

## **Meeting Agenda**

#### **Finance Committee**

City Hall 601 4th Avenue E Olympia, WA 98501

Information: 360.753.8244

Wednesday, January 15, 2020

5:30 PM

**Room 207** 

- 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, citizens may address the Committee for up to three (3) minutes regarding the Committee's business meeting topics.

5. APPROVAL OF MINUTES

**5.A** 20-0055 Approval of October 28, 2019 Finance Committee Meeting Minutes

Attachments: Minutes

**5.B** 20-0056 Approval of November 20, 2019 Finance Committee Meeting Minutes

<u>Attachments:</u> <u>Minutes</u>

6. COMMITTEE BUSINESS

**6.A** 20-0035 Approval of the 2020 Finance Committee Work Plan

Attachments: Draft 2020 Finance Committee Work Plan

#### 7. REPORTS AND UPDATES

#### 8. ADJOURNMENT

The City of Olympia is committed to the non-discriminatory treatment of all persons in employment and the delivery of services and resources. If you require accommodation for your attendance at the City Council Committee meeting, please contact the Council's Executive Assistant at 360.753.8244 at least 48 hours in advance of the meeting. For hearing impaired, please contact us by dialing the Washington State Relay Service at 7-1-1 or 1.800.833.6384.





# Approval of October 28, 2019 Finance Committee Meeting Minutes

Agenda Date: 1/15/2020 Agenda Item Number: 5.A File Number: 20-0055

Type: minutes Version: 1 Status: In Committee

**Title** 

Approval of October 28, 2019 Finance Committee Meeting Minutes



## **Meeting Minutes - Draft**

#### **Finance Committee**

City Hall 601 4th Avenue E Olympia, WA 98501

Information: 360.753.8244

Monday, October 28, 2019

5:30 PM

**Council Chambers** 

#### **Special Meeting**

#### 1. CALL TO ORDER

Chair Cooper called the meeting to order at 5:31 p.m.

#### 2. ROLL CALL

**Present:** 2 - Chair Jim Cooper and Committee member Jessica Bateman

**Excused:** 1 - Committee member Lisa Parshley

#### 3. APPROVAL OF AGENDA

The agenda was approved.

#### 4. PUBLIC COMMENT

No one spoke.

#### 5. APPROVAL OF MINUTES

**5.A** <u>19-0983</u> Approval of September 19, 2019 Finance Committee Meeting Minutes

The minutes were approved.

#### 6. COMMITTEE BUSINESS

#### **6.A** 19-0970 Budget Snapshot - Impact Fees

Fiscal Services Director Nanci Lien presented information on the City's impact fees, including what they are and how they can be used. Ms. Lien also explained how city impact fees are calculated, how they are collected, and deadlines for spending the fees received.

The Committee asked for a Budget Snapshot presentation of General Facility Charges (GFCs) at a future Committee meeting.

The information was provided.

**6.B** <u>19-0388</u> Discussion with Utility Advisory Committee

Mike Buffo, Utility Advisory Committee Chair and Eric Christensen, Water Resources Director reported that the Utility Advisory Committee (UAC) has been hearing a lot from the community about sea level rise and recycling changes. The UAC plans to work on the Climate Action Plan as part of their 2020 workplan. The Finance Committee expressed appreciation to the UAC for working with the them.

The discussion was completed.

**6.C** <u>19-0220</u> Preliminary Review of 2020 Utility Rates and General Facility Charges

Mike Buffo, Utility Advisory Committee Chair; Waste ReSources Director Gary Franks; and Eric Christensen, Water Resources Director gave a report regarding proposed 2020 utility rates and General Facility Charges. The UAC recommends a 2.48% utility rate increase and a \$138 increase to the General Facility Charges in 2020.

Committee member Bateman moved, seconded by Chair Cooper to forward the proposed 2020 utility rates to Council for further consideration.

Aye: 2 - Chair Cooper and Committee member Bateman

**Excused:** 1 - Committee member Parshley

**6.D** <u>19-0964</u> Review of 2020 Development Fee Adjustments

Planning and Engineering Supervisor Tim Smith presented a draft ordinance that proposes increases to Planning Permit fees, Engineering Plan Check and Inspection Fees, Building Permit Fees, and Document recording Fees. The increases move the City closer to reaching the 85% cost recovery goal for these services.

Committee member Bateman moved, seconded by Chair Cooper to forward the recommended proposed changes to the 2020 development fees to Council for further consideration.

Aye: 2 - Chair Cooper and Committee member Bateman

**Excused:** 1 - Committee member Parshley

**6.E** 19-0907 Briefing of the Preliminary 2020 Operating Budget

City Manager Steve Hall and Administrative Services Director Debbie Sullivan gave a briefing on the Preliminary Operating Budget. The Committee asked clarifying questions.

The discussion was completed.

#### 7. REPORTS AND UPDATES

Ms. Sullivan shared the November Finance Committee agenda.

#### 8. ADJOURNMENT

The meeting was adjourned at 7:24 p.m.

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# Approval of November 20, 2019 Finance Committee Meeting Minutes

Agenda Date: 1/15/2020 Agenda Item Number: 5.B File Number: 20-0056

Type: minutes Version: 1 Status: In Committee

**Title** 

Approval of November 20, 2019 Finance Committee Meeting Minutes



## **Meeting Minutes - Draft**

#### **Finance Committee**

City Hall 601 4th Avenue E Olympia, WA 98501

Information: 360.753.8244

Wednesday, November 20, 2019

5:30 PM

**Room 207** 

#### 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 Jessica Bateman and Committee member Lisa Parshley

#### 3. APPROVAL OF AGENDA

The agenda was approved.

#### 4. PUBLIC COMMENT

Peter Cook and Lisa Gillotti spoke.

#### 5. APPROVAL OF MINUTES

The meeting minutes from the October 28 meeting will be approved at the next Finance Committee meeting.

#### 6. COMMITTEE BUSINESS

**6.A** 19-1073 Review State Mandated Changes to the Model Business and Occupation Tax Ordinance

Fiscal Services Accounting Manager Thomas Donnelly presented the State mandated changes to the City's Model Business and Occupation Tax Ordinance.

Committee member Bateman moved, seconded by Committee member Parshley, to forward the Updated Model Business and Occupation Tax Ordinance to the City Council.

Aye: 3 - Chair Cooper, Committee member Bateman and Committee member Parshley

**6.B** <u>19-1084</u> Briefing on Third Quarter Budget Report

Fiscal Services Budget Analyst Joan Lutz and Fiscal Services Director Nanci Lien presented the third quarter budget report. Chair Cooper requested that quarterly budget

reports be placed on the City's website.

Ms. Lien also reported on updated sales tax incomes.

The discussion was completed.

**6.C** <u>19-1075</u> Discussion of the Preliminary 2020 Operating and Capital Budgets

Interim City Manager Jay Burney and Administrative Services Director Debbie Sullivan gave a report on the Preliminary Operating Budget. Committee Chair Cooper proposed a recommendation for balancing the 2020 operating budget, including increasing the sales tax revenue forecast by .5% (from 1.5 to 2%) adding \$100,000 in new revenue. Chair Cooper recommended the following expenditures: \$30,000 for a Police Auditor. \$5,000 to mail 5 Things Matter to all renters, \$10,800 for increased hours for OFD Cares, \$49,000 to move 12 fire vehicles to the Equipment Reserve Fund, and \$5,200 to increase Council Goal money. Committee members Bateman and Parshley agreed. Mr. Burney relayed a request from South Puget Sound Community College to host Modern Warrior Live so veterans and military families can attend the performance. The Committee agreed to honor the request with Council Goal funds.

Committee member Bateman moved, seconded by Chair Cooper to forward the recommended proposed budget balancing changes to Council for consideration.

Aye: 3 - Chair Cooper, Committee member Bateman and Committee member Parshley

#### 7. REPORTS AND UPDATES

Mr. Burney shared information about recent bond rating calls.

#### 8. ADJOURNMENT

The meeting was adjourned at 7:18 p.m.





## Approval of the 2020 Finance Committee Work Plan

Agenda Date: 1/15/2020 Agenda Item Number: 6.A File Number: 20-0035

Type: decision Version: 1 Status: In Committee

#### **Title**

Approval of the 2020 Finance Committee Work Plan

## Recommended Action Committee Recommendation:

Not referred to a committee

#### **City Manager Recommendation:**

Move to approve the 2020 Finance Committee Work Plan

#### Report

#### Issue:

Whether to approve the 2020 Finance Committee Work Plan

#### Staff Contact:

Debbie Sullivan, Administrative Services Director, 360.753.8499

#### Presenter(s):

Debbie Sullivan, Administrative Services Director

#### **Background and Analysis:**

Each year, all Council Committees develop a work plan. The Finance Committee typically submits a basic plan to guide the Committee's work for the upcoming year.

Some highlights of the 2020 work plan include: updating the Financial Management Policy to include the Budget Stabilization Reserve Fund, discussing an update to the City's Indirect Cost Allocation Plan, financial needs to implement the Transportation Master Plan, and a discussion to develop an Economic Development Strategy and policy considerations to support it.

The 2020 Finance Committee work plan allows time throughout the year to respond to emerging issues. Meetings are currently scheduled for the third Wednesday of every month starting at 5:30 pm.

## Neighborhood/Community Interests (if known): N/A

Status: In Committee Type: decision Version: 1

### **Options:**

Approve the 2020 Finance Committee Work Plan
 Direct staff to remove and/or add agenda items

### **Financial Impact:**

N/A

#### **Attachments:**

Draft 2020 Finance Committee Work Plan

#### 2020 Draft Work Plan

#### **Schedule of Regular and Special Meetings**

Note: Meeting dates and agenda items are subject to change.

Regular meeting: 3<sup>rd</sup> Wednesday, 5:30 – 7:30 p.m., Olympia City Hall,

Committee Members: Councilmembers Jim Cooper (Chair), Jessica Bateman, Lisa Parshley

#### January 15

1. Budget Snapshot: TBD (Nanci Lien)

- 2. Economic Ecosystem Discussion (Mike Reid)
- 3. 2020 Finance Committee Work Plan (Debbie Sullivan)

#### February 19

- 1. Budget Snapshot: TBD (Nanci Lien)
- 2. Financial Management Policy Update Budget Stabilization Reserve Policy (Debbie Sullivan)
- 3. Discuss 2021 Public Engagement Process (Stacey Ray)
- 4. Oral Report 2019 Year-End Balance

#### March 18

- 1. Budget Snapshot: TBD (Nanci Lien)
- Discuss Financial Impact and Options of Downtown Improvement District (Amy Buckler)
- Indirect Cost Allocation Plan Briefing & Parks Funding Discussion (Debbie Sullivan)
- 4. Transportation Funding (Mark Russell)
  - a. Implications of I-976 on Pavement Preservation

#### **April 15** b. Potential new funding sources identified in TMP

- 1. Budget Snapshot: TBD (Nanci Lien)
- 2. Discuss Economic Development Strategy and Future Policy Considerations (Mike Reid)

#### Community Conversations – date and location(s) TBD

#### May 20

- 1. Budget Snapshot: TBD (Nanci Lien)
- 2. Update on Building Repair and Replacement (Meliss Maxfield)
- 3. Review Financial Report from the Washington Center for the Performing Arts (Debbie Sullivan)
- 4. 1<sup>st</sup> Quarter Financial Report (Joan Lutz)

#### June 17

- 1. Budget Snapshot: TBD (Nanci Lien)
- 2. Multi-year revenue and expense projections
- 3. Climate Mitigation Plan (Rich Hoey)

#### July 15

- 1. Briefing on 2021-2026 Preliminary Capital Facilities Plan (Debbie Sullivan)
- 2. Transportation Master Plan (Mark Russell)
- 3. Waste ReSources Maintenance Center (Rich Hoey)
- 4. Public Engagement Results (Stacey Ray)

#### August 19

- 1. Budget Snapshot: TBD
- 2. Lifeline Utility Rates (Eric Christensen)
- 3. 2<sup>nd</sup> Quarter Financial Report

#### September 16

- 1. Preliminary 2021 Operating Budget (Jay Burney/Debbie Sullivan)
- 2. Review Utility Rates (Eric Christensen/Gary Franks)
- 3. Review Impact Fee
- 4. Review Development Fee Adjustments (Leonard Bauer)

#### October 21

1. Budget Snapshot: General Facility Charges

#### **November 18**

- 1. Budget Snapshot: TBD (Nanci Lien)
- 2. Discussion of 2021 Preliminary Operating and Capital Budgets
- 3. 3<sup>rd</sup> Quarter Financial Report (Joan Lutz)

#### **November**

Special Meeting if needed for budget discussion

#### December 16

- 1. Budget Snapshot: TBD (Nanci Lien)
- 2. 2021 Work plan (Debbie Sullivan)

#### **ITEMS TO BE SCHEDULED:**

- JASCOM 2021 Budget
- Excise Tax:
  - o Short-term rentals (revenue stream for housing & renter protection)
  - o Marijuana
  - o Vehicles driving into Olympia
- Annexation Cost Analysis
- Discuss results of ADA study
- Discuss options/ability to leverage the City's Investments
  - o No or low interest loans for energy upgrades to housing

#### **BUDGET SNAPSHOT TOPICS:**

- Debt
- Property Tax
- Funds
- Indirect
- Special Funds
- CAFR