



Meeting Minutes - Final

Finance Committee

City Hall
601 4th Avenue E
Olympia, WA 98501

Information: 360.753.8244

Wednesday, June 7, 2017

5:00 PM

Room 207

1. CALL TO ORDER

Chair Cooper called the meeting to order at 5:01 p.m.

2. ROLL CALL

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

3. APPROVAL OF AGENDA

The agenda was approved.

4. APPROVAL OF MINUTES

4.A [17-0634](#) Approval of May 3, 2017 Finance Committee Meeting Minutes

The minutes were approved.

5. COMMITTEE BUSINESS

5.A [17-0608](#) Fire Department Apparatus and Vehicle Replacement Needs

Assistant Chief Mike Buchanan provided a presentation of the Olympia Fire Department vehicle replacement needs for 2018 through 2028. A/C Buchanan provided call volume comparisons for the population and area covered. The City of Olympia has a very high call volume for its size. He provided background and educational information regarding the service life of fire engines, ladder trucks, technical rescue vehicles, and command vehicles. He explained that the City has been fortunate to locate the necessary funds "just in time" when a vehicle needed to be purchased in the past; however, the Department felt that developing a plan to fund replacement vehicles is in the best interest of the City and public safety. A/C Buchanan asked for support of the Committee to work with Fiscal Services Manager Dean Walz to develop and incorporate the replacement schedule into the City budgeting process. The three Committee members gave their full support.

The SAFER grant was mentioned in this conversation. This grant to the Fire Department allows for the addition of six personnel for two years to be placed in areas

of need. The personnel are currently in training. Personnel hired with this grant will be available to serve the downtown area and gather data on trends in the types of emergency response calls coming from downtown.

The information was provided.

5.B [17-0613](#) 2016 Parks, Arts and Recreation Performance Report

Director Paul Simmons presented the 2016 Parks, Arts and Recreation Performance Report. This report tracks 44 data-supported performance measures, highlights annual achievements, and provides clear communication to the community. Director Simmons provided an example of how the Parks Department has become much more responsive to community needs. He received an email on Monday requesting the Department address a vegetation problem, and by Wednesday vegetation removal had begun. This is due to the Olympia Metropolitan Park District (OMPD) funding as well as data the Director has been able to collect for strategic decision making. The performance report is a historical review but will provide valuable insight into developing an action plan. Chair Cooper asked about adding a page to tie the performance report to the citywide Action Plan.

The report was received

5.C [17-0627](#) Consideration of a Salary Commission to Review City Council Compensation

City Manager Steve Hall introduced the topic of a salary commission as an optional independent assessment of salary levels for the City's elected officials. Being a member of the City Council is a demanding and time-consuming job, and salary adjustments are not automatic. Council salaries currently are set by ordinance, with the most recent increase occurring in 2008. Administrative Services Director Mary Verner provided information on other cities that have passed ordinances establishing a salary commission. She also provided more in-depth information on five cities, focusing on Kirkland and Mercer Island which have the same Council-Manager structure as Olympia. The Committee discussed how criteria are established for the commission to review salaries. Based on the salary commission's evaluation, salaries could go up or down. The recommendation of the commission is binding and doesn't consider the budget. City Attorney Mark Barber reviewed a draft ordinance establishing a salary commission he prepared for the Committee to review. Mr. Barber provided references to RCW 35.21.015 and answered questions regarding the ordinance. The salary commission's decision to change elected officials' salaries is subject to referendum and could be challenged.

Committee member Roe moved, seconded by Committee member Bateman, to forward the ordinance to the full Council for consideration. The motion passed unanimously.

5.D [17-0626](#) Discussion on a Sustainable Budget for 2018

Fiscal Services Manager Dean Walz provided a graphic representation of 2018 projected revenue along with a 2017 comparison and the “Big 5” tax revenues. At this stage of the budget process, the City is looking at a \$1 million gap between revenues and expenses going into 2018. Since the State hasn’t passed its budget, the \$1 million gap doesn’t take into consideration any impacts to the City from legislative actions. The projected shortfall is mostly due to insurance increases, retirement rate increases, and the loss of a major retailer. City Manager Steve Hall noted the current status of the 2018 budget is in a better position than normal. Ms. Verner provided additional information on 2018 unfunded needs. These items are not currently in the 2018 budget and do not have an identified source of funding.

The discussion was completed.

6. REPORTS AND UPDATES

Reminder: Second meeting this month scheduled for June 22, 2017, 5:00 pm.

The Committee would like to have the budget meeting off-site when they get to that point.

7. ADJOURNMENT

Chair Cooper adjourned the meeting at 6:55 p.m.