

City of SeaTac

2021-2022 Council Budget Workshop 3

Minutes Synopsis

October 10, 2020 (Saturday)
9:00 AM

Virtual Meeting

CALL TO ORDER: Mayor Erin Sitterley called the SeaTac Budget Workshop to order at 9:01 a.m.

COUNCIL PRESENT (remotely): Mayor Erin Sitterley, Deputy Mayor (DM) Peter Kwon, Councilmembers (CM) Senayet Negusse, Stanley Tombs, Clyde Hill, Takele Gobena, and Pam Fernald.

STAFF PRESENT (remotely): City Manager Carl Cole, City Attorney Mary Mirante Bartolo, City Clerk Kristina Gregg, Finance & Systems Director Gwen Pilo, Budget Analyst Alexis Briggs, Deputy City Manager Gwen Voelpel, Information Systems (IS) Manager Bart Perman, Parks, Community Programs and Services (PCPS) Director Lawrence Ellis, Community & Economic Development (CED) Director Evan Maxim, Public Works (PW) Director William Appleton, Economic Development (ED) Manager Aleksandr Yermeyev, Accounting Analyst Christina McCall

AGENDA REVIEW:

- A. Virtual Meeting: live streamed on SeaTV Government Access Comcast Channel 21 and the City's website; conference line to listen to the meeting at 206.973.4555; and no one will be able to physically attend this meeting.
- B. Public Comments: remote oral and written public comments; speakers who signed-up prior to 4 p.m. yesterday will be able to provide three minutes of comments; comments received at publiccomment@seatacwa.gov before 10 a.m. yesterday will be mentioned by name and subject and then posted to the City's website.

PUBLIC COMMENTS:

Wendy Morgan – Hotel/Motel Tax Advisory Committee recommendation for funding the Highline SeaTac Botanical Garden

ANY OUTSTANDING ISSUES

Finance & Systems Director Pilo reviewed today's agenda. She also reviewed outstanding items from Budget Workshops 1 & 2: Human Services (HS) Calculations are based off expenditures; and banked capacity. She also reviewed updated assessed value numbers which increased the assessed valuation (AV) from \$4.4 to \$7 billion. Staff recommended revising the preliminary budget to increase the property tax levy to \$17.4 million. This results in use of only two months of excess reserves and leaves \$8.7 million in excess of target fund balance.

Council discussion ensued regarding banked capacity and excess reserves. Council consensus was provided to revise the preliminary budget.

HOTEL/MOTEL TAX FUND #107

ED Manager Yermeyev - provided an overview of the Hotel/Motel Tax Advisory Committee (HMAC) funding recommendations for inclusion in the 2021-2022 biennial budget: NW Symphony Orchestra - \$10,000, Museum of Flight - \$120,000, Highline Botanical Garden - \$164,800, Seattle Southside RTA - \$1,660,000, City of SeaTac Application - \$1,106,865.

The HMAC Committee does not recommend funding the following applications: The Highline Heritage Museum (promotion program), Highline Botanical Garden (entrance sign), and Issaquah Salmon Days (marketing program).

CED Director Maxim reviewed next steps, revenue summary, expenditure summary, and Fund 107 summary. 2021-2022 Ending Fund Balance is estimated to be \$7 million.

Council discussion ensued regarding whether money still needs to be spent on capital projects for tourism, process for allocating HMAC funding, and Council options to revise amounts or reject recommendations.

Council provided consensus to have the HMAC 45 day review period begin on the RTA funding as well as the Highline Botanical Garden Entrance Sign.

PUBLIC WORKS (PW) FUNDS

PW Director Appleton reviewed department programs & services and objectives.

Mr. Appleton reviewed the revenue, expenditure and overall fund summaries for the following funds:

Street Fund (#102) – This is a special revenue fund. Parking tax revenue has dropped considerably. The estimated ending fund balance is \$5,404,130.

Transit Planning Fund (#106) – The estimated ending fund balance is \$301,361.

Des Moines Creek Fund (#111) – The purpose of this fund is to provide for maintenance and replacement of capital projects within the basin. The estimated ending fund balance is \$2,465,487.

Surface Water Fund (#403) – This is an enterprise fund. The ending fund balance estimate is \$2,115,789.

Solid Waste & Environmental Services Fund (#404) – The revenues for this fund come through the contract with Recology Cleanscapes. The estimated ending fund balance is \$991,957.

Equipment Rental Fund (#501) – This is a replacement reserve to maintain and operate the City fleet. The estimated ending fund balance is \$642,587.

Council discussion ensued regarding Fund #501, contract dependencies, maintenance of vehicles, and depreciation.

CAPITAL IMPROVEMENT PLAN FUNDS

Municipal CIP Fund #301

Finance & Systems Director Pilo reviewed the revenues summary and PCPS Director Ellis reviewed the expenditure summary. The estimated ending fund balance is \$12,213,175.

Council discussion ensued regarding revenue from use of the Highline Botanical Gardens.

Facility Construction CIP #306

Finance & Systems Director Pilo stated this is for purchase of property to be built upon and building of buildings. The estimate ending fund balance is \$1,783,335.

Transportation CIP #307

PW Director Appleton reviewed the revenue, expenditure, and overall fund summaries. The estimated ending fund balance is \$19,753. This is not a fund where money should be stored. This money is obligated funds.

Discussion ensued regarding the International Boulevard (IB) Safety Plan.

Light Rail Station Areas CIP #308

PW Director Appleton reviewed the overall fund summary. The estimated ending fund balance is \$3,024,464. These funds are designated for station area improvements.

Council discussion ensued regarding potential projects.

IDENTIFY AND CONFIRM ITEMS FOR ADDITIONAL REVIEW/ANALYSIS

City Manager Cole stated the HMAC will review the requested items within the next 45 days.

The next workshop is scheduled for October 16. Additional funds and decision cards will be discussed.

EXECUTIVE SESSION: None

ADJOURNED:

MAYOR SITTERLEY ADJOURNED THE BUDGET WORKSHOP OF THE SEATAC CITY COUNCIL AT 11:07 A.M.