

Special City Council Meeting
July 28, 2014
7:30 PM

A. Call to Order: The Special Meeting of the Richmond City Council for the purposes of discussing Richmond Recreation and 2015 budget was called to order by Mayor Sheldon S. Snow.

Council Members Present: Claire Blackburn, Helen Feuerborn, Verlin Springer, Karen Peters and Doug McIntosh.

Staff present: Marla Gadelman.

Guests Present: Betty Bowlby, Bob Cardell, Mark Stevenson, Lester P. Wuertz, Marie Gardner, Jim White, Dean Kueser, Dana Hollman, John Jumet, Connie Beckwith, Terry Feuerborn, Robbie Cardell, Lyle Brown and Mark Lee.

B. ITEMS OF BUSINESS:

1. Richmond Recreation. The Mayor announced that this meeting is not about whether we are going to keep Richmond Recreation or not. It is simply to make sure that the money gets accounted for properly according to state statutes that we are required to following in construction of our budget. Council members had been provided a Memorandum prepared by the City Clerk recommending the Parks and Recreation Fund be moved to the General Fund as a separate line item. Audience members were provided a copy of the Memorandum and statues also. Issues of concern are whether there was ever actually a recreation commission established by the city; or whether the board was appointed by the city council or allowed to operate by volunteers. Mr. Stevenson made a statement to the council on the history of the recreation commission since he became involved and mentioned that he had come to the city council and requested 1 mill tax levy. The Mayor stated that in June 2003 the minutes reflect that "requested increase in funds without a mill levy increase was approved." The Mayor stated that we need to make sure the rec commission is set up according to the statutes.

Questions were raised and discussed about moving the rec commission to the general fund; whether funding could be withdrawn if the next city council decided to not continue the line item funding; how many mills are currently levied for the rec commission and what is the maximum mill levy; all children have been allowed to participate whether they lived in the city limits or not; fund raising events have been held previously to raise money; Dean Kueser got the original money from the city park fund of approximately \$200 in about 1974; whether the rec commission is properly established; who could serve on the board; would they need to be residents of Richmond or just own property within the taxing district; whether we could enter into an agreement agreeing to provide money to the rec commission; whether the rec commission could be grandfathered under KSA 12-1926(c); whether the rec commission on July 1, 2002, consisted of more than five members and was established prior to July 1, 2002; whether it has been run with six members since 2002; whether the lake area is within USD 288 or USD 365 school district; whether USD 288 could be approached to form a recreation commission and levy taxes; who carries the insurance on the ball fields; whether a separate sales tax exemption number is necessary; the board technically consists of four officers but

others may show up at meetings and vote on decisions but never established them as officers or board members; the rec commission requested 1 mill in 1997 and it was approved by the city council; there is a legitimate concern on whether the rec commission exists; would the rec commission still receive the liquor tax from the county if it were to be moved under the general fund; the rec commission provides financial reports to the County Clerk every year but does not provide the information to the city; the rec commission prepares and publishes a budget; Lester Wuertz presented the proposed 2015 budget to the Mayor; if the rec commission is limited to 2 mills the maximum it would receive is \$3,974.16; in 2014 the city budgeted \$5,685 but retained 40% for its park purposes; there are additional expenses anticipated before the end of the year so Lester anticipates a \$0 balance at the end of the year; the rec commission does not have sponsors for the teams although occasionally hats will be donated to a team; other than baseball the rec commission offers football and basketball at Central Heights' facilities; the basketball and football are self-funded; additional funds would be available if Central Heights would form a recreation commission; the City Council does not wish to take any money away from the rec commission, we are just trying to make sure we comply with state laws; if the rec commission has six people on the board most of the time it could be grandfathered in.

Options available:

1. The City Council appoint four people to the Richmond Rec Board and leave the funding as it has been in the past and then the four people choose the fifth member.
2. Use KSA 12-1926(c), we were a rec board prior to 2002 with more than five members and be grandfathered in and able to continue as we were in 2002.
3. Go to Central Heights to see if it is interested in creating a recreation commission.

Concern was raised that if option 1 was used, who would be allowed to be on the board. At no time has all the board members been residents of Richmond.

If the City entered into an agreement agreeing to give the rec commission a certain sum of money that agreement would only be valid for that budget year. We cannot, as a line item in the General Fund, bind future councils to pay money they didn't vote on. By leaving it as a separate fund and taxing entity, making any major changes would come down to a ballot issue.

Early on the rec commission did not provide a budget.

The council suggested the rec commission provide a list of names of people on the board on June 30, 2002, and at the current time.

The council can raise the mill levy up to 4 mills, provided the mill levy is not increased by more than 1 mill per year by passing a Resolution.

The question of why the City is keeping 40% of levied funds was discussed. The Mayor read from the minutes of February 12, 2008 that beginning in 2009 60% of all money budgeted for the ball fields would be paid to rec commission and 40% would be used for city park and rec. The Mayor reported that the balance in the Park and Rec Fund as of June 30, 2014, was \$7,971.57 which is the 40% which has been retained from the money paid to the rec

commission. Mr. Stevenson requested that some of that money be used for rock on the road to the ball fields since it is down to the bedrock from the whistle to the ball fields.

The Clerk was instructed to put on the agenda for the August meeting the topic of the City retaining the 40% of the levied funds or paying 100% to the rec commission.

The Mayor recited his understanding so far: The rec commission was at least a six-member board prior to July 1, 2002, so it is grandfathered under KSA 12-1926(c), (provided they can establish they had more than five members on June 30, 2002) and can continue as constituted on June 30, 2002; the term of office shall be four years; if a vacancy occurs in the membership, a successor shall be selected to fill such vacancy in the same manner as and for the unexpired term of the member such person is succeeding. The statute does not say anything about whether any grandfathered larger commission members are to be appointed by the city. With that being the case, there is no problem keeping the Park and Rec Fund as being a separate budget item the way that it has been and being a tax levying fund.

Compliance with the second paragraph of KSA 12-1926 is not necessary as far as having the city treasurer act as ex officio treasurer of the recreation commission.

2. Richmond City Budget for 2015. Parks and Rec Fund. Returning the 40% retained by the City will be placed on the agenda for the August meeting.

The question of how many mills the rec commission could levy was next discussed. The Clerk indicated that the only record of any mill to be levied was in 1997 when 1 mill was levied. The mill increase in 2003 was not allowed. Discussion on how the mill levy was increased to 2.979 over the past years was held. 1 mill would equal approximately \$1,987; 2 mills would be approximately \$3,974; 3 mills would be approximately \$5,961. A resolution to increase parks and rec to 2 mills will be presented at the Budget Hearing on August 12.

The Council is satisfied with increasing the overall mill levy by approximately 3 mills to levy the maximum amount allowed by law without needing to publish a resolution increasing the mill levy.

Adjournment: Karen Peters made a motion to adjourn the meeting. Doug McIntosh seconded the motion. Vote 5-0, motion passed.



ATTEST:



Maria Gadelman, City Clerk

APPROVED:

By: 

Sheldon Snow, Mayor