

*Minutes not official until approved by the Budget Committee.*

1. **ROLL CALL:** The meeting was called to order by Chair Rod Fuiten at 7:00 pm. The following members were present: Tom Beck, Meredith Bliss, Rod Fuiten, Tom Johnston, Victoria Lowe (arrived 7:04), David Maisel, Camille Miller, Debby Roth, Dale Smith, Ron Thompson, Peter Truax, and Elena Uhing. Excused: Richard Kidd, Chere Sandusky. Staff present: Michael Sykes, City Manager; Paul Downey, Administrative Services Director; Matt Brown, Senior Analyst; Tom Gamble, Parks & Recreation Director; George Cress, Light & Power Director; Rob Foster, Public Works Director; Colleen Winters, Library Director; and Bev Maughan, Executive Assistant to City Manager.
2. **REVIEW OF 2014-19 CAPITAL IMPROVEMENTS PROGRAM (CIP):** Matt reviewed the revised CIP format and noted the CIP provides a five-year plan of public physical improvements and major equipment expenditures. He noted the program is ongoing and revised annually as part of the budget process and that projects that are scheduled for FY 2014-15 have been included in the appropriate funds in the proposed budget. Downey highlighted a couple projects in future years that may be moved up – Light & Power Substation Upgrade; Street Fund David Hill Road due to the roundabout project and 19<sup>th</sup> Avenue Extension due to development of Gales Creek Terrace.
3. **CONTINUED REVIEW AND DISCUSSION OF 2014-15 ANNUAL BUDGET:**
  - Light & Power Fund: Downey reviewed the highlights in revenue and expenditures noted in the distributed analysis and answered questions from the committee. In response to Johnston's inquiry, Cress explained that BPA evaluates the tier rates on a two to three-year cycle evaluating not only the City's growth rate but also available power in the whole BPA system, demand, conservation and capacity. In response to Cress addressing the high water mark and Economic Development's impact on it, Bliss stated Economic Development has demonstrated protecting the Tier 1 allocation to justify that Economic Development be funded in Light & Power Fund.
  - Public Works Funds: Downey reviewed the budgets and CIP projects included in the Public Works Funds and answered questions from the committee. In response to Bliss's inquiry, Foster described the capital projects recommended in the updated watershed management plan.
  - Other Funds: Downey reviewed the remaining funds in the proposed budget that had significant changes from last year as highlighted in the budget message, i.e. Fire SAFER Grant, Facility Major Maintenance Fund, Information Systems, Risk Management, Fire Equipment Replacement, Parks Systems Development, Capital Projects, and CIP Excise Tax and answered questions from the committee.
4. **FOLLOW-UP FROM PRIOR MEETING:** In response to Beck's inquiry regarding the large increase in Legislative & Executive Retirement expenditures, Downey noted in checking the worksheets he found there was an error in the current 2013-14 budgeted amount which should have been \$5,000 higher thus reducing the percent of increase to this year's proposed amount.
5. **PUBLIC COMMENT ON PROPOSED BUDGET:** None.
6. **APPROVE BUDGET:**  
Staff recommended no changes to the Proposed FY 2014-15 Budget.

**Motion to Approve Capital Improvements Program**

David Maisel moved, seconded by Elena Uhing, to approve the Capital Improvements Program for FY 2014-19. **AYES: Tom Beck, Meredith Bliss, Rod Fuiten, Tom Johnston, Victoria Lowe, David Maisel, Camille Miller, Debby Roth, Dale Smith, Ron Thompson, Peter Truax, and Elena Uhing.** **NOES: None.** **EXCUSED: Richard Kidd, Chere Sandusky.** MOTION PASSED 12 to 0.

**Motion to Approve Budget**

Tom Beck moved, seconded by Elena Uhing, to approve expenditures for FY 2014-15 in the amount of \$88,450,917 and to establish the maximum expenditures for each fund as shown on FY 2014-15 Approved Budget Fund Expenditure Summary.

**Motion to Amend Budget:**

Thompson moved, seconded by Bliss, to increase the Senior Center line item by \$10,000 to a total of \$30,000.

DISCUSSION: Uhing noted the Senior Center has improved their model and methodology in their request for additional funds but noted that the budget process in place is not followed and would like it clearly articulated to the director that the budget process be followed and also wanted more data reporting to see where the dollars are being spent. Uhing reiterated that while she truly appreciated the reported growth in programs she did not feel comfortable giving additional funds unless there was an understanding of how the funds are restricted. Lowe concurred that the FGS&CC needed to request any funds during the budget preparation process and also noted that the Board of Directors should include voting representation from Ride Connection and Meals on Wheels and that the City Council liaison be allowed to attend all meetings including executive sessions. Thompson stated that the programs at the FGS&CC are mostly ran by volunteers and are providing a great service for senior citizens in western Washington County. He also noted that profit and loss statements are distributed every month. Beck urged that Council would iron out these problems with the FGS&CC before next year's budget meetings. Truax would be in favor of the motion contingent on meeting the three guidelines stated by Lowe. Maisel concurred adding that if the guidelines are not met, the line item should be reduced by \$10,000.

**Motion to amend the proposed amendment:**

Truax moved to amend the proposed amendment, seconded by Maisel, that the Senior Center line item be increased by \$10,000 and requiring the City Manager to negotiate the following requirements with the Senior Center: 1) FGS&CC Board of Directors include voting representatives from Ride Connection and Meals on Wheels, 2) the City Council liaison be allowed to be present at all meetings, special meetings and executive sessions, and 3) that the FGS&CC budget be submitted in January during the City's budget preparation process.

**ROLL CALL VOTE: AYES: Tom Beck, Meredith Bliss, Tom Johnston, Victoria Lowe, Rod Fuiten, David Maisel, Camille Miller, Debby Roth, Dale Smith, Ron Thompson, and Peter Truax.** **NOES: Elena Uhing.** **EXCUSED: Richard Kidd and Chere Sandusky.** MOTION PASSED 11 to 1.

**ROLL CALL VOTE ON AMENDED MOTION: AYES: Tom Beck, Meredith Bliss, Tom Johnston, Victoria Lowe, Rod Fuiten, David Maisel, Camille Miller, Debby Roth, Dale Smith, Ron Thompson, and Peter Truax.** **NOES: Elena Uhing.** **EXCUSED: Richard Kidd and Chere Sandusky.** MOTION PASSED 11 to 1.

**Motion to Approve Budget as Amended:**

**AYES:** Tom Beck, Meredith Bliss, Rod Fuiten, Tom Johnston, Victoria Lowe, David Maisel, Camille Miller, Debby Roth, Dale Smith, Ron Thompson, Peter Truax, and Elena Uhing. **NOES:** None. **EXCUSED:** Richard Kidd and Chere Sandusky. **MOTION PASSED 12 to 0.**

**Motion to Approve Property Tax Rate:**

Tom Beck moved, seconded by David Maisel, to approve, for fiscal year 2014-15, a property tax rate of \$3.9554 per \$1,000 of assessed value for General Fund property taxes for taxes levied by the City's permanent rate, a property tax rate of \$1.60 per \$1,000 of assessed value for General Fund property taxes for the second year of the five-year Local Option Levy approved in May, 2012, and to levy property taxes for general obligation bonded indebtedness in the amount of \$523,280.

**DISCUSSION:** None. **MOTION PASSED 12 to 0 by unanimous voice vote.**

- 7. ADJOURNMENT:** The meeting was adjourned at 10:00 p.m. The approved budget will be presented to the City Council for adoption on Monday, June 23, 2014.

Respectfully submitted,

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Beverly Maughan  
Executive Assistant to City Manager