

SPECIAL MEETING DES MOINES CITY COUNCIL

MINUTES

June 27, 2004

The special meeting of the Des Moines City Council was called to order at 9:00 a.m. by Mayor Sheckler at the Heathman Lodge, 7801 Greenwood Drive, Vancouver, WA.

ROLL CALL - Present: Mayor Bob Sheckler, Mayor Pro Tem Scott Thomasson, Councilmembers Gary Petersen, Dan Sherman, and Susan White. Absent: Councilmembers Richard Benjamin and Maggie Steenrod. Also present were City Manager Tony Piasecki, Assistant City Manager Corbitt Loch, City Attorney Linda Marousek, Chief of Police Roger Baker, Public Works Director Tim Heydon, Community Development Director Judith Kilgore, Finance Director Paula Henderson, Park and Recreation Director Patrice Thorell, Harbormaster Joe Dusenbury, Deputy City Clerk Angela Chaufy, and Facilitator Michael Pendleton.

DISCUSSION ITEM

Preliminary 2005 Budget Discussion

Facilitator Pendleton identified the following issues before Council:

1. 20% Gap between revenues and expenditures.
2. Reluctance to increase revenues.
3. Community Education Involvement.
4. Employee Education Involvement.
5. Economic Development as a long-term solution.
6. Across the board cuts assumed.

Council concurred that a gap equal to 20% of expenditures existed between General Fund expenditures and revenues. They identified community education involvement as a vital component of the process to balance the budget.

Councilmember White suggested that the education begin immediately with the next issue of the "City Currents".

Councilmember Sherman agreed. He said that the true budget picture should be presented at the July 8, 2004 Council meeting.

Council requested that the following information be included in the July 8, 2004 Council meeting presentation:

- Identify revenue sources voters can approve.
- Identify revenue sources Council can implement.
- Identify the specific impacts of Initiative 695, 747, and 776.
- Identify the percentage of voters in Des Moines who supported the individual initiatives.
- Identify the potential impact of Initiative 864.
- Identify budget increases due to facilities being unloaded by other jurisdictions (i.e. Mount Rainier Pool, Off-Leash Dog Park).
- Identify real service level scenarios.

Regarding economic development, Facilitator Pendleton noted that Des Moines had natural assets that were not yet fully tapped. He said that economic development was the long-term solution to revenue shortages. Facilitator Pendleton stated that Council could choose to no longer provide a particular service in order to reduce expenditures. He reiterated that the budget balancing process would require real leadership by Council.

Councilmember White said that information regarding Council's actions to address the budget issues needed to be presented to the public. She stated that economic development was important and Council needed to implement the vision.

Park and Recreation Director Thorell said that community education needed to engage neighborhoods, the Chamber of Commerce, business partners, realtors, and community groups.

Chief Baker suggested joint elected officials/department head community forums. The community needed to be educated concerning the services provided and their benefit to the citizens.

Facilitator Pendleton stressed the importance of the community viewing the City as an inter-connected system.

Community Development Director Kilgore identified reduced property value and reduced staff response/involvement as potential negative impacts of budget cuts.

City Manager Piasecki said that the communication package should identify consequences as well as staff and Council's efforts to improve efficiencies.

Councilmember White suggested that the City develop brochures to aid realtors and hotels in promoting Des Moines.

At 10:07, Facilitator Pendleton declared a fifteen-minute break.

City Manager Piasecki directed department directors to prepare a color-coded list identifying which services would be cut at each percentage level and which services would remain.

Facilitator Pendleton noted that the general public had a distrust of elected officials and government. Living off credit was also a popular philosophy. Facilitator Pendleton asked Council to provide staff with their current positions regarding the process and range of models.

Council offered the following current positions:

Councilmember	Levy Lid Lift	B&O Tax	Utility Tax	Marina Tax	Level Of Cuts
Thomasson	Consider – Either levy lid lift <u>or</u> Utility Tax	Consider	Consider – Either levy lid lift <u>or</u> Utility Tax	Consider	Not identified.
Sherman	Consider – \$1.60 levy	Consider – Must	No	Consider – As long	5%

	rate.	also apply to non- profits.		as justified by CIP.	
White	Consider - \$1.60 levy rate.	Consider – Must also apply to non- profits.	No	Consider – As long as justified by CIP.	5%
Petersen	Consider - \$1.60 levy rate.	No	No	Not identified.	15%
Sheckler	Consider – \$1.60 levy rate.	Consider	Consider	Consider	Goal = 0%

Councilmembers Sherman and Petersen said that Council must inform the public why maintaining the 6% utility tax was necessary.

Councilmember Sherman said that, if a B&O tax could not be applied to the non-profit businesses, he was willing to consider an employee-headcount tax.

Council concurred that community education was an essential component of balancing the budget.

Councilmember Petersen said that the City should immediately streamline the development process to aid economic development. In regard to the levy lid lift item, Councilmember Petersen wished to poll the citizens for an appropriate level.

Chief of Police Baker suggested that a schedule for community budget forums be made available at the July 8, 2004 Council meeting.

In response to Chief Baker's questioning, Facilitator Pendleton said that he would propose a community education process to Council.

City Manager Piasecki said that staff would provide information and a Power-Point presentation for the community budget forums.

Chief of Police Baker confirmed that staff would be willing to attend the forums to explain information and support Council.

NEXT MEETING DATE – Study Session, July 1, 2004

ADJOURNMENT

At 11:30 a.m., the meeting adjourned.

Respectfully submitted,
Angela M. Chafty, Deputy City Clerk