

*Minutes approved by the Budget Committee on May 23, 2013.*

1. **ROLL CALL:** The meeting was called to order by Chair Rod Fuiten at 7:03 pm. The following members were present: Tom Beck, Meredith Bliss, Rod Fuiten, Tom Johnston, Richard Kidd, Victoria Lowe, David Maisel, Debby Roth, Chere Sandusky, Dale Smith, Ron Thompson, Peter Truax (arrived 7:06 pm) and Elena Uhing. EXCUSED: Camille Miller. Staff present: Michael Sykes, City Manager; Paul Downey, Administrative Services Director; Susan Cole, Administrative Services Assistant Director; and Bev Maughan, Executive Assistant to City Manager. Staff present in the audience: Colleen Winters, Library Director; Tom Gamble, Parks & Rec Director; Michael Kinkade, Fire Chief; Jon Holan, Community Development Director; George Cress, Light & Power Director; Rob Foster, Public Works Director.
2. **CITIZEN COMMUNICATIONS:** None.
3. **ADDITIONS/DELETIONS:** None.
4. **INTRODUCTIONS of NEW MEMBER:** Chair Fuiten introduced and welcomed Debby Roth as a new member to the committee.
5. **APPROVAL OF BUDGET COMMITTEE MINUTES OF MAY 23 and May 30, 2012:** Smith moved, seconded by Uhing, to approve the minutes as presented. With all those present voting in favor, the motion passed.
6. **INFORMATIONAL DISCUSSION:** Downey noted that this was an informational meeting only and that there would be no discussion of the details of the proposed budget for FY 2013-14.

General Fund Highlights: Cole reviewed the assumptions, positive trends and negative trends in the General Fund. Downey reviewed the updated forecast for 2013-14 noting the deficit reflecting the purchase of Times Litho property and answered questions regarding the Viasystems corporation property tax appeal. Uhing requested further information on the number of businesses that meet the threshold for appeal to the State of Oregon.

Street Fund Highlights: Cole reviewed the assumptions, positive trends and negative trends in the Street Fund indicating the fund will not be able to cover the maintenance costs projections or supply matching grant funds in its current state. Roundtable discussion ensued with consensus that the Street Fund revenue needed to be increased and that staff should review and research additional revenue growth options.

Capital Improvements Program (CIP) Excise Tax Fund Highlights: Downey reviewed the current capital excise tax and funding needed for the equipment replacement schedule which reflects an increase in cost of equipment noting the projected deficit in FY 2019-20 if the excise tax is not increased. Roundtable discussion ensued with a consensus that an increase in the CIP excise tax be delayed and addressed in the future.

Light and Power Highlights: Downey reviewed the projected rates, power costs and capital planning in the Light & Power Department and answered questions from the committee.

Utility Rates: Cole reviewed the Public Works utility rates that will go into effect July 1, 2013. In response to inquiries regarding the Surface Water Management fee she explained it covered rain water management, street sweeping and leaf pickup programs. Uhing requested the upcoming budget discussions include a summary of all rate increases in a single section for reference and transparency.

7. **ADJOURNMENT:** The meeting was adjourned at 8:56 p.m. The next meeting is scheduled for May 23, 2013, for the presentation of the budget message and review of the proposed budget.

Respectfully submitted,

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Beverly Maughan  
Executive Assistant to City Manager