



## Finance and Budget Committee

Tuesday, April 9, 2024 @ 5:00 PM

Lorraine H. Morton Civic Center

### COMMITTEE MEMBER PRESENT:

David Livingston, Resident, Clare Kelly, Councilmember, Jonathan Nieuwsma, Councilmember, Bobby Burns, Councilmember, Devon Reid, Councilmember, Leslie McMillan, Committee Member, Melissa Wynne, Councilmember, and Shari Reiches, Committee Member

### COMMITTEE MEMBER ABSENT:

### STAFF PRESENT:

Michael Van Dorpe, Financial Analyst, Clayton Black, Budget Manager, Lara Biggs, City Engineer, Luke Stowe, City Manager, Paul Polep, Fire Chief, Sarah Flax, Director of Community Development, and Sean Ciolek, Facilities & Fleet Management Div. Manager

### 1. CALL TO ORDER/DECLARATION OF A QUORUM

The meeting was called to order at 5:00 PM

### 2. PUBLIC COMMENT

Jack Mortel commented on the Public Safety Pension Funding Policy.

Dave Ellis commented on the purchase of a new frontline fire truck.

Mary Rosinski commented on the the unbudgeted capital expense policy on the agenda.

### 3. APPROVAL OF MINUTES

M1. Approval of March 12, 2024 Finance & Budget Committee meeting minutes.

Minutes Approved.

Moved by Councilmember Kelly

Seconded by Councilmember Wynne

**Ayes:** Livingston, Kelly, Nieuwsma, Burns, Reid, McMillan, Wynne, and Reiches

**Motion Passed 8-0 on a recorded vote**

#### 4. PRESENTATION

##### P1. Chair Shari Reiches Presentation

New Chair Shari Reiches presented on her goals for the Finance & Budget Committee for the remainder of this year: Identifying additional revenues, reviewing expenses, reviewing capital planning, long term debt planning, pensions, and benchmarking data.

#### 5. DISCUSSION

##### D1. Discussion Regarding Property Tax Loss Factor

Clayton Black, Budget Manager, presented and facilitated discussion of this item.

Mr. Black noted staff recommend using a 3% loss factor for debt service property tax levies and 3% for all other property tax levies, but also that staff would be comfortable with reducing to 2.5% loss factor for the non-debt service levies.

Councilmember Kelly made a motion for the Committee to recommend staff utilize a 3% loss factor for debt service property tax levies and a 2.5% loss factor for all other levies beginning in the FY 2025 Budget.

Moved by Councilmember Kelly  
Seconded by Committee Member McMillan

**Ayes:** Livingston, Kelly, Nieuwsma, Burns, Reid, McMillan, Wynne, and Reiches  
**Motion Passed 8-0 on a recorded vote**

##### D2. Discussion Regarding the Financing Options for the Replacement of Existing Aerial Ladder Truck T-22 for Fire Department Operations.

Clayton Black, Budget Manager, and Paul Polep, Fire Chief, facilitated the discussion of this item.

Mr. Black noted that the discount offered by Pierce for paying upfront would be less than the amount of money the City could earn by investing the \$2.3M between now and the delivery of the truck. Waiting to pay would also allow the staff to incorporate the purchase into the FY 2025 Budget, as opposed to this being an unbudgeted expense in the FY 2024 Budget.

Chief Polep addressed questions about the status of the reserve fire truck and Pierce being the sole-source vendor for this purchase.

Councilmember Nieuwsma made a motion for the Committee to recommend to City Council that they move forward with staff's plan to pay for the new fire truck T-22 upon delivery as a budgeted expense in FY 2025.

Moved by Councilmember Nieuwsma

Seconded by Councilmember Wynne

**Ayes:** Livingston, Kelly, Nieuwsma, Burns, Reid, McMillan, Wynne, and Reiches  
**Motion Passed 8-0 on a recorded vote**

D3. American Rescue Program Act (ARPA) - Funding Obligation and Expenditure Update

Sarah Flax, Director of Community Development, provided an overview of the memo provided and facilitated the discussion of this item.

Committee members asked questions about the costs for administering ARPA funding, using ARPA funds for lead service line replacement, using ARPA funding for the Fire Truck purchase, and when decisions will be made about committed projects that haven't yet made substantial progress.

Director Flax noted that she will address these questions in future reports to City Council and this Committee.

D4. Discussion Regarding the Noyes Cultural Arts Center Master Plan

Lara Biggs, City Engineer, presented this item.

Committee members discussed the value of the programs facilitated at the Noyes Cultural Center and the historical and cultural value of the building. Ms. Biggs shared that the master plan will be presented at the April 29 City Council meeting along with the results of the Putting Your ASsets to Work report.

D5. Discussion Regarding a Policy on Unbudgeted Capital Projects and Capital Cost Overruns

Lara Biggs, City Engineer, facilitated the discussion of this item.

Committee members discussed the dollars threshold of expenses that would apply to this policy and the types of expenses that should be included in this policy.

D6. Discussion Regarding the Preliminary Year-End Financials for Fiscal Year 2023

Clayton Black, Budget Manager, gave a brief presentation on preliminary year end financials.

**6. ADJOURNMENT**

The meeting was adjourned at 7:07 PM.