

**ROLLA CITY COUNCIL
WORKSHOP MINUTES
MONDAY, OCTOBER 28TH, 2024; 5:30 P.M.
THE CENTRE
1200 HOLLOWAY ST., ROLLA, MO 65401**

PRESIDING: Mayor Louis J. Magdits IV

COUNCIL MEMBERS PRESENT: Joshua Vroman, Mattias Penner, Megan Johnson, Nathan Chirban, Steve Jackson, Matthew Fridley, Robert Kessinger, Kevin Greven and Victoria Steen

*Councilman Jackson entered at 5:58 PM

*Councilwoman Steen entered at 6:45 PM

COUNCIL MEMBERS ABSENT: William Hahn and Tina Balch

DEPARTMENT DIRECTORS PRESENT: Finance Director Steffanie Rogers and Parks Director Floyd Jernigan

At approximately 5:45 PM, Mayor Magdits opened the meeting.

A. Continued Discussion on Rec Center Operations

- 1) City Administrator John Butz reviewed highlights from the August 6th, 2024 workshop, which showed steady membership growth for 6 consecutive months before dues were increased in June 2024. The attrition rate of 2.64%, was at its lowest since December of 2020. Mayor Magdits explained that a clean-up/discontinuation of the corporate discount program has been in the works for some time. Once completed, the program could be revamped for future consideration.
- 2) A review of a 5-year projection summary, reflected the impact of meeting membership marks as forecast through 2027.
- 3) City Administrator John Butz shared the progress that has been made to date. With the implementation of the Phelps Health PowerLink/Epic referral software, MyFitRx is now experiencing growth, albeit slower than desired (23 referrals in August and almost 30 in September). The fitness floor expansion more than doubled the size of the fitness floor (6000 sq ft), providing more room and a safer environment for members to work out and to allow for the anticipated membership growth. Obtaining recognition as a Certified Medical Facility, the first of its kind in Missouri, is a validation of commitment to patient/member safety and quality care.
- 4) Mayor Magdits shared that there are plenty of challenges yet to overcome. Phelps Health's integration of Power Wellness Epic was a year behind schedule. Covid impacted medical staffing and created delays in getting insurance reimbursements for the hospital. Phelps Health and Mercy are still not yet fully engaged with formal partnerships with the Centre. While Power Wellness has been hitting their projected membership mark, retaining members continues to be a challenge. The perception that Council might not be fully committed to continued efforts to keep the Centre open is causing anxiety/low morale amongst Centre employees and hesitation from other entities to consider any agreement/investment to the facility and its services.

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- 5) Case Studies – Mayor Magdits shared that client confidentiality, differences in accounting practices, use of creative accounting and a general reluctance to be transparent about financial struggles and past management mistakes, made it challenging to gather usable information from other municipalities regarding their recreation centers or finding facilities that were accurate comparisons.
- a. Mayor Magdits shared case studies from Lebanon, West Plains, Fenton, Ballwin, and Fulton, who all have facilities similar to the Centre within Missouri. Differences in accounting and shared personnel amongst several departments makes accurate tracking of their finances difficult.
 - b. Mayor Magdits shared case studies from a select few Power Wellness Facilities that are similar to the Centre (Clive, Iowa and Albany, NY). Client confidentiality and contracts under negotiation restrict what information could be shared with two others. Most facilities made similar mistakes in management and design.
- 6) Strategic Topics
- a) Mayor Magdits presented the idea of integrating Physical Therapy into the Centre.
 - b) Natatorium Analysis – A financial analysis showed a cost savings based off the pool closing. The possibility of merging memberships with Splash Zone and the Centre pool were discussed as well as memberships for pool access only.
 - c) City/Community Commitment – Mayor Magdits stressed the importance of public perception and continued support from the community and city.
 - d) Grants (energy efficiency upgrades) – There are energy grants available that could improve the buildings efficiency, saving money in the long run.
- 7) The Path Forward- The Centre is going to require some degree of financial support by the City for an undetermined amount of time(3-5 years). It is understood that significant long-term support is not sustainable and continued efforts to create income-producing services and lowering attrition rates, are necessary to make the Centre self-sustaining.

Open Discussion – Council is scheduled to review financials again on December 16th.
The meeting was adjourned at 8:30 PM.

Minutes submitted by City Clerk, Lorri Powell.

City Clerk, Lorri M. Powell

Mayor, Louis J. Magdits IV