

REDMOND CITY COUNCIL  
PUBLIC ADMINISTRATION AND FINANCE COMMITTEE MEETING  
SUMMARY/SPECIAL COUNCIL MEETING  
Council Conference Room, City Hall  
Thursday, May 20, 2010

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**Council**

Hank Margeson, Chair  
Kim Allen  
Hank Myers  
Pat Vache (*Attending Council Member*)

**Staff**

Mike Bailey, Finance and Information Services Director  
Corey Smith, Applications Services Manager  
Malisa Files, Financial Planning Manager  
Michelle M. McGehee, CMC, City Clerk

Convened: 4:30 p.m.

Adjourned: 5:36 p.m.

**MEETING SUMMARY**

**IS Strategic Plan Project Updates – City Website Re-development Project**

Mr. Corey Smith, Applications Services Manager, reported:

- Intrafinity has been selected as the vendor for the website re-development;
- a content migration team has been put together at the City to review the City's current website content;
- a new mapping/permitting, asset management, and utility billing system is coming online;
- on the status of the City with regard to researching social media tools as a way of furthering communications with our customers; and
- City employment advertising has been placed solely online at GovJobs Today.

Mr. Mike Bailey, Finance and Information Services Director, informed that a memo for Council action will be coming forward for approval of the website re-development contract on June 1, 2010.

**Monthly Financial Report**

Mr. Bailey provided a report to the members of the Committee. The report addressed:

- the City is trending ahead of budget;
- until property taxes are remitted to the City, fund balance will show a negative fund; this does not mean negative cash and shows as a temporary fund balance deficit;
- an update of the fiscal forecast will be upcoming during the next committee meeting; and
- the affects that telecommunications are having on utility fees around the region.

**GFOA Report Review Re: Redmond's Budgeting by Priorities Process (BP)**

Mr. Bailey provided a report to the members of the Committee. The report addressed:

- Ms. Anne Kinney's, Director, Research and Consulting, previous report to the full Council;

- next steps in the process to create a ten-year plan; and
- updating the City's long-range financial strategy and incorporating this into the BP context.

Members of the Committee discussed:

- leading off the first quarter of 2011 year with the privatization issue and the ten-year plan approach; and
- scalability.

Members of the Committee agreed that the ten-year plan will be a project for 2011; the plan is to be merged with the long-range financial strategy in the bigger picture.

Mr. Bailey concluded that staff will coordinate the schedule with the Committee Chair in the near future.

### **Cost Allocation Plan**

Malisa Files, Financial Planning Manager, provided a report to the members of the Committee. The report addressed:

- 2009-10 indirect cost study;
- the process of charging overhead to the Capital Improvement Program (CIP);
- an IT self-sustaining internal service fund;
- functions that are currently charged;
- full-cost recovery methodology and allocation;
- examples of allocation factors;
- base overhead allocation by fund;
- the question of whether the City should allocate costs regardless of impacts on direct service budgets;
- alternatives considered; and
- staff's recommendation to incorporate indirect costs into the BP process.

### **Rating Change Update**

Mr. Bailey reported that Moody's has recently revised its ratings, and the revision is beneficial to the City.

### **Redmond Community Foundation Agreement**

Mr. Bailey provided a report to the members of the Committee, noting that the Redmond Community Foundation is a group interested in raising donations from the private sector to be placed toward the development of the Downtown Park. An agenda memo will be coming forward for Council consideration on June 15, 2010, for the appropriation of \$50,000 to assist the foundation in marketing their sponsorship campaign. The funding will come from the existing Parks Department budget.

Discussion ensued regarding:

- the foundation is in search of an Executive Director;
- strategic planning undertaken by the foundation; and
- the foundation ultimately becoming a fiscal agent for groups that produce community events.

Members of the Committee agreed that the item should be scheduled for consideration at the June 15, 2010, regular Council meeting.