

**BLACK DIAMOND CITY COUNCIL MINUTES**  
**Council Special Meeting of October 22, 2020**  
**Virtual Meeting Via Zoom**

**CALL TO ORDER, FLAG SALUTE:**

Mayor Benson called the special meeting to order at 5:30 p.m. and led us all in the Flag Salute.

**ROLL CALL:**

**PRESENT:** Councilmembers Oglesbee, Wisnoski, Stout, de Leon and O'Donnell.

**ABSENT:** Councilmembers Deady and Paige (excused)

Staff present were: Mayene Miller, Finance Director; Andrew Williamson, MDRT/Ec Dev Director; Jamey Kiblinger, Police Chief; Barb Kincaid, Community Development Director; Stephanie Metcalf, Court Administrator; Seth Boettcher, Public Works Director; Shane O'Neill, Deputy Finance Director; Krista White-Swain, Municipal Judge; Rob Reed, IS Manager; David Linehan, City Attorney, and Brenda L. Martinez, City Clerk/HR

**WORK SESSION:**

**1) Discussion on Lease Agreement for City Office Space**

Mayor Benson discussed this item with Council. She discussed the potential savings the City would have by consolidating staff into one building and touched on the ADA concerns.

Below are the highlights of the discussion:

- Concerns with ADA issues
- Length of lease being 8 years and that being too long.
- Costs associated with tenant improvements
- Discussion of LOS for employees being 330 sq. ft. and we might outgrow the space before the lease is up.
- Discussion on the benefits for having employees under one roof
- What is the long-term plan for the City moving forward for office space? Is there a 5, 10, 15 year plan?
- The need for sustainable revenue to pay building lease costs.
- Is this building the right choice
- Condition of modular buildings
- Update on our current lease terms and how the extensions work moving forward for City Hall.
- Suggestion to have the City issue an RFP to see what other options are available.

- The need to balance population size with financial impact as we are a small city.
- Suggested to investigate different leasing options with the landlord such as a five-year lease rather than an eight-year lease.

In closing, it was noted there would need to be more discussion on this before the Council could move forward on a decision.

## **2) Review of 2021 Preliminary Budget of Revenues and Expenditures for the General Fund**

Ms. Miller stated that tonight's work session is only on the general fund portion of the budget and next week she will be presenting the Public Works side of the budget.

Ms. Miller noted she will be going through the revenues for the General Fund and that Directors are here to answer questions about their budgets. She shared with Council that when developing the budget, the goal is to match revenues to expenditures, so we live within our means, however this year expenditures are higher.

### Highlights/Topics of Discussion

- Review of general fund sources and expenditures which shows sources and how the money is used.
- 2021 proposed general fund expenditures and revenues. It was noted that the ending fund balance for the general fund is at a healthy amount as this is needed for cash flow at the beginning of the year. Finance Director Miller expressed how important it is to have cash in the bank to pay bills until the property tax money comes in.

### Revenues

- General Fund functions supported by types of revenue
- Top twenty General Fund revenue sources
- General Fund taxes (i.e. property tax, sales tax, utility taxes)
- Discussion on property tax and how the calculation works
- Review of sales tax and how it is distributed
- Intergovernmental revenue
- Community Development revenue
- Police Department revenue
- Municipal Court revenue
- Cable franchise and business license fees
- Other general fund revenue (i.e. Lake Sawyer parking fee, gym and cemetery revenue, passports, and investments)
- Funding Agreement revenue
- Beginning General Fund Balance
- Total General Fund sources of revenue

### Expenditures

Finance Director Miller reviewed the general fund expenditure comparisons by function. It was noted that the 2021 total general fund operating expenditure budget is \$7,749,648 with public safety using 50.7% of that amount.

The following General Fund department budgets were reviewed:

- Legislative (City Council)
- Executive (Mayor's Office)
- Administrative Services (Clerk, Finance, HR, Utility Billing, IT and Central Services)
- Legal
- Municipal Court
- Police Department
- Fire Department
- Community Development
- MDRT
- Parks Department
- Cemetery
- Facilities, Grounds Department and Special Programs
- Ending General Fund balance

During the review of department budgets there was discussion on the frozen positions in the Police and anticipated hiring, Community Development staff needs and back log, status update on roundabout on 169, update on the Skate Park repairs.

In closing, Ms. Miller reviewed the adopted budget process calendar and noted the next meeting on the budget will be October 29, 2020.

#### **ADJOURNMENT:**

Councilmember Oglesbee **moved** to adjourn the meeting; **second** Councilmember Wisnoski. Motion **passed** with all voting in favor (5-0).

The meeting ended at 8:18 p.m.

ATTEST:



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Carol Benson, Mayor



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Brenda L. Martinez, City Clerk