



WHERE COMMUNITY AND SPIRIT MEET®

### **WORK SESSION MINUTES**

A work session of the Kirkwood City Council was held on January 15, 2015, at 5:30 p.m. Present were Mayor McDonnell, Council Members Biedenstein, Griffin, Jaksetic, Luetzow, Sears, and Ward. Also in attendance were Chief Administrative Officer Russell Hawes, Assistant Chief Administrative Officer Georgia Ragland, and Public Information Officer Beth von Behren.

### **APPROVAL OF WORK SESSION MINUTES**

Motion was made by Council Member Sears and seconded by Council Member Luetzow to approve the meeting minutes of January 8, 2015. The motion was unanimously approved.

### **MOTION TO CLOSE THE MEETING**

Motion was made by Council Member Griffin and seconded by Council Member Sears to close the meeting pursuant to RSMo Chapter 610.021 (9) IBEW Negotiations.

Roll Call Vote as Follows:

Council Member Biedenstein	"Yes"
Council Member Griffin	"Yes"
Council Member Jaksetic	"Yes"
Council Member Luetzow	"Yes"
Mayor McDonnell	"Yes"
Council Member Sears	"Yes"
Council Member Ward	Absent

The meeting was closed.

### **MOTION TO OPEN THE MEETING**

Motion was made by Council Member Jaksetic and seconded by Council Member Griffin to open the meeting.

Roll Call Vote as Follows:

Council Member Biedenstein	"Yes"
Council Member Griffin	"Yes"
Council Member Jaksetic	"Yes"
Council Member Luetzow	"Yes"
Mayor McDonnell	"Yes"
Council Member Sears	"Yes"
Council Member Ward	"Yes"

The meeting was opened.

### **CITIZEN FINANCE COMMITTEE REPORT**

Citizen Finance Committee members Brian Dentinger, Ron Evens, and Mark Zimmer were in attendance to present the recommendations of the Finance Committee. Some of the issues discussed are as follows:



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- All proud to be Kirkwoodians and are impressed with the commitment of department heads.
- Recommend and support the ¼ cent Fire Tax proposal.
- Should find ways for not-for-profits (Magic House, Stages, etc.) to help fund city services through a 25 cent fee on admission tickets, etc.
- The committee supports the addition of the position of Water Superintendent but do not support any other additional positions.
- Congratulated the City on keeping health care costs under control.
- The committee does not endorse the additional 1% for pension and recommends a 2% salary increase versus the 3% that is being recommended.
- Concerned with continued use of fund balances.
- Need to be more aggressive with the infrastructure needs for electric and street.
- The committee would like to work closely with John Adams and Russ Hawes in Spring 2015 to develop a comprehensive long term (5, 10, 20 year) financial plan that addresses the viability of current and future revenue sources, expense trending, and long term fund balances.
- Health insurance for next year would include a change of out of pocket and deductible.
- The City Council appeared to like the idea of the Commission meeting in the spring to look at a comprehensive long term financial plan.
- Fully investigate the commercial sanitation program.
- Look at continuing with Fire Mutual Aid and monitor closely.
- The committee believes the City is falling behind on infrastructure needs and this should be a focus of the City.
- Move Courts from Police to Administration or Finance.
- Look at Business License income.
- The report contains information and recommendations on the various departments that was also discussed.

#### **CHIEF ADMINISTRATIVE OFFICER BUDGET MESSAGE**

Mr. Hawes reported that when he was in the interview process last April and toured Kirkwood, what stood out was the quality of schools, the quality of businesses and the quality of neighborhoods. It is important that the City provide services to enhance the quality of life for residents and others. Some of the issues discussed are as follows:

- Staff is in the process of reviewing business licenses and verifying that the reporting is accurate.
- 72% of the proposed budget is personnel costs.
- He supports the 1% increase in pension as the City is behind in this regard, believes it is appropriate and is within the budget.
- He supports the 3% salary increase and stated that it is appropriate when comparing the increase to comparator cities (average of 2.8% last year).
- There are costs associated with replacing an employee and it is better to invest in good employees than to go through a recruiting and hiring process.
- The actual cost differential between 2% and 3% salary increase is \$80,000. Department Heads believe it is essential in keeping employees.
- The revenue and expense projections are conservative (1.8% and 1.2% respectively).



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- If the ¼ cent fire sales tax is approved it will help the City's bottom-line.
- Sales tax revenues remain steady and should increase with the addition of the new CVS Pharmacy and Fresh Thyme and various new restaurants.
- The goal of this year's budget was to have zero positions added and the result is zero positions added to the General Fund.
- Street resurfacing is a top priority and an in-depth street pavement quality rating system to assist to identify street resurfacing priority order has been implemented.
- Water main replacement and electric distribution improvements will continue.
- Mr. Hawes believes the proposed budget is workable and is the result of careful planning during the last nine months.

#### **FIRE ¼ CENT SALES TAX FAQ DOCUMENT**

A very brief discussion ensued about the Frequently Asked Questions document. It was decided by the council that more information should be included on how the \$1.1M will be used if this amount will be dedicated to Fire Services. Staff will review the document and make revisions in this regard.

There being no further issues to come before the council, the meeting was adjourned.

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Betty Montañó, MMC/MPCC  
City Clerk