

Minutes of Finance Committee Meeting on May 14, 2020

The meeting was called to order by Chairman Clutter at around 2:00 PM.

Committee members in attendance include Mayor Lickliger, City Administrator, Michael Padella, City Treasurer, Sue Steiger, City Clerk, Bill Hanks, Bruce Robb, Pat Schuknecht and Alderman Andy Clutter.

Minutes from the March 3, 2020, Finance Committee Meeting was reviewed. A motion was made by Mayor Lickliger and seconded by Pat Schuknecht to approve the minutes as submitted. The motion was approved.

The committee reviewed the most recent analysis for LAGERS, which can establish the retirement program based on a minimum work hours of 1000 hours/yr, 1250 hours /year, or 1500 hours/yr. The City will need to pick one. The recommendation from City Staff was 1500 hours/year (i.e. 30 hours per week). The committee approved the recommendation for 1500 hr/ year with a 50 % funding level, at the L-7 level.

The committee had a presentation from LAGERS to further understand the benefits of the State of Missouri regulated pension plan for municipal employees. This follows an analysis of other metro St. Louis municipalities, which indicates Weldon Spring is not competitive with regard to health insurance and retirement benefits. This is likely to be a detriment in attracting and retaining quality employees.

LAGERS is presently offered to employees of 316 municipalities in Missouri, including 8 in St. Charles County.

Once a municipality decides to join LAGERS, the City cannot discontinue the program. Most municipalities are fully funded after 30 years. At 10 years, the municipality is 60% funded.

Weldon Spring has a 3% matched IRA for employees. Four to five city employees have participated previously. The City now has 6 full time employees. Currently, eight employees are contributing to Simple IRAs established by the City. LAGERS

presently offers either a 0% or a 4 % MATCHED. LAGERS is in discussion with the State of Missouri to offer a 2% and a 6% match, which was not voted on at the 2020 legislative session.

Per discussion with the City's IRA provider, the City cannot offer an IRA to any City employee if it has contracted to establish a pension program with LAGERS.

The committee discussed and amended the new proposed purchasing ordinance for final review at the next committee meeting. If approved by the committee, it will be sent to the Board of Alderman for consideration. The proposed changes increases the upper dollar limit for the City Administrator and the Mayor for purchases and contracts without requiring Board of Alderman approval and for requiring projects to be put out for bid.

The audit for fiscal year 2019 is completed. A motion was made by Pat Schuknecht and seconded by Sue Steiger to approve the audit as submitted and recommend the audit be approved by the Board of Alderman.

The City Administrator lead a review of potential cost reductions to the current fiscal year City budget due to lower revenue as a result of COVID-19. An additional review will occur in June after bids have been received for the trail expansion in the City Park and one or two additional months of sales tax revenue is reported.

A motion was made by Mayor Lickliger and seconded by Pat Schuknecht to adjourn the meeting. The motion passed and the meeting was adjourned at 4:52 PM.

Submitter by A. Clutter

Chairman, Finance Committee