

FINANCE COMMITTEE MEETING MINUTES

January 14, 2014

Elected Officials Present

Councilmember Petso
Councilmember Johnson

Staff Present

Roger Neumaier, Finance Director
Jim Lawless, Assistant Chief of Police
Renee McRae, Recreation Manager
Jeannie Dines, Recorder

Public Present

Dave Page
Ron Wambolt
Bruce Witenberg

Councilmember Petso called the meeting to order at 6:00 p.m.

A. Police Surplus Property

ACOP Lawless explained the items on this list are no longer serviceable; the vests have exceeded their 5-year working life. Committee members requested the printer be recycled if possible.

Action: Schedule on Consent Agenda.

B. Amendment of Certain Dog Licensing Fees (ECC 5.05.020)

ACOP Lawless explained the increase in the license fees and use of an outside vendor was approved by the Council as part of a budget decision package. Pet licensing fees not been increased for over 20 years. Committee members requested Section 5.05.020.C.2.d be amended to change the fee for replacement of a metal tag from \$1 to \$4 as the vendor's charge is \$3.90.

Action: Schedule on Consent Agenda.

C. Contract for Services with PETDATA, Inc. for Dog Licensing

ACOP Lawless explained this is the contract for services for pet licensing. This vendor is used by several other agencies throughout Puget Sound. This is PETDATA's standard contract with Edmonds specific amendments; the contract was reviewed and approved as to form by the City Attorney. ACOP Lawless responded to questions regarding the contract term, severability, current cost of pet licensing and budget impact.

Action: Schedule on Consent Agenda.

D. 2013 November Budgetary Financial Report

Mr. Neumaier reviewed the 2013 November, highlighting the following:

- General Fund revenues YTD are 99% of budget and \$800,000 higher than last year at this point
- General Fund expenditures YTD are 85% of budget
- REET revenue was predicted in early 2013 to be \$900,000 at year-end, appears will be close to that.

Mr. Neumaier referred to the Summary of Investment Portfolio and recommended increasing the amount in the Snohomish County Investment Pool from \$10 million to \$20 million as the return is significantly higher and could generate an additional \$50,000 in revenue. It is within his authority to do but he wanted to notify the committee. It was agreed Mr. Neumaier would email all Councilmembers; if no concerns are expressed, he will proceed. If there are concerns, he will schedule a discussion with full Council. It was also agreed to include Additional Cash as a separate line item on the Investment Portfolio Summary Report.

Mr. Neumaier responded to Council questions regarding 2013 under-expenditures and balances in the REET funds. He will research and respond regarding the source and intended use of funds in Fund 117: Municipal Arts Acquisition.

Action: Schedule on Consent Agenda.

E. 2013 General Fund Revenue Analysis through 11/30

Mr. Neumaier reviewed the 2013 General Fund Revenue Analysis through 11/30, highlighting the following:

- Surplus property tax revenue was due to sales
- Sales tax is \$350,000 over budget
- Of \$32.8 million budget, project will end the year with \$34.2 million, a surplus of \$1.3 million

Mr. Neumaier responded to questions regarding the cumulative collection of other taxes, leasehold excise tax, 2013 under-expenditures, and 2013 budgeted revenue.

Action: For Information only.

F. Ordinance Implementing Residential Parking Permit Fee Increase in Accordance with the 2014 Adopted City Budget

Mr. Neumaier explained the Council passed a decision package to increase parking permit fees from \$10 to \$25. During implementation, a \$5 discounted fee was discovered; staff proposes increasing it to \$10. The committee requested staff reword and clarify the justification statement in the agenda memo. Councilmember Johnson will inform Council Parking Committee liaison Councilmember Peterson of the change.

Action: Schedule on Consent Agenda.

G. Interlocal Agreement with Public Hospital District No.2, Snohomish County to Provide an Exercise Program

Ms. McRae explained this is a grant for new equipment in the Frances Anderson Center weight room.

Action: Schedule on Consent Agenda.

H. Public Comments

Ron Wambolt, Edmonds, asked why January actual collected and cumulative collection for sales tax on the Revenue Analysis were not the same. Mr. Neumaier will make a correction.

Dave Page, Edmonds, asked whether the City forecasts grants. Mr. Neumaier described the difficulty forecasting grants.

Bruce Witenberg, Edmonds, requested the Finance Committee bring the Council a policy to inform the public about the amount and the recipient when action is taken following an executive session to approve a settlement. He also recommended, 1) informing the public about attorney expenditures that are over the amount budgeted such as special counsel, and 2) showing all attorney fees in one place in the budget.

Adjournment – The meeting adjourned at 6:58 p.m.