

MEMORANDUM

TO: Michael G. Herring, City Administrator

FROM: Jan Hawn, Director of Finance and Administration

DATE: March 26, 2002

SUBJECT: FINANCE AND ADMINISTRATION COMMITTEE MEETING

The Finance and Administration Committee met Monday, March 25, 2002. Those in attendance included: Chairperson Jane Durrell, Ward I, Councilmember Bruce Geiger, Ward II, Councilmember Dan Hurt, Ward III, Councilmember Mary Brown, Ward IV, City Administrator Mike Herring, Director of Finance and Administration Jan Hawn, and Executive Secretary Shirley Yost. Also in attendance for a portion of the meeting, were Mayor John Nations, and Councilmember Mike Casey. The meeting was called to order by Chairperson Durrell at 5:35 p.m.

1. Approval of Minutes – February 27, 2002

Councilmember Geiger made a motion to approve the minutes from February 27, 2002. Councilmember Brown seconded the motion. The motion was approved 4-0.

5. Proposed Financial Statement Format

Councilmember Geiger made a motion to table this item until the Finance and Administration Committee Meeting in June. Councilmember Brown seconded the motion. The motion was approved 4-0.

2. Discussion of Fund Balance Goal/Five-Year Budget – Modify? How?

The Committee members discussed the City's policy on fund balance, which is currently 40% of operating expenditures. Councilmember Geiger made a motion to use the total General Fund expenditures, including capital expenditures and debt service on the City Hall and Public Works Facility, to calculate fund balance level and to maintain the 40% goal. Councilmember Hurt seconded the motion. The motion failed a 2-2 tie, with Councilmember Geiger and Councilmember Hurt voting "yes" and Councilmember Durrell and Councilmember Brown voting "no."

The Committee continued their discussion. Councilmember Brown stated that she has no problem with fund reserves staying at 40% percent; she pointed out, however, that the actual fund balance has been at 50%-60% or higher.

Councilmember Geiger made a motion to use the total General Fund expenditures, including capital expenditures and debt service on the City Hall and Public Works facility

to calculate the fund reserve level. Councilmember Hurt seconded the motion. The motion was approved 4-0. This “policy change” will be forwarded to City Council for review approval. It was noted that the percentage of 40% will remain unchanged, but the actual dollars set aside will increase, since the percentage will be applied to a larger number.

The Committee discussed the methodology for the Five-Year Budget process. After discussion, Councilmember Hurt made a motion to use the previous year actuals for the basis of the Five-Year budget projections. Councilmember Brown seconded the motion. The motion was approved 4-0.

[Mayor Nations arrived at 6:40 p.m.]

3. Pay Plan Administration

The Committee discussed the pay plan and Council’s decision to have starting salaries for all positions within the average of the top five comparable positions in the market place. The Committee discussed whether employees’ salaries should be adjusted within the pay grades each time the pay grade is adjusted, noting that this is the method used in the past to avoid compression. The Committee asked Staff to prepare a proposal and bring it back before the Committee regarding how this process might be changed.

4. Policy on use of City’s Logo and Name

The Committee discussed the policy regarding the use of the City’s logo and who should be permitted to use the City logo. Mr. Herring told the Committee that Chesterfield Arts had requested to use the City’s logo. The Committee discussed whether outside organizations should be allowed to use the City’s logo.

Councilmember Brown made a motion to direct staff to have the City Attorney find a copyright attorney to copyright the City logo, not to exceed \$2,000. Councilmember Geiger seconded the motion. The motion was approved 4-0. [NOTE: Subsequently, Ms. Hawn initiated this process herself and will complete all the necessary paperwork in-house.]

After discussion, Councilmember Hurt made a motion to modify the existing policy on the use of the City’s letterhead to include “logo” as well and to add “City Administrator” (in addition to the Committee liaison) for the review of the request. Councilmember Brown seconded the motion. The motion was approved 4-0.

6 Citizen of the Year Process

Councilmember Brown made a motion to table the discussion regarding the Citizen of the Year Process until the next meeting. The motion was seconded by Councilmember Geiger and passed 4-0.

7. **Other/Next Meeting**

The Next Meeting of the Finance and Administration Committee will be held Wednesday, April 24, 2002 at 5:30 p.m.

8. **Executive Session – Closed Meeting – Personnel Matters (RSMo 610.021(3))**

Councilmember Brown made a motion to go into Executive Session for the purposes of discussing personnel matters, as provided by RSMo 610.021(3). Councilmember Geiger seconded the motion and the Committee voted as follows, by roll call:

Councilmember Brown – Aye
Councilmember Geiger – Aye
Councilmember Hurt – Aye
Councilmember Durrell - Aye

The regular meeting adjourned and the Committee went into Executive Session at 7:05 p.m.