

**REDMOND CITY COUNCIL  
PUBLIC ADMINISTRATION AND FINANCE COMMITTEE  
MEETING SUMMARY**

Council Conference Room  
15670 NE 85<sup>th</sup> Street, Redmond, Washington

Tuesday, January 28, 2014  
4:30 p.m.

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**Council**

John Stilin, Chair  
Kim Allen  
Tom Flynn  
Hank Margeson (*Attending councilmember*)  
Hank Myers (*Attending councilmember*)  
Byron Shutz (*Attending councilmember*)

**Staff**

Mike Bailey, Finance and Information Services  
Director  
Michelle M. Hart, MMC, City Clerk  
Cheryl Xanthos, Deputy City Clerk

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Convened: 4:30 p.m.

Adjourned: 5:30 p.m.

Committee Chair John Stilin called the meeting to order, reviewed attendance, and overviewed the agenda.

**Monthly Financial Report**

Mr. Mike Bailey, Finance and Information Services Director, provided the following financial highlights:

- There are some year-end adjusting entries for the December report.
- In October, \$600,000 was refunded to Puget Sound Energy (PSE).
- Utility tax revenue needs to be adjusted lower in the next budget.
- The increase in sales tax helps the budget and is a barometer of the local economy.

General discussion ensued throughout regarding accruals; utility tax; expenses; bar chart of revenues; and sales tax.

**Real Property Fund Recommendations**

Mr. Mike Bailey, Finance and Information Services Director, stated that a remnant property owned by the City of Redmond was recently sold for approximately \$40,000. The proceeds from the sale were put in the general Capital Improvement Program (CIP) fund. With other properties being considered for sale, Mr. Bailey recommends creating a separate account for the revenue from property sales. Two possible uses for the proceeds are: managing the activity of the real property assets or to make other investments in real property.

General discussion ensued regarding if the Real Property Fund has to be part of the General Fund; tracking expenses; and uses for the funds.

## **Sire Agenda Management System Update**

Ms. Michelle Hart, City Clerk, stated that in December 2013, discovery with the consultant and the agenda coordinators for the agenda management system began. Since that time, the consultant has been building the system. The system will allow the agenda process to be paperless and is web-hosted. The training schedule for the City has been formalized. The Councilmembers and Directors will be provided with Agenda-to-Go on their laptops or tablets. Councilmember training will take approximately one hour. The public presentation on the City's website will change slightly.

General discussion ensued regarding after training support and when the Councilmembers will be able to view the documents.

## **Formation of Community Facilities District**

Mr. Mike Bailey, Finance and Information Services Director, stated that the agreement between Microsoft, Sound Transit and the City of Redmond to build a bicycle/pedestrian bridge at the Overlake Transit Center called for the potential creation of a Community Facilities District (CFD). The CFD will help Microsoft, the property owner, with financing the bridge. The City of Redmond will conduct a public hearing when a petition from Microsoft is received. The Council will have to create the district by resolution within 30 days of the public hearing.

General discussion ensued regarding taxing authority; associated costs; Sound Transit's role; tax-free treatment for the property owner; risk to the City; public notice; and the life of the CFD.

## **Review of Financial Policies**

Mr. Mike Bailey, Finance and Information Services Director, stated that the review of financial policies was requested to be brought back to the committee. General discussion ensued regarding:

- significance of changes;
- the six-year revenue projection;
- consistent approach and description for the Price of Government;
- overall cost recovery policies;
- standard of economic data;
- OneRedmond and "pay to play" policy; and
- capital investment focus.

## **Long Range Financial Strategy**

Mr. Mike Bailey, Finance and Information Services Director, suggested bringing this topic up at the next meeting due to time constraints.

## **Committee Work Plan**

Members of the Committee discussed modifications to their work plan adopted at the beginning of 2013. Items that have been completed were removed and the Committee discussed items that they would like to see on this year's plan.