A meeting of the Council Finance Committee was held in the Council chamber meeting room at City Hall on November 1, 2013.

PRESENT: Chairman Clauson, members Putaansuu and Childs, Mayor Matthes, Fred Chang, and Treasurer Allan Martin. Attending Bek Ashby.

At 8:30 the committee met in anticipation of interviewing Department Directors regarding the 2014 Budget. Members stated their support for the VCB that was discussed at the last meeting and noted that the LTAC Committee had dropped police overtime allocations for the Chimes and Lights Festival. Although overtime funding was appreciated from LTAC it was discussed that police overtime for the year was not greatly impacted and there was no need to further address police overtime.

The Committee discussed the jail bill and weighed the pros and cons of providing a program that allows home monitoring in the place of incarceration. A program would require an employee or contract person to attach the monitoring device and track and verify the location of the offender. Offenders would pay for the privilege of home detention, offsetting some of the cost. Although, any real savings would come from lowering the jail bill rather than from program charges.

Members ask about the status of the library building agreement with Kitsap Regional Library District which states an additional $21,000 needed for the last half of 2014. The Treasurer explained that he and Mr. Dorsey were in ongoing discussions with library district staff who have agreed in principal to a new agreement. The current agreement expires in May 2014. Staff considered the Council’s desire to have the library remain downtown, lower costs where possible, and allow predictability of cost over multiple budget cycles. Capital improvements will be considered once annually during the regular budget process.

Judicial
Judge Terrell Decker and Court Administrator Debbie Hunt met with the committee. Judge Decker described her general support in the use of monitoring devices in place of jail time. Although each case is unique, monitoring devices are a viable option for some offenders.

The Mayor noted that the judge’s contract is renewable next year. He met with the judge who has agreed to an additional four year term. The new judicial contract will include a salary increase, the first actual raise since the judge was hired. The Municipal Court judge has been extended cost of living increases over her tenure, but not an actual raise. To keep parity with other jurisdictions the committee felt comfortable with raising the Judges salary. The consensus of the committee was to recommend to the full Council a salary increase for the judge salary annually $9,100.

The need for upgrading electronic recording software was a continuing request from last year. The cost is estimated to be $3,500. Shopping lifting crimes are up, and court appearances are up, due to the annexation of the Bethel corridor commercial zone. There has been no additional court staff hired to meet the new work load. Councilman Childs suggested addressing the need for
additional staff. Debbie Hunt explained that the office was closed at noon to both cover lunch hours and get prepared for afternoon court. Court staff has been required to work Saturdays to stay current. The Court has continued pursuing public defender grants but none are budgeted for 2014.

**Administrative**

Clerk Rinearson presented department goals for 2014: 1) a unified policy on public record request 2) a claims management policy, and 3) a policy on public event applications and process. Councilman Putaansuu asked about efforts to provide paperless agendas and documents. Ms. Rinearson said her office was working to reduce paper including working with IT. The department finds itself with an increased workload due to annexations, as well as public records requests. YTD the City has received 87 requests with some taking significant time. Updating the telephone system was discussed with the Clerk reporting that all incoming and outgoing lines are being used. In some cases telephones have been pulled out of conference rooms to provided telephones for employees. The request is for $50,000 for a new phone system in 2014.

The committee considered additional staff hours, and budgeted over time amounts. The committee’s recommendation was to remove additional staff hours from the preliminary budget.

**Public works**

Public Works Director Mark Dorsey spoke to the need for the man lift included in the Preliminary Budget. The $70,000 Man lift would have a variety of time-saving uses around the city. The Storm Drainage Utility preliminary budget provides for the replacement of the Street Sweeper in 2014. The current machine is at the end of its useful life and requires constant repair and upkeep.

The committee was interested in hearing about 2014 street repairs, maintenance, and paving overlays. Mr. Dorsey explained the preliminary budget contemplated repairs to the Bethel corridor, including grind outs in the amount of $325,000. Road surfaces would be repaired, however no increase to traffic volumes would be made. An additional 125,000 is budgeted for pavement overlays. Public works is currently reviewing whether or not traffic lights could be adapted to use motion detecting cameras rather than wire roadway loops to activate signal lights. Doing so could lower resurfacing costs at traffic controlled intersections.

The preliminary budget provides for a return to ABM janitorial for building cleaning. The current janitor position within public works would be moved to a park and public works generalist.

**Community development**

Department Director Nick bond presented possible revenue sources including a permit technology fee raising $7,500 annually and a planning and building fee cost of living adjustment that could bring in an additional $15,000 a year. Members considered both fees as a cost of services that reflect a benefit to the customer with a general consensus to consider the new fee structure.
Staffing levels and work flow demands were considered for the upcoming year. The request for an administrative assistant office manager position was presented, as well as other staffing options. The committee asked for further clarification and realignment of staff assignments. A follow-up question on the use of student interns assigned to work on the comprehensive plan or the waterfront plan was discussed. Mr. Bond outlined timing issues involved with the comprehensive plan and the pros and cons of using interns for both projects.

Finance
Treasurer Martin addressed the increased sales tax revenue recommended by the committee raising $73,000. The potential increase in natural gas franchise tax from 2% to 6% resulting in an additional $122,000. The committee felt that much more work needed to be done regarding increasing the natural gas franchise tax. Although some felt it could be supported if it helped the city address Street improvements. The consensus was to discuss the potential increase in the work study session.

The committee considered increasing the commute trip reduction category by $600 and adjusting the healthcare benefits cost increase to 0%. Councilman Chang raise the question whether or not the gambling tax should be increased, specifically the tax on pull tabs.

Mr. Martin announced that the assistant city treasurer would be retiring 2014. The committee discussed the need for a smooth transition and the need for overlap with a new hire. The committee suggested funding up to two months of additional time for a new person to work alongside the assistant treasurer. Mr. Martin said the process of recruitment would start sometime after March 1, with hiring by midyear. IT manager Vince Tucker presented plans to replace 33 workstations next year. The existing software will no longer be supported by Microsoft requiring the replacement. He also discussed the current condition of the server closet.

Police Department
Chief Geoff Marti gave an overview of his Department and discussed his outlook on the use of electronic monitoring devices in place of jail time. The Chief felt that if the city put in place good procedures the system could have many benefits. One of the major challenges within the Department is administrative staff. The chief is requesting an additional part-time office staff person to work the front counter. Chairman Clauson spoke in support of meeting the need in light of the increase workload brought about by Bethel annexations. It was noted that two new police cars are included in the preliminary budget and one hybrid vehicle. A recent accident resulted in the total loss of one police vehicle, the committee asked that any insurance proceeds be used to help pay for a replacement vehicle.

Summary discussion
The Council finance committee discussed its budget recommendations for the full Council. Increase revenue and additional expenditures were itemized and the Treasurer was directed to make a list for presentment at the upcoming Work Study Session.

[Editors note: The list of additional revenue, expenditures and recommended changes are attached.]
The committee adjourned at 4:20 pm