

# CITY OF FRONTENAC



## MINUTES OF THE WAYS AND MEANS COMMITTEE REGULAR MEETING FRONTENAC CITY HALL FEBRUARY 23, 2021

### A. CALL TO ORDER

The February 23, 2021 regular meeting of the Ways and Means Committee of the City of Frontenac was called to order at 3:01 p.m. The meeting took place via teleconference.

### B. ROLL CALL

Chairperson Margaret Sherwood  
Tom Mug  
Bob Lenzen  
Warren Winer

Tim Sant  
Ken Marx  
Alderperson Dan Millman  
Emily Arneson, Asst. Treasurer, ex-officio

Ms. Ross stated there was a quorum.

Mayor Hatfield was also in attendance.

Also in attendance were City Administrator Jaysen Christensen; Finance Officer Lea Ann Bennett; and City Clerk Leesa Ross.

### C. VOTE TO APPROVE AGENDA

Chairperson Sherwood asked for a motion to approve the February 23, 2021 agenda. Chairperson Sherwood stated she suggested under new business, labeling the request "Mayor and Board of Alderpersons"; she also asked that the items under the request are to be discussed in the order of 1, 3 and 2.

**MOTION:** Mr. Mug made a motion and Mr. Marx seconded approval of the amended agenda. All voting members present voted yes. **MOTION PASSED.**

### D. VOTE TO APPROVE MEETING MINUTES

January 19, 2021 meeting minutes.

**MOTION:** Mr. Lenzen made a motion and Alderperson Millman seconded approval of the January 19, 2021 meeting minutes. All members present voted yes. **MOTION PASSED.**

Chairperson Sherwood stated that starting with this meeting the minutes be “action minutes,” with votes recorded and reports will be attached to the minutes, as per the City Attorney’s suggestion.

#### **E. PUBLIC FORUM**

There were no comments by the public at this time.

#### **F. COMMENTS BY COMMITTEE MEMBERS**

There were no comments made at this time.

#### **G. CHAIRPERSON’S COMMENTS**

Chairperson Sherwood thanked Mr. Christensen and Ms. Bennett for putting together a lot of information for the packet in the very short time between the Board of Alderman meeting last Tuesday and when the packet went out last Friday.

#### **H. REVIEW OF FINANCIAL REPORTS**

- **January 2021**

Ms. Bennett presented the financial report information.

There was discussion regarding statistical information on the Fire Department and the number of calls they make.

#### **I. OLD BUSINESS:**

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

Ms. Bennett presented the sales tax trends report.

##### **Sales Tax & Utility Tax Audit**

Ms. Bennett had no update at this time.

##### **Property Tax**

Chairperson Sherwood stated she had updated her notes that were presented last spring and provided an updated property tax analysis. She presented her report to the Committee for discussion.

### **Worker's Comp Update**

Chairperson Sherwood stated there is no update.

### **Sales Tax Interruption Claim**

Mr. Christensen stated there is no update at this time.

### **Utility Tax Lawsuit Updates**

Mr. Christensen said there was a final judgment on the Charter class action suit and that the City is expected to receive \$52,000. He said he believes Charter will appeal this decision..

### **Development Updates**

Mr. Christensen stated plans for 801 Grill have been submitted and Uncle Julio's is set to open in March. There were other updates given regarding mall vacancies and construction at the former B'nai El property.

### **COVID-19 Updates**

Mr. Christensen stated most of the staff has been vaccinated.

### **Updated Capital Expenses for Multi-Year Plan**

Chairperson Sherwood asked Mr. Christensen if he had completed the capital expenses for the multi-year plan. He stated he had submitted the information to Alderperson Millman and Mr. O'Connell.

### **Multi-Year Plan**

Alderperson Millman presented information on the long-term model and the assumptions. He explained the general fund balance results. There was a suggestion to use the model to determine how much the City needs over the next 10 years to determine an appropriate property tax increase request.

## **J. NEW BUSINESS:**

### **Potential Fire District**

Mr. Christensen updated the Committee on the request from the International Association of Fire Fighters, to consolidate all fifteen fire departments in the County into one fire district to be named the Central Metro Fire and Rescue District. The estimated cost per household in

Frontenac will be \$1.17 per \$1000 of assessed valuation. In the proposal, the fire district also would capture the fire sales tax, which is currently 25 cents, and that cost would likely increase to 50 cents. The proposal would keep all firefighting operations the same in the City. This would need voter approval by the voters in each city of 50% plus one of those voting. Chief Ulses gave comments and stated, if approved, the cost to the residents would be over \$6 million annually. The current cost to operate the Fire Department is approximately \$2.5 million annually.

### **Mayor and Board of Alderpersons Requests:**

#### **I. Revisit Reducing Steps for First Responders**

Mr. Christensen discussed the report dated September 11, 2020, on firefighter turnover. The cost estimate for the proposal is \$54,000 a year.

Motion: Mr. Sant made a motion and Mr. Mug seconded to support the proposal presented to move to the four step-pay scale for firefighters and police officers. The motion was withdrawn after discussion.

#### **II. Evaluate impact of 90<sup>th</sup> Percentile Salary Increases**

Mayor Hatfield said the request was to review both the 60<sup>th</sup> percentile and the 90<sup>th</sup> percentile for all City employees. Mr. Christensen stated he was still working on the information and hopes to have the data by next month or sooner.

Chairperson Sherwood stated she would prefer to wait to review this until March and make a recommendation then to the Board of Alderpersons. Mayor Hatfield gave background information on the request from the Board of Alderpersons and asked that both 60% and 90% be reviewed.

#### **III. Review Adding Step Increase to the FY 20-21 Budget**

Ms. Bennett presented information regarding step increases. The cost to add the employee steps into the FY20-21 budget is approximately \$23,000. Mr. Christensen stated there is a State statute that says employees cannot be paid retroactively. This issue has been turned over to the City Attorney, Mr. O'Keefe for review. The information regarding the cost of the increase will be passed on to the Board of Alderpersons.

Ms. Bennett gave a report regarding the City's unrestricted cash.

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

Tuesday, March 16, 2021 at 3:00 p.m.

**L. ADJOURNMENT**

**MOTION:** Mr. Sant made a motion and Mr. Mug seconded to adjourn the meeting. All Committee members voted "Aye".

The meeting adjourned at 4:40 p.m.

Attachments to the minutes:

January 2021 Financial Report  
Sales Tax Comparison Repots, August – November  
MTS Notes dated February 23, 2021 (A1 and A2)  
Ways & Means Long-Term Model  
CA Memo – Firefighter Turnover  
Exhibit A – Frontenac Firefighter Turnover  
Exhibit B – Comparison of turnover rates and complementation  
Exhibit C – Cost of Reducing Steps to Firefighter Privates & Police Patrolman  
Exhibit B1 – Step Raise Cost for Budget Year 20-21  
Unrestricted Cash Sheet