



11930 Cyrus Way, Mukilteo Washington 98275

City Council Finance & IT Committee  
Committee Meeting No. 2016-4  
Mukilteo City Hall  
Tuesday April 5, 2016

**Meeting Minutes:**

In attendance were Councilmembers Randy Lord, Steve Schmalz and Scott Whelpley, Long-Range Finance Committee members Anna Rohrbough and Tony Markey, and City staff Andrea Swisstack, Mary Thomas and Doug Volesky.

1. Councilmember Lord began the meeting by making introductions and welcoming the Long-Range Finance Committee members that were in attendance.
2. Assistant City Engineer Andrea Swisstack gave an update on upcoming STP/CMAQ countywide grants that the Public Works Department is planning on applying for. They include:
  - a. Harbour Pointe Blvd SW Widening Project
    - i. Grant Request: \$719,478 of STP Funds. Existing TIB grant funds will be utilized for the 13.5% grant match.
  - b. SR526 Shared Use Path Project – ROW Phase
    - i. Grant Request: \$60,000 of CMAQ Funds. \$9,364 REET II funds required for 13.5% match. Total project cost estimate: \$69,364.
  - c. 88<sup>th</sup> St SW & Chennault Beach Road Pavement Preservation
    - i. Grant Request: \$579,875 of STP Funds. \$90,500 REET II funds required for 13.5% match. Total project cost estimate: \$670,375.
3. Finance Director Doug Volesky gave a report on the City of Mukilteo's current investments. The city currently has an estimated \$13,150,054 in total investments. Volesky reported that the city transferred funds out of the State of WA Local Government Investment Pool and purchased \$3,000,000 in FFCB bonds at a higher rate of return. The estimated amount of increased annual revenue is estimated at being around \$25,000. The committee discussed looking at transferring more funds and purchase additional higher bearing bonds. Volesky will be moving forward with looking at options.
4. Mary Thomas, IT Systems Administrator, showed the committee the Council's SharePoint site that she has recently brought into production. Thomas walked the committee through the site showing them how to navigate and where they can locate all the financial information for their review. Thomas is in the process of writing up a document that will provide user instructions for the committee and hopes to have that completed by the end of this week.

5. Using the City Council SharePoint site, Volesky presented the 2015 unaudited financial status report to the committee. The city is in the process of reconciling 2015 in preparation of completing the 2015 Financial Report, but as of now the report shows that the city has an estimated loss of about \$226K of expenditures over revenues. Volesky also presented the new financial reports for 2016 and asked the committee for feedback. He is still in the process of creating additional reports, mainly in the expense side. Financial reports presented included:
  - a. 1<sup>st</sup> Qtr Fund Status Report for all Funds
  - b. Detailed monthly revenue reports for all funds with history and associated graphs.
  - c. 2016 Monthly Revenue Status Summary by fund and major revenue categories with associated graphs.
  - d. 2016 General Fund Expenditure Detail presented monthly and with history.
6. Councilmember Lord explained the importance of understanding the minimal operating requirements of the city and how it affects the budget. Volesky presented a minimal operating requirements matrix that was prepared by Policy Analyst Marko Liias, for the committee's review and comment. Councilmember Lord stated that it was exactly what he was looking for. This matrix will be used during future discussions.
7. The agenda for the May meeting was discussed and Councilmember Lord invited the Long-Range Finance Committee members to continue coming to the Finance & IT Committee meetings if they desire.

**Next Meeting:** May 3, 2016, 6:30pm at City Hall

Agenda:

1. Continue Financial Reporting Discussion
2. Review 2017 Budget Process Timeline Document
3. Discuss any upcoming Budget Amendments
4. Discussion on annexation, reviewing revenue/costs, pros/cons
5. Discuss Ladder Truck ILA's and the potential effect of 2017 budget
6. Other
7. Set June's Agenda