

**Budget Committee Meeting
Minutes
May 14, 2009 6:00 PM
Civic Center Council Chambers, 1175 East Main Street**

CALL TO ORDER

The Citizen's Budget Committee meeting was called to order at 6:03 pm May 14, 2009 in Council Chambers at 1175 East Main Street, Ashland Oregon.

ROLL CALL

Mayor Stromberg was present. Committee members Chapman, Douma, Everson, Heimann, Jackson, Lemhouse, Navickas, Silbiger, Thompson, and Voisin were present. Boenheim, Gregorio and Slattery were absent.

PUBLIC INPUT

None.

Lemhouse stated it was rewarding experience to be on the Budget Committee and appreciated the hard work of the staff this year. He suggested that next year Subcommittees for grant meetings should be the entire Committee in order to save getting into situations like this year. (*lemhouse left at 6:05*)

BUDGET WRAP UP

Mr. Tuneberg discussed the Schedule of Resources, the revisions made from May 13, 2009, and the FY 2009-10 Summary of Changes (see attached).

The Committee discussed how to format the meeting.

The Committee discussed whether or not the study sessions were useful. Some felt that the study sessions were very useful. By having the study sessions it left plenty of time for discussion in the regular budget meetings. The meetings were helpful in the budget process. The Committee stated that some presentations were more effective than others. The Committee agreed that Parks and Public Safety study sessions were very useful.

Ms. Bennett discussed ways to improve the study sessions. She stated that during the study sessions there was not a lot of discussion and was hoping that more dialogue would have taken place. The Committee suggested that it would be great to have more information to be able to make decisions and what questions to ask. For example what issues each department is dealing with.

The Committee stated that the assumptions and budget instructions are something that should be focused on so the Committee can figure out options. Ms. Bennett stated that Council would like to be the ones that define the instructions. She stated the budget will be based on assumptions.

Ms. Bennett stated her concern about the front process; instructions to staff need to be clear at the beginning and not late in the process otherwise conflicts may arise.

The Committee discussed the Council and Budget Committee responsibilities.

Ms. Bennett stated that the Budget process is an 8 month process and would like to know if the Committee would like to keep doing the study session meetings. The Committee stated that the meetings were difficult to attend due to weather and holiday season. The Committee stated that the meetings were useful but feels it is the Council's responsibility to deal with the Parks issue. The Committee would like to look at resources and find a way to shorten the 8 month long budget process.

The Committee stated the study sessions helped because the departments told the Committee what they do and it left more time to deliberate.

Some felt having study sessions got redundant. It was effective in helping the budget committee members to see the realities the Council face but hope there is a way to consolidate it.

The Committee discussed the PowerPoint presentations. Some felt that PowerPoint's were a waste of time. Departments should be able to tell the story of what it is they are doing and what the key issues are without having to use a PowerPoint. Ms. Bennett stated that the PowerPoint's are a way to share the numbers with people who are watching at home. Suggestions were made to shorten the presentations.

The Committee stated that the PowerPoint presentations and various items did not need to be printed out. It seems like a waste of paper, others like to refer back to the packets. Ms. Bennett stated that if the Committee would like electronic forms of various items that it can be done by contacting Melissa Huhtala prior to the meeting. Mr. Tuneberg stated that it is consumptive, however, it is difficult trying to accommodate for all learning styles for departments, committee members, and citizens.

Ms. Bennett questioned the few who thought the presentations were better this year. The Committee responded that the presentations seemed much more focused on information that was important, more informative, and shorter.

The Committee discussed the matrix analysis. The Committee stated the matrix analysis started out in the right direction. The matrix became unclear of how to prioritize. The matrix should only have one primary. For example the primary reason we need drinking water is to live. The Committee stated that it was a good tool and is still an evolving process.

The Committee questioned whether or not the Budget Committee or Council should be debating priorities. It was decided that Council should debate the priorities.

The Committee stated outcome base performance data would be great to have. Ms. Bennett stated that outcome base performance data is very expensive. For example the City has 10-14 actual structure fires a year; the problem is you cannot tell you how bad the fires will actually be. There are too many variables that come into play and do not have that kind of data.

The Committee questioned if there was a previous stage in the analysis with more possible alternative reductions. Ms. Bennett answered that the Budget instructions were to take the same cut in every department in the general fund that was taken in December. The issue with Fire is they have trimmed in the last 2 years to the point where they only have essential training and they need to buy equipment to comply with federal standards. The Fire Department was not able to cut the 3% without making additional reductions in FTE.

The Committee continued to discuss the budget process. The Committee felt that in the presentations questions were asked too soon in future the presentation should be finished before questions are asked that way it won't derail the process.

The Committee stated it would be beneficial for the Committee to prepare for questioning before meetings.

The Committee discussed the importance of having Council Goals. The Committee stated that having a visioning process would be helpful.

The Committee and Staff thanked each other for all the hard work put into the process this year.

ADJOURNMENT

This meeting adjourned at 8:11 PM.

Respectfully Submitted,

Melissa Huhtala

PROPERTY TAX SUMMARY

	Amount Authorized 2009-10	Unused Authority (unallocated)*	Approved Levy 2009-10	Estimated Uncollectible	Estimated Current Year Taxes	Estimated Tax Rate 2009-10
Permanent:						
General Fund- Operations	\$ 3,946,000		\$ 3,861,761	\$ 263,061	\$ 3,598,700	1.9295
General Fund- Technology Fee	350,000		350,000	13,400	336,600	0.1750
Parks Fund	4,283,000		4,188,739	280,439	3,908,300	2.0928
	<u>8,579,000</u>	<u>178,500</u>	<u>8,400,500</u>	<u>556,900</u>	<u>7,843,600</u>	<u>4.1973</u>
Local Option Levies:						
Ashland Library	376,393	-	376,393	21,305	355,088	0.1900
Bonded Debt:						
2000 Flood & Fire Station Bonds	167,506	-	167,506	9,481	158,025	0.0837
2005 GO Bonds	232,379	-	232,379	13,154	219,225	0.1161
	<u>399,885</u>	<u>-</u>	<u>399,885</u>	<u>22,635</u>	<u>377,250</u>	<u>0.1998</u>
Total	<u>\$ 9,355,278</u>	<u>\$ 178,500</u>	<u>\$ 9,176,779</u>	<u>\$ 600,841</u>	<u>\$ 8,575,938</u>	<u>4.5871</u>

*Unused authority before estimated uncollectible and discounts

**City of Ashland
Schedule of Resources**

RESOURCE SUMMARY	2010 Proposed	Staff Revisions	Committee Revisions	2010 Approved
Revenues:				
Taxes	\$ 17,943,555		\$ 214,000	\$ 18,157,555
Licenses and Permits	612,500			612,500
Intergovernmental Revenues	4,112,458	1,285,000		5,397,458
Charges for Services	36,363,575			36,363,575
Systems Development Charges	78,450			78,450
Fines and Forfeitures	142,000			142,000
Assessment Payments	218,110			218,110
Interest on Investments	375,300			375,300
Miscellaneous Revenues	364,815			364,815
Total Revenues	60,210,763	1,285,000	214,000	61,709,763
Budgetary Resources:				
Working Capital Carryover	19,351,053			19,351,053
Other Financing Sources	965,600			965,600
Interfund Loan	80,000			80,000
Operating Transfers In	298,546		215,000	513,546
Total Budgetary Resources	20,695,199	-	215,000	20,910,199
Total Resources	\$ 80,905,962	\$ 1,285,000	\$ 429,000	\$ 82,619,962

Staff Revisions:

CERT Grant	24,000
BETC in Street for transit	81,000
Airport grant-in Capital Impr.	1,125,000
CDBG Grant Intergovernmental	55,000
	<u>1,285,000</u>

Airport grant-from Airport Fund to Capital Improv Fund 150,000

Committee Revisions:

Transfer in to Reserve from Street	215,000
Increase Property Tax:	
2 Firefighters	175,000
CERT Coordinator	77,000
.5 Police Clerk	32,000
Less OT for Fire	(70,000)
	<u>429,000</u>

City of Ashland
Fiscal Year 2009-2010 Summary of Changes

	2010 Proposed	Staff Revisions	Committee Revisions	2010 Approved
GENERAL FUND				
Administration Department	201,590			201,590
Administration Department - Library	355,088			355,088
Administration Department- Municipal Court	419,924			419,924
Administrative Services - Social Services Grants	120,342			120,342
Administrative Services - Economic & Cultural Grants	570,000			570,000
Administrative Services - Miscellaneous	45,000			45,000
Administrative Services - Band	57,619			57,619
Police Department	5,427,435		32,000	5,459,435
Fire and Rescue Department	4,903,705		182,000	5,085,705
Public Works - Cemetery Division	310,305			310,305
Community Development - Planning Division	1,214,363			1,214,363
Community Development - Building Division	656,331			656,331
Transfers	500			500
Contingency	400,000			400,000
Ending Fund Balance	1,308,508	24,000		1,332,508
TOTAL GENERAL FUND	15,990,710	24,000	214,000	16,228,710
COMMUNITY DEVELOPMENT BLOCK GRANT FUND				
Personal Services	38,000			38,000
Materials and Services	400,958	55,000		455,958
Ending Fund Balance				
TOTAL CDBG FUND	438,958	55,000	-	493,958
RESERVE FUND				
Transfers				
Ending Fund Balance			215,000	215,000
TOTAL RESERVE FUND	-	-	215,000	215,000
STREET FUND				
Public Works - Street Operations	4,106,258	12,000		4,118,258
Public Works - Storm Water Operations	620,878			620,878
Public Works - Transportation SDC's	561,400			561,400
Public Works - Storm Water SDC's	274,000			274,000
Public Works - Local Improvement Districts	196,098			196,098
New Debt				-
Transfers			215,000	215,000
Contingency	88,000			88,000
Ending Fund Balance	1,593,363	69,000	(215,000)	1,447,363
TOTAL STREET FUND	7,439,997	81,000	-	7,520,997
AIRPORT FUND				
Materials and Services	78,750			78,750
Capital Outlay	150,000	(150,000)		-
Debt Service	38,537			38,537
Interfund Loan	80,000			80,000
Contingency	5,000			5,000
Ending Fund Balance	9,024			9,024
TOTAL AIRPORT FUND	361,311	(150,000)	-	211,311
CAPITAL IMPROVEMENTS FUND				
Personal Services	181,905			181,905
Materials and Services	361,905			361,905
Capital Outlay	258,690	1,150,000		1,408,690
Transfers	278,046			278,046
Contingency	50,000			50,000
Ending Fund Balance	2,012,061	125,000		2,137,061
TOTAL CAPITAL IMPROVEMENTS	3,142,607	1,275,000	-	4,417,607

	2010 Proposed	Staff Revisions	Committee Revisions	2010 Approved
DEBT SERVICE FUND				
Debt Service	2,390,535			2,390,535
Ending Fund Balance	1,149,113			1,149,113
TOTAL DEBT SERVICE FUND	3,539,648	-	-	3,539,648
WATER FUND				
Public Works - Forest Lands Management Division	241,820			241,820
Public Works - Water Supply	315,616			315,616
Public Works - Water Treatment	1,070,748			1,070,748
Public Works - Water Distribution	2,486,783			2,486,783
Public Works - Reimbursement SDC's	328,750			328,750
Public Works - Improvement SDC's	266,250			266,250
Public Works - Debt SDC's	123,446			123,446
Electric- Conservation Division	178,292			178,292
Debt Services	633,518			633,518
Contingency	139,000			139,000
Ending Fund Balance	837,814			837,814
TOTAL WATER FUND	6,622,037	-	-	6,622,037
WASTEWATER FUND				
Public Works - Wastewater Collection	1,658,499			1,658,499
Public Works - Wastewater Treatment	2,155,544			2,155,544
Public Works - Reimbursement SDC's	127,890			127,890
Public Works - Improvement SDC's	550,000			550,000
Debt Services	1,877,557			1,877,557
Contingency	150,000			150,000
Ending Fund Balance	3,020,769			3,020,769
TOTAL WASTEWATER FUND	9,540,259	-	-	9,540,259
ELECTRIC FUND				
Electric - Conservation Division	504,498			504,498
Electric - Supply	5,905,204			5,905,204
Electric - Distribution	5,432,581			5,432,581
Electric - Transmission	903,600			903,600
Debt Services	25,108			25,108
Contingency	372,000			372,000
Ending Fund Balance	649,494			649,494
TOTAL ELECTRIC FUND	13,792,485	-	-	13,792,485
TELECOMMUNICATIONS FUND				
IT - Internet	1,720,228			1,720,228
IT - High Speed	387,834			387,834
Contingency	100,000			100,000
Ending Fund Balance	325,135			325,135
TOTAL TELECOMMUNICATIONS FUND	2,533,197	-	-	2,533,197
CENTRAL SERVICES FUND				
Administration Department	1,311,716			1,311,716
IT - Computer Services Division	1,145,133			1,145,133
Administrative Services Department	1,679,890			1,679,890
City Recorder Division	277,539			277,539
Public Works - Administration and Engineering	1,383,370			1,383,370
Contingency	169,000			169,000
Ending Fund Balance	12,531			12,531
TOTAL CENTRAL SERVICES FUND	5,979,179	-	-	5,979,179

	2010 Proposed	Staff Revisions	Committee Revisions	2010 Approved
INSURANCE SERVICES FUND				
Personal Services	80,130			80,130
Materials and Services	680,803			680,803
Contingency	150,000			150,000
Ending Fund Balance	543,266			543,266
TOTAL INSURANCE SERVICES FUND	1,454,199	-	-	1,454,199
EQUIPMENT FUND				
Personal Services	288,120			288,120
Materials and Services	515,009			515,009
Capital Outlay	334,000			334,000
Contingency	47,000			47,000
Ending Fund Balance	1,322,161			1,322,161
TOTAL EQUIPMENT FUND	2,506,290	-	-	2,506,290
CEMETERY TRUST FUND				
Transfers	20,000			20,000
Ending Fund Balance	812,948			812,948
TOTAL CEMETERY TRUST FUND	832,948	-	-	832,948
PARKS AND RECREATION FUND				
Parks Division	3,319,100			3,319,100
Recreation Division	1,115,875			1,115,875
Golf Division	398,420			398,420
Contingency	50,000			50,000
Ending Fund Balance	1,450,910			1,450,910
TOTAL PARKS AND RECREATION FUND	6,334,305	-	-	6,334,305
YOUTH ACTIVITIES LEVY FUND				
Materials and Services	100,000			100,000
Ending Fund Balance	10,591			10,591
TOTAL YOUTH ACTIVITIES LEVY FUND	110,591	-	-	110,591
PARKS CAPITAL IMPROVEMENTS FUND				
Capital Outlay				
Ending Fund Balance	287,239			287,239
TOTAL PARKS CAPITAL IMP. FUND	287,239	-	-	287,239
TOTAL BUDGET	80,905,962	1,285,000	429,000	82,619,962
Less Ending Fund Balance	15,344,927	218,000	-	15,562,927
Total Appropriations	65,561,035	1,067,000	429,000	67,057,035

Staff Revisions:

CDBG Grant M&S	55,000
Street BETC grant for transit	12,000
Airport grant	1,000,000
	<u>1,067,000</u>

Moved 150,000 out of Airport Capital to Capital Imp Capital

Committee Revisions:

2 Firefighters	175,000
Reduce of OT	(70,000)
CERT Coord	77,000
.5 Police Clerk	32,000
Transfer out of Street Fund for Reserve	215,000
	<u>429,000</u>