

**Finance Standing Committee Meeting**  
**March 10, 2010, 3:30 p.m.**  
**City Hall Conference Room**

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**CALL TO ORDER**

Councilmember Severns called the meeting to order at 3:30 p.m.

**ROLL CALL**

Bob Severns, Council Member, Acting Committee Chair  
Beth Munns, Council Member, Committee Member  
Jim Campbell, Council Member, Acting Committee Member  
Councilmember Jim Palmer was absent from this meeting.

Mayor Jim Slowik  
Doug Merriman, Finance Director  
Paul Schmidt, City Administrator

**NOTES**

No discussion of meeting notes from February 10, 2010.

**PUBLIC COMMENTS**

There were no public comments.

**FINANCE DIRECTOR – INFORMATION ITEMS**

**Budget Calendar**

Mr. Merriman talked about the budget resolution used to establish the budgeting process and scheduling for City Council workshops and public hearings. See Exhibit A attached to these notes which was the resolution used in 2005. Calendar dates for the 2010 and 2011 budget will be similar to this resolution's calendar. Mr. Merriman noted that Council's retreat occurred in February 2010 rather than the April – May timeframe shown in the 2005 resolution. Budget discussion was well-covered during Council's retreat. The first budget public hearing will be in May. After that, budget work becomes an internal process leading toward a second Council workshop in July. By September, the goal is to have a preliminary budget prepared with final budget approval occurring in November.

**OTHER ISSUES**

**Whidbey Island Marathon**

City Administrator Paul Schmidt talked about preparations for the Marathon, number of registrants, sponsors, services provided for the Marathon (shuttle service, Expo, etc.), volunteers, and volunteer training. The Marathon's participant "goodie bag" will include many items; Bayleaf was suggested as a source for good pens and the Chamber is working on discount cards. A spreadsheet of Marathon revenues and expenditures is attached to these notes as Exhibit B. The Marathon will meet or exceed its "break even" goal. Two percent funding could potentially be used for next year's event. Race Week could also apply for two percent funding.

**Banner Program**

Mr. Schmidt talked about the banner program for Oak Harbor's light standards. This program is also eligible for two percent funding and the current program has been budgeted for 2010 and will be done in increments beginning with 35 light standards on the north end of the City by Auld Holland Inn. Banners will continue on SR-20, Midway, and Pioneer Way. The cost is

\$18,000 and the City hopes to have some banners up in time for this year's Marathon. Banner design will show the City's logo and "Welcome to Oak Harbor."

### **Legislative Updates**

Mr. Schmidt talked about these legislative updates:

1. Stormwater Funding: This is still alive; the last day for comment is March 12<sup>th</sup>. This funding addresses a model toxics control act and offers \$75,000 in funds to NPDES One and Two cities in the first three years. The state is gaining the bulk of this funding in the first three years; thereafter, this will become a grant program.
2. "Flex" Funding: Moved through without a lot of resistance.
3. Criminal Justice Funding: Will allow use for existing programs – supplanting; non-supplanting is difficult to use.
4. 911 funding for ICOM: This is still alive and will help ICOM, and indirectly, Oak Harbor. SICBA supports this funding and there is broad support in the legislature. With needed enhanced updates to 911 technology, costs continue to go up.

### **Resolution for Boeing**

Mr. Schmidt also talked about a proposed resolution attached to these notes as Exhibit C.

Text changes requested:

1. Remove the "Whereas" about Airbus and the "Further Resolved" mention of Airbus.
2. Change the "Whereas" about delivery of a better aircraft to soldiers and sailors. This sounds like marketing language.
3. Change "Further Resolved" language about the contract being split between two contractors.
4. Reference Oak Harbor as residency along with residency in Seattle and Puget Sound.

It was noted that funds come back to United Way from Boeing through their employees' resident zip codes. Help House also receives a funding boost from Boeing.

### **Other Discussion**

Talking about ICOM, Mr. Merriman clarified that an interagency loan/agreement is not needed now. Their budget has been restructured, and pay-ins will be made by supporting Whidbey cities to infuse their funding and pay off their loans.

Oak Harbor has joined a class action suit with other cities against Verizon and AWC has received the letter sent by Verizon.

Mayor Slowik complimented Karen Crouch for her hard work on the Marathon.

### **ADJOURN**

With no other discussion coming before the committee, the meeting adjourned at 4:15 p.m.

Notes were taken by  
Connie Wheeler  
City Clerk

**RESOLUTION NO. 05-02**

**A RESOLUTION TO ESTABLISH A BUDGETING PROCESS CALENDAR FOR USE IN SCHEDULING CITY COUNCIL WORKSHOPS AND PUBLIC HEARINGS.**

WHEREAS, the budget process is the key to the development of City of Oak Harbor’s strategic plan - allowing departments the opportunity to reassess goals and objectives and the means for accomplishing them, and;

WHEREAS, the City needs to establish a timely and consistent calendar for scheduling the various components of the budget preparation procedure – a calendar that provides adequate time for consideration, preparation, and public review of the budget preparation process, and;

WHEREAS, the City is desires to establish a budget calendar process that is consistent from year to year, and;

BE IT RESOLVED by the City Council of the City of Oak Harbor as follows:

- 1) For purposes of scheduling the various components of the budget preparation process, the following calendar will be utilized:

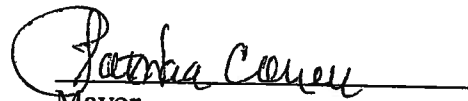
<u>Process</u>	<u>Date</u>
Review of Annual Budget and Planning Calendar	Mid-March
Council Retreat - Review Budget Goals and Policies Established By Mayor and Council	April-May
First Council Budget Workshop Explaining Budget Environment; Hold First Public Hearing on Budget	April-May
Budget Instructions Completed and Distributed to City Staff. Supplemental Information Prepared and Distributed to Departments.	June
Departments Submit Requests for New Programs	June
Finance Prepares Documents and Coordinates Revenue Estimates	June
Preparation of Preliminary Base Budget by Finance	June
Second Council Workshop Discussing Expenditure Trends, programs, and Updating Budget Environment.	July
Preparation of Preliminary Revenues and Resources by Finance; Second Public Hearing Held on Budget – Estimated Revenues	July
Administration Review of New Programs Requests, Revenue Estimates, and Base Budgets.	July

Develop Target Budgets for Departments. Receive Budgets from Departments.	August
Third Council Budget Workshop – Revenue Expectations	August
Preliminary Budget Balanced and Budget Document Draft Prepared	September
Public Hearings on Budget Plan (appropriate public notice is provided.)	Oct-Nov
Budget Hearings and Considerations of Departmental Budget Submissions Department Budget Presentations Work Session – Review of Budget Work Session – Review of Budget	October
Third Public Hearing – Proposed Preliminary Budget	October
Mayor's Preliminary Budget and Message	October
City Clerk Publishes Notice of Preliminary Budget	November
Set Property Tax Levies (RCW 84.52.020 and RCW 84.52.070)	November 15
Motion to Adopt the Preliminary Budget	November
Public Hearing – Final Budget; Required Before First Monday in December (as defined by RCW 35A.33.070) ; Adoption of Budget	November


- 2) The City shall set its budget cycle so that the first year of the City's Biennial Budget will fall on even numbered years.
- 3) This calendar shall apply to both years inclusive within the City's Biennial Budget process. At the beginning of the second year of the City's Biennial cycle, the budget calendar will be reviewed to address any required adjustments to the current adopted biennial budget in effect.

PASSED and approved by the City Council this 22nd day of February, 2005.

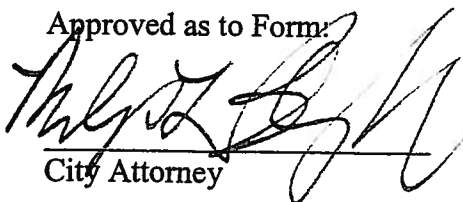
THE CITY OF OAK HARBOR

  
Mayor

Attest:

  
City Clerk

Approved as to Form:

  
City Attorney

Budget Calendar Resolution

## 2010 WHIDBEY ISLAND MARATHON - REVENUES

	<u>Secured</u>	<u>Pending</u>	<u>Added Value</u>	<u>Total Revenue</u>
Full Marathon Reg	\$17,690.00	\$3,850.00		\$21,540.00
Half Marathon Reg	\$50,500.00	\$8,050.00		\$58,550.00
Walkers	\$9,530.00	\$700.00		\$10,230.00
5K Registration	\$406.00	\$2,000.00		\$2,406.00
Expo Vendors	\$625.00	\$1,250.00		\$1,875.00
Sponsor WM	\$25,000.00			\$25,000.00
Sponsor PSE	\$5,000.00	\$5,000.00		\$10,000.00
Sponsor WalMart	\$2,000.00			\$2,000.00
Sponsor 7-11	\$1,000.00			\$1,000.00
Sponsor Caldwell	\$1,000.00			\$1,000.00
Sponsor Chugach	\$1,000.00			\$1,000.00
Sponsor Flyers		\$1,000.00		\$1,000.00
Sponsor Windemere	\$1,000.00			\$1,000.00
In-Kind Jock & Jill			\$1,000.00	
In-Kind Albertsons			\$5,000.00	
In-Kind Gu			\$5,000.00	
In-Kind Gatorade			\$5,000.00	
In-Knd Talking Rain			\$5,000.00	
In-Kind Coachmen			\$1,200.00	
In-Kind Whidbey Coffee			\$1,000.00	
Subtotal			\$23,200.00	
TOTALS	\$114,751.00	\$21,850.00		\$136,601.00
Revenue Required	\$6,772.00			
Fixed Expenditures	\$121,523.00			

## 2010 WHIDBEY ISLAND MARATHON - EXPENDITURES

	<u>Cost-to-date</u>	<u>Pending</u>	<u>Total</u>
Marathon Coordinator	\$7,200.00	\$2,400.00	\$9,600.00
Marathon Contractor		\$17,000.00	\$17,000.00
Volunteer Director	\$750.00	\$750.00	\$1,500.00
Marketing	\$9,204.52	\$12,893.48	\$22,098.00
Volunteers		\$3,860.00	\$3,860.00
Shuttle Service		\$2,365.00	\$2,365.00
Seattle Expo	\$1,238.00	\$0.00	\$1,238.00
Permits	\$70.00	\$0.00	\$70.00
Sponsor Commission	\$5,600.00	\$4,480.00	\$10,080.00
Marathon Purchase	\$13,000.00	\$0.00	\$13,000.00
Tech Shirts		\$16,170.00	\$16,170.00
Prize Money		\$5,200.00	\$5,200.00
Metals & Ribbons		\$4,917.00	\$4,917.00
Traffic Control Plan		\$1,600.00	\$1,600.00
Course Barricades		\$5,760.00	\$5,760.00
USTFA Fees		\$610.00	\$610.00
Portta Potties		\$4,500.00	\$4,500.00
Course Official		\$500.00	\$500.00
Truck Rental		\$1,455.00	\$1,455.00
TOTALS	\$37,062.52	\$84,460.48	\$121,523.00

**A RESOLUTION URGING THE U.S. DEPARTMENT OF DEFENSE TO SELECT THE BOEING COMPANY TO BUILD THE NEXT MID-AIR REFUELING TANKER.**

WHEREAS, the United States Department of Defense has begun the process to procure the Air Force's next mid-air refueling tanker; and

WHEREAS, Boeing and Airbus are anticipated to be the competitors to build that tanker; and

WHEREAS, that contract could be worth \$35 billion; and

WHEREAS, the U.S. economy is currently struggling through a recession of historic magnitude; and

WHEREAS, unemployment nationally and in Washington remains around 10%; and

WHEREAS, U.S. taxpayers deserve the best tanker at the least cost; and

WHEREAS, The Boeing Company has a history of producing successful tankers for the U.S. Air Force and other countries' air forces; and

WHEREAS, Boeing can deliver a better aircraft more quickly to our soldiers, sailors and airmen; and

WHEREAS, Boeing will build its tankers in Everett, Washington at a proven plant, with a highly skilled and dedicated regional workforce that has a tradition of building the best airplanes in the world; and

WHEREAS, the Seattle metropolitan statistical area has the highest concentration of aerospace jobs in the world; and

WHEREAS, Seattle and the Puget Sound region is home to the vast majority of Boeing's more than 75,000 workers; and

WHEREAS, each job at Boeing supports nearly three additional jobs; and

WHEREAS, Aerospace workers earn an average of more than \$50,000 a year-60 percent higher than the average for all private sector industries; and

WHEREAS, most aerospace companies are relatively small businesses-many with five to 50 employees; and

WHEREAS, approximately \$5.4 billion is paid in annual wages to aerospace workers-five percent of all wages paid in the state; and

WHEREAS, the Oak Harbor City Council values these jobs and the people who hold them, and will make it a priority to ensure Washington and the Puget Sound region remains the best place to design, build, and market commercial airplanes; and

WHEREAS, our national security interests are not served by sending this valuable and strategic program overseas; and

WHEREAS, Airbus has a majority of their workers in Europe, and by their own admission would only do the finishing work for a tanker in the U.S.- that's as little as 5 percent; and

WHEREAS, awarding the contract to Boeing can create or retain 40,000 to 50,000 American jobs at a time in history when we desperately need them; and

WHEREAS, U.S. taxpayers are not served by buying tankers from both Boeing and Airbus in this competition.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OAK HARBOR THAT:**

The U.S. Department of Defense should select Boeing over Airbus to build the next mid-air refueling tanker; and

**BE IT FURTHER RESOLVED THAT:**

The U.S. Department of Defense should not split the contract between the two competitors; and

**BE IT FURTHER RESOLVED THAT:**

Copies of this Resolution be immediately transmitted by the City Clerk to Boeing Corporate Offices in Chicago, Boeing Commercial Airplanes in Seattle, the International Association of Machinists and Aerospace Workers, and the Society of Professional Engineering Employees in Aerospace.

PASSED by the City Council this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

CITY OF OAK HARBOR

\_\_\_\_\_  
Jim Slowik, Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney