

# CITY OF FRONTENAC



## MINUTES OF THE WAYS AND MEANS COMMITTEE FRONTENAC CITY HALL TUESDAY, JULY 16, 2019

### A. CALL TO ORDER

The July 16, 2019 meeting of the Ways and Means Committee of the City of Frontenac was called to order at 5:00 p.m.

### B. ROLL CALL

The following Committee members were present:

Chairperson Margaret Sherwood	Warren Winer
Jane Rubin	Joe Stergios
Bob Lenzen	Aldersperson Dan Millman

Ms. Ross stated there was a quorum.

Also in attendance were Mayor Kate Hatfield, Assistant City Treasurer Emily Arneson, City Administrator Jaysen Christensen, Finance Officer Lea Ann Bennett, and City Clerk Leesa Ross.

### C. APPROVAL OF AGENDA:

Chairperson Sherwood asked for a motion to approve the July 16, 2019 agenda.

**MOTION:** Ms. Rubin motioned and Mr. Winer seconded approval of the agenda. All voting members present voted in the affirmative. **MOTION PASSED.**

### D. APPROVAL OF MINUTES:

Chairperson Sherwood asked for a motion to approve the May 14, 2019 minutes.

**MOTION:** Mr. Winer motioned and Ms. Rubin seconded approval of the May 14, 2019 minutes. All voting members present voted in the affirmative. **MOTION PASSED.**

### E. PUBLIC FORUM (PRESENTATION OF REMARKS AND/OR PETITIONS):

No comments were made at this time.

### F. COMMENTS BY COMMITTEE MEMBERS:

No comments were made.

**G. CHAIRMAN'S COMMENTS:**

Chairperson Sherwood stated Ways and Means Committee's agendas, minutes, budgets and the CFARs for the last few years had been or were being added to the City's website. She also said minutes would be streamlined starting with the May 2019 minutes

**H. REVIEW OF FINANCIAL REPORTS:**

Ms. Bennett stated revenues year to date are up 4.6% or \$357,000 and that expenses were under 4.1% or \$332,000.

**I. OLD BUSINESS:**

**Sales Tax Trends**

Ms. Bennett advised sales taxes are trending even, with no growth, at this time.

**Utility Tax Lawsuit Updates**

Mr. Christensen stated he had no update at this time.

**Internal Controls Review**

Ms. Bennett stated \$10,000 was budgeted in FY18-19 for an internal controls review; however the money was not spent. There was discussion whether to budget it for FY 20-21 or try to complete the review in FY19-20. The Committee decided to wait a few months to see how the FY18-19 financials look and how FY19-20 is going before deciding whether to do this project in FY19-20.

**J. NEW BUSINESS:**

**Library Lawsuit**

Mr. Christensen stated a petition has been filed requesting a Declaratory Judgment and the Board of Alderperson approved spending up to \$60,000.

**Worker's Compensation Premiums**

Ms. Bennett advised worker's compensation premiums were budgeted for a 15% increase and the premium increased 26%, which is an additional \$20,000. She also stated the worker's compensation audit came back, and with the retirements of both police and fire chiefs, our estimated payroll was low. SLAIT will bill the City for the additional premium.

Ms. Bennett will urge SLAIT to do this soon so the additional funds can be accrued on the FY18-19 financial statement.

### **Multi-Year Plan**

Aldersperson Millman discussed the City's 10-year model that was developed and maintained by former W&M member John O'Connell. Currently Mr. O'Connell still has the plan and will share it with Mr. Millman in the near future. The two will work together so that Mr. Millman can understand and use the model. The longer-term goal is for the spreadsheet with the model to be transitioned to the W&M Committee so the Committee can work with it with Mr. O'Connell's assistance.

### **Half-Cent Fire Sales Tax**

Mr. Christensen advised Governor Parsons signed a ¼ cent city fire tax increase to ½ cents total with the consent of the voters. We currently have a ¼ cent fire tax that generates \$590,000. There was discussion whether to move forward with this and what the appropriate timing would be. The election month with the lowest percentage needed to pass is April. This means the language would need to be filed with the state in January, which means the Board of Aldermen would need to approve presenting it to the voters no later than its December meeting.

### **Sales Tax & Utility Tax Audits**

Mr. Jon Werner of Azavar Government Solutions gave a presentation on conducting a sales tax and utility tax audit for the City. The Committee plans to discuss this in more detail at its August meeting with the benefit of additional information to be gathered:

- Ms. Bennett will research to determine if any other companies provided this service, including contacting other GFOA members;
- the Ways & Means Committee members also will look to find if there were any additional companies who conducted this service;
- Mr. Christensen will check the references and contact other cities within the 63131 zip code to see their interest in providing this service; and
- Mr. Werner will talk to his company to see if they could provide a greater discount if more cities within the 63131 zip code would want this service provided.

## **General Meeting Schedule**

Chairperson Sherwood stated she would like to move forward with the meetings being held on the third Tuesday at 5:00 p.m. to facilitate having all the information needed for the prior month-end financial reports. There followed a discussion, and the majority of the members concurred. Chairperson Sherwood asked if members are unable to attend a meeting to please let Ms. Bennett know.

### **K. SCHEDULE DATES FOR NEXT MEETINGS:**

Tuesday, August 20, 2019, 5:00 p.m.

### **L. ADJOURNMENT**

Chairperson Sherwood asked for a motion to adjourn the meeting.

**MOTION:** Ms. Rubin motioned and Mr. Stergios seconded the meeting be adjourned. All commission members present voted "Aye." **MOTION PASSED.**

The meeting adjourned at 6:41 p.m.