

**COUNCIL COMMITTEE OF THE WHOLE**  
**March 4, 2013**

The Council Committee of the Whole met on Monday, March 4, 2013 at 6:00 p.m. in the Council Chambers. The meeting was called to order by Council President Charles Clark with the following members present: Mayor Ron Shaffer, Ashley Weaver, Steve Noll, Ruth Hopkins, Andrew Wang (late), Laura Wassmer, Brooke Morehead, David Morrison, Charles Clark, Ted Odell and David Belz. Staff Members present: Wes Jordan, Chief of Police; Captain Tim Schwartzkopf, Captain Wes Lovett and Tim Kobe; Keith Bredehoeft, Interim Public Works Director; Katie Logan, City Attorney; Quinn Bennion, City Administrator; Dennis Enslinger, Assistant City Administrator; Lisa Santa Maria, Finance Director; Nic Sanders, Human Resources Specialist and Joyce Hagen Mundy, City Clerk.

**Discussion regarding 2014 Budget and Overview of Significant Items**

Quinn Bennion noted the City is in a good stable financial position as it heads into the 2014 budget process. It has a healthy fund balance, low debt, city property appraisals have increased overall approximately 1% and currently sales tax revenue is projected to increase 2%. Staff projects that the 2014 budget will contain no additional staff, reduction in services or mill levy increase unless the City Council desires to add a new program or wishes to make any other significant change.

The discussion this evening will provide the Council with the opportunity to provide direction to the staff regarding potential significant changes for the 2014 budget. To assist in that discussion staff has prepared three documents. The first is a listing of significant budget proposals that have been identified for discussion. Mr. Bennion noted that these items are not staff recommendations at this time. The second document is a previously assembled list of items discussed by the Council in past budget sessions. The final document is a listing of actions already taken by the city and staff to reduce city expenditures or raise revenue.

Council President Charles Clark led the Council in discussion of the following items.

**A1 Community Center Feasibility Study.**

Mr. Clark noted this item is on the Council agenda for action later this evening.

**A2 Develop a plan for parks funding and more park/green space**

Laura Wassmer stated she, Ashley Weaver and staff recently toured most of the city's park facilities with Doug Pickert to help identify park priorities going forward and to get updated cost figures. The tour revealed a substantial amount of maintenance that needed to be done and equipment that was in need of repair or replacement within the next five years. It is estimated that additional funding in the amount of \$200,000 to \$300,000 needs to be added annually to the parks CIP budget for this work.

Steve Noll confirmed this was deferred maintenance costs, not improvements and asked if it would be a onetime expense or on-going funding. Ms Wassmer responded the Park & Recreation Committee will be bringing forth their recommended priorities for Council consideration. She noted they have taken the \$15 million Parks Master Plan to roughly a half million annual budget for maintenance and equipment replacement. Mr. Noll stated he would like to see a targeted completion date for the deferred maintenance and improvements. Ms Wassmer responded the committee would provide a prioritized list that needs to be addressed.

**Council consensus to include in proposed 2014 budget.**

### **A3 Address potential Emerald Ash Borer Infestation**

Michael Kelly confirmed that any work done would be let by bid. Quinn Bennion noted the city is still gathering information to determine what is the best approach for the city to take; i.e. to remove or treat trees, do to some areas only, etc.

**Council consensus that this will need some level of funding in 2014 budget**

### **A4 Rental licensing program enhancement**

Ted Odell noted the full scope of the proposed program will be presented later this spring. The idea is to put much of the additional cost for implementation back on the rental property owner through licensing fees.

**Council consensus to continue discussion on implementing program without additional costs.**

### **A5 Review necessity of pet licenses/animal enumeration**

Quinn Bennion stated this will not have a significant financial impact. The program operates relatively cost neutral. However, other cities have discontinued licensing. The animal regulations would remain in the code except for licensing. Staff time spent on this program would be spent on other services and programs.

Steve Noll noted his neighbors like the ability to have their animals returned to their homes. Chief Jordan noted this would still be done through other identification on the animal such as collar identification or micro-chips. Laura Wassmer asked if there would be a concern with rabies. Mr. Bennion noted that would need to be researched further. Ted Odell noted it is also important to keep the limitation on the number of pets enforced.

**Council consensus to retain for further discussion and research.**

### **A6 Explore the purchase of the city's street light and/or traffic signal system**

Quinn Bennion stated this item would need additional research. He reviewed the current tariff paid annually to KCP&L for the operation and maintenance of the system. Steve Noll confirmed the tariff amount does include electricity costs and noted that the city would then have to maintain the poles and lights, noting that many in his ward were more than 50 years old.

Quinn Bennion noted that other cities have reported a three to five year payback. Charles Clark confirmed that this would not impact the 2014 budget but later budgets and could be discussed later.

**Council consensus to keep in for consideration at a later date.**

**A7 Comprehensive Compensation Study**

Staff has recommended this if Council desires to review employee salary and benefits structure. Michael Kelly feels this needs to be done. David Belz asked what the 2006 study covers and what was done as a result of the study. Mr. Bennion responded that study looked at both salary ranges and benefits. Mayor Shaffer noted that some of the recommendations of the study were implemented and others were not. Nic Sanders noted that some salary ranges were lowered as a result of the study; however, existing employees were grandfathered under the existing ranges so in some cases the city is operating with two salary ranges for a position. The recommended increases to the health insurance and vacation benefits were not implemented. David Belz stated he doesn't want to do a study just to do it.

Ted Odell asked how the cost was computed. Mr. Bennion responded it was based on the cost for the 2006 study. Andrew Wang stated he does not feel bound to the earlier study and wants some kind of analysis done as personnel costs are a major portion of the city's budget. Quinn Bennion advised that the last study took 4 to 5 months to complete. Laura Wassmer didn't feel a broad-based study was need, but the compensation within the competing area needs to be reviewed. Michael Kelly stated his concerns are more aligned with pension than salaries and recommended a committee be formed.

Charles Clark noted the 2014 budget impact would be the cost of the study with implementation costs addressed in the 2015 budget.

**Council consensus to continue discussion.**

**A8 Pool closing on weekdays after start of school**

Ted Odell noted the city's pool is an asset that is utilized by many. He would rather increase the cost of the superpass than reduce the operating hours. Ruth Hopkins noted how difficult it is to staff the pool once school begins. Michael Kelly stated he felt this was a minimal expense yielding a large benefit to the city's residents. David Belz asked how many people would be affected. Mr. Bennion replied the estimated cost savings is \$8000. Laura Wassmer stated she needs to see the number of people impacted.

**Council Consensus to continue discussion with additional research by staff.**

**A9 Workers' Compensation Insurance Coverage**

Quinn Bennion noted this item was most recently initiated by a Councilmember and involved exploring joining KERIT instead of purchasing traditional Worker's Compensation coverage. KERIT is first dollar coverage with no deductibles. The estimated \$30,000 savings reflects transferring to KERIT and cancellation penalty.

Steve Noll advised that the Insurance Committee explored the possibility of joining the KERIT insurance pool and does not support the move.

**Council Consensus to continue discussion with presentations to the Council on both KERIT and traditional coverage.**

**A10 Accelerated Street Maintenance**

Laura Wassmer noted the City has done this the past few years. Charles Clark stated he felt the period of benefit has past with construction costs and interest rates increasing. Michael Kelly confirmed the Council would be looking at the CIP in detail. Charles Clark stated the question for consideration is whether the City wants to consider bonding to enable more projects to be done. Mr. Kelly stated he would be interested in looking at it, but would like to have the specific projects identified. Ms Wassmer agreed more information was needed. Keith Bredehoeft stated staff is currently completing its street analysis rating and stated it will be presented to the Council. Ms. Wassmer stated she wants to know the difference in cost by rating.

**Council Consensus to continue discussion with additional information presented by staff.**

**A11 Video System - Police Department**

Chief Jordan noted their equipment is on a five year replacement schedule. This is for the replacement of 13 in-car video/audio system units at a total cost of \$83,200.

**Council consensus to include in 2014 budget.**

**A12 Mill Levy Increase**

Quinn Bennion noted this is for reference only noting at with the current assessed valuation estimate for 2012 a one mill increase would raise \$282,170.

The Council continued on with discussion of the items presented on the second list. Mr. Bennion noted these items are not being recommended by staff at this time. Staff compiled the list after Council's request last year of ways to cut the budget.

The Council identified the following items for further discussion:

**B2 - Evaluate Community Program Budgets**

**B5 - Chamber related functions and memberships**

There was discussion regarding committees raising more of their own funds. Some Council members felt the chamber related expenses, although small, reflect the city's priorities and should be reevaluated

**B6 Island Maintenance - Homes Associations**

Council members would like to look into the cost of contracting out these services.

**B13 Lochner - no longer use planning services**

This require the hiring of an additional staff person. Existing staff cannot absorb this service. Dennis Enslinger noted that current staff does provide plan review on residential applications and noted the charges for plan review on commercial applications are charged back to the applicant. He also noted that some of the services are requested by the City such as the recent overlay district and code revisions. Charles Clark noted that Lochner as a large organization has the ability to provide additional related services such as traffic study reviews, etc.

**B15 Convert contracted street maintenance services to in-house utilizing part-time labor during the summer months**  
**Additional information requested**

**B16 Transfer trimming responsibility for ROW trees to the property owners.**  
Charles Clark noted this is a big cost but he feels a necessary service. Other council members agreed this service is necessary.

**B19 Mayor & Council Commodities**  
These costs were questioned. Quinn Bennion reported this covers 26 meals for 20 people with the average cost per meal of \$220.

**B24 Employee Merit Pool for 2014**  
Michael Kelly stated he wants the Council to discuss this and not for it to be set by staff and then discussed.

Andrew Wang also wants discussion of **B25 Employee Appreciation Events and B26 Employee Sick Incentive.** Quinn Bennion stated he would provide more information on these items.

**B21 Reduce Mayor and Council - Training & Conferences**  
David Morrison asked for the actual costs for this item. Mr. Bennion stated he would provide these.

Charles Clark noted the time for the Council meeting was nearing and asked if the committee wanted to continue discussion after the Council meeting or at the March 18<sup>th</sup> committee meeting. A motion was made and seconded to continue discussion after the Council meeting. The motion failed with a vote of 6 to 6.

### **Adjournment**

Council President Charles Clark adjourned the meeting at 7:28 p.m.

Charles Clark  
Council President