

**CITY OF BLACK DIAMOND**  
**October 26, 2017 Special Meeting Agenda**  
25510 Lawson Street, Black Diamond, Washington

**5:30 P.M. – CALL TO ORDER, FLAG SALUTE, ROLL CALL**

- 1) Preliminary Draft 2018 Budget for Public Works, Capital Projects, Special Revenue Funds, and Internal Services**
- 2) ADJOURNMENT**

**BLACK DIAMOND CITY COUNCIL WORK SESSION  
COUNCIL SPECIAL MINUTES  
OCTOBER 26, 2017**

**CALL TO ORDER, FLAG SALUTE:**

Mayor Benson called the regular meeting to order at 5:30 p.m. and led us all in the Flag Salute.

**ROLL CALL:**

**PRESENT:** Councilmembers Deady, Morgan, Edelman, Weber and Pepper.

**ABSENT:**

Staff present were: May Miller, Finance Director; Seth Boettcher, Public Works Director; Kevin Esping, Facility Director, and Brenda L. Martinez, City Clerk.

**WORK SESSION**

**Preliminary Draft 2018 Public Works Budgets, Special Revenue Funds, and Capital Funds**

Mayor Benson welcomed everyone and noted this work session is on the proposed 2018 preliminary budget for the public works budgets, special revenue funds, and capital projects. She then turned the meeting over to Finance Director Miller.

Finance Director Miller noted this work session is an overview of the public works budgets, special revenue funds, and capital funds. She reported that special revenue funds in Washington State are funds where you have a revenue that can only be used for one purpose and is usually set up by a State Agency and referenced street funds as an example. She explained to Council what internal service funds, utility funds, and capital funds are and how dollars in these funds can be spent.

Ms. Miller reviewed with Council the following Special Revenue Funds which are restricted and can only be use for allowable expenses.

- Street Fund
- Fire Impact Fee Fund
- Transportation Benefit District Fund (TBD)
- Traffic Mitigation Fund
- Internal Service Funds – Theses funds have a common purpose and all fund contribute.
- Equipment Replacement Funds

Ms. Miller reviewed with Council the following Utility Funds and noted these funds are more like business funds where Council raises the rates to support the expenditures.

- 401 - Water Operating Fund
- Water Debt
- 407 - Sewer Operating Fund
- Stormwater Operating Fund 410

The following Capital Funds were reviewed with Council. During the review both Finance Director Miller and Public Works Director Boettcher updated Council on projects in those funds.

- 311 - Real Estate Excise Tax (REET1)
- 321 - Real Estate Excise Tax 2 (REET 2)
- 310 – General Government Capital Projects
- 320 – Public Works Capital Projects
- 402 – Water Supply Facility Funding Agreement (WSFFA) – Partners pay 100% of the costs for projects in this fund.
- 404 – Water Capital Projects
- 408 – Sewer Capital Projects
- 410 – Stormwater Capital Projects

Following the review of these fund Finance Director Miller gave an opportunity for input on projects or questions.

Councilmember Edelman asked if at some point in 2017, will we be working on the 2018 CIP. Ms. Miller responded yes, as time allows. Councilmember Edelman talked about the comp plan updates that need to be done next year and wondered if we were not eligible for some grant funding since our comp plan is not updated.

Mr. Boettcher stated the eligibility for the RCO grant is two folded as our park and trail plan is also out of date.

Ms. Miller noted that she attached the allocation funding by source. She also noted the checks for various positions on the employee allocations by funding source.

Councilmember Pepper would like to put in an order for a City Administrator. Ms. Miller stated we would need to know where the funding will come from and the level of funding.

Ms. Miller reviewed the calendar and noted our next meeting is November 9<sup>th</sup> which is a special meeting for a public hearing on the property tax. She discussed adding monies for the gym, flower baskets, court changes and there will be a \$32,000 increase to the ending fund balance. She also discussed new positions currently in Community Development and that these positions will be paid for by permit fees. She discussed adjustments made this week to roll the budget back so that it would fit within the available dollars. The draft preliminary budget will be out on the website next week and in November there will be public hearings on those documents.

Ms. Miller also noted the special meeting on Monday, December 4 for the public hearing on final 2018 budget. She shared if anyone has questions on the budget, she is always in her office.

Councilmember Weber asked where the funding has come from in the past for a City Administrator. Ms. Miller noted they had a consultant and a contract for so many hours a week; it wasn't a full -time position. She discussed the developer agreeing to pay for this through the funding agreement.

Councilmember Pepper asked if there are any Directors here this evening that would like to tell us anything else that we need to know.

Fire Chief Smith noted if something is not on your CIP you cannot apply for grant funding, so make sure you put things on the CIP as funding can come up. Ms. Miller noted the park pay station out by Lk. Sawyer is getting old, and this might be something out in the future we may want to look at. She noted that Kevin is working with the company. This is something we need to look at as it is failing and we get \$25,000 a year revenue from this.

Facilities Coordinator Esping noted the pay station has been basically maintenance free and this is a good revenue source for the City. However, the printer is starting to fail on it and we also need to upgrade the software it uses.

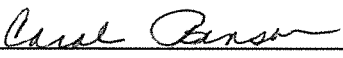
Ms. Miller reported that she went to an auditor's conference and one of the things they talk about for good planning is your long -range plan should also be replacing equipment and maintenance. Ms. Miller noted unless someone has changes, staff is working forward on coming out with preliminary budget.

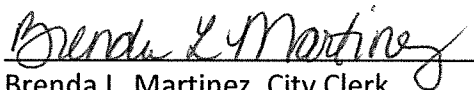
## **ADJOURNMENT:**

A **motion** was made by Councilmember Deady and **seconded** by Councilmember Weber to adjourn the meeting. Motion **passed** with all voting in favor (5-0).

The meeting ended at 7:05 p.m.

ATTEST:

  
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Carol Benson, Mayor

  
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Brenda L. Martinez, City Clerk