

City of SeaTac

2011 Budget Workshop 4

Minutes Synopsis

November 15, 2010 (Monday)
5:00 PM

City Hall
Council Chambers

COUNCIL PRESENT: Mayor Terry Anderson (*left at 8:55 p.m.*), Deputy Mayor (DM) Gene Fisher, Councilmembers (CMs) Rick Forschler, Anthony (Tony) Anderson, Ralph Shape, and Mia Gregerson (*arrived at 5:54 p.m.*). Excused Absence: CM Pam Fernald.

STAFF PRESENT: Interim City Manager (ICM) Todd Cutts, City Clerk Kristina Gregg, City Attorney Mary Mirante Bartolo, Finance Director Mike McCarty, Human Resources (HR) Director Anh Hoang, Acting Fire Chief Brian Wiwel, Police Chief Jim Graddon, Municipal Court Judge Elizabeth Cordi-Bejarano, Municipal Court Administrator Mary Pederson, Parks & Recreation (P&R) Director Kit Ledbetter, and Public Works (PW) Director Todd Cutts.

RECESSED: The City Council recessed to a private meeting not subject to the Open Public Meetings Act (OPMA) per Revised Code of Washington (RCW) 42.30.140(4)(a) at 5:07 p.m.

RECONVENED: Mayor T. Anderson reconvened the 2011 Budget Workshop 4 at 7:25 p.m.

PRESENTATIONS:

Review of General Fund (GF) Forecast Update: Finance Director McCarty reviewed the GF status.

	Projected 2010 Year End (YE) Estimate	2011 Department Estimates
Revenues	27,928,252	28,617,889
Expenditures	28,347,607	29,862,694
YE Estimated Deficit	(419,355)	(1,244,805)
Beginning Fund Balance	8,036,276	7,616,921
Estimated YE Fund Balance	7,616,921	6,372,116
Projected Fund Balance Target	7,086,902	7,465,674
Projected Over (Under) Fund Balance Target	530,019	(1,093,558)
Personnel-related reductions necessary to balance 2011 GF budget		(1,093,558)

Decision cards proposed to be funded in the 2011 Preliminary Budget total \$44,615 in the GF and \$48,800 in other City funds.

ICM Cutts stated that there are revenue options to be considered going forward, including a 1% Utility Tax which would generate approximately \$440,000 a year. Council discussion ensued as to this option with most CMs agreeing that this is not the year to implement any tax increases.

Mr. Cutts clarified that this option was not included as part of the City Manager's budget recommendation.

2011 Property Tax Levy: Finance Director McCarty stated that the City still hasn't received finalized numbers from King County (KC). The preliminary allowable levy is \$11.8 million and the maximum statutory levy is \$13.6 million. The City is still waiting to receive the increase in utility value, which won't be available until after Thanksgiving. However, SeaTac is required to submit the City's Property Tax Levy to KC by December 3.

Staff will provide a tentative levy Ordinance for Council to vote on at the November 23, 2010 Regular Council Meeting (RCM) using the maximum statutory levy of \$13.6 million because the Council can only lower the rate, not increase the rate later. Staff will then prepare an Ordinance for the December 14 RCM for Council to rescind the tentative levy and establish the new levy.

2011 Budget Timeline: ICM Cutts handed out the timeline for Council review, which included Council budget dates, administrative actions/deadlines, and layoff related information.

Upon a question posed by Mayor T. Anderson, HR Director Hoang stated that staff researched providing early retirement incentives, but determined it would be cost prohibitive.

Upon a question posed by DM Fisher, Ms. Hoang stated that the City just signed a Letter Of Understanding (LOU) with the American Federation of State, County and Municipal Employees (AFSCME) Union determining bumping rights. Employees can bump down, but not up.

RECESSED: The City Council recessed to a private meeting not subject to the Open Public Meetings Act (OPMA) per Revised Code of Washington (RCW) 42.30.140(4)(a) at 8:12 p.m.

RECONVENED: DM Fisher reconvened the 2011 Budget Workshop 4 at 10:51 p.m.

ADJOURNED: DM Fisher adjourned the 2011 Budget Workshop 4 at 10:52 p.m.