

Meeting Agenda | Finance Committee

Wednesday, November 20, 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. Public comment | 5 min |
| 3. Meeting Minutes – July 17, September 26 & October 16, 2024 | 5 min |
| 4. Investment Performance Review | 30 min |
| 5. Interfund Loan Agreements | 30 min |
| 6. Fiscal Year 2024/25 Supplemental Budget #2 | 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/83110477252?pwd=w8PGmq84Lllw9R4aBkUXPkzUGZ0K6B.1>
Passcode: jJyQftdU43

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City of Gresham
Finance Committee
Wednesday, October 16, 2024
Executive Summary

4. Investment Performance Review

Presented by Susan Brown, Finance & Accounting Services Manager and Terryl Aguon, Treasury Analyst with Deanne Woodring, Government Portfolio Advisors Investment
Policy guidelines require staff to submit a portfolio report to the Finance Committee no less than twice a year. This will be the second update for calendar year 2024.

Requested Action: Information and Committee Discussion

5. Interfund Loan Agreements

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

The City is authorized by ORS 294.468 to make a loan from one fund to another. Approval of an interfund loan requires the City Council to adopt an ordinance or resolution that specifies the terms of the loan. Under Oregon Budget Law, loans for capital purposes can be up to ten years in duration.

Two interfund loans are being proposed for Finance Committee review prior to Council consideration on December 10, 2024. Ms. Monohon and Ms. McCann will provide an overview of the purpose and terms associated with each loan.

(a) Acquisition of Strategic Properties within Gresham

*Requested Action: Committee Discussion and **Recommendation to Council***

(b) Design, site development, and construction of a new Fleet and Transportation Operations Facility on the recently purchased property at 2118 E/ SE Hogan Road, Gresham, Oregon.

*Requested Action: Committee Discussion and **Recommendation to Council***

6. Fiscal Year 2024/25 Supplemental Budget #2

Presented by Elizabeth McCann, Budget Manager

Ms. McCann will provide an overview of Supplemental Budget #2. Details are included as an attachment to this agenda packet. Following Finance Committee's review, the Supplemental Budget is scheduled to go before Council for consideration on December 10, 2024.

*Requested Action: Committee Discussion and **Recommendation to Council***

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

To: Members of the Finance Committee
From: Sharron Monohon, Budget & Finance Director
Meeting Date: November 20, 2024
Subject: Meeting Minutes

Minutes from the following meetings are included for your review:

July 17, 2024

September 26, 2024

October 16, 2024

**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
Terryl 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 million 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

**City of Gresham Finance Committee
Thursday, September 26, 2024, 7:00 p.m.
Zoom Meeting Minutes**

Finance Committee Members Present:

Jan Baker
Mike Schultze, Vice-Chair
Nick McWilliams
Theresa Tschirky, Chair
Rusty Allen

Finance Committee Members Absent:

Council Liaison in Attendance:

Janine Gladfelter

Staff Members in Attendance:

Sharron Monohon, Director of Budget & Finance
Elizabeth McCann, Budget Manager
Chris Strong, Transportation Division Manager
Sarah Kirk, Budget Analyst
Sagun Pokharel, Budget Analyst

Christina Ott (Recording Secretary)

1. Convene Meeting and Roll Call

The meeting was convened at 7:01pm by Chair Tschirky.

2. Public Comment

None

3. Fleet & Transportation – Property Purchase & Relocation

Mr. Strong began with his presentation.

‘Presentation can be seen as a part of Attachment A’

Ms. Monohon added the next steps related to funding for this project.

They then opened it up to the committee for questions.

Ms. Baker asked for some background on the building's construction year and the population of Gresham at that time.

Ms. Monohon replied that it was built in 1992. She didn't have the population number available but speculated that it may have been as low as 30,000 residents. (Editorial note – the population was between 30,000 and 40,000 for much of the 1980's then rapidly grew for several years as mid-county annexations occurred.)

Mr. Schultze commented that without this project, it forces you to maximize space rather than time and efficiency to get the work done, and this project is certainly something that needs to be investigated.

Mr. McWilliams commented that he was able to pull up data showing Gresham's population in 1992 was about 73,000 residents and the current population is about 110,000 residents. He also asked what services fell under fleet and what services fell under transportation.

Mr. Strong responded, fleet is responsible for maintaining and servicing city owned vehicles including Fire, Police, and Public Works. Transportation oversees everything on the road system including pavement marking signage, traffic signals, and crosswalks.

Ms. Monohon commented that the space issues at the operation center have been under consideration for a long time. One question has been what services would relocate to the new location and what do you lose by separating groups when moving to that new location. One of the pluses about this location is being so close by to the current Operations Center. Also the combination of transportation and fleet provides synergy between those two groups that would help in coordinating the functionality of any weather or emergency conditions. This can improve keeping the roads passable and getting the vehicles that you need to get out and address those circumstances.

Mr. Strong added that of the 5 groups that are in the current location, transportation is by far the largest in terms of staffing and equipment. By moving them to the new location, it allows us to think through on how to better use the current space or plan for future needs.

Mr. McWilliams inquired about whether we have any sense of the magnitude of the efficiency gains in terms of what we can expect to see.

Mr. Strong outlined that there are 3 different groups. Fleet, Signals, and Transportation Operations. Fleet has pretty good space right now; this project would make their space a bit bigger. We do have to shuffle some vehicles around right now, which is not too bad, but it will give us better room to accommodate the people we have and the growth we anticipate. The

signals team have good, leased space right now. If it wasn't for exterior factors going on right now, more than likely it would stay at the same space.

Mr. Strong continued, stating the biggest benefit we would see would be for transportation. That department is split between 2 offices and very constrained. The supervisor room has 4 staff members that share an office, and the crew room was adapted from something else in the back of the building removed from the supervisory staff. When seasonal employees are added for part of the year, there is not enough space. The Sign shop is at a different location entirely, and there is enough space for equipment, but it makes it a challenge for parking. The new location can be expected to allow enough supervisory and crew room space and enough room for all the equipment and still allow for some growth in the future. It'd be hard to monetize it at the current level of planning.

4. Fiscal Year 2024/25 Supplemental Budget #1

Ms. McCann began with her presentation.

'Presentation can be seen as a part of Attachment A'

Chair Tschirky asked about the Rockwood Village Apartments Grant, and the relationship with the city in securing these funds.

Ms. McCann stated they had identified the grant but were not eligible to apply for it directly as they are not a governmental or nonprofit agency, and those were the only entities eligible to acquire the funding. They've been doing a lot of the work, and we are helping by facilitating the funds and by making sure they are complying with the grant terms.

Ms. McCann continued.

Mr. McWilliams asked regarding the funds for Gradin Sports Park.

Ms. McCann stated most of the funds were ARPA dollars that Council had not yet allocated to any project. When we built the budget, knowing we are on a timeline to spend it all, we appropriated the entire balance of ARPA dollars pending Council's allocation of those funds.

Mr. McWilliams asked if the ARPA funds were not allocated as a backstop in case the levy didn't pass and they would have been used to fill the hole in the budget.

Ms. McCann replied that was not the case. She explained that ARPA funding comes with restrictions, and while a portion of it could be used however needed, most of the funding needed to fall within a certain set of categories that were allowable under the act, such as Pandemic Response and Rehiring Staff. We have used the full amount of non-categorical

funding, the rest of the funding that we must use before the end of the year now needs to relate to a project within the categories.

Mr. McWilliams still had some hesitation regarding the project for fleet and transportation. He showed concern about how far in the future it would take to break even on the building and the amount of time it would take and felt there needed to be some caution when discussing the project further.

Ms. Monohon and Ms. McCann acknowledged his concern and indicated that there would be further information at an upcoming meeting. As it stands now, the programs (operating out of the current Operations Center) can do the work they need to do, but in the future, there will need to be some changes if they are to continue to keep up with the city's operational needs.

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

“Recommend that Council approve the Supplemental Budget #1 for FY 2024/25 as presented by staff.”

Vote passes unanimously.

5. Project Updates

Ms. Monohon mentioned current and upcoming projects including the need for a recruitment process to fill existing Finance Committee vacancies. She also mentioned that work continues to review ARPA spending to ensure funds are deemed obligated before that deadline. Work is underway on several Fire-related projects such as station modification improvements, consultant evaluations, and more, including planning in advance of discussions related to the future of the three cities contracts.

Ms. McCann added that there have been discussions regarding potential dates for next year's Budget Committee meetings. She also mentioned that work continues towards the new timekeeping system.

6. Committee Business

Ms. Baker asked about the group that was going to oversee monitoring the levy.

Ms. Monohon responded that it will be up to Council to decide on the members of the committee. Based on previous discussions, it will most likely be a hybrid committee that will have a few people from the Finance Committee as well as others. It is unclear just yet what and when the exact selection will be.

Councilor Gladfelter gave thanks to the Finance Committee for asking very thoughtful questions and being diligent as to where the City's funds are going. She also shared that it is worthwhile to view the city updates on the website as it relates to the fire project.

7. Good of the order

None

8. Meeting Adjournment

The meeting was adjourned by Chair Tschirky at 8:11pm. The next Finance Committee meeting will be held on October 16, 2024 at 7pm.

Theresa Tschirky, Chair

Christina Ott, Recording Secretary

**City of Gresham Finance Committee
Wednesday, October 16, 2024, 7:00 p.m.
Zoom Meeting Minutes**

Finance Committee Members Present:

Mike Schultze, Vice Chair
Nick McWilliams
Theresa Tschirky, Chair
Rusty Allen
Jan Baker

Finance Committee Members Absent:

Council Liaison in Attendance:

Janine Gladfelter

Staff Members in Attendance:

Sharron Monohon, Director of Budget & Finance
Elizabeth McCann, Budget Manager
Ian Peterson, Financial Analyst
Sarah Kirk, Budget Analyst
Sagun Pokharel, Budget Analyst

Christina Ott (Recording Secretary)

1. Convene Meeting and Roll Call

The meeting was convened at 7pm by Chair Tschirky.

2. Public Comment

None

3. General Fund Forecast

Mr. Peterson began with his presentation.

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

Mr. Peterson opened it up to questions from the committee. There were no questions.

4. Overview of Other Funds

Ms. McCann began with her part of the presentation.
'Presentation can be seen as a part of Attachment A.'

Ms. Monohon then began her portion of the presentation.

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

They then opened it up to the committee for questions.

Chair Tschirky asked if the recent improvements such as the rain gardens have had any impact on decreasing the volume or limiting the growth of stormwater runoff.

Ms. Monohon answered the projects have shown to be a good approach to relieving the runoff from the streets themselves. In addition, the rain gardens allow natural filtration processes to provide benefits rather than relying only on constructed solutions.

Chair Tschirky also asked if there is more funding that is needed for the levees on the Columbia River.

Ms. Monohon replied there are separate funding plans depending on the type of costs. Construction costs are mostly to be paid through the bond measure that was recently passed in May. Part of the operating costs will come from a new fee being charged to cities based on the population living in the defined district. Portland will be seeing the largest amount. Gresham will also be charged a share.

5. Project Updates

Ms. Monohon began sharing some project updates:

- As election season is coming up, it is a reminder to not advocate inappropriately for any candidate, ballot measure, or any other topics guided by election laws.
- Staff have received near-final documents from the state for the \$1.5 million forgivable loan for Water. It starts off as a loan, then following successful completion of the project as defined, the loan balance is 100% forgivable. The specific project covered by the loan agreement should be finished most likely around March.
- Remaining allocations for ARPA funding are under review with close monitoring of the deadline to ensure all funds are obligated as required.
- Completed the property acquisition that was spoken about at the last Finance Committee meeting. Next steps including the funding plan are still being developed.

Ms. McCann shared that financial forecasting work is underway. She also mentioned that property tax updates will be ready sometime during the winter.

Chair Tschirky asked if the property tax update will include details about the levy.

Ms. McCann stated that the levy will be included. The type of information brought back during the updates is typically at a city-wide level. Most of that will be applicable to both tax rates (the permanent rate and the levy).

6. Committee Business

Chair Tschirky asked about the application process for new members.

Ms. Monohon responded they are still working on getting notices posted, as there is a desire to try to coordinate with the committee tasked with levy accountability. Specifics regarding that group are still pending Council discussion.

Councilor Gladfelter added that there was a little bit of talk at the previous Council meeting, but more will be discussed at the next meeting.

7. Good of the order

None

8. Meeting Adjournment

The meeting was adjourned by Chair Tschirky at 8:20pm. The next finance committee meeting will be held on November 20, 2024 at 7pm.

Theresa Tschirky, Chair

Christina Ott, Recording Secretary

Exhibit A
Recommended
SUPPLEMENTAL BUDGET #2
Fiscal Year 2024/25

City of Gresham, Oregon

Presented to Gresham Finance Committee on November 20, 2024
Presented to Gresham City Council on December 10, 2024

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Supplemental Budget Overview

The following is an explanation of the amounts and justifications for the recommended changes in appropriations for the fiscal year 2024/25 Budget which requires authorization of Gresham City Council. The supplemental budget overview is organized by adjustment category, budget adjustment and fund.

Recognize Revenue and Appropriate Expense

A. Fire Conflagrations Reimbursement

The 2024 wildfire season resulted in numerous declarations related to the State of Oregon Conflagrations Act. These declarations allow responding jurisdictions to be reimbursed for the firefighting resources provided. The City of Gresham Fire Department provided staffing and equipment in response to some of these wildfire declarations.

Supplemental Budget #1 approved in October 2024, appropriated a portion of the revenue the City will receive for participation in these conflagrations. This supplemental budget recognizes additional related revenue.

This item accepts and appropriates the revenue from the State of Oregon. Reimbursements will provide the appropriations needed to offset the additional overtime and reimburse the General Fund for other personnel costs incurred. Additional revenue will be received as reimbursement for equipment used but these funds will assist with future fire equipment purchases in the Equipment Replacement Fund therefore do not need to be recognized at this time.

Budgetary Effect

General Fund Impact:

Resources:

Intergovernmental Revenue – Fire Service Agreements	\$100,000
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Requirements:

Fire – Emergency Operations	\$100,000
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B. Workers' Compensation Claims

The Workers' Compensation program has been experiencing significant claims over the last year that are eligible for reimbursement from the stop loss insurance carrier. This adjustment will allow the claims to be paid by the city. Reimbursement by the insurance carrier will then occur per the city's insurance policy.

Budgetary Effect

Workers' Comp & Liability Management Fund Impact:

Resources

Miscellaneous Income – Insurance Reimbursements	\$2,500,000
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Requirements:

City Attorney's Office – Liability Management	\$2,500,000
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Transfer Appropriations

C. Public Information Officer

The City has determined the need for a Public Information Officer related to Public Safety and other city information. This position will be located in the City Manager's Office. This adjustment will use existing funding from a vacant position to fund the Public Information officer position for the remainder of the fiscal year.

This item reduces the appropriation in the General Fund, transfers the funds to the Administrative Services Fund, and appropriates the funds in the City Manager's Office to fund this position.

Budgetary Effect

General Fund Impact:

Requirements:

Economic Development – Economic Development Administration	(\$104,000)
Interfund Transfers – Administrative Services Fund	\$104,000

Administrative Services Fund Impact:

Resources:

Interfund Transfers – General Fund	\$104,000
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Requirements:

City Manager's Office – City Management	\$104,000
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D. Fire Station Remodel

During the development of the 2024 Local Option Levy, additional space in Station 72 for staff was identified. This requirement, along with other ongoing fire station needs resulted in a comprehensive review of Station 72. Enlarging Station 72 was determined to be the most effective method of meeting the identified needs. ARPA funds have been identified to complete this work.

This item transfers funds from the Designated Purpose Fund to the City Facilities Capital Fund and appropriates the funds to be used to complete the work on Station 72.

Budgetary Effect

Designated Purpose Fund Impact:

Requirements:

Citywide Services – ARPA Projects	(\$1,750,000)
Interfund Transfers – City Facility Capital Fund	\$1,750,000

City Facility Capital Fund Impact:

Resources:

Interfund Transfers– Designated Purpose Fund	\$1,750,000
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Requirements:

Capital Improvement Projects	\$1,750,000
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Contingency Transfers

E. Utility Billing Software Upgrade

The customer interface to the city's utility billing software needs to be upgraded to meet current software protocols and standards. The current utility billing software provider, Cayenta, now offers an integrated solution, which will address the upgrade and eliminate the need for a separate software solution. This project will take place over the course of multiple months and will require additional staff support during the implementation and provide enhanced customer support after the upgrade. This adjustment allows for a contingency transfer to access funds set aside for project costs such as this as well adds a limited-term customer service representative to assist with the transition.

This item appropriates contingency and transfers the funds to the Enterprise System Replacement Fund where the project will be managed.

Budgetary Effect

Administrative Services Fund Impact:

Requirements:

Interfund Transfers – Enterprise System Replacement Fund	\$254,000
Contingency	(\$254,000)

Enterprise System Replacement Fund impact:

Resources:

Interfund Transfers – Administrative Services Fund	\$254,000
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Requirements:

IT System Replacement	\$254,000
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F. PFAS Mitigation and Monitoring

A shallow well owned by the Portland Water Bureau within the Columbia South Shore Wellfield had some detections of Per- and polyfluoroalkyl substances (PFAS) compounds. Working with the Oregon Department of Environmental Quality (DEQ), Gresham Fire Training Center was identified as a potential source. The PFAS was found at the Fire Training Center in areas where firefighting foam was used during training activities. While the fire department is no longer using PFAS-containing foam for training, there was a period of at least 20 years where this material was used at the site. While DEQ is not requiring any immediate action, they did provide a letter recommending that the city do further investigation and, if necessary, any cleanup actions. This item will transfer contingency to allow the City to conduct the needed work for mitigation and monitoring.

This item transfers contingency to the Liability Management program to be used in conjunction with this mitigation work.

Budgetary Effect

Workers' Comp & Liability Management Fund Impact:

Requirements:

City Attorney's Office – Liability Management	\$125,000
Contingency	(\$125,000)

Grants

G. Oregon All In Grant Carryover

In fiscal year 2024 the city was awarded funds from “Oregon All In” for rent and client assistance. The city began this work in the spring of 2024 and the placement goal of 30 households was met. This item carries over the remaining funds to complete the remaining rent payments for these households.

This item recognizes the grant revenue carryover and appropriates the funds to complete this grant work.

Budgetary Effect

Designated Purpose Fund Impact:

Resources:

Intergovernmental Revenue – County Service Agreements	\$292,000
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Requirements:

Community Livability – Homeless Services	\$292,000
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H. Joint Office of Homeless Services Grant

Gresham Homeless Services Rapid Rehousing Program was awarded a grant through the Joint Office of Homeless Services for \$600,000. This funding supports staff and provides rent and client assistance for 30 households.

This item recognizes and appropriates the grant revenue.

Budgetary Effect

Designated Purpose Fund Impact:

Resources:

Intergovernmental Revenue – County Service Agreements	\$600,000
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Requirements:

Community Livability – Homeless Services	\$600,000
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Interfund Loans

I. Strategic Property Purchase

The City is considering the strategic acquisition of property in Gresham. This adjustment provides the framework for purchases to proceed pending future Council approval of a purchase and completion of due diligence. These purchases would utilize community service fee funds in the Designated Purpose Fund to purchase property utilizing an interfund loan. The interfund loan also would need to be reviewed and approved by City Council prior to any purchase.

Budgetary Effect

Designated Purpose Fund Impact:

Requirements:

Economic Development – Enterprise Zone Projects	(\$2,200,000)
Other Requirements – Interfund Loan	\$2,200,000

City Facility Capital Fund Impact:

Resources:

Financing Proceeds	\$2,200,000
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Requirements:

Capital Improvement Projects	\$2,200,000
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J. Fleet and Transportation Operations Facility

After purchasing a property across from the City Operations Center, the City is working on the next phase, construction of a new Fleet and Transportation Facility on the property. An interfund loan from the Equipment Replacement Fund will be used to pay for the costs associated with the design, site development and construction of the new facility. The interfund loan would also need to be reviewed and approved by City Council prior to any draws. The first loan draw will be used to pay for costs anticipated in fiscal year 2024/25. Additional draws will be budgeted and completed in fiscal year 2025/26.

This item recognizes beginning balance in the Equipment Replacement Fund and appropriates the funds as an interfund loan. The City Facility Capital Fund recognizes the loan proceeds and appropriates the funds for the project.

Budgetary Effect

Equipment Replacement Fund Impact:

Resources:

Beginning Balance	\$3,700,000
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Requirements:

Other Requirements – Interfund Loan	\$3,700,000
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City Facility Capital Fund Impact:

Resources:

Financing Proceeds	\$3,700,000
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Requirements:

Capital Improvement Projects	\$3,700,000
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General Fund Fiscal Year 2024/25

	Adopted Budget 7/1/24	Transfers/ Resolutions 7/1/24-12/9/24	Recommended Supplemental Budget 12/10/24	Revised Budget 12/10/24
RESOURCES				
Beginning Balance	26,777,000	-	-	26,777,000
Operating Revenues				
Taxes	38,447,000	-	-	38,447,000
Licenses & Permits	536,000	-	-	536,000
Intergovernmental Revenue	22,052,000	250,000	100,000 ¹	22,402,000
Charges for Services	8,368,000	-	-	8,368,000
Utility License Fees	22,268,000	-	-	22,268,000
Miscellaneous Income	621,000	173,000	-	794,000
Internal Service Charges	1,159,126	-	-	1,159,126
Subtotal	93,451,126	423,000	100,000	93,974,126
Interfund Transfers	87,100	-	-	87,100
TOTAL RESOURCES	120,315,226	423,000	100,000	120,838,226
REQUIREMENTS				
Operating Expenditures				
Police	48,601,993	-	-	48,601,993
Fire	34,122,919	270,000	100,000 ¹	34,492,919
Economic Development	1,375,030	-	(104,000) ²	1,271,030
Community Livability	1,751,013	-	-	1,751,013
Parks	5,425,085	-	-	5,425,085
Subtotal	91,276,040	270,000	(4,000)	91,542,040
Interfund Transfers	3,305,596	735,000	104,000 ²	4,144,596
Contingency	1,410,000	(582,000)	-	828,000
Unappropriated	24,323,590	-	-	24,323,590
Subtotal	29,039,186	153,000	104,000	29,296,186
TOTAL REQUIREMENTS	120,315,226	423,000	100,000	120,838,226

NOTES:

¹ A - Fire Conflagration

² C - PIO FTE

**Designated Purpose Fund
Fiscal Year 2024/25**

	Adopted Budget 7/1/24	Transfers/ Resolutions 7/1/24-12/9/24	Recommended Supplemental Budget 12/10/24	Revised Budget 12/10/24
RESOURCES				
Beginning Balance	28,299,400	-	-	28,299,400
Operating Revenues				
Taxes	278,400	-	-	278,400
Intergovernmental Revenue	21,129,900	60,000	892,000 ^{1,2}	22,081,900
Charges for Services	515,700	-	-	515,700
Miscellaneous Income	1,959,200	-	-	1,959,200
Subtotal	<u>23,883,200</u>	<u>60,000</u>	<u>892,000</u>	<u>24,835,200</u>
Interfund Transfers	1,662,196	-	-	1,662,196
TOTAL RESOURCES	<u><u>53,844,796</u></u>	<u><u>60,000</u></u>	<u><u>892,000</u></u>	<u><u>54,796,796</u></u>
REQUIREMENTS				
Operating Expenditures				
Citywide Services	12,696,805	(3,500,000)	(1,750,000) ³	7,446,805
Police	1,809,700	-	-	1,809,700
Fire	1,287,122	-	-	1,287,122
Urban Design & Planning	8,868,444	-	-	8,868,444
Economic Development	9,844,000	(1,500,000)	(2,200,000) ⁴	6,144,000
Community Livability	2,275,805	-	892,000 ^{1,2}	3,167,805
Youth Services	4,391,297	-	-	4,391,297
Parks	426,000	-	-	426,000
Environmental Services	5,700,000	60,000	-	5,760,000
Subtotal	<u>47,299,173</u>	<u>(4,940,000)</u>	<u>(3,058,000)</u>	<u>39,301,173</u>
Interfund Transfers	4,641,200	5,000,000	1,750,000 ³	11,391,200
Other Requirements	-	-	2,200,000 ⁴	2,200,000
Unappropriated	1,904,423	-	-	1,904,423
Subtotal	<u>6,545,623</u>	<u>5,000,000</u>	<u>3,950,000</u>	<u>15,495,623</u>
TOTAL REQUIREMENTS	<u><u>53,844,796</u></u>	<u><u>60,000</u></u>	<u><u>892,000</u></u>	<u><u>54,796,796</u></u>

NOTES:

¹ G - Oregon All In Grant Carryover

² H - Additional JOHS Grant

³ D - Fire Station 2nd Story

⁴ I - Property Purchase

City Facility Capital Fund Fiscal Year 2024/25

	Adopted Budget 7/1/24	Transfers/ Resolutions 7/1/24-12/9/24	Recommended Supplemental Budget 12/10/24	Revised Budget 12/10/24
RESOURCES				
Beginning Balance	640,000	-	-	640,000
Operating Revenues				
Intergovernmental Revenue	780,000	-	-	780,000
Financing Proceeds	-	-	5,900,000 ^{1, 2}	5,900,000
Subtotal	780,000	-	5,900,000	6,680,000
Interfund Transfers	1,013,000	5,500,000	1,750,000 ³	8,263,000
TOTAL RESOURCES	2,433,000	5,500,000	7,650,000	15,583,000
REQUIREMENTS				
Capital Improvement Projects	2,433,000	5,500,000	7,650,000 ^{1, 2, 3}	15,583,000
Subtotal	2,433,000	5,500,000	7,650,000	15,583,000
TOTAL REQUIREMENTS	2,433,000	5,500,000	7,650,000	15,583,000

NOTES:

¹ I - Property Purchase

² J - Ops Center Development

³ D - Fire Station 2nd Story

Administrative Services Fund Fiscal Year 2024/25

	Adopted Budget 7/1/24	Transfers/ Resolutions 7/1/24-12/9/24	Recommended Supplemental Budget 12/10/24	Revised Budget 12/10/24
RESOURCES				
Beginning Balance	2,692,000	-	-	2,692,000
Operating Revenues				
Charges for Services	65,000	-	-	65,000
Miscellaneous Income	125,000	-	-	125,000
Internal Payments	1,700,000	-	-	1,700,000
Internal Service Charges	21,457,212	-	-	21,457,212
Subtotal	23,347,212	-	-	23,347,212
Interfund Transfers	1,129,500	-	104,000 ¹	1,233,500
TOTAL RESOURCES	27,168,712	-	104,000	27,272,712
REQUIREMENTS				
Operating Expenditures				
City Manager's Office	3,450,051	-	104,000 ¹	3,554,051
Budget & Finance	8,351,023	-	-	8,351,023
Information Technology	8,588,371	-	-	8,588,371
Citywide Services	5,162,767	-	-	5,162,767
Subtotal	25,552,212	-	104,000	25,656,212
Interfund Transfers	326,500	-	254,000 ²	580,500
Contingency	790,000	-	(254,000) ²	536,000
Unappropriated	500,000	-	-	500,000
Subtotal	1,616,500	-	-	1,616,500
TOTAL REQUIREMENTS	27,168,712	-	104,000	27,272,712

NOTES:

¹ C - PIO FTE

² E - Cayenta Upgrade

Enterprise System Replacement Fund Fiscal Year 2024/25

	Adopted Budget 7/1/24	Transfers/ Resolutions 7/1/24-12/9/24	Recommended Supplemental Budget 12/10/24	Revised Budget 12/10/24
RESOURCES				
Beginning Balance	530,000	-	-	530,000
Operating Revenues				
Financing Proceeds	-	-	-	-
Subtotal	-	-	-	-
Interfund Transfers	100,000	-	254,000 ¹	354,000
TOTAL RESOURCES	630,000	-	254,000	884,000
REQUIREMENTS				
Capital Improvement Projects	630,000	-	254,000 ¹	884,000
Subtotal	630,000	-	254,000	884,000
TOTAL REQUIREMENTS	630,000	-	254,000	884,000

NOTES:

¹ E - Cayenta Upgrade

Equipment Replacement Fund Fiscal Year 2024/25

	Adopted Budget 7/1/24	Transfers/ Resolutions 7/1/24-12/9/24	Recommended Supplemental Budget 12/10/24	Revised Budget 12/10/24
RESOURCES				
Beginning Balance	22,413,900	-	3,700,000 ¹	26,113,900
Operating Revenues				
Charges for Services	2,158,700	-	-	2,158,700
Miscellaneous Income	9,463,500	-	-	9,463,500
Subtotal	11,622,200	-	-	11,622,200
Interfund Transfers	137,300	153,000	-	290,300
TOTAL RESOURCES	34,173,400	153,000	3,700,000	38,026,400
REQUIREMENTS				
Operating Expenditures				
Citywide Services	10,610,900	153,000	-	10,763,900
Subtotal	10,610,900	153,000	-	10,763,900
Other Requirements	9,127,200	-	3,700,000 ¹	12,827,200
Unappropriated	14,435,300	-	-	14,435,300
Subtotal	23,562,500	-	3,700,000	27,262,500
TOTAL REQUIREMENTS	34,173,400	153,000	3,700,000	38,026,400

NOTES:

¹ J - Ops Center Development

Workers' Comp and Liability Management Fund Fiscal Year 2024/25

	Adopted Budget 7/1/24	Transfers/ Resolutions 7/1/24-12/9/24	Recommended Supplemental Budget 12/10/24	Revised Budget 12/10/24
RESOURCES				
Beginning Balance	5,211,400	-	-	5,211,400
Operating Revenues				
Miscellaneous Income	279,000	-	2,500,000 ¹	2,779,000
Internal Payments	2,170,000	-	-	2,170,000
Internal Service Charges	3,348,204	-	-	3,348,204
Subtotal	5,797,204	-	2,500,000	8,297,204
TOTAL RESOURCES	11,008,604	-	2,500,000	13,508,604
REQUIREMENTS				
Operating Expenditures				
City Attorney's Office	8,307,182	-	2,500,000 ¹	10,807,182
Subtotal	8,307,182	-	2,500,000	10,807,182
Interfund Transfers		-	125,000 ²	125,000
Contingency	1,272,400	-	(125,000) ²	1,147,400
Unappropriated	1,429,022	-	-	1,429,022
Subtotal	2,701,422	-	-	2,701,422
TOTAL REQUIREMENTS	11,008,604	-	2,500,000	13,508,604

NOTES:

¹ B - Workers' Comp

² F - PFAS Mitigation and Monitoring