



**City of Scottsdale
Budget Review Commission
Regular Meeting Minutes**

Friday, April 11, 2025
City Hall Kiva Forum
3939 N. Drinkwater Boulevard
Scottsdale, AZ 85251

PRESENT: David Smith, Chair (departed at 4:46 p.m., returned at 4:51 p.m.)
Daniel Schweiker, Vice-Chair
Carla, Commissioner
Brad Newman, Commissioner (departed at 3:05 p.m.)
Jim Ransco, Commissioner
Sharyn Seitz, Commissioner (departed at 4:27 p.m.)
Mark Stephens, Commissioner

STAFF: Sonia Andrews, City Treasurer / Chief Financial Officer
Greg Caton, City Manager
Sherry Scott, City Attorney
Scott Selin, Budget Department Director

Call to Order

Chair Smith called the meeting to order at 1:00 p.m.

Roll Call

Members present as listed above.

Public Comment

There was no response to the call for public comment.

Chair's Report

Chair Smith summarized the intent of this meeting, noting that the votes will be included in the report that will be presented to the City Council on April 22. He added that the report will need to be posted by next Tuesday.

1. Approval of Minutes of March 27, 2025

Citing page 4, paragraph 3, Commissioner Newman clarified that he thought pension paydowns were important but not that they were guaranteed to happen. He did not propose alternate language.

VICE-CHAIR SCHWEIKER MOVED THAT THE MARCH 27, 2025, BUDGET REVIEW COMMISSION REGULAR MEETING MINUTES BE APPROVED. COMMISSIONER CARLA SECONDED THE MOTION, WHICH CARRIED SEVEN (7) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, NEWMAN, RANSCO, SEITZ, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

2. Consider, Prioritize, and Approve Recommendations to Council

Chair Smith outlined the process for this item, encouraging Commissioners to speak up if they did not agree with recommending a certain item. He did not anticipate the report containing any attachments, a sentiment shared by Commissioner Stephens. Discussion ensued regarding how the report would be drafted and who would do it. It was determined that Chair Smith and Commissioner Stephens would work on the draft.

A. Recommendations related to Capital Project Funding, Capital Project Management and Processes and Capital Projects Proposed in the FY25/26 Proposed Capital Budget and 5 Year CIP

Commissioner Newman moved to approve the first two bullet points in the attachment regarding the wildlife crossing feasibility study. He clarified that the entire project would no longer be listed in the five-year capital improvement plan (CIP). Budget Department Director Scott Selin confirmed the motion as laid out in the attachment would move funding from years three, four, and five of the CIP to the future column. Commissioner Carla seconded the motion.

Further discussion ensued regarding the specific language of the motion. Chair Smith said he will not support the motion without a caveat that it must be an authorized expenditure from the Preserve Fund. Commissioner Carla did not feel the extra language was needed as the City Attorney would not allow staff to proceed if it was illegal. City Attorney Sherry Scott stated she had no legal concerns with the recommendation as stated in Commissioner Newman's motion. By consensus, the language, "if determined to be an allowable expenditure from the preserve fund" was added at the end of the first part of Commissioner Newman's recommendation.

Chair Smith reiterated that votes would not be taken on each recommendation, but Commissioners would be given the chance to express opposition to each. No opposition was stated to recommendation I.1 in the agenda packet as amended by Chair Smith.

On the call for public comment, Ms. Sonnie Kirtley, representing the Coalition of Greater Scottsdale, stated they unanimously supported the Preserve and the feasibility study.

Regarding I.2 of the staff report, Commissioner Carla did not want inclusion of the language, "and these kinds of projects". No other opposition was stated to recommendation I.2.

Commissioner Carla explained her rationale for submitting recommendation I.3. She thought community discussion was needed on this item. She originally proposed the Preserve Reconstruction Recovery Fund as a way of addressing a potential catastrophic wildfire. Per the Commissioner's wishes, Chair Smith indicated this would be added to the "parking lot", list of recommendations for future Council consideration, and not included as a recommendation for this cycle.

For purposes of record clarity, Ms. Scott requested that there be a motion, second, and a vote on the recommendations. She commented that the Commission can choose whether to group multiple recommendations in one motion. Discussion ensued regarding how votes would be taken, and whether the motions were to approve the intent of each recommendation or the exact

language in each. It was decided that the Commission would vote to approve the intent of each recommendation, with the understanding that recommendations I.1 and I.2 be as close to the proposed language as possible.

VICE CHAIR SCHWEIKER MOVED THAT RECOMMENDATIONS I.1 BE APPROVED AS AMENDED BY CHAIR SMITH AND I.2 AS WRITTEN. COMMISSIONER CARLA SECONDED THE MOTION, WHICH CARRIED SEVEN (7) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, NEWMAN, RANSCO, SEITZ, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

A discussion took place about the procedure for discussing recommendations. Commissioner Stephens wanted to ensure the proper language regarding regulatory requirements is included in recommendation I.6. Further discussion ensued about whether Commissioners could discuss and propose additional verbiage on the recommendations. It was noted that the Commission will not have time to receive the report before its next meeting, so any Commissioners who did not like the language in the report could voice any concerns at the joint meeting with the City Council.

COMMISSIONER SEITZ MOVED THAT THE BUDGET REVIEW COMMISSION RECOMMEND THAT THE CITY COUNCIL CONSIDER HOW TO ASCERTAIN AND MITIGATE THE CITY'S ULTIMATE FINANCIAL LIABILITY FOR MODIFYING AND RAISING BARTLETT DAM AS DESCRIBED IN PROJECT W104. VICE-CHAIR SCHWEIKER SECONDED THE MOTION, WHICH CARRIED SEVEN (7) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, NEWMAN, RANSCO, SEITZ, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

VICE-CHAIR SCHWEIKER MOVED THAT THE BUDGET REVIEW COMMISSION APPROVE I.6 FOR RECOMMENDATION TO THE CITY COUNCIL. COMMISSIONER RANSCO SECONDED THE MOTION, WHICH CARRIED SIX (6) TO ONE (1). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS NEWMAN, RANSCO, SEITZ, AND STEPHENS VOTED IN THE AFFIRMATIVE. COMMISSIONER CARLA DISSENTED.

COMMISSIONER CARLA MOVED THAT THE BUDGET REVIEW COMMISSION APPROVE I.7 FOR RECOMMENDATION TO THE CITY COUNCIL WITH THE ADDITIONAL LANGUAGE, "AND THE COMMUNITY IMPACT TO THE SURROUNDING SENIOR COMMUNITY OF NOT DOING IT". VICE-CHAIR SCHWEIKER SECONDED THE MOTION, WHICH CARRIED SEVEN (7) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, NEWMAN, RANSCO, SEITZ, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

Commissioner Stephens summarized his intent when submitting recommendation I.8 was that the project needs to be examined more closely to determine what needs to happen. City Manager Greg Caton pointed out modifications have already been made to this project based on previous Commission comments, such as moving it out of the five-year CIP. Commissioner Stephens moved to adopt recommendation I.8 as a concept. Discussion ensued about the motion.

COMMISSIONER SEITZ MOVED THAT THE BUDGET REVIEW COMMISSION AGREE THAT RECOMMENDATION I.8 BE MOVED OUT TO THE FUTURE AND NOT BE CONSIDERED IN THE CURRENT BUDGET. VICE-CHAIR SCHWEIKER SECONDED THE MOTION, WHICH CARRIED SEVEN (7) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, NEWMAN, RANSCO, SEITZ, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

Commissioner Ransco indicated he submitted recommendations II.1, II.2, and II.3 as discussion topics among the Commission, not as recommendations to the Council. He suggested they not be included in either the recommendations or the parking lot but rather discussed during a future meeting. Chair Smith refined his understanding of what items should appear on the list of future items.

COMMISSIONER SEITZ MOVED THAT RECOMMENDATIONS II.1, II.2, AND II.3 BE STRUCK AND THE BUDGET REVIEW COMMISSION NOT MAKE ANY RECOMMENDATIONS ON THESE ITEMS. COMMISSIONER RANSCO SECONDED THE MOTION, WHICH CARRIED SEVEN (7) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, NEWMAN, RANSCO, SEITZ, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

Commissioner Newman moved to withdraw recommendation III.1. Commissioner Stephens opined that if the Commission felt strongly about recommendation III.16, many of the suggestions in Section III could be rolled into one recommendation. Commissioner Carla moved that the report authors consolidate all CIP items into one item for Council consideration. Commissioner Seitz expressed opposition to the formation of a task force.

Commissioner Stephens spoke about the value of getting knowledgeable people in the community together to brainstorm, which he felt would best be done with a task force. He thought recommendations III.9 and III.10 were standalone suggestions. Vice-Chair Schweiker suggested that, instead of task force, the suggestion be that the City pull all stakeholders together for transparency. Commissioner Stephens said his intent was for this to be a City-driven initiative. Commissioner Carla rescinded her motion.

COMMISSIONER STEPHENS MOVED THAT RECOMMENDATION III.16 BE ADOPTED IN CONCEPT AND INTEGRATED WITH OTHER CONCEPTS WITHIN THAT SECTION THAT RELATE TO IT, WITH REMOVAL OF RECOMMENDATION III.16.c AND MODIFICATION OF "TASK FORCE" TO "CITY-DIRECTED TEAM". COMMISSIONER RANSCO SECONDED THE MOTION, WHICH CARRIED SEVEN (7) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, NEWMAN, RANSCO, SEITZ, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

Discussion ensued regarding how best to group the recommendations in Section IV, with Chair Smith, Vice-Chair Schweiker, and Commissioner Carla all providing suggestions.

VICE-CHAIR SCHWEIKER MOVED THAT THE REPORT ENCOMPASS RECOMMENDATIONS IV.1, IV.4, IV.5, IV.6, AND IV.7 COMBINED INTO ONE ITEM. COMMISSIONER STEPHENS SECONDED THE MOTION, WHICH CARRIED SEVEN (7) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, NEWMAN, RANSCO, SEITZ, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

Commissioner Ransco provided clarity on his intent when submitting recommendation IV.2. Discussion ensued regarding whether recommendations IV.2 and IV.3 could be combined, and whether a reference should be made to recommendation III.16. Commissioner Carla requested that the language, "the repeat over-budget environment is not a good model" be included in the report.

VICE-CHAIR SCHWEIKER MOVED THAT THE BUDGET REVIEW COMMISSION APPROVE IV.2 AND IV.3 TOGETHER FOR RECOMMENDATION TO THE CITY COUNCIL. COMMISSIONER RANSCO SECONDED THE MOTION, WHICH CARRIED SEVEN (7) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA,

NEWMAN, RANSCO, SEITZ, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

This item was later reopened at Commissioner Stephen's request. Commissioner Ransco inquired whether Title 34 could be revised. Ms. Scott said Title 34 refers to a state law. Commissioner Ransco inquired about the potential inclusion of design build fees in construction manager at risk bids. Ms. Scott spoke about the phased design build process, mentioning that bids cannot be awarded based on price due to that process pursuant to Title 34. Commissioner Ransco suggested that the report incorporate language from recommendation III.9 into recommendation III.16 excluding any reference to Title 34.

Chair Smith believed the attachments provided in the agenda packet are no longer applicable as language was taken from them and incorporated into motions made for the relevant items. Discussion ensued regarding recommendation III.1, which the Chair suggested Commissioner Stephens incorporate into the broader A.III.16 recommendation, including the recommendations made in the slide presentation attached to the agenda packet. The attachments will not be included with the report, he noted.

B. Recommendations related to Major Operating Budget Revenues

Chair Smith believed recommendations I.1 and I.2 could be combined. Commissioner Carla said she could not support these recommendations because the Commission did not discuss the ramifications of them. Vice-Chair Schweiker was fine with recommending them for consideration, though it could be moot as there is still a bill in the Legislature proposing to remove sales tax on food. Discussion ensued regarding the language in I.1, with Chair Smith noting that the sales tax would not necessarily need to be eliminated; it could be reduced, for instance.

Commissioner Seitz suggested including these items as parking lot items. Vice-Chair Schweiker agreed, especially given possible legislative actions that would remove this decision from the City. Chair Smith saw this as related to recommendation II.5, which would also be a parking lot item.

Commissioner Ransco moved to add recommendation I.2 to the parking lot and cancel I.1.

Commissioner Stephens expressed confusion as to how the report should handle parking lot items, if at all. Chair Smith proposed language that would combine II.5 and I.2. It was decided that "future" items, or parking lot items, are ones that would not be actionable during the current budget cycle but should continue to be considered and investigated.

Chair Smith requested that recommendation I.2 be included in the recommendations for this budget cycle and suggested that II.5 be considered a parking lot item.

CHAIR SMITH MOVED THAT THE ADVISORY TO CITY COUNCIL BE TO CONSIDER SUSPENDING, BY COUNCIL ACTION, THE CITY'S 1.70 PERCENT TAX ON GROCERIES. COMMISSIONER NEWMAN SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO TWO (2). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS NEWMAN, RANSCO, AND SEITZ VOTED IN THE AFFIRMATIVE. COMMISSIONERS CARLA AND STEPHENS DISSENTED.

Chair Smith asked whether recommendation I.3 was even within the City's purview. City Treasurer / Chief Financial Officer Sonia Andrews replied that the City cannot raise the property tax levy to correlate with increases in home prices; it can only be increased by 2 percent plus home construction. Commissioner Carla cautioned against doing anything that may price seniors out of their homes. Commissioner Ransco suggested I.3 be deleted.

Commissioner Newman advocated for recommendation I.4. Regarding the legality of the possible suspension, Ms. Scott said the Commission could make the recommendation, and legal staff would provide counsel about the parameters to do so. Chair Smith suggested modifications to recommendation's language.

COMMISSIONER NEWMAN MOVED THAT THE BUDGET REVIEW COMMISSION APPROVE THE RECOMMENDATION THAT CITY COUNCIL CONSIDER SUSPENDING THE 0.15 PERCENT PRESERVE TAX (ONCE ALL PRESERVE DEBT AND OTHER LIABILITIES HAVE BEEN REPAID OR PROVIDED FOR WITH PRESERVE FUND CASH RESERVES) TO ENSURE FUTURE TAXES ARE NOT COLLECTED FROM CITIZENS FOR NO APPROVED OBLIGATIONS. COMMISSIONER RANSCO SECONDED THE MOTION, WHICH CARRIED SEVEN (7) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, NEWMAN, RANSCO, SEITZ, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

3:05 p.m. Commissioner Newman left the meeting.

Chair Smith indicated he thought II.5 should be a parking lot item. Discussion ensued regarding which items in Section II should be considered parking lot items and which might be suitable as recommendations for Council.

VICE-CHAIR SCHWEIKER MOVED THAT RECOMMENDATIONS II.5 THROUGH II.11 BE ADDED TO A FUTURE BUDGET REVIEW COMMISSION AGENDA AFTER THIS BUDGET YEAR AND NOT APPEAR IN THE REPORT TO THE CITY COUNCIL. COMMISSIONER CARLA SECONDED THE MOTION, WHICH CARRIED SIX (6) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, RANSCO, SEITZ, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

C. Recommendations for Operating Department Budgets Included In the Proposed FY2025/26 Operating Budget

Chair Smith observed that recommendations 1 and 14 in Section C are nearly identical, and he thought the Commission would address them after this budget cycle. Commissioner Stephens wanted recommendation 14 included as a future item but recognized the City Manager is already looking into it. It was determined that item 1 would be considered as a future item.

Commissioner Carla remarked that the City Manager is already considering recommendation 2 and others in this section. Commissioner Stephens observed that items 11 and 12 delved into full-time equivalent (FTE) positions in greater detail. Vice-Chair Schweiker explained his rationale for submitting recommendation 2 and thought the three could be combined. Commissioner Stephens indicated the essence of 2 would be incorporated into 11.

COMMISSIONER STEPHENS MOVED THAT THE BUDGET REVIEW COMMISSION APPROVE C.3 FOR RECOMMENDATION TO THE CITY COUNCIL. COMMISSIONER CARLA SECONDED THE MOTION, WHICH CARRIED SIX (6) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, RANSCO, SEITZ, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

Ms. Scott pointed out that no motion was taken on recommendations 1, 2, or 11.

COMMISSIONER STEPHENS MOVED THAT THE BUDGET REVIEW COMMISSION ADOPT THE SUBSTANCE OF RECOMMENDATIONS C.11 AND C.12, INCLUDING THE ELEMENTS OF RECOMMENDATION C.2, FOR RECOMMENDATION TO THE CITY COUNCIL. VICE-CHAIR SCHWEICKER SECONDED THE MOTION, WHICH CARRIED SIX (6) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEICKER, AND COMMISSIONERS CARLA, RANSCO, SEITZ, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

It was decided that recommendation 1 will not be voted on as it will be covered by recommendation 14. Chair Smith commented that many of the recommendations in Section C are related to proper compensation for special services, and he wanted a single recommendation to encompass them all. Discussion ensued regarding how to properly group the recommendations, with Commissioner Carla moving to delete recommendation 10 and combine 4 through 9. Commissioner Stephens provided an amendment which was approved by the original mover and seconder.

COMMISSIONER CARLA MOVED THAT RECOMMENDATIONS C.4, 5, 6, AND C.20 BE APPROVED IN CONCEPT AS A COST RECOVERY COMMENT. COMMISSIONER RANSCO SECONDED THE MOTION, WHICH CARRIED SIX (6) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEICKER, AND COMMISSIONERS CARLA, RANSCO, SEITZ, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

Commissioner Seitz felt 7 through 9 should be parking lot items. Discussion ensued regarding whether 7 should be even made as a recommendation. Commissioner Ransco proposed an amendment, which was accepted by the mover and seconder.

COMMISSIONER SEITZ MOVED THAT RECOMMENDATIONS C.7 AND C.10 BE DELETED, AND RECOMMENDATIONS C.8 AND C.9 BE REPHRASED TO ACKNOWLEDGE THAT THE BUDGET REVIEW COMMISSION WILL WORK ON THEM IN THE FUTURE. VICE-CHAIR SCHWEICKER SECONDED THE MOTION, WHICH CARRIED SIX (6) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEICKER, AND COMMISSIONERS CARLA, RANSCO, SEITZ, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

Chair Smith believed item 13 is already being considered by the Town Manager, but the last line could still be presented as a recommendation.

VICE-CHAIR SCHWEICKER MOVED THAT THE BUDGET REVIEW COMMISSION RECOMMEND THAT CITY COUNCIL GIVE CONSIDERATION TO ESTABLISHING A CONSISTENT PROCESS OF CITY MANAGER AND TREASURER REVIEW OF OVERTIME ON A QUARTERLY BASIS. COMMISSIONER SEITZ SECONDED THE MOTION, WHICH CARRIED SIX (6) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEICKER, AND COMMISSIONERS CARLA, RANSCO, SEITZ, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

Commissioner Stephens opined the budget as presented does not appear to present a structural deficit once one-time drawdowns are factored in. He and Commissioner Carla expressed reluctance to present 15 and 16 as, with Commissioner Carla moving to delete them. Chair Smith requested that a statement be included that the proposed levels of expenditure increases are not sustainable without increased income. Commissioner Carla felt that was covered in a prior recommendation. Discussion ensued regarding possible recommendation language regarding a balanced budget. Ms. Andrews commented that a presentation given to the Board yesterday contained a chart showing how staff balanced the budget and how it believes it has a sustainable budget moving forward.

Discussion took place about the motion on recommendations B.II.5 through B.II.11 and whether the Commission should make a statement about maintaining a sustainable budget. Commissioner

Stephens proposed an alternate motion deleting recommendation 16 and modifying the language of 15, which Chair Smith then further modified. Further discussion ensued about motion language for a recommendation.

Mr. Caton expressed concern with the use of the term "sustainable budget", preferring "structurally-balanced budget". He thought language about being mindful of trends would be appropriate. Chair Smith explained what he considered to be the difference between a balanced and a sustainable budget. He felt the City's passage of a balanced budget each year has led to the deterioration of the park service and roads. Consideration was given to whether a separate statement should be made about maintenance.

Vice-Chair Schweiker called the question to bring Commissioner Carla's motion to a vote.

Chair Smith proposed an alternate motion to approve recommendation B.II.7, incorporating the essence of recommendations C.15 and C.16 regarding a fiscally-sustainable setting.

Discussion ensued about Robert's Rules and Vice-Chair Schweiker's calling the question. Chair Smith opted to vote on Commissioner Carla's original motion, not the Vice-Chair calling the question.

COMMISSIONER CARLA MOVED THAT RECOMMENDATIONS C.15 AND C.16 BE DELETED. COMMISSIONER SEITZ SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO ONE (1). VICE-CHAIR SCHWEIKER AND COMMISSIONERS CARLA, RANSCO, SEITZ, AND STEPHENS VOTED IN THE AFFIRMATIVE. CHAIR SMITH DISSENTED.

CHAIR SMITH MOVED THAT THE BUDGET REVIEW COMMISSION APPROVE RECOMMENDATION B.II.7 AS A RECOMMENDATION TO CITY COUNCIL. VICE-CHAIR SCHWEIKER SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO ONE (1). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, RANSCO, AND SEITZ VOTED IN THE AFFIRMATIVE. COMMISSIONER STEPHENS DISSENTED.

Vice-Chair Schweiker announced that Commissioner Seitz needs to leave shortly and requested that discussion on recommendation 18 occur first. Commissioner Carla expressed opposition to that recommendation. Commissioner Stephens brought up recommendation D.8 regarding supplemental pension funding, suggesting that the Commission recommend that the Council consider all factors. The Commission's recommendation would not weigh in on how much to allocate in pension funding.

VICE-CHAIR SCHWEIKER MOVED THAT RECOMMENDATIONS C.18, D.3, AND D.5 BE DELETED, AND THE BUDGET REVIEW COMMISSION APPROVE D.8 FOR RECOMMENDATION TO THE CITY COUNCIL IN AN ABBREVIATED FORM. COMMISSIONER STEPHENS SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO ONE (1). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS RANSCO, SEITZ, AND STEPHENS VOTED IN THE AFFIRMATIVE. COMMISSIONER CARLA DISSENTED.

4:27 p.m. Commissioner Seitz left the meeting.

VICE-CHAIR SCHWEIKER MOVED THAT RECOMMENDATION C.17 BE DELETED. COMMISSIONER STEPHENS SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, RANSCO, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

Regarding recommendation 19, Mr. Caton indicated staff continues to explore technology with regards to productivity, but not necessarily to foster flat or declining FTE requirements.

COMMISSIONER RANSCO MOVED THAT RECOMMENDATION C.19 BE DELETED. VICE-CHAIR SCHWEIKER SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, RANSCO, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

D. Recommendations Related to Pension Costs

A vote was taken regarding recommendations 3, 5, and 8 during Agenda Item 2.C. Please see the motion captured on page 8 for more details.

VICE-CHAIR SCHWEIKER MOVED THAT RECOMMENDATION D.1 BE DELETED. COMMISSIONER RANSCO SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, RANSCO, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

Chair Smith opined recommendation 2 might have been submitted due to a distortion of police payroll based on pension obligations.

COMMISSIONER RANSCO MOVED THAT RECOMMENDATION D.2 BE DELETED. COMMISSIONER CARLA SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, RANSCO, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

COMMISSIONER RANSCO MOVED THAT RECOMMENDATION D.4 BE DELETED. COMMISSIONER STEPHENS SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, RANSCO, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

VICE-CHAIR SCHWEIKER MOVED THAT RECOMMENDATION D.6 BE DELETED. COMMISSIONER RANSCO SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, RANSCO, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

With respect to recommendation 7, Chair Smith believed this was already being done and no discretion could be exercised over what to submit. Mr. Caton concurred. Commissioner Stephens indicated he will continue to work on this, because there are still ways that compensation could be underreported.

COMMISSIONER RANSCO MOVED THAT RECOMMENDATION D.7 BE DELETED. COMMISSIONER CARLA SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, RANSCO, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

VICE-CHAIR SCHWEIKER MOVED THAT RECOMMENDATION D.9 BE WITHDRAWN. COMMISSIONER RANSCO SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, RANSCO, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

E. Recommendations Related to Fund Balance, Reserves and Contingencies

In response to the Chair's question, Ms. Andrews stated the City must invest according to state laws and cannot invest in equities, foreign investments, or derivatives.

COMMISSIONER RANSCO MOVED THAT RECOMMENDATION E.1 BE DELETED. VICE-CHAIR SCHWEIKER SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, RANSCO, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

Commissioner Stephens detailed his reasoning for why recommendation 2 is important, citing the helpfulness of the presentations the Commission received about transfers of fund balance. It was suggested to merge 2 with 4.

COMMISSIONER STEPHENS MOVED THAT THE BUDGET REVIEW COMMISSION MERGE AND SHORTEN RECOMMENDATIONS E.2 AND E.4 AND APPROVE THEM FOR RECOMMENDATION TO THE CITY COUNCIL. COMMISSIONER RANSCO SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, RANSCO, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

COMMISSIONER STEPHENS MOVED THAT RECOMMENDATION E.3 BE MERGED INTO THE PREVIOUSLY-APPROVED COMMENTS FOR RECOMMENDATIONS D.2 AND D.4. VICE-CHAIR SCHWEIKER SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, RANSCO, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

4:46 p.m. Chair Smith left the meeting and Vice-Chair Schweiker assumed the role of chair.

Commissioner Ransco noted recommendations E.4 and E.5 were both spurred by a discussion about a specific neighborhood being impacted by upstream development. He wanted to ensure that impact fees fully consider far-downstream impacts. Mr. Caton thought education could be provided in the offseason about the use of impact fees and requirements regarding stormwater drainage.

COMMISSIONER RANSCO MOVED THAT RECOMMENDATION E.5 BE DELETED. COMMISSIONER CARLA SECONDED THE MOTION, WHICH CARRIED FOUR (4) TO ZERO (0). VICE-CHAIR SCHWEIKER AND COMMISSIONERS CARLA, RANSCO, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

F. Recommendations for Budget Governing Financial Policies

A vote was taken regarding recommendations 5 during Agenda Item 2.E. Please see the motion captured earlier on this page for more details.

COMMISSIONER RANSCO MOVED THAT RECOMMENDATION F.1 BE DELETED TO BE DISCUSSED NEXT SEASON. COMMISSIONER CARLA SECONDED THE MOTION, WHICH CARRIED FOUR (4) TO ZERO (0). VICE-CHAIR SCHWEIKER AND COMMISSIONERS CARLA, RANSCO, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

In response to Commissioner Ransco's question regarding recommendation 2, Ms. Andrews said definition of fund types and what qualifies for a fund type are set by the Government Accounting Standards Board, and staff does not have the ability to change the types of funds.

COMMISSIONER RANSCO MOVED THAT RECOMMENDATION F.2 BE DELETED. COMMISSIONER CARLA SECONDED THE MOTION, WHICH CARRIED FOUR (4) TO ZERO (0). VICE-CHAIR SCHWEIKER AND COMMISSIONERS CARLA, RANSCO, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

4:51 p.m. Chair Smith returned to the meeting and assumed the role of chair.

With respect to recommendation 3, Ms. Andrews said staff needs to report and get Council approval for any deviations from financial policies. Chair Smith saw value in keeping the item in, but Commissioner Stephens felt it should be deleted given the amount of audits staff is already subjected to. Commissioner Carla thought it was redundant.

COMMISSIONER CARLA MOVED THAT RECOMMENDATION F.3 BE DELETED. COMMISSIONER STEPHENS SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, RANSCO, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

Chair Smith explained his rationale for submitting recommendation F.4. Commissioner Carla pointed out many residents did not like voting for permanent taxes and did not support the recommendation. Vice-Chair Schweiker agreed, and Commissioner Stephens indicated he had no opinion.

COMMISSIONER CARLA MOVED THAT RECOMMENDATION F.4 BE DELETED. COMMISSIONER RANSCO SECONDED THE MOTION, WHICH CARRIED THREE (3) TO TWO (2). COMMISSIONERS CARLA, RANSCO, AND STEPHENS VOTED IN THE AFFIRMATIVE. CHAIR SMITH AND VICE-CHAIR SCHWEIKER DISSENTED.

It was pointed out that recommendation 6 was already captured in the motion previously made regarding recommendation A.III.16.

COMMISSIONER RANSCO MOVED THAT RECOMMENDATION F.6 BE DELETED. COMMISSIONER STEPHENS SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, RANSCO, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

VICE-CHAIR SCHWEIKER MOVED THAT THE BUDGET REVIEW COMMISSION APPROVE RECOMMENDATION F.7 FOR RECOMMENDATION TO THE CITY COUNCIL. COMMISSIONER RANSCO SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, RANSCO, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

Commissioner Stephens requested that Agenda Item 2.A be reopened so a motion could be made on recommendations 9 and 10. Please see that item for more details.

3. Discuss and Consider Additional Recommendations to Council

There were no additional recommendations.

4. Discuss and Approve Finalizing Report and Method of Presentation to Council

Commissioner Carla suggested changes to the name of the Budget Review Commission, Vice-Chair

Schweiker, and the City Council in the preamble proposed by Commissioner Stephens.

COMMISSIONER CARLA MOVED THAT COMMISSIONER STEPHENS BE DESIGNATED AS THE BUDGET REVIEW COMMISSION'S REPRESENTATIVE WORKING ON THE REPORT WITH STAFF. COMMISSIONER RANSCO SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, RANSCO, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

Chair Smith described how this item will be agendized for the April 22 joint meeting. Commissioner Carla suggested that Members with expertise on certain items be called upon to answer any Council questions.

CHAIR SMITH MOVED THAT CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND THEIR DESIGNEES BE THE OFFICIAL REPRESENTATIVES PRESENTING ON BEHALF OF THE BUDGET REVIEW COMMISSION. COMMISSIONER RANSCO SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, RANSCO, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

5. Identification and Approval of Possible Future Agenda Items

In response to Commissioner Stephens' questions, Ms. Scott said the standard turn-in time for meeting materials, such as the report, would be next Tuesday. She explained it is City policy to post things a certain number of days before a meeting, though Open Meeting Law only requires items to be posted 24 hours in advance. Staff will work with the City Clerk and Commissioner Stephens offline about deadlines, noting there is likely some flexibility with the deadline for the PowerPoint presentation. Corrections can also be made later.

Ms. Scott offered that any Commission Member with a concern about the report after it is published contact staff to address their concerns. A special meeting could also be held to review and approve the report, though that could impact when and how the report is posted for City Council review, which she suggested should be done as early as possible. She indicated a special meeting could be scheduled and cancelled if it is not necessary, though that can be difficult for members of the public. Staff will help solve problems with any challenging portions of the report, and significant problems could be resolved via a special meeting if needed.

Chair Smith thanked staff for their endurance and patience.

Adjournment

COMMISSIONER RANSCO MOVED TO ADJOURN THE MEETING. THE MOTION WAS SECONDED AND CARRIED FIVE (5) TO ZERO (0). CHAIR SMITH, VICE-CHAIR SCHWEIKER, AND COMMISSIONERS CARLA, RANSCO, AND STEPHENS VOTED IN THE AFFIRMATIVE. THERE WERE NO DISSENTING VOTES.

With no further business to discuss, being duly moved and seconded, the meeting adjourned at 5:29 p.m.

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