

CITY OF FRONTENAC



MINUTES OF THE WAYS AND MEANS COMMITTEE CITY OF FRONTENAC MUNICIPAL COMPLEX WEDNESDAY, OCTOBER 18, 2023, 3:00 P.M.

A. CALL TO ORDER

The October 18, 2023 meeting of the Ways and Means Committee of the City of Frontenac was called to order at 3:04 p.m.

Chairperson Sant called the meeting to order.

B. ROLL CALL

Tim Sant
Ken Marx

Tom Mug (video)
Katie Dixon (video)

Mr. John Kennedy, Mr. Warren Winer, Alderperson Millman, and Emily Arneson were absent. Mayor Kate Hatfield was present.

Ms. Ross stated a quorum was present.

Also in attendance was Finance Officer, Lea Ann Bennett; City Administrator, Scott Schaefer; and City Clerk, Leesa Ross.

C. VOTE TO APPROVE AGENDA

Chairperson Sant requested a motion to approve the agenda.

Mr. Marx made a motion and Mr. Mug made a second to the motion, to approve the October 18, 2023, meeting agenda. All voting members present voted in the affirmative. **MOTION PASSED.**

D. APPROVE MINUTES

Chairperson Sant asked for a motion to approve the September 20, 2023 meeting minutes.

MOTION: Mr. Marx made a motion and Mr. Mug made a second to the motion for approval of the September 20, 2023 meeting minutes. All voting members present voted in the affirmative. **MOTION PASSED.**

E. CITY ADMINISTRATOR REPORT

Mr. Schaefer deferred his comments to later in the meeting.

F. PUBLIC FORUM

No comments at this time.

G. COMMENTS BY COMMITTEE MEMBERS

No comments by committee members at this time.

H. CHAIR'S COMMENTS

Mr. Sant made no comments.

I. REVIEW OF FINANCIAL REPORTS

Ms. Bennett stated revenue is up \$85,000, due to interest income and use tax. Expenses are close to even. The building department received a reimbursed fee of \$6,700.00, which was miscalculated and should have gone in the capital fund. Mr. Schaefer stated contractor, ADB, did some work in West End Park, which caused some damage to the street and properties, and the city was able to recoup their funds. Ms. Bennett stated telephone taxes increased. She stated a lot of capital items were purchased so far, this fiscal year.

J. OLD BUSINESS

✦ Unrestricted Cash

Ms. Bennett provided a report stating unrestricted cash is \$9.18 million.

✦ Sales Tax Trends

Ms. Bennett stated September revenue was down 10% and it looked like some retailers were missing on the sales tax report, however this month revenue was up 14% for the one cent sales tax, 24% for the quarter sales tax and the capital improvement and storm water taxes were up 16%. Mayor Hatfield advised the plaza has more leased space compared to last year, by 14,000 square feet. Mr. Schaefer advised Nike is set to open in November, and the movie theater is going through a major renovation.

✦ Investment Update

The City of Frontenac has \$11,125,281 invested in MOSIP, which is earning at 5.68%. Investments were budgeted to gain \$225,000, and projections are they will end up at

\$685,000, and so far for six months they have gained \$310,672. Ms Bennett stated they will mature in February.

❖ **Audit Update**

Ms. Bennett stated there are new GASB 96, subscription-based IT agreements which will need to be added. Every subscription on the books relating to IT based items and software items, which are not month to month, or an option for renewal, needs a present value evaluation.

K. NEW BUSINESS

❖ **CBIZ Discussion**

Mr. Schaefer stated the city engaged CBIZ to complete a comprehensive wage assessment in January 2022. The numbers went into effect in January 2023. He stated he looked at cost of year adjustments for January 2023, instead of July 1, for our fiscal year. He said cities tend to do their increases around this time of year. Mr. Schaefer reached out to CBIZ, and they sent a recommendation on COLA. CBIZ suggested a 3.6% COLA to keep pace with the market. In the FY 2023-2024 budget a 3% salary increase was added in the budget. The difference in dollars is approximately \$30,000.

Mayor Hatfield disagreed with this assessment and stated anniversary adjustments would be made, but a COLA was not projected in the budget. She stated they spent a year, on the salary adjustments. She advised the board passed a compensation policy and the city should go by that policy at least for one year. She said the board can look and decide if a cost of living wage should be given, however that is not in the policy. She said the policy was reviewed and passed by the Board of Alderpersons last year. She also advised that salaries were passed in January 2023, but the next salary increase should not take place until the beginning of next fiscal year, which begins in July 2024. Mr. Sant did not agree with the Mayor's assessment and discussion. It was determined that the compensation policy, executed salary ordinance, and the 2023 CBA, would be shared with the committee. It was also determined to continue this discussion at the upcoming meeting in November.

❖ **New Pumper Discussion**

There was no discussion on this matter.

L. SCHEDULED DATE FOR NEXT MEETING

The next meeting will be Wednesday, November 15, 2023, 3:00 p.m.

M. ADJOURNMENT

Mr. Sant adjourned the meeting at 4:22 p.m.