

SPECIAL MEETING DES MOINES CITY COUNCIL

MINUTES

November 26, 2007

The Des Moines City Council was called to order at 7:03 p.m. by Mayor Sheckler in the Council Chambers, 21630 11th Avenue South, #B., Des Moines, WA.

ROLL CALL - Present: Mayor Bob Sheckler, Mayor Pro Tem Scott Thomasson, Councilmembers Dave Kaplan, Ed Pina, Carmen Scott, Dan Sherman and Susan White. Also present was City Manager Tony Piasecki, Parks and Recreation Director Patrice Thorell, Finance Director Paula Henderson Police Chief Roger Baker, City Attorney Pat Bosmans and Harbormaster Joe Duesenberry.

Councilmember Carmen Scott nominated Councilmember Dan Sherman to be the voting member at the Annual Meeting on Suburban Cities, second by Ed Pina, vote was unanimous.

Human Services

Patrice Thorell, Parks and Recreation Services Director began with the Human Service portion of the 2008 budget noting the increases.

Patrice answered questions concerning before and after school care at schools outside the city limits. Dan Sherman stated that Catholic Community Services provides non-denominational support to the community. The food bank for Des Moines is in great need and that is why the increase is in the budget. There were some reservations expressed that this fund could be channeled to something that the city has more control over.

Patrice explained the increase for human services is because the approved increases in prior years were never implemented. It was suggested that the entire Human Services budget does not exceed last year's budget. An overview of the financial history of Human Services was done and it was pointed out how they had been hit financially in the past years.

The suggestion was raised that the monies in the Human Services Commission budget be evenly distributed with all the other programs in the division. Requests should be researched to make sure that the allocated funds for a program are spent on Des Moines residents. It was suggested that many times non-residents are benefiting from programs designed to help Des Moines residents. It was recommended that Patrice Thorell allocate the monies to the many programs included in the Human Services Commission budget making sure West Seattle Mental Health is funded.

If the Council's wish is to increase the budget by .94%, it should be divided equally among all the programs in the Human Services Commission.

Financial Services:

Operating Budgets:

Paula Henderson, Finance Director, gave a presentation on Financial Services including Record Services, Miscellaneous Memberships and Fire Control. The major variances in finance are primarily due to salaries and benefits.

Within Record Services, there is a Business License Clerk position that is being funded on a part time basis. There is a proposal to make this a full time position. The City wants to move into digitizing records and destroying old records. This would be done by the Business License Clerk which is one more reason to make this a full time position. The City Manager disapproved the Business License Clerk Position. The Council thanked Paula and her staff for all their efforts. The Council hired a Financial Analysis to aide with the Marina software snafu since May 2007, and the Marina was charged for that expense.

General and Street Funds 2008 Budget Comparison 2008 Proposed & 2007 Adopted Budgets:

Dan Sherman requested removal of the PSRC memberships since PSRC is required by the law to supply the City with the information in any case. The consensus is to remove the PSRC membership. Susan White stated that removal of the PSRC member could take Des Moines out of regional planning picture. The Passenger Ferry Committee is part of PSRC.

The benefit the City derives from belonging to Enterprise Seattle is that it keeps Des Moines on the radar screen when there are a variety of economic development possibilities. Consensus is to continue with Enterprise Seattle for at least one more year. It was proposed to change how Enterprise Seattle is funded into one time monies so that it can be reviewed to re-fund instead of continuing each year.

Revenue Stabilization Fund:

Paula presented the target fund balance for the Revenue Stabilization Fund. The current balance is at 66%, leaving the City under funded. The Stabilization Fund is serving its function of helping the City during difficult financial times. Revenue fund balance should be higher at end of year as sales tax and utility taxes are stronger than anticipated.

Computer Operations Fund:

Assistant Planner, GIS position has been funded by the Operations Fund which is derives its monies from assessments. Those assessments have increased to fund the recommended salary upgrade for the IT Manager. It is recommended to approve the increase in the IT help desk from part time status to a full time position.

Computer Equipment Replacement Fund:

The IS manager requests that all office desk top computers be upgraded to Office 2007 so everyone is on the same system. Telephone systems also require upgrades and reserves have been set aside for that project. Police need 19 replacement and 7 new mobile data terminals, there are reserves set aside for a large portion of that cost. The new terminals will be funded out of the Levy Lid Lift fund.

Police Chief Roger Baker entered the meeting.

Roger Baker answered Council's questions regarding the MDT's ages and conditions.

Roger Baker left the meeting.

When Roger Baker was hired, equipment was not being replaced on a regular basis so this is part of the reason so much equipment has to be replaced all at the same time. Assessments were

started in 2004 to cover replacement costs of equipment so this will hopefully not continue to be a budget issue.

Unemployment Compensation Fund

This fund is at 95.3 % of the target rate, so it is slightly under fund, but there is a \$20,000 place holder for expenses. Projected expenses are only about \$6,000.

Debt Service Funds

The City Hall expansion debt is scheduled to be paid off in 2017. Fund 218 on the Park Acquisition will mature in 2009. Public Work Trust Fund on Downtown Improvement Loan will be paid off. The Pre-Construction Loan on Pacific Highway will be paid off and the loan taken out in 2004 on the Pacific Highway Construction loan will be the remaining loan.

At 8:43 p.m. Mayor Sheckler called for a 10 minute break, he reconvened the meeting at 8:53

Pat Bosmans, City Attorney, addressed the Legal Department's budget and requested a reduction in hours for the Domestic Violence Advocate back to 20 hours as the grant supporting this position has expired. Domestic violence is still a priority but there has been no significant increase in the number of calls/cases.

The new Assistant Attorney is currently serving in a different capacity for the City and once she has assumed the Assistant Attorney responsibilities, the position she currently fills will be terminated.

The part time Paralegal position will be sharing office space and equipment with other legal staff with opposing hours to make the best use of assets. The City Manager recommends approval of this request.

Marina Revenue Fund

Joe Duesenberry, Harbormaster, stated that there was not much change to the revenue increases for 2008. He brought the Council's attention that the proposed Debt Service Revenue is borrowed money.

The administration side of the budget has little change but declined slightly as with the Service division. Service division requests funds for more hardware to install pay at the pump in the Marina and a trailer to store portable stage for Marina events.

A question was raised as to why the Marina is paying the expense for the trailer to store the stage and chairs and tables. Discussion centered on the net revenues and other options for storage of this equipment.

Implementation of the software put in place at the Marina earlier is working; however the extraction of the data has been a real struggle. The data base has now been split to filter the data and that should resolve the problem.

The transfer of money from the Marina to the City was discussed to ensure the Marina and the City each pays their respective shares of the expenses and improvements. There was discussion

about the planned improvements and where the additional monies would be coming from to fund these projects.

The policy for the operating transfer should be the amount that's correctly calculated based the model and the Marina should pay its fair share. Inside the Marina fund, good expenditure decisions need to be made and making MCI contributions to the capital construction is the appropriate action. The Council is in consensus with this policy for 2008. More research can be done for future budgets.

The maintenance division has no significant changes. Marina repair and replacement is used for extraordinary repairs and replacement for things not foreseen in the budget process such as damage from storms, etc.

Airport Defense Fund

Mayor Pro Tem, Scott Thomasson explained this budget money is kept in this fund to pay for services to be determined at a later date by Council. The consensus is to keep these funds where they are until a decision is made as to how to best utilize these funds if that becomes necessary.

Motion by Councilmember Sherman to extend meeting to 10:30 p.m., second by Councilmember Kaplan. Motion defeated 4 to 3.

Motion by Councilmember White to close the meeting, second by Councilmember Thomasson to close the meeting.

At 10:00 Mayor Sheckler adjourned the meeting.

Respectfully submitted,

Lady of Letters, Inc.