

# CITY OF FRONTENAC



## MINUTES OF THE WAYS AND MEANS COMMITTEE CITY OF FRONTENAC MUNICIPAL COMPLEX WEDNESDAY, FEBRUARY 15, 2023, 3:00 P.M.

### A. CALL TO ORDER

The February 15, 2023 meeting of the Ways and Means Committee of the City of Frontenac was called to order at 3:02 p.m.

Chairperson Sant called the meeting to order.

### B. ROLL CALL

Tim Sant	Ken Marx
Tom Mug (via phone)	Katie Dixon (via phone)
Aldersperson Millman (via phone)	Emily Arneson (via phone)
Mr. Kennedy was not present	Mr. Winer was not present

City Clerk Leesa Ross stated a quorum was present.

Also in attendance was Mr. Christensen and Ms. Bennett.

### 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 February 15, 2023 agenda. All voting members presented voted in the affirmative. **MOTION PASSED.**

### D. APPROVE MINUTES

Chairperson Sant requested a motion to approve the meeting minutes for January 18, 2023.

**MOTION:** Aldersperson Millman made a motion and Mr. Marx made a second to the motion to approval the meeting minutes. All voting members present voted in the affirmative. **MOTION PASSED.**

### E. CITY ADMINISTRATOR REPORT

Mr. Christensen stated a newsletter is coming out soon. There was discussion of the Geyer Road Project and the timeframe for construction. The city applied for a new grant for the Spoeede Road Bridge replacement, as construction costs nearly doubled. The city hopes to

hear about the grant soon. The timing of construction was also discussed, with the possibility of a bridge replacement on Lindbergh over Deer Creek. Mr. Christensen stated there is a large upcoming stormwater project in Countryside lane that will cost over \$4 million dollars, which the city will be using ARPA funds and 319 grants. The city's responsibility will be \$1.2 million.

The Gucci at Plaza Frontenac is opening Friday. There are no other updates at this time. Prop M will be on the April 4, 2023 ballot. It will be a 3% sales tax on the sale of recreational marijuana. Additional discussion of the resident survey, the comprehensive plan public forum and the police license plates readers were discussed.

#### **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**

No comments were made by Mr. Sant at this time.

#### **I. AUDIT REPORT**

Mr. Mike Williams of Sikich presented the annual financial audit. Mr. Williams stated there were three reports, the basic audited financial statements, the management letter and the transmittal letter. A certificate of achievement was presented for last year's audited financial report. An opinion statement stated there were no qualifications or modifications. Mr. Williams discussed the management, discussion and analysis, and the net position of the city. Assets have increase and liability have decreased. Deferred Inflows of resources refer to the pension plan. The summary of revenue and expenses were presented. The general fund balances were stated, as well as revenue and expenses and references to the financial statement. Capital assets and the pension plan were discussed. He stated the LAGERS pension plan is 97% funded. Deferred inflows and outflows were presented. Long term liabilities are down. Additional discussion of lessor disclosures, insurance, dispatching services, tax abatements, and future accounting pronouncements.

The management letter was referenced, and Mr. Williams stated the following three recommendations were noted:

#1 Escrow revenue over five years are still outstanding.

#2 Some compensatory time balances are over the allowed limits.

#3 The bank reconciliations were not completed in the Show-Me courts system by the Court Department during the year.

Mr. Sant thanked Mr. Williams and Ms. Bennett. Alderperson Millman concurred.

#### **J. REVIEW OF FINANCIAL REPORTS – January 2023**

Ms. Bennett stated revenues continue to be strong and are 8.4% above budget, and expenses are down 1% year to date. The use tax is still outperforming projections, as well as motor fuel tax and electric taxes, which may be due to the weather. Building permits are down significantly. Court fines are strong and are 48% above budget. Interest income is far above budget. Personnel increases factored in a large increase for the entire fiscal year, however the increase became effective in January.

#### **K. OLD BUSINESS**

##### **Unrestricted Cash**

- Ms. Bennett stated the majority of the property tax revenue were received, most recently \$450,000. Since Dec 30, we have been able to amass an additional \$2 million.

The city invested \$5 million for a 180-day return rate of 4.99%. There will not be much interest until it matures, and the funds will flip to a liquid part until it is reinvested. This left the city with over \$1 million in the operating fund. There is still \$6.8 million in Triad in a money market. She would like to keep the PNC money market open, as the cities operating expenses are in accounts at PNC, with a rate of 2.25%. Ms. Bennett stated she would like to do away with both the Triad and UMB money market accounts.

##### **Sales Tax Trends**

- Ms. Bennett stated December sales are extremely high. The month of February receipts were 10% higher than last month. There was discussion that this may be due to inflation.

##### **Investment Update**

- This topic was previously discussed.

**L. NEW BUSINESS**

There was no new business to discuss.

**M. SCHEDULED DATE FOR NEXT MEETING**

The next meeting date will be Wednesday, March 15, 2023, 3:00 p.m. Mr. Sant stated he will be out of town.

**N. ADJOURNMENT**

**MOTION**: Mr. Marx made a motion to adjourn the meeting, and Mr. Mug made a second to the motion. The motion carried unanimously. **MOTION PASSED.**

The meeting adjourned a 4:04 p.m.