

SCA Board of Directors **AGENDA**

February 15, 2019 9:30 AM – 10 AM

595 Monster Rd SW, Renton, WA 98057

The SCA Board will hold a retreat at the same location immediately following the meeting

1) Call to Order – Mayor Leanne Guier, SCA President	1 minute
2) Public Comment – Vice President Guier	2 minutes
3) Consent Agenda – President Guier	2 minutes
a. Minutes of the January 16, 2019 Board of Directors Meeting	Attachment 1
b. 2018 Year End Financial Report	Attachment 2
c. January 2019 Financial Report	Attachment 3
<i>Recommended Action: Approval of consent agenda</i>	
4) President's Report – SCA President	5 minutes
5) Executive Director's Report - Deanna Dawson, Executive Director	5 minutes
6) Treasurer's Report – Councilmember Hank Margeson, Treasurer	5 minutes
a. February Finance Committee Minutes	Attachment 4
b. 2019 Reserves	Attachment 5
<i>Recommended Action: Approval of proposed 2019 reserve levels</i>	
c. Amendment to SCA Personnel Policies	Attachment 6
<i>Recommended Action: Approval of proposed amendments to SCA Personnel Policies</i>	
7) City Administrator's Report – Bob Larson	5 minutes
	Attachment 7
8) Upcoming Events	
a. SCA Public Issues Committee – Wednesday, March 13, 2019 – 7:00 – 9:00 PM (with workshop on <i>King Conservation District Program of Work</i> immediately preceding meeting at 6:00 PM) – Renton City Hall	
b. SCA Networking Dinner (with guest Attorney General Bob Ferguson, sponsor Inslee Best) – Wednesday, April 3, 2019 – 5:30 PM – 8:00 PM – Renton Pavilion Event Center	
c. SCA Regional Board & Committee Appointee Orientation – TO BE RESCHEDULED – SeaTac City Hall	
d. SCA Board of Directors Meeting – Wednesday, March 20, 2019 – 10:00 AM – noon – Tukwila City Hall	

9) For the good of the order

5 minutes

10) Adjourn



SOUND CITIES ASSOCIATION

38 Cities. A Million People. One Voice.

SCA Board of Directors

Draft Minutes

January 16, 2018 10:00 AM - Noon

Tukwila City Hall – Hazelnut Room
6200 Southcenter Blvd, Tukwila

1) Call to Order

Vice President Leanne Guier called the meeting to order at 10:11 AM. Present were member Leanne Guier, Bruce Bassett, Jeff Wagner, Bob Larson, Nancy Backus, Jim Ferrell, Davina Duerr and staff Deanna Dawson and Caitlin Magee. Dana Ralph arrived after the start of the meeting. Members absent were David Baker, Catherine Stanford, Hank Margeson, Ed Prince and Amy Ockerlander.

Guests Present were Algona Police Sergeant James Schrimpsher and Interim Pacific Chief of Police Mike Sanford.

2) Public Comment

Vice President Guier asked if any members of the public had comment. Hearing none this portion of the agenda was closed.

3) Consent Agenda

Bruce Bassett, Mercer Island, moved, seconded by Nancy Backus, Auburn, to approve the consent agenda consisting of Minutes of the December 19, 2018 meeting. There was no discussion. The motion passed unanimously.

Director Dawson presented handouts including a revised version of Board Resolution 2019-1 Board of Directors Schedule of Regular Meetings, December 2018 Financial Report, and January 9, 2019 Public Issues Committee draft meeting minutes. Dawson noted that there is not a handout for 2019 reserves as stated on the meeting agenda.

4) 2019 Board Meeting Schedule

Director Dawson presented [Board Resolution 2019-1](#) Board of Directors Schedule of Regular Meetings. Dawson noted that the board will not meet at the regular time in February as the meeting will be done in combination with the board retreat. Dawson noted that the SCA Board of Directors generally meets on the third Wednesday of each month at 10:00 AM, with the exception of the February meeting. Regular meetings are scheduled to take place at Tukwila City Hall in the Hazelnut Room.

Jeff Wagner, Covington, moved, seconded by Nancy Backus, Auburn, to approve Resolution 2019-1 Board of Directors Schedule of Regular Meetings. There was no discussion. The motion passed unanimously.

5) Conflict of Interest Policy

Director Dawson referenced the current SCA Conflict of Interest Policy and asked all present board members to return a signed copy. Copies of the [Conflict of Interest Policy](#) were handed out to each board member.

6) SCA Bylaws and Board Policies

Director Dawson referenced the current SCA Bylaws and Board Policies provided in the packet. She asked members to let her know if they would like hard copies of the documents.

Mayor Dana Ralph joined the meeting

7) Election of 2019 Board Officers

Director Dawson presented the Board Nominating Committee recommendations for 2019 SCA Board of Directors Officers. The Board Nominating Committee met on December 13, 2018 and made the following recommendations for Board Officer positions: Leanne Guier, President; Dana Ralph, Vice President; Hank Margeson, Treasurer; and Catherine Stanford, Member at Large of the Executive Committee.

Nancy Backus, Auburn, moved, seconded by Bruce Bassett, Mercer Island, to elect SCA Board Officers for 2019 as: Leanne Guier, President; Dana Ralph, Vice President; Hank Margeson, Treasurer; and Catherine Stanford, Member at Large of the Executive Committee. There was no discussion. The motion passed unanimously.

8) President's Report

President Leanne Guier said that she is looking forward to the retreat and is excited about the direction and vision of the organization moving forward. Guier said that she hopes that all board members will attend the retreat and the location will be determined soon.

9) Executive Director's Report

Director Dawson welcomed new board members Bothell Deputy Mayor Davina Duerr and Snoqualmie City Administrator Bob Larson and congratulated the new Board Officers.

Dawson noted that the first SCA Networking Event will be held on Wednesday, January 30, 2019 at the Renton Pavilion Event Center with guest speaker King County Executive Dow Constantine. Dawson talked about the RISE presentations that are featured at SCA Networking Events. The RISE presentations are intended to share exciting ideas that people are working on in their cities. Dawson asked that board members submit RISE nominations if they have projects that they are working on in their cities. The SCA Events Committee will review all submissions and make a selection for the January 30th Networking Event.

Dawson gave an update to the board on the Washington Paid Family and Medical Leave expense. Dawson reported that the Intuit QuickBooks system used by the bookkeeper does not yet allow a way to process the payroll with the option of having the employer pay the employee's portion of contributions. Even though the board approved having SCA pay the employee contribution those funds were taken from employees. Dawson is working with the bookkeeper to reimburse employees, and have the funds paid by SCA.

Dawson gave an update on SCA Partners and Sponsors. Dawson reviewed the tiers of membership reporting the Regional Associate Membership is \$500, Partner Membership is \$6,000, and being a Sponsor is \$2,500. The Seattle Building Trades is going to increase membership to Partner level in addition to being a Sponsor for the January 30th Networking Event. Cedar Grove is a new Regional Associate Member.

Dawson reported that she, Kent Mayor Dana Ralph, and Renton Mayor Denis Law recently met with King County Prosecuting Attorney Dan Satterberg to discuss filing and disposition standards. Cities are concerned that the Prosecutor's Office is not filing certain types of cases. SCA and cities will continue to work with the Prosecutor's Office to resolve these concerns.

Dawson reported that she met last Friday with the Multicultural Elected Leaders Organization (MELO) and board member Bothell Deputy Mayor Davina Duerr was also in attendance at the meeting. MELO is a self-founded group of leaders of color that are trying to lead with racial equity. Dawson will attend their next meeting and discuss further how SCA can work with MELO to support their efforts. Dawson reported that Tukwila Mayor Allan Ekberg recently attended the U.S. Conference of Mayors meeting on their [Mayors and Business Leaders Center for Inclusive and Compassionate Cities](#) and is going to learn more about how Mayors can sign-on for areas that they are interested in and share their initiatives for racial equity.

Dawson reported that after discussions with mayors in the south-end of the county, they are going to work on establishing monthly South End Mayors meetings beginning next month.

Dawson reminded the board the Administrative Services Manager Caitlin Magee is leaving employment with SCA. SCA is in the process of hiring for a new Administrative Services Manager.

10) 2019 SCA Committees

a. Appointment of 2019 Finance Committee

The next Finance Committee meeting is Monday, February 11, 2019. These meetings are held on the second Monday of each month from 1:00 PM – 3:00 PM at the SCA Office.

Jeff Wagner, Covington, moved, seconded by Dana Ralph, Kent, to appoint Hank Margeson, Redmond; Dana Ralph, Kent; Nancy Backus, Auburn; Bruce Bassett, Mercer Island; and Bob Larson, Snoqualmie, to the 2019 SCA Finance Committee. The motion passed unanimously.

b. Appointment of 2019 Events Committee

Director Dawson gave an overview of the SCA Events Committee. Dawson said that Kenmore Mayor David Baker and Covington Mayor Jeff Wagner currently serve as co-Chairs of the Events Committee and asked if any other board members would like to serve. Auburn Mayor Nancy Backus volunteered to serve on the Events Committee.

Dana Ralph, Kent, moved, seconded by Davina Duerr, Bothell, to appoint David Baker, Kenmore; Jeff Wagner, Covington; and Nancy Backus, Auburn, to the 2019 SCA Events Committee. There was no discussion. The motion passed unanimously.

c. Update re Legislative Committee

Director Dawson updated members on the SCA Legislative Committee, whose members include: President Leanne Guier, Vice President Dana Ralph, Lake Forest Park Deputy Mayor Catherine Stanford, Kenmore Mayor David Baker, and Duvall Mayor Amy Ockerlander.

11) Finance Update

Director Dawson gave a report on SCA financials and referenced the 2019 budget included in the packet and provided a handout of the December 2018 financial report. Dawson reported that the year will end with higher revenue than was budgeted for sponsorships and right on track for city dues and interest income. This report has not yet gone to the Finance Committee for review. Dawson reported that there are still some outstanding items that are being worked through with the bookkeeper. President Guier asked the board whether they wanted to proceed with approving this report or wait until the Finance Committee has reviewed and made a recommendation for approval. The board agreed to wait until the February meeting after the Finance Committee has reviewed the report and makes a recommendation. No action was taken.

Dawson reported that work is being done to complete the items needed to prepare 2019 reserve calculations. The Finance Committee requested two different reserve scenarios for 2019. The Finance Committee will review the two scenarios for 2019 reserves and make a recommendation that will be presented to the board at the February meeting.

12) PIC Chair's Report

Director Dawson gave a report on the January 9, 2019 Public Issues Committee meeting. The draft minutes of the January PIC meeting were distributed as a [handout](#).

Dawson reported that there was a vacancy for an alternate seat on the King Conservation District (KCD) Advisory Committee and a call for nominations was sent. There was one applicant for the vacant position, Woodinville Councilmember Susan Boundy-Sanders. The PIC Nominating Committee and PIC recommended that the Board appoint Woodinville Councilmember Susan Boundy-Sanders to the vacant seat on the KCD Advisory Committee. The board discussed how different cities submit applications for SCA appointments.

Jeff Wagner, Covington, moved, seconded by Bruce Bassett, Mercer Island, to appoint Councilmember Susan Boundy-Sanders, Woodinville, to the alternate seat on the King Conservation District Advisory Committee. There was no further discussion. The motion passed unanimously.

Dawson updated members on regional discussions on homelessness, and governance, and the plans for Seattle and King County to jointly form a new entity. Dawson updated members on work to inform investments moving forward, including work to gather information on current investments. As discussed at PIC, the All Home board is considering adopting a [“theory of change”](#) around homelessness. The board discussed this “theory of change,” and gave feedback to Mayor Backus to share with All Home. The board felt the statement was confusing and suggested that it be amended prior to adoption.

Dawson reported on regional discussions on transportation funding, including discussions at the Regional Transit Committee (RTC). Dawson stated that Rob Gannon, General Manager for Metro Transit, will be a speaker at the upcoming SCA Appointee Orientation. Dawson noted that SCA should weigh in on whether to pursue a regional solution to fund Metro Connects. The Board also discussed I-976 and whether SCA should take a position on it. Mayor Jim Ferrell, Federal Way, opined that SCA should take a position on the initiative as it could be detrimental to the region and our one voice needs to stand up for our one million people. Mayor Nancy Backus, Auburn, said that this topic is worth taking to PIC to discuss. Board members discussed how the Initiative would negatively impact cities including Sound Transit plans and Transportation Benefit Districts. SCA staff will work on gathering information on this topic to discuss at PIC,

including the ramifications along with a legislative update. Bassett noted this may be controversial, and the SCA policy on “divisive” issues would need to be discussed.

Mayor Jim Ferrell left the meeting at 11:40 AM.

Dawson reported on discussions regarding the upcoming King County Parks levy. She reminded members that SCA was working with councilmembers to have a committee of County Councilmembers and SCA members to discuss. SCA Board members Backus, Ralph, Margeson, Stanford, and Ockerlander had volunteered to serve.

Dawson reported on discussions regarding the Charter Review Commission. SCA will likely put together a staff group as well as individuals who have served on regional committees to give feedback on how regional committees can be reviewed. Dawson noted that two SCA members currently serve on the Charter Review Commission, including Kirkland Councilmember Toby Nixon and Maple Valley Mayor Sean Kelly.

13) Staff Committee Appointments

Director Dawson reported that a call for nominations was sent for staff committees with vacancies. There were no applications submitted for the South Central Area Action Caucus Group (SCAACG). Dawson noted that SCA Policy Director Brian Parry will continue working on defining what the role and purpose of the SCAACG is and seeing if members are willing to serve. Dawson said that one application was submitted for the vacant seat on the Puget Sound Regional Council (PSRC) Bicycle and Pedestrian Advisory Committee (BPAC).

Nancy Backus, Auburn, moved, seconded by Dana Ralph, Kent, to appoint Tobin Bennett-Gold, Kenmore Traffic Engineer, to the Puget Sound Regional Council Bicycle and Pedestrian Advisory Committee. The motion passed unanimously.

14) 2019 SCA Legislative Agenda

President Guier stated that the board has not yet formally adopted the 2019 SCA Legislative Agenda.

Nancy Backus, Auburn, moved, seconded by Dana Ralph, Kent to adopt the 2019 SCA Legislative Agenda. There was no further discussion. The motion passed unanimously.

15) City Manager Report

Bob Larson, Snoqualmie City Manager, reported on the January 9, 2019 City Managers & Administrators meeting. Larson noted that the [agenda](#) was included in the packet and primarily consisted of updates provided by SCA. Larson noted that the Legislative Update that was presented by the Association of Washington Cities (AWC) covered the same topics that were discussed at the SCA PIC meeting.

16) Discussion Items

a. Affordable Housing

Dawson reported that former Governor Chris Gregoire and Challenge Seattle would be making an announcement the next day about a new effort to address the need for more middle-income housing.

Dawson provided an update on the Regional Affordable Housing Task Force. The Regional Affordable Housing Task Force action plan called for the creation of a committee of the Growth Management

Planning Council (GMPC). The Interjurisdictional Team (IJT) gives recommendations to the GMPC and they will be putting together a draft plan to propose to the GMPC for appointments to the Affordable Housing Committee. The initial proposed makeup of this committee includes four SCA elected officials, two City of Seattle elected officials, and two King County Councilmembers. SCA Policy Director Brian Parry will continue to participate in discussions on this matter.

b. 2019 SCA Retreat

The board discussed possible locations, timing, and topics for the SCA retreat. Dawson stated that Andrew Ballard of Marketing Solutions will be the facilitator as an in kind donation to SCA.

c. 2019 Events

i) January Networking Event

Director Dawson reported that she will be meeting with King County Executive Dow Constantine next week to discuss the January 30, 2019 SCA Networking Event. The Board suggested that Dow's speech be focused on local issues of importance to SCA cities.

ii) Appointee Orientation

Director Dawson noted that the SCA Regional Board and Committee Appointee Orientation will be held on Wednesday, February 6, 2019 from 6:00 PM – 8:00 PM at SeaTac City Hall. Speakers will include Rob Gannon from King County Metro, Leo Flor from King County Department of Human Services, King County Council Chair Rod Demobowski, and Puget Sound Regional Council (PSRC) Executive Director Josh Brown, as well as SCA Board members.

iii) 2019 Networking Speakers

The board discussed potential speakers for 2019 Networking Events including Brian McGowan from Greater Seattle Partners, Lieutenant Governor Cyrus Habib, Congresswoman Kim Schrier, and Attorney General Bob Ferguson. Dawson asked board members to submit names of any other suggestions for event speakers. Mayor Nancy Backus, Auburn, suggested Marty Hartman from Mary's Place as a potential speaker on homelessness.

d. Meetings with County Councilmembers

The board discussed the value of having meetings with County Councilmembers, and discussed an upcoming meeting with Councilmember Balducci.

e. Potential Upcoming SCA Issues

Director Dawson referenced [Attachment 9](#) in the meeting packet that lists Potential Upcoming SCA Issues.

17) Upcoming Events

President Guier referred to the earlier discussion.

18) For the good of the order

President Guier asked if anyone had anything for the good of the order. There was none.

19) Adjourn

President Guier asked for a motion to adjourn the meeting.

Jeff Wagner, Covington, moved, seconded by Nancy Backus, Auburn to adjourn the meeting. The motion passed unanimously.

The meeting adjourned at 12:10 PM.

**Sound Cities Association
Board Resolution 2019-1
Board of Directors Schedule of Regular Meetings**

WHEREAS, pursuant to Section 4.1 of the Bylaws of Sound Cities Association, the Board of Directors shall have general control and supervision over the corporation and shall be empowered to determine all questions of policy that may arise in all intervals between annual membership meetings; and

WHEREAS, Section 4.6 of the Bylaws of Sound Cities Association provide that, by resolution, the Board of Directors may specify the date, time and place for the holding of regular meetings; and

NOW THEREFORE:

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SOUND CITIES ASSOCIATION AS FOLLOWS:

SECTION 1. REGULAR MEETINGS.

Regular meetings of the Board of Directors are hereby scheduled for the 3rd Wednesday of each month beginning at 10:00 a.m., with the exception of the February meeting as noted below.

The schedule for 2019 Board of Directors regular meetings is as follows:

- January 16, 2019
- February 15, 2019
- March 20, 2019
- April 17, 2019
- May 15, 2018
- June 19, 2019
- July 17, 2019
- August 21, 2019
- September 18, 2019
- October 16, 2019
- November 20, 2019
- December 18, 2019

The Board shall hold its February meeting in conjunction with a Board Retreat on February 15, 2019. The time and location of that meeting shall be noticed on the Sound Cities Association website, www.soundcities.org, not less than 48 hours in advance of the meeting.

Additional meetings, or meeting cancellations, shall be noticed on the Sound Cities Association website, www.soundcities.org.

**Sound Cities Association
Board Resolution 2019-1
Board of Directors Schedule of Regular Meetings**

SECTION 2. LOCATION.

SCA Board meetings are generally held at Tukwila City Hall, 6200 Southcenter Blvd, Tukwila, WA 98188, in the Hazelnut Conference Room.

The January 16, 2019 meeting shall be held at 6300 Southcenter Boulevard, Tukwila, WA 98188 in the Duwamish Conference Room.

The February 15, 2019 meeting location shall be posted on the SCA website www.soundcities.org not less than 24 hours in advance of the meeting.

The location of each Board meeting will be posted on the Sound Cities Association website, www.soundcities.org, and will be set not less than 24 hours in advance of the meeting.

SECTION 3. EFFECTIVE DATE.

This Resolution shall be in full force and effect from and after its adoption and approval.

PASSED BY THE BOARD OF DIRECTORS OF THE SOUND CITIES ASSOCIATION ON JANUARY 16, 2019.

Leanne Guier, SCA President

Date

Attest:

Deanna Dawson, SCA Executive Director

Date



Sound Cities Association Conflict of Interest Policy

Whenever a director or officer has a financial or personal interest in any matter coming before the board of directors, the affected person shall:

- a) Fully disclose the nature of the interest and
- b) Withdraw from discussion, lobbying, and voting on the matter. Any transaction or vote involving a potential conflict of interest shall be approved only when a majority of disinterested directors determine that it is in the best interest of Suburban Cities Association to do so. The minutes of meetings at which such votes are taken shall record such disclosure, abstention and rationale for approval.

In the course of meetings or activities, I will disclose any interests in a transaction or decision where I will receive a benefit or gain. After disclosure, I understand that I may be asked to leave the room for the discussion and will not be permitted to vote on the question.

This written disclosure will be kept on file and I will update it as appropriate. I understand that the purposes of this policy are to protect the integrity of SCA's decision-making process, to enable our constituencies to have confidence in our integrity, and to protect the integrity and reputations of volunteers, staff and board members.

I understand that this policy is not meant to take the place of good judgment, and I will respect its spirit as well as its wording.

Signed: _____

Date: _____

Adopted December 12, 2006



SCA Public Issues Committee

DRAFT MINUTES

January 9, 2019 – 7:00 PM

Renton City Hall

1055 S Grady Way, Renton WA 98057

1. Welcome and Roll Call

PIC Chair Council President Ed Prince, Renton, called the meeting to order at 7:00 PM. 32 cities had representation ([Attachment A](#)). Guests present included Alison Bennett, City of Bellevue staff; Doug Levy, City of Renton consultant; Christie True, King County staff; Jenny Huston, King County Executive Office staff; Erika Harris, Puget Sound Regional Council staff; John Sheller, King County Library Systems staff; Alex Herzog, City of Woodinville staff; Kellye Mazzoli, City of Woodinville staff; Brittani Manzo, Future Laboratories staff.

2. Public Comment

Chair Prince asked if any member of the public would like to provide public comment. Seeing none, Chair Prince closed the public comment portion of the meeting.

3. Approval of the December 12, 2018 PIC Minutes

Chair Prince asked if there were any amendments to the December 12, 2018 PIC minutes.

Mayor Nancy Backus, Auburn, moved, seconded by Councilmember Kate Kruller, Tukwila, to approve the December 12, 2018 minutes. The motion passed unanimously.

4. Chair's Report

Chair Prince reported that a goal for PIC for 2019 should be to continue to work together civilly and remember to have fun. He noted the importance of having a quorum for meetings and encouraged members ask questions and engage in meeting discussions.

5. Executive Director's Report

SCA Executive Director Deanna Dawson reported that the King County Comprehensive Solid Waste Management Plan is expected to be adopted before the next PIC meeting in March and encouraged members to provide any feedback on the plan to SCA Policy Analyst Cynthia Foley so that it may be shared with members of the Regional Policy Committee.

Dawson said that the legislative agenda as recommended to the SCA board by PIC would be considered for adoption at the January 16 board meeting.

Dawson noted the Did You Know item included with the PIC agenda highlighting SCA board members for 2019 and the caucuses they represent. She encouraged members to communicate with their representatives on the SCA board about important regional issues.

Dawson said the next SCA networking dinner will take place on January 30 at the Renton Pavilion Event Center. The keynote speaker will be King County Executive Dow Constantine.

SCA will also be hosting a regional board and committee member orientation on February 6 from 6:00 to 8:00 PM at SeaTac City Hall. All SCA appointees to regional boards and committees, including returning members, are expected to attend the orientation.

Dawson noted that the Federal Communications Commission recently issued a ruling affecting city regulatory authority with regard to small cell wireless facilities and recommended members review a recent [MRSC blog post](#) on the topic for more information.

6. 2019 PIC meeting schedule

SCA Executive Director Deanna Dawson reported on proposed PIC meeting dates for 2019 as provided in [Resolution 2019-1](#) in the January PIC packet. The PIC typically meets on the second Wednesday of each month at 7:00 PM at Renton City Hall. SCA also typically holds a pre-PIC workshop in advance of those meetings. There will not be an SCA Public Issues Committee Meeting on Wednesday, February 13, 2019 due to a conflict with the Association of Washington Cities' City Action Days. If necessary, an emergency PIC meeting may be held on February 6, 2019 at SeaTac City Hall (prior to the SCA regional board and committee appointees orientation).

Councilmember Kate Kruller, Tukwila, noted that some members may also have a conflict for the March PIC meeting due to a National League of Cities conference scheduled that week.

Mayor Nancy Backus, Auburn, moved, seconded by Councilmember Kate Kruller, Tukwila, to approve [Resolution 2019-1](#). The motion passed unanimously.

7. King Conservation District Appointment

Councilmember Ross Loudenback, North Bend, reported that the PIC Nominating Committee met in advance of the PIC meeting to consider nominations to fill a vacancy on the King Conservation District Advisory Committee (KCDAC). A call for nominations was distributed by SCA staff and one application was received: from Councilmember Susan Boundy-Sanders, Woodinville. The PIC Nominating Committee recommends the appointment of Councilmember Susan Boundy-Sanders, Woodinville, to the KCDAC. **Councilmember Ross Loudenback, North Bend, moved, seconded by Councilmember Chris Roberts, Shoreline, to recommend the SCA board of directors appoint Councilmember Susan Boundy-Sanders, Woodinville, to the King Conservation District Advisory Committee. The motion passed unanimously.**

8. 2019 State Legislative Session

SCA Executive Director Deanna Dawson reported that SCA contracted with a consultant, Briahna Murray, Vice President of Gordon Thomas Honeywell Government Affairs, to provide monthly updates to PIC members on key legislative priorities in 2019. Murray will provide information to PIC, but is not lobbying on behalf of SCA.

Murray reported that the 2019 Washington State Legislative Session begins January 14 for a 105-day regular session. She said she would report on legislation being considered relating to the three priority issue areas identified in the 2019 SCA PIC recommended legislative agenda: addressing the affordable housing crisis; investing in transportation infrastructure and mobility; and, providing tools for cities to address other critical local priorities.

Murray said she anticipates the Legislature will consider dozens of proposals to address affordable housing. These proposals will likely fall into three categories: 1) increasing funding to construct affordable housing; 2) financial incentives for the private market to construct more affordable housing; and, 3) changes to land use/growth management to affect the housing market.

Murry said the 2019-2021 transportation budget is anticipated to have limited revenue available for new projects. However, Chair of the Senate Transportation Committee, Sen. Steve Hobbs (D-Lake Stevens) has indicated that he intends to introduce a gas and carbon tax proposal to make a new round of transportation investments. Early in the legislative session, he will hold a hearing on a draft bill and make further amendments to the bill draft prior to formally introducing it. Murray also noted that an initiative to the legislature that would limit car tabs to \$30 and restructure how vehicles are valued for taxing purposes filed enough signatures that the legislature will need to act to either adopt the proposal, allow the proposal to go to voters, or send a competing proposal to voters along with the original.

Councilmember Chris Roberts, Shoreline, said SCA should consider taking a position in opposition to the car tab initiative. He said the proposal would have an impact on cities across King County, and in particular those who have adopted Transportation Benefit Districts funded by car tabs. He said the focus of transportation proposals in Olympia should be to maintain existing infrastructure and expanding transit.

Mayor Nancy Backus, Auburn, noted there has been some discussion of a statewide impact fee on new development to fund transportation and asked if Murray expected such a proposal to receive serious consideration. Murray noted that some stakeholders have expressed concerns about the impacts of such a proposal and that more input is expected in hearings when the legislative session begins.

Dawson noted that some of the funding sources under consideration for transportation are also being looked at to fund culvert replacement. Murray said funding for culvert replacement will be a significant issue during the 2019 legislative session. She said the Association of Washington Cities is asking for culvert replacement to be funded on a watershed basis so that projects are leveraged to open the most habitat.

Murray said the 2019 legislature will likely consider several proposals to provide additional funding tools to cities and fund state-shared revenues. She said bills are likely to be introduced that would revise the 1% cap on increases to local property taxes, but that it was unclear if any would be seriously considered. She said bills are expected to be considered that would increase flexibility for spending of Real Estate Excise Tax (REET) funds and extend mitigation to cities to address impacts of the state adoption of destination-based local sales tax (streamlined sales tax). Murray noted that the Governor's proposed budget includes full funding for the Basic Law Enforcement Academy and MRSC. In response to a question from Councilmember Toby Nixon, Kirkland, Murray said she believed that funding for the Corrections Academy was also included in the Governor's proposed budget.

9. Homelessness Response System Recommendations

SCA Senior Policy Analyst Christa Valles presented a [PowerPoint](#) on work occurring around regional homeless response. Valles reviewed the findings of a King County Auditor report, which observed that system fragmentation reduces the efficacy of current investments. Following the King County Auditor's report, Seattle Mayor Jenny Durkan and King County Executive Dow Constantine signed an MOU in May 2018 calling for developing governance recommendations. To that end, Seattle, King County, All Home, and certain philanthropic and business partners retained several consultants to assist with the work identified in the MOU.

Consultant Future Laboratories provided recommendations via a multi-media [website](#) on governance in December 2019. Infused throughout Future Laboratories recommendations is the need to take a customer-centric approach to design and deliver programs. This means giving voice to people with lived experience and allowing them to have an active role in shaping programs and policies. It is believed this will lead to better designed policies and programs that will increase the "take-up rate" and efficacy of such programs because they will be informed by people with lived experience and thus, be responsive to their needs.

Future Laboratories recommends consolidating Seattle and King County homelessness services staff, functions, and funding. The recommendations also include reference to the need for sub-regional plans to account for local differences in the region. King County Executive Dow Constantine and Seattle Mayor Jenny Durkan have embraced the recommendations and their respective staff are working together to implement them in 2019.

As part of the process for developing recommendations, SCA staff were invited to participate in on-going weekly meetings with Seattle and King County staff while an Executive Leadership Group (ELG) has met three times since October 2018 to receive progress reports and provide feedback. The ELG is comprised of the Seattle Mayor, King County Executive, SCA representatives (Bellevue Mayor John Chelminiak, Auburn Mayor Nancy Backus, and Renton City Council President Ed Prince), and representatives from business, philanthropy, and people with lived experience.

SCA ELG representatives have indicated SCA needs more detail before members can consider endorsing the recommendations. They have also communicated that SCA wants equal representation with Seattle and King County on any governance board created to oversee the newly consolidated agency on homelessness.

Valles said work in 2019 will focus on implementation. Many policy and operational issues remain outstanding, including board representation, staff and labor issues, and what funding streams will be appropriated. Consultant work will be on-going, including an assessment of regional investments and the creation of a regional action plan. The All Home Coordinating Board also needs to decide how its role and function will fit within the new structure. The ELG will continue to meet periodically for updates on a schedule yet to be determined.

Mayor Nancy Backus, Auburn, thanked Valles for the work she put into the memo, noting that it synthesized a lot of complex information. Backus noted consultant work is still going on and

that the three SCA members on the ELG have some concerns about the specific details related to governance for a consolidated entity. Backus also said the region needs to deal with the crisis.

Mayor John Chelminiak, Bellevue, said there remains a need to maintain local control over how homeless issues are addressed.

Councilmember Bill Boyce, Kent, asked how the region ensures the funding in the system now is being spent effectively and if there was there a “target” for funding that is needed. Valles said there was no target and one goal of consolidation was to ensure that current funding going into the system was being spent well. The current system lacks coordination and needs to be more nimble and responsive.

Council President Angela Birney, Redmond, said the Seattle Times graphic provided in the PIC packet did not include what other cities in the region were spending on homelessness. She also said she appreciated some of the recommendations that had been made, but it wasn’t clear whether it reflected things that other cities in the region are doing. She noted there is money being spent wisely in some places. She asked if anyone was looking at what SCA cities are spending. SCA Executive Director Deanna Dawson responded that one set of consultants is currently looking at funding by other cities in the region, along with Seattle and King County, and a request was sent out to all city managers the morning of January 9.

Mayor Nancy Backus, Auburn, noted that people are not going to agree there needs to be additional funding until we know the current money is being well spent. SCA ELG representatives have communicated repeatedly the need for cities and subareas of the county to be represented in the governance structure.

SCA Executive Director Deanna Dawson said that at an All Home meeting that afternoon, a discussion item was added to consider a new Theory of Change for the region’s homelessness response system. The proposed Theory of Change provided at the January 9 All Home meeting was: *“If we create a homelessness response system that centers customer voice, then we will be able to focus on responding to needs and eliminating inequities, in order to end homelessness for all.”*

Mayor Nancy Backus, Auburn, said that the proposed Theory of Change was strictly being considered in front of All Home at this time. She explained that All Home is the region’s continuum of care (CoC) responsible for HUD funding, which is about \$35 million annually. Backus said the Theory of Change seems benign as an overarching concept, and that she was hoping to get comments about whether PIC members think it is an acceptable statement. Backus said we need a shared theory of change, but it should be something that works for everyone.

Mayor John Chelminiak, Bellevue, said it was unclear to him where the proposed Theory of Change originated, but his understanding was it came from the Future Laboratories based on discussions primarily with providers and people experiencing homelessness. Valles said she thought it was also based on hundreds of interviews that Future Labs conducted. Brittani

Manzo from Future Laboratories was in attendance at the PIC meeting and said it was “all of the above” and a staff working group developed the first draft, which was then shared with providers and people with lived experience and revised.

Mayor Chelminiak said the statement read as being relatively benign, but that the wording was not clear and may mean different things to different people. He said he agrees with the emphasis on making homelessness “rare, brief, and one-time” and focusing on clients, but the message and where it will lead is not clear in the proposed Theory of Change.

Councilmember Chris Roberts, Shoreline, said he agreed with the goal of making homelessness rare, brief, and one time. He noted that Durkan has said the proposed consolidation of governance does not address the root causes of homelessness and asked for clarification about what it will address.

Councilmember Janice Zahn, Bellevue, said she reads the Theory of Change to say that we will be centering the homelessness response system on the people the region is trying to serve. She said centering the Theory of Change on the voices of people experiencing homelessness resonates with her.

Chair Prince said the phrasing is too nebulous. He noted that there are many different reasons why people become homeless, and the factors are complex.

Mayor Chelminiak said we can’t expect providers to solve every aspect of homelessness and that they are focused on dealing with people in crisis. He said it was the responsibility of regional leaders to work on the continuum of issues exacerbating the homelessness crisis.

Councilmember Traci Buxton, Des Moines, asked whether SCA’s input on the Theory of Change is going to have any impact on its wording moving forward. Dawson said that the All Home Coordinating Board will meet again in February and PIC input would be shared with members.

Mayor Christie Malchow, Sammamish, asked how governance and addressing the root causes of homelessness were related. Dawson said it is expected the root causes of homelessness would be addressed by the new entity, and that the governance discussion was about the make-up of that decision-making structure.

Councilmember Toby Nixon, Kirkland, said the phrasing “centers customer voice” was confusing, but that he agreed with the idea of customizing services and response based on the needs of the individual. He said there are many approaches, and to succeed we must meet the unique needs of individuals. Valles said all the ideas on the Future Laboratories’ website assume customized approaches prioritizing the customer needs. Dawson said if people have more feedback, they were encouraged to share it with SCA staff prior to the January 16 board meeting, where the issue will be discussed.

10. Regional Transit and Road Maintenance

SCA Policy Analyst Cynthia Foley reported that during the recent King County budget process, the Council passed a motion directing the Executive to address regional transit and transportation infrastructure needs, including convening regional leaders to develop a transportation funding plan. Specifically, the motion calls for developing a strategy to implement Metro Connects and fund maintenance on county roads.

Foley noted that Metro's long-range transit plan, Metro Connects, estimated that \$7.8 billion in new capital investment would be needed by 2040, as well as funding for over 1.2 million new service hours. There was no identified funding source for these capital projects or service hours. She added that the Bridges and Roads Task Force and the [Regional Transportation System Initiative](#) identified billions dollars of unmet maintenance and capacity needs in the regional roads system through 2040.

Foley reported that the region last pursued a countywide transportation funding proposal in 2014, that would have increased investment in transit. She noted that SCA was actively engaged in negotiating that package. Ultimately, the proposed Transportation Benefit District was rejected by voters. In response to the measure failing, Seattle leaders proposed a transit funding package of their own. In November 2014, the Seattle-only Transportation Benefit District was approved, which has given Seattle leverage to increase transit in the City while much of the planned service outside of Seattle remains unfunded.

Foley stated that Seattle's Transportation Benefit District expires in 2020, which may open the door to working on a regional package. She said, the motion that passed during the 2019-2020 budget process, asked the County Executive to work with three members of the County Council, SCA, and other community groups, to develop a process for discussing regional transportation funding.

Foley reported that the Regional Transit Committee (RTC) will be briefed on the motion at its meeting on January 16, 2019 and the first report on the status of this effort is to be delivered to the King County Council by May 31, 2019.

SCA Executive Director Dawson noted concerns about tax fatigue among voters and the challenge of funding local priorities. She asked members to provide feedback on the extent to which they would like SCA to be involved in the funding discussion initiated by King County.

Council President Angela Birney, Redmond, said that any new proposal would need to be developed through a robust public engagement process to have any chance of succeeding. She said there are many new and innovative approaches to transit being pursued in the region that voters may be more willing to support.

Council President Tola Marts, Issaquah, said that he is concerned about existing transportation needs in the City of Issaquah and how any countywide effort could impact efforts to work with the community to fund those projects.

Mayor Christie Malchow, Sammamish, said Sammamish similarly has significant transportation needs and that residents are already concerned about the level of service they receive.

Councilmember Kate Kruller, Tukwila, asked if approving a countywide Transportation Benefit District (TBD) would preclude cities within the county from also having a TBD or limit the funding they could collect under state law. SCA staff said they would research the issue.

Councilmember Ross Loudenback, North Bend, noted that the costs to implement Metro Connects had varied, and asked about staff's confidence in the numbers.

Foley said that Motion 15252 requests updated cost estimates from the King County Executive.

11. King County Parks Levy Renewal

SCA Policy Director Brian Parry reported on the King County Parks Levy renewal. He said the King County Parks Levy funds operations and maintenance of King County's more than 200 parks, regional trails, and open spaces, as well as providing support for the Woodland Park Zoo and city park projects. The Levy was approved by voters in 2013 and will expire at the end of 2019 unless renewed. The King County Executive is developing a proposal to renew the Parks Levy and is expected to transmit his recommendation to the County Council in February with the goal of placing a measure on the ballot in August 2019. The County Council would need to approve the final ballot proposal in May for a measure to be placed before voters in August.

Parry said the Parks Levy was originally approved at a rate of 18.77-cents per \$1,000 of assessed value and has declined to about 13-cents per \$1,000 due to increasing property values. King County staff have provided a presentation to cities and stakeholders indicating the County Executive is considering a "status quo" levy with additional "enhancement options" that would amount to a total proposed levy rate of 18.05 cents per \$1,000. The enhancement options would provide funding for the Seattle Aquarium, and increase funding from the levy for regional trails, park infrastructure, and land conservation. Under this proposal, approximately \$6 million per year would be distributed directly to cities in King County for local park projects.

Parry said SCA staff have met with King County staff and members of the King County Council to begin discussing the proposed levy renewal and ensuring city priorities are reflected in the ballot measure. He encouraged PIC members to provide feedback on the proposed levy and city priorities to inform these ongoing discussions.

Councilmember Chris Roberts, Shoreline, said funding should be flexible so that it can be used for more to improve parks and not just land acquisition.

Councilmember Toby Nixon, Kirkland, said the Kirkland City Council recently discussed the parks levy renewal and drafted a letter to be sent to King County. He said the council was very cognizant of tax burden and also would like to see the amount of funding in the levy distributed to cities doubled and support the proposed funding for regional trails and community partnerships. He said he would be interested in seeing SCA take a position on the levy if consensus could be reached.

Councilmember Benson Wong, Mercer Island, asked for clarification about where cities could see additional funding from the levy to support local parks. Parry said that any additional funding for cities as currently proposed was likely to come from a portion of the "enhancement options" under consideration by the county or as part of an increase to the overall levy.

12. King County Charter Review Commission

SCA Policy Director Brian Parry reported on the King County Charter Review Commission. King County reconstituted a Charter Review Commission in July of 2018. Initial solicitation of input from the general public, community organizations, and governmental organizations including SCA cities is ongoing. The Commission has begun compiling an initial set of proposals to amend the King County Charter, which can be found in the [December 19, 2018 Commission meeting materials](#). The Commission is expected to narrow their list of potential recommendations over the next two months before seeking feedback on those proposals in March of 2019. The County Council has final authority to determine which amendment proposals, if any, are sent to the voters.

Parry noted that PIC members Mayor Sean Kelly, Maple Valley, and Councilmember Toby Nixon, Kirkland, are members of the Commission (though not appointed by SCA).

In addition to guiding the roles and responsibilities of the branches of King County government and decision-making processes, the King County Charter also affects cities by guiding how regional policy decisions are made. This includes the roles and responsibilities of the charter-established King County regional committees upon which SCA members serve (Regional Policy Committee, Regional Water Quality Committee, and Regional Transit Committee).

Parry said initial proposals under consideration include amendments that could:

- Affect how the King County budget is approved and managed;
- Expand or contract the role of charter regional committees, including the role of regional committees in developing countywide levies;
- Change the membership of charter regional committees; and,
- Change how elections are conducted, including timelines and signature requirements for initiatives and referenda as well as the number of, and procedures for, electing members of the King County Council.

Parry said the Commission is continuing to develop the range of potential amendments it may recommend to the County Council. The Commission is expected to narrow their list of potential recommendations over the next two months before seeking feedback on those proposals in March of 2019.

Parry said SCA staff is considering bringing together staff from SCA cities to discuss potential charter amendments and would be looking for feedback from elected officials, in particular those who have experience serving on charter regional committees.

Councilmember Toby Nixon, Kirkland, said the Commission expects February to be the end of the first phase of the process to identify potential charter amendments. He said the Commission would be looking for additional input in March and April before finalizing any recommendations for the County Council.

Mayor Sean Kelly, Maple Valley, said the charter review process provides a great opportunity to improve procedures in King County.

SCA Executive Director Deanna Dawson noted that SCA members have experience as members of the regional committees established in the charter, and that this experience gives members insight that could lead to improvements to how regional policies are developed.

Councilmember Tom Stowe, Beaux Arts Village, asked where to provide input. Councilmember Toby Nixon, Kirkland, said that each city should have received a packet of information from the Commission and that there is also a tool on the [Commission website](#) to provide feedback. Dawson noted that cities could also provide feedback to SCA staff to share.

Council President Angela Birney, Redmond, said the members of the Regional Policy Committee are developing their workplan for 2019 and that they could consider adding a discussion of the charter review process and potential amendments. She agreed that SCA could provide valuable input to improve how the charter regional committees operate.

13. Future Levies and Ballot Measures in King County

SCA Policy Director Brian Parry reported on upcoming levies and ballot measures in King County. He noted a new addition from December: that the King County Library System is considering proposing to voters a levy lid lift in 2020.

Chair Prince said that the Renton School District will have a levy on the ballot in February.

Councilmember Toby Nixon, Kirkland, said that there has been discussion of a bond measure proposal from Evergreen Hospital for April 2019 and that he would provide SCA staff with more information to share in future updates.

14. Potential Upcoming SCA Issues

SCA Policy Director Brian Parry said that the list of potential issues for PIC in 2019 provided in the PIC packet was based on PIC discussion in December. He said the list was not prioritized, and the SCA board would be reviewing the list further to prioritize where SCA should focus its energy in the coming year.

15. Upcoming Events

Chair Prince said there will be an SCA Networking Dinner on Wednesday, January 30, 2019, at 5:30 PM at the Renton Pavilion and Event Center.

Chair Prince said there will be an SCA regional board and committee appointees orientation on Wednesday, February 6, 2019, at 6:00 PM at SeaTac City Hall.

Mayor Sean Kelly, Maple Valley, noted that it is National Law Enforcement Appreciation Day and asked that the minutes reflect the respect PIC members have for the law enforcement professionals serving their communities.

Councilmember Janice Zahn, Bellevue, said the City of Bellevue recently developed new regulations affecting small cell technology deployment. She said she would be happy to share

the city's research and new policies with PIC members and that they should contact her if they were interested in more information.

SCA Executive Director Deanna Dawson said that she would be participating in a meeting Friday, January 11, hosted by MELO to discuss how SCA can lead on racial equity and inclusion.

Adjourn

The meeting was adjourned at 8:54 PM.

Public Issues Committee Meeting
January 9, 2019

City	Representative	Alternate
Algona	Dave Hill	Bill Thomas
Auburn	Nancy Backus	John Holman
Beaux Arts Village	Tom Stowe	Aletha Howes
Bellevue	John Stokes	Janice Zahn
Black Diamond	Janie Edelman	Tamie Deady
Bothell	James McNeal	Davina Duerr
Burien	Austin Bell	Nancy Tosta
Carnation	Dustin Green	Kim Lisk
Clyde Hill	Barre Seibert	George Martin
Covington	Fran Hollums	Joseph Cimaomo, Jr.
Des Moines	Traci Buxton	Matt Mahoney
Duvall	Michelle Hogg	Jennifer Knaplund
Enumclaw	Anthony Wright	Mike Sando
Federal Way	Lydia Assefa-Dawson	Martin Moore
Hunts Point	Joseph Sabey	
Issaquah	Tola Marts	Chris Reh
Kenmore	David Baker	Nigel Herbig
Kent	Bill Boyce	Toni Troutner
Kirkland	Toby Nixon	Jay Arnold
Lake Forest Park	Catherine Stanford	Tom French
Maple Valley	Sean Kelly	Linda Johnson
Medina	Sheree Wen	Alex Morcos
Mercer Island	Benson Wong	Tom Acker
Milton	Shanna Styron Sherrell	Mary Tompkins
Newcastle	Allen Dauterman	Carol Simpson
Normandy Park	Sue-Ann Hohimer	Jonathan Chicquette
North Bend	Ross Loudenback	Ken Hearing
Pacific	Leanne Guier	David Storaasli
Redmond	Hank Margeson	Angela Birney
Renton	Ed Prince	Armondo Pavone
Sammamish	Christie Malchow	Karen Moran
SeaTac	Erin Sitterley	Pam Fernald
Shoreline	Chris Roberts	Keith Scully
Skykomish	Henry Sladek	
Snoqualmie	Katherine Ross	Matt Larson
Tukwila	Kate Kruller	Zac Idan
Woodinville	James Evans	Elaine Cook
Yarrow Point	Dicker Cahill	
SCA	Deanna Dawson Brian Parry	Christa Valles Cynthia Foley

Voting members are highlighted. Cities represented are **bolded**.

The final theory of change that emerged from the group was:

"If we create a homelessness response system that centers customer voice, then we will be able to focus on responding to needs and eliminating inequities, in order to end homelessness for all."

**CITY MANAGERS AND ADMINISTRATORS
JANUARY
MEETING AGENDA**

WEDNESDAY, JANUARY 9, 2019

9:30 TO 11:30 AM

**RENTON CITY COUNCIL CHAMBERS
1055 S GRADY WAY, RENTON, WA 98057**

- 9:30 AM A. WELCOME & INTRODUCTIONS**
DEREK MATHESON, CHIEF ADMINISTRATIVE OFFICER, CITY OF KENT
- 9:35 AM B. HOMELESSNESS SYSTEM GOVERNANCE**
CHRISTA VALLES, SENIOR POLICY ANALYST, SOUND CITIES ASSOCIATION
- 10:15 AM C. 2019 POLICY PRIORITIES FOR CITIES**
DEANNA DAWSON, EXECUTIVE DIRECTOR, SOUND CITIES ASSOCIATION
- 10:45 AM D. SCA UPDATE**
DEANNA DAWSON, EXECUTIVE DIRECTOR, SOUND CITIES ASSOCIATION
- 11:00 AM E. LEGISLATIVE UPDATE**
CANDACE BOCK, GOVERNMENT RELATIONS DIRECTOR, ASSOCIAITON OF
WASHINGTON CITIES
- 11:30 AM F. ADJOURN**

Potential Upcoming SCA Issues

Update

This is an ongoing, monthly PIC item noting issues that SCA members have asked to be brought to the PIC.

Potential Issues

Throughout the year, issues brought forward by SCA members are tracked in this ongoing, monthly agenda item and may be taken up by the PIC through workshops, briefings and discussion items, and as action items.

Per direction of the PIC, staff are putting together a workshop on Emergency Management at the Local Level for January.

At the December PIC meeting, members held a roundtable discussion of priority regional issues the PIC would like to engage with in 2019. Based on ongoing regional discussions and feedback from SCA members, the following issues were identified for the SCA board to consider, including:

- Homelessness and governance of the region's response system
- Affordable housing and implementation of the Regional Affordable Housing Task Force Five-Year Action Plan
- Countywide Parks Levy renewal
- Charter review and the role of regional committees in setting countywide policy
- King Conservation District workplan and rates
- Transportation, mobility, and preparing for emerging transportation technologies
- Regional airport capacity and the impacts of future expansion of SeaTac Airport on surrounding communities
- Managing growth and the update to VISION 2050
- Economic development and expanding opportunity for prosperity
- Solid waste and the future of recycling
- Preparing for the 2020 US Census
- Emergency management coordination and training
- Addressing toxic social media, increasing civility in public discourse, and finding opportunities for collaborative problem solving
- The Governor's proposed community-based mental health centers
- Apprenticeships and workforce development
- Addressing rising public safety costs
- Improving regional coordination and streamlining decision-making processes
- Climate change and environmental sustainability
- Smart cities, small cell technology, and equitable access to service
- Equity and inclusion

SOUND CITIES ASSOCIATION
Financial Report & Balance Sheet
12/31/0218

	2018 Approved Budget	December 2018	% of Budget	
			Budget	Balance
Ordinary Income/Expense				
Income				
City Membership Dues	661,579	661,580	100.00	1
Regional Associate Membership Dues & Events				
Sponsorships	56,000	65,000	116.07	9,000
Event Registration Fees	27,000	29,087	107.73	2,087
Interest Income	2,900	2,932	101.10	32
Reserve Transfer - Vacation Payout	n/a	10,271	n/a	n/a
Reserve Transfer - Audit Expense	n/a	4,818	n/a	n/a
Total Income	747,479	773,688	103.51	11,120
Expense				
Staff				
Salaries	481,500	476,455	98.95	5,045
Taxes	36,237	36,281	100.12	-44
Benefits	130,960	120,227	91.80	10,733
Vacation Payout (reserves)	n/a	10,271	n/a	n/a
Office/Overhead				
Rent	24,089	24,089	100.00	0
Office Insurance	500	604	120.80	-104
Printing/Publications	5,500	6,029	109.62	-529
IT	5,300	4,684	88.38	616
Phones	4,000	4,115	102.88	-115
Credit Card, Banking, and Other Fees	150	412	274.49	-262
Accounting & Payroll Processing Fees	4,000	8,889	222.23	-4,889
Audit Expense (reserves)	n/a	4,814	n/a	n/a
Legal	1,500	3,132	208.81	-1,632
Office Supplies/Miscellaneous	2,500	2,021	80.84	479
Event Expenses				
Food/Beverage	18,700	26,519	141.81	-7,819
PayPal Processing Fees	1,200	1,041	86.72	159
Other Meeting Expenses	1,100	935	85.00	165
Board/Organizational Development				
Directors & Officers Insurance	1,950	1,774	90.97	176
Awards/Recognitions	1,000	1,538	153.78	-538
Retreats/Meetings/Conferences/Dues/Events	7,000	7,201	102.87	-201
Consultants & Temporary Staffing	10,000	15,623	156.23	-5,623
Contingency Fund	10,000	549	5	9,451
Total Expense	747,186	757,201	101	-10,015

SOUND CITIES ASSOCIATION
Financial Report & Balance Sheet
12/31/0218

ASSETS

Current Assets

Checking/Savings

HomeStreet Bank - Checking	33,897.17
HomeStreet Bank - Money Market	621,766.81
Total Checking/Savings	655,663.98

Accounts Receivable

1200 - Accounts Receivable	590.00
Total Accounts Receivable	590.00

Other Current Assets

1499 - Undeposited Funds	0.00
Total Other Current Assets	0.00
Total Current Assets	656,253.98

Fixed Assets

1400 - Fixed Assets	11,419.93
1481 - Leasehold Improvements	13,755.66
1482 - Leasehold Improvement Accumulated Depreciation	-13,755.66
Total Fixed Assets	11,419.93

TOTAL ASSETS

667,673.91

SOUND CITIES ASSOCIATION
Financial Report & Balance Sheet
January 31, 2019

	2019		% of	
	Approved Budget	January 2019	Budget	Balance
Ordinary Income/Expense				
Income				
City Membership Dues	689,597	689,597	100.00	0
Regional Associate Membership Dues & Events				
Sponsorships	64,000	54,500	85.16	-9,500
Event Registration Fees	28,530	-	0.00	28,530
Interest Income	3,900	880	22.56	3,020
Total Income	786,027	744,977	94.78	22,050
Expense				
Staff				
Salaries	508,950	41,858	8.22	467,092
Taxes	40,929	3,532	8.63	37,397
Benefits	129,064	9,671	7.49	119,393
Office/Overhead				
Rent	28,005	4,137	14.77	23,868
Office Insurance	604	-	0.00	604
Printing/Publications	5,500	368	6.69	5,132
IT	2,900	20	0.69	2,880
Phones	3,330	262	7.86	3,068
Credit Card, Banking, and Other Fees	150	-	0.00	150
Accounting & Payroll Processing Fees	4,500	1,363	30.28	3,138
Legal	1,500	-	0.00	1,500
Office Supplies/Miscellaneous	2,500	46	1.82	2,454
Event Expenses				
Food/Beverage	23,200	-	0.00	23,200
PayPal Processing Fees	900	5	0.56	895
Other Meeting Expenses	1,200	-	0.00	1,200
Board/Organizational Development				
Directors & Officers Insurance	1,774	-	0.00	1,774
Awards/Recognitions	2,000	-	0.00	2,000
Retreats/Meetings/Conferences/Dues/Events	10,000	846	8.46	9,154
Consultants & Temporary Staffing	9,000	1,500	16.67	7,500
Contingency Fund	10,000	222	2	9,778
Total Expense	786,006	63,829	8	722,177

SOUND CITIES ASSOCIATION
Financial Report & Balance Sheet
January 31, 2019

ASSETS

Current Assets

Checking/Savings

HomeStreet Bank - Checking	143,013.18
HomeStreet Bank - Money Market	945,036.36
Total Checking/Savings	1,088,049.54

Accounts Receivable

1200 · Accounts Receivable	238,830.03
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Total Accounts Receivable

238,830.03

Other Current Assets

1499 · Undeposited Funds	0.00
Total Other Current Assets	0.00
Total Current Assets	1,326,879.57

Fixed Assets

1400 · Fixed Assets	11,260.68
1481 · Leasehold Improvements	13,755.66
1482 · Leasehold Improvement Accumulated Depreciation	-13,755.66
Total Fixed Assets	11,260.68

TOTAL ASSETS

1,338,140.25



SOUND CITIES ASSOCIATION

38 Cities. A Million People. One Voice.

SCA Finance Committee

DRAFT Minutes

February 11, 2019

Via conference call – Dial-in Number: (712) 775-7031, Meeting ID: 363-409 #

1. Hank Margeson, Treasurer called the meeting to order at 1:01 PM. Present telephonically were members Margeson, Nancy Backus, Bruce Bassett, Bob Larson, and Dana Ralph, and staff Deanna Dawson.
2. Margeson inquired whether any member of the public wished to comment. Hearing none, he closed this portion of the meeting.
3. ***Dana Ralph moved, seconded by Nancy Backus, to approve the minutes of the December 10, 2018 Meeting. [Attachment 1](#). The motion passed unanimously.***
4. SCA Executive Director Deanna Dawson and Treasurer Hank Margeson welcomed members, including new committee members, and gave background on the role of the committee. They encouraged members to be detail oriented and to ask questions.
5. Dawson reviewed the 2018 Year End Financial Report with the committee. She noted that SCA brought in \$9,000 more revenue than budgeted for sponsorships and Regional Associate Memberships. Event registration fees also came in higher than budgeted, with a corresponding high expenditure for event expenses. City dues and interest came in at budget. Dawson reviewed expenditures with the committee. Noting that salaries were under budget, but there was a corresponding high line item for consultants due to a consultant filling in when SCA had a staffing gap due to staff turnover. Accounting and legal fees were over budget. The contingency fee line item was substantially under budget, with only a small amount spent for advertising to fill a vacant position. The committee discussed how best to show expenditures on items that had a specified reserve fund (accrued vacation payout and audit expenses). Dawson noted that she would be meeting with SCA's accountants, and would discuss the best way to note those items in the future. Dawson concluded by noting that SCA ended the year with a current asset balance of \$656,253.98, including accounts receivable. The committee noted that SCA was fiscally sound and had healthy reserves.

Bruce Bassett moved, seconded by Nancy Backus, to recommend to the SCA Board approval of the 2018 End of Year Financial Report. [Attachment 2](#). The motion passed unanimously.

Dawson next reviewed the January 2019 financial report with the committee. She noted that SCA was on track to bring in higher than budgeted revenue from sponsorships in 2019. Expenditures appeared to be on track for the year so far. She noted that the rates for accounting fees had gone up since the budget was adopted, and that line item would likely end up significantly over budget for the year. She noted that SCA showed total current assets of over

\$1.3 million, but this included both received and invoiced items. SCA has just over \$1 million in the bank as of January 31, 2019. The committee noted that in the future, revenue received and invoiced for networking events should be noted in the financial report for the month in which it was received or invoiced, even where it has not yet been placed into SCA's bank account.

Dawson made note of this, and indicated she would ensure this took place in future financial reports.

Dana Ralph moved, seconded by Bob Larson, to recommend to the SCA Board approval of the financial report for January 2019. [Attachment 3](#). The motion passed unanimously.

6. Dawson and Margeson recapped prior discussions with the committee regarding reserves. At the committee's request, staff prepared two 2019 Reserve Options. [Attachment 4](#). The committee reviewed the two options, and the purpose of the reserves. The committee wanted to ensure that the organization had enough reserves to cover any obligations, and to weather a financial downturn or loss of a member. At the same time, reserves should not be too high. The committee discussed SCA's dues policy, and the need to ensure that the organization did not build unnecessarily high reserves while many cities are struggling financially. After much discussion, the committee determined that Option One was the appropriate level of reserves for 2019, although this level may not be sustainable in future years. The committee agreed to recommend this level for 2019, and to defer final decision on amendment of the SCA Board Policies on reserves until later in the year, when the Board Policies will be reviewed as a whole and updated.

Nancy Backus moved, seconded by Bruce Bassett, to recommend to the SCA Board reserves for 2019 consisting of:

- ***An Operations Reserve of half of 2019 budgeted expenses (\$393,014)***
- ***An Equipment Reserve of \$15,000***
- ***An Employment Reserve (equaling the accrued vacation liabilities of SCA staff as of January 2019, plus the contractual obligation for the Executive Director) (\$163,396)***
- ***A Contractual Reserve for non-employment contractual obligations (office lease and copier lease) (\$37,663) and***
- ***A Legal Reserve of \$25,000***
 - ***Total reserves for 2019 of \$634,073***

The motion passed unanimously.

7. Dawson updated the committee on progress complying with recommendations from the 2018 DRS audit of SCA. She noted a protocol to check retirement status of new hires, and to review all positions for PERS eligibility on an annual basis.
8. Dawson provided the committee with an update on the status of Regional Associate Members, Partners, and sponsorships for 2019. [Attachment 5](#)
9. Dawson provided the committee on the status of city dues received to date. [Attachment 6](#)
10. Dawson provided the committee with an update on the status of the 2017 SCA Audit. She noted that she believed that all requested documents had now been provided to the auditors. Dawson will update the committee on the audit at the next meeting.

11. Dawson noted questions that had arisen about SCA staff leave accruals during the audit. Personnel policies had been updated in 2017, leading to some confusion. Based on discussion with and recommendations from the audit team, Dawson is recommending that SCA's Personnel Policies regarding vacation earning schedule for full-time non-exempt employees be updated to remove any reference to vacation being earned "per compensated hour." Dawson will bring this updated language to the full board.
12. Dawson updated the committee on SCA's new Administrative Services Manager, who is scheduled to start on February 25, 2019.
13. Due to the lateness of the hour and weather conditions, the committee agreed to defer discussion on SCA employee benefits to a future meeting.
14. Margeson asked if any member had an item for the good of the order. The committee discussed the upcoming SCA retreat, and how to handle scheduling due to extreme winter weather conditions. The committee agreed that it may be advisable to cancel the caterer to avoid fees, given the uncertainty regarding travel conditions.
15. The meeting was adjourned at 2:34 PM.

Proposed 2019 SCA Reserve Levels:

- Operations Reserve of half of 2019 budgeted expenses (\$393,014)
- Equipment Reserve of \$15,000
- Employment Reserve (equaling the accrued vacation liabilities of SCA staff as of January 2019, plus the contractual obligation for the Executive Director) (\$163,396)
- Contractual Reserve for non-employment contractual obligations (office lease and copier lease) (\$37,663)
- Legal Reserve of \$25,000

Total reserves for 2019 = \$634,073

VACATION EARNING SCHEDULE

Current:

Full-Time non-exempt:

- 1st thru 4th years: 15 days (120 hours) .05769 hours per compensated hour
- 5th thru 9th years: 20 days (160 hours) .07693 per compensated hour
- 10th & Succeeding years: 25 days (200 hours)

Full-Time Exempt:

- 1st thru 4th years: 20 days (160 hours)
- 5th & Succeeding years: 25 days (200 hours)

Part-Time:

- .05769 hours of vacation per compensated hour

Proposed Amendments:

Full-Time non-exempt:

- 1st thru 4th years: 15 days (120 hours) of vacation
- 5th thru 9th years: 20 days (160 hours)
- 10th & succeeding years: 25 days (200 hours)

Full-Time Exempt:

- 1st thru 4th years: 20 days (160 hours)
- 5th & succeeding years: 25 days (200 hours)

Part-Time:

- .05769 hours of vacation per compensated hour

**CITY MANAGERS AND ADMINISTRATORS
FEBRUARY
MEETING AGENDA**

WEDNESDAY, FEBRUARY 6, 2019

9:30 TO 11:30 AM

**RENTON CITY COUNCIL CHAMBERS
1055 S GRADY WAY, RENTON, WA 98057**

- 9:30 AM A. WELCOME & INTRODUCTIONS**
DEBBIE TARRY, CITY MANAGER, CITY OF SHORELINE
- 9:35 AM B. “THE INVISIBLE CRISIS”: A CALL TO ACTION ON MIDDLE-INCOME HOUSING AFFORDABILITY**
GOVERNOR CHRIS GREGOIRE, CHALLENGE SEATTLE
- 10:20 AM C. A ROAD MAP FOR FINANCIAL SUSTAINABILITY
SHORELINE’S 10-YEAR FINANCIAL SUSTAINABILITY PLAN AND STRATEGIES**
SARA LANE, ADMINISTRATIVE SERVICES DIRECTOR, CITY OF SHORELINE
RICK KIRKWOOD, BUDGET & TAX MANAGER, CITY OF SHORELINE
- 10:55 AM D. SOUND CITIES ASSOCIATION UPDATE**
DEANNA DAWSON, EXECUTIVE DIRECTOR, SOUND CITIES ASSOCIATION (SCA)
BOB LARSON, SCA BOARD LIASION
- 11:10 AM E. AWC LEGISLATIVE SESSION UPDATE**
CANDICE BOCK, GOVERNMENT RELATIONS DIRECTOR, ASSOCIATION OF WASHINGTON CITIES (AWC)
- 11:30 AM F. ADJOURN**