



**SHERWOOD BUDGET COMMITTEE MEETING  
22560 SW Pine Street, Sherwood, Oregon 97140  
March 5, 2026, Minutes**

**1. CALL TO ORDER – Chair Kady Strode called the meeting to order at 6:03 pm.**

**2. Roll Call – David Bodway, Finance Director**

**COMMITTEE MEMBERS AND COUNCIL ATTENDING:** Chair Kady Strode, Lana Painter, Nancy Taylor, Thomas Sherwood, Aaron Wiebe, Council President Kim Young, Councilors Taylor Giles (remote in at approximately 6:06 pm) and Keith Mays. Vice Chair Kaufman, Brian Fairbanks, Mayor Tim Rosener, Councilors Renee Brouse, Doug Scott, and Dan Standke were absent.

**CITY STAFF ATTENDING:** Finance Director David Bodway and Assistant City Manager Kristen Switzer.

**OTHERS PRESENT:** Dan Miley with Talbot, Korvola & Warwick, LLP (TKW).

Chair Strode addressed approval of meeting minutes and asked for a motion to approve.

**3. APPROVAL OF DECEMBER 4, 2025 CITY OF SHERWOOD BUDGET COMMITTEE MINUTES**

Motion from Nancy Taylor to approve the meeting minutes, seconded by Councilor Mays. Motion passed 7:0 with all present members voting in favor.

\*Record Note: due to the timing of Councilor Giles remote dial in, a quorum was not present at the time the December 4, 2025 meeting minutes were approved. The December 4, 2025 minutes will be carried over to a future meeting for approval.

Chair Strode addressed the next item on the agenda and said this meeting was a working session only and there would be no public comments.

**4. NEW BUSINESS**

**A. WELCOME**

Assistant City Manager Kristen Switzer welcomed the committee. Finance Director David Bodway introduced Dan Miley with TKW, the city's outside auditing firm, and he provided a presentation on the financial statement audit dated June 30, 2025, for the city and the URA.

Chair Strode addressed the next item on the agenda.

**B. AUDIT PRESENTATION:** Mr. Miley stated the audit was conducted with generally accepted auditing standards (GAAS).

\*Record Note: Councilor Taylor Giles joined the meeting remotely.

Mr. Miley discussed the audit timing and the fieldwork. He commented on the financial statement audit results and said the financial statements were presented fairly in accordance with U.S. GAAS. He presented the required communications of the audit and noted there were significant deficiencies and expenditures in excess of appropriations and explained. Mr. Bodway said in terms of the significant deficiencies, under Oregon State audit division, the city was required to implement a corrective action plan. Mr. Miley reported that the city and the URA implemented two new accounting standards, GASB 101 *Compensated Absences* and GASB 102 *Certain Risk Disclosures*. He stated the corrective action plan also included significant accounting estimates, auditor proposed journal entry adjustments, and uncorrected mistakes. He explained the audit process and the communications with staff and City Councilors to gather information to help inform the auditors how to conduct the audit efficiently. Discussion followed and Mr. Miley stated it was a good audit overall and action plans were in place.

Chair Strode addressed the next item on the agenda.

#### **C. REVIEW/UPDATE FINANCIAL POLICIES**

Mr. Bodway stated the financial policies were part of the Budget Committee and they may make recommendations to the City Council. He commented on the need for an update of the financial policies, via a resolution, due to the change to a biennium budget. The Budget Committee agreed. Council President Young asked Mr. Bodway what the annual audit generally costs. Mr. Bodway said \$90,000 and noted that the city is reviewing contracts and going out for a Request for Proposal (RFP) on the auditing services.

Chair Strode addressed the next item on the agenda.

#### **D. FINANCIAL UPDATE**

Mr. Bodway provided a financial update presentation through December 31, 2025 (see record, Exhibit B). He noted that even though this is a biennium budget, staff began the projection process which would allow us to make any corrections needed for the second year. He stated the next Budget Committee meeting would be in June and he would provide that information then. He referred to the General Fund and noted that private development was down, but the expenditures were also down to help balance the budget. He stated overall the General Fund looked good. He referred to the Public Art fund, which was from transit lodging taxes, and said a project had not been identified and the funds were in a contingency fund earning 4%. He commented on the Grants Fund and said the city had not received the first and second quarter payments yet and the Community Enhancement Program (CEP) meeting would be held in May, and applications were due April 15. He said the city usually received around \$100,000 per year. He referred to Sherwood Broadband and said the city would be signing a \$15.5 million loan to complete the project in the next three to four years. He provided an updated 5-year Forecast and reminded the Committee that at the last meeting the forecast dropped below 20%. He said the forecast was back up above 20% and said the reason was that the city received the

information from Washington County Cooperative Library Services (WCCLS) on the amount of additional money we were going to receive in year two, three, four and five of the 5-year forecast. He said he was excited to see the forecast above 20% but warned there were some revenue buckets being monitored that may potentially drop the forecast below 20% again. He acknowledged that the Department Directors and the City Manager were aware of the task of maintaining the 20%. Council President Young commented on the recently approved mobile speed cameras which would generate revenue and the expense of additional staffing. Mr. Bodway agreed and reminded the Committee that the Municipal Court staff lost 37% of the staff last year due to layoffs.

With no further questions, Chair Strode addressed the next item on the agenda.

## 5. ADJOURN

Chair Kady Strode adjourned the meeting at 7:19 pm.

Submitted by: *Colleen Resch*

Minutes approved on: *June 4, 2026*

