



**Special City Council Meeting
June 5, 2018 - 1:00 PM
City Hall Council Chambers
AGENDA**

I. CALL TO ORDER

Mayor Backus called the Special City Council Meeting to Order at 1:03 p.m. The purpose of the meeting was to discuss the 2019-2020 Biennial Budget and Budget processes.

Councilmembers present: Deputy Mayor Bob Baggett, Larry Brown, Claude DaCorsi, John Holman, Bill Pelozza and Yolanda Trout-Manuel. Councilmember Largo Wales was unexcused.

Mayor Nancy Backus and the following Department Directors and staff members present include: Finance Director Shelley Coleman, Police Chief Bob Lee, Assistant Police Chief Bill Pierson, Innovation and Technology Director Paul Haugan, Parks, Arts and Recreation Director Daryl Faber, Assistant Finance Director Kevin Fuhrer, Administrative Assistant Evelyn McOsker, Customer Care Manager Brenda Goodson-Moore, Accounting and Financial Reporting Manager Chase Donnelly, Human Services Manager Joy Scott, Human Services Program Coordinator Emily Pearson and Deputy City Clerk Shawn Campbell.

II. DISCUSSION ITEMS

A. 2019-2020 Biennial Budget and Budget Processes

Director Coleman reviewed the agenda for the meeting and explained to Council what to expect from this and future budget workshops. She reviewed a biennial budget process opposed to an annual budget process. Director Coleman reviewed the City of Auburn's Mission Statement. She explained staff will use the City's Mission Statement, Core Values, Broad Budget Goals and Departmental Goals when developing the proposed 2019-2020 Biennial Budget.

Director Coleman shared a video on Broad Budget Goals.

Director Coleman reviewed the 2017-2018 Broad Budget Goals including Provide Public Safety, Complete Public Works Projects, Actively Support Regional Transportation Projects, Encourage Economic Development, Enhance Quality of Life, Improve the Designated Urban Center and Encourage a Sense of Community and the recommended 2019-2020 Broad Budget Goals including Safety, Infrastructure, a Thriving Local Economy, Celebrate a Livable Community and Responsible Government. Director Coleman shared a video on Fund Accounting.

Director Coleman reviewed the funds the City of Auburn will include in the 2019-2020 Budget including the General Fund, Special Revenue Fund, Debt Service Fund, Capital Projects Fund, Enterprise Funds, and Internal Service Funds.

Director Coleman explained the Operating and Capital Fund structure for project budgeting and the multi-year budgeting process.

Director Coleman reviewed the responsibility structure for each fund and reviewed sample budgets for the General Fund and a Capital Projects Fund

Director Coleman reviewed the budget challenges for the City including General Fund sales tax growth is slow, the City has used the banked property tax levy capacity and is now limited to 1% per year, the sunset of the Streamlined Sales Tax mitigation payments in September of 2019, the demand for services is increasing faster and greater than budgeted revenue growth, growing human services needs, the unfunded PERS 1 retirement program, labor contracts are due for negotiations at the end of 2018, LEOFF 1 liability and the "Silver Tsunami" retirement effect. Director Coleman reviewed the property tax levy statistics, the policy for fund balances, the working reserve capital guidelines and the six year budget forecast.

III. ADJOURNMENT

There being no further business to come before the Council, the meeting adjourned at 2:37 p.m.

APPROVED this 18th day of June, 2018.

NANCY BACKUS, MAYOR

Shawn Campbell, Deputy City Clerk

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