

CITY OF FRONTENAC



MINUTES OF THE WAYS AND MEANS COMMITTEE HELD VIA VIDEOCONFERENCE 3:00 P.M., WEDNESDAY, JUNE 22, 2022

A. CALL TO ORDER

The June 22, 2022 meeting of the Ways and Means Committee of the City of Frontenac was called to order at 3:00 p.m. The meeting was held in person and via videoconference.

B. ROLL CALL

Chairperson Tim Sant	Warren Winer
Aldersperson Dan Millman	Ken Marx (phone)
Tom Mug (phone)	John Kennedy

Committee Member Katie Dixon was absent.

City Clerk Leesa Ross stated a quorum was present.

Also in attendance was Assistant City Treasurer, Emily Arneson (phone); Finance Officer, Lea Ann Bennett; Police Chief, Mark Guttman; Public Works Director, Jeff Wappelhorst; Fire Chief, Floyd Blake; and Assistant Fire Chief, Kevin Halloran.

C. VOTE TO APPROVE AGENDA

Chairperson Sant asked for a motion to approve the June 22, 2022 agenda.

Mr. Winer motioned to approve the agenda. Mr. Kennedy seconded the motion. All voting members present voted in the affirmative. **MOTION PASSED.**

D. APPROVE MINUTES

Chairperson Sant asked for a motion to approve the May 24, 2022 minutes.

MOTION: Mr. Kennedy motioned and Aldersperson Millman seconded approval of the minutes as amended. All voting members present voted in the affirmative. **MOTION PASSED.**

E. CITY ADMINISTRATOR REPORT

Mr. Christensen gave an update on the City's comprehensive plan. He stated the plan should be completed in November. Public Forums were held, and an additional public form will be held soon. The plan is important for the redevelopment of several areas in Frontenac

Geyer Road negotiations are taking place for temporary easements for construction on the west side of Geyer. The first phase of the project will begin in the spring of 2023 and phases II & III will take place in 2024 and 2025.

A medical marijuana facility is being proposed at the former Royal Bank Building at German and Lindbergh.

F. PUBLIC FORUM

None.

G. COMMENTS BY COMMITTEE MEMBERS

None.

H. CHAIR'S COMMENTS

None.

I. REVIEW OF FINANCIAL REPORTS

Ms. Bennett stated that year to date revenues are over budget by almost 50% and expenses are up 5%. She said business licenses are up as sales are up and additional comments were made.

J. OLD BUSINESS

✦ **Sales Tax Trends**

- Ms. Bennett stated sales tax are up year to date by 40.66% and up from June 2021 by 58.9%, where some have to do with a timing issue and 86% of the April sales were reported.

✦ **ARPA Funds**

- Ms. Bennett stated there is nothing new to report and that that all necessary reports have been submitted.

✦ **Salary Survey**

- Mr. Christensen stated a report was provided by CBIZ the city's consultant, which needs to be reviewed. The city was given numbers for increases of 60th, 70th, 75th and 90th percentiles. He is scheduled to meet with them this week. There are different scenarios on implementation. He said they suggested a 6.2% COLA increase for all employees effective July 1. He said

he will continue to work to come up with a market increase, where it is needed.

❖ **Audit Firm Contract Extension**

- Ms. Bennett stated she spoke with the managing partner of Sikich who stated there would be no movement on their price. There was discussion as the increase is generally 10% and the following years is lower than that. The committee stated they could go out to bid in a future year and asked that the cancellation provision is reviewed.

K. NEW BUSINESS

❖ **2022-2023 Budget Discussion and Recommendation**

- Ms. Bennett gave an overview of the Capital Expenditures for Departments which totaled \$2,089,390. Mr. Winer asked will this get the city up to date. Mr. Christensen stated this is thorough and there were a lot of items pushed off which are in this budget.
- Ms. Bennett presented the personnel budget and stated she used the numbers proposed by Mr. Christensen to include a market increase, which totals \$543,000. Mr. Christensen stated this does not include CBIZ's numbers if the 90th percentile is used, the cost could be in the \$700,000 range. Ms. Bennett stated payroll taxes, overtime, work comp and pension costs would also increase. She also stated she added \$55,000 for one fire department retirement which would pay out sick leave, vacation pay, and comp time pay. Ms. Bennett stated the Administrative Clerk position salary will be split, 50% to building department; 25% to the administration department and 25% to the storm water department.
- Ms. Bennett gave a review of the storm water budget and the upcoming storm water projects.
- Ms. Bennett reviewed the Capital Fund and the General Fund
- Ms. Bennett reviewed the Revenues and stated there are changes to the capital and storm water funds due to grant revenues. Geyer Road and other projects in the Capital budget will generate grant revenue in the amount of \$694,000, which includes federal forfeiture funds of \$31,693; and Geyer Road funds of \$315,354 for the Stormwater Department. The total revenue for the City is \$13,339,547. Ms. Bennett also provided a sheet of all PILOT's the city has and stated additional revenue will be generated in January 2023 due to the Stifel Building.
- Ms. Bennett stated the general fund – fund balance is up 11%.

There was discussion of the amount of funds generated from the real estate taxes, as it will almost triple in the 2022-2023 budget from the 2021-2022 budget. Ms. Bennett

stated she would provide a spread sheet of her projections, of the updated projected revenue.

Ms. Bennett thanked all the department heads for their help on this year's budget.

Chairperson Sant asked for a motion to recommend approval of the draft budget summary dated June 22, 2022 for fiscal year 2022-2023 budget to the Board of Alderpersons.

MOTION: Mr. Mug made a motion to approve the 2022-2023 budget. Mr. Marx seconded the approval.

There was discussion to determine if this recommendation was needed, as there is a joint meeting proposed meeting set for next week. It was determined that the committee should submit a recommendation to the Board of Alderpersons.

All committee members voted "Aye". The motion was unanimous.

L. SCHEDULED DATE FOR NEXT MEETING

A joint meeting with the Board of Aldermen is planned for Wednesday, June 29, 2022 at 5:00 p.m.

M. ADJOURNMENT

MOTION: Mr. Winer motioned to adjourn the meeting. Mr. Kennedy seconded the motion. The motion carried unanimously. **MOTION PASSED.**

The meeting adjourned a 4:17 p.m.