

**City of Gresham Finance Committee
Wednesday, August 19, 2020 7:00 p.m.
Via Online Zoom Meeting
Minutes**

Finance Committee Members Present:

Mike Ash (entered at 7:17)

Jan Baker

David Dyk, Vice-Chair

Jared Koga, Chair

Sue O'Halloran

Theresa Tschirky

Kris Leibrand (Recording Secretary)

Finance Committee Members Absent:

Rusty Allen

Council Liaisons in Attendance:

Jeanine Gladfelter, Council Liaison

Staff Members in Attendance:

Sharron Monohon, Budget and Finance Director

Susan Brown, Finance & Accounting Services Manager

1. Convene Meeting and Roll Call of Participants

Chair Koga convened the meeting of the Gresham Finance Committee at 7:00 p.m. and did a roll call of the attending members.

2. Public Comment

None.

3. Minutes of May 20 and July 15, 2020

A motion was made by Ms. O'Halloran and seconded by Ms. Baker to:

"Approve the minutes as presented for the May 20, 2020 and July 15, 2020 Finance Committee meetings."

MOTION CARRIED UNANIMOUSLY

4. Election of Chair

Ms. Monohon explained that in even number years the Committee elects a new Chair and asked for nominations. Ms. O'Halloran nominated Mr. Koga.

A motion was made by Ms. O'Halloran and seconded by Ms. Tschirky to:

"Elect Jared Koga as the Finance Committee Chair for the next two years."

MOTION CARRIED UNANIMOUSLY

5. Election Law Reminder

Ms. Monohon reminded the Committee members that there are limits to what they can do while in their official capacity. A public employee cannot promote or oppose the adoption of a ballot measure, initiative or candidate while on the job during working hours or in their official capacity as a City representative. Representatives cannot display buttons or sticker while on the job or representing the City (including settings for online meetings). It is permissible to do things on your own time as a private citizen.

Ms. Monohon encouraged members to address specific inquiries to the City Attorney's office.

6. Investment Policy Review

Ms. Brown explained that there are no substantive changes to the investment policy this year. Even without changes, however, the City of Gresham is required to take the investment policy to Council annually since we have maturities that extend past 18 months. She noted that our new investment advisor also reviewed the document and had no substantive changes. Minor housekeeping changes such as updating staff names and titles have been included.

Ms. Tschirky asked if the amount on page 4, in the last sentence of the first paragraph was correct. She said it is the same amount as last year. Ms. Brown said that is correct, it is the same.

Ms. Tschirky also asked about the changes to the appendix 3 list on page 7. She wondered why so many of the authorized broker dealers changed. Ms. Brown explained that each investment advisory firm may have a different list of people they work with, and now that we've changed to a new investment advisor, we've updated to match their list.

A motion made by Vice-Chair Dyk and seconded by Ms. Tschirky to:

"Recommend to Council to approve the revised investment policy for 2020."

MOTION CARRIED UNANIMOUSLY

Ms. Monohon reminded the Committee while we have a large sum of money in the investment portfolio, it is not available to use to help with our budget issues. She said when we talk about having significant budget challenges, we are speaking specifically about the City's General Fund.

She noted that the funds we invest are collected from all funds and programs across the City. Some of the funds in the investment portfolio include:

- Mandatory reserves related to health, dental, and workers comp programs.
- Reserves related to the equipment replacement fund that allow us to replace our larger apparatus and vehicles.
- Balances for future capital projects and infrastructure maintenance in water, wastewater, stormwater and transportation.
- System development charges that are set aside for future growth-related capital projects.
- Any working cash across all of our funds.

She reiterated that we cannot take money from these reserves and use them to resolve the General Fund issues.

7. Council Workplan, Budget & Other Project updates

Ms. Monohon provided an update on the following items:

- We completed our first payroll cycle last week out of the new system. She commended Ms. Brown for all work she's put on the project.
 - Ms. Brown said the process was challenging, but it went smoothly. To date there have been only had minor issues that were easily fixed.
- The City of Portland officially adopted plan for using the CARES money. The plan includes sharing \$5 million of their allotment with the other cities in Multnomah County (Fairview, Gresham, Maywood Park, Troutdale, and Wood Village). These entities have been meeting to discuss the allocation of the funds, and the current thought is that it will be allocated on a per capita basis. Gresham's allocation will be about \$3.9 million. There are rules around the use of the money, such as it can't be revenue replacement and only applied towards expenses incurred between March 2020 and December 2020 related to COVID-19. Next steps will involve creating and approving an intergovernmental agreement and more rules around the reimbursement process.
- During the recent special session in Salem, the legislature reallocated the amount that goes towards the East Metro Gang Enforcement Team grant for this biennium. It is a two year grant, and because of the change, the full amount has already been used. This creates an additional gap in funding for Police. We are currently evaluating the impact and options.

- Ms. Monohon has been meeting extensively with the Interim City Manager to understand where we stand and what our choices are related to the budget challenges. He hopes to have some next steps clearly laid out in the next couple of weeks.
- Yesterday, Council approved the formation of a reimbursement district for the Kelley Creek trunk line.
- Development activity is continuing in the City. Ms. O'Halloran noted that the Council renewed the small business storefront grants.
- Please encourage people to participate in the Census. Many revenues are allocated on per capita numbers, so having the best response we can has a financial implication for the City.

8. Committee Business

None.

9. Good of the Order

Councilor Gladfelter noted that even though there will be no National Night Out this year, four of our neighborhood associations have received grant money that is typically used for that event to upgrade plants and benches in their area.

Ms. O'Halloran provided an update on the Music Monday Facebook site and access to concerts.

10. Meeting Adjournment

Chair Koga adjourned the meeting at 8:00 p.m.

The next regular Finance Committee meeting will be September 16, 2020 at 7:00 p.m. via online Zoom platform.

Jared Koga, Chair

Kris Leibrand, Administrative Assistant