



## MINUTES

### Finance Committee Regular Meeting

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**8:00 AM - October 11, 2018**

City Hall Executive Briefing Room - Plaza 111, Sammamish, WA

**Committee Members Present:** Councilmember Chris Ross  
Councilmember Pam Stuart

**Committee Members Absent:** Councilmember Jason Ritchie

**Staff Present:** City Manager Larry Patterson  
Director of Finance & Risk Management; Assistant City Manager Aaron Antin  
Deputy Director of Finance & Risk Management Chris Gianini  
Director of Parks & Recreation Angie Feser  
Deputy Director of Parks & Recreation Anjali Myer  
Director of Public Works Steve Leniszewski  
Administrative Assistant Tammy Mueller

#### **CALL TO ORDER**

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Chair Chris Ross called the Finance Committee meeting to order at 8:02 a.m.

#### **PUBLIC COMMENT ON COMMITTEE AGENDA ITEMS**

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**Mary Wictor**, 408 208th Ave NE, spoke on the topics of setting aside funds specifically for grants in the proposed 2019-20 budget and stormwater funds.

#### **APPROVAL OF THE MINUTES**

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May 11, 2018 Special Meeting

**MOTION: Councilmember Pam Stuart moved to approve the minutes as distributed. Councilmember Chris Ross seconded. Motion carried unanimously 2-0 with Councilmember Jason Ritchie absent.**

#### **FINANCIAL INFORMATION REVIEW**

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**Review highlights of 2018 Financial Management Reports**

Aaron Antin, Director of Finance & Risk Management and Assistant City Manager, presented the [highlights of the 2018 Financial Management Report](#). Discussion commenced.

- The Committee questioned why Traffic Impact Fees appear to have a \$2.5 million shortfall projected. Staff explained that this is due to development projects which have agreed to make traffic improvements in lieu of paying the traffic impact fee.

**Review Council direction received following review of Interim CM's Draft preliminary 2019-20 budget at September 25th Council Budget workshop.**

Aaron Antin, Director of Finance & Risk Management and Assistant City Manager, reviewed the [Council Budget Workshop Study Session Questions from Council Members from 9/25/18](#). Discussion commenced.

**City Master Plan Delay Updates**

- Staff listed the reasons for the delays in major plan documents that were originally anticipated to be available for the 2019-20 budget inputs. The majority of delays were related to the primary project leaders leaving the City. The Facilities Plan, Human Services Plan, and Police Services Study were all being overseen by the vacant Deputy City Manager position. The IT Plan was overseen by the now vacant Director of Organizational development, and the Classification and Compensation Plan was begun under the still currently vacant Director of Administrative Services when the now vacant Director of Organizational development moved into to temporarily fill the Administrative Services Director vacancy. The Transportation Master Plan was moved based on City Council direction. A reminder of the Sept. 25<sup>th</sup> [slide on strategic planning](#) outlining the estimated completion dates was reviewed again by the Committee.

**Property Tax:**

- Levy rates were discussed, utilizing a [comparison chart of levy rate history and revenue history](#) as well as a [property tax distribution graph and chart](#). The Committee requested that the City Manager have staff prepare a table or bar chart with inflation overlayed with the revenue increases to better determine whether revenues are keeping up with inflation over the recent historical period. An illustration on whether expenditures are keeping up with inflation was also suggested.
- The Committee requested information related to the change in real property assessed valuations over the past 5 - 10 years that could help citizens understand why they may see increases in their yearly property taxes despite Sammamish tax rates remaining stable or decreasing.
- Additional discussion on property tax legislation and related economic planning and inputs occurred.

**Follow up question asked at the Sept. 25<sup>th</sup> Council Budget session related to adding a Storm Water project to the budget.**

- Steve Leniszewski, Public Works Director, addressed the Committee regarding whether additional stormwater projects should be added to the budget. At this point in time, all rates have been set to fund currently planned stormwater projects. Additional projects could be considered in the future but not part of this budget cycle.

**Related to a request for the Finance Committee to respond to a 1% Cut to the City Budget:**

- The Committee discussed this comment made at the Sept. 25<sup>th</sup> meeting by a Councilmember not on the Finance Committee and possible recommendations that the Committee may want to make. The Chair stated that it was premature to do a cut now as there are too many variables in play that need to be dispositioned, including budget elements to be addressed in mid-biennial budget. Committee member Stuart agreed

that the City does not need to be cutting right now. There also was a brief discussion of the 5% stress test that the Committee performed last March, and the reality that cuts to public safety would be difficult to recommend given the necessity of public safety services, which would then lead to looking at other potential solutions to fund any additional capital improvements needs.

**RECOMMENDATION: The Committee recommended to table the topic of which services to cut to achieve a 1% cut to the budget until next year.**

**COLA:**

- The Committee discussed the 2.43% four-year average of CPI-U increases used in over the past several years to adjust City employee wages. The Committee discussed the general method, but no recommendation was made to alter this method for the 2019 wages.

**Attorney Contract:**

- The Committee briefly discussed whether to change the City Attorney model (contracting services compared to in-house service). They agreed with the Interim City Manager's recommendation to retain the current service model and contract for this service at the present time.

**RECOMMENDATION: The Committee recommended that discussion of the city attorney contract be tabled until a new City Manager is appointed.**

**REVIEW FUTURE MEETING TOPICS**

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Classification & Compensation Study - Contractor Equity/Market Average or Other Standard for Total Compensation

Citizen Survey Results - (delayed due to vacant Communications Manager position)

Master Capital Project List/Waterline Discussion in 2019

1. Parks CIP, TIP, Capital Facilities Plan, IT capital plan

**ADJOURNMENT**

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**MOTION: Councilmember Chris Ross moved to adjourn. Councilmember Pam Stuart seconded. Motion carried unanimously 2-0 with Councilmember Jason Ritchie absent.**

The meeting adjourned at 9:31 a.m.