

**LAKWOOD CITY COUNCIL  
STUDY SESSION MEETING  
JANUARY 31, 2005  
MINUTES**

**ITEM 1 – CALL TO ORDER**

Mayor Burkholder called the meeting to order at 6:00 p.m. in the Cabinet Room of the Lakewood Civic Center South Building, 480 South Allison Parkway, Lakewood, Colorado.

**ITEM 2 – ROLL CALL**

Those present were: Mayor Steve Burkholder, Presiding

Tom Booher  
Ray Elliott  
Jackie Herbst  
Carol Kesselman  
Bob Murphy  
Debbie Koop  
Mike Stevens  
Cheryl Wise  
Ed Peterson  
Barbara Martin

Staff in attendance:  
Mike Rock, City Manager  
Roger Noonan, City Attorney  
Management Team

Full and timely notice of this City Council Study Session had been given and a quorum was present.

**ITEM 3 – PRESENTATION – BUDGET EXPENDITURES**

Finance Director Larry Dorr gave a PowerPoint presentation on the City's Budget Expenditures as follows:

- 2004 General Fund Stats (unaudited)
  - Comparing 12 months to 12 months
  - Audit Period: Jan 2004 – Dec 2004
  - Comparing 2003 v. 2004:
    - Revenues Increased \$409,218 +0.59%
    - Expenditures Decreased \$4,103,754 -5.78%
    - 2003 Exp. Exceeded Rev: \$(4,507,830)
    - Estimated 2004 Net: +\$5,142
  
- Line Item Highlights (2005 General Fund):
  - Salaries: \$41,901,232
  - Pension Contributions 4,089,754
  - Group Health, Dental, Life 4,417,372
  - Employer Medicare 467,774
  - TOTAL \$50,876,132 (70.4%)

Director of Employee Relations Ken Milano presented the following:

- Compensation & Benefits
  - Classification
    - Position Evaluation Process
  - Surveys
    - Approx. 150 different “benchmark” positions surveyed (35% of all jobs)
    - “Actual salaries” paid and salary ranges
  
  - Competitive Wages
    - Relevant Market
    - Surveys Used:
      - Colorado Municipal League (CML)
      - Mountain States Employers Council (MSEC)
      - International City Managers Association (ICMA)
      - City of Lakewood Police Survey
      - City of Lakewood Miscellaneous Surveys
    - Salary Ranges
    - Salary Ranges are market competitive
    - Location in the range depends on performance
  
  - Benefits and Surveys
    - Same surveys used for benefits to insure competitiveness in total compensation.
    - Total Compensation and the average percentage of pay that total benefits are compared to other organizations.
    - Market range is 35-40%. Lakewood is at 38.4% overall.

o What Others Are Doing

	Medical	Dental
▪ Average Exempt Single	90.6%	92.7%
▪ Average Non-Exempt Single	88.3%	91.2%
▪ Average Exempt Family	78.6%	53.5%
▪ Average Non-Exempt Family	76.8%	53.5%
▪ Total Average	83.6%	72.7%
▪		
▪ Lakewood Exempt Single	92.5%	90.0%
▪ Lakewood Non-Exempt Single	92.5%	90.0%
▪ Lakewood Exempt Family	92.5%	90.0%
▪ Lakewood Non-Exempt Family	67.0%	52.5%
▪ Total Average	86.1%	80.6%

Mr. Milano reviewed the increase in dental and medical costs since 2000. He explained the cost of the Pension Plan and the Retiree Health Plan.

Larry Dorr reviewed the line item highlights from the 2005 General Fund which were basically “fixed” costs including electricity, gas, insurance claims, cleaning, postage, printing, rents, legal expenses, and telecommunications. Those costs added to personnel costs amount to 85.9% of the General Fund budget, leaving 14.1% of the budget for programs and services.

Mr. Dorr shared some comparative cities debt information, spoke about budget exceptions, annual inflation, and department allocations.

Key points of the Capital Improvement Fund were discussed, including a list of unfunded projects.

A question and answer period followed the presentations.

**ITEM 4 – REPORTS FROM MAYOR AND COUNCIL**

Mayor and City Council members announced their attendance at various meetings and events.

**ITEM 5 – ADJOURNMENT**

There being no further business to come before the Council, Mayor Burkholder adjourned at the meeting at 8:02 p.m.

Respectfully submitted by  
Margy Greer, City Clerk