



# Administration and Finance Committee Minutes

October 3, 2016

5:00 PM

SeaTac City Hall - Riverton Room 128

Members:	Present:	Absent:	Commence:	5:02 PM
			Adjourn:	5:50 PM
Erin Sitterley, Chair	X			
Peter Kwon	X			
Pam Fernald	X			

Other Council Members Present: Rick Forschler, Kathryn Campbell

Staff Coordinator: Gwen Pilo, Acting Finance Director

1. Public Comment	None
2. Vacant Positions Updates	<p><u>X</u> Informational Update</p> <p><i>Acting City Manager (ACM) Joe Scorcio, provided the committee with an update regarding four key vacant positions within the City.</i></p> <ul style="list-style-type: none"> <li>• <i>Finance and Systems Director: Following the interviews, the decision was made to begin recruiting again for a second pool of candidates early next year.</i></li> <li>• <i>City Manager: Joe Scorcio informed the committee that council direction is needed regarding the City Manager position.</i></li> <li>• <i>Two Management Analysts: The City may hire two senior management analysts, or one senior and one not. The intention is to get the best qualified candidates hired.</i></li> </ul> <p><i>Statistics:</i></p> <p><i>Sr. Mgmt. Analyst: 56 applicants, 25 given supplemental questions, 19 responded. Interviews are tentatively scheduled for October 14.</i></p> <p><i>Mgmt. Analyst: 85 applicants, 24 given supplemental questions, 11 responded. Interviews are tentatively scheduled for October 21.</i></p>

3. Delivery of 2017-2018  
Preliminary Budget

X Informational Update

*ACM Joe Scorcio stated that the 2017-2018 Preliminary Budget was emailed to City Council and Department Heads just prior to the meeting. Posting to the city website will occur tonight and a press release will be posted tomorrow.*

*Four budget workshops have been scheduled beginning on Monday, October 10. Joe thanked Acting Finance Director Gwen Pilo for the long hours she put in working on the budget. He also noted that there may be a few glitches here and there in the preliminary budget which can be corrected as reviewed. He also noted that the 2017-2018 budget is the third biennial for the city.*

*ACM Scorcio briefly went over key points of the budget as highlighted in the budget memo included in the budget document.*

- *Fiscally conservative balanced budget.*
- *Some intentional reorganization of services and departments has occurred.*
- *Instead of dollar transfers from the General Fund to the Road Fund (enterprise fund), revenues and expenses are now aligned in the related fund (ie. Road, SWM, and Solid Waste). By aligning the revenues and expenses, it will provide for better accounting.*
- *The budget reflects the updated citywide and department road maps.*
- *The estimated ending fund balance for 2016 is healthy despite the repeal of the utility tax earlier in the year. Earlier this year, Department Heads were asked to manage expenses and defer expenditures where possible and the city received higher revenues than estimated. However, sustainable, long-term revenue streams and solvency are still issues to be addressed.*
- *Preliminary budget includes a 4 month operating balance.*
- *The zero-based budget presented maintains staffing and service levels.*
- *Operating budgets do not include personnel costs. There is a tentative agreement with the AFSCME; they will be taking the contract to their membership for vote.*
- *Where there were personnel vacancies, some departments were able to reorganize and/or consolidate positions. Also included in the budget is shifting to different employee benefit providers.*
- *Decision cards will be discussed at the final workshop and are not included in the preliminary budget.*
- *Major contracted services remain: Police, Fire, SCORE, and Regional Animal Control. All areas experienced significant increases of about 5%. These services account for 59% of the general fund budget.*

	<p><i>Decision Cards:</i></p> <p><i>There were some questions regarding the decision cards summary sheet, but those will be discussed in detail at the Budget Workshop with the entire City Council. Department Heads will provide detailed explanations at the workshop. He said questions in advance of the Decision Card Workshop will be welcomed. Gwen commented that she will verify that the dollar amounts reflected in the decision card summary are for the 2-year period.</i></p> <p><i>Councilmember Fernald asked about the possibility of adding future A&amp;F topics she'd like to suggest. ACM Scorcio responded that future A&amp;F Agendas depend largely on what the City Council wishes to send to A&amp;F from the Budget Workshops. She has some administrative topics she will email to Joe.</i></p> <p><i>Joe commented that staff tried to capture all the decision cards ideas the City Council has presented. Councilmember Fernald said she would like to add one for a trail at Tub Lake.</i></p>
4. Next Meeting Topics	<p><i>The next A&amp;F Meeting is scheduled for Monday, November 7 at 3 PM. A budget workshop is scheduled for 4 PM that day.</i></p>