

**City Council Study Session
May 26, 2015 - 5:30 PM
Auburn City Hall
MINUTES**

I. CALL TO ORDER

Councilmember Osborne called the meeting to order at 5:30 p.m. in the Council Chambers at Auburn City Hall, 25 West Main Street in Auburn.

A. Roll Call

City Councilmembers present: Rich Wagner, Bill Peloza, Largo Wales, Wayne Osborne, Claude DaCorsi. Deputy Mayor Holman and Councilmember Wales were excused.

City officials and staff members present included: Mayor Nancy Backus, City Attorney Daniel B. Heid, Community Development and Public Works Director Kevin Snyder, Finance Director Shelley Coleman, Human Resources and Risk Management Director Rob Roscoe, Assistant Chief of Police William Pierson, Director of Administration Michael Hursh, Public Affairs and Marketing Liaison Dana Hinman, IT Operations Manager Ashley Riggs, IT Customer Support Manager Reba Stowe, and Deputy City Clerk Shawn Campbell.

II. AGENDA ITEMS FOR COUNCIL DISCUSSION

A. 1st Quarter 2015 Financial Report - 15 Minute Presentation/5 Minute Q&A (Coleman)

Director Coleman explained she has adjusted the quarterly report to include the dashboard slides. The General Fund revenues include property taxes, sales taxes, other taxes, intergovernmental (grants), service fees, culture and recreation fees and other fees and charges. The property taxes and other tax bracket are lower than expected due to the time of year. The electric and gas tax are low due to the warmer winter and not as much electricity or natural gas was needed to heat homes this winter.

Expenditures include personnel, supplies and services, intergovernmental and other. The year to date expenditures and all departments are within budget.

Councilmember Peloza asked about the low water / sewer usage. Director Coleman explained higher flows occur through the summer.

Director Coleman explained the City had a large deposit from real estate excise tax transactions in March. The City received \$1.2 million, this included the Market at Lake Tapps, Safeway distribution center and the Outlet Collection.

Councilmember Wagner asked if REET 1 and REET 2 funds have been combined in the spreadsheet and what can the City spend the different funds on. Director Coleman explained the funds are combined. They can both be used on roads, streets, parks and utility infrastructure. REET 1 can also be used for administration and general government buildings.

Councilmember Osborne asked why pet licensing is down over last year at this time. Director Coleman explained there was a spike in the first quarter of pet licensing in 2014 due to a change in the pet licensing requirement.

Mayor Backus stated the funds for the animal licenses are a pass through and go directly to the Auburn Valley Humane Society.

B. Workers Comp and Liability Assessment - 20 Minute Presentation/10 Minute Q&A (Roscoe)

Director Roscoe provided Council with an update on the Workers Compensation Program since the City has gone self insured. Workers Compensation sets the amount the City pays for injuries. Claims that were opened prior to 2014 stay with the State of Washington Workers Compensation program. The City will continue to pay fees to the state to monitor the City's self insured status. A percentage of salaries go towards the City's Workers Compensation fund. There are fixed costs to the third party administrator and medical expenses are for the actual claims from 2014.

Director Roscoe explained the City's liability and property insurance is with Washington Cities Insurance Authority, a risk sharing pool. The goal of a risk sharing pool is to keep rates stable. The rates are calculated on the last five years' loss. An individual jurisdiction has their losses capped at \$100,000.00.

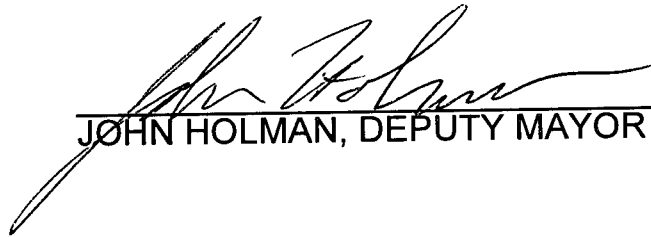
III. OTHER DISCUSSION ITEMS

There was no other discussion.

IV. ADJOURNMENT

There being no further discussion, the meeting adjourned at 6:18 p.m.

APPROVED this 3rd day of August, 2015.

 
JOHN HOLMAN, DEPUTY MAYOR Shawn Campbell, Deputy City Clerk