



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

Subject	Meeting Minutes	Date	03/07/18
Recorder	City Clerk Fernandez	Start Time	5:03 PM
Committee Chair	Jeff McGinty	End Time	6:44 PM
Committee Members	Jeff McGinty, Kenneth Thomas, Ed Stern		
Staff Present	Mayor Erickson, Finance Director Booher, Human Resources Manager Kingery, Planning Director Boughton, Senior Budget Acct. Ziemann, City Clerk Fernandez		

Agenda

No.	Topic	Action/Recommendation/Discussion
1.	Administrative:	
	a. Questions & Concerns of the Committee	Miscellaneous: Booher gave a review of the audit process and how to submit questions regarding the audit.
	b. Agenda and Extended Agenda Review	
	1. 03/07/18-Members Absent-	
	2. 03/21/18-Members Absent-	
	c. Committee Minutes of February 07, 2018	Amend Page 3, Item F: change "now" to "next couple months" for the increase to the Mayor's salary. Approved.
	d. Committee Minutes of February 21, 2018	Approved.
2.	Agenda Items	
	a. Election of Committee Chair	McGinty appointed chair for next six months.
	b. Mayor's Salary Review	Kingery presented the salary review, noting the Mayor's salary has not been reviewed for a long time; the mayor is requesting an increase from \$76,172 to \$95,046 in 2018; the propose salary is based on the average of the city managers, and to use the average of mayor's salaries in comparable cities is problematic, because many cities have city administrators or managers. 2017 salaries of mayors and city administrators from comparable cities were reviewed. The proposed timeline is to increase the mayor's salary in 2018 with COLA increases for the duration of the four-year term; in the summer/fall of 2020, the FAC studies the feasibility of hiring a city administrator and includes it in the 2021/2022 budget process. If the city

moves forward with hiring an administrator, the city could start the hiring process in 2021 for a cross-over with the current mayor or wait until after the mayor's election and start the hiring process in 2022; and determine if the mayor's salary should be reduced before the November 2021 filing deadline, with an effective date of January 1, 2022.

Erickson said she is trying to set up a succession plan moving forward to establish an administrator position before the next election cycle.

Thomas said the immediate raise for the mayor is justified. We have a full-time mayor who is doing the work of an executive. The salary is in the range of the department heads. This is linked to the second issue, which is it is important to set up a process ahead of time that can be followed. He likes the idea of having a full-time administrator, especially if we don't have a mayor who would be qualified to be a full-time executive.

Stern said he wanted to avoid the appearance of making this a judgement call in the next few years based on who is running for the office. It is important to tie the salary increase into a stated intent on day one to transition this, so it is inarguably in front of all personalities. He wanted to have a better handle on the city administrator, so it can be rolled out at the same time as the salary increase justification. He wants to know how to tie the two in on day one and state the intent in some sort of outline. He didn't want a future mayor to cut the position of city administrator and continue collecting a higher salary.

Thomas said when this is taken to the full council, they can draft the wording that explains why there is an increase and what their intentions are for the future. The timing is great with the biennial budget coming up, that they work in the funding for the executive function.

Kingery said the Mayor's salary would be lowered prior to the next election. Erickson said she would be willing to take a pay cut in her fourth year either on January 1, 2021, or when the administrator is hired. She will start the hiring process, get the city administrator hired (with the help with a council committee – similar to the

		<p>police chief) and trained. This needs to be done before anyone files for the office of mayor. Thomas said if the intent is made in the motion to increase the mayor's salary, then it is clear coming down the line. They will know we are talking about a future reorganization of the executive office.</p> <p>Stern asked if there were any safeguards the council could have to insulate a city administrator. Erickson said the position would be done by contract. There are a lot of protections in WA State Law to protect employees. The department heads would work for the city administrator.</p> <p>Stern asked the committee to jot down what this looks like to each of them and bring this back to the April 4 FAC meeting to share with the group to create a coherent outline on how to move forward. Thomas agrees, but wants to move forward in April, and does not want to drag this out. He will create a draft motion for the same meeting.</p>
	<p>c. Monthly Sales Tax Report</p>	<p>Booher reviewed the sales tax collected in February generated in December, noting it is up 10% over last year. The revenues are diversified, with the heaviest in retail trade, especially home improvement.</p>
	<p>d. Real Estate Excise Tax Report</p>	<p>Booher reported the real estate excise tax, which had a huge increase over last year at 167% due to big transactions (part of it is the Safeway transaction).</p>
	<p>e. Sales Tax Zone Report for 2017</p>	<p>Ziemann reviewed the zone report for sales tax, and where the contribution came from. She provided trends over five and ten years. The report will be posted on the website, and copies into the councilmember boxes.</p>
	<p>f. Library Agreement</p>	<p>Boughton presented an agreement with the Library to release the bond funds to do repair work on the library roof. The committee recommended approval.</p>
	<p>g. Miscellaneous Discussion</p>	<p>Erickson said that Kingery is researching options for medical insurance and childcare subsidies for the Council. Booher will need to check if subsidies would be considered compensation.</p>