

**Mount Vernon
Finance Committee
Parks & Enrichment Committee
Minutes
April 25, 2018**

Present: Councilmembers Beaton, Brocksmith, Carías, Hudson, Hulst, Lindquist, Molenaar and Mayor Boudreau

Staff present: Doug Volesky, Kevin Rogerson, Bill King, Isaac Huffman, Peter Donovan and Chief Dodd

- 1) Minutes from March 2018 were approved.
- 2) Finance Department
 - a. Doug presented a financial recap of 2017.
 - i) The department is processing the financial reports for the CAFR and the State Auditors are expected on site starting May 1, 2018.
 - ii) The Governmental Operating Funds (General Fund, Parks, Streets and Library Funds) had an increase in fund balance of \$301,984. The General Fund had an ending funding balance of \$4.8 million. The 2017 revenue for those funds was \$243,769 over budget with taxes and charges for services showing the largest increase.

The expenditures for those funds were \$844,438 below budgeted levels. The Police Department expenditures were \$229,145 under budget due to unfilled, but budgeted, positions as well as a difference between budget and actual jail sales tax pass through.

City-wide the revenue that was collected was \$2,175,363 over the budget and the expenses were \$2,832,773 under budget.
 - b. Sales Tax Update – Sales tax is \$109,833 over budget at this point. Collections to date are 32.9% of the budgeted total.
 - c. TBD Tax Update – Year to date the TBD tax is 38.99% over projected budget. The April revenue of \$545,796 was 16.96% over the budgeted amount.
 - d. Real Estate Excise Tax (REET) has rebounded from a negative 12.68% collection in January to a strong 117.02% over budget for March 2018.
 - e. Doug reviewed an option for changing the methodology used for billing commercial customers for wastewater. At this time the consumption rate is based on the previous year's average water usage. Council would like to see a rate study started this year and a discussion regarding a change in billing processes can be investigated following that.
- 2) Parks & Enrichment Services Department:
 - a. Bill presented five proposed changes to the Arts Commission. These were vetted and recommended by the Arts Commission. The intention of these changes is to 1) Improve the ability to serve the Arts and the City; 2) Enhance flexibility in decision-making; 3)

Address membership challenges; and 4) Maintain strict vetting and approval process. Bill requested initial feedback from Council on their support for these recommended changes.

- i) Membership Criteria: Expand membership criteria by allowing eligibility for those with a MV address; Owner of property in MV; People with children that attend school in MV; or a business owner or operator in MV. Also remove requirement for minimum of 9 Commissioners. Council feedback was positive in support.
 - ii) Student Members: Allow all students in MV be eligible to include Middle School and Skagit Valley College students. Allow three year terms vice one year. Council feedback was positive in support.
 - iii) Historian: Add an historian as an elected officer. Council feedback was positive in support.
 - iv) Quorum: Change required quorum from majority of a whole (6 of 11 members) to a majority of current (in place) Commissioners. For example, current active members total 8 therefore a quorum would be a majority of this total = 5. Council feedback was positive in support.
 - v) Location of Art: Allow consideration for funding of projects outside city limits. Council feedback was negative in support, stating they felt it appropriate to limit funding to MV sites only. Other funding sources were sited to include the Hotel/Motel tax available for projects outside MV.
- b. The Problem Elimination Team that has dealt with difficult neighborhood issues is being reactivated. This group works as an inter-departmental resource and enables a more comprehensive plan for dealing with issues such as encampments. The goal is to create a plan for dealing with issues to ensure the safety of citizens and workers. All options will be explored to include use contractors to assist with resolving these issues.
 - c. Operations Division has had changes in staffing with two staff members leaving and new seasonal employees coming on. The Bonnie Rae building will be undergoing refurbishment and a new caretaker is being looked for. WTA trail agreement is finalized. The RCO grant was submitted and technical reviews is scheduled for May 22 with a final award date projected for late August.
 - d. City Work Program has had several projects that make the downtown more appealing. The hanging baskets will be put up May 4. The Street Fair, Earth Day and Dream Balloon activities were very successful. The Library Book sale was efficient and successful.
 - e. The Valley of Our Spirits art dedication ceremony will be April 28, 2018 and will include Native American music. Two final options have been selected to be used for the Kulshan Art project.
 - f. Volunteer groups continue to support the department's activities.
- The meeting was adjourned at 6:55 p.m.

Submitted by
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