



Finance Committee, Regular Meeting

FINANCE COMMITTEE MEETING MINUTES

July 9, 2015 – 2:00PM

City Hall – Conference Room 111

COUNCILMEMBERS PRESENT: Kathleen Huckabay (Chair), Tom Odell, Tom Vance

STAFF PRESENT: Ben Yazici, Joe Guinasso, Chris Gianini

1. Impact of Klahanie 2016 Fire Costs

Joe presented an analysis of the cost to Sammamish of providing fire services to Klahanie in 2016. Using the funding model based on assessed valuation and incidents, the increased cost is approximately \$1,000,000. This figure is similar to the estimate in the 2014 Klahanie Annexation Fiscal Study prepared by Butkus Consulting.

2. Q2-2015 Financial Management Report Highlights

Revenues and expenditures are tracking as planned through the first six months of the year. REET is looking good with impact fees lagging a bit behind expectations. The impact fee lag is a timing issue resulting in later revenue collections. Mitigation fees for developments outside the current city limits are recorded separately from impact fees. Expenditures are on target including King County's typical delay in billing the city for Police Services in 2015. Consultant expenditures may run over budget for development review however these costs are covered by development revenue and are considered "revenue neutral".

3. Identifying & Quantifying Future Liabilities – Part I

The Transportation TIP approved at the July 7, 2015 Council meeting was briefly reviewed. The discussion of city-wide future liabilities was moved forward to the next Finance Committee meeting to allow time to update the Parks and SWM CIP programs to the same time period covered by the Transportation TIP. The SWM CIP looks like the only program that may have cash flow issues. If PWTF loans are not available to cover temporary SWM cash shortages, an interfund loan is a possibility. Per Ben the Park impact fees are being reviewed and may be coming to the Council for an adjustment before the end of 2015. Kathy Huckabay suggested including major improvements/maintenance to current city facilities in the future liabilities discussion.

4. 2014 Audit Status

Joe informed the Committee that the State Auditor's Office is wrapping up their audit of the 2014 financial statements. The Auditor has issued an unqualified opinion, or a "clean audit". Invitations to the exit conference will be sent to the City Council soon.

Meeting adjourned.

Next Meeting: October 27th @ 2:00 PM in Conference Room 118