



Finance & Administration Committee

Session Minutes

November 14, 2016 at 6:30 p.m.

300 Park Drive – Donald “Red” Loehr Police and Court Center

The minutes are prepared in summary to reflect the overall discussion – not verbatim quotes.

The Finance & Administration Committee Meeting was called to order at 6:02 p.m. by Alderman Frank Fleming.

In attendance were Aldermen Jimmy Terbrock, Michael Finley, Kevin Roach, Mark Stallmann, Jim Leahy and Raymond Kerlagon.

Also in attendance were City Administrator Eric Hanson, City Attorney Robert Jones, Finance Officer Denise Keller, Human Resource Coordinator Haley Morrison, City Clerk Abigail Johnson, and Finance Clerk Kathy Medlin.

Alderman Fleming announced the Agenda provided has been amended to remove the item on the September quarter financial statements – General Funds. The meeting’s discussion would include the Sewer Lateral Repair Program and if time allowed the Purchasing Policy would be discussed.

Sewer Lateral Repair Program

Finance Officer Keller provided information in regards to the Sewer Lateral Repair Program. A discussion took place on possible options that might be available to increase funds in order to allow residents a quicker return or to cover payment should they have their sewer lateral repaired.

Based on the amount received from the special assessment sewer lateral tax, typically only 100 residents can be reimbursed at one time.

Currently there are 70 approved applicants for the program who have been placed on a waiting list for 2018 funds to become available for reimbursement.

It was discussed to take this issue to the voters and ask if they would want to increase the special assessment sewer lateral tax in order to increase funds and provide money to more applicants. Currently the special assessment sewer lateral tax is \$28 and can be raised to not exceed \$50.

City Administrator Hanson added that there is a private company that partners with cities, similar to that of an insurance company, where if the homeowner signs up for the program they will be covered for repair on any service line running up to their house. This would eliminate the City’s involvement with the approval process for the repair program.

Overall, the Board did not think there was a problem with the way the ordinance is written and did not think the insurance program was in the best interest of residents. The only way to increase the number of applicants that can be reimbursed timely would be to increase the special assessment sewer lateral tax.

Alderman Finley stated he would be interested in finding out how many houses in Ballwin still have the original clay pipes and how many have been replaced.

Alderman Terbrock suggested that if special assessment fees were to be raised that an outline be provided for how long the fees would be raised in order to even out the amount of repairs being done and the sewer lateral funds available.

There was no time for a discussion on the purchasing policy.

Alderman Frank Fleming adjourned the Committee meeting at 6:59 p.m.

ATTEST:

ERIC HANSON, CITY ADMINISTRATOR

A Johnson

TIM POGUE, MAYOR

Updated **November 16, 2015**



UNOFFICIAL DRAFT
MINUTES OF THE BOARD OF ALDERMEN MEETING
CITY OF BALLWIN – 300 Park Drive
November 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 President of the Board Alderman Fleming at 7:02 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 Raymond Kerlagon
City Administrator Eric Hanson
City Attorney Robert E. Jones

The Pledge of Allegiance was given.

MINUTES

The Minutes of the *October 24, 2016 Board of Aldermen Budget Session meeting minutes* were submitted for approval.

A motion was made by Alderman Stallmann and seconded by Alderman Bullington to approve the October 24, 2016 Board of Aldermen Budget Session meeting minutes as presented. A voice vote was taken with a unanimous affirmative result and the motion passed.

The Minutes of the *October 24, 2016 Board of Aldermen meeting minutes* were submitted for approval.

Alderman Finley made a motion to amend the minutes to include his and Alderman Bullington’s comments under Staff reports in the discussion for the Pointe’s Recreation Fees. Their comments should read as follows:

Alderman Finley suggested that such a discounted rate be tied to the rates of seniors.
Alderman Bullington suggested there also be a discounted rate for first responders.

A motion was made by Alderman Finley and seconded by Alderman Bullington to approve the October 24, 2016 Board of Aldermen meeting minutes as amended and approved as submitted. A voice vote was taken with a unanimous affirmative result and the motion passed.

The Minutes of the *October 24, 2016 Board of Aldermen Closed Session meeting minutes* were submitted for approval.

A motion was made by Alderman Stallmann and seconded by Alderman Finley to approve the October 24, 2016 Board of Aldermen Closed Session meeting minutes as presented. A voice vote was taken with a unanimous affirmative result and the motion passed.

NEW BUSINESS

LEGISLATION

BILL NO. 3942 PARKS & RECREATION FEES

A motion was made by Alderman Bullington and seconded by Alderman Stallmann for a first reading of Bill No. 3942. A voice vote was taken with a unanimous affirmative result and Bill No. 3942 was read for the first time

A motion was made by Alderman Roach and seconded by Alderman Kerlagon to amend the ordinance to include "Military, Police, Fire" in the tables where "Seniors" was also listed.

A motion was made by Alderman Bullington and seconded by Alderman Leahy for a second reading of Bill No. 3942. A voice vote was taken with a unanimous affirmative result and Bill No. 3942 was read a second time.

A roll call vote was taken for passage and approval of Bill No. 3942 with the following results:
Ayes – Aldermen Terbrock, Finley, Roach, Stallmann, Fleming, Leahy, Kerlagon, Bullington;
Nays -- None.
Bill No. 3942 was approved and became **Ordinance No. 16-30**

BILL NO. 3943 HOLLOWAY & KEHRS MILL RD INTERSECTION STUDY

A motion was made by Alderman Stallmann and seconded by Alderman Leahy for a first reading of Bill No. 3943. A voice vote was taken with a unanimous affirmative result and Bill No. 3943 was read for the first time

Alderman Finley asked how this issue to conduct a study came up.
City Administrator Hanson stated the city had submitted last year under the federal funds program to do improvements along Holloway up to Baxter. The City missed out on this opportunity because in the past 13 months there have been two rollover accidents and many collisions at this intersection. The hopes of conducting this safety and traffic study at this intersection is to combine the project into one complete road project and score higher for federal funding.

A motion was made by Alderman Terbrock and seconded by Alderman Finley for a second reading of Bill No. 3943. A voice vote was taken with a unanimous affirmative result and Bill No. 3943 was read a second time.

A roll call vote was taken for passage and approval of Bill No. 3943 with the following results:
Ayes – Aldermen Bullington, Kerlagon, Leahy, Fleming, Stallmann, Roach, Finley, Terbrock;
Nays -- None.

Bill No. 3943 was approved and became **Ordinance No. 16-31**

BILL NO. 3944 ESSEN ESTATE FIRE HYDRANT

A motion was made by Alderman Finley and seconded by Alderman Stallmann for a first reading of Bill No. 3944. A voice vote was taken with a unanimous affirmative result and Bill No. 3944 was read for the first time

Alderman Roach asked if the final plat layout has been done. Public Works Director Gary Kramer stated the street is in place, except for the top layer, but the curb, gutters and asphalt base are in place. Alderman Roach asked if the park space or Recreation fee was resolved. Mr. Kramer stated he believes they paid it otherwise they would not have received the approval.

Alderman Terbrock asked why the City was just receiving this request. Mr. Kramer stated this was initiated by the water company who goes through the fire district.

Alderman Kerlagon given the lack of a fire hydrant, does this pose a risk for a fire hazard and is it possible there a places where a fire hydrant should be but isn't. City Administrator Hanson stated that is a good question and the City had just received this request on Thursday. This is not uncommon for the City to receive these requests from the fire district. He was not sure how the fire department determines where a fire hydrant is needed.

A motion was made by Alderman Bullington and seconded by Alderman Kerlagon for a second reading of Bill No. 3944. A voice vote was taken with a unanimous affirmative result and Bill No. 3944 was read a second time.

A roll call vote was taken for passage and approval of Bill No. 3944 with the following results:
Ayes – Aldermen Terbrock, Finley, Roach, Stallmann, Fleming, Leahy, Kerlagon, Bullington;
Nays -- None.

Bill No. 3944 was approved and became **Ordinance No. 16-32**

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. E-CITATION IMPLEMENTATION

This item was discussed under City Administrator's Report

CITY ADMINISTRATOR'S REPORT

City Administrator Hanson stated the Police Department will be going through the credential process on Tuesday, November 15th. He wished the Chief and the staff involved good luck.

City Administrator Hanson announced that Ballwin has been recognized once again as one of the safest cities in Missouri. Safewise has rated Ballwin at #3 for safest cities in Missouri. Value Penguin listed Ballwin at #3 in the top five safest cities in Missouri and #1 safest city for the largest city in the state of Missouri.

Breakfast with Santa will take place on Saturday, December 10th at the Golf Course. City Administrator Hanson added he thinks this is a great fun event and you are able to register online.

Staff provided City Administrator Hanson with a draft of the Ballwin Life Magazine. He is very excited for its debut in January and is interested in the feedback. He added that if there are any edits to be made that they be made in the next few days since the magazine will go to the printer in the next week or two.

Consent Item:

a. E-CITATION IMPLEMENTATION

A motion was made by Alderman Roach and seconded by Alderman Terbrock to accept the Consent Items. A voice vote was taken with a unanimous affirmative result and the motion passed.

Alderman Fleming stated he wanted to discuss the current purchasing policy with the Board since there seems to be some dissonance in the requirements of the bidding process and what would require a bid if there is a state bid available.

Sec. 2 – 4.5 is where the conflict lies for coop bids with other cities.

A discussion took place in regards to the City's purchasing policy. City Attorney Jones and City Administrator Hanson will provide a draft of the discussed changes to the purchasing policy as it pertains to Sec. 2-4.5 of the Code of Ordinances for the Board to review and to discuss further.

STAFF REPORTS

BUDGET UPDATE

Finance Officer Denise Keller provided the Board with a revision of the street budget.

Alderman Roach asked if the 2017 revenue will cover the expected expenses for the street budget. City Administrator Hanson stated he does not expect a shortfall in the anticipated revenue. Alderman Roach stated the revisions look great.

Ms. Keller added that since the budget was put together a little earlier than usual, other expenses have trickled in.

Alderman Terbrock stated he thought it was pretty amazing that the City could double its street repairs without having a revenue windfall. He was very appreciative of this part of the 2017 budget.

Presiding Alderman Fleming announced that Pursuant to Section 610.021 [13] RSMo, the board will meet in closed session regarding personnel.

Adjourn to Closed Session: A motion was made by Alderman Stallmann and seconded by Alderman Bullington to adjourn to closed session to discuss litigation. A roll call vote was taken with the following results:

Ayes: Aldermen Terbrock, Finley, Roach, Stallmann, Fleming, Leahy, Bullington, Kerlagon

Nays: None

The motion passed to adjourn to closed session at 7:39 p.m.

The Board reconvened in open session at 8:11 p.m.

Reconvene to Open Session: A motion was made by Alderman Kerlagon and seconded by Alderman Bullington to reconvene to open session. A voice vote was taken with a unanimous affirmative result and the motion passed.

Presiding Alderman Fleming reconvened the open session and stated no official action was taken in the closed session.

ALDERMANIC COMMENTS

Alderman Terbrock complimented the owners of Ballwin Oaks Plaza on their improvements to the buildings. He stated it looks amazing and they did a great job.

Alderman Roach added that he spoke with Kurt Herman last year in regards to Ballwin Oaks Plaza and he was assured the plaza would look different.

A motion was made by Alderman Stallmann and seconded by Alderman Terbrock to adjourn the Board of Aldermen Meeting. A roll call vote was taken with a unanimous result, and the meeting was adjourned at 8:12 p.m.

TIM POGUE, MAYOR

ATTEST:

ERIC HANSON, CITY ADMINISTRATOR

A Johnson

Updated: **November 15, 2016**

MEMO

To: Mayor Pogue, Board of Aldermen

From: Denise Keller, Finance Officer

Date: November 22, 2016

Subject: 2016 Budget Amendment #2

As in previous years, staff has completed a comprehensive analysis of revenues and expenditures for the current year. Year-end estimates have been prepared and compared with the 2016 amended budget. While the budgets for many general ledger accounts are being amended, the overall position of the budget will improve.

Operating Budget:

Total amendments to revenue accounts are nominal, with a net decrease of \$612. Higher Pointe (\$81,200) and golf (\$65,800) revenues from user fees as well as additional collections attributable to prior years (\$111,000) are offset by lower gross receipts from utilities (\$223,400) and lower court fines (\$115,000). Business licenses are up \$51,000.

Expenditures are anticipated to decrease by \$882,695, which is 4.5% of total budgeted expenditures. Personnel costs account for \$497,426 of this reduction. Although workers compensation insurance has increased by \$39,155, full-time pay is being decreased by \$346,440 and part-time pay is being decreased \$40,270. Unbudgeted personnel changes to full-time positions are the

- Addition of an inspector trainee in anticipation of two inspector retirements in 2017
- Change from a part time inspections clerk to a full-time clerk
- Elimination of a police clerk
- Elimination of a police officer
- Elimination of a public works supervisor
- Change from a full time public works clerk to a part time clerk
- Elimination of the arborist

Additional savings were achieved through temporary position vacancies. Health insurance costs are down by \$78,400 due to personnel reductions, temporary vacancies and changes in employee's coverage elections.

Operations are yielding an additional \$385,269 of reductions in expenditures. Favorable contract awards on sidewalk and street replacement and the effect of efficiencies in those operations are saving \$159,269. A milder than expected snow season at the beginning of 2016 yields a savings in salt costs of \$41,726. Contractual tree maintenance is being reduced by \$61,000 with more of the work being done by staff with the new bucket truck. Additional reductions include:

- Savings of \$35,998 on truck and heavy equipment purchases

- Lower motor fuel costs (\$87,800)
- Lower utility costs, primarily electric (\$47,400)

These reductions are offset in part by the following increases in expenses:

- Golf carts approved for purchased in 2015 were not received until 2016 (\$9,714)
- Work Order and Mobile Inspections modules for New World software (\$46,542)

The net effect on the operating budget is to reduce the allocation of \$927,270 from assigned fund balance to \$45,187. Not all accounts with anticipated changes will be amended because individually the dollar amounts are too small, however, with these accounts included there is no allocation of assigned fund balance. 2016 estimated revenues over expenditures are anticipated to be \$48,400.

Capital Budget:

Expenditures for Ries Road Culvert easements were significantly lower than budgeted, and nearly half of Ramsey Lane Culvert engineering expenses are unspent in 2016 but deferred to 2017 and 2018. This reduction in expenses is offset by a corresponding 80% decrease in Stormwater Grant reimbursement revenue. Unbudgeted recreation contributions of \$56,600 were received from the Arbors at Reinke, Kehrs Mill Place and Ries Road Estates developments in lieu of land dedication.

Instead of using fund balance of \$219,116 and recreation escrow of \$64,000 to balance the budget we will use fund balance of \$133,031 and recreation escrow of \$10,000. Anticipated fund balance to be carried forward into 2017 is \$4,017.

TDD Budget:

Administrative fees are projected to be higher than budgeted by \$1,200 due to legal assistance received with the January review of the TIF bond issue. Because all net revenues are passed through to the special allocation fund for further transfer to the TIF bond trustee there is no fund balance.

Federal Asset Seizure Budget:

Revenues received from drug enforcement seizures are inconsistent from year to year and difficult to project. 2016 revenues at \$75,960 are the highest they have been in the past seven years. \$13,000 had been budgeted. Expenses are projected to be \$22,000 lower than budgeted for a net increase to fund balance of \$63,030.