

**UNIVERSITY CITY COUNCIL  
STUDY SESSION  
5th Floor of City Hall  
6801 Delmar  
June 18, 2018**

**MEETING CALLED TO ORDER**

The City Council Study Session was held in Council Chambers on the fifth floor of City Hall, on Monday, June 18, 2018. Mayor Terry Crow called the Study Session to order at 6:00 p.m. In addition to the Mayor, the following members of Council were present:

Councilmember Paulette Carr  
Councilmember Steven McMahon  
Councilmember Jeffrey Hales  
Councilmember Tim Cusick  
Councilmember Stacy Clay  
Councilmember Bwayne Smotherson

Also in attendance was City Manager, Gregory Rose

**1. PRESENTATIONS:**

*Requested by the City Manager*

**A. FY19 Fiscal Budget**

Mr. Rose stated tonight's Study Session will consist of four presentations, and since his intent is to move through each of them rapidly, Council should feel free to stop him at any time to ask questions.

Prior to initiating his presentation, Mr. Rose stated he would like to introduce Kathy Matthews, the Clerk of the Court for U City. He stated that Kathy is the last hire he made during his previous tenure with U City, and in the course of a recent conversation, she reminded him that it had been twenty years since her last appearance before Council. So he would like everyone to know who she is by asking her to stand.

Mr. Rose stated during the last TIF meeting a young lady in support of the project said something that really struck a chord with him; she challenged all of us to dream about a community that does not exist today. And tonight, as he goes through the Work-Plan that's exactly what he will be asking Council to do. Mr. Rose concluded his introduction with a quote from Robert Kennedy, which underscores the direction he would like to see this community moving towards, "*Some men see things as they are and ask why. I dream of things that never were and ask why not*".

**2019-2020 WORK PLAN**

Mr. Rose noted that all of the following priorities are of equal importance.

• **Economic Development**

- *TIF - (FY19-20)*
- *Economic Strategic Plan; an economic development strategy is not waiting for the phone to ring. There is a need to develop a plan; identify businesses best suited, and develop a targeted vs. shotgun approach. (FY19)*
- *Olive Blvd. Master Plan - (FY19-20)*
- *Downtown Parking Study; the Loop/City Hall. (FY18-19)*
- *Creation of Marketing Strategy - (FY-20)*
- *Creation of Joint City/University Planning Team - (FY-19)*

- *EDRST; look at its true mission; established processes, and determine if they meet this administration's goals and objectives. (FY19)*
  - *Olive & North/South Development; to be drafted by City Manager and City Attorney. (FY-19)*
  - *Olive & Midland Development; placed on hold until resolution of TIF. (FY20)*
  - *Hotel Feasibility Study; identification of the City's capacity for hotels with a goal towards marketing. (FY19)*
- **Public Safety**
    - *New Police Facility. (FY19-20)*
    - *Community Policing Strategy; use of volunteers; technology, and new officers. (FY19)*
    - *Enhancing the Use of Technology; robotics. One additional drone and vehicle cameras requested for FY18-20.*
    - *Fire Marshal; position absorbed by fire staff. (FY19)*
    - *EMS Transport Evaluation; application made for a Safer Grant to bring additional firefighters on board to accommodate the possible return of EMS. (FY19)*
    - *State Accreditation; Police Department. (FY19-22)*
- **Encourage High-Quality Growth**
    - *Comprehensive Plan Update; consideration should be given to a citizen-driven visioning process to identify what everyone would like their community to look like in the next 20 to 25 years. (FY19-20)*
    - *Redevelopment Plan; initiated by Community Development. (FY19-20)*
    - *Architectural Review Board; requested by Councilmember McMahon. (FY19)*
    - *Evaluation of Boards & Commissions; their effectiveness and need. (FY19-20)*
    - *Evaluation of Zoning Code - (FY20).*
    - *Code Enforcement Analysis - (FY19).*
    - *Parkview Garden Plan; implementation. (FY19)*
- **Prudent Fiscal Management**
    - *5-Year Financial Forecasting; ability to clearly see the impact of yearly budget changes. (FY19-20)*
    - *Annual Financial Report - (FY19)*
    - *Pension Plan Analysis; underway and anticipated to conclude in FY-19.*
    - *Internal Service Fund Review; ensure funds are balanced and enough resources are being allocated to the equipment replacement fund. (FY19)*
    - *Solid Waste Rate Analysis; consideration of a committee to help staff evaluate and proactively develop rate increases. (FY19)*
    - *Evaluation of Purchasing Card; initiated by Finance Department. (FY19)*
- **Infrastructure**
    - *Ten-Year CIP; identify and develop specific objectives to address needs associated with infrastructure, lighting, streets, and sidewalks. (FY19)*
    - *ADA Transition Plan; underway. (FY19)*
    - *Space Needs Study - (FY19)*
    - *Stormwater Master Plan; initiated by Public Works & Community Development. (FY19-20)*
    - *Sewer Lateral Program; need to redefine sewer lateral replacement. (FY19)*
    - *MSD Wastewater Storage Tanks; update forthcoming. (FY19-20)*
    - *Sustainability Master Plan; initiated by Public Works and focuses on minimization of the City's carbon footprint. (FY20)*

- **Community Quality of Life Amenities**
  - *Technical Training; library-based training for video editing, robotics, etc. (FY19)*
  - *Community Event Planning; initiation; expansion or elimination. (FY19-20)*
  - *Resident Satisfaction Survey; resident's satisfaction with services. It's not how large or small your government is; it's how effective it is. (FY19)*
  - *Streaming of Council Meetings; provide residents with various options to see Council in action. (FY19)*
  
- **City Organization/Employees**
  - *Classification/Compensation Study; underway. (FY18-19)*
  - *Employee Survey - (FY20)*
  - *Employee Town Hall Meeting; scheduled for July.*
  - *Organizational Values; what Council and residents can expect from employees. (FY19)*
  - *Gainsharing Program - (FY19)*
  - *Staff Needs Assessment; what are the ideal staffing needs. (FY20)*
  - *Safety Programs; initiated by Human Resources Director and monitored by Safety Team. (FY19)*
  - *Employee Onboarding Program - (FY19)*

### **Next Steps**

- Mayor and Council Amendments
- First Year Included in FY19 Budget
- Acceptance by Mayor and Council
- Execution

Mr. Rose stated while it is customary to present a Work Plan prior to budget approval, the transitioning of Council prevented that from occurring. However, the first year of the plan has been included in the FY19 Budget and will be presented at the June 25th City Council meeting. Subsequent discussions regarding the plan will be presented during the July 14th Strategic Planning Session.

Councilmember Clay stated he began counting the number of strategic projects listed that are to manifest in FY18 or FY19, and stopped when he reached twenty-five since that illustrates the point he would like to make. There are a number of strategic projects that will all need some degree of attention in order to be executed to the City's standards. Therefore, he is curious to know how Mr. Rose and his staff intend to accomplish these initiatives within the first fiscal year. Mr. Rose stated the purpose of the plan was to first, explain some of the problem areas and then seek a resolution he believed would garner success. As a result, many of the projects are based on an expanded staff as proposed in the budget. However, should those requests be eliminated from the budget and the implementation of the proposed initiatives starts to overwhelm the organization, he will come back to Council with amendments to the plan.

Councilmember Smotherson stated he wanted to make sure that the comments regarding the intent to delay the Olive/Midland Development until after resolution of the TIF did not include the demolition recently voted on and approved by Council? Mr. Rose informed Councilmember Smotherson that staff was moving forward with demolition of the Tea House, as well as removal of the sculptures. Councilmember Smotherson asked whether staff had established a timeframe for the demolition?

Sinan Alpaslan, Director of Public Works and Parks, stated although he does not have a timeframe, they are trying to develop a schedule whereby this request can be presented to Arts & Letters, as well as The Historic Preservation Commission. He stated based on his understanding, this part of the process should be completed prior to the issuance of an RFP for demolition.

Councilmember Smotherson stated since the sculptures belong to the City, Arts & Letters would have no influence on the decision, and based on his understanding, the Tea House has no historic value.

Mr. Rose stated this issue will be discussed during the staff meeting tomorrow and once they determine that there is no historical significance, and both Commissions are in agreement, staff can move quickly to prepare the RFP.

Councilmember Smotherson asked Mr. Rose if a timeframe had been established for when he would be bringing the amendment to add the Annex before Council? Mr. Rose stated staff has reached a point where some decisions need to be made about what functions will be located at the Annex, and what functions will be located at the new facility. So the amendment; which is being highlighted tonight and brought before Council at the next meeting, seeks to add language that allows staff to do the design of the Annex and the new facility simultaneously.

Mr. Rose stated that the next presentation is aimed at providing Council with a summary of the Five-Year Capital Improvement Program (CIP). This program identifies investments, capital needs, and gives staff the ability to coordinate upcoming projects with utility companies; which is especially important with respect to street improvements. The Capital Improvement Fund Balance is approximately 25.5 million dollars.

### **FY19-23 CAPITAL IMPROVEMENT PLAN**

**Priorities:** (Identical to those previously established)

#### **Proposed CIP Achievements:**

- **Fire Departments (\$530,000)**
  - *Replacement pumper truck (\$500,000)*
  - *Drone (\$30,000)*
- **Parks, Recreation, and Forestry (\$945,000)**
  - *Tree Replacement (\$500,000)*
  - *Heman Park Pool Renovations (\$315,000)*
  - *Ruth Park Golf Course Lighting (\$130,000 in FY20)*
- **Police Department (\$6,224,760)**
  - *New Police Station and Annex Design (\$6,000,000)*
  - *Car Cameras (\$209,760)*
  - *License Plate Readers (\$15,000)*
- **Public Works Department (\$17,838,812)**
  - *Westgate Ave Improvements (\$1.165 M)*
  - *Street Maintenance Program (\$3.5M)*
  - *Curb and Sidewalk Improvements (\$2.37M)*
  - *Storm Water Master Plan (\$1M)*
  - *ADA Curb Ramp Design and Construction (\$250,000)*
  - *Enhanced Street Lighting (\$750,000)*
    - **Public Works and the Police Department will be working together to identify areas where additional lighting could improve safety.**
  - *Park Improvements (\$2.65M)*
  - *City Facility Improvements (\$3.5M)*
    - **Approximately \$700,000 has been allocated for each year.**
  - *Parking Meter Replacement Program (\$310,000)*
    - **Replacement makes it easier for customers to pay and strengthens the City's enforcement practice.**
  - *Morgan-Wilshire Road Drainage Improvements (\$250,000)*
  - *Space Needs Study (\$30,000)*

- Solid Waste Rate Study (\$35,000)
- Softball Field #6 Heman Park Improvements (\$30,000)
  - Installation of the MSD storage tanks may impact this project.**
- U City in Bloom Street Island Improvements (\$105,000)
- Solid Waste Grant (Recycling) (\$600,000)
- Ackert Walkway Improvements (\$311,969)
  - Includes funding from Washington University.**
- Purchasing Golf Spray Unit (\$40,000)
- City-Wide Energy Efficiency Master Plan (\$30,000)
- Canton Ave Resurfacing and Upgrades (\$900,000)

**Next Steps:**

- First Year of CIP becomes Capital Budget
- Consider Proposed Capital Improvement Program and Proposed FY19 Annual Operating Budget

Councilmember Cusick asked Mr. Rose whether the 6 million dollars allocated for the new Police Station and Annex design was in addition to the money already in reserves?

Mr. Rose stated the 6 million dollars reflects the amount that was loaned to the Prop P Fund.

Councilmember Cusick stated some of the City's streets are in pretty bad shape, so he was curious to know whether the projects associated with Public Works would be prioritized or distributed evenly over the five-year period?

Mr. Rose stated Public Works utilizes a program that analyzes the condition of each street and allows staff to prioritize their work schedule. So, as it relates to an equal allocation across Wards, they will be looking at what's equitable vs. what's equal. A copy of the final street analysis will be provided to members of Council. Councilmember Cusick stated his concern is whether some streets are deteriorating faster than the City is able to repair them? Mr. Rose stated in a future session with Council he will be discussing the use of Capital Funds to cover personnel costs. The new budget illustrates a remaining balance of roughly \$800,000 in the Capital Fund account which the City is unable to use because it does not have the adequate number of employees needed to execute projects.

Councilmember Cusick stated he also wanted to confirm that the proposed improvements to the softball field are going to be postponed until after a decision has been made about the MSD storage tanks? Mr. Rose acknowledged that staff would not move forward until the location of the MSD storage tanks had been resolved.

Councilmember Smotherson asked Mr. Rose if he would provide a more detailed explanation of the 6 million dollar loan he just referenced for the Police Station and Annex? Mr. Rose stated some time ago, Council set aside 6 million dollars in the General Fund to be used towards the construction of a new Police Headquarters. Thereafter, the City obtained Prop P funding which is a reasonable resource to use for construction and other provisions associated with public safety. Subsequently, Council made a decision to construct a smaller facility and loaned the 6 million dollars in the General Fund to the Prop P Fund, which currently does not have enough funds to complete such a project. And as the Prop P funding stream makes its way back to the General Fund it will also give Council the option of diverting some or all of those funds to the pension plan.

Councilmember Smotherson asked Mr. Rose if he had just alluded to the fact that Council had already voted to construct a smaller facility? Mr. Rose stated although Council will officially be asked to make a decision on the size of the facility they would like to see constructed at the June 25th meeting, he believes the decision to loan the funds to Prop P was with Council's full knowledge and understanding that the money would be used for the design of the police station. However, even if Council elects to construct a large Police Headquarters it would be difficult to afford with all of the other financial challenges that the City has.

Councilmember Clay asked Mr. Rose if he could talk a little about the improvements proposed for Canton Avenue? Mr. Rose stated both the street and sidewalks are in need of significant improvements. There are no sidewalks in some sections and the streets are in very poor condition.

Councilmember Clay stated as it relates to Golf Course lighting, has staff evaluated whether or not this investment will get the City the most bang for its bucks in terms of increased play time? Mr. Rose stated he is a golfer, but he does not like golfing in the heat of the summer. So from a personal and business perspective, he knows that during the summer the golf rounds are going to be down. He stated that he's also a coupon junkie; always looking for ways to leverage his dollars. So, if someone offered him a significant discount to golf during the heat of the summer he would be out there practicing. The point is, that even though staff will be conducting a very detailed analysis on many of the City's operations; the Golf Course included, if U City is going to get into the business of having a golf course, exercise facility or whatever, they need to operate those businesses by using marketing techniques and innovative ideas just like the private sector would do.

Councilmember Hales stated this year he was very pleased to see that the City had changed its approach to sidewalk maintenance and would like to know if spot slab replacement would continue going forward? Mr. Alpaslan stated per ADA regulations, the City cannot pave streets before completing ADA improvements. So that will take first priority, and if funding is available they will continue to perform spot slab replacements. He stated many of the City's streets do not have sidewalks, so when they are scheduled for paving there are no expenditures included for sidewalk repairs.

Mr. Rose stated that the next presentation reflects what is included in the proposed operating budget for FY18-19 which will include the first year of the Capital Improvement Program, as well as other expenditures.

## **PROPOSED FY 2018-2019 ANNUAL OPERATING BUDGET**

**Priorities:** (Identical to those previously established)

The total revenue for governmental funds is a little over \$30.7 million dollars; for expenditures it is \$32.3 million; the ending fund balance for all governmental funds is \$17,072,301 million. This is a change from the old document which showed the fund balance at \$18 million.

### **FY18 Close-Out:**

- **General Fund Loans**
  - \$500,000 to Parking Garage
  - \$500,000 to Golf Course
  - \$6.0 million to Public Safety Sales Tax
  - Initial Organization Restructuring approved by Council

Mr. Rose stated he had run across some paperwork which indicated that the property tax in 1960 was 1.07. The proposed property tax for this year is .69; a significant decrease primarily due to the Hancock Amendment.

### **Resident Property Tax Bill:**

Example: House Market Value - \$200,000

Assessed Value \$38,000 (19% of Market Value)

**Tax Bill = 38,000 x 8.2269 / 100 = \$3,126**

Description	Amount	% of Tax Bill
State of Missouri	\$ 13	0.4%
St. Louis County	184	5.9%
Community College	78	2.5%
Special School District	453	14.5%
Metro Zoo	103	3.3%
University City School District	1,863	59.6%
<b>City of University City</b>	<b>263</b>	<b>8.4%</b>
Library	94	3.0%
Miscellaneous	75	2.4%
<b>Total</b>	<b>\$ 3,126</b>	<b>100.0%</b>

**Major Highlights FY 19:**

- Design of Police Station and Annex
- Two (2) percent COLA  
**A survey conducted by members of the St. Louis Area City Manager's Association (SLACMA) identified that 2% is the average COLA being provided.**
- Citizen Satisfaction Survey
- Space Needs Study
- Same or Reduced Tax Rate  
**The actual rate will not be determined until October.**
- Exceeds 17% fund balance for General Fund  
**To date, the balance is projected to be 34%.**
- Increased Capital Spending
- Restructured Organization
- Moves to Cash Basis Budgeting

**Governmental Fund Summary:**

Total Revenues: \$30, 733, 200  
 Total Expenditures: \$32, 379, 499  
 Ending Fund Balance: \$17, 072, 301

**The Ending Fund Balance reflects a decrease from the original document, which was approximately 18 million dollars.**

**Proprietary Fund Summary:**

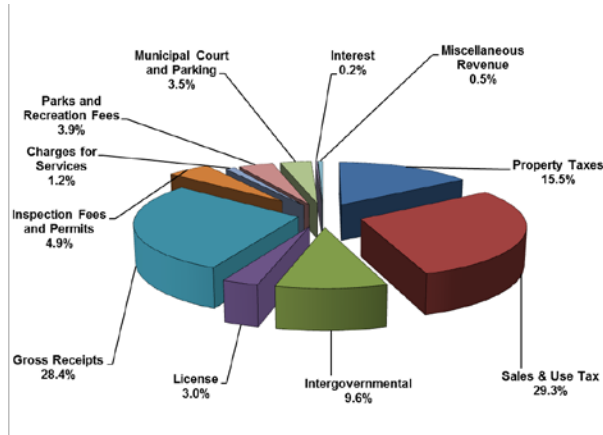
(These are Funds that typically operate as a private sector business; including the golf course and the special districts.)

Total Revenues: (\$4, 008, 700)  
 Total Expenditures: (\$4, 184, 800)  
 Total Ending Balance: \$861, 900

**FY 19 General Fund Revenue Sources:** (No changes made from old to new budget)

	Amount	Percentage
Property Taxes	\$ 3,525,500	15.5%
Sales & Use Tax	6,666,000	29.3%
Intergovernmental	2,177,000	9.6%
License	715,000	3.0%
Gross Receipts Tax	6,469,300	28.4%
Inspection Fees and Permits	1,125,000	4.9%
Charges for Services	250,000	1.2%
Parks and Recreation Fees	892,000	3.9%
Municipal Court and Parking	808,500	3.5%
Interest	50,000	0.2%
Miscellaneous Revenue	124,500	0.5%
<b>Total Revenue</b>	<b>\$ 22,802,800</b>	<b>100.0%</b>

**Revenue Source Percentages:**



**FY19 Transfers Into the General Fund:**

- Capital Improvement Fund      \$400,000  
     **Covers public safety equipment; fire truck; police vehicles, and park equipment.**
- Golf Course Fund                      \$150,000  
     **Although today, the City does not have the staff to conduct this level of detail, there is a need to drill down and determine cost allocation budgeting.**
- Solid Waste Fund                      \$75,000
- EDRST Fund                              \$133,000  
     **The majority of this fund will go towards the position of Economic Development Director/Assistant to the City Manager.**
- Public Safety Fund                      \$300,000  
     **Covers the increased cost of salaries and COLA**
- Total Transfers In                      \$1,058,000

**FY19 Expenditures:**

Expenditure by Department	Amount	Percentage
Legislative	\$ 211,000	0.9%
City Manager's Office	1,081,000	4.6%
Human Resources	152,800	0.6%
Information Technology	696,900	2.9%
Finance	885,900	3.7%
Municipal Court	361,700	1.5%
Police	8,571,000	36.1%
Fire	3,779,400	15.9%
Community Development	1,767,900	7.5%
Park Recreation and Forestry	3,004,200	12.7%
Public Works	3,142,700	13.3%
Debt Service	62,400	0.3%
<b>Total Expenditure</b>	<b>\$ 23,716,900</b>	<b>100.0%</b>

**General Fund Summary:**

Total Revenues:      \$23,860,800  
 Total Expenditures:      \$23,716,900  
 Ending Fund Balance: \$8,122,900



## **DEPARTMENT HIGHLIGHTS**

### **City Manager's Office:**

- Upgrade Deputy Director of Economic Development to Director Level/ Assistant to City Manager /Economic Development Director
- Add Assistant to City Manager - Communication
- Conduct Citizen Satisfaction Survey
- Add Webcasting of Council Meeting

### **Finance Department:**

- Continued funding of Assistant Finance Director position

### **Municipal Court:**

- Maintain the current level of service
- Per State requirement, the position of Assistant to the Prosecutor has been added

### **IT Department:**

- Upgrade Network
- Replace Domain Controllers
- Replace Spam Filters
- Fifth Floor AV Improvements
- MS Office 2016 Licensing

### **Police Department:**

- 3 Month Upgrade of Captain to Assistant Police Chief
- Vehicle Replacement
- Police Station Design

### **Fire Department:**

- Half Pumper Truck Cost; the expectation is that it will be purchased in FY20.
- 2nd Drone Purchase

### **Public Works:**

- Part-Time Construction Inspector
- Solid Waste Rate Study
- Moves Facility Maintenance to Public Works
- Facility Improvements; approximately \$700,000 each year.
- Park Improvements
- Storm Water Master Plan
- City Wide Space Needs Assessment
- Ackert Walkway Improvements
- Morgan-Wilshire Drainage Improvements
- Street Maintenance
- Adds Part-time Front Desk Clerk
- Removes Park Maintenance; this creates the Park, Recreation & Forestry Department which will oversee the Golf Course.

### **Community Development:**

- Removes Economic Development
- Removes Facility Maintenance

- Removes Recreation
- Maintains Service Levels for Other Operations

**Parks, Recreation and Forestry:**

- Director for Parks, Recreation and Forestry
- Heman Pool Improvements
- Tree Replacement Program
- Creates Golf Course Enterprise Fund

**SUMMARY - OTHER FUNDS**

**Public Safety Sales Tax Fund:** (Reflects 6 million dollar transfer)

Total Revenues: \$1,700,000

Total Expenditures: \$1,966,200

**Primarily for police facility design and land acquisition.**

Ending Fund Balance: \$6,533,800

**Capital Improvement Fund:** (Revised)

Total Revenues: \$2,402,000

Total Expenditures: \$3,597,800

Ending Fund Balance: \$799,200

**Park & Stormwater Fund:** (Revised)

Total Revenues: \$1,301,000

Total Expenditures: \$1,413,400

Ending Fund Balance: \$87,600

**EDRST Fund:**

Total Revenues: \$703,400

Total Expenditures: \$702,400

Ending Fund Balance: \$1,236,000

Mr. Rose stated a more detailed discussion on exactly how the EDRST Fund should operate will be conducted with Council in the near future.

**Enterprise Fund:** (Challenged)

- Solid Waste Fund
- Parking Garage Fund; there is a need to fill empty spaces with tenants in order to fully utilize the garage.
- Golf Course Fund

**On The Horizon:**

- EMS Transport
- Human Resources Director
- Sewer Lateral Program
- Pension Funds Contribution
- Non-Profit Funding (EDRST)
- \$5,500 Transportation Request for Commission on Senior Issues
- "Closer Review of Operations" to ensure effectiveness
- Amendments to Proposed Budget

Councilmember Carr asked Mr. Rose if his plan was to take a previously established position and upgrade it to an Assistant to the City Manager?

Mr. Rose stated he is upgrading the position of Deputy Director for Economic Development and Planning & Zoning to the Director level and this person would also act as his assistant. Councilmember Carr asked if that meant that a good portion of the monies needed to compensate for this upgrade already existed? Mr. Rose stated that it did.

Councilmember Carr posed the following questions: (1) If the Park and Storm Water Fund was carrying an ending balance resulting in a surplus, and (2) If the City is using some of Capital Improvement Fund balance to compensate for expenditures above the expected revenues? With respect to the Capital Improvement Fund, Mr. Rose stated there had been an increased level of spending due to the allocation of more monies for facilities and roads than in the past. So a portion of the fund balance was used to augment this increase, and a portion is being used to cover the cost of public safety equipment, such as a mower for Parks. However, both expenditures represent long-term capital improvements. Councilmember Carr questioned whether the fund had previously maintained a balance? Mr. Rose stated that it had.

With respect to the Park and Storm Water Fund, Mr. Rose stated this is the fund where projects were placed on hold in lieu of an attempt to build the fund back up. So what is being projected are the expenditures staff believes the fund can accommodate. And the hope is that by the end of the next fiscal year there will be an \$87,000 balance.

Councilmember McMahon asked if the 2% COLA had any connection to the Compensation and Classification study; which has yet to be completed, and if so, how they worked together? Mr. Rose stated Council's approval of the COLA would simply move salaries closer to the market rate. But the idea behind the Classification and Compensation Study; which is a separate project, is to provide Council with an opportunity to establish where they want to be in the market with respect to these salaries. So, even though it would constitute an increased burden, one of the reasons he had not allocated all of the Prop P Funds was in anticipation of a possible pay hike for police and firefighters who represent a significant portion of the City's employee base.

Councilmember Smotherson stated the one thing he had not noticed under the Police Department proposals was their current staffing level. Is the department looking to add more officers, and if so, how does that impact the budget? Mr. Rose stated although at this point, the department is struggling to reach its optimal level of staffing, they are also looking at the impact technology will have on this situation. So once all of the technology is onboard and they have a clearer picture of exactly what that optimum level should be, they may or may not need to come back to Council with a budgetary request.

Chief Larry Hampton stated currently the department is short ten to twelve officers. However, this is a recurrent theme throughout numerous municipalities; St. Louis City is short 125 officers and St. Louis County is short by 123. He stated while they are very proactive with respect to community engagement, U City's shortage is exacerbated by its use of a temporary facility, lower pay rates, high-level demands, and the reality that the loss of an experienced officer in exchange for one who is inexperienced, is simply not a good trade.

Councilmember Smotherson asked if the replacement of these ten to twelve officers had already been figured into the budget? Mr. Rose stated that it had been factored in and his hope is that they will be able to hire someone at the beginning of the fiscal year. However, as he and the Chief have discussed, it's not a question of getting someone, the goal is to get the right person. And that's what they are both working very hard to do.

Councilmember Cusick questioned whether any assessments have been made regarding what, if any, impact a new substation would have on staffing levels? Mr. Rose stated that issue will be reviewed in more detail in conjunction with the design and crime statistics. And while it is his belief that additional officers are going to be necessary, he is unable to make an effective argument until after the technology is onboard and the current shortages have been reduced.

He stated that the department is also looking to use more volunteers and that the Volunteer Patrol will be rolled out in the very near future. Mr. Rose stated all of these strategies are geared towards the goal of driving down the City's crime rate and have been included in the Work Plan for next year.

Councilmember Clay stated the budget contains a number of new positions, and while he does not necessarily disagree with the specific requests, they do represent the kind of expenditures that obviously, bear some degree of scrutiny. Therefore, while the Work Plan does appear to be a manifestation of what some of these new employees will be working on, he would like to hear a broader explanation with respect to the role they play in this administration. Mr. Rose stated while the Work Plan reflects some of the large projects these those individuals will be working on, here are two examples of areas he believes are deficient. This administration is deficient in its ability to effectively communicate in an expeditious fashion; as illustrated by its handling of the TIF process; the ability to provide realtime access to Council meetings and decisions, and the ability to provide complete and accurate information on its website. These are things that the Director of Communications will assist with. This administration is also deficient in the area of economic development; as illustrated by the lackluster recruitment of new businesses; efforts to maintain the stability of existing businesses; the expansion of existing businesses, and neighboring cities who have very aggressive Economic Development Programs. And all of that will be a major part of the Economic Director's role.

Councilmember Clay stated he does think the public demands that a strict monitoring approach be established to determine their effectiveness. So he would request that Council be provided with regular updates on the initiatives delegated to these new employees. Mr. Rose stated he would certainly keep Council informed as to all of the progress being made. But in his mind, the tell-tale story will be the Citizen Satisfactory Survey. He stated as a service organization the intent and responsibility of this administration is to make certain it is providing the level and quality of services that resident's desire. So, as this administration strives to continuously improve, that will be the benchmark. Mr. Rose stated the goal is to conduct this survey during the upcoming fiscal year and publish it on the website so that it's crystal clear to everyone.

Councilmember Hales stated it seems as though the numbers 10, 11, and 12, have been a recurring theme. But given the challenges Chief Hampton described, what would be an acceptable hiring goal over the next two years? Mr. Rose stated he would have to rely on Chief Hampton's guidance with respect to additional staffing. But one issue the Chief believes is having a positive impact on patrols and officer safety is the placement of GPS in all of their vehicles. And of course, the addition of drones and the construction of a new station could both have a major impact on the City's need for officers.

Mayor Crow stated the greatest impact on staffing seems to be the fact that there are so many options available with municipalities who are literally sitting there waiting for officers to apply. He stated while he does think most, if not all, members of Council have had an opportunity to meet with either the City Manager or department directors regarding questions about the budget, these are a couple of things he would like to note:

1. His request that at some point in time, Council be provided with the revenue generated by the Municipal Court, and whether it has maintained stability, specifically with respect to the fines being imposed.
2. The reduction in legal fees. Two years ago, during budget discussions, the City had legal fees of \$620,000. They were subsequently reduced to \$350,000, and for 2019 they are estimated to be \$210,000.
3. Some time ago, several members of Council expressed concerns about the effectiveness of the Community Development Department, largely due to its overarching responsibilities that made it difficult to manage. So on behalf of those members, he would like to express appreciation for the City Manager's efforts to reorganize this department.

Mr. Rose stated his final presentation highlights some of the amendments he will be asking Council to consider in the proposed budget.

**PROPOSED FY 2018-2019 ANNUAL OPERATING BUDGET**

**Priorities:** (Identical to those previously established)

**Governmental Fund Summary:** (Identical to the one previously established)

**Proposed Amendment to CIP:**

- Project # POL 1801 – Add the design of the Annex police station into the description to allow staff to work with both facilities simultaneously and acquire property for the new facility.

**General Fund Summary:** (Identical to the one previously established)

**Proposed Amendments to General Fund:**

- Delete Dump Truck (\$141, 000)
- Delete Dump Truck (\$141, 000)
- Delete Utility Truck (\$32, 000)
- Delete Pool Sedan (\$18, 390)
- Add Dump Truck Bed \$20, 000
- Add .5 Human Resources Director \$60, 000
- Net Total: (\$252, 390)

Mr. Rose stated although he has not had an opportunity to review this with Sinan, he thinks they will still be able to get good value from the vehicles he is proposing to delete. One dump truck will need to be replaced for \$20,000.

**Public Safety Sales Tax Fund Summary:** (Identical to the one previously established)

**Proposed Amendments to Prop P Fund:**

- Add Canine, Equipment, and Training \$56, 060
- Add Part-Time Victim Advocate \$43, 000
- Add .5 Human Resources Director \$60, 000
- Total = \$159, 060

Mr. Rose stated his understanding is that the City previously had a Victim's Advocate whose position was eliminated due to budget reductions. However, in his mind, with a goal of preventing as much crime as possible, this is a critical position; especially as it relates to domestic violence.

**EDRST Fund Summary:** (Identical to the one previously established)

**Proposed EDRST Initiative:**

Mr. Rose stated he believes Councilmember McMahon raised the issue of whether this fund was being executed in the way it was designed to be carried out. So, what he is proposing is that prior to moving forward with any awards that a Study Session be conducted to firm up the following:

- The Fund's Mission
- Established Process
- Discussion of the Various Pending Applications

He also noted that one responsibility of the ED Director is to be an active participant in the EDRST Fund Program. So he would urge Council to allow that funding to move forward.

Mr. Rose stated two other items that can be included as a part of this discussion are projects recommended by staff and currently placed on hold; the Master Plan for Olive, and an Economic Development Strategy.

**Solid Waste Fund Summary:**

Total Revenues:	\$3, 122, 500
Total Expenditures:	\$3, 310, 500
Ending Balance:	0

Mr. Rose stated in an effort to move this fund to no less than a 16% balance he has proposed the deletion of a refuse truck (\$260, 587) and alley dumpster (\$215, 000), which will result in a \$475, 587 savings to the fund and provide roughly, a three-month balance.

He then reiterated some of the outstanding issues previously mentioned and informed Council that on Monday, June 25th, each member would be provided with the Annual Operating/Capital Improvement Budget, and a list of the proposed amendments for their consideration.

**On the Horizon:**

- Pension Fund Contribution; additional information made available by August
- Consideration of FY19 – 20 Work Plan; proposed for the July 14th, Council Meeting

Councilmember Carr questioned whether any of the proposed amendments required Council's immediate action? Mr. Rose stated his expectation is that any approved amendments would be included in the Proposed Annual Operating Budget for FY18-19. Councilmember Carr asked if the amendments would include the request made by the Commission on Senior Issues? Mr. Rose stated that it would not be included.

Councilmember Smotherson stated he is still having problems grasping the concept behind Prop P, the 6 million dollar loan, and the proposed amendment to add the design of the Annex into the description. But in spite of that, his main concern is the need to develop a clear understanding that ensures him the City is not going down the wrong path. Mr. Rose stated what is being proposed is the construction of a smaller facility; utilization of the temporary facility; which still has some additional life and the City has already put 3 million dollars into, and the design and renovation of the Annex, which at some point in time, could be used to accommodate Police Headquarters. The fact that the temporary facility is already in existence allows staff to complete the initial design of the Annex without allocating any funds for construction. And the only way anyone will know what constitutes an effective design for the new facility is by simultaneously designing the Annex and having the ability to make the right decisions for where dispatchers or the Emergency Operations Center should be located. Mr. Rose stated those are the types of decisions that will allow this City to build an effective facility that provides this community with long-term sustainability.

Councilmember Smotherson questioned whether there were any cost uncertainties associated with purchasing the land where the temporary facility is located? Mr. Rose stated he would prefer not to go down that path since the City is currently involved in some very sensitive negotiations.

Mayor Crow stated he does think it would behoove Councilmember Smotherson to sit down with Mr. Rose and the Chief prior to Monday's meeting to ensure that he has a greater level of comfort with the agenda items being proposed.

Councilmember Cusick asked Mr. Rose if he had any information on what the proposed cost would be for designing the Annex? Mr. Rose stated the only way to ascertain that type of information is through the issuance of an RFQ. However, should the design and property acquisition costs prove to be higher than anticipated, staff will request additional funds from the monies allocated in FY20. Councilmember Cusick asked whether there was a formal process for adopting the FY19-20 CIP? And if so, if that decision would be binding for the next five years? Mr. Rose stated on Monday, Council will be presented with a Resolution for adoption of the Annual Operating Budget and first year of the Capital Improvement Plan. Although he suspects that there will be major changes to the CIP based on information gleaned from the Space Needs Study, and other initiatives scheduled to commence next year.

2. Roll-Call vote to go into a Closed Council Session according to RSMo 610.021 (1) Legal actions, causes of action or litigation involving a public governmental body and any confidential or privileged communications between a public governmental body or its representatives and its attorneys.

Councilmember Carr moved to go into a Closed Session, seconded by Councilmember Cusick.

Roll Call Vote Was:

**Ayes:** Councilmember McMahon, Councilmember Hales, Councilmember Cusick, Councilmember Smotherson, Councilmember Clay, Councilmember Carr and Mayor Crow.

**Nays:** None.

3. Mayor Crow closed the regular City Council meeting at 7:30 p.m. to go into a Closed Session on the second floor. The Closed Session reconvened in an open session at 8:15 p.m.

LaRette Reese  
City Clerk

