



# Meeting Minutes

## Finance Committee

City Hall  
601 4th Avenue E  
Olympia, WA 98501

Information: 360.753.8244

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**Wednesday, June 8, 2016**

**5:00 PM**

**Room 207**

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**1. CALL TO ORDER**

Chair Cooper called the meeting to order at 5:00 p.m.

**2. ROLL CALL**

**Present:** 3 - Chair Jim Cooper, Committee member Jessica Bateman and Committee member Jeannine Roe

**3. APPROVAL OF MINUTES**

**3.A** [16-0719](#) Approval of April 13, 2016 Finance Committee Meeting Minutes

**The minutes were approved.**

**4. COMMITTEE BUSINESS**

**4.A** [16-0725](#) Update on 2017 Budget

City Manager Steve Hall gave a preview of the 2017 capital and operating budgets.

The following are 2017 capital budget items which will move forward: Utilities (water, storm sewer, waste); major maintenance, development and acquisition for parks (MPD funding) and building repair. Items which progress has been made on using one time funds or there are not enough available funds for are: Street repair, multimodal transportation, ADA upgrades, sidewalk repairs and hazard trees. Issues which will not be addressed in the 2017 capital budget are sea level rise work, East Bay erosion and parking.

The following items are 2017 operating budget items which will move forward: Utilities, parks maintenance and operations. The following items have limited funding: Police (current operations only, cannot expand), Fire (current staffing), downtown restrooms (pilot project funding only) and walking patrol (staff through overtime).

Mr. Hall reviewed the major issues affecting the operating budget.

The positive aspects are employee insurance and LEOFF 1 retiree medical costs are down, the proposed cuts to fire insurance premiums were vetoed by the Governor, the City received \$50,000 in revenue from marijuana sales, 2017 is the final year the City is supporting Harbor Patrol, the City's participation in the Association of Washington

Cities wellness program has reduced premiums by 2% and money has been saved through the City's energy conservation programs.

The negative aspects are increased costs from the Olympic Region Clean Air Agency, lost B&O license fee revenue, unknown costs for labor contracts in 2017, state pension cost increases and continued medical cost increases.

There are several issues which present complications including the impending loss of our largest auto dealer, sales tax increases (not sustainable), property value increases (limited), continued decline in private utility tax and employee salaries (retention and recruitment).

Mr. Hall concluded for 2017 the City will catch up on capital projects (utilities, parks and buildings), work to prioritize park and Metropolitan Park District funds, hold the line and potentially implement reductions for the general fund operating budget and develop criteria for 2018 budget cuts. He noted work for 2018 budgets will include developing potential budget cuts and service reductions, establish a rainy day fund and continue to explore revenue options and cost reductions.

Committee members asked clarifying questions.

**The information was received.**

**4.A.1**    [16-0709](#)            Briefing on Public Safety Funding Needs

Police Chief Ronnie Roberts shared public safety funding needs which will help meet the mission of building public trust. He discussed the need for \$551,000 to implement body cameras; \$474,000 to assist in community outreach and \$1,583,000 to expand downtown walking patrols.

Committee members asked clarifying questions.

**The information was received.**

**4.B**        [16-0726](#)            Funding Options to Study Assistance for Low Wage Workers

Mr. Hall noted since the October Study Session regarding the topic of minimum wage, he has reached out to several researchers to gain understanding of the low wage workers in Olympia. Those he reached out to indicated the only information they could provide would be speculative and not provide much assistance. Chair Cooper requested a work plan be developed to present to Council. Mr. Hall noted it would be necessary to hire an objective researcher to gather information, create a timeline and a public process. Chair Cooper recommended the following be researched: the effects of raising the City minimum wage to \$13.50, how to implement a sick and safe leave policy and what a policy regarding predictive scheduling would look like.

**Chair Cooper moved, seconded by Committee member Roe, to direct staff to go forward in developing a conceptual outline and scope of work in order to determine next steps. The motion carried by the following vote:**

**Aye:** 3 - Chair Cooper, Committee member Bateman and Committee member Roe

**4.C**     [16-0685](#)            Disposition of City-Owned Property Located at 815 SE 7th Avenue

Assistant City Manager Jay Burney discussed a vacant City-owned parcel of land located at 815 SE 7th Avenue. He noted the parcel has been vacant for many years and several surrounding property owners have expressed interest in it. Mr. Burney said the parcel has never been used for a municipal purpose and the City expends resources to clean and maintain it. He recommended moving to the first step in the City's *Procedures for the Evaluation of City Real Property for Reuse and Disposal* to determine whether requests and/or proposals for excess property uses are feasible and/or sufficient prior to being forwarded to the City Council for review and approval. Mr. Burney brought the topic forward to the Finance Committee as the first step in the process.

Committee members ask clarifying questions.

**The Committee directed staff to move forward with exploring the first steps of the disposition process for the property.**

**4.D**     [16-0687](#)            Update to Procedures for the Evaluation of City Real Property for Reuse and Disposal

Mr. Burney presented a proposal to update the Procedures for the Evaluation of City Property for Reuse and Disposal. He noted in 2013 the City Council adopted a set of procedures to aid in evaluating potential surplus property to determine proper disposition. Since the time of adoption, a significant focus has been put on economic development, which the current procedures do not address. The update would exempt properties identified by the City Council and/or City staff for economic development partnerships from going through the formal disposition process. Committee members discussed amending the draft language from "partnerships" to "Council and City priorities".

**Committee member Bateman moved, seconded by Committee member Roe, to forward as amended the update to the Procedures for the Evaluation of City Real Estate Property for Reuse and Disposal for Council consideration at the June 21, 2016 meeting under file 16-0765. The motion carried by the following vote:**

**Aye:** 3 - Chair Cooper, Committee member Bateman and Committee member Roe

**5.        ADJOURNMENT**

The meeting adjourned at 6:45 p.m.