



# Administration and Finance Committee Minutes

July 6, 2017  
3:00 PM

SeaTac City Hall – Riverton Room 128

Members:	Present:	Absent:	Commence:	3:03 P.M.
			Adjourn:	4:07 P.M.
Erin Sitterley, Chair	X			
Peter Kwon	X			
Pam Fernald	X			

Other Council Members Present: Rick Forschler

Staff Coordinator: Gwen Pilo, Finance Director

1. Public Comment	<i>None</i>
2. Review of June 1 & June 22, 2017 Minutes	<p><u> X </u> Recommended for Approval</p> <p><i>A copy of the June 1 &amp; June 22, 2017 minutes were provided to the committee for review. The committee had no revisions and the minutes were approved as written.</i></p>
3. Vacant Positions Update	<p><u> X </u> Informational Update</p> <p><i>City Manager, Joe Scorcio, informed the committee of the status of vacant positions within the City. The position of Graphics Design Specialist has been offered to a candidate and the City is waiting for confirmation. Also the recruitment for the Municipal Judge will open soon with a closing date in August. The current incumbent will retain her position until the end of October this year.</i></p>
4. Council/City Manger Travel Pre-Approval or Final Approval	<p><u> X </u> Informational Update</p> <p><i>Finance Director, Gwen Pilo, presented three items for A&amp;F approval related to council travel. The committee voted on each item separately.</i></p> <ol style="list-style-type: none"> <li><i>1. Expense approval for Kathryn Campbell AWC Annual Conference Amount: \$914.38 The committee voted to approve.</i></li> <li><i>2. Travel pre-approval for Kathryn Campbell</i></li> </ol>

	<p><i>NCL City Summit  Amount: \$2,810  The committee voted to approve.</i></p> <p>3. <i>Travel pre-approval for Peter Kwon  NCL City Summit  Amount: \$2,810  Councilmember Kwon abstained from voting.  Council members Erin Sitterley and Pam Fernald voted to approve.</i></p>
<p>5. New Item: Change Order Approval</p>	<p><u>  X  </u> Recommended for Approval</p> <p><i>A new item was introduced to the A&amp;F agenda. Parks and Recreation Director, Larry Ellis, addressed the committee with a change order approval request regarding the construction at Riverton Heights Park. He looked for the committee's approval to increase the contract with Nordvind Company by \$48,527.94 allowing the company to increase the pathway around the park. The new total will still come in below the approved grant amount of \$332,000. The committee discussed other improvements that could be made to the park using the remaining grant money. Staff assured the council members that after the initial construction is complete, staff will use remaining grant funds to add additional features to park. More updates will be given in the future. The committee voted to recommend approval of the change order. This item will be on the July 25<sup>th</sup> City Council Study Session.</i></p>
<p>6. Benefit Provider Payment Process Change</p>	<p><u>  X  </u> Informational Update</p> <p><i>Finance Director, Gwen Pilo, informed the committee of a new payment process that the City will be using to pay the benefits provider for the City. This change is in response to the City switching from Association of Washington Cities (AWC) to Employees Health Coalition (EHC) for employee benefits. Due to the way EHC handles its billing, the current process of paying the vendor directly through Payroll is not feasible. Therefore, the Finance Department was required to reevaluate and determine how best to get payment to this new vendor. A handout was provided which details the proposed payment processing flow chart, involving several departments and ultimately allowing Accounts Payable to process the payment. This change was brought to the committee's attention due to the fact that council will now see this bill in the Accounts Payable vouchers instead of the payroll vouchers for approval. The committee asked that staff members involved with this new process document their time spent in order to see how this change is affecting overhead costs. The committee will be given an update in the future.</i></p>
<p>7. Cash Out/Termination Compensation</p>	<p><u>  X  </u> Informational Update</p> <p><i>Finance Director, Gwen Pilo, asked for direction from the committee</i></p>

<p>Budget Policy</p>	<p><i>regarding the development of a budget policy to address retirement cash outs not currently accounted for in the City's budget. Gwen explained that when an employee leaves or retires from the City, the expense of sick leave and vacation cash outs can be quite large and may even exceed a department's budget. She suggested creating budget policy that would address this issue at the development of the City's biennium budget. The committee discussed options. Staff suggested funding any anticipated retirements in either the HR budget as a separate line item, or in each department's budget as a separate line item. These funds would be reserved strictly for any cash out/termination compensation. The committee was in favor of making this an HR expense. Staff will develop a budget policy and bring it back to the committee with the 2019-2020 Budget Policy discussion.</i></p>
<p>8. Future Meeting Schedule/Topics</p>	<p><i>The July 20<sup>th</sup> A&amp;F Meeting has been cancelled. The next A&amp;F Meeting will be held on August 3<sup>rd</sup> at 3:00pm in Riverton Room 128. Topics will include: Council Post Conference/Trip Report, Performance Measures/Report Card for HS Contracts, and a Business License Update.</i></p>

## Pre-approval or final approval of City Council and City Manager travel related expenses

### Expense Approval:

NLC City Summit  
Charlotte, NC  
Nov 15-18, 2017

The City Council 2017 budget includes attendance of **four** councilmembers. Below is the *estimated budget amount* for this conference.

Name: Kathryn Campbell	A&F Approval Date: Jul 6	A&F Approval Date: Aug 3
Lodging	1125	
Meals	300	
Transportation	750	
Registration \$545 by Jun 30	635	545
<b>Total</b>	<b>\$2810</b>	<b>545</b>

A&F Chair Signature: \_\_\_\_\_

Name: Peter Kwon	A&F Approval Date: Jul 6	A&F Approval Date: Aug 3
Lodging	1125	
Meals	300	
Transportation	750	
Registration \$545 by Jun 30	635	545
<b>Total</b>	<b>\$2810</b>	<b>545</b>

A&F Chair Signature: \_\_\_\_\_