

CITY OF FRONTENAC



MINUTES OF THE WAYS AND MEANS COMMITTEE REGULAR MEETING FRONTENAC CITY HALL OCTOBER 19, 2021

A. CALL TO ORDER

The October 19, 2021 regular meeting of the Ways and Means Committee of the City of Frontenac was called to order at 3:00 p.m. The meeting took place via teleconference.

B. ROLL CALL

Chairperson Tim Sant
Tom Mug
Aldersperson Dan Millman

John Kennedy
Warren Winer

Ms. Ross stated there was a quorum.

Ms. Emily Arneson and Ms. Katie Dixon were 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 Sant asked for a motion to approve the October 19, 2021 agenda.

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

D. VOTE TO APPROVE MINUTES

Chairperson Sant asked for a motion to approve the set of minutes for August 31, 2021.

MOTION: Mr. Kennedy made a motion and Mr. Mug seconded approval of the August 31, 2021 meeting minutes. All members present voted yes. **MOTION PASSED.**

E. PUBLIC FORUM

There were no comments by the public at this time.

F. CITY ADMINISTRATOR REPORT

Mr. Christensen gave a report about the new developments within the city. McBride is close to finishing the development on Clayton Road, and all units are sold. Talamore Square on South Forty Drive will be close to being finished and he said seven of 18 units are sold. There will be another new development on North Forty Drive, on a five-acre site between Westwood and Frontenac, where eleven single family homes will be built. He said the ground floor of Stifel building has been leased, to a law firm and the city should receive a PILOT payment of \$43,000 per year.

Mr. Christensen stated the comp plan is underway, which will be a 12-month process. The focus areas are the Hilton, Le Chateau and German Boulevard area. Geyer Road has been discussed recently, with a previous public forum held on October 6. There is discussion of where to place sidewalks, on the east side versus the west side which was proposed. He said there is a subdivision trustee meeting, Thursday, October 21 at 6:00 p.m., and all residents are welcome to attend.

Chairman Sant asked Mr. Christensen to give a refresher on the P.I.L.O.T. agreements that the city has. Mr. Christensen explained the process.

G. PUBLIC FORUM

None

H. COMMENTS BY COMMITTEE MEMBERS

No comments from the committee members.

I. CHAIRPERSON'S COMMENTS

Chairperson Sant made no comments.

J. REVIEW OF FINANCIAL REPORTS

- **June 2021 & September 2021**

Ms. Bennett stated net income budgeted in FY20-21 was over by \$1.1 million, but the FY20-21 budget came in at a loss of \$43,000. She stated sales taxes turned around. Sales tax ended up being \$544,000 more than what was budgeted. She explained why the PILOT revenue was down. She said the departments controlled their costs last year and did a great job. In reference to expense variance, liability insurance was low, sick leave pay out was \$0 as two employees did not retire, and the sick leave payoff for the building department was underbudget by \$19,000. There was a public works capitol expense variance of \$400,000 due to the Geyer Road project.

Ms. Bennett explained the debt services and bonds to the committee.

September financials – Ms Bennett said sales taxes are looking well for 21-22 budget, it is up for the month and year to date. Grant revenue for ARPA funds received was \$357,500. The SLAIT rebate, a return of premiums from 2014-2015, was \$45,000. Mr. Sant said for the first three months of the year, sales taxes are 3 times higher than last year. Real estate taxes were discussed, and Ms. Bennett stated the city anticipates receiving an additional \$1.9 million.

Ms. Bennett stated the unrestricted cash balance is approximately \$5,600,000.

K. OLD BUSINESS:

Sales Tax Trends

Ms. Bennett stated sales taxes are doing well 56% up so far this year.

L. NEW BUSINESS:

Audit Update

Ms. Bennett stated the field work was completed several weeks ago over four days. She said there have been no adjustments made to the financials so far. She said two management comments were removed, and several recommendations were taken out. She said the draft presentation could be in November, to the Ways & Means Committee, and the final report to the Board of Alderpersons in December.

ARPA Funds

Ms. Bennett stated Mayor Hatfield was to talk about it, but she is not attending today's meeting. Mr. Sant stated there is a presentation in the packet. Ms. Bennett said \$357,000 of ARPA funds were received and must be accounted for, and the city has three years to do it. The CARES Act money does not have to be accounted for. There was additional discussion about the ARPA funds among the members. Mr. Sant suggested this item remain on the agenda.

M. SCHEDULE DATES FOR NEXT MEETINGS:

Tuesday, November 16 at 3:00 p.m.

N. ADJOURNMENT

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

The meeting adjourned at 3:55 p.m.

Attachments to the minutes:

June 2021 Financial Report
September 2021 Financial Report
Unrestricted Cash Report dated 9/30/2021
ARPA Fund Handout