



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

<b>Subject</b>	<b>Meeting Minutes</b>	<b>Date</b>	<b>12/05/18</b>
<b>Recorder</b>	<b>City Clerk Rhiannon Fernandez</b>	<b>Start Time</b>	<b>5:04 PM</b>
<b>Committee Chair</b>	<b>Kenneth Thomas</b>	<b>End Time</b>	<b>6:37 PM</b>
<b>Committee Members</b>	<b>Jeff McGinty (absent), Kenneth Thomas, Ed Stern</b>		
<b>Staff Present</b>	Mayor Erickson, Finance Director Booher, Councilmembers Garland and Musgrove, City Clerk Fernandez		

**Agenda**

No.	Topic	Action/Recommendation/Discussion
<b>1.</b>	<b>Administrative:</b>	
	a. Questions & Concerns of the Committee	None.
	b. Agenda & Extended Agenda Review	
	1. 12/05/18-Members Absent-	McGinty
	2. 12/19/18-Members Absent-	
<b>2.</b>	<b>Agenda Items:</b>	
	a. Executive Office Discussion	<p>Reviewed email from MRSC answering two questions from 11/21/18 FAC meeting. 1) Can a code city create code that a city council could fire a city administrator with a super majority of the council. A: No, there is no state law to support that. 2) Could we add language that the mayor will hire a city administrator with the advice of the city council? A: Yes, the council could require council concurrent for hiring an administrator.</p> <p>Musgrove asked what mechanisms exist to assure everybody plays nicely. He also expressed concerns regarding a professional strong-willed administrator being able to roll over a weak mayor. Booher said this is not different than what councilmembers have with department heads that work for the mayor. Everyone does work nice together. It would be different if they changed the form of government to city manager. Having a city administrator isn't too much different than what we have now with the department heads. Thomas agreed. The city administrator is like a department head, one with supervisory responsibilities. But ultimately, it falls on the mayor if the administrator does not do their job. City administrators</p>

do not have the authority of a mayor, a city manager would have similar responsibilities as a mayor.

Musgrove said there is a fourth option that is not being explored, and that is hiring an assistant to the mayor. Thomas said that could be looked at by the committee. He said a city administrator is like a super department head. They are not much different than other department heads, other than having the capacity to oversee the other department heads. He gave the example of the police chief. If we have an assistant chief, is it a personal assistant to the chief, or is it someone who supervises folks down the line? This would be the same thing. If you have an assistant to the mayor, they don't supervise anyone, but a city administrator would. This is just another type of department head who supervises all the other department heads. Musgrove would like it explained what a city administrator would do, and what authority they would have. Thomas said the city administrator would report to the mayor, would supervise the department heads and manages the routine day-to-day operations (although the mayor will still have oversight and authority over that). They can look at just making the mayor's job easier by having a personal assistant. Booher said the Council still have ultimate oversight by establishing policies.

Erickson said the difference between an assistant and an administrator is reporting. An executive assistant reports to the mayor and helps the mayor, but the department heads would still report to the mayor, not the assistant. This morning she had back-to-back meetings regarding personnel. These types of things would be handled by the administrator. She spends a lot of her time managing personnel questions. There are so many other things she would like to spend her time working on. Musgrove said the mayor has the authority to designate authority to the executive assistant to do that in their stead. Erickson said an executive assistant is someone who would help write speeches and handle calendars. Musgrove is talking about someone with the skills set of a city administrator, and set them into a new titled position, where the authority is not automatically designated. This leaves it to the mayor to designate and withdraw authority as they see fit, rather than having the only hammer to be to fire them. Erickson said that can be done with the city administrator as well. Assistants are clerical positions. They would never have the credibility to direct staff. We would need the strong professional administrator to fill that role.

	<p><b>b.</b> Monthly Sales Tax Report</p>	<p>Booher reported on sales generated in September received in November being at 7.7% above September of last year; at 90% of budget. YTD we are 15% over.</p>
	<p><b>c.</b> Real Estate Excise Tax Report</p>	<p>Booher reported September REET came in -13.64% from September of last year. We have already exceeded the budget for REET this year.</p>
	<p><b>d.</b> Updates on BAR &amp; NPR (see council packet)</p>	<p>Booher noted FAC gave their recommendation on the BARs and NPRs at a previous meeting; however, there were some change</p> <p><b>BAR – Central Services/Information Services:</b> IT Manager Stenstrom has determined Parks &amp; Rec and Public Works are utilizing the internet more, just like City Hall employees, and the connections are too slow to accommodate that internet usage. We have been working with someone who has been around forever and had not changed our pricing since we implemented it. Stenstrom has been working with two vendors to increase our speed. It is a five-year agreement with an annual \$12,000 increase. The city needs to have this in order to operate efficiently. It is an on-going expenditure. The Mayor recommends funding in 2019. <i>The committee concurred with the Mayor's recommendation.</i></p> <p><b>NPR – Event Coordinator:</b> It is not funded, but on the wait list. It would be a half-time position, with the additional funding to support the position. Musgrove noted the Port of Poulso needs to provide some funds for this effort as well. <i>The committee concurred with the Mayor's recommendation.</i></p> <p><b>NPR – College Market Place Revitalization:</b> The amount and the entire plan are not fully vetted, but it is a place holder for when it comes forward in the future. This has been put on the wait list. <i>The committee concurred with the Mayor's recommendation.</i></p> <p>Booher said the current budget has a variance of \$355,000 of expenditures more than revenues. A lot of that is due to transfers to reserves to fund future capital projects and included in this is the wage increase for the Mayor and Judge (<i>the committee recommended implementing the salary adjustments</i>). The City has come to a tentative agreement with the Teamster's Union. They built some contingencies in for the police salaries and wages. They know of two retirements in the next two years, and those have been built into the budget for the sick leave cash outs.</p>
<p><b>3.</b></p>	<p><b>Mayor &amp; Dept Head Comments:</b></p>	

	<b>a.</b> SR-305 Banners	Erickson provided a copy of the sample banner graphic. She will seek permission from the Secretary of Transportation to put up on the banners on the light poles on SR-305. The next idea is to highlight their core curriculum (for example, cyber security, early childhood education, etc).
	<b>b.</b> Poulsbo Events & Recreation Center	Erickson presented this proposal to the Public Facilities District on Monday night. It was a \$40MM ask. \$20MM from PFD, \$20MM from partnerships to construct the building. They are asking right now for \$250K to redo our 2006 Events Center concept. It would be the same idea as last time, moving it from the school district to Olhava (kiddie-corner to new hotel that is being built). This was the initial presentation. The application is due at the end of the year.
	<b>c.</b> Housing Kitsap	Erickson has volunteered to chair Housing Kitsap next year. They own a large parcel (6-7 acres zoned for 100 homes) in Olhava. There is someone that is making an offer to purchase the land and build what is effectively Poulsbo Place.
	<b>d.</b> Personnel Changes	Booher reported that Zach who was promoted to the budget accountant is leaving. She has not been receiving many applications for the position.
	<b>e.</b> Council Workshop	There will be a council workshop the first week of February regarding the cemetery.