

REDMOND CITY COUNCIL
PUBLIC ADMINISTRATION AND FINANCE COMMITTEE/
SPECIAL MEETING SUMMARY
Council Conference Room, City Hall
Monday, September 26, 2011

Council

Hank Margeson, Chair
Kim Allen
Hank Myers
Richard Cole (*Attending Council Member*)

Staff

Mike Bailey, Finance and Information Services Director
Craig Larsen, Parks and Recreation Director
Patrick Hirsch, Audio/Visual Operations Manager
Elizabeth M. Adkisson, CMC, Deputy City Clerk

Convened: 4:30 p.m.

Adjourned: 5:22 p.m.

MEETING SUMMARY

Committee Chairman Margeson called the meeting to order and overviewed the agenda.

RCTV Capital Equipment Expenditures

Mr. Patrick Hirsch, Audio/Visual Operations Manager, presented information on Proposed Redmond City Television and Lake Washington School District (LWSD) Resource Center Capital Equipment Replacement Purchases:

- Background:
 - video production equipment at City Hall and the LWSD are nearing, or have exceeded, their recommended replacement schedules;
 - expanded editing duties at the City and further migration to hard media storage and playback at both the City and LWSD require additional investment;
 - LWSD is in the process of providing 24/7 local origination of programming on their Comcast and Frontier access channels for the first time;
- Requested Action: approval to purchase task and market appropriate equipment to meet identified needs; detailing of specific items to be purchased; total estimated expenditures: \$337,776;
- Funding Background: the City collected PEG capital underwriting fees (or Pass Through Fees) from Comcast and Frontier at a rate of 0.35 cents per month, per subscriber; and
- Summary: staff recommends PEG fee reserves be applied to address aging and expanded capital needs at the City and LWSD Resource Center.

General discussion ensued regarding the relationship between the City and LWSD funding in this regard – the City collects PEG fees and manages distribution of funds for both entities, and regarding the surplus of existing equipment. Mr. Hirsch stated this item will be coming forward on the consent agenda for full Council approval at the regular meeting on October 18, 2011.

Monthly Financial Report

Mr. Mike Bailey, Finance and Information Services Director, provided the Monthly Financial Report to the Committee; reviewing the following items:

- Monthly Cash Flow Summary – General Fund;
- Monthly Revenue Summary – General Fund; and
 - General Fund; Property Tax; Sales Tax; Utility Taxes; Other Taxes; Licenses and Permits; Intergovernmental; Charges for Service; Fines and Forfeits; and Miscellaneous;
 - Monthly Expenditure Report;
 - Monthly All Funds Recap.

General discussion ensued regarding utility tax revenues (phone usage/tax), decrease in legal expenditures, reporting of monies collected from the traffic safety cameras pilot program, and review of funds with negative balances.

Wrap-Up of Long-Range Financial Strategy Discussion

Mr. Bailey presented an updated draft (red-line and final versions) of the Long-Range Financial Strategy document to the Committee members, and solicited further comments. Chairperson Margeson requested this item be reviewed by the full Council at an upcoming Study Session.

Unclaimed Property Agenda Memo

Mr. Bailey stated the annual action on Unclaimed Property, cancelling all eligible outstanding claims and payroll checks through June 2010, is scheduled for full Council approval at the regular meeting on October 4, 2011, via the consent agenda.

City Property and Liability Insurance Agenda Memo

Mr. Bailey presented information on upcoming action regarding the ratification of staff's decision to acquire property insurance from Affiliated FM in the approximate amount of \$180,433 and general liability insurance from Travelers Insurance Company in the approximate amount of \$202, 562, and other miscellaneous insurance coverage. This item will be coming forward on the consent agenda for full Council approval at the regular meeting on October 18, 2011.

General discussion ensued regarding the frequency of this action, and the different types of City insurance coverage, specifically involving sewer and flooding.

Contracts with Recreation Service Providers

Mr. Bailey and Mr. Craig Larsen, Parks and Recreation Director, provided information on changes to the reporting and Council review/action regarding Contracts with Recreation Service Providers. Some of these contracts eventually go over \$25,000, and a procedure will be put in place for these items to come before Council for review/action.

General discussion ensued regarding these types of contracts, policies, potential auditing issues, and future discussions on a preferred procedure – possible quarterly Council action approving all such contracts.

Initiative 1183 Fiscal Impact Estimates

Chairperson Margeson opened discussion on the item, stating the City has been asked to support Initiative 1183; and requested a review of the impact of I1183 on Redmond.

Mr. Bailey reviewed information/data estimates provided by a number of agencies available on the initiative and possible impact on Redmond.

Councilmembers discussed the information and agreed there is not enough information available to take a position on the item at this time.

First Review of Changes to Financial Policies for 2013-14 BP

Mr. Bailey presented a first draft of changes to the fiscal policies; very few changes proposed. Councilmembers requested a study session on this item be scheduled; and general discussion ensued regarding the economic contingency reserve.