



Meeting Agenda

Finance Committee

City Hall
601 4th Avenue E
Olympia, WA 98501

Information: 360.753.8244

Wednesday, June 16, 2021

5:30 PM

Online and Via Phone

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF AGENDA

4. PUBLIC COMMENT

(Estimated Time: 0-15 Minutes)

During this portion of the meeting, community members may address the Committee for up to two (2) minutes regarding the Committee's business meeting topics.

5. APPROVAL OF MINUTES

5.A [21-0602](#) Approval of May 19, 2021 Finance Committee Meeting Minutes

Attachments: [Minutes](#)

6. COMMITTEE BUSINESS

6.A [21-0598](#) Budget Snapshot - 2021 Lodging Tax & Washington Center for Performing Arts

6.B [21-0580](#) Briefing on the Financial Position and Reopening and Recovery Plan of the Washington Center for the Performing Arts

6.C [21-0597](#) 2021 General Fund Revenue and an Early Review of 2022 General Fund Revenue Projections Briefing

6.D [21-0596](#) 2021 Funding Needs and Resources Update

Attachments: [2021 Funding Needs and Resources](#)

7. REPORTS AND UPDATES

8. ADJOURNMENT

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City Hall
601 4th Avenue E.
Olympia, WA 98501
360-753-8244

Finance Committee

Approval of May 19, 2021 Finance Committee Meeting Minutes

Agenda Date: 6/16/2021
Agenda Item Number: 5.A
File Number:21-0602

Type: minutes **Version:** 1 **Status:** In Committee

Title

Approval of May 19, 2021 Finance Committee Meeting Minutes



Meeting Minutes - Draft

Finance Committee

City Hall
601 4th Avenue E
Olympia, WA 98501

Information: 360.753.8244

Wednesday, May 19, 2021

5:30 PM

Online and Via Phone

Register to attend:

https://us02web.zoom.us/webinar/register/WN_2YPx44HdQu-y_tQovleXlg

1. CALL TO ORDER

Chair Cooper called the meeting to order at 5:30 p.m.

2. ROLL CALL

Present: 3 - Chair Jim Cooper, Committee member Lisa Parshley and Committee member Cheryl Selby

3. APPROVAL OF AGENDA

The agenda was approved.

4. PUBLIC COMMENT - None

5. APPROVAL OF MINUTES

5.A [21-0508](#) Approval of April 21, 2021 Finance Committee Meeting Minutes

The minutes were approved.

6. COMMITTEE BUSINESS

6.A [21-0475](#) City Investments Briefing

Government Portfolio Advisors Senior Portfolio Advisor David Westcott briefed the Committee on City investments.

The discussion was completed.

6.B [21-0469](#) Climate Change Work Update

Climate Program Manager Pamela Braff, PhD provided an update on Olympia's climate change response and implementation of the Thurston Climate Mitigation Plan.

The information was provided.

6.C [21-0490](#) Transportation Master Plan Funding and Transportation Benefit District

Authority Discussion

Assistant Public Works Director Mark Russell discussed Transportation Master Plan funding and the Transportation Benefit District authority.

The discussion was completed.

7. REPORTS AND UPDATES - None

8. ADJOURNMENT

The meeting was adjourned at 8:05 p.m.



Finance Committee

Budget Snapshot - 2021 Lodging Tax & Washington Center for Performing Arts

Agenda Date: 6/16/2021
Agenda Item Number: 6.A
File Number: 21-0598

Type: report **Version:** 1 **Status:** In Committee

Title

Budget Snapshot - 2021 Lodging Tax & Washington Center for Performing Arts

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Receive a Budget Snapshot on 2021 Lodging Tax & Washington Center Performing Arts.

Report

Issue:

Whether to receive a Budget Snapshot on 2021 Lodging Tax & Washington Center Endowment.

Staff Contact:

Nanci Lien, Finance Director, 360.756.8465

Presenter(s):

Nanci Lien, Finance Director, Finance Department
Jana Brown, Accounting Manager, Finance Department

Background and Analysis:

Washington Center Endowment

The Washington Center building is owned by the City of Olympia and operated by the Washington Center for the Performing Arts (The Center), a not-for-profit organization. City funding related to The Center is accounted for in two funds; 1) The Washington Center for the Performing Arts Endowment Fund; and 2) The Washington Center for the Performing Arts Operations & Maintenance Fund.

Lodging Tax

Two State statutes (RCW 67.28.180 and RCW 67.28.181(I)) authorize the City to collect an excise tax referred to as lodging (or hotel/motel) tax. The tax is collected in two, 2% components, each with different requirements. Olympia collects 4% lodging tax and uses 2% for tourism-related expenditures and 2% is allocated to The Center.

A Lodging Tax Advisory Committee (LTAC) makes a recommendation to the City Council annually on how to distribute the 2% collected for tourism-related expenditures. Due to COVID-19 and the

uncertainty of when and how State and County agencies would allow events and business to operate in 2021, no appropriations were included in the City's 2021 budget for use of the 2% lodging tax. LTAC's recommendations will be brought forward in 2021 for appropriation consideration.

Staff will present on overview of the Washington Center funding and Lodging Tax.

Neighborhood/Community Interests (if known):

50% of lodging tax revenue supports the Center, and the other 50% supports various marketing and operating expenses for community festivals and events to attract tourists.

Options:

1. Receive the briefing.
2. Do not receive the briefing.
3. Receive the briefing at another time.

Financial Impact:

From 2017 through 2019, lodging tax typically generated ~\$1 million per year. In 2020, lodging tax revenue dropped to \$657K due to the impacts of the pandemic.

Attachments

None



Finance Committee

Briefing on the Financial Position and Reopening and Recovery Plan of the Washington Center for the Performing Arts

Agenda Date: 6/16/2021
Agenda Item Number: 6.B
File Number: 21-0580

Type: discussion **Version:** 1 **Status:** In Committee

Title

Washington Center for the Performing Arts Financial Position and Reopening and Recovery Plan

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Receive a briefing on the Financial Position and the Reopening and Recovery Plan of the Washington Center for the Performing Arts

Report

Issue:

Whether to receive a briefing on the Financial Position and the Reopening and Recovery Plan of the Washington Center for the Performing Arts

Staff Contact:

Mike Reid, Economic Development Director, 360.753.8591

Presenter(s):

Mike Reid, Economic Development Director

Jill Barnes, Executive Director, Washington Center for the Performing Arts

Background and Analysis:

The Washington Center for the Performing Arts (Center) was constructed in 1985 by the City of Olympia. While the City owns the building, the Center holds a long-term lease agreement to provide quality and financially sound performing arts programming for the entire community.

The Washington Center Operating Agreement, 2016 Amendment states that the Center will occupy, manage and operate the facility. They are responsible for the costs of administration, daily operations, general maintenance of the building and premises and performance-related maintenance. The City of Olympia is responsible for maintaining and repairing the major systems including the HVAC equipment, building exterior and roof.

The 2016 agreement also requires the Center provide an independent audited financial report, quarterly budget reports and an annual operating budget to the City. Economic Development Director, Mike Reid serves as an Ex-officio member of the Board and receives these financial reports.

Jill Barnes, Executive Director of the Center will provide the Finance Committee with more detailed information on the Center's financial position, operating budget, capital budget and their COVID reopening and recovery plan.

Neighborhood/Community Interests (if known):

The Washington Center for the Performing Arts provides a wide variety of entertainment and cultural activities to the community and is a community gathering place.

Options:

1. Receive the briefing.
2. Do not receive the briefing
3. Receive the briefing at another time.

Financial Impact:

The presentation will include information regarding the Center's financial position, operating budget, capital budget and their COVID reopening and recovery plan.

Attachments:

None



Finance Committee

2021 General Fund Revenue and an Early Review of 2022 General Fund Revenue Projections Briefing

Agenda Date: 6/16/2021
Agenda Item Number: 6.C
File Number: 21-0597

Type: report **Version:** 1 **Status:** In Committee

Title

2021 General Fund Revenue and an Early Review of 2022 General Fund Revenue Projections Briefing

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Receive briefing on 2021 General Fund Revenue and an early review of 2022 General Fund Revenue Projections.

Report

Issue:

Whether to receive briefing on 2021 General Fund Revenue and an early review of 2022 General Fund Revenue Projections.

Staff Contact:

Nanci Lien, Finance Director, 360.756.8465

Presenter(s):

Nanci Lien, Finance Director

Thomas Donnelly, Billing & Collections Manager, Finance Department

Background and Analysis:

The General Fund accounts for 53% of expenditures in the City's 2021 Operating Budget and supports the majority of City services with the exception of utilities and fleet. Some 66% of these services are supported by some types of general revenue such as tax; property, sales, business and occupation, and utilities taxes. Projections for these general revenues provide an indicator of the City's ability to support and maintain level of service.

In preparation for the 2022 Operating Budget process, staff is analyzing how the projected 2021 General Fund revenues are performing and is also working on preliminary revenue projections for

2022.

Staff will present an overview of 2021 General Fund revenue performance as well as an early review of 2022 General Fund Revenue Projections.

Neighborhood/Community Interests (if known):

The City's budget and how revenue supports City services is of interest to the community.

Options:

1. Receive the briefing.
2. Do not receive the briefing.
3. Receive the briefing at another time.

Financial Impact:

The City's 2021 Operating Budget appropriates \$167 million in expenditures, including \$88 million in the General Fund.

Attachments:

None



Finance Committee

2021 Funding Needs and Resources Update

Agenda Date: 6/16/2021
Agenda Item Number: 6.D
File Number: 21-0596

Type: report **Version:** 1 **Status:** In Committee

Title

2021 Funding Needs and Resources Update

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Receive and update on 2021 Funding Needs and Resources.

Report

Issue:

Whether to receive an Update on 2021 Funding Needs and Resources.

Staff Contact:

Nanci Lien, Finance Director, 360.756.8465

Presenter(s):

Jay Burney, City Manager

Nanci Lien, Finance Director, Finance Department

Background and Analysis:

The operations of the City are dynamic with ever changing priorities. In response to the pandemic economic recovery and emerging critical needs, City staff will present a high-level summary of updated 2021 funding needs and the proposed resources to support them for discussion purposes.

Neighborhood/Community Interests (if known):

Economic recovery from the pandemic and the City's budgeting is of interest to many community members.

Options:

1. Receive the update.
2. Do not receive the update.
3. Receive the update at a later date.

Financial Impact:

The City's Adopted 2021 Operating Budget appropriates \$167 million in expenditures, including \$88 million in the General Fund.

Attachment

2021 Funding Need and Resources

Attachment: City Manager Update on 2021 Funding Needs & Resources

Prepared for: Finance Committee Meeting

Meeting Date: 6/16/2021

ARPA Funding
\$9,200,000 ARPA Funding

ARPA - Planned Used of Fund
- \$2,100,000 Economic Recovery
- \$1,300,000 Assistance with Delinquent Utility Customers
- \$1,500,000 2020 Revenue Restoration*
- \$2,000,000 RHC/Housing Project
- \$6,900,000 Total Planned Use of ARPA Funding

\$2,300,000 Balance of ARPA Funding**
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Balance ARPA Funding + Other Funding Resources
\$2,300,000 Balance of ARPA Funding (from above)**
\$1,500,000 2020 Revenue Restoration (from above)*
\$4,100,000 Economic Dev Reserves
\$750,000 Public Safety Reserves
\$400,000 EOY Unallocated Gen Fund Fund Balance
\$180,000 2021 Council Goal Money
\$9,230,000 Total Balance APRA + Other Funding Resources

Other 2021 Funding Needs
- \$200,000 Parks General Fund EOY Unallocated Excess Funds – (EOY Unallocated Gen Fund Fund Balance)
- \$150,000 Equity Audit/Consultant Costs (EOY Unallocated Gen Fund Fund Balance)
- \$2,500,000 Future mitigation site acquisition and set-up (ARP or Econ Dev)
- \$600,000 Communications Resources (ARP- Revenue Restoration)
- \$200,000 Ambassador/Clean Team Expansion (Economic Dev Reserves)
- \$250,000 CRU/FF Tenant Improvements at CCC (Public Safety Reserves)
- \$300,000 OFD Cares Program Start-Up Costs (TBD- Consultant Study)
- \$3,000,000 OFD BLS Transport/Awaiting Consultant Eval – Capital + Staffing (TBD - Consultant Study)
- \$235,000 Bregault Property Acquisition (Economic Dev Reserves)
- \$70,000 Re-Imagining Public Safety Additional Funding (Council Goal Money)
- \$7,505,000 Total Other 2021 Funding Needs