

APPROVED MINUTES
Budget Process ad-hoc Committee Minutes
September 27, 2017
6:00 p.m.
Community Development Building, Lithia Room
51 Winburn Way

Call to Order/Opening Remarks

5:57

Roll Call

Present:

Garrett Furuichi
Paula Hyatt
Dennis Slattery
Adam Hanks
Mark Welch
David Lohman (City Attorney – Not Committee member)

Absent:

Rich Rosenthal

Approval of Minutes from August 30, 2017 & September 13, 2017

MOTION by Committee Member Garrett Furuichi, SECONDED by Committee Member Paula Hyatt to approve the Minutes of the August 30, 2017 and September 13, 2017 Budget Process ad hoc Committee meetings with one exception, that wording to be corrected on page 3 of the August 30, 2017 to remove the word “one-way” track. Carried unanimously.

Public Form

None

Discussion Item #1-October 2nd City Council Study Session

- 1) Chairman Dennis Slattery stated that there will be a public meeting notice, notification, and agenda will be going out on September 28, 2017
 - a) Agenda will be in two parts; the first hour will be a council study session regarding the 8th quarter financials.
 - b) It will be noticed as a budget committee meeting due to there could be a quorum of the budget committee but it will be a council study session with the Mayor running the meeting. Mark Welch, City of Ashland Administrative Services Director, will present with a question and answer time running a total up to a 1 hour. That meeting will then be closed and the council study session will continue from there.
 - i) Furuichi asked what the second session would be on, Slattery noted that this will be council study session for other planning items. The budget committee will be excused after the first hour. He also confirmed that this will take place in council chambers at 5:30 p.m.
- 2) Slattery stated noted that there will be a debrief of how the processed worked at an upcoming meeting budget committee ad hoc meeting.
 - a) Agenda will be in two parts; the first hour will be a council study session regarding the 8th quarter financials.
- 3) Slattery suggested sending out to all committee and council members the supplementary questions that were discussed previously by this committee, along with the agenda for the 8th quarter review, but after discussion the committee decided that this would not be the best time to send this out.

- 4) Furuichi went on to commented that process will be to review, comment at the committee level, voted on a presented to the council for review at the end of the committee cycle on November 10th.
 - a) Slattery went to note this will be a time to review the 8th quarter financials. This will not be an opportunity to discuss in future or past budget. Furuichi confirmed that it will be a review, update and education as per the stated rules.
- 5) Furuichi questioned what would happen if there were additional questions on the 8th quarter financials.
 - a) Welch stated that council would have to approve and accept the 8th quarter report at a business meeting, at that time any outstanding issues could be solved.
 - b) Slattery explained that if there are further questions beyond what can be answered at the study session these would be brought back by Welch to a city council meeting and he could address them at that. He also noted that this would take place at the next month's meeting.
- 6) Furuichi stated that a quorum does not need to be present at this meeting.
 - a) Slattery commented by saying that it is not required but it may be present and that would be the reason for the noticing of the meeting as such.
 - b) Adam Hanks, City of Ashland Assistant City Administrator and Slattery discussed the format, to which they confirmed that this will be presentation with a question and answer time, with the budget committee being able to participate.
- 7) Furuichi asked about the CAFR and if the council reviews this.
 - a) Welch stated that audit has been completed but the CAFR is not complete.
 - b) Hanks noted that this is approved by the audit committee.
- 8) Dave Lohman, City of Ashland Attorney stated that he was there to discuss the two additional items added at the last meeting and to see if there were any questions.
 - a) The committee noted that they would like to take time to review the document.
 - b) Furuichi noted the idea of the process and the calendar that was presented in the agenda packet.
 - c) Hanks clarified that the definitions as they relate to what is a general definition, what will be a sub section from the supplementary legal questions and what can be added to the onboarding guide. Slattery also noted that Hyatt had a guide that could also be added and this could be something that the committee looks at.

Discussion Item #2-Proposed Two Year Team Calendar

- 1) The team was presented that two-year calendar prepared by Welch and Hanks.
 - a) Hyatt asked to look at the definition of onboarding and how it pertains to the Ashland environment. She questioned whose action item this would be.
 - b) Slattery noted that this would be something that has to be done in the meeting.
 - c) Welch noted that this would be something that himself and Hanks would work on and bring back to committee. Hanks agreed.
- 2) Furuichi stated that the main item to understand was that this tentative and that this could be broken down by off season and on season.
 - a) Welch explained this was his and Hanks attempt to plan out what the next two years and what items need to be hit on. He also noted that it becomes a pretty busy calendar if the budget committee wants to hit on all items, meaning that the committee would need to meet every other month. He also explained the packet item with scheduled for budget season.
 - b) Hanks noted that the goal was not to overlay too many items. He stated that in addition to this there is also a staff calendar. He added that these items could be added and then all items could be color coded to include what is full budget committee components, council only components of the master Gantt chart. Furuichi questioned if there would be overlap.
 - i) Hanks noted that yes, when there is budget committee there is automatic overlap.

- ii) Furuichi questioned what was budget committee related and what was council and that council has its own calendar.
- 3) Slattery clarified that there is one calendar budget committee and one calendar council. And that one item has to happen before the other. He noted that there is value in being able to see the entire set of items taking place. He also noted that there was no sixth quarter on the chart.
 - a) Hanks noted that the sixth quarter would be the start of the budget process, but that this could be added
 - b) Slattery noted that council time and how every other quarter makes sense.
 - c) The committee discussed the importance of the items such as CIP being where they are on the calendar.
- 4) Slattery like the idea of having all items on one sheet, color coded
- 5) The committee noted that in April, May and June that there are no items on the calendar.
 - a) Hanks responded by saying that this when staff does there work on the budget.
- 6) Slattery noted biennial fourth quarter.
 - a) Welch stated that that there would a review of the first year of the biennium, with a discussion of the future of the budget.
 - i) Slattery noted that this could be a two-part meeting with one begin an updated and the other being about what departments are doing.
 - ii) Hanks noted that this will help with putting the committee ahead by reviewing at the one year, as the budget process starts in January.
- 7) Slattery noted that this is within the official budget season.
 - a) Welch noted that this a frame work of what could happen. He also added that department presentations would be prior to the budget being presented.
 - b) Slattery noted that he would like to see departments do presentations, present key metrics, expect for what their budget would look like, only what their proposed budget looks like. This will help to meet with the departments and to ask questions within the budget proper.
 - c) Welch noted that this needs to happen before the official budget kickoff, as they do not want run into issues with the number of meetings.
- 8) Furuichi asked if council could set their priorities at that meeting.
 - a) Slattery stated that these are set before this and they need to have a strategic plan process that feeds into the financial priorities before December, so that everyone understand were the process is at.
 - b) Hyatt asked Welch what he thought that a budget committee member should know walking into a budget message. She noted items that she thought could have been solved in the last budget cycle. She noted that this important to understanding the roles and responsibility of a committee member and what make the budget process for the last two months streamlined. She noted items such as the book format and use of department presentations and revenues discussion. She also added a portion regarding departments with clear budget issues and a plan when these issues present themselves, as well as the use of “creative budgeting” Above all she wants to have conversations ahead of the reactionary mode.
 - c) Welch noted that he sees this as something that can happen in department presentations and what departments see happening in currently and in the future. He added that there is not much value in talking line items. He sees these meetings as an educational tool so when the budget is presented you can use these discussions and base the information on the budget.
 - d) Hyatt noted that this will reduce the amount of “tail chasing” and that everyone is ready to get to the “meat” of it.
 - e) Hanks noted that the “creative budgeting” part tips away from the budget committee role and that this is a department head role.
 - f) Slattery noted that there is still an advice part to this process.

- 9) Slattery spoke to the onboarding process as it on the chart, he noted that this is listed on the December and January.
 - a) Hanks noted that this is before the department presentations.
 - b) Slattery added that this will outline to them what will happen next. Hanks added that this will help to get at the systemic issues.
- 10) Hyatt discussed the add package in relation to the strategic planning. She noted that although this is written to take place between November to March, the priorities still shift right up until the presentation of the budget message.
 - a) Slattery added that it comes from council as a priority will be different from the add package. He also noted that add packages come from staff and administration. Hanks added that this was a way to address the priorities made by council.
 - b) Hanks noted this is definition that needs to be added to the glossary, as to what is an add package and what is not.
 - c) Slattery added that we need to have the first agreement as to what the budget philosophy and assumptions are. And then the next step would be to see what fits.
 - d) Hanks noted that what is predefined is what is in and then by definition what is not would be an add package.
 - e) Slattery also added that if based on council strategic planning that some of the priorities may be built into the budget.
 - i) Hanks agreed that sometimes items are added as they are used with existing money and early implementing. He added that it would be nice to make sure that this are highlighted so that it is known.
- 11) Hyatt noted that this layout allows for people to know what to expect and that it will be a powerful tool in recruiting budget committee members.
- 12) Noted that there is importance in using this as a training tool and the process for this is looking good.
- 13) Slattery turned the conversation to beginning to look at what meetings the budget committee will have, what would be the agenda, when would they be scheduled.
 - a) Hyatt agenda noted that the agendas will show what requires more conversation and brainstorming on the part of the budget process ad hoc committee.
 - b) Slattery noted that the committee needs to begin looking at the time management piece and weather you would be adding study sessions.
 - i) Welch noted that many of the items that would come to budget committee will come to city council regardless of budget committee action.
- 14) Slattery stated that there needs to be three colors on the calendar including budget committee, council only, and the third would be items already coming council that can be tied in.
 - a) Hanks asked Slattery if this level of detail needs to be done prior to the presentation to the council. Slattery stated that he thinks it should. He also noted to the city council look ahead needs to begin to intersect with this calendar. The committee agreed, noting that this will allow for less meetings. Slattery noted that there is going to have meetings that take place on off nights.
- 15) Slattery stated that there is a strategic to do and that there are some items that we need to load up and ask what are we doing about them. He noted City Administrator, Planning Director, the transit triangle. Hanks noted that this could be termed strategic mapping. Slattery noted by doing this it will help utilize the time of committees better.

Discussion Item #3-Review Onboarding Document Outline/Definitions

- 1) Hanks asked if the committee wanted to begin to look at an outline of what this document would look like. Then staff would take this and fill in the details and bring it back to the committee for review. The committee agreed.

- 2) Slattery noted that the committee might add in an extra session for new committee members and that there should be one meeting beforehand to bring everyone on board. Hanks noted that they do this with staff, and that the Budget committee version could be similar.
- 3) Welch presented a draft of what the outline would look like for the onboarding guide. He added he would like feedback from the committee on this.
- 4) Furuichi asked what the timeline would be for giving this guide to new budget committee members. Hyatt stated that it would be good to give when the appointment takes place. She also noted what happens when a person is appointed off cycle and issues that go along with that. Slattery noted that this will most likely not be the case with all the off cycle meetings taking place. Hanks noted that this be on website, and various other places including with the letter that comes from the mayor. In addition, he noted that the entire committee would get a copy prior to budget kickoff.
- 5) Hyatt asked that a tour of the city be added to the onboarding guide, to allow for understanding, and getting to know the people involved. The committee agreed with the importance of this as it relates to the context of what the city is doing.
- 6) Slattery asked that a meeting be added to July 2019 to discuss the budget process after it has happened and what adjustments can be made for the future. Furuichi agreed that it would be a good idea to circle around and look at the process.
- 7) Hyatt asked if materials such as packets should be defined ahead of time. Slattery said this will be done in the agendas. Hanks noted that the content helped to drive the calendar, as it is necessary to have certain materials when meeting.
- 8) Furuichi asked if the onboarding guide could be added to if suggested. Hanks said that items can be added as needed and that this was a first draft.
- 9) Furuichi noted that it would be the state could do a budget law training. Slattery noted that this was on the calendar and this is very necessary for budget committee and council.
- 10) Slattery asked Furuichi if he had a document to share. Furuichi stated that he did have a document that had budget committee guidelines with roles of citizen members, the governing board. Hanks asked if this is different from what Dave Lohman had provided the committee. Slattery suggested have Lohman review. Furuichi agreed to submit to Lohman before distributing. This will help he noted to keep things legal.

Next Meeting

1. Next meeting scheduled for October 11, 2017 at 6:00 p.m.
 - a. Slattery stated that the agenda for next meeting will include onboarding guide, agendas for meetings and a look ahead example.
 - b. Slattery noted that the committee will need to have a meeting once all items and the presentation has been packaged. This will be the last meeting.
 - c. Hyatt noted that Slattery was looking at three buckets at the start of the committee meeting. Legal has been covered, Ashland portion has been covered, budget process. Hanks suggested closing the door on the legal piece.
 - d. Hyatt asked if there was existing agenda for budget quarter meeting. Slattery noted that these meetings need to be straight forward. Hanks added that we need to be clear and simplified
 - e. Slattery added that we need to make sure that budget committee members are invited to the October 2nd, 8th quarter meeting.
 - f. Hyatt asked about what the budget committee process presentation would look like and if we could start looking at it now. Slattery noted that this would be a 15-minute presentation with the calendar. Slattery explained the historical energy and that this committee will help bring people along, he added that being transparent is proactive. Hyatt noted the budget book recreation, the committee also noted OpenGov.

Respectfully Submitted By: Natalie Thomason