



**MINUTES OF THE
CITY OF FRONTENAC
BOARD OF ALDERMEN
TUESDAY, MAY 18, 2010
PUBLIC HEARING**

The May 18, 2010, public hearing of the City of Frontenac was called to order at 7:07 p.m. with Mayor Keith Krieg presiding. The Aldermen present were Tom Hizar, John Wynne, Susan Durbin, and Margot Martin. Alderman Jon Serkes was absent.

Also in attendance were City Administrator, Bob Shelton; City Clerk, Leesa Ross; Fire Chief, Jack Trout; Police Chief, Tom Becker; Public Works Director, Jeff Wappelhorst; Building Commissioner & Zoning Administrator, John Morgan; Finance Officer, Julie O'Guinn; and City Attorney, Kevin O'Keefe.

1. AGENDA ITEMS:

Presentation of the budget for operation of the City of Frontenac, Missouri, for the fiscal year beginning July 1, 2010 and ending June 30, 2011.

Mr. Warren Winer, Chairman of the Ways & Means Committee was asked to present the budget by Mr. Shelton. Mr. Winer gave an overview of the budget and stated revenues are not what we hoped they would be however the City continues to have a budget reserve of \$5.3 million dollars.

Alderman Levis arrived at 7:10 pm.

Mr. Winer stated he is expecting the City to be short on revenues, however expenses have been contained. He stated the Ways & Means Committee is recommending a 1 ½% pay increase to all employees, as well as the employees picking up 10% of the employee portion of health care expenses. He stated currently the employees pay 40% for dependent care. He stated the pay increase would cost approximately \$45,000, and the cost of the employees paying for health care would come to approximately \$30,000. He said the net difference in the budget would be an extra \$15,000, which the City would be responsible for.

Alderman Wynne stated he is overwhelmed by the quality of work the Ways & Means Committee undertakes and stated they do a magnificent job. He stated he is concerned about an across the board pay raise, and stated it is convincing due to the employees being asked to pay a portion of health insurance. He said he is not convinced that we are compared accurately with our peer cities, as the Ways & Means Committee will look at peer cities next year, and stated the City needs data as to where we stack up. He would prefer the pay increase be a one-time adjustment instead of an across the board 1 ½% pay increase and would rather see a one-time payment to offset the cost of insurance.

Alderman Levis stated a 1 ½% across the board pay increase only costs the City \$45,000. He stated

he understands the notion of employee participation in health care should be introduced however he has no problem granting the 1 ½% pay increase. He stated he feels it is an insignificant amount and would send a negative message to the employees.

Mr. Winer addressed long-time revenue goals. He stated the Ways & Means Committee has reviewed sales tax revenues and have determined that no discernable trends have been set. He also said revenues are not up to the historical levels and revenues from court fines are substantially lower, as well as interest income and business licenses. He said he hopes interest rates come back to normal, as well as sales tax. He said long-term does not look terrific after several years, and stated the reserves fall below 50% after three years. He also said the City will soon move into a negative situation. He stated he hopes revenues can rebound and stated expenses are being well managed and controlled.

Alderman Levis and Alderman Hizar thanked Mr. Winer for the hard work he does and thanked the Ways & Means Committee for a wonderful job they do. They also thanked Mr. Shelton and Ms. O'Guinn for the work and time they put into preparing the budget.

Mayor Krieg asked for a motion to adjourn the public hearing.

MOTION: Alderwoman Martin motioned and Alderwoman Durbin seconded the public hearing be adjourned. All Aldermen present voted "Aye." The vote was unanimous. **MOTION PASSED.**

2. **ADJOURNMENT:** Public Hearing adjourned at 7:28 p.m.