



WHERE COMMUNITY AND SPIRIT MEET®

WORK SESSION MINUTES

A work session of the Kirkwood City Council was held on January 7, 2016, 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, City Clerk Betty Montaño, City Attorney John Hessel, and Public Information Officer Beth von Behren.

APPROVAL OF WORK SESSION MINUTES

Motion was made by Council Member Griffin and seconded by Council Member Jaksetic to approve the meeting minutes of December 17, 2015. The motion was unanimously approved.

DISCUSSION OF CAO'S BUDGET MESSAGE

Chief Administrative Officer Russell Hawes went over his Budget Message. Some of the issues discussed are as follows:

- The proposed budget is a balanced and workable outline for the expenditure of funds to continue the services that provide for public safety, welfare, and quality of life for the citizens of Kirkwood.
- The proposed budget contains a 3% across the board compensation adjustment, commensurate with market analysis, and a merit-based component of .5%.
- Working to incorporate performance measurement and analytical decision-making through all departments of the City. Will be working with all departments to compile meaningful data to set a baseline for their programs. This approach promotes accountability for results in the City's programs and services.
- Proposing new positions; City Forester, Assistant City Planner, Building Inspector, Administrative Assistant for the Street/Sanitation Departments, and a Custodian. These new positions will help strengthen quality of services and increase revenue.
- Council Member Ward joined the meeting.
- Able to keep health insurance costs increases to 2%. Georgia Ragland was recognized for her efforts in this regard.
- There is \$2.75 million proposed for street resurfacing in the proposed budget. A street resurfacing survey will be completed in the next fiscal year.
- A consultant is currently analyzing operations of the Sanitation Department and should have the results in April 2016.
- A discussion took place.
- This topic will be placed on a future work session agenda for further discussion.

DISCUSSION OF ELECTRIC RATES

Director of Electric Mark Petty and GDS Associates Consultant Chris Dawson were in attendance to present and discuss the proposed electric rates. A Power Point was presented. Some of the issues discussed are as follows:

- Rates have not been increased in three years.
- A 2.5% rate increase for 2016 and 2017 is being proposed.
- The rate increase would help fund Capital upgrades, restore fund balance, and help stay competitive with Ameren.
- With the current electric rates the Reserve Fund is being drawn down.
- The current condition of the distribution system requires capital upgrades that will cost an additional \$1.5 million per year for the next four years.



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- Even with a 2.5% rate increase the Kirkwood electric rates would still be lower than Ameren’s, and Kirkwood would still have better service and reliability.
- The proposed rate increase would give rate stability for years to come.
- A discussion took place.

MOTION TO CLOSE THE MEETING

Motion was made by Council Member Luetzow and seconded by Council Member Jaksetic to close the meeting pursuant to RSMo Chapter 610.021(2) Real Estate.

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	Absent
Council Member Ward	“Yes”

The meeting was closed. Council Member Sears joined the meeting.

MOTION TO OPEN THE MEETING

Motion was made by Council Member Jaksetic and seconded by Council Member Ward 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. There being no further issues to come before the council, the meeting was adjourned.

Betty Montañó, MMC/MPCC
City Clerk