

**City of Gresham Finance Committee
Wednesday, June 18, 2025, 7:00 p.m.
Zoom Meeting Minutes**

Finance Committee Members Present:

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

Finance Committee Members Absent:

Anisa Ali
Faith Luch

Council Liaison in Attendance:

None

Staff Members in Attendance:

Elizabeth McCann, Director of Budget & Finance
Susan Brown, Finance & Accounting Manager
Terry Aguon, Treasury Analyst

Sagun Pokharel (Recording Secretary)

1. Convene Meeting and Roll Call of Participants

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

2. Public Comment

None

3. Meeting Minutes – May 21, 2025

There was a motion made by Mr. McWilliams and seconded by Mr. Schulze to:

“Approve the Meeting Minutes for May 21, 2025 as presented.”

Motion passes unanimously.

4. Investment Policy – Annual Review

Finance & Accounting Manager Susan Brown stated that a few minor statistical items had been updated, but there were no major recommendations for changes to the policy from GPA (Government Portfolio Advisors) or from staff. A copy of the investment policy with red lines

was included in the meeting packet. Ms. Brown explained that the investment policy must be approved by city council annually and has been brought to Finance Committee for recommendation to City Council. The motion was made by Mr. Allen and seconded by Mr. McWilliams to:

“Recommend for approval the investment policy as presented to City Council.”

Motion passes unanimously.

5. Investment Performance Review

Deanne Woodring from GPA presented the attached investment performance report for the city. She started with the market overview and delved into city’s overall portfolio performance. Topics covered in the presentation were: Tariffs & Economic Outlook, Compliance Report, Summary Overview of the city’s portfolio, Asset Allocation Change over 3 Months, Historical Balances, Risk Management – Maturity/Duration, Return Management – Income Detail, Return Management – Performance, Guideline Portfolio Strategy and Holdings by Security Types.

Ms. Brown confirmed that the city has entered a new 5-year contract with GPA effective 7/1/2025 after conducting a Request for Proposals earlier in the year.

6. Financial Policies Update

Ms. McCann and Ms. Brown provided an overview of the proposed financial policies and noted that the draft had been reordered since previous presentation to the Finance Committee to align with the annual financial cycle. Additionally, redundant policies were removed and some moved to other sections to better align the contents of the policies.

Chair Tschirky acknowledged the improved flow of the document.

Ms. McCann shared that if Finance Committee recommended the proposed financial policies, they would be presented to City Council for their discussion and consideration in July working towards adoption of the policies in late summer.

Chair Tschirky pointed out several updates to the policy that she appreciated as they were much needed. The Chair and Ms. McCann acknowledged that these updates mirror the practices that are in place. Ms. McCann added that the goal of this review is to put in place long-term policies as opposed to providing operational instructions.

Ms. McCann asked the Finance Committee to specifically provide a recommendation related to the General Fund reserves policies. Ms. McCann outlined the current policies for the General Fund, and the operating implications of that policy. Peer jurisdiction practices and best

practices recommendations from the Government Finance Officers Association (GFOA) were also provided.

The Finance Committee and staff discussed the implications of different ending fund balance policy thresholds on the budget, operations, and cash management practices.

Chair Tschirky recommended the policy be set at 2% for contingency and 18% for the unappropriated for a total of 20%.

Committee discussion continued and confirmed that the FY 2025/26 budget would be compliant with the new policy proposal. Ms. McCann shared that if the budget were ever not in compliance with adopted policies, then it would be disclosed in the budget document, consistent with past practice and the financial policies. Discussion continued around the implications of different policy thresholds, best practices, and usage of funds that exceed the policy thresholds.

There was a motion made by Chair Tschirky and seconded by Mr. Allen to:

“Recommend the financial policies as presented by staff to Council for adoption including a General Fund Contingency of 2% and Ending Fund Balance of 18% for a total of 20% ending fund balance.”

Motion passes unanimously.

The Committee expressed appreciation for the work done on revising the policies.

Ms. McCann shared that individual committee members were welcome to attend City Council meetings to share their individual perspectives on the proposed financial policies.

7. Audit Planning

Ms. Brown referenced a letter from Baker Tilly (previously Moss Adams), the City’s external auditors, in the agenda packet. The auditors have provided this letter with details regarding how they intend on conducting the audit. This is a standard audit letter. Chair Tschirky acknowledged the auditor’s letter. Ms. Brown gave an update on how well the audit has been going so far.

8. Project Updates

Ms. McCann shared that the City of Gresham and Gresham Redevelopment Commission budgets were adopted by City Council the previous evening.

Ms. McCann and City Manager Eric Schmidt are working on an informational series of meetings for the fall for City Council and Finance Committee. Meeting notifications will be coming. The

format of these meetings is still being determined, but they will be recorded.

9. Committee Business

Two new committee members have been appointed to fill vacancies, and a third one is pending City Council appointment.

10. Good of the Order

None

The meeting was adjourned by Chair Tschirky at 8:35pm.

|S| Theresa Tschirky
Theresa Tschirky, Chair

|S| Sagun Pokharel
Sagun Pokharel, Recording Secretary