



Administration and Finance Committee Meeting Minutes

June 11, 2020
 4:00 PM
 Virtual Meeting

Members:	Present:	Absent:	Commence:	4:01 P.M.
			Adjourn:	5:26 P.M.
Erin Sitterley, Chair	X			
Clyde Hill	X			
Senayet Negusse	X			

Other Council Members Present: Pam Fernald, Takele Gobena, Deputy Mayor Peter Kwon

Staff Coordinator: Gwen Pilo, Finance & Systems Director

1. Call to Order	<i>Committee Chair Erin Sitterley called the meeting to order at 4:01 PM</i>
2. Public Comment	<i>Public comments were required to be sent in electronically prior to the meeting. No public comments were received.</i>
3. Review of the Minutes	<u> X </u> Recommended for Approval <i>A copy of the 5/14/2020 minutes was provided to the committee for review. The committee approved the minutes as written.</i>
4. Council/City Manager Travel Pre-Approval or Final Approval	<i>None</i>
5. Parking Tax Audit Report – Clark Nuber	<u> X </u> Informational Update <i>Victoria Kitts and Mitch Hansen from Clark Nuber presented the committee with the final report of the parking tax study completed earlier this year. From the selected operators tested, the results showed some operators reporting incorrectly for the quarter ended September 2019. In addition, the unannounced site visits to select hotels discovered offerings of park and fly packages without reporting parking tax to the City. Finance staff will be working on creating a procedure for regular audits to be completed by the City in the future. Staff will also be recommending updates to the parking tax code to address loopholes</i>

	<i>and provide clear direction for operators. A recommendation will be brought forward to the committee at a later date.</i>
6. Investment Report	<u> X </u> Informational Update <i>Finance & Systems Director Gwen Pilo provided the committee with a brief update on the City's investment portfolio.</i>
7. CIR 2020-11 HS Funding & Small Business Relief	<u> X </u> Recommended for Approval <i>City Manager Carl Cole presented the committee with a memo in response to a CIR submitted by Councilmember Gobena regarding funding to support SeaTac residents and businesses during the crisis. In his response, Mr. Cole noted that the City is eligible to receive up to \$875,000 in reimbursements from the State for COVID-19 related expenses under the CARES Act. Staff has determined \$200,000 can safely be allocated to a program designed to support small businesses. Additionally, the City will also receive \$46,000 from King County designated for small business relief. A budget amendment will be required to authorize spending the funds, but the City will be reimbursed. The committee was in support of the proposed budget amendment and this item will be brought forward to the July 14th City Council Meeting.</i>
8. Coronavirus Fiscal Response Discussion	<u> X </u> Informational Update <i>City Manager Carl Cole along with Finance & Systems Director Gwen Pilo addressed the committee to discuss the current situation and fiscal response by the City. Finance staff estimate the City will lose approximately 7 to 9 million dollars in sales tax this year and Mrs. Pilo asked for guidance on what the committee views is acceptable actions to recommend to the full committee when preparing a budget amendment. The committee supported Mrs. Pilo's proposal of using 2 months of the City's excess reserves to cover the anticipated shortfall, leaving 5 months of excess reserves to help through the next two years while still maintaining our target 4 month reserves.</i>
9. Future Meeting Schedule	<i>The next A&F Meeting is scheduled for July 9th at 4:00 PM (Location: Virtual)</i>
10. Adjourn	<i>Committee Chair Erin Sitterley adjourned the meeting at 5:26 PM.</i>