

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

Finance Committee Members Present:

Claire Lider
Mike Schultze
Nick McWilliams
Dave Dyk, Chair
Theresa Tschirky, Vice-Chair

Finance Committee Members Absent:

Rusty Allen
Jan Baker

Council Liaison in Attendance:

None

Staff Members in Attendance:

Sharron Monohon, Director of Budget & Finance
Elizabeth McCann, Budget Manager
Teryl Aguon, Treasury Analyst
Sagun Pokharel, Budget Analyst

Christina Ott (Recording Secretary)

1. Convene Meeting and Roll Call

The meeting was convened at 7pm by Chair Dyk.

2. Meeting Minutes for May 15, 2024

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

“Approve the May 15, 2024 Meeting Minutes as presented.”

Motion passes unanimously.

3. Public Comment

None

4. Election of Chair

Ms. Monohon went over the rules and regulations for electing a new Chair for the Finance Committee.

Chair Dyk stated that, before proceeding with this action item, he wanted to let the group know that this would be his final meeting on the committee.

The committee gave their thanks and appreciation to Chair Dyk for his dedication and effort.

There was a motion made by Chair Dyk and seconded by Ms. Lider to:

“Appoint Ms. Tschirky as the Chair of the Finance Committee.”

Motion passes unanimously.

Ms. Monohon stated that since Ms. Tschirky will be taking on the role as the Chair, there would now be an election held for someone to take the role of Vice-Chair.

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

“Appoint Mr. Schultze as the Vice-Chair of the Finance Committee.”

Motion passes unanimously.

5. Revolving Fund Loan Agreement for Water Projects

Ms. Aguon shared the following information:

- Similar to what was presented in March with Stormwater
- In 2023, the United States Environmental Protection Agency (US EPA) gave many state programs funding for supporting the Safe Water Drinking Act to encourage safe drinking water, infrastructure, and investments for those jobs in Local Governments and different entities.
- Gresham and Rockwood both applied for the funding on behalf of the Cascade Groundwater Alliance Project
- Both entities have been awarded \$1.5 million in funding.
- This award will be managed by the Oregon Business Development Department (OBDD).
- Looking for a recommendation from Finance Committee to Council
- Also, OBDD would like to receive both a Revenue Pledge and a Full Faith & Credit Pledge.
- Project would be completed in March 2025 and is considered a 100% forgivable loan.

- Currently working through a Loan Agreement and hoping to get it to Council by August.
- Project defined as purchasing filters related to manganese treatment.

Chair Dyk asked if the filters were specific to the groundwater initiative or for the current in-service side.

Ms. Aguon replied it was for the groundwater project.

Ms. Monohon clarified it is a small part of the overall project. Following conversations with the OBDD, the scope for the loan was narrowed down to just address purchasing the filters. That way the project can be marked as completed sooner rather than waiting for the full groundwater project to be completed to begin on the loan forgiveness portion.

Ms. Tschirky inquired if Rockwood would have to go to their own governance body to approve their portion.

Ms. Monohon said yes, they will need to go to their board to get their specific agreement approved.

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

“Recommend to Council to authorize entering into the loan agreement.”

Motion passes unanimously.

6. Recap of June Budget-related Actions

Ms. McCann provided the following information:

- Budget was approved by the Committee in April and adopted by Council in June to meet the deadlines and all certifications have been turned in. The last step is to file the adopted budget with the county by September 30, 2024.
- Some adjustments were made to the budget as part of the June 18 meeting. These include:
 - Organizational restructuring: Departments that were previously combined have now been separated, the numbers weren't changed, they just now show separately.
 - Appropriation: A vehicle ordered during FY23/24 was not slated to arrive until the next fiscal year, so funds were reappropriated in the FY24/25 year for the payment.
 - Grant adjustments: Regional Travel Options Grant was approved after the Budget Committee wrapped up. The remaining allocation for the Bulky Waste & RV Disposal Grant was carried over to the FY24/25 budget.

Ms. Tschirky asked about the status of the Mediation Services since the budget was approved.

Ms. McCann affirmed one of the Assistant City Managers is working with them to help through the transition process. Conversation with several Grantor's were underway to see what they can do to help to avoid jeopardizing any future funding for the program. The first couple of months has been focused on that transition and seeing if there's any interest for a new administrative home. Otherwise they will explore the possibility of a establishing 501(c)(3) status.

Ms. McCann continued:

- Also in June, there was a contingency transfer in FY23/24 for Workers' Compensation due to several significantly large claims.

Mr. McWilliams inquired if there were any stop-loss provisions related to workers' compensation.

Ms. McCann confirmed that there were. She added that health insurance also has stop-loss provisions.

Ms. Monohon detailed there were different levels associated with the stop-loss, depending on the specific position. There's a different coverage level for police and firefighters, for wildland firefighters, and for other employees.

Ms. McCann also added the wildland firefighter role would apply during any of the conflagrations that we are deployed to each year. Our expenses are reimbursed by the State. Unfortunately, one of the things they do not provide reimbursement is for payment of any workers' compensation claim. That would still fall to our policy. Reimbursement is provided for staff overtime and equipment when deployed.

7. Levy Recap and Next Steps

Ms. Monohon began sharing the presentation:

"Presentation can be seen as a part of Attachment A."

There was discussion regarding the potential membership of the oversight committee. Initially, the discussion leaned toward having the Finance Committee serve as the oversight committee, as the members bring an understanding of the City's financial condition. Further discussion centered around the need for accountability regarding outcomes achieved, delivery of service and transparency of communication. Given the broader nature of those topics, the committee

was then leaning toward a hybrid committee that included a few Finance Committee members as well as other interested participants.

8. Project Updates

Ms. McCann began sharing her project updates:

- Beginning work on the first FY24/25 Supplemental Budget, hoping to bring to the committee in September and to Council in October.
- Transition of Timekeeping Software from ADP to an integrated product in Tyler technologies. Slated to be completed in about 5-7 months.
- Publishing of the Proposed and Adopted Budget document.

Ms. Monohon began sharing her project updates:

- The FY23/24 audit is currently underway.
- In June, there was an American Rescue Plan Act (ARPA) recap. As a city, we received \$25.4 million and it must be fully obligated by December of this calendar year and spent by December of 2026. At this time, we have a little over \$11 million fully spent and \$9.6 fully on track for being obligated or spent by that time. The remaining \$4.9 million was discussed at that June meeting. The allocations were agreed upon, so that work will be moving forward.

Chair Dyk asked about the allocation of the \$4.9 million.

Ms. Monohon replied that there are a few primary categories identified. These included additional funding related to the Gradin Sports park upgrade, a few additional police and fire related items regarding recruitment, and allocations for potential property acquisitions the city has been considering.

Ms. Monohon continued her project updates:

- There is significant work needed regionally related to the recertification process for the levees along the Columbia River. One of the measures that was on the May ballot was related to a bond measure to support capital improvements, and to leverage federal funding. In addition, recent legislation gave the flood safety district authority to charge a portion of the operating costs to the cities within Multnomah County based on population allocation. We then need to work on a flood safety fee to be able to collect revenue in support of that payment.
- Multnomah County is not interested in renewing the lease with the City for our Fleet Shop. As a result, Fleet Operations will be looking for a new location.

Chair Dyk inquired if there would be any interest in sharing a leased space with the City of Portland as they just left their current Fleet Operations space.

Ms. Monohon stated that was not being discussed at this time.

9. Committee Business

Mr. McWilliams shared comments and concerns he had regarding the growth rate of City spending.

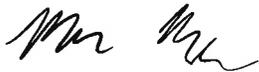
There was additional discussion on how to provide better context for understanding, evaluating and addressing the growth in spending. The committee agreed that further discussions were desired.

10. Good of the order

None

11. Meeting Adjournment

The meeting was adjourned at 8:29pm. The next Finance Committee meeting will be held on August 21, 2024 at 7pm.



Dave Dyk, Chair



Christina Ott, Recording Secretary