

Minutes approved by the Budget Committee on April 24, 2013.

1. **ROLL CALL:** The meeting was called to order by Mayor Peter Truax at 7:00 pm. The following members were present: Tom Beck, Tom BeLusko, Jr., Meredith Bliss, Rod Fuiten, Tom Johnston, Jonathan Kipp (arrived at 7:03 pm), Victoria Lowe, Camille Miller, Chere Sandusky, Ron Thompson, Peter Truax, and Elena Uhing. Excused: David Maisel and Dale Smith. Staff present: Michael Sykes, City Manager; Paul Downey, Administrative Services Director; Susan Cole, Administrative Services Assistant Director; Jeff King, Economic Development Coordinator; Susan Hudson-Rau, Municipal Court Coordinator; Bill Steele, Interim Police Chief; Aaron Ashbaugh, Police Captain; Mike Herb, Police Captain; Tom Gamble, Parks & Recreation Director; Sherri Mead, Aquatic Supervisor; Jon Holan, Community Development Director; Dave Nemeyer, Fire Division Chief; George Cress, Light & Power Director, Richard Matzke, Light & Power Engineering Manager; Rob Foster, Public Works Director; Colleen Winters, Library Director;; and Bev Maughan, Executive Assistant to City Manager.

Tom BeLusko, Jr., declared a potential conflict of interest regarding the City's budget impact on the income received by the firm of which he was a shareholder but, because it was only a potential conflict, it would not effect his contribution to the session.

2. **ELECTION OF CHAIR:** Rod Fuiten was nominated for the Chair position and, with all those present voting in favor, was elected.
3. **ADDITIONS/DELETIONS:** None.
4. **APPROVAL OF THE MINUTES FROM BUDGET COMMITTEE MEETINGS ON APRIL 7, MAY 18, and MAY 25, 2011:** Johnston moved, seconded by Beck, to approve the minutes as presented. With all those present voting in favor, the motion was approved.
5. **BUDGET MESSAGE FOR 2012-13 ANNUAL BUDGET:** Sykes reviewed the budget message as presented in the Proposed Budget document and highlighted that this budget was based on maintaining current services as well as starting the process to address long-term capital needs to maintain the City's utility infrastructure.
6. **REVIEW AND DISCUSSION OF 2012-13 ANNUAL BUDGET:**
 - **General Fund Overview:** Cole distributed and explained the updated General Fund Financial Plan projections as a planning tool to show impact of the proposed budget on future year forecasts. Cole also distributed and explained the resources of the General Fund, the assigned revenues to departments and the GF discretionary uses by departments. In response to BeLusko's inquiry, Downey confirmed the Oregon Municipal Finance Officers Association (OMFOA) recommended 16% cash reserves on hand as a minimum balance.
 - **General Fund Resources:** Downey reviewed the changes in revenue in property taxes, local option levy amounts, and recreation user fees.
 - Downey and Cole highlighted changes in the General Fund departments from last year's budget and answered questions from the committee. Committee members encouraged staff to research

containment in the areas of facility maintenance costs, i.e. flat roof problems, and WCCCA costs and encouraged proactive saving in future budgets for technology updates and maintenance.

7. **DISCUSSION ON STATE SHARED REVENUE:** Downey noted that the three sources of state shared revenue and the allocated purposes are: Alcoholic Beverages – Police, Cigarette – Fire, and State Revenue Sharing – General Fund discretionary revenue. Fuiten opened the public hearing to discuss the proposed use of the state-shared revenue. There was no comment from the public and the consensus from the committee was to continue with the proposed allocation. The public hearing was closed.

8. **PUBLIC COMMENT ON PROPOSED BUDGET:**

Victoria Johnson, 3236 Forest Gale Drive, asked for clarification on bank service fees, the number of businesses participating in the Business Incentive Program, use of Light & Power funds for Economic Development, cost allocation plan for the GFSS transfers, and the proposed Transit Study. Chair Fuiten asked staff to review Ms. Johnson's questions and concerns and report back to the Budget Committee.

Aldie Howard thanked the City for the \$22,500 allocation to the FG Senior & Community Center. In response to his inquiry of future allocations to the FGS&CC since the City's Local Option Levy was passed, it was noted that future budgets could not be obligated but that the budget committee's ongoing support for a full-service city included the senior center.

There was no other public comment at this time.

9. **ADJOURNMENT:** The meeting was adjourned at 10:00 p.m. The next meeting is scheduled for May 30, 2012, for the review of the remaining funds and approval of the proposed budget.

Respectfully submitted,

Beverly Maughan
Executive Assistant to City Manager