

**ROLLA CITY COUNCIL WORKSHOP MINUTES
MONDAY, FEBRUARY 23, 2015; 5:30 P.M.
ROLLA CITY HALL COUNCIL CHAMBERS
901 NORTH ELM STREET**

Presiding: Mayor Louis J. Magdits, IV

Council Members in Attendance: Jonathan Hines, Matthew Miller, Kelly Long, Susan J. Eudaly, Don Morris, Stephen Bowles, Jim Williams, and Walt Bowe

Council Members Absent: Monty Jordan, Greg Sawyer, Brian Woolley, and Tony Bahr

Department Directors in Attendance: Parks and Recreation Director Scott Caron and Fire Chief Robert Williams

Other City Officials in Attendance: City Administrator John Butz and City Clerk Carol Daniels

Mayor Magdits called the workshop to order at approximately 5:31 p.m. and thanked everyone for coming.

Mayor Magdits said the deliverable at this workshop is for the Council to look at the proposed plan and options, because if Proposition P does not pass on April 7, 2015, the City will have to implement that plan almost immediately. He then turned the floor over to Parks and Recreation Director Scott Caron.

Mr. Caron began by providing an overview of the Parks Department inventory, which he pointed out includes the Rolla Cemetery, a large part of the Parks Department operation. He added the Parks Department operates and maintains SplashZone, Eugene E. Northern Community Hall, assists with maintaining City Hall, the Library, and the Police Department. He pointed out the Parks Department is reimbursed for some of these services. Mr. Caron noted the Parks Department helps in maintaining some right-of-ways, provides leaf pickups, maintains park pavilions, and maintains the ACORN trail.

Mr. Caron informed the Council the Parks Fund is broken down into five different divisions and although they are in one department, each is financially separate. Within the Parks division, there is administration, maintenance, parks, SplashZone, and outdoor recreation. He reminded the Council the Parks Fund is separate from The Centre.

From a financial standpoint, the Parks Department has three primary revenue sources. Other than fees and charges, the Parks Department does not have any ability to generate additional dollars. Mr. Caron informed the Council the Parks Department generated \$229,560 this past year in fees and charges. As an example if all fees and charges were

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increased by about 20%, he said it would generate about \$50,000. However, Mr. Caron emphasized it still does not solve the larger issue because the Parks Fund needs about an additional \$200,000. Although some revenue can be generated through fees and charges, it is not going to solve the problem. The reason the Parks Department has limited ability to generate revenue for itself is because it is ball fields, cemetery lots, picnic pavilions, leaf pickups, etc.

Regarding the expense side, Mr. Caron pointed out that nearly 75% of the parks operations is staffing. Since doing some things on the revenue side are limited, Mr. Caron said the main impact would be on the expense side. He explained the seasonal employees primarily mow, weed eat and empty trashcans and staffing levels have been significantly impacted over the past few years. Mr. Caron informed the Council that it takes approximately one hour to mow one acre.

Mr. Caron pointed out the Parks Department services which have been/would be impacted include elimination of the Holloway House funding. Coventry and Breuer Parks, which are frequently used for baseball, softball, and soccer, would no longer be mowed. He said some drinking fountains would no longer be in service, some security lights would be eliminated, weed eating of the Rolla Cemetery would be reduced, cemetery burials would be limited to weekdays only due to the elimination of one, fulltime equipment operator, and some playground equipment would be phased out.

Mr. Caron said another option would be to sell some of the parks. He noted that due to deed restrictions, some of the properties are prohibited from being sold. If the City were to sell all the allowable properties, staff estimates it would generate approximately \$75,000.

Mr. Caron referred the Council to the Proposition P ballot language, approved by the Council a few weeks ago. Additionally, he provided an overview of the "Prop P" information sheet. He said Proposition P would be used to maintain, improve, and manage parks, trails, playgrounds, parking lots, bathrooms, pool, cemetery, and natural lands for recreation purposes. After eight years, a portion of the tax would sunset. If Proposition P passes, Mr. Caron noted the \$250,000 transfer from the General Fund to the Park Fund would no longer be necessary.

City Administrator John Butz explained the current budget shows a \$200,000 cut from the General Fund transfer to the Park Fund. He said the Council would be asked to approve an ordinance to increase youth fees for the first time. He noted that some money has been budgeted with the hope Proposition P passes. If it does not pass, FY 2016, 2017, and 2018, looks a lot worse because the cuts will be more permanent.

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Mr. Butz stated the General Fund has been subsidizing the Park Fund between \$430,000 to \$480,000 for the last fifteen years, until cuts were implemented in 2011. The City could only provide \$250,000 in General Fund support in 2015, and this could only be done by the implemented cuts which were done in the General Fund. Mr. Butz reminded the Council that five public safety positions (three police and two fire personnel), through attrition, were not funded. He recalled in the previous three to five years a custodial position in City Hall, an animal control officer, two positions in the Finance Department, and a Community Development inspector position were eliminated. Mr. Butz stated that for the last eight years one of the City's priorities, since the economy turned in 2008, has been to not impact public safety.

Mr. Butz explained the General Fund is about a \$10.5 million fund and covers what are generally the non-revenue producing entities (Police, Fire, Administration, Finance, Engineering, Economic Development, and Community Development). He told the Council the City's annual 2013 financial audit showed an "unrestricted cash balance" of \$900,000. Mr. Butz explained the "unrestricted cash balance" is inadequate and is half of what is needed for just the cash flow of the City's operations. He explained there are times when temporary transfers from other funds are necessary just to cash flow operations. He pointed out the City has been doing this for the past three or four years. Mr. Butz informed the Council that the unrestricted cash balance should be closer to \$1.8 million with reserves of about \$2.5 million. He said the City's number one priority is to rebuild the unrestricted cash position in the General Fund. Secondly, Mr. Butz said the City wants to pay its existing employees well. He commented he believes the City's employees have been under compensated for the last six or seven years based on the work and the competitiveness of surrounding areas. The third priority would be to begin funding a lot of what has been the deterioration over the last six to eight years of everything from the City's software systems, to our equipment, to just the maintenance systems we are encountering as an organization.

Mr. Butz noted that in 2015, staff proposed to maintain, to a degree, what people have come to expect in Ber Juan, Green Acres, and Schuman Parks, the trails, and the cemetery and everything else, almost no maintenance. If another five or six community parks were to be kept open and only mowed every two weeks with the staffing required for a six to eight month period, it would cost between \$100,000 to \$115,000. Mr. Butz provided the Council with the following example of some possible cuts to the General Fund to increase Park funding: 1) \$10,000 cut in economic development funding with the Rolla Regional Economic Commission (RREC); 2) \$15,000 cut in televising the Council and Planning and Zoning Commission meetings; 3) \$5,000 cut in ACORN funding for beautification efforts; 4) \$20,000 by not funding one additional police position for the remainder of FY 2015 (\$50,000 for a full year); 5) \$20,000 by not

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funding one additional firefighter position for the remainder of year (\$50,000 for a full year); 6) \$15,000 by cutting the public safety equipment/vehicle program, and; 7) \$15,000 by deferring a software upgrade in Community Development. Mr. Butz said these cuts amount to \$100,000 for the remainder of this year and \$150,000 for the following year. He emphasized to the Council that he does not believe these cuts would be a good option.

Mr. Butz told the Council the budget has been adopted with the tough news as we have it and we are very positive about Proposition P and believe the community is going to support it. However, the City has to be able to tell the community what it means if it does not pass. He said the City's biggest fear is voter turnout at the April election. The Council can do a great job by speaking with neighbors and constituents and encouraging them to vote on April 7.

After Council discussion, Mayor Magdits asked if anyone in attendance would like to address the Council concerning this matter.

Ms. Betty Williams, 613 Norwich, Rolla, Missouri suggested possibly asking Rolla Municipal Utilities (RMU) if the City could include a flyer in the utility bill that comes out just before April providing information about Proposition P and encourage them to vote.

No one else present addressed the Council.

II. ADJOURNMENT

Having no further business, the meeting adjourned at 6:52 p.m.

Minutes respectfully submitted by City Clerk Carol Daniels.

CITY CLERK

MAYOR

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