



**MINUTES OF THE
CITY OF FRONTENAC
BOARD OF ALDERPERSONS
TUESDAY, MAY 29, 2018
PUBLIC HEARING**

The May 29, 2018, public hearing of the City of Frontenac was called to order at 5:00 p.m. with Mayor Margot Martin presiding. The Alderpersons present were David Bray, Nalini Mahadevan, Brian Warner, Dan Kemper, Jamie Griesedieck, and Tom O'Brien.

Also in attendance were City Administrator, Jaysen Christensen; City Clerk, Leesa Ross; Kevin O'Keefe, City Attorney; Fire Chief, Jack Trout; Police Chief Tom Becker; Public Works Director, Jeff Wappelhorst; Building Commissioner, John Morgan; and Finance Officer, Lea Ann Layden.

1. AGENDA ITEM:

Presentation of the budget for operations of the City of Frontenac, Missouri, for the fiscal year beginning July 1, 2017 and ending June 30, 2018.

Ms. Layden gave an overview of the budget.

Revenues

Ms. Layden stated projected revenues are flat. She stated real estate and road and bridge taxes are projected to be up by 2% due to CPI.

There will be a large fluctuation with building permits. This year FY17-18, the revenue is projected as \$419,000, next year FY18-19, the revenue is predicted to be \$340,000. Mr. Morgan stated LifeTime Fitness's permit is due within the next month and should generate \$100,000. He stated the three story office building should be in FY18-19, as well as the McBride Development. He predicted there will be 20-30 new homes built. Alderperson Bray asked about the two new restaurants. Mr. Morgan stated they could generate approximately \$40,000 in permit fees. Alderperson Mahadevan asked when the two restaurants will be open, Mr. Morgan stated fall of 2019. He also stated the McBride home development will pay as they go per unit.

Regarding PILOT's, Ms. Bennett stated in the 15-16 budget, PILOTS and business licenses were together and generated approximately \$516,000. She said PILOTS were broken out in FY 18-19. She stated in 16-17, Frontenac Grove was behind but by May 2018, they are current.

Ms. Bennett stated police and fire contacts are estimated to increase by 2%. She also stated for cell

tower leases, it is expected to bring in an additional \$5,000 per month for a total additional amount of \$60,000. She also mentioned the sale of the two surplus police vehicles which should generate revenue of \$12,000.

Aldersperson Mahadevan asked about the LifeTime Fitness PILOT. Alderspersons Bray and O'Brien stated they felt the revenue would not be received until FY19-20, as the property had to be fully stabilized, which may mean fully leased. Mr. O'Keefe stated he is unable to comment on the specifics of the PILOT agreement as he does not have it in front of him, however, he stated, notes are replaced by bonds, and they go into the market with more leased out space. Aldersperson Mahadevan asked if LifeTime was tied to it, Mr. O'Keefe stated, he could not answer that question without looking at the all the documents.

Expenditures

Ms. Bennett stated this is the first years in a long time, the department heads met with the Ways & Means Subcommittee and presented their budget. Everyone felt this was a good idea.

Mr. Christensen stated the Ways & Means Committee presented a preliminary salary survey which was reviewed. He stated they want to continue the trend and offer a 2% cost of living raise. He said with the preliminary salary study, salaries are substantially lacking for some positions. He said the survey completed in April was based on what other cities reported, but they did not dig into job descriptions. He stated he will take a few months to gather data. His recommendation is to do the salary study over the next three to four months, and see where the city would like to be. In the past the city chose to be at the 70th percentile, which was a consistent target. He said there needs to be a discussion of how we get there. Should they bring everyone up to the 50th percentile which would be approximately \$200,000? He also said, where would the funds come from, Prop P, which will generate approximately \$180,000. That money is designated for public safety, which is 80% of our budget. He also stated we are currently operating with a substantial deficit. He said a 2% COLA is recommended which will be given effective July 1. He stated he will come back to the Board, for raises for key positions.

Ms. Bennett stated the net income is projected to have a deficit of \$298,526 to the fund balance. She stated this number is subject to change in the year.

Chairman Warren Winer of the Ways & Means Committee stated they need to take several months to look at the salary situation. He said that could increase the city's loss from \$300,000 to \$500,000. He said revenue issues could change. He said the city needs to revisit something like Prop A which was proposed to the votes in April. He said they may want to bring it back to the Board of Alderspersons and the voters. He said they need to look at the key things the next three to four months, and possibly pursue another property tax increase.

Aldersperson Warner asked about the fire department adjustments, and asked was it not in the budget. Aldersperson Warner stated a 2% increase is in the FY17-18 budget; however it is not in the FY18-19 budget.

There were no additional comments from the Board of Alderspersons.

Mayor Martin asked if there were any comments from the audience. There were none.

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

MOTION: Alderperson O'Brien motioned and Alderperson Kemper seconded the public hearing be adjourned. All Aldermen present voted "Aye." The vote was unanimous. **MOTION PASSED.**

2. ADJOURNMENT: Public Hearing adjourned at 5:32 p.m.