

CITY OF FRONTENAC



MINUTES OF THE WAYS AND MEANS COMMITTEE CITY OF FRONTENAC MUNICIPAL COMPLEX TUESDAY, OCTOBER 14, 2025, 4:00 P.M.

A. CALL TO ORDER

The Tuesday, October 14, 2025 meeting of the Ways and Means Committee of the City of Frontenac was called to order by Chairperson Hickey at 4:00 p.m.

B. ROLL CALL

Chairperson Michael Hickey
John Kennedy
Alderman Dan Millman

Greg Erikson (arrived 4:08 p.m.)
Ken Marx
Tom Mug

Alderman Sant was absent.

Also in attendance, Finance Officer, Lea Ann Bennett; City Administrator, Andrea Muskopf, and City Clerk, Leesa Ross.

Ms. Ross stated a quorum was present.

C. AGENDA APPROVAL

Chairperson Hickey requested a motion to approve the agenda.

MOTION: Mr. Kennedy made a motion to approve the agenda for the October 14, 2025, meeting and Mr. Marx made a second to the motion. All members voted in the affirmative.

MOTION PASSED.

D. MINUTES APPROVAL

Chairperson Hickey asked for a motion to approve September 9, 2025, meeting minutes. There was a correction on page 3 under restricted to change the word "experience" to "account".

MOTION: Alderman Millman made a motion to approve the amended meeting minutes of the September 9, 2025, and Mr. Mug made a second to the motion. All members voted in the affirmative. **MOTION PASSED.**

E. PUBLIC FORUM

No comments at this time.

F. COMMENTS BY COMMITTEE MEMBERS

No comments were made at this time.

G. CHAIRMAN HICKEY'S COMMENTS

Chairperson Hickey made no comments at this time.

H. REVIEW OF FINANCIAL REPORTS

September 2025

Ms. Bennett stated September revenue for the year is up 12.2%, and expenses are down 1.3%. Revenue being up is due to accruals from July and August. She will discuss sales tax during the discussion of sales tax trends. For expenses there are not many variances. The fire department training and police certification were paid for in September, and that is the reason for the variance. Building professional services were under budget, and that may be a timing issue. For the capital improvement account, the public works department did not spend as much as expected, building maintenance and repairs also did not cost as much as anticipated. Mr. Marx asked about September health insurance. Ms. Bennett stated September and October will both be paid in October.

I. OLD BUSINESS

SALES TAX TRENDS

Ms. Bennett stated the sales tax numbers, she believes there is an issue with the state and the retailers. Looking at the one cent tax, for July they are down 33%, the next month above 9%. September is down 19.5% down, and October numbers are up 15%. There were large swings in each direction. July and August were accrued back into last year. Right now, sales taxes are 10% behind budget and 5% behind last year. Ms. Bennett said she has seen a lot of double reporting in the months, and it is unknown if it is the retailers, or the State of Missouri. For sales tax in fiscal year 25-26, we held steady. The one store which was not reporting, they are reporting now. However we have not received past receipts. A question was asked about the reporting, Ms. Bennett stated they are random. She also stated other finance officers in the region stated they have seen a downturn overall of 4 to 5%. Ms. Bennett said we are off on the "use tax", 30.5% compared to budget and about 25% from last year. Discussion of use tax occurred. The topic of one cent and quarter cent was discussed. Ms. Bennett stated some accounts fluctuate due to the county's sharing formula.

UNRESTRICTED CASH

Ms. Bennett stated we are seeing a dramatic drop in cash due to the construction projects. The last invoice for the Geyer Road Project was \$526,000. She said we may need to transfer

the last million out of MoSIP. The city transferred funds to Triad Bank from the general fund checking, in the amount of \$6,000,000. Their rate is 4% on CD's, and they are fully FDIC insured. Half is split in six months maturities and the other half in 12 months maturity at 4%. MoSIP is currently offering 3.89%. Banking services RFP did go out and due back on October 31. Triad Bank said they will charge no fees, and the city is currently paying \$1,000 a month with PNC. Chairman Hickey stated the problem with PNC part was banking fee issues, the other was banking services which were underwhelming. Ms. Bennett stated PNC is having issues with checks clearing in the wrong amount.

Mr. Erikson asked about the fees for the money market. Ms. Bennett stated it is earning 1.87%, currently earning 2% on PNC money market. Ms. Bennett gave a further explanation. She said there is currently \$525,000 in the account.

INVESTMENT UPDATE

Ms. Bennett stated there is \$6,090,000 in MoSIP at a rate of 4.31%, and it matures on December 11. Chairperson Hickey stated the Ways & Means Committee would like a week's notice for the committee to review and allows them time to decide.

The auditors were here and made no adjustments. A single audit was completed due to the federal funding the city received on the Countryside Road Project. The cost of the audit was \$5,000 to \$6,000.

J. NEW BUSINESS

Ms. Bennett stated the Hancock Amendment does not apply to the senior tax freeze. The city is unable to recoup the money which will be affected by the senior tax freeze. The county will give the city an amount of money we will lose with the tax freeze in November. This decrease in property tax will happen each year. Chairman Hickey thanked the committee for reviewing the financials and coming up with great money management. He said he appreciates everyone's work.

K. SCHEDULED DATE FOR NEXT MEETING

The committee decided to have the next meeting on Tuesday, November 18 at 4:00 p.m. Also, they will tentatively set the December meeting on Tuesday, December 16 at 4:00 p.m. to have a joint audit presentation.

L. ADJOURNMENT

MOTION: Mr. Marx made a motion to adjourn the October 14, 2025, meeting and Mr. Mug made a second to the motion. All members voted in the affirmative. **MOTION PASSED.**

The meeting adjourned at 4:38 p.m.