MINUTES

City of Des Moines Finance Committee
August 30, 2002; 9:00 a.m.
Community Development Conference Room

Present: Council Member Maggie Steenrod (chair)
Council Member Richard Benjamin
Council Member Gary Peterson
City Manager Tony Piasecki
Interim Finance Director Dick Scott
Budget Accountant Peggy Watson

The committee began by reviewing the 2003 Conceptual Budget Plan. Questions were raised and recommendations made:

1. Use $400,000 less in reserves to balance the budget.
2. Explore the possibility of delaying the scheduled replacement of vehicles and computers this year.
3. Replace only one (1) of the three (3) patrol cars replaced annually.
4. Ask the employees to consider a reduction of some type in their health care benefits. (On-going discussions)
5. Is the building permit revenue associated with the Highline School District Bond a sure thing?
6. Buy used cars through GSA.

Tony will meet with staff responsible for equipment replacement to determine mandatory replacement.

In the first 5% cuts, the police department would have to eliminate the D.A.R.E. officer. Recognizing the importance of police visibility in the schools, the committee, first asked if the Highline School District could help with the expense. Tony explained that that questions had been posed previously, and that at this time, is not possible. The committee was also told that the patrol officers are provided with meal tickets at the schools to promote police visibility.

Tony asked for continued direction. He was told to use fewer reserves, shift less money between funds, make deeper cuts in expenses and to look for more efficiencies. He was also asked to research and determine the cost of consultants that could be used to improve efficiencies. It was suggested that money be put into the budget to hire consultants and that they begin in one area. If there is a monetary return, they would continue to the next area. Dick was asked if he had had any experience with consultants and he explained that he had in Bellevue and found it to be very costly and very timely, without much return.

A question was posed regarding capital projects. What projects are being paid for strictly out of city funds? Tony said that although he knew that it was very little, he would provide that information.

Another recommendation asked for the elimination of travel, training and overtime in 2003. Maggie wanted to assure staff that the committee knew that the cuts that staff were being asked to make were not “fluff”, but needs. She noted that this is not going to be easy, but hopefully three or four years down the road, the city can add the necessities back and again provide more service.

To sum up direction:

1. Find ways to reduce use of reserves and one-time money by $400,000
2. Review vehicle replacement schedule for savings
3. Budget for consultant services in 2003 (Tony with consult his peers)
4. Look at all capital projects to determine savings without loss of grants
5. Trim back overtime, travel and training
6. Consider all of the 5% cut level or a combination of the 5% and 10% level
7. Anticipate actual shortfall to be $1.9 to $2 million

The next meeting date and tentative agenda is as follows:

September 9, 2002	3:30 p.m.	Cont. review of the 2003 Budget Plan
September 16, 2002	3:30 p.m.	To be determined
September 23, 2002	3:30 p.m.	To be determined
September 30, 2002	3:30 p.m.	To be determined