

MINUTES OF THE FINANCE COMMITTEE
July 16, 2018
East Conference Room

Present: Councilmembers O'Malley, George, Bullock

Also Present: Planning Director Sylvester, Finance Director Pae, Law Director Butler, Councilmembers Anderson, Rader, and O'Leary and one member of the public

Call to Order: 7:08 p.m.

ORDINANCE NO. 44-17A - amending Ordinance 44-17, authorizing to enter into service contracts for the Department of Planning & Development contracts not to exceed the specified amounts shown without separate resolution of Council

Ordinance 44-17A amends Ordinance 44-17 to include the Lakewood Small Business Grant Program. Director Sylvester described the Program. He explained that the Program is a partnership between the City, County, and Small Business Administration targeted at small business owners having trouble getting financing. The Program was introduced to Council in fall 2017. At that time Council adopted a resolution to enter into an agreement with the County Department of Development and to allocate \$50,000 toward the program for three years. The County put in \$150,000. The City has been marketing the program for three months and has had inquiries from many Lakewood businesses.

Director Pae explained that Ordinance 44-17 contains a list of all the contracts administered by the Department of Planning & Development within the \$4,400,000 limit set by Council. Ordinance 44-17A does not propose to increase contracting authority, but rather adds the Lakewood Small Business Grant Program to the list of contracts.

Director Sylvester mentioned Lakewood businesses that have shown interest in the program and one entrepreneur outside Lakewood who also has. The program is structured as a forgivable loan over a three year period. As long as the business meets job creation requirements and stays open then the loan is forgiven. Individual grants are projected to be between \$10,000 and \$25,000. In response to a question by Councilmember George, Director Sylvester listed the other cities in the region that have also been participating in their own versions of this Program.

A motion was made and seconded to recommend adoption of Ordinance 44-17A to full Council. Motion passed. All members voted in favor.

Budget Priority Process

Councilmember O'Malley reminded councilmembers of the due dates to submit budget priority proposals. Two Finance Committee meetings have been scheduled in September. He directed attention to a copy of the form. He advised talking through budget ideas with the respective

departments ahead of putting the ideas to paper. He expressed openness to any and all ideas. He stated that he would send around an update of all submitted proposals during Council recess.

Mid-year revenue update/analysis

Councilmember O'Malley encouraged all to read the monthly budget finances documents prepared by the Finance Department. He asked Director Pae to remark on them.

Director Pae reported that revenue is on budget or slightly ahead of budget, including income tax which is 6.6% higher than 2017. She mentioned that the State continues to adjust collection dates and due dates so that it is hard to compare one year to the next. She discussed property taxes. The results of the reevaluation will be announced soon. It is estimated that they will increase by about 20% but varies by neighborhood. Overall revenues are looking good and interest earnings are the biggest increase. Hospitalization is a large expenditure but it is within budget and costs are at 2016 levels. Documents containing further detail were emailed to all.

Finance Committee adjourned at 7:32 p.m.