

**CITY OF WILSONVILLE
BUDGET COMMITTEE MEETING MINUTES
WILSONVILLE CITY HALL
29799 SW TOWN CENTER LP E**

June 6, 2018

A regular meeting of the Wilsonville Budget Committee was held at Wilsonville City Hall beginning at 6:04 p.m. on Wednesday, June 6, 2018.

Budget Committee members present:

Tim Knapp, Mayor (<i>Arrived at 6:21 p.m.</i>)	Andrew Karr, Committee Member
Scott Starr, Council President (<i>Arrived at 6:08 p.m.</i>)	Sam Scull, Committee Member
Susie Stevens, Councilor	Arthur Park, Committee Member
Kristin Akervall, Councilor	Bill Amadon, Committee Member
	Paul Bunn, Committee Member

Budget Committee members excused: Charlotte Lehan, Councilor

Staff present included:

Bryan Cosgrove, City Manager	Delora Kerber, Public Works Director
Susan Cole, Finance Director	Mike McCarty, Parks & Rec. Director
Nancy Kraushaar, Community Develop. Director	Andy Stone, IT Manager
Keith Katko, Finance Operations Manager	Jason LaBrie, Utilities Supervisor
Pat Duke, Library Director	Margie Trader Accounting Technician
Jeanna Troha, Assistant City Manager	Cathy Rodocker, Assistant Finance Director
Scott Simonton, Fleet Manager	Todd Blankenship, Parks Supervisor
Brian Stevenson, Parks & Rec. Program Manager	Zach Weigel, Capital Projects Manager
Katie Macadam, Accountant	Matt Baker, Facilities Supervisor
Tod Blankenship, Parks Supervisor	Ellie Work, Grants & Program Manager
Barbara Jacobson, City Attorney	Dan Carlson, Building Official

The following handouts were distributed to the Budget Committee:

- Multiple-page packet dated June 6, 2018 submitted by Jim Barnes and Kate Johnson from the Parks and Recreation Advisory Board regarding the development of a skateboard park.
- Letter from Steven Benson dated June 6, 2018 regarding a kayak launch station in Memorial Park, which was read into the record.

RECONVENE BUDGET COMMITTEE MEETING FROM MAY 30, 2018

Chair Karr reconvened the public hearing for the proposed Fiscal Year (FY) 2018-19 City of Wilsonville Budget at 6:04 PM and read the conduct of hearing procedure.

The Pledge of Allegiance was recited.

PUBLIC HEARING/CITIZEN INPUT

A. Public Hearing for the Proposed Fiscal Year 2018-19 City of Wilsonville Budget

B. Citizen Input

Chair Karr called for public comment on the proposed FY 2018-19 Budget.

Carrie Finnigan, President, WCSI, 17707 Front St NE, Hubbard, OR, stated WCSI was the Wilsonville Seniors Group and she was excited her group would be connecting with the City.

- The seniors' mission statement promoted engagement, and they were looking forward to fundraising and engagement programs with the City. She wished to engage the seniors with youth and community and to work with the City. She would be meeting with Angela Handran to discuss fundraising ideas and looked forward to the collaboration.
- The senior population in Wilsonville, either the 55 or older group, or the 60 and older group, was approximately 20 percent to 23 percent of the population.
- WCSI wanted to understand the incoming funding and how it was allocated to the Seniors in need to make sure no gap existed, as well as to understand what the senior population looked like, whether they were housebound, or coming in for meals, etc. WCSI would do a much better job working with some information on the City's senior population.
- She had spoken with Brian Stevenson at Wilsonville Community Sharing and with Sadie Wallenburg from Parks and Recreation, who worked with the needs of incoming seniors, and was in the process of identifying and understanding the number of seniors being serviced currently.
 - She understood the meal program was separate; WCSI was concerned with homebound seniors, people needing services from the Food Bank, and possible collaboration with WCSI to make sure the need was being serviced.
 - A website and improved messaging would be worked on this year to publicize services WCSI provided, which including trips and other activities to get seniors out. They had also been working on a backpack emergency program for the seniors, some of whom had illnesses. Costco had expressed an interest in the program.
- The goal of her testimony was to let the City know WCSI existed and that they looked forward to working with the City.

Councilor Starr arrived at 6:08 p.m.

Jim Barnes, representing the Parks & Recreation Advisory Board, said his address was on the speaker card and that he and Kate Johnson had been authorized to speak to the Budget Committee specifically in support of funding for skate parks.

- This year, the Parks & Recreation Department had requested \$800,000 for a community-scale skate park. He had provided each Councilor with a packet showing the history of budgeting and actual expenditures for skate parks back to about 2007. The development plans and Council goals had been in place since 2007, and there was a lot of budgeting, and listing it in the Master Plan but no construction. He and Ms. Johnson were present to request that the City move forward from the planning phase to the construction phase for the skate park.
- The skate park design was paid for by the City, and a company had been hired to do the design, which he believed had been completed in 2015. Exhibit 1 showed \$29,000 had been spent between 2007 and 2018, but the annual budget had been anywhere from \$34,000 to \$100,000 a year, every year during that period.

- The general description of what would be done had changed little over time and was fundamentally the same. Ten years of budgeting had occurred without any activity. He understood the funding constraints, but he wanted to bring it forward from the budgeting and planning phase to actual design and development, and spending the funds.

Chair Karr asked where the City was in the design and construction phase.

- City Manager Cosgrove replied he knew only what was in the Five Year Plan, but the request from Parks staff did not make it into this year's budget. He had not heard that a \$1 million skate park was a goal that City Council wanted him to pursue. It was a big item that required a lot of discussion.
 - The City had done a lot in terms of providing land and the design concept for the skate park. In most cities, skate parks were funded through the citizens getting community organizations involved to help with donations. He had been involved in skate parks in Oregon City and Silverton, and knew state and private grants, such as from the Tony Hawk Foundation and Pepsi Challenge, were available, but they required proof of broad community support.
 - The other means of funding was through the City. The Budget Committee could vote tonight to throw \$1 million into the budget and the park construction could start at the beginning of the fiscal year. He did not believe the idea was ripe yet, as it had not gone to Council and it had not been on his radar. The Council could choose to put it on his radar.

Mr. Barnes replied it clearly had been on the radar because it had been budgeted for 10 years. He was not fully in alignment with City Manager Cosgrove's view of the background. He believed the skate park had been on the radar for a long time and he was advocating that action be taken on it.

City Manager Cosgrove explained he was providing background to the Committee and clarified that he did not mean it had not been on Park & Recreation's radar, but rather City Council had not said it had to happen.

Mr. Barnes agreed but noted the skate park was in the Master Plan, and community support and community activism for it existed. He requested that City Council and the Budget Committee put the skate park into the Five Year Plan and move it up on the priority list.

City Manager Cosgrove confirmed the next step was the City Council's, adding it was a specialty park. Other than Mr. Barnes and a few other dedicated people in the community, people had not come to City Council to say the City needed to work with them to build the park. He was aware it had happened in the past, but it had not been on anybody's radar recently.

Kate Johnson, 7744 SW Vlahos Drive, Wilsonville, OR, stated the hard part was that the description of a skate park implied it was for children, but it was for all ages and it was the activity. Part of the issue was bringing out the surveys and identifying the demographic. Over time, benchmarking had taken place locally and regionally, and she knew Mr. Barnes had done some background on it.

- As early as yesterday, the Harmonious Design Guidelines from the Town Center Task Force brought together three 7th grade classrooms to give input on the Town Center. One of the top priorities from all three classrooms was a skateboard park. One might not think 14-year-olds could necessarily engage in the surveys because, historically, it had been adults responding, so the survey level and feedback on the Master Plan had been low. It led to the observation that a skate park was not on the radar because the response was less than 3 percent, but a lot of conversation was taking place about wanting and needing the skate park.

Mr. Barnes stated the topic of grant funding often came up and such funding was a great thing to look for. He was told by the City that grant funding would be pursued by the City because the skate park would be built on City property; therefore, it was up to the City to lead the effort.

- He also recognized that skate parks should not be held hostage to grant funding. The pickle ball court, bicycle pump track, and baseball, basketball, and soccer fields were not held hostage to being built only if grant funding was available. Grant funding was a great addition to have, but should not be a limitation.

Chair Karr asked if the discussion of the skate park would be more appropriately directed to Council, and not the Budget Committee.

Mr. Barnes pointed out that the Committee controlled the budget.

Councilor Stevens

- Stated the Committee needed to know more about what was going on through a work session, which would be a more appropriate place to bring the project together.
 - City Manager Cosgrove said he would need direction from City Council to move forward. Many competing priorities existed in the General Fund from which parks were funded. If Mr. Barnes wanted to make a skate park a priority or help the people who wanted the park, the Committee had things they could do to push it along.
 - Conversely, he could hear from the Council to put the skate park in next year's budget, but he was not aware of any dialog between the Parks & Recreation Board and City Council for the skate park being the City's number-one priority for parks.
 - Ms. Johnson said she understood the Master Plan projects have had more priority, such as Memorial Park.
 - Mr. Barnes said he understood it was not the number-one goal, but one of many things in a multi-million dollar budget, and multi-million dollars spent over time...
 - City Manager Cosgrove said this was the first opportunity to have this conversation. He recommended a conversation between the Parks Board and City Council.
- Said she would need more information.
 - Mr. Barnes responded that he looked forward to a conversation.

Paul Bunn stated he appreciated Mr. Barnes attending and providing information. He agreed with Councilor Stevens in that he was not comfortable putting amounts in the budget when he was unsure what amounts were required. He believed the most the Budget Committee could do was to recommend that City Council engage with people, such as Mr. Barnes, not only on the skate park, but also with the other things in the capital budget. He knew from his history in Wilsonville that things that did not immediately grab everyone's attention, such as a skate park, were done because of people, like Mr. Barnes, who advocated for them. He believed Mr. Barnes had done

the right thing by coming to the meeting and presenting his information. He was not comfortable adding something to the budget without more detail, but he would be willing to recommend that City Council start engaging with Mr. Barnes.

Mr. Barnes and Ms. Johnson welcomed Mr. Bunn's suggestion.

Susan Cole, Finance Director, said CIP Project #9103 included a \$100,000 placeholder, which Mr. Barnes referred to, as having been budgeted for a number of years. From the Budget Committee's point of view, resources were allocated to perhaps initiate action if the City Council desired.

Mayor Knapp arrived at 6:21 p.m.

Mr. Barnes stated he assumed if the dollars were budgeted, the decision to spend them had been made; that was how dollars ended up in a budget. So far, those funds had not been spent, year after year.

Steven Benson, 8525 SW Wilson Ln, Wilsonville, OR, commented that sometimes when projects moved forward in Wilsonville, there was confusion about the result. Right now, in the Memorial Park Master Plan, a beginner's skate park was listed and the price tag was nearly \$200,000. There was also the big skate park across the street from city hall which was priced at \$800,000 and that many believed was overpriced. It meant two skate parks would be within .5 mile of each other, which did not make sense. Perhaps the \$200,000 for one park could be applied to the other skate park; if the price could be reduced, it would not be a \$1 million project and Wilsonville's expenditures would be kept at a reasonable rate.

- He would like an increase in funding for the Wilsonville Memorial Park Master Plan project for FY 2018-19. He read into the record the letter he submitted dated June 6, 2018 suggesting that a kayak launch station be attached to the existing dock on the Willamette River.

Mayor Knapp asked if Mr. Benson had data that could be used by Staff to confirm the estimated project cost.

- Mr. Benson replied he had found a website that built launch stations for installation nationwide from the data provided by their customers and would provide a full-price package. He confirmed he would provide the information to the Parks people.

Chair Karr confirmed there was no further public testimony and closed the public hearing on the City of Wilsonville's FY 2018-19 proposed budget.

FY 2018-19 OPERATING BUDGET

A. Department Presentations

Finance Director Cole reminded that the operating budgets for the Public Works and Transportation Departments were reviewed at the last Budget Committee meeting held on May 30, 2018.

1. Policy and Administration

Finance Director Cole presented the proposed 2018-19 Budget for the five Policy and Administration program areas via PowerPoint, describing the proposed Baseline Changes related

to the current level of service (LOS) and Add-Packages for each department. Additional discussion and responses to questions from the Budget Committee was as noted.

Administration

Staff clarified the City never had a Code enforcement officer prior to last year. The Code Compliance function had taken place through the Planning Department by assistant planners, but two years ago, a dedicated position was created in the City Manager's budget; however, upon reflection, the position was moved to the Planning Department.

Finance

Bill Amadon:

- Commended the Finance Department for the efficient use of staff. He was pleased to see just a .19 increase in Staff given the growth of the city.
- Understood the finance costs for support in some other administrative groups were charged to the Operating Funds, but he was not seeing facility costs included to be allocated and asked if the City was intentionally understating the charge-out rates.
 - Finance Director Cole replied many older jurisdictions tended to charge out a per-square-footage cost for facilities cost. Wilsonville had not used that methodology; currently, it was the day-to-day staff, salaries, supplies, etc., without a facility cost. The building was relatively new, so depreciation was still fully funded. A pay-as-you-go method was used through the General Fund for City facilities. If that were to change, a facility charge would probably be built into the indirect cost allocation. The idea was being considered but, in terms of allocating costs, it could be said the City was under collecting because facility charges were not collected.
- Said he was not sure he agreed with the premise of understating the cost just because the building was new. The facility was terrific and the understatement of operating costs out to the operating funds was okay with him, but he challenged the notion.
 - Finance Director Cole replied Finance Operations Manager Keith Katko had done the cost allocation and she was sure he was taking notes. She was also sure the conversation would take place in the coming year based on Mr. Amadon's comments. Staff looked at the indirect cost allocation plan on an annual basis in preparation for the budget.

Mayor Knapp:

- Asked what was being given up by the \$7,500 reduction. He did not know what "reduce accounts" amounted to, exactly. (Slide 7)
 - Finance Director Cole replied that each year supplies would fluctuate. Staff had found that this was more of a true-up budgetary adjustment. As Staff stated on May 30, accounts were inflated by 1 percent each year as an automatic inflationary adjustment, which would true-up various supply-type accounts and budgetary move the amounts to training. Staff noticed that employee development had gone a bit over, so the true up would reduce budgets for supply accounts and move it to employee training.
 - She confirmed she did not believe anything was being given up, but rather accounts were being brought into alignment with reality. It was removing some flexibility, but it was not reducing a tangible item that the City had before and would not have again.

Chair Karr asked if the \$7,500 reduction would come from Miscellaneous Services and Supplies, and then be offset by the additional bank charges. (Slide 7)

- Finance Director Cole replied the first line on Page 87, under Materials and Services was labeled supplies and would be reduced 2 percent; then 1 percent would come off Professional Services and was an aggregate of detailed accounts within that category.
 - Fees, dues, and advertising were also truing up a bit. It was a combination of various accounts within the chart of accounts.
 - She confirmed the \$7,100 in additional bank charges was actually increasing Miscellaneous Services and Supplies.

Mr. Bunn:

- Suggested for next year that the bank charges be called out separately because they were becoming more of an issue.
 - Finance Director Cole stated the accountant had looked at that and had mentioned the online payments had perhaps doubled from the City's utility payments. Last year, automatic monthly payments were added to the City's credit card payment options, which also increased the bank charges. The bank charges would be analyzed more thoroughly in the coming year.
- Stated whether it was put in a separate category under operating summary or given a more detailed discussion, in consideration of the overall budget, \$7,100 was not a lot, but it did seem to be becoming more of an issue.
 - Finance Director Cole replied it would be looked into.

Information Systems/GIS

Councilor Stevens noted in past years, union contracts had to be dealt with and often notes were added to many budget pages that said contract negotiations had not occurred yet, the impact was unknown, and budgeting was done based on what was expected. She had not seen the notes this year and asked if it was because of the two-year contracts.

- Finance Director Cole replied they were three-year contracts, which was mentioned in the Reader's Guide at the beginning. The contracts were effective July 1, 2017 through June 30, 2020. The increases were built into the numbers in the presentation tonight. She confirmed the notes would not be seen in next year's budget, but then the contracts would be renegotiated.

Finance Director Cole noted at the time the FY 2018-19 Budget was compiled, the lighting update was expected to be completed by June 30, but she was unsure the deadline would be met. If the upgrade did not happen, a supplemental carryover budget would be created.

2. Community Development

Finance Director Cole presented the proposed 2018-19 Budget for the four Community Development (CD) program areas or divisions via PowerPoint, along with the proposed Baseline Changes and Add-Packages for each department. Responses to clarifying questions and key discussion items were as follows:

Engineering

Mr. Bunn:

- Pointed out it seemed replacing aging furniture was a recurring theme with all the staff.
 - Finance Director Cole said a lot of the existing furniture was one-size fits all and not everyone was the same size. The trend was toward adjustable desks to accommodate standing or sitting at different heights.

- Stated it was curious that the request for furniture was coming from multiple staff. He had never seen that before; it seemed they were all doing it at once.
 - Finance Director Cole acknowledged that was a good observation, adding there was some of that.
- Responded he was perfectly fine with it, adding he had total confidence and trust in City Staff.

Councilor Stevens stated there might be an assumption that the furniture was all bought at the same time, so it was all about the same age.

- Finance Director Cole replied a lot of the furniture had been moved from the older building in 2007. In the Finance Department, one employee had to be told it was okay to buy a new chair, even after the arms had fallen off the old one.
- City Manager Cosgrove added new employees would be added and would require new furniture, which was what was probably driving this request because a City Engineer would also be added.

Building Inspections

Finance Director Cole clarified the City did not charge convenience fees for credit card payments. The regulations had been in flux for several years. A specific exclusion was made by Visa and MasterCard only for property taxes. She understood the convenience fee regulations had been loosened and the Finance Department would be studying that.

- Beaverton had implemented a program to charge a convenience fee through a vendor who based the convenience fee on the card being used. The more benefits the credit card has, the higher the convenience fee. The Finance Department had been in conversations with Beaverton to learn more about their credit card acceptance program, how the software worked, and if it was something the City wanted to pursue in the future.

Councilor Stevens commented it was a bit of a challenge because, if she wrote a check, she was paying for people who used their credit cards because of the add-on fee. She it would be good to find some fairness.

- Finance Director Cole agreed a balance was needed. She noted as the system development charges (SDCs) studies went forward, for water and sewer specifically, one goal was to make sure the business costs of SDCs were recovered appropriately, as developers use their credit cards, etc. by building them into the rate and charge analysis.

Councilor Starr inquired about the increase to on-call.

- Finance Director Cole replied her understanding was that the increase was not due to overtime, but to having an individual who had worked for the City for a number of years returning periodically to help with on-call. The individual was a very valuable resource. (Slide 15)

Mayor Knapp asked how Staff in all the departments were being trained on the new software package coming in over the next two to three years.

- City Manager Cosgrove confirmed such training would be done, but a vendor had not been chosen yet, so nothing would be built into this budget other than to account for some initial costs like hiring a consultant to help select the right process. Budgeting would take place as needed. He assumed next year a request might be made for some temporary workers to help

fully implement the system because regular employees could not be taken from their jobs as well.

Sam Scull understood credit card companies charged the City a fee for each transaction and that regulations controlled what the City could charge.

- Finance Director Cole clarified Visa and MasterCard had interchange rates with guidelines. If the City chose to allow the acceptance of Visa and MasterCard, it needed to follow the credit card companies' business guidelines, which change and needed to be reviewed. By accepting those credit cards, the City was agreeing to and needed to be aware of those arrangements. Often, Staff would look to a larger city, like Beaverton or Hillsboro, to see how they were managing their merchant accounts and credit cards, software, and portals used to minimize merchant fees. It felt like it was necessary to constantly catch up with Visa and MasterCard to ensure compliance with their business arrangements.

Planning

Finance Director Cole said Code compliance would be reorganized from City Administration to the Planning Department. The number was higher than in the City Manager's budget because it was budgeted for only .5 year in the current year. At this point last year, only six months of funding had been added. However, the position is year-round, so the second half of the year also needed to be added which was why \$95,000 was on the Planning budget and a decrease of \$46,000 was seen on the City Manager's budget. The process was referred to as annualizing and it would be done to the FTE for the entire FY 2018-19. Likewise, if the amount had stayed in the City Manager's budget, a similar increase would have been seen.

Chair Karr asked when the Code compliance position would be advertised.

- Finance Director Cole replied, because the position was authorized in January, she believed recruitment first started last January or February. Someone had been on board for a while, but it did not work out.
- City Manager Cosgrove said he hoped the position would be advertised by the end of this fiscal year, but certainly by the beginning of the new fiscal year.

Mayor Knapp noted Professional Technical Services seemed to have increased strongly the last couple of years.

- Finance Director Cole confirmed he was referring to the 40 percent on Page 111, and said that was where the \$62,000 would be budgeted for the Metro Housing Grant.
- City Manager Cosgrove added that line item would fluctuate a lot depending on how many planning projects or other upcoming projects, such as Wayfinding and other Council goals, many of which had to do with Planning.
 - He clarified that although the housing piece was covered by a Metro grant, it still had to be shown as an expenditure.
- Finance Director Cole clarified it was 100 percent revenue backed, and showed only the expense side, not revenue.

Councilor Stevens noted the Public Works budget had been presented last week, but she had reviewed it again, and asked if the new operations manager position had been filled by Arnie Gray.

- City Manager Cosgrove clarified that Mr. Gray was the road supervisor. Floyd Peoples had held the position, then a reorganization made Parks a standalone department and it was

discovered the position was more critical than thought initially and it was being added back in.

3. Parks & Recreation

Finance Director Cole presented the proposed 2018-19 Budget for the Parks & Recreation program areas via PowerPoint, along with the proposed Baseline Changes and Add-Packages for each department. Responses to clarifying questions and key discussion items were as follows:

General Services

Mr. Bunn:

- Asked for an explanation of the fees, dues, and advertising shown for each department.
 - City Manager Cosgrove explained they could refer to many different things: subscriptions, dues, memberships, such as for the Oregon Parks & Recreation Association, and NRPA, etc. depending upon the department.
- Asked if the fees were charge-backs. He knew the City was not charging for space, but there were other charge backs
 - Finance Director Cole clarified the fees would be paid by the departments for other types of organizations. The Finance Department did some of the overhead charges internally in the fund transfer, so they would not show up under Materials and Services. These were fees the Parks Department paid to other entities for various things.
- Asked if the Parks Department would pay fees to the Fleet Department or maintenance for the work done at one of the parks.
 - Finance Director Cole said those items would be under Fleet and Janitorial charges. She was not as familiar with Parks, but as fees in the Water Department were once paid to the Water Consortium, the Finance Department paid fees to the Oregon Municipal Finance Officers Association.
 - City Manager Cosgrove added fees were paid to the League of Oregon Cities.
 - Finance Director Cole said that sometimes when advertising was done for positions it would be classified under advertising if, for example, money was paid to the Government Finance Review.
 - She confirmed every department had such charges for their individual associations and unique items, and that it was a standard program budget line item. Some departments were involved in the Rotary Club or golf tournaments or tables at fundraisers.

Mr. Amadon asked for clarification on key performance areas on page 146 where fiscal discipline was mentioned. He read, “Develop financial cost recovery policy for all recreation and park services” and asked how it related to the resource summary with the General Funding.

- Finance Director Cole replied the current Parks Department did not have an adopted cost recovery. For example, Tualatin Parks & Recreation had an adopted cost recovery where they had analyzed each and every program, and would explain externalities where a trail might be free or funded by a property tax because of the external benefits of health and wellness, unlike a private tennis lesson, which would have to have possibly a 100 percent cost recovery because it benefited a private party and not the larger community. Under fiscal discipline, the Parks Department had an aspiration to do that kind of work as they evolved their programs to analyze the community benefits versus private benefits, what should be funded by the individual, and what should be funded by the general property tax base. The City had not yet fully embarked upon that path.

Councilor Stevens commented that many programs the City provided were very necessary. One of the visitors at the hearing, Ms. Finnegan, talked about the needs of seniors. The social aspect was very important and programs funded by the City provided a real benefit, but no balance existed in terms of what they cost the City to conduct.

Mr. Amadon responded he was not challenging that premise at all, but rather what the City was trying to get at with the fiscal discipline statement.

Councilor Starr asked if the City were reaching a point where it made sense to spend the time to do that accounting because there was enough of it, whereas there had not been enough before; or was the City at the point where it needed to spend all the extra time to do all the extra accounting versus just calling it good. He was not the person to make that judgment call.

- Finance Director Cole replied she understood it was an aspiration of the general Parks master planning that the City start down the path. How far down the City would go down that path yet to be determined.

Mr. Amadon:

- Asked where a skate park would fit into the cost recovery model.
 - City Manager Cosgrove said there would not be a charge for a skate park.
- Said he understood for a trail, the public would benefit from ages 2 to 102.
 - City Manager Cosgrove said the City did not charge for many things because a no fee/no fault system existed. If there was a charge, the park would have to be supervised and the City would take on a liability it did not want.
 - The City's cost recovery program was more for programs like a men's adult softball league, but it would not be done for seniors, a skate park, or trails. An analysis could be done saying that everyone who walked on the trail would pay the City \$10 because it would take that much to build and maintain the trail, but that was not what was meant by cost recovery, but rather more program-related items.

Park Maintenance

Councilor Stevens commended the small number of City Staff who took care of so much land in the City's parks, which were growing in number all of the time. Villebois had more parks that were coming under City maintenance, new parks were being built, and the City was master planning new parks. It was an incredible amount of work, and the parks were beautiful. Kudos to the Parks Department and the maintenance crew for keeping the parks in such great shape.

Mayor Knapp stated the Villebois parks that were initially being paid for by homeowners associations (HOAs) or the developer group, were now devolving to City responsibility. The City would certainly be part of the irrigation cost as well as personnel services as the parks were taken on. He believed all of the parks were a huge asset to the community that people were very much in favor of and attached to. The Committee was not proposing to shortcut those. The cost was for an amenity he believed the community wanted.

Councilor Starr asked what the thought process was for the future with regard to how much more land was coming in with parks, and how much more resources that would require. Would there be a time when the Budget Committee would ask if the City should be responsible for parks or whether should it contract out maintenance to a landscaping company?

- Finance Director Cole reminded that the City tried to engage contract services for the current year, not only for parks, but also for a number of different seasonal opportunities. It had not quite worked out as hoped and it had been very difficult to engage the seasonal contracts. The Finance Department believed it had more control in-house and more opportunity to maintain LOS at the needed level.
 - A thorough analysis had not yet been done to outsource the entire operation versus just a piece of it. Keeping it in-house seemed to work well to maintain the desired standards.
- City Manager Cosgrove added some of the landscaping was contracted out, such as the medians. In terms of Parks & Recreation, it was not something he had thought about nor had he received any direction from Council. When it came to high-visibility items like parks maintenance, a dialog was needed about costs and benefits. A little might be saved, but in his experience, the contract could not be designed well enough to provide the level of care given by City employees. He was not saying it should never be considered, however, parks maintenance was something the City really wanted to keep control over.

Mr. Bunn agreed the topic had been discussed before, and at the time, it appeared the City was saying it wanted more park land, but was challenged with figuring out how to pay for the parks maintenance. As Councilor Starr said, the issue was not whether maintenance was privatized or not; his concern was where the money would come from to maintain the parks. Like Frog Pond or Villebois, the community or the developer would pay for maintenance for a while, and then would abruptly turn it over to the City. The City was growing, and the maintenance needs would continue growing as well. He feared for the time when the City could not find the money to maintain all the parks.

- He noted enough cities had come together in the county and decided that libraries were valuable and decided to create a consortium to deal with the increasing costs. The entire area was growing, so there might be an opportunity to explore a consortium for parks, similar to what was done for the library.
- He agreed that Staff did an excellent job, but costs were not going to decrease and he was concerned where the money would come from. He did not see it being a problem this year or next, but the City needed to start thinking now about how to stay ahead of the maintenance. It would be up to the Council to start planning at some point.

Mayor Knapp noted all the points raised were good and there was no easy answer. Some areas in the region had parks and recreation districts that people paid for with their taxes, but that solution had not been entirely satisfactory either. Voters in Happy Valley voted to secede from the district because they did not feel they were getting enough in return for the money they were putting in, and that the money was not being spent where the citizens would benefit from it. It was difficult to determine which method would work better.

- Regarding privatizing, he wondered where the profits for the private entity would come from in addition to the cost of paying people to do the work, for the equipment, etc.
- The concern about how the long-term parks maintenance and servicing costs would be covered was legitimate. At the same time, he was convinced it was an important component to the people. It was necessary to look forward as the park system grew. The population and the business base were growing, which was where many of the tax monies came from. It was a dynamic model that was changing all the time. It needed to be thought about and looked at with a critical eye. It was absolutely a high-value piece of the community.

Councilor Stevens stated there was a balance. New parks came in where growth happened. She believed a philosophy had always existed to have neighborhood parks for new neighborhoods. Revenues would increase with the property values, and the property values stay high because the city had beautiful parks. A symbiotic relationship existed to all of that.

- Land was being added to the Boones Ferry Park area, but whenever property along the river became available, it was Council's goal to make every effort to obtain it. An old, abandoned mobile home park was also picked up. No further growth was taking place there in terms of housing, but the property was picked up.
- Parks were wanted in Villebois and Frog Pond so that the residents could walk to them. The quality of life made Wilsonville so attractive in so many different ways.
- She believed the City did not pick up all the parks, at least in Villebois, but rather picked up the bigger ones. The pocket parks were common areas and were still taken care of by the HOAs. Driving through Villebois, a lot of green space was seen with a pocket here and there that were not city parks. The City took over seven parks total, five years after they had been developed, and they became city parks that anyone, no matter where they lived, could enjoy. It was a balancing act, but the City was not spending a lot of money on a lot of land, parks, development, and staffing without another side to the equation where revenue was compensating.

4. Library

Finance Director Cole presented the proposed 2018-19 Budget for the Library program areas via PowerPoint, along with the proposed Baseline Changes for the department. No Add-Packages were proposed. Responses to clarifying questions and key discussion items were as follows:

Mr. Amadon stated he wished to make a special note that of all the departments, the library had six volunteers at no cost to the City.

Pat Duke, Library Director, confirmed that substantial completion of the library remodel should be at the end of next week.

5. Public Safety

Finance Director Cole presented the proposed 2018-19 Budget for Public Safety, which included the Municipal Court and Law Enforcement program areas, via PowerPoint, along with the proposed Baseline Changes. No Add-Packages were proposed. Comments and responses to Committee members' questions were as follows:

Councilor Stevens confirmed the traffic officer was on the job now, and that a sergeant had been added for 24/7 supervisory capability. She believed it was a good management thing to do. As the city grew, perhaps next year, adding another officer could be contemplated. It was good to see the numbers that showed the city was safe and that people felt safe. The survey showed safety was a main concern and the city rated in the 80th percentile for safety. She wanted to keep her eye on the issue. I-5 coming through the city created other issues that were beyond the City's control and was a situation they needed to be careful about. It was good the law enforcement issue was stable for now.

- Finance Director Cole said an additional traffic officer was added for FY 2017-18. There had been a bit of delay in the hiring, and the officer came on in March.

Councilor Starr stated he believed the City would see an increase in the head count for the flat cost for services, or the same head count and a decrease in services because of a negotiation with the Clackamas County Sheriff, but he did not see it in the documents.

- City Manager Cosgrove replied it was the one detective position that was covered for a year. He believed it would be handled in the true-up
- Finance Director Cole said what the Committee was seeing was on a budgetary basis, but Councilor Starr's question related to how the actual expenditures might turn out. In the audit and the comprehensive annual financial report, it could be seen that under expenditure from a budgetary basis expenditures remained the same, but on an actual basis, the City would spend less than budgeted because of the negotiation with the Sheriff's Office. It would show up in the year-end report.

Municipal Court

Mayor Knapp asked how court security could be increased in City Hall.

- Finance Director Cole explained a private contracted security company had been engaged and had increased from one to two individuals.
 - She clarified the \$8,600 also included language interpretation and collection. The court was in session only two nights per month for a four-hour minimum, which was minimal when considering the entire fiscal year.
 - She confirmed unpaid citations were turned over to a collection agency, so there was an incremental increase in that amount.

The following item was added to the agenda.

6. Five-Year Forecasts

Finance Director Cole presented the Five-Year Forecast highlights for the Community Development Fund and General Fund. Comments and responses to Committee members' questions were as follows:

Community Development Fund

Chair Karr asked at what point other funding sources, or changes to funding sources, needed to be considered.

- Finance Director Cole replied if this forecast came out exactly as predicted, a conversation would be desired in FY 2022-2023 about expenses, priorities, revenues, and General Fund subsidy, and how all that might mix in order to avoid the Reserves falling below the Financial Policy Minimum.

Councilor Akervall:

- Noted the final paragraph on page 17 of the Five-Year Forecast packet referred to the restructuring of the planning and land use fees. When the fees were restructured about a year ago, the City was hoping to recover an average of 84 percent of cost, but ended up at around 60 percent. She wondered where the difference came from: were fewer fees being paid, or was it because of less development?
 - Finance Director Cole replied that when the consultant did the analysis, they noted that a lot of the cost recovery depended upon volume of the types of fees. The 60 percent reflected a different mix of volume of fees than the consultant had projected. Some of the more time-intensive activities had not yet occurred, but had occurred for Villebois and would occur for Frog Pond. She anticipated the City was in a gap period as Villebois

planning fees had subsided before Frog Pond started up. Some of it was simply price times quantity, and the City did not have the quantity now that the consultant thought it would.

- The second issue was a constant learning issue. A separate software was used to record labor costs for Community Development, and part of the issue was ensuring the data was captured appropriately against the various planning fees and capital programs, which was a constant, evolving refinement to ensure the cost recoveries, were pointing to the right source so the City knew it was charging the right amount. As time went on and better analytics were available, she could make sure it was trued-up appropriately. The 60 percent was an estimate because it could not really be known. In addition, part of it was because of antiquated financial software that would be replaced.
- Asked if it was related to the types of fees and types of work being done currently. Perhaps as Frog Pond started to pick up, it would balance the other way, above 84 percent.
- Finance Director Cole replied it very well could depending upon the time intensity that some of the permits might take. As part of the fee restructure, some were fixed until a certain point in time and then they tripped into actual time and materials which the City did not have before, so it had not been tested to see if some of the permits would trip into the actual time and materials charge, or if they would stay at the fixed threshold. It would depend on how it went and whether it was appealed or not. The appeal fees were also raised and had not yet been tested. As Frog Pond and then Coffee Creek progressed, more time-consuming activities might take place.

Mayor Knapp asked for a perspective on how much development in Frog Pond and Coffee Creek was assumed within this structure.

- Finance Director Cole replied it was very generalized and high-level. It involved taking the period during which planning would take place and dividing it into annualized chunks. She believed some of the work was coming in sooner than forecasted, such as Stafford Meadows and Frog Pond West, which were major developments. The forecast averaged them out over time and it looked like they might be coming in a bit sooner than the forecast had projected.
- She confirmed that if the developments happened sooner, it would increase the revenue in the near term and that the City would have to watch what was happening and adjust year-by-year to try to reflect reality. She anticipated the actual might be more “spikey.” [1:33:24]

General Fund

Chair Karr asked if the General Fund were a type of rainy-day fund, the difference between the policy minimums and where the budget sat.

- Finance Director Cole said that would be one term for it. Staff also set aside reserves and designated them, especially in the General Fund. A list of items was funded through reserves. For example, as mentioned during the capital review, the Coffee Creek Reserve from the Coffee Creek Correctional Facility at \$1.5 million was driving down the Reserves. It had increased the reserves by that amount at one point and was now being drawn down to plan the Garden Acres Road and other planning in that area.
 - Other examples of one-time expenditures that were used and drew down the fund balance were a portion of the financial system replacement software and projected heating, ventilation, and air conditioning unit replacements.
- The Reserves remained above the Financial Policy Minimum over time.

- The picture of the General Fund was very positive. In the last year, FY 2023-2024, the slope of the blue line representing Revenue increased very slightly, which indicated an increase in revenue in the General Fund related to the Urban Renewal District Year 2000 area closing, and the City's receipt of incrementally more property tax in the last year of the forecast once that district ceased to collect its increment.
- She reiterated the forecast did include increases in parks maintenance and the Parks Department as it was forecasted to add more acreage and utilities would continue to increase.

Mayor Knapp:

- Appreciated the mention of the closure of the urban renewal district as the City was just starting to reach the point where the closure showed up on the end of the forecast.
- Said it appeared the Expenditure line angled up at about the same time and asked if the Expenditure and Revenue lines were expected to cross two or three years out. (Slide 30)
 - Finance Director Cole said the data was based on today's decisions, and three biennial adjustments were expected to PERS. As the City moved ahead in the current forecast with current staffing, it needed to be mindful of the PERS increases, which were built into the Expenditures. FY 2023 was another beginning of a biennium for PERS.
 - She confirmed some of the reason for the increase in the expenditure line was due to PERS adjustments and some was due to health insurance and park increases, and the inclusion of staffing assumptions, not just for Parks Department, but for other departments as well, in the General Fund. All of that was built in to the forecast.
- Understood that change in FY 2022-23 could not be explained.
 - Finance Director Cole confirmed it was cumulative, and was listed in the narrative. In the Capital Program, \$1 million per year was allocated. On page 15 of the General Fund Forecast, the departments were listed numerically and all the departments experienced increases due to increases in PERS and medical insurance. The various departments had various assumptions built in for increases.
 - City Manager Cosgrove noted the forecast was a planning tool and was reviewed and updated every year. It was a reminder of what the City needed to be mindful of in the future. It did not include things that could go well because Staff wanted to be conservative in forecasting. It was something for policy makers like the Budget Committee to look at and for Staff to explain.
 - Finance Director Cole added the budget was a one-year look, but the forecast graph showed that even though the 600-page document looked at one year, over the five years afterward, the City still maintained its financial minimums. The General Fund and the other funds included in the forecast were still financially healthy, so the one-year decision was not made without regard to what it would do to the future.
- Asked about the significant and sudden decrease in Expenditures from FY 2018-19 from \$22 million to \$20 million.
 - Finance Director Cole said the capital program was nearly \$4 million from the General Fund in FY 2018-19 because of the Coffee Creek Reserve and the ERP system.
 - City Manager Cosgrove added the City was in a good position having Reserves to pay for things that were not financed. Expenditures would fluctuate based on the timing of the capital program items being funded from the General Fund. The City was fortunate to be able to do so.
 - Finance Director Cole said, for example, in FY 2018-19 the capital transfers that had been considered totaled \$4.4 million, which was the peak. In the FY 2019-20 forecast, the

capital program dropped to \$1.4 million, which was why the Expenditures dropped. She confirmed the City was currently in the FY 2018-19 budget period, so it was more of a known quantity than the forecast.

- City Manager Cosgrove noted the closer to the budget year, the more accurate the numbers would be. In the FY 2023-24, it was more like throwing darts.
- Noted it was still an indication of where the City was going.
 - City Manager Cosgrove replied the assumptions were still valid, but it was a forecast.
- Pointed out it could also help guide policy because it would be known four or five years from now if what was being done today would be practical, or if the policies needed to be realigned.
 - City Manager Cosgrove said it assumed current levels of service, which may change.
- Stated testimony had been given about relative priorities of several different components in the Parks budget. He asked whether the suggestions to change or modify some of the priorities would change the budget component, or whether those would be just give and take within the budget later by those departments.
 - City Manager Cosgrove replied there was a roll-up number in the Parks Department for capital projects, which he believed was about \$700,000 for the Memorial Park Master Plan implementation. Projects were associated with that but until those projects came to Council, they were not real. Some designs were available for the parking lot and were ready to be bid, but others might not be as close to ready.
- Noted that was the crux of his question: within the money allocated to that project, were the requests that had been made pertaining to skate parks and kayak landings, etc., possible within the Parks Department capital budget or would the Budget Committee need to make some specific change if it wanted to see those projects happen.
 - City Manager Cosgrove replied the Budget Committee approved numbers. The City Council wanted to make the decisions about funding skate parks.
- Replied he wanted the Committee and the public to be clear on that point
 - Finance Director Cole said page 245 of the budget document listed the parks projects and showed \$709,000 allocated to the Memorial Park Master Plan implementation. The implementation could take any direction the Council would like. The Parks Department had a plan for the community garden, parking lot expansions, etc., but, as the Committee discussed earlier, the City Council could choose to redirect the funds in a work session.
 - City Manager Cosgrove said the \$709,000 was represented by the completion of the community garden, Dog Park, and parking lot, which totaled \$500,000; the dog park construction was \$25,000, the bathroom and community center, and Dog Park was \$80,000, and an RFP for the design of the roadway and the east parking lot in Memorial Park was \$100,000. The numbers were based on priorities in the Memorial Park Master Plan. The Budget Committee could switch those priorities.
 - He confirmed such decisions would be a policy discussion with City Council and with the Parks & Recreation Board, if the Council wanted to make different priorities. Obviously, discussions would take place; the Committee had heard from the people interested in the skate park tonight. If the priorities were changed, the Committee might hear from the dog park community or the community garden people. The Committee would want to include all interested parties in a discussion about rearranging priorities.

- Asked if the Budget Committee needed to make a recommendation to City Council or was it just part of the budget?
 - City Manager Cosgrove replied it was the budget. If the Budget Committee wanted to do more, they could add more money to the roll-up number. He could not guess what the Council would decide on the projects. He did not know if more money was needed but, if the Committee wanted to give Council more flexibility, they could add more money to the roll-up number. He confirmed it would not mean Council would have to spend the money.
 - Finance Director Cole noted Project No. 9103, skate facilities, had \$100,000 allocated to it. The funding had been for a potential match for the site across the street from City Hall, but City Council could choose to redirect the funding as well.
 - City Manager Cosgrove added that if \$100,000 was intended for a skate park, he did not know how much it would net in terms of grants.

Mr. Park:

- Confirmed the \$709,000 represented the community's priorities and the recommendation from Parks & Recreation staff as to what was needed first or, based on community input
 - City Manager Cosgrove replied the Memorial Park Master Plan, which was a community process adopted by Council, had some priorities. He confirmed some things had come out of sequence, as Mr. Barnes had noted.
 - One was the recent tree planting on the backside of the fence in the gravel parking lot. Some people had been complaining about dust and rocks being spat into the backs of their houses. He believed it was about \$20,000 and confirmed Staff increased its priority based on public safety and to reduce neighbor nuisance issues.
- Confirmed a skate park already existed in Memorial Park. He understood what was being discussed was an enhanced replacement not a new skate park.
 - City Manager Cosgrove said the existing park was for something more like street skating. He acknowledged he was not a skating expert, but noted the different kinds of skating existed, and the type that allowed skaters to grind on benches, etc. was what he believed was envisioned for the future.

Councilor Stevens:

- Stated a skate park also existed in Villebois that got a lot of use, which was great to see. She walked her dog nearby almost every night and people from kids to adults were there. The skate park was not very big, but she believed it was bigger than the one at Memorial Park. While there was a lot of crashing and swearing going on, the skaters were having a lot of fun and it was used a lot. It was great recreation for the users, whom she believed came from other places because she saw cars parked there. She assumed it was no longer a HOA-managed park.
 - Councilor Akervall said she was not sure the skate park had been there long enough to change management from the HOA to the City.
- Said the skate park was nothing close to what was shown in the photograph in the packet tonight, but it was used every night. She noted Wilsonville had two skate parks, one on the east side and one on the west side.

Mayor Knapp:

- Stated the original skate facility in Memorial Park was a beginner-level, modest facility. He was not clear what the Memorial Park Master Plan contemplated for a skate park. The enumeration of projects included in the \$709,000 did not seem to include anything for the skate park in Memorial Park.
 - City Manager Cosgrove said no, adding he did not believe it was a high priority.
- Noted some testimony had been about the plan to redo the ball fields in Memorial Park and he asked if it was within the \$709,000.
 - City Manager Cosgrove said he did not have the plan with him, but he did not believe the amount was included.
- Confirmed if the Budget Committee was persuaded by testimony that it wanted emphasis on the skate park on Courtside, which had not been built yet, and/or the kayak launch facility, which he understood would be a modification of existing dock facilities, and did not want to de-fund any of the other parks projects that City Manager Cosgrove had outlined earlier, then the Committee would need to add some money to the budget. He asked where the money would come from.
 - City Manager Cosgrove replied the money would come from the General Fund Reserves.
- Noted the question for the Budget Committee might be whether they were persuaded that the skate park was something they wanted to see happen in this budget year or not, without defunding other projects described as the Staff-proposed priorities from the Master Plan for that money. The Committee needed to discuss whether additional funding should be added for any of the other projects and, if so, at what amount in order to enable them to go forward in a more near-term timeframe.

Mr. Bunn said he was sympathetic to the arguments he heard tonight about the kayak launch facility and certainly about the skate park but, frankly, his concern was that it belonged in the purview of the Council.

- When serving on the Planning Commission, many such things were built very carefully; groups worked together and the Commission would consider input from everyone. It would be the same for the Parks & Recreation group. He was not advocating to not having the discussions, he just did not believe the Budget Committee meeting was the appropriate place, because the Committee had a budget to pass.
- If those in support of a skate park wanted the Committee to suggest the Council look at the issue, he was in favor of that, but his concern was being dragged into a very detailed discussion in which he did not believe the Committee belonged.

Mayor Knapp stated he did not intend to drag the Committee into anything, but he wanted the Committee to consider the question and decide where it stood. He fully heard Mr. Bunn's position and did not want the Committee to not consider the question.

Mr. Bunn reiterated that he was unsure where the discussion would go.

Councilor Starr said a motion could be made to pass the budget and then a motion be made under that motion to make a change if people wanted it. Even if a motion were made, if there was no second, it would die. The budget would go to Council to be ratified or not, then the Council would continue from there, leaving Council with the option to make some kind of changes in the future.

- He understood there would be a match or some fundraising for the skate park across from city hall that would be in tandem with the City's investment. He had not seen it, and he believed that some of the money had sat for a while without further investment because there had been no movement by others to raise money. Perhaps, Council could talk about it further in a future work session, if it did not happen with this budget.

Chair Karr said the Budget Committee could recommend that Mr. Barnes and Mr. Benson present their cases to City Council as opposed to the Committee affecting a budget, which was the Committee's charge.

City Manager Cosgrove believed the Council had heard the desire by at least two or three people on the Parks & Recreation Board about the skate park, but he believed it needed to be held in a much larger context about limited funds and priorities that were expressed in both the currently-being-updated Parks Master Plan and also the Memorial Park Master Plan, which was adopted by the Planning Commission and City Council. The plans could certainly be revisited. Which was done all the time, but it should be done in a way that was representative of all the communities and all the users. He did not believe it was a Budget Committee discussion per se, but had offered that the Committee could allocate more money to it, and then give Council that flexibility or Council could decide they needed to look at Memorial Park or parks in general.

- He would ask the Council going into the goal-setting session. The community loved its parks and there was a lot of desire to do more. There might be a time in the near future to ask for a general obligation bond. The swimming pool and aquatic center were asked for, but rejected. He believed the community was desirous of more athletic fields, possibly a skate park, and other amenities that it did not have, such as trails. Building the Boones Ferry Park would not be cheap, so there may be time in the near future where the Committee wanted to come back with a big package and ask the community for support through an additional property tax. That was down the road. He believed the conversation needed to be much bigger.

Mr. Amadon said he believed the whole discussion was beyond the scope of the Budget Committee, and he agreed with Councilor Starr that a decision should be made on the proposed budget and allow City Council do what it wished regarding a skate park in the future.

Budget Amendment

Finance Director Cole described the Budget Amendment and reviewed the details via PowerPoint. (Slides 32-34) The amendment would increase the budget by \$785,884 funded from the Water Fund and the City of Sherwood. The amendment related to Project #1111, which was the surge tank for the water treatment plant.

- As explained on page 176, the project anticipated the shutdown of the water treatment plant. After reviewing extent of the shutdown and everything that might be involved, Staff believed it might be a good idea to pull some work forward to be completed at the same time to avoid another future shutdown. The work included fittings for a future pump installation and modifications for a finished water flow for the vault. The additional work would increase the cost, which would also be impacted by the increase in steel prices. If the additional projects went forward, additional construction inspection costs would also be incurred.
- The impact would affect four funds due to project management, legal and accounting fees, and overhead.
 - The \$237,135 from the City of Sherwood, so would give the General Fund a bit of revenue for overhead support, the CD Fund would receive revenue for engineering

support, and the Water CIP would cover the major project, so Staff would add revenue to the Water CIP from Contingency.

- The General Fund would be adjusted. The CD Fund would be adjusted on the contingency side, and the Water Capital/CIP Fund would be adjusted. The Water SDC would be a wash because of the contingency funds.
- Any time the capital program was modified, it affected a number of different aspects because it depended upon whether it was funded from rates or SDCs. It flowed through the capital construction funds, and there was overhead to the General Fund and CD Fund.
- The proposed budget was \$185,023,630 and the amendment would raise it to \$185,809,514.

Staff addressed confirmed the additional projects would not lengthen the time of the shutdown, which was why the projects were being advanced now.

- The rolling Five-Year Forecast did not include the amendment, which occurred after the budget was proposed, so the Forecast was based on the original proposed budget.
- The Water Fund was one of the City's healthier funds, so it would be fine. Staff would also be reviewing the rates and SDC charges over the next several months.

Nancy Kraushaar, Community Development Director, clarified that wells would not be used during the plant shutdown. The idea was to plan very carefully, so all of the work could be done. Some projects would be done concurrently with the new piping connection to the surge tank. Careful evaluation was taking place on how much storage was in the reservoirs and how much was needed for fire. The project would be done in the winter when demand was lower. The contractor would be given a set number of hours to do the work. Plans were being considered very carefully.

- Shutting down the plant was hard because a long section of pipe needed to be drained that did not have valves between the treatment plant, the finished water between the treatment plant, and the water meter that would be worked on. A lot of draining then refilling would take place, and things that needed to be done very carefully from a health standpoint. All concerns were being considered. It would be a very critical period, and there would be a Plan B and a Plan C. If the work was not being done, the system might need to be put back together, started, and shut down again. A finite amount of time would be given to do the work, which she believed was about 24 hours maximum, but she was unsure of the exact number. They wanted to be more conservative than that and she would get back to the Committee with an accurate number.

B. Questions and Comments from the Budget Committee

QUESTIONS FROM THE BUDGET COMMITTEE AND STAFF RESPONSES

There was none.

CONTINUED DELIBERATIONS BY BUDGET COMMITTEE

A. Motion to approve the FY 2018-19 Proposed Budget

Motion: Bill Amadon moved to amend the FY 2018-19 Proposed Budget as presented by staff, increasing the overall budget by \$785,884 for additional resources and overhead for Water CIP Project #1111.

Paul Bunn seconded the motion.

Chair Karr and Bill Amadon agreed the amendment was a good idea.

Vote: Motion carried 9 to 0.

Motion: Bill Amadon moved to approve the 2018-19 budget, as amended, in the total amount of \$185,809,514; and levying the full amount of the city general tax rate of \$2.5206.

Councilor Stevens seconded the motion.

B. Discussion

Bill Amadon commended City staff for doing a wonderful job in not just responding to the Committee's questions and clarifying issues, but also for putting together 500 pages of very thorough documentation supporting the FY 2018-19 budget.

Councilor Stevens agreed, adding it was a tremendous amount of work not just for the Finance Department, but for every department who had to submit information for the budget, do the number crunching themselves, and were probably grilled about their add-on packages and everything else they were requesting. As a Councilor, it made it easier for her to make decisions when the material was so thorough and so well explained down to the minute detail of why things were so. The answers were always clear and concise and the information was very good.

Mayor Knapp said he certainly concurred. Wilsonville benefited from a long tradition of very thorough budget work and commitment to transparency and to everyone coming together to understand what the priorities were. This budget was a continuance of that tradition. He was very appreciative of the work Staff did to clarify any questions and to lead the Committee through the process, which had been noted as exceedingly complex, and to do a good job at it. He believed all of the Committee members benefited from that work tremendously. It was great to have all the different perspectives, and it was important that the Community ask questions, probe, raise issues, and understand, so that everyone could benefit from the consideration of the questions and the explanation of the answers. He thanked Staff for all the work and thanked the Committee members for bringing their perspectives to the process.

Sam Scull also thanked Staff. It was his second year on the Committee, and Staff had done an excellent job. The presentation was well put together and easy to follow, and the discussions were very good. He appreciated the opportunity to participate.

Chair Karr stated he really liked the format, which presented the budget for last year and the changes made. It probably made the presentation go a little quicker and was a bit more explanatory that way. He realized having more detailed text in the document was a lot of work. He also liked the pictures and would have liked having the location of the pictures identified.

- Finance Director Cole explained Staff had simply run out of time, but noted the locations would be in the adopted budget book.

Chair Karr confirmed there was no further discussion.

C. Final motion to approve the FY 2018-19 Proposed Budget

Chair Karr called for a vote on the motion

Vote: Motion carried 9 to 0.

ADJOURN OR RECESS MEETING UNTIL JUNE 7, 2018

Chair Karr adjourned the 2018-19 Budget Committee meeting at 8:18 p.m.

The Urban Renewal Agency meeting would immediately follow a short break.

Respectfully submitted,

A handwritten signature in cursive script, reading "Kimberly Veliz", written in dark ink. The signature is positioned above a horizontal line.

Paula Pinyerd, ABC Transcription Services, Inc. for
Kimberly Veliz, City Recorder