



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

| Subject | Meeting Minutes | Date | 01/06/16 |
|--------------------------|--|---|-----------------|
| Recorder | City Clerk Fernandez | Start Time | 5:06 PM |
| Committee Chair | Kenneth Thomas | End Time | 6:22 PM |
| Committee Members | Kenneth Thomas, Ed Stern | | |
| Staff Present | Mayor Erickson, Finance Director Booher, Councilmember Nystul, Councilmember Henry | | |
| Agenda | | | |
| No. | Topic | Action/Recommendation/Discussion | |
| 1. | Administrative: | | |
| | a. Questions & Concerns of the Committee | Discussion regarding credit card transaction limits. There is no difference between invoices and credit cards, they require receipts to be attached to the credit card payment. Subscriptions are sometimes large. | |
| | b. Agenda and Extended Agenda Review | | |
| | 1. 01/6/16 – Members Absent – Musgrove | | |
| | 2. 01/20/16 – Members Absent – | | |
| | 3. 02/03/16 – Members Absent – | | |
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| 2. | Agenda Items | | |
| | a. Monthly Sales Tax | Booher gave the monthly sales tax report. Construction took the biggest hit, but it is so variable. We may be down, but it is not anything that she would be worried about. | |
| | b. Council Review of Policies and Budgets | <p>Discussion highlights included:</p> <ul style="list-style-type: none"> • General Budget Discussion <ul style="list-style-type: none"> ○ Operating budgets are running tight. There have been two budget cuts, and increases only come through baseline budget requests. To alleviate small requests that cannot be absorbed, the Council could increase departments' operating budgets. ○ When departments request staff, they need to add computers and training expenses, otherwise they have to be absorbed in their budget. ○ As the economy is heating up, need to consider things will cost more with next year's budget preparation. ○ The Council can look when carryover comes in to see what is needed by departments. • Budget Process Discussion: | |

- PW budget was a challenge this year due to staff changes and the number of requests that came forward.
- Mayor will require next year documentation for the source of costs estimates for budget requests.
- Engineering needs to be realistic in the number of projects their staff can complete in a year.
- Confusion on preliminary budget and the three columns being unpopulated.
 - Required by state law to have preliminary budget by September 30 (all of the numbers, no narratives)
 - October 31 we are required to have the narratives. The columns are not normally populated, because the full Council needs to hear everyone's budgets.
 - The confusion came from the new program requests and baseline adjustment requests. There were numerous requests, and after committee review, it was understood that the committee was on board with what we were doing, but we were still going to work.
- Could the full Council review in November be moved up earlier?
 - It is most likely not possible to get this information out sooner.
 - The departments need to go to committees in August/September to present their new budget requests, so the committees can give feedback on the department priorities.
- Miscellaneous Discussion:
 - Future agenda item - review reserve policy.
 - In June, we need to look at cash flows and salaries.
 - Lost another employee in Planning. Need to do a salary survey in June. The Mayor's salary should be reviewed at that same time
 - Would like to cut taxes one more time. The Mayor would like utility taxes back at six percent. They hurt the people on fixed incomes the most. We should only take the money we need.
 - There are four housing starts a week, and apartment buildings being developed. This will drive sales tax revenues. Another reason to get the building software up and running.
 - Discussion was held on the biennial budget process overview.
 - Complimented staff for getting their financial reports in before June 30.
 - Booher will look for the management letter from the City's audit for Councilmember Nystul.
 - CAFR is a very tight timeline. Not a simple process, have to convert account codes to what the state uses.
 - Concern with putting ADA off for another year.
 - The City needs a realistic plan of how we are going to do it.
 - We have a tendency to hire consultants too much.
 - Engineering is being told that future grants could be affected by ADA requirements.
 - Could PW committee take this on? Nystul will share with the PW Committee.