



**Finance/Administration Committee**  
**City Hall – 200 NE Moe Street**  
**3<sup>rd</sup> Floor Conference Room**

<b>Subject</b>	<b>Meeting Minutes</b>		
<b>Recorder</b>	<b>City Clerk Rhiannon Fernandez</b>	<b>Start Time</b>	<b>5:10 PM</b>
<b>Committee Chair</b>	<b>Ed Stern</b>	<b>End Time</b>	<b>6:23 PM</b>
<b>Committee Members</b>	<b>Gary Nystul, Kenneth Thomas, Ed Stern</b>		
<b>Staff Present</b>	Mayor Erickson, Finance Director Booher, City Clerk Fernandez		

**Agenda**

No.	Topic	Action/Recommendation/Discussion
<b>1.</b>	<b>Administrative:</b>	
	a. Questions & Concerns of the Committee	From the committee review of claims the following concerns was noted: Discussed why everything is split four ways for small credit card purchases for Public Works. Lund is trying to keep everything as accurate as possible.
	b. Agenda and Extended Agenda Review	
	1. 06/07/17-Members Absent-	
	2. 06/21/17-Meeting Cancelation?	Cancelled.
	c. Committee Minutes of May 03, 2017	Approved.
	d. Committee Minutes of May 17, 2017	Approved.
<b>2.</b>	<b>Agenda Items</b>	
	a. Monthly Sales Tax	March 2017 taxes received in May 2017 shows an increase of 4.74% over the same period last year. The largest jump is in construction.  Booher will email finance directors in June for a comparison of their sales tax revenues. Erickson said the transit numbers are a good comparison, because they receive tax county-wide. It is running similar to the City.  In response to Nystul, Booher said sales tax is destination based. She believes for the most part the vendors are good about putting the tax revenues in the right buckets. They can only go back nine months for corrections. She tries to track the bigger transactions.  Booher reviewed revenue impacts from the state legislature. The largest hit could be from changes in

		LEOFF rates, which will be \$93,000. It only affects the police, not the fire fighters. AWC is still fighting it.
	<b>b.</b> Month End Permit Activity Report	<p>The committee reviewed the formatting and content of the permit activity report.</p> <p>The Mayor would like reporting that shows where we are with the projects on hold, and a column that explains what is holding the report up. Booher will talk to Helen and Karla to see what is available.</p> <p>Nystul asked how many SFRs are generated year to date. The Mayor said that information is easily reported. They could provide it quarterly.</p>
	<b>c.</b> Donating Utility Refunds	<p>The Mayor said once a month the Finance Department refunds utility payments. It has a wide range. She would like to establish a system before we refund that sends a letter and ask if they would like to donate to a charity or P&amp;R.</p> <p>Booher said almost all the refunds are generated from properties closing and we always estimate high. Another reason is people pay the wrong amount. To send out a letter to give an option to donate the refund would be an additional work load. Right now the refunds are generated out of the system automatically. If we did this, we would have to hold the refund, and generate the letter. Booher asked if it could be limited to a certain dollar amount, not to everyone. It will delay the refund process. Right now a refund takes 6-8 weeks. If we hold large amounts of money, we have to pay interest.</p> <p>The committee agrees with doing this for \$50 or less. The funds would be donated to city programs such as P&amp;R scholarships, cemetery, K-9 Unit, and public art. Booher recommended trying it for a year and see how much revenue it generates and see if it worth it. It will come back to the committee prior to going to the full council.</p>
	<b>d.</b> Biennial Budget Process	<p>Booher said we are into the biennial budget process. We are looking at mid-year changes. It was her understanding that the Council wanted to hear from departments on where they are at with their goals.</p> <p>Thomas suggested leaving it up to the department head in the off year if they need to come talk with Council about their budget if it needs attention.</p> <p>Nystul said it is an opportunity to reflect on the finances.</p>

		<p>He doesn't want to see PowerPoint presentations. And it is an opportunity to let us know where they are and what they are doing. He is not sure if it should be at the Finance Committee or full Council level.</p> <p>The Mayor feels if the department is on track and doesn't have any changes, there isn't a need to have them give a presentation. Booher said maybe they come to the committee first, and if the committee feels it needs full Council attention, then it can be brought forward.</p> <p>Stern suggested between the period of July-December, they could schedule one department at a time for a brief update at the Finance Committee.</p> <p>Nystul said PW and Engineering needs a budget amendment for almost every project they have. The Mayor said they are doing the largest projects, and the size of the numbers they are working will need adjustment. Change orders happen and adjustments will occur. Nystul noted some projects that had some things that should have been anticipated at the start. The Mayor feels sometimes a project will have extra funding, and they will add extra things to the scope.</p> <p>Nystul said since we adopt the budget at the fund level, do we technically need a budget amendment. Booher said if they go to the reserves, then they do need the amendment.</p> <p>The committee recommends having all departments come to FAC and give an update on their budgets. If there are issues that need council discussion, it will be brought before the full council.</p>
	<b>e.</b> Mental health grant	The Mayor said she is working on the mental health grant. This time it will be a larger request, she wants more people.
	<b>f.</b> IPZ Grant	The Mayor is writing an IPZ grant for a high-tech economic development opportunity. She is working with Coccus and Harrison. We will need industry and university partners.