

**Mount Vernon
Finance Committee
Parks & Enrichment Committee
Minutes
August 22, 2018**

Present: Councilmembers Beaton, Brocksmith, Carías, Hudson, Hulst, Molenaar and Mayor Boudreau

Staff present: Doug Volesky, Jana Robbins, Kevin Rogerson, Bill King, James Wepler, Peter Donovan, Chief Dodd, Isaac Huffman and Chief Brice.

- 1) Minutes from June 2018 were approved with the notation that Mr. Brocksmith was left off the list of attendees at that meeting.
- 2) Finance Department
 - a. Doug introduced the new Assistant Finance Director, Jana Robbins.
 - b. Banking Services RFP: Currently the City has bank accounts with Bank of America, US Bank, Skagit Bank and the State Local Government Investment Pool. The City is currently pay \$40 to 45k in annual banking fees and the goal is to try and reduce these fees. The proposed timeline for implementing the new bank is Jan 1, 2019. Doug is recommending Opus Bank and is currently working to put together a contract that can be brought forward to Council for approval.
 - c. 2019 Major Budget Topics
 - i) Fiscal Policy – the policy was distributed and reviewed. There are no changes expected in 2019.
 - ii) Capital Projects – various capital projects that are proposed for 2019 were reviewed.
 - iii) Facility Renewal Fund – An internal service fund for funding necessary facility renewals and repairs is being proposed for the 2019 budget. Some of the projects that are considered urgent are roofing, plumbing, ceiling and window repairs, emergency generators. The proposed funding for 2019 would cover the 2019 projects, but would not build any reserve. Councilmembers would like to see a reserve built.
 - iv) Salaries and Benefits – At this time a 2% salary increase is predicted but health insurance is estimated to be 12% higher. The Human Resources Department is working on trying to find alternative that will limit those increases to health insurance.
 - v) EMS – This is a work in progress and there will be more regarding this at the public safety committee meeting.
 - vi) Solid Waste Rate Study – the transfer station is increasing their tip fee from \$86 to \$96 per ton. This will begin a five-year increase proposed to cap at \$104 per ton. The Solid Waste division will see an increase of \$203,000 in landfill fees in 2019.

This 2019 budget does have \$40k for this study. Council may want to consider an increase to fees in 2019 to cover that landfill fee.

- d. Lincoln Commercial Block Fund – This fund was established to accumulate the lease payments from tenants and is used to operate maintain and make necessary capital improvement to the building.
 - e. Vacancy saving report: The vacancy savings to the General fund is \$536,331 to date. The total projected savings for 2018 is \$690,894.
 - a. Sales Tax Update – Sales tax revenue is 5.45% over the same period in 2017. To date the City has collected \$323,768 over budget at this point.
 - b. TBD Tax Update – Year to date the TBD tax is 24.27% over projected budget.
- 3) Parks & Enrichment Services Department:
- a. Projects
 - i) Kiwanis Spray Park is in the process of being resurfaced. The work is progressing on schedule.
 - ii) Little Mountain – waiting on the September award by the RCO grant committee to determine if funding will be received.
 - iii) Pacific Quarry – the boundaries have been clearly defined and a new contract will be presented to Council on Sept. 7, 2017
 - iv) Stokley Tower the tenants on the tower should pay for the repairs.
 - v) Cedar Trees – the trees that have died along Little Mountain Road
 - b. Summer Recreational Programs were reviewed and Bill indicated that there are some new programs being offered in addition to the traditional programs. The recent influx of smoke has had an impact on the summer camps for children
 - c. City Work Program: The CWP program has had a 60% completion rate of enrollees.

The meeting was adjourned at 7:00 p.m.

Submitted by
Rebecca J. Wade
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