City of Port Orchard
Council Finance Committee

A meeting of the Council Finance Committee was held at City Hall 216 Prospect Street on November 12, 2014, at 8:30 am.

PRESENT: Chairman John Clauson, members Rob Putaansuu and Jerry Childs, Mayor Tim Matthes, Treasurer Allan Martin, Council members Bek Ashby, Fred Chang, Cindy Lucarelli, Kitsap Sun reporter Chris Henry. The meeting was recorded and the recording device provided to the City Clerk. In addition, the meeting was noticed as a quorum was met.

The meeting was called to order at 8:30am followed by a brief discussion and review of the interview schedule.

At 9am Judge Decker and Court Administrator Debbie Hunt were interviewed by the Committee. Judge Decker thanked the Committee and the Council for their incredible support over the years and noted that the court was dealing with an increased volume of offenders, and in some cases more violent in nature. A question-and-answer period ensued regarding mental health issues. It was noted that the budget, as proposed, includes a return to a lead clerk position now that the department is fully staffed. The Committee was supportive of recommending funding for the lead clerk position beginning in mid-2015.

A Q&A ensued on the local crime rate and types of crime, and a short discussion on Community Service versus the cost of jail time. The benefits of community service for the offender rather than sitting in jail. The Committee members viewed community service as an option for offenders that had a public benefit quality.

At 10 o’clock City Clerk Brandy Rinearson was interviewed. In administrative services, Mr. Putaansuu asked about the media kit to promote Port Orchard and also for event packets, and the reasoning behind that. Back Ashby pointed out the benefits of the packet, with funding from Fund no. 107 Community Events Fund hotel motel tax. The Office Assistant position was discussed. Mr. Martin noted that employee benefits were already included within the budget and the increase in front of the Committee for recommendation was the actual $12,429.53 salary for the year. Mr. Putaansuu suggested moving to paperless packets and suggested that two iPads be funded. Mr. Martin suggested that iPads be included in the IT budget rather than the clerk’s.

Mr. Childs suggested KEDA increase from $8,000 to $10,000. There was a discussion that the defense contract attorney cost may increase. The Committee felt that the budget should include a marketing position. However the consensus was in support of additional work hours for the office assistant position.

Next, Mr. Dorsey was interviewed regarding the public works budget. The city of Bremerton’s minimum amount per year for water is moved from $35,000 to $50,000 and that change needs to be recommended by the Committee. The Committee considered a salary increase in the assistant engineer’s position. Back Ashby inquired as to using Park impact fees for a park plan.
Members floated the idea the budget could supplant admissions tax as funding for the Bay Street Pathway using the revenue for recreational purposes.

The Committee learned that the $250,000 sweeper purchase did not take place in 2014 and needs to be added to the 2015 budget.

With passage of the Ordinance storm drainage service fees, finance will work with storm drainage utility staff to write a balanced recommended storm drainage budget for 2015. The budget will contemplate the two-tier step increase in 2015.

The Committee adjured for lunch.

At 1 o’clock Mr. Nick bond was interviewed from the Department of Community Development. The priority in his eyes was his front desk person, and then an intern as needed for 2016. Mr. Martin noted that the affordable health care act covered benefits for the front desk person so the request is for an hourly wage increase to the budget.

At 2 o’clock the Committee interviewed finance department staff whose presentation focused on Information Services and Human Resources. The committee learned that a Department of Revenue payment is added to the 2015 finance budget. A review started in 2013 and completed in 2014 resulted in clarification that parking fees for hourly parking are subject to sales tax. Sales tax is due if you charge for parking for 30 days or more when the customer does not have a designated space or stall. The City charges both hourly and 30 day undesignated parking fees. The sales tax will be paid using parking fee revenue.

Overtime is added to the IT budget. It is increasingly difficult for 1 full-time equivalent (FTE) to cover all of the demands and challenges within a 40 hour work week. Allowing overtime would compensate for additional hours within IT and is a stop-gap measure until a part-time assistant position is authorized.

The purchase of 2 computer servers and software which allows the replacement of a minimum of 4 existing aged servers. The current servers are of various ages, with 3 currently out of warranty and one purchased in 2006 at a critical point of failure. Several benefits are gained when reducing our server count. Lower energy costs, less damaging heat production in the server closet, lower maintenance cost, and greater reliability. Support and lifecycle expense of multiple servers is reduced with overall lowered associated cost.

The preliminary budget includes the purchase and installation of the Human Resources Module and Online Employee Self-Service Module completing the full integration of Springbrook™ modules. HR Coordinator Deborah Howard elaborated on how the new module will allow employees to enter their work hours on a daily basis and will make the entire payroll processing procedure more efficient. The HR Module will also streamline benefit plan administration and
employee record keeping such as health and safety tracking, education and training tracking, performance and OSHA reporting ability.

Chief Geoff Martim met with the Committee at 3:15pm. The Committee recommends moving the specialist position to a police administrative supervisor. They suggested purchasing the police truck for Department of Community Development for $3,000. Members asked that the amount of sale of any firearms be returned to the fund in which purchased the firearms.

They requested that the police chief check on scuba diver liability at AWC. Considered funding police vehicles using an increase in sales tax collection.

The Committee had a general follow up discussion with the following recommendations.

**Support**
1. Lead Court Clerk position
2. Springbrook HR module
3. IT servers

**Revenue Increases $142,800. (General Fund)**
1. $10,300 parking fee increase
2. $97,500 increase to sales tax collection projection
3. $35,000 Property tax

**Budget Adjustments (various Funds)**
1. $300,214 Bay Street Path project 13.5% match to Bethel Intersection Project
2. $300,214 Admission Tax to Bay Street Path project match
3. $200,000 Street Fund from Retsil Road to Bethel Intersection Project
4. $200,000 Street Fund reserve to Bethel Intersection Project
5. $100,000 Fund no. 109 Supp # 2 – Bldg. Exterior Repairs City Hall
6. $1,072 plus corresponding benefits Supp #11 increase to Assistant City Engineer Exempt Position (no source doc.)
7. $83,000 increase police vehicle (2) repayment
8. $15,000 increase to Water purchase Bremerton Water
9. $12,987 Supp #3 10 additional hours for existing Front Desk Clerk (DCD)
10. $12,429 Office Assistant II City Clerk
11. $10,000 IT Thermal Rack (no source doc.)
12. $3,000 Supp #1 Code Enforcement Pickup police Ford
13. $2,000 Supp #3 WiFi Hardware Update
14. $2,000 increase Kitsap Economic Development Alliance dues
15. $1,000 to IT for 2 Apple iPads.
16. $600 reduction IT Network Connections in PD

The Committee concluded its meeting at 4:10 pm.