

CITY OF NORTH BEND
CITY COUNCIL SPECIAL BUDGET WORKSTUDY NOTES
October 10, 2023
City Hall, 920 SE Cedar Falls Way, North Bend, WA

Mayor Pro Tem Koellen called the meeting to order at 7:02 p.m.

Councilmembers Alan Gothelf, Mark Joselyn, Heather Koellen and Jonathan Rosen. Councilmember Brenden Elwood arrived at 7:05 p.m. (remote). Councilmember Mary Miller arrived at 7:24 p.m.

Staff Present: Mayor Rob McFarland, City Administrator David Miller, City Attorney Kendra Rosenberg, Deputy City Administrator/Public Works Director Mark Rigos, Interim Finance Director Drew Bouta, Administrative Services Director Lisa Escobar, Community & Economic Development Director Rebecca Deming, IT Manager Phil Davenport and City Clerk Susie Oppedal.

Mayor Pro Tem Koellen announced an Executive Session would be added at the end of tonight's agenda for the purposes of discussing property acquisition, pursuant to RCW 42.30.110(1)(b)

Mid-Biennium Budget Review

Interim Finance Director Bouta provided a Mid-Biennial Budget Review presentation that consisted of the following:

Foundations of Finance

- Guiding Lights: City's Mission Statement & Vision
- Four Financial Paint Buckets: Governmental Operating, Governmental Capital, Enterprise and Internal Services
- Sustainability Principle: Funding of Most Consistent of Uses with Most Consistent of Revenue Streams
- Importance of Financial Forecasting: Plan for the Future, Make Informed Decisions and Identify Potential Problems
- Balancing Finances: Levels of Service, Economic Development and Taxes & Fees

2024 Decision Card Process

Interim Finance Director Bouta reviewed the 2024 decision card process which included a review of the new decision card form, decision card submission date of October 13, 2023 and that items should be limited to General Fund, Street Operation Fund and Solid Waste & Recycling Fund. He noted the Finance Department was working on determining

the funding available for the 2023 decision card process and would unveil that amount at the October 24, 2023 Council Workstudy.

He provided an economic update which included national and worldwide impacts on inflation, interest rates and employment and noted upcoming City items of consideration on the budget were future employee cost of living adjustments, future police services contract, human services grant funding, 2024-2029 Capital Improvement Plan and the City's Strategic Plan.

He concluded by providing a prioritization framework for decision cards, Finance Department Action Plan through January 2025 and proposed future fund schedule which consolidates the current 29 fund structure down to 15 funds.

Human and Community Service Funding Review

Mayor McFarland reviewed the Human and Community Services grant requests spreadsheet which separated requests from organizations into Human Services Organization requests and Community Organization (including arts and culture) requests. He noted the amount of requests received for the 2024 funding cycle totaled over \$480,000 and he recommended funding the same organizations as last year (plus North Bend Arts & Industry) at the total amount of \$360,400.

Council discussed the amount set aside for Human and Community Services funding as part of last year's budget discussions, ARPA funding for grant requests, percent of budget other cities spend on grant requests compared to North Bend, percentage of increase of funding requests, and contributions agencies receive from other organizations.

Council requested the discussion on Human and Community Services grant funding be postponed until the October 24, 2023 Workstudy when the Finance Department would have a better idea of funds available for discretionary spending.

Executive Session

Mayor Pro Tem Koellen recessed the Council Workstudy at 8:23 p.m. for a five minute break to be followed by an Executive Session to start at 8:28 p.m. to discuss property acquisition, pursuant to RCW 42.30.110(1)(b). No action was anticipated as a result of the Executive Session, which was expected to last twenty minutes and videotaping of the meeting ceased.

At 8:48 p.m. it was announced that the Executive Session was expected to last an additional five minutes.

At 8:53 p.m. it was announced that the Executive Session was expected to last an additional five minutes.

The workstudy reconvened at 8:58 p.m.

Adjournment

The workstudy closed at 8:58 p.m.

ATTEST:

Heather Koellen, Mayor Pro Tem

Susie Oppedal, City Clerk