

**ROLLA CITY COUNCIL WORKSHOP MINUTES
MONDAY, AUGUST 29, 2016; 5:30 P.M.
ROLLA CITY HALL COUNCIL CHAMBERS
901 NORTH ELM STREET**

Presiding: Mayor Louis J. Magdits, IV

Council Members in Attendance: Monty Jordan, Jonathan Hines, Matthew Crowell, Matthew Miller, Susan J. Eudaly, Don Morris, John Meusch, Jim Williams, Brian Woolley, Steven Jung, and Walt Bowe

Council Members Absent: Kelly Long

Department Directors in Attendance: Fire Chief Ron Smith, Environmental Services Director Brady Wilson, Parks and Recreation Director Floyd Jernigan, Police Chief Sean Fagan, Public Works Director Steve Hargis, Community Development Director John Petersen, and Finance Director Steffanie Rogers

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

Mayor Louis J. Magdits IV called the Fiscal Year 2017 budget workshop to order at approximately 5:33 p.m. and then turned the floor over to City Administrator John Butz.

(A) Complete Review of Proposed FY 2016/2017 Budget: Mr. Butz began by stating the Council would be asked to conduct a public hearing regarding the proposed budget during its September 6, 2016, meeting as well as consider the first reading of the ordinance approving it.

Mr. Butz noted the proposed fiscal year 2016/2017 budget, which begins October 1, 2016, represents a total yearly program of \$26,493,115 offset by anticipated revenues of \$25,878,777. The \$614,000 deficit is made up from the balance of the \$3 million street improvement financing in 2015 and the Sewer Fund financing in 2014.

Mr. Butz mentioned the City's Mission Statement, which has not been updated in over 16 years, needs to be updated.

He then provided an overview of the "Statement of Revenues, Expenditures, and Fund Balance for All Funds." He told the Council that staff is striving for an unrestricted reserve balance of \$2 million.

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Mr. Butz indicated staff is estimating a 2% sales tax growth in FY 2017. He told the Council this is the City's largest revenue source.

Mr. Butz then provided an overview of the General Fund divisions. He suggested the Council consider increasing the salaries of mayor, council, prosecuting attorney, and municipal judge. He noted they have not been increased for about 15 years.

Mr. Butz said staff is recommending a 1.5% cost of living adjustment plus an increment increase of 1% for qualifying employees (2.5% average). Additionally, due to the new overtime rule, he pointed out that about fifteen exempt employees were affected and the salaries were adjusted.

Mr. Butz informed the Council that City employees have requested consideration of an increase in the LAGERS (Local Government Employees Retirement System) benefit from an LT-14 (Age 65) to an L-6. However, it would cost the City an additional 3% to move to that level and he is not recommending it at this time.

During an overview of the Community Development Department proposed budget, Mr. Butz mentioned the Council needs to consider updating the City's Building Code regulations from the 2000 edition.

Mr. Butz then provided an overview of the proposed budgets for the Sewer, Environmental Services, Airport, Cemetery, Street/Capital Improvement Funds, Parks and Recreation Funds.

Mr. Butz then briefed the Council on the City's long-term financial obligations.

Mr. Butz reiterated the Council would hold a public hearing regarding the proposed budget on September 6, 2016, as well as the first reading of the ordinance adopting the budget. The final reading of the ordinance, which would adopt the proposed budget, would be considered during the Council's September 19, 2016, meeting, with the budget taking effect October 1, 2016.

(B) Adjournment: Having no further business, the workshop adjourned at 7:30 p.m.

Minutes respectfully submitted by City Clerk Carol Daniels.

CITY CLERK

MAYOR

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