

COUNCIL WORK SESSION MINUTES

**March 6, 2023 – 4:00 p.m.
4th Floor Conference Room – City Hall**

A Council work session was held to discuss the following issues: Missouri Theater retail and office space utilization update; and 2) Fiscal Year 2024 budget process update.

Attending: Mayor John Josendale and Councilmembers Taylor Crouse, Madison Davis, Mike Grimm, Marty Novak, Kenton Randolph, Jeff Schomburg, Randy Schultz and Andy Trout.

Bryan Carter, City Manager; Lisa Robertson, City Attorney; Chuck Kempf, Parks, Recreation & Civic Facilities Director; Laurie Tietjen, Finance Director; Abe Forney, Public works & Transportation Director; Mary Robertson, Asst. to City Manager/Communications & Public Relations Manager; Kim Schutte, Historic Preservation Planner; and Paula Heyde, City Clerk.

Mayor John Josendale called the meeting to order at 4:00 p.m.

Agenda Item #1 – Missouri Theater retail and office space utilization update – Bryan Carter, City Manager, gave a power point presentation on the “Missouri Theater Analysis and Recommendation (copy attached).

Chuck Kempf, Parks, Recreation & Civic Facilities, reviewed a diagram showing the current use of the Missouri Theater office complex.

Mayor Josendale said as we try to grow and improve the downtown, we are trying to make opportunities available for additional storefronts and the question becomes are there better ways to utilize the space in the Missouri Theater.

Teresa Fankhauser, Executive Director of Allied Arts Council, said when most of the business abandoned downtown in the 70’s the arts were the only ones that stayed and that corner was the only one that had life. Now downtown is really starting to come to life and they don’t want to be kicked out because the market rates have increased. They acknowledge that the amount of rent they are paying is ridiculous and would welcome the opportunity to discuss a more manageable rate for the City but also be responsible for what they do.

Sandy Burg, Executive Director of Robidoux Resident Theater, said to help with the plan the Council is working on they are willing to give up their space on the first floor but still need the storage space on the second floor.

Mr. Kempf said he has submitted a request for renovations to the Missouri Theater Office Complex to the CIP Citizen Committee for inclusion in the next round of CIP sales tax funds.

Mayor Josendale proposed the next steps include inviting representatives from the arts groups to meet with the committee to work out a plan that will allow for the best use of the facility and bring that to the City Council.

Agenda Item #2 – Fiscal Year 2024 budget process update. Mr. Carter gave a power point presentation on the “FY24 Annual Operating Budget Plan” (copy attached).

The meeting adjourned at 5:15 p.m.

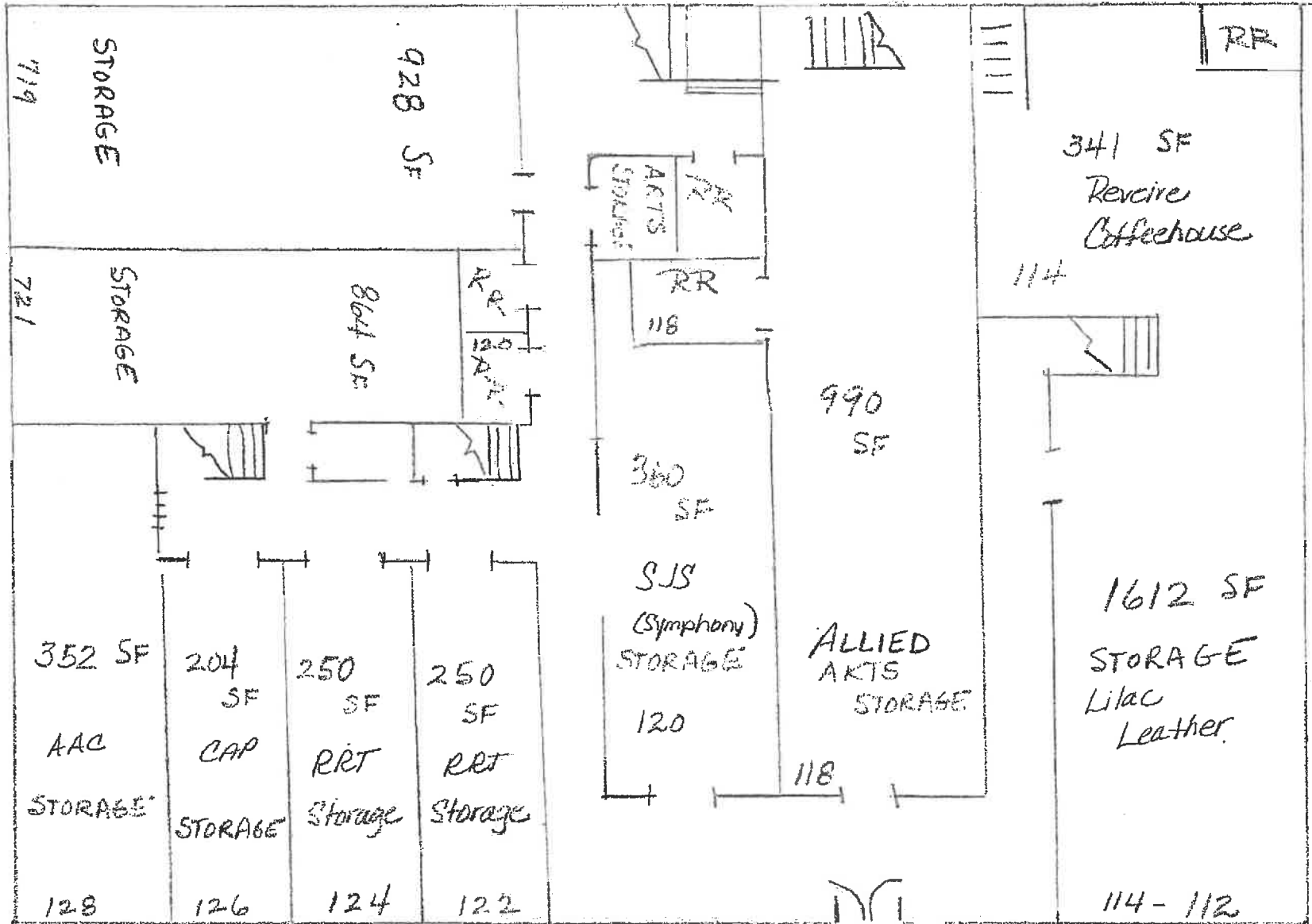
A handwritten signature in blue ink that reads "Paula Heyde". The signature is written in a cursive style with a large initial 'P'.

Minutes transcribed by Paula Heyde, CMC, City Clerk.

Missouri Theater Analysis and Recommendation

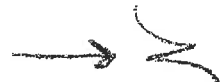
- Phase 1: Begin utilizing Conference Room space on the corner for business incubator space.
 - Phase 2: Repurpose space utilized by Robidoux Resident Theater (122 and 124 S. Eighth) for use as market rate business operations.
 - Phase 3: Repurpose space occupied by Performing Arts (713 Edmond) and Creative Arts (126 S. 8th)
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- Possible \$300-\$500 per month subsidized rate for arts organizations.
 - Approximately \$750 per month unsubsidized.

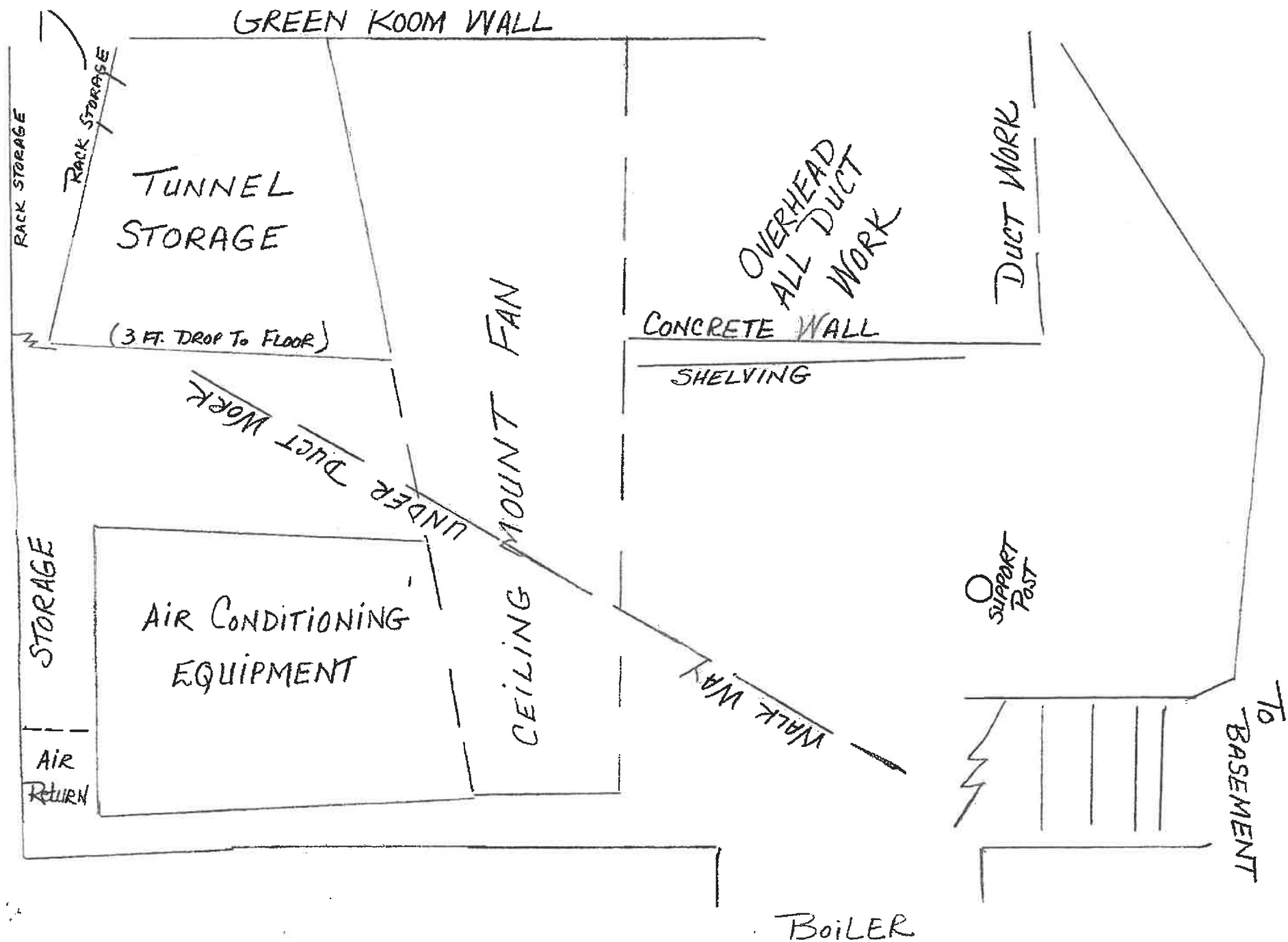
EDMOND STREET



THEATER CATCOMBS

SOUTH EIGHTH STREET



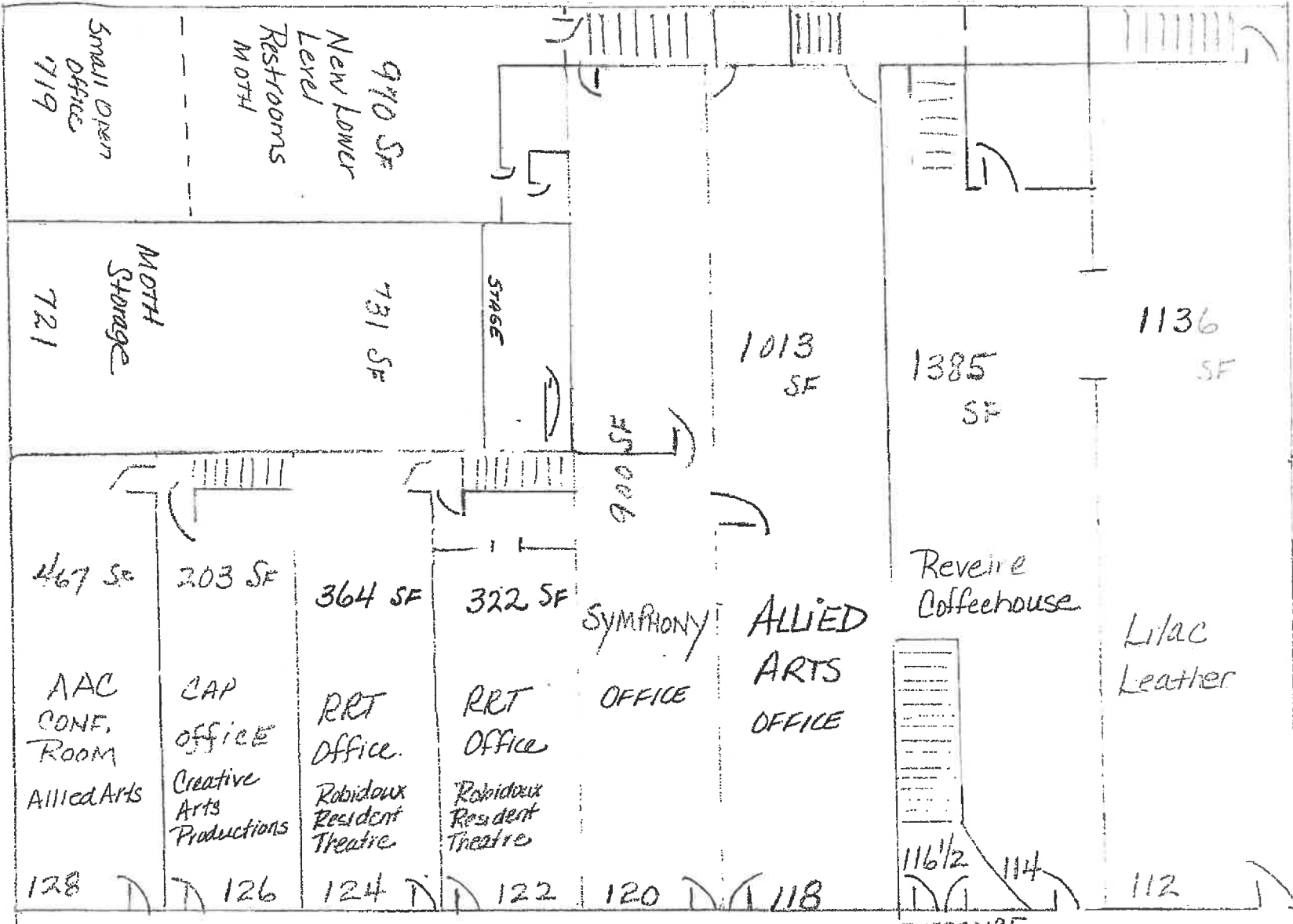


THEATER WALL

EDMONT STREET

OFFICE COMPLEX AREA

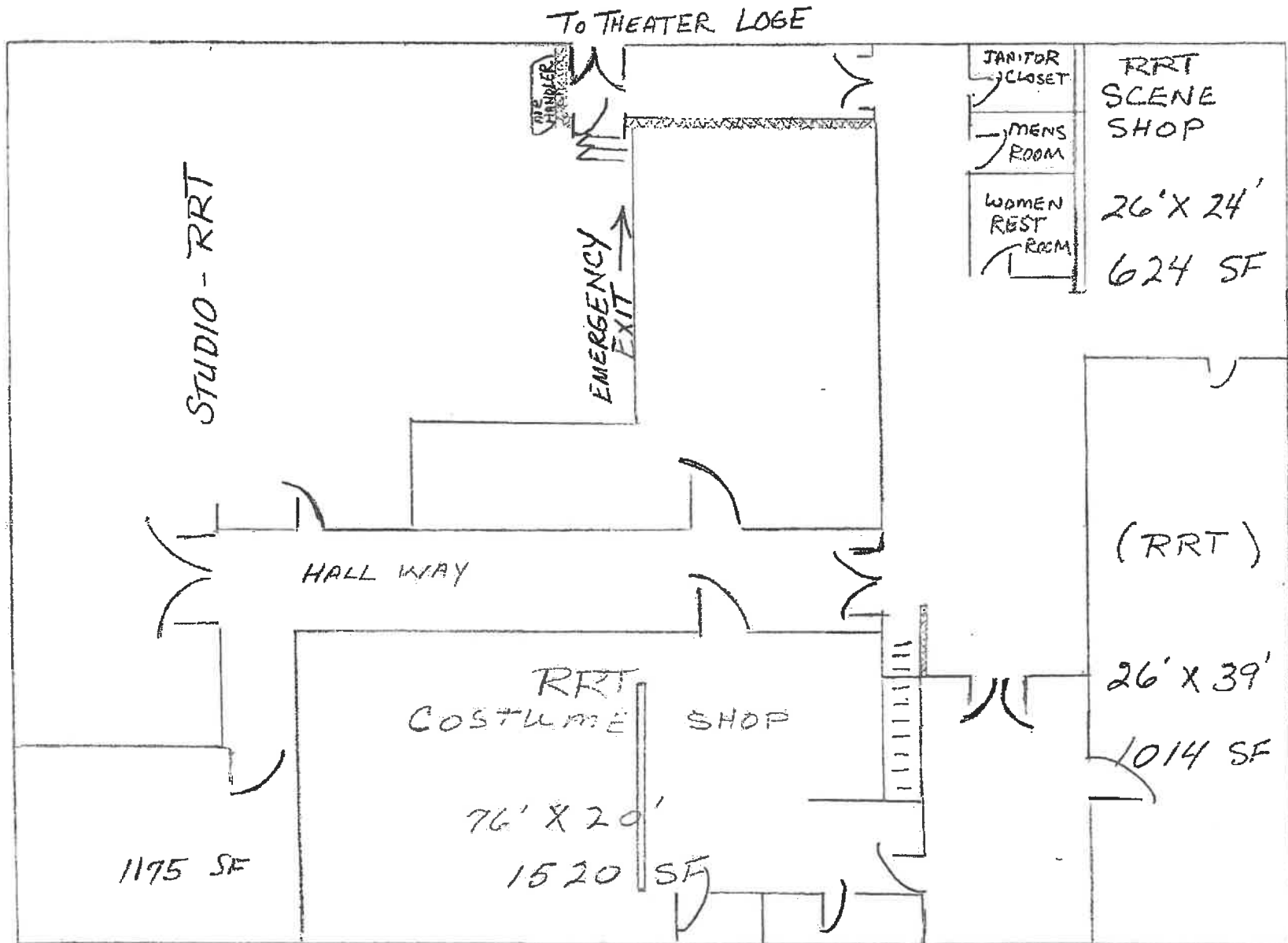
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SOUTH EIGHTH STREET

ENTRANCE TO 2ND FLR.

EDMOND STREET



2ND FLOOR OFFICE COMPLEX

SOUTH EIGHTH STREET



FY24 Annual Operating Budget Plan

Modified approach

- Past approach:
 - “Base budget” based on previous years’ annual operating budget.
 - Additional expenses up to \$5,000 given deference.
 - Supplemental expenditures and additional personnel requests considered on a case-by-case basis.
- FY24 approach:
 - Process development: Thorough process tracking.
 - Base budget: Based on average of actual expenditures from FY18-FY22; all increases *above base* justified.
 - Spenddown analysis: Justification for situations in which expenditures occur in the last quarter of the fiscal year.
 - Program necessity evaluation.
 - Standardization of utilities and fuels purchases.

FY23-24 Budget Task List

<u>Budget Phase</u>	<u>Task</u>	<u>Category</u>	<u>Responsible</u>	<u>Date Required</u>	<u>Date Completed</u>
BB	Finance Staff begins initial projections	Projections	Rich	11/15/22	11/9/22
BB	ClearGov Operating model copied and created	ClearGov	Rich/ClearGov	11/30/22	10/12/22
BB	Operating Funds setup in ClearGov	ClearGov	Rich	11/30/22	10/12/22
BB	Personnel Model created and fields setup in ClearGov	ClearGov	Rich	12/31/22	12/20/22
BB	Position info uploaded into ClearGov Personnel Model	ClearGov	Rich	12/31/22	12/20/22
BB	Employee info uploaded into ClearGov Personnel Model	ClearGov	Rich/Dawn/Tyler	1/16/23	1/13/23
BB	January Projections	Projections	Rich	1/17/23	1/12/23
BB	Account codes entered into Personnel Model to link to Employees	ClearGov	Rich	1/20/23	1/19/23
BB	Download ClearGov Employee Listing for Departments	Position Budgeting	Rich	1/23/23	1/19/23
BB	CoreServices intranet page updated for new fiscal year	Core Services	Dawn	1/23/23	1/26/23
BB	CoreServices intranet page ready for updates by Departments	Core Services	Dawn	1/23/23	1/26/23
BB	Copy FY23 Budget to FY24 to create Base Budget in Finance Enterprise	FE Process	Rich	1/24/23	1/26/23
BB	Create Revenue/Expense Criteria for Base Budget	FE Process	Rich	1/24/23	1/25/23
BB	Sewer Revenue/Expense Projections for Sewer Rate Study	Sewer Rate Study	Rich/Abe	1/24/23	2/14/23
BB	End of Year Spenddown Analysis/Justification (FY20-FY22)	City Manager	Rich	1/27/23	1/26/23
BB	Base Budgets reflect 5 year actual average in Finance Enterprise	Operating Budget	Rich	1/27/23	2/1/23
BB	FY23 Core Services Distributed to Departments to be used as a guide	Core Services	Rich	1/31/23	2/2/23
BB	Budget folders copied from FY23 to FY24	Budget Book	Rich	1/31/23	2/6/23
BB	January Projections calculated/entered into Estimated Budget (FY23)	Projections	Rich	1/31/23	2/3/23
BB	Accounting Staff fully trained on ClearGov	ClearGov	Rich/Tom	1/31/23	2/7/23
BB	Up to date Actuals sent to ClearGov for Upload	ClearGov	Rich	1/31/23	2/27/23
BB	Start Budget Book Design/Layout	Budget Book	Rich	2/1/23	2/3/23
BB	Calculate Projected Public Safety Transfer	Public Safety	Kitty/Tom	2/1/23	2/2/23
BB	Create Trial Balance file for analysis and various budget purposes	Trial Balance	Rich	2/1/23	2/7/23
BB	Fund Balance Schedule Updated for FY24	Fund Balance	Tom	2/1/23	2/2/23
BB	Employee Listings distributed to Departments for Review	Position Budgeting	Rich	2/3/23	2/3/23
BB	Operating Base Budgets Rolled out to departments for changes/review	Budget Reports	Rich	2/3/23	2/3/23
BB	Capital Request Submissions begin for departments	Capital Requests	Rich	2/3/23	2/3/23
BB	February Projections	Projections	Rich	2/15/23	2/17/23
BB	Personnel Listings returned to Finance Department	Position Budgeting	Departments	2/17/23	2/17/23
BB	Base Budgets and Capital Requests due to Finance	Budget Reports	Rich	2/17/23	2/17/23
BB	All Justifications made by Departments for Requested Expense Increases	Budget Reports	Departments	2/17/23	2/17/23
BB	All Requested Budget Changes sent to City Manager	Budget Reports	Rich	2/17/23	2/17/23
BB	Review Personnel Listings with Departments as Needed	Position Budgeting	Accountants	2/21/23	2/28/23
BB	Accountants Review Base Budget changes and work with Departments as needed	Budget Reports	Accountants	2/21/23	2/27/23
BB	Budget Changes Reviewed/Approved/Denied by City Manger and notifies Finance	Budget Reports	City Manager	2/23/23	2/17/23
BB	Department Core Service changes due to Finance	Core Services	Departments	2/27/23	2/28/23
BB	All Justified Base Budget Changes Entered into ClearGov	ClearGov	Rich/Accountants	2/27/23	2/27/23
BB	Review Open Encumbrances (FY23)	Encumbrances	Summer/Tom	2/28/23	
BB	Base Budget in ClearGov reflects 5 Year Average	ClearGov	Rich/Accountants	2/28/23	
BB	Base Budget in ClearGov uploaded into Finance Enterprise	FE Process	Rich	2/28/23	02/23/23

FY23-24 Budget Task List

<u>Budget Phase</u>	<u>Task</u>	<u>Category</u>	<u>Responsible</u>	<u>Date Required</u>	<u>Date Completed</u>
DR	Base Budget copied to Department Request Budget	FE Process	Rich	2/28/23	2/23/23
DR	Base Budget copied to Department Request Budget	ClearGov	Rich	2/28/23	
DR	Up to date Actuals sent to ClearGov for Upload	ClearGov	Rich	2/28/23	
DR	Department Request Budgets Distributed to Departments	Budget Reports	Rich	3/1/23	
DR	February Projections updated in the Estimated Budget	Projections	Rich	3/1/23	
DR	Expenditure Justification Report	City Manager	Rich	3/1/23	2/23/23
DR	City Manager's review with Departments begin	City Manager	CM/Staff	3/2/23	
DR	Cost Allocation Spreadsheets out to Departments	Cost Allocation Plan	Rich	3/3/23	
DR	Update Fund Balance Projections	Fund Balance	Tom	3/10/23	
DR	City Manager's review with Departments completed	City Manager	CM/Staff	3/10/23	
DR	Capital Budget Model created and fields setup in ClearGov	ClearGov	Rich	3/10/23	
DR	Vacancies determined and loaded into ClearGov Personnel Model	ClearGov	Rich	3/10/23	
DR	Personnel Model finalized and loaded into Operating Budget	ClearGov	Rich	3/10/23	
DR	Final Projections entered into Estimated Budget	Projections	Rich	3/13/23	
DR	Cost Allocation Sheets due back to Finance	Cost Allocation Plan	Departments	3/13/23	
DR	Finalize Public Safety Transfer	Public Safety	Kitty/Tom	3/13/23	
DR	Fund Balance Projections finalized and provided to City Manager	Fund Balance	Tom/Rich	3/13/23	
DR	Bank Fees and Other Services (1498) Determined	Expenses	Judy	3/15/23	
DR	Meet to Review CIP Budgets	CIP	Rich/Tom/Jake/Chuck	3/15/23	
DR	Meet with Public Works to review Sewer Project Table for Sewer Rate Study	Sewer Rate Study	Rich/Tom/Jake	3/15/23	
DR	Meet to Review Parks Sales Tax Budget	Parks Sales Tax	Rich/Chuck	3/15/23	
DR	New Divisions added/Moved where designated	Account Structure	Cindy	3/15/19	
DR	Insurance Estimate/Allocation by Fund	Expenses	Cindy	3/15/19	
DR	Computer Allocation by Department for Network Transfer	Transfers	Dawn/Cindy	3/15/23	
DR	Verify all benefits are calculated correctly	Position Budgeting	Accountants	3/15/23	
DR	Organization Charts Reviewed/Updated	Budget Book	Accountants	3/17/23	
DR	Maintenance Contracts Fees Increases Determined (2%-5%)	Expenses	Accountants	3/17/23	
DR	Interest Calculated and Entered	Expenses	Cindy	3/17/23	
DR	Capital Requests Reviewed by City Manager and due to Finance Department	City Manager	City Manager	3/17/23	
DR	Begin entering approved Capital Requests into the ClearGov Capital Model	ClearGov	Rich	3/20/23	
DR	DEBT - New Debt/Leases included	Expenses	Kitty	3/22/23	
DR	Update lease payments in BID	Expenses	Kitty	3/22/23	
DR	Transfer to/from update and balance	Expenses	Kitty	3/22/23	
DR	Department Request Budget in ClearGov uploaded into Finance Enterprise	FE Process	Rich	3/22/23	
CM	Department Request Budget copied to City Manager Budget (Proposed)	FE Process	Rich	3/24/23	
CM	Department Request Budget copied to City Manager Budget (Proposed)	ClearGov	Rich	3/24/23	
CM	Preliminary Proposed Budgets w/ Approved Capital Requests Distributed to Depts	Budget Reports	Rich	3/24/23	
CM	Finalize CIP Budget with Public Works/Parks	CIP	Rich/Jake/Chuck	3/31/23	
CM	Final Review of Parks Sales Tax Budget	Parks Sales Tax	Rich/Chuck	3/31/23	
CM	Up to date Actuals sent to ClearGov for Upload	ClearGov	Rich	3/31/23	
CM	COLA/Wage Increases determined and due to Finance Department	City Manager	City Manager	3/31/23	

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<u>Budget Phase</u>	<u>Task</u>	<u>Category</u>	<u>Responsible</u>	<u>Date Required</u>	<u>Date Completed</u>
CM	Cost Allocation Plan Finalized	Cost Allocation Plan	Rich	3/31/23	
CM	Finalize Capital Budget Model in ClearGov	ClearGov	Rich	4/3/23	
CM	Cost Allocation Transfers Calculated/Given to Accountants	Cost Allocation Plan	Rich	4/3/23	
CM	Final Changes to Budget due to Finance Department	Budget Reports	Departments	4/3/23	
CM	Directors Sign Off/Approve of Final Budget	Budget Reports	Departments	4/5/23	
CM	Final Operating & CIP Budget submitted to City Manager	City Manager	Rich	4/7/23	
CM	Data/Analysis provided to City Manager for Submittal as Needed	City Manager	Staff	4/14/23	
CM	Revenue Discussion due to Finance Department	Budget Book	Judy	4/14/23	
CM	City Manager Transmittal due to Finance Department	City Manager	City Manager	4/18/23	
CM	New Strategic Plan Page for Budget Book due to Finance	Budget Book	Mary/City Manager	4/18/23	
CM	Final Budget Book Preparation	Budget Book	Rich/Accountants	4/18/23	
CM	Cover Photo	Budget Book	Rich/Accountants	4/18/23	
CM	Council Page	Budget Book	Rich/Accountants	4/18/23	
CM	Table of Contents	Budget Book	Rich/Accountants	4/18/23	
CM	SJ Page	Budget Book	Rich/Accountants	4/18/23	
CM	Directors/Boards	Budget Book	Rich/Accountants	4/18/23	
CM	Organization Chart	Budget Book	Rich/Accountants	4/18/23	
CM	How to Use Document	Budget Book	Rich/Accountants	4/18/23	
CM	Strategic Goals & Strategies	Budget Book	Rich/Accountants	4/18/23	
CM	Priorities & Issues	Budget Book	Rich/Accountants	4/18/23	
CM	Budget Overview (CM Transmittal)	Budget Book	Rich/Accountants	4/18/23	
CM	Revenue Discussion	Budget Book	Rich/Accountants	4/18/23	
CM	Financial Policies	Budget Book	Rich/Accountants	4/18/23	
CM	Budget Process	Budget Book	Rich/Accountants	4/18/23	
CM	Budget Calendar	Budget Book	Rich/Accountants	4/18/23	
CM	Fund Balance	Budget Book	Rich/Accountants	4/18/23	
CM	Money Comes From/Goes	Budget Book	Rich/Accountants	4/18/23	
CM	Department Pages	Budget Book	Rich/Accountants	4/18/23	
CM	General Government	Budget Book	Rich/Accountants	4/18/23	
CM	Mayor Council	Budget Book	Rich/Accountants	4/18/23	
CM	City Clerk	Budget Book	Rich/Accountants	4/18/23	
CM	City Manager	Budget Book	Rich/Accountants	4/18/23	
CM	Public Information/Comm	Budget Book	Rich/Accountants	4/18/23	
CM	HR/Risk Management	Budget Book	Rich/Accountants	4/18/23	
CM	Legal	Budget Book	Rich/Accountants	4/18/23	
CM	Finance	Budget Book	Rich/Accountants	4/18/23	
CM	Planning & CD	Budget Book	Rich/Accountants	4/18/23	
CM	Public Safety	Budget Book	Rich/Accountants	4/18/23	
CM	Police	Budget Book	Rich/Accountants	4/18/23	
CM	Police Tax	Budget Book	Rich/Accountants	4/18/23	
CM	Fire	Budget Book	Rich/Accountants	4/18/23	

FY23-24 Budget Task List

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CM	Health	Budget Book	Rich/Accountants	4/18/23	
CM	Parks & Rec	Budget Book	Rich/Accountants	4/18/23	
CM	Golf	Budget Book	Rich/Accountants	4/18/23	
CM	Parks Tax	Budget Book	Rich/Accountants	4/18/23	
CM	Public Works	Budget Book	Rich/Accountants	4/18/23	
CM	PW Admin	Budget Book	Rich/Accountants	4/18/23	
CM	SIMR	Budget Book	Rich/Accountants	4/18/23	
CM	Airport	Budget Book	Rich/Accountants	4/18/23	
CM	Public Parking	Budget Book	Rich/Accountants	4/18/23	
CM	Water Protection	Budget Book	Rich/Accountants	4/18/23	
CM	Transit	Budget Book	Rich/Accountants	4/18/23	
CM	Landfill	Budget Book	Rich/Accountants	4/18/23	
CM	Other Departments	Budget Book	Rich/Accountants	4/18/23	
CM	Non-Dept	Budget Book	Rich/Accountants	4/18/23	
CM	Cell Phone	Budget Book	Rich/Accountants	4/18/23	
CM	Gaming	Budget Book	Rich/Accountants	4/18/23	
CM	Museum	Budget Book	Rich/Accountants	4/18/23	
CM	TIF	Budget Book	Rich/Accountants	4/18/23	
CM	ARPA	Budget Book	Rich/Accountants	4/18/23	
CM	Fund Summaries	Budget Book	Rich/Accountants	4/18/23	
CM	General	Budget Book	Rich/Accountants	4/18/23	
CM	SIMR	Budget Book	Rich/Accountants	4/18/23	
CM	Parks Maint	Budget Book	Rich/Accountants	4/18/23	
CM	Parks Tax	Budget Book	Rich/Accountants	4/18/23	
CM	CDBG	Budget Book	Rich/Accountants	4/18/23	
CM	Gaming	Budget Book	Rich/Accountants	4/18/23	
CM	Special Allocations	Budget Book	Rich/Accountants	4/18/23	
CM	Museum	Budget Book	Rich/Accountants	4/18/23	
CM	Public Safety Tax	Budget Book	Rich/Accountants	4/18/23	
CM	Police Tax	Budget Book	Rich/Accountants	4/18/23	
CM	ARPA Tax	Budget Book	Rich/Accountants	4/18/23	
CM	Debt Service	Budget Book	Rich/Accountants	4/18/23	
CM	Aviation	Budget Book	Rich/Accountants	4/18/23	
CM	Public Parking	Budget Book	Rich/Accountants	4/18/23	
CM	Water Protection	Budget Book	Rich/Accountants	4/18/23	
CM	Golf	Budget Book	Rich/Accountants	4/18/23	
CM	Transit	Budget Book	Rich/Accountants	4/18/23	
CM	Landfill	Budget Book	Rich/Accountants	4/18/23	
CM	Capital Projects	Budget Book	Rich/Accountants	4/18/23	
CM	Capital Plan	Budget Book	Rich/Accountants	4/18/23	
CM	Revenues	Budget Book	Rich/Accountants	4/18/23	

Modified approach

- Past approach:
 - “Base budget” based on previous years’ annual operating budget.
 - Additional expenses up to \$5,000 given deference.
- FY24 approach:
 - Process development: Thorough process tracking.
 - Base budget: Based on average of actual expenditures from FY18-FY22; all increases above base justified.
 - Spenddown analysis: Justification for situations in which expenditures occur in the last quarter of the fiscal year.
 - Program necessity evaluation.
 - Standardization of utilities and fuels purchases.

Departmental Budget Presentations

Preliminary Work Session: Annual Consolidated Financial Report

4-5 Departmental Presentations:

Format:

1. High-level overview of Departmental responsibilities
2. Activity and achievements from FY23
3. FY24 Key services (tasks that are most critical to the Department's or Division's efforts)
 - Explain ongoing programs and services
 - Explain new programs and services (if any)
 - Tie each key service to a strategic objective(s) established by City Council
4. Staffing Update
 - List number of employees for each position
 - List number of vacancies

Initial Priorities

- Improve adherence of budget to actual anticipated expenditures.
- Address employee pay equity.
- Initiate implementation of capital equipment program.
- Improve prioritization of expenditures across departments.