

MINUTES OF THE BUDGET WORK SESSION
OF THE BOARD OF ALDERMEN & FINANCE COMMITTEE
OF THE CITY OF SUNSET HILLS MISSOURI

HELD ON SEPTEMBER 27, 2022

BE IT REMEMBERED that that the Board of Aldermen of the City of Sunset Hills, Missouri met in person and via Zoom for a Budget Work Session with the Finance Committee on Tuesday September 27, 2022. The work session convened at 5:30 p.m.

The meeting began with the reciting of the Pledge of Allegiance.

ROLL CALL:

Patricia Fribis	-Mayor
Ann McMunn	-Alderman Ward I
Brian Fernandez	-Alderman Ward I
Casey Wong	-Alderman Ward II
Cathy Friedmann	-Alderman Ward III
Lindsay Hof	-Alderman Ward IV
Jeff Camilleri	Finance Committee
Mark Colombo	Finance Committee
Brittany Gillett	-City Administrator
Susanna Messmer	-Finance Director
Jeff Trentmann	-Assistant Director of Finance
Bryson Baker	-City Engineer
Gerald Brown	-Director of Parks & Recreation
Stephen Dodge	-Chief of Police

Absent:	Christine Lieber	-Alderman Ward II
	Randal Epperson	-Alderman Ward III
	Fred Daues	-Alderman Ward IV
	Mike Fitzgerald	Finance Committee
	Mike Sawicki	Finance Committee

INTRODUCTION AND BUDGET OVERVIEW:

Ms. Gillett thanked everyone for coming and reviewed the agenda items. She stated, overall, the budget presented was financially sound and the City was in a good position with the general revenue fund ending balance at a surplus. She stated some noteworthy items were, significantly higher legal costs and updating IT equipment for the Public Works and Administration departments. She explained the City was currently vulnerable to an information breach and malware. She also stated there was a proposed 5% increase for all full-time personnel based on the Department of Labor 9.1% inflation rate. Ms. Gillett encouraged the members to bring forth any initiatives or additional projects they would like to see funded so staff could research and allocate funding.

REVENUE REVIEW:

Ms. Messmer explained the revenue budget was conservative and achievable. She reviewed the various sources of revenue and forecasted an overall 3% growth rate.

Ms. Messmer also reviewed the additional revenue from three major grants;

ARPA: revenue will be set equal to the expenditures for 2023.

MoDOT: grant for W. Watson project to reimburse at 80% of total cost.

Parks Grant: \$465,000.00 for renovations to Lynnstone Park.

Ms. Messmer explained If grants were removed from the bottom line, the City's revenue is budgeted to increase by 5.6%. She further explained removing the forecasted Bass Pro revenue from those totals moved the increase closer to 2.8%.

There was brief discussion on the proposed fee increases for Parks and Pool programs.

ADMINISTRATION AND COURTS REVIEW:

Ms. Gillett reviewed the increases in expenditures for the Administration department. She explained there was a significant increase in legal fees, salaries and IT expenses. She further explained the employee benefit expenses are disbursed to each department per the audit firm's recommendation.

Ms. Gillett stated there would be a one-time fee associated with the IT upgrades and then a monthly maintenance fee going forward. The amounts include a firewall, new server, Microsoft 365 and a monthly fee.

Ms. Messmer stated the costs would be split between the Administration and Parks departments.

Ms. Gillett reviewed the Courts information and stated there would be an adjustment to accommodate additional conferences and the costs associated with prisoner housing at St. Louis County. She explained since the courts are more operational, defendants are once again being sentenced to serve longer sentences in St. Louis County facilities.

Brief discussion was held on the fees for contract IT support. Mr. Baker explained contracting for the support put the City in a better position to get service in a timely manner. Ms. Gillett also explained the City was required to fortify IT security or risk being cancelled under the Cyber Security insurance policy.

PUBLIC WORKS REVIEW:

Mr. Baker reviewed the items budgeted for the 2023 year. He explained the need for an additional two-ton truck. There was discussion on the fleet of trucks and what they were used for. Mr. Baker explained the two-ton trucks were primarily used for snow removal and the one ton were used throughout the year all over the City. There was discussion on the schedule for replacing the one and two-ton trucks. Mr. Baker explained they did their best to keep them on the same replacement schedule, but were still catching up from Covid shut downs.

Mr. Baker reviewed the existing street projects. He stated they would work on right of way acquisitions for the West Watson Road improvement project and would hopefully go out for bid next summer and start work in the fall which would carry over to 2024. Mr. Baker stated they were awarded the West Watson phase 2 grant for approximately 1.6 million. There was additional discussion on concrete slab replacement and chip seal projects.

Mr. Baker stated they were very behind on their crack sealing projects and felt that catching up on those was very important. He discussed potentially contracting out for those repairs in the future depending on the costs.

Mr. Baker discussed the ARPA funds projects at City Hall and stated the drawings had to be updated and then construction done in 2023.

Mr. Baker stated they were negotiating with property owners on the retaining wall for the Eddie and Park sidewalk project.

Mr. Baker stated Alderman Daues asked him to look into flood studies and get costs for a consultant. He stated the cost for a study would be approximately \$15,000.00.

There was discussion on the challenges of repairing Hadley Hill.

Mr. Baker stated the Leebur sidewalks costs were skyrocketing and had gone from \$250,000 previously to \$370,000. There was additional discussion on whether or not the project should be delayed and whether or not the residents still wanted them.

Discussion was had on the guidelines for using ARPA funds. Ms. Gillett explained the requirements were previously very strict but now could be used on general government operations if the City received less than ten million dollars in ARPA funds. She explained the funds must be used before the end of 2024.

Alderman Wong asked what would happen if an agreement was not made with the property owners for the Eddie and Park sidewalks, would City incur additional money? Mr. Baker stated Lindbergh School District has agreed to give the City \$35,000.00 to enhance the walkability for students and the issue would come back to the Board for approval to move forward with additional funds or cancel project.

Discussion on the City Hall renovations continued and Mr. Baker explained if there were any changes to be made, now was the time to make them.

POLICE AND PROP P FUND REVIEW:

Chief Dodge explained the budget would be above and beyond anything in recent years due to several factors. He explained the radios would not be maintained by St. Louis County any longer and felt the extended warranty with Wireless USA would more than pay for itself based on the costs of repairs annually. He also explained the three-year Police Chief accreditation subscription was due this year, as well as an annual subscription fee for new surveillance cameras in the station. For Capital expenditures Chief stated a large expense would be replacing the outdated voice recorder for the station. He explained the system recorded all calls, including 9-1-1 calls, in the station.

There was discussion on replacing the vehicles. Chief explained there were typically 2 marked cars and one unmarked car replaced annually due to mileage. He stated this year they only had to replace one marked and one unmarked car.

Additional discussion was held on the Prop P funds and where they were applied. Ms. Gillett explained salaries, the new Detective Investigation Fund, the new communications server and additional seminars and training were earmarked for the funds.

PARKS REVIEW:

Mr. Brown reviewed the Parks items. He explained the largest increase to the budget would be part time personnel. He explained they were looking at increasing pay in order to attract and retain staff. Mr. Brown stated the Capital expenditures would include a replacement pick-up truck, mule, attachments for the Dingo and new radios for their special events. Mr. Brown explained they rented radios for all events for safety reasons and felt purchasing would be a good idea. He stated the Community Center gym floors would be resurfaced and the lobby furniture replaced. He explained the fitness equipment would be replaced as well as adding new audio

equipment to meeting rooms. He stated the current audio did not run through the system and required a separate mic and speaker, so it was not functioning as needed.

Mr. Brown reviewed the items for Minnie Ha Ha. He stated trail resurfacing, resealing of parking lots and tree removal were maintenance items. He stated they were looking at a mowing contract again due to lack of personnel. There was discussion on the cost of the mowing contract, as well as the salaries shown.

Alderman Wong asked about the new cameras budgeted in the ARPA funds. Mr., Baker explained they were originally for the PW building, but Alderman Daues asked him to add City Hall and the front of the Community Center during the Public Works meeting. He stated all three were budgeted for cameras.

Mr. Brown went back to his review, and explained they were in need of a new mower for the driving range. He stated a mower that picked up balls and also mowed would save staff a lot of time. Mr. Brown stated he had met with the Stieren family and identified what they would like to see at the park. He stated they would like to place a zip line at Watson Trail Park, and everything else was at the Athletic Complex and Stieren property. Projects include replacing athletic field lights, replacement of canopies, additional playground and fitness equipment, asphalt trail across the street to driving range, and asphaltting the parking lot at athletic complex.

Mr. Brown then reviewed the Aquatic facility expenditures. He stated the water buckets at the leisure pool had a leak and needed to be replaced with a similar feature.

Mr. Brown explained the Lynnstone Park Grant was applied for and they were waiting to hear if that was awarded. He explained the basketball courts needed to be done regardless of whether the grant was awarded.

There was additional discussion on pool repairs. Mr. Brown stated those would be completed this month. Alderman Wong asked about the fishing pond at Bander Park. Mr. Brown explained they placed it in the budget again and they were still in discussions. Additional discussion was had in reference to applying for a grant for pickle ball courts.

ARPA UPDATE:

Ms. Gillett stated the 2023 budget includes the design of the City Hall entrance and Chambers, as well as the sidewalk funding.

Ms. Gillett asked if the Board was comfortable moving forward with the 5% increase for staff. Alderman Wong had questions about the increase percentage. Ms. Gillett stated the scale was provided by CBIZ. He stated he felt 3% was more in line than the 5%. Ms. Gillett explained the 5% was on the low range of area raises. Ms. Gillett stated the numbers came from SLACMA, and explained the City wanted to stay competitive in order to retain staff. Alderman Friedmann asked what the City payroll was. Ms. Messmer replied 6.9 million which included part time personnel. Alderman Fernandez stated the salary range provided by CBIZ did not include current inflation, and stated he felt the City needed to stay in range with other municipalities to keep employees. There was lengthy discussion on recent employee departures as well as a request for employee salaries and pay scales.

Additional discussion was had on pay scales, merit raises and employees seeing upward movement through their salary range.

ADJOURNMENT:

Alderman McMunn made a motion to adjourn the meeting. Alderman Fernandez seconded the motion and it was unanimously approved.

Meeting adjourned at 7:54 p.m.

Deputy City Clerk
Lori Stone