

MEMORANDUM

TO: Members – F&A Committee
FROM: Michael G. Herring, City Administrator
DATE: May 28, 2014
SUBJECT: Minutes – 5-28-2014

The Finance and Administration Committee met on May 28, 2014. Those in attendance included: Chairperson Derek Grier, Ward II; Council Committee Member Barry Flachsbart, Ward I; Council Committee Member Mike Casey, Ward III; Council Committee Member Bruce DeGroot, Ward IV; Mayor Bob Nation; City Administrator Mike Herring; Finance Director Brian Whittle; Finance Director Craig White; and, Community Services/Economic Development Director Libbey Tucker. Those also in attendance included Councilmember Elliot Grissom, Ward II; Councilmember Dan Hurt, Ward III; Mike Geisel, Director of Public Services; Information Technology Manager, Matt Haug; Management Analyst, James Mello; Al Kirchhofer, President at Daniel Jones and Associates, the City's auditor; TDD Attorney Robert Khlar; and one visitor.

Chairperson Derek Grier called the meeting to order at 5:30 p.m.

1. Approval of Minutes – February 24, 2014

Councilmember Grier motioned to approve the minutes from the February 24, 2014 meeting of this Committee. Councilmember Casey seconded the motion. A voice vote was taken, with a unanimous result, and the motion was approved.

2. Selection of Co-Chair

Councilmember Grier nominated Councilmember Casey as Co-Chair of the Finance and Administration Committee. Councilmember Flachsbart seconded the motion. A voice vote was taken, with a unanimous result, and the motion was approved.

3. Selection of Citizen Advisory Committee Liaisons

Councilmember Flachsbart nominated the following Committee liaisons: Councilmember Grier as a liaison to the Finance & Administration Citizens Advisory Committee; Chairperson Flachsbart as liaison to the Human Rights Commission; Councilmember Grissom as liaison to the MIS Citizens Advisory Committee; and Councilmember Casey as liaison to Chesterfield Arts. Councilmember Casey seconded the motion. A voice vote was taken, with a unanimous result, and the motion was approved.

4. Review/acceptance of FY2013 Audit and “Comprehensive Annual Financial Report (CAFR)”

Al Kirchhofer, president of Daniel Jones & Associates, discussed the FY2013 audit. He stated that his firm conducted two audits and the City received the highest opinion possible of ‘unmodified’, on both audits. The first audit was over the annual financial statements and the second audit was called a ‘single audit’ which was mandated by Federal law because the City received over \$500,000 in Federal funds in FY2013. He noted that he had no disagreement with management and that City Staff was very helpful during the auditing process. He indicated that every balance sheet account was reconciled with supporting documentation and every income statement account was supported by documentation.

Mr. Herring complimented both Mr. Kirchhofer and the auditing team for their thoroughness and due diligence. He reminded the Committee that a complete copy of the “Comprehensive Annual Financial Report”, prepared by Mr. Whittle and including a copy of the audit, had been provided, in advance of this meeting, to Mayor Nation and the entire City Council. He further commented that City Council had delegated to the F&A Committee the ability to officially accept the audit, following the Committee’s interaction with the auditor and that Mr. Kirchhofer would not be appearing before City Council, for any additional discussion.

Following additional discussion, Councilmember Flachsbart motioned to approve the FY2013 Audit, as presented. Councilmember DeGroot seconded the motion. A voice vote was taken, with a unanimous result, and the motion was approved.

5. Proposal re: Bus Shelters

Mr. Herring states that at the request of Mayor Nation and the support of the entire TDD board, he negotiated an agreement that, when ultimately approved by the Bi-State Development Agency/METRO, will result in the purchase/installation of bus shelters at METRO bus stops, located throughout the Valley. There are 29 or 30 bus stops in the City that are either in the Chesterfield Valley TDD service area or along routes that service the Chesterfield Valley TDD area. Each of these will be evaluated, by METRO, for the suitability of adding a shelter. He pointed out that the shelters will be provided at NO COST to the City of Chesterfield. Additionally, Republic Services has agreed, at NO COST to the City of Chesterfield, to provide trash containers at each bus shelter and to empty them, once/week. Once METRO has completed its analysis/study, the shelters will be purchased and installed, by METRO. METRO has further agreed to carry these costs until the TDD Board has issued bonds, in early 2015, at which time METRO will be reimbursed for these costs.

Mr. Herring said that even though the City will have no obligation under this agreement to pay for anything, it is necessary for the Council to approve a change to the original TDD agreement, transferring responsibility from the City to METRO for the

coordination/implementation of this agreement. Mr. Herring credited Mayor Nation for making this project a priority and noted that Mayor Nation fully supports the project. Councilmember Flachsbart asked about advertising at the shelters. Mr. Herring assured Councilmember Flachsbart that there will be no advertising on the shelters and that explicit mention of such would be included in the final version of the Intergovernmental Cooperation Agreement

Councilmember Casey made a motion to recommend that City Council approve an ordinance, authorizing Mayor Nation to sign an Intergovernmental Cooperation Agreement that will allow for the installation of the bus shelters at no cost to the City of Chesterfield. Councilmember Flachsbart seconded the motion under the condition that “no advertising” was made a condition of the final agreement. A voice vote was taken, with a unanimous result, and the motion was approved.

6. City Hall Phone System Replacement Request

Ms. Tucker stated that Matt Haug, Information Technology Director and she had met with the Management Information Systems Citizens Advisory Committee on May 7 to discuss staff’s recommendation to upgrade the existing telephone systems/hardware. Mr. Haug recommended that the City utilize Tech Electronics to upgrade the current phone system, at a price not to exceed \$180,000. She stated that the Committee was unanimous in support of the proposal and that Councilmember Grissom, City Council liaison to the MIS Committee, was very helpful in meeting with Staff, prior to the meeting and in expressing his support for this recommendation, during the meeting.

Mr. Haug noted that the current phone system was put in place in 2001 and had a life expectancy of 10 years. He stated that the IT department has been able to extend that life span in order to save the City money. However, the manufacturer of the current phone system no longer produces or sells the models used at City Hall. Additionally the system no longer has support from the original vendor. He said those changes necessitate the need for a new system and after thorough research he found Tech Electronics to offer the best option at the best price. Mr. Haug also thanked Councilmember Grissom and the MIS advisory Committee for their help and expertise during this project.

Mr. Herring noted that, as had previously been discussed with the F&A Committee, funding for this capital project would come from excess General Fund – Fund Reserves.

Councilmember Casey made a motion to recommend the City Council approve allocating \$180,000 from General Fund - Fund Reserves to upgrade the City Hall phone system. Councilmember Flachsbart seconded the motion. A voice vote was taken, with a unanimous result, and the motion was approved.

Mr. Herring thanked Mr. Haug for his hard work in relation to this project.

7. Contribution to Special Event

Ms. Tucker stated that Council had budgeted for two \$3,000 community contributions in 2014. The F&A Committee has full approval authorization, regarding any requests that are submitted, without further review by City Council. She said that the Chesterfield Chamber of Commerce applied for a \$3,000 contribution to offset the costs associated with the Summer Concerts in Faust Park.

Councilmember Flachsbart motioned to approve the \$3,000 contribution to Faust Park. Councilmember Casey seconded the motion. A voice vote was taken, with a 4-0 result and the motion was approved.

8. Chesterfield Arts

Chairperson Grier stated that Chesterfield Arts has requested that their 3rd quarter contribution check, in the amount of \$25,000, which would normally be paid to them on July 1, be approved as early in June, as possible.

A general discussion ensued regarding the need for these funds.

Mr. Herring clarified that if the measure was recommended for approval by Council and the Council voted to approve the one-time payment at the next Council meeting, scheduled for Monday, June 2, then the payment could be made by the City as early as June 3, 2014.

Councilmember Casey motioned to recommend that the City Council authorize payment of \$25,000 to Chesterfield Arts, immediately following the June 2 City Council meeting. Councilmember Flachsbart seconded the motion. A voice vote was taken, with a 4-0 result and the motion was approved.

9. Other Business

Councilmember Flachsbart introduced several requests on topics such as obtaining additional information regarding the St. Louis County Municipal League's lobbying efforts with regards to the sales tax distribution and a review of the impacts of a merger between St. Louis County and St. Louis City. It was the general consensus of the Committee for Staff to gather information on these topics and present them as part of agenda items at the next Committee meeting.

10. Adjournment

There being no further business to discuss, Chairperson Grier adjourned the meeting at 6:25 p.m.