

STANDING COMMITTEE MINUTES
City of Spokane
Finance & Administration Committee
09/21/2020

Attendance

Council Member Candace Mumm, Council Member Lori Kinnear, Council President Breean Beggs, Council Member Betsy Wilkerson, Council Member Michael Cathcart, Council Member Karen Stratton, Council Member Kate Burke, Tonya Wallace, Paul Ingiosi, Sally Stopher, Mike Sloon, Shauna Harshman, Hannahlee Allers, Tim Sigler, Mike Ormsby, Brian McClatchey, Tim Dunivant, David Steele, Amber Richards, Kandace Watkins, Kyle Twohig, Mark Carlos, and Amie Blain.

Meeting started at 1:17 p.m.

This meeting was conducted through Webex.

Approval of Minutes

Meeting Minutes for August were approved unanimously.

Agenda Items

III. Consent Items approved without discussion:

A. N/A

IV. Discussion Items

a) Reserve SMC Change_Sept 2020 – Tonya Wallace

Tonya discussed restricted versus unrestricted fund balance policies. When handling multiple reserves, it is important to determine the highest priority. Tonya recommended emergencies should be the highest priority. Tonya also discussed the handling of Contingency Reserves, Operating Reserves, Operating Revenues, and Operating Expenditures. She discussed the issue of replenishing reserve accounts, explaining that marginal increases should be included in the long-term financial plan. CM Kinnear asked if the City's bond rating would be affected by using reserves. Tonya advised it is affected, and she explained that most governments are expected to be using reserves. Tonya also advised that it is important to manage replenishment. CM Mumm advised past policies have helped us through this COVID situation to avoid furloughs and layoffs that other cities are experiencing. Please see the agenda packet for submitted documents to the committee.

b) General Fund Reserve Balances_Sept 2020 – Tonya Wallace

Tonya advised Revenue Stabilization Reserves and Contingency Reserves have restrictions on usage. Tanya offered to provide these balance updates monthly for the Council. CM Mumm requested the addition of CAFO guidance in the monthly reports. CP Beggs requested the addition of the percentages for each of the funds be included in the monthly reports. Please see the agenda packet for submitted documents to the committee.

c) Financing for Engineering Services Relocation – Tonya Wallace

Tonya is requesting a 5-year SIP loan to cover construction projects. CM Mumm asked if there are long-term plans for this site. Tonya advised there are no long-term plans. Dave Steele advised this site cannot be used as surplus. Tonya explained that the benefit of using the old Fleet Services building was due to having multiple services under one shell. Please see the agenda packet for submitted documents to the committee.

d) New Lease with Frontier Behavioral Health – Dave Steele

Dave advised the City placed a large amount of grant money in the past into the intermodal facility. The goal is to build enough of a revenue stream to offset the general fund as much as possible. This lease is for approximately half of the third floor to Frontier Behavioral Health. This will be a steady revenue stream. CM Stratton mentioned she is concerned about safety and security, and she asked about discussions regarding these issues. Dave explained Frontier Behavioral Health is familiar with the area, and security is currently on-site during the day. Frontier Behavioral Health does not have concerns about security, and the space is accessible only by elevator. Dave mentioned they are eager to begin using the space. CP Beggs asked for clarification on the use of the space. Dave explained it will be used as office space, and the only customer service would be related to paperwork. CM Stratton explained unsafe activities occur outside of that building at night. CM Kinnear mentioned moving forward with cleaning up the corner for Lutheran Community Services to use. Dave advised the Police Precinct will continue to use the first floor for now, and he is considering how to utilize that space going forward. CM Wilkerson echoed CM Stratton's concern about security, and that security services are needed in that area. CP Beggs requested information regarding what would be required to clear the corner. Dave explained it is important to clear and landscape areas that create hiding spots. CM Mumm and Dave discussed the clearing could take place this year and the planting could take place next year. CM Kinnear advised additional maintenance is required in addition to the clearing. Please see the agenda packet for submitted documents to the committee.

e) CARES Amendment and SBO – Sally Stopher

Sally advised of the additional funds and time extension provided by the CARES grant. Please see the agenda packet for submitted documents to the committee.

f) SBO for City COVID-19 Response – Paul Ingiosi

Paul advised this is the City's portion of the CARES grant. The revenue is from CARES or FEMA, and expenses are going to the departmental reserve line. Please see the agenda packet for submitted documents to the committee.

g) Contract Amendment for Special Counsel Contract – Mike Ormsby

Mike advised that the TDS agreement is complete, and the Comcast agreement is almost complete. He is requesting the Council to consider this contract amendment. CM Mumm asked for clarification regarding revenue from this contract, and Mike confirmed this will provide revenue for 10 years. Please see the agenda packet for submitted documents to the committee.

V. Standing Topic Items

1. 21st Century Workforce – Amber Richards

Amber Richards, Director of Human Resources, briefed the Committee regarding this item. Amber provided updates regarding diversity, equity, inclusion, and the 21st Century Workforce. She is consolidating previous reports and creating a plan. She is working with Alex to create an Internal Champions Network and an onboarding process for the City. The goal is to provide support and resources for new employees. Amber mentioned considering a required quarterly training for employees and additional trainings for established employees. The goal is to have

these in place by the beginning of 2021. Amber mentioned they are researching internship programs consisting of three tiers. This includes mentoring services, job shadowing, and an internal career program with a short-term work period. Amber also mentioned a management-level internship opportunity program. She advised that Matt Lowmaster and the safety team are working to expand the City's safety program. CM Cathcart asked for clarification on the Internal Champions Network program and the advertising scope for the Planner position currently available. Amber advised that the Internal Champions Network program tends to be a volunteer group within other organizations and usually represents various groups of people. Examples of groups would be a Veteran's group or a "Green Team" that would seek opportunities to promote greener options. She advised recruiting for the Planner position is occurring broadly in that it is on multiple websites and social media sites. CM Cathcart recommended seeking a highly qualified individual for this position. CM Mumm advised posting the position on the AWC website. CM Stratton advised that a Wellness employee position should be full-time and not a project position. She also advised this would be a great position in which to employ a person of color. Amber confirmed the Planner position is on the AWC website, and that the Wellness position is going to be a full-time position. CM Stratton recommended opening the opportunity to others instead of focusing on re-hiring previous employees. CM Mumm stated that she supports the idea of Wellness programs for supporting employees. CM Wilkerson advised she supports this idea as well. She also advised that many high-school students are not familiar with government work, and we have an aging workforce at the City. She also advised DEI should begin on the 7th floor. CM Kinnear advised she agrees with CM Wilkerson, and she suggested training for the City Council. She mentioned they would like to be included and interact with staff. Amber stated that her approach is that HR supports all of the City, and she is working to implement that approach.

2. Intra-fund Transfer Report and General Fund Update– Paul Ingiosi

Paul Ingiosi, Director of Management & Budget, briefed the Committee regarding this item. Please see the agenda packet for submitted documents to the committee.

3. Monthly General Fund Report – Paul Ingiosi

Paul Ingiosi, Director of Management & Budget, briefed the Committee regarding this item. Please see the agenda packet for submitted documents to the committee.

4. Financial Update – Paul Ingiosi

Paul Ingiosi, Director of Management & Budget, briefed the Committee regarding this item. Please see the agenda packet for submitted documents to the committee.

5. Budget Update – Paul Ingiosi

Paul Ingiosi, Director of Management & Budget, briefed the Committee regarding this item. Please see the agenda packet for submitted documents to the committee.

6. 2021 City Council Budget Items – Tim Dunivant

- CM Burke is requesting \$5,000 for a new City flag. Discussion occurred regarding selling the rights of the flag.
- CM Kinnear is requesting supplemental funding for Parks. She would like to support the free swimming program and maintain equity amongst neighborhoods. The amount is approximately \$300,000. CM Burke advised she is supportive, but she would like additional discussion regarding Park's processes and the Council's limited involvement. Tim Dunivant advised that money can be set aside in the General Fund until a decision is made. Also, additional amounts above the requested 8% can be completed by a simple allocation if desired, without Park Board approval. CP Beggs requested an update regarding laying off employees and filling other vacant positions. CM Stratton advised she is concerned with

laying off regular full-time employees and replacing with project part-time employees. CM Cathcart agreed except in regards to the Public Safety employees. CP Beggs presented the question regarding employee layoffs and prioritizing employees that work directly with the public. CM Wilkerson advised that customer service positions are important in addition to roles that help the growth of the City. CP Beggs explained that this discussion is not in regards to any particular position. Please see the end of this document for the 2021 City Council Budget Items Report not included in the agenda packet.

7. Fire Station on 5-Mile – Tim Dunivant

Tim explained exploring using capital dollars for this item.

Adjournment

The meeting was adjourned at 3:01 p.m., next meeting is scheduled for October 19, 2020 at 1:15 p.m.

Prepared by:

Amie Blain

Approved by:

Candace Mumm

Candace Mumm (Oct 20, 2020 10:40 PDT)

Chair

Council Member Candace Mumm

For further information contact: Kandace Watkins, 625-6718

City Council budget items for 2021 Budget

FINANCE & ADMINISTRATION

- City Flag: \$5,000 to pay for flags to be displayed throughout the community
- Parks supplemental funding: Provide GF support to Parks in addition to the 8% charter mandate to ensure that there are no layoffs due to the economic downturn. Cost is TBD.
- Explore new joint city/county revenues to fund regional programming for homelessness and criminal justice reform.
- Consider new financing strategies for transportation funding.






finadm-minutes-2020-09-21

Final Audit Report

2020-10-20

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