



City of Olympia

City Hall
601 4th Avenue E
Olympia, WA 98501

Information: 360.753.8447

Meeting Minutes Finance Committee

Thursday, December 12, 2013

5:30 PM

Room 112

1. ROLL CALL

Present: 2 - Chair Stephen H. Buxbaum and Committee Member Nathaniel Jones

Excused: 1 - Committee Member Jim Cooper

2. CALL TO ORDER

The meeting was called to order at 5:30 p.m.

3. APPROVAL OF MINUTES

- 3.A [13-1046](#) Approval of November 18, 2013 Finance Committee Meeting Minutes

The minutes were approved.

4. COMMITTEE BUSINESS

- 4.A [13-0898](#) Long Term Financial Sustainability of The Farmers Market

The City and Port of Olympia renegotiated terms of the lease for the property currently operated as the Farmers Market of Olympia. Included in the lease agreement was a "Best Practices Assessment" to be conducted by an outside consultant. The Finance Committee, staff, and Executive Board of the Farmers Market met to allow the consultant, E.D. Hovee and Company, an opportunity to discuss the results of their assessment. The intent of the Best Practices Assessment was to provide the Farmers Market with feedback related to their governing structure, business model and operating policies. It identifies opportunities for the Farmers Market staff and Board of Directors to consider for implementation.

Chair Buxbaum said it was important to keep the Market's mission in mind as we discuss what next steps are most appropriate for the City. The Olympia Farmers Market's mission is: ***"Promote and encourage the development of local small scale agriculture and ensure a dynamic market balance for small, local growers and others to make available their products to residents of this community."*** The chair outlined what he believes are the next steps.

Recommendation One:

Consider how to best support the Market in achieving its mission. Consider helping to

convene experts from the Thurston County Coop Extension, Economic Development Council, Visitor and Convention Bureau, Olympia Downtown Association (and Main Street organization), the Parking and Business Improvement Association and the Port of Olympia. Collaborate on development of a strategic plan for the market with a goal of establishing measurable objectives for its mission.

Recommendation Two:

Develop a comprehensive parking strategy for the “market district.” This work will require the collaboration of the Port, City and Market Association as well as key business and citizen stakeholders. Determine a fact-based approach to best managing and operating parking in and around the Farmers Market District.

Recommendation Three:

Set a goal of agreeing to a process and approach for determining how to establish the best organizational structure and property ownership relationship for the market and the market facility by the end of 2014.

Chair Buxbaum agreed to take these recommendations to the full Council for discussion.

4.B [13-1051](#) Indirect Cost Recovery Methodologies

Administrative Services Fiscal Services Director Dean Walz responded to the Committee's request to review indirect cost recovery methodologies utilized by the City. He explained current indirect and cost recovery includes the following:

- Indirect overhead of Executive, Legal, Human Resources, City Clerk, Mail, Utility Billing, Accounting, and Information Services. This is allocated to City-owned utilities, engineering overhead and parking services.
- Allocation of Public Works General Services costs, to the various sections of Public Works.
- City Hall office space cost is computed for direct use by utility staff and the indirect overhead programs noted above. The costs include operations and maintenance (O&M) and debt service for City Hall.
- Maintenance Center rent is computed for users of the facility. The rent includes O&M costs and a portion for long-term maintenance.
- CP&D services to City-owned utilities.
- PC usage.

The 2014 General Fund budget includes \$4,004,495 to be received from the above cost recoveries. Additionally, \$75,073 is projected to be received by the Facilities Repair and Major Maintenance Fund from Maintenance Center rent charges in 2014. The Committee asked staff to calculate and evaluate charging general fund departments a facilities charge. The revenue would then help offset the cost of facilities repair and major maintenance.

The discussion was completed.

5. ADJOURNMENT

The meeting adjourned at 7:04 p.m.