

Budget Advisory Commission
September 2, 2010

Present: Jim Bailey, Andy Clary, Tony Cange, Steve Hartung, Heather Ireland, Jim Ricks, Adam Trombly, Bill Webb, Cheryl Frasca (OMB), Bill Starr (Assembly), Larry Baker (Mayor's Office).

Absent: Liz Vasquez

Cheryl Frasca distributed a packet containing:

- September BAC Agenda
- June BAC Minutes
- BAC Contact list
- BAC Meeting Schedule
- Preliminary 2011 Budget Information
- 2011 Preliminary Revenue and Expenditure Information
- 2011 Preliminary Salary and Benefit Costs
- June 2010 Monthly General Government Revenue Status Report
- Executive Summary Revenue Forecast
- July 2010 Expenditure Reports
- *The Monthly Investment Report will be distributed electronically.*

11:38 Tony Cange (Vice-Chair) called the meeting to order. Cheryl completed the roll call.

Agenda approved. June minutes approved.

Group members introduced themselves. Heather notified the group that she works part-time for Assembly Member Paul Honeman.

Election of officers. Steve nominated Adam Trombly. Andy seconded. Adam was approved as Chair. Vice Chair – Steve nominated Tony Cange. Jim seconded. The nomination was approved. Heather agreed to continue as Secretary.

OMB Update

Community Budget meetings were held in August. Feedback was gathered both during the meeting and through written surveys. Staff from Viewpoint Learning will give a final report at a date to be determined.

Preliminary revenue information was submitted to the Assembly today (9/1). Copies also distributed to BAC. Cheryl explained the 2011 preliminary Revenue and Expenditures (3% Increase and Taxing to the Cap).

The Mayor's proposed budget will be distributed October 1st. There may be a work session on this day. The schedule for additional work sessions during the budget process will be distributed to the BAC.

Mr. Webb asked about the expectations of the Committee. Muni Code outlines our role and is listed below. In addition to monthly meetings, BAC members are encouraged to

attend Assembly Work Sessions in order to give informed advice to the Assembly and Administration. The 'Work Plan' for the BAC might also mean additional meeting times.

Assembly Member Bill Starr spoke to the group about his expectations for the group on behalf of the Assembly's Budget and Finance Committee, which he Chairs. It would be useful if the BAC were more involved in the ongoing review of the budget. He requests that monthly reports provided to the Assembly (investments, revenue, budget to actual, monthly management reports) are also provided to BAC Members. The BAC can then advise the Assembly or note concerns with the current status. It may be necessary to modify the BAC meeting schedule relative to when reports are available in order to advise the Assembly in a timely manner.

In 2007, the BAC along with community volunteers met with Muni Department heads to discuss more detail about their proposed budgets. Mr. Starr would like to see a return to this model, if BAC members are willing. A formal report, or White Paper, could be submitted to the Assembly including questions asked, how cuts related to services, and recommendations – if any. This information would be available for the public as well. BAC members seemed willing to participate in this process as time allows. A standardized list of questions might be useful in this process. **BAC members are encouraged to draft ideas for discussion at the next meeting. BAC Members should communicate with the BAC Chair (Adam) regarding their interests in Department reviews.**

Also in 2007, the Assembly contracted with a private budget analyst. There is some discussion, at the Assembly level, about this model versus an ongoing budget analyst staff position.

There was some confusion about public meeting requirements for Commissions. The text from the Code is pasted below.

Mr. Starr also explained that the Assembly is meeting with the leadership of the Anchorage School District. The Budget and Finance Committee has concerns about the sustainability of Federal and State funding and may set spending guidelines to assist in the preparation of the ASD Budget.

Mr. Starr had brought forward a resolution regarding managed competition. It was not approved by the Assembly. BAC members have been researching examples from other communities that have implemented this concept. They distributed a hard copy of a summary from Arlington, TX for members to review. The longer version is available. It may be relevant to incorporate a question about managed competition into the department reviews during the budget process.

Steve submitted benefit cost data comparing the public and private sectors. Heather requested Cheryl **provide information about turnover with Muni staff** compared to other years.

Next meeting October 6th, 2010 at 11:30 in the Mayor's Conference Room.

The meeting was adjourned at 1:08 PM.

Minutes submitted by Heather Ireland on September 3, 2010.

Muni Code online

http://library5.municode.com/defaultnow/home.htm?infobase=12717&doc_action=whatsnew

4.50.030 Budget Advisory Commission.

A. There is established a municipal budget advisory commission consisting of nine members.

1. Terms shall commence on July 1 and end at midnight on June 30, except as to members appointed to fill an unexpired term.
2. In order to provide for an orderly transition, all existing terms on the date of this amendment shall be shortened by three and one-half months, expiring on June 30 of the appropriate year, instead of October 14, as originally appointed and confirmed.
3. The municipality shall provide sufficient secretarial and other staff assistance as needed by the commission.

B. The purpose of the budget advisory commission is to provide the administration and assembly well-informed advice as to the budget and budgeting process from citizen commission members who provide a broad, rather than a specific issue, interest in the budget.

C. The commission shall:

1. Advise the assembly as to the municipal budget;
2. Participate with the assembly in the assembly review of the budget, including assembly worksessions on the budget and other meetings where budget issues are a significant component of the meeting agenda;
3. Make an annual report on the budget to the assembly before the final adoption of the annual budget;
4. Review prior to submission to the assembly any quarterly reviews of the municipal budget;
5. Preside over public meetings to solicit public comment or dialogue between the administration and/or assembly and the public on municipal budget or program issues;
6. Work to increase public understanding of and influence on the municipal budget and the budget process; and
7. Undertake special studies and report findings to the administration and assembly.

(CAC 2.64.180--2.64.190; AO No. 88-36; AO No. 94-188(S), §§ 1, 2, 10-25-94; AO No. 95-223, § 1, expires 1-20-1998; AO No. 99-7, § 1, 1-26-99, expires 1-20-02; AO No. 2001-189, § 2, expires 1-20-05; AO No. 2004-123, § 1, 9-21-04; AO No. 2008-33, § 1, 2-26-08)

Cross references: Budgets and appropriations, [Ch. 6.10](#); administration of the budget, [Ch. 6.30](#).

4.05.090 Meetings.

A board or commission shall hold regular monthly meetings at such time and place as may from time to time be designated by the board or commission, but meetings need not be held if no business is pending. Boards and commissions shall advise the public of their meeting schedules, or publicly advertise their meetings where necessitated by statutory requirements. The chairman of a board or commission, or the municipal employee who is designated as an ex officio member of the board or commission pursuant to [Section 4.05.140](#), or a majority of the board or commission, may call a special meeting of the board or commission. Meetings of all boards and commissions shall be open to the public, except for an executive session, from which the public may be excluded.

Notice of meetings of boards and commissions shall be as established in [Section 1.25.015](#).

(CAC 2.64.090; AO No. 89-122(S-1); AO No. 94-132(S), § 6, 8-25-94)

State law references: Open meetings, AS 29.20.020; open meeting act, AS 44.62.310.