

AGENDA

**DES MOINES CITY COUNCIL
REGULAR MEETING
City Council Chambers
21630 11th Avenue South, Des Moines**

September 17, 2015 – 7:00 p.m.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

CORRESPONDENCE

COMMENTS FROM THE PUBLIC

EXECUTIVE SESSION

BOARD AND COMMITTEE REPORTS/COUNCILMEMBER COMMENTS

PRESIDING OFFICER'S REPORT

ADMINISTRATION REPORT

CONSENT AGENDA

OLD BUSINESS

Page 1 Item 1: DISCUSSION OF 2016 BUDGET
Staff Presentation: Finance Director Dunyele Mason

NEXT MEETING DATE

October 1, 2015 Regular City Council Meeting

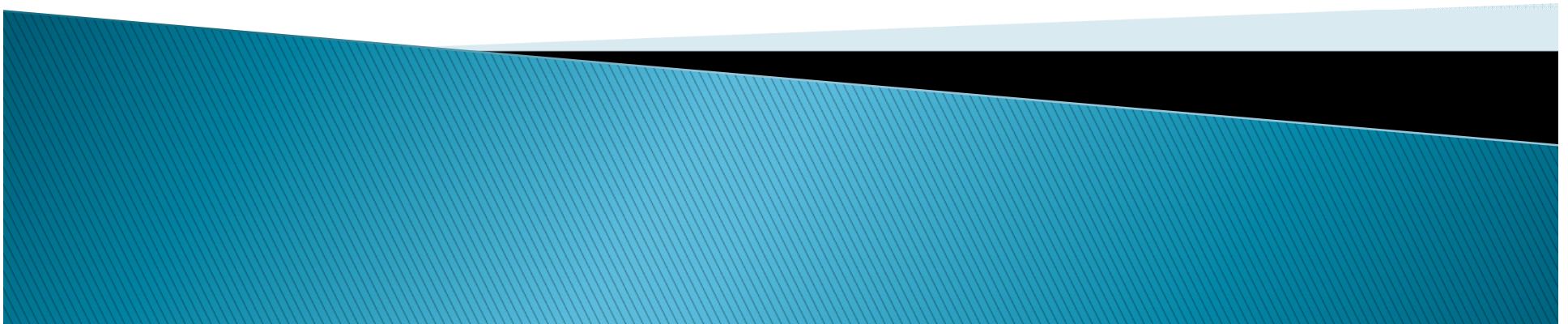
ADJOURNMENT

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BUDGET DISCUSSION

SEPTEMBER 17, 2015

What About Efficiencies?



Agenda

- ▶ Quick Review
 - Budget Retreat
- ▶ Goals for Tonight
- ▶ Part 1: Cost Containment/Efficiencies
 - Doing Things Differently
- ▶ Part 2: Covering the Cost of Services
 - Tax Impacts
- ▶ Part 3: Next Steps



QUICK REVIEW OF AUGUST 8 BUDGET RETREAT

- ▶ Importance and purposes of reserves.
 - 2015 negative cash balances.
- ▶ Status quo Financial Forecast
 - City doesn't make it through 2017.
- ▶ Importance of shifting financial dependency from variable development revenue to more stable tax revenue sources.
- ▶ Desire to add 3 new Patrol Officers.
- ▶ Balance budget with new fees & taxes; no personnel cuts.



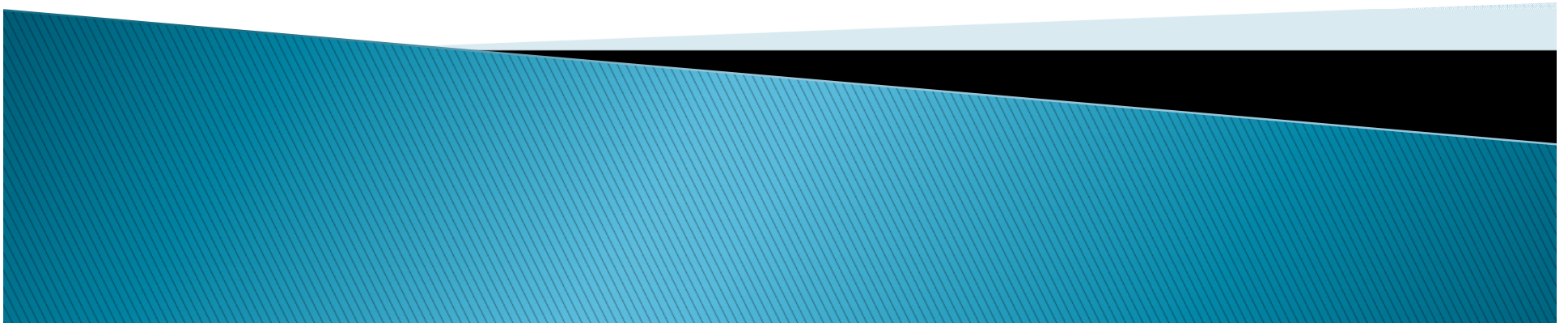
GOALS

- ▶ Set approximate dollar total of personnel cuts (efficiency savings).
- ▶ Review impacts of organizational changes created by those efficiency savings.
- ▶ Consider other service delivery models.
- ▶ Decide to add additional Patrol Officers or not.
- ▶ Decide on the level of tax and fee increases.



Part 1

EFFICIENCIES – DOING THINGS
DIFFERENTLY



Six Year Financial Plan

DOING THINGS DIFFERENTLY–Court

- ▶ Acquire and implement new court management software.
 - One-Time Cost for software purchase \$32K.
 - Ongoing cost for annual maintenance \$8K.
- ▶ Eliminate one Court Clerk position
 - Personnel cost reduction (\$78K).



Six Year Financial Plan

DOING THINGS DIFFERENTLY– P&R

			TAX SUBSIDY
	<u>REVENUE</u>	<u>EXPEND</u>	<u>"NET LOSS"</u>
<i>Arts Commission</i>	15,000	(55,000)	(40,000)
<i>Programs</i>	895,660	(1,435,000)	(539,340)
<i>Facility Rentals</i>	325,000	(405,000)	(80,000)
	<u>1,235,660</u>	<u>(1,895,000)</u>	<u>(659,340)</u>
PARKS MAINTENANCE	-	(660,000)	(660,000)
Combined Parks Ops & Programs	<u>1,235,660</u>	<u>(2,555,000)</u>	<u>(1,319,340)</u>
50 cents per \$1,000 Assessed Value			<u>1,320,958</u>
10 cents per \$1,000 Assessed Value			<u>264,191</u>



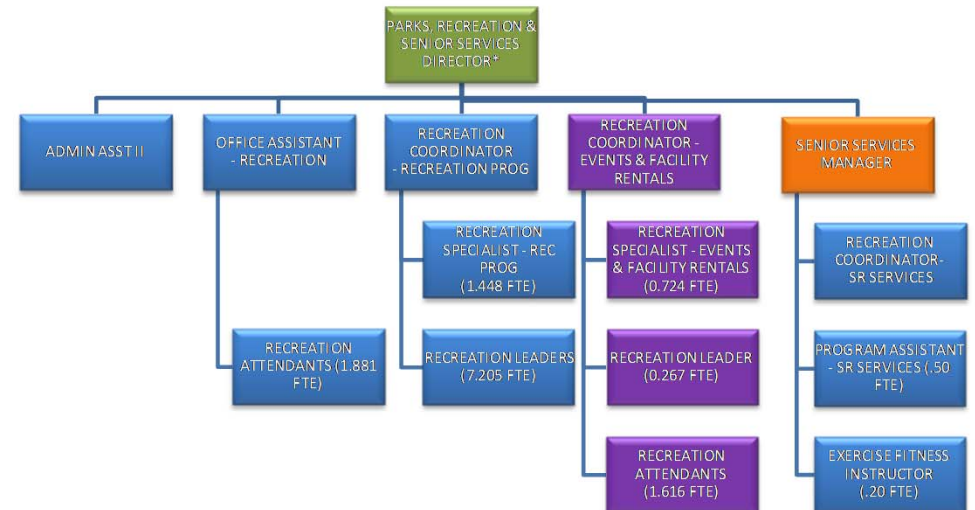
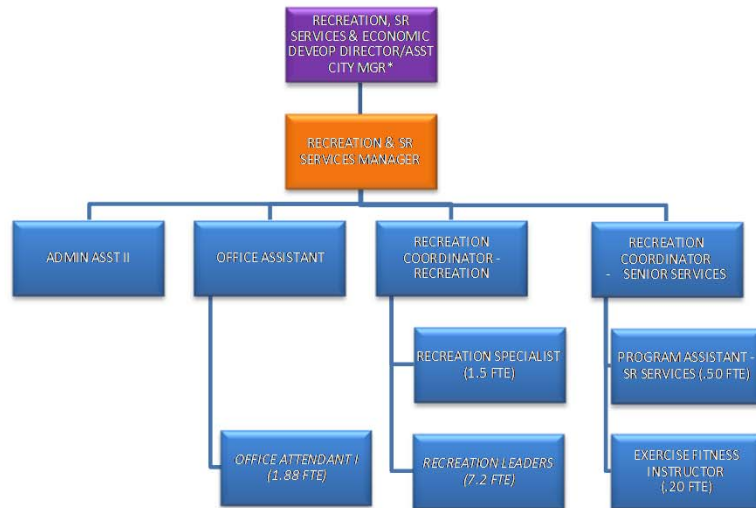
Six Year Financial Plan

DOING THINGS DIFFERENTLY– P&R

- ▶ INTERNAL OPTION 1:
- ▶ Eliminate Parks, Recr & Sr. Services Director Position (Saves \$170K). Reassign duties to Economic Develop/Asst City Manager.
- ▶ Expand duties of Senior Services Manager to include Recreation programs.
- ▶ Move Events & Facility Rentals to Marina. Expand duties of Marina Maintenance Manager to Marina, Events & Rentals Manager.



Parks, Rec & Sr. Services– Option 1 Saves \$170,000.



Six Year Financial Plan

DOING THINGS DIFFERENTLY– P&R

- ▶ INTERNAL OPTION 2:
- ▶ Eliminate Parks, Recr & Sr. Services Director
Eliminate Harbor Master;
Add Combined Director (saves \$89.5K Gen'l Fund
\$89.5K Marina Fund).
- ▶ Expand duties of Senior Services Manager to include Recreation Coordinator and functions.
- ▶ Expand duties of Marina Manager to include Events & Rental Coordinator and functions.



Six Year Financial Plan

DOING THINGS DIFFERENTLY– P&R

- ▶ Eliminate City–run programs and save \$619K. This reduces community services. Creates “passive park system” where folks play at parks on their own but no programs.
- ▶ Deliver existing services through a Parks District. This would allow voters to vote for additional property tax support for these programs to maintain or reduce current level of fees/tax subsidy.



Six Year Financial Plan

DOING THINGS DIFFERENTLY– Police

		2016 ORIGINAL BUDGET			
<u>Fund/Dept</u>		<u>Beginning</u>	<u>Revenues</u>	<u>Expense</u>	<u>Net Activity</u>
GENERAL FUND					
21	City Council			90,561	(90,561) 0%
22	Muni Court		369,700	952,577	(582,877) 39%
23	City Manager		729,957	1,837,812	(1,107,855) 40%
24	Finance		96,000	1,157,602	(1,061,602) 8%
26	Legal		72,794	612,359	(539,565) 12%
30	Police	3%	239,350	8,481,905	(8,242,555) 3%
40	PBPW		2,729,893	3,827,139	(1,097,246) 71%
45	Parks, Rec, Sr Services		1,182,369	1,975,854	(793,485) 60%
50	NonDepartmental		13,102,194	321,090	12,781,104
90	Debt & Transfers				
1	TOTAL GF		1,483,586	18,522,257	19,256,899 (734,642) 748,944



Six Year Financial Plan

Police Option – Saves \$202,000

- ▶ Eliminate Code Enforcement position (PBPW) and expand Police Dept CSO duties to include Code Enforcement. Saves \$105K.
- ▶ Combine Office Manager and Secretary positions into one new position (Command Support Manager). Saves \$97K.



CSO EXISTING MAJOR DUTIES

- ▶ Community outreach
- ▶ Block/Business watch
- ▶ Landlord/Neighbor disputes
- ▶ Walk-in reports/traffic complaints
- ▶ Motel ordinance
- ▶ Property crime victim education
- ▶ Traffic control
- ▶ Alarm program
- ▶ Concealed Pistol Licenses
- ▶ Graffiti clean up



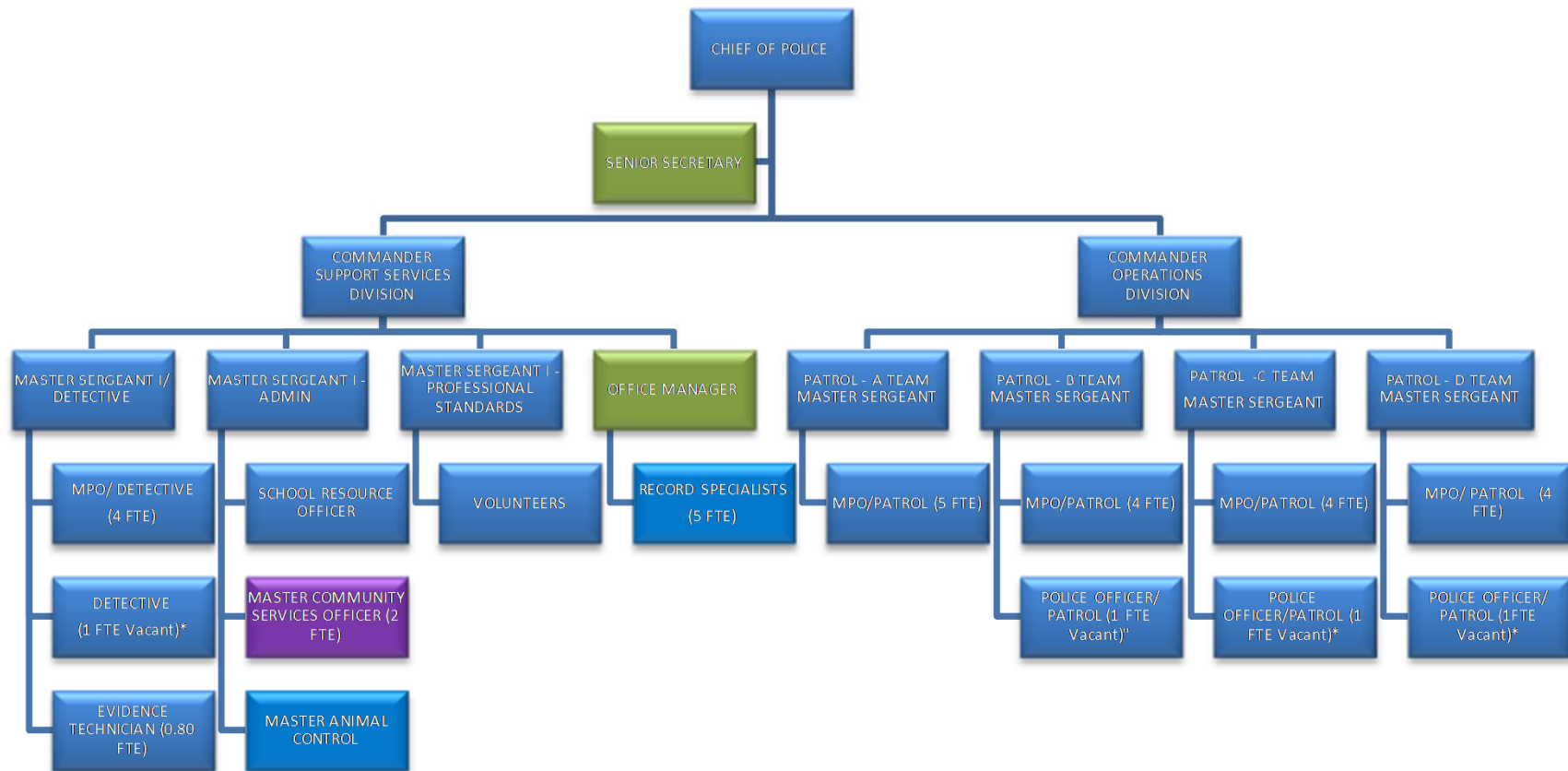
OFFICE MANAGER – EXISTING MAJOR DUTIES

- ▶ Supervise 5 Record Specialists
- ▶ Administrator/Trainer various software
- ▶ Record retention management
- ▶ Animal licenses (1,000+ annually)
- ▶ City ID & Police proximity cards
- ▶ Various monthly/quarterly/annual reports



Six Year Financial Plan

DOING THINGS DIFFERENTLY- Police Now



Six Year Financial Plan

DOING THINGS DIFFERENTLY– Police

- ▶ EXTERNAL OPTION:
- ▶ Council determine total cost of Police Services budget and see what level of service King County can provide for that lower \$ amount; e.g. 1) save \$393K or 2) total budget of \$7M vs \$8M.
- ▶ Will result in lower level of police service.
- ▶ Significant savings in accounts payable, human resources and payroll (the costs of which are not included in police budget).



Six Year Financial Plan

Other Potential Position Eliminations/Reductions (See Appendix A & B)

- ▶ Finance: Sr. Acct Specialist from .5 to 0 FTE in 2018 (or upon completion of financial software implementation) saves \$42,000.
- ▶ Centralized Mail Room –eliminate 2 mail machines saves \$28,920 (\$5,785/yr)
- ▶ Terminate the Fisher Parking Lot Lease saves \$7,800/yr
- ▶ Terminate the Oddfellows Lodge rent saves \$7,800/yr
- ▶ 2020 Cuts if no/low One Time Development Fees:
 - 1 FTE CD Assistant
 - 1 FTE Inspector
 - .6 FTE Engineer



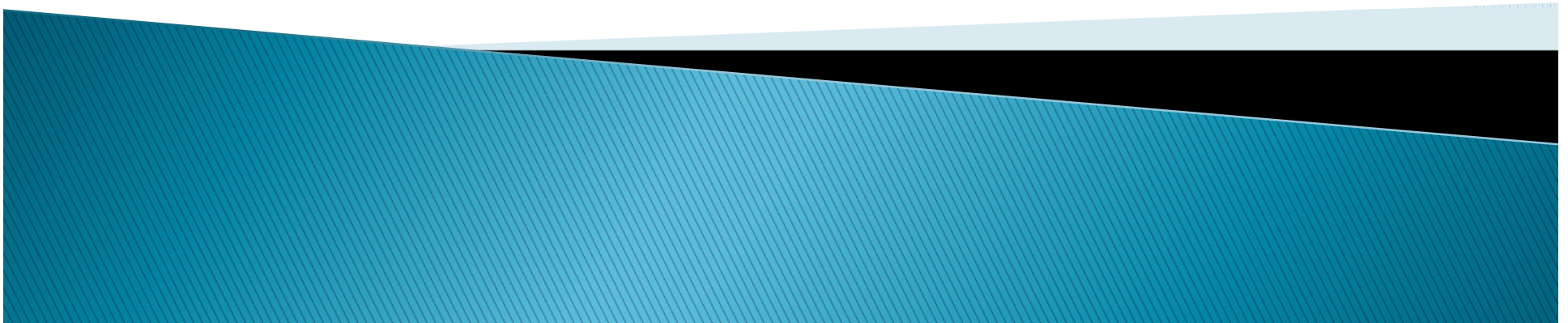
SUMMARY RECOMMENDATION OF ELIMINATED POSITIONS

▶ 0.5 FTE Accounting Specialist (2018)	\$ 42,000
▶ Code Enforcement	105,000
▶ Court Clerk	78,000
▶ Parks, Recr & Sr. Service Director	179,000
▶ Police Office Manager (2017)	97,000
TOTAL	\$ 501,000



Part 2

COVERING THE COST OF PROVIDING SERVICES: TAX IMPACT



HOW MUCH?

- ▶ **Scenario 1: BUDGET RETREAT**
 - 3 Patrol in 2016
 - No Employee Cuts

- ▶ **Scenario 2:**
 - 3 Patrol in 2016;
 - Yes Employee Cuts

- ▶ **Scenario 3:**
 - 2 Patrol in 2016; 1 Patrol in 2020
 - Yes Employee Cuts

- ▶ **Scenario 4: CURRENT SERVICE LEVELS**
 - No Patrol until 2020
 - Yes Employee Cuts



SCENARIO 1: BUDGET RETREAT (HIGHEST)

▶ General Fund	\$ 1,578,000
◦ Add 3 Police Patrol in 2016	
◦ No Personnel Cuts	
◦ Efficiencies 0% of Solution	
▶ Street O&M Fund	\$ 421,000
▶ Street Pavement	<u>\$ 802,000</u>
▶ Total Additional Revenue	\$2,801,000



Scenario 1: Tax Rates & Impacts

		NEW SCENARIO - 3 FTE POLICE 2016 - No Cuts									
		<u>CURRENT</u>		<u>GEN'L FUND</u>		<u>STREET O&M</u>		<u>STREET PAVE</u>		<u>TOTAL</u>	
		Current	Current	New	GF Tax	New		New	Street	Tax	TOTAL
		<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>TAX</u>
Services											
Water	80.00	-		10.40	13%	-		3.20	4%	13.60	17%
Sewer	25.00	-		3.25	13%	-		1.00	4%	4.25	17%
Storm	16.00	1.28	8%	1.28	8%	0.32	2%			2.88	18%
Cable	75.00	6.00	8%	1.50	2%	-				7.50	10%
Garbage	40.00	3.20	8%	-		4.00	10%			7.20	18%
Car Tab		1.67		-				1.67		3.34	\$40
Monthly tax impact		12.15		16.43		4.32		5.87		38.77	
Weekly tax impact		3.04		4.11		1.08		1.47		9.69	
Annual tax impact		145.80		197.16		51.84		70.44		465.24	
											Add'l
											26.62
											6.65
											319.44



Scenario 4: CURRENT SERVICE LEVELS (LOWEST)

- | | |
|------------------------------------|-------------------|
| ▶ General Fund | \$ 816,000 |
| ◦ No new Patrol until 2020 | |
| ◦ Yes Personnel Cuts \$501,000 | |
| ◦ Efficiencies 61% of the Solution | |
| ▶ Street O&M Fund | \$ 421,000 |
| ▶ Street Pavement | <u>\$ 802,000</u> |
| ▶ Total Additional Revenue | \$2,039,000 |



Scenario 4: Tax Rates & Impacts

		NEW SCENARIO - 3 FTE POLICE 2020 w/ cuts											
		<u>CURRENT</u>		<u>GEN'L FUND</u>		<u>STREET O&M</u>		<u>STREET PAVE</u>		<u>TOTAL</u>			
		Current	Current	New	GF Tax	New		New	Street	Tax	TAX		
		<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>TAX</u>		
Services													
Water	80.00	-		6.40	8%	-		3.20	4%	9.60	12%		
Sewer	25.00	-		2.00	8%	-		1.00	4%	3.00	12%		
Storm	16.00	1.28	8%	0.32	2%	0.64	4%			2.24	14%		
Cable	75.00	6.00	8%	0.75	1%	-				6.75	9%		
Garbage	40.00	3.20	8%	-		4.00	10%			7.20	18%		
Car Tab		1.67	\$20	-				1.67	\$20	3.34	\$40		Add'l
Monthly tax impact		12.15		9.47		4.64		5.87		32.13			19.98
Weekly tax impact		3.04		2.37		1.16		1.47		8.03			4.99
Annual tax impact		145.80		113.64		55.68		70.44		385.56			239.76



SCENARIO 2: (High Middle)

▶ General Fund	\$1,156,000
◦ 3 Patrol in 2016	
◦ Yes Personnel Cuts \$501,000	
◦ Efficiencies 43% of Solution	
▶ Street O&M Fund	\$ 421,000
▶ Street Pavement	<u>\$ 802,000</u>
▶ Total Additional Revenue	\$2,379,000



Scenario 2: Tax Rates & Impacts

		NEW SCENARIO - 3 FTE POLICE 2016 w/ Cuts											
	Services	CURRENT		GEN'L FUND		STREET O&M		STREET PAVE		TOTAL			
		Current	Current	New	GF Tax	New		New	Street	Tax	TAX		
		<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>TAX</u>		
Water	80.00	-		8.00	10%	-		3.20	4%	11.20	14%		
Sewer	25.00	-		2.50	10%	-		1.00	4%	3.50	14%		
Storm	16.00	1.28	8%	1.28	8%	0.32	2%			2.88	18%		
Cable	75.00	6.00	8%	1.50	2%	-				7.50	10%		
Garbage	40.00	3.20	8%	-		4.00	10%			7.20	18%		
Car Tab		1.67		-				1.67		3.34	\$40	Add'l	
Monthly tax impact		12.15		13.28		4.32		5.87		35.62		23.47	
Weekly tax impact		3.04		3.32		1.08		1.47		8.91		5.87	
Annual tax impact		145.80		159.36		51.84		70.44		427.44		281.64	



SCENARIO 3: (Low Middle)

▶ General Fund	\$1,005,000
◦ 2 Patrol in 2016; 1 Patrol in 2020	
◦ Yes Personnel Cuts \$501,000	
◦ Efficiencies 50% of Solution	
▶ Street O&M Fund	\$ 421,000
▶ Street Pavement	<u>\$ 802,000</u>
▶ Total Additional Revenue	\$2,228,000



Scenario 3: Tax Rates & Impacts

		NEW SCENARIO - 2 FTE POLICE 2016 w/ cuts											
		<u>CURRENT</u>		<u>GEN'L FUND</u>		<u>STREET O&M</u>		<u>STREET PAVE</u>		<u>TOTAL</u>			
		Current	Current	New	GF Tax	New		New	Street	Tax	TAX		
		<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>TAX</u>		
Services													
Water	80.00	-		6.40	8%	-		3.20	4%	9.60	12%		
Sewer	25.00	-		2.00	8%	-		1.00	4%	3.00	12%		
Storm	16.00	1.28	8%	1.28	8%	0.32	2%			2.88	18%		
Cable	75.00	6.00	8%	1.50	2%	-				7.50	10%		
Garbage	40.00	3.20	8%	-		4.00	10%			7.20	18%		
Car Tab		1.67		-				1.67		3.34	\$40		
Monthly tax impact		12.15		11.18		4.32		5.87		33.52		Add'l	21.37
Weekly tax impact		3.04		2.80		1.08		1.47		8.38			5.34
Annual tax impact		145.80		134.16		51.84		70.44		402.24			256.44



TAX IMPACT COMPARISON

	<u>No Cuts</u> <u>3 FTE 2016</u>	<u>Yes Cuts;</u> <u>3 FTE 2016</u>	<u>Yes Cuts;</u> <u>2 FTE 2016</u>	<u>Yes Cuts;</u> <u>0 FTE 2016</u>
<u>Current Tax Impact</u>				
Monthly	12.15	12.15	12.15	12.15
Weekly	3.04	3.04	3.04	3.04
Annual	145.80	145.80	145.80	145.80
<u>Additional Tax Impact</u>				
Monthly	26.62	23.47	21.37	19.98
Weekly	6.65	5.87	5.34	4.99
Annual	319.44	281.64	256.44	239.76
<u>Total (w/existing tax)</u>				
Monthly	38.77	35.62	33.52	32.13
Weekly	9.69	8.91	8.38	8.03
Annual	465.24	427.44	402.24	385.56



TAX RATE COMPARISON

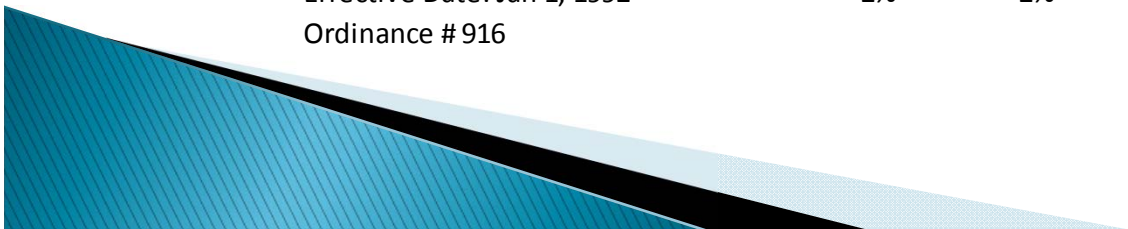
		No Cuts <u>3 FTE 2016</u>	Yes Cuts; <u>3 FTE 2016</u>	Yes Cuts; <u>2 FTE 2016</u>	Yes Cuts; <u>0 FTE 2016</u>
	Current	Scenario 1	Scenario 2	Scenario 3	Scenario 4
	<u>Tax %</u>	<u>Tax %</u>	<u>Tax %</u>	<u>Tax %</u>	<u>Tax %</u>
Water	0%	17%	14%	12%	12%
Sewer	0%	17%	14%	12%	12%
Storm	8%	18%	18%	18%	14%
Cable	8%	10%	10%	10%	9%
Garbage	8%	18%	18%	18%	18%
Car Tab	\$20	\$40	\$40	\$40	\$40



Six Year Financial Plan

Utility Tax Rate History

	<u>NO TAXPAYER VOTE REQUIRED</u>			<u>STATE MAX W/O VOTE UTILITIES</u>		
	<u>SWM</u>	<u>Cable</u>	<u>Solid Waste</u>	<u>Electric</u>	<u>Nat'l Gas</u>	<u>Telephone</u>
Effective Date: Jan 1, 2015 Ordinance # 1608-1610	8%	8%	8%			
Effective Date: Jan 1, 2009 Ordinance # 1441	6%					
Effective Date: Jan 1, 2000 Ordinance # 1249		6%	6%	6%	6%	6%
Effective Date: June 1, 1993 Ordinance # 1023		5%	5%	5%	5%	5%
Effective Date: Jan 1, 1993 Ordinance # 1005		6%	6%	6%	6%	6%
Effective Date: Jan 1, 1993 Ordinance # 1004		4%	4%	4%	4%	4%
Effective Date: Jan 1, 1992 Ordinance # 916		2%	2%	2%	2%	2%



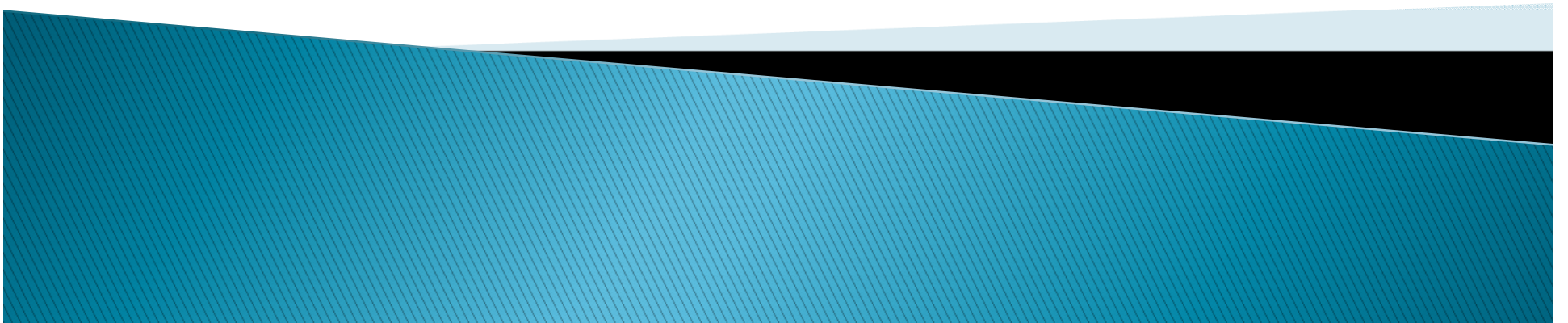
SIX YEAR FINANCIAL PLAN SUMMARY

- ▶ Forecasted Total Revenues are not sufficient to cover forecasted Total Expenditures.
- ▶ Structural deficit is not likely to be cured by future revenue growth in the 2015–2020 time frame.
- ▶ Created COUNCIL PRELIMINARY PLAN showing combination of expenditure cuts, revenue increases and mix of one-time vs. on-going changes to bring the city to a sustainable financial condition.



Part 3

Next Steps



2016 BUDGET PREPARATION

- ▶ Decisions made tonight will be used to update line item detail and organization charts.
- ▶ October 1, 2015 meeting will include first full draft of 2016 Operating and Capital Budget.
- ▶ Finance to prepare changes to Title 3 Funds, Fund Balance/Reserve Policies, limited authority for managing daily cash flow (November/December).



Any Questions?



APPENDIX - A

DIRECTOR REVENUE ENHANCEMENTS AND COST CONTAINMENT IDEAS									
Dept	5%	10%	One Time	On-Going	REVENUE	EXPEND	Description	Impact	
COUNCIL	X		X	x			Reduce number of Council Meetings to 2/mo	Longer meetings; fewer opportunities for discussion of issues.	
	X		X	x			Reduce number of Committee Meetings to 2/mo	Longer meetings; fewer opportunities for discussion of issues.	
CITY MANAGER	X			x	\$ 49,490		1/2 Time Executive Assistant	City Clerk time used; slow down public records requests response.	
		X		x	\$ 98,979		Eliminate Executive Assistant	City Clerk time used; slow down public records requests response.	
LEGAL	X		x		\$ 5,000		Professional Services	Nondiscretionary; based on what is now known.	
	X			x	\$ 192,000		City Attorney (June Retirement)	Consider contract city attorney; keep vacant position open for several months.	
	X			x	\$ 27,640		.5 FTE Paralegal - (June Retirement)	Shift work to remaining 1 FTE paralegal. Case counts down from 1200 to 900.	
	X		x		\$ 3,164		Interfund assessments		
COURT	X			x	\$31,450		Reduce Court Clerk to .7 FTE	Workload to be absorbed by remaining clerks.	
	X			x	\$2,500		Freeze Judge's salary	Higher level work to be absorbed by Clerk Administrator. No reduction in FTE.	
	X			x	\$5,750		Court Administrator change to high deductible plan.		
	X			x	\$5,100		Defendant pays credit card fee directly		
	X			x	\$4,050		Eliminate storage fees; scanning complete 2015		
	X			x	\$59,190		Reduce Court Clerk to .3 FTE		
FINANCE	X			x	\$ 41,415		Sr. Accounting Specialist 1/2 FTE	Major functions will continue uninterrupted. Less project support.	
	X			x	\$ 8,900		Armored Car Services	Dept's deliver daily deposit to bank instead of City Hall may take a little more staff time; possible safety concerns delivery of cash to the bank.	
	X		x		\$ 1,755		Training	Educate new employees in-house rather than by external training. Need long term to keep up with GASB changes and legal compliance.	
	X		x		\$ 52,000		Eden Replacement Contribution	Purchased reduced software functionality	
PLANNING BUILDING & PUBLIC WORKS	X			x	\$ 7,800		Fisher Lease	Limited viable options for others to construct a future municipal lot. Minimal value to the city.	
	X			x	\$ 7,800		Oddfellow's Lodge Rent	Not a city facility. Not sure why we pay rent?	
	X			x	\$ 7,500		City Support for 4th of July Fireworks	Offset by new Hotel/Motel tax revenue.	
	X			x	\$ 7,500		City Support for Waterland	Offset by new Hotel/Motel tax revenue.	
					\$ 0 - 660K		Eliminate, Reduce or Modify Park Operations	Unknown. Any ideas would be long term and not help the 2016 budget but could help future budgets.	
	X			x	\$ 60,000		Irrigation of Park Facilities	Grass would be brown in summer. May impact field rental revenues.	
	X			x	\$ 105,000		Code Enforcement Division to Police (Personnel)	Not all complaints complaints could be responded to. Police Dept to absorb code enforcement activities.	
	X			x	\$ 129,000		Eliminate PBPW Director	Duties to be absorbed by City Manager or Asst City Manager.	
	X			x	\$ 50,000		Grant Fredrick's Consulting Contract	Remove city's staff involvement in Sound Transit process.	
				x			Increase land use & related permit fees 10%-20%. Land Clearing Permit 10% is \$4,200-\$10K	Fees reduced about a year ago too far; not covering staff costs.	
				x	\$ 22,000		Increase business license fees 10%	Unhappy business owners.	
POLICE	X		X		\$ 40,000		Detectives - Equipment replacement deferred	Funds not available to replace equipment	
	X		X		\$ 314,095		Patrol - Equipment replacement deferred	Funds not available to replace equipment	

APPENDIX - A

DIRECTOR REVENUE ENHANCEMENTS AND COST CONTAINMENT IDEAS									
Dept	5%	10%	One Time	On-Going	REVENUE	EXPEND	Description	Impact	
	X		X			\$ 33,295	Crime Prevention - Equipment replace. deferred	Funds not available to replace equipment	
	X		X			\$ 25,255	Animal Control - Equipment replace. deferred	Funds not available to replace equipment	
	X			X		\$ 15,000	Waterland & July 4th Overtime	Offset by new Hotel/Motel tax revenue.	
		X		X		\$ 106,151	CSO (1 of 2)	Block watch, business watch, trespass, community outreach, investigative support CPTED, traffic & crowd control, crime analysis, graffiti cleanup, mortal ordinance, walk in reports, traffic complaints, neighbor disputes, landlord tenant issues, property crime victim education. Can contract with King County; lower level of service. Loss of current community outreach and community education events. Community complaints; lower voluntary participation. All Patrol shifts will then have 4 assigned Patrol Officers. All teams risk running below minimum due to vacation, sick, training, etc. Requires overtime to cover or officer safety issues if shift left uncovered. Senior Secretary duties expanded to include leading Record Specialist group. Evidence Tech and Senior Secretary serve as back up to Record Specialists. Will require one time money for vendor provided group software training.	
		X		X		\$ 98,434	CSO (2 of 2)		
		X		X	\$ 4,794		CSO - Overtime		
	X			X	\$ (30,000)	\$ 102,932	Animal Control		
	X			X		\$ 839	Animal Control - Overtime		
	X			X	\$ 3,000		Increase Animal License Fees 10%		
	X			X		\$ 117,446	Reduce 5th Officer position on A Shift		
							Eliminate Office Manager and increase Evidence Specialist from .8 FTE to 1 FTE		
							Eliminate one Commander position		
SENIORS, PARKS & REC	X			x	\$ 61,458	\$ (14,264)	Beach Park Facility Rentals	Net \$47,194 profit as compared to 2015 Budget	
	X			x	\$ 76,870	\$ (25,824)	Recreation Increase Programs/Rates	Net \$51,043 profit as compared to 2015 Budget	
	X			x		\$ 2,500	Art Commision Budget 5% Cut		
							Eliminate Spring Rec & Roll Magazine; reduce printing by 2,000 copies and reduce paper quality.		
	X					\$ 10,000			
	X			x		\$ 4,335	Human Services Budget 5% Cut		
		X		x	\$ 36,500	\$ (30,247)	New request Dining Hall rentals	Net \$6,253 rental profit	
								4 Food trucks; 2 meals daily; 6 days/wk;\$30 meal;30 weeks; 25% occupancy =\$10,800	
	X			x	\$ 10,800	\$ (10,656)	New Food Truck Pod Program	Sr. Coordinator retirement 2015.	
	X			x		\$ 38,837	Reclassify Sr. Coordinator to Sr. Specialist	Manager would report to another General Fund Director	
				x		\$ 178,000	Eliminate Director Position, or	Eliminate Marina Harbor Master position and hire a new Director over Parks,Recreation, Sr Services & Marina. Gen'l Fund pays .5 FTE.	
				x		\$ 89,000	Eliminate .5 FTE Director position	Reallocate 20% of Admin Asst time to support Sr. Programmer and added .74 Recreation Specialist. Reduce operating hours. Currently 9 am to 4 pm.	
								All other Recreation Specialists are .724 FTE. There are no other full time Recreation Specialists.	
		X		x		\$ 100,000	Eliminate Sr. Coordinator 1 FTE	All other Recreation Specialists are .724 FTE. There are no other full time Recreation Specialists.	
				x		\$ (39,400)	Add .724 FTE Recreation Specialist, or		
				x		\$ (63,300)	Add 1 FTE Recreation Specialist		

APPENDIX B

SCENARIO POSITIONS

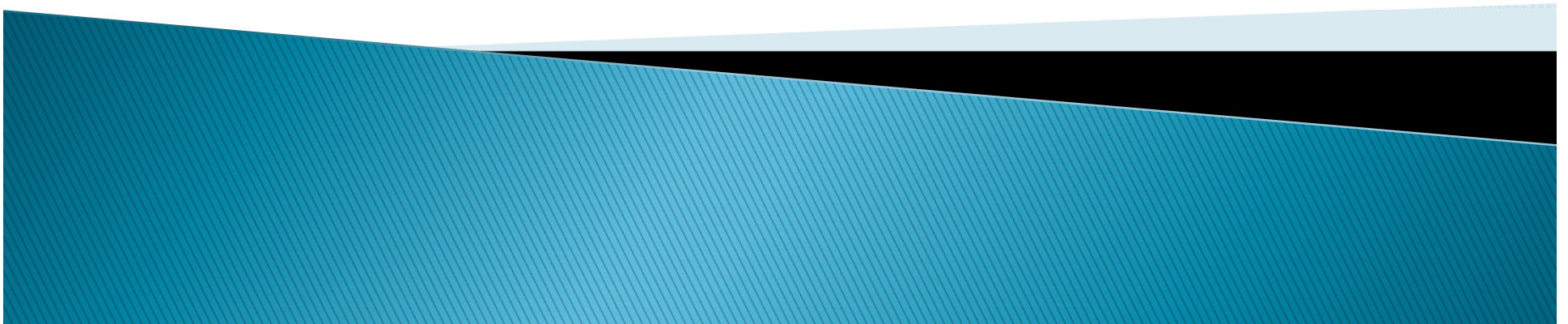
			2016 Rates						
			Full Year	2015	2016	1.0075	1.0075	1.0075	1.0075
						2017	2018	2019	2020
Executive Asst	City Mgr	99,000	1-Sep	33,000	99,000	99,743	100,491	101,245	102,004
CD Asst Updgrade	City Mgr	(11,000)		(3,667)	(11,000)	(11,083)	(11,166)	(11,250)	(11,334)
Sr. Coordinator	P&R	100,000	1-Oct	25,000	100,000	100,750	101,506	102,267	103,034
.724 Rec Specialist	P&R	(39,400)			(39,400)	(39,696)	(39,994)	(40,294)	(40,596)
	2015	148,600		56,348	150,616	151,731	152,855	153,987	155,128
.7 FTE Clerk + various	Court	76,600	1-Jan	19,150	76,600	77,175	77,754	78,337	78,925
.5 FTE Accountant	Finance	42,000	End March 31		32,000	42,315	42,632	42,952	43,274
.5 FTE Paralegal	Legal	28,000	End June 30		14,000	28,210	28,422	28,635	28,850
Director	P&R	179,000	End June 30		89,500	180,343	181,696	183,059	184,432
	2016	249,000			212,100	250,868	252,750	254,646	256,556
Office Manager	Police	97,000	1-Jan			97,728	98,461	99,199	99,943
.2 FTE Evidence	Police	(10,000)				(10,200)	(10,404)	(10,482)	(10,561)
Commander	Police	191,000	1-Jan			194,820	198,716	200,206	201,708
	2017	278,000				282,348	286,773	288,923	291,090
Total Cuts		675,600							
<u>Option</u>									
5th Patrol on A shift	Police	118,000				120,360	122,767	123,688	124,616
Comm Service Officer	Police	105,000				107,100	109,242	110,061	110,886
Code Enforce or CSO	Police	105,000				105,788	106,581	107,380	108,185
Add Additional Patrol		115,000	4% Step & 2% COLA		115,000	121,900	129,214	136,967	145,185
			COLA only		121,000	123,420	125,888	126,832	127,783
Building Inspector	PBPW	112,000				112,840	113,686	114,539	115,398
CD Assistant	PBPW	88,000				88,660	89,325	89,995	90,670
.6 Civil Engineer	PBPW	70,770				71,301	71,836	72,375	72,918
	2020	270,770				272,801	274,847	276,909	278,986

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BUDGET DISCUSSION

SEPTEMBER 17, 2015

What About Efficiencies?



Agenda

- ▶ Quick Review
 - Budget Retreat
- ▶ Goals for Tonight
- ▶ Part 1: Cost Containment/Efficiencies
 - Doing Things Differently
- ▶ Part 2: Covering the Cost of Services
 - Tax Impacts
- ▶ Part 3: Next Steps



QUICK REVIEW OF AUGUST 8 BUDGET RETREAT

- ▶ Importance and purposes of reserves.
 - 2015 negative cash balances.
- ▶ Status quo Financial Forecast
 - City doesn't make it through 2017.
- ▶ Importance of shifting financial dependency from variable development revenue to more stable tax revenue sources.
- ▶ Desire to add 3 new Patrol Officers.
- ▶ Balance budget with new fees & taxes; no personnel cuts.



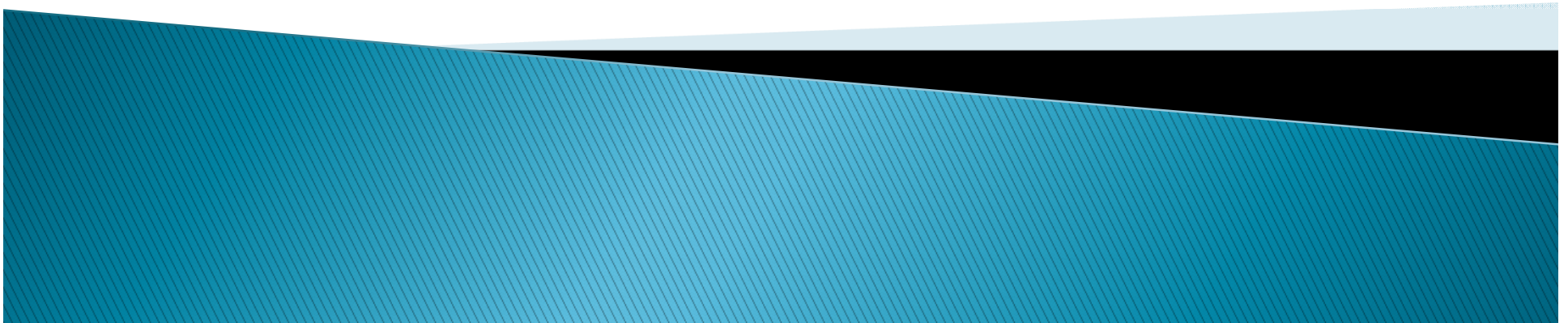
GOALS

- ▶ Set approximate dollar total of personnel cuts (efficiency savings).
- ▶ Review impacts of organizational changes created by those efficiency savings.
- ▶ Consider other service delivery models.
- ▶ Decide to add additional Patrol Officers or not.
- ▶ Decide on the level of tax and fee increases.



Part 1

EFFICIENCIES – DOING THINGS
DIFFERENTLY



Six Year Financial Plan

DOING THINGS DIFFERENTLY–Court

- ▶ Acquire and implement new court management software.
 - One-Time Cost for software purchase \$32K.
 - Ongoing cost for annual maintenance \$8K.
- ▶ Eliminate one Court Clerk position
 - Personnel cost reduction (\$78K).



Six Year Financial Plan

DOING THINGS DIFFERENTLY– P&R

			TAX SUBSIDY
	<u>REVENUE</u>	<u>EXPEND</u>	<u>"NET LOSS"</u>
<i>Arts Commission</i>	15,000	(55,000)	(40,000)
<i>Programs</i>	895,660	(1,435,000)	(539,340)
<i>Facility Rentals</i>	325,000	(405,000)	(80,000)
	<u>1,235,660</u>	<u>(1,895,000)</u>	<u>(659,340)</u>
PARKS MAINTENANCE	-	(660,000)	(660,000)
Combined Parks Ops & Programs	<u>1,235,660</u>	<u>(2,555,000)</u>	<u>(1,319,340)</u>
50 cents per \$1,000 Assessed Value			<u>1,320,958</u>
10 cents per \$1,000 Assessed Value			<u>264,191</u>



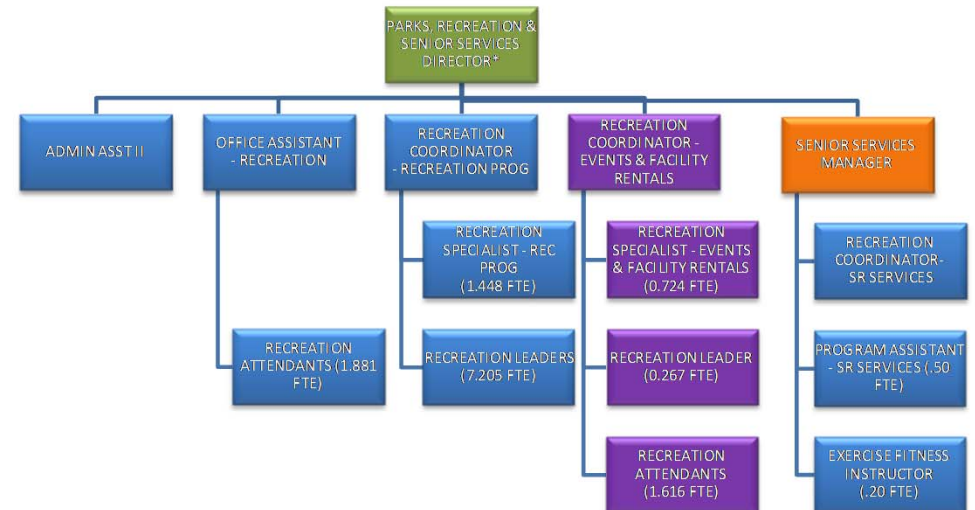
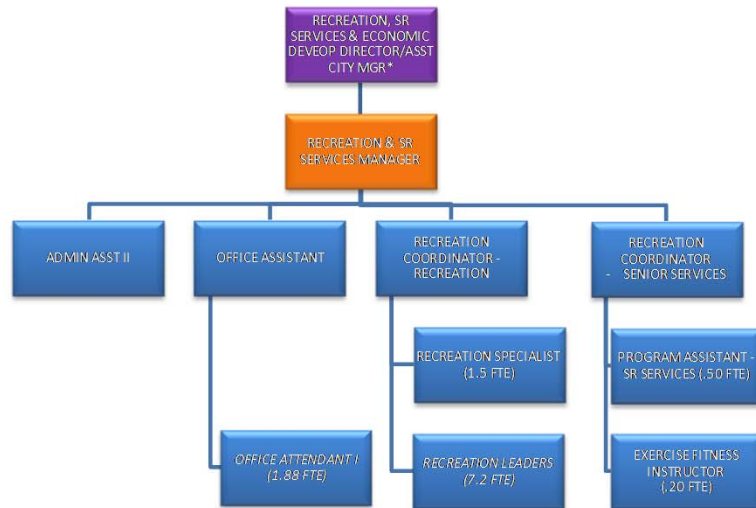
Six Year Financial Plan

DOING THINGS DIFFERENTLY– P&R

- ▶ INTERNAL OPTION 1:
- ▶ Eliminate Parks, Recr & Sr. Services Director Position (Saves \$170K). Reassign duties to Economic Develop/Asst City Manager.
- ▶ Expand duties of Senior Services Manager to include Recreation programs.
- ▶ Move Events & Facility Rentals to Marina. Expand duties of Marina Maintenance Manager to Marina, Events & Rentals Manager.



Parks, Rec & Sr. Services– Option 1 Saves \$170,000.



Six Year Financial Plan

DOING THINGS DIFFERENTLY– P&R

- ▶ INTERNAL OPTION 2:
- ▶ Eliminate Parks, Recr & Sr. Services Director
Eliminate Harbor Master;
Add Combined Director (saves \$89.5K Gen'l Fund
\$89.5K Marina Fund).
- ▶ Expand duties of Senior Services Manager to include Recreation Coordinator and functions.
- ▶ Expand duties of Marina Manager to include Events & Rental Coordinator and functions.



Six Year Financial Plan

DOING THINGS DIFFERENTLY– P&R

- ▶ Eliminate City–run programs and save \$619K. This reduces community services. Creates “passive park system” where folks play at parks on their own but no programs.
- ▶ Deliver existing services through a Parks District. This would allow voters to vote for additional property tax support for these programs to maintain or reduce current level of fees/tax subsidy.



Six Year Financial Plan

DOING THINGS DIFFERENTLY– Police

		2016 ORIGINAL BUDGET			
<u>Fund/Dept</u>		<u>Beginning</u>	<u>Revenues</u>	<u>Expense</u>	<u>Net Activity</u>
GENERAL FUND					
21	City Council			90,561	(90,561) 0%
22	Muni Court		369,700	952,577	(582,877) 39%
23	City Manager		729,957	1,837,812	(1,107,855) 40%
24	Finance		96,000	1,157,602	(1,061,602) 8%
26	Legal		72,794	612,359	(539,565) 12%
30	Police	3%	239,350	8,481,905	(8,242,555) 3%
40	PBPW		2,729,893	3,827,139	(1,097,246) 71%
45	Parks, Rec, Sr Services		1,182,369	1,975,854	(793,485) 60%
50	NonDepartmental		13,102,194	321,090	12,781,104
90	Debt & Transfers				
1	TOTAL GF		1,483,586	18,522,257	19,256,899 (734,642) 748,944



Six Year Financial Plan

Police Option – Saves \$202,000

- ▶ Eliminate Code Enforcement position (PBPW) and expand Police Dept CSO duties to include Code Enforcement. Saves \$105K.
- ▶ Combine Office Manager and Secretary positions into one new position (Command Support Manager). Saves \$97K.



CSO EXISTING MAJOR DUTIES

- ▶ Community outreach
- ▶ Block/Business watch
- ▶ Landlord/Neighbor disputes
- ▶ Walk-in reports/traffic complaints
- ▶ Motel ordinance
- ▶ Property crime victim education
- ▶ Traffic control
- ▶ Alarm program
- ▶ Concealed Pistol Licenses
- ▶ Graffiti clean up



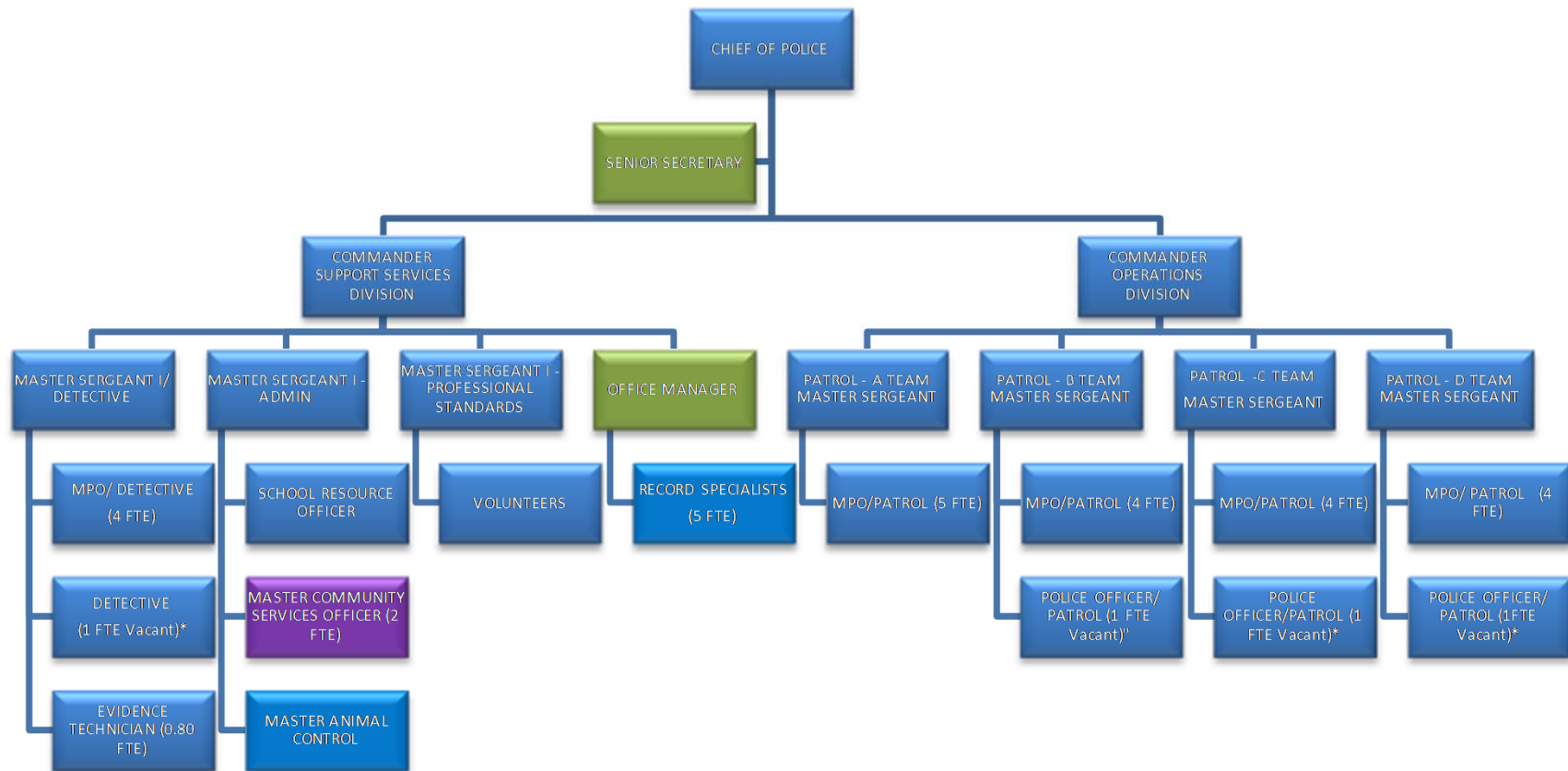
OFFICE MANAGER – EXISTING MAJOR DUTIES

- ▶ Supervise 5 Record Specialists
- ▶ Administrator/Trainer various software
- ▶ Record retention management
- ▶ Animal licenses (1,000+ annually)
- ▶ City ID & Police proximity cards
- ▶ Various monthly/quarterly/annual reports



Six Year Financial Plan

DOING THINGS DIFFERENTLY- Police Now



Six Year Financial Plan

DOING THINGS DIFFERENTLY– Police

- ▶ EXTERNAL OPTION:
- ▶ Council determine total cost of Police Services budget and see what level of service King County can provide for that lower \$ amount; e.g. 1) save \$393K or 2) total budget of \$7M vs \$8M.
- ▶ Will result in lower level of police service.
- ▶ Significant savings in accounts payable, human resources and payroll (the costs of which are not included in police budget).



Six Year Financial Plan

Other Potential Position Eliminations/Reductions (See Appendix A & B)

- ▶ Finance: Sr. Acct Specialist from .5 to 0 FTE in 2018 (or upon completion of financial software implementation) saves \$42,000.
- ▶ Centralized Mail Room –eliminate 2 mail machines saves \$28,920 (\$5,785/yr)
- ▶ Terminate the Fisher Parking Lot Lease saves \$7,800/yr
- ▶ Terminate the Oddfellows Lodge rent saves \$7,800/yr
- ▶ 2020 Cuts if no/low One Time Development Fees:
 - 1 FTE CD Assistant
 - 1 FTE Inspector
 - .6 FTE Engineer



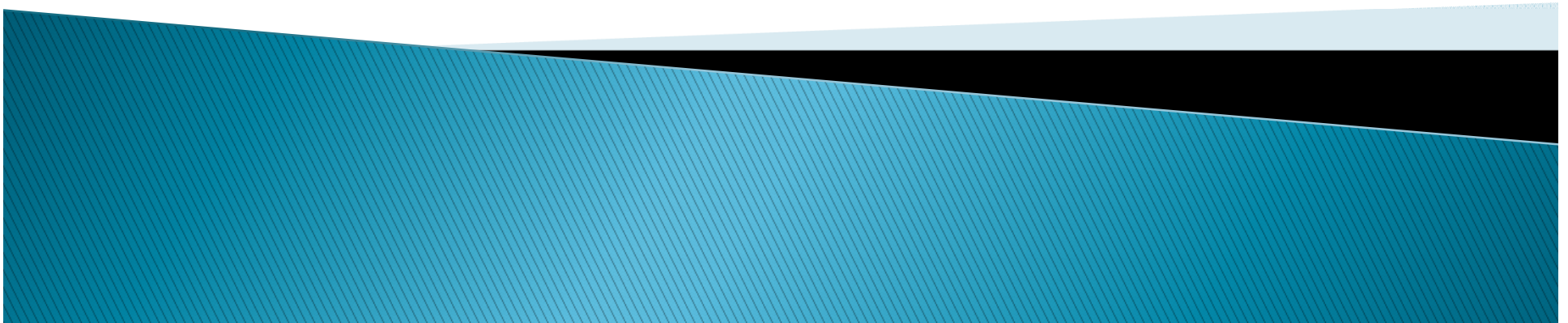
SUMMARY RECOMMENDATION OF ELIMINATED POSITIONS

▶ 0.5 FTE Accounting Specialist (2018)	\$ 42,000
▶ Code Enforcement	105,000
▶ Court Clerk	78,000
▶ Parks, Recr & Sr. Service Director	179,000
▶ Police Office Manager (2017)	97,000
TOTAL	\$ 501,000



Part 2

COVERING THE COST OF PROVIDING SERVICES: TAX IMPACT



HOW MUCH?

- ▶ **Scenario 1: BUDGET RETREAT**
 - 3 Patrol in 2016
 - No Employee Cuts

- ▶ **Scenario 2:**
 - 3 Patrol in 2016;
 - Yes Employee Cuts

- ▶ **Scenario 3:**
 - 2 Patrol in 2016; 1 Patrol in 2020
 - Yes Employee Cuts

- ▶ **Scenario 4: CURRENT SERVICE LEVELS**
 - No Patrol until 2020
 - Yes Employee Cuts



SCENARIO 1: BUDGET RETREAT (HIGHEST)

▶ General Fund	\$ 1,578,000
◦ Add 3 Police Patrol in 2016	
◦ No Personnel Cuts	
◦ Efficiencies 0% of Solution	
▶ Street O&M Fund	\$ 421,000
▶ Street Pavement	<u>\$ 802,000</u>
▶ Total Additional Revenue	\$2,801,000



Scenario 1: Tax Rates & Impacts

		NEW SCENARIO - 3 FTE POLICE 2016 - No Cuts									
		<u>CURRENT</u>		<u>GEN'L FUND</u>		<u>STREET O&M</u>		<u>STREET PAVE</u>		<u>TOTAL</u>	
		Current	Current	New	GF Tax	New		New	Street	Tax	TOTAL
		<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>TAX</u>
Services											
Water	80.00	-		10.40	13%	-		3.20	4%	13.60	17%
Sewer	25.00	-		3.25	13%	-		1.00	4%	4.25	17%
Storm	16.00	1.28	8%	1.28	8%	0.32	2%			2.88	18%
Cable	75.00	6.00	8%	1.50	2%	-				7.50	10%
Garbage	40.00	3.20	8%	-		4.00	10%			7.20	18%
Car Tab		1.67		-				1.67		3.34	\$40
Monthly tax impact		12.15		16.43		4.32		5.87		38.77	
Weekly tax impact		3.04		4.11		1.08		1.47		9.69	
Annual tax impact		145.80		197.16		51.84		70.44		465.24	
											Add'l
											26.62
											6.65
											319.44



Scenario 4: CURRENT SERVICE LEVELS (LOWEST)

- | | |
|------------------------------------|-------------------|
| ▶ General Fund | \$ 816,000 |
| ◦ No new Patrol until 2020 | |
| ◦ Yes Personnel Cuts \$501,000 | |
| ◦ Efficiencies 61% of the Solution | |
| ▶ Street O&M Fund | \$ 421,000 |
| ▶ Street Pavement | <u>\$ 802,000</u> |
| ▶ Total Additional Revenue | \$2,039,000 |



Scenario 4: Tax Rates & Impacts

		NEW SCENARIO - 3 FTE POLICE 2020 w/ cuts											
		<u>CURRENT</u>		<u>GEN'L FUND</u>		<u>STREET O&M</u>		<u>STREET PAVE</u>		<u>TOTAL</u>			
		Current	Current	New	GF Tax	New		New	Street	Tax	TAX		
		<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>TAX</u>		
Services													
Water	80.00	-		6.40	8%	-		3.20	4%	9.60	12%		
Sewer	25.00	-		2.00	8%	-		1.00	4%	3.00	12%		
Storm	16.00	1.28	8%	0.32	2%	0.64	4%			2.24	14%		
Cable	75.00	6.00	8%	0.75	1%	-				6.75	9%		
Garbage	40.00	3.20	8%	-		4.00	10%			7.20	18%		
Car Tab		1.67	\$20	-				1.67	\$20	3.34	\$40		Add'l
Monthly tax impact		12.15		9.47		4.64		5.87		32.13			19.98
Weekly tax impact		3.04		2.37		1.16		1.47		8.03			4.99
Annual tax impact		145.80		113.64		55.68		70.44		385.56			239.76



SCENARIO 2: (High Middle)

▶ General Fund	\$1,156,000
◦ 3 Patrol in 2016	
◦ Yes Personnel Cuts \$501,000	
◦ Efficiencies 43% of Solution	
▶ Street O&M Fund	\$ 421,000
▶ Street Pavement	<u>\$ 802,000</u>
▶ Total Additional Revenue	\$2,379,000



Scenario 2: Tax Rates & Impacts

		NEW SCENARIO - 3 FTE POLICE 2016 w/ Cuts											
	Services	CURRENT		GEN'L FUND		STREET O&M		STREET PAVE		TOTAL			
		Current	Current	New	GF Tax	New		New	Street	Tax	TAX		
		<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>TAX</u>		
Water	80.00	-		8.00	10%	-		3.20	4%	11.20	14%		
Sewer	25.00	-		2.50	10%	-		1.00	4%	3.50	14%		
Storm	16.00	1.28	8%	1.28	8%	0.32	2%			2.88	18%		
Cable	75.00	6.00	8%	1.50	2%	-				7.50	10%		
Garbage	40.00	3.20	8%	-		4.00	10%			7.20	18%		
Car Tab		1.67		-				1.67		3.34	\$40	Add'l	
Monthly tax impact		12.15		13.28		4.32		5.87		35.62		23.47	
Weekly tax impact		3.04		3.32		1.08		1.47		8.91		5.87	
Annual tax impact		145.80		159.36		51.84		70.44		427.44		281.64	



SCENARIO 3: (Low Middle)

▶ General Fund	\$1,005,000
◦ 2 Patrol in 2016; 1 Patrol in 2020	
◦ Yes Personnel Cuts \$501,000	
◦ Efficiencies 50% of Solution	
▶ Street O&M Fund	\$ 421,000
▶ Street Pavement	<u>\$ 802,000</u>
▶ Total Additional Revenue	\$2,228,000



Scenario 3: Tax Rates & Impacts

		NEW SCENARIO - 2 FTE POLICE 2016 w/ cuts											
		<u>CURRENT</u>		<u>GEN'L FUND</u>		<u>STREET O&M</u>		<u>STREET PAVE</u>		<u>TOTAL</u>			
		Current	Current	New	GF Tax	New		New	Street	Tax	TAX		
		<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>Tax %</u>	<u>Tax</u>	<u>TAX</u>		
Services													
Water	80.00	-		6.40	8%	-		3.20	4%	9.60	12%		
Sewer	25.00	-		2.00	8%	-		1.00	4%	3.00	12%		
Storm	16.00	1.28	8%	1.28	8%	0.32	2%			2.88	18%		
Cable	75.00	6.00	8%	1.50	2%	-				7.50	10%		
Garbage	40.00	3.20	8%	-		4.00	10%			7.20	18%		
Car Tab		1.67		-				1.67		3.34	\$40		
Monthly tax impact		12.15		11.18		4.32		5.87		33.52		Add'l	21.37
Weekly tax impact		3.04		2.80		1.08		1.47		8.38			5.34
Annual tax impact		145.80		134.16		51.84		70.44		402.24			256.44



TAX IMPACT COMPARISON

	<u>No Cuts</u> <u>3 FTE 2016</u>	<u>Yes Cuts;</u> <u>3 FTE 2016</u>	<u>Yes Cuts;</u> <u>2 FTE 2016</u>	<u>Yes Cuts;</u> <u>0 FTE 2016</u>
<u>Current Tax Impact</u>				
Monthly	12.15	12.15	12.15	12.15
Weekly	3.04	3.04	3.04	3.04
Annual	145.80	145.80	145.80	145.80
<u>Additional Tax Impact</u>				
Monthly	26.62	23.47	21.37	19.98
Weekly	6.65	5.87	5.34	4.99
Annual	319.44	281.64	256.44	239.76
<u>Total (w/existing tax)</u>				
Monthly	38.77	35.62	33.52	32.13
Weekly	9.69	8.91	8.38	8.03
Annual	465.24	427.44	402.24	385.56



TAX RATE COMPARISON

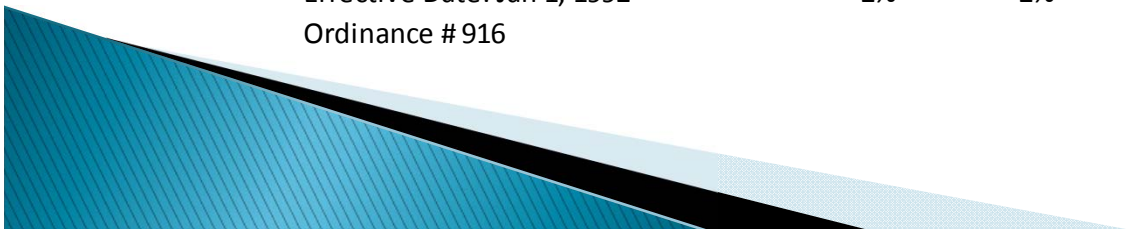
		No Cuts <u>3 FTE 2016</u>	Yes Cuts; <u>3 FTE 2016</u>	Yes Cuts; <u>2 FTE 2016</u>	Yes Cuts; <u>0 FTE 2016</u>
	Current	Scenario 1	Scenario 2	Scenario 3	Scenario 4
	<u>Tax %</u>	<u>Tax %</u>	<u>Tax %</u>	<u>Tax %</u>	<u>Tax %</u>
Water	0%	17%	14%	12%	12%
Sewer	0%	17%	14%	12%	12%
Storm	8%	18%	18%	18%	14%
Cable	8%	10%	10%	10%	9%
Garbage	8%	18%	18%	18%	18%
Car Tab	\$20	\$40	\$40	\$40	\$40



Six Year Financial Plan

Utility Tax Rate History

	<u>NO TAXPAYER VOTE REQUIRED</u>			<u>STATE MAX W/O VOTE UTILITIES</u>		
	<u>SWM</u>	<u>Cable</u>	<u>Solid Waste</u>	<u>Electric</u>	<u>Nat'l Gas</u>	<u>Telephone</u>
Effective Date: Jan 1, 2015 Ordinance # 1608-1610	8%	8%	8%			
Effective Date: Jan 1, 2009 Ordinance # 1441	6%					
Effective Date: Jan 1, 2000 Ordinance # 1249		6%	6%	6%	6%	6%
Effective Date: June 1, 1993 Ordinance # 1023		5%	5%	5%	5%	5%
Effective Date: Jan 1, 1993 Ordinance # 1005		6%	6%	6%	6%	6%
Effective Date: Jan 1, 1993 Ordinance # 1004		4%	4%	4%	4%	4%
Effective Date: Jan 1, 1992 Ordinance # 916		2%	2%	2%	2%	2%



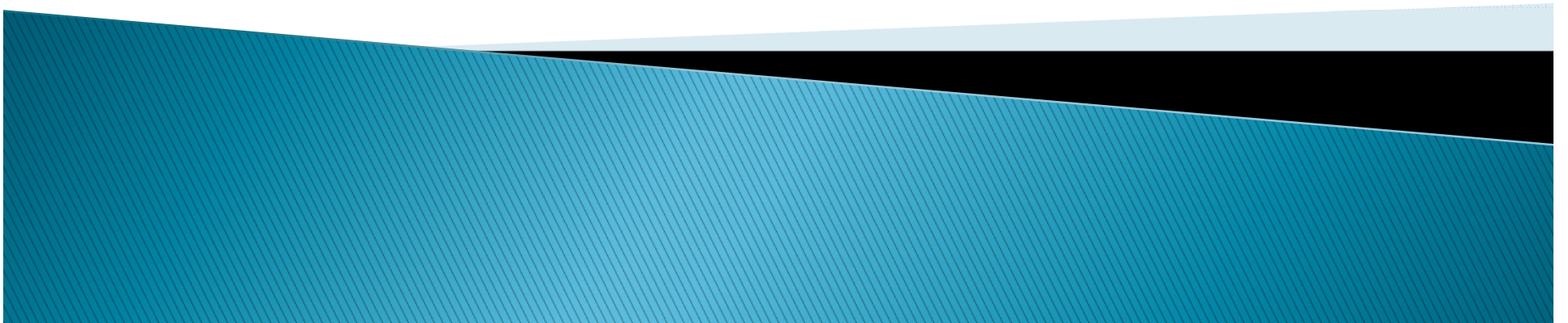
SIX YEAR FINANCIAL PLAN SUMMARY

- ▶ Forecasted Total Revenues are not sufficient to cover forecasted Total Expenditures.
- ▶ Structural deficit is not likely to be cured by future revenue growth in the 2015–2020 time frame.
- ▶ Created COUNCIL PRELIMINARY PLAN showing combination of expenditure cuts, revenue increases and mix of one-time vs. on-going changes to bring the city to a sustainable financial condition.



Part 3

Next Steps



2016 BUDGET PREPARATION

- ▶ Decisions made tonight will be used to update line item detail and organization charts.
- ▶ October 1, 2015 meeting will include first full draft of 2016 Operating and Capital Budget.
- ▶ Finance to prepare changes to Title 3 Funds, Fund Balance/Reserve Policies, limited authority for managing daily cash flow (November/December).



Any Questions?



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~~On: September 16, 2015, 1:02 PM, <shecklers@comcast.net> <mailto:shecklers@comcast.net>~~

~~Re:~~

~~Re: Des Moines City Council Meeting - September 16, 2015~~

~~Re:~~

From: "Brian Snure" <Brian@snurelaw.com>

To: citycouncil@desmoineswa.gov

Sent: Wednesday, September 16, 2015 7:00:59 AM

Subject: City Budget

Honorable Council Members,

First off, I appreciate the time and effort that each of you put into making the City of Des Moines the great place that it is. You often have a thankless job, and please don't mistake the loud, obnoxious and vocal few as being representative of the Des Moines community.

I am unable to attend this weeks council meeting so I am submitting these comments to let you know the perspective of at least one long time citizen and business owner on the difficult budgetary decisions you are facing. I took the time to review the powerpoint presentation in the meeting packet. My perspective is as follows.

1. My review of a powerpoint presentation doesn't make me an expert on the viability of the options or the details that formed the options but I would like you to consider the following issues as you review your options.
2. The City is the provider of basic services that will make or break this City. Police, Parks, public works, roads and infrastructure etc. are all important to a viable City. Cutting these services and or the City's ability to effectively provide those services will likely have a negative impact on our community and my preference would be to avoid the cuts outlined in the powerpoint, particularly in regards to the Park and Rec programs.
3. I understand that the City services aren't free but I am also willing to pay for the services. Accordingly, my preference would be that the council consider increasing revenues before making any cuts.
4. Yeah, that's right raise our taxes. Put another lid lift on the ballot, raise utility taxes, use the revenue tools you have to maintain the services.
5. Consider alternatives when alternatives make sense. Could we contract out for services and maintain or improve service levels. Contract with the County or a neighboring city for police or park services?
6. Does the City have long term viability given the tax structures we have available? If not, are there options for consolidating with neighboring cities to gain economies of scale that would allow us to maintain an adequate level of government services.

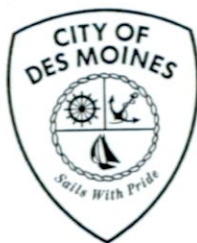
So he wants us to raise taxes and consider consolidating with another city, boy those will make us pretty popular..... I know, easier said than done but further cuts to Parks and the other services identified in the powerpoint will have significant negative impacts on all of us that call Des Moines our home. Feel free to share my comments with anybody that cares.

Thanks for taking the time to consider my comments.

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Sincerely,

Brian Snure

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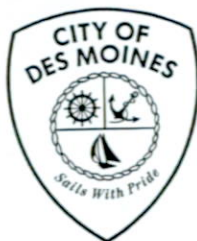
CITY COUNCIL

Speaker Sign-Up Sheet

September 17, 2015

NAME (PLEASE PRINT)	ADDRESS	TOPIC	PHONE/E-MAIL ADDRESS
✓ Jim Langston	6060 SO. 22 nd	DM MUSEUM	206-878-7205
✓ Rick Johnson	28624 Redondo Beach Dr	MUSEUM DM	253 839-5033
✓ THELMA VANNOG	22532 6 th AVE So	DM. MUSEUM	206 878-9406
✓ TANYA ENGESET	1849 4 th 152 BURDEN	" "	206-253-3456
✓ Kaylene Moon	24032 9 th PLS	" "	206-824-1764
✓ JEANNE Serrill	601 S 22 nd ST.	" "	206-824-9569
XXXXXXXXXXXXXXXXXXXX			
✓ Ken LaBelle	22218 5 th S	TRAFFIC	253-820-5219
✓ Michael Spar	24215 7 th Ave S. Des Moines	Budget / Parks Dept.	206-265-1940
✓ Chelene Potvin-Bird	26825 17 th Ave S	Parks & Rec	206 595 0597
✓ Susan White	28742 Redondo Beach Dr So	PARKS, Rehab, budget	206 253 670 6093
✓ Sue Anderson	12814 14 th Ave SW Burien, WA 98146	Parks & Rec	206 719 1270

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CITY COUNCIL

Speaker Sign-Up Sheet

September 17, 2015

NAME (PLEASE PRINT)	ADDRESS	TOPIC	PHONE/E-MAIL ADDRESS
✓ Don Brame	22003 107th Aves Des Moines, WA	IN FAVOR Disabling, Mails & Parks & Rec	206-818-4706
✓ Danielle Jones	1823 S. 251st PL Des Moines WA 98198	Parks & Rec	206 409-2179
✓ Rachel Casillias	23260 Marine View Dr S Des Moines 98198	Parks & Rec	206-619-5994 206 650 6730
✓ Tony Hettler	22506 MUD 9.	DDM: Parks: Rec	tonyhettler@seeth.com
✓ Kaydence Thore	11 22017 Ave S. 64th	P&R	
Karen Stewart	28100 Redmond Ave		
✓ Celeste Casello	21650 14th Ave S. #F2	P & Rec	206 226 4394
✓ Spundra Mock	1205 S. 228th St.	P&Rec	206 818-1042
✓ Mike Sherman	22229 MARINE VIEW	SAFETY - TAPR -	MSHERMAN 9021 @ GMAIL
✓ Gene Achziger		Des Moines	253-941-
✓ Joan Kennedy	23312 11th PL S 9175 S. 258th PL	Des Moines	206 878 7849
✓ HARRY S. STEINMETZ	DM WA 98198	P&R	206-387-1333
✓ Ben Stewart	22915 6th Aves	Harbormaster and P&R	

SCOTT GIFFORD

L A W

September 17, 2015

Des Moines City Council
City of Des Moines
21630 11th Ave. South
Des Moines, WA 98198

Re: Proposed changes to the Des Moines Parks, Recreation, and Senior Services Department

Dear Mayor Kaplan and Members of the Des Moines City Council,

My name is Scott Gifford and I am currently a trustee with the Highline Schools Foundation and President of the Des Moines Police Foundation. Through both organizations I have gotten to know many people in the City and have seen firsthand the excellent work that they do.

I understand that the Council is currently considering changes to the Parks, Recreation, and Senior Services Department that may impact Patrice Thorell and Sue Padden. I do not pretend to understand the complexities of municipal budgeting, nor the challenges you face as you try and allocate limited funds to ever growing needs, but I wanted to share my experience working with these two individuals.

Through my job and community work I have interacted with many government officials and employees. I can say without any reservation that Patrice and Sue are among the best I have ever worked with. They are an asset to the community and dedicated public servants in the truest meaning of the term.

I first met both of them during the initial planning phases for the Des Moines Back to School Resource Fair. This event was developed by a community coalition including the Highline Schools Foundation and other community organizations. A key and essential partner in that was the Des Moines Parks Department. In fact, without their assistance it is unlikely that this event would exist in the City of Des Moines.

I know many of you are familiar, but this event provides hundreds of mostly low income, immigrant, and refugee families in Des Moines with needed resources to start the school year right including a nice backpack with the full list of required supplies, a haircut, a meal, connections to community resources and social services, etc. They also have an opportunity to interact with many of the City's excellent first responders and officials from the School District. The event has served over 1,000 students and their families in just two years.

From day one, the only thing we heard from Patrice and Sue was 'how can help and what do you need'. Listing out every way they helped make this event a reality would consume many pages but there is no doubt in my mind that without them, we would not have been successful. Just a few of the ways they have helped are:

SCOTT GIFFORD

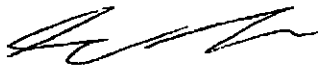
LAW

1. Secured Steven J. Underwood Memorial Park for the event and helped us coordinate logistics.
2. Provided tables, chairs, and other essential equipment.
3. Coordinated all the booths for the Resource Fair and reached out to community groups and others to participate.
4. Provided staff to work at the event.
5. Helped connect us to critical community partners.
6. Provided key guidance and advice.

As you can see, The Parks Department, and especially Sue and Patrice, are critical partners in putting on this event and are a major reason Des Moines is able to have an event like this for these families. We literally could not have done it without them.

I am sure that you face many difficult decisions as you work through these issues, but I wanted to make sure you were aware of the incredibly positive effects these individuals have on the City and the quality of life of its residents. You are fortunate to have them on your team and I hope that they are a part of the City of a longtime to come.

Sincerely,



Scott E. Gifford



HIGHLINE SCHOOLS FOUNDATION

FOR IMMEDIATE RELEASE
August 6, 2015

Second Annual Des Moines Back to School Resource Fair a Huge Success!

(Burien, WA) Today, the Des Moines community held their second Back to School Resource Fair where over 500 backpacks were distributed to students in need. Superintendent Susan Enfield was there to greet the families along with principals from Des Moines, Parkside and North Hill Elementary and Pacific Middle School. Highline Public Schools representatives were on hand to help students with transportation information, free and reduced lunch resources, online and mobile app information and early learning resources.

This event is organized by a coalition of Des Moines businesses, services, city government organizations and individuals. Highline Schools Foundation is proud to play a part in this wonderful event that helps get students and families the resources they need to start the school year. The City of Des Moines is a critical partner in this community-wide effort – especially Des Moines Parks, Recreation & Senior Services. The committee hopes to continue growing the fair by serving students attending Mount Rainier High School next year.

2015 Des Moines Back to School Fair Sponsors

Corporate: Soniq Warehouse & Transportation, Alaska Airlines, HealthPoint, Molina Healthcare of Washington, Recology/CleanScapes

Foundation: Highline Schools Foundation, South King Firefighters Foundation, Windermere Foundation

Service Clubs: Rotary Club of Des Moines

Non-Profit Collaborators: Des Moines Area Food Bank

Civic: City of Des Moines, Des Moines Police Department, Highline Public Schools, South King Fire & Rescue

Resources: Amerigroup, Community Health Plan of Washington, Coordinated Care, Des Moines Food Bank, Des Moines PARD/Legacy, El Centro de la Raza, Global to Local, HealthPoint, Kent Youth & Family Services, Kids Cavity Prevention, King County Library, Mount. Rainer Pool, ORCA LIFT, Salon 152nd, Salon Spectrum, Sea Mar Community Health Centers, United Health Care, Valley Cities, Washington Poison Center, WIC, WithinReach, WSU Extension Food Service Program

<http://www.highlineschoolsfoundation.org>

Contact: Ashley Fosberg, Executive Director
Highline Schools Foundation
(206) 248-5196
info@highlineschoolsfoundation.org

###

SAVE THE DATE!

The 2nd Annual BACK TO SCHOOL RESOURCE FAIR for DES MOINES FAMILIES!

Parking will be limited!
Please plan to carpool, take
the bus, walk or be
dropped off!



THURSDAY, AUGUST 6th, 2015

10:00 a.m. — 12:00 noon

Steven J. Underwood Park
21800 20th Avenue South Des Moines, WA

FREE!

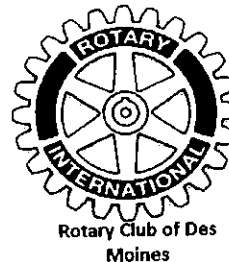
- Backpacks (for students K-8)
- School Supplies (for students K-8)
- Register for the Free and Reduced Lunch program
- Learn to navigate district resources online!
- Information and resources from a variety of community organizations!
- Back to School haircuts!
- Entertainment
- Pancake Breakfast

In consideration for the privilege to distribute the attached materials, the Highline School District shall be held harmless from any cause of action, claim or petition filed in any court or administrative tribunal arising out of the distribution of these materials, including all costs, attorney's fees, and judgments or awards.

Sponsored by

Alaska

SonIQ Warehouse & Transportation



HIGHLINE
PUBLIC SCHOOLS

★
**HIGHLINE SCHOOLS
FOUNDATION**

 **HealthPoint**
your community health partner



**SOUTH KING
FIREFIGHTERS
FOUNDATION**



MOLINA
HEALTHCARE



This event is organized by a coalition of Des Moines businesses, services, city government organizations, and individuals.

We graciously thank them for their support.

Budget Discussion September 17, 2015 What About Efficiencies?

September 17, 2015 Budget Discussion (Page 8)

- Eliminate Parks, Recreation and Senior Services Director and reassign duties to Economic Development Director.
- Expand duties of Senior Services Manager to include Recreation Coordinator and functions. (*See impacts to Sr. Services below)
- Move Events and Facility Rentals to Marina. Expand duties of Marina Maintenance Manager to Marina, Events and Rentals Manager.

Assumptions:

- Economic Development Director has the knowledge and workload capacity to absorb the working Parks, Recreation & Sr. Services Director position
- Senior Services Manager has the knowledge and work load capacity to lead day to day Department Parks and Recreation operations
- Marina Maintenance Manager has the knowledge and work load capacity to lead day to day Parks and Recreation Events and Facility Rentals operations

Parks, Recreation and Senior Services Impacts:

- Maintain \$1.9 million operations with multiple program and facility rental revenue streams totaling \$1.2 million
- Four operational locations, .5 to 2 miles separation
- Provide staff coverage for 7 days a week, M-F, 6am- 8pm and weekend rentals, tournaments, youth sports activities and special events
- Ability to serve: 6,571 fee based recreation participants/113,593 contacts; 154 daily Senior Activity Center participants/Monday-Friday/260 contact days for meals and activities; 233 recreation buildings rentals/24,885 attendees (YTD 07/31/15)
- Ability to support volunteer training, supervision, background checks
 - Senior Activity Center- 90 volunteers/7,205 hours work
 - Administration-605 volunteers/1,207 hours
 - Recreation- 219 volunteer coaches/6,216 hours, 13 youth council members/436 hours
- Ability to manage 95 PT recreation and 8 PT facility rental staff, ages 16 to 85 years, paid minimum wage to \$13/hour, with 40% turnover rate
- Ability to support Citizen Committees: 9 Arts Commissioners, 6 Human Services Committee members, 6 Senior Services Committee members, 1 Landmarks Committee member, 5 Lodging Tax Committee members, and the 23 Master Plan Committee (every 6 years)
- Ability to provide park and facility capital planning and grants administration and meet GMA requirements

September 17, 2015 Budget Discussion (Page 10)

- Eliminate Parks, Recreation and Senior Services Director; Eliminate Harbor Master; Add combined Director
- Expand duties of Senior Services manager to include Recreation Coordinator and functions.
- Move Events and Facility Rentals to Marina. Expand duties of Marina Maintenance Manager to Marina, Events and Rentals Manager.

Assumptions:

- Combined Departments' staff is increased or staff duties decreased to absorb a full time Director's work load
- Appropriate positions are reclassified to Manager and have the training and capacity to absorb a Director's workload
- Adequate accessible office space and technology (on-line registration, billing and communications system) is available for combined operations and customer service
- Adequate staffing levels are preserved to support \$4M Marina operations and \$2M Parks, Recreation and Senior Services operations and revenue generation

Parks, Recreation and Senior Services Impacts:

- See impacts related to **September 17, 2015 Budget Discussion (Page 8)** on pages 2 and 3 above.

September 17, 2015 Budget Retreat (Page 11)

Eliminate City-run programs and save \$619K. This reduces community services. Creates "passive park system" where folks play at parks on their own but no programs.

Impacts to Citizens and Economy:

- Lose economic benefits of 178,518 local trips by active recreation, senior services, Arts Commission and special events participants and their families, and 15,064 volunteer hours valued and \$331,408
- 7 summer concerts, 9 special events and 2 movies in the park and 7 teen dances end
- Diminish quality of community life and disengage children, teens, adults and seniors
- Terminate 7 full time, 4 regular part time and 100 part time jobs
- Terminate or transfer Parks Administration (planning, capital and grants) to other departments
- Cease City Council Citizen Advisory Committees (Arts Commission, Human Services, Senior Services, Lodging Tax, Landmarks, Parks, Recreation and Senior Services Master Plan)
- Increase opportunities for vandalism and bad behavior at City parks and closed recreation facilities
- Discontinues life sustaining programs for seniors to help them stay in their homes

From August 8, 2015 Budget Retreat Doing Things Differently- P & R (Page 42).

Raise Program Fees 15%,10%, 5%, 5% and 2% over 5 years (49%) to cover full cost (no general fund contribution) including 17% of facility costs: Raise rental rates 3% to cover remaining facility loss.

Although not included in September 17, 2015 Budget Retreat Packet, at the August 8th Retreat City Council discussed raising program fees 10%, 8%, 5%, 5% and 5% over 5 years (39%) to cover full cost (no general fund contribution) including 17% of facility costs: Raise rental rates 3% to cover remaining facility loss.

Assumptions:

- No loss of participation or recreation revenue due to fee increases

Proposed Fee Increases:

Preschool	2015	2016 (10%)	2017 (8%)	2018 (5%)	2019 (5%)	2020 (5%)	Total Increase
Monthly Program Fee	\$120	\$132	\$143	\$150	\$158	\$166	39%

Camp KHAOS	2015	2016 (10%)	2017 (8%)	2018 (5%)	2019 (5%)	2020 (5%)	Total Increase
Registration Fee (one-time)	\$25	\$29	\$32	\$35	\$37	\$37	39%
Weekly Fee	\$158	\$182	\$200	\$220	\$231	\$235	39%
Daily Fee	\$50	\$58	\$63	\$70	\$73	\$75	39%

Youth Basketball	2015	2016 (10%)	2017 (8%)	2018 (5%)	2019 (5%)	2020 (5%)	Total Increase
Program Fee	\$60 - \$85	\$69-\$98	\$77-\$108	\$83-\$118	\$88-\$124	\$89-\$127	39%

Dog Obedience	2015	2016 (10%)	2017 (8%)	2018 (5%)	2019 (5%)	2020 (5%)	Total Increase
Program Fee	\$85	\$98	\$108	\$118	\$124	\$127	39%

Senior Enhanced Fitness	2015	2016 (10%)	2017 (8%)	2018 (5%)	2019 (5%)	2020 (5%)	Total Increase
Program Fee	\$39	\$45	\$49	\$54	\$57	\$58	39%

Program Impacts:

- High probability of participation loss due to higher fees
- Des Moines' Middle and Low Income families are not served
 - 15.2% of population below poverty level
 - 60% of Des Moines students on Free & Reduced Lunch Program
 - Current level of scholarship funds available is \$15,000 annually/\$150 per child maximum
 - Senior Citizens on fixed incomes