

**Budget Committee Meeting  
Draft Minutes  
May 8, 2008 6pm  
Civic Center, Council Chambers, 1175 East Main Street**

**CALL TO ORDER**

The Citizen's Budget Committee meeting was called to order at 6:05 pm on May 8, 2008 in Council Chambers at 1175 East Main Street, Ashland Oregon.

**ROLL CALL**

Committee members Chapman, Hardesty, Hartzell, Heimann, Jackson, Morrison, Navickas, Silbiger, and Stebbins were present. Douma, Everson, Gregorio, Slattery, and Thompson were absent

STAFF PRESENT: MARTHA BENNETT, CITY ADMINISTRATOR  
LEE TUNEBERG, ADMINISTRATIVE SERVICES/ FINANCE DIRECTOR  
BRYN MORRISON, ACCOUNT REPRESENTATIVE  
DIANA SHIPLET, EXECUTIVE SECRETARY  
JOE FRANELL, INFORMATION TECHNOLOGY DIRECTOR  
KEITH WOODLEY, FIRE CHIEF  
GREG CASE, EMS DIVISION CHIEF  
MARGUERITTE HICKMAN, FIRE & LIFE SAFETY DIVISION CHIEF  
TERRY ELLIS, PUBLIC WORKS SUPERINTENDENT  
RICHARD APPICELLO, CITY ATTORNEY  
BILL MOLNAR, COMMUNITY DEVELOPMENT DIRECTOR  
ADAM HANKS, PERMIT CENTER MANAGER  
GAIL ROSENBERG, ADMINISTRATIVE ASSISTANT  
COREY FALLS, POLICE LIEUTENANT

**PUBLIC INPUT**

None.

**PRESENTATION BY STAFF**

**Discuss Materials Provided**

City Administrator, Martha Bennett, and Finance Director, Lee Tuneberg, gave overview of the packet delivered to the budget committee. Committee asked for and received clarification regarding the proposed reductions from departments. Mr. Tuneberg gave information about the budgeted healthcare costs compared to the actual rates. He informed the group that they typically prepare the budget before the actual figures from the insurance companies are prepared. This means that the numbers must be adjusted during the budget process. This year they budgeted at a higher premium rate than what the actual premium rate will be. Overall, this helps to ease the difficult decisions which the committee needs to make in regards to the ending fund balance.

Mr. Tuneberg gave an overview of the pages handed out with answers to questions proposed by the Committee either during the department presentations or via e-mail. Committee asked and received clarification on the chart relating to EMS costs and revenues.

Ms. Bennett gave an overview of the pages handed out regarding Add Packages, reminded the group that there was a request to add information about WiMax which has been added. She gave some details regarding the potential WiMax add package. Committee asked and received clarification regarding how WiMax may or may not be added with other changes to the IT budget.

Mr. Tuneberg asked committee if staff missed answering any questions the committee may have. Committee complemented staff on their hard work and had no further informational requests. Committee had questions regarding the proposal for Council to pay 5% of their health care premiums and why the proposal was dropped. They were informed that it was because Council only makes \$350 per year and the 5% cost is greater.

Committee asked about how staff would apply the savings in health care to the general fund budget. Ms. Bennett stated that there are two approaches to this; the first is to levy the 29 cents and let the savings help the ending fund balance, the second is to reduce the amount of tax to levy and not help repair the ending fund balance.

Committee asked and received information regarding the Police Department cost savings in hiring practices and why that budget cut was not accepted.

#### **BUILD AGENDA FOR MAY 14, 2008 and MAY 15, 2008**

Ms. Bennett gave an overview of their rough draft for the May 14<sup>th</sup> agenda. Committee decided to talk about the “bottom line” i.e. general fund and tax rates including discussing adds, cuts, and the following up with a discussion of utility rates. They agreed to be flexible in their discussions and what or when they talk about issues. Committee made a request for Mr. Douma to give a written explanation of his alternative method prior to the next meeting. Committee also would like to have this as the first item on the agenda for the 14<sup>th</sup>.

Committee discussed the agenda for the 15<sup>th</sup>. They requested adding a discussion regarding switching to a two-year budget process. There was discussion on how challenging this can be as budget numbers change so rapidly at the City level. Rarely does the City make it past the three months mark without budget adjustments, let alone two years. This doesn't mean it isn't possible – just challenging. In a two-year budget you still have to readjust at the one year mark and in a community as engaged as Ashland the workload will probably be just as heavy as during a one-year budget. Committee stated they would like to see the department heads looking more long-term and not just focus on one year at a time. Mr. Tuneberg stated that for the most part this is being done - we probably just need to quantify this better for the Committee in the future.

Committee requested a discussion of the budget committee calendar at the May 15<sup>th</sup> meeting. They would also like to see a more “global” discussion at the beginning of the process so that the department presentation process could be shorter and more focused. Committee discussed the frustration when information is gathered one-on-one rather than as a group.

#### **ADJOURNMENT**

This meeting adjourned at 7:22 PM.

Respectfully Submitted,

Diana Shiplet  
Executive Secretary