



# Meeting Agenda

## Finance Committee

City Hall  
601 4th Avenue E  
Olympia, WA 98501

Information: 360.753.8244

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**Wednesday, March 18, 2020**

**5:30 PM**

**Room 207**

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**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**     [20-0270](#)     Approval of February 26, 2020 Finance Committee Meeting Minutes

**Attachments:**     [Minutes](#)

**6. COMMITTEE BUSINESS**

**6.A**     [20-0261](#)     Recommendation on COVID-19 Economic Impact Relief Measures

**6.B**     [20-0101](#)     Transportation Funding Briefing

**6.C**     [20-0259](#)     Funding Recommendation for Risk-Based Analysis of Reserve Levels Study

**6.D**     [20-0248](#)     Oral Report - Review and Discuss 2019 Year-End General Fund Financial Position

**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 February 26, 2020 Finance Committee Meeting Minutes**

**Agenda Date:** 3/18/2020  
**Agenda Item Number:** 5.A  
**File Number:**20-0270

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

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**Title**

Approval of February 26, 2020 Finance Committee Meeting Minutes



# Meeting Minutes - Draft

## Finance Committee

City Hall  
601 4th Avenue E  
Olympia, WA 98501

Information: 360.753.8244

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**Wednesday, February 26, 2020**

**5:00 PM**

**Room 207**

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### Special Meeting

#### 1. CALL TO ORDER

Chair Cooper called the meeting to order at 5:05 p.m.

#### 2. ROLL CALL

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

#### 3. APPROVAL OF AGENDA

The agenda was approved.

#### 4. PUBLIC COMMENT

The following people spoke: Luwana Hawley, Julie Boyer, Todd Monohon, Barbara Baker, Patty Belmonte, Iri Alexander, Joby Shimomura, Robert Coit and Steve Segall.

#### 5. APPROVAL OF MINUTES

**5.A** [20-0186](#) Approval of January 15, 2020 Finance Committee Meeting Minutes

The minutes were approved.

#### 6. COMMITTEE BUSINESS

**6.A** [20-0032](#) Discussion of Financial Impacts and Recommendation on whether City would opt into the Proposed Downtown Improvement District (DID)

Strategic Projects Manager Amy Buckler and Olympia Downtown Alliance Executive Director Todd Cutts presented information about the Downtown Improvement District (DID).

Committee members asked clarifying questions.

**Committee member Parshley moved, seconded by Committee member Selby, recommend to opt into the Downtown Improvement District and forward the recommendation to the City Council for approval and directed staff to include the City's in-kind contributions in the supporting resolution; complete a**

**financial review of the Olympia Downtown Alliance organization and a 10-year analysis of the DID's impact's to the General Fund.**

**Aye:** 3 - Chair Cooper, Committee member Selby and Committee member Parshley

**6.B**     [20-0187](#)     Economic Ecosystem Study Discussion

Economic Development Director Mike Reid presented a report of the City's Economic Ecosystem. Chair Cooper requested the study be made available on the City website.

Committee members asked clarifying questions.

**The discussion was completed.**

**6.C**     [20-0188](#)     Priorities, Performance, and Investment (PPI) Cycle Community Engagement in 2020

Senior Planner Stacey Ray briefed the committee on the community engagement plan for 2020 to inform our 2021 budget investments. Staff recommended hosting a Community Conversation with community members who rent in the City of Olympia to better understand their perspectives on the community's top priorities.

Committee members asked clarifying questions.

**The discussion was completed.**

**6.D**     [20-0183](#)     Oral Report - Review and Discuss 2019 Year-End General Fund Balance

Administrative Services Director Debbie Sullivan briefed the Committee on 2019 revenue and expenditures to date and discussed the Committee's priorities for allocating 2019 General Fund savings.

Committee members asked clarifying questions.

**The report was completed.**

**7.     REPORTS AND UPDATES**

No reports were given.

**8.     ADJOURNMENT**

The meeting adjourned at 7:28 p.m.



## Finance Committee

### Recommendation on COVID-19 Economic Impact Relief Measures

**Agenda Date:** 3/18/2020  
**Agenda Item Number:** 6.A  
**File Number:**20-0261

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**Type:** recommendation   **Version:** 2   **Status:** In Committee

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#### **Title**

Recommendation on COVID-19 Economic Impact Relief Measures

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee.

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

Recommend a COVID-19 Economic Recovery Package and forward to full Council for consideration.

#### **Report**

##### **Issue:**

Recommend possible relief measures for economically impacted businesses due to the COVID-19 virus.

##### **Staff Contact:**

Mike Reid, Economic Development Director, Community Planning and Development, 360.753.8591

##### **Presenter(s):**

Mike Reid, Economic Development Director, Community Planning and Development

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

COVID-19 is already having an impact on the local economy seen through the cancellations of events, concerts, and performances. These cancellations of public gatherings are creating a ripple effect being felt through our hospitality, tourism, retail, restaurant, and entertainment industries. The City of Seattle has recently announced an Executive Order identifying components of a potential relief and support package for impacted businesses. Staff will present options that the City could implement to provide relief to economically impacted businesses.

##### **Neighborhood/Community Interests (if known):**

Significant interest by impacted businesses and their employees.

##### **Options:**

Options still being investigated at time of staff report publishing.

**Financial Impact:**

Financial impact is still in flux due to the evolving nature of COVID-19 impacts.

**Attachments:**

None



## Finance Committee

### Transportation Funding Briefing

**Agenda Date:** 3/18/2020  
**Agenda Item Number:** 6.B  
**File Number:** 20-0101

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

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**Title**

Transportation Funding Briefing

**Recommended Action**

**Committee Recommendation:**

Not referred to a committee.

**City Manager Recommendation:**

Receive a briefing on transportation funding. Briefing only; No action requested.

**Report**

**Issue:**

Whether to receive a briefing on transportation funding.

**Staff Contact:**

Sophie Stimson, Transportation Planning Supervisor, Public Works Transportation, 360.753.8497

**Presenter(s):**

Mark Russell, P.E., Deputy Director of Public Works  
Sophie Stimson, Transportation Planning Supervisor

**Background and Analysis:**

Staff will provide a briefing on transportation funding, reviewing how current sources are used, as well as potential new sources.

Staff will share new information related to transportation funding needs emerging from the Transportation Master Plan, as well as needs related to pavement preservation and safety project funding.

**Neighborhood/Community Interests (if known):**

Public input was sought in Fall 2019 on funding priorities as part of the development of the Transportation Master Plan.

**Options:**

None, briefing only.

**Financial Impact:**

N/A

**Attachments:**

None





## Finance Committee

### Funding Recommendation for Risk-Based Analysis of Reserve Levels Study

**Agenda Date:** 3/18/2020  
**Agenda Item Number:** 6.C  
**File Number:**20-0259

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

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#### **Title**

Funding Recommendation for Risk-Based Analysis of Reserve Levels Study

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee.

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

Move to recommend using \$29,000 of the Budget Stabilization Reserve to fund a Risk-Based Analysis of Reserve Levels Study and forward to the full City Council for consideration.

#### **Report**

##### **Issue:**

Whether to recommend funding a Risk-Based Analysis of Reserve Levels Study using the Budget Stabilization Reserve

##### **Staff Contact:**

Debbie Sullivan, Administrative Services Director, 360.753.8499

##### **Presenter(s):**

Debbie Sullivan, Administrative Services Director, 360.753.8499

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

In 2019, as part of a one-time accounting adjustment, City Council approved Finance Committee's recommendation to dedicate \$7.8 million to a budget stabilization reserve. The next step is to update the City's Financial Policies to reflect this new reserve fund, establish target levels, and define the conditions under which they can be used.

Staff will discuss with Finance Committee a recommendation to use \$29,000 of the Budget Stabilization Reserve to hire the Government Finance Officers Association (GFOA) to assess the appropriate level of reserve funds and recommend updated language to the City's Financial Management Policies.

GFOA is the leading association for public sector finance professionals; and, they specialize in local government financial management with a particular emphasis on budgeting and financial policies. Their Research and Consulting Center provides local governments with comprehensive analytical and advisory services and research.

GFOA will conduct a risk-based reserve analysis to recommend the appropriate level of reserve funds the City should maintain. The risk analysis relies on historical experiences, the experience of other cities, and third-party experts (i.e. Geological Survey for earthquakes). Once they examine the risk factors, GFOA uses "Probability Management" to calculate the amount of risk the City wants to cover with reserves.

Using the results of the analysis GFOA will:

1. Develop and document a target range of reserves based on the analysis;
2. Recommend updates to our Financial Policies; and
3. Recommend alternatives to reserves to mitigate risk (i.e. insurance or borrowing).

City Council approved dedicating 10 percent of General Fund end-of-year savings annually to the Budget Stabilization Reserve. Staff recommends using \$29,000 of the 2019 Budget Stabilization allocation to fund this study.

**Neighborhood/Community Interests (if known):**

Calculating the appropriate level of reserves can help reduce the risk of needing to cut programs or services during an economic downturn or unforeseen emergency.

**Options:**

1. Approve staff recommendation to fund a Risk-Based Analysis of Reserve Levels' Study using the Budget Stabilization Reserve and forward recommendation to Council for approval.
2. Direct staff to find another source of funding for the Risk-Based Analysis of Reserve Levels Study. The study will be delayed until 2021.
3. Provide staff with direction and return with an alternative approach.

**Financial Impact:**

Funding is available through the Budget Stabilization Reserve.

**Attachments:**

None



## Finance Committee

### Oral Report - Review and Discuss 2019 Year-End General Fund Financial Position

**Agenda Date:** 3/18/2020  
**Agenda Item Number:** 6.D  
**File Number:** 20-0248

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

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#### **Title**

Oral Report - Review and Discuss 2019 Year-End General Fund Financial Position

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee.

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

Review and discuss the 2019 year-end General Fund financial position and direct staff to prepare an ordinance appropriating available fund balance above the Emergency and Budget Stabilization Reserve requirements.

#### **Report**

##### **Issue:**

Whether to review and discuss the 2019 year-end General Fund financial position and direct staff to prepare an ordinance appropriating available fund balance above the Emergency and Budget Stabilization Reserve requirements.

##### **Staff Contact:**

Debbie Sullivan, Administrative Services Director, 360.753.8499

##### **Presenter(s):**

Debbie Sullivan, Administrative Services Director  
Jay Burney, Interim City Manager

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

Staff will provide Finance Committee with a report of the City's 2019 year-end General Fund financial position. Staff will present and discuss the Interim City Manager's recommendation for appropriating available fund balance above the Emergency and Budget Stabilization requirements. The recommendation will be based on 2019 Operating and Capital budget discussions.

##### **Attachments:**

None