

# FINANCE & ADMINISTRATION SUB-COMMITTEE MEETING MINUTES

Wednesday, March 11, 2015 - 7:00 AM West Des Moines City Hall - 4200 Mills Civic Parkway Council Chambers, 1st Floor

Present: Councilmember Russ Trimble, Councilmember Jim Sandager, Finance Director Tim Stiles, City Attorney Dick Scieszinski, Communications Specialist Lucinda Stephenson, Budget Analyst Chris Hamlett, and Administrative Secretary Maureen Richmond

Guests:

Mr. Nick Colletti, Junior Achievement of Central Iowa, Inc.

Mr. Dave Schwartz, WDM Chamber of Commerce Jim Miller, Historic Valley Junction Foundation

Meeting was called to order at 7:00 PM

## 1. Hotel/Motel Presentations by Applicant Organizations

Mr. Stiles reminded the committee that the City had adopted a new policy related to allocation of discretionary Hotel/Motel Tax Revenue and that prior to the February 27<sup>th</sup> deadline, 11 organizations have completed applications for funding for the upcoming fiscal year beginning July 1, 2015. Part of the new application process includes an obligation to give a brief presentation and answer questions in front of the F&A committee. He noted that the 11 presentations are scheduled to occur over the course of the next three meetings, with this meeting being the first opportunity. Mr. Stiles introduced representatives of the first three organizations to be considered for funding.

# Junior Achievement of Central Iowa, Inc.

Mr. Nick Colletti, President of Junior Achievement of Central Iowa (JA), 6100 Grand Avenue, Des Moines, provided a summary of his program. The organization is requesting \$10,000, the same amount as the previous year and Mr. Colletti described how the requested funding will be used.

He noted that Junior Achievement is the nation's largest organization dedicated to giving young people the knowledge and skills they need to own their economic success, plan for their future, and make smart academic and economic choices. A large part of this program is to facilitate a standing display called JA BizTown, which simulates the workings of a city. The funding from the City will provide funding for the exhibit's City Hall storefront along with paying for some of their program materials, maintenance, and technology. JA BizTown primarily serves students in grades 5-6, and focused on financial literacy, work readiness and entrepreneurship. After 4-6 weeks of curriculum in their classrooms, students spend about five hours on-site at JA BizTown, where they experience hands-on working of business and community functions at store-front sites. JA Biz serves 852 WDM students during this school year. The schools included are Crestview, Crossroads, Western

Hills, Hillside, Jordan Creek, Clive, Westridge, Fairmeadows, St. Francis and Sacred Heart.

Councilman Trimble asked what other communities are sending students to BizTown and whether those communities are contributing to the organization. Mr. Colletti responded no other communities are presently participating but he will be contacting the Cities of Waukee and Johnston for funding in the upcoming year.

Councilman Trimble asked which schools are funding the program and Mr. Colletti responded that schools participating include Des Moines Public Schools, Waukee, Johnston, Urbandale, Ankeny, and several private schools. DM Public Schools contribute by paying the organization annually a \$25,000 flat fee to rent meeting space at the JA facility. WDM schools and others pay fees according to the students attending. Councilman Trimble noted he would like to see the other schools donate as well. Mr. Colletti noted that the remaining approximately 50% of program costs are either unfunded or filled by corporate donations.

The Councilmembers recommended allocating the requested amount of \$10,000 to Junior Achievement of Central Iowa.

#### WDM Chamber of Commerce

Mr. Dave Schwartz, President of the Chamber of Commerce and the West Des Moines Development Connection, spoke next and he began by noting that his organizations are requesting \$77,500, the same amount as was awarded last fiscal year.

Mr. Schwartz provided a summary of each organization. \$50,000 of the request would be granted to the WDM Development Connection, a program designed to promote economic development activities and to assist the City of West Des Moines. Some of the functions of this organization which would use the City's funding include:

- Support the Executive Call Program (convention, retail, tourism services)
- Conduct annual bus tour and steak fry Mr. Schwartz noted that these events will be "revamped" and improved upon during the upcoming year
- Attend selected trade shows, both local and national
- Provide programs, receptions, and/or entertainment related to businesses such as grand openings, etc.
- Supplement the cost of administrative staff

Mr. Schwartz noted that the balance of requested funding (\$27,500) would be for promotion and continued development of the WDM Chamber of Commerce.

- A primary focus is to promote opportunities by bringing on-board larger WDM businesses to network and grow their exposure in the community. Goals include increasing membership and this funding would pay costs of promotion and materials to support the goal.
- The Chamber is focused on utilizing technology to update information for visitor (e.g. hotels, restaurants, housing guides, business recruitment)
- The Chamber is being rebranded and this comes at a cost

Mr. Trimble reminded the group that last year it was decided to increase funding by \$12,500 to bridge a gap for Human Resources administration, and that this was not intended to be a permanent funding level. Mr. Schwartz acknowledged the comment but also stated that while membership is trending upward, the Chamber is still awaiting increased financial rewards of the new memberships and thus is requesting the same level of funding.

The Councilmembers recommended allocating the requested amount of \$77,500 to be allocated to the WDM Chamber (\$27,500) and Development Connection (\$50,000).

# **Historic Valley Junction Foundation**

Mr. Jim Miller, Director of Historic Valley Junction Foundation (HVJF), provided a summary of the activities of the Foundation and details of their plans for using their request of \$75,000. Valley Junction is the crossroads of art and events, having over one hundred independent specialty shops, restaurants and services. Mr. Miller noted that requested funds will assist in the organizational operating funds including marketing, promotion, and special events, retention of a full-time Events Manager and Business Manager, and continued district branding efforts. In 2015 HVJF will host the Iowa Downtown Summit which will bring more than 300 Iowans, as well as numerous guest speakers from all over the United States to West Des Moines. Also, the funding helps fund many HVJF community events, including:

- Weekly Farmers Market / Music in Junction
- Antique Jamboree
- Earth Day in the Junction
- Cinco de Mayo Festival
- Smokin' in the Junction
- July 3<sup>rd</sup> Street Celebration
- Jingle in the Junction

Councilman Sandager asked if HVJF receives funding from Bravo and/or Polk County. Mr. Miller responded HVJF receives \$25,000 from Bravo and \$5,000 from Polk County. Councilman Sandager asked about marketing efforts and Mr. Miller stated that HVJF joins a co-op with the other communities to campaign advertisement which includes TV, internet, advertising in the Register and City View, Civic Center, and social media.

The Councilmembers recommended allocating the requested amount of \$77,500 to the Historic Valley Junction Foundation.

## 2. 2014 Budget Amendment #2

Mr. Stiles and Mr. Hamlett presented a proposed FY 2014-15 Budget Amendment #2. This amendment primarily consists of expenditure adjustments, as well as adjustments to revenue that are relatively minor and have been proposed in order to incorporate updated circumstances since the FY 2014-15 Budget was amended in October of 2014.

Mr. Stiles noted there will be an adjustment to include finding of a handful of new IT Department projects and contracts.

Mr. Hamlett noted there were payroll adjustments, an addition for the COPs Grant employee and other payroll increase adjustments because of department reorganization including the new Engineering Department.

Mr. Hamlett noted the Budget Amendment will result in approximately \$100,000 more net expenditures from the General Fund. This is a conservative scenario which does not include any increases to revenue beyond what has already been received, nor does include any personnel savings (City will come in under budget in the personnel area due to lower-than-anticipated insurance expense and also numerous vacancies). Mr. Hamlett noted he had another adjustment to add to the amendment which came in late and was not included in the material presented – the Library has some additional expenditures due to the renovation of the children's section which wasn't completed until FY 2014-15 but had money carried over from the previous fiscal year, approximately \$20,000. This will be added to the final version going to City Council.

Mr. Hamlett noted we have 3 months left in FY 2014-15 with an expected increase of revenue from building permits and other sources before the end of the fiscal year.

Councilmembers supported FY 2014-15 Budget Amendment #2 and recommended the item be placed on the City Council Agenda for full consideration at the Council meeting of April 6, 2015.

#### 3. Staff Updates

1. Mr. Stiles updated information related to a recently-approved bidding process which allows the City to purchase in advance, up to 50% of vehicle fuel needed over the next two years beginning July 1, 2015. The City has agreed to purchase approximately 84,000 gallons of diesel fuel and 168,000 gallons of unleaded fuel. The final prices after the bid were:

Diesel Transport \$2.1673 Unleaded Transport \$1.8403

It was discussed that staff plans to use this contract for "every other" fuel purchase, as long as the price is at least \$0.10 below "rack" (market) pricing at the time of order.

This item was presented for information only, and no action is requested.

2. Mr. Stiles presented a proposed agreement for Municipal Advisory Services with Public Financial Management (PFM). PFM was hired in approximately 2004 through a competitive RFP process. Their prices have remained unchanged and they have continued to provide exceptional service to the City over the past decade. Due to SEC concerns, PFM advises we have a formal agreement which outlines the responsibilities of the Financial Advisor as well as the underlying fees associated with a bond issuance. Bond Counsel advised a similar agreement for their services in 2014.

The Councilmembers supported approval of the letter and recommended the item be placed on the City Council Agenda for full consideration at the Council meeting of March 23, 2015.

## 4. Other Matters

None

Meeting was adjourned at 8:16 AM.

Respectfully Submitted,

Maureen Richmond Administrative Secretary