Tuesday, March 3, 2020
City Council Workshop

5:30 to 8:00 p.m.

Council Chambers

1. Opening Items.

Subject :	1.01 Council Reference Materials
Meeting :	Mar 3, 2020 - City Council Workshop
Category :	1. Opening Items.
Access :	Private
Type :	Discussion, Information
Subject :	1.02 Pledge of Allegiance
Meeting :	Mar 3, 2020 - City Council Workshop
Category :	1. Opening Items.
Access :	Public
Type :	Procedural

Public Content

"Ipledge allegianceto the Flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all."

Subject :	1.03 Moment of Silence for Reflection / Invocation - Any City Employee or Elected Official; delivering the invocation, does so in his/her capacity as a private citizen, and not in his /her official position as a city employee/elected city official.
Meeting :	Mar 3, 2020 - City Council Workshop
Category :	1. Opening Items.
Access :	Public
Type :	Procedural

2. Workshop Topics.

Subject :	2.01 Fiscal Year 2018 Audit Results - Mr. Carleton
Meeting :	Mar 3, 2020 - City Council Workshop
Category :	2. Workshop Topics.
Access :	Public
Type :	Discussion

Public Content

Information for Consideration:

The Fiscal Year 2018 Financial and Accountability Audit is now complete. The Audit team only provided recommendations. We received no findings and need to issue an official management letter. Mr. Carleton will go over the process and recommendations.

File Attachments

Exit Conference.pdf (372 KB)
Signed Rep Letter.pdf (351 KB)
SAO Exit Recommendations.pdf (288 KB)

Subject :	2.02 Council Training Part II - Mr. Rizzitiello
Meeting :	Mar 3, 2020 - City Council Workshop
Category :	2. Workshop Topics.
Access :	Public
Type :	Discussion, Procedural

Public Content

Historical Perspective:

This is a continuation of the presentation from the February 2020 workshop.

Information for Consideration:

The City Administrator will present key information on the following topics from the Washington City County Managers Association Guidebook for City Managers and Elected Officials:

- Courts, Public Meetings, and Public Records. (Page 1 thru 5)
- Finance & Budget. (Page 6 thru 25)
- Land Use Planning & Economic Development. (Page 26 thru 31)
- Resources. (Page 32)

File Attachments

AWC_BudgetNutsandBolts_Presentation.pdf (3,274 KB)
Council_Rules_Booklet_2020.pdf (311 KB)
Employment Law Presentation.pdf (202 KB)
Lobbying 101.pdf (1,371 KB)
WCMA_CouncilGuidebook.pdf (1,068 KB)

Subject :	2.03 Update on FY 2020 State Legislative Session - Mr. Rizzitiello
Meeting :	Mar 3, 2020 - City Council Workshop
Category :	2. Workshop Topics.
Access :	Public
Type :	Discussion

Public Content

Historical Perspective:

The 2020 Legislative Session started in early January.

Information for Consideration:

Mr. Rizzitiello will go over legislative bills of city interest that are still alive or dead. Also, the City Administrator will go over the status of US 12 Phase 7.

File Attachments

Status of Highway 12 Phase 7.pdf (84 KB)
LegislativeUpdate.pdf (46 KB)
StateLegislativeSession_Update.pdf (290 KB)

Subject :	2.04 College Place Flex/Makerspace Concept - Mr. Rizzitiello/Mayor Hernández
Meeting :	Mar 3, 2020 - City Council Workshop
Category :	2. Workshop Topics.
Access :	Public
Type :	Discussion

Public Content

Historical Perspective:

The State of Washington Community Economic Revitalization Board has two grant programs. 1. A Planning Grant of $50,000 with 25% match to investigate the feasibility of development. 2. Committed Partner program. If Planning Study says project is feasible CERB awards grants of up to 50% of project cost.

Information for Consideration:

Given the fact that College Place lacks any available flex industrial/makerspace City Administration was wondering if we should investigate pursuing a Planning Grant to investigate the feasibility of a city-owned flex space/makerspace and what site would be the best fit. Ex: Martin Airfield area or Rose Street Corridor. If project is identified as feasible we can go to the Port and the Federal Economic Development Administration for additional grant monies to make it happen.

Office of the Washington State Auditor
Pat McCarthy

Exit Conference: City of College Place

The Office of the Washington State Auditor's vision is increased trust in government. Our mission is to provide citizens with independence and transparent examinations of how state and local governments use public funds, and develop strategies that make government more efficient and effective.

The purpose of this meeting is to share the results of your audit and our draft reporting. We value and appreciate your participation.

Audit Reports

We will publish the following reports:

- Accountability audit for January 1, 2018 through December 31, 2018 - see draft report.
- Financial statement audit for January 1, 2018 through December 31, 2018 - see draft report.

Audit Highlights

We would like to thank the City for taking corrective measures to address prior audit recommendations.

Recommendations not included in the Audit Reports

Exit Items

We have provided exit recommendations for management's consideration. Exit items address control deficiencies or non-compliance with laws or regulation that have an insignificant or immaterial effect on the entity, or errors with an immaterial effect on the financial statements. Exit items are not referenced in the audit report.

Status of Prior Management Letter items

Brief Description	Resolved	Unresolved
Procurement:		
Public works projects	X	
Cooperative purchases	X	
Purchasing exemptions (sole source)		X

Communications required by audit standards

In relation to our financial statement audit report, we would like to bring to your attention:

- Uncorrected misstatements in the audited financial statements are summarized on the attached schedule. We agree with management's representation that these misstatements are immaterial to the fair presentation of the financial statements.
- There were no material misstatements in the financial statements corrected by management during the audit.

Finalizing Your Audit

Report Publication

Audit reports are published on our website and distributed via e-mail in an electronic .pdf file. We also offer a subscription service that allows you to be notified by email when audit reports are released or posted to our website. You can sign up for this convenient service at: https://portal.sao.wa.gov/SAOPortal/

Management Representation Letter

We have included a copy of representations requested of management.

Audit Cost

At the entrance conference, we estimated the cost of the audit to be $17,854 and actual audit costs will approximate that amount.

Your Next Scheduled Audit

Your next audit is scheduled to be conducted in Fall 2020 and will cover the following general areas:

- Accountability for Public Resources
- Financial Statement

The estimated cost for the next audit based on current rates is $14,690 plus travel expenses. This preliminary estimate is provided as a budgeting tool and not a guarantee of final cost.

If expenditures of federal awards are $750,000 or more in any fiscal year, notify our Office so we can schedule your audit to meet federal single audit requirements. Federal awards can include grants, loans, and non-cash assistance such as equipment and supplies.

Working Together to Improve Government

Audit Survey

When your report is released you will receive an audit survey from us. We value your opinions on our audit services and hope you provide feedback.

Local Government Support Team

This team provides support services to local governments through technical assistance, comparative statistics, training, and tools to help prevent and detect a loss of public funds. Our website and client portal offers many resources, including a client Help Desk that answers auditing and accounting questions. Additionally this team assists with the online filing of your financial statements.

The Center for Government Innovation

The Center for Government Innovation of the Office of the Washington State Auditor is designed to offer services specifically to help you help the residents you serve at no additional cost to your government. What does this mean? We provide expert advice in areas like Lean, peer-to-peer networking and culture-building to help local governments find ways to be more efficient, effective and transparent. The Center can help you by providing assistance in financial management, cybersecurity and more. Check out our best practices and other resources that help local governments act on accounting standard changes, comply with regulations, and respond to

recommendations in your audit. The Center understands that time is your most precious commodity as a public servant, and we are here to help you do more with the limited hours you have. If you are interested in learning how we can help you maximize your effect in government, call us at (360) 725-5621 or email us at Center@sao.wa.gov.

Questions?

Please contact us with any questions about information in this document or related audit reports.

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02/25/2020

Office of the Washington State Auditor
1815 Portland Ave., Ste. 4
Walla Walla, WA 99362

To the Office of the Washington State Auditor:

We are providing this letter in connection with your audit of the City of College Place for the period from January 1, 2018 through December 31, 2018. Representations are in relation to matters existing during or subsequent to the audit period up to the date of this letter.

Certain representations in this letter are described as being limited to matters that are significant or material. Information is considered significant or material if it is probable that it would change or influence the judgment of a reasonable person.

We confirm, to the best of our knowledge and belief, having made appropriate inquires to be able to provide our representations, the following representations made to you during your audit. If we subsequently discover information that would change our representations related to this period, we will notify you in a timely manner.

General Representations:

1. We have provided you with unrestricted access to people you wished to speak with and made available all relevant and requested information of which we are aware, including:
   a. Financial records and related data.
   b. Minutes of the meetings of the governing body or summaries of actions of recent meetings for which minutes have not yet been prepared.
   c. Other internal or external audits, examinations, investigations or studies that might concern the objectives of the audit and the corrective action taken to address significant findings and recommendations.
   d. Communications from regulatory agencies, government representatives or others concerning possible material noncompliance, deficiencies in internal control or other matters that might concern the objectives of the audit.
   e. Related party relationships and transactions.
   f. Results of our internal assessment of business risks and risks related to financial reporting, compliance and fraud.

2. We acknowledge our responsibility for compliance with requirements related to confidentiality of certain information, and have notified you whenever records or data containing information subject to any confidentiality requirements were made available.

3. We acknowledge our responsibility for compliance with applicable laws, regulations, contracts and grant agreements.

4. We have identified and disclosed all laws, regulations, contracts and grant agreements that could have a direct and material effect on the determination of financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.

5. We have complied with all material aspects of laws, regulations, contracts and grant agreements.

6. We acknowledge our responsibility for establishing and maintaining effective internal controls over compliance with applicable laws and regulations and safeguarding of public resources, including controls to prevent and detect fraud.

7. We have established adequate procedures and controls to provide reasonable assurance of safeguarding public resources and compliance with applicable laws and regulations.

8. We have no knowledge of any loss of public funds or assets or other illegal activity, or any allegations of fraud or suspected fraud involving management or employees.

9. In accordance with RCW 43.09.200, all transactions have been properly recorded in the financial records, notwithstanding immaterial uncorrected items referenced below.

Additional representations related to the financial statements:

10. We acknowledge our responsibility for fair presentation of the financial statements and believe financial statements are fairly presented in accordance with the *Budgeting, Accounting and Reporting Standards Manual* (BARS Manual), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

11. We acknowledge our responsibility for establishing and maintaining effective internal control over financial reporting.

12. The financial statements properly classify all funds and activities.

13. Revenues are appropriately classified by fund and account in accordance with the BARS Manual.

14. Expenses are appropriately classified by fund and account, and allocations have been made on a reasonable basis.

15. Ending cash and investments are properly classified as reserved and unreserved.

16. Significant assumptions we used in making accounting estimates are reasonable.

17. The following have been properly classified, reported and disclosed in the financial statements. as applicable:

    a. Interfund, internal, and intra-entity activity and balances.

    b. Related-party transactions, including sales, purchases, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.

    c. Joint ventures and other related organizations.

    d. Guarantees under which the government is contingently liable.

    e. All events occurring subsequent to the fiscal year end through the date of this letter that would require adjustment to, or disclosure in, the financial statements.

    f. Effects of all known actual or possible litigation, claims, assessments, violations of laws, regulations, contracts or grant agreements and other loss contingencies.

18. We have accurately disclosed to you all known actual or possible pending or threatened litigation, claims or assessments whose effects should be considered when preparing the financial statements. We have also accurately disclosed to you the nature and extent of our consultation with outside attorneys concerning litigation, claims and assessments.

19. We acknowledge our responsibility to include all necessary and applicable disclosures required by the BARS Manual, including:

    a. Description of the basis of accounting, summary of significant accounting policies and how this differs from Generally Accepted Accounting Principles (GAAP).

    b. Disclosures similar to those required by GAAP to the extent they are applicable to items reported in the financial statements.

    c. Any additional disclosures beyond those specifically required by the BARS Manual that may be necessary for the statements to be fairly presented.

20. We acknowledge our responsibility for reporting supplementary information, such as: the Schedule of Liabilities in accordance with applicable requirements and believe supplementary information is fairly presented, in both form and content in accordance with those requirements.

21. We have disclosed to you all significant changes to the methods of measurement and presentation of supplementary information, reasons for any changes and all significant assumptions or interpretations underlying the measurement or presentation.

22. We believe the effects of uncorrected financial statement misstatements summarized in the schedule of uncorrected items provided to us by the auditor are not material, both individually and in the aggregate, to the financial statements taken as a whole.

23. We acknowledge our responsibility not to publish any document containing the audit report with any change in the financial statements, supplementary and other information

referenced in the auditor's report. We will contact the auditor if we have any needs for publishing the audit report with different content included.

Mike Rizzitiello, City Administrator

Brian Carleton, CPA, Finance Director

Exit Recommendations
City of College Place
Audit Period Ending: 12/31/2018

We are providing the following exit recommendations for management's consideration. They are not referenced in the audit report. We may review the status of the following exit items in our next audit.

Financial Statements:

Financial statements presentation
We reviewed the financial statements presentation and note disclosures, and noted the following issues

- The total principal and total interest in Note 5, were understated by $627,184 and $130,937, respectively, for a net understatement of $758,122.

- On the Schedule 6:

    - Cash inflows was understated by $39,746

    - Cash outflows was understated by $207,593

    - FYE Positive Reconciling Items was understated by $146,502

We recommend the City strengthen controls over its financial statements preparation and review process to ensure amounts and information reported are complete and accurate.

Accountability:

Procurement
Our review of procurement transactions for the City identified the following issues:

- For the purchase of a Wildland Vehicle for $85,495, the City did not waive competitive bidding requirements by resolution or by the terms of written policies adopted by the City, to declare it a sole-source purchase due to special market conditions, as required by RCW 39.04.280.

- We reviewed the emergency procurement of the sewer lift pump purchase of $22,274, and noted that the City, as required by RCW 39.04.280 did not declare an emergency situation existed, nor waived competitive bidding requirements. Also, there was no written finding of the existence of an emergency, made by the governing body or its designee and duly entered of record, within two weeks following the award of the contract.

We recommend the City strengthen internal controls to ensure compliance with applicable procurement requirements.

Credit Cards/Travel
During our review of credit card expenditures, we noted the City did not provide:

- Three completed travel request forms as outlined in the City's Personnel Policy.
- One agenda/registration for a travel expenditure, to confirm that travel was for a City purpose.
- Two completed verifications (sign in/sign out sheets) for two meetings, of which City employees attended. The City does not have a "meals with meetings" policy outlining control procedures for meals that will be provided at meetings.

We recommend the City:

- Ensure compliance with established policy for ensuring all Travel/Training Request Forms are submitted in accordance with City policy.
- Ensure, as applicable, travel expenditures are supported by an agenda/registration, to confirm that travel was for a City purpose.
- Establish and implement a "Meals with meetings" policy that outlines procedures and approval of meals being provided at meetings, as well as documentation of those in attendance.

Cost allocation - Payroll
We reviewed the Payroll cost allocation plan and noted the following issues:

- The written Payroll cost allocation plan has not been formally approved by Council.
- While the cost allocation plan states what costs to allocate, it does not specify if costs are budgeted or actual amounts, and which period(s) the costs should be obtained from (e.g. prior year, next year's budget, etc.)
- The City did not update one of the basis for the Public Works Director payroll allocation, resulting in the following allocation variances:
    - Current Expense - 1.8%, under
    - Streets - 1.9%, under

- Water - 1.4%, under
- Wastewater - 5.3%, over
- ER&R - 0.2%, over

- Noted incorrect data entry for the Engineer position, from the Time Study, for the Total hours and percentage allocation. This did not affect the individual fund allocations.

- Allocation percentages entered in BIAS were rounded for the Engineer position resulting in the following variances:
  - Current Expense - 0.3% over
  - Streets - 0.4%, under
  - Water - 0.5%, under
  - Wastewater - 0.6%, over

Also the City staff have indicated that the current cost allocation model and calculation is complex and can be hard to follow. Also, considering that the employee who created the written plan and allocation spreadsheet is no longer with the City, it creates a higher risk of undetected miscalculations and errors, especially if there is no individual at the City (other than the HR Director), who fully understands the cost allocation plan and performs a thorough review after the necessary updates are made to allocations.

We recommend the City:

- Formally approve its Payroll cost allocation plan
- Update and review its written plan and calculations, to specify if costs used as the basis for allocations are budgeted or actual amounts, and which period(s) the costs should be obtained from (e.g. prior year, next year's budget, etc.). The documentation used to obtain the basis/factors should be documented and retained.
- Perform a thorough review of the cost allocation basis and calculations, to ensure the amounts are adequately and accurately supported by records.
- Perform a secondary review of data entered in the cost allocation calculation spreadsheet and payroll module to ensure they are entered accurately

- Consider reviewing its current payroll cost allocation plan, to determine if it is practical and reasonable, moving forward. The City can also reach out to the Center for Government Innovation if assistance is needed.

Cost allocation - ER&R

We reviewed the City's Equipment Rental & Replacement (ER&R) plan, for the 4th quarter of 2018, and noted the following issues:

- The written ER&R cost allocation plan has not been formally approved by Council.
- The expenditure report used by the City to determine the allocation percentages to be used in the Street fund allocation was for December only. However, per the allocation plan, the report should be for the quarterly time period (October through December for the 4th quarter).
- The City used the job cost rate for the Fuel allocation and Repairs & Maintenance allocation, per fund. However, per the Cost Allocation Plan "Fuel is allocated solely according to the percentages of tracked fuel used by Fund/Department to total tracked fuel for the quarter."
- In addition, the City:
    - Did not use any rate in the Operating Supplies allocation, per fund
    - Used the fuel cost rate for the Small Tools and Equipment allocation, per fund
    - However, per the cost allocation plan, a blended percentage of each fund's tracked fuel and Job costs to the total tracked fuel and Job costs for each quarter, should be applied to Operating Supplies, Small Tools and Equipment, and Repairs & Maintenance expenditures. The City did not calculate a blended percentage per the plan.

These issues resulted in the following total fund allocation variances:

- Current expense Fund: $4,587, over
- Street Fund: $2,607, under
- Water Fund: $1,912, under
- Wastewater fund: $69, under

We recommend the City:

- Formally approve its ER&R cost allocation plan
- Review the quarterly cost allocations to ensure the allocations are properly calculated in accordance with the City's written ER&R cost allocation plan.

EFT controls
The City does not have a written policy/procedures for setting up and changing payroll disbursement information for City employees. Also, while the City has written procedures for setting up new vendor payment information, it does not include the process to follow, to authenticate changes to vendor payment information.

We recommend the City create a written policy/procedures for setting up and changing payroll disbursement information for its employees. We also recommend the City include in its written ACH/EFT procedures, a process to follow to authenticate any change request for payroll and vendor disbursements. Specifically, we recommend that the written procedures require all change requests, including mail, fax and phone calls, be followed up with a known contact using previously known contact information and not the contact information provided in the request

Police evidence room
During our review of the evidence room, we noted inadequate entry and description of evidence in the inventory listing for cases with multiple items. For instance, a case with six items is entered in the inventory listing as one item with the description indicating how many items it contains. This is not an efficient method as it increases the risk of evidence missing without detection.

We recommend the City implement controls to ensure the proper and adequate entry and tracking of items in the evidence room.

2019 AWC - Municipal Budgeting & Financial Management Workshop

Budgeting: Basic nuts & bolts of the budget process

Toni Nelson, Finance Consultant MRSC

1

Agenda

- Budget Basics
  - Authority
  - Budget Concepts (NACSLB)
  - Budget Influences
  - Fund Structure
- Budget Development
  - Type of Budget
  - Timeline (calendar)
  - Forecasting
  - Components of Budget Document
- Presentation & Hearings
- Budget Adoption
- Beyond the Basics – Strategic long term planning

2

Budget Definition

The Budget is an **economic plan** that focuses the entity's **financial & human resources** on the **accomplishment of specific goals & objectives** established by the **policy makers.**

The budget establishes the annual (or biennial) expenditure levels for "all "departments & funds.

- These expenditure levels are called ***appropriations***, and they represent spending limits.

3

Why Have Budgets?

- Legally required
- Accountability
- Management Tool
- Planning Document

4

BUDGET AUTHORITY

- Title and chapter provided by State statute
  - RCW 35A.33 Code Cities
  - RCW 35.33 First (under 300,000) and Second Class Cities and Towns
    - RCW 35.34 and 35A.34 – Biennial Budgets
  - RCW 36.40 Counties
  - Special Purpose Districts – statutory reference varies with district type
- Chapters outline the timelines and position responsible for complying
- Generally if your government entity has the ability to levy taxes there is a requirement to adopt a budget.

5

Accountability

- Area of interest for taxpayer
  - How are we spending the taxpayers money
  - What are we accomplishing
- Performance Evaluation
  - Performance measures
  - "Connecting the Dots"
- Performance Management / Auditing
  - State Auditor's Performance Program
    - Citizen initiative

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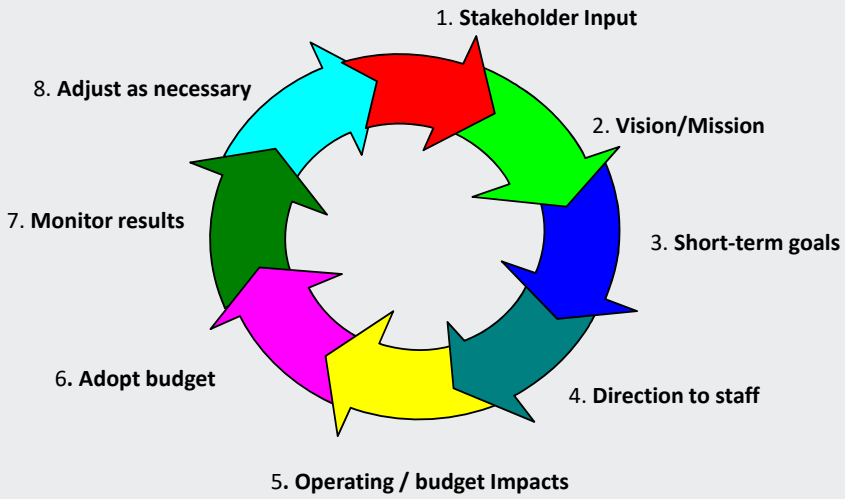
National Advisory Council on State and Local Budgeting (NACSLB)



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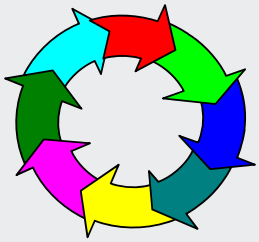
Mission of the Budget Process

NACSLB - defines

The mission of the budget process is to help decision makers make informed choices about the provision of services and capital assets and to **promote stakeholder participation** in the process.



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Establish Goals – to provide guidance

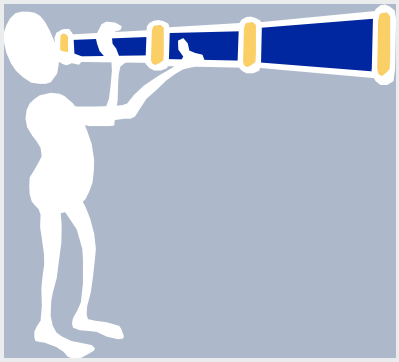
National Advisory Council on State and Local Budgeting (NACSLB)

Principal 1

- Establish Broad Goals to Guide Government Decision Making
  - A government should have broad goals that provide overall direction for the government and serve as a basis for decision making.

9

Budget Vision….. A best practice



- Who are we? What is our purpose?
- Set time aside for long range planning process - it doesn't happen automatically
- What do we see on the horizon
- We've heard about vision
- Now let's translate it into long term accomplishments
  - Already happens in various forums
  - Sort out what sounds good from what can and should get done (inject realism)

Vision = Purpose

10

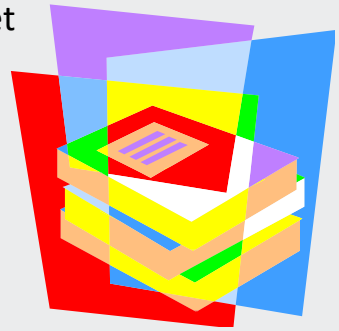
Influences on the Budget

11

Additional Influences on the Budget

LOCAL FINANCIAL POLICIES

- Fund Balance
  - Reserves
- Contingency Planning
- Balancing the Operating Budget
- Use of One-Time Revenues
- Use of Fluctuating Revenues
- Fees & Charges
- Debt Level & Capacity



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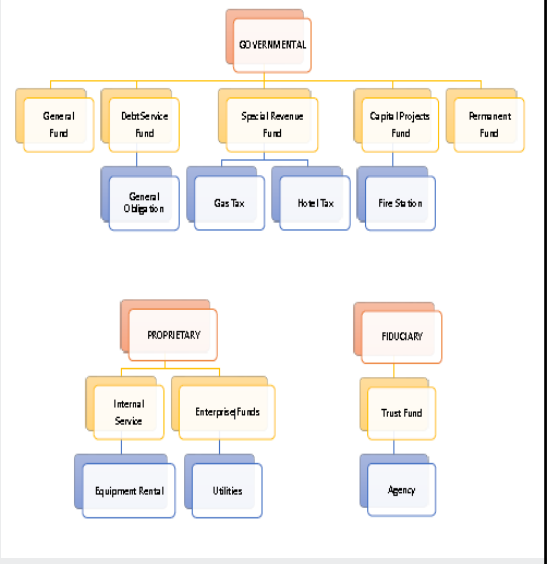
Basics of Budgeting
What you are budgeting and why?

<u>FUND STRUCTURE</u>

- Accounting rules and regulations will set the types of funds used
- Type of fund will set budget focus
- Differences in fund types are often set to meet the financial objectives of the city/town.
- Fund types and their intended purpose will assist in budget development
  - Not all fund types require a budget appropriation



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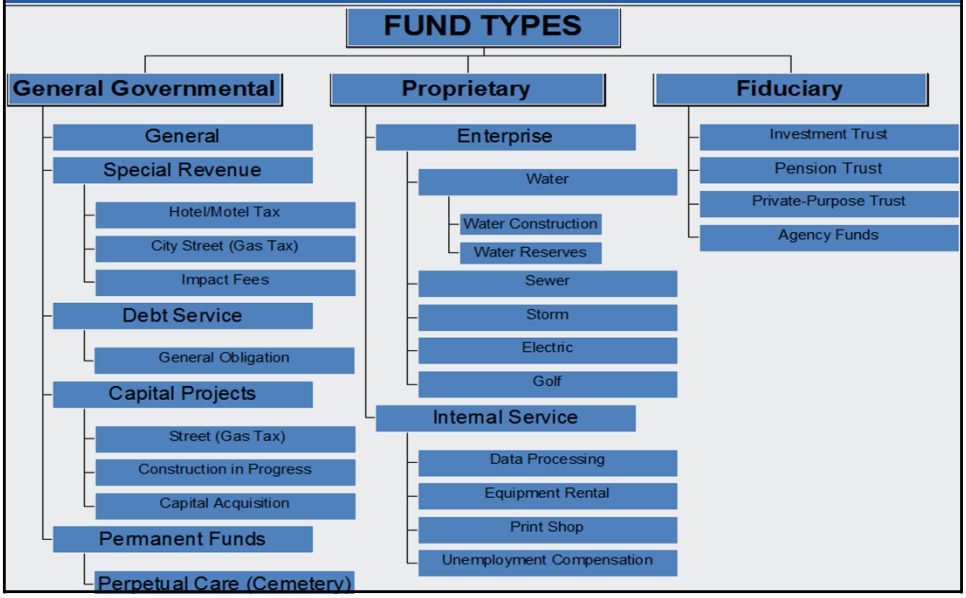
Fund Structure – 3 different fund types



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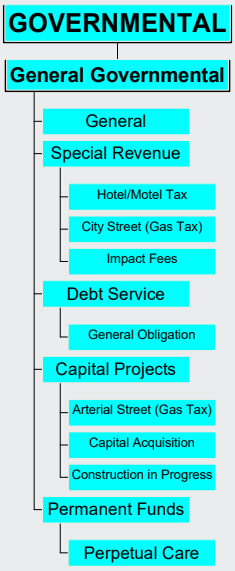
Governmental Fund Types

- General Fund
  - Chief Operating fund of local government
    - Used to account for all financial resources except those required to be accounted for in another fund
- Special Revenue Funds
  - Used to account for the proceeds of resources that are **restricted** or **committed** for purposes other than debt service or capital projects
  - Accounting regulations shifted the focus of special revenue funds from activities to resources received. Emphasis is on "restrictions" and/or "commitments"
    - Examples:
      - Hotel/Motel tax (RCW 67.28.181)
      - Criminal Justice Tax (RCW 82.14.340)
      - Real Estate Excise tax (RCW 82.46.010 and RCW 82.45.180(2)



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Other Governmental Fund types

- **Debt Service**
  - To account for the accumulation of resources for, and the payment of, general long-term debt (principal and interest) for Governmental Funds
    - **General Obligation debt only (debt backed by taxes)**
- **Capital Projects**
  - to account for financial resources to be used for the acquisition or construction of major capital facilities of governmental fund types
    - **Not to be used for proprietary funds and trust funds**
- **Permanent Funds**
  - Used to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for programs or activities that is for the benefit of the government or its citizens.
    - Example: Perpetual Care funds for Cemetery

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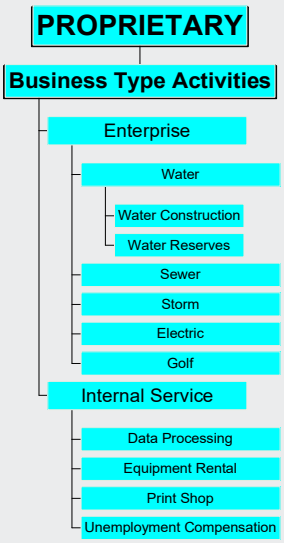
Proprietary Fund Types

- Enterprise Funds
  - Accounts for operations that the primary source of revenues is user fees or charges for services.
  - Operated and financed similar to private business, where intent of governing body is cost recovery
- Internal Service Funds
  - Used to finance goods or services provided by one department/agency to other departments of the government.
  - Used to allocate the cost of providing services to other funds



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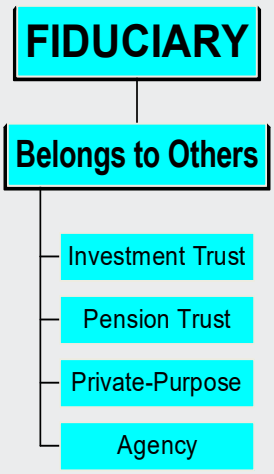
Fiduciary Funds

- Trust & Agency Funds
  - Assets held by a governmental entity in a trustee capacity or as an agent for individuals, private organizations, other governmental units &/or other funds.
    - Expendable Trust Funds
    - Non-expendable Trust Funds
    - Pension Trust Funds
    - Agency Funds



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Budget Development

Roles of Budget Participants

- Policy makers (Council) – make policy!
  - Provide policy guidance at the beginning
  - Confirm budget meets direction by adoption
  - Monitor for conformity and results
- CEO/CAO (Mayors, Managers) –
  - Propose policy at the beginning
  - Develops broad strategy to implement policy
- Departments
  - Provide service (departments can be passionate about this!)
  - Develop operational strategy
  - Accountable for "day-to-day"
- Public – "stakeholders"
  - Observes results and "counsels" policy makers provide

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Budget Development – What type of budget?

1. Line-item Budget
2. Performance Budgets
3. Program Budget
4. Priorities of Government
5. Outcome-Focused
6. Zero-based Budgeting

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Budget Development - Timeline

JUNE/JULY-Budget Strategy
- Public Input
- Goals/Policies
- Council Retreat
- Pre-Budget issues such as updates for CFP and Fiscal policies
- Budget Calendar

AUGUST/ SEPTEMBER
- Call to budget (requests for proposals)
- Forecasting
- Budget Materials due from Departments
- Revenue projections and budget proposals to Mayor

OCTOBER
- Clerks preliminary projections to Council
- Council Workshops

NOVEMBER/ DECEMBER
- Mayor submits Preliminary Budget and Budget message
- Public Hearings
- Setting Levy Rates
- Adoption of Budget

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What to Do First,….?

Step #1

- Budget Calendar
  - Create/Distribute
    - Starts with "required" (RCWs)
    - Add internal & community driven steps
- Benefits of calendar
  - A visual "timeline" for all participants
  - Highlights important statutory deadlines
  - Coordinates the preparation
  - Keeps participants on track
  - Informs stakeholders of key budget events

Budget Calendar

Below is an overview of the budgeting process and statutory deadlines. For a detailed explanation of the budget requirements, as well as some helpful practice tips, see our page on Budget Preparation Procedures for Cities and Towns.

2020 Budget Calendar for Cities and Towns

March—August	**Pre-Budget Items** Council retreat Update and/or adopt financial policies Public hearings for capital facility plan updates Public forums or community outreach (ex: community priorities) Mayor/Manager communicates budget objectives to staff
September	**Sept 9** Budget request to all department heads. **Sept 9–22** Department heads prepare estimates of revenues and expenditures. Clerk prepares estimates for debt service and all other estimates. **Sept 23** Budget estimates from department heads filed with clerk **Sept 25** Implicit price deflator calculated (only applies to cities of 10,000+ population)
October	**Oct 1** Clerk provides estimates filed by department heads to Mayor/Manager showing complete financial program. **Oct 7** Mayor/Manager provides Council with estimates of revenues from all sources including estimates prepared by clerk for consideration of setting property tax levy. **Mid-October to Mid-November (suggested)** Public hearing on revenue sources including possible increases in property tax.
November	**Nov 1** Mayor/Manager prepares preliminary budget and budget message. Files with clerk and council. **Nov 1–18** Publication notice of preliminary budget and final hearing. **Nov 1–25** Public hearing(s) on preliminary budget. Public hearing on revenue sources for levy setting. **Nov 20** Copies of budget available to public **Nov 30** Property tax levies set by ordinance and filed with the County
December	**Dec 2** Final budget hearing **Dec 31** Budget adoption

Click for larger version

Download the 2020 budget calendar for Outlook today! *(.ics file)*

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Utilize Budget Preparation Checklist

MRSC

Budget Preparation Checklist

TIMEFRAME	DESCRIPTION	DATE COMPLETED
JULY/AUGUST	Prepare budget calendar, set public hearing dates. Should obtain consent of calendar dates by Mayor[2] and Council.	
JULY/AUGUST	Update Capital Facilities plan. Public hearing will be required. (set hearings prior to start of budget in September) Council to set budget priorities, goals and objectives.	
AUGUST	Mayor[2] meets with Dept. managers to communicate budget priorities.	
JULY/AUGUST	Clerk[4] sends request (call letter) to Dept. Mgrs. for budget proposals. (by 2nd Monday in September)	
AUGUST/SEPT	Preliminary revenue estimates are developed by the Clerk. Budget estimates from Dept. Mgrs., filed with Clerk (by 4th Mon. in Sept.)	
SEPTEMBER/OCTOBER	Clerk presents revenue estimates, debt service and budget proposals from Dept. Mgrs., along with the sources of revenue proposed to support each program to CAO. (Due 1st business day in October).	
SEPTEMBER/OCTOBER	Mayor to provide Council with preliminary proposed estimates of revenue and expenditure requests by each department. Council to receive current year revenue and expenditures with budget comparison and estimates for ending fund balance. (by 1st Monday in October).	
SEPTEMBER/OCTOBER	Public hearing on Property Tax levies must be held before legislative body votes on property tax levy. (Deadline for filing levy with County - November 30th)	
SEPTEMBER/OCTOBER	Mayor and Clerk meet with department heads to make any additions and/or outs to preliminary budget.	
OCTOBER/NOVEMBER	Mayor presents the preliminary budget and budget message to Council (due by Nov. 1st - RCW - 60 days before ensuing fiscal year) Clerk publishes notice that preliminary budget has been filed and publishes notice of public hearing on the final budget once a week for two consecutive weeks. (no later than the first two weeks of Nov)	
OCTOBER/NOVEMBER	Council adopts Property Tax levy ordinance/resolution, Clerk files Levy certification with County Clerk (due Nov. 30th)	
NOVEMBER	Copies of proposed (preliminary) budget available to the public. (Six (6) weeks before January 1st) Public hearings on proposed preliminary budget. (prior to final hearing)	
NOVEMBER/DECEMBER	Final hearing on proposed budget (prior to 1st Monday in December)	
NOVEMBER/DECEMBER	Adoption of Budget ordinance (no later than last day of December)	

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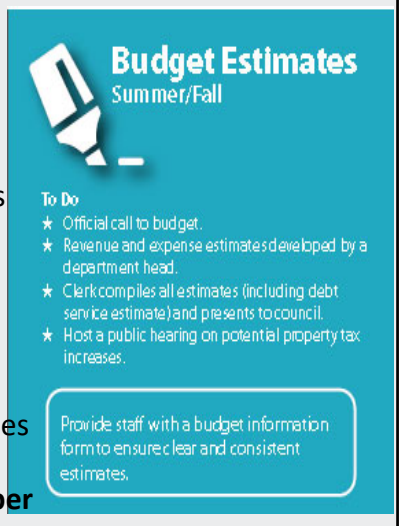
Call Letter (Requests for budget proposals)

Step #2

- Provide guidelines for budget requests and service levels
  - Short term and long term goals
  - Financial policies
  - Budget Priorities
- Provides "focus" to the budget process
- Reduces misunderstandings, inefficiencies and extra work
- Facilitates the evaluation of budget requests
- Clerk sends request to department heads for detailed estimates of revenues and expenditures (budget proposals).
  - **Deadline is 2nd Monday in September**



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Who Forecasts the Future?

- Clerk responsible for Ad Valorem Tax and debt requirements
  - RCW 35.33.031 & 35A.33.030 Cities/Towns
- Department Head or Program Manager responsible for their program resources and expenditure requirements.
- Revenues are often the task of the Finance Department
  - Should collaborate with others
    - Department heads
    - Engineers and Consultants
    - Elected officials
    - Local citizens

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Revenue Projections

Evaluate and assess your revenue sources as part of forecast process.

- What are your primary revenue streams?
  - Property Tax
  - Retail Sales Tax
  - Utility Fees
- Do you have one time revenues?
  - New construction
- Are there any new revenues streams to be considered?
  - Levy Lid Lift
  - Special Levy
  - Utility Taxes

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Revenue Forecasting Tips and Tricks

- Gather information about your entity
  - Growth/Decline/neither?
  - Special Events / One time revenue spikes?
    - What are the events and how long will they last?
- Use good data
  - Common sense test
  - Establish base year
  - Assess revenue growth trends
- **Document** the basis for your forecast
  - What data, variables, economic considerations were used?
- Discuss in an interactive work session
  - **Encourage feedback from 'all' stakeholders**

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Revenues – Other Considerations

- Which revenues have restricted use

  - Hotel/Motel Tax
  - Criminal Justice
  - Real Estate Excise Tax
  - Proprietary funds (utilities)
    - Utility rates are they adequate?

      Maintenance & Operation **+** Debt Service **+** Future capital needs = Adequate rate
      - If not – an increase may be needed

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Fund Balance
A policy issue- do you have one?

BEGINNING AND ENDING FUND BALANCE

- RCW 35.33.051 states that preliminary budget "shall include unencumbered fund balances estimated to be available" at year end.
- Use the "Common sense test" when forecasting
- Avoid using fund balances to balance the M & O budget
- RCW requires revenue forecasting, not appropriation!
- Appropriating all revenue sources = zero cash at year end
- Develop and/or evaluate financial policy for the maximum/minimum ending (unrestricted reserve) fund balance at year end
  - What about reserves?

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Drafting a Budget that Implements the Plan

- Staff develops the proposed budget using:
  - Guidance from call letter
  - Vision and Mission statements of the legislative body
    - Goals and objectives for forthcoming budget year
  - Fiscal policies currently adopted
- Budget should look familiar to the council
- Draft budget should include information sufficient to assess:
  - How effectively the budget meets the identified needs/priorities
  - Will it accomplish the goals and objectives set by council?

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Projections/Proposals Due Dates

- Estimates from Department Managers filed with the Clerk's Office by mid-September
  - **RCW Deadline is 4th Monday of September**
- Estimates to Mayor/Manager by **1st business day in October**
- Mayor/Manager provides legislative body with clerk's projections and department requests by **1st Monday in October**
- Preliminary budget data is required in comparative form
  - Last Year Actual
  - Current Year Estimates
  - Next Year projections and estimates

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Budget Proposals

- Budget proposals from department heads
- Layout budget in major operating funds, then incorporate special funds and capital projects
- Begin with the absolutes:
  - Personnel costs/labor or service contracts
    - Employee benefit program costs
    - Retirement rate increases
  - Annual loan (debt service) payments
  - Insurance
  - Audit costs (annual, bi-annual, single)
- Basic service costs (don't forget the budget objectives)
- Fiscal Policy requirements:
  - Reserves, depreciated capital

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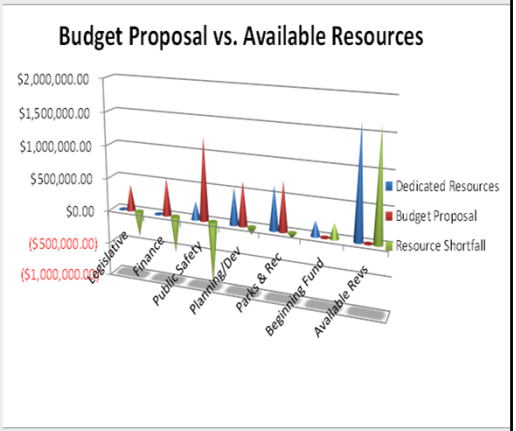
Layout budget by Department

- Lay out the budget proposals by department
- Show the supporting revenues
- Surplus &/or shortfall ?
- Adjust according to budget priorities
- Back to the drawing board? Or,
  - close enough to discuss some options?



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How do we make it work?

Toughest issue -balancing the General Fund

- Competing departments
  - City Hall/Clerk's Office
  - Public Safety
  - Planning & Development
  - Recreational & Cultural
- Competing funds
  - Streets
  - Debt (prior commitment)
  - Capital needs (infrastructure)

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Balancing the Budget

.

Budget goals and priorities met?

Review expenditure distribution

- Wages/benefits
- M & O costs
- Insurance

Budget cuts?

- Analyze level of service
- Across the board cuts may not work

Avoid creative budgeting practices

- Interfund loans, surplus distributions, cost allocation decisions

Interlocal agreements for service?

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Presenting the preliminary budget

- Mayor/Manager (CEO) prepares and files the preliminary budget & budget message
  - Required 60 days prior to ensuing fiscal year
  - Clerk/Treasurer and/or Finance Director typically assists
  - Files with Clerk's Office and Legislative Body (Council)
  - Deadline - Nov. 1st

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What is the "Budget Message"

Executive summary outlining within 4 to no more than 5 pages your budget highlights for the year.

- Explanation of budget document
- Outline of recommended policies and programs
- Statement of relationship between budget proposal and policies
- Statement of reason for salient changes from prior year
- Explanation of any recommended major changes in financial policy

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Budget Presentation
What is "our" audience looking for?

1. Table of contents – to use as a guide
2. The budget message – to obtain overall picture
3. Fund balances – to determine usage
4. Revenue summary – compare from previous
5. Expenditure summary – compare changes
6. Debt – explanation of commitments
7. Personnel changes – additions and/or deletions
8. Departmental budgets – program changes
9. Capital Improvements – what are they and how will they effect future operations

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The Budget Sections

- Mission Statement
- Summary of Fund
- General & Economic factors effecting the budget
- Revenues – provide brief explanation of primary sources and explanation of any new resources being introduced into the forthcoming budget
- Performance Measures
  - Identify programs &/or activities to measure
  - Develop performance benchmarks

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The Budget Sections, contd.

- Departmental Narratives
  - Department Organizational Chart
  - Staffing authorizations (FTE)
  - Ongoing Functions
  - Current year accomplishments
  - Requesting year goals
- Personnel Services
  - Employees classification/salary schedule
  - Benefit packages

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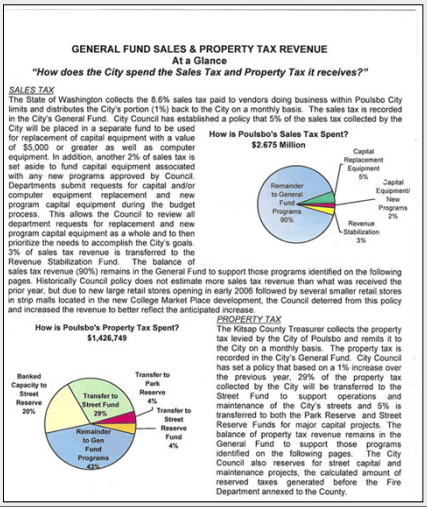
Presenting the Budget

- Document will differ depending upon the stakeholder:
  - Public – summary format
    - Detail available on request
  - Council - comprehensive
  - Management - detail



GENERAL FUND SALES & PROPERTY TAX REVENUE
At a Glance
"How does the City spend the Sales Tax and Property Tax it receives?"

SALES TAX

The State of Washington collects the 8.6% sales tax paid to vendors doing business within Poulsbo City limits and distributes the City's portion (1%) back to the City on a monthly basis. The sales tax is recorded in the City's General Fund. City Council has established a policy that 5% of the sales tax collected by the City will be placed in a separate fund to be used for replacement of capital equipment with a value of $5,000 or greater as well as computer equipment. In addition, another 2% of sales tax is set aside to fund capital equipment associated with any new programs approved by Council. Departments submit requests for capital and/or computer equipment replacement and new program capital equipment during the budget process. This allows the Council to review all department requests for replacement and new program capital equipment as a whole and to then prioritize the needs to accomplish the City's goals. 3% of sales tax revenue is transferred to the Revenue Stabilization Fund. The balance of sales tax revenue (90%) remains in the General Fund to support those programs identified on the following pages. Historically Council policy does not estimate more sales tax revenue than what was received the prior year, but due to new large retail stores opening in early 2006 followed by several smaller retail stores in strip malls located in the new College Market Place development, the Council deterred from this policy and increased the revenue to better reflect the anticipated increase.

How is Poulsbo's Sales Tax Spent?
$2.675 Million

PROPERTY TAX

The Kitsap County Treasurer collects the property tax levied by the City of Poulsbo and remits it to the City on a monthly basis. The property tax is recorded in the City's General Fund. City Council has set a policy that based on a 1% increase over the previous year, 29% of the property tax collected by the City will be transferred to the Street Fund to support operations and maintenance of the City's streets and 5% is transferred to both the Park Reserve and Street Reserve Funds for major capital projects. The balance of property tax revenue remains in the General Fund to support those programs identified on the following pages. The City Council also reserves for street capital and maintenance projects, the calculated amount of reserved taxes generated before the Fire Department annexed to the County.

How is Poulsbo's Property Tax Spent?
$1,426,749

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Budget Glossary of Terms

- **Appropriation** – the legal spending limit authorized by an ordinance &/or resolution.
- **Capital Improvement Plan-** the element of the budget that deals with expenditure of funds for capital facilities/equipment.
- **Cost Allocation** – the assignment of costs incurred by a central services department to a fund based on the benefit to the fund being assessed.
- **Committed funds** – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of authority
- **General Obligation bonds** – bonds which the full faith and credit of the government has been pledged (taxes)
  - **Councilmanic Bonds** – general obligation bonds that can be authorized by city council without a vote of the public.
- **Interfund Loans** – loans provided between funds with the requirement to repay.
- **Interfund Transfers** – transfers of assets (such as cash or goods) without a requirement for repayment.
- **Revenue bonds** – bonds which are repaid from earnings of an enterprise fund.

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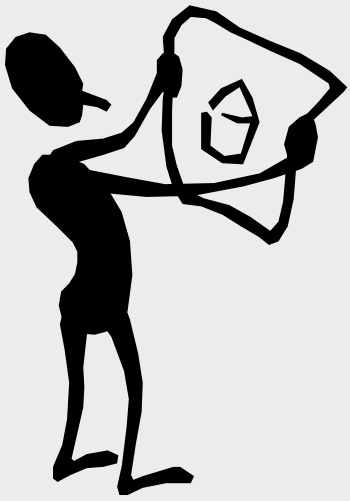
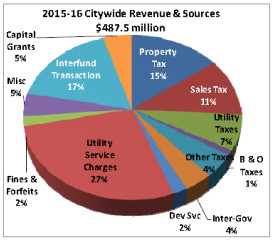
Pictures are worth.....

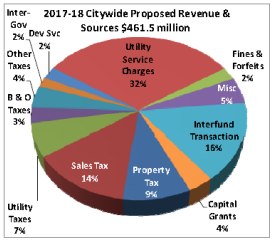


- Easy to read charts through out

CITY OF RENTON 2017-2018 BIENNIAL BUDGET *OVERVIEW*

Citywide Revenue and Sources





Citywide Revenue & Resources	2014 Actual	2015 Adopted	2016 Adopted	2015 Actual	2016 Yr End Est.	2017 Proposed	2018 Proposed	2017-18 vs. 2015-16 Adp $	2017-18 vs. 2015-16 Adp %
Revenue:									
Property Tax	$ 34,695,390	$ 35,440,000	$ 36,351,314	$ 35,769,429	$ 36,613,314	$ 24,103,196	$ 19,072,308	(28,617,611)	-39.9%
Sales Tax	26,322,721	27,065,218	28,268,383	28,702,842	30,680,795	31,443,578	31,586,144	7,696,121	13.9%
Utility Taxes	16,380,614	16,138,734	16,673,217	16,012,104	15,806,217	15,518,137	15,654,124	(2,039,690)	-6.1%
B&O Tax	-	-	5,000,000	-	5,000,000	6,800,000	6,916,000	8,716,000	174.7%
Business License Fee	2,952,161	2,982,000	1,724,000	3,113,511	1,947,000	1,288,451	1,297,894	(2,119,653)	-45.0%
Real Estate Excise Tax	4,348,761	4,000,000	4,000,000	4,595,166	5,200,000	4,420,000	4,420,000	840,000	10.5%

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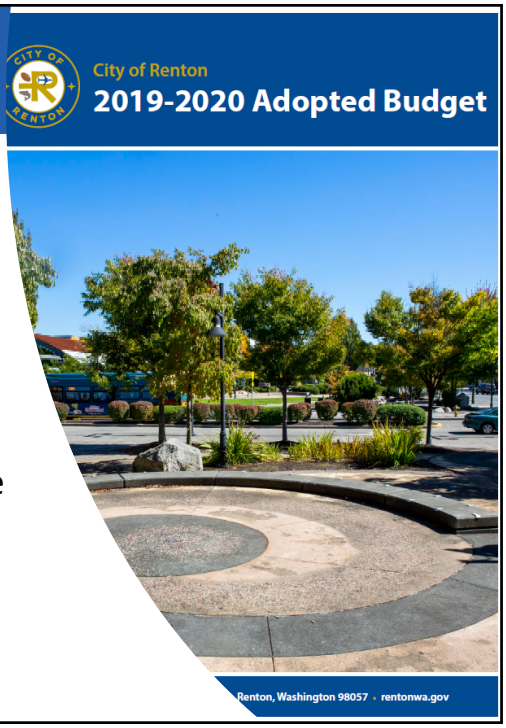
Getting Your Message Out

- Place your budget on the city's website
- Provide email address for questions
- Use graphics where possible
- Make it simple
- Paint a picture



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OPMA and Required Public Hearings

- Budget Workshops are typically 'Open Public Meetings'
  - If there is a quorum of the legislative body – it is a OPMA

PUBLIC HEARING REQUIREMENTS:

- Property Tax
  - October/November
    - Must be held prior to adoption of ordinance
    - Deadline for property tax levy is November 30th
- Preliminary budget hearings
  - How many should we have?
    - It depends -----
  - Recommendation - No later than mid-November

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Final Public Hearing

On or before the 1st Monday in December

- Deadline for 2019 is Dec. 2nd
- Final hearing date is set in the statute – therefore it's a legal compliance issue.
- Final hearing may continue from day to day, but can last no later than the 25th day prior to the next fiscal year = December 7th
  - Note – in reality it would be Dec. 6th in fiscal year 2019
- Recommendation – hold final public hearing at the end of November to avoid any issues with:
  - holiday schedules;
  - lack of quorum and/or
  - continuing discussions over budget priorities

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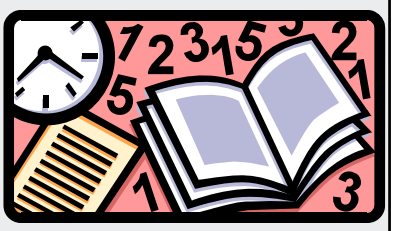
FINAL BUDGET STEP "ADOPTION"

- Anytime after the final public hearing and before Dec. 31st
- May be adopted the same night as final hearing
- Should be adopted at the fund level.
  - Cities and towns could adopted at the department level.
  - Counties – adopt at the department level within the General fund.
  - Include Salary Schedule and/or adopt separately
    - Not required if union contracts are in place



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Budget Ordinance Format

Sample

BUDGET ORDINANCE

Ordinance No. _____

An ordinance adopting the budget for the City of Example, Washington, for the fiscal year ending December 31, 2006.

WHEREAS, the mayor of the City of Example, Washington completed and placed on file with the city clerk a proposed budget and estimate of the amount of the moneys required to meet the public expenses, bond retirement and interest, reserve funds and expenses of government of said city for the fiscal year ending December 31, 2006, and a notice was published that the council of said city would meet on the 3rd day of December, 2005 at the hour of 7:00 p.m., at the council chambers in the city hall of said city for the purpose of making and adopting a budget for said fiscal year and giving taxpayers within the limits of said city an opportunity to be heard upon said budget; and

WHEREAS, the said City Council did meet at said time and place and did then consider the matter of said proposed budget; and

WHEREAS, the said proposed budget does not exceed the lawful limit of taxation allowed by law to be levied on the property within the City of Example for the purposes set forth in said budget, and the estimated expenditures set forth in said budget being all necessary to carry on the government of said city for said year and being sufficient to meet the various needs of said city during said period.

NOW, THEREFORE, the City Council of the City of Example do ordain as follows:

Section 1. The budget for the City of Example, Washington, for the year 2006 is hereby adopted at the fund level in its final form and content as set forth in the document entitled (give exact title of your budget book), three copies of which are on file in the Office of the Clerk.

Section 2[1/] Estimated resources for each separate fund of the City of Example, and aggregate expenditures for all such funds for the year 2006 are set forth in a summary form below, and are hereby appropriated for expenditure at the fund level during the year 2006 as set forth in the (give exact title of your budget book).

Fund[2/]	Estimated Revenues[2/]	Appropriations[2/]
General	$	
City Street		
Arterial Street		
Library		
Emergency Rescue		
Fire Equipment Cumulative Reserve		
City Sanitary		
Water		
Equipment Rental		
Unemployment Compensation		
Firemen's Pension		
Total All Funds[2/]		

[1/] The level of details for counties may vary. Please refer to RCW 36.40.040.

[2/] This information is required.

EFF DATE 1-1-06 SUPERSEDES 9-1-02 CATEGORY 2 BARS MANUAL: VOL 1 PT 2 CH 3 PAGE 10

FUND	Estimated Revenues	Appropriations/ Expenditures	Ending Fund Balance
CURRENT EXPENSE (General Fund)	$2,600,500	$2,300,000	$300,500.
STREET FUND	$1,200,000	$ 950,000	$250,000.
WATER CAPITAL RESERVE	$ 500,500	$ 50,000	$450,450.
WATER FUND	$1,275,000	$1,175,000	$100,000.
WATER REDEMPTION	$ 78,807	$ 78,807	0
WATER CONSTRUCTION	$2,500,000	$2,500,000	0
WATER LOAN RESERVE	$ 78,807	$ 0	$ 78,807.
TOTAL ALL FUNDS	$8,233,614	$7,053,807	$1,179,807.

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Closing Budget – thoughts & tips

- Think strategically!!
- Understand the underlying budget assumptions
  - Don't inflate forecasts or underestimate expenditures
- Identify mandatory and discretionary services
- Manage personnel costs
- Budget for ending cash and reserves
- Monitor the budget throughout the year
  - Don't defer necessary budget adjustments or amendments

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Strategic Planning and Fiscal Management

- Integrate capital maintenance and ongoing replacement into the budget
- Recognize interdependence between new capital facilities and future operating costs
- Develop strategy for nonrecurring revenues and expenditures
- Develop strategy for debt and borrowing

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Budget tools available

- MRSC
  - Budget Suggestions – 2020
    - State Shared – revenue forecasts
  - MRSC Revenue Guide
  - MRSC – Economic Data – CPI, IPD
- AWC
  - Tax & User Fee Survey/Salary & Benefit Survey
- Office of Financial Management (OFM)
  - Population estimates
- State Auditors Office
  - LGFRS (Local Government Financial Reporting System)

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Additional Resources Available

- GFOA – Budgeting Suite
  - A extensive series of publications on the various components of budget development.
  - Separate publications for newly elected officials, and others interested in local government finance – written in lay terms.
- GFOA – Budget Practices – pdf document available to download
- www.gfoa.org

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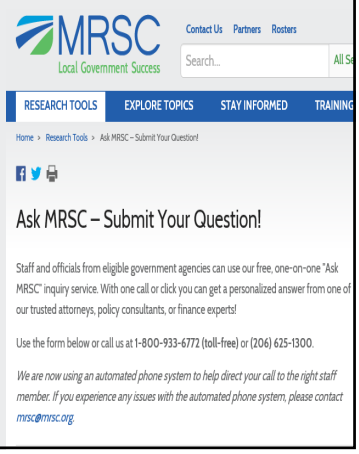
Questions…

- Budgeting is a process that requires:
  - Communication
  - Time (comprehensive budget documents take several years to develop)
  - Commitment
- Questions – Ask MRSC



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City of College Place
City Council Rules

Established by Resolution 20-003
January 28, 2020

To be used in conjunction with the American Institute of Parliamentarians Standard Code of Parliamentary Procedure and Statutes of Washington State, Specifically RCW 35A

Table of Contents

1-General Rules

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Section 1: General Rules:

1.1 Meetings to be public: All official meetings of the Council shall be open to the public with the exception of the executive sessions for certain limited topics, as defined in section 2.4 of this Resolution.

1.2 Quorum: Four Council Members shall be in attendance to constitute a quorum and be necessary for the transaction of business. If a quorum is not present, those in attendance will be named and they shall adjourn to a later time.

1.3 Compelling attendance: The Council might adjourn from day-to-day to compel the attendance of absent members.

1.4 Journal of proceedings: An account of all proceedings of the Council shall be kept by the City Clerk and shall be entered in a book constituting the official record of the Council.

1.5 Ordinances: Confined to one subject; Exceptions: No ordinance except an appropriation ordinance, an ordinance adopting or embodying an administrative or governmental code, or an ordinance adopting a code of ordinances, shall relate to more than one subject, which shall be clearly stated in its title.

1.6 Right of floor: Any member desiring to speak shall be recognized by the Chair, and shall confine his or her remarks to. The Subject under consideration or to be considered.

1.7 City Attorney: The City Attorney shall attend all meetings of the Council, unless excused by the Mayor. Any member of the Council may, at any time during a regular or special meeting of the Council, call upon the City Attorney for an oral or written opinion to decide any question of law.

1.8 City Clerk: The City Clerk, or such other person as the Mayor may designate, shall be ex-officio Clerk of the Council and shall keep minutes of the meeting and perform such other further duties in the meeting as may be ordered by the Mayor.

1.9 Officers and Employees to Attend: The head of any department or any officer or employee of the city, when requested by the Mayor, or the City Council, shall attend any regular, executive or special meeting and confer with the Council on matters relating to the city.

1.10 Conflict of Interest: A Council member may not vote on a matter where he or she would be especially benefitted and shall absent himself or herself from Council Chambers during the time said matter is being discussed and voted on by the Council.

1.11 Procedures for Filling Vacated Positions

a. In the event of a vacancy on the Council or in the Office of Mayor, the City Clerk shall, within two weeks of the occurrence of such vacancy, publish a notice in the Walla Walla Union Bulletin notifying of such vacancy and soliciting written applications from qualified persons to fill such vacancy. The applications shall be accompanied by a written questionnaire to be completed by each applicant. Such notice shall be in a form acceptable to the City Administrator and the City Attorney.

b. Such notice shall establish a deadline for the submission of applications and answers to the questionnaires, which shall be no less than fifteen (15) days from the date the notice is published.

c. Once this deadline has passed, the City Clerk shall review each application to ensure that each applicant is a registered voter of the City at time of application, and has been a resident of the City for at least one year.

d. Once the Clerk has reviewed the applications to determine eligibility per the provisions of the preceding paragraph of this resolution, those applicants that are determined to be eligible shall be notified to appear before the Council to submit to an interview by the Council. Applicants will be asked to remain in the foyer when each separate applicant is interviewed, PROVIDED, HOWEVER, that the applicants as a group shall be advised that if anyone of them objects to this process, then they shall all be permitted to remain in Council Chambers for each interview conducted.

e. At the conclusion of all interviews the Council shall adjourn to executive session pursuant to RCW 43.30.110(1)(h) to evaluate the qualifications of the applicants, PROVIDED, HOWEVER, that final action appointing an applicant to office shall be in a meeting open to the public.

f. Upon completion of the Executive Session, Council shall return to open session and the Mayor or Mayor Pro Tem shall request nominations from Council Members, who may then nominate the applicants of their choice. A second shall be required for each nomination. Only those that submitted applications shall be eligible for nomination.

g. Council members shall then vote for the nominees of their choice. Absent members shall be permitted to vote by phone. The nominee with the majority of the votes cast is then selected to fill the vacancy. In the event of a tie, the Mayor may vote. If no candidate receives a majority vote, Council may adopt motions to enable it to complete the election by majority vote within a reasonable time.

Section 2: Types of Meetings:

2.1 Regular Council meeting: The Council meeting dates and times shall be set by Ordinance and specified in Title 2 – Administration of the College Place Municipal Code.

2.2 Special Meetings: Special meetings may be called by the Mayor or any three members of the Council. The City Clerk shall prepare a notice of the special meeting, stating the time, place, and object, and personally serve notice upon each of the City Council at least 24. Hours before the time of meeting. The City Clerk shall attempt to notify each member of the Council in person, either by telephone or otherwise, of the special meeting. The City Clerk shall give notice of the special meeting to each local newspaper of general circulation, and to each local radio and television station which has filed with the clerk a written request to be notified of special meetings. The City Council may not discuss nor make final disposition of any matter not mentioned in the notice.

2.3 Special meetings may be called in less than 24 hours, and without the notice required in this section, to deal with emergencies involving injury or damage to persons or property or the likelihood of such injury or damage if the notice requirements would be impractical or increase the likelihood of such injury or damage.

2.4 Executive Sessions: Executive sessions, or closed meetings, may be held in accordance with the provisions of the Washington state open public meetings act. Topics that may be discussed are: (1) personnel matters, (2) considerations of acquisition of property for public purposes or sale of city-owned property, (3) potential or pending litigations in which the city has an interest, and any other as provided in the revised code of Washington. (42.30 .110)

2.5 Conducting of:

a. Executive sessions must be part of a regular or special meeting. (RCW 42.30.110)

b. Before convening in executive session, the presiding officer must publicly announce the purpose for excluding the public and the time when the executive session will conclude. The executive session may be extended by an announcement of the presiding officer. (RCW 4-2.30.100 (2))

c. Final adoption of an "ordinance resolution, rule, regulation, order or directive" must be done in the "open" meeting. (RCW 42.30.060)

2.6 Attendance of media at Council meetings: All official meetings of the City Council and its committees shall be open to the media, freely subject to recording by radio, television and photographic services at any time, provided that such arrangements do not interfere with the orderly conduct of the meetings.

Section 3: Chairman and Duties:

3.1 Chairman: The Mayor, if present, shall preside as chairperson at all meetings of the Council. In the absence of the Mayor, the Mayor pro-tem shall preside. In the absence of both the Mayor and the Mayor pro-tem, the Council shall elect a chairperson.

3.2 Call to order: The meetings of the Council shall be called to order by the Mayor or, in their absence, by the Mayor pro-tem. In the absence of both the Mayor and the Mayor pro tem, the meeting shall be called to order by the City Clerk for the election of a temporary chairperson. Four Council members shall be in attendance to constitute a quorum.

3.3 Preservation of order: The chairperson shall preserve order and decorum, prevent attacks on personalities or the impugning of a member's motives, and confine members in debate to the question under discussion.

3.4 Questions to be stated: The chairman shall state all questions submitted for a vote and announce the result. A roll call vote shall be taken upon the request of any member.

3.5 No member shall speak more than twice on the same subject without permission of the presiding officer.

3.6 Motions to reconsider must be by a member who voted with the majority, and at the same or next succeeding meeting of the Council.

3.7 Each member present should vote on all questions put to the Council, except as to matters with respect to which such Council member has a disqualifying interest.

3.8 The presiding officer of the Council may, at his or her discretion call any member to take the chair, to allow him or her to address the Council, make a motion, or discuss any other matter at issue.

3.9 All questions of order shall be decided by the presiding officer of the Council with the right to appeal to the Council by any member.

3.10 A motion for adjournment shall always be in order.

Section 4: Creation of Committees, Boards, and Commissions:

4.1 Citizen committees, boards and commissions: The Council may create committees, boards, and commissions to assist in the conduct of the operation of the city government with such duties as the Council or Mayor may specify.

4.2 Membership and selections: Membership and selection of members shall be as recommended by the Mayor and approved by the Council. Any committee, board, or commission so created shall cease to exist upon the accomplishment of the special purpose for which it was created, or when abolished by a majority vote of the Council. No committee so appointed shall have powers other than advisory to the Council or to the Mayor unless otherwise specified.

4.3 Removal of members of boards and commissions: The Council may remove any member of any board or commission which it has created by a vote of at least a majority of the Council.

Section 5: Citizen's Rights:

5.1 Addressing the Council: Any person desiring to address the Council by oral communication shall first secure the permission of the Presiding Officer.

5.2 Manner of addressing the Council - time limit: Each person addressing the Council shall give his/her name and address in an audible tone of voice for the record and, unless further time is granted by the Council, shall limit their address to five minutes. No person may transfer any portion of their time allotment to another person. All remarks shall be addressed to the Council as a body, and not to any member thereof. No person, other than members of the Council and the person having the floor, shall be permitted to enter into any discussion, either directly or through the members of the Council. No questions shall be asked the Council Members, except through the Presiding Officer.

5.3 Personal and slanderous remarks: Any person making personal, impertinent or slanderous remarks, or who shall become boisterous, while addressing the Council may be requested to leave the meeting and may be forthwith, by the Presiding Officer, barred from further audience before the Council during that Council meeting.

5.4 Reading of protests: Interested persons, or their authorized representatives, may address the Council for the reading of protest, petitions, or communications relating to any matter over which the Council has control, when the item is under consideration by the Council, if a majority of the Council present agrees to let them be heard.

5.5 Mayor may appoint committee or refer citizens' complaints: The Mayor may appoint a committee of three members of the city Council to hear citizen's complaints or may refer citizen's complaints to an executive session of the City Council, whenever the subject would be appropriate.

5.6 Written communications: Interested parties, or their authorized representatives, may address the Council by written communication in regard to any matter concerning the city's business or over which the Council had control at any time by direct mail or by addressing the City Clerk and copies will be distributed to the Council Members.

Section 6: Suspension and Amendment of These Rules:

6.1 Suspension of these rules: Any provision of these rules may be temporarily suspended by a vote of a majority of the Council. The vote on any such suspension shall be taken by ayes and nays and entered upon the record.

6.2 Amendment of these rules: These rules may be amended, or new rules adopted, by a majority vote of all members of the Council, provided that the proposed amendments or new rules shall have been introduced into the record at prior Council meeting.

Section 7: Parliamentary Procedure:

7.1 The Standard Code of Parliamentary Procedure shall govern the deliberations of the Council when there is no specific guideline set in the foregoing rules, subsequent City of College Place Ordinances and Resolutions, or the statutes of the State of Washington –
Specifically RCW 35A

Welcome to Washington

A guidebook for city managers

Employment Law and Labor Relations

PRESENTED BY

STEVE HALL

CITY MANAGER, CITY OF OLYMPIA

WCMA
Washington City/County Management Association
A State Affiliate of ICMA

We'll Discuss

- Collective Bargaining/Washington Labor Law
- Labor and Industries
- Workers Compensation Insurance
- Employment Security/Unemployment Insurance
- Risk Management

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Washington Labor Law – Statuary Authority

1. Public Employees Collective Bargaining Act
   - The Washington state law governing collective bargaining for city and county employees is the Public Employees Collective Bargaining Act, RCW 41.56.
2. Public Employee Relations Commission
   - The Public Employment Relations Commission (PERC), is the administrative agency responsible for implementing the rules and regulations surrounding the collective bargaining process.

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Collective Bargaining

There are three categories of bargaining subjects:

1. Mandatory **– wages, hours, working conditions.**
2. Permissive – not required but OK to bargain.
   (Be careful—once included, you have to bargain it away)
3. Illegal - (i.e. modifying PERS)

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Collective Bargaining Rights

Employee rights under the laws of the State of Washington include:

- Two or more employees have the right to join together for the purpose of collective bargaining
- The right to associate with an established union or association for the purpose of representation and bargaining
- Supreme Court Decision – Janus
- Binding interest Arbitration

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Prohibitions – Unfair Labor Practice (U.L.P.)

- "Direct dealing": When the employer deals directly with employees in a bargaining unit regarding issues to be bargained
- Involvement in union affairs
- Unilateral changes in wages, hours or working conditions
- "Anti-union animus": Firing or discriminating against employees for union participation
- Inappropriate influence by either city or union
- Bad faith bargaining or refusal to bargain by either city or union

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Public Employment Relations Commission (PERC)

PERC is a state agency responsible for resolving disputes involving public employers and employees, and the unions that represent those employees.

Mission:
Prevent or minimize the disruption to public services by the impartial, timely and expert resolution of labor-management disputes.

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Public Employment Relations Commission (PERC) (cont'd)

- Responsible for resolving certain disputes between employer and union
- PERC will assign a mediator, or arbitrator
- The contract will usually spell out the process for arbitration
- Grievance arbitration is available to all unions (Interest arbitration only available to police and fire)

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Public Employment Relations Commission (PERC) (cont'd)

Responsible for resolution of certain unresolved disputes between the employer and union.

- ULP's: Assign a PERC Administrative Hearing Examiner to hold hearing.
- Interest Arbitration: When the parties are unable to come to agreement on final terms of collective bargaining agreement, a PERC Hearing Officer is assigned to make the final decision.
- Rights to Grievance Arbitration: Most collective bargaining agreements outline the grievance arbitration process. Most employers and unions either select an arbitrator or request a list of arbitrators.

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Labor and Industries

L&I is a diverse state agency dedicated to the safety, health and security of Washington's 3.5 million workers.

L&I requires employers to:

- Have comprehensive and clear policies and programs regarding the many types of work activities required by employees; and
- Take employee complaints seriously.

Investigations by L&I can be costly and time intensive.

Bottom Line: Adopt clear polices and procedures

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Workers Compensation Insurance (Workers Comp)

- Washington State is one of the four remaining monopolistic states where the state government is the insurer rather than private insurance companies.
- Employers with one or more employees must have workers' compensation insurance.

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Obtaining coverage

Two options:

1. Participate in the state insurance program
2. Meet standards set by Washington State to be a self-insured employer. (About 400 of the largest employers—including 20 cities—in Washington are self-insured.)
3. Olympia's experience

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Why Should You Care?

- **Employer pays** (either through premiums or self-insurance) cost of time off
- Employee can select their care provider from a list of approved L&I providers (city can also require review by city provider)
- From studies/experience: The quicker an employee returns to work (even light duty) the greater the chance of full recovery
- Employees classified by Workers' Comp as full or partially permanently disabled receive benefits paid by insurance/employer (death benefits to eligible dependents)
- Vocational/rehabilitation benefits are paid by insurance/**city**

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Employment Security

State agency that administers Washington's unemployment-insurance system.

- Seasonal, temporary and/or terminated employees (including for cause) may be eligible
- Costs are assessed against employer

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General Risk Management

Liability and Property Insurance

1. Pools (for example)
   - AWC Risk Management Service Agency (RMSA)
   - Washington Cities Insurance Authority (WCIA)
2. Self insurance (broker with self-insured retention); city handles claims
3. Fully insured plan (with deductibles); insurer handles claims

Personal Excess Liability Insurance

- $1-$2 million
- Rider on your Homeowners Policy—not expensive

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Conclusion

- The vast majority of your expenses are related to your employees. You need to pay attention to how these areas are administered.
- Think about long term consequences of labor agreement language.
- Establish good processes for grievances, claims reviews, and follow your processes.
- There are good Third Party Administrators out there who can help.
- Ask MRSC/WCIA/Fellow Managers.

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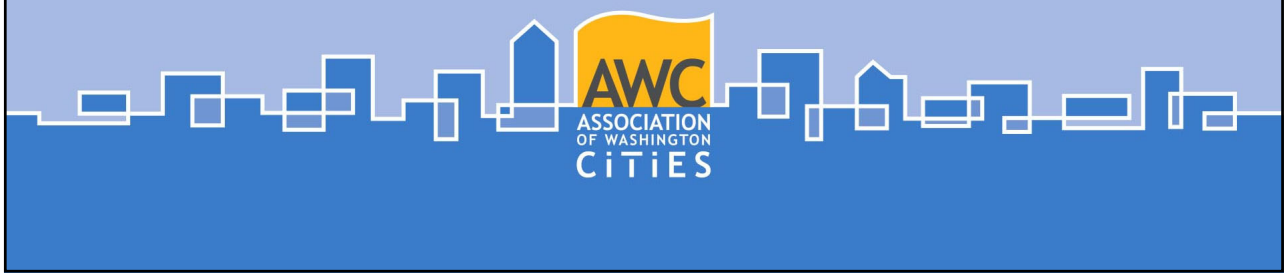
AWC Advocacy Academy 2019

Candice Bock & Brandon Anderson



1

Agenda

1. Why should you advocate at the state level?
2. Navigating the legislative process
3. Using your power
4. Effectively advocating for your city
5. Questions & Answer

2

SS2

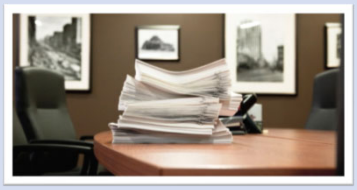
Why Should You Advocate at the State Level?

3

Legislators enact polices that impact your city's operations and your residents' daily lives:

2019 Policy Bills

- *Density*
- *Behavioral health*
- *Sidewalks*
- *Law enforcement*
- *Liability*
- *Elections*
- *Public records*
- *Local levies . . .*



4

Many of the decisions made by legislators in Olympia have a direct financial impact on cities, towns, and their residents

In short, legislators decide *who* gets *what*. . . *and who pays for what*

- **Shared revenue:**
  - Liquor profits and liquor taxes
  - Marijuana excise tax
  - Streamlined sales tax
  - Criminal justice
  - 6050
  - Annexation sales tax credit
  - Fire insurance premium

Funding (or lack of funding) for city budget priorities and obligations:

- Pension costs
- Law enforcement and public safety
- Housing programs and grants
- Infrastructure grants and loans
- Transportation infrastructure and maintenance
- Behavioral health projects
- Capital project funding

5

BA1

Since 2011

$169 M

City shared revenues diverted

Since 2009

$1.2 B

Public Works Trust Fund diverted

City shared revenues In 2017-19

$225 M

6

By taking an active role in advocacy, city leaders can:

- Help maintain local revenues
- Stop policies that harm cities or limit local control
- Ensure city interests are key in policy debates
- Shape political narratives
- Influence policy outcomes
- Improve the lives of city residents

"Politics is like water, it follows the path of least resistance"

7

Navigating the Legislative Process

8

The Legislative Process

Navigating the legislative process can seem intimidating

- Full of jargon and acronyms
- Can seem complicated (and it often is)
- Can come off uncomfortably formal
- Where do I start?

You don't need to be a lobbyist or lawyer to engage and have your voice heard

- In fact, effect participation in the legislative process is critical for cities and city leaders
- No more complicated than the local legislative process – just a little different
- AWC has staff, resources, and tools to make engaging in the legislative process easy and accessible for you!

9

The Washington State Legislature

- Washington has a bicameral (2 chamber) legislature which convenes the second Monday in January of each year
- Sessions are constitutionally limited to 105 days during odd numbered years and 60 days in even years
- The Legislature passes the two-year budget during odd number years
- The **Senate has 49** members; the **House has 98** members
- Representatives are elected to a two-year term and stand for re-election during the General Election held in even-numbered years
- Senators are elected to four-year staggered terms with about one-half of the membership stand for election during the General Election in even-numbered years

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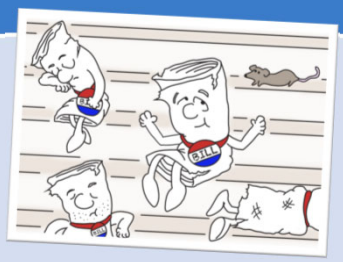
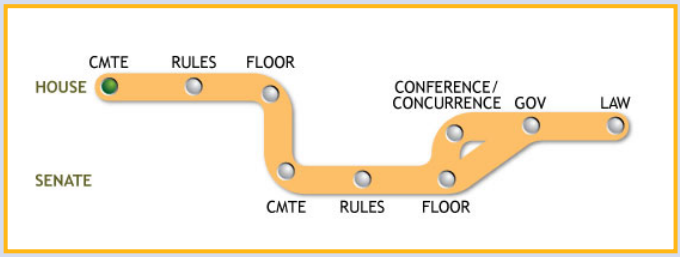
How a Bill Becomes a Law



- Idea is drafted into bill form
- Sponsored by legislator
- Introduced and referred to committee
- Public hearing in policy committee
- Voted out of policy committee
- Public hearing in fiscal committee
- Voted out of fiscal committee (if applicable)
- Rules Committee
- Majority puts it on calendar for vote
- Floor vote
- **Process begins in opposite chamber**
- Passage of identical measures
- Signature or veto by Governor

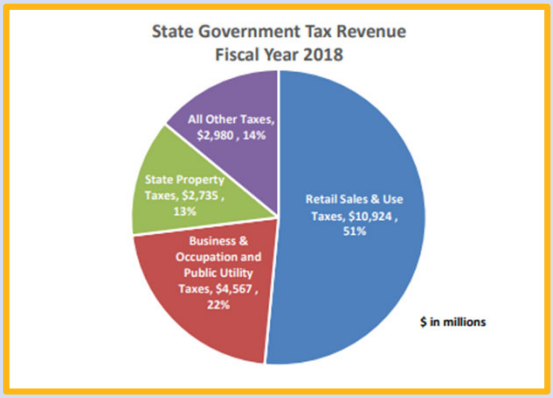


Hundreds introduced each year - most die before becoming law

11

Major Categories of State Revenue

- Retail sales & use Taxes (51%)
- Business & Occupation and Public Utility Taxes (22%)
- State Property Taxes (13%)
- All Other Taxes (14%)
- Unlike most states, Washington does not have either a personal or corporate net income tax



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Using Your Power

13

What is Political/Legislative Power?

- Simply put, power is “the ability to get what you want”
- Organizational power, in terms of politics, generally consists of the ability to access resources and/or people
- For most organizations, power in action usually takes one of three forms:
  - Giving decision-makers something they want
  - Depriving decision-makers of something they want
  - Helping elect a decision-maker who supports their issues

14

Who are the decision makers in Olympia?

- Majority leadership
- Committee chairs
- Caucuses
- Individual legislators
- The Governor
- Legislative staff
- Media
- Special interests/ Lobbyists
- Voters

15

What do legislators want?

1. Legislators want to be reelected
   - Primarily: Win votes
   - Secondarily: Money/volunteers that can help reach voters; earned (unpaid) media that can influence voters
   - Timing: Most effective prior to an election

2. Legislators want to pass their bills
   - Primarily: Organizations to work to help draft and move their bills
   - Secondarily: Organizations to actively support their bills
   - Timing: Most effective to begin prior to session

16

Your power as a city leader

As elected officials and city leaders you hold a significant amount of power to influence decision makers.

- Provide access to constituents and key relationships
- Ability to give endorsements and publicity (Op. Eds, LTEs etc.)*
- Capacity to provide election assistance (organizing volunteers, fund raising etc.)*
- Provide expertise or public testimony on issues
- Ability to mobilize people for or against an issues
- **Power to unite 281 cities in support or against an issue (AWC)**

** Always in compliance with PDC rules*

17

Effectively Advocating for Your City

18

Legislative Advocacy: A Year Round Job

- **Begin building a relationship with your legislators** during the summer and fall before session begins (bonus points if they are up for election)
- **Participate in legislative elections**
  - Do your research and hold a face-to-face meeting before offering your endorsement
  - Publicly thank legislators who have helped your city and be candid about those who haven't
  - Help organize volunteers for legislative candidates you support and be visible
- **Develop your city's legislative agenda**
  - Keep it short and simple – one page only
  - Include AWC's legislative priorities
  - Make it public and share it (FB, Twitter, Website, etc.)
- **Other ways to engage**
  - Volunteer for AWC's legislative priorities committee
  - Work with other cities and towns in your region
  - Ask AWC for help

19

Session Advocacy (Session Begins in January)

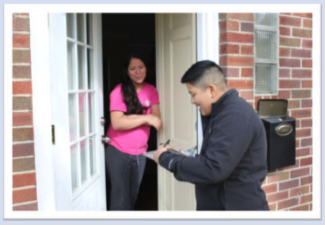
- **Take advantage of opportunities provided by AWC**
  - Attend City Action Days (Jan. 28-29) and AWC Lobby Day
  - Read AWC's Legislative Bulletin
  - Respond to AWC action alerts, requests for information and feedback
- **Schedule a one-on-one meeting with your legislators early in session**
  - Meet with your legislators in January to discuss specific bills or budget priorities and tell stories about real impacts on your constituents
  - Leave AWC one-pager and your contact information behind
  - Offer legislators your expertise (written or public testimony, personal story, etc.)
  - Follow up with legislators often
  - Build relationships with your AWC lobbyists

Don't wait until session to have your first face-to-face meeting!!!

20

10 Advocacy Tactics Ranked by Effectiveness

1. Volunteer to make phone calls, door knock, write Op. Ed,. etc.
2. Face-to-face meetings during interim
3. Face-to-face meetings during session
4. Hand written letters
5. Personal emails
6. Phone calls
7. Public testimony
8. Attending legislative town-halls
9. Social media posts
10. Form letters or emails



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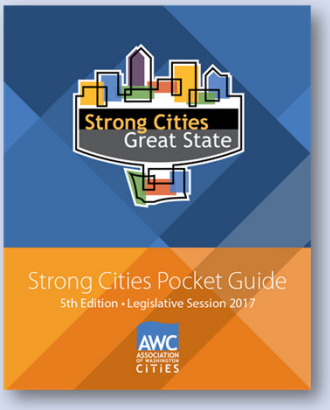
AWC: Providing Access to Effective Advocacy

- AWC's City Action Days (Jan. 28-29, 2020)
- Mayors' Exchange (February 2020)
- Legislative Bulletin Updates
- AWC "Calls to Action"
- Legislative directory
- AWC Lobbyists

22

Advocacy Tools: AWC has you covered



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Public Disclosure Commission Rules

- Elected officials' in-person lobbying not required to be disclosed, except if spending on individuals lobbied is over $25 *of non-public funds* - the amount and purpose must be disclosed
- *May not* spend public funds as a direct or indirect gift
- Must disclose if you hire contract lobbyist
- In-house lobbyists and staff who spend, in aggregate, more than four days a quarter lobbying the legislature in-person likely need to report
- For more information visit the AWC and PDC websites

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Review

1. We understand the importance of city leader advocacy and it's role in impacting legislative outcomes
2. We navigated the legislative process
3. We have a better sense of our own power to influence the process
4. Ready to use what we've learned and the tools provided by AWC to effectively advocate for our cities!

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Questions?

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Brandon Anderson
Legislative Policy Analyst
Brandona@awcnet.org

wacities.org
1-800-562-8981

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Separation of Powers – City/Court Relations

Judge

- Appointed
- Elected
- In either case, independent with regard to judicial matters

General Rule 29 defines administrative authority and what can be delegated to whom

Court revenue is a general revenue for the City

- Courts cannot be required to generate a desired level of revenue
- Fines and forfeits are imposed and collected by the Court
- Cities can set local fines (e.g. parking but cannot interfere with judicial decisions)

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Open Public Meetings (RCW 42.30)

- Applies to all meetings when a quorum of the members is in attendance
  - City Councils
  - Boards and Commissions
- City Council Committees
- Requirements
  - Public Notice
  - Minutes
  - Access to the public
  - Training for all elected officials and records officers

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Open Public Meetings

- Executive Sessions (RCW 42.30.110)
  - Limited by topics
    - Acquisition or sale of property **when knowledge of the topic will likely cause a change in price**
    - Performance of a public employee **but not just any personnel matter**
    - Pending or potential litigation
    - Labor negotiations (which is really a "Closed Session")
  - Discussions and materials must remain confidential
  - Discussions must be confined to the topic of the executive session

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The Accidental Meeting

- When can a conversation become a meeting?
  - Email exchanges that involve a quorum of the Council
  - Any meeting when a quorum of the Council is present AND City business is being discussed
  - Participation in social media by a quorum of the Council
  - A series of phone conversations of a quorum (the "Daisy Chain")
- When in doubt
  - Publicize the meeting
  - Listen to your City Attorney and City Clerk
  - Call MRSC

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Public Records Act

- A Public record is…
  - Any writing or recording **including text messages, voice mails, blog postings**
  - That relates to the conduct of government
  - That is created, owned, used or retained by that government or its employees
- All records are presumed to be subject to disclosure with narrow exceptions

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Public Records Act - continued

- Public disclosure requests
  - Can be in any form
  - Do not have to disclose the purpose of the request
  - Do not require you to create records that don't currently exist
- Agencies must respond promptly or be subject to monetary fines

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2017 Legislative Update

- HB1595
  - Authorizes charges for electronic copies of records
  - Authorizes charges for locating and preparing excessively complex requests
  - Defines requests that are overly broad as not valid requests
  - Allows agencies to deny automatically generated requests ("robo requests") that would interfere with the normal course of business

2017 Legislative Update

- HB1594
  - Protects personal records of volunteers not serving in an administrative capacity, not an appointed official and with no supervisory authority
  - Requires agencies to maintain a log of requests
    - Name of requestor
    - Date and text of request
    - Description of records produced
    - Description of redactions
    - Date of final disposition
  - Establishes new reporting requirements if agency PRA costs over $100,000

Public Record Pitfalls and Tips

- Do not put it in an email unless you are ready to disclose it (or see it in the newspaper)
- Do not delete it just because you don't want to disclose it
- Understand and abide by retention rules
- Don't keep records beyond their retention period because if you get a PRR it's more records to search

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Public Record Pitfalls and Tips - continued

- Have a policy for participating in social media and a way to save social media posts
- Err on the side of disclosure
- Make sure your staff understands the PRA
- Pick your battles

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Welcome to Washington

A Guidebook for City Managers

Finance & Budget

PRESENTED BY:
TRACEY DUNLAP

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We'll Discuss

- Constitutional Provisions (e.g. Gift of Public Funds)
- BARS
- Budget
- Local Government Revenue Sources
- Property Tax
- Purchasing
- State Auditor

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Finance and Budget

Keeping your City in Financial Order

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The Big Picture: Constitutional Provisions

- Gift of public funds prohibited
- No lending of public credit
- No income tax (but not in so many words)
- Aggregate property tax limit

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Budgeting, Accounting and Reporting System (BARS)

- Proscribed system of accounting and reporting
- Outline of BARS manual
  - Chart of accounts
  - Budgeting
  - Accounting
  - Financial Reporting
- Considerations of working under BARS

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Budgeting

State law requirements
- Variations by type of city (code/non-code)

State law options – biennial versus annual

How BARS impacts budget approaches
- Chart of accounts
- Specific timelines and requirements
- Required public hearings (2)
- Broad guidance only as to approach

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Factors Contributing to Budget Balancing Challenges

- Citizen initiatives
- Property tax limitation
- Volatility of sales tax
- Growth in labor and benefit costs
- Binding arbitration

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Saving for the Rainy Day

Statutory Reserves

- RCW 35A.33.145 - Contingency fund
  - Unforeseen expenses
  - Maximum accumulation limited to $0.375 per $1,000 of assessed valuation (AV)
- RCW 35.21.070 - Cumulative reserve fund
  - Can be for a variety of municipal purposes
  - 2/3 majority approval of Council to use for purposes not defined in local ordinance
- Requirement to segregate certain revenues (examples: impact fees, real estate excise tax)

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Municipal Revenue Sources

- Taxes
- Permits and licenses (Regulatory)
- Intergovernmental payments
- Fees for service
- Fines and forfeits
- "Miscellaneous"

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Types of Taxes

- Sales tax
- Property tax
- Business and occupation tax
- Utility tax
- Lodging tax (Tourism)
- Gambling tax
- Admissions tax
- Real Estate Excise Taxes (Capital)

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Sales Tax - How Does it Work?

- Statutory authority: RCW 82.14.030
- Collected as percentage of sale
  - Clothing
  - Household goods
  - Automobiles
  - Eating out
- Destination of sale determines who gets the revenue (except automobiles)

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How Much is the Sales Tax?

- Depends on location (in King County, most pay 10%)
- Items not taxed
  - Unprepared foods (Groceries)
  - Prescription drugs
  - Some public expenditures
  - Home sales

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Where Does it Go? (Kirkland Example)

State of Washington	6.50%
King County/Metro	1.00
Criminal Justice Funding	0.10
City of Kirkland (1.0 plus 0.1 with 15% remitted to County)	
Base City portion	0.85
Base County portion	0.15
Optional Voted 0.1% Criminal Justice [1] City portion	0.085
Optional Voted 0.1% Criminal Justice [1] County portion	0.015
Regional transit	1.40
Total rate	**10.10%**
Additional 0.3% for car sales and leases (Transportation) [1]	10.30%

[1]Per RCW 82.14.450, 30% must be used from "criminal justice purposes: and this increment does not apply to car sales and leases

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Issues Affecting Sales Tax

- Economic conditions
- State mandates and initiatives
- Local land use decisions
- Economic development efforts
- Streamlined sales tax
- Legislation
  - Recent example is HB1406 which shares a portion of the State's existing sales tax revenue for affordable housing and supportive services if certain actions are taken

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Property Tax

- Statutory authority: RCW Title 84
- At least 30 types of taxing districts with different maximum levies individually and in aggregate
- Two main aggregate limits:
  - Statutory limit applies to most local regular tax levies ($5.90 per $1,000 AV)
  - Constitution limits the amount of property tax imposed on an individual parcel without voter approval to one percent of its true and fair value
  - If either limit is reached, the individual levy components are reduced for junior taxing districts first (it's complicated!)

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Property Tax - How Does it Work?

- Levies are divided by the assessed valuation (AV) as determined by county assessor
- A "property tax rate" results
- The "Rate" is applied to every $1,000 of assessed valuation on each property

Sample levy calculation:
Total levy $15 million divided by
Assessed valuation $10 billion/$1,000 equals
Levy rate of $1.50 per $1,000 AV

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Property Tax Truths

- The city determines its levy (total allowable property tax revenue or the amount needed to balance the budget if less)
  - Current levy plus allowance for new construction
  - Plus optional amount up to the lesser of . . .
    - Implicit Price Deflator
    - One percent
  - Banked capacity if available (allowable increase not taken in the past)
- The Assessor determines home values based on market values
- The tax rate per $1,000 results from the math
- The rate is multiplied by the parcel's AV/$1,000 to arrive at the individual tax bill

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Property Tax Myths

- When the valuation goes up the city gets more revenue
- If the city raises property taxes by 1% my entire tax bill will go up 1%
- The city determines the tax rate, the Assessor determines my value and the city gets whatever revenue results
- My taxes go up every year

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Factors Affecting Property Taxes

- City council decisions
- Decisions of other jurisdictions
- Decisions of voters
- County assessor's valuation
  - Your property
  - All other properties
  - Your property compared to all others
- New construction

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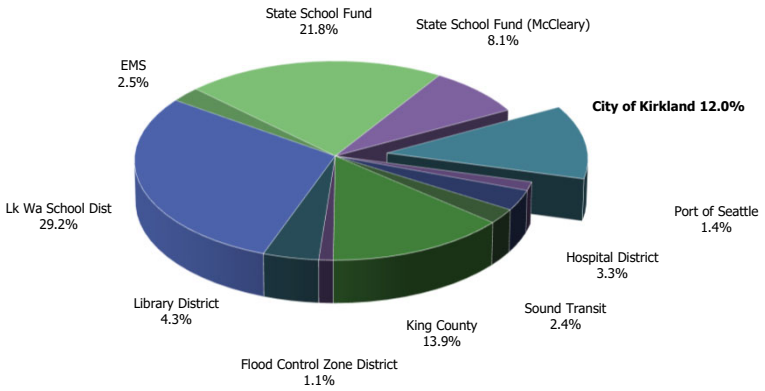
Who Gets the Property Tax? (Kirkland Example)



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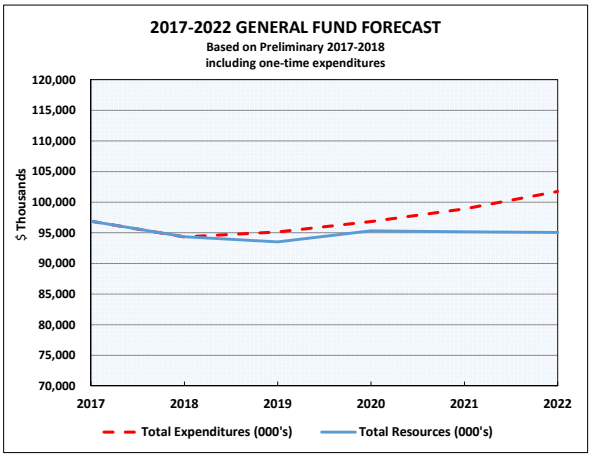
Budget Implications

- 1% limit on base levy growth generally results in revenues growing slower than expenses (the diverging lines)
- Trends on growth from new construction can be hard to predict resulting in volatility
- In growing AV environment, the only way to access unused rate capacity is through a voted levy lid lift



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Business and Occupation Tax (B&O tax)

- Statutory authority: RCW 35.22.280/35A.82.020/35.90.020, others
- Three main forms:
  - Excise (%) taxes levied on different classes of business to raise revenue
  - Licenses for the purpose of regulation only
  - Licenses to regulate and raise revenue
- Can take a variety of forms:
  - Percentage tax on gross revenues
  - Revenue Generating Regulatory Fee can be based on square footage, employees, type of business
- Local B&O tax is imposed in addition to Washington State's B&O tax - recent legislation requires model ordinance adoption by 1/1/19, transition to collection by State Business License Services (BLS) by 2022 (if funding provided, 2027 if not), or election to use FileLocal by 2020

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Utility Taxes

- Considered a B&O tax but not subject to recent legislation
- Imposed as a percent of total bill on . . .
  - Private utilities such as electricity, natural gas, telephone, cable
  - Public utilities such as water, sewer, garbage and surface water
  - Can be applied to special purpose utility districts although some choose a franchise fee as an alternative
- Tax on private utilities is limited to 6% without a vote
- No statutory limit on the rate charged to the jurisdictions own utilities
- Counties cannot currently impose a utility tax (but they are trying!)

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Lodging (Hotel-Motel) Tax

- Statutory Authority: RCW 67.28.180
- Limitation on use
  - Tourism promotion
  - Acquisition and/or operation of tourism-related facilities
  - Special events designed to attract tourists
  - Annual reporting requirements to the State
- Counties also have the right to levy this tax and in most cases must allow a credit for city tax
  - Special circumstances – King County – limited to 1% for most cities until the bonds for the new football stadium are retired in 2021

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Real Estate Excise Tax (REET)

- Statutory Authority: RCW 82.45 and 82.46
- Levied on the all sales of real estate
- The State levies 1.28%
- All cities may levy a quarter percent tax (REET 1) [.25%]
- Cities fully planning under GMA may levy an additional quarter percent tax (REET 2) [.25%]
- Role of Capital Facilities Plan (CFP)
- For specific capital purposes and comes with conditions that vary - consult the statutes for more information

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Other Taxes

- Gambling Taxes (RCW 9.46.110)
- Admissions Tax (RCW 35.21.280)
- Leasehold Excise Tax (RCW 82.29A)

…Collected by Others and Shared with Cities

- Gas Tax (RCW 82.36.025)
- Liquor Tax (RCW 66.08)
- EMS Levy (in some areas) (RCW 84.52.069)
- Criminal Justice Sales Tax (RCW 82.14.3**)
- Fire Insurance Premium Tax (RCW 48.14.020)
- Marijuana Excise Tax (RCW 69.50.530-540)

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Other Revenues

- Intergovernmental payments
  - Grants (Federal and State)
- Permits and licenses (Regulatory)
- Fees for service
  - Fees should be based on cost of service
- Fines and forfeits
  - Parking fines set by council
  - All other fines set by state law
- Miscellaneous
  - Rents, settlements, interest income, etc.
- Other major capital resources
  - Impact fees (RCW 82.02.050)
  - Transportation Benefit District (RCW 36.73)

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Purchasing

State law requirements vary

- By type of city
- By type of purchase
  - Public works
  - Architectural services
  - Professional services
  - Equipment purchases
- State contract and interlocal purchasing

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Legal and Regulatory Environment

- Generally establishes avenues for purchasing and thresholds
- RCW
  - Established dollar limits and process for competitive bidding
  - Requires payment of prevailing wage
- Local municipal code (for code cities)
  - Establishes local limits and requirements
  - Allows interlocal agreements
  - Establishes internal authority and accountability

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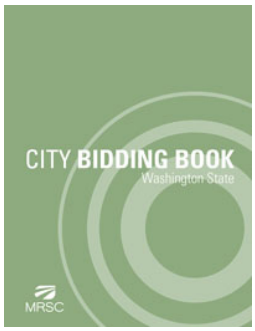
For More on Purchasing for Your Jurisdiction

Resources

- Your Jurisdiction's Municipal Code
- Municipal Resource and Services Center – City Bidding Book



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Other Considerations

- Cooperative purchasing (interlocal agreements)
  - State contract
  - Other agencies
  - Cooperatives
- Job order contracting (JOC)
- Sole source
- Emergency purchases

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Ethical/Audit Issues with Purchasing

- Influencing vendor selection
- Circumventing bid requirement/splitting job
- Using emergency in absence of real one
- Inappropriate use of sole source
  - Restrictive specifications
  - Pre-qualifying in discriminatory manner
- Withholding information
- Collusion
- Kickbacks
- Low balling followed by change orders
- Substitution of products

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State Auditor

- State law requirements
- Types of audits
- Scope of SAO Audit
- Key concepts
- Other auditors
- What to watch for and tips for success

The Audit – Legal and Regulatory Environment

RCW

- Establishes State Auditor as elected official
- Requires financial and compliance audits by State Auditor's Office ("SAO")
- Requires Auditor to prescribe uniform system of accounting and reporting
- Performance Audits mandated by I-900

AICPA

- Sets Generally Accepted Auditing Standards
- Recognizes GASB as rule making body for government financial reporting

Types of Audits

Financial Compliance Performance

Internal

- Documentation for expenditures
- Cash counts and cash handling practices
- Inventory controls
- Payroll procedures
- Policy compliance (cell phones, procurement cards)

External

- SAO
- Granting agencies
- IRS
- Other state agencies
  - Retirement
  - Revenue
- Benefit administrators
  - Unions
  - MEBT

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Scope of SAO Audit

- Financial audit
  - Financial information
  - Internal controls
- Compliance audit
  - Legislative priorities
  - High risk items
  - RCW compliance
  - Local legislation and policy compliance
- Single audit (Federal grants)
- Complaint driven audit
- Performance audit
- Fraud
- Whistleblower

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Key Concepts

- Materiality
- Range of opinions
  - Unqualified “Clean” opinion
  - Qualified opinion
  - Findings
  - Disclaimer
  - Adverse opinion
- Management Representation Letter(s)
- Council Participation (entrance/exit conferences, interviews)

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Other Auditors

- Department of Revenue (DOR)
- Department of Retirement Systems (DRS)
- Labor and Industries (L&I)
- Labor unions
- IRS

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Audit Tips

- SAO reviews all Council meeting minutes
- Adopt policies and procedures you can adhere to
- Ensure that you adequately resource and train your finance function
- Use SAO website resources
  - Filter report notification (for example, cities/findings)
  - Local Government Performance Center

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Thank You!

Tracey Dunlap, Deputy City Manager

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City of Kirkland

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http://www.kirklandwa.gov/

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Welcome to Washington

A guidebook for city managers

Land Use Planning & Economic Development

PRESENTED BY:
JOHN CAULFIELD
LAKEWOOD CITY MANAGER

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Topics

- Washington State Enabling Legislation
- Basic Rules
- Who is Involved
- Economic Development Tools

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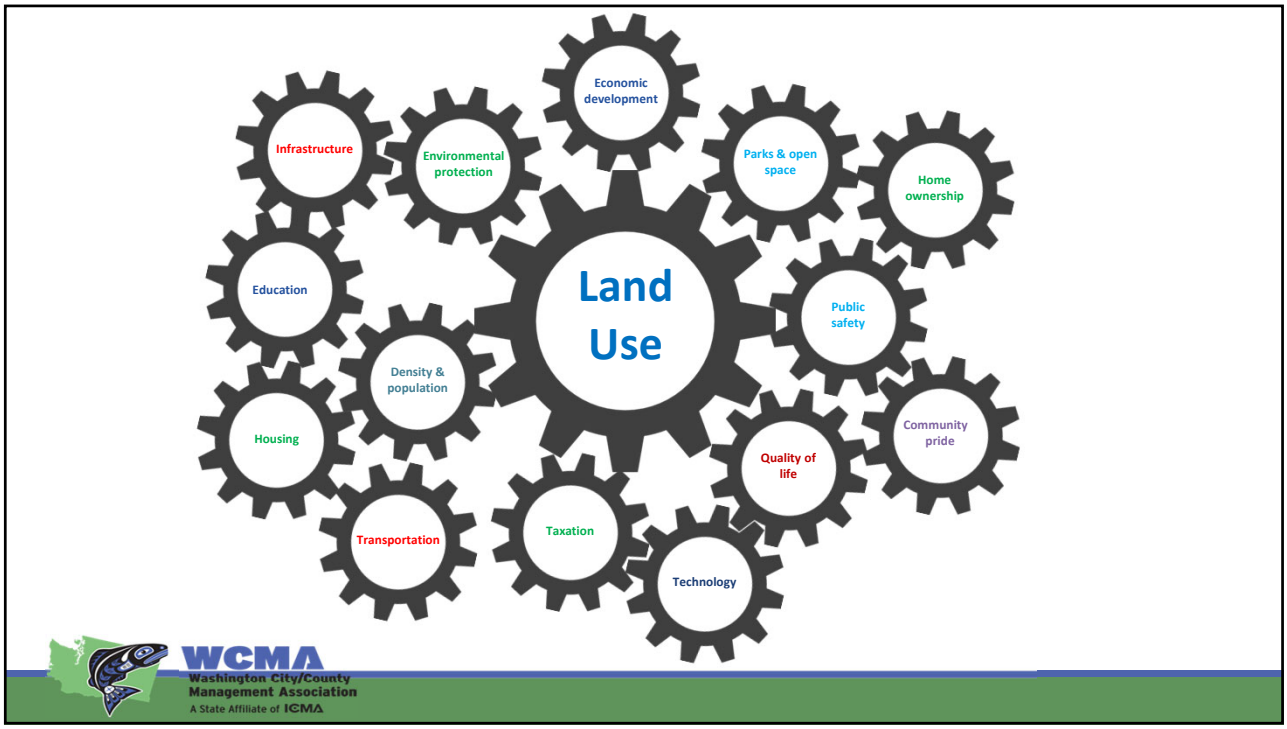

Washington State Enabling Legislation

- Growth Management Act (GMA): Comprehensive Plan RCW 36.70A
- State Environmental Policy Act (SEPA) RCW 43.21C
- Shoreline Management Act (SMA) RCW 90.58
- (National Environmental Policy Act (NEPA) 42 U.S.C 4231 et seq.

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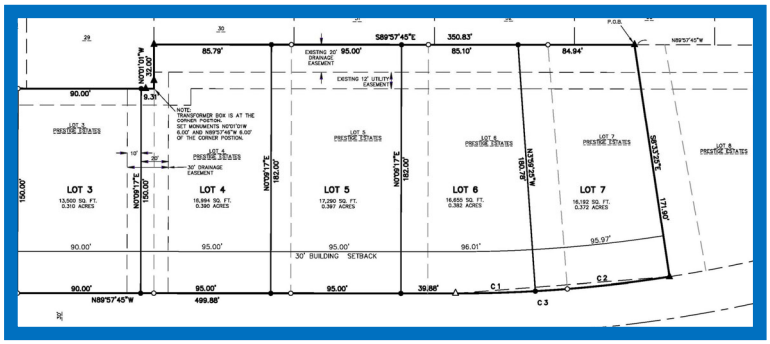
Washington State Enabling Legislation (cont'd)

- Subdivision
  - Long Plats
  - Short Plats
  - Boundary Line Adjustments
  - Binding Site Plans
- Zoning Permits
  - Map & Text Changes
  - Administrative Use Permits
  - Conditional Use Permits
  - Variances
- Public Works
  - Right-of-Way Permits
  - Site Development Permits



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Washington State Enabling Legislation (cont'd)

- International Building Code (IBC)
  - Building Permits
  - New Construction
  - Remodels
  - Change of Use
  - ADA Compliance
- Critical Areas
- Energy Conservation
- Liquor & Gambling
- Marijuana
- Adult Family Homes
- Enhanced Services Facilities
- Mobile Fueling Services

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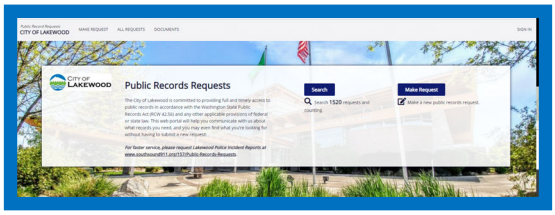
Basic Rules

- Open Public Meetings Act (OPMA)
- Appearance of Fairness
  - Quasi-judicial actions
  - Ex-parte communications
- Public Disclosure/Public Records Act (PRA)



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Who is Involved…

- Public
- Elected officials
- Planning commission
- Other boards/commissions
- Cities and Counties
- Special purpose districts (Ports)
- Hearings Examiner
- Media
- Developers & Business Interests
  - Associate Development Organizations (ADOs)/EDBs
  - Chambers of Commerce
  - Downtown Associations
- State & federal agencies
  - Community Economic Revitalization Board (CERB)
  - Commerce
  - Community, Trade & Economic Development (CTED)

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Economic Development Tools

- **NO -** Tax Increment Financing (TIF)

- **YES -** TIF-lite
  - Local Infrastructure Financing Tool Program (LIFT)
  - Local Revitalization Financing (LRF)
  - Community Revitalization Financing (CRF)
  - Hospital Benefit Zones (HBZ)

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Economic Development Tools (cont'd)

- Public Development Authorities (PDA)
- Public Facilities Districts (PFD)
- Community Renewal Area (CRA)/Community Renewal Plan
- Opportunity Zones

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Economic Development Tools (cont'd)

- Streamlined Permitting Process
- Competitive Fees
- Subarea Plan/PAO/EIS
- Zoning & Design Standards
- Housing Options & Choices
- Tax Incentives (e.g., no B&O tax)
- Multi-Family Tax Exemption
- Impact Fees (transportation, parks, fire, schools)
- Lodging Tax (Hotel/Motel)
- Workforce Development, Business Assistance, Business Development Programs & BREs

Economic Development Tools (cont'd)

- EB5 Regional Center
- Foreign Trade Zones
- New Market Tax Credits (NMTC)
- Innovation Partnership Zone (IPZ)
- Hub Zone Program
- Main Street Program
- Infrastructure Investment
  - Streets & Sidewalks
  - Utilities
  - Parks
  - LIDs & BIAs
  - Farmer's Market/Public Markets
- Transportation Options
  - Commuter rail
  - Light rail
  - Bus service
  - Transit-oriented development (TOD)
  - Autonomous vehicles (coming soon?)

Resources

Association of Washington Cities (AWC)
https://wacities.org

Municipal Research Services Center (MRSC)
http://mrsc.org

Washington City/County Management Association (WCCMA)
https://wccma.org

Michael Rizzitiello

From: Patrick Reay <pr@portwallawalla.com>
Sent: Thursday, February 27, 2020 8:21 AM
To: Greg Tompkins; Todd Kimball; Michael Rizzitiello; Ron Dunning; Michael Fredrickson; Nabiel Shawa - City of Walla Walla (nshawa@wallawallawa.gov); Kip Kelly
Cc: Tony Garcia; Meagan Blair; Andrea Weckmueller-Behringer - WWVMPO (abehringer@wwvmpo.org)
Subject: US 12 Phase 7 Project

STOP and VERIFY - This message came from **outside** of the City of College Place.

Good morning all-

A brief update on our trip to Olympia this week to advocate for the US 12 Phase 7 project to be removed from the hold/paused list.

Currently, Phase 7 is fully funded in the Senate and House budgets. Indications from the Governor's Office would be to un-pause the projects previously listed, once he receives a reconciled budget from both the Senate and House. Session ends on March 12th, so that could be the latest date that this could occur.

There was an indication that the paused projects would be immediately released from the delayed status and WSDOT would be directed to begin to execute what is necessary to get these projects back on track and into the system.

That means that Phase 7 could be awarded and contracts entered into in March. Depending on the contracting timeframe, the Notice to Proceed would be issued upon an executed contract.

We are hopeful that this will have minimal impacts on the construction schedule and the contractor, Guy F. Atkinson Construction, from Renton, Washington will be able to begin mobilizing and starting the $114,000,000 contract. (Bids were opened yesterday at 11:00am)

More updates will be provided as they come available.

Have a great day. Pat

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Michael Rizzitiello

From: Brian Enslow <brian@arbutusllc.com>
Sent: Tuesday, March 03, 2020 9:16 AM
Subject: Arbutus Legislative Report Week 8
Attachments: Bill Tracker Week 8 2020 .docx

STOP and VERIFY - This message came from **outside** of the City of College Place.

We are now in the final stretch of the 2020 Legislative Session. Last week we saw all of the remaining Supplemental Budgets for 2020 released in both chambers of the Washington State Legislature. This comes off the heels of the Economic Revenue Forecast Council providing good news to state lawmakers it its latest revenue forecast. Their forecast shows $606 million in additional revenue over the 2019-21 biennium and $536 million in additional revenue for 2021-23 biennium. The House and Senate both released supplemental transportation budgets that would restart all of the projects which Governor Inslee halted. Both budgets also rely on at least $300 million in savings from lower-than-expected spending on transportation projects.

On Friday, February 28th, the House passed their Supplemental Operating Budget with a 54-39 vote. This brings the total proposed state spending in the 2019-2021 operating budget to about $53.8 billion. This budget focuses on housing and homelessness, child care, and health care, along with a few other city priorities like increases in BLEA and minor Marijuana revenue sharing increases.

This week we will have two final cutoffs before Sine Die on March 10th. The first cutoff on Monday, March 2nd will be the last day to read in opposite house committee reports (pass bills out of committee and read them into the record on the floor) from House fiscal committees and Senate Ways & Means and Transportation committees. Then on Friday, March 6th will be the last day to consider opposite house bills (5 p.m.) besides initiatives and alternatives to initiatives, budgets and matters necessary to implement budgets, differences between the houses, and matters incident to the interim and closing of the session. Budget discussions will likely occur all the way up to the final days of Session.

SB 5097 Cleveland - *Massage Therapists & Reflexologist licensure* **???** Requires licensed massage therapists and certified reflexologists to have government-issued photo identification on their person or immediately available for inspection when practicing massage therapy or reflexology. I am happy to announce this bill has passed both chambers and is now waiting for delivery to the Governor???s office to be signed into law.

HB 2508 Wylie - *Simplifying the process for donating low-value surplus property owned by a city-owned utility* ??? No public hearing is required for the disposition of any personal property or equipment originally acquired for public utility purposes that is surplus to the city's needs and is not required for providing continued public utility service and has an estimated value of fifty thousand dollars or less. It remains in Senate Rules, waiting to be pulled for a Senate Floor vote.

SB 6592 Holy - *Concerning tourism authorities* ??? Allows a county with a population of 40,000 or less, or any city or town within the county, to form a tourism promotion area; increases the charge that a tourism promotion area can impose from $2 to $5; and allows lodging businesses to petition for removal of the charge. Talks have been ongoing to address some city concerns and we should be able to work with the final bill. This is scheduled for a hearing and executive action Monday, March 2nd in House Finance.

ESSB 5522 Takko - *Providing code cities of a certain size with the ability to annex unincorporated areas without a referendum provision pursuant to a jointly approved interlocal agreement with the county* - Allows counties and code cities to jointly initiate an annexation process for unincorporated territory by jointly agreeing and adopting an interlocal

agreement. If the annexation will include areas in a fire protection district, regional fire protection service authority, water-sewer district, transportation benefit district, or a city adjacent to the area where the sole access or majority of egress and ingress of the area is served by the transportation network of the city, notice must be provided, and approval may be required, if the district or city provides notice of its interest in being a party to the agreement. The interlocal agreement must describe the agreed upon boundaries of the area to be annexed and set a date for a public hearing on the annexation. On Friday, January 28th, this bill moved out of House Local Government with Representative Kraft as the lone ???no??? vote. It is now sitting in House Rules.

HB 1590 Doglio - *Allowing the local sales and use tax for affordable housing to be imposed by a councilmanic authority* - Authorizes county or city legislative authorities to impose the local sales and use tax for housing and related services and eliminates the requirement that the imposition of the tax be subject to the approval of a majority of county or city voters at a general or special election. This moved out of Senate Local Government on a party line vote and now sits in Senate Rules.

ESSB 6617 Liias - *Accessory dwelling unit (ADU) regulation* - Through ordinances, development regulations, and other official controls, cities planning under the Growth Management Act (GMA) are generally prohibited from requiring the provision of off-street parking for accessory dwelling units (ADUs) within one-quarter of a mile from major transit stops, including bus or transit stops frequented by fixed-route service at intervals of at least every 15 minutes during peak hours. However, cities may require parking associated with an ADU located within one-quarter of a mile from a major transit stop if the city has determined that the ADU is in an area with a lack of access to street parking capacity, physical space impediments, or other reasons supported by evidence that would make on-street parking infeasible. Growth Management Act-planning cities must adopt ADU policies consistent with this prohibition by July 1, 2021. Beginning July 1, 2021, this policy applies and takes effect in any GMA-planning city that has not adopted required ADU ordinances, development regulations, or other official controls and supersedes, preempts, and invalidates local regulations in conflict with the ADU requirements. 6617 passed out of House Environment & Energy on Thursday, February 27th with only Representative Goehner voting no.

HB 2950 Macri - *Addressing affordable housing needs through the multifamily housing tax exemption* - Extends the property tax exemption, until January 1, 2022, for properties currently receiving a 12-year exemption under the multifamily property tax exemption (MFTE) that is set to expire after the effective date of the bill, but before January 1, 2022. Directs the Department of Commence to convene a workgroup to study and make recommendations on certain aspects of the MFTE program. 2959 was heard in House Finance last week and is scheduled for Executive action on Monday, March 2nd.

Local Government Bills Bill Status Report

High Priority Bills

Bill #	Abbrev. Title	Short Description	Status	Sponsor	Position
2ESHB 1332 (SB 5329)	Energy site eval. council	Concerning updating and streamlining energy facility site evaluation council operations.	S Rules 2	Wylie	Concerns
HB 1590	Housing tax/councilmanic	Allowing the local sales and use tax for affordable housing to be imposed by a councilmanic authority.	S Rules 2	Doglio	Support
ESHB 2342	Comprehensive plan updates	Aligning the timing of comprehensive plan updates required by the growth management act with the timing of shoreline master program updates required by the shoreline management act.	S Rules 2	Fitzgibbon	Support
SHB 2343 (SSB 6334)	Urban housing	Concerning urban housing supply.	S 2nd Reading	Fitzgibbon	Support
2SHB 2499	Correction officer cert.	Certifying corrections officers.	S Rules 2	Appleton	Oppose
HB 2508 (SB 6481)	City utility surplus	Simplifying the process for donating low-value surplus property owned by a city-owned utility.	S 2nd RdConsCal	Wylie	Support
ESHB 2565	Disposable wipe labeling	Concerning the labeling of disposable wipes products.	S 2nd Reading	Fitzgibbon	Support
ESHB 2625	Local parks funding options	Concerning local parks funding options.	S Rules 2	Eslick	Support
SHB 2950	Housing tax exemption	Addressing affordable housing needs through the multifamily housing tax exemption by providing an extension of the exemption until January 1, 2022, for certain properties currently receiving a twelve-year exemption and by convening a work group.	H Rules R	Macri	Neutral
HJR 4212	Community redevel. financing	Providing for community redevelopment financing in apportionment districts.	H Rules R	Sullivan	Support
ESSB 5323 (2SHB 1205)	Plastic bags	Reducing pollution from plastic bags by establishing minimum state standards for the use of bags at retail establishments.	H Finance	Das	Support
ESSB 5522	City annexing/interlocal ag.	Providing code cities with the ability to annex unincorporated areas pursuant to a jointly approved interlocal agreement with the county.	H 2nd Reading	Takko	Support
SB 5970	Transportation funding bonds	Authorizing bonds for transportation funding.	S Transportation	Hobbs	Support
SSB 5972	Additive trans funding	Concerning additive transportation funding and appropriations.	S Transportation	Hobbs	Support

SSB 6086 (SHB 2335)	Opioid use/medications	Increasing access to medications for opioid use disorder.	H Rules R	Hasegawa	Support
ESSB 6592	Tourism authorities	Concerning tourism authorities.	H Rules R	Holy	Oppose
ESSB 6617	Accessory dwelling units	Concerning accessory dwelling unit regulation.	H Rules R	Liias	Concerns

Medium Priority Bills

Bill #	Abbrev. Title	Short Description	Status	Sponsor	Position
ESHB 1793 (SSB 5789)	Auto. traffic safety cameras	Establishing additional uses for automated traffic safety cameras for traffic congestion reduction and increased safety.	S Rules 2	Fitzgibbon	Support
3SHB 1938	Local infra. investment prg	Creating a local infrastructure investment program to support the development of affordable housing, workforce housing, and revitalization efforts.	H Finance	Steele	Support
ESHB 2265 (SB 6360)	Firefighting foam	Eliminating exemptions from restrictions on the use of perfluoroalkyl and polyfluoroalkyl substances in firefighting foam.	S Rules 2	Doglio	Support
E2SHB 2311 (SB 6272)	Greenhouse gas emissions	Amending state greenhouse gas emission limits for consistency with the most recent assessment of climate change science.	S Rules 2	Slatter	Concerns
EHB 2461 (SB 6452)	Transp. system goals/health	Including health in the state transportation system policy goals.	S Transportation	Riccelli	Neutral
ESHB 2642	Sub. use disorder coverage	Removing health coverage barriers to accessing substance use disorder treatment services.	S Rules 2	Davis	Support
SHB 2684 (SSB 6466)	Traffic control signals	Concerning traffic control signals.	S Rules 2	Shewmake	Support
ESB 5457 (HB 1571)	Naming of subcontractors	Naming of subcontractors by prime contract bidders on public works contracts.	H Rules R	Keiser	Concerns
SSB 5789 (ESHB 1793)	Auto. traffic safety cameras	Establishing additional uses for automated traffic safety cameras for traffic congestion reduction and increased safety.	H Rules R	Liias	Support
ESSB 6217 (SHB 2715)	Airport labor standards	Concerning minimum labor standards for certain employees working at an airport or air navigation facility.	H 2nd Reading	Keiser	Neutral

Dead Bills

Bill #	Abbrev. Title	Short Description	Status	Sponsor	Position
SHB 1082 (SSB 5097)	Massage therapists/photo	Concerning the licensure and certification of massage therapists and reflexologists.	H Rules 3C	Kraft	Support
HB 1086 (SB 5098)	Public defense funding	Increasing appropriated funding for public defense services.	H Approps	Chapman	Support
SHB 1135 (SSB 5163)	Wrongful injury or death	Concerning actions for wrongful injury or death.	H Rules X	Santos	Concerns
SHB 1357	Unincorp. island	Eliminating certain requirements	H Local Govt	Doglio	Support

(SB 5249)	annexation	for the annexation of an unincorporated island of territory.			
EHB 1390 (SSB 5400)	PERS/TRS 1 benefit increase	Providing a benefit increase to certain retirees of the public employees' retirement system plan 1 and the teachers' retirement system plan 1.	S Rules 2	Leavitt	Concerns
SHB 1456	Aviation revital. loan prg	Concerning a community aviation revitalization loan program.	H Rules X	Dent	
SHB 1457	Aircraft fuel tax distrib.	Concerning the distribution of aircraft fuel tax revenue.	H Rules C	Dent	
SHB 1576	Construction defect actions	Concerning construction defect actions.	H Rules 3C	Senn	Support
ESHB 1598	City annexing/interlocal ag.	Providing code cities of a certain size with the ability to annex unincorporated areas without a referendum provision pursuant to a jointly approved interlocal agreement with the county.	S Local Governmen	Doglio	Support
HB 1679 (SSB 5676)	Councilmanic REET/GMA	Authorizing cities planning under the growth management act to impose certain real estate excise taxes by councilmanic action.	H Finance	Frame	Support
HB 1718	Existing resources/local gov	Providing cities and counties flexibility with existing resources.	H Rules C	Volz	Support
SHB 1797 (ESSB 5812)	Accessory dwelling units	Concerning local governments planning and zoning for accessory dwelling units.	H Local Govt	Gregerson	Concerns
EHB 1948 (SSB 5862)	Warehousing & manuf. jobs	Supporting warehousing and manufacturing job centers.	S Rules 2	Entenman	Support
HB 2193 (SSB 6074)	Financial fraud/theft crimes	Reauthorizing and expanding the financial fraud and identity theft crimes investigation and prosecution program.	H Rules R	Kirby	Neutral
HB 2285	Road maintenance/planning	Elevating road maintenance and preservation in transportation planning.	H Trans	McCaslin	Neutral
SHB 2335 (SSB 6086)	Opioid use/medications	Increasing access to medications for opioid use disorder.	H Rules C	Davis	Support
HB 2362 (SB 6652)	Local transportation revenue	Addressing local transportation revenue options.	H Trans	Ramos	Support
HB 2420	Indigent defense/state	Requiring the office of public defense to assume duties for the provision of trial court indigent defense services.	H Approps	Irwin	Support
SHB 2438	Opioid impact account	Concerning establishment of the prescription opioid impact account.	H Rules C	Kilduff	Support

SHB 2469	Small works rosters	Concerning small works rosters.	H Rules R	Santos	Neutral
HB 2472	Greenhouse gas/fossil fuels	Incorporating comprehensive measurements of greenhouse gas emissions from certain fossil fuels into state environmental laws.	H Env & Energy	Pollet	
SHB 2494	Public facilities tax/rural	Concerning sales and use tax for public facilities in rural or border counties.	H Rules R	Stonier	Support
HB 2529 (SB 6503)	Odd-numbered year elections	Concerning odd-numbered year elections.	H State Govt & T	Gregerson	
HB 2549	Salmon recovery efforts/GMA	Integrating salmon recovery efforts with growth management.	H Env & Energy	Lekanoff	
SHB 2550	Net ecological gain	Establishing net ecological gain as a policy for application across identified land use, development, and environmental laws.	H Approps	Lekanoff	
HB 2560	Basic law enf. training	Concerning basic law enforcement training.	H Approps	Maycumber	Support
SHB 2620 (2SSB 6411)	Multiple-unit dwellings/tax	Expanding the property tax exemption for new and rehabilitated multiple-unit dwellings in urban growth areas.	H Rules C	Walen	Concerns
HB 2639	Home sharing support grants	Creating the home sharing support grant program.	H Hous, Com Dev	Caldier	
SHB 2649	Homeless shelter capacity	Concerning homeless shelter capacity.	H Rules C	Ryu	Concerns
HB 2667 (SB 6681)	Energy code/residential	Increasing housing access and affordability by decreasing construction costs associated with implementing the Washington state energy code for residential buildings.	H Local Govt	Chapman	Concerns
HB 2688 (SB 6398)	Transportation policy goals	Expanding transportation policy goals.	H Trans	Shewmake	
SHB 2715 (ESSB 6217)	Airport labor standards	Concerning minimum labor standards for certain employees working at an airport or air navigation facility.	H Rules R	Gregerson	Neutral
HB 2740	Marijuana/employment	Concerning the employment of individuals who lawfully consume marijuana.	H Labor & Workpl	Kloba	
HB 2741 (SB 6509)	Salmonid abundance	Increasing the abundance of salmonids in Washington waters.	H Approps	Van Werven	Concerns
HB 2774	Housing/state property inven	Concerning the inventory of underutilized, state-owned property that may be suitable for the development of affordable housing.	H Hous, Com Dev	Ryu	
HB 2778	Community redevel. financing	Concerning community redevelopment financing in	H Rules R	Sullivan	Support

		apportionment districts.			
SHB 2804	Local government infrastruct	Addressing local government infrastructure.	H 2nd Reading	Duerr	Support
ESSB 5024	Local taxing districts	Concerning the transparency of local taxing districts.	H Rules R	Hasegawa	Concerns
ESSB 5077	Single-use plastic straws	Restricting single-use plastic straws at food service establishments.	S Rules X	Kuderer	Support
SSB 5097 (SHB 1082)	Massage therapists/photo	Concerning the licensure and certification of massage therapists and reflexologists.	S Pres Signed	Cleveland	Support
E2SSB 5120	For-profit correctional facs	Contracting with for-profit correctional facilities for the transfer or placement of offenders.	S Rules X	Palumbo	Support
SB 5249 (SHB 1357)	Unincorp. island annexation	Eliminating certain requirements for the annexation of an unincorporated island of territory.	S Rules X	Hunt	Support
SB 5304 (HB 1441)	Local infrastruct. financing	Concerning the financing of local infrastructure.	S Rules X	Mullet	Neutral
SSB 5363	Urban center dwellings/taxes	Extending the property tax exemption for new and rehabilitated multiple-unit dwellings in urban centers.	S Rules X	Palumbo	Support
SSB 5366	Urban centers/multiple-units	Expanding the property tax exemption for new and rehabilitated multiple-unit dwellings in urban centers.	S Rules X	Wagoner	Support
SSB 5400 (EHB 1390)	PERS/TRS 1 benefit increase	Providing a benefit increase to certain retirees of the public employees' retirement system plan 1 and the teachers' retirement system plan 1.	H Rules R	Conway	Concerns
SSB 5676 (HB 1679)	Councilmanic REET/GMA	Authorizing cities planning under the growth management act to impose certain real estate excise taxes by council action.	S Rules X	Takko	Support
SSB 5680 (SHB 1371)	Parks benefit districts	Concerning the creation of parks benefit districts.	S Ways & Means	Liias	Support
ESSB 5812 (SHB 1797)	Accessory dwelling units	Concerning local governments planning and zoning for accessory dwelling units.	S Rules X	Palumbo	Concerns
SB 6126	Housing tax/councilmanic	Allowing the local sales and use tax for affordable housing to be imposed by a councilmanic authority.	S Rules X	Hunt	Support
SB 6272 (E2SHB 2311)	Greenhouse gas emissions	Amending state greenhouse gas emission limits for consistency with the most recent assessment of climate change science.	S Environment, E	Das	
SSB 6328	Local infra. investment	Creating a local infrastructure	S Ways & Means	Warnick	Support

	prg	investment program to support the development of affordable housing, workforce housing, and revitalization efforts.			
SSB 6334 (SHB 2343)	Urban housing	Concerning urban housing supply.	S Rules X	Salomon	Support
SB 6360 (ESHB 2265)	Firefighting foam	Eliminating exemptions from restrictions on the use of perfluoroalkyl and polyfluoroalkyl substances in firefighting foam.	S Environment, E	Van De Wege	
SB 6372	Structured settlements	Concerning structured settlements.	S Labor & Commer	King	
SB 6373	Industrial insurance claims	Allowing self-insurers to accept certain industrial insurance claims.	S Labor & Commer	King	
SB 6386	Low-income housing/fees	Reducing impact fees for low-income housing.	S Rules X	Zeiger	Support
2SSB 6411 (SHB 2620)	Multiple-unit dwellings/tax	Expanding the property tax exemption for new and rehabilitated multiple-unit dwellings in urban growth areas.	S Rules X	Das	Concerns
SB 6461	Project permit timelines	Concerning permit timelines.	S Local Governme	Fortunato	Oppose
SSB 6466 (SHB 2684)	Traffic control signals	Concerning traffic control signals.	S Rules X	Randall	Support
SB 6481 (HB 2508)	City utility surplus	Simplifying the process for donating low-value surplus property owned by a city-owned utility.	S Rules X	Cleveland	Support
SB 6503 (HB 2529)	Odd-numbered year elections	Concerning odd-numbered year elections.	S State Govt/Tri	Nguyen	
SB 6509 (HB 2741)	Salmonid abundance	Increasing the abundance of salmonids in Washington waters.	S Ag/Water/Natur	Rivers	
SB 6519	Archaeological sites	Requiring protection of archaeological and cultural sites by state agencies, local governments, and all recipients of state revenue.	S State Govt/Tri	McCoy	
SB 6543	PRA/subsequent discovery	Concerning penalties against agencies which subsequently discover and produce additional responsive records after the close of an initial public records production.	S State Govt/Tri	Short	Support
SB 6652 (HB 2362)	Local transportation revenue	Addressing local transportation revenue options.	S Transportation	Nguyen	Support