

November 13, 2018
City Council Meeting
Re: Consent Item 21

This is in part what I wrote on September 10, 2012. "While David Gill seeks public funding of the golf course, there will be no public hearing. This is a consent agenda item and there doesn't even have to be discussion among the councilors unless one of the councilors pulls the item from the consent agenda."

So let's take a look and see what has changed over the last six years and two months.

I believe with the exception of 2013, golf course expenses have exceeded revenues. The losses in some years have been significant. According to a 2012 report from the Deputy City Manager of Finance, the loss in 2011 was \$64,000 and the anticipated loss for 2012 was projected to be \$141,000.

In a more recent report dated July 23, 2018, operating losses were reported to be \$124,300. This does not include additional expenditures for course and building improvements.

Over the years the city has changed oversight and management of the golf course and staffing, restructured the contracts for food service, the golf pro and the pro shop. Brought in simulators and forgave the administrative payment from the course to the city. Yet the golf course still can not generate enough revenue to pay their expenses.

Tonight we are being asked to approve a consent agenda item that would reclassify the golf course, arena and solid waste funds from enterprise funds to special revenue funds. It has been understood that Enterprise funds would be able to fund their operations from user fees, without tax payer support, while special revenue funds leave open the door for general fund support. Both for day to day operating expenses and for capital projects. This is a significant change.

You have heard some members of this council remark that we fund the library, recreation, police and fire departments with your taxes. This is true. And this is the understanding we have always had with the community. The understanding the community has with enterprise funds is that their tax dollars would not be used. That fees from those using these services or activities would fund them.

I also anticipate that some of my fellow councilors will remind me that we heard testimony - all in favor of using general funds for the golf course - a few months ago. That was during budget hearings and it was not a discussion of changing how we classify these funds.

At the September 17th, meeting of the Fiscal Policy Advisory Committee (FPAC) their minutes state in part: "The dialogue concluded with an understanding that City Manager Aspell and Deputy City Manager LeBrun will return with a plan to reclassify the funds with changes to take place over a 3-5 year span."

Yet at the next FPAC meeting on October 15th, the following is recorded in their draft minutes: "Councilor Nyhan suggested that reclassifying the funds now would provide flexibility in the future. He then asked if there were any objections, to which there were none..."

I have asked repeatedly to have a public discussion concerning the golf course. That discussion should now include the arena and solid waste funds. Having committee meetings and passing those recommendations onto the city council and placing it on the consent agenda is not my idea of providing the public with the opportunity to share their thoughts with us. It appears nothing has changed since I wrote that letter in 2012, admonishing the city council for not holding a public hearing on how the golf course is funded.

Before a change is made on how these activities are funded, all committee reports and information the committee reviewed in determining their recommendation, should be available for the public to review prior to their having an opportunity to testify.

I am making a motion to have this item noticed for public hearing at our December 10th, city council meeting and to be set for a public hearing at our January 14th, meeting.

Allan Herschlag