SPECIAL MEETING NOTICE OF THE

FINANCE & ADMINISTRATION COMMITTEE

A special meeting of the Finance & Administration Committee will be held virtually on January 25, 2021 at 10:00 a.m.

The Spokane City Council's Finance & Administration Committee meeting will be held virtually via WebEx at **10:00 a.m. on Monday, January 25, 2021**.

The meeting will be conducted in a standing committee format. Because a quorum of the City Council may be present, the standing committee meeting with be conducted as a meeting of the whole City Council. The Finance & Administration Committee meeting is regularly held every 3rd Monday of each month at 1:15 p.m. unless otherwise posted.

The public will be able to tune into the meeting by viewing the meeting live at Channel 5, or at https://my.spokanecity.org/citycable5/live, or by calling 1-408-418-9388 and entering the access code #146 258 0752.

Breean Beggs
Council President

Terri L. Pfister
Spokane City Clerk

FINANCE & ADMINISTRATION

COMMITTEE MEETING AGENDA FOR

January 25, 2021

10:00 a.m. – 12:00 p.m.

The Spokane City Council's Finance & Administration Committee meeting will be held at **10:00 a.m. on January 25, 2021** as a Webex Meeting, 808 West Spokane Falls Boulevard, Spokane, Washington.

The meeting will be conducted in a standing committee format. Because a quorum of the City Council may be present, the standing committee meeting will be conducted as a committee of the whole council.

The meeting will be open to the public, with the possibility of moving or reconvening into executive session only with the members of the City Council and the appropriate staff. No legislative action will be taken. No public testimony will be taken and discussion will be limited to appropriate officials and staff.

AGENDA

I. Call to Order

II. Approval of Minutes from November 16, 2020 Meeting

III. Consent Items

- **A.** Floyd and Kane Contract Extension
- **B.** PMWeb – Annual Software Maintenance and Support
- **C.** SBO for Historic Preservation Specialist Position
- **D.** Annual Encumbrance Carryover
- **E.** Loomis Term Extension Agreement

IV. Discussion Requests

A.	Under I-90 Draft 5 Year Capital Plan (5 min)	Dave Steele
B.	Parking Meter Replacement SIP Loan (10 min)	Tonya W./Michelle H./Kris B.
C.	Strategic Reserve and Intrafund Transfers Ordinance Changes (10 min)	Tim Dunivant
D.	Ordinance for Emergency Rental Assistance Fund (10 min)	Michelle Hughes
E.	US Treasury Contract for Emergency Rental Assistance Funding (10 min)	Sally Stopher

V. Standing Topic Discussions

A.	COVID Monthly Update (10 min)	Amber Richards
B.	Quarterly Overtime Updates for Uniform (5 min)	Fire/Police Admin
C.	General Fund Monthly Budget Report (5 min)	Paul Ingiosi
D.	Intrafund Budget Transfer Report (5 min)	Paul Ingiosi
E.	Quarterly Investment Report (10 min)	Jake Hensley
F.	SIP Loan Update (5 min)	Jake Hensley
G.	2021 Audit Plan (10 min)	Tyler Benner

VI. Adjournment

Next Finance & Administration meeting will be on Monday, February 22, 2021 at 10:00 a.m.

AMERICANS WITH DISABILITIES ACT (ADA) INFORMATION: The City of Spokane is committed to providing equal access to its facilities, programs and services for persons with disabilities. The Spokane City Council Chamber in the lower level of Spokane City Hall, 808 W. Spokane Falls Blvd., is wheelchair accessible and also is equipped with an infrared assistive listening system for persons with hearing loss. Headsets may be checked out (upon presentation of picture I.D.) at the City Cable 5 Production Booth located on the First Floor of the Municipal Building, directly above the Chase Gallery or through the meeting organizer. Individuals requesting reasonable accommodations or further information may call, write, or email Human Resources at 509.625.6363, 808 W. Spokane Falls Blvd, Spokane, WA, 99201; or msteinolfson@spokanecity.org. Persons who are deaf or hard of hearing may contact Human Resources through the Washington Relay Service at 7-1-1. Please contact us forty-eight (48) hours before the meeting date.

"A good financial plan is a road map that shows us exactly how the choices we make today will affect our future" – Alexa Von Tobel

STANDING COMMITTEE MINUTES
City of Spokane
Finance & Administration Committee
11/16/2020 – DRAFT

Attendance

Council Member Candace Mumm, Council Member Lori Kinnear, Council President Breean Beggs (joined at 1:40 p.m.), Council Member Becky Wilkerson, Council Member Michael Cathcart, Council Member Kate Burke, Hannahlee Allers, Kandace Watkins, Amie Blain, Amber Richards, Brandon Meiers, Brenda Schreiber, Brian McClatchey, David Paine, David Steele, Dustin Fredrickson, Eric Finch, Garrett Jones, Mary Muramatsu, Melissa Morrison, Michael Lowdon, Michael Piccolo, Michelle Hughes, Paul Ingiosi, Stephen Williams, Terri Pfister, Theresa Pellham, and Tonya Wallace.

I. Call to Order

Meeting was conducted through Webex and started at 1:17 p.m.

II. Approval of Minutes

Meeting Minutes for October were unanimously approved.

III. Consent Items approved without discussion:

A. **CompuNet Core Upgrade**
B. **CompuNet Remote Access**
C. **ESRI Small Municipal and County Government EA Program**
D. **KEPRO**
E. **Off-Site Records Storage**
F. **Installation of Radio and Electrical Equipment Contract Renewal**
G. **Tire Services Contract Renewal**

IV. Discussion Items

a) Park Rules and Regulations Title 12 Amendments

Garret Jones briefed the Committee regarding this item. He advised the goal is to improve communication and that there are no new fees. He also advised of the updated rules with the proposed ordinance. Mary Muramatsu provided legal responses regarding the ordinance for the Council. Please see the agenda packet for submitted documents to the committee.

b) Sales and Use Tax for Housing

Melissa Morrison briefed the Committee regarding this item. CM Cathcart and Melissa discussed that this item involves 1590 in addition to issues and barriers to housing, and that 1590 is not the sole focus. Brian McClatchey further explained that this is a 360-degree outlook on housing. Tonya Wallace advised that Melissa has begun a conversation with Cupid (CHHS Director) to determine the steps to take for this project. There is also a proposed Housing Committee for which a plan will need to be built. CM Kinnear asked Tonya if the process is being rushed, and Tonya advised there are at least 6 months' worth of tasks to handle.

Tonya advised some things could be lined up prior to funding. CM Cathcart asked Tonya for an estimated cost. Tonya advised it depends upon possible bonding and how involved we are with the community. She also advised a level of administrative coordination will be required, most likely equivalent to one or two FTEs. Those could be spread out among different people. CM Mumm, Brian McClatchey, and Tonya Wallace discussed the timeframe regarding revenues and costs in 2021 for this ordinance. CM Wilkerson is the sponsor for this ordinance, and she explained that there are costs, and we continue to receive requests to help with homeless. She also stated that the sooner we start this process, the sooner we will get the outcome we want to see. CM Kinnear and CM Wilkerson discussed the tax. CM Mumm and CM Wilkerson spoke about continuing discussions on this topic. CP Beggs suggested discussing this item at the next Study Session. CM Burke explained that although we do not have all tools available, it is fiscally responsible since this issue incurs a lot of cost for the City. She also advised that it would help people that have needed it for a long time. CM Mumm recommended scheduling this item to allow time to review. CM Kinnear explained that organized groups are aware of this item, although constituents are not aware. CM Mumm agreed, and she advised that two neighborhoods she spoke with were not aware. Please see the agenda packet for submitted documents to the committee.

c) Assistant Fleet Services Director SBO

David Paine briefed the Committee regarding this item. He advised that it would be preferable to recruit for the Assistant and Director at the same time. Please see the agenda packet for submitted documents to the committee.

d) Purchase of Service Truck Body (3 min) Mike Lowdon

David Paine briefed the Committee regarding this item. Please see the agenda packet for submitted documents to the committee.

e) Purchase of Service Truck Chassis (3 min) Mike Lowdon

David Paine briefed the Committee regarding this item. Please see the agenda packet for submitted documents to the committee.

f) Purchase of Tank Truck (3 min) Mike Lowdon

David Paine briefed the Committee regarding this item. Please see the agenda packet for submitted documents to the committee.

g) Intermodal Facility SBO (10 min) Dave Steele

Dave Steele briefed the Committee regarding this item. He advised that there is additional foot traffic, and security has been increased. Dave also advised that there is a long-term plan being developed to help reduce costs for this facility. CM Wilkerson advised that anything that can be done to save money is a good idea. Dave explained that Frontier Behavioral Health is leasing a space, and there is remaining space. CM Mumm asked about the possibility of leasing additional space, and Dave confirmed it is listed with Goodale & Barbieri. Please see the agenda packet for submitted documents to the committee.

V. Strategic Progress Updates

1. **eSuite & Utility Information System Project Update**

   Dusty Fredrickson and Brandon Meiers briefed the Committee regarding these items. Please see the agenda packet for submitted documents to the committee.

2. **Public Safety Equipment Replacement Program Update**

   Tonya Wallace briefed the Committee regarding this item. Please see the agenda packet for submitted documents to the committee.

3. **Critical Datacenter Servers Project Update**

   Eric Finch briefed the Committee regarding this item. Please see the agenda packet for submitted documents to the committee.

VI. Committee Briefs

1. **Audit/CAFR/PAFR**

   Michelle Hughes briefed the Committee regarding this item. Please see the agenda packet for submitted documents to the committee.

VII. Standing Topic Discussions

1. **21st Century Workforce**

   Amber Richards briefed the Committee regarding this item.
   - The DEI (Diversity, Equity, and Inclusion) Crosswalk project is progressing. Amber has been meeting weekly to walk through the DEI Crosswalk and assigning tasks to develop a comprehensive plan and move forward.
   - The Internal Champions Network, Career Exploration, and NeoGov Onboarding Update make up about half of the work going into the DEI Crosswalk.
   - The goal of the Internal Champions Network is to develop best practices and give new hires a place to feel connected.
   - The Coffee and Careers program is part of the Career Exploration project, and will have quarterly sessions with select groups interested in learning about City government and working in the public sector. People can sign up and will be connected with employees from the Internal Champions Network. VLGF (Veteran's Local Gentleman's Fellow) is for Veterans transitioning out of the military interested in working for local government.
   - The First Year Foundations program is part of a new onboarding process. This will offer a new employee orientation on a monthly basis. The goal is to have Council, the Mayor, and HR involved to help welcome new employees to the City. This involves a three-part series including the following:
     - Introduction to City/Community History & an Introduction to City Divisions
     - Diversity and Implicit Bias Training
     - Introduction to EM/City Safety Programs

2. **General Fund Monthly Budget and Reserve Reports**

   Paul Ingiosi briefed the Committee regarding this item. Please see the agenda packet for submitted documents to the committee.

3. **Budget Transfer Reports (Information Only)**

   Please see the agenda packet for submitted documents to the committee.

VIII. Adjournment

The meeting adjourned at 3:03 p.m. The next meeting is scheduled for Monday, January 11, 2021 at 10:30 a.m.

Prepared by:

Amie Blain

Approved by:

_____
Chair
Council Member Candace Mumm

For further information contact: Kandace Watkins, 625-6718

Briefing Paper
Finance Committee

Division & Department:	Human Resources
Subject:	Contract extension
Date:	December 12th, 2020
Contact (email & phone):	Amber Richards; arichards@spokanecity.org; 625-6383; Matt Lowmaster, mlowmaster@spokanecity.org
City Council Sponsor:	CM Candace Mumm
Executive Sponsor:	Amber Richards
Committee(s) Impacted:	Finance Committee
Type of Agenda item:	x Consent ☐ Discussion ☐ Strategic Initiative
Alignment: (link agenda item to guiding document – i.e., Master Plan, Budget , Comp Plan, Policy, Charter, Strategic Plan)	Budget
Strategic Initiative:	Sustainable Resources
Deadline:	January 31, 2021
Outcome: (deliverables, delivery duties, milestones to meet)	Effective representation of City interests in Workers Compensation claims being adjudicated.

Background/History: This is a request to extend the contract with Attorney Jon Floyd. As we have begun working through existing claims that have been mismanaged and as new claims arise claimant(s) have retained counsel, which has driven the need to retain Mr. Floyd to help adjudicate these claims. Mr. Floyd is the Subject matter expert with Worker's Compensation law and Labor and industries.

Executive Summary:

- *Retention of Mr. Kane in the ongoing adjudication will provide the continuity needed*
- *Mr. Kane is currently assigned to eight cases*
- *Workers compensation law is very specialized and interpretation at the Department level, more often than not, is not the interpretation at the Board, the Superior or Supreme Court level. Legal representation is necessary to navigate the ever changing interpretations and therefore maximize our potential for positive outcomes.*

Budget Impact:
Approved in current year budget? X Yes ☐ No ☐ N/A
Annual/Reoccurring expenditure? X Yes ☐ No ☐ N/A
If new, specify funding source:
Other budget impacts: (revenue generating, match requirements, etc.)

Operations Impact:
Consistent with current operations/policy? ☐ Yes ☐ No ☐ N/A
Requires change in current operations/policy? ☐ Yes ☐ No ☐ N/A
Specify changes required:
Known challenges/barriers:

Expenditure Control Form

1. **All requests being made must be accompanied by this form.**
2. **Route ALL requests to the Finance Department for signature.**
3. **If request is greater than $100,000 it requires signatures by Finance and the City Administrator. Finance Dept. will route to City Administrator.**

Today's Date: 12/7/20 **Type of expenditure:** Goods ○ Services ◉

Department: Human Resources

Approving Supervisor: Amber Richards

Amount of Proposed Expenditure: $250,000

Funding Source: Workers Comp Fund - 5810

Please verify correct funding sources. Please indicate breakdown if more than one funding source.

Why is this expenditure necessary now?
To prevent lapse in service contract

What are the impacts if expenses are deferred?
Lapse in contract, and lapse in services rendered.

What alternative resources have been considered?

Description of the goods or service and any additional information?
Outside Special Counsel providing legal services and advice to the City regarding workers' compensation matters on an as-needed basis;

Person Submitting Form/Contact: Amber Richards

FINANCE SIGNATURE:
Tonya Wallace

CITY ADMINISTRATOR SIGNATURE:
Scott Simmon

City Clerk's No. 2019-0197

City of Spokane

CONTRACT AMENDMENT / EXTENSION

OUTSIDE COUNSEL CONTRACT

This Contract Amendment / Extension is made and entered into by and between the **CITY OF SPOKANE** as ("City"), a Washington municipal corporation, and **FLOYD & KANE, PLLC**, whose address is 421 West Riverside Avenue, Suite 665, Spokane, Washington, 99201 as ("Firm"), individually hereafter referenced as a "party", and together as the "parties".

WHEREAS, the parties entered into a Contract wherein the Firm agreed to act as Outside Special Counsel providing legal services and advice to the City regarding workers' compensation matters on an as-needed basis; and

WHEREAS, additional funds are required, and the Contract time for performance needs to be extended, thus the original Contract needs to be formally Amended and Extended by this written document; and

-- NOW, THEREFORE, in consideration of these terms, the parties mutually agree as follows:

1. CONTRACT DOCUMENTS.
The Contract, dated March 1, 2019 and March 26, 2019, any previous amendments, addendums and / or extensions / renewals thereto, are incorporated by reference into this document as though written in full and shall remain in full force and effect except as provided herein.

2. EFFECTIVE TERM.
This Contract Amendment / Extension shall become effective on January 1, 2021 and shall run through December 31, 2022.

3. COMPENSATION.
The City shall pay an additional amount not to exceed **TWO HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS** (**$250,000.00**) for everything furnished and done under this Contract Amendment / Extension. This is the maximum amount to be paid under this Amendment / Extension, and shall not be exceeded without the prior written authorization of the City, memorialized with the same formality as the original Contract and this document.

IN WITNESS WHEREOF, in consideration of the terms, conditions and covenants contained, or attached and incorporated and made a part, the parties have executed this Contract Amendment / Extension by having legally-binding representatives affix their signatures below.

FLOYD & KANE, PLLC

By_____
Signature Date

_____
Type or Print Name

_____
Title

Attest:

_____
City Clerk

CITY OF SPOKANE

By_____
Signature Date

_____
Type or Print Name

_____
Title

Approved as to form:

_____
Assistant City Attorney

20-192

Briefing Paper
Finance, Administration and Sustainable Resources Committee

Division & Department:	Innovation and Technology Services Division
Subject:	PMWeb, Inc. Annual Software Maintenance and Support
Date:	January 25, 2021
Author (email & phone):	Michael Sloon, msloon@spokanecity.org, 625-6468
City Council Sponsor:	
Executive Sponsor:	Eric Finch and Michael Sloon
Committee(s) Impacted:	Finance, Administration and Sustainable Resources Committee
Type of Agenda item:	■ Consent ☐ Discussion ☐ Strategic Initiative
Alignment: (link agenda item to guiding document – i.e., Master Plan, Budget , Comp Plan, Policy, Charter, Strategic Plan)	PMWeb Annual Software Maintenance and Support Utilizing Budget Account #5300-73300-18850-54820
Strategic Initiative:	Sustainable Resources
Deadline:	January 31, 2021
Outcome: (deliverables, delivery duties, milestones to meet)	Ongoing annual maintenance and support

Background/History:

The City selected PMWeb, Inc through RFP #4196-16 (OPR 2018-0598 to provide Capital Project Management and engineering software. PMWeb is a SaaS (Software as a Service) solution, which is hosted and maintained by PMWeb. Last year's total was $86,493.83 including tax. This year's total including tax is $83,600.00.

Executive Summary:

- Contract with PMWeb, Inc. for Annual Software Maintenance and Support of the City's Capital Project Management software.
- Requesting $83,600.00 including tax for the renewal of this contract.
- Term is February 1, 2021 – January 31, 2022

Budget Impact:
Approved in current year budget? ■ Yes ☐ No
Annual/Reoccurring expenditure? ■ Yes ☐ No
If new, specify funding source:
Other budget impacts: (revenue generating, match requirements, etc.)

Operations Impact:
Consistent with current operations/policy? ■ Yes ☐ No
Requires change in current operations/policy? ☐ Yes ■ No
Specify changes required:
Known challenges/barriers:

Expenditure Control Form

1. All requests being made must be accompanied by this form.
2. Route ALL requests to the Finance Department for signature.
3. If request is greater than $100,000 it requires signatures by Finance and the City Administrator. Finance Dept. will route to City Administrator.

Today's Date: 10/16/2020 **Type of expenditure:** Goods ○ Services ◉

Department: ITSD

Approving Supervisor: MIKE SLOON

Amount of Proposed Expenditure: $83,600.00 INCLUDING TAX

Funding Source: 5300-73300-18850-54820

Please verify correct funding sources. Please indicate breakdown if more than one funding source.

Why is this expenditure necessary now?
This expenditure is required annually per our contract with PMWeb, inc in support of the ICM and Engineering departments.

What are the impacts if expenses are deferred?
The City will not have vendor support or hosting of the City's Capital Project Management software.

What alternative resources have been considered?
There are no other alternatives.

Description of the goods or service and any additional information?
PMWeb supports and hosts the City's Capital Project Management software which is utilized by Integrated Capital and Engineering departments.

Person Submitting Form/Contact: CARLOS PLASCENCIA

FINANCE SIGNATURE: Tonya Wallace

CITY ADMINISTRATOR SIGNATURE:

Expenditure Control Form Template - PMWeb Annual Maintenance 2021

Final Audit Report 2021-01-11

Created:	2021-01-11
By:	Carlos Plascencia (cplascencia@spokanecity.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAA1Yd4jRTkGlg8vi9eLtXul09nlg-kfTDP

"Expenditure Control Form Template - PMWeb Annual Maintenance 2021" History

Document created by Carlos Plascencia (cplascencia@spokanecity.org)
2021-01-11 - 7:28:39 PM GMT- IP address: 67.185.212.70

Document emailed to Tonya Wallace (twallace@spokanecity.org) for signature
2021-01-11 - 7:29:03 PM GMT

Email viewed by Tonya Wallace (twallace@spokanecity.org)
2021-01-11 - 8:26:03 PM GMT- IP address: 198.1.39.252

Document e-signed by Tonya Wallace (twallace@spokanecity.org)
Signature Date: 2021-01-11 - 8:27:58 PM GMT - Time Source: server- IP address: 198.1.39.252

Agreement completed.
2021-01-11 - 8:27:58 PM GMT

Adobe Sign

Briefing Paper
FINANCE AND ADMINISTRATION COMMITTEE

Division & Department:	Community and Economic Development; Historic Preservation
Subject:	SBO for Historic Preservation Specialist Position
Date:	1/10/21
Contact (email & phone):	Megan Duvall, Historic Preservation Officer, mduvall@spokanecity.org; 625-6543
City Council Sponsor:	CM Lori Kinnear
Executive Sponsor:	Kris Becker, Interim Director, Community and Economic Development
Committee(s) Impacted:	Urban Experience; Finance
Type of Agenda item:	■ Consent ☐ Discussion ☐ Strategic Initiative
Alignment:	Budget; Comprehensive Plan (Chapter 8)
Strategic Initiative:	Economic Development - Ensure businesses, both new and existing, feel connected and valued in our community to continue economic growth
Deadline:	February 1, 2021
Outcome: (deliverables, delivery duties, milestones to meet)	Create a second full-time exempt position in the Historic Preservation Department

Background/History: In the last year and a half, the Historic Preservation Department has greatly expanded the number of properties listed on the Spokane Register of Historic Places through the creation of the Browne's Addition Local Historic District (and currently working on the Cannon Streetcar Suburb Historic District). With the number of protected properties continuing to grow and more initiatives undertaken by the department, it is not tenable for one employee to staff the program alone. To continue exploring economic development opportunities with historic buildings, the department needs additional professional staff.

Executive Summary:

- The Historic Preservation Specialist position requires specialized experience and educational background. The position will employ staff who can act as the Historic Preservation Officer role in their absence.
- The funding for this position was passed in the 2021 budget, however, existing placeholder position was not exempt and required this SBO in order to create the exempt position.

Budget Impact:

TOTAL COST:

Approved in current year budget? ■ Yes ☐ No ☐ N/A

Annual/Reoccurring expenditure? ■ Yes ☐ No ☐ N/A

If new, specify funding source:

Other budget impacts: (revenue generating, match requirements, etc.)

Operations Impact:

Consistent with current operations/policy? ■ Yes ☐ No ☐ N/A

Requires change in current operations/policy? ☐ Yes ■ No ☐ N/A

Specify changes required:

Known challenges/barriers:

ORDINANCE NO _____

An ordinance amending Ordinance No. C-35971, passed by the City Council December 14, 2020, and entitled, "An ordinance adopting the Annual Budget of the City of Spokane for 2021, making appropriations to the various funds of the City of Spokane government for the fiscal year ending December 31, 2021, and providing it shall take effect immediately upon passage", and declaring an emergency.

WHEREAS, subsequent to the adoption of the 2021 budget Ordinance No. C-35971, as above entitled, and which passed the City Council December 14, 2020, it is necessary to make changes in the appropriations of the General Fund, which changes could not have been anticipated or known at the time of making such budget ordinance; and

WHEREAS, this ordinance has been on file in the City Clerk's Office for five days; - Now, Therefore,

The City of Spokane does ordain:

Section 1. That in the budget of the General Fund, and the budget annexed thereto with reference to the General Fund, the following changes be made:

FROM:	0470-53610 58620-02560	Historic Preservation Planner I (from 1 to 0 positions)	$ 52,973
	0470-53610 58620-59954	Historic Preservation Reserve for Total Cost Comp	$ 10,691
TO:	0470-53610 58620-08280	Historic Preservation Historic Preservation Specialist (from 0 to 1 position)	$ 61,200
	0470-53610 58620-52110	Historic Preservation Social Security	$ 628
	0470-53610 58620-52210	Historic Preservation Retirement	$ 823
	0470-53610 58620-52330	Historic Preservation Life Insurance	$ 53
	0470-53610 58620-51640	Historic Preservation Deferred Comp	$ 960

Section 2. It is, therefore, by the City Council declared that an urgency and emergency exists for making the changes set forth herein, such urgency and emergency arising from the need to reclass the vacant Planner I to create the Historic Preservation Specialist position, and because of such need, an urgency and emergency exists for the passage of this ordinance, and also, because the same makes an appropriation, it shall take effect and be in force immediately upon its passage.

Passed the City Council _____

_____
Council President

Attest:_____
City Clerk

Approved as to form:_____
Assistant City Attorney

_____ _____
Mayor Date

_____
Effective Date

Organizational Chart – HISTORIC PRESERVATION

The Historic Preservation leadership team will need to be flexible, with competencies that compliment each other, in order to be successful. The Historic Preservation Specialist will be expected to fill in for Historic Preservation Officer in their absence.

*NEW POSITION

JOB DESCRIPTION

JOB TITLE:	REPORTS TO:	DATE:
Historic Preservation Specialist	Historic Preservation Officer	December 2020
BARGAINING UNIT:	**SPN:**	**PAY RANGE:**
M&P-A	828	42

DEPARTMENT PURPOSE

Historic Preservation partners with homeowners, commercial property owners and developers to promote investment in historic buildings throughout the City of Spokane and unincorporated Spokane County. Historic buildings are an important economic development driver helping to produce construction jobs, sales tax revenue and higher property tax values in our community. Historic buildings and neighborhoods are tangible reminders of our past. Through education, protection and review of these finite resources, we enhance Spokane's built environment and help make preservation possible.

POSITION PURPOSE

Performs professional historic preservation work designed to protect Spokane's significant historic properties. Assumes the role of Acting Historic Preservation Officer during their absence. Employee has extensive contact with various external organizations, City officials, departments, and the public. Carelessness, lack of good judgment, or missed deadlines may cause significant liability, embarrassment, or financial loss.

SUPERVISION EXERCISED

Reports to the Historic Preservation Officer with limited supervision. Plans and arranges their own work, referring only questionable cases to supervisor. Supervises and provides work direction to subordinate employees, interns and volunteers.

The following Responsibilities and Requirements are functions the individual who holds or desires the position must be able to perform unaided or with the assistance of a reasonable accommodation.

BEHAVIORAL STANDARDS

As an exempt employee of the City of Spokane, the Facilities Director is subject to the City's Code of Ethics set forth in Chapter 1.04A of the Spokane Municipal Code. As such, "it is the policy of the City of Spokane to uphold, promote, and demand the highest standards of ethics from all of its employees who shall maintain the utmost standards of responsibility, trustworthiness, integrity, truthfulness, honesty and fairness in carrying out their public duties, avoid any improprieties in their roles as a public servant including the appearance of impropriety, and never use their City position, authority or resources for personal gain."

KEY RESPONSIBILITIES

- Collaborate with the Spokane Historic Landmarks Commission (SHLC) by developing recommendations on applicable standards, regulations, and guidelines.
- Responsible for the administration of design review of various development applications.

- Develop and implement various historic preservation related community events and programs – in particular, work with incorporated towns and cities in Spokane County to create historic preservation interlocal agreements between local and county governments.
- Participate in the preparation of grant applications and plans, research availability of private and grant funding and prepare grant proposals.
- In absences of the Historic Preservation Officer performs Acting Historic Preservation Officer functions, including attendance at Spokane Historic Landmarks Commission (SHLC) meetings and neighborhood and community meetings. In addition, attends other meetings and functions as needed.
- Work collaboratively with the Historic Preservation Officer in making departmental decisions.
- Review, analyze and apply applicable state and municipal codes, ordinances and regulations, including local and federal design review standards for historic properties.
- Supervises office employees, interns and volunteers; provides hiring recommendations and performs performance reviews
- Interpret the International Existing Building Codes as they relate to historic buildings.
- Prepare submissions for statewide and national recognition of Spokane's historic preservation projects and accomplishments.
- Assist in writing ordinances and regulations relating to historic preservation development controls, incentives and codes.
- Interpret and provide information and technical assistance to City staff, citizens, and external agencies such as community and neighborhood groups regarding historic preservation related incentives and requirements. Represents the City to customers, the public, government, and other external sources.
- Creates distribution materials for various stakeholders, including summary documents, web content, press releases, and other content used for online marketing and social media.
- Conducts archival and field research and prepares nominations to the Spokane Register of Historic Places, including large historic district creation.
- Assist with the compilation and development of reports on program goals, activities and achievements.
- Other duties as assigned.

REQUIREMENTS

Knowledge of:

- Considerable knowledge of the principles and practices of historic preservation, working knowledge of the IEBC, project implementation, and community development.
- Federal historic preservation laws and standards.
- Competence in managing several projects/activities and meeting mandated deadlines.
- Considerable knowledge of the Spokane Municipal Code dealing with the Historic Preservation Ordinance, zoning and other land use matters.
- Principles of supervision, training, and performance feedback;
- Policy and procedure requirements to meet the goals and objectives of the City.

Ability to:

- Think creatively and be innovative in problem solving.
- Analyze complex data and make logical conclusions; think creatively and make recommendations based on highly selective data.
- Write clearly and concisely, and to express technical data, conclusions and recommendations in oral and written form for public consumption.
- Establish and maintain effective public and working relationships.

- Use a personal computer with word processing, data base, and spreadsheet programs, and general office and display equipment.
- Work cooperatively with others and maintain positive relationships.
- Organize and work on multiple varied projects concurrently and meet deadlines
- Use good judgment in evaluation of alternatives.
- Effectively lead and manage staff by developing and directing staff members, interns and volunteers as they work

Skill in:
Research, interpretation and application of City Municipal Codes, Council Ordinances, Statutes and applicable rules and regulations.

MINIMUM QUALIFICATIONS

Any combination equivalent to the experience and education that would likely provide the relevant knowledge and abilities would be qualifying. Generally this will include:

A Bachelor's Degree from an accredited college or university, with a major in Historic Preservation, Architectural History, Cultural Resource Management, Architecture, History or a closely related academic area and two (2) years of experience in related research, project administration or management.

Other:

A knowledge of building codes as they relate to historic buildings is preferred; as well as familiarity with programs such as WordPress and Photoshop.

A valid driver's license or evidence of equivalent mobility is required.

WORKING CONDITIONS

Work is conducted in both an office setting and at various historic sites. Duties occasionally require travel to various work locations, and some evening or weekend work. Incumbents in this classification are expected to communicate verbally, in person, and by telephone. A computer terminal is used and requires the use of repetitive arm movements.

Scott Simmons _____ 12/10/2020 _____

Scott Simmons, Interim City Administrator — Date

Amber Richards _____ 12/10/20 _____

Amber Richards, Human Resources Director — Date

Internal Analysis:

Recommended Range: 42 (M&P A) The nature of work, supervision, and many of the Essential Job Functions are similar to the class specs for positions within range 42 as detailed below.

CLASS SPECIFICATION	RANGE	MR'S	DUTIES
Historic Preservation Specialist	**Recommended:** Grade 42 M&P A $62,640 - $85,440.96	A Bachelor's Degree from an accredited college or university, with a major in Historic Preservation, Architectural History, Cultural Resource Management, Architecture, History or a closely related academic area and two (2) years of experience in related research, project administration or management.	Performs professional historic preservation work designed to protect Spokane's significant historic properties. Assumes the role of Acting Historic Preservation Officer during their absence. Employee has extensive contact with various external organizations, City officials, departments, and the public. Carelessness, lack of good judgment, or missed deadlines may cause significant liability, embarrassment, or financial loss.
Deputy City Clerk SPN 805	Grade 42 M&P A $62,640 - $85,440.96	Graduation from a college or university with a Bachelor's degree in records management, public administration, business management, or a closely related field; and three years direct experience with the disclosure and retention of public records	Performs technical and administrative work in the City Clerk's Office as well as assumes the role of Acting City Clerk during their absence. Position frequently dictates new and varied work situations involving a high degree of complexity. Carelessness, lack of good judgment, or missed deadlines may cause significant liability, embarrassment, or financial loss to the City. Employee has extensive contact with various City officials, departments, and the public. Position works under pressure to meet daily deadlines and requires exceptional attention to detail in order to prevent errors. Workload is often in excess of 40 hours per week and may require an extended schedule to include evenings and weekends in order to meet

			critical deadlines.
Assistant Retirement Director SPN 848	Grade 48 M&P-A $72,578.88 – $99,660,24	Degree in accounting, finance business administration or related field of study and five years of progressive responsibility in pension, finance, and accounting or business administration.	Assists the Retirement Director in the overall operation and administration of the Spokane Employees Retirement System. The Assistant Director reports to the Director who in turn is responsible to the Broad of Trustees of the Systems and the Mayor. Job responsibilities involved all aspects of pension's system(s) operations including administration, accounting, actuarial, financial and investment management. The position is fiduciary in nature and all work must be in strict compliance with the city code, state statutes, fiduciary law, federal tax laws and government and general accepted accounting principles.
Urban Designer SPN: 259	Grade 40 M&P-B $59,779.44 - $ 82,663.92	Graduation from an accredited four-year college or university with a bachelor's degree in Urban Design, Architecture, Landscape Architecture, or Environmental Design with course work in the principles and practices of urban planning; and completion of at least three years of public or private employment in planning or design.	Performs professional work in the area of planning, urban design, programming, or community development. Duties require analyzing facts to determine a proper course of action. No specific checks or controls exist in the development phase of a plan; errors, if not detected, would cause a serious interruption of routine or possible embarrassment to the City. Employee has regular outside contacts to obtain or supply factual information. Duties are sedentary in nature and performed under normal working conditions, requiring sustained periods of concentrated attention. Employee will undertake some field work in the performance of duties.

JOB DESCRIPTION

Job Information:

Job Title:	Reports To:	Date:
Historic Preservation Officer	Director, Neighborhood and Business Services	November 17, 2016
Classification:	**SPN:**	**Pay Range:**
M&P - A	839	51

Nature of Work:

Performs independent supervisory, professional and management work in the administration of the Historic Preservation Department. Employee is required to independently analyze facts and to use innovation and creativity in determining the proper course of action. Errors in administration of financial incentive applications might cause a significant loss of time or money, or involve legal action against the City. Duties require independent judgment and action within city policies in work programming, budgeting, resource and personnel management and public policy. Requires managerial skills as well as technical expertise in historic preservation. Employee serves in the capacity of Historic Preservation Officer for the City of Spokane and Spokane County.

Supervision:

Works independently with little direction from supervisor to perform managerial and technical duties. Has staff responsibility for budget preparation, department management, program planning and coordination. Has supervisory responsibility over professional and support personnel and assumes full responsibility for the actions of subordinates. Reports directly to the Neighborhood and Business Services Director.

Examples of Work:

- Plans, directs and coordinates the city-county historic preservation program, including the program budget.
- Outlines studies and acts as supervisor in the direction and preparation of reports and plans and in the preparation and administration of the historic preservation element of the comprehensive plan for the city and county.

CITY OF SPOKANE

JOB DESCRIPTION

- Maintains Certified Local Government status for city and county, implementing the program responsibilities. Maintains Interlocal Agreement between the city and county for ongoing services as well as with incorporated communities within the county who have interlocal agreements for services. Presents reports and recommendations to appointed and elected officials.
- Organizes, supervises, and presents staff recommendations for City-County Landmarks Commission review and conducts public hearings for processing of applications for designations, tax incentives, and design review, some in which the Commission acts in a quasi-judicial capacity.
- Establishes and maintains records for the Commission. Trains new Commission members.
- Evaluates architectural design for compliance with Management Agreement in reference to the Secretary of the Interior's Standards for Rehabilitation. Makes recommendations to the Landmarks Commission regarding design review.
- Evaluates Special Valuation Tax incentive program applications for compliance in design and expenditures, and makes recommendations to the Landmarks Commission for approval or denial.
- Prepares grant applications. Implements grant projects and prepares appropriate grant reports.
- Routinely works with the Building Department to discuss IEBC code requirements to come up with alternatives that will not damage character-defining features of historic properties.
- Manages consultant contracts, prepares requests for proposals, selects consultants, oversees contract compliance, approves payments.
- Acts as an advisor to historic preservation groups to promote historic preservation.
- Works extensively with the public on all matters of Spokane's history and historic preservation, through direct contact, presentations to community and professional groups, as well as representing the City and County at statewide and national levels.

Requirements of Work:

- Expert knowledge of the principles and practices of historic preservation.
- Knowledge of federal historic preservation laws and standards, including the Secretary of the Interior's Standards for Rehabilitation and the National Register Criteria for Evaluation.
- Considerable knowledge of the Section 106 review process, preferably a graduate of the GSA Introduction to Federal Projects and Historic Preservation Law training course.

CITY OF SPOKANE

JOB DESCRIPTION

- Considerable knowledge in the areas of preservation law and both local and federal tax incentives.
- Sufficient knowledge of various disciplines (e.g., Planning, Community Development, Building Permitting, Urban Design, GIS) to effectively communicate with other city departments and local agencies.
- Ability to develop and maintain a departmental budget.
- Ability to prepare clear and accurate written and verbal reports, studies and recommendations.
- Ability to establish and maintain effective working relationships within the public and private sectors; city officials, community organizations, citizens and the media.
- Considerable problem-solving ability, including the formulation of substantial recommendations.
- Ability to maintain and add web content to the Historic Preservation Department's web page.

Working Conditions and Physical Demands:

- Ability to read fine print.
- Ability to converse on telephone.
- Ability to communicate with large groups.
- Enough manual dexterity to write clearly.
- Stamina to sit several hours at a time and undertake field inspections of historic properties.
- Stamina to work more than a 40-hour week.
- Ability to lift light to medium weight objects.

Minimum Qualifications:

Any combination of education and experience which would provide the required knowledge, skills and abilities, is qualifying. Generally this would include:

Graduation from an accredited four year college or university with a master's degree in architectural history, architecture or related field with emphasis in historic preservation, and at least two (2) years experience in historic preservation, urban and regional planning or community development. Preference will be given to a Master's Degree in historic preservation, architecture, or related field.

CITY OF SPOKANE

JOB DESCRIPTION

Behavioral Standards:

As an exempt employee of the City of Spokane, the Historic Preservation Officer is subject to the City's code of Ethics set forth in Chapter 1.04A of the Spokane municipal Code. As such, "It is the policy of the City of Spokane to uphold, promote and demand the highest standards of ethics from all of its employees shall maintain the utmost standards of responsibility, trustworthiness, integrity, truthfulness, honesty and fairness in carrying out their public duties, avoid any improprieties in their roles as public servants including the appearance of impropriety, and never use their City position, authority or resources for personal gain."

Theresa M. Sanders, City Administrator — Date 3/16/18

Christine M. Cavanaugh, HR Director — Date 3/12/2018

Briefing Paper
FINANCE & ADMINISTRATION COMMITTEE

Division & Department:	Finance
Subject:	Annual Encumbrance Carryover Ordinance
Date:	1/25/2021
Contact (email & phone):	pingiosi@spokanecity.org; 625-6061
City Council Sponsor:	Council Member Mumm
Executive Sponsor:	Tonya Wallace
Committee(s) Impacted:	Finance and Administration Committee
Type of Agenda item:	☒ Consent ☐ Discussion ☐ Strategic Initiative
Alignment: (link agenda item to guiding document – i.e., Master Plan, Budget , Comp Plan, Policy, Charter, Strategic Plan)	Budget
Strategic Initiative:	N/A
Deadline:	Annually, following closure of the prior fiscal year
Outcome: (deliverables, delivery duties, milestones to meet)	Review of proposed Ordinance to carryover prior year encumbered budget for outstanding expenditures.

Background/History: At the end of the 2020 fiscal year there were various unexpended appropriations for uncompleted programs, improvements in progress, unfilled orders for material, equipment, and supplies and unfulfilled contracts for personal services, all properly budgeted and contracted for, and various outstanding grants, bond projects, and capital projects; and in order to complete such programs and pay such claims it is necessary that the various funds be re-appropriated in the 2021 budget.

Executive Summary:

- An ordinance carrying over from 2020 fiscal year and re-appropriating various funds for the use of certain departments and divisions of the City government and appropriating various outstanding grants of the City of Spokane.
- This action carries over budget authority for the items noted above, budgeted for in 2020 but not completed at year-end, and appropriates various outstanding grants and capital expenditures in the current year budget, thereby amending Ordinance No. C-35971, passed December 14, 2020.

Budget Impact:

Approved in current year budget? ☐ Yes ☐ No ☒ N/A
Annual/Reoccurring expenditure? ☐ Yes ☐ No ☒ N/A
If new, specify funding source:
Other budget impacts: (revenue generating, match requirements, etc.)

Operations Impact:

Consistent with current operations/policy? ☒ Yes ☐ No ☐ N/A
Requires change in current operations/policy? ☐ Yes ☒ No ☐ N/A
Specify changes required:
Known challenges/barriers:

Briefing Paper
FINANCE COMMITTEE

Division & Department:	Finance – Treasury
Subject:	Loomis Term Extension Agreement
Date:	1/25/21
Contact (email & phone):	jahensley@spokanecity.org; 625-6074 (Jake Hensley, Treasury Manager)
City Council Sponsor:	Candace Mumm
Executive Sponsor:	Tonya Wallace
Committee(s) Impacted:	Finance Committee
Type of Agenda item:	☒ Consent ☐ Discussion ☐ Strategic Initiative
Alignment: (link agenda item to guiding document – i.e., Master Plan, Budget , Comp Plan, Policy, Charter, Strategic Plan)	
Strategic Initiative:	
Deadline:	
Outcome: (deliverables, delivery duties, milestones to meet)	Finalize 1 year contract renewal period with Loomis

Background/History:

- Currently the City of Spokane's Loomis contract is expired as of 12/31/20.

Executive Summary:

- The City issued an informal RFP for armored car services in November of 2016 with Loomis US being the apparent successful bidder
- In June of 2017, the City amended the contract to include services to the Parks Department and the Solid Waste Department. The original contract was a minor contract and due to the increased costs of the amendment it now exceeds the minor contract limits.
- This is the 3rd of three allowed 1 year annual renewals and will be funded as follows:

Department	Estimated Cost
MySpokane	7,500
Parking	5,000
Parks Department	20,000
Municipal Court	10,000
SW Disposal	6,500
Police Records	5,000
Total	54,000

Budget Impact:

Approved in current year budget? ☒ Yes ☐ No ☐ N/A
Annual/Reoccurring expenditure? ☒ Yes ☐ No ☐ N/A
If new, specify funding source:
Other budget impacts: revenue generating

Operations Impact:

Consistent with current operations/policy? ☒ Yes ☐ No ☐ N/A
Requires change in current operations/policy? ☐ Yes ☒ No ☐ N/A
Specify changes required: n/a
Known challenges/barriers: n/a

LOOMIS

AMENDMENT

Effective _January 8, 2021 the parties hereto agree that the following paragraphs shall serve to amend the Agreement, dated _January 1, 2017_____, by and between Loomis Armored US, LLC ("LOOMIS") and __the City of Spokane ("CUSTOMER") (the "Agreement").

1. **The parties agree to extend the term of the Agreement for one (1) additional year, ending on December 31, 2021.**

All of the terms and conditions of the Agreement shall continue in full force and effect except as modified by the terms of this Amendment. Terms not defined herein shall be as defined in the Agreement. By executing this Amendment, the parties hereto ratify and confirm the terms of the Agreement, as modified by the terms of this Amendment. This Amendment may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original and all of which shall constitute the same instrument. All references in the Agreement in and/or to "this Agreement" and words of a like nature shall be deemed to refer to the Agreement, as amended and supplemented by this Amendment.

CUSTOMER

By Tonya Wallace
Printed Name Tonya Wallace
Title Chief Financial Officer
Date 1/12/2021

LOOMIS

By Dan Schulberg
Printed Name Dan Schulberg
Title Branch Manager
Date 1/12/2021

Briefing Paper
Finance & Administration Committee

Division & Department:	Finance - Asset Management
Subject:	Under I-90 Update and Draft 5 Year Capital Plan
Date:	January 25, 2021
Author (email & phone):	Dave Steele, dsteele@spokanecity.org 625-6064
City Council Sponsor:	
Executive Sponsor:	Tonya Wallace
Committee(s) Impacted:	Finance & Administration
Type of Agenda item:	☐ Consent ■ Discussion ☐ Strategic Initiative
Alignment: (link agenda item to guiding document – i.e., Master Plan, Budget , Comp Plan, Policy, Charter, Strategic Plan)	
Strategic Initiative:	
Deadline:	May 2021
Outcome: (deliverables, delivery duties, milestones to meet)	Update on Under I-90, Washington Department of Transportation negotiations, and draft 5 Year Capital Plan for future spending

Background/History:

The under I-90 parking areas and landscape rights of way are currently managed by the City of Spokane per a 50 year master lease with WSDOT. That lease is expiring in May of 2021, with negotiation ongoing. As part of the negotiations the City of Spokane has proposed a 5 year capital plan for spending any revenues over immediate expenses. This draft plan brings forward a proposal for the prioritization of basic areas of spending. Landscaping /irrigation, physical repairs to walls / fencing, general lighting, and art.

Executive Summary:

- Draft 5 Year Capital plan related to the under I-90 parking areas and related rights of way

Budget Impact:

Approved in current year budget? ☐ Yes ■ No

Annual/Reoccurring expenditure? ☐ Yes ■ No

If new, specify funding source:

Other budget impacts: (revenue generating, match requirements, etc.)

Operations Impact:

Consistent with current operations/policy? ■ Yes ☐ No

Requires change in current operations/policy? ☐ Yes ■ No

Specify changes required:

Known challenges/barriers:

Under I-90 PARKING Fund Spend Down & 5 Year Capital Plan

Draft

Asset Management

Location & Environment

The I-90 Corridor bisects the City of Spokane near the base of the south hill, effectively separating the downtown core from the medical / healthcare district

I-90 is owned by the Washington State Department of Transportation

The City of Spokane has maintained a long-term lease with WSDOT since the construction of I-90 in the early 1970's

The lease is set to expire in May of 2021

UNDER I-90 PARKING

Location & Environment

As part of the construction of the raised section of I-90, the decision was made to create a series of parking lots, tennis courts, and a skateboard park.

Due to the difficult environment, poor visibility, low use, and changing demographics, the tennis courts and the skate park have been removed.

There are now 12 developed parking lots under I-90

The City of Spokane manages a series of subleases for the lots with adjacent schools, businesses, etc.

UNDER I-90 PARKING

Location & Environment

These leases generate revenues that are reinvested in the maintenance and upkeep of the public areas surrounding the lots. These areas include the newly developed gateways (Division, Monroe, Maple Street) along with the remaining landscaping areas withing the leased WSDOT right of way.

With the master WSDOT lease up for renewal, the City of Spokane is proposing a 5 Year Capital plan to allow for the programming of improvements and upgrades to the various locations with revenues in excess of the baseline maintenance costs.

Revenues and Expenditures

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues	$ 134,712.10	$ 134,263.92	$ 139,568.68	$ 149,722.68	$ 153,259.72	$ 159,433.50	$ 173,704.86	$ 193,767.33	$ 191,696.28	$ 201,025.57	$202,552.00
Expenditures	$ 88,237.16	$ 136,726.38	$ 78,950.98	$ 174,538.77	$ 534,461.99	$ 263,097.61	$ 94,793.07	$ 156,610.14	$ 154,083.34	$ 122,094.09	$ 162,260.00
Revenue over Exp.	$ 46,474.94	$ (2,462.46)	$ 60,617.70	$ (24,816.09)	$(381,202.27)	$(103,664.11)	$ 78,911.79	$ 37,157.19	$ 37,612.94	$ 78,931.48	$ 40,292.00
Ending Fund Balance											$ 294,853.00

UNDER I-90 PARKING

Capital Planning

Proposed priorities for spending down the fund balance and for future balances:

-Landscape investments / Irrigation replacements

-Public Art

-Wall and fence replacements

-New vehicle access to the former skate park

-Lighting repairs

UNDER I-90 PARKING

Capital Planning

Landscape & Irrigations Investments–

The City has made substantial investments in the Under I-90 offramp areas (gateways into the downtown core) such as at Division, Lincoln / Monroe and Maple Streets.

Significant landscaping, irrigation, and art investments were made over the last 10 years with the intent of enhancing the front door to the downtown core.

Revisiting these locations with moderate re-plantings, weeding, irrigation repairs to maintain and reinvigorate the work already completed.

UNDER I-90 PARKING

Capital Planning

Continuing to Invest in Public Art-

One of the first gateways that was invested in was the Division Street area. This gateway was treated with landscaping, irrigation, sculptures, decorative walls and fencing.

Reinforcing that investment with a publicly funded mural on the blank wall would move this space forward.

UNDER I-90 PARKING

Capital Planning

Wall and Fence Replacements-

All throughout the under I-90 area there are decorative block wall and security fencing that need repair.

Inventorying current conditions and bidding repairs would be completed

UNDER I-90 PARKING

Capital Planning

New Vehicle Access to the Former Skate Park-

This old skate park location has sat vacant for several years with insufficient vehicle access to be utilized as additional leased parking.

Investing in the installation of a new access ramp to this lot allows for additional leasable off-street parking to be developed for adjacent businesses.

UNDER I-90 PARKING

5 Year Capital Planning

These categories of expenses are basic ongoing capital investments that need to be made.

Due to the limited funding stream, it is proposed that we adopt these categories (or additional / alternative) and include in the Citywide 6 Year Capital Plan.

Accumulated fund balances will be periodically invested in these areas under these priorities depending on significance of need

UNDER I-90 PARKING

2021 Fund Spend Down

Future priorities spending down the fund balance and for future balances:

	Proposed Expense
-Landscape investments / Irrigation replacements	$100,000
-Public Art	$50,000
-Wall and fence replacements	$75,000
-New vehicle access to the former skate park	$50,000
-Lighting repairs	$20,000

UNDER I-90 PARKING

Questions?

BRIEFING PAPER

Parking Meter Replacement Program

January 14, 2021

Subject

The Community and Economic Development Department has roughly 5,000 on-street spaces that need new Paid Parking Equipment. MacKay Meters, Inc. and Parkeon, Inc. dba Flowbird were selected through RFP 5207-19, Paid Parking Equipment. Financing is needed to purchase the Paid Parking equipment.

Background

The City of Spokane put out RFP 5207-19 Paid Parking Equipment and selected two companies in March 2020 to provide parking services with single/dual space meters and pay stations. The City selected MacKay Meters, Inc. for the single/dual space meters and Parkeon, Inc. dba Flowbird for the pay stations.

The Paid Parking Zone has over 5,000 on-street parking spaces currently. The City anticipates replacing over 800 smart meters in the Downtown area in 2021 and 10 kiosks. Subsequently, the remaining meters will be replaced over the next 3-4 years and the City will expand the parking management areas.

The new parking equipment accepts all standard forms of payment, and provides the ability to report and analyze parking activity, reconcile, modify programming for time changes and fee changes, and fully integrates with the citation management systems (citation, permit and license plate recognition).

Staff plans to purchase at least 55 Single Space meters, 317 Dual Space meters, and 110 pay stations.

Financing Plan

The Parking Meter Project will cost a total of approximately $3,350,000 to replace 800 Duncan meters and 3,500 stalls over the course of 5 years. In addition to the $3.35 million needed for the project, there will be a lump sum of $2,656,623 due in 2025 for the balloon debt service payment on the LTGO 2016 bonds used to refund the Riverpark Square bonds. Combined, Parking Services will need a total of approximately $6,156,622 financed over the next 5 years.

Recommendation

Finance proposes a series of annual SIP loans that coincide with the 5-year meter replacement project accordingly and includes a sinking fund amount to support the $2.6 million lump sum amount due in 2025. The first series, specific for 2021, is $1,200,000, of which $670,000 will be used for acquisition and install of the meters and $530,000 will be used to establish a sinking fund for the lump sum payment due in 2025.

The annual debt service for the Parking SIP Loan, Series 2021, will be $246,434.52, at an interest rate of .86%. This SIP will be repaid from parking revenues. First payment due 12/1/21 of $123,217.26.

ORDINANCE NO. C-_____

An ordinance establishing a strategic reserve account within the general fund and establishing the process for the annual allocation of positive General Fund variances to the various reserve funds; amending section 07.08.010 of the Spokane Municipal Code.

WHEREAS, under the City Charter, the City Council adopts an annual budget stating the authorized expenditures for the City's various funds, including the general fund, which was established by SMC 07.08.010; and

WHEREAS, at the end of each year, ~~some amounts of money budgeted~~not all funds appropriated by the Council within the Ggeneral Ffund are ~~not always~~ expended; and

~~**WHEREAS,** the result of this is that the City's General Fund can end up with revenues in excess of the actual expenditures for any given year; and~~

WHEREAS, ~~in order~~ to ensure that reserves are funded as prescribed herein, ~~any annual positive variances within the General Fund are allocated to the various reserve accounts in a prescribed manner,~~ the City Council is providing policy direction as to the priority and desired level of reserve funding.~~how annual~~any ~~excess funds should~~ shall ~~be allocated~~.

NOW THEREFORE, the City of Spokane does ordain:

Section 1. That section 07.08.010 of the Spokane Municipal Code is amended to read as follows:

Section 07.08.010 General Fund and Reserve Accounts – Establishment

A. There is established a "general fund" into which all sums of money collected by the City for any purpose whatsoever shall be deposited unless otherwise provided by ordinance directing the deposit into some specific fund other than the general fund.

B. There is established within the general fund a revenue stabilization account which shall consist of a specific portion of the unappropriated general fund balance as determined by this section and which shall be used for the revenue stabilization for future city operations and to fund ordinary and ongoing city activities that would otherwise be reduced in scope, suspended, or eliminated due to unanticipated shortfalls in general fund revenues. The revenue stabilization account shall be funded as follows.

1. At the conclusion of each and every fiscal year ~~commencing with year 2018 and every year thereafter~~, that year's ~~unappropriated general fund balance~~positive General Fund variance, net of non-cash items such as unrealized gains/losses and accounts receivable/payable, shall be automatically transferred into the revenue stabilization account until such

time as the revenue stabilization account is funded to the targeted funding level as listed in this section.

2. Additional funds may be added to the revenue stabilization account during the ensuing fiscal year ~~in accordance with standard special budget ordinance procedures~~when approved by the City Council.

3. The targeted funding level ~~within the~~for revenue stabilization account shall initially be three and one-half percent (3.5%) of current-year budgeted general fund revenues.

    a. Annually during each budget cycle, the chief financial officer, or designee, shall report to the city council on the revenue stabilization account including current and proposed future funding levels consistent with revenue growth projected in the City's ~~six-year~~long-term general fund financial forecast and a discussion of investment activity within the account for the period and investment planning in place for future periods. This annual report shall also include analysis and consideration of the proper targeted funding level going forward in relation to changing conditions and prudent fiscal practices.

    b. Disbursements from the revenue stabilization account may be made to mitigate a general fund revenue shortfall deemed by the city council, in consultation with the chief financial officer or designee to meet the following criteria:

        i. The revenue shortfall results from revenue collections considered to be materially short of the amount budgeted, or the revenue shortfall results from projected baseline (existing) budgeted revenues for any ensuing year increasing by less than the assumed long-term revenue growth rate in the City's six-year general fund projection for the immediate year; and

        ii. The revenue shortfall is expected to persist through the end of the fiscal year; and

        iii. The revenue shortfall is reasonably expected to persist for a period no longer than three (3) years. A revenue shortfall expected to persist beyond three (3) years shall be directly addressed in the current annual budget process through long-term budget measures.

    c. Disbursements from the revenue stabilization account may include amounts budgeted in the general fund to supplement revenue shortfalls that occur in other City funds.

d. Appropriation from the revenue stabilization account is by the standard special budget ordinance procedure.

C. There is established within the general fund a contingency reserve account which shall consist of a specific portion of the unappropriated general fund balance.

1. When the revenue stabilization account is at the targeted funding level as specified in SMC 07.08.010(B)(3), and every year thereafter, that year's remaining positive General Fund variance, net of non-cash items such as unrealized gains/losses and accounts receivable/payable, ~~unappropriated general fund balance~~ shall be automatically transferred into the contingency reserve account until such time as the contingency reserve account is funded to the targeted funding level as listed in this section.

2. Additional funds may be added to the contingency reserve account in such amounts and at such additional times during the ensuing fiscal year ~~in accordance with standard special budget ordinance procedures~~when approved by the City Council.

3. The targeted funding level within the contingency reserve account shall be ten percent (10%) of current-year budgeted general fund expenditures.

   During each budget cycle, the chief financial officer, or designee, shall report to the city council on the contingency reserve account including current and estimated future funding levels consistent with the City's six-year general fund financial forecast. This annual report shall include analysis and consideration of the proper targeted funding level in relation to changing conditions and prudent fiscal practices.

4. Disbursements from the contingency reserve account are for the purpose of meeting extraordinary expenditures as deemed by the city council, in consultation with the chief financial officer or designee, to meet the following criteria:

   a. Unforeseen circumstances arising after the adoption of the annual budget which require an unavoidable and non-continuing allocation; or

   b. Unforeseen emergency threatening health and/or safety of the citizens; or

   c. Unanticipated non-continuing expenses are needed to fulfill an unfunded legislative mandate; or

   d. Significant operating efficiencies can be achieved resulting in clearly identified near-term and offsetting cost savings.

5. Appropriation from the contingency reserve account is by the standard special budget ordinance procedure.

D. During such time that ~~both~~ the revenue stabilization, ~~and~~ contingency reserve, and strategic reserve accounts are at the targeted funding levels, any unappropriated fund balance in ensuing years should first be used to pay for existing obligations rather than to fund new programs.[DT1]

E. The transfers required by SMC 07.08.010(B)(1), ~~and~~ (C)(1), and (F)(1) shall be accomplished ~~no later than July 1 of each fiscal year~~as part of the year-end closing process. [DT2]

F. There is established within the general fund a strategic reserve account~~,~~ which shall consist of a specific portion of the unappropriated general fund balance.

1. When the revenue stabilization account is at the targeted funding level as specified in SMC 07.08.010(B)(3), and the contingency reserve account is at the targeted funding level as specified in SMC 07.08.010(C)(3), and every year thereafter, that year's remaining positive variance, net of non-cash items such as unrealized gains/losses and accounts receivable/payable, shall be automatically transferred into the strategic reserve account until such time as the strategic reserve account is funded to the targeted funding level as listed in this section.

2. Additional funds may be added to the strategic reserve account during the year when approved by the City Council.

~~1.~~3. The targeted funding level within the strategic reserve account shall initially be 1% of current year budgeted general fund expenditures.

4. Disbursements from the strategic reserve account may be made for the following purposes.

   a. To fund a ~~a~~ strategic program or initiative in the areas of housing, environmental protection, innovation, or
   b. Any other project, program, or initiative determined by City Council ~~resolution~~ to be of strategic significance to the City or its people.

~~2.~~5. Appropriation from the strategic reserve account is by the standard special budget ordinance procedure or funds may be appropriated as part of the annual budget process.

PASSED by the City Council on _____.

Council President

Attest:

Approved as to form:

City Clerk

Assistant City Attorney

Mayor

Date

Effective Date

DRAFT

ORDINANCE NO. C-_____

An ordinance requiring a supermajority Council vote for the approval of intrafund transfers of budgeted personnel expenses to ~~a~~ non-personnel expenses~~line item~~ or between departments; amending section 07.09.010 of the Spokane Municipal Code.

NOW THEREFORE, the City of Spokane does ordain:

Section 1. That section 07.09.010 of the Spokane Municipal Code is amended to read as follows:

Section 07.09.010 Permitted When

A. Intrafund budget transfers may be made during the current fiscal year by order of the mayor, or in the library fund by the library director, or in the park fund by the director of parks and recreation; provided, however, that the following transfers shall not occur unless approved by an ordinance passed by the vote of one more than the majority of all members of the city council:

1. The creation or abolishment of employee positions, except for:

    a. classified employee positions which are created or abolished solely for the purpose of downgrading a specific position in order to hire at a lower level of the classification; or

    b. progressive promotions, certification advancements or position reclassifications of classified employees governed by civil service rules or bargaining unit contracts.

2. The decrease, revocation or recall of all or any portion of the total appropriations provided for any one fund.

3. All transfers from a budgeted line-item to a defunded line item as adopted by the City Council.

4. ~~Effective January 1, 2021, all t~~Transfers of budgeted personnel expenses ~~(salaries and/or benefits)~~ [WT1]to ~~a~~ non-personnel expenses. This ~~line item~~ ~~(~~does not apply to Library, Parks, Civil Service [WT2]or other ~~similar~~ departments governed by a separately appointed Board or Commission~~)~~.

5. T~~All t~~ransfers of budgeted personnel expenses ~~(salaries and/or benefits)~~ from one department to another department within the same f~~F~~und.

((4.))6. Emergencies as specified in state law or City charter.

B. Provided, further, that the following transfers shall be approved by ordinance passed by a majority of all members of the city council:

1. Changes to the wages, hours and conditions of employment of appointive employees.
2. Adjustments to the salary or compensation of City officers, assistants and employees.

PASSED by the City Council on _____.

_____
Council President

Attest:

_____
City Clerk

_____
Mayor

Approved as to form:

_____
Assistant City Attorney

_____
Date

_____
Effective Date

Briefing Paper
FINANCE AND ADMINISTRATION

Division & Department:	City Council
Subject:	Ordinance for Emergency Rental Assistance Fund
Date:	1-20-2021
Contact (email & phone):	Michelle Hughes; mhughes@spokanecity.org; 509-625-6320
City Council Sponsor:	CM Mumm
Executive Sponsor:	Tonya Wallace
Committee(s) Impacted:	Finance and Administration
Type of Agenda item:	☐ Consent ■ Discussion ☐ Strategic Initiative
Alignment:	
Strategic Initiative:	
Deadline:	
Outcome: (deliverables, delivery duties, milestones to meet)	

Background/History:

Executive Summary:

Establish a special revenue fund to be known as the "Emergency Rental Assistance Fund" into which shall be deposited funds generated from the U.S. Department of Treasury Emergency Rental Assistance Program established by federal law under Section 501 of Division N of the Consolidated Appropriations Act, 2021, Pub. L. No. 116-260 (December 27, 2020) (the "Act") as well as other state and federal sources.

Budget Impact:
TOTAL COST:
Approved in current year budget? ☐ Yes ■ No ☐ N/A
Annual/Reoccurring expenditure? ☐ Yes ■ No ☐ N/A
If new, specify funding source:
Other budget impacts: (revenue generating, match requirements, etc.)

Operations Impact:
Consistent with current operations/policy? ☐ Yes ☐ No ☐ N/A
Requires change in current operations/policy? ☐ Yes ☐ No ☐ N/A
Specify changes required:
Known challenges/barriers:

ORDINANCE NO. C - _____

AN ORDINANCE relating to the creation of an Emergency Rental Assistance Fund; adopting a new section 7.08.154 to chapter 7.08 of the Spokane Municipal Code.

The City of Spokane does ordain:

Section 1. That there is adopted a new section 7.08.154 to chapter 7.08 of the Spokane Municipal Code to read as follows:

7.08.154 Emergency Rental Assistance Fund

There is established a special revenue fund to be known as the “Emergency Rental Assistance Fund” into which shall be deposited funds generated from the U.S. Department of Treasury Emergency Rental Assistance Program established by federal law under Section 501 of Division N of the Consolidated Appropriations Act, 2021, Pub. L. No. 116-260 (December 27, 2020) (the “Act”) as well as other state and federal sources.

The fund will be used consistent with the provisions of the Act as currently adopted or as may be subsequently amended, which includes providing assistance through existing or newly created rental assistance programs to eligible households unable to pay rent and utilities due to the COVID-19 pandemic, which shall include utility and home energy costs.

PASSED by the City Council on _____, 2021.

_____
Council President

Attest:

_____
City Clerk

Approved as to form:

_____
Assistant City Attorney

_____
Mayor

_____
Date

_____
Effective Date

Briefing Paper
Finance and Administration

Division & Department:	Finance
Subject:	Department of Treasury Rental Assistance Contract
Date:	1/20/2019
Contact (email & phone):	Sally Stopher sstopher@spokanecity.org 625-6032
City Council Sponsor:	CM Candace Mumm
Executive Sponsor:	
Committee(s) Impacted:	Finance Committee
Type of Agenda item:	☐ Consent ☐ Discussion ☐ Strategic Initiative
Alignment: (link agenda item to guiding document – i.e., Master Plan, Budget , Comp Plan, Policy, Charter, Strategic Plan)	
Strategic Initiative:	
Deadline:	
Outcome: (deliverables, delivery duties, milestones to meet)	Contract to receive $6,695,536.90 in revenue from the Department of Treasury

Executive Summary:

Contract to receive $6,695,536.90 in revenue from the Department of Treasury to provide rental and utility assistance to citizens

Budget Impact:

Approved in current year budget? ☐Yes ☒No ☐N/A

Annual/Reoccurring expenditure? ☐Yes ☒No ☐N/A

If new, specify funding source: Transfer of budget capacity from ITSD to Purchasing

Other budget impacts: (revenue generating, match requirements, etc.) None

Operations Impact:

Consistent with current operations/policy? ☒Yes ☐No ☐N/A

Requires change in current operations/policy? ☐Yes ☒No ☐N/A

Specify changes required:

Known challenges/barriers:

MEMO

Finance Division
808 W. Spokane Falls Blvd.
Spokane, Washington 99201-3313
(509) 625-6845

Tonya Wallace
Chief Financial Officer

To: Mayor Woodward, Council President Beggs, & City Council Members

From: Tonya Wallace, Chief Financial Officer

Date: January 11, 2021

Subject: General Fund Update

Attached for your information is an update of changes in the General Fund through December 2020.

Please let us know if you have any questions.

2020 Budget as of 12/31/20	$219,829,723
2020 Adopted Budget	$206,918,438
Net Addition to Budget	$ 12,911,285

TW: ab
pc: Acting City Administrator Scott Simmons

Attachment

ALL CHANGES INCREASING OR DECREASING THE GENERAL FUND AS OF December 31, 2020

Date	Department	Reason	Additional Expenditure	From Unapp. Reserves	From Add'tl Revenue	Encumbrance Carryover	Operating Transfer In	Reference Document
1/31/2020	General Fund	Encumbrance Carryover				$ 2,989,424.00		
2/3/2020	0300 - Human Services	funding to expand emergency shelter facilities with needed services to ensure that people experiencing homlessness in Spokane are safe and assisted in obtaining the services they need to exit homelessness	$31,300.00	$31,300.00				C35887
2/10/2020	0300 - Human Services	funding to expand emergency shelter facilities with needed services to ensure that people experiencing homlessness in Spokane are safe and assisted in obtaining the services they need to exit homelessness	$18,466.00	$18,466.00				C35891
2/26/2020	0300 - Human Services	to fund two permanent housing projects to help alleviate emergency need in the community	$280,000.00	$280,000.00				C35892
2/26/2020	0020 - Non-Departmental	to budget extra funds for SCRAPS regarding a one-time deficiency payment and to cover a budget deficit for the 2020 contract amount	$110,000.00	$110,000.00				C35886
3/23/2020	0520 - Mayor's Office	To create a Director of Emergency Management Position	$151,800.00	$151,800.00				C35857
7/1/2020	0680 - Police	To recognize unbudgeted revenue and expenditure pertaining to acceptance of a Spokane Transit Authority contract for law enforcement presence on buses.	$76,678.00		$76,678.00			C35918
8/17/2020	0020 - Non-Departmental	To budget CARES Act funds for City response to COVID-19 pandemic.	$2,902,815.00		$2,902,815.00			C35929
8/27/2020	0650 - Planning Services	Contra salaries and benefits for grant work performed by Planning Services staff	-$130,000.00		-$130,000.00			
9/2/2020	0680 - Police	To reimburse the Traffic Calming Measures Fund for the transfer of Traffic Calming funds to the Police Department	$500,000.00	$500,000.00				C35931
9/2/2020	0020 - Non-Departmental	To budget CARES Act funds for City response to COVID-19 pandemic.	$1,128,023.70		$1,128,023.70			C35933
9/23/2020	0020 - Non-Departmental	To budget CARES Act funds for City response to COVID-19 pandemic.	$3,330,000.00		$3,330,000.00			C35948
10/7/2020	Various Departments	To budget CARES Act funds for City departmental costs related to COVID-19 pandemic.	$724,731.00		$724,731.00			C35949
11/5/2020	0560 - Municipal Court	For Department of Justice grant for the East Central Community Court project.	$166,048.00		$166,048.00			C35957
11/5/2020	0980 - Allocations	Fulfill funding obligation of the City to the Water Fund based on the sale of City property.	$500,000.00	$500,000.00				C35959
11/30/2020	0980 - Allocations	Increased security costs.	$132,000.00	$132,000.00				C35988
		Total	**$9,921,861.70**	**$1,591,566.00**	**$8,198,295.70**	**$2,989,424.00**		

MEMO

Finance Division
808 W. Spokane Falls Blvd.
Spokane, Washington 99201-3313
(509) 625-6845

Tonya Wallace
Chief Financial Officer

To: Mayor Woodward, Council President Beggs, & City Council Members

From: Tonya Wallace, Chief Financial Officer

Date: January 11, 2021

Subject: Intrafund Budget Transfer Report for December 2020

In accordance with SMC 7.09 – Intrafund Budget Transfers, Section 7.09.020 - Report required, attached please find the report for December 2020.

Please let us know if you have any questions.

TW/ab

pc: Acting City Administrator Scott Simmons

Attachment

Intrafund Budget Transfers
Per SMC 7.09.020
Report for December 2020

FUND/DEPT	FROM	TO	AMOUNT	PURPOSE
0230 - Civil Service	Medical Insurance	Office Furniture (Non Capital) / Oth Dues/Subscriptns/Membershp	$6,000.00	Cover overspent office furniture and other dues and make period 13 payments
1970 - Fire/EMS	Reserve for COVID Cost Containment	Various Accounts	$153,146.00	Reclassificaton reserves for immediate needs and Period 13 estimated needs
6200 - Firefighters Pension	Various Accounts	Service Reimbursment	$172,000.00	Pay medical bills
5901 - Fire/EMS	Vehicles	Protective Equipment	$114,000.00	Several sets of turnout coats/pants (PPE) using the existing value blanket pricing. Current PPE may expire before a new value blanket is approved
1630 - Combined Communications Center	Fire Communication Specialist	Contractual Services	$35,000.00	Utilized salary savings to free budget authority for annual Firstwatch software services
0560 - Muni Court	Court Clerk II	Minor Equipment	$4,500.00	Transfer to purchase monitors to be reimbursed by AOC with CARES funding
5901 - Fire/EMS	Vehicles	Protective Equipment	$50,000.00	Additional funds for PPE purchases
3200 - Arterial Street	Reserve for Capital Outlay	Contractual Services	$211,194.00	Final payment to PFD for environment work - sportsplex
0350 - General	Reserve for Budget Adjustment	Building Construction	$1,631.00	Move COVID reimbursement from reserves to Building construction for EC Dental Clinic overages
5200 - Public Works	Various Accounts	Bank Fees	$50,000.00	Exceeded budget
1640 - Combined Communications Building	Building Improvements	Utility Light/Power Service	$12,000.00	Move budget authority from capital to non-capital. Needed to pay utility and repair bills through the end of the year
5300 - ITSD	Supervisory DB Administrator	Software Maintenance	$41,888.00	40 EnRoute Mobile Users
3502 - University District LRF	Other Improvements	Contractual Services	$100,000.00	Transfer funds from capital to remit property taxes received in 2020 to the PDA per Interlocal Agreement
4530 - Solid Waste Landfills	Machinery/Equipment	Equipment Repairs/Maint	$200,000.00	OPR 2020-0698 incorrectly coded to capital expense

Tonya Wallace

Tonya Wallace
Chief Financial Officer

2020 General Fund Changes and Monthly Intrafund Report YTD

Final Audit Report 2021-01-11

Created:	2021-01-11
By:	Amie Blain (ablain@spokanecity.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAOnsljmSXbAWKo4YBOsdExHeLg-mQ7Zxb

"2020 General Fund Changes and Monthly Intrafund Report YTD" History

Document created by Amie Blain (ablain@spokanecity.org)
2021-01-11 - 9:43:59 PM GMT- IP address: 198.1.39.252

Document emailed to Tonya Wallace (twallace@spokanecity.org) for signature
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Email viewed by Tonya Wallace (twallace@spokanecity.org)
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Signature Date: 2021-01-11 - 10:23:15 PM GMT - Time Source: server- IP address: 198.1.39.252

Agreement completed.
2021-01-11 - 10:23:15 PM GMT

Adobe Sign

CITY OF SPOKANE
Quarterly Investment Report
As of December 31, 2020

January 25, 2021

This report presents the City's investment portfolio for the quarter ending December 31, 2020. It has been prepared to comply with regulations contained in Washington State RCW 35.39 and Spokane Municipal Code Chapter 7.15. The report includes all investments managed by the City. As required, the report provides information on the investment type, issuer, maturity date, cost, and current market value for each security.

The investment objectives of the City of Spokane are first, to provide safety of principal to ensure the preservation of capital in the overall portfolio; second, to provide sufficient liquidity to meet all operating and capital spending requirements; and third, to earn a commensurate rate of return consistent with the constraints imposed by the safety and liquidity objectives.

The City follows the practice of pooling cash and investments for all funds under its direct control. Interest earned on pooled cash and investments is allocated monthly to the various funds based on the respective fund's average monthly investment balance. It is common for governments to pool the cash and investments of various funds to improve investment performance. By pooling funds, the city is able to benefit from economies of scale, diversification, liquidity, and ease of administration.

The City retains direct control of its investments. Primarily, investments are held by the City in a safekeeping account with Bank of New York Mellon. Exceptions to this rule would include investments held by trustees related to bond financings, which are held by US Bank, and Spokane Investment Pool Loans.

Investment Portfolio Benefits all Funds

The City's cash and investment portfolio represents money from all City funds with the exception of Employee Retirement, Police Pension, and Fire Pension funds. City funds include the General Fund, enterprise funds, internal service funds, capital projects funds, and other funds which are restricted to specific purposes.

In general, monies held by the City are either allocated by the City Council for spending or are purposefully retained in reserve. For example, the money in the Capital Outlay Funds have been identified to provide particular capital projects for the community and there is a plan for spending down the cash balance as the projects progress. In the General Fund, approximately $21.1 million is purposely held in reserve to meet the City's contingency reserve policy of 10% of operating expenditures. In addition, approximately $7.4 million is purposely held to meet the City's Revenue Stabilization policy of 3.5% of operating revenues.

Current Cash and Investment Summary

The following is a summary of the City's cash and investments based on market value as of December 31, 2020, compared with the prior quarter:

	September 30, 2020	December 31, 2020	Percent of Total
Cash	$115,994,737	84,927,533.66	21.19%
Fixed Income	264,444,236	274,144,596	68.39%
SIP Loans	42,091,209	41,763,648	10.42%
TOTAL	**$422,530,182**	**$400,835,778**	**100.00%**

There are a number of factors which result in changes in cash and investment balances from month to month and quarter to quarter. Often they are the result of the receipt of revenues or a large disbursement. Some major City revenues are received on a periodic rather than a monthly basis. For example, the majority of City Property Taxes are received in May and November of each year. On the disbursement side, payments for bonded indebtedness or large capital projects can reduce the portfolio substantially in the quarter that they occur. Significant fluctuations of this type will be discussed in the following section of this report.

Securities in the City's portfolio are priced according to market values provided by Bank of New York Mellon at the end of each month. In some cases, the City may have investments with a current market value that is greater or less than the recorded value. These changes in market value are due to fluctuations in the marketplace having no effect on yield, as the City does not intend to sell securities prior to maturity. Nevertheless, these market changes will impact the total value of the portfolio as reported. At December 31, 2020, the market value of the portfolio was $10,942,300 more than the cost basis. The difference is an unrealized gain due to the inverse relationship between interest rates and market values as it relates to the fixed income portion of the City's investment portfolio.

The portfolio's average yield to maturity as of December 31, 2020 was 1.24%. The effective rate of return for the 4th quarter was 1.24%.

As of December 31, 2020, the investment portfolio was in compliance with all State laws, the City's Statement of Investment Policy and the City's investment management plan.

Summary of Activity for the Quarter and Future Liquidity

With the exception of tax receipts which have been impacted by the COVID-19 environment and related deferral programs, cash receipts and disbursements are generally consistent with past trends for the quarter. The cash management program contains enough liquidity to meet at least the next three months of expected expenditures by the City.

Highlights:

- Maturities:
  - $10 Mil FHLB 3.125 due 12/11/20 – 1.665% YTM
- Purchases:
  - $5 Mil – FFCB .17 due 11/30/22 (callable at 11/30/21) – .185% YTM
  - $10 Mil – FHLMC .20 due 12/15/22 (callable at 12/15/21) – .200% YTM
  - $5 Mil – FFCB .20 due 6/15/23 (callable at 6/15/21) – .204% YTM

Report Contents and Distribution. This report includes the following three schedules on the City's portfolio as of December 31, 2020; Summary of Investment Portfolio; Investment Detail; and Summary of Investment Portfolio Liquidity.

If you have any questions concerning this report, or require additional information, contact Tonya Wallace, Chief Financial Officer at (509) 625-6585 or Jake Hensley, Treasury Manager at (509) 625-6074.

DISTRIBUTION LIST

Administration
Nadine Woodward – Mayor
Scott Simmons – Acting City Administrator

City Council
Breean Beggs – Council President
Kate Burke – Council Member
Michael Cathcart – Council Member
Lori Kinnear – Council Member
Candace Mumm – Council Member
Karen Stratton – Council Member
Betsy Wilkerson – Council Member

Investment Oversight Committee
Tonya Wallace – Chief Financial Officer
Phillip Tencick – Retirement Director
Jake Hensley – Treasury Manager
Candace Mumm – Council Member
TBD – Community Member
TBD – Community Member

CITY OF SPOKANE

As of December 31, 2020

SUMMARY OF INVESTMENTS

CITY OF SPOKANE INVESTMENT PORTFOLIO			
	Percent of Portfolio	**Current Yield**	**Market Value**
Checking Account	NA	NA	$1,141,859
Investments			
Local Government Investment Pool	21.0%	0.16%	$83,785,675
US Bank- Treasurer's Cash	0.0%	0.00%	-
Federal Agency Coupon Securities	49.8%	1.45%	199,241,523
Federal Agency Strip Bonds	11.1%	2.65%	44,530,373
Treasury Coupon Securities	7.6%	1.62%	30,372,700
SIP Loans	10.4%	0.83%	41,763,648
Total Investments	**100.0%**	**1.24%**	**$399,693,919**
Total Checking Account + Investments			**$400,835,778**

SUMMARY OF INVESTMENT PORTFOLIO LIQUIDITY

INVESTMENT AGING		
	Percent of Portfolio	**Market Value**
Overnight	21.0%	83,785,675
Within Three Months	1.3%	4,999,100
Three to Six Months	2.1%	8,581,209
Six Months to One Year	17.7%	70,602,982
One to Five Years	41.9%	167,309,473
Over Five Years	16.1%	64,415,480
TOTAL	**100.0%**	**$399,693,919**

CITY OF SPOKANE

As of December 31, 2020

INVESTMENT PERFORMANCE

BENCHMARK COMPARISON

The City of Spokane maintains certain performance objectives for its investments. The overall performance objective for the portfolio is to earn a total rate of return over the market cycle that equals or exceeds the market index. In order to achieve this objective the portfolio invests in high-quality money market instruments, rolling repurchase agreements, US Treasury securities, Agency securities, to maintain an average maturity of no longer than 3 years. The City generally invests in securities maturing in 5 years or less, except in such circumstances where the maturity of such investments coincide with an identifiable cash flow. To monitor the achievement of this objective, the City uses a "Benchmark" to compare to. Currently, the benchmark used by the City is the Treasury Yield relevant to the Weighted Average Maturity of the Portfolio. Below is a summary of the quarterly results as compared to the benchmark. While the City strives to achieve this performance objective every month, the goal is assumed to be met on an annual basis. The City of Spokane is currently outperforming its benchmark

Benchmark Comparison for the Quarter Ended 12/31/2020

	Benchmark	12/31/2020	9/30/2020
Average Maturity (yrs)	3	2.49	1.90
Average Market Yield	.17%	1.24%	1.23%
Average Quality		AA/Aa1	AA/Aa1
Total Market Value		$399,693,919	$421,821,245

The following pages provide a summary of the portfolio, as well as a detailed holding report, for the previous month.

SIP Investment Portfolio
Portfolio Management
Portfolio Summary
December 31, 2020

City of Spokane
808 W. Spokane Falls Blvd
Treasury Department
Spokane, Spokane, WA 99201

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
LGIP-Treasurers Cash	83,785,674.66	83,785,674.66	83,785,674.66	21.55	1	1	0.155	0.157
Federal Agency Coupon Securities	190,887,000.00	199,241,523.38	192,837,814.90	49.60	2,255	892	1.426	1.446
Treasury Coupon Securities	30,000,000.00	30,372,700.00	29,977,740.81	7.71	715	323	1.595	1.617
SIP Loan - Internal	41,763,647.95	41,763,647.95	41,763,647.95	10.74	1,822	1,821	0.815	0.827
Strip Bonds	47,750,000.00	44,530,372.59	40,386,740.19	10.39	4,122	2,363	2.612	2.649
Investments	**394,186,322.61**	**399,693,918.58**	**388,751,618.51**	**100.00%**	**1,798**	**909**	**1.223**	**1.240**
Cash and Accrued Interest								
Accrued Interest at Purchase		37,064.28	37,064.28					
Subtotal		37,064.28	37,064.28					
Total Cash and Investments	**394,186,322.61**	**399,730,982.86**	**388,788,682.79**		**1,798**	**909**	**1.223**	**1.240**

Total Earnings	December 31 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	409,918.87	8,589,496.18	8,589,496.18
Average Daily Balance	**391,217,555.86**		
Effective Rate of Return	**1.23%**		

Jacob Hensley, Treasury Manager

Reporting period 12/01/2020-12/31/2020

Run Date: 01/06/2021 - 13:00

SIP Investment Portfolio
Portfolio Management
Portfolio Details - Investments
December 31, 2020

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
LGIP-Treasurers Cash												
SYSLGIP	LGIP	WA Local Government Investment			83,785,674.66	83,785,674.66	83,785,674.66	0.157	0.155	0.157	1	
	Subtotal and Average		**91,590,956.71**		**83,785,674.66**	**83,785,674.66**	**83,785,674.66**		**0.155**	**0.157**	**1**	
Federal Agency Coupon Securities												
3132X0GC9	20160048	Federal Agricultural Mtg Corp		05/19/2016	1,500,000.00	1,559,775.00	1,499,839.23	1.920	1.899	1.925	847	04/28/2023
3133ECKQ6	20160043	Federal Farm Credit Bank		04/21/2016	2,000,000.00	2,046,540.00	2,009,106.50	2.000	1.597	1.619	458	04/04/2022
3133EGYR0	20160074	Federal Farm Credit Bank		10/17/2016	10,000,000.00	10,571,500.00	10,000,000.00	1.820	1.795	1.820	1,385	10/17/2024
3133EGYR0	20160075	Federal Farm Credit Bank		10/17/2016	10,000,000.00	10,571,500.00	10,000,000.00	1.820	1.795	1.820	1,385	10/17/2024
3133EGZJ7	20160076	Federal Farm Credit Bank		10/25/2016	7,000,000.00	7,073,920.00	6,999,222.53	1.375	1.370	1.389	297	10/25/2021
3133ELB60	20200002	Federal Farm Credit Bank		06/26/2020	7,000,000.00	7,001,050.00	6,999,292.58	0.150	0.173	0.175	145	05/26/2021
3133ELN75	20200003	Federal Farm Credit Bank		06/26/2020	4,000,000.00	3,999,480.00	3,998,689.01	0.230	0.260	0.264	356	12/23/2021
3133EMHE5	20200027	Federal Farm Credit Bank		12/09/2020	5,000,000.00	4,999,050.00	4,998,546.41	0.170	0.183	0.185	698	11/30/2022
3133EMKG6	20200028	Federal Farm Credit Bank		12/18/2020	5,000,000.00	4,998,200.00	4,999,507.25	0.200	0.201	0.204	895	06/15/2023
313382AX1	20160028	Federal Home Loan Bank		03/30/2016	16,575,000.00	17,291,537.25	16,697,197.80	2.125	1.742	1.766	798	03/10/2023
313382AX1	20160031	Federal Home Loan Bank		03/30/2016	10,000,000.00	10,432,300.00	10,074,973.94	2.125	1.736	1.760	798	03/10/2023
313378CR0	20160040	Federal Home Loan Bank		04/21/2016	5,000,000.00	5,126,600.00	5,036,028.73	2.250	1.593	1.615	434	03/11/2022
3133XRWN6	20160042	Federal Home Loan Bank		04/21/2016	5,710,000.00	6,454,355.60	6,179,024.67	5.220	1.827	1.852	955	08/14/2023
313382AX1	20160044	Federal Home Loan Bank		04/21/2016	4,460,000.00	4,652,805.80	4,491,223.32	2.125	1.760	1.784	798	03/10/2023
3130A3DL5	20160063	Federal Home Loan Bank		08/18/2016	15,000,000.00	15,876,750.00	15,304,262.36	2.375	1.553	1.574	980	09/08/2023
3130AHSR5	20200001	Federal Home Loan Bank		06/26/2020	4,000,000.00	4,058,720.00	4,054,676.67	1.625	0.209	0.212	353	12/20/2021
3137EAEC9	20160064	Federal Home Loan Mtg Corp		08/17/2016	14,945,000.00	15,036,762.30	14,928,715.78	1.125	1.291	1.309	223	08/12/2021
3137EAEC9	20160066	Federal Home Loan Mtg Corp		08/18/2016	10,000,000.00	10,061,400.00	9,988,225.65	1.125	1.306	1.324	223	08/12/2021
3134GXGQ1	20200026	Federal Home Loan Mtg Corp		12/15/2020	10,000,000.00	10,008,900.00	10,000,000.00	0.200	0.197	0.200	713	12/15/2022
3136G02F7	20160020	Federal National Mtg Assn		03/08/2016	1,572,000.00	1,580,158.68	1,571,893.99	1.600	1.598	1.620	126	05/07/2021
3135G0K36	20160049	Federal National Mtg Assn		05/19/2016	10,000,000.00	10,895,000.00	9,970,034.13	2.125	2.158	2.188	1,939	04/24/2026
3135G0K36	20160055	Federal National Mtg Assn		07/12/2016	15,000,000.00	16,342,500.00	15,286,329.99	2.125	1.709	1.733	1,939	04/24/2026
742651DM1	20160047	Private Export Funding		05/19/2016	2,125,000.00	2,200,968.75	2,152,297.88	2.800	1.783	1.808	499	05/15/2022
742651DT6	20160052	Private Export Funding		05/23/2016	15,000,000.00	16,401,750.00	15,598,726.48	3.550	2.091	2.120	1,109	01/15/2024
	Subtotal and Average		**187,543,936.20**		**190,887,000.00**	**199,241,523.38**	**192,837,814.90**		**1.426**	**1.446**	**892**	
Treasury Coupon Securities												
912828T67	20190010	U.S. Treasury		12/06/2019	20,000,000.00	20,186,000.00	19,939,372.75	1.250	1.600	1.623	303	10/31/2021
912828U81	20190011	U.S. Treasury		12/06/2019	10,000,000.00	10,186,700.00	10,038,368.06	2.000	1.584	1.606	364	12/31/2021
	Subtotal and Average		**29,976,320.56**		**30,000,000.00**	**30,372,700.00**	**29,977,740.81**		**1.595**	**1.617**	**323**	

SIP Investment Portfolio
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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
SIP Loan - Internal												
CLID219	20130047-1	CLID		12/31/2020	51,229.53	51,229.53	51,229.53	3.740	3.689	3.740	622	09/15/2022
CLID221	20130048-1	CLID		12/31/2020	53,837.21	53,837.21	53,837.21	2.290	2.259	2.290	1,322	08/15/2024
CLID222	20140009-1	CLID		12/31/2020	77,214.71	77,214.71	77,214.71	4.650	4.586	4.650	1,748	10/15/2025
CLID223	20140078-1	CLID		12/31/2020	327,909.80	327,909.80	327,909.80	3.150	3.107	3.150	2,130	11/01/2026
CLID224A	20150090-1	CLID		12/31/2020	164,769.74	164,769.74	164,769.74	3.000	2.959	3.000	1,795	12/01/2025
RES20-0034	20200004-1	Property Acquisition Fund		12/31/2020	2,389,011.63	2,389,011.63	2,389,011.63	0.810	0.799	0.810	1,825	12/31/2025
RES20-0034	20200005-1	Property Acquisition Fund		12/31/2020	2,500,000.00	2,500,000.00	2,500,000.00	0.810	0.799	0.810	1,825	12/31/2025
RES20-0034	20200006-1	Property Acquisition Fund		12/31/2020	200,334.63	200,334.63	200,334.63	0.810	0.799	0.810	1,825	12/31/2025
RES20-0034	20200007-1	Property Acquisition Fund		12/31/2020	219,612.36	219,612.36	219,612.36	0.810	0.799	0.810	1,825	12/31/2025
RES20-0034	20200008-1	Property Acquisition Fund		12/31/2020	1,308,858.34	1,308,858.34	1,308,858.34	0.810	0.799	0.810	1,825	12/31/2025
RES20-0034	20200009-1	Property Acquisition Fund		12/31/2020	1,108,837.65	1,108,837.65	1,108,837.65	0.810	0.799	0.810	1,825	12/31/2025
RES20-0034	20200010-1	Property Acquisition Fund		12/31/2020	1,713,667.02	1,713,667.02	1,713,667.02	0.810	0.799	0.810	1,825	12/31/2025
RES20-0034	20200011-1	Property Acquisition Fund		12/31/2020	592,741.71	592,741.71	592,741.71	0.810	0.799	0.810	1,825	12/31/2025
RES20-0034	20200012-1	Property Acquisition Fund		12/31/2020	2,738,875.70	2,738,875.70	2,738,875.70	0.810	0.799	0.810	1,825	12/31/2025
RES20-0034	20200013-1	Property Acquisition Fund		12/31/2020	79,854.50	79,854.50	79,854.50	0.810	0.799	0.810	1,825	12/31/2025
RES20-0034	20200014-1	Property Acquisition Fund		12/31/2020	418,512.26	418,512.26	418,512.26	0.810	0.799	0.810	1,825	12/31/2025
RES20-0033	20200015-1	Property Acquisition Fund		12/31/2020	2,927,080.00	2,927,080.00	2,927,080.00	0.810	0.799	0.810	1,825	12/31/2025
ORD35911	20200016-2	Property Acquisition Fund		12/31/2020	3,639,970.50	3,639,970.50	3,639,970.50	0.810	0.799	0.810	1,825	12/31/2025
RES20-0050-1	20200017-1	Property Acquisition Fund		12/31/2020	912,000.00	912,000.00	912,000.00	0.810	0.799	0.810	1,825	12/31/2025
RES20-0065	20200018-1	Property Acquisition Fund		12/31/2020	880,424.71	880,424.71	880,424.71	0.760	0.750	0.760	1,825	12/31/2025
RES20-0065	20200019-1	Property Acquisition Fund		12/31/2020	991,015.30	991,015.30	991,015.30	0.760	0.750	0.760	1,825	12/31/2025
RES20-0065	20200020-1	Property Acquisition Fund		12/31/2020	2,313,337.68	2,313,337.68	2,313,337.68	0.760	0.750	0.760	1,825	12/31/2025
RES20-0065	20200021-1	Property Acquisition Fund		12/31/2020	2,983,708.09	2,983,708.09	2,983,708.09	0.760	0.750	0.760	1,825	12/31/2025
RES20-0065	20200022-1	Property Acquisition Fund		12/31/2020	3,862,053.02	3,862,053.02	3,862,053.02	0.760	0.750	0.760	1,825	12/31/2025
RES20-0065	20200023-1	Property Acquisition Fund		12/31/2020	3,928,619.86	3,928,619.86	3,928,619.86	0.760	0.750	0.760	1,825	12/31/2025
RES20-0076	20200024-1	Property Acquisition Fund		12/31/2020	3,880,172.00	3,880,172.00	3,880,172.00	0.770	0.759	0.770	1,795	12/01/2025
RES20-0075	20200025-1	Property Acquisition Fund		12/31/2020	1,500,000.00	1,500,000.00	1,500,000.00	0.770	0.759	0.770	1,795	12/01/2025
		Subtotal and Average	**1,347,214.45**		**41,763,647.95**	**41,763,647.95**	**41,763,647.95**		**0.815**	**0.827**	**1,821**	
Strip Bonds												
3134A4MW1	20150008	Federal Home Loan Mtg Corp		01/14/2015	5,000,000.00	4,999,100.00	4,996,676.52		1.840	1.866	14	01/15/2021
3134A4CA0	20160039	Federal Home Loan Mtg Corp		04/21/2016	2,735,000.00	2,681,202.55	2,531,734.21		2.210	2.241	1,353	09/15/2024
31364EAV6	20160045	Federal National Mtg Assn		05/19/2016	15,000,000.00	14,142,300.00	12,635,664.73		2.726	2.763	2,471	10/08/2027
31364EBA1	20160051	Federal National Mtg Assn		05/19/2016	9,870,000.00	9,201,504.90	8,174,040.04		2.814	2.853	2,638	03/23/2028
31358C4V5	20160032	Federal National MtgAss Strip		04/18/2016	1,252,000.00	1,196,135.76	1,085,824.17	2.146	2.498	2.532	2,227	02/06/2027
31359YQF7	20160037	Federal National MtgAss Strip		04/18/2016	7,893,000.00	6,951,049.38	6,164,096.46	2.265	2.802	2.841	3,482	07/15/2030

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Strip Bonds												
3134A3U53	20160036	FRE PRIN STRIP		04/18/2016	6,000,000.00	5,359,080.00	4,798,704.06		2.770	2.809	3,179	09/15/2029
		Subtotal and Average	**40,342,694.43**		**47,750,000.00**	**44,530,372.59**	**40,386,740.19**		**2.612**	**2.649**	**2,363**	
Property Acquisition Fund												
PAF RES20100043	20130030	Property Acquisition Fund		07/01/2013	0.00	0.00	0.00	2.170	2.140	2.170	1	
PAF RES20110036	20130032	Property Acquisition Fund		07/01/2013	0.00	0.00	0.00	2.893	2.853	2.893	1	
PAF RES20110053	20130033	Property Acquisition Fund		07/01/2013	0.00	0.00	0.00	1.510	1.489	1.510	1	
PAF RES20120110	20130034	Property Acquisition Fund		07/01/2013	0.00	0.00	0.00	2.070	2.042	2.070	1	
PAF RES20100042	20130036	Property Acquisition Fund		07/01/2013	0.00	0.00	0.00	1.950	1.923	1.950	1	
SYS20150080	20150080	Property Acquisition Fund		11/12/2015	0.00	0.00	0.00	2.170	2.140	2.170	1	
SYS20150082	20150082	Property Acquisition Fund		11/18/2015	0.00	0.00	0.00	2.410	2.377	2.410	1	
SYS20160068	20160068	Property Acquisition Fund		10/03/2016	0.00	0.00	0.00	1.880	1.854	1.880	1	
SYS20170001	20170001	Property Acquisition Fund		06/30/2017	0.00	0.00	0.00	2.600	2.600	2.636	1	
SYS20170004	20170004	Property Acquisition Fund		10/06/2017	0.00	0.00	0.00	2.720	2.683	2.720	1	
SYS20180001	20180001	Property Acquisition Fund		08/28/2018	0.00	0.00	0.00	3.630	3.580	3.630	1	
SYS20180002	20180002	Property Acquisition Fund		08/28/2018	0.00	0.00	0.00	3.630	3.580	3.630	1	
SYS20180003	20180003	Property Acquisition Fund		08/31/2018	0.00	0.00	0.00	2.970	2.929	2.970	1	
SYS20190002	20190001	Property Acquisition Fund		05/31/2019	0.00	0.00	0.00	3.060	3.018	3.060	1	
SYS20190006	20190006	Property Acquisition Fund		08/30/2019	0.00	0.00	0.00	2.430	2.397	2.430	1	
SYS20190007	20190007	Property Acquisition Fund		11/07/2019	0.00	0.00	0.00	2.260	2.229	2.260	1	
SYS20190008	20190008	Property Acquisition Fund		11/25/2019	0.00	0.00	0.00	2.300	2.268	2.300	1	
SYS20190009	20190009	Property Acquisition Fund		11/25/2019	0.00	0.00	0.00	2.300	2.268	2.300	1	
RES20-0034 A1	20200004	Property Acquisition Fund		06/30/2020	0.00	0.00	0.00	0.810	0.799	0.810	1	
RES20-0034 A2	20200005	Property Acquisition Fund		06/30/2020	0.00	0.00	0.00	0.810	0.799	0.810	1	
RES20-0034 B	20200006	Property Acquisition Fund		06/30/2020	0.00	0.00	0.00	0.810	0.799	0.810	1	
RES20-0034 C	20200007	Property Acquisition Fund		06/30/2020	0.00	0.00	0.00	0.810	0.799	0.810	1	
RES20-0034 D	20200008	Property Acquisition Fund		06/30/2020	0.00	0.00	0.00	0.810	0.799	0.810	1	
RES20-0034 E1	20200009	Property Acquisition Fund		06/30/2020	0.00	0.00	0.00	0.810	0.799	0.810	1	
RES20-0034 E2	20200010	Property Acquisition Fund		06/30/2020	0.00	0.00	0.00	0.810	0.799	0.810	1	
RES20-0034 E3	20200011	Property Acquisition Fund		06/30/2020	0.00	0.00	0.00	0.810	0.799	0.810	1	
RES20-0034 F	20200012	Property Acquisition Fund		06/30/2020	0.00	0.00	0.00	0.810	0.799	0.810	1	
RES20-0034 G	20200013	Property Acquisition Fund		06/30/2020	0.00	0.00	0.00	0.810	0.799	0.810	1	
RES20-0034 H	20200014	Property Acquisition Fund		06/30/2020	0.00	0.00	0.00	0.810	0.799	0.810	1	
RES20-0033 I	20200015	Property Acquisition Fund		06/30/2020	0.00	0.00	0.00	0.810	0.799	0.810	1	
ORD35911 J	20200016	Property Acquisition Fund		06/30/2020	0.00	0.00	0.00	0.810	0.799	0.810	1	
ORD35911 J	20200016-1	Property Acquisition Fund		06/30/2020	0.00	0.00	0.00	0.810	0.799	0.810	1	

SIP Investment Portfolio
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December 31, 2020

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Property Acquisition Fund												
RES20-0050	20200017	Property Acquisition Fund		07/31/2020	0.00	0.00	0.00	0.810	0.799	0.810	1	
RES20--0065 A	20200018	Property Acquisition Fund		09/03/2020	0.00	0.00	0.00	0.760	0.750	0.760	1	
RES20-0065 H	20200019	Property Acquisition Fund		09/03/2020	0.00	0.00	0.00	0.760	0.750	0.760	1	
RES20-0065 I	20200020	Property Acquisition Fund		09/03/2020	0.00	0.00	0.00	0.760	0.750	0.760	1	
RES20-0065 J	20200021	Property Acquisition Fund		09/03/2020	0.00	0.00	0.00	0.760	0.750	0.760	1	
RES20-0065 K	20200022	Property Acquisition Fund		09/03/2020	0.00	0.00	0.00	0.760	0.750	0.760	1	
RES20-0065 L	20200023	Property Acquisition Fund		09/03/2020	0.00	0.00	0.00	0.760	0.750	0.760	1	
RES 20-0076	20200024	Property Acquisition Fund		10/30/2020	0.00	0.00	0.00	0.770	0.770	0.781	1	
RES 20-0075	20200025	Property Acquisition Fund		10/30/2020	0.00	0.00	0.00	0.770	0.770	0.781	1	
SYS20160070	20160070	BOND REFINANCE		10/11/2016	0.00	0.00	0.00	2.320	2.288	2.320	1	
SYS20160070	20160070-1	BOND REFINANCE		10/11/2016	0.00	0.00	0.00	2.320	2.288	2.320	1	
	Subtotal and Average		**39,763,245.45**		**0.00**	**0.00**	**0.00**		**0.000**	**0.000**	**0**	
CLIDS												
CLID 219	20130047	CLID		09/16/2013	0.00	0.00	0.00	3.740	3.689	3.740	1	
CLID 221	20130048	CLID		09/16/2013	0.00	0.00	0.00	1.790	1.765	1.790	1	
CLID 222	20140009	CLID		12/31/2013	0.00	0.00	0.00	3.900	3.847	3.900	1	
CLID 223	20140078	CLID		11/19/2014	0.00	0.00	0.00	2.400	2.400	2.433	1	
CLID 224A	20150090	CLID		12/30/2015	0.00	0.00	0.00		0.000	0.000	1	
	Subtotal and Average		**653,188.05**		**0.00**	**0.00**	**0.00**		**0.000**	**0.000**	**0**	
US Bank- Treasurers Cash												
SYSUSBANK	USBANK- SIP	US Bank			0.00	0.00	0.00	0.002	0.002	0.002	1	
	Subtotal and Average		**0.00**		**0.00**	**0.00**	**0.00**		**0.000**	**0.000**	**0**	
	Total and Average		**391,217,555.86**		**394,186,322.61**	**399,693,918.58**	**388,751,618.51**		**1.223**	**1.240**	**909**	

SIP Investment Portfolio
Portfolio Management
Portfolio Details - Cash
December 31, 2020

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity
		Average Balance	**0.00**	Accrued Interest at Purchase		37,064.28	37,064.28				**0**
				Subtotal		37,064.28	37,064.28				
		Total Cash and Investments	**391,217,555.86**		**394,186,322.61**	**399,730,982.86**	**388,788,682.79**		**1.223**	**1.240**	**909**

CITY OF SPOKANE
Quarterly SIP Loan Report
As of December 31, 2020

January 25, 2021

CITY OF SPOKANE INVESTMENT POOL LOAN LISTING			
As of December 31, 2020			
	Interest Rate	**Maturity Date**	**Principal Balance**
LTGO, 2020 Series A-1 (Indian Canyon Golf Course Improvements)	0.81%	December 31, 2025	$2,389,012
LTGO, 2020 Series A-2 (Esmeralda Golf Course Improvements)	0.81%	December 31, 2025	$2,500,000
LTGO, 2020 Series B (YMCA Interfund)	0.81%	December 1, 2021	$200,335
LTGO, 2020 Series C (Library RFIS 2019)	0.81%	December 1, 2024	$219,612
LTGO, 2020 Series D (Strategic Investments)	0.81%	December 31, 2025	$1,308,858
LTGO, 2020 Series E-1 (Gardner Property)	0.81%	December 31, 2025	$1,108,838
LTGO, 2020 Series E-2 (Alki Property)	0.81%	December 31, 2025	$1,713,667
LTGO, 2020 Series E-3 (West Plains Fire Station)	0.81%	December 31, 2025	$592,742
LTGO, 2020 Series F (Fleet)	0.81%	December 1, 2025	$2,738,876
LTGO, 2020 Series G (Engineering Vehicles)	0.81%	June 1, 2022	$79,855
LTGO, 2020 Series H (Maple Street Gateway)	0.81%	December 1, 2024	$418,512
LTGO, 2020 Series I (U - District LRF)	0.81%	December 31, 2025	$2,927,080
LTGO, 2020 Series J (Riverfront Park/Iron Bridge)	0.81%	December 31, 2025	$3,639,971
LTGO, 2020 Series E-4 (Public Safety Equipment and Apparatus 2014)	0.76%	December 1, 2021	$880,425
LTGO, 2020 Series E-5 (Public Safety Equipment and Apparatus 2015)	0.76%	December 1, 2021	$991,015
LTGO, 2020 Series E-6 (Public Safety Equipment and Apparatus 2016)	0.76%	December 1, 2023	$2,313,338
LTGO, 2020 Series E-7 (Public Safety Equipment and Apparatus 2017)	0.76%	December 1, 2024	$2,983,708
LTGO, 2020 Series E-8 (Public Safety Equipment and Apparatus 2018)	0.76%	December 1, 2025	$3,862,053
LTGO, 2020 Series E-9 (Public Safety Equipment and Apparatus 2019)	0.76%	December 1, 2024	$3,928,620
LTGO, 2020 Series (Public Safety Equipment and Apparatus 2020)	0.77%	December 1, 2025	$3,880,172
LTGO, 2020 Series (CHAS East Central Dental Clinic)	0.81%	June 1, 2026	$912,000
LTGO, 2020 Series (Engineering Construction Management Relocation)	0.77%	December 1, 2025	$1,500,000
Consolidated Local Improvement District (CLID 219)	3.74%	September 15, 2022	$51,230
Consolidated Local Improvement District (CLID 221)	2.29%	August 23, 2023	$53,837
Consolidated Local Improvement District (CLID 222)	4.65%	October 15, 2021	$77,215
Consolidated Local Improvement District (CLID 223)	3.15%	November 1, 2026	$327,910
Consolidated Local Improvement District (CLID 224A)	3.00%	December 1, 2025	$164,770
TOTAL SIP Loans Issued			**$41,763,648**

Quarterly SIP Loan Report *(Continued)*

SIP LOAN CAPACITY As of December 31, 2020		
	Percentage	**Amount**
Investment Portfolio Balance		$399,693,919
Less: Bond Proceeds*		64,707,877
Investment Portfolio Balance (Net of Bond Proceeds)	100.00%	$334,986,042
SIP Loan Capacity per Investment Policy (15%)	15.00%	$50,247,906
Less: Current SIP loans Issued	12.47%	41,763,648
Net Capacity	**2.53%**	**$8,484,258**

*Bond proceeds include unspent cash and investment balances restricted in use for Library and Parks Capital Improvements.

Pending Additions

	Percentage of current portfolio	**Amount**
East Sprague - 2021 *(estimated)*	0.63%	$2,100,000
Parking Meters - 2021 *(estimated)*	0.15%	$500,000
Golf system - 2021 *(estimated)*	0.75%	2,500,000
Total Pending Additions	1.52%	$5,100,000

Annual Audit Work Plan

Fiscal Year 2021

AUDIT

CITY OF SPOKANE
808 W SPOKANE FALLS BLVD
SPOKANE, WA 99201

AUDIT
808 W. SPOKANE FALLS BL\'D.
SPOKANE, WASHINGTON, 99201
509.625.6058

DATE: December 28, 2020

TO: Members of City Management

FROM: Tyler Benner, Performance Auditor

SUBJECT: **Annual Citywide Risk Assessment and Audit Work Plan- Fiscal Year 2021**

Attached is the Annual Audit Work Plan proposed by the City's Auditors for the Fiscal Year 2021. This report is presented to the members of City Management for your review and information. The list of 26 audit assignments for FY 2021 includes performance audits regarding various City departments, certain functional groups, and some of the activities that comprise the workload.

This year's Audit work plan was developed by considering the Administration's prime directives, and the obstacles created, some of which are a result of the coronavirus pandemic, that threaten the City's ability to deliver on the scope and scale of those directives. Audit outcomes will center on increasing revenues, decreasing expenses, reducing waste, increasing efficiency and/or effectiveness, and enhancing public trust.

Working within the available staff resources, we designed the work plan to focus on risk areas where failure would lead to an inability to address major tenants of homelessness, public safety, housing, and economic development. Additionally, we've included unscheduled audits, which audit standards require to provide an element of unpredictability to our audit plan.

The audit team is considered an emerging entity and as it works toward gaining the status of maturity, we also intend to use the upcoming year to implement standardized practices that will ensure Spokane audits are widely recognized as being among the best of its peers in the industry.

Respectfully submitted,

Tyler J. Benner

Tyler Benner, MBA
Performance Auditor

cc: Honorable Mayor Nadine Woodward
Honorable City Council members
Members of the Mayor's Cabinet
Scott Simmons, Interim City Administrator
Tonya Wallace, Chief Financial Officer
Paul Ingiosi, Director of Management and Budget

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Mission Statement

The mission of the Auditor is to advance open and accountable government through accurate, independent, and objective audits and investigations that seek to improve the economy, efficiency, and effectiveness of City government.

Introduction

Audit conducts its engagement by following the Government Auditing Standards. Additionally, audit is pursuing practices in alignment with the Institute of Internal Auditors' Standards. The alignment requires an approach based on best practices to determine the priorities for the Internal Audit activities. The Auditor has completed a listing department, Citywide Risk Assessment as a means to help identify, measure and prioritize the City's potential audits based on the level of risk to the City.

Audit Resources

The budget for the Internal Audit staff includes a budgeted cost, updated annually, for salaries, fringe benefits, and non-personnel expenses such as office equipment, training, and supplies. The budget does not include the cost of the City's Comprehensive Annual Financial Report (CAFR) audit, State of Washington Single Audit Report (SWSA), or Accountability Audit Report that will be conducted by the Office of the Washington State Auditor. Audit will conduct audits and investigations based on the budgeted and available audit hours per assigned FTE to perform audits. Audit resources will be disclosed in the Auditor's Annual Audit Work Plan after adoption by the City Council of the Annual Budget for the City of Spokane each year.

Calculation of Estimated Audit Hours Available for FY 2021

One Full-Time Equivalent (FTE) Auditor:	**Hours**
Total Annual Hours Available	2,080
Less Hours For:	
Vacation and Sick Leave	174
Holidays (7) and Floating Holidays (5)	96
Citywide Discretionary Personal Leave Granted***	40
Continuing Professional Education	60
Administrative Duties*	100
Other Assigned Projects **	240
Total Annual Audit Hours Available per Auditor	**1,370**

Number of Auditors		**Audit Hours**
1	Performance Auditor	1,370
.65	Compliance Tax Auditor*** - internal audit	910
.35	Compliance Tax Auditor – tax compliance	490
Total Estimated Audit Hours Available for2021		**2,770**

* "Administrative Duties" include time-tracking; Performance Evaluation forms; organization of office, projects, tasks, etc.; research and training opportunities; and any time not attributed to a specific project or task assigned by management.

** "Other Assigned Projects" include tasks such as responding to Council and other stakeholder requests, internal research projects, presentation preparations, stakeholder outreach meetings, and research and development for future audit issues, etc.

*** Compliance Tax Auditor not eligible for Citywide Discretionary Personal Leave; rounded

Performance Audits and Compliance Audit Activities

The Office of the Washington State Auditor, to place reliance upon the work of the Internal Audit, requires all of its audits to be performed under Government Auditing Standards, consisting of three main types: financial audits, attestation engagements, and performance audits.

The City of Spokane is audited by the Office of the Washington State Auditor, who performs the financial statement, single, and accountability audits. The Internal Audit staff conducts performance audits of the City's departments, agencies, and their activities. Under Government Auditing Standards, performance audits provide objective analysis so that management and those charged with governance and oversight can use the information to improve program performance and operations, reduce costs, facilitate decision making, and contribute to public accountability. A performance audit is a dynamic process that includes consideration of applicable standards throughout the audit. Performance audit objectives may vary widely and include assessments of program effectiveness, economy and efficiency, internal controls, compliance with laws and regulations, and prospective analysis. Examples of performance audit objectives may include but are not limited to:

- Assessing the extent to which legislative, regulatory, and/or organizational goals and objectives are being achieved;
- Analyzing the relative efficiency and cost-effectiveness of a program or activity;
- Evaluating whether the audited entity is following sound procurement practices;
- Assessing the reliability, validity, and/or relevance of performance measures concerning program effectiveness and results, or economy and efficiency;
- Assessing internal controls designed to provide reasonable assurance of achieving effective and efficient operations, and reliable financial and performance reporting; and
- Determining if program activities comply with laws, regulations, contract provisions, grant agreements, and other requirements.

The Compliance/Tax Auditor is tasked with performing difficult, specialized, and advanced level internal and external auditing, costs benefit and other financial analysis, and review of internal controls. The Compliance/Tax Auditor focuses on auditing of registered taxpayers and businesses subjected to licensing fees to determine the correct tax liability owed to the City of Spokane. Audits primarily focus on tax revenue compliance and adherence to established policies and procedures.

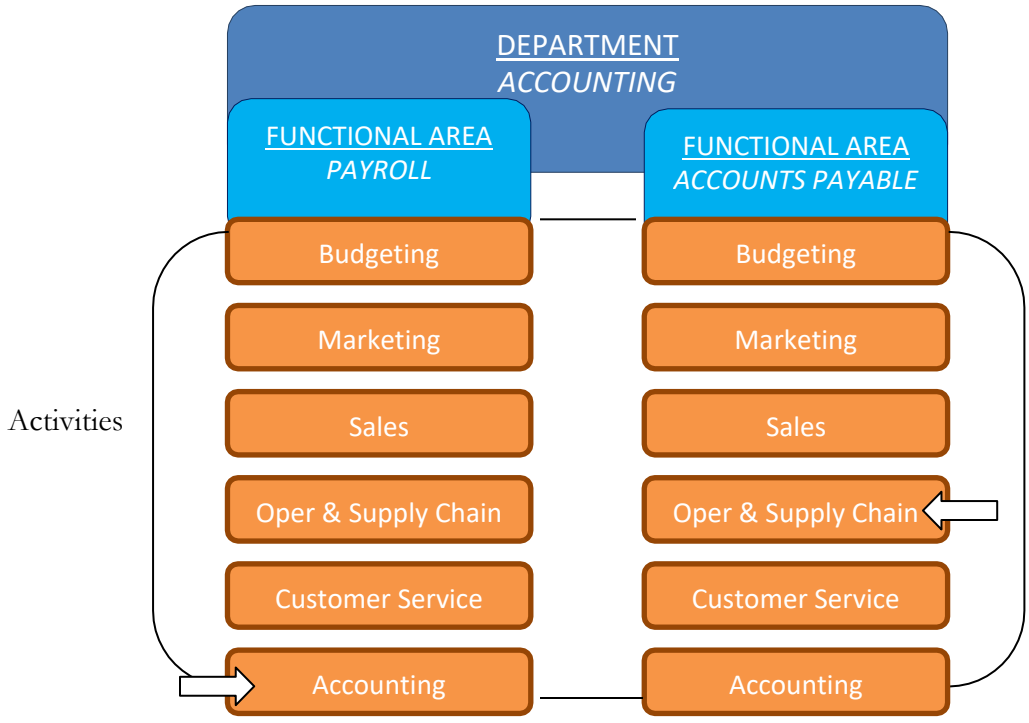
Internal Audit may also perform some attestation engagements based on agreed-upon procedures, which consists of specific testing procedures performed on a subject matter, as well as perform other non-audit services such as investigating complaints received through the City's Whistleblower Hotline regarding allegations of fraud, waste, and abuse.

Organization Alignment – Fiscal Year 2021

This year's audit plan was constructed by compiling all departments that are potential auditees and assigning them values to the extent that they participate in the Mayor's administrative focus areas + internal service departments. Economic development, housing, homelessness, public safety. Departments were weighted according to footprint, or FTE. Functional areas within those departments were identified. Activities underpinning workloads were assessed for individual risk. Representative samples of each Administrative priority were selected in categories capable of yielding the desired audit objective. Finally, some audits are selected at random to preserve elements of unpredictability required by the Comptroller General of the United States.

Exhibit 1

Sample Department Functional Areas, and Activities:



Audit Work Plan – 2021

The COVID-19 Pandemic has strained nearly every aspect of operations in 2020 including decreased revenues, increased unplanned expenses, created scenarios of emergency declarations superseding standard operating procedures. Because of this, 2021 offers many threats and opportunities.

The work plan focuses on creating a balanced representation of both desired objectives and organization priorities. The plan offers the following summary of engagements:

- Homelessness -1 engagement
- Housing - 2 engagements
- Public Safety- 3 engagements
- Economic Development- 8 engagements
- City Support Services- 12 engagements

The work plan also centers the engagements around activities comprising the following;

- Revenues – Activities whose aggregate generates more than 5 million dollars of receivables.
- Costs – Activities whose aggregate cost between 3-6 million dollars.
- Waste reduction – Processes where associated cost is more than 7 million dollars.
- Program efficiency –
    - 1 Policy review
    - Multi department cash handling process review
    - 2 process reviews
    - 3 activity reviews
    - 1 department operational assessment
- Promoting public trust includes -
    - (At least) 6 City policies to be evaluated
    - 2 Department operational assessments
    - 1 Database review
    - 1 Activity review
- External tax audits -
    - Utility Audit
    - Admissions tax audit
    - Business license audit
- Unplanned audits – Between 3 and 6 unplanned audits will be performed to conform to required elements of unpredictability

Additions to Audit Work Plan

Requests to add audits to the Audit Work Plan during the fiscal year may be presented to the Auditor where a separate risk analysis must be performed to weigh the cost-benefit and priority against audits scheduled to be performed. For example, audit priority will be given to those requests that pertain to the health and safety of residents, the potential for significant financial savings or increased revenues, or issues of integrity.

PERFORMANCE AUDITS FY 2021 - PROPOSED AUDITS

Work Plan	Priority – Reason if app	Auditor	Functional Group	Objectives	Audit Hours*	Status
1	High – Policy antiquated mentioned in prior accountability audit recommendations and department has sought audit assistance	TB	Treasury- Cash handling policy	General Objective – **Promote public trust** Specific - The tentative objective offers advisory services for modernization of the policy and test to determine whether the revisions meets standards of compliance. Both auditors will make contributions to this revision	48 Total (24) Plan - Audit (24) Testing - Reporting	Planning Started
2	High – Policy antiquated mentioned in prior accountability audit recommendations	TB	Accounting - Small and attractive policy	General Objective – **Promote public trust** Specific - The tentative objective offers advisory services for modernization of the policy and test to determine whether the revision meets with standards of compliance.	96 Total (48) Plan - Audit (48) Testing - Reporting	Planning Started
3	Medium	TB	Purchasing - Central	General Objective – **Program efficiency** Specific: The tentative objective is to determine the efficiency and effectiveness of centralized purchasing policy and procedures	96 Total (48) Plan - Audit (48) Testing - Reporting	Not Started
4	Medium	TB	Fire/EMS Ops Support	General Objective – **Program efficiency** Specific: The tentative objective is to determine the efficiency and effectiveness of department-wide vendor selection, open-ended contracts, & renewals.	32 Total (16) Plan - Auditing (16) Test - Reporting	Not Started
5	High – Department expressed an interest to have this area examined ahead of an imminent SAO review	TB	Utilities Cstar to Enquesta system conversion	General Objective – **Promote public trust** Specific: The tentative objective is to determine the continuity of a database migration while the old system (Cstar) and the new system (Enquesta) are in simultaneous or parallel operation.	96 Total (80) Plan - Audit (16) Testing - Reporting	Not Started
6	High- Receivable dollars outstanding, growing	TB	Utilities Account receivables and charge-off policy and procedures	General Objective(s) – **Increase revenues** The tentative objective is to determine the efficiency and effectiveness of the account receivables revenue cycle & collections process from account inception through discharge or collection (cradle-to-grave).	144 Hours (80) Plan - Audit (64) Testing – Reporting	Not Started

PERFORMANCE AUDITS FY 2021 - PROPOSED AUDITS

Work Plan	Priority – Reason if app	Auditor	Functional Group	Objectives	Audit Hours*	Status
7	Medium- Qualitative evaluation	TB	MySpokane 311 Call center Metrics	General Objectives - **Program efficiency** Specific - The tentative objective is to determine the efficiencyand effectiveness of staff's ability to provide expeditious, first call resolutions and determine if appropriate resources exist to ensure a successful program delivery.	80 Total (60) Plan - Audit (20) Testing – Reporting	Not Started
8	Medium	TB	Fleet Services Fleet repair	General Objectives – **Reducewaste** The tentative objective is to conduct a current repair-or-buy analysis for damaged vehicles and gain understanding of value thresholds for decision making on replace vs. repair.	80 Total (40) Plan -Audit (40) Testing - Reporting	Not Started
9	High	TB	Fire - Operations Overtime	General Objectives **Reduced costs** The tenative objective is to determine the efficiency and effectiveness of internal controls over department overtime and staffing practices	80 Total (60) Audit (20) Testing - Reporting	Not Started
10	Low	TB	Community Housing & Health Service	General Objectives - **Program efficiency** The tenative objective of this audit seeks to develop understanding of department operations and program delivery to produce current and future audit assignments	80 Total (60) Audit (20) Testing - Reporting	Not Started
11	Medium	TB	Development Services	General Objectives - **Increase revenues** The tenative objective is to evaluate boiler and elevator permit revenues to determine the efficiency and effectiveness of the account receivables revenue cycle & collections process from account inception through discharge or collection (cradle-to-grave).	40 Total (20) Audit (20) Testing - Reporting	Not Started
12	High	TB	Follow up-on State Auditor Office Previously Issued Reports	General Objectives - **Promote public trust** Internal Audit tracks and follows up on Departmental Exit Memos, Management Letters, and Audit Findings to determine if corrective actions have been properly implemented and are effective, and whether or not the note issue(s) have been remediated by City Management.	240 Total 40 Testing - Reporting	Not Started

PERFORMANCE TAX AUDITS FY 2021 - PROPOSED AUDITS

Work Plan	Priority – Reason if app	Auditor	Functional Group	Objectives	Audit Hours*	Status
13	Low-	TB	Neighborhood Housing & Human Services	General Objectives - **Promote public trust** The tenative objective of this audit seeks to develop understanding of department operations and program delivery to produce current and future audit assignments.	60 Total (30) Audit (30) Testing - Reporting	Not Started
14	Low-	TB	Innovation and Technology	General Objectives - **Promote public trust** Specific: Conduct an operational assessment to gain understanding and create a long term audit plan in alignment with the control objectives for information and related technologies.	60 Total (30) Audit (30) Testing - Reporting	Not Started
15	Low-	TB	Water Division	General Objectives - **Program efficiency** Specific: The tenative objective is to determine the efficiency and effectivness of unplanned incident response times to determine compliance with policy and procedures.	60 Total (30) Audit (30) Testing - Reporting	Not Started
16	Low- Unplanned Audits	TB	Unknown Vaires	General Objective – **Varies** Specific: The tentative objective offers advisory services for modernization of the policy and test to determine whether the revision meets with standards of compliance and procedures that underly the policy are sound.	96 Total (80) Audit (16) Testing - Reporting	Not Started

COMPLIANCE TAX AUDITS FY 2021 - PROPOSED AUDITS

Work Plan	Priority – Reason if app	Auditor	Functional Group	Objectives	Audit Hours*	Status
1	High – Policy antiquated mentioned in prior accountability audit recommendations	DA	Accounting Fixed asset policy	General Objective – **Promote public trust** Specific: The tentative objective offers advisory services for modernization of the policy and test to determine whether the revision meets with standards of compliance and procedures that underly the policy are sound.	96 Total (80) Audit (16) Testing - Reporting	Not Started
2	Meduium	DA	Accounting Vendor Maintenance	General Objectives – **Promote public trust** The tentative objective is to verify that required documentation is in place and in compliance with establish procedures	80 Total (60) Audit (20) Testing - Reporting	Not Started
3	Medium	DA	Solid Waste Refund process	General Objectives - **Promote public trust** Specific: The tenative objective of this audit is to trace the Refund Process to determine if the program is in compliance with establish procedures	80 Total (60) Audit (20) Testing - Reporting	Not Started
4	Medium	DA	Accounting P-Card process & training	General Objectives - **Promote public trust** Specific: The tenative objective is to ensure that P-card users are receiving training and processes are compliant and accurate	80 Total (60) Audit (20) Testing - Reporting	Not Started
5	Medium	DA	Non Departmental Batch Tracking	General Objectives - **Program efficiency** Specific: The tenative objective is to trace the invoice batch process to determine if the program is in compliance with establish procedures	80 Total (60) Audit (20) Testing - Reporting	Not Started
6	Medium	DA	Human Resources Equipment Removal Approvals Telecommuting Agreement	General Objectives - **Promote public trust** Specific: The tenative objective of this audit is to determine complaince to emergency policy and procedure as well non emergency telecommuting agreements and equipment removals	80 Total (60) Audit (20) Testing - Reporting	Not Started

COMPLIANCE TAX AUDITS FY 2021 - PROPOSED AUDITS

Work Plan	Priority – Reason if app	Auditor	Functional Group	Objectives	Audit Hours*	Status
7	Medium	DA	Non Departmental Business License	General Objectives - **Program efficiency** The Compliance Tax auditor conducts an annual audit of the City business licenses.	200 total (100) Audit (100) Testing - Reporting	Not Started
8	Medium	DA	Tax & Licensing For Hire Audit	General Objectives - **Program efficiency** The Compliance Tax auditor conducts an annual audit of for-hire taxi licenses.	150 Total (75) Audit (75) Testing - Reporting	Not Started
9	High – Policy antiquated mentioned in prior accountability audit recommendations and department has sought audit assistance	DA	Treasury- Cash handling policy	General Objective – **Promote public trust** Specific - The tentative objective offers advisory services for modernization of the policy and test to determine whether the revisions meets standards of compliance. Both auditors will make contributions to this revision	48 Total (24) Plan - Audit (24) Testing - Reporting	Planning Started
10	High	DA	Multi-Dept Cash handling	General Objective **- Program efficiency** **Specific:** The tenative objective is to determine the efficiency and effectiveness of cash handling processes, transactions are authorized, and discounts are in compliance with policies and procedures.	120 Total (60) Plan - Audit (60) Test - Reporting	Not Started
11	Medium	DA	Parks & Recreations	General Objective - **Promote public trust** Specific: The Compliance Auditor may assist with advisory services to ensure the department is maintining bond compliance.	60 Total (30) Plan - Audit (30) Testing - Reporting	In progress
12	Medium	DA	Tax & Licensing	General Objective - **Revenue Increase** Specific: The Compliance Tax auditor conducts an annual audit of utility and admissions tax to verify complaince to Spokane Municipal Code	100 Total (25) Plan - Audit (75) Testing - Reporting	Auditing

13	Low- Unplanned Audits	DA	Unplanned Audits	General Objective – **Varies** Specific: The tentative objective offers advisory services for modernization of the policy and test to determine whether the revision meets with standards of compliance and procedures that underly the policy are sound.	140 (70) Plan - Audit (70) Testing - Reporting	Not Started

Next Steps

Internal Audit will maintain an activity log depicting status and progress towards completing the audit assignments listed. At completion, results will be shared with the functional units being audited and management will have the opportunity to provide comments. The log containing the status of current and completed items will be published on the Internal Audit page on SharePoint, and audit results will be presented to Directors and the Mayor, and/or City Council meetings upon request.

Respectfully submitted,

Tyler J. Benner

Tyler Benner, MBA
Performance Auditor

Last Update 1/13/2021

City of Spokane

2021 Audit Plan

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Value Statement

The mission of City Auditors is to advance open and accountable government through accurate, independent, and objective audits and investigations that seek to improve the economy, efficiency, and effectiveness of City government.

Creating the Audit Plan

1. General Audit Objectives

- Identify ways to increase revenues
- Identify ways to reduce costs
- Evaluation of the efficiency and or effectiveness of programs to benefit those be receiving government services
- Identify ways to reduce waste
- Promote public trust

2. Organization Alignment

- Gain an understanding of Mayoral & City Council Priorities
  - Economic Development
  - Housing
  - Public Safety
  - Homelessness

3. Establish Audit Universe (Assessment)

- Assess extent to which department activity contribute to or support the organizations priorities

4. Relevancy

- Use the assessment to determine an appropriate body of work to evaluate

5. Conduct the Engagement

- Evaluate the following to make valuable recommendations
  - People
  - Systems
  - Processes
  - Policies

6. Verify

- Verify that agreed upon recommendations were implemented and that results follow desired outcomes

Last Update 1/13/2021

General Audit Objectives

Revenues
2020 negatively impacted revenues across most segments and continue to threaten prosperity through 2021.

Costs
2020 contributed to cost overruns specifically in wages and lost production. While some expenses were mandatory, others were predictable and preventable.

Program efficiency
2020's state of emergency and City response exposed showcased both it's strengths and weaknesses. The City was able to mobilize quickly in areas of procurement, workforce reassignment, response planning, disaster mitigation, etc. Emergency declarations created avenues to work quickly but also set aside some safeguards.

Reduce waste
Dollars spent on maintaining an organization directly affect the remaining dollars available for program delivery. Waste reduction is, therefore, an ongoing improvement opportunity.

Promote public trust
Trust is easier to lose than earn. In 2020, the trust between government and the public faced scrutiny at all levels. The City of Spokane must constantly investigate and build on it's internal operations to promote public trust.

Objectives

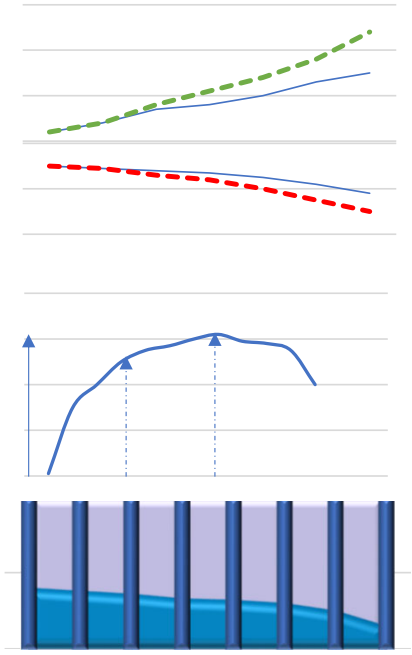
-Some audit activity should examine revenue streams to look for gains.

-Some audit activity should focus on expenses. Emphasis on cyclical events, and habitual overruns.

-As the City emerges from the impacts of the SARS-coV-2 pandemic considerable audit activity should focus on City policies and procedures. Emphasis on short term response vs. long-term policy and procedure adaptation.

-Some audit activity should focus on competitive vendor selection, the RFP process, and communication to council.

-Some audit activity should focus on policies, emphasizing those in current revision (outstanding), older, and those more likely to be come obsolete due to changing technology.



Trust?
Years to earn
Seconds to break

* Visuals for reference only, no values and not to scale

Last Update 1/13/2021

Objectives to Organization Alignment – Establish the Audit universe

Administrative Priorities

Economic Development
"Ensure businesses, both new and existing, feel connected and valued in our community to continue economic growth."

Public Safety
"Provide all our public safety responders with tools to do their jobs effectively to ensure all citizens feel safe and comfortable."

Housing
"Increase availability of housing of all types to community residents, regardless of income level, in an environment that is safe, clean, and healthy."

Homelessness
"Move toward finding balance between the needs of all of our citizens – those who work, shop, or recreate in the City; those who own property or own businesses; and those experiencing homelessness."

City Support Services
"Departments are not public facing or only partially participate in one or more of the Admin priorities described above and are critical to ongoing operations."

Audit Objectives

Economic Development
- Utilities (2 engagements)
- MySpokane (1 engagement)
- Development Services (1 engagement)
- Water Division (1 engagement)
- Tax & License (2 engagements)

Public Safety
- Fire/EMS (2 engagements)

Housing
- NHHS (1 engagement)
- Solid Waste (1 Per, 1 Comp engagements)

Homelessness
- CHHS (1 engagement)

City Support Services
- Treasury (1 engagement)
- Accounting (1 per, 3 comp engagements)
- Central Purchasing (1 engagement)
- Fleet Services (1 engagement)
- Non-Departmental (2 engagements)
- Human Resources (1 engagement, two items)
- Information Technology (1 engagement)
- Business License, For Hire, Parks, Bond Compliance

3- 6 unplanned audits
(3 Performance, 3 Compliance)
Resolve prior SAO audit exit memo's

Scope of Review

Economic Development
Utilities- Promote trust/ Increase revenues
MySpokane- Program efficiency
Development Services- Increased revenues
Water Division- Program efficiency
Tax & License- Revenues compliance

Public Safety
Fire/EMS- Decreased costs/Reduced waste

Housing
NHHS- Public trust
Solid Waste- Public trust/Public trust compliance

Homelessness
CHHS- Program efficiency

City Support Services
Treasury- Public Trust
Accounting- Public Trust/Public trust compliance
Central Purchasing-
Fleet Services- Reduce Waste
Non-Departmental- Public trust
Human Resources- Compliance
Human Resources- Compliance
Business License- Compliance
For Hire- Compliance
Park Bond- Compliance

Relevancy

What the plan touches

- Revenues – Activities whose aggregate generates more than 5 million dollars of receivables.
- Costs – Activities whose aggregate cost between 3-6 million dollars.
- Waste reduction – Processes where associated cost is more than 7 million dollars.
- Program efficiency –
  - 1 Policy review
  - Multi department cash handling process review
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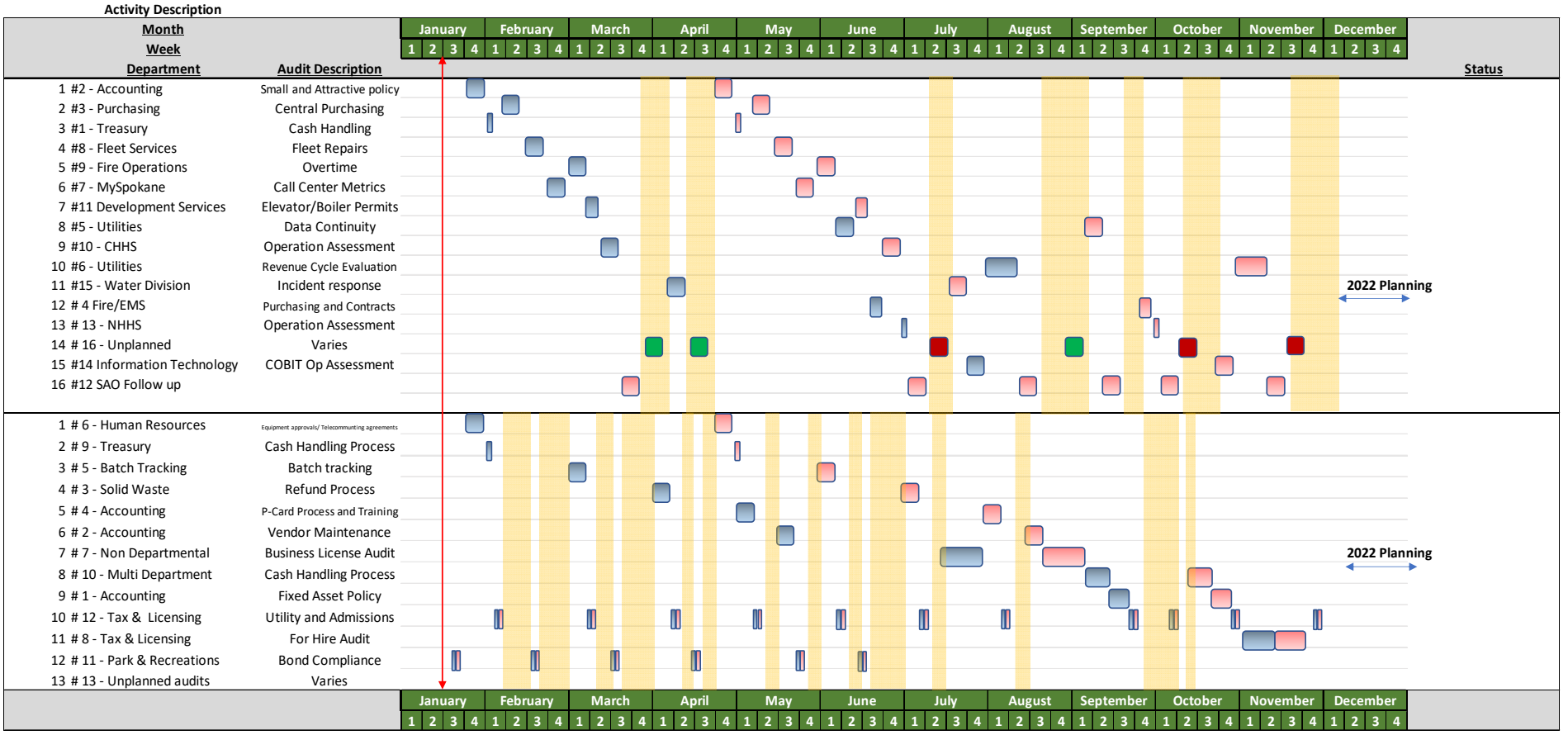
- Unplanned audits – Between 3 and 6 unplanned audits will be performed to conform to required elements of unpredictability

Last Update 1/13/2021

Timeline (Tenative)



Closing

We have appreciated the opportunity to present Council with the 2021 audit plan. We welcome any input and would be happy to share developments. On-time progress will be available/updated on the Internal audit Sharepoint webpage

If there are any other questions, I would be happy to answer them at this time.