



**Finance and Administration Committee
Record of Proceeding
June 27, 2023**

The Finance and Administration Committee met on Tuesday, June 27, 2023. Those in attendance included: Chairperson Michael Moore, Ward III; Council Committee Member Barbara McGuinness, Ward I; Council Committee Member Aaron Wahl, Ward II; Council Committee Member Gary Budoor, Ward IV; City Administrator Mike Geisel; and Finance Director Jeannette Kelly. Those also in attendance included: Mayor Bob Nation; Councilmember Mary Ann Mastorakos, Ward II; Councilmember Merrell Hansen, Ward IV; Director of Public Works/City Engineer Jim Eckrich; Superintendent Maintenance Operations David Barley; City Clerk Vickie McGownd; and approximately two other attendees.

Chairperson Michael Moore called the meeting to order at 5:00 p.m.

Approval of Minutes

Chairperson Moore asked if there were any comments or changes to the December 12, 2022 F&A Committee minutes. Hearing none, Councilmember McGuinness made a motion, seconded by Councilmember Wahl, to approve the December 12, 2022 F&A Committee minutes. A voice vote was taken with a unanimous affirmative result (4-0) and the motion was declared passed.

Chairperson Moore asked if there were any comments or changes to the March 13, 2023 F&A Committee minutes. Hearing none, Councilmember McGuinness made a motion, seconded by Councilmember Budoor, to approve the March 13, 2023 F&A Committee minutes. A voice vote was taken with a unanimous affirmative result (4-0) and the motion was declared passed.

Vice-Chair and Committee Liaisons

Chairperson Moore made a motion, seconded by Councilmember Budoor, to appoint Councilmember McGuinness as Vice-Chair of the F&A Committee. A voice vote was taken with a unanimous affirmative result (4-0) and the motion was declared passed.

Councilmember Budoor made a motion, seconded by Councilmember McGuinness, to appoint Councilmember Moore as Council Liaison to the F&A Citizens Advisory Committee. A voice vote was taken with a unanimous affirmative result (4-0) and the motion was declared passed.

Chairperson Moore made a motion, seconded by Councilmember McGuinness, to appoint Councilmember Budoor as Council Liaison to the MIS Citizens Advisory Committee. A voice vote was taken with a unanimous affirmative result (4-0) and the motion was declared passed.

City Council Meeting Schedule

Councilmember McGuinness made a motion, seconded by Councilmember Budoor, to recommend approval of the 2024 Proposed City Council Meeting Schedule. A voice vote was taken with a unanimous affirmative result (4-0) and the motion was declared passed.

Code Revision – Appointment of the City Clerk

Councilmember Moore made a motion, seconded by Councilmember McGuinness, to recommend the proposed change to the municipal code eliminating the four-year appointment term for the City Clerk and making it an indefinite appointment by the City Administrator. A voice vote was taken with a unanimous affirmative result (4-0) and the motion was declared passed.

Continuity of Operations – Chief of Police

City Administrator Mike Geisel discussed the continuity of operations strategy for selection of a new Chief of Police, which has been approved by Mayor Nation. Mr. Geisel described the strategy as a pro-active practice to ensure seamless continuity of operations. Selection of the new Chief of Police, by state statute, is the responsibility of the Mayor with consent of City Council. There will be a competitive professional search process including both internal and external candidates. Mr. Geisel continued by stating that having a prepared continuity of operations plan and strategy in place will reduce anxiety among existing staff and ensure transparency and delivery of high-quality service during the transition. Preparation of continuity of operations plans for the Chief of Police and a separate plan for the City Administrator were identified as a 2023 goal for Mr. Geisel. He further explained that the strategies approved for these two positions would also apply generally to other Department Head staff.

Fraternal Order of Police – Notice to Re-Open Negotiations

Mr. Geisel informed the F&A Committee that the Fraternal Order of Police (FOP) has submitted a letter expressing their desire to resume collective bargaining negotiations between FOP Lodge 15 and the City of Chesterfield. The current agreement expires at the end of June 2024.

Charter Class Action Litigation – Final Judgement

Mr. Geisel summarized the history of the Charter Communications Class Action litigation and stated that the circuit court had originally ruled in favor of the “class” which required that Charter reimburse the individual municipalities for their failure to remit taxes on their VOIP

phone services since 2005. The judgment was subsequently appealed to the Missouri Appeals Court and the Missouri Supreme Court, and both courts upheld the judgment.

Mr. Geisel continued by explaining that a check was received in April in the amount of \$1.4 million for payment of the judgment, but due to threat of further appeal to the Supreme Court of the United States, the check was not immediately deposited. The check has subsequently been deposited once the deadline to file the appeal to the Federal Supreme Court had lapsed.

Councilmember McGuinness made a motion, seconded by Councilmember Wahl, to recommend depositing the full amount of the judgment (\$1.4 million) into the debt pre-payment fund. A voice vote was taken with a unanimous affirmative result (4-0) and the motion was declared passed.

Strategic Plan Survey – Funding Request

Director of Public Works/City Engineer Jim Eckrich stated that early in 2023, City Council adopted the City of Chesterfield Strategic Plan. The Strategic Plan includes a number of goals with measurable action items necessary to attain those goals. Several surveys will need to be conducted to determine progress for the measurable action items. The City's executive staff has discussed the Strategic Plan and agree that the associated surveys should be comprehensively conducted by an outside consultant. After reviewing proposals, Mr. Eckrich recommends ETC Institute, a firm located in Olathe, Kansas that provides these services nationwide, and negotiated the scope and fee with a not-to-exceed cost of \$66,000.

Four surveys will be created in conjunction with City staff in the following categories: Community/Police Services, Employees, Parks and Recreation and Business surveys. ETC has the expertise to benchmark surveys and run analytics on the results, which will provide valuable input in these four areas.

Councilmember Moore made a motion, seconded by Councilmember Budoor, to recommend authorization of \$66,000 for the referenced surveys to be incorporated into the American Rescue Plan Act (ARPA) project list for funding. A voice vote was taken with a unanimous affirmative result (4-0) and the motion was declared passed.

Concrete Pavement Report

Director of Public Works/City Engineer Jim Eckrich presented results of an analysis of the City's concrete pavement, performed in an attempt to quantify whether the financial planning and pavement management strategy are appropriate to maintain the City's concrete infrastructure.

In summary, the City's concrete pavement infrastructure is aging. Most pavement is between 25 and 30 years old and the overall pavement condition rating will continue to decrease. Mr. Eckrich stated the importance of using planned capital funding for street replacement only. He also addressed the urgent need to fill excessive vacancies in the Street Maintenance Division in

order to ensure the City's ability to maintain pavement throughout its full life cycle; thereby, avoiding higher replacement costs.

Employee Benefits and Practices

Mr. Geisel stated that the City's adopted Strategic Plan instructs staff to bring employee-centric policies to City Council for implementation. He indicated that Public Works and Parks, specifically the "trades" positions, are currently experiencing problems attracting and retaining employees. He then presented a set of proposed employee policies and practices intended to be part of a series of incremental enhancements to be more competitive in the current labor market. He stated that these proposed employee policies and practices are a "first step" to help attract and retain employees.

Executive staff has compiled the following set of recommendations that apply universally with the exception of re-classification of positions, which only applies to the maintenance worker "trades" positions:

- Re-classification of "Trades" Positions
- Parental Leave
- Employee Referral Incentive Program
- Reducing Probationary Period
- LAGERS Actuarial Study

Re-classification of "Trades" Positions – Executive staff recommends raising the starting salary for "trades" positions by one step. Higher level positions would be raised a smaller amount (half step). If successful (fully staffed going into 2024), total payroll cost could increase up to \$130,000.

Parental Leave – Executive staff recommends providing up to six weeks of paid medical leave to run concurrently with the Family and Medical Leave Act (FMLA) during a rolling 12-month period. Parental leave does not directly impact the budget; however, lost time will be realized while paying employees who are not available to work.

Employee Referral Incentive Program – Executive staff recommends initiating a program to incentivize existing employees who recommend new-hires. Incentives will be paid to the referring employee over the course of three years as long as the new employee remains continuously employed by the City for that period. Costs for this incentive program come from unspent labor dollars.

Reducing Probationary Period – Executive staff recommends reducing the existing one-year probationary period to six months. Reducing the probationary period does not directly impact the budget.

LAGERS Actuarial Study – Executive staff recommends authorization to obtain an updated Missouri Local Government Employees Retirement System (LAGERS) actuarial report, to be created by a third-party actuary. This report will be used to provide employees with a direct comparison of LAGERS to the defined contribution benefit currently provided by the City. It

will also be beneficial during collective bargaining negotiations with the Fraternal Order of Police. Cost for the actuarial study is estimated to be \$2,500 and will be funded from the employee recruitment budget.

In addition to the action items listed above, staff will form an ad-hoc committee to review the following items:

- Health Insurance Premium and Distribution Review
- Salary Administration Manual

Health Insurance Premium and Distribution Review – Executive staff or a committee will be looking at the City's health premiums and distributions. Specifically, what the City of Chesterfield pays compared to other cities. There are no current recommendations since we are in the open enrollment process currently. Staff will report on any finding or recommendations.

Salary Administration Manual – Executive staff will review the salary administration manual for potential adjustments. There are no current recommendations. Staff will report on any findings or recommendations.

Councilmember Moore made a motion, seconded by Councilmember Budoor, to recommend approval of the enhancements to the employee benefits and practices as recommended by Executive Staff. A voice vote was taken with a unanimous affirmative result (4-0) and the motion was declared passed.

Financial Update

Director of Finance Jeannette Kelly provided a financial update to the committee.

Adjournment

The meeting was adjourned at 7:10 p.m.

Respectfully submitted:



Jeannette Kelly
Finance Director



Vickie McGownd
City Clerk

APPROVED: 10/3/2023