

**Blue Ribbon Commission – Phase II (BRC II)**  
**Meeting Summary**  
**September 24, 2009**

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Members Present: Susan Graf, Suzanne Jones, Dan King, Michelle Krezek, Beth Pommer, Jeff Wingert, Rich Wobbekind

Members Absent: Tom Hagerty, Michael Leccese, Dorothy Rupert

Staff Present: Peggy Bunzli, David Driskell, Bob Eichen, Donna Jobert, Kirk Kincannon, Kathy McGuire, Mike Patton, Abbie Poniatowski, Mike Orosel, Maureen Rait, Jim Reasor, Patrick Von Keyserling, Delani Wheeler, Molly Winter

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Public Participation

- none

Welcome by, Maureen Rait

- Maureen introduced the evening's agenda
  - Cost of Services Report
  - General Fund Transfers
  - Review Chapters 1 & 2 Outline

Cost of Services Report

- Commission member Jeff Wingert distributed a summary of the 1994 Comprehensive Fee Study report to begin the discussion.
- Questions: what is determination of partial cost recovery and no cost recovery? Does the interdepartmental group to keep up with cost recovery policy across city still exist? Where has it been since? Has there been follow through? What are obstacles to follow through, implementation?
- Staff response: purpose was to help determine how to set fees. Two main groups that deal with this: P&DS and P&R. P&R is currently working on refining and enhancing a cost recovery model for setting fees; P&DS has a rational system in place. Administrative services budgeted in the General Fund (GF) are recuperated through cost allocation process. User fee guidelines were adopted in budget as part of Financial and Management Policies and are reviewed annually.
- Discussion: If you do this analysis annually, you get valuable information on trends, what should be subsidized, etc.; some analysis is done annually in both P&DS and P&R; 1994 study took 1.5 -2 years - very time intensive; it may be time to update - cost to do this; what is impact - if it's large, worth spending time on, if not, maybe not; there was bang for buck in P&DS and P&R; doesn't really fit accounting/budgeting system for other departments – to build it in to their systems.
- Need staff update on what was implemented and what wasn't, where we are with regard to final recommendations of report; to be discussed at 10/22 meeting.
- 1994 Comprehensive Fee Study report not formally adopted.

## General Fund Transfers

- Overview of funds that receive GF dollars was distributed along with detailed information for each area that receives a transfer; summary included amount received and uses of the transfer amounts.
- Questions: what are all sources of funding for programs – HHS example passed out; when is 100% of non-essential budget funded by GF?
- As part of budget process, GF transfers looked at annually. Tradeoffs are looked at annually. Some desirable and discretionary programs funded each year for various reasons.
- Categorization is subjective by nature of definitions. Have gone as far as we can with it. Still a difference between departments. New budgeting system will go farther and help really look at tradeoffs on a citywide basis.
- Discussion: earmarking allows for fiefdoms; not the same amount of scrutiny for all dollars; earmarking is guidance by the voters; choice of voters to have long-term funds for specific items of value to community; earmarking different for items that have a fixed timeframe than for ongoing items; better education important on what needs are in big picture of budget and where an earmark fits within the context of that; how do you communicate what context is – previous values that earmarking was based on, how do you ensure that current values continue to be reflected in budget?
- Question asked of each department: if your department experiences a severe cut, what do you stop doing first?
- P&R – desire to get all fee based classes to be self supporting, stop providing a program that is provided elsewhere; partner with others that can provide a program; work with fundraisers to obtain support of community values (i.e. supporting low-income residents); combining/coordinating maintenance with other city departments
- Open Space – end of acquisition program as it currently exists; cut in trail building, close some trails; deferred maintenance; revenue sharing with other communities; increased cost to non-residents. would have an effect on visitor infrastructure.
- Parking - economic vitality, mall management, excess, efficiencies, charge some fees for ecopasses;
- HHS – clarification regarding business plan categories – generally based on population served – i.e., at-risk population services = essential; slow rate to achieve affordable housing goal – 5-8 fewer permanently affordable units added annually (23-34 fewer if property tax cut); seek additional sources of revenue; partner with other agencies and entities; some discretionary programs/services not cut because vocal community support.
- Community Planning /PW-DSS – use of fixed term employees; eliminate interns; efficiencies; narrow and deep e.g., eliminate all Historic Preservation programs; most discretionary services already cut; many Community Planning programs are driven by council initiative and priorities - reducing programs may compromise council initiatives.

Update Report Outline  
No discussion due to time constraints

Adjournment; Next meeting 10/8