



**UNOFFICIAL DRAFT**  
**MINUTES OF THE BOARD OF ALDERMEN MEETING**  
**CITY OF BALLWIN – 300 Park Drive**  
**March 14, 2016**

**STATEMENTS ATTRIBUTED TO INDIVIDUALS IN THIS “DRAFT” ARE NOT VERBATIM QUOTES. THE MINUTES OF THIS MEETING ARE REPORTED IN SUMMARY. THIS IS AN “UNOFFICIAL DRAFT VERSION” OF THE MEETING MINUTES. DRAFT VERSIONS OF MINUTES ARE SUBJECT TO REVIEW, MODIFICATION, AND APPROVAL OF THE BOARD OF ALDERMEN.**

**THE MINUTES ARE PREPARED IN SUMMARY TO REFLECT THE OVERALL DISCUSSIONS, NOT VERBATIM QUOTES.**

The meeting was called to order by Mayor Pogue at 7:00 p.m.

*Roll Call*

PRESENT

ABSENT

Mayor Tim Pogue  
Alderman James Terbrock  
Alderman Michael Finley  
Alderman Kevin Roach

Alderman Mark Stallmann

Alderman Frank Fleming  
Alderman Jim Leahy  
Alderman Ross Bullington  
Alderman Kathy Kerlagon  
City Administrator Eric Hanson  
City Attorney Robert E. Jones

The Pledge of Allegiance was given.

## MINUTES

The Minutes of the *February 22, 2016 Board of Aldermen meeting minutes* were submitted for approval.

*A motion was made* by Alderman Fleming and seconded by Alderman Roach to amended Alderman Terbrock’s comment in the minutes from February 22, 2016 Board Meeting, found under the discussion of the North Pointe Tables in the section titled Staff Reports to read as follows “Alderman Terbrock asked if the powder coating was not holding up as well as the plastic coating.” and to approve the amended minutes. A voice vote was taken with a unanimous affirmative result and the motion passed.

*A motion was made* by Alderman Fleming and seconded by Alderman Roach to approve the *February 22, 2016* Board of Aldermen meeting minutes as amended . A voice vote was taken with a unanimous affirmative result and the motion passed.

# PRESENTATION

## GASB 68

### Accounting & Financial Reporting for Pensions

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Finance Officer Denise Keller spoke to the Board about the implications of the City's adoption of GASB 68 for financial reporting purposes. The changes required by GASB 68 will be reflected in the 2015 audited government-wide financial statements.

Under the current reporting standards a net pension obligation, which is a liability, is reported on the financial statements only to the extent that an entity is behind on its annual pension contributions. For Ballwin, this liability in 2014 was \$172,250. Under GASB 68 standards however, entities must report a pension liability for the entire underfunded status of their plans. This is called a Net Pension Liability and is the liability for projected benefits attributable to past service minus the fair market value of assets. This number is to be reflected on the Statement of Net Position as a liability if negative and as an asset if positive. The change in Net Pension Liability (Asset) from year to year is reflected as an expense.

Ballwin is a member of LAGERS and its pension is separated into two divisions – one for general employees and one for police. The police have a separate division in part because they joined LAGERS at a much later date. As of the last actuarial valuation at 2/28/15 the general division was overfunded by \$2,155,683, or 121.4% and the police division was underfunded by \$845,037, or 49.7%. Because the two divisions combined reflect a net overfunded status, the City will record a net pension asset under GASB 68. This will require a restatement of beginning of year net position.

Many factors influence the calculation of the net pension liability (asset) including:

- service cost
- interest on the net pension liability
- projected earnings on plan investments
- the full effect of any changes in benefit terms
- amortization of deferred inflows/outflows of resources based on
  - changes in economic and demographic assumptions
  - differences between assumptions and actual experience
  - differences between expected and actual investment returns

LAGERS' actuarial firm provides the City with all of the calculations it needs for meeting GASB 68 reporting requirements. Additional disclosures in the footnotes to the financial statements are also required and will expand the LAGERS footnote from two pages currently to four pages.

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Alderman Roach asked what year the police department joined LAGERS. Ms. Keller said the department joined in 2012. Alderman Roach asked if the City merged the two accounts, what the total unfunded pension liability would be. Ms. Keller responded that between the two accounts Ballwin has a net pension asset of about 2.9 million dollars. Ms. Keller added that the numbers are a representation of the account activity in 2014 if it had been recorded according to the GASB 68 rules. She stated that the 2015 data is not yet available.

Alderman Fleming asked Ms. Keller if it is correct that even though these funds are being reported as an asset, it is not really an asset for the City. This is how these funds now have to be treated from an accounting standpoint. Ballwin was not required to report these funds in this way before. Ms. Keller confirmed this and added that the City can't do anything with these funds even though they are being labeled an asset.

Alderman Terbrock asked if the deficiency will be made up over time for the police department. Ms. Keller confirmed it would. The City's contribution towards the police department's pension is at a higher rate than the general employees in order to get that group caught up. She was unsure of how long it will take for the police department to catch up but would look into this and report back.

Mayor Pogue stated the rate of contribution is reevaluated every year. Ms. Keller added that the reevaluation is done after the actuarial evaluation and includes factors such as changes in the census, and in accordance with any updates and assumptions in the performance of investments. Mayor Pogue stated this is done for each individual city in LAGERS based upon its financial situation. This is not done on an institution-wide basis. He added that LAGERS keeps a separate account for each member political subdivision.

Alderman Roach stated that he was interested in knowing when the police departments account would be caught up to the other account. He also complimented Ms. Keller on her good work.

Alderman Terbrock asked if it would be hard to determine the year the Police department account would be caught up if the amount is adjusted each year. Ms. Keller said she would look through the actuarial information and see if it is stated or indicates when the police department will be caught up. If it doesn't she could provide a trend from 2014, 2015 and 2016 to illustrate the progress the City is making in order to get the police department caught up.

## **NEW BUSINESS**

### **LEGISLATION**

*Next Ordinance # 16-11*

#### **BILL NO. 3920 LOG HILL LANE STREET ACCEPTANCE**

*A motion was made* by Alderman Fleming and seconded by Alderman Leahy for a first reading of Bill No. 3920. A voice vote was taken with a unanimous affirmative result and Bill No. 3920 was read for the first time

*A motion was made* by Alderman Fleming and seconded by Alderman Terbrock for a second reading of Bill No. 3920. A voice vote was taken with a unanimous affirmative result and Bill No. 3920 was read a second time.

A roll call vote was taken for passage and approval of Bill No. 3920 with the following results:

Ayes – Aldermen Fleming, Terbrock, Roach, Bullington, Leahy, Finley Kerlagon;

Nays -- None.

Bill No. 3920 was approved and became **Ordinance No. 16-11**

#### **BILL NO. 3921 SPECIAL USE EXCEPTION FOR BONE AUTO GLASS**

**A motion was made** by Alderman Fleming and seconded by Alderman Leahy for a first reading of Bill No. 3921. A voice vote was taken with a unanimous affirmative result and Bill No. 3921 was read for the first time

Alderman Roach stated he read the minutes from the Planning & Zoning meeting and thought the Mayor's comment regarding the S.U.E. conditions from the 90's, especially regarding the irrigation issues and screened dumpster, was valuable and he is pleased to see this much attention to this S.U.E. review. He stated he supported this bill.

**A motion was made** by Alderman Fleming and seconded by Alderman Bullington for a second reading of Bill No. 3921. A voice vote was taken with a unanimous affirmative result and Bill No. 3921 was read a second time.

A roll call vote was taken for passage and approval of Bill No. 3921 with the following results:

Ayes – Aldermen Fleming, Bullington, Kerlagon, Terbrock, Roach, Leahy, Finley;

Nays -- None.

Bill No. 3921 was approved and became **Ordinance No. 16-12**

## CONSENT ITEMS

*Budgeted items which are low bid and do not exceed expenditure estimates and/or items which have been previously approved in concept.*

- a. INSPECTION VEHICLE PURCHASE
- b. RAMSEY BRIDGE REPLACEMENT
- c. PUBLIC WORKS TRUCK PURCHASE
- d. POLICE DEPARTMENT FLEET VEHICLE PURCHASE
- e. WILDWOOD PASSES
- f. 363 CHAMPION WAY BUILDING 3 EASEMENT VACATION

The Board removed items D and F from Consent Items for further discussion.

**A motion was made** by Alderman Fleming and seconded by Alderman Leahy to accept Consent Items A, B, C and E. A voice vote was taken with a unanimous affirmative result and the motion passed.

## MAYOR'S REPORT

**Municipal League:** The Municipal League will meet on March 24<sup>th</sup> at Black Jack's City Hall. Mayor Pogue stated a representative from MSD will be speaking on behalf of the MSD Proposition that will be on the April Ballot.

**Ballwin Recognition:** Mayor Pogue announced Ballwin was recognized as the second best city in Missouri to live in by Best Places Now. Ballwin was also listed as the fifth best suburb in St. Louis by Movato.

**Home Owner's Association Trustee Meeting:** Mayor Pogue thanked the Board and staff for attending the first Ballwin Home Owner's Association meeting on March 9<sup>th</sup>. He stated the response was positive among the trustees that attended. Based on feedback and discussions, the group would like to meet again in six months.

**Regional Justice Information System (REJIS):** REJIS has created a website similar to Case.net. City Attorney Jones explained that the website is designed to allow users the ability to search by a defendant's name, court date, and/or by jurisdiction. He stated there are only a few municipal courts that were in the Case.net format. This is a new public information database and is a result of a detailed sunshine request St. Louis County received last year from the St. Louis Post Dispatch. A series of negations from Missouri Supreme Court's operating rules committee led to this database. Attorney Jones added that this saves court officials, administrators and police departments a lot of time in terms of not having to produce these documents when requested individually. It also serves a dual purpose of letting the defendants know when they are due in court. He also mentioned that this will only backdate to include 2015 data and will not go back to 2014.

**Board of Aldermen Workshop:** Mayor Pogue asked the Board to begin looking at dates towards the end of April to conduct an Aldermanic Workshop. The meeting will take place after the elections and will most likely be held on a Saturday.

## CITY ADMINISTRATOR'S REPORT

**Discussion on Consent Item D:** Alderman Finley thanked Interim-Chief Kevin Scott for the detailed fleet assignment memo. He asked if the general consensus from his officers showed a preference towards the Ford vehicle verses the Chevy.

Interim-Chief Scott stated that his officers preferred the Ford vehicles over the Chevy.

City Administrator Hanson stated he had asked for a comprehensive fleet analysis of the entire police fleet. This would allow the department to identify opportunities to better utilize vehicles within the groupings.

*A motion was made* by Alderman Finley and seconded by Alderman Leahy to accept Consent Item D. A voice vote was taken with a unanimous affirmative result and the motion passed.

**Discussion on Consent Item E:** Alderman Roach asked if this has happened before. City Planner Tom Aiken stated that in his time with the City, he doesn't remember this kind of situation ever happening.

City Attorney Jones stated that the utility companies will need to vacate their rights or show they have no facilities within the easement. Once that happens then an easement vacation can be granted by Ballwin. Ballwin should not vacate the easement until documentation showing that the utility companies have vacated their rights to the easement has been presented. Once the documentation has been received the City can vacate the easement.

Alderman Fleming asked how this could have occurred and asked when the City vacates the rights to the easement, if Ballwin is vacating the whole area or just a portion.

City Planner Aiken explained that he is not sure how or why the builders built into the easement but he noted that it's just the little area represented with a hachure mark on the supplied map that will be vacated. It is not the whole easement.

Alderman Roach stated he was going to recommend that the City receive something in writing stating that the utilities had been vacated. He also asked who the developer for the property was.

City Attorney Jones responded that the original developer went belly up and the current developer is the subsequent developer who is in the process of completing the project.

Jason Lowry, from the Manors of Hill Trail Development Company, which is a subsidiary of E404 Construction, explained when the plans were submitted, the porches were not included on the foundation plan. He stated that was the reason the easement encroachment was missed. He stated the utilities had vacated the easement and the company was only asking for three foot of the ten foot easement to be vacated.

Alderman Roach asked if an easement vacation instrument for the City to sign had been provided or prepared. City Attorney Jones and City Planner Aiken stated they did not receive any such instrument.

Alderman Roach asked who's responsibility it was to draft the instrument. City Attorney Jones stated he would have expected to receive the document from the petitioner.

Mayor Pogue stated the real estate or the development company would need to provide the instrument for the vacation of the easement at 363 Champion Way (Building 3) for the City to endorse. Ballwin should not draft or provide this type of instrument.

**A motion was made** by Alderman Finley and seconded by Alderman Terbrock to authorize the Mayor to sign the easement vacation after documentation from the utility companies stating their vacation to the easement has been presented. A voice vote was taken with a unanimous affirmative result and the motion passed.

**First Round of Ash Tree Removal Completed:** City Administrator Hanson informed the Board that with the joint efforts from the Public Works and the Park Departments, the first round of the ash tree removal has been completed. There have been signs that the infestation has reached further south than originally anticipated. This suggests the infection is spreading much quicker than projected. The trees north of Manchester Road have been removed and the stumps have been ground. The focus will now be on street trees to the South of Manchester Road. City Administrator Hanson stated that Ballwin will continue its efforts until all infested City trees have been removed.

**Proposition B:** City Administrator Hanson stated he will begin education on the Use Sales Tax. If the City does not pass this proposition, funding for the City and programs will be greatly affected. The failure of this proposition will also put our local dealerships at a competitive disadvantage. Additional information about this proposition will be available at the Government Center and on Ballwin's website.

**Home Owner's Association Meeting:** City Administrator Hanson thought this meeting was a great success and that the City will schedule another meeting in the fall. He complimented Jim Erickson of West News Magazine for great coverage on what he thought was a very worthwhile meeting and looks forward to doing so again in the future with his assistance.

## ALDERMANIC COMMENTS

**Alderman Finley** congratulated Hunter Barends of Ward 1 for successfully making the Marquette High School Freshman Baseball Team, along with Jim Lieber's step-son Brayden and Aldermen Finley's son

Trevor Finley. As a resident of Ballwin, he wanted to thank everyone one who preceded the current Board and City leaders who developed and dedicated their time in developing the Pointe because he was able to see a young man work really hard to accomplish this goal of his. He got himself to the point to utilize the weight room and even inspired his dad to join him.

**Alderman Leahy** wanted to reiterate what City Administrator Hanson said about the public being appreciative about the tree stumps being taken out.

*A motion was made* by Alderman Fleming and seconded by Alderman Roach to adjourn the Board of Aldermen Meeting. A roll call vote was taken with a unanimous result, and the meeting was adjourned at 7:43 p.m.

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TIM POGUE, MAYOR

ATTEST:

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ERIC HANSON, CITY ADMINISTRATOR

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Updated: **March 18, 2016**