



City Council Finance & IT Committee  
Committee Meeting No. 2017-5  
Mukilteo City Hall  
Wednesday, May 24, 2017 5:30 PM

**Meeting Minutes:**

In attendance were Councilmember Randy Lord, Councilmember Christine Cook, Councilmember Scott Whelpley, Mayor Jennifer Gregerson, Finance Director Michelle Meyer and Long Range Finance Committee member Sarah Kneller.

1. REET numbers and fast track projects: Councilmember Lord explained the agenda item. REET numbers should be evaluated to determine the trend and compare to prior years. This will be reviewed at the June meeting. Councilmember Lord discussed the flow chart that he has put together to illustrate the process for how to discuss and approve items at the committee level prior to items going to Council for approval. He would also like for there to be a policy that addresses the vetting of new projects and how to deal with new projects when additional funding is available.
2. Ending fund balance target: Councilmember Lord illustrated his idea to have a policy to identify when the General Fund balance exceeds certain levels, similar to the Gap closing policy for expenditures. The goal is to set a framework for Council to identify when there is additional funding available to use for previously identified or new projects. The current policy sets the minimum fund balance at two months of operating expenses (around 16.7%) and alternative amounts such as 20% were discussed. It was agreed that if a policy were developed, it should include ranges.

*The Committee agreed to transfer the topic to the Long Range Finance Committee for further discussion.*

3. 2018 Budget Workshop: Members were informed that the 2018 budget work session will be on June 26, 2017 and discussed how this work session would compare to last year's retreat. Mayor reminded everyone that the workshop was held so that the budget can reflect Council and Mayor's priorities.
4. EMS Levy: Mayor Gregerson explained that the voter-approved .50 cent levy has been reduced over the years due to increases in valuation; the issue will continue to be discussed with a possible ballot measure in 2018 to re-authorize the full .50 cent amount.
5. Fire Department Command Vehicle Purchase: This vehicle was scheduled to be replaced in 2018 but has deteriorated more rapidly than anticipated and is now in need of replacement rather than spending additional money on repairs.

*The Committee was supportive of putting the item on the Council agenda for June 5th.*

6. Long Range Finance Committee goals: The Finance Director asked the Committee members for input on how to best move forward with the Long Range Finance Committee. Councilmember Lord illustrated how the Finance & IT Committee and the Long Range Finance Committee should work together to develop strategies and vision for long range planning. The goal is for the LRFC to help develop processes to “force” the City to think long-range. In the past, the LRFC and F&IT Committee members would all meet together but ideally the LRFC should hold its own meetings, including the F&IT Councilmembers. A discussion ensued regarding the best way for the members to learn more about the City. Mayor Gregerson suggested that over the next few months, the focus of the LRFC meetings could be to provide the members with some basic information about long range projects from different departments. The Committee members were in agreement that this approach would be beneficial. The LRFC members will be attending the next F&IT Committee meeting in June. After that, the Finance Director will work to schedule meetings based on the LRFC members’ availability.
7. June Agenda: REET numbers to date and budget amendments to date were identified as topics for the June agenda. The June meeting will be held at 4:30 rather than 5:30.

The meeting adjourned at 6:45 PM.

**Next Meeting:** June 28, 2017, 4:30 PM at City Hall