



SHERWOOD BUDGET COMMITTEE MEETING November 12, 2015 MINUTES

1. CALL TO ORDER – Chair Andy McConnell, Andy McConnell called to order the regular meeting of the SHERWOOD BUDGET COMMITTEE MEETING at 6:05 pm November 12, 2015.

2. ROLL CALL – Julie Blums

COMMITTEE MEMBERS AND COUNCIL PRESENT: Council President Robinson, Councilor Brouse, Councilor Harris, Councilor Kuiper, Councilor King, Chair Andy McConnell, Vice Chair Meerta Meyer, Amy Kutzkey, Paul Mayer, Andy Jensen

COMMITTEE MEMBERS ABSENT: Mayor Clark, Councilor Henderson, Kurt Studer, Susan Claus

CITY STAFF PRESENT: City Manager Joe Gall, Finance Director Julie Blums, Administrative Assistant II Jean Macaulay

**3. APPROVE MAY 27, 2015 SHERWOOD URA BUDGET COMMITTEE MINUTES
APPROVE August 13, 2015 CITY OF SHERWOOD BUDGET COMMITTEE MINUTES**
Meerta Meyer motioned to approve all minutes. Seconded by **Councilor Kuiper**. Minutes approved by all in attendance at the time of approval, Council President Robinson and Andy Jensen were not present at that time.

4. NEW BUSINESS

A. Introduction of New Committee Members– Julie Blums

Julie Blums introduces Amy Kutzkey and new Administrative Assistant II Jean Macaulay

B. GFOA Budget Award for FY 15-16 – Julie Blums – This is the 13th year in a row that we have received this award. Only 2 comments from the reviewers on the budget.

C. YTD Budget to Actuals Review (Exhibit A) – Julie Blums – This report was discussed at the August 13, 2015 meeting, it is provided quarterly to the committee. The Committee requested additional headings of “Annual Budget” and “YTD Actual”. The report was reviewed and discussed, **Chair McConnell** stated it appears we are on the right track.

D. Update on New Finance System – Julie Blums – We are progressing and are looking at late winter. We are adjusting our processes to work with the new system.

E. Update on Audit Process – Julie Blums – Working on annual CAFR, auditors will arrive on November 30th and will be here for 2 weeks. One Auditor will be here next week for preliminary work. We are on target, will be issued before end of year.

F. Review Financial Policies in the FY 15-16 Adopted Budget (Exhibit B) – Julie Blums

- a. **Policy 3 – Revenue (pg. 94)**
- b. **Policy 4 – Expenditures (pg. 95)**
- c. **Policy 5 – Revenue Constraints and Fund Balance (pg. 96)**

Committee reviewed and discussed the policies, the suggested changes by the Committee are:

- **Policy 3 - Revenue**
 - #6 – During the budget process, the Sherwood City Council will identify those programs which are to be supported in whole or in part by cost recovery and ensure that revenue collections reflect the cost of providing associated services by adjusting fees accordingly.
 - #7 – The City of Sherwood may charge fees for services where such an approach is permissible, and where a limited and/or specific group benefit
- **Policy 4 - Expenditures**
 - No changes made to policy 4
- **Policy 5 – Revenue Constraints and Fund Balance**
 - Policy 5 “Other Considerations”
 - #4 – Fund Balance – Unrestricted fund balance is the sum of Committed, Assigned and Unassigned fund balance in any individual fund. In the General Fund, the City will maintain an unrestricted fund balance of at least 10% of fund revenue and strive to maintain 20%.

G. Prepare the Budget Committee Annual Report for City Council (Exhibit C) – Julie Blums

Committee reviewed the Annual Boards & Commissions Report to the City Council the 4 significant accomplishments are:

- More transparency in the budget review process
- High level of participation especially with 9 of 14 members being new to the committee
- A successful transition of 9 new budget committee members
- Reestablished quarterly meetings

The 3 Goals for the upcoming year are:

- Addressing and reviewing financial policies
- Further exploration of a biennial budget
- Increase transparency by providing project and program level detail in the next budget process

5. FUTURE BUDGET COMMITTEE MEETINGS:

The next meeting will be February 11, 2016 at 6:00 pm, the following items were discussed for this meeting:

- YTD budget update
- Annual training
- Possible speaker from another City on Biennial budgeting
- Update on Finance system
- **Julie Blums** will look into scheduling a special meeting joint with the Sherwood School District to discuss PERS.

6. ADJOURN at 7:44 pm

Submitted by: Jean Macaulay, Administrative Assistant

Minutes approved on: