

**City of Gresham Finance Committee  
Wednesday, May 21, 2025, 7:00 p.m.  
Zoom Meeting Minutes**

**Finance Committee Members Present:**

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

**Finance Committee Members Absent:**

Rusty Allen

**Council Liaison Absent:**

Janine Gladfelter

**Staff Members in Attendance:**

Elizabeth McCann, Director of Budget & Finance  
Susan Brown, Accounting Services Manager

Sarah Kirk (Recording Secretary)

**1. Convene Meeting and Roll Call**

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

**2. Public Comment**

None

**3. Meeting Minutes Approval**

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

**“Approve the Meeting Minutes for February 19, 2025 and March 19, 2025 as presented.”**

**Motion passes unanimously.**

**4. FY 2025/26 Budget Adjustments**

Ms. McCann noted that there was no attachment for this agenda item and began her verbal report.

Ms. McCann explained that there is only one proposed budget adjustment for the Finance Committee to consider prior to adoption of the FY 2025/26 budget, related to the 3-Cities Fire Services contract. This contract expires June 30, 2025, and the City of Gresham has been in discussion with the three cities

(Troutdale, Fairview and Wood Village) since last fall. Under the current proposed one-year extension to the contract, the revenue to Gresham is greater than what was included in the proposed and approved budget. Therefore, staff are recommending that the FY 2025/26 budget be amended to include this amount, increasing both the revenue line and the unappropriated line.

Chair Tschirky asked about the approximate dollar amount. Ms. McCann replied that a final figure has not been reached but it is in the neighborhood of \$1M more than what was in the budget document. Ms. McCann further clarified that staff are looking for Finance Committee to make a recommendation to Council supporting the proposed budget adjustment.

Mr. McWilliams summarized his understanding of the adjustment: With the revenue amount being higher than originally anticipated, no additional expenses are needed in the budget, and the extra money can be used to go to the unappropriated line and reduce the structural fund balance gap. Ms. McCann confirmed this understanding.

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

**“Recommend that Council adjust the FY 2025/26 budget by increasing both the revenue and the unappropriated amounts to reflect additional revenue from the proposed 3-Cities Fire Services contract extension.”**

**Motion passes unanimously.**

Chair Tschirky inquired about what other adjustments the Council would or could make during budget adoption. Ms. McCann clarified that there are legal limits on the amount the budget could be increased but no limits on how much it could be decreased. Adoption of the FY 2025/26 budget is scheduled as an agenda item for the June 17, 2025 Council meeting.

## **5. Financial Policies Update**

Ms. McCann followed up on the Financial Policies project update given by Ms. Monohon at the March 2025 Finance Committee meeting, presenting information on the remaining six sections not previously discussed. The additional draft policies were provided in a similar format as before and included revisions to existing items, new items, and notes on sources of suggested policies. Highlights, by section, included:

- **General Fund Reserves:** Contingency and Ending Fund Balance target amounts were increased, from 1.5% to 2% (Contingency) and from 5% to 18% (Ending Fund Balance). The combined total of 20% more accurately reflects potential coverage of expenses in the first quarter of the new fiscal year, before property tax revenues are received, based on a cash flow analysis of the last five years. Additionally, language about maintaining a Rainy Day Reserve was removed, based on the revisions to Contingency and Ending Fund Balance amounts.
- **Reserves in Other Funds:** Several new policies were added to reflect current practices and/or legal requirements for the insurance-related funds, business funds, debt service funds, and other funds.
- **Economic Development:** A few minor updates were added for existing policies, along with new

- policies (based on Bend's policies) on development incentives and analyzing the impacts of incentives before they are approved.
- Risk Management and Internal Controls: Beyond minor edits to existing policies, a new policy reflecting current practices was added regarding a need for annual independent third-party actuarial studies to establish appropriate reserve levels.
  - Procurement: There were no policies around procurement in the previous Financial Policies document, so all information in this section is new; the policies reflect current practices and include references to relevant policies at the city, state, and federal level.
  - Structurally Balanced Budget: This is another entirely new section, with policies emphasizing the goal of achieving a structurally balanced budget and the importance of transparency and annual reporting to Finance Committee and City Council.

Chair Tschirky thanked staff for their hard work to fully update the Financial Policies. She suggested that ongoing regular review of the policies would be helpful so that less major revisions are needed going forward. Mr. McWilliams agreed and proposed thoroughly reviewing a section or two at a time, on a rolling basis. Ms. McCann noted that she and the City Manager have discussed and are in support of reviewing policies annually, in the summer, so that policy updates related to the budget could be incorporated prior to the next budget development cycle. Ms. McCann also noted that she and Ms. Brown are working on reordering the document to group together similar items and related processes in a way that flows more logically. Ms. McCann encouraged Finance Committee members to review the revisions presented so far and reach out if they have any questions.

Ms. McCann shared an update on timelines for the project. A holistic draft of the revised Financial Policies will be included for the June 2025 Finance Committee meeting, at which point staff would like to obtain a committee recommendation to take the revised document to Council. From there, staff would present the Finance Committee recommended draft of policies to Council during a Council work session in July, which would enable staff to prepare a final draft to present to Council for adoption in August.

Chair Tschirky inquired if it would be helpful for Finance Committee members to share additional context with Council about the impetus for making these policy revisions. Ms. McCann stated she would check on protocol for the Committee to potentially provide additional information to Council along with their recommendation; she also reminded committee members that, as Gresham residents, they are always welcome to attend Council meetings and provide public comment as individuals.

## **6. Project Updates**

Ms. McCann shared that the recruitment effort to fill the two vacant Finance Committee positions is wrapping up. Ms. McCann, Chair Tschirky, and Councilor Gladfelter are conducting interviews this week and next; the new members may join the June 2025 meeting, or an announcement regarding the new members will be made then, at the very least. Additionally, Mr. McWilliams has agreed to serve another term.

Ms. McCann noted that the first meeting of the Safety Levy Advisory Committee will be held May 27, 2025 at 6pm in person at City Hall, in the Oregon Trail Room; the meeting will also be live streamed to

meet legal requirements. Beyond Chair Tschirky, Mr. McWilliams, and Mr. Schultze from the Finance Committee, the advisory committee includes Heather Coleman Cox, Mark Garber, Cydney Power, and Scott Lewis.

Ms. McCann revisited the City Manager's announcement from the spring Budget Committee meetings that new budget education efforts will be happening this fall. The details of the meetings are still being finalized, with more information to be shared as it is available.

Ms. Brown let the committee know she will be distributing an informational letter to the Finance Committee from the City's new financial auditors that outlines their audit responsibilities, audit objectives, risks they've identified, etc. If the committee would like to have the auditors attend a future meeting – or if individual members would like to virtually meet with them – that can also be arranged. Ms. Brown noted that the auditors will be on site the week of June 9, 2025 for initial work; final fieldwork will take place mid-October and will likely be conducted remotely.

#### 7. Committee Business

Ms. Baker shared that tonight's Finance Committee meeting is her last, as she is moving to Happy Valley and will no longer be eligible to serve on the committee. Committee members and staff thanked her for her service and wished her well.

Ms. McCann noted that one of the position reductions of the FY 2025/26 budget was the Administrative Assistant position for the Budget and Finance department. Because the Recording Secretary duties for Finance Committee had been assigned to the now-eliminated AA position, various Budget & Finance staff will now undertake that responsibility on a revolving basis, so committee members may see some new faces at future meetings.

#### 8. Good of the order

None

#### 9. Meeting Adjournment

The meeting was adjourned by Chair Tschirky at 7:58pm. The next Finance Committee meeting will be held on June 18, 2025 at 7pm.

  
Theresa Tschirky, Chair  
Sarah Kirk, Recording Secretary