

**BLACK DIAMOND CITY COUNCIL
SPECIAL MEETING MINUTES**

October 27, 2016

Council Chamber, 25510 Lawson Street, Black Diamond, Washington

CALL TO ORDER, FLAG SALUTE:

Mayor Benson called the special meeting to order at 6:01 p.m. and led us all in the Flag Salute.

ROLL CALL:

PRESENT: Councilmembers Deady, Morgan, Edelman, Weber and Pepper.

ABSENT: None

Staff present: May Miller, Finance Director and Brenda L. Martinez, City Clerk.

WORK SESSION:

PRELIMINARY DRAFT 2017 PUBLIC WORKS BUDGETS, SPECIAL REVENUE FUNDS, AND CAPITAL FUNDS

Mayor Benson announced this special meeting is a work session on the proposed 2017 preliminary budget for the public works budgets, special revenue funds, and capital projects. She then turned the meeting over to Finance Director Miller.

Finance Director Miller reported this is the second work session on the 2017 budget and is also an overview of the public works budgets, special revenue funds, and capital funds. She explained this is another chance for Council to go over the document and ask questions so all the information can get out to the public.

She reviewed with Council the following Special Revenue Funds which are restricted and can only be used for allowable expenses:

- Street Fund
- Fire Impact Fee Fund
- Transportation Benefit District Fund (TBD)
- Traffic Mitigation Fund
- Internal Service Funds – These funds have a common purpose and all funds contribute.
- Equipment Replacement Funds

Ms. Miller reviewed with Council the following Utility Fund and noted these funds are more like business funds where Council raises the rates to support the expenditures.

- Water Operating Fund 401
- Water Debt
- Sewer Operating Fund 407
- Stormwater Operating Fund 410

The following Capital Funds were reviewed with Council.

- Real Estate Excise Tax 1 – 311 (REET 1)
- General Government Capital Projects Fund 310
- Real Estate Excise Tax 2 - 321 (REET 2)
- Public Works Capital Projects Fund 320
- Water, Supply Facility Funding Agreement (WSFFA) – Partners pay 100% of the costs for projects in this fund.
- Water Capital Fund 404

At 6:59 p.m. Mayor Benson recessed the work session portion of the meeting for a public hearing regarding proposed revenue sources for the 2017 budget including possible increases in property tax levy.

PUBLIC HEARING:

PROPOSED REVENUE SOURCES FOR THE 2017 BUDGET INCLUDING POSSIBLE INCREASE IN PROPERTY TAX LEVY

Finance Director Miller noted that the City is required to have a public hearing before the end of the month. She explained this hearing has been noticed in the paper and on the City's website. She discussed the ordinances that are associated with the adoption of the 1% increase in property tax. She also discussed these ordinances will be back before Council at the November 17th meeting for action as state law requires property tax certifications to be filed with the County by November 30th.

Mayor Benson opened the public hearing at 7:01 p.m. No public commented and Mayor Benson announced the public hearing will remain open until November 17, 2016.

CONTINUATION OF WORK SESSION:

Mayor Benson announced we will now continue with the work session that was recessed for the public hearing.

Finance Director Miller continued to review with Council the following Utility Funds.

- Continuation of Water Capital Fund 404
- Sewer Capital Fund 408
- Stormwater Capital Fund 410

In closing Finance Director Miller reviewed the budget calendar and noted we are currently at number 9 on the calendar tonight. She commented that the preliminary budget will be posted November 1 and the next budget hearing is scheduled for November 17, 2016.


Mayor Benson asked if Councilmembers have any questions on the budget or items they would like to see in the budget.

ADJOURNMENT:

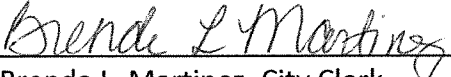
A **motion** was made by Councilmember Deady and **seconded** by Councilmember Edelman to adjourn the meeting. Motion **passed** with all voting in favor (5-0).

Meeting ended at 7:24:22 p.m.

ATTEST:



Carol Benson, Mayor



Brenda L. Martinez, City Clerk