

BLACK DIAMOND CITY COUNCIL MINUTES
Special Meeting of September 28, 2023
Hybrid Meeting Via Zoom and In-Person
Council Chamber, 25510 Lawson Street, Black Diamond, Washington

CALL TO ORDER, FLAG SALUTE:

Mayor Benson called the special meeting to order at 6:00 p.m. and led us all in the Flag Salute.

ROLL CALL:

PRESENT: Councilmembers Douglass, Mulvihill, Jones, Page (Councilmember Smith was not present for roll call and entered the meeting at 6:08 p.m.)

ABSENT: Councilmembers Deady and Jones (excused)

Staff present: Mayene Miller and Xavier Mason, Finance Directors; Jake Kapsandy, IT Department; and Brenda L. Martinez, City Clerk/HR Manager.

WORK SESSION:

- 1) Review of Current Year Revenues and Expenditures as Adopted in the 2023 Budget and Review of 2024 Preliminary Budget Summary for all Funds Including Debt Service and Possible Increase for Property Tax

Mayor Benson announced the topic of tonight's special meeting and turned the meeting over to finance staff.

Finance Director Mason gave a historical perspective on the purpose of tonight's meeting and noted that Black Diamond is a growing community and similar to a startup or an expanding business, and often times there will be infrastructure expenses that will happen before there are revenues. He mentioned that he will be using that reference often during the meeting. He then went into the assumptions and conclusions that are used to determine the budget and gave a brief overview of operating revenue. He explained that for 2024 the city is expecting \$10,057,258 in general fund operating revenue and \$10,960,592 in general fund operating expenditures, about a \$900,000 difference. He highlighted certain areas of revenues in the general fund and discussed the variables. He then highlighted and reviewed certain expenditures in the general fund. In closing he noted that at the beginning of 2023 there was a projected difference of 2.5 million, but as you can see the difference was significantly lower which means that the city is spending significantly less than what was projected from our reserves in 2023.

The following funds and documents were reviewed with Council:

- General Fund Revenue Projections for 2023 – Revenue sources were reviewed with certain areas being highlighted regarding trends and increases/decreases.
- General Fund Expenditure Projections for 2023 for each department
- Street Fund – it was noted that expenditures are surpassing revenue
- Water Fund – This year the fund started with a higher beginning balance, transfer out were reviewed, and debt service will be paid in 2024 and the extra funds will help fund future capital costs
- Sewer Fund – King County Metro sewer rate increase in January and discussed the city's rates and the possible need for an increase
- Stormwater Fund – First year the city was able to transfer funds out to capital.
- Combined 2024 Preliminary Budget for All Funds – It was noted that some numbers will change as we move forward in the process.
- Debt Service - Debt will be fully paid in 2024

Councilmember Mulvihill left the meeting at 6:23 p.m. and returned at 6:24 p.m.

In closing the budget calendar was reviewed regarding upcoming meetings and it was noted the next meeting on the budget will be October 19, 2023, at 5:30 p.m. on the general fund and directors will be present at this meeting to discuss their requests. At the end of October will be the review of the Public Works budgets.

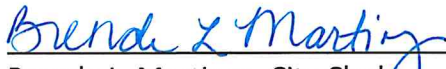
ADJOURNMENT

Councilmember de Leon **moved** to adjourn the meeting; **second** Councilmember Page. Motion **passed** with all voting in favor (6-0). The meeting ended at 6:55 p.m.

ATTEST:



Carol Benson, Mayor



Brenda L. Martinez, City Clerk