



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

Subject	Meeting Minutes	Date	11/02/16
Recorder	City Clerk Rhiannon Fernandez	Start Time	5:12PM
Committee Chair	Gary Nystul	End Time	6:18PM
Committee Members	Gary Nystul, Kenneth Thomas, Ed Stern		
Staff Present	Mayor Erickson, Finance Director Booher, City Clerk Fernandez, Senior Budget Accountant Ziemann		

Agenda

No.	Topic	Action/Recommendation/Discussion
1.	Administrative:	
	a. Questions & Concerns of the Committee	None.
	b. Agenda and Extended Agenda Review	None.
	1. 11/02/16-Members Absent-	
	2. 11/16/16-Members Absent-	
	3. 12/07/16-Members Absent-	Nystul absent.
	4. 12/14/16-Members Absent-	Stern absent.
2.	Agenda Items	
	a. 3 rd Quarter Budget Status Report	Ziemann reviewed the quarterly revenue and expenditure variances for Third Quarter 2016 and items falling outside the 15% parameters; projected fund balances and actual cash balances; and the financial management policy compliance explanations.
	b. Property Tax Discussion	<p>Booher reviewed the new process required since Poulsbo is now over 10,000 population. The 1% maximum allowable increase would need a resolution for substantial need. Even if we don't take the 1%, we want to create a banked property tax. She reviewed the three options for the property tax levy: 0%, IPD maximum 0.953%, or 1%. The Mayor is recommending zero percent.</p> <p>Discussion was held that these are symbolic cuts showing a stable city government that is cutting taxes and it is great for economic development. Poulsbo is cutting taxes and has</p>

		<p>no B&O. The budget has been built for 6% utility tax across the board.</p> <p>The Committee recommends the 0% increase. We need to draw a contrast of what we are doing that other cities are not doing. Shows we are good financial stewards. It helps set the stage for future TBD discussions.</p>
	<p>c. Monthly Sales Tax</p>	<p>Booher reported the sales tax revenues are up 17% over the same period as last year. The committee reviewed sales generated in August and collected in September.</p> <p>Stern said he was interested in having a workshop about not preserving Poulsbo in terms of economic development and trying to get a handle of the totality of the impacts instead of dealing them as a one-off (managing for success).</p>
	<p>d. Noll Road Funding</p>	<p>Erickson reported on news this week of a moving target from the Feds that could push things out for Noll Road grants. The schedule for Noll Road is determined by our grant application process. PSRC RPEC said they overcommitted money in 2016 and wasn't sure how the funding would go for 2017 dollars. They spent too much and are trying to reconcile 2017 as how the projects are handled. Grants are not as forthcoming as expected; they may be delayed. She will have more information in the next couple of weeks. If they push back the commitment of grant funding, they will relax their time schedules.</p>
	<p>e. Johnson Roundabout</p>	<p>Erickson said things looks positive after the 305 outreaches. The Tribe supports it. Last night at the casino, there was a lot of conversation to build one at Johnson and use it as a template. The last meeting is tomorrow night.</p>