



MEETING MINUTES
FINANCE & ADMINISTRATION SUB-COMMITTEE
Wednesday, November 6, 2024 – 7:00 AM
Location – City Hall, Training Room, Second Floor

Present: Councilmember Greg Hudson, Councilmember Doug Loots, Executive Assistant Kaitlyn Royer, Finance Director Tim Stiles, City Manager Tom Hadden, Deputy City Manager Jamie Letzring, Accounting Associate Jenny Buffington*, City Engineer Brian Hemesath, Deputy City Attorney Jessica Grove, Budget Analyst Chris Hamlett, Parks & Recreation Director Ryan Penning, Procurement Coordinator Kelvin Unemin*, RecPlex General Manager Shayne Ratcliff*

Guests: Erin Osier, Holmes Murphy (Item 2), Jake Robertson, Holmes Murphy (Item 2), Kathy Bolten, Des Moines Business Record *

*Via Microsoft Teams

Meeting was called to order at 7:00AM.

1. Welcome / Guest Sign In / Meeting Minutes from previous meeting

The councilmembers had no corrections and approved the meeting minutes from October 23, 2024.

2. Property, Liability, Casualty Insurance Overview (Stiles/Osier/Robertson)

Tim Stiles introduced Erin Osier and Jake Robertson from Holmes Murphy. Tim then provided an overview of Holmes Murphy's relationship with the City. He noted that the City has used ICAP (the Iowa Communities Assurance Pool) for these insurance needs since the mid-1980s. Up until recently they have provided very cost-efficient coverages, but recently there have been dramatic premium increases.

Erin and Jake addressed the committee about exploring alternative options going forward. They will be looking in the upcoming months at different factors affecting costs and coverage. Erin highlighted that ICAP has been an ideal fit for the City, as it is specifically tailored to the unique operations, risks, and liabilities of a municipality in Iowa. There are areas that typical commercial insurance doesn't address as effectively. Jake outlined several reasons for the recent increases from ICAP:

- Rising reinsurance costs
- Ongoing property claims impacting the property market in Iowa
- Increasing frequency of nuclear verdicts in casualty claims
- Challenges related to staffing and the timing of renewal proposals

Erin and Jake suggested one possibility is to transition to a higher-deductible insurance program for all lines of coverage. Currently the City generally has a very low \$10,000 deductible in most areas with ICAP. Jake noted that for years the City has shown a much higher risk tolerance with Workers Compensation Coverage (\$500,000 deductible) and Employee Health Insurance (fully self-insured).

Councilmember Doug Loots expressed interest in receiving a detailed analysis of these options to facilitate further discussion. Erin and Jake will report back to the committee in the spring closer to renewal time, with their research and recommendations.



The Councilmembers voiced their general support for the changes presented by Holmes Murphy, and the topic will be revisited for consideration.

3. RecPlex Expansion (Penning)

Ryan Penning presented details of a proposal to expand the RecPlex, with a focus on adding a third sheet of ice. The first document Ryan shared was a financial feasibility report completed earlier this year by Sports Facilities Advisors (SFA). Council will recall that this was the same firm that conducted the initial pro forma for the RecPlex, and Council authorized this expansion study approximately one year ago. SFA had taken a conservative approach in their projections, but now that the RecPlex is operational, we can use these baseline figures to evaluate its performance. The RecPlex is currently exceeding both the revenue and economic impact projections from the original study provided by SFA.

The second document shared was provided by ISG, a recently hired design firm, which includes high-level plans and renderings of a proposed expansion.

Ryan noted that the major reason for the committee discussion is that Parks plans to pursue two grant applications that, with the council's approval, would become part of a financial plan for the expansion.

Ryan mentioned that he, Tim, and Shayne Ratcliff, Rec Plex General Manager, are collaborating with ISG to develop a financial plan for the project. While a cost estimate has already been provided for a building with 1,000 spectator seats, Ryan has requested that ISG also provide an estimate for a larger seating capacity of 3,00 in case the Des Moines Buccaneers decide to make the RecPlex their permanent home.

Ryan emphasized that the goal is to secure funding for the cost difference between the two seating designs through private sector contributions, as well as state and local grants. If the larger facility is chosen, the City plans to work with the Des Moines Buccaneers to ensure they contribute financially to closing the gap in the cost difference. Tim discussed a financial plan which was included in the packet,

Adding a third sheet of ice will provide the RecPlex with increased flexibility during the offseason, allowing it to host unique events that will benefit both West Des Moines and the broader Des Moines Metro area. The financial feasibility study shows that this approach will result in positive cash flow from the operations of the expanded area.

Council members expressed their support for the RecPlex expansion and Council will be asked to consider the funding plan at a future Council meeting.

4. Holiday Park Baseball Improvements- CIP Discussion (Penning)

Ryan Penning presented a request from the Parks Department for an additional \$100,000 in funding, ahead of the FY 25-26 Capital Improvement Plan (CIP) budget approval, to cover the installation of protective netting at Holiday Park Baseball Field 5.

In the current FY 24-25 budget, \$100,000 was allocated for scoreboard renovations and the installation of foul ball netting along the first base side of Field 5. However, it was determined that a more robust netting system is necessary to adequately protect the area near the aquatic center parking lot from foul balls. The existing budget is insufficient to cover the full cost of this enhanced netting.



Additionally, staff identified several fence repairs needed throughout the Holiday Park Baseball complex. Some remaining funds from a recently completed project are available and staff is requesting these funds be reallocated to address the fence repairs.

Council members expressed their support for Holiday Park Baseball Improvements, and this matter will be placed on a future Council agenda for review and consideration.

5. Revised 2025 F&A Meeting Schedule

The Finance & Administration (F&A) team discussed rescheduling both the Council meeting and the Finance & Administration meeting from the week of March 17, 2025, to the week of March 24, 2025, due to spring break. This was brought to attention to confirm this change would be made.

Council members expressed their support for the revised 2025 F&A meeting schedule.

6. Staff Updates

- **Brian**
 - Raccoon River Drive is scheduled to open this afternoon, November 6, 2024.
- **Jessica**
 - Legal has posted the open position and is actively recruiting to replace Larry Dempsey in their department.
- **Ryan**
 - Noted that two CIP projects were left off this week's agenda. He will provide the necessary information and schedule a future discussion on these items.
- **Tim**
 - Tim mentioned that closure is still needed for the Hotel/Motel Application process. Greg Hudson suggested a follow up discussion.
- **Tom**
 - CMO is beginning a strategic planning process to update the 2036 Plan with Dr. Rebecca Ryan.

7. Other Matters

None

Meeting was adjourned at 8:00 AM. The meeting was recorded through Microsoft Teams.

Respectfully Submitted,

Kaitlyn Royer

Kaitlyn Royer
Recording Secretary