

**CITY COUNCIL  
COMMUNICATION:**

**ITEM \_\_\_\_\_**

**OFFICE OF THE CITY MANAGER  
CITY OF DES MOINES, IOWA**

**98-415**

**SYNOPSIS —**

**AGENDA:**

SEPTEMBER 14, 1998

**SUBJECT:**

ALLOCATION OF  
NEWLY  
AVAILABLE FUNDS

Since January, 1998, tax-exempt institutions have agreed to make contributions of approximately \$1 million per year for no less than five years beginning July 1, 1998. In addition, our new agreement with MidAmerican Energy will allow us to receive \$1 million per year in connection with our streetlight and electrical system, for the next six years beginning in September 1998. The recommended actions provide for meeting the General Fund balance requirements, reducing our future bonding, and improving our service levels.

**TYPE:**

**RESOLUTION  
ORDINANCE  
RECEIVE/FILE**

**FISCAL IMPACT –**

**SUBMITTED BY:**

ERIC A. ANDERSON  
CITY MANAGER

Of the approximately \$2 million of newly available resources, \$900,000 will be reserved for General Fund balance and reduction of future bond issues, and \$1.1 million will be used for additional police officers, firefighters, inspectors, and better Parks and Public Works maintenance.

**RECOMMENDATION –**

**A. Reserve \$900,000 of electrical savings for fund balance in the General Fund until we have reached our goal of a 10 percent reserve. Thereafter, use this sum to reduce our anticipated bonding.**

**B. Use the contributions from the hospitals to hire two additional police officers (for a total of six new officers) and 15 new fire personnel in Fiscal Year (FY) 2001 (to staff new Fire Station No. 11).**

**C. Hire three housing/zoning inspectors and one paralegal (\$130,000).**

**D. Use the \$1.2 million that will accrue between now and**

**FY 2001 (the time at which we will hire the firefighters) to immediately improve park maintenance (\$250,000), street maintenance (\$400,000), and beginning July 1, 1999, address emergency city-wide sanitary and storm sewer projects (\$550,000).**

**BACKGROUND –**

Attached are several memoranda. The first is my August 24, 1998 letter to the Mayor and Council conveying my recommendations. The second is a memo from the Director of Public Works describing how Public Works will use the \$400,000 to be allocated to them for reduction of their backlog. The third, from the Park and Recreation Director, provides the proposed use of the \$250,000 to be allocated to them for reduction of their backlog.

Attachments (3)