

**CITY COUNCIL WORK SESSION**  
**SEPTEMBER 26, 2022**  
**5:15 P.M.**

The members of the Marshall City Council met for a Work Session at 5:15 p.m. on Monday, September 26, 2022, in the Council Chambers of the City Office Building, 214 N. Lafayette, Marshall, MO 65340, with the following members present: Mayor Dewey Hendrix, Council Members Leon Thompson, Tim Reeder, Robert Ashford, Charles Guthrey, Craig Thompson, Dan Brandt and Steve Cook. City Administrator JD Kehrman and City Clerk Julie Lewis also present. Council Member Drew Green excused absent.

Mayor Hendrix welcomed everyone and stated the purpose of the Work Session is to discuss the proposed 2022-2023 budget.

Council Member Leon Thompson thanked Finance Director Aimee Klinge and City Administrator JD Kehrman for all of their work on the proposed budget. The first goal is to get a balanced budget in front of Council. The second goal is to make sure we have a plan, money drives what we do.

Council Member Leon Thompson explained the General Fund Revenues as real estate and personal property tax, franchise fees and excise tax. Real estate and personal property tax saw an increase of approximately 3%; franchise fees are decreasing and the excise tax has increased slightly.

Sales tax projections for 2022 were at \$3,797,000 and the actual amount collected was up 17% for a total of \$4,424,211. Prediction for 2023 shows an approximate 8% increase; which will not drive us very far.

City Administrator JD Kehrman spoke about specific budget categories:

The Police Department's projected capital expenses include software for chain of custody on evidence and evidence cameras. They are working to create a longevity program in order to hire and retain officers. The Finance Director is working to negotiate a lease purchase agreement for vehicle purchases.

The Fire Department is working with the Saline County Rural Fire Protection District to update equipment such as bottles, masks, etc. Working to create a plan to rotate old equipment out.

Municipal Court will need to have some building issues taken care of along with security issues and live feed connections.

No changes in the Executive Department.

There will be some inspection software upgrades under the Administrative Department. The website upgrades have been funded by ARPA. We will continue to have expenses associated with the website as we work to direct traffic to our user-friendly site. Will also work with KMMO regarding a direct link to the City.

The Municipal Services Department which is made up of Streets, Sanitation and Airport will see the biggest fundamental changes. The Street fund has approximately \$2 million in reserve due to past year's projects being budgeted but not getting done. The Municipal Services Director will transition into a Project Manager and contract the work out. The Street Department crews will take care of maintenance of streets. The City is currently experiencing challenges in hiring and retaining CDL drivers.

Contracting the projects allows for more than one project to be done at a time, showing progress to the community.

The Marshall Municipal Airport has three part time positions. The duties of those positions will be performed by Municipal Services clerical staffing. A fee schedule for aerial applicators will be in place by January 1, 2023.

The Marshall Public Library, Band Commission and Tourism Commission are supported by their own taxes and stand alone.

The Park Board has been working with the Finance Director to create a formula for administrative duties performed by the Finance Department such as deposits, writing checks, etc. The formula will allow for transfers from the park fund to help offset the cost of performing those duties.

The Martin Community Center will see an increased contribution beginning October 1<sup>st</sup>. Things have been trending well since the slow of the pandemic.

The Economic Development fund is monies received from the county-wide economic development sales tax which is distributed by Saline County. The amount we have budgeted is based on a three year average.

The Habilitation Center loan received from MMU in 2021 is now considered debt service with no other activity other than the annual payment.

The City received approximately \$2.6 million in ARPA funds. A portion of the funds may be utilized for a stormwater master plan and stormwater projects. The old "Fitzgibbon Hospital" was purchased with ARPA funds.

Finance Director Aimee Klinge noted the administrative duties formula will be applied to all departments creating a proper structure.

Council Member Craig Thompson asked about the repayment terms on the IGA demolition project.

Mr. Kehrman said the term is for 5 years and we are currently in year 1.

Council Members discussed the potential street projects in relation to prevailing wage and the competitive bid process. Projects will be identified quickly and progress will be made.

Council Member Ashford discussed the stormwater master plan and projects. Mr. Kehrman indicated he will receive a progress report soon.

Council Member Reeder indicated the proposed budget does show a surplus but that line is razor thin and will require attention.

Council Members thanked the Finance Director for all the hard work put into the budget process.

The members of the Marshall City Council made no decisions during the work session.

The work session ended at 6:03 p.m.

Julie A. Lewis  
City Clerk