

**ROLLA CITY COUNCIL BUDGET WORKSHOP MINUTES
MONDAY, AUGUST 26, 2019; 5:30 P.M.
ROLLA CITY HALL COUNCIL CHAMBERS
901 NORTH ELM STREET**

Presiding: Mayor Louis J. Magdits, IV

Council Members in Attendance: Rachel Schneider, Ann Murphey, Matthew Crowell, Jacob Rohter, John Meusch, Marie Allen, Christine Ruder, and Tiffany Henry

Council Members Absent: Daniel Jones, David Schott, Jody Eberly, and Jim Williams

Department Directors in Attendance: Parks Director Floyd Jernigan, Police Chief Sean Fagan, Public Works Director Steve Hargis, Finance Director Steffanie Rogers, Environmental Services Director Brady Wilson, Interim Centre Director Marci Fairbanks, and Fire Chief Ron Smith

Other City Officials in Attendance: City Administrator John Butz, City Planner Tom Coots, and City Clerk Carol Daniels

Mayor Magdits called the Fiscal Year 2020 budget workshop to order at approximately 5:34 p.m. and then turned the floor over to City Administrator John Butz.

(A) Review of the Proposed FY 2019/2020 Budget: Mr. Butz reported the Finance/Audit Committee recently met and discussed in some detail the proposed FY 2020 budget. He first began by referring the Council to the “FY 2020 Budget Summary” document, which breaks down the 77 pages of material into key notes.

When referring to the proposed “Statement of Revenues, Expenditures, and Fund Balance” (Page 6), Mr. Butz noted the proposed revenues for FY 2020 total approximately \$65 million and expenses total \$42 million leaving \$22 million. He pointed out the revenues includes the sewer revenue bond issue the voters approved in November 2018, which is an infusion of \$27,225,000. Additionally, the Move Rolla Transportation Development District (MRTDD) reimbursable expenses of \$8,207,000 is included in the budget, so the Street Capital Improvement Fund is overstated by that amount.

Mr. Butz then referred the Council to the “Unfunded Requests” page. He said this page basically sums up the conversation about the need for the proposed “use tax.” Mr. Butz emphasized these are some critical items that are not included in the budget.

AUGUST 26, 2019

**CITY COUNCIL BUDGET WORKSHOP MINUTES
AUGUST 26, 2019
PAGE 2**

Mr. Butz informed the Council the budget consists of nine funds (a tenth fund for the City's health insurance), which he said can best be summarized in the "Statement of Revenues, Expenditures, and Fund Balance". In the General Fund, there is \$10.6 million in revenues and \$11.6 million in expenses leaving about a \$965,000 shortfall. The estimated surplus in the FY 2020 proposed budget shows a surplus of \$63,672. Mr. Butz said staff would like to see the surplus at \$200,000 or \$300,000.

Mr. Butz noted in this year's budget, staff is recommending an increase in building permit fees.

Mr. Butz continued by providing an overview of each of the individual budgets/funds and entertained questions from the Council.

Regarding the Cemetery budget, Mr. Butz indicated staff is proposing an increase in the cost of cemetery lots.

Mr. Butz said he frequently hears the General Fund is supporting the Recreation Center. He emphasized this is absolutely untrue. In fact, he pointed out the Recreation Center is charged for administrative overhead of the General Fund. Mr. Butz added the Recreation Center has transferred \$70,000+/- to the General Fund.

Mr. Butz pointed out the City's personnel and personnel related expenses total approximately \$14 million. He then touched on the Employee Turnover Analysis with a rate of 10% to 14%. He also provided an overview of the City's compensation system. Mr. Butz said a 1% cost of living increase has been budgeted this year.

Interim Centre Director Marci Fairbanks entered the meeting at approximately 7:10 p.m.

Mr. Butz commented on the City's outstanding debt chart.

(A) Review of the Proposed FY 2019/2020 Budget (continued): Mr. Butz concluded by saying the Council would be asked to conduct a public hearing and consider the first reading of an ordinance approving the proposed budget during its September 3, 2019, meeting. The final reading of the subject ordinance would be considered during the Council's September 16, 2019, meeting, with the budget taking effect October 1, 2019.

AUGUST 26, 2019

**CITY COUNCIL BUDGET WORKSHOP MINUTES
AUGUST 26, 2019
PAGE 3**

(B) Adjournment: The workshop adjourned at 7:27 p.m.

Minutes respectfully submitted by City Clerk Carol Daniels.

CITY CLERK

MAYOR

AUGUST 26, 2019