

Minutes not official until approved by the Budget Committee.

1. **ROLL CALL:** The meeting was called to order by Mayor Peter Truax at 7:00 pm. The following members were present: Tom BeLusko, Jr., Rod Fuiten, Aaron Haslem, Jeff Hill, Tom Johnston, Jonathan Kipp, Victoria Lowe, David Maisel, Chere Sandusky, Peter Truax and Elena Uhing. Excused: Meredith Bliss, Camille Miller and Ron Thompson. Staff present: Michael Sykes, City Manager; Paul Downey, Administrative Services Director; Susan Cole, Assistant Finance Director; Rob Foster, Public Works Director; Janet Lonneker, Light & Power Director; Colleen Winters, Library Director; Tom Gamble, Parks & Recreation Director; Jon Holan, Community Development Director; Kerry Aleshire, Police Chief; and Bev Maughan, Executive Assistant to City Manager.
2. **CITIZEN COMMUNICATIONS:** None.
3. **ELECTION OF CHAIR:** BeLusko nominated Rod Fuiten as Chair of the Budget Committee, Hill seconded the nomination. There were no further nominations and, with all those present voting in favor, Fuiten was elected as Chair of the Budget Committee.
4. **ADDITIONS/DELETIONS:** Approval of Minutes of Budget Committee Meetings on January 20 and February 3, 2010, was added to the agenda. Lowe moved, seconded by BeLusko, to approve the minutes as presented. With all those present voting in favor, motion to approve minutes passed.
5. **BUDGET MESSAGE FOR 2010-11 ANNUAL BUDGET:** Chair Fuiten turned the floor over to City Manager Michael Sykes who summarized the message presented in the proposed budget. He noted the budget was an ongoing long-term effort to sustain operations while meeting primary goals of the City Council and meeting the critical needs of the community. He stated 5-year budget projections over the last couple of years have given staff a clear sense of upcoming budget shortfalls which resulted in systematically and strategically downsizing operations in order to reduce the projected shortfalls. He explained the net result of this approach was a balanced budget and dramatically reduced future deficits to protect reserves at a safe and prudent level. He also noted that the proposed budget did not contemplate adding any new positions, new facilities or expanding city services to meet other community needs. He stated that as population grows and demand for services increases, the City and its Budget Committee will need to find ways to fund expanded services.
6. **REVIEW OF 2010-11 ANNUAL BUDGET:** Cole distributed supplemental material describing financial projections for the Building Permits as well as a General Fund projection and an overview of general fund revenues and discretionary funds. She reviewed the material and staff answered questions from the committee. BeLusko voiced his concern with the operating reserve target and would like to focus on a target policy for long-term health of the General Fund.

Downey reviewed the proposed General Fund revenues and department expenditures highlighting changes from the current budget. In response to inquiries regarding expenditures for National League of Cities conference and Sister City delegation travel, there was consensus to have that

program discussion at the Council level when all are present. In response to Kipp's inquiry regarding Economic Development's budget, staff explained operating expenditure details for economic development and noted that funding for economic development was budgeted in the Light & Power Fund as well as the Legislative & Executive Department.

7. **DISCUSSION ON STATE SHARED REVENUE:** Downey explained the anticipated funds from State Shared Revenue and as part of the public hearing of this meeting asked for input on the City's election to receive this revenue from the State during FY 2010-11. Chair Fuiten opened the public hearing, and with no one wishing to testify, closed the public hearing. Johnston moved, seconded by Lowe, that the City requests the State Shared Revenue for the coming fiscal year and expend it according to the proposed budget. With all those present voting in favor, the motion passed unanimously. The second public hearing will be on June 28, 2010, at the City Council meeting.
8. **DISCUSSION ON CAPITAL IMPROVEMENTS PROGRAM EXCISE TAX:** Downey noted the history of the tax and its intended purpose was discussed. There was consensus to continue the tax at the current rates.
9. **PUBLIC COMMENT ON PROPOSED BUDGET:** None.
10. **ADJOURN:** The meeting was adjourned at 9:32 p.m. **NEXT MEETING** will be **Wednesday, May 26, 2010**, at the time and location noted above.

Respectfully submitted,

Beverly Maughan
Executive Assistant to City Manager