

Meeting Agenda | Finance Committee

Wednesday, July 19, 2023

7:00 p.m.

Zoom Meeting

See Below for Access Information

1. Convene meeting and roll call of participants	5 min
2. Meeting Minutes for May 17, 2023	5 min
3. Public comment	5 min
4. Election of Vice-Chair	10 min
5. Long-Term Financial Roadmap Update	15 min
6. Review of Financial Policies	45 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=SCtlenhLMTJydVUxYTlNlenlZMCswdz09>

Passcode: S4nsMM7bpc

One tap mobile :

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City of Gresham
Finance Committee
Wednesday, July 19, 2023
Executive Summary

4. Election of Vice-Chair

The Vice-Chair position is elected in July of odd-numbered calendar years. According to Gresham Revised Code 2.18.060, committee members cannot hold the same leadership position for more than two terms. The position is currently held by Theresa Tschirky who has held the position for one term.

Requested Action: Election of Vice-Chair

5. Long-Term Financial Roadmap Update

Presented by Sharron Monohon, Budget & Finance Director and Elizabeth McCann, Budget Manager

This item will provide a recap of any new discussions or additional actions that have been taken since the May Finance Committee meeting.

Requested Action: Information and Committee Discussion

6. Review of Financial Policies

Presented by Sharron Monohon, Budget & Finance Director

The City's current Financial Management Policies were last adopted by Council on January 4, 2011 through Resolution 3036. Several of the specific elements in the document are out of date and are due to be updated or removed. Additionally, as the last revision was over ten years ago, review of the entire document is warranted. This meeting will continue discussions regarding the project to update the City's policies.

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, May 17, 2023, 7:00 p.m.
Zoom Meeting Minutes**

Finance Committee Members Present:

Mike Schultze
Nick McWilliams
Dave Dyk, Chair
Jan Baker
Theresa Tschirky, Vice-Chair

Finance Committee Members Absent:

Rusty Allen
Claire Lider

Council Liaison in Attendance:

Janine Gladfelter

Staff Members in Attendance:

Sharron Monohon, Director of Budget & Finance
Susan Brown, Finance & Accounting Manager
Terryl Aguon, Treasury Analyst
Garrett Cudahey, Guest

Christina Ott (Recording Secretary)

1. Convene Meeting

The meeting was convened at 7:00pm by Chair Dyk.

2. Public Comment

None

3. Investment Policy – Annual Review

Ms. Brown and Mr. Cudahey began with their presentation.

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

Ms. Brown opened it up to questions from the committee.

Ms. Tschirky commented we should move forward with this because it aligns the policy with our actions. There was a motion made by Ms. Tschirky and seconded by Ms. Baker to:

“Recommend the stated changes of the Investment Policy to Council.”

Motion passes unanimously.

4. Investment Performance Review

Ms. Brown and Mr. Cudahey began with their presentation.

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

Ms. Monohon added that this portion regarding the Market Value and Return is the collective cash across all the city’s funds. It includes all mandatory reserves, worker’s comp, our self-insured health and dental insurance funds, and any other programs where we must maintain reserves. It also includes all funds, like the revenue bonds, that we have collected related to some very large capital investments. While these are large sounding numbers, they represent all of the various significant businesses that the city provides, and all the reserves that each of the program areas must have.

Mr. Cudahey opened it up to questions from the committee.

Chair Dyk asked if the City held any bonds in regional banks that might be at risk or could be considered to be on a watchlist.

Mr. Cudahey replied luckily we don’t. We only hold them in very large money centers of JP Morgan, Bank of America, US Bank, and World Bank of Canada Toronto-Dominion.

The Finance Committee thanked Mr. Cudahey for his time.

5. Long-Term Financial Roadmap Update

Ms. Monohon shared some updates on the Long-Term Financial Roadmap.

- Unfortunately, the levy did not pass. We do not yet have any indication as to what drove those results.
- Next steps include identifying the available options to balance the budget, as the budget must be adopted by July 1, 2023.
- Budget Adoption meeting is scheduled June 20, 2023, where Council will hold a hearing for the budget as approved by the Budget Committee. There will then be adjustments proposed so they can adopt a balanced budget.
- There are limitations as to what the Council can change or reduce without having to go through a lengthy process or reposting of notices. Council cannot make adjustments that increase a fund by more than 10 % of the operating budget of that fund.
- Discussion with Council on June 6, 2023 Policy Work Session to discuss options and seek Council guidance and direction.

Ms. Tschirky asked if the margin was slimmer on the previous Levy compared to this most recent measure.

Ms. Monohon responded that the previous vote difference was somewhere around the 250 range, which was a smaller threshold comparatively. We are unaware as yet what might have influenced the results, whether there was a certain segment not participating in the voting process, or something that swayed one contingent, it is hard to say for certain. One of the discussions for Council is going to be if they want to try again in November or consider a future ballot. In any case, it would not bring in revenue until the next Fiscal Year. The time to make a decision for Novembers is closer than one might think.

Mr. McWilliams asked if most of the discussion on the path forward will be at the June 6 meeting.

Ms. Monohon answered that is correct. If you can remember from the Budget Committee presentation there was a slide that showed a seesaw representing the budget, and one side showed revenues and the other side showed expenses. We can change the makeup on one or both sides for it to become balanced. This becomes a question of what pieces are going to help that revenue side now that there is a big missing levy piece or will some expenditures have to come off for it to be rebalanced. It is likely that Council will want to consider a combination of both while we figure out how to continue discussions about the longer term financial condition moving forward.

Mr. McWilliams also asked what the current amount is on the Police, Fire and Parks fee.

Ms. Monohon replied that as it is officially adopted, it is set at \$7.50 per month. It's been on a temporary increase to \$15 per month and that increase brings in around \$3.9 million. If the Council took no action, it would go right back to the \$7.50 per month, which would provide around \$900,000 more revenue than was assumed in the proposed budget. The levy was intended to bring in around \$13 million in the first year to help retain existing positions, but also was planned to pay for new positions. She indicated that she didn't expect Council would want to make major reductions to most areas as of now, and that doing so would be a lot more complicated than what may be feasible before the budget adoption for July.

Ms. Monohon continued, we have had a number of things that have flipped over the course of a week while election results come in, so it's possible something can change yet.

6. Meeting Minutes

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

“Approve the Meeting Minutes with Minor Tweaks of spelling out 2 Acronyms.”

Motion passes unanimously.

7. Project Updates

Ms. Monohon gave updates on the following projects:

- Working through the process of GRDC, budget is slated for June 20 adoption by Commission.
- Ability to dive back into Internal and External Financial Policies
- Working on a Wrap-Up of Year 1 and Action Plan of Year 2 for the Strategic Plan

8. Committee Business

Ms. Monohon reminded some of the committee members of their end of term coming up at the end of June. If they want to, they can re-apply for the position. There will be publication of the positions being open, but the current members are more than welcome to re-apply.

9. Good of the order

None

10. Meeting Adjournment

The meeting was adjourned at 8:03pm by Chair Dyk. The next Finance Committee meeting will be held on June 21, 2023 at 7pm.

Dave Dyk, Chair

Christina Ott, Recording Secretary