

MEMORANDUM

TO: Finance and Administration Committee of City Council
FROM: Jeremy Craig, Director of Finance and Administration
DATE: September 14, 2005
SUBJECT: **FINANCE AND ADMINISTRATION COMMITTEE MEETING**

The Finance and Administration Committee met on Wednesday, September 14, 2005. Those in attendance included: Chairperson Jane Durrell, Ward I, Councilmember Bruce Geiger, Ward II, Councilmember Dan Hurt, Ward III, Councilmember Mary Brown, Ward IV, Mayor John Nations, City Administrator Mike Herring, Assistant City Administrator for Economic and Community Development Libbey Simpson, Director of Finance and Administration Jeremy Craig. Also in attendance was Executive Secretary Caroline McDowell. The meeting was called to order by Chairperson Durrell at 5:30 p.m.

1. Approval of Minutes—July 20, 2005

Councilmember Geiger motioned to approve the minutes from July 20, 2005 and Councilmember Brown seconded. Chairperson Durrell asked that in section six, it be added that Councilmember Geiger returned to the meeting before roll was called. The minutes were approved 3-0.

2. Contribution Request

Mr. Craig explained that the request was submitted by Piwacket Theatre for Children for its “Off the Cuff” production series; the group requests and has received a contribution award every year since 1999. Policy states that up to \$3,000 may be allocated per request and at present, \$6,000 is available to be awarded. Councilmember Geiger motioned to award a \$3,000 contribution to Piwacket and Councilmember Brown seconded. The motion was approved 3-0.

3. Economic and Community Development Update

Chairperson Durrell welcomed Libbey Simpson, Assistant City Administrator for Economic and Community Development.

Ms. Simpson conveyed her observations of Chesterfield thus far. Internally, she noted the City’s lean operation and hard-working staff, and externally, she noted the diverse economy and continuing opportunities for growth and development. She summarized much of the information that she had included in her first month’s activity report, including meetings that she had with various community leaders. She mentioned some exciting plans by Sachs Properties, St. Luke’s and Pfizer for new projects and/or expansion. Ms. Simpson also complimented the Chamber of Commerce for its positive interaction with the City and for having organized the business community so effectively.

Ms. Simpson plans to attend more ribbon cuttings in the City and has designed a Proclamation, to be presented by the Mayor, to welcome new businesses to Chesterfield. Business retention will also be one of her focuses, targeting manufacturers and corporate headquarters. She noted the Mayor Nations and City Administrator Herring had regularly met with business leaders and she suggested that practice continue.

Councilmember Geiger inquired about the “Breakfast with the Mayor” program. Mayor Nations commented that the program had been extremely successful in enabling him to interact with the growing

number of owners/managers of existing businesses. Ms. Simpson would be helping to coordinate those meetings.

Ms. Simpson will work closely with the Planning and Public Works departments to identify and implement ways to improve the development plan review process. Chairperson Durrell pointed out that larger developers have the time, money and people to guide them through the process, but smaller developers do not. Ms. Simpson agreed, saying that Mr. Herring had directed her to provide a contact and appropriate guidance for those who might need assistance to work through our process.

Ms. Simpson noted that, when interviewing for this position, she had indicated her desire for the City to establish an economic/community development advisory committee. She has had experience with such advisory committees in her previous jobs. Mr. Herring had directed her to formalize this recommendation for review and approval by the F&A Committee. Ms. Simpson suggested that the advisory committee include individuals with a broad base of business and/or development experience and expertise. In addition to assisting Ms. Simpson, they would be ambassadors of the City with their fingers on the pulse of each key economic component of our local economy.

Chairperson Durrell explained the history and current state of the Chesterfield Community Development Corporation (CCDC). Councilmember Brown noted that CCDC had been established as a legal and separate entity from the City. Councilmember Geiger noted that CCDC had been serving as the City's Industrial Development Authority (IDA) and asked if that was a requirement. Mr. Herring explained that the City may retain the CCDD as its IDA or contract with the County for this service.

[Note: Councilmember Hurt arrived at this point in the meeting (6 p.m.).]

Following additional discussion, the Committee agreed to have Ms. Simpson formalize a recommendation outlining the structure and function of an economic and community development advisory committee, working under the umbrella of the F&A Committee, with a Committee liaison assigned to meet with the group and Ms. Simpson assigned as staff liaison. The Committee members decided that, when they reach agreement regarding the structure for this new advisory committee, they will recommend to Council that each of the current CCDC members be given the opportunity to merge with and become part of this new advisory committee. Ms. Simpson noted that the optimal size would be between 9 and 20 members. She will submit her recommendation at the next F&A Committee meeting.

4. Policy of Lowering Flags at City Hall

Mr. Herring indicated that, in response to questions from Councilmembers, he simply wanted to clarify when and why the City lowers its flags. He noted that the vast majority of situations/circumstances are covered by established protocol and that the City routinely joined with other cities across the region in taking this action. The Committee accepted Mr. Herring's report as information.

5. Other Items

Mr. Craig summarized the audit of FY2004. He noted that the original budget had projected a shortfall of \$1.1 million, but in actuality the City ended the year \$700,000 better than anticipated because of increased sales tax and natural gas revenues. The year ended with a shortfall of approximately \$400,000. The trends for 2005 project \$1.16 million in revenue from natural gas, increased sales tax and capital improvement sales tax. In response to inquiries, Mr. Craig noted that projected expenditures for gasoline/diesel would be an additional \$70,000, totaling approximately \$265,000 for FY2005.

Councilmember Geiger inquired about the Transportation Development District (TDD), to which the Mayor replied 132 voters requested ballots that were mailed on September 13, 2005. One meeting was held and another is scheduled to discuss the issue; so far, feedback has been positive and the election deadline is October 25, 2005. Mayor nations and Councilmember Brown indicated that they would

continue to interact with potential voters, along with Councilmember Fults (Ward 4), to explain and support the proposed TDD.

Mr. Craig said that the IRS has set up a Leave Bank Program through which employees can donate vacation time and, if approved by the F&A Committee and City Council, the City will donate the value of that vacation time, untaxed, to designated organizations for Hurricane Katrina relief. The value of all currently accumulated employee vacation time is \$450,000. If paid by the City, this would come from Fund Reserves. Councilmember Brown motioned to recommend to Council to initiate the program, allowing each employee to donate up to and no more than half of his/her accrued vacation leave balance for Hurricane Katrina relief. Councilmember Geiger seconded and the motion was approved 4-0. The donation will be made to the American Red Cross

6. Next Meeting/Adjournment

The next meeting was scheduled for 5:30 p.m. on Wednesday, October 5, 2005.

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