

**MINUTES OF THE  
CITY OF FRONTENAC  
WAYS AND MEANS COMMITTEE  
THURSDAY, AUGUST 18, 2005 7:00 P.M.**

**A. CALL TO ORDER**

The August 18, 2005 meeting of the Ways and Means Committee of the City of Frontenac was called to order at 7:02 P.M.

**B. ROLL CALL**

The following Committee members were present: Chairman Warren Winer, Henry Dubinsky, Jeanne Pfister, Becky Brown, John Jordan, Alderman Keith Krieg and Treasurer Ronald Tennenbaum. Mark Kiehl was not in attendance.

Finance Officer Michael Hilburg noted that there was a quorum.

**C. APPROVAL OF AGENDA:**

**MOTION:** Alderman Krieg motioned and Mr. Dubinsky seconded approval of the agenda without revision. All members present voted in the affirmative. **MOTION PASSED.**

**D. APPROVAL OF MINUTES:**

**MOTION:** Ms. Pfister motioned and Mr. Dubinsky seconded approval of the minutes of the May 18, 2005 Special Meeting, the May 26, 2005 Special Meeting and the June 7, 2005 Special Meeting of the Ways & Means Committee. All members present voted in the affirmative. **MOTION PASSED.**

**E. PUBLIC FORUM (PRESENTATION OF REMARKS AND/OR PETITIONS)**

Jonathan Serkes of 22 Vouga Lane stated that the Committee was swamped at the start of their tenure, so he took it upon himself to look at health insurance matters. Mr. Serkes continued that with the assistance of John Byrnes he created proposals for the City to save money on health insurance, including a policy where City employees are liable for a \$1,000 deductible, which would save the City over \$100,000 per year. Mr. Serkes furthered that if the City wished to change to a deductible plan that would be cost neutral to the employees, where the City would reimburse the employees for their deductible, the City would save between \$80,000 and \$92,000. Additionally, Mr. Serkes stated that if it would create an overbearing burden on the City, John Byrnes stated that for a fee he would handle employee deductible reimbursements.

Chairman Winer replied that he saw similar proposals from the City's insurance broker, but because of the time crunch the decision was made to stay with the same plan. Additionally, Chairman Winer mentioned that the City went through the underwriting process with GHP and United Health and ultimately BlueCross BlueShield's rates were significantly lower. Mr. Winer concluded that next year the City Administrator will analyze the City health insurance possibilities to determine the optimal plan

Mr. Jordan stated that he is concerned that the City Administrator will be overburdened with all of the City's problems and as a result health insurance will be put off until the last minute.

Mr. Dubinsky replied that he is not aware of any business that has zero deductible health insurance and that since employees are so concerned with salary equity compared to other municipalities, benefits should be considered as well. Mr. Jordan concurred with Mr. Dubinsky.

Mr. Jordan questioned Mr. Serkes if the long-term plan for the municipal complex was ready.

Mr. Serkes replied that the Public Works Commission just received reports regarding the decay of the Fire Department's building; when the Police and Fire Department consulting reports are completed the Public Works Commission will begin working on a long-term plan.

Mr. Jordan inquired if Mr. Serkes, as a member of the Public Works Commission, knew why the actual costs to repave Clayton Road were significantly less the estimated and budget level.

Mr. Serkes responded that he is assuming the consultants sandbagged the City, because the actual costs were almost half of what they told the Committee.

Mr. Dubinsky stated that Mr. Serkes and the Public Works Commission should investigate why the costs were so much lower than anticipated.

**F. COMMENTS BY COMMITTEE MEMBERS:**

Mr. Dubinsky stated that attention should be drawn to AmerenUE's easements; because Ameren is not properly maintaining their easements many residents lost power. Mr. Dubinsky suggested that the City take action and consider either fronting Ameren the funds necessary to clear the growth from around the wires or threaten not to renew Ameren's franchise agreement to operate within the City.

Alderman Krieg replied that this problem was discussed at the Board meeting and Mayor Murray stated that she will discuss the problem with Ameren and the Public Service Commission.

Mr. Jordan responded that Ameren is blaming this outage on trimming alone, but when huge trees fall and knock out power to several blocks trimming would not have eased the problem. Mr. Jordan continued that the problem was Ameren's awful response and logistic problems.

Mr. Dubinsky stated that when he was active in Creve Coeur politics they partnered with MSD to accomplish jobs quicker. Mr. Dubinsky added that when a City offers even a little bit of money, it goes a long way to encourage utilities.

**G. CHAIRMAN'S COMMENTS:**

Chairman Winer welcomed the Committee back following their two month break and thanked them for their service.

**H. REVIEW AND DISCUSS FINANCIAL REPORTS:**

*June & July 2005:*

The Committee reviewed and discussed the June and July 2005 financial reports.

Finance Officer Hilburg asked the Committee if there are other items they would prefer to see on the financial reports.

Mr. Jordan stated that he would like comparison data to last year's expenditures on the report.

**I. OLD BUSINESS:**

*Voice vote to confirm authorization of Fire Department purchase of SCBA Masks*

Finance Officer Hilburg stated that at Fire Chief Jack Trout's request he conducted a poll vote for the Committee approval of SCBA Masks, since they are urgent life-saving equipment; the result of the poll vote was affirmative. Finance Officer Hilburg continued that he would request a motion to confirm that vote.

**MOTION:** Alderman Krieg motioned and Mr. Dubinsky seconded approval of the Fire Department's purchase of SCBA Masks. All members present voted in the affirmative. **MOTION PASSED.**

Chairman Winer noted that Mayor Murray had given the Police and Fire Departments the authorization to purchase some capital equipment, such as computers.

*Evaluation and recommendation on Section 140.040.A of the ordinance book of the City of Frontenac*  
Finance Officer Hilburg reviewed the current situation regarding Section 140.040 of the City's ordinance book with the Committee, stating that the current regulations are outdated; overly restrictive; and cause lengthy delays in paying some vendors, especially when the Board of Alderman has already authorized payment through a contract. Finance Officer Hilburg suggested that the Committee recommend to the Board of Alderman that the \$2,500 limit be raised and that the ordinance be altered so that if the Board of Alderman has approved a contract with specified payment terms the finance department would not need to wait for the warrant list to be approved before mailing a check.

Mr. Jordan stated that the changes are fine with him, but that he would like the corresponding department head to authorize the expenditure before it is paid.

Alderman Krieg mentioned that raising the \$2,500 to \$5,000 would be suitable because the rate has not been altered since 1997.

Ms. Pfister stated that she has no problems with the proposal, assuming it does not apply to final payment, is only for the original contract and is only for the original contracted amount.

Finance Officer Hilburg replied that he would meet with the City's attorney and create a written policy integrating the Committee's concerns and the desired goals.

*Review of Final 2004-2005 Revenues and Expenditures compared to assumptions used in budgeting for 2006*

Chairman Winer asked if any Committee members had further questions, stating that this issue had been thoroughly addressed while review the financial reports.

*Discussion of Long-range planning, including Investment Plan and Fund Reserve Balances*

Chairman Winer questioned Alderman Krieg if the Board of Aldermen has begun to formulate any long range planning.

Alderman Krieg stated that he has not heard of any long range planning that is currently taking place, but that any plan would start in the Public Works Commission.

Chairman Winer stated that he wanted to create a plan to help with the determination of proper reserve levels, long-term spending and other related financial concerns. Chairman Winer continued, stating that the City needs to create a long range plan to ensure a stable financial future.

Mr. Dubinsky mentioned that he would like a long range financial plan created by the beginning of next year's budget process, so that spending and reserve levels can be kept in check.

Mr. Jordan stated that the City should create a financial model now, so that when the Public Works Commission decides on projects those expenses can be simply plugged into the equations.

Alderman Krieg confirmed with the Committee that the major capital expense issues are the municipal complex; stormwater issues; and road maintenance, including repaving plans and the West End Park lawsuit.

Ms. Pfister questioned when the Police and Fire Department consultant reports will be released, stating that these reviews will help with municipal complex's long range planning.

Alderman Krieg replied that the reports have been received and will be available for the September Board of Alderman meeting.

Chairman Winer stated that he, along with Finance Officer Hilburg, will meet with Mayor Murray and determine what a financial plan should contain. Chairman Winer furthered that he would like to have an outline for the financial model by the October Ways and Means meeting.

*Discussion and review of previous recommended Fraud Policy*

Finance Officer Hilburg reviewed the Fraud Policy with the Committee, stating that the prior Ways & Means Committee recommended it to the Board of Aldermen, but it was never on the Board's agenda. Finance Officer Hilburg furthered that it was one of the top recommendations from Hochschild Bloom, the City's prior auditing firm, and was also approved by the City's current auditors, Schowalter & Jabouri.

Mr. Jordan stated that he would like to make the City's attorney compliance officer, because a complaint should not be placed in the Mayor's inbox. Mr. Jordan fervently furthered that the process should be made as comfortable and confidential as possible.

Alderman Krieg suggested that the City Attorney be contacted regarding this matter.

Finance Officer Hilburg responded that he would forward this policy to Kevin O'Keefe, the City Attorney, for his review.

*Update on City Administrator, audit of Police and Fire, and steps for more broadly approving capital budget items for those departments*

Chairman Winer informed the Committee that the City has hired a Bob Shelton, the Assistant City Administrator and Economic Development Director for the City of Brentwood, to be Frontenac's City Administrator and his expected start date is September 6, 2005.

**J. SCHEDULE DATES FOR NEXT SPECIAL BUDGET MEETINGS:**

Chairman Winer inquired if any issues, other than the Police and Fire Department reports, required urgent discussion, otherwise he would recommend postponing the September meeting.

Ms. Pfister stated that because of the timeline surrounding the purchase of police cars, the committee should meet during September.

Mr. Jordan stated that the issue surrounding the purchase of cars could be handled via poll vote. Mr. Jordan also mentioned that the auditors 2004-2005 audit report will be ready by the October meeting.

There being no more discussion, it was decided that the next meeting of the Ways & Means Committee will be October 11, 2005 at 7:00 P.M.

**K. ADJOURNMENT**

**MOTION:** Alderman Krieg motioned and Ms. Pfister seconded that the meeting be adjourned. All members present voted in the affirmative. **MOTION PASSED.**

Meeting adjourned 8:40 P.M.

The Ways and Means Committee approved these minutes at their meeting held on October 11, 2005. I hereby certify that these are the original minutes of the regular meeting of the Ways and Means Committee held on August 18, 2005.

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Leesa Ross, City Clerk