

City Council Budget Work Session Minutes
Saturday, August 28, 8:00 a.m.
Conference Room 1A/1B

Council members present: Mayor McDavid, Jason Thornhill, Gary Kespohl, Daryl Dudley, Laura Nauser (until 11:15 a.m.), and Barabara Hoppe

Absent: Paul Sturtz

Prior to Council review of the department budgets, the City Manager provided a budget overview.

The following items represent those areas in which Council requested additional information or provided suggested cuts to the CM proposed budget.

- (Kespohl) Council Reserve – currently, set at \$100,000; reduce Council reserve by \$75,000
- (Dudley) Cut Council food budget by 50%; currently, budgeted at \$15,000
- (Kespohl) Travel and Training – cut by 50% citywide (or \$250,000); total travel citywide \$272,000 – staff will bring back preliminary recommendation to Council at Monday night’s work session.
- (Hoppe) Uniforms – what is provided for with these costs? Can some of these costs be deferred or utilize badges instead of uniforms/shirts?
- (Mayor) Boards and Commissions - CPRB – do not increase their budget; Maintain their budget at \$4600 (they requested \$28K Council would like to see detail; Board of Adjustment – cut to \$4,000; and P&Z – no increase; maintain \$5,000 budget – provide breakdown
- (Thornhill) Eliminate \$100,000 general government contingency
- (Thornhill) Non-Accountable auto allowance – 50% cut citywide; \$176,000 for 2011 and \$107,000 of which is from General Fund. Staff to bring back alternatives for Council consideration.
- (Hoppe) Parking allocations – can this be reduced? Provide an incentive for employees to use bus or ride bike to work.

- (Mayor) Gross receipts tax on parking utility – 7% OR 140K/year – CM report in progress. Staff will provide alternatives/options. Review possibility of an increase to on-street parking costs.
- (Kesphol) Street lighting – report on what it would take to move to electric utility. Fred doesn't think that you can – described the provision prohibiting this which would require a charter change to charge to electric versus general fund.
- (Kesphol) Cut back to 40,000 or delay for two years – Leadership for Excellence Division.
- (Mayor) Fire Station 2 – add (4) firefighters to implement a two person company - \$350,000
- (Mayor) Pension Costs - UAAL - \$4.2M this year and \$3.6 last year; it's tied to the stock market; market is flat; number will be bigger next year. Meeting with actuaries this week. We've got to stabilize this – on the list of expenses growing out of control. Mayor and Bill will outline some ideas in next month or two. Focus discussions on health insurance and pension costs – October work session topic; 2012 budget discussion topic.
- (Mayor) Advocate use of HSA model with city contribution to accounts. Consultants are reviewing and will bring back suggestions/recommendations to Council in October. (Discussion topic in October; 2012 budget discussion topic.
- (Kesphol) \$5,100 Rec services – social security increase – needs further review, b/c nothing else went up.

Adjourned at 11:45 a.m.

FY 2010 Budget Amendments
Friday August 27, 2010 3:13 PM

Council Reserve:

FY 2011 Council Reserve Amount \$100,000

Total Reserve Allocated \$0

Balance Remaining \$100,000

Staff Administrative Requests:

General Fund:

Health and Human Services:

State WIC will provide the Health Dept with an additional computer and the appropriate software. With additional state WIC revenue funds, the Health Dept will pay the IT fees associated with this additional computer.

Additional State WIC Revenues:	\$2,816
Expenses: IT Network, Maintenance, and Replacement Fees for add'l computer	<u>\$2,816</u>
Net Change	<u>\$0</u>

Office of Neighborhood Services:

Expenses: Allocate 50% of Sr. Building Inspector to CDBG	(\$34,735)
Revenues: Reduce General Fund revenues in Appropriated Fund Balance *	<u>(\$34,735)</u>
	<u>\$0</u>

Cultural Affairs:

Revenues: Increase in State grant amount received	\$12,644
Revenues: Reduce General Fund revenues in Appropriated Fund Balance *	<u>(\$12,644)</u>
	<u>\$0</u>

* Reduced the use of Appropriated Fund Balance by \$47,379 from \$2,955,170 to \$2,907,791

Parks and Recreation

Trim Grant from the Missouri Department of Conservation

Revenues	\$10,000
Expenses	<u>\$10,000</u>
	<u>\$0</u>

Total General Fund Impact \$0

Other Funds:

CDBG:

Expenses: Allocate 50% of Sr. Building Inspector to CDBG	\$34,735
Net Change	<u>\$34,735</u>

Special Road District Tax Fund:

Expenses: Delete duplicate transfer amount to Capital Projects Fund	(\$1,400,000)
Net Change	<u>(\$1,400,000)</u>

Transportation Sales Tax Fund:

Expenses: Decrease Transfer to Public Transportation Fund due to higher Federal grant being received in Public Transportation Fund	(\$200,000)
Net Change	<u>(\$200,000)</u>

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Public Transportation Fund:

Revenues: Increase Federal grant amount	\$200,000
Revenues: Decrease transfer from Transportation Sales Tax Fund	(\$200,000)
Expenses: Delete CIP project ID 1243 Seal Limestone - Wabash Station	<u>(\$7,000)</u>
Net Change	<u>(\$7,000)</u>

Railroad Fund:

Expenses: Increase Interest Expense - Purchase of Transload Facility from Electric Fund	\$12,820
Net Change	<u>\$12,820</u>

Electric Fund:

Revenues: Street Lighting Revenues - budget decreased amount charged to the General Fund but did not reflect the loss of revenue in the Electric Fund	(\$200,000)
Net Change	<u>(\$200,000)</u>

CIP Changes:

Streets and Sidewalks:

Projects Changed:

Broadway - Garth Ave to West Blvd - C00396 - moved construction from 2013 to 2012. Project is still unfunded.

Public Safety:

Projects Changed:

Records Management System (ID 1307) - move from current projects list to 2012. Project is still unfunded.

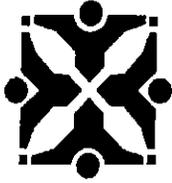
Public Transportation:

Delete Project:

Seal Limestone - Exterior Façade - Wabash Station (ID 1243) - project is being funded and completed in 2010.

CDBG Changes:

see page 539 for Council Adopted CDBG changes



CITY OF COLUMBIA, MISSOURI



Fire Department

Please accept my apology for my absence today. A conference commitment made some time ago would have cost a goodly sum to change the airline ticket. I am confident that Deputy Chief Witt and Administrative Officer Deneke will be able to answer your questions.

I begin this memo by addressing the issue that seems to be to the forefront of many, that is the issue of staffing. We all need to recognize that Columbia Fire Department has the same number of companies in service today as we did prior to the opening of Station # 9. What we don't have is the same number of personnel. For the past few years the City Manager and Council have been supportive of adding personnel in anticipation of the Station # 9 opening; and then the bottom fell out of the budget. In addition to the hoped for additional personnel needed to keep Engine 2 in service as well as adding Quint # 9, we had 2 retirements and 2 resignations. We also had and still have 2 personnel on pregnancy leave, 4 people on injury/illness leave and 1 on military leave. For a while we tried to keep a 2nd company open at Station # 2 by utilizing the reserve squad and overtime but soon found that we were unable to sustain this due to costs. No fire chief that I know would willingly and knowingly turn down the opportunity for additional personnel. However, no fire chief that I know would accept additional personnel knowing that within a year some of the new hires would have to be laid off. Next to injuries and fatalities, there is no more demoralizing issue than the layoff of new hires. I agree with the thinking of the City Manager and others that the fiscal year 2012 budget will be the most challenging that our great City has faced in many years. So for this coming year, I ask that the fire department be allowed to fill 4 existing (now 5) vacancies.

I also ask that the fire department budget show an additional 4 authorized but unfunded vacancies. There are 2 benefits to doing so. A. This will show the ongoing commitment by the City Council to staffing needed positions in the CFD, and B, I believe this will also bolster our application to the federal government for additional employees, the SAFER (Staffing for Adequate Fire & Emergency Response) grant program.

I am well aware that several of you have expressed strong desires to fund all eight eliminated positions. Your commitment to do so is greatly appreciated. In point of fact, the support of and for the Columbia Fire Department by past and present Mayors, Council members, as well as City Managers and our customers has been more than any of us on the CFD could ask for, and we are most thankful, but for the reasons expressed above I ask that your budget approval for this coming year is to fill existing vacancies.

When those hired to fill the existing vacancies have completed the 3 month long recruit school (which should be at the end of January if current expectations remain timely) I hope to have a specialty vehicle that would be staffed as a 2 person vehicle purchased and delivered which

would temporarily take the place of a fully staffed Engine 2 until such time as our finances have recovered to the point that the appropriate staffing level can be returned. This specialty vehicle is one of which we have had a need for but have not been able to afford to date. We would purchase this vehicle in lieu of the planned replacement quint.

This plan is not my, nor any of the current CFD members, desire. However given the existing and anticipated fiscal crises, I believe it to be the best plan to temporarily meet the needs of our customers. With a little help from the overtime account, I believe that this temporary solution will enable us to continue our quality service to our customers by returning Station 2 to a 2 company station.

There is concern that such staffing may be accomplished by the utilization of so called 1 time money. To be sure, this is a concern. However we have and will continue to take steps to make sure that we are able to fund the above plan. To fund this 2 person company we would need approximately \$350,000.00. The City Manager has indicated that with Council's approval, he would be able to fund another \$200,000.00 By taking extraordinary measures, The CFD will be able to make up the difference. As an example, we have eliminated allowing Assistant Fire Marshals and the Assistant Training Officer to have "take-home" cars, even though this was promised to them when they transferred to the Fire Marshal's and Training Divisions. I expect a 10% savings in the operational cost of these vehicles.

Another savings in next year's budget is reducing the number of guaranteed vacation days per shift. This has been a negotiated benefit for the past several years. While I cannot provide you with an expected dollar savings, I believe this to be a significant savings in the overtime budget. Because of existing commitments and plans we will not implement this savings measure until the beginning of the calendar year.

Other cost savings include a reduction in the travel and training accounts. We cannot entirely eliminate either of these accounts due to required recertification courses and other commitments. I do expect a 10% or more savings in these accounts. Furthermore, I expect to cut at least 10+% from several other accounts. We have already cut 10% from our clothing account and plan to defer our "turnout gear" purchase. While I cannot give you more specifics at this time because some changes need to be made and I want to let our personnel know beforehand, I am satisfied that we will be able to sustain a 2 person company (plus the existing ladder company) at Fire Station # 2 for FY2010/2011.

One other note regarding the 2nd company at Fire Station # 2, we are in the process of purchasing 1 complete set of equipment to staff a "paramedic" company. I plan to implement this program with the return of the 2nd company at Fire Station # 2.

There has been a rumor circulating about the Columbia Fire Department being so called "top heavy." I strongly disagree with that rumor. As a matter of fact, Fire Administration is in need of 1 additional position. It has been suggested that 1 person from the Fire Marshal's Office, the Assistant Training Officer, and 1 Division Chief from Fire Administration be reassigned to the Suppression Division. This demoralizing action would result in 10 demotions right at a critical development time and adversely impact at least 13 lives.

Within the next 5 years 70 % of the chief officers of the CFD will be retiring. We have only recently had the opportunity to position future chief officers for growth in preparation for filling those retiring personnel positions. Transferring/demoting the suggested personnel changes is precisely the wrong thing to do, particularly since there is no need to do so at this time. As I have repeatedly said we will be able to support filling the existing vacancies.

I challenge you to look about the City of Columbia and try to find burned out buildings. Of course, you will be hard pressed to find any. Why? It is because of the ongoing effort made by the Fire Marshal's Division through inspections and a myriad of other activities that have so effectively kept our "working fire" incidents so low. Of course I would be remiss if I did not give credit also to our very aggressive fire suppression personnel! We have the right number of people in the FMO and Training Divisions doing an outstanding job. This is not the time to disrupt this success story.

In conclusion, I believe we all recognize that given the problems funding all companies with the addition of Station # 9 there is no hope in the next several years of personnel funding for additional Station # 10. I would suggest that we help our own economy by utilizing the money from the quarter cent sales tax planned for Station # 10 be used to redo Station # 5. While we had hoped for a federal grant to do so, our applications have been rejected. Station # 5 is located in an area that is seeing changes made in the road net. When these changes are completed, this station will be facing in wrong direction! I suggest that Station # 10 funding be used to redo Station # 5 and make it the next building to be LEEDS certified in the City of Columbia.

Thank you for your continued support of the Columbia Fire Department.



William Markgraf
Fire Chief