

## AGENDA

DES MOINES CITY COUNCIL  
FINANCE COMMITTEE  
City Council Chambers  
21630 11th Avenue S, Des Moines, Washington  
Thursday, August 1, 2024 - 4:00 PM

**Finance Committee:** Chair Matt Mahoney; Vice Chair Jeremy Nutting; JC Harris

### CALL TO ORDER

### AGENDA

- Item 1. APPROVAL OF MINUTES  
[DRAFT 06.06.2024 Meeting Minutes](#)
- Item 2. STAFFING UPDATE
- Item 3. BUDGET UPDATE - BUSINESS LICENSE FEES  
[Business License Fees](#)
- Item 4. GENERAL FUND REPORT - JUNE 2024  
[June 2024 General Fund Report](#)

### ADJOURNMENT

**MINUTES**

**DES MOINES CITY COUNCIL  
FINANCE COMMITTEE  
City Council Chambers  
21630 11th Avenue S, Des Moines, WA  
Thursday, June 6, 2024 - 4:00 PM**

**Finance Committee:** Chair Matt Mahoney; Vice Chair Jeremy Nutting; JC Harris

**CALL TO ORDER**

Chair Matt Mahoney called the meeting to order at 4:00 p.m.

**ROLL CALL**

**Finance Committee:**

**Chair Matt Mahoney, Councilmember JC Harris**

**Vice Chair Jeremy Nutting arrived at 4:09 p.m.**

**Staff Present:**

**Interim City Manager Tim George; Assistant City Manager Adrienne Johnson-Newton; Interim City Attorney Matt Hutchins; Finance Director Jeff Friend; Director of Community/Administrative Services Bonnie Wilkins; Recreation Manager Kyle Ehlers; Assistant Recreation Manager Rachel O’Sullivan; and Deputy City Clerk Sara Lee**

**AGENDA**

**APPROVAL OF MINUTES**

**Direction/Action**

**Motion** made by Chair Matt Mahoney to approve the minutes as presented; seconded by Councilmember JC Harris.

Motion passes 2-0.

**FINANCE UPDATE**

- CIP Process
- Finance Director Jeff Friend gave the Finance Committee information on the CIP Process.

**PARKS AND RECREATION FINANCES**

- Interim City Manager Tim George and Director of Community/Administrative Services Bonnie Wilkins provided the Finance Committee information on the Parks and Recreation Finances.

Finance Committee Minutes  
June 6, 2024

**2023 ANNUAL FINANCIAL STATEMENTS**

- Finance Director Jeff Friend provided the Finance Committee with information on the 2023 Annual Financial Statements.

**FIVE-YEAR FORECASTS**

- With the Levy Lid Lift
- Without the Levy Lid Lift
- Closing the Budget Gap
- Finance Director Jeff Friend provided the Finance Committee information on the Five-Year Forecasts.

**GENERAL FUND REPORT - APRIL 2024**

- Finance Director Jeff Friend provided the Finance Committee with a report regarding the general fund.

**MAY 2024 SALES TAX REPORT**

- Finance Director provided the Finance Committee a report regarding the May 2024 sales tax.

**ADJOURNMENT**

The meeting adjourned at 5:00 p.m.

## Business License Fees

### Area fees for general Business Licenses

<b>Des Moines</b>	
In-City	\$ 75.00
Out-of-City	\$ 100.00
<b>Burien (general business license)</b>	
39 or fewer employees	\$ 180.00
40 or more employees	\$ 350.00
<b>SeaTac</b>	
Based on employee count	
0 - 10	\$ 100
11 - 50	\$ 250
51 - 100	\$ 1,500
101 - 500	\$ 4,750
over 501	\$ 9,500
<b>Tukwila</b>	
	\$56 per p/t employee
	\$112 per f/t employee
Non-resident	\$ 100
<b>Renton</b>	
Before 7/1	\$ 150
After 7/1	\$ 75
<b>Kent</b>	
Based on employee count	
0 - 24	\$ 282
25-49	\$ 382
50-99	\$ 582
100 and over	\$ 782
Non-resident	\$ 101
<b>Auburn</b>	
General	\$ 103.00
Marijuana-related	\$ 515.00
<b>Federal Way</b>	
Based on employee count	
0 - 10	\$ 81
11-25	\$ 126
26-50	\$ 251
51 - 100	\$ 1,501
101 - 500	\$ 4,501
501 or more	\$ 9,501

Finance is recommending an increase in Business License fees beginning for 2025. Recommended fees would be \$100 for In-City businesses and \$140 for Out-of-City businesses. A new license category is also recommended for “mobile business/food trucks”. This would be a 90-day license with a fee of \$50.

Council approval is required to increase the fees for business licenses.

## June 2024 – General Fund Report

General Fund Summary of Sources and Uses	2024			2024 YTD Budget vs Actual		2024
	Amended Budget	YTD Budget	YTD Actual	Amount	Percentage	Remaining Budget
<b>Operating Revenues</b>						
Property Tax	\$ 5,639,570	\$ 2,819,785	\$ 2,848,159	\$ 28,374	1%	\$ 2,791,411
Utility Tax	4,459,106	2,229,553	2,353,729	124,176	6%	2,105,377
Sales Tax - Regular	4,150,000	2,075,000	1,924,218	(150,782)	-7%	2,225,782
Sales Tax - One Time	175,000	87,500	75,567	(11,933)	-14%	99,433
B+O Tax - Regular	1,350,000	675,000	728,148	53,148	8%	621,852
B+O Tax - One Time	90,000	45,000	24,712	(20,288)	-45%	65,288
Franchise Fees	1,450,000	725,000	693,344	(31,656)	-4%	756,656
Criminal Justice Tax	1,300,000	650,000	572,652	(77,348)	-12%	727,348
Gambling Tax	35,000	17,500	9,780	(7,720)	-44%	25,220
Leasehold Tax	240,000	120,000	116,039	(3,961)	-3%	123,961
<b>Taxes Subtotal</b>	<b>\$ 18,888,676</b>	<b>\$ 9,444,338</b>	<b>\$ 9,346,347</b>	<b>\$ (97,991)</b>	<b>-1%</b>	<b>\$ 9,542,329</b>
Business Licenses and Permits	300,000	150,000	181,263	31,263	21%	118,737
Other Licenses and Permits	15,000	7,500	7,017	(483)	-6%	7,983
Intergovernmental (Grants, etc.)	1,043,304	521,652	531,570	9,918	2%	511,734
<b>Charges for Services:</b>						
General Government Services	212,944	106,472	133,897	27,425	26%	79,047
Court	103,300	51,650	53,416	1,766	3%	49,884
Public Safety	83,300	41,650	46,491	4,841	12%	36,809
Culture and Recreation	438,900	219,450	252,097	32,647	15%	186,803
Red Light Running Infractions	1,200,000	600,000	516,129	(83,871)	-14%	683,871
Other fees and penalties	352,150	176,075	41,265	(134,810)	-77%	310,885
<b>Fees/Charges/Fines Subtotal</b>	<b>\$ 3,748,898</b>	<b>\$ 1,874,449</b>	<b>\$ 1,763,145</b>	<b>\$ (111,304)</b>	<b>-6%</b>	<b>\$ 1,985,753</b>
Interest Income	106,000	53,000	46,576	(6,424)	-12%	59,424
Rentals and Leases	511,570	255,785	209,697	(46,088)	-18%	301,873
Contributions and Donations	24,000	12,000	1,402	(10,598)	-88%	22,598
Miscellaneous	30,700	15,350	136,164	120,814	787%	(105,464)
Interfund Charges	1,459,291	729,646	858,375	128,729	18%	600,916
<b>Transfers In</b>						
Fund 114 (ARPA Fund)	1,850,617	925,309	838,604	(86,705)	-9%	1,012,013
<b>Other Revenues Subtotal</b>	<b>\$ 3,982,178</b>	<b>\$ 1,991,089</b>	<b>\$ 2,090,817</b>	<b>\$ 99,728</b>	<b>5%</b>	<b>\$ 1,891,361</b>
<b>Total Operating Revenues</b>	<b>\$ 26,619,752</b>	<b>\$ 13,309,876</b>	<b>\$ 13,200,310</b>	<b>\$ (109,566)</b>	<b>-1%</b>	<b>\$ 13,419,442</b>
<b>Operating Expenditures</b>						
City Council	\$ 95,981	\$ 47,991	\$ 72,876	24,885	52%	23,105
City Manager/Administration	1,255,148	627,574	843,606	216,032	34%	411,542
City Clerk	854,703	427,352	463,730	36,378	9%	390,973
Human Resources	407,370	203,685	128,487	(75,199)	-37%	278,884
Finance	1,334,670	667,335	609,306	(58,029)	-9%	725,364
Technology Services	1,618,534	809,267	807,302	(1,965)	0%	811,231
City Attorney	889,357	444,678	277,897	(166,781)	-38%	611,460
Municipal Court	1,735,021	867,511	734,114	(133,397)	-15%	1,000,908
Public Safety - Business Office	1,061,350	530,675	610,838	80,163	15%	450,512
Police	12,133,208	6,066,604	5,732,084	(334,520)	-6%	6,401,124
Social Services	427,509	213,755	203,764	(9,990)	-5%	223,745
Parks, Recreation, and Senior Services	5,148,484	2,574,242	1,945,909	(628,333)	-24%	3,202,575
<b>Transfers Out</b>						
Fund 208 (2018 LTGO Bonds)	226,600	113,300	113,300	-	0%	113,300
Fund 506 (Facility Repair and Replacement)	51,000	25,500	-	(25,500)	-100%	51,000
<b>Total Operating Expenditures</b>	<b>\$ 27,238,936</b>	<b>\$ 13,619,468</b>	<b>\$ 12,543,212</b>	<b>\$ (1,076,256)</b>	<b>-8%</b>	<b>\$ 14,695,724</b>
<b>Total Operating Income (Loss)</b>	<b>\$ (619,184)</b>	<b>\$ (309,592)</b>	<b>\$ 657,098</b>	<b>\$ 966,689</b>		

\*\*June is month 6 of 12 = 50%