

Meeting Agenda | Finance Committee

Wednesday, February 21, 2024
7:00 p.m.
Zoom Meeting
See Below for Access Information

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|-------------------------------------------------------|--------|
| 1. Convene meeting and roll call of participants | 5 min |
| 2. Meeting Minutes for January 17, 2024 | 5 min |
| 3. Public comment | 5 min |
| 4. Fiscal Year 2022/23 Annual Financial Audit Report | 30 min |
| 5. Annual Comprehensive Financial Report Review | 10 min |
| 6. Financial Roadmap and General Fund Forecast Update | 20 min |
| 7. Project Updates | 10 min |
| 8. Committee Business | 5 min |
| 9. Good of the order | 1 min |

How to participate

This meeting will be conducted electronically using Zoom, an online meeting platform. The meeting structure complies with ORS 192.610 to 192.690.

Please note: Instructions for citizens wishing to testify during this Finance Committee meeting are as follows:

- Written testimony: Please send your written testimony to Budget and Finance Director, Sharron Monohon at Sharron.Monohon@GreshamOregon.gov no later than 24 hours before the meeting to allow the testimony to be forwarded to the Finance Committee.
- Oral testimony: Please register your name, email address, phone number and subject matter to Budget and Finance Director, Sharron Monohon at Sharron.Monohon@GreshamOregon.gov no later than 24 hours before the meeting.
- Persons who are unable to access the meeting via Zoom are encouraged to notify the City by calling 503-618-2890, 24 hours in advance of the meeting so that the City can provide alternate arrangements.

Meeting log-in or call-in information to access the meeting:

Click the link to join:

<https://greshamoregon.zoom.us/j/86728900897?pwd=SCtlenhLMTJydVUxYTnlEnlZMCswdz09>

Passcode: S4nsMM7bpc

One tap mobile :

+16699006833,,86728900897#,,,,*8600547373# US (San Jose)

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Webinar ID: 867 2890 0897

Passcode: 8600547373



City of Gresham
Finance Committee
Wednesday, February 21,
2024 Executive Summary

4. Fiscal Year 2022/23 Annual Financial Audit Report

Presented by Gatlin Hawkins, Partner, Isler CPAs

The City of Gresham contracted with Isler CPA, LLC to perform an independent audit of the City's financial statements for the prior fiscal year which ended on June 30, 2023. As is done each year, the audit firm has an opportunity for one of their representatives to address the Finance Committee.

Requested Action: Information only

5. Annual Comprehensive Financial Report Review

Presented by Susan Brown, Finance & Accounting Services Manager

Ms. Brown will give a primer on the City's annual financial report and provide information about it. The Annual Comprehensive Financial Report (ACFR) can be accessed here:

[Annual Comprehensive Financial Reports | City of Gresham \(greshamoregon.gov\)](#).

Requested Action: Information only

6. Long-Term Financial Roadmap Update

Staff will provide updates on the continuing Council discussions regarding the Financial Roadmap and the development of the proposed budget for Fiscal Year 2024/25.

Requested Action: Information and Committee Discussion

7. Project Updates

Committee members and staff will provide updates on the status of various projects and other key initiatives that are underway currently. This may include reporting on the activity of other committees or workgroups where relevant as well as special Finance Committee projects.

Requested Action: Information and Committee Discussion

**City of Gresham Finance Committee
Wednesday, January 17, 2024, 7:00 p.m.
Zoom Meeting Minutes**

Finance Committee Members Present:

Claire Lider
Mike Schultze
Nick McWilliams
Dave Dyk, Chair
Jan Baker
Rusty Allen
Theresa Tschirky, Vice-Chair

Finance Committee Members Absent:

Council Liaison in Attendance:

Janine Gladfelter (exited meeting at agenda item #7 as has been standard practice for that topic)

Staff Members in Attendance:

Sharron Monohon, Director of Budget & Finance
Elizabeth McCann, Budget Manager
Ian Peterson, Financial Analyst
Eric Schmidt, Interim City Manager

Christina Ott (Recording Secretary)

1. Convene Meeting and Roll Call

The meeting was convened at 7pm by Chair Dyk.

2. Meeting Minutes for November 15, 2023

There was a motion made by Ms. Tschirky and seconded by Ms. Baker to:

“Adopt the November 15, 2023 Meeting Minutes as submitted.”

Motion passes unanimously.

3. Public Comment

None

4. Organizational Update

Ms. Monohon informed the Committee of the departure of former City Manager Nina Vetter and introduced Eric Schmidt as the new Interim City Manager.

5. Update General Fund Forecast and Financial Roadmap Update

Mr. Peterson began with his presentation of the General Fund forecast.

“Presentation can be seen as a part of Attachment A.”

Mr. Peterson then opened it up to questions from the committee.

Ms. Tschirky asked if the newer version of the levy had stayed with the same rate as previously proposed, would the gap filling portion have been higher as well.

Ms. McCann responded no, as there were reductions to the enhanced services for the new levy. The new levy would add fewer new services than what was proposed last year.

Ms. Tschirky also asked what’s being done as it relates to closing the gap for the next budget.

Ms. McCann replied that the entire three year adopted roadmap listed five or six different elements. Right now, the forecast is only reflecting two of those, as the roadmap never assumed we would fill the gap in the first year. Next steps can be discussed further down the line after we complete the first set of actions.

Ms. Monohon added that as Mr. Schmidt will be using the forecast to guide decisions about what will go into the proposed budget. There may be additional changes and modifications.

Ms. McCann then began with her presentation on the financial roadmap/levy.

“Presentation can be seen as a part of Attachment A.”

Chair Dyk asked what the cutoff time is for the promotion of the levy.

Ms. McCann responded that the communication restrictions go into effect once the levy is submitted to the county. That timeline is believed to be sometime in later March.

Mr. McWilliams asked about the prior presentation and whether there is a growth rate per capita for the general fund over a certain number of years.

Ms. McCann replied that the typical growth rate for expenses is about six to seven percent per year, with the majority of it being driven by personnel.

Chair Dyk added that in the budget document, there is a chart that shows the employee count per capita that may relate to Mr. McWilliams question.

Councilor Gladfelter added that over the years, the City had tried to help close the gap by reducing staffing, but that is just not sustainable.

6. Project Updates

Ms. Monohon shared that the audit was completed on time and with no findings. She also said that the auditor will participate at the next Finance Committee meeting.

Ms. McCann shared that five new grants were added to the supplemental budget, which makes it a 14-item supplemental budget with 12 of the items being grants. She also shared there were tentative budget committee dates planned for April, but nothing has been finalized yet.

7. Mayor & Council Compensation for FY2024/25

Ms. Monohon started with a review of why the committee is tasked to discuss Council compensation, as well a review of the packet of additional information they may need for their discussion.

Chair Dyk asked each member of the committee to express their initial recommendation regarding what action to propose for Mayor and Council compensation and the reasoning for their choice.

Ms. Lider said she supported a cost-of-living adjustment to salaries.

Mr. Allen agreed.

Ms. Tschirky indicated that she continued to have concerns with the ratio between the Mayor and Councilor compensation levels.

Ms. Baker said she supported a cost-of-living adjustment.

Mr. Schultze indicated that he leaned toward a cost-of-living adjustment as well, acknowledging that this was his first year of this discussion.

Mr. McWilliams mentioned that he was also relatively new to this discussion and asked to hear more regarding Ms. Tschirky's comments.

Ms. Tschirky elaborated on research that she had done regarding other cities, and said that for Gresham, the Mayor's salary is 144% of a Councilor's salary, whereas most other cities of similar size appear to have a much smaller ratio.

The Committee continued discussion of the relative compensation amounts including how they were originally set.

Ms. Monohon commented that the committee held a series of public meetings prior to establishing the initial compensation schedule. She mentioned that one of the Committee's goals at that time was to recognize that the City is in competition with all the other ways that people could spend their time rather than serving as elected officials.

Ms. Baker added that one of the reasons the Mayor's compensation was initially set at that level was due to the many hours that the Mayor put in working with the community in various ways.

Ms. Lider agreed that we are trying to attract the right talent to the positions.

Mr. Dyk said that it sounded like a majority of the committee was in favor of applying a cost-of-living adjustment to the salaries and asked about the 3.3% that was included in the background materials.

Ms. Tschirky asked what the city employees were receiving for cost-of-living adjustments.

Ms. Monohon responded that there are four different employee groups within the city, and three of them are governed by labor contracts. Of those, the police union's contract has set their next increase at 4%, while the General Unit is based on a CPI factor within a range of 2.5% minimum and 4% maximum. The fire union is still being negotiated and so has not yet been determined. The non-represented group, which includes the directors, managers, and certain other classifications is addressed on an annual basis generally closer to the start of the fiscal year.

There was a motion made by Ms. Baker and seconded by Mr. Allen to:

“Adjust Compensation for the Mayor, Council President, and Council by a 3.3% cost-of-living adjustment, with minor rounding applied as needed to be consistent with the payroll system.”

Motion passes unanimously.

8. Committee Business

None

9. Good of the order

None

10. Meeting Adjournment

The meeting was adjourned at 8:42pm by Chair Dyk. The next Finance Committee meeting will be held on February 21, 2024 at 7pm.

Dave Dyk, Chair

Christina Ott, Recording Secretary