

AGENDA	Tuesday, July 3, 2018	
Fiscal Committee	4:30 PM*	
Sioux Falls City Council	Carnegie Town Hall	
	235 West 10th Street	

*The meeting will start following the adjournment of the 4 p.m. Informational Meeting

1. Call To Order

2. Approval of Minutes
 - A. Meeting of Tuesday, February 13, 2018, at 4 p.m.

3. Reports and Updates
 - A. 2017 Sales & Use Tax Available Fund Balance by Erica Beck, Chief of Staff
Presentation: Approximately 20 minutes followed by discussion
 - B. Revenue Sources and Budget Projections by Tom Huber, Assistant Director of Finance
Presentation: Approximately 10 minutes followed by discussion

4. Open Discussion

5. Public Input

6. Adjournment

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MINUTES

Tuesday, February 13, 2018

Fiscal Committee

4 PM

Sioux Falls City Council

Carnegie Town Hall
235 West 10th Street



Members Present: Christine M. Erickson, Rex Rolwing, Michelle Erpenbach, Pat Starr

Members Absent: None

1. Call To Order

Committee Chair Michelle Erpenbach called the meeting to order at 4 p.m.

2. Approval of Minutes

A. Meeting of Tuesday, January 2, 2018

A motion was made by Christine M. Erickson and seconded by Rex Rolwing to approve the minutes.

Committee Chair Michelle Erpenbach called for a voice vote. All members voted yes.

Motion Passed.

3. Reports and Updates

A. (4 p.m.) Volunteers of America Dakotas (Parks and Recreation)

Stephanie Monroe, VOA, provided an overview of the VOA mission and the programs offered. These include after school and summer programming for 7 – 17 year olds, STARS for grades 2 through 8, and Kids Campus for grades 1 through 5. The presentation focused on the after school and summer programming for 7 to 17 year-olds, which receives contributions from the City. The program is one of the only drop-in afterschool programs in the City available to families at no charge. In Fiscal Year 2017 it served 306 students. The program provides academic support, tutoring, social and recreational opportunities, as well as transportation to home for any child in the program within city limits. It is offered Monday through Friday during the school year until 9 p.m. and from 12 p.m. to 6 p.m. during the summer. Monroe explained funding sources for the program which primarily include the SD Department of Education, the United Way, City of Sioux Falls, and public contributions and impacts of the program on Sioux Falls citizens. The city's investment of \$111,000 makes up 18% of the program's total \$619,000 operating budget. A decrease or loss of funding would result in a decrease of services offered, specifically transportation and hours of operation.

Discussion followed about: how additional students are enrolled in the program, the Freedom Pass, cost to families, alternatives if students were not in the program, and the school district of students served. The program works with the Sioux Falls School District to identify students for the program. Monroe noted that a primary benefit of the program is its operation between 6 p.m. and 9 p.m., which is unique. Students receive coordinated transportation to the Center and schools opposed to using the public bus system.

B. (4:15 p.m.) YMCA - Middle School After School Program (Parks & Recreation)

Eric Tucker, President & CEO of the Sioux Falls Region YMCA, provided a history of the YMCA, contributions to society, the YMCA movement worldwide, South Dakota YMCA associations, mission impact across the state, and how it fosters youth development, healthy living, and social responsibility. He identified the impact in Sioux Falls by noting that it relies on over 1,200 volunteers, serves 15,000 children served in various programs, and 2,500 adults served. The organization partners with multiple schools; he discussed the benefits of the programs to students and families. The YMCA receives \$500,000 in financial assistance raised and awarded annually, not including the United Way (\$136,000), the Federal Food Program (\$150,000), and City Funding (\$136,000).

Discussion followed about: overlap with other services, reporting, and impacts from changes to City funding. Tucker explained there is no overlap; survey results show that there are not enough of these types of services for children. The YMCA tracks a great deal of information but does not formally report to the City. Finally, he stated that the biggest impact to a decrease in funding would likely be the ability to transport children to the programs.

C. (4:30 p.m.) Active Generations (Parks and Recreation)

Gerald Beninga, President and CEO of Active Generations, provided a description of the programs offered. Programs include activities and fitness, adult day services, BRIDGES Employment Research Center, CAREgivers, Nutrition, the Senior Health Information and Insurance (SHIINE) program, and workers on wheels. The activities and fitness program includes 3,200 members and the remaining programs consist of a total of 10,350 non-members. Active Generations also relies on 1,800 volunteers to implement many of the programs. Beninga provided an overview of funding sources and how some values are determined. The City contributes \$59,928 to the Nutrition program of the \$1,626,500 total funding received for the program. He explained that the City's contribution goes toward a match with state and federal grants and discussed the match formula.

Discussion followed about funding trends, how the match funds are used, and alternatives for users if funding were decreased. Beninga noted that City funding has remained flat for the past eight to 10 years and further discussed the match and

how it's used to support the nutrition program. Decreases in funding would likely result in waiting lists.

D. (4:45 p.m.) Downtown Sioux Falls - Operating (Community Development)

Downtown Sioux Falls (DTSF) President Joe Batcheller opened the presentation with a discussion of their mission. DTSF includes five programs: marketing & promotion; cleaning & beautification; member services; partnerships & advocacy; and, events & festivals. The programs are intended to increase activity, accessibility, social capital, charm and appeal, public awareness, and economic opportunity. The City's contribution to DTSF is \$165,000; by agreement DTSF is intended to use the funds to grow downtown's vitality, promote a positive image for downtown, provide leadership and oversight of downtown issues, and execute 33 action items in the 2025 Downtown Plan. Batcheller also outlined DTSF resource allocation of the contribution which generally goes toward staff time and noted that DTSF events and promotions provide a \$3.45 million economic impact and resulted in an estimated \$69,000 in municipal sales tax revenue. Discussion about the Fiscal Committee's review process, benefits of the City's contributions, and the BID process followed.

E. (5 p.m.) Southeastern Behavioral Health (PATH Program) (Health)

Kris Graham, CEO of Southeastern Behavioral Health, opened with an overview of the organization. Southeastern provides services to the community in an effort to identify those who are homeless and suffering from Serious Mental Illness (SMI.) The outreach program provides intensive support services to help individuals stabilize symptoms of mental illness and promote independent living. They rely upon federal PATH funding grants which are administered through the State and require matches. As the only entity in Sioux Falls eligible to receive federal PATH funding, the match is critical to providing the services to the community. The City currently contributes \$57,000. Kim Hansen, Homeless Outreach Coordinator, explained the homeless outreach program in detail, the services Southeastern provides, and community outreach efforts. She also provided 2017 statistics that show the impacts of PATH supported outreach. Melissa Tauer, CARE coordinator and assistant clinical director, completed the presentation by explaining how Southeastern manages the transition from PATH services to CARE services.

Discussion about the federal PATH grant, agreements, and overall sources of funds followed. Graham explained the match requirements and stated that the State applies for and receives the grant, then distributes it to eligible entities. It was also noted that an agreement with the City is in place and administered by Public Health.

F. (5:15 p.m.) Sioux Falls Development Foundation - Discretionary and Operations (Community Development)

Dean Dzedzic, Acting President, opened his presentation by reviewing their mission statement and providing an overview of the organization's history. He explained that the Development Foundation focuses on business development, business retention, business expansion, entrepreneurial development, and workforce development. He discussed the approach to collaboration and outlined three initiatives reliant upon such collaboration: workforce development through www.siouxfalls.com, Sioux Falls Thrive, and Workforce Information Now (WIN). City funding goes toward operations and discretionary spending. Operations funds typically help to promote ongoing or new initiatives while the discretionary funds are typically used to close projects or deals.

Discussion about the use of discretionary funds and overall funding followed. Dzedzic reviewed the purpose of the discretionary funds and explained that since 2012 they have not been used twice. The City's contribution accounts for approximately 10% of their overall funding.

G. (5:30 p.m.) Sioux Falls Arts Council (Planning and Building Services)

Alex Hagan, Executive Director of the Sioux Falls Arts Council, discussed: their mission, economic impact, role of the SFAC, partnership with the City, overall funding sources, 2017 accomplishments, and the 2018 work plan. The nonprofit arts and cultural sector in the greater Sioux Falls area generates \$105.4 million in annual activity, 3,567 full-time equivalent jobs, and \$8.6 million in local and state government tax revenue. Funding from the City in 2017 was \$47,000 and in 2018 is \$35,250; this comprises from 35% to 46% of the SFAC budget each year over the last five years. Other funding sources in 2017 included in-kind donations (7%), business donations (23%), and individual donations (25%.) Hagan highlighted key 2017 accomplishments and showed what the SFAC is doing to achieve the 2018 work plan. Discussion about the SFAC's agreement with the City and the 50th anniversary of the SFAC followed.

4. Open Discussion

The committee and Dave Bixler, Budget Analyst, discussed next steps. It was agreed that the review of the organizations was very beneficial, however, better means should be identified to ensure better reporting to the council whether through the agencies or city departments. There was also consensus that a recommendation be made to the Council to support continued implementation of the current budget by ensuring contracts and agreements are executed with the organizations this year.

A motion was made by Rex Roling and seconded by Pat Starr to recommend to the Council to affirm the current budget for the non-profit/3rd party contracts that were reviewed.

Committee Chair Michelle Erpenbach called for a voice vote. All members voted yes.

Motion Passed.

5. Adjournment

Committee Chair Michelle Erpenbach adjourned the meeting at 6:12 p.m.

Thomas M. Greco
City Clerk