

The City Of *Sanford, Maine* Village of Springvale

Budget Committee Meeting Minutes March 12, 2015, 6:00 PM City Hall Annex, 3rd Floor Council Chambers

1. **Call to Order:** Meeting Called to order by Chairman Lance Hoenig at 6:05 pm
2. **Pledge of Allegiance**
3. **Roll-Call:** Bruce Carlson, Don Jamison, James Drummey, Councilor Fred Smith, Deputy Mayor Maura Herlihy, Mayor Tom Cote. Others: City Finance Director Ronni Champlin, City Manager Steve Buck, Superintendent David Theoharides, School Business Manager Gwen Bedell
 - a. **Audience Participants:**
 - i. School Committee: Tom Miscio, Scott Sheppard and Jonathan Mapes
 - ii. City Council: Councilor Victor Digregorio
 - iii. Staff: Eric Knowlton, Assistant Superintendent
4. **Adjustments to the Agenda:** None. Adjustment to minutes to add Bruce Carlson. ***Bruce Carlson was present in the meeting minutes under **Roll-Call**. His arrival is also noted in this section as is his swearing in outside the Chambers by City Clerk Sue Cote.
5. **Approval of the March 5, 2015 Meeting Minutes:** Moved by Chairman Hoenig, seconded by Mayor Cote, 7-0 to approve.
6. **Public Participation:** NONE
7. **Old Business:** NONE
New Business:
8. **Budget Overview & Discussion**
 - a. Presentation – Overview of the 2015/2016 Budget for the School
 - i. Highlights from **attached Power Point for Municipal & School Operations & CIP**
 1. Presentation made by City Business Manager Gwen Bedell
 - a. Overall Slides

FY 15 vs. FY 16		Net Change LY
Combined Expense	\$ 57,720,690.00	\$ 986,973.00
Combined CIP	\$ 2,015,379.00	\$ 325,261.00
County Tax	\$ 848,529.00	\$ -
Total Appropriation	\$ 60,584,598.00	\$ 1,312,234.00
Combined Revenue	\$ (30,432,601.00)	\$ (1,058,724.00)
Combined Use of Fund Balance	\$ (850,000.00)	\$ 500,000.00
Net Appropriation	\$ 29,301,997.00	\$ 753,510.00
Mil Rate for Municipal & School	\$ 22.20	\$ 0.5776
FY 15	\$ 21.62	
Total Net Change/\$1,000	\$ 0.5779	2.67%
Net Appropriation due to Operations	\$ 428,249.00	1.50%
Net Appropriation due to CIP Mandate	\$ 325,261.00	1.14%

CONSOLIDATED 1.5% INCREASE IN NET TAXATION			
Source or Use of Funds	14/15 Municipal Budgeted Amount	14/15 School Budgeted Amount	14/15 Combined Budgeted Amount
Operational & CIP Expenses	\$23,157,367	\$35,266,468	\$58,423,835
- Revenues	<u>\$8,598,469</u>	<u>\$21,275,408</u>	<u>\$29,873,877</u>
= Net Taxation	\$14,558,898	\$13,991,060	\$28,549,958
X 1.5 % Dollar Increase Based on Net Taxation	\$218,383	\$209,866	\$428,249

City of Sanford
FY 15/16
Budget Review

As of 3/12/15

b. School Expenses overview

SCHOOL EXPENSES			
Use of Funds	14/15 Budgeted Expense	15/16 Budgeted Expense	Variance (15/16 vs. 14/15)
General Education	\$34,327,670	\$35,496,889	\$1,169,219 + 3.4%
Adult Education	\$805,008	\$787,986	- \$17,022 - 2.1%
Capital Improvement Plan	<u>\$133,790</u>	<u>\$241,296</u>	+ \$107,506 <u>+ 80%</u>
All Education Expenses	\$35,266,468	\$36,526,171	+ \$1,259,703 + 3.6%

Sanford School Dept
FY 15/16
Budget Review

As of 3/12/15

c. Expense Breakdown by Function

GENERAL EDUCATION & CIP EXPENSES BY FUNCTION				
Expense Classification	2013/2014 Actual	2014/2015 Revised Budget	2015/2016 Proposed Budget	Variance (15/16 vs. 14/15)
Salaries, Taxes & Benefits	\$26,613,505	\$26,636,433	\$28,044,716	+ \$1,408,283
Purchased Prof. & Tech Services	\$1,591,616	\$1,696,453	\$1,850,881	+ \$154,428
Property & Gen. Ops. (inc. CIP)	\$3,180,929	\$3,399,777	\$3,571,682	+ \$171,905
Supplies & Energy	\$1,489,903	\$1,779,120	\$1,600,531	- \$178,589
Equipment & Technology	\$225,350	\$467,516	\$255,770	- \$211,746
Dues, Debts & Other	<u>\$420,471</u>	<u>\$482,163</u>	\$414,605	- \$67,558
Total Expenses	<u>\$33,521,774</u>	<u>\$34,461,462</u>	<u>\$35,738,185</u>	<u>+ \$1,276,723</u>

d. General education & CIP EXPENSES by cost center

GENERAL EDUCATION & CIP EXPENSES BY COST CENTER (1 OF 2)

Warrant Article Cost Center	2013/2014 Actual	2014/2015 Revised Budget	2015/2016 Proposed Budget	Variance (15/16 vs. 14/15)
1. Regular Instruction	\$13,806,192	\$13,527,892	\$14,439,555	+ \$911,663
2. Special Education	\$6,213,036	\$6,088,473	\$6,453,838	+ \$365,365
3. Career & Technical Education	\$1,559,141	\$1,736,377	\$1,951,289	+ \$214,912
4. Other Instruction	\$779,346	\$887,840	\$880,871	- \$6,969
5. Student & Staff Support	\$2,971,800	\$3,319,994	\$3,252,143	- \$67,851
6. System Administration	\$737,893	\$870,200	\$833,879	- \$36,321

GENERAL EDUCATION & CIP EXPENSES BY COST CENTER (2 OF 2)

Warrant Article Cost Center	2013/2014 Actual	2014/2015 Revised Budget	2015/2016 Proposed Budget	Variance (15/16 vs. 14/15)
7. School Administration	\$1,865,382	\$1,954,358	\$1,944,951	- \$9,407
8. Transportation & Busing	\$1,637,775	\$1,643,300	\$1,695,425	+ \$52,125
9. Facilities Maintenance (including CIP)	\$3,944,058	\$4,279,715	\$4,276,243	-\$3,472
10. Debts	\$0	\$138,328	\$0	- \$138,328
11. All Other Expenses & Rounding	<u>\$7,151</u>	<u>\$14,985</u>	<u>\$9,991</u>	<u>-\$4,994</u>
Total General Ed. Expenses	<u>\$33,521,774</u>	<u>\$34,461,462</u>	<u>\$35,738,185</u>	<u>+\$1,276,723</u>

e. Adult Education Expenses

ADULT EDUCATION EXPENSES

Expense Classification	2013/2014 Actual	2014/2015 Revised Budget	2015/2016 Proposed Budget	Variance (15/16 vs. 14/15)
Salaries, Taxes & Benefits	\$664,602	\$703,636	\$693,165	- \$10,471
Purchased Prof & Technical Services	\$17,776	\$17,650	\$22,605	+ \$4,955
Property & Gen. Ops. (inc. CIP)	\$28,406	\$35,649	\$32,292	- \$3,357
Supplies & Energy	\$41,467	\$35,573	\$37,884	+ \$2,311
Equipment & Technology	\$0	\$0	\$0	\$0
Dues, Fees, Debts & Other Expenses	<u>\$3,737</u>	<u>\$12,500</u>	<u>\$2,040</u>	<u>-\$10,460</u>
Total Adult Education Exps.	<u>\$755,988</u>	<u>\$805,006</u>	<u>\$787,986</u>	<u>-\$17,020</u>

f. GENERAL EDUCATION Non-Local Revenues

GENERAL EDUCATION NON-LOCAL REVENUES				
Source	13/14 Actual	14/15 Budget	15/16 Budget	Variance
State Subsidy E279	\$18,928,461	\$19,042,691	\$20,480,871	+ \$1,438,180
Tuition from Other Districts	\$918,403	\$1,003,671	\$1,022,905	+ \$19,234
State Agency Clients	\$206,249	\$150,000	\$180,000	+ \$30,000
All Other Revenues	<u>\$89,324</u>	<u>\$766,194</u>	<u>\$137,763</u>	<u>-\$628,431</u>
Total Non-Local Gen Ed Revenue	<u>\$20,142,437</u>	<u>\$20,962,556</u>	<u>\$21,821,539</u>	<u>+\$858,983</u>

g. General Education State Subsidy Revenue

GENERAL EDUCATION STATE SUBSIDY REVENUE				
Component of EPS	2013/2014 Actual	2014/2015 Actual	2015/2016 Preliminary	Variance (15/16 vs. 14/15)
Basic Operating Allocation	\$22,976,291	\$23,045,177	\$23,228,524	+ \$183,347
Gifted & Talented	\$111,948	\$102,701	\$133,677	+ \$30,976
Special Education	\$4,305,587	\$4,249,625	\$5,485,431	+ \$1,235,806
Career & Technical Ed.	\$1,111,501	\$1,298,449	\$1,504,939	+ \$206,490
Transportation & Debts	\$1,480,685	\$1,502,895	\$1,526,941	+ \$24,046
Teach. Retire.(Wash)	<u>\$497,707</u>	<u>\$466,764</u>	<u>\$618,509</u>	<u>+\$151,745</u>
EPS @ 97%	<u>\$30,483,719</u>	<u>\$30,665,611</u>	<u>\$32,498,021</u>	<u>+\$1,832,410</u>

h. Capital Improvement PLAN Summary for 2015/2016

CAPITAL IMPROVEMENT PLAN SUMMARY FOR 2015/2016	
• Roof Systems	\$27,500
• Exterior Wall Systems	\$33,500
• HVAC	\$20,000
• Electrical	\$23,900
• Plumbing	\$10,496
• Interior Trim	\$23,000
• ADA Compliance	\$ 7,800
• Fire & Safety	\$13,500
• Site Improv./Landscaping	\$41,750
• Maintenance Vehicles	<u>\$39,850</u>
Total CIP	<u>\$241,296</u>

i. School Summary

SCHOOL SUMMARY			
Source or Use of Funds	14/15 Budgeted Amount	15/16 Budgeted Amount	Variance (15/16 vs. 14/15)
Operations: General Ed + Adult Ed	\$35,132,678	\$36,284,875	+ \$1,152,197 + 3.3%
Revenues: Gen. Ed. Adult Ed. - Total Revenue	\$20,962,556 + 312,852 <u>\$21,275,408</u>	\$21,821,539 + \$396,200 <u>\$22,217,739</u>	Total + \$942,331 + 4.4%
= Net Tax from Operations	\$13,857,270	\$14,067,136	\$209,866 + 1.5%
+ CIP	<u>\$133,790</u>	<u>\$241,296</u>	+ \$107,506
= Total Net Taxation	\$13,991,060	\$14,308,432	+ \$317,372 + 2.2%

City of Sanford

FY 15/16

Budget Review

As of 3/12/15

2. Presentation by City Manager Steve Buck

a. Municipal Operational “Mandated & Public Safety” Expenses:

MUNICIPAL OPERATIONAL EXPENSES MANDATED AND PUBLIC SAFETY				
Expense Classification	2013/2014 Actual	2014/2015 Revised Budget	2015/2016 Proposed Budget	Variance (15/16 vs. 14/15)
General Government	\$1,884,544	\$1,938,850	\$1,950,712	\$11,862
General Assistance & Health Officer	\$306,498	\$274,979	\$276,809	\$1,830
Fire Department *Hydrants up \$42,304	\$3,598,233	\$3,751,108	\$3,870,420	*\$119,312
Police Department & Crossing Guards	\$2,860,440	\$3,137,091	\$3,187,384	\$50,293
Sanford Regional Communications	\$1,479,226	\$1,574,273	\$1,300,833	-\$273,440
Public Works Department	\$2,212,287	\$2,245,841	\$2,261,720	\$15,879
Environmental Services	\$1,328,974	\$1,285,306	\$1,320,629	\$35,323
Mandated Properties	\$626,601	\$651,207	\$644,136	-\$7,071
Total Expenses	\$14,296,803	\$14,858,655	\$14,812,643	-\$46,012

b. Municipal Operational Expenses by Classification:

MUNICIPAL OPERATIONAL EXPENSES BY CLASSIFICATION				
Expense Classification	2013/2014 Actual	2014/2015 Revised Budget	2015/2016 Proposed Budget	Variance (15/16 vs. 14/15)
Salaries	\$9,976,687	\$10,217,050	\$10,078,884	-\$138,216
EE Benefits & Insurance	\$4,146,546	\$4,336,157	\$4,348,000	\$11,843
Petroleum Fuels	\$415,425	\$422,776	\$385,215	-\$37,561
Electricity, Water & Sewer	\$315,316	\$340,487	\$355,816	\$15,329
Hydrants	\$616,906	\$628,936	\$671,440	\$42,504
Debt Service	\$1,147,738	\$942,491	\$789,505	-\$152,986
Total Expenses	\$16,618,618	\$16,887,897	\$16,628,810	-\$259,087

c. Summary of Impacts to Expenses. Major Employment Costs:

SUMMARY OF IMPACTS TO EXPENSES MAJOR EMPLOYMENT COSTS	
<ul style="list-style-type: none"> ▪ Employment costs decreased by \$126,373 <ul style="list-style-type: none"> ▪ Wages decreased by \$138,216 ▪ Social Security increased by \$2,552 ▪ Health Insurance decreased by \$113,813 ▪ Retirement Programs increased by \$3,599 ▪ Group Life increased by \$580 ▪ Unemployment decreased by \$960 ▪ Income Protection increased by \$3,323 ▪ Workers Compensation decreased by \$11,505 ▪ MEPEERS increased by \$128,067 	
<p>Total Employment costs represent 62% of the total City Expense Budget</p>	

d. Municipal Revenues

MUNICIPAL REVENUES				
Source	13/14 Actual	14/15 Budget	15/16 Budget	Variance
Automobile Excise Tax	\$2,841,269	\$2,690,000	\$2,800,000	\$110,000
Ambulance Fees	\$811,000	\$883,750	\$883,750	\$0.00
Waste Transfer Revenue	\$461,794	\$513,841	\$570,000	\$56,159
Local Road Assistance	\$241,804	\$240,000	\$221,808	-\$18,192
Cable Franchise Fee	\$238,261	\$257,765	\$237,502	-\$20,263
Sanford Regional Communications	\$1,316,814	\$1,493,545	\$1,048,185	-\$445,360
All Other Revenues	\$3,767,460	\$3,369,568	\$3,303,617	-\$65,951

e. Capital Improvement PLAN Summary for 2015/2016Municipal Summary

CAPITAL IMPROVEMENT PLAN SUMMARY FOR 2015/2016	
• Assessing	\$ 15,000
• Codes Enforcement	\$ 15,871
• Planning	\$ 40,000
• Police Department	\$ 112,029
• Sanford Regional Communications	\$ 22,200
• Fire Department	\$ 147,943
• Airport	\$ 18,000
• Parks, Recreation & Facilities	\$ 36,000
• Public Works Department	\$1,346,690
• Information Systems	\$ 20,350
Total CIP	\$ 1,774,083

f. Municipal Summary

MUNICIPAL SUMMARY				City of Sanford FY 15/16 Budget Review As of 3/12/15
Source or Use of Funds	14/15 Budgeted Amount	15/16 Budgeted Amount	Variance (15/16vs. 14/15)	
Operational Expenses	\$21,601,039	\$21,435,815	- \$165,224 - 1%	
-Revenues + Use of Fund Bal.	\$9,448,469	\$9,064,862	-\$383,607 - 4.0%	
=Net Tax from Operations	\$12,152,570	\$12,370,953	+218,383 + 1.8%	
+ CIP	\$1,556,328	\$1,774,083	+217,755 + 14%	
=Total Net Taxation Excl. County Tax	\$13,708,898	\$14,145,036	+ \$436,138 + 3.2%	

3. Consolidated Expenses:

CONSOLIDATED EXPENSES				City of Sanford FY 15/16 Budget Review As of 3/12/15
Use of Funds	14/15 Budgeted Expense	15/16 Budgeted Expense	Variance (15/16vs. 14/15)	
Municipal:				
Operations	\$21,601,039	\$21,435,815	- \$165,224	
CIP	\$1,556,328	\$1,774,083	+ \$217,755	
Total	\$23,157,367	\$23,209,898	+52,531	
School:				
Operations	\$35,132,678	\$36,284,875	+ \$1,152,197	
CIP	\$133,790	\$241,296	+ \$107,506	
Total	\$35,266,468	\$36,526,171	+ \$1,259,703	
Consolidated:				
Operations	\$56,733,717	\$57,720,690	+ \$986,973	
CIP	\$1,690,118	\$2,015,379	+ \$325,261	
Total	\$58,423,835	\$59,736,069	+ \$1,312,234	
Excl. County Tax			+ 2.2%	

4. Consolidated Revenues:

CONSOLIDATED REVENUES				City of Sanford FY 15/16 Budget Review As of 3/12/15
Source Of Funds	14/15 Budgeted Revenue	15/16 Budgeted Revenue	Variance (15/16vs. 14/15)	
Municipal w/ Use of Fund Bal.	\$9,448,469	\$9,064,862	- \$383,607 - 4.0%	
School w/use of Fund Bal.	<u>\$21,275,408</u>	<u>\$22,217,739</u>	<u>+ \$942,331</u> + 4.4%	
Total	\$30,723,877	\$31,282,601	+ \$558,724 + 1.8%	

5. Consolidated Summary

CONSOLIDATED SUMMARY				City of Sanford FY 15/16 Budget Review As of 3/12/15
Source or Use of Funds	14/15 Budgeted Amount	15/16 Budgeted Amount	Variance (15/16vs. 14/15)	
Operational & County Exp	\$56,733,717 \$848,529	\$57,720,690 \$848,529	+ \$986,973 + \$0	
- Revenues & Fund Bal.	\$29,373,877 <u>\$1,350,000</u>	\$30,432,601 <u>\$850,000</u>	+ \$1,058,724 <u>- \$500,000</u>	
= Net Tax from Operations	\$26,858,369	\$27,286,618	+ \$428,249 + 1.6%	
+ CIP	<u>\$1,690,118</u>	<u>\$2,015,379</u>	<u>+ \$325,261</u> + 1.9%	
= Total Net Taxation	\$28,548,487	\$29,301,997	+ \$753,510 + 2.64%	

b. Discussion of School & Municipal presentation:

- i. Councilor Smith: Questions about booking a fuel cost that may not be sustainable and the new bond payment to come.
 1. Gwen: Part of the budget includes a reserve under Purchased Professional & Technical Services for fuel costs. The cost of the future bond has been taken into consideration during the planning for the High School Bond.
- ii. Lance Hoenic: Further inquiry on the fuel reserves.
 1. Gwen: \$ 149,000+ has been put into reserves for future fuel costs.
- iii. Maura Herlihy: New Positions? Are they sustainable in 2016/17 with a relatively flat increase.
 1. Gwen: Retirements are not being filled. Combining 2 positions into one. Restoring help to the lower grades. 6 Ed Techs being restored to be shared among the (13) 1st grade classrooms.
- iv. Lance Hoenic: Hard to imagine maintaining a 1.5% increase when all costs are increasing and positions are being added.
 1. Gwen: Knows reimbursements will go up for the Ed Techs based on the 279 funding formula.

- v. Fred Smith: Do you shift positions based on shifting population?
 - 1. Gwen: Yes, have reduced a 2nd grade, added a 6th grade in the past.
- vi. Mayor Tom Cote: Restoration of cuts is different from adding employees. What are the new employees? What is the net number of new employees?
 - 1. Gwen: How many positions added: 6 Ed Techs but net employees added is 2. Loss of teachers at higher wages is a greater gain for available resources and will allow addition of more Ed Techs than teachers that have been lost.
- vii. Fred Smith: Restoration of a Reserve.
 - 1. Gwen: School has a negative fund balance of \$ 1.5 million. It is not realistic to save enough money to start restoring a fund balance at this time.
- viii. James Drummey: Adult Education. Spending \$ 800,000+/- and taking in \$ 400,000+/. Thought we were required to cover GED but are we covering the enrichment courses with the prices we are charging for Adult Education.
 - 1. David Theoharides: Will have to get the answer from Allen Lampert
- ix. Fred Smith: Is there a program in place that requires people who did not finish a course to cover the cost of the unfinished course?
 - 1. David Theoharides: Will have to get the answer from Allen Lampert
- x. Don Jamison: Sanford Regional Communications. How much would it cost to not run the center and instead take our business to another communications center? Question about increase in PAYT bag revenue. Does it reflect an increase in bags being purchased?
 - 1. Steve Buck: SRCC was able to offset the OOB loss with a reduction in staffing. SRCC was not able to offset the loss of Waterboro and Alfred which are low volume communities and did not allow for a reduction in staffing. The loss did reduce the profitability of the center. Cost of dispatching alone would be \$ 700,000+/- . If we lose another partner we will need to re-assess. Currently in negotiation with other communities to expand the center.
 - 2. Steve Buck: Expecting same revenues on the bags. Able to better project the revenues with historical perspective.
- xi. James Drummey: Sanford Regional Communications: When is the CIP going to be effected by the need for new investment in equipment?
 - 1. Steve Buck: SRCC is 5 years into a 10 year contract for equipment. SRCC can take on another member with the current equipment. Need to add \$ 10,000 per year to maintain current equipment needs. Partner communities pay their portion of CIP in their contracts.
- xii. Lance Hoenig: Undesignated Surplus
 - 1. Steve Buck: Expect to use a piece of the \$ 850,000 this year which chips away at our Undesignated Fund Balance. Any savings from operations at the School Department will go toward reducing the \$ 1.5 million negative in the School's Undesignated Fund Balance. Would expect the Undesignated Fund Balance to go down again this year. Balance is acceptable but on the low side for communities our size.
- xiii. Lance Hoenig: How do you go about prioritizing CIP and other expenses when you go through the budget? What is your process. Also on Operational Side.
 - 1. Steve Buck: I look at what is City absolutely needs to have to continue operations for the next year and that is reflected in both the CIP and the operational budgeting. Had a request of \$ 3.3 million in CIP needs. There is no fluff, no wish list, just maintaining

assets that we need today. 50% goes straight to roads and non-rolling stock. Leaves approximately \$ 700,000 to meet additional needs of the City. Public Works received \$ 300,000 of that through a Fleet Management Program but it really needs \$ 600,000 to maintain existing rolling stock every year. Operational: All staffing requests were denied. 5 losses in Dispatch (OOB), Ambulance Billing Clerk (contracted out), and ½ time City Clerk. City is strictly maintaining existing services. City is currently preparing for a “Catch-Up” Bond request in 2 years: Working hard on a full road assessment, fleet management plan for all departments.

xiv. Lance Hoenig:

1. Nelly Mae Grant expiring. What will School be losing? Gwen: Cut to \$ 400,000 or less in the grant. What pieces of the grant will we keep? How will we downsize to accommodate the lost revenue. Gwen: Currently assessing.
2. What are possible changes to the 279? Will the number hold? Gwen: 279 changes from estimate should be minimal. In the neighborhood of 10’s of thousands not the \$ 600,000+ that was seen a few years ago. Gwen feels she has a strong understanding of the 279 calculation and how it will change based on changes in School spending.
3. CTE & Special Education Reimbursements? Gwen: CTE & Special Education reimbursements will be increasing because the numbers have increased and it is a reimbursement from 2 years ago. Easy to estimate.
4. Did School have a plan for what might need to be done if School Reimbursements from the State were flat?
5. 1.5% Increase for both sides seems to be coming from just Operational? CIP mandate is put on top of that. Steve Buck: Don’t believe the Charter Commission intended Operational to be reduced in order to increase the CIP to 4% of the combined school and municipal budget over the 4 year implementation period.

xv. Sustainability. Steve Buck.

c. Motion to leave Library and Committee Funding at the levels recommended by the City Manager made by Mayor Tom Cote, seconded by Deputy Mayor Maura Herlihy. 7-0 to approve.

9. Future Agenda Items –

a. Set Agenda for next Budget Committee meeting – March 19, 2015

- i. Brief presentation of Budget Highlights from the City and School
- ii. Joint Public Hearing
- iii. Discussion of Bonding
- iv. Discussion of Budget Member Priorities for future meetings. To be e-mailed in advance to the Chairman.

b. Agenda Items for March 26, 2015

- i. Trending data for both School and City Budgets from 2008/2009 thru 2017/18.

10. Budget Committee Member Comments

- a. Tom Cote: Concerned about the sustainability of the continued growth.
- b. James Drummey: Query about County Tax. Steve Buck has been told that County tax will be relatively flat.
- c. Lance Hoenig: 2.64% is a good starting point compared to last year. Could support that large of an increase but his level of support would require some confidence that there is some plan to prevent future spikes built into this budget as it will relate to future budgets.

11. Adjourn: Declared adjourned by Chairperson Lance Hoenig at 8:25 pm.