FOREST GROVE OREGON

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BUDGET COMMITTEE MEETING MINUTES

TUESDAY, JUNE 1, 2021
Community Auditorium /ZOOM

Approved as Presented by the Budget Committee 04.19.2022.

1. **CALLED TO ORDER:**
   Peter Truax, Mayor, called the meeting to order at 6:00 p.m.

   ROLL CALL MEMBERS ATTENDED BY ZOOM WEBINAR: David Andersen, Tom Cook, Wolanda Groombridge, Donna Gustafson, Kristy Kottkey, David Maisel, Robert Moats, Timothy Rippe, Debby Roth, Heidi Ruby, Elena Uhing, Mariana Valenzuela, Malynda Wenzl, and Peter Truax, Mayor**.**
   ABSENT: None.
   STAFF PRESENT ATTENDED BY ZOOM WEBINAR:: Jesse VanderZanden, City Manager; Paul Downey, Administrative Services Director; Beverly Maughan, Executive Assistant to City Manager; Colleen Winters, Library Director; Keith Hormann, Light & Power Director; Anne Lane, Parks & Recreation Director); Bryan Pohl, Community Development Director; Greg Robertson, Public Works Director; Henry Reimann, Police Chief; and Patrick Fale, Interim Fire Chief. Attendees (1).

2. **ELECTION OF CHAIR:**
   Mayor Truax opened the floor for nominations. Maisel, seconded by Uhing, nominated Andersen; Wenzl, seconded by Andersen, nominated Maisel. Nominations were closed. ROLL CALL VOTE resulted in 7-7 tie; Maisel yielded the chair position to Andersen and noted he would accept the role next year.

3. **PUBLIC COMMENT:** None.

4. **CONSENT AGENDA:**
   A. Approve Budget Committee Meeting Minutes April 20, 2021. **TABLED** until June 8, 2021, meeting.

5. **ADDITIONS/DELETIONS:** None.

6. **BUDGET MESSAGE FOR FY 2021-22 PROPOSED BUDGET:**
   Budget Officer VanderZanden referred to his printed budget message and gave an overview of the proposed budget indicating the fiscal health of the City, despite COVID, remains stable, reserves are adequate, and our bond rating is strong and unchanged. He stated the City was able to manage the financial effects of COVID without much impact to the City's finances. Department directors did a good job of managing expenditures during the last year while dealing with ever-changing COVID restrictions. He noted to address the issue of budgeted operating costs in the General Fund increasing at a greater pace than budgeted operating revenue, the City will continue to focus on two interrelated efforts to determine their potential

financial effects to the City. The first is the continued review of a potential consolidated fire district and, secondly, the City needs to continue planning for the next renewal or possible increase of the City's Local Option Levy (LOL).
He noted the City has taken proactive measures over the past several years to assure financial security and these forward leaning policies allow the City to face the current crisis with less risk and a higher assurance that current services can be sustained. VanderZanden expressed his appreciation to the Budget Committee members, the City Council, Department Directors and staff for their leadership guiding the use of Forest Grove's resources and to Paul Downey, Administrative Services Director, who has constructively applied his experience and knowledge to the budget in a manner that provides for today, considers tomorrow, and ensures a high level of public trust and accountability.

7. **REVIEW AND DISCUSSION OF FY 2021-22 PROPOSED BUDGET**
Downey referred to the PowerPoint presentation and presented a budget overview highlighting the general increases related to wages and benefits, insurance rates, and retirement plan changes. He reviewed the general fund resources which did not include any proposed fee or rate increases but noted that staff will be proposing to increase general fees, aquatic center, sewer and surface water rates in July 2021. Downey noted changes from last year's budget in the General Fund departments as well as Building Permits, Fire Equipment Replacement, Parks Acquisition & Development and Debt Service Funds highlighted in the analysis and answered questions from the committee. In response to inquiries regarding the additional police officer and expenditure for mental health specialist, Downey noted he would follow up with more information on the response team and response data at the next meeting. In response to Wenzl's inquiry regarding Fire Chief services under the current IGA's, Downey concurred with the suggestion to do an audit of the IGA's. In response to Wenzl's inquiry, Downey noted staff would follow up with the cost of watering all the Parks as well as gather data that shows need for more personnel in preparation for levy discussions. After much discussion on the proposed appropriations for the American Rescue Plan (ARP) Fund, there was consensus to appoint a task force to help discern the use of ARP funds.
MOTION: Rippe moved, seconded by Gustafson, that a subcommittee of four members of the Budget Committee be formed to address the ARP appropriations and bring recommendations to the full committee. Uhing moved, seconded by Wenzl, to amend the motion that the subcommittee consist of five members to prevent ties and that the subcommittee include Councilors. VOTE ON AMENDMENT: 13 – 1 with Truax voting No; amendment passed. VOTE ON MOTION AS AMENDED: 11 to 3 with Truax, Ruby and Kottkey voting NO. Motion passed. The following members volunteered for the subcommittee: Uhing, Rippe, Maisel, Groombridge and Valenzuela.

8. **PUBLIC HEARING ON STATE SHARED REVENUE**
Downey noted the City was required to hold two Public Hearings taking comments on the proposed uses of State Shared Revenue with the Budget Committee holding one public hearing and the City Council holding the other. Downey reviewed expected revenue and for budgetary purposes, the Alcohol Tax is allocated to the Police Department, the Cigarette Tax is allocated to the Fire Department, the State Marijuana Tax and State Shared Revenue are put in General Fund Discretionary Revenue, and the Gasoline Tax is allocated to the Street Fund (99%) and Bike and Pedestrian Pathways (1%). Andersen opened the public hearing at 8:51 pm, asked for public comments and, there being none, closed the public hearing at 8:53 pm. Consensus from the Budget Committee was to continue receiving State Shared Revenue for the proposed uses. In response to Rippe's inquiry regarding using State Shared Revenue for Community Enhancement Program (CEP) projects, Andersen requested staff to research and come back with a proposal.

9. **PUBLIC COMMENT ON PROPOSED BUDGET:** None.

10. **ANNOUNCEMENT OF NEXT MEETING:** Tuesday, June 8, 2021, 6 PM.

11. **ADJOURNMENT:** Chair Andersen adjourned the meeting at 8:57 p.m.

Respectfully submitted

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Beverly Maughan, Exec. Assistant to the City Manager