

**MINUTES – SPECIAL SESSION
NEOSHO CITY COUNCIL
August 12, 2014 - 6:00 p.m.
The Civic Center
109 West Main St., Neosho, MO**

A quorum being present, Mayor Davidson called the meeting to order at 6:04 p.m.

ROLL CALL

COUNCIL PRESENT: Charles Collinsworth, Richard Davidson, Steve Hart, David Ruth (Left at 7:09 p.m.), Tom Workman (Arrived at 6:30 p.m.).

CITY OFFICERS PRESENT: Troy Royer, City Manager and Nora Houdyshell, City Clerk. Mike Eads, Fire Chief; David McCracken, Police Chief; David Kennedy, Lieutenant; Ryan Long, Public Works; Duane Linch, Water/Wastewater; Pam Baker, Human Resources Director; Amy Moritz, Parks and Recreation Director; Maron Towse, Golf Course Superintendent and Dana Daniel, Economic Development Services Director; Wes Franklin, Events Coordinator/Public Relations.

Financial Work Session

Mayor Davidson directed City Manager Royer to note the revision date and page numbers on documents presented with changes.

City Manager Royer and City Council reviewed the proposed Fiscal Year 2015 budget from Page 1 through Page 67, Employee Insurance, including but not limited to the following:

1. A 2% raise for all City Manager staff as past years the focus was equipment updates. Mayor Davidson directed Mr. Royer to include City Council employees with the 2% to see where the budget is at.
2. In 2008 there were 129 full-time employees; 2009 there were 132 and 2010 there were 124. Currently there are 116. The City requires the same services with same work load with fewer employees.
3. The comp time table will be provided at the next budget meeting to show it has decreased significantly.
4. General Fund is anticipating and budgeted for a 6% reduction in Sales Tax in the amount of \$128,520.00 due to legislation decisions.
5. General Fund has budgeted for a decrease in the amount of \$160,000.00 for the loss of MGE Franchise Fees.
6. There is a reduction in the amount of \$272,771.00 from the General Fund for the last repayment of borrowings.
7. Investment Policy requires two months reserves; auditors suggest a 90 day reserve. The City has well over the 90 day reserve which will assist the general fund with the unexpected expenditures.
8. \$21,100.00 budgeted in reserves for Airport required improvements.
9. Increased Lampo Building budget for removing carpet and much needed repairs.

Councilman Collinsworth stated he received documentation from a request of the City Clerk without having to fill out a sunshine request and was received in a timely manner. He then stated concerns regarding Councilman Ruth's comments that are documented through texts acquired via sunshine request submitted by Mr. Bruce Copeland wherein Councilman Ruth indicates the lawsuits are just getting started. Councilman Collinsworth was inquiring as to how many more lawsuits may be coming so the City can better budget for professional services.

Discussion followed noting slight increases in the City Clerk budget due to a part time clerk and the Development Services budget due to MoDOT projects.

Councilman Tom Workman arrived at 6:30 p.m.

Discussion was held regarding the Recycle Center Budget as the customer base and commodities have slightly increased but the payment for goods have decreased.

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Further discussion held regarding the commitment to keeping the recycle center open. Mayor Davidson asked Mr. Dana Daniel to review contractual obligations pertaining to the Recycle Center along with reviewing State Statute requirements.

Police Chief McCracken stated concerns regarding the budget cuts as it pertains to replacing older vehicles and maintenance.

Councilman Ruth discussed considering offsetting the overtime pay in the Police Department budget with one full time officer.

Discussion was held regarding the increased expense in the Fire Department budget to replace the roof at Station 1. Fire Chief Eads stated it has been patched as much as it can be. He further explained when a contractor was contacted for a bid to repair; he refused due to the condition and stated he would not be able to warranty of his work. Mr. Royer stated \$83,050.00 was budgeted in reserves to cover this expense.

Mr. Royer then reviewed the Parks Budget wherein they added one new vehicle and one extra big mower to assist the Golf Course with mowing the Lakes. He further stated playground equipment needs replaced and pointed out this is a sales tax fund wherein two months of operation reserves has been budgeted.

Mr. Royer reviewed completed streets projects as well as disclosing the Golf Course is very close to breaking even due to decreased expenses.

Councilman David Ruth stated regrettably he has a prior engagement.

Councilman David Ruth left at 7:09 p.m.

Mayor Davidson stated during the discussion of Hotel/Motel Fund there was positive feedback and a big draw to the Blue Grass & BBQ event and encouraged more similar attractions.

Councilman Hart asked the balance for the TIF when it is due for refunding in 2016 wherein City Manager Troy Royer stated he would provide the information at the next meeting.

City Manager noted the Star Loan will be paid off in 2018 and the 2006A&B will be callable in 2016.

Discussion continued regarding four incidents that have reached the City Health Insurance stop loss at \$50,000.00 and the effect on the General Fund budget of being self insured.

Mayor Davidson announced the next budget meeting will be at 6:00 p.m. next Tuesday before the regular scheduled city council meeting.

ADJOURN

Mayor Davidson declared the August 12, 2014, special session meeting to be adjourned.

There being no further business to come before the council, Mayor Davidson adjourned the meeting at 7:24 p.m.

APPROVED:

NEOSHO CITY COUNCIL

Mayor

ATTEST:

City Clerk