

CITY OF NORTH BEND
CITY COUNCIL WORKSTUDY NOTES
October 24, 2023 – 7:00 p.m.
City Hall, 920 SE Cedar Falls Way, North Bend, WA

Mayor Pro Tem Koellen called the meeting to order at 7:00 p.m.

Councilmembers Present: Brenden Elwood, Alan Gothelf, Heather Koellen, Mary Miller and Jonathan Rosen were present. Councilmember Mark Joselyn was excused.

Staff Present: Mayor Rob McFarland, City Administrator David Miller, Deputy City Administrator/Public Works Director Mark Rigos, Administrative Services Director Lisa Escobar, Community and Economic Development Director Rebecca Deming, Interim Finance Director Drew Bouta, Economic Development Manager James Henderson, IT Manager Phil Davenport, Building Official Colin Mercer, Human Resource Manager Erin Mitchell, Communications Manager Bre Keveren and City Clerk Susie Oppedal.

Mid-Biennial Budget Review

Interim Finance Director Bouta provided a presentation on the Mid-Biennial Budget Review which included the importance of forecasting, the four financial paint buckets of the City (Governmental – Operating, Governmental – Capital, Enterprise & Utility Services), Governmental Operating Financial Forecast, Expenditure Assumptions, Revenue Assumptions and Policy Recommendations on Governmental – Operating.

He reviewed the recently updated projected Governmental Ongoing Financial Forecast for 2023 through 2032. He highlighted year 2023 beginning (\$4,058,921) and ending balances (\$5,081,183) for the General Fund which encompassed ongoing revenues (Sales & Use Tax, Property Tax, Utilities Tax, etc.), ongoing expenditures (Departmental Budgets, Police/Fire and Human/Community Services Funding), one-time revenues/expenditures (Construction, Grants, etc.) and the maintenance of the 10% Reserve Fund.

Mr. Bouta noted one-time funding from the General Fund of \$1,500,000 was available for the Decision Card process and \$558,000 one-time funding from Solid Waste was available for Decisions Cards specific to solid waste/recycling. He concluded by noting policy recommendations included establishing a separate Affordable Housing Fund (#109), establishing a separate Reserve Fund (#102) and depositing any non-ongoing (i.e. development based construction) Sales & Use Tax and B&O Tax collected into a capital fund instead of the General Fund (#001).

Decision Cards

Staff reviewed Decisions Cards #2024-01 through #2024-05 which included a new position of Code Enforcement Officer and Deputy Finance Director and purchases of downtown trash and recycling receptacles, road grader and variable message sign.

Council reviewed Decision Cards #2024-06 through #2024-20 which they submitted for snow removal support, take home vehicles, Executive Assistant to Council, rental assistance program, senior assistance program, grand entry project, downtown arches project, trail lighting improvement project, trail and sidewalk connectivity program, cozy spaces project, smart city (community wi-fi), city lights initiative, startup kickstarter package and new position of Arborist/Urban Forester.

After discussion, consensus was to postpone the decision card process until first quarter of 2024 and to reserve \$1,500,000 in the 2024 Budget for that process.

Human/Community Services Funding Review

Mayor McFarland reviewed the human and community services grant requests received from local organizations for the 2024 budget cycle and provided a funding recommendation that was a significant increase over the previous year's funding level. Council reviewed the requests received and recommended 2024 Human/Community Services funding as follows:

Boxley Music Fund/Jazz Clubs NW	\$9,000
Empower Youth Network	\$20,000
Encompass	\$30,000
Friends of the Trail	\$9,200
Friends of Youth	\$10,000
KidVantage (fka Eastside Baby Corner)	\$2,500
Mamma's Hands	\$15,000
Meadowbrook Farm	\$3,300
Mt Si Senior Center	\$50,000
North Bend Art & Industry	\$15,000
Reclaim (fka Shelter Services)	\$20,000
Snoqualmie Valley Food Bank	\$40,000
Snoqualmie Valley Historical Museum	\$15,000
Trail Youth	\$10,000

Legislative Agenda

City Administrator Miller noted that AB23-126 – Motion to Confirm the North Bend 2024 Legislative Agenda to the Sound Cities Association was remanded at the October 17, 2023 City Council meeting to tonight's meeting for discussion.

He reviewed the following seven legislative priorities:

1. REET funding flexibility, particularly for existing REET and affordable housing.
2. Allowing private accounting firms to conduct the State audit.
3. Funding for affordable housing.

4. Water infrastructure funding for the Army Readiness Center as a project of statewide concern.
5. Sewer collection funding to convert residential neighborhoods on septic systems to convert to treatment.
6. Funding Support for Behavioral Health Services
7. Funding to Help Recruit and Retain Police Officers for Public Safety

After discussion, consensus was to remove Item #5 – Sewer Collection Funding to Convert Residential Neighborhoods on Septic Systems and to have City Administrator Miller reach out to the Army to determine if Item #4 – Water Infrastructure Funding for the Army Readiness Center should stay on the Legislative Agenda.

Proposed Affordable Housing Project

City Administrator Miller provided an update on a proposed affordable housing project in the downtown area of North Bend.

Adjournment

The workstudy closed at 10:00 p.m.

ATTEST:

Heather Koellen, Mayor Pro Tem

Susie Oppedal, City Clerk