



WHERE COMMUNITY AND SPIRIT MEET®

## **WORK SESSION MINUTES**

A work session of the Kirkwood City Council was held on May 11, 2023 at 4:30 p.m. at Kirkwood City Hall, 139 S. Kirkwood Road, Kirkwood, Missouri. Present were Mayor Griffin, Council Members Duwe, Gibbons, Luetzow, Sears, Ward, and Zimmer. Also in attendance were Chief Administrative Officer Russell Hawes, City Attorney John Hessel, City Clerk Laurie Ashe, and Deputy City Clerk Bridget Waters.

### **APPROVAL OF THE MAY 4, 2023 WORK SESSION MINUTES**

Motion was made by Council Member Ward and seconded by Council Member Duwe to approve the May 4, 2023 Work Session minutes. The motion was unanimously approved.

### **CITY COUNCIL LAGERS QUESTIONS ANSWERED**

The City Council and Chief Administrative Officer Russell Hawes discussed answers to questions about LAGERS proposed at the April 6, 2023 work session. Some of the discussion is as follows:

- The City of Kirkwood is only one of four municipalities in the State of Missouri with defined contribution plans. This does not indicate that all other municipalities participate in LAGERS.
- A defined benefit plan is not recommended by Administration.
- The City of Kirkwood is only responsible for Kirkwood's obligation if other cities do not meet their obligations.
- If the City of Kirkwood were unable to meet their obligation, then the City would be in default.
- If there are any shortfalls in the City meeting their obligation, the City would be required to contribute an additional 1%.
- The number of years of employment to become vested in LAGERS is five years.
- The benefit level can be adjusted every two years. However, in the case of an emergency, it may be adjusted prior to the two -year mark. But, if a benefit level is changed prior to the two-year mark, then it cannot be changed again for another two years.
- Premiums could not be changed unless benefit levels are adjusted.
- Rates can be changed yearly.
- Expenses would be evaluated yearly with the budget process.
- The additional cost to the City to join LAGERS would be approximately \$180,000/or 8%.
- Employees would be required to contribute 4% to LAGERS.
- New employees would be required to join LAGERS upon employment. However, current employees, who will also be required to join LAGERS, would be able to keep their deferred compensation funds, unless they choose to use those funds to buy years of service in LAGERS.
- If an employee resigns or is terminated prior to being vested in LAGERS, any funds they contributed towards the plan would be reimbursed to that employee. However, any contributions made by the City of Kirkwood would stay with the City.
- The Police and Fire retirement plan would not be changed with Civilians moving to LAGERS. The Police and Fire retirement plan is set by the Charter and



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cannot be changed without voter approval.

- If a future council decides that LAGERS is not the best option for the City, they may reduce the benefit level to the minimum contribution and have a supplemental plan.
- It was requested that Administration investigate further the claim made by a Citizen Finance Committee member regarding the member being able to write a plan that does what LAGERS does.
- The Library, Special Business District, and Kirkwood House are not Civilian employees, and would be not be included in LAGERS.
- Administration believes that the greatest benefit to the City if LAGERS is adopted would being able to provide the right compensation in the most efficient way; and allowing employees to retire, which would improve the City's health insurance and worker's compensation. Chief Administrative Officer Russell Hawes stated for the record that he believes LAGERS is what is best for the City of Kirkwood.
- The biggest downside to the City joining LAGERS would be taking on additional risk. However, Administration believes the risk is small.
- Mayor Griffin stated that the deadline for a Council decision on LAGERS still remains July.

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

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Laurie Asche  
City Clerk