee Member Pratt asked what happens if an anticipated grant doesn't go through as planned in the Parks budget. Director Hudson stated the project would be reviewed and whether it could be funded or not would be determine.

Director Hudson presented an overview of general fund revenue including explanations on property tax, franchise fees, TTSD/Tualatin Police Partnership School Resource Officers, law enforcement partnerships, municipal court fines, and the city's portion of revenue from marijuana taxes.

Councilor Morrison asked if marijuana fees are unrestricted. Director Hudson stated they are.

Director Hudson spoke to increases in the street tree program. He presented general fund expenditures including worker's compensation, contingency and reserves, Community Development, tourism funding and special programs, the Library permanent makerspace classroom, parks maintenance, and the police department's contract with WCCCA.

Committee Member Beikman asked if the School Resource Officer is paid through a grant. Director Hudson responded it is.

Mayor Bubenik asked about playground improvements at Atfalati playground. Parks and Recreation Director Hoover stated the playground is nearing the end of its useful life and needs to be replaced. Mayor Bubenik asked if it is funded in this fiscal year. Parks and Recreation Director Hoover stated it is not, but is on the CIP list for potential funding in the future. Mayor Bubenik commented the Atfalati playground project would be a good project to seek Community Development Block Grant funding for.

E PUBLIC COMMENT

None.

F COMMITTEE QUESTIONS AND COMMENTS

Director Hudson presented the committee with proposed amendments. Amendments included materials and services carryovers, transfer adjustments, and an industrial discharge revenue increase in the sewer fund.

MOTION by Valerie Pratt, SECONDED by Monique Beikman to approve the Fiscal Year 2019-2020 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 \$2,874,790 for payment of general obligation bond principal and interest.

Vote: 13 - 0 MOTION CARRIED

MOTION by Cyndy Hillier, SECONDED by Paul Morrison to approve the Fiscal Year 2019-2020 Tualatin Development Commission budget.

Vote: 13 - 0 MOTION CARRIED

G ADJOURNMENT

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

Sherilyn Lombos, City Manager

_____ / Recording Secretary