

**Mount Vernon
Finance Committee
Parks & Enrichment Committee
Minutes
March 28, 2018**

Present: Councilmembers Beaton, Brocksmith, Carías, Hudson, Hulst and Molenaar

Staff present: Doug Volesky, Kevin Rogerson, Bill King, Isaac Huffman

- 1) Minutes from February 2018 were approved.
- 2) Finance Department
 - a. Doug introduced Dave Trageser, Managing Director DA Davidson, and Cynthia Weed to the City's Bond Council from K&L Gates. Mr. Trageser gave a review of the types of general obligation bonds that a City can implement. The methods of payoff and whether there is voter approval required and deadlines for presenting the bond to voters were reviewed. The filing deadline for a November ballot seems to be the best choice for putting this before the voters in 2018. The City's general fund balance as a percent of revenues is not as favorable for bond ratings as the City's size and income per capita. Because of those factors pursuing a bond rating with Moody's and not Standard and Poor's could result in a better bond rating for the City. Bonds can be offered in two ways. A public bond sale will achieve a lower net borrowing cost while the direct placement to a financial institution is faster with fewer disclosures and requirements. There are specific requirements associated with spending the proceeds as well as reimbursement policies. Dave reviewed a sample schedule of the required actions that need to be taken for the whole bond cycle. Cynthia Weed then came forward to discuss the legal requirements for proceeding with a voter approved bond issuance. The Council would be required to pass an ordinance that sets the maximum amount that is going to be borrowed and the length of the bond terms. There was a great deal of discussion regarding the timing of presentation to voters.
 - b. Doug presented a reorganization chart for the Finance Department that would reclass the Office Manager's position and add a full time Assistant Finance Director. The Human Resources Director is working on a wage scale for the Assistant Finance Director. A budget amendment will be brought forward that will officially create the Assistant Finance Director's position.
 - c. Sales/TBD Tax Update - Sales tax is slightly up and is 2.35% over projected budget. The TBD revenue began in June of 2017 and is up about 19% over projected budget so far for 2018.
- 3) Parks & Enrichment Services Department:
 - a. Bill presented a recommendation to request an RCO grant in support of the Little Mountain Skills Park and Trail Facility project. Project and grant options were vetted internally prior to meeting with the RCO Grants Regional Manager. All options were discussed and the city was strongly encouraged to consider applying for a WWRP matching grant for this project. The Regional Manager suggested a well prepared grant application would be "highly Competitive". Current funding is approximately \$350K, not including

contributions in kind, and would be offered to provide the required 50% of matching funds. If approved, total funding of \$700K for this project would allow completion of all phases by mid-2019. Current project efforts will continue as planned pending final grant award decision in August 2018. Parks will present Council with a resolution for authorization to submit an application in April. \$350K of current funding would be frozen until July 2019 if grant approved. Mount Vernon Parks Foundation was made aware of this possibility and concurs with City recommendation to submit the grant application.

- b. The Edgewater Park Restoration project was reviewed. Parks is moving forward in conducting extensive restoration of the southwest section of Edgewater Park using existing trails and focusing on known hazardous waste and trash sites. All clearing and restoration efforts will focus on accessibility and sustainment of the natural environment. Concurrent with this effort is the implementation of a least impact 18-hole disc golf designed to take advantage of existing trails and access routes. The goal is increased accessibility, improved safety of park users, decreased criminal activities and a major reduction in the hazardous waste and contamination caused by dumping of trash and waste. Work is ongoing and in partnership with MVPF.
- c. The Washington Department of Transportation proposed a "Veteran's Memorial Elm" tree project on the west side of the Division Street bridge in DOT rights of way and along Edgewater Park. City has concerns regarding location and types of trees proposed and will meet with key players in late April to discuss options.
- d. Bill reviewed other ongoing Parks projects.

The meeting was adjourned at 7:00 p.m.

Submitted by

Rebecca J. Wade

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