

STUDY SESSION OF THE UNIVERSITY CITY COUNCIL

5th Floor of City Hall
6801 Delmar
May 9, 2019

AGENDA

Requested by the City Manager

1. MEETING CALLED TO ORDER

The City Council Study Session was held in Council Chambers on the fifth floor of City Hall, on Thursday, May 9, 2019. 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 Steven McMahon; (*arrived at 6:10*)
Councilmember Paulette Carr
Councilmember Jeffrey Hales
Councilmember Tim Cusick
Councilmember Stacy Clay; (*arrived at 6:01*)
Councilmember Bwayne Smotherson; (*via teleconference*)

Also in attendance was City Manager, Gregory Rose, and City Attorney, John F. Mulligan Jr.

2. FAIR U CITY PROPOSAL

Mr. Rose stated in his mind, this is a perfect analogy of what Fair U City's proposal illustrates; a cash transfer that helps to improve the Foundation's bottom line. Let's say you want to go on vacation, but you have no money to pay for that vacation. So you persuade a friend to not only give you \$2,000 to cover the cost of that vacation but to provide you with transportation to and from the airport. When they arrive to take you to the airport you have one piece of luggage. But when they return to pick you up from the airport you now have five pieces of luggage. Curious about the extra luggage, your friend asks "*What's in the other four pieces of luggage?*" Your response is that you spent \$2,000 on gifts for your family. No doubt that friend is thinking; if you had \$2,000 to buy gifts, why did you need me to cover the cost of your vacation?

This next scenario describes the central issue associated with this proposal, which Fair U City refers to as in-kind services; a form of specific goods and services that a recipient gets for free. When your friend takes you to the airport you ask, "*How much do I owe you?*" The friend responds since I was already making a trip to take my sister to the airport you don't owe me anything. That's a true example of in-kind service. However, when your friend picks you up from the airport and you ask, "*How much do I owe you,*" and they inform you that their sole purpose for coming to the airport this time was to pick you up, it now becomes a direct service that your friend has provided to you. Except for this event, there would be no need for City staff to work overtime setting up equipment, breaking down equipment, or providing security for fair participants. Therefore, Fair U City's request for this assistance falls under the category of direct rather than in-kind services or donations.

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Mr. Rose stated he has no interest in vilifying the volunteers that work very hard to provide this amenity to the residents of U City because in their hearts they believe what they are doing is in the best interest of this community. He simply believes that what has occurred over time is that they have been trying to do the right thing, the wrong way.

Mr. Rose provided the following timeline of events:

- **Feb 13** – Staff met with Fair U City Representatives and discussed the need to provide the City with a contract in order to utilize taxpayer dollars to subsidize their event.
- **Feb 26** – A follow-up email was sent to Fair U City which included the requirement of appearing before the Park Commission at their meeting on March 19th to make a request to reserve the park. The Park Commission was informed of this upcoming event and Fair U City was placed on their agenda.
- **March 19** – The Park Commission held their meeting but representatives from Fair U City failed to attend.
- **April 16** - Fair U City attended the Park Commission's meeting and made a request to reserve the park. A follow-up meeting was scheduled for May 1st to review Fair U City's contract. *(This is the first time representatives provided any dialogue specific to the City's request.)*
- **May 1** – Representatives from Fair U City failed to appear at the meeting with staff to review their proposed contract.

Terms of the Proposed Contract:

- Fair U City Must Provide Insurance
- Fair U City Must Obtain Proper Permits
- Fair U City Must Provide Refundable Deposit in the amount of \$5,459.00 for use of the Park; *(the full deposit will be refunded if no damage is found)*
- Prior to the award of Scholarships Fair U City Must Pay \$5,220.00 to the City For Use of Park
- Prior to the award of Scholarships Fair U City Must Pay \$16,614.00 for the use of City Services
- If the fair does not generate enough money to cover these costs all expenses will be waived after 5 years.

Legal Considerations:

- Funding For City Services Have Not Been Budgeted; (\$16,614.00). Staff has no authority to pay for overtime to service this event, especially with respect to public safety.
- A Waiver of Park Fees Has Not Been Approved by the Mayor and Council

Mr. Rose stated his belief is that the fair is an important amenity for the City that should be continued and that there is an opportunity for Fair U City to resume in 2020.

Recommendations:

- Authorize City Staff to Evaluate Hosting a Community Fair In FY2020 and provide Council with Reports on the Following Factors:
 - Costs
 - Dates
 - Potential Partnerships
 - Location
 - Determination on whether this event qualifies as "Tourism" and if the use of EDRST funds would be appropriate.

Mr. Rose then read the following statement into the record: *"Each day staff endeavors to restore your faith and confidence, and that of the public, in our government. You see there is a difference between government and governance. We put out the fires. We protect residents. We fill potholes. We provide recreational activities and soon will even provide you with a ride to the hospital. That is government and staff is the face of government.*

Governance is what you do. You're responsible as a Council. You make policy decisions about things such as zoning, the vision of the City, and how limited taxpayer dollars are spent. That is not an administrative role that is a Council role. So that is why this item was coming before you. The challenges that you and the public have had with our government was long before me and they are well documented. But you can be assured that this government will conduct ourselves in a manner that is above reproach and consistent with our core values of integrity, customer service, accountability, and empowerment. And that I will hold true to the International City/County Managers Association's Code of Ethics, which I have shared with each of you."

Councilmember Clay thanked Mr. Rose for his presentation, however, he would like to be sure that he understood all of the dynamics. What this appears to involve are two issues; the execution of the fair itself and the award of scholarships. And based on the knowledge obtained from folks associated with the fair, as well as the lack of any evidence that would necessarily refute that information, execution of the fair itself, could have continued. So is it your understanding, Mr. Rose that the real potential for harm would have come from the fair's inability to generate the requisite amount of profit needed to award the scholarships? Mr. Rose stated based on the way the proposed contract is structured that would be correct.

Councilmember Hales stated since everyone was probably caught off guard when this news came out on Monday, he would like to thank the City Manager for providing the contract, timeline, and email documentation associated with this issue on the City's website. And he has no doubt, that once all of this information made its way out to the public that it changed the tone of the discussions being held on social media.

He stated that he also appreciates this administration's efforts to implement procedures that encourage consistency because that has been a greatly needed standard.

Councilmember Hales stated he believes all of his colleagues recognize the importance of community events that showcase the very best of U City. So if there is a consensus, he would like to request that the City Manager be allowed to proceed with his recommendation to explore the development of a fair designed to maximize the inclusivity of this community with music events and possibly the incorporation of something new, like the Taste of U City, and come back to Council with a report within the next 90 to 100 days.

Mr. Rose stated he would make a commitment on behalf of the Director of Parks Recreation and Forestry, and his staff, to explore all of the options and report back to Council within the next 90 to 100 days.

For the record, Mayor Crow stated it appears as though Council is in agreement with the City Manager's approach to move forward with the exploration of a community event for FY2020.

3. PROPOSED FY20 OPERATING BUDGET

(Posted on the City's website at <https://www.ucitymo.org/455/Budget-Financial-Reports>)

FY20-FY24 Capital Improvement Budget

The Capital Improvement Plan (CIP) is a summary of University City's capital investments for the next 5 years. The first year of the CIP is included in the FY2020 Annual Operating Budget and is considered the Capital Budget.

CIPs are important to establish because they help cities minimize some of the challenges associated with managing the work performed by its employees and planned improvements being executed by public utilities on the city's streets and right-of-ways.

Mr. Rose stated that the following priorities were established through last year's budget process.

Priorities

Mr. Rose stated that the following priorities were established through last year's budget process.

- Economic Development
- Public Safety
- Encourage High-Quality Growth
- Prudent Fiscal Management
- Infrastructure
- Community Quality of Life Amenities
- Employees

CIP Summary: FY20 - FY24

The total amount allocated to City departments for the 5 year period is \$25, 818,343.

- Police Department (\$5,066,000)
- Fire Departments (\$750,000)
- Parks, Recreation, and Forestry (\$4,532,000)
- Public Works Department (\$14,790,343)
- Planning & Development (\$100,000)
- Golf Course (\$580,000)

Highlights: Fire Department

- FY2020 - Purchase of a second ambulance (\$250,000)
- FY2022 - Replacement of the Pumper Truck; *(Total cost equals \$500,000; allocations of \$250,000 to be made in FY2021 and FY2022)*

Highlights: Parks, Recreation & Forestry

- FY2020-FY24 - Emerald Ash Borer Tree Replacement (\$75,000)
- FY2020 - Painting of Centennial Commons (\$114,000)
- FY2020 - Heman Park Pool Improvements (\$250,000)
- FY2020 - Replacement of Exercise Equipment (\$20,000) and Short Game Practice Area (\$30,000)
- FY2021 - Ruth Golf Course Lighting Installation *(\$130,000; staff will be asked to take a close look at the feasibility of these lights.)*

Highlights: Police Department

- FY2022 - Construction of New Police Station (\$4,700,000)
- FY2020 - Purchase of Five Police Cars (\$114,000)
- FY2020 - License Plate Readers (\$45,000)
- FY2020 - Mobile Data Terminals (\$106,000)
- FY2020 - Mobile Gunshot Detection System (\$75,000)

Highlights: Planning & Development

- FY2020 - Purchase of Five Alternative Fuel Vehicles *(\$100,000; a partnership with Ameren)*

Highlights: Public Works

- FY2020-FY24 - Solid Waste Grant Match (\$20,000)
- FY2020-FY22 - Parking Meter Replacement Program (\$50,000)
- FY2020-FY24 - Enhanced Street Lighting Program to Reduce Crime (\$75,000)
- FY2020-FY24 - ADA Curb/Ramp Design and Construction (\$50,000)
- FY2020-FY24 - Curb and Sidewalk Replacement (\$400,000)
- FY2020-24 - Street Maintenance (\$700,000)
- FY2020-FY24 - City Facility Improvements (\$500,000)
- FY2020 - City Wide Energy Efficiency Master Plan (\$30,000)
- FY2020 - Canton Avenue Fence Improvements (\$65,000)
- FY2020 - Cost Accounting Software for Capital Projects (\$25,000)

Next Steps:

- First Year of CIP becomes Capital Budget
- Public Hearing on Annual Operating Proposed Budget
- Council Budget Study Sessions
- Consideration of Proposed Capital Improvement Program and Proposed FY20 Annual Operating Budget

Councilmember Cusick stated based on the total price indicated for the purchase of five police cars is it correct to assume that each car would only cost around \$22,000? Police Chief, Larry Hampton stated in an effort to reduce costs, the Department is looking at purchasing Dodge Chargers, but the actual cost of each vehicle will not be determined until the State bid is released for FY2020. Councilmember Cusick asked if the total cost included the accessories needed to equip these cars for use as a police vehicle? Chief Hampton stated the price does not include any special equipment, although the Department has already purchased cameras and GPS systems.

Councilmember Carr questioned whether any funding would be allocated for stormwater? Mr. Rose stated the reason stormwater had not been included in the CIP is because of the current work being performed by the Task Force to develop a Stormwater Master Plan. Once that plan is in place, staff will have a better idea of the cost and that information will be brought before Council in the form of an amendment to the budget.

Councilmember Clay stated while he certainly understands the urgency of constructing a second police station, he has some concerns from a process perspective. As the City thinks about a police station and where it should be housed, his concerns are based on two pending studies that could have a major impact on this decision; the study looking at the feasibility of the Annex, and the City-Wide Space Needs Study depicted on page 35 of the Proposed Budget, slated for FY2020. Councilmember Clay stated in his opinion, the construction of a police station is a generational decision. Therefore, making this type of a decision without understanding all the needs; specifically, as they relate to the City's Municipal Plaza, which he thinks the Space Study would yield, or knowing the results of the Annex study, does not necessarily put the City in the right planning position. So his thinking is that any initial evaluations about this facility should be placed on hold until both studies have been completed and the results are thoroughly analyzed. Mr. Rose stated when the Proposed Budget was prepared, the City was faced with the proposal from Better Together and all the uncertainties associated with what would occur going forward. So the Space Needs Study was pushed back to FY2020 because staff did not want to proceed until they had a better understanding of the impacts this proposal would have on the City's operations. Now that those concerns have been minimized, staff can move forward with both studies; which he is of the same opinion, will help to identify the appropriate use for all facilities. So in order to make a more informed decision about the location, Council's desire might be to suspend any considerations about the police station until FY2022, or until all studies have been completed. But in any event, he will likely be asking Council for an amendment to the budget in order to bring the Space Needs Study forward.

Councilmember Clay expressed his appreciation for the City Manager's posture. The City has buildings that it currently does not know what to do with and his belief is that the Space Needs Study will play a significant role in this administration's ability to think comprehensively about how to develop a plan that will address all of these issues.

Councilmember McMahon asked Mr. Rose whether he had taken any of the priorities submitted by the Parks and Recreation Commission into account when preparing the CIP, and if so, which of staff's priorities are directly correlated to that submission? Mr. Rose stated with the exception of the tree replacement, his belief is that all of the projects identified by Parks and Recreation were included. However, they may not be listed in the same priority that was recommended by the Commission since the completion of some projects will be contingent upon staff's ability to secure the necessary funding from grants. Mr. Rose stated staff will also be seeking grants for road improvements so there might be a little bit of competition for these funds. But long story short, Council will be asked to amend the budget to reflect the proceeds from any successful grant applications.

FY2019-FY2020 Proposed Annual Operating Budget

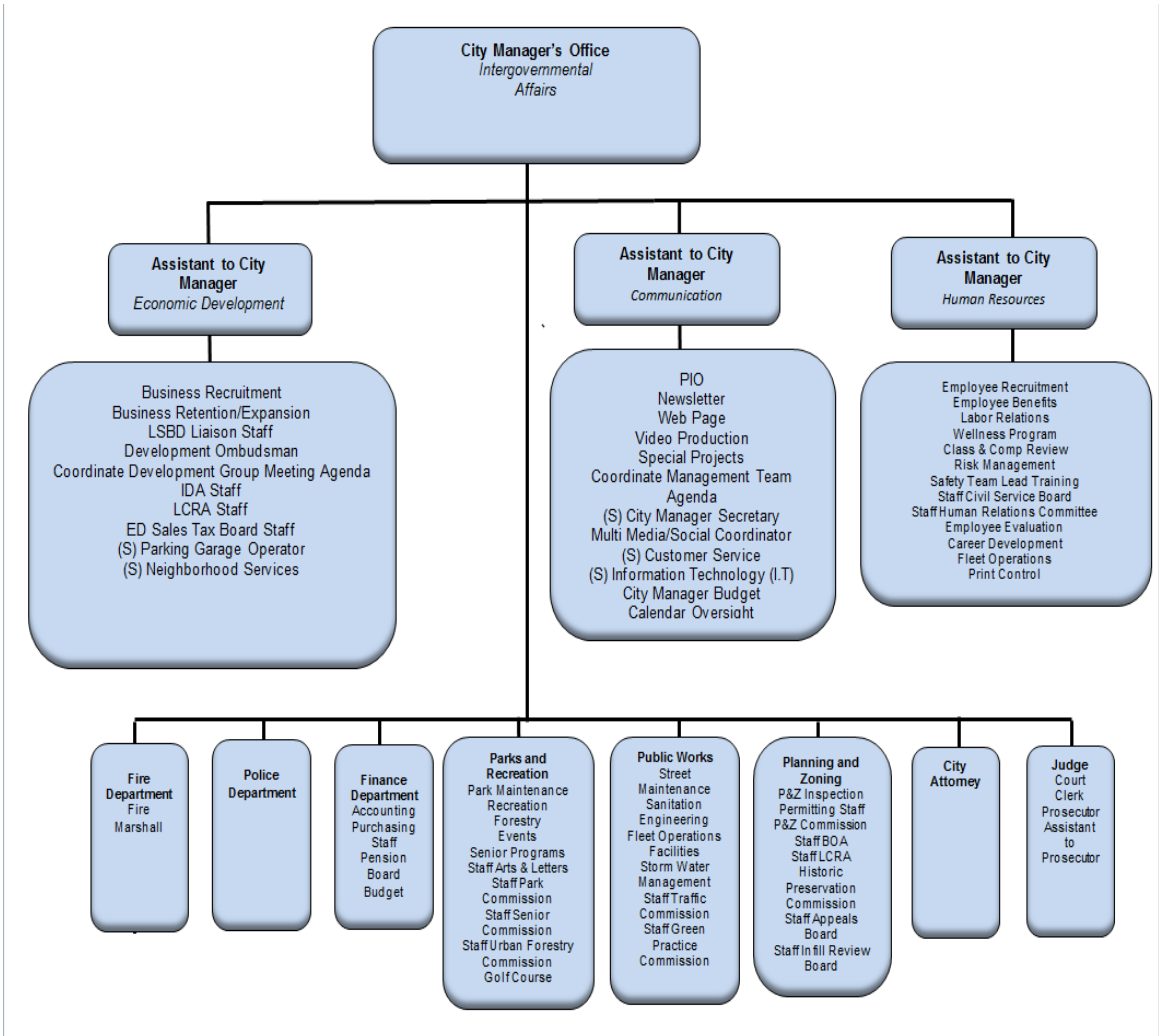
Priorities

The following priorities were established through last year's budget process.

- Economic Development
- Public Safety
- Encourage High-Quality Growth
- Prudent Fiscal Management
- Infrastructure
- Community Quality of Life Amenities
- Employees

Organizational Structure

Mr. Rose stated to ensure there are no inherent conflicts of interest and eliminate the perception that all requests may not be handled in the order they are received, he is recommending that Fleet Operations; a support operation for the entire organization, is moved from Public Works to Human Resources. There is always an opportunity to improve the City's operations, and this is one that staff will be doing a very deep dive into next year.



Residential Property Tax Bill

Although U City has experienced a slight reduction in its property tax rate, the impact on residential tax bills will not be disclosed for several months.

<u>Description</u>	<u>Rate/\$100</u>	<u>% of Tax Bill</u>
State of Missouri	0.0300	0.4%
St. Louis County	0.4890	5.9%
Community College	0.2129	2.6%
Special School District	1.1980	14.6%
Metro Zoo	0.2724	3.3%
University City School District	4.8726	59.4%
City of University City	0.6890	8.4%
Library	0.2450	3.0%
Miscellaneous	0.2010	2.4%
Total	<u>\$ 8.2099</u>	<u>100.0%</u>

Example of Residential Property Tax Bill

House Market Value = \$200,000

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

Tax Bill = 38,000 x 8.2099 / 100 = \$3,120

<u>Description</u>	<u>Amount</u>	<u>% of Tax Bill</u>
State of Missouri	\$ 12	0.4%
St. Louis County	184	5.9%
Community College	81	2.6%
Special School District	456	14.6%
Metro Zoo	103	3.3%
University City School District	1,853	59.4%
City of University City	262	8.4%
Library	94	3.0%
Miscellaneous	75	2.4%
Total	<u>\$ 3,120</u>	<u>100.0%</u>

Highlights - FY2020

- Funds In-House EMS Services
- Increases Contributions to Uniform Pension Plan; *(although the Actuarial Study recommended \$417,000; and that is the figure currently being utilized to make contributions, some of the numbers may change as staff continues their review of this report. Any necessary amendments will be made as a part of the budget approval process.)*
- Funds Internal Management of Parking Garage; *(an under-performing asset that has the potential to produce increased revenue if the contract with St. Louis Parking is managed more efficiently)*
- Restructures Fleet Operations
- Same or Reduced Tax Rate
- Far exceeds the 17% fund balance for General Fund
- Funds Capital Budget
- No COLA Recommendations; *(Council recently approved the Class & Compensation Study to ensure that U City was competitive in the marketplace. A cost-of-living allowance will likely be recommended next year in order to maintain that status.)*
- Restructures Salary Allocation in Solid Waste, Parking Garage, and Golf Course; *(to eliminate any confusion caused by the frequent need to transfer monies, some salaries were removed from the general fund and placed in the appropriate category)*
- Funds In-House Pool Management

Mayor Crow asked Mr. Rose for the percentage of the current Pension Fund balance? Mr. Rose stated the recommended percentage is 37%.

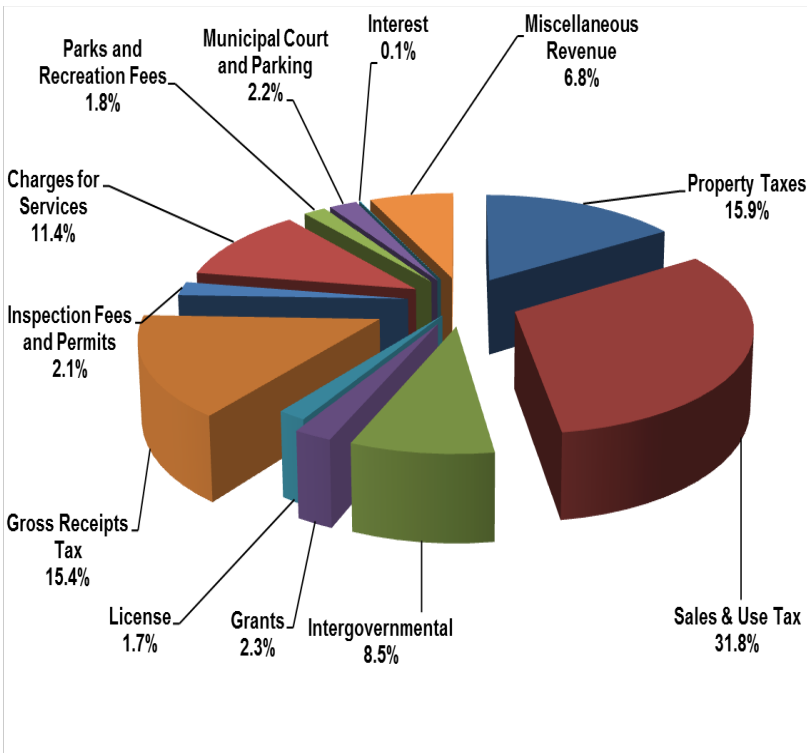
All Funds Summary - Governmental Funds

Total Revenues	\$32,007,142
Total Expenditures	\$30,706,871
Ending Fund Balance	\$17,168,876

Revenue Sources - All Funds

	Amount	Percentage
Property Taxes	\$ 6,512,139	15.9%
Sales & Use Tax	13,049,306	31.8%
Intergovernmental	3,467,290	8.5%
Grants	934,000	2.3%
License	709,000	1.7%
Gross Receipts Tax	6,310,000	15.4%
Inspection Fees and Permits	866,200	2.1%
Charges for Services	4,672,282	11.4%
Parks and Recreation Fees	741,000	1.8%
Municipal Court and Parking	918,400	2.2%
Interest	32,706	0.1%
Miscellaneous Revenue	2,779,200	6.8%
Total Revenue	\$ 40,991,523	100.0%

Revenue Sources - Percentages

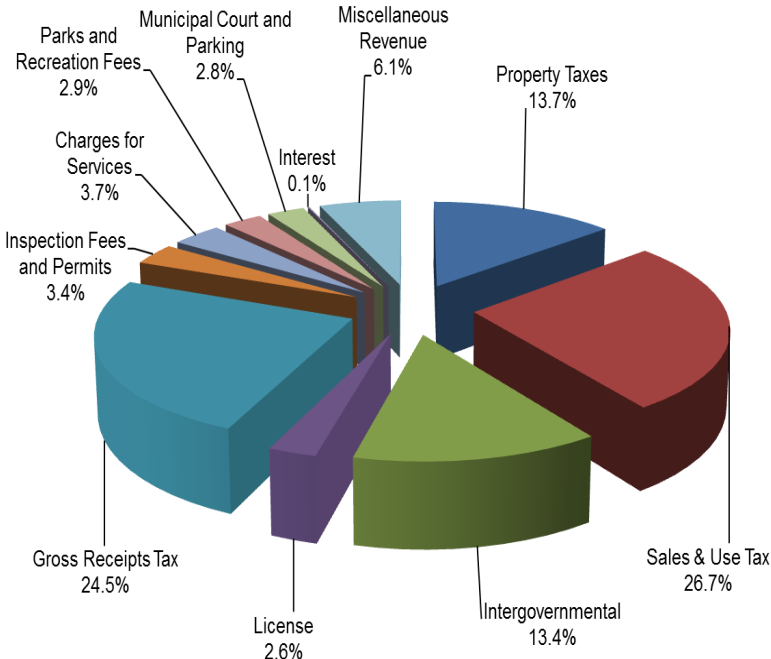


General Fund - Revenue Sources

U City's dependence on revenue has shifted from being heavily reliant on the receipt of property taxes, to sales and use taxes. Therefore, the need to diversify this economy is a serious issue.

	Amount	Percentage
Property Taxes	\$ 3,524,700	13.7%
Sales & Use Tax	6,867,000	26.7%
Intergovernmental	3,452,300	13.4%
License	679,000	2.6%
Gross Receipts Tax	6,310,000	24.5%
Inspection Fees and Permits	866,200	3.4%
Charges for Services	959,700	3.7%
Parks and Recreation Fees	741,000	2.9%
Municipal Court and Parking	713,000	2.8%
Interest	31,336	0.1%
Miscellaneous Revenue	1,570,460	6.1%
Total Revenue	\$ 25,714,696	100.0%

General Fund Revenue Sources - Percentages



General Fund - Transfers In

- The biggest portion of the Public Safety Fund goes to cover the cost of salary increases for public safety
- Parks & Stormwater reflects the loan made to the Public Safety Fund for the police station of \$6 million dollars
- The Golf Course covers some of the capital costs for police
- The remaining funds reflect transfers solely related to the repayment of loans from the general fund

Public Safety Fund	\$1,264,700
Parks & Stormwater	\$41,280
Golf Course	\$53,220
Parking Garage	\$53,220
Sewer Lateral	<u>\$57,240</u>
Total Transfers in	\$1,469,660

General Fund - Transfers Out

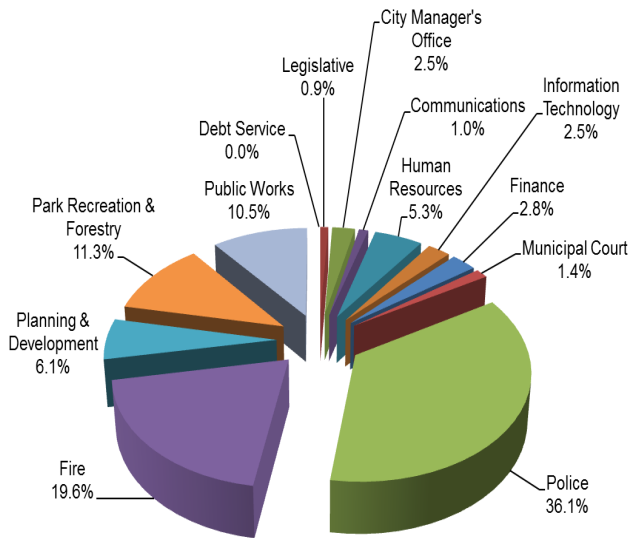
Each year staff will be asked to evaluate its fleet and determine what vehicles need to be purchased. Vehicles will be replaced on an as-needed basis and purchased out of the department they service in order to gain a better understanding of the actual costs associated with running each department. Only monies needed to cover the operating costs of a department will be transferred out of the general fund.

- Fleet Internal Service Fund \$1,011,900
 Total Transfers out \$1,011,900

General Fund Expenditures

Expenditure by Department	Amount	Percentage
Legislative	\$ 221,461	0.9%
City Manager's Office	624,850	2.5%
Communications	258,720	1.0%
Human Resources	1,325,980	5.3%
Information Technology	623,940	2.5%
Finance	697,770	2.8%
Municipal Court	348,720	1.4%
Police	9,031,062	36.1%
Fire	4,917,849	19.6%
Planning & Development	1,529,517	6.1%
Park Recreation & Forestry	2,823,387	11.3%
Public Works	2,628,254	10.5%
Debt Service	5,200	0.0%
Total Expenditure	\$ 25,036,710	100.0%

General Fund Expenditures - Percentages



General Fund Summary

Although there is roughly a \$600,000 difference in the ending fund balance, no recommendation has been made for the use of those funds until greater certainty has been determined regarding the exact amount needed for both Pension Fund Plans.

Total Revenues	\$25,714,696
Total Expenditures	\$25,036,710
Ending Fund Balance	\$ 8,854,105

Highlights - City Manager's Office

- Places Fleet Operations under Human Resources
- Moves ROARS Publication In-House under Communications
- Moves Parking Garage Management under Economic Development
- Funds Computer Replacements, Network Upgrades, and Software Upgrades that fall under Communications

Highlights - Finance Department

- Maintaining Current Service Levels

Highlights - Municipal Court

- Maintaining Current Service Levels

Highlights - Police Department

- Gun Shoot Detection Software
- Vehicle Replacement
- MDT's
- License Plate Readers

Highlights - Fire Department

- In-House EMS
- Purchase of an Ambulance
- Addition of a Part-Time Clerk

Highlights - Public Works

- \$700,000 for Street Improvements
- \$400,000 for Sidewalk and Curb Improvements
- \$460,000 for Sewer Lateral Repairs
- Absorbs Increase of Landfill Costs
- Absorbs Recycling Costs

Highlights - Planning & Development

- Funds Five Alternative Fuel Vehicles for Code Enforcement with GPS; *(for use by Code Enforcement Officers who currently drive their own vehicles)*

Highlights - Parks, Recreation & Forestry

- In-House Pool Management
- Evaluation of Green Fees for Possible Increase; *(fees have not been increased in a very long time, and as a result of last year's deficit, Council loaned this fund \$500,000.)*

Other Funds

Summary - Public Safety Sales Tax Funds

Total Revenues	\$1,700,000
Total Expenditures	\$2,478,770
Ending Fund Balance	\$5,621,930

Summary - Capital Improvement Fund

Some of the projects planned for this year, i.e., facility improvements, may not come to fruition and result in a decrease of the total expenditures.

Total Revenues	\$2,419,000
Total Expenditures	\$3,076,828
Ending Fund Balance	\$ 273,840

Summary - Park & Stormwater Fund

Total Revenues	\$1,396,000
Total Expenditures	\$1,192,985
Ending Fund Balance	\$ 350,929

Summary - EDRST Fund

The ending fund balance will be held in abeyance until the EDRST Board makes its recommendations to Council on how the funds should be spent.

Total Revenues	\$ 667,306
Total Expenditures	\$ 134,742
Ending Fund Balance	\$1,768,564

\$5,500 ITN Program

Staff will provide Council with a report on the effectiveness of this program.

LSBD FY2020 Proposed Budget

The requirement to develop a strategic plan does not appear to be reflected in the budget and since there could possibly be other omissions, staff anticipates that further discussions may be needed.

On the Horizon

- Completion of Solid Waste Rate Study; *(once the study is complete a recommendation will be made for the creation of a Task Force to assist staff and the consultant; verify the contents of the report, and draft a recommendation to Council. No rate increase is anticipated until FY2021 or 2020.)*
- Rate Review of the Golf Course
- Better Together; *(status unknown)*
- Industrial Park Expansion Strategy & Recommendation; *(an opportunity to diversify the City's economy)*
- Olive / I-170 Development; *(staff anticipates presenting this proposal for Council's consideration in the very near future)*

Mr. Rose addressed the following questions received via email:

Q. Compared to previous years, what amount is being allocated to fund the Arts & Letters Program this year?

A. This year's allocation; per the Commission's request is \$20,000, and the same amount is being proposed for FY2020. Mr. Rose noted that he had no data related to previous years.

Q. What is the potential for hiring an Executive Director for the Loop Special Business District?

A. Mr. Rose stated he is currently working to coordinate a strategic planning session this summer with the Mayor and Council, so the Executive Director, as well as, the City's vision for The Loop; the status of the CID, and what that means for the Loop Special Business District, are some of the items that might be discussed.

Q. What are some of the details associated with the Non-Uniform Pension Fund?

A. Staff is currently conducting an actuarial study for both the Non-Uniform and Uniform Pension Fund. Additional details and a recommendation on the appropriate level of funding, as well as the financial projections and revenues from the SAFER Grant, should be available by next week. This three-year grant used to cover salaries and benefits is funded at 75 percent for the first two years, and 25 percent in year three.

Mr. Rose asked Councilmember Clay if the information he had provided was sufficient? Councilmember Clay stated in terms of the details, he had a template that he would share with Mr. Rose, illustrating the type of information he is looking for. So he would follow up on this discussion after he has had a chance to review it.

Q. What, if any public hearings will be held to discuss the budget?

A. *These are the next steps being recommended for the City's budget process:*

- *June 10th - Council to hold an official public hearing on the budget*
- *June 17th - Second Study Session for Council*
- *June 24th - Proposed budget presented to Council for adoption*

Councilmember Clay asked if the public hearing would be held at City Hall? Mr. Rose stated that it would be. Councilmember Clay stated he had contemplated a meeting outside of City Hall that would extend this discussion out into the community, so the Community Center would be an ideal location. Mr. Rose stated the second Study Session provides Council with a better idea of what the actual budget will look like. So if Council's desire is to have an additional meeting he would recommend that it be held on June 20th, after the second Study Session has been conducted.

Mayor Crow posed the following questions:

Q. Is there an opportunity to have snippets of these meetings made available to the public through the use of technology in order to achieve a broader audience?

A. Mr. Rose stated he would work with the Director of Communications to see what process could be utilized to expand the public's awareness, particularly with respect to some of the videos highlighting the Police Department, Planning & Development, and the Comprehensive Plan.

Q. At some point in time, Mr. Rose, could you or Chief Hampton provide me with the number of vacancies in the Police Department, how they are being addressed, and any impact the filling of these vacancies might have on the budget process?

Q. Mr. Rose, could you provide me with an update or a timeline regarding the efforts being made to bring EMS in-house?

A. Mr. Rose stated if you were to ask Chief Hinson, he would tell you that this service will be ready in August, but based on his tendency to be more conservative, he would like to say November. Nevertheless, at this point, they are definitely shooting for August.

Q. Mayor Crow stated on page 142, it looks like fees in the Parks Department have gone down in some categories and that others have been re-categorized. So again, while it does not have to be today, could you provide me with details on the decrease from \$37,000 to \$27,000; the increase of \$75,000; which of those numbers are relevant to the actuary, lawyer or fund manager, and why there was roughly a 216 percent increase in personnel?

Q. Mr. Rose, in previous discussions you talked about conducting a Citizen's Satisfaction Survey. Can you tell me when you anticipate implementing that survey?

A. Mr. Rose stated the survey has been budgeted for this fiscal year and he will be meeting with the Director of Communications to make a decision on what company will be used to administer the process. So, it will be initiated this summer and hopefully concluded within three months.

- Q. Has there been enough time since the implementation of the new fee structure for the Sewer Lateral Program to determine its effectiveness?
- A. Mr. Rose stated most of the current projects were already in the hopper prior to the change in policy; however, he does think they will be able to have a better sense of what impact the fee structure will have within the next 60 days.

Councilmember Cusick asked Mr. Rose if any consideration had been given to MSD's proposal to locate their storage tanks in Heman Park when the \$250,000 was allocated for improvements? Mr. Rose stated although his belief is that a vast majority of the improvements are associated with the pool, no work will be started until they know exactly what MSD is planning to do.

Councilmember Smotherson stated he noticed that the money allocated for the police station has gone from \$7 million dollars to \$4.7 million dollars, and would like a detailed accounting of what has happened to those funds allocated for public safety? He stated while he is in agreement with Stacy's position about construction of the police station, his hope is that something will be done sooner rather than later to prevent these funds from dwindling down any further. Mr. Rose stated while he could certainly provide him with a written breakdown of expenditures related to the fund balance; which was \$6 million dollars when he came on board, \$1.3 million was allocated for the design and analysis of the Annex, and a portion was used to purchase the property that the current police facility is located on; rather than continuing to lease it in perpetuity with nothing to show at the end.

Councilmember Smotherson stated some of the purchases being recommended; like the five alternative fuel vehicles have caused him some concern, especially since it could have a huge impact on the funding needed to improve the City's streets. He stated there are some streets in the 3rd Ward that are in desperate need of repair, so to save costs, perhaps these officers could be equipped with tablets that have a GPS system. Mr. Rose stated although he is recommending that the practice of the City's Code Enforcement Officers driving their own vehicles be discontinued, this is a policy decision that will have to be made by the Mayor and Council. And while he would agree that cheaper vehicles could be purchased, he thinks it is important for the City to do as much as it can to be effective in its operations, and at the same time, do its part to minimize our particular carbon footprint. The other reasons behind maintaining the existing level of funding for streets was one; if Better Together had been successful, it would have eliminated the City's Public Works Department, and two, there was a need to ensure that the City had the appropriate staffing levels to complete all of the scheduled repairs.

If you will recall, this is the final year of a significant debt that was being paid out of the general fund so there will be an opportunity to create a multi-year Street Improvement Plan. Mr. Rose stated the first step is to make an analysis of the number of streets that can be repaired with the City's current staff, and then determine the impact that adding additional streets might have. That analysis is scheduled to occur in FY2020.

Councilmember Smotherson stated another recommendation was to spend \$95,000 to purchase gunshot detection software but has anyone conducted research to determine whether this software is even going to be effective for U City? Chief Hampton stated this is going to be a pilot program offered by V-5 that will allow his Department to test the effectiveness before any money is exchanged. Unlike the original Shot Spotter Program, this is a portable solar system with a Wi-Fi feed that has been designed for smaller municipalities who cannot afford to purchase the Shot Spotter.

Chief Hampton stated he believes this tool will provide officers with the ability to make more arrests, be a deterrent to crime, and just today he learned that the City's participation in this pilot could lead to additional opportunities through the creation of municipal and business partnerships.

Councilmember Clay asked if there was a reason for maintaining a 37 percent fund balance in the Pension Fund when the policy only recommends 17 percent? Mr. Rose stated he believes the reference to 17 percent represents the minimum amount you can maintain in the fund balance, which in his opinion is too low. In the past, the City relied heavily on property taxes to generate revenue, which was a much more stable form of income. But today, that reliance has shifted to sales taxes or taxes that are distributed by the State, such as a fuel tax. So, if there is a downturn in the economy, the City will have to have enough funds in reserve to continue operating and providing an adequate level of service until the economy recovers. And while he is hopeful that a recession is nowhere in the near future, prudent management requires cities to be prepared in the event that something like that does happen. He stated while the fund balance could be lower; and he will have a clearer picture of what the actual percentage should be once staff has completed their study, more than likely his recommendation; at least for the uniform fund, is going to include the suggestion to make additional contributions.

Mayor Crow stated the 17 percent fund balance was proposed many years ago by Bob Wagner, and he thinks a large part of the fund balance increases are due to the number of settlements ascertained by Mr. Mulligan and his associates over the past decade.

**4. 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 Hales moved to go into a Closed Session, it was seconded by Councilmember Carr.

Roll Call Vote Was:

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

Nays: None.

5. ADJOURNMENT

Mayor Crow thanked everyone for their attendance and closed the Study Session at 7:17 p.m. to go into a Closed Session on the second floor. The Closed Session reconvened in an open session at 8:10 p.m. and was adjourned.

LaRette Reese
City Clerk

