A meeting of the Council Finance Committee was held at City Hall 216 Prospect Street January 20, 2015 6:30 p.m.

PRESENT: Chairman John Clauson, members Rob Putaansuu and Jerry Childs, Mayor Tim Matthes, Human Resource Coordinator Deborah Howard, Chief Geoff Marti, Director Nick Bond Department of Community Development, Treasurer Allan Martin, and Nick Weddleton. The meeting was recorded and the recording device was provided to the City Clerk.

Chairman Clauson opened the meeting and recognized that the agenda contained more topics than initially thought, noting that there was a lot to cover in the 30 minutes prior to the work study session at 7:00. Mr. Martin introduced attendees for purposes of the audio recording and passed out agenda packets.

Finance Report
The Committee was provided sales tax collection for the month of December that was .5% above projection. For all of 2014 sales tax collections were 3.37% above projection which totaled $129,758 in additional revenue. Member Putaansuu noted that the additional amount was part of the 2014 fiscal year ending balance. Correspondingly, it is part of beginning cash balance for 2015 budget purposes.

Real Estate Excise Tax (REET) collections experienced two large December transactions. Helped by a large commercial sale in August the amount of 2014 fiscal year collection was $512,625. The City budgeted 2014 collection at $280,000.

Human Resources
The Committee heard an update on the Ad hoc Health Care Benefits Committee. The Committee will be made up of employee representatives to address upcoming changes as a result of the Affordable Care Act. The City will began union negotiations later this year for the period that is impacted by healthcare benefit changes. The Committee process will help employees understand the changes and learn what will be available in future benefit packages. The Association of Washington Cities Benefit Trust Coordinator will be presenting to the Ad Hoc Committee. Currently the City has 72 full time employees and has formed a committee that includes all departments.

HR Coordinator, Deborah Howard, informed the Committee that the budget included benefits that could be extended to the City’s two 30 hour employees. Under the Affordable Care Act positions with 30 hours or more will be required to have benefits beginning January 1, 2016. HR is seeking direction on whether to extend benefits prior to the January 1, 2016 requirement. Both Chairman Clauson and member Putaansuu had no objection to paying benefits, only that they believed the decision was for the whole council and the topic was a Work Study issue. Ms. Howard will move the item to Work Study.
Department of Community Development
The Committee was provided a draft, Exhibit A, to Resolution 004-14 containing minor updates to the Department of Community Development/Public Works fee resolution. Updates address carport canopy fees for prefabricated kit installation, siding and residing, solar energy/photovoltaic panel systems roof mounted, and windows and doors. These changes are meant to help the public have a simple and straightforward means to receive a permit for these minor activities. Many times accomplished by do-it-your-selfiers. In the area of land-use permits, fees for view protection overlay district variances and for view protection overlay district exemptions are added.

Mr. Bond also presented the option of adjusting the building valuation tables from the currently adopted 2010 ICC valuation table to a newer table. Moving to the 2012 valuation table or the 2014 table would increase estimates for new construction value and the corresponding building permit fees which are calculated using building valuation.

Law Enforcement
Police Chief Marti informed the Committee that the 3-wheel traffic enforcement vehicle had been damaged in a one vehicle accident. The vehicle crashed onto its side and slid in a traffic lane. The officer involved was shaken-up but not otherwise injured. It’s unknown whether or not it can be repaired or if the insurance company will declare it a total loss. The Chief is working with the City mechanic to determine the extent of the damages.

A replacement gasoline 3-wheel vehicle would cost $25,000. An electric would cost approximately $35,000 but the City would get some benefits and reduced operating costs. If it comes to purchasing a new vehicle the chief will make a recommendation on which vehicle to choose. It is the police chiefs hope that a replacement can be put off until 2016.

The 2015 budget contemplated the general fund purchasing for the Department of Community Development code enforcement the Ford Ranger pickup that the police obtained through a drug seizure. The pickup is owned by the Special Investigative Unit (SIU Fund No. 104) and any proceeds from the sale will be deposited into Fund No. 104. Currently the mechanic is going over the pickup to determine its condition. So far they have identified $1,100 in repairs. There is some concern that cost of repairs for a vehicle with 129,000 may make its purchase too costly. The Chief will continue working with the mechanic to determine the trucks condition.

The Committee concluded its meeting at 6:55 pm.