

MEMORANDUM

TO: Finance and Administration Committee of City Council
FROM: Jeremy Craig, Director of Finance and Administration
DATE: February 22, 2007
SUBJECT: Finance and Administration Committee Meeting

The Finance and Administration Committee met at 5:00 p.m. on Wednesday, February 22, 2007. Those in attendance included Chairperson Bruce Geiger, Ward II, Councilmember Mike Casey, Ward III, Councilmember Mary Brown, Ward IV, City Administrator Mike Herring, Assistant City Administrator for Economic and Community Development Libbey Simpson, and Director of Finance and Administration Jeremy Craig. Also in attendance were Councilmember Dan Hurt, Ward III, Prosecuting Attorney Tim Engelmeyer, Attorney Anthony Pezzani, Chesterfield Citizens Matthew Garbaro, Gabrielle Garbaro and Lee Erikson, and Executive Secretary Caroline McDowell. The meeting was called to order by Chairperson Geiger at 5:00 p.m.

1. Approval of Minutes--November 11, 2006

Councilmember Casey motioned to approve the minutes from November 11, 2006. Councilmember Brown seconded and the motion passed 3-0.

2. Proposal To Designate Assistant Prosecuting Attorney

Prosecuting Attorney Tim Engelmeyer presented the proposal, explaining that in the past the City consulted a list of substitute attorneys prepared by Mr. Engelmeyer if he was unable to attend court. This substitute was paid \$500 per night. With the increasing volume of cases and responsibilities, it would benefit both the City and the prosecuting attorney if an assistant position was created and the attorney named was appointed by Council, specifically Anthony Pezzani, his partner in private practice. Mr. Pezzani would work under Mr. Engelmeyer's contract; therefore, there would be no extra cost to the City.

Councilmember Casey made a motion to recommend to Council to create the position of assistant prosecuting attorney and appoint Anthony Pezzani. Councilmember Brown seconded and the motion passed 3-0.

Councilmember Casey acknowledged the benefit of two attorneys and stated that both should be appropriately compensated. Councilmember Brown agreed and made a motion to have staff review salaries for the prosecuting and assistant prosecuting attorneys. Councilmember Casey seconded and the motion passed 3-0.

3. Proposed Use of Fund Reserves--\$135K for Sidewalk

Mr. Herring explained that the City and Missouri Department of Transportation (MODOT) have been in discussion about constructing a sidewalk with handicapped access ramps along Clayton Road from Baxter Road to Parkway West High School. As a policy, MODOT does not construct sidewalks along the rights-of-way and this is the first scenario where they have agreed to maintain the structure if the City builds it. There are no other similar MODOT rights-of-way with a need for sidewalks in Chesterfield. Mr. Herring said the cost of construction, \$135,000, would have to come from Fund Reserves since this project is not budgeted. He also noted that he has not yet completed the potential project list for Fund Reserves that Council requested at the 2006 budget workshop, but this project will have minimal impact on Fund Reserves.

Councilmember Casey said that the City should move forward with the vote to approve funds; Fund Reserves are available for such projects. Chairperson Geiger agreed, but would like to approach MODOT once more with the support of Rep. Jane Cunningham and request they construct the sidewalk.

Citizens Matthew Garbaro and Gabrielle Garbaro, who is a student at Parkway West HS, explained their involvement in the project and how that particular stretch of road is unsafe not only for persons in wheelchairs, but also for all pedestrians. They fully support the construction of a handicap-accessible sidewalk.

Councilmember Brown made a motion to recommend to Council to appropriate \$135,000 from Fund Reserves, reviewed by the committee as minimally impacting Fund Reserves, for the construction of a sidewalk. Councilmember Casey seconded and the motion passed 3-0.

4. Change in Purchasing Policy

Jeremy Craig said that as staff installs the new financial software system and learns its internal controls, they are also reviewing purchasing procedures. In response to enhanced controls built into the system, Mr. Craig recommended the City increase the dollar thresholds of the purchasing policy while maintaining the same bid process. In doing so, Council would still see 64 percent of all purchases, but they would be the notable transactions and items.

The increased thresholds are:

\$ Amount	Purchase Order	Action	Approval
Up to \$5,000	NO	Department purchases	Department Head
\$5,001-10,000	YES	3 oral quotes, department purchases	Department Head/Finance Director
\$10,001-25,000	YES	3 written quotes, department purchases	Department Head/Finance Director
\$25,001+	YES	Advertise/Bids/Council Agenda	Department Head/Finance Director/City Admin/Council

Councilmember Brown made a motion to recommend to Council to adopt the new purchasing policy thresholds based on Mr. Craig's memo. Councilmember Casey seconded and the motion passed 3-0.

5. Selection Process for President Pro Tem

Chairperson Geiger said that the selection of President Pro Tem on Council may need review in light of Council elections in April. In recent years, the seat rotated among Councilmembers, but with new members to be elected, he suggested that the policy return to the nomination/vote method. Councilmember Hurt pointed out that the policy had never been changed from that format; the rotation evolved as a courtesy. Chairperson Geiger located the policy and noted that it had not been changed. The committee agreed to leave the policy as is.

6. Budget Process

Chairperson Geiger suggested that the 2008 budget review workshop take place on Saturday, November 3, 2007. At that meeting, he would like staff to present the General Fund, Parks Sales Tax Fund, Parks Bond Fund and Capital Improvement Fund in the CUCO budget review format. He also suggested combining discussions of the budget and the five-year forecast.

Councilmember Hurt would like the budget and five-year forecast discussions to remain separate since the preparation of each takes a notable amount of staff time and energy. Mr. Herring agreed, saying the five-year forecast, which is produced in the spring, usually leads into the production of the budget in the fall.

Councilmember Hurt stated that he would like the budget workshop to begin at 10 a.m. Councilmember Casey stated that he would like the budget workshop to begin at 8 a.m.

These topics will be discussed at a later meeting.

7. Evaluation of Fund Reserve Policy

Chairperson Geiger stated that he would like Council to reevaluate the Fund Reserve policy, which is currently 40 percent of the budget. Councilmember Hurt explained that the percentage originated by determining the cost of City operations for one year during a catastrophe. Chairperson Geiger made a motion for staff to analyze the Fund Reserves percentage policy and submit their results to the Committee. Councilmember Casey seconded and the motion passed 3-0.

8. Incubator Plus Program & Economic Development Advertising

Libbey Simpson gave an overview of Incubator Plus, which is a course offered to local business owners and entrepreneurs to promote small business. The course offering is a partnership between the City and Chamber of Commerce.

Ms. Simpson said that the City is continuing its advertising campaign positioning Chesterfield as a great alternative business location during the Highway 40 construction. The *Business Journal* has been a major advertising source and is doing another expose on Chesterfield in one of the May editions.

9. Other Items

Chairperson Geiger attended the presentation by The Hartford and Retirement Plan Advisors (RPA), the City's retirement plan administrators, and was very impressed. He said the program was doing well and offering great results for employees. Mr. Herring added that in addition to retirement planning and advice, RPA also offers great resources to employees for all types of financial planning.

10. Adjournment

The meeting was adjourned at 6:20 p.m.