



City of Tualatin

TUALATIN BUDGET ADVISORY COMMITTEE MEETING

Monday, May 16, 2022
6:00 PM

TUALATIN CITY SERVICES CENTER
18660 SW HERMAN ROAD
TUALATIN, OR 97062

This meeting will be held in person but can also be viewed using the zoom link below. To the extent possible, the public is encouraged to watch the meeting live on local cable channel 28, or on the City's website.

Phone: +1 669 900 6833

Meeting ID: 861 2129 3664

Password: 18880

Link: <https://us02web.zoom.us/j/86121293664?pwd=SS9XZUZyT3FnMk5rbDVKN2pWbnZ6UT09>

Call to Order

Welcome and Introductions

Elect Committee Chair

Approval of Minutes

1. Consideration of the Budget Committee Meeting Minutes of May 25, 2021

Meeting Agenda and Materials

1. Deliver Budget Message for Fiscal Year 2022-2023 Budget
2. Discussion of Fiscal Year 2022-2023 Budget
3. Discuss Second Budget Committee Meeting Agenda

Committee Questions and Comment

Adjournment

In compliance with the Americans with Disabilities Act, this meeting location is accessible to persons with disabilities. To request accommodations, please contact the City Manager's Office at 503.691.3011 36 hours in advance of the meeting.



OFFICIAL MINUTES OF THE TUALATIN BUDGET ADVISORY COMMITTEE MEETING FOR MAY 25, 2021

Present: Bridget Brooks, Brittany Valli, Chris Brune, Frank Bubenik, John Hannam, Maria Reyes, Rebekah Deal, Cyndy Hillier, Veronica Williams, Valerie Pratt, Kelly Horsford, Christen Sacco

Absent: Monique Beikman, Nancy Grimes

Call to Order

Chair Williams called the meeting to order at 6:02 p.m.

Welcome and Introductions

Approval of Minutes

Motion to approve the minutes of the Budget Advisory Committee meeting of May 10, 2021 made by Brune, Seconded by Hannam.

Voting Yea: Brooks, Valli, Brune, Bubenik, Hannam, Reyes, Deal, Hillier, Williams, Pratt, Sacco, Horsford

MOTION PASSED

1. Consideration of Minutes of the Budget Advisory Committee Meeting of May 10, 2021

Public Hearing

1. Public Hearing in Accordance with ORS 221.270 Regarding State Shared Revenues

Director Hudson stated the intent of the public hearing is to receive state shared revenues. He noted this is the first of two public hearings required in order to receive a portion of the state liquor tax revenue. Director Hudson stated the City is estimated to receive \$413,890 in the FY 21/22 budget. The revenue is not restricted and is used for general city operations. He noted cigarette, gas, marijuana, and remaining liquor taxes are not covered in this public hearing.

PUBLIC COMMENT

None.

Meeting Agenda and Materials

1. Discussion of Fiscal Year 2020-21 Budget

Director Hudson addressed questions asked by committee members via email. He answered questions regarding other revenues and the decrease in that line noting it was due to the Tualatin Services Center loan that was a onetime revenue. Director Hudson spoke to the Tigard Road Utility Fee and User Charges in the Sewer Fund stating it is part of the Bridgeport Village as it is located in the City of Tigard but their utility bill is with the City of Tualatin. He addressed what is paid from the Parks and Recreation budget for donations for outside agency noting it goes to items such as city contributions to the Crawfish Festival, Heritage Center

Rentals, and contributions to Tualatin Youth Basketball. Director Hudson spoke to the beginning fund balance in the Parks Development Fund noting it is due to the RV Park of Portland Site SDC fees project being put on hold and the original number was an estimate. He spoke to the Ice Age Tonquin Trail noted in the CIP, he stated there are no city funds at this point but there are regional discussions happening. Director Hudson spoke to other growth related projects in the CIP as listed in the goals and highlights section of the document.

Director Hudson stated common themes throughout the budget included performance measures, personal services expenditures, expenditures per replacement schedules, consolidations of office supplies and equipment, transfers into utility operating funds, interest earnings, and utility rate revenues. Director Hudson stated interest earnings revenue decrease can be seen across all the departments. He stated it is due to the market decline and some investments maturing. Director Hudson spoke to proposed residential utility rates that will be taken to the Council for adoption. He stated the proposed rates increases included are 4.25% for water as part of the master plan, a 4.5% increase in sewer from Clean Water Services, a 15% increase in sewer from the city per the master plan, a 5.19% increase in Stormwater from Clean Water Services, a 4% increase in stormwater from the City, and an increase of 3.824% in the road utility fee. Director Hudson spoke to the addition of \$5.00 Parks Utility Fee. He stated the total overall impact would be \$10.36 a month to utility customers.

Director Hudson presented the general fund capital outlay. He stated items include vehicle replacement, storage array network replacement, Stoneridge Park renovation design, Veteran's Memorial site design, and the Pohl Center partition wall fabric replacement. Director Hudson spoke to projects in the utility funds capital outlay line.

Director Hudson presented an overview of revenues. He explained property tax revenue and collection is based on assessed value revenue and not real market value. Director Hudson stated he has estimated growth for assessed value at 3% this year and anticipates it to be closer to 3.5% when the numbers become available. Director Hudson spoke to revenue for franchise fees and erosion control permits and fees. He spoke to marijuana tax revenues and the effects of the passage of Measure 110 noting the revenues went from 10% to 2.65%, which is a \$60,000 reduction to the city. Director Hudson stated the city is discontinuing being a passport agency as it is not a core service for the city and has reallocated that staff. He stated Library Fines has seen a reduction as the city passed a fine free policy. Director Hudson spoke to the gas tax fund stating ODOT lowered their projections based on the pandemic but noted travel is starting to resume so we will see that number start to rise again. Director Hudson stated the water operating fund is seeing an increase in water consumption. He stated the enterprise bond fund encompasses water bonds, the operations warehouse loan, and the Tualatin City Services building loan and shows the transfers that are made for them.

Councilor Pratt asked about police services line being zero. Director Hudson stated the officer position for TriMet is no longer being funded.

Director Hudson presented an overview of expenditures. He covered expenditures in the building fund, parks utility fee fund, water operating fund, sewer operating fund, stormwater operating fund, road utility fee fund, transportation project fund, Tualatin City Services building fund, and the debt service funds. Director Hudson spoke to general fund expenditures in the City Council, Administration, Finance, Municipal Court, Legal, Information Services, Maintenance Services, Non-Departmental, Community Development, Engineering, Library, Parks and Recreation, Parks Maintenance, and Police funds.

Public Comment

None.

Committee Questions and Comment

Councilor Pratt asked where funds for the replacement of street trees from the ice storm comes from. Director Hudson explained the Tree for a Fee program noting tree replacement comes from the parks maintenance budget. He stated the line item has been increased this year as they anticipate the need for more replacements this year.

Councilor Pratt asked about the reduction of staff in parks maintenance. Director Hudson stated the total number of employees in the general fund is decreasing but the parks maintenance staffing level will remain the same.

Councilor Pratt asked about verbiage regarding the demographics section of the budget. Director Hudson stated they can look into it and evaluate if the statements should remain or not.

Committee Member Brune asked about the spending of the Transportation Bond and if it is on track to spend all the money. Director Hudson stated they are on track for spending those funds.

Councilor Brooks stated the Arts Grants Program has been at \$1,000 for 10 years, she would like to propose an increase to \$2,000. She stated last year they had more applications then they could fill over the past couple of years.

Motion to amend the agency grants for the Arts Advisory Committee to \$2,000 made by Brooks, seconded by Pratt.

Discussion on the Motion

Councilor Hillier asked where the funding for that would come from. Director Hudson stated it would come from unappropriated fund balances which has funding available.

Committee Member Horsford asked if this for the Arts in the Parks. Councilor Brooks stated the grant is for agencies that serve the community of Tualatin. She noted the Tualatin Arts Advisory Committee issues the grants.

Voting Yea: Brooks, Valli, Brune, Bubenik, Hannam, Reyes, Deal, Hillier, Williams, Pratt, Horsford, Sacco

MOTION PASSED

Committee Member Deal stated the City of Tualatin is well run and she is happy to be part of the process.

Director Hudson presented the committee with proposed amendments. He stated carryovers for the year include monies for utility box wraps, Atfalati restroom heating, library replacement items, and parks maintenance items. Director Hudson stated new appropriations include additional street tree replacements, Ki-a-Kuts bridge and floating dock inspections, insurance savings, and the Oregon Community Paths grant. Director Hudson spoke to the addition and creation of the American Rescue Plan fund and appropriations.

Committee Member Deal asked about the \$3,000,000 that is being set aside of the American Rescue Plan what its use will be for. Director Hudson stated funds can be used for local businesses and community programming.

Motion to approve the Fiscal Year 2021-2022 City of Tualatin budget, as amended, the property taxes it contains at the rate of \$2.2665 per \$1,000 of assessed value for operating purposes, and the amount of \$3,096,850 for payment of general obligation bond principal and interest made by Brune, Seconded by Pratt

Voting Yea: Brooks, Valli, Brune, Bubenik, Hannam, Reyes, Deal, Hillier, Williams, Pratt, Horsford, Sacco

MOTION PASSED

Motion to approve the Fiscal Year 2021-2022 Tualatin Development Commission budget made by Horsford, Seconded by Brune

Voting Yea: Brooks, Valli, Brune, Bubenik, Hannam, Reyes, Deal, Hillier, Williams, Pratt, Horsford, Sacco

MOTION PASSED

Adjournment

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

Sherilyn Lombos, City Manager

_____ / Nicole Morris, Recording Secretary