



**Finance and Administration Committee of the Whole
Record of Proceeding
October 24, 2022**

The Finance and Administration Committee of the Whole met on October 24, 2022. Those in attendance included: Chairperson Barbara McGuinness, Ward I; Council Committee Member Aaron Wahl, Ward II; Council Committee Member Michael Moore, Ward III; Council Committee Member Gary Budoor, Ward IV; City Administrator Mike Geisel and Finance Director Jeannette Kelly. Those also in attendance included: Mayor Bob Nation; Councilmember Mary Monachella, Ward I; Councilmember Mary Ann Mastorakos, Ward II; Councilmember Dan Hurt, Ward III; Councilmember Merrell Hansen, Ward IV; Director of Public Works/City Engineer Jim Eckrich; Director of Planning Justin Wyse; Police Chief Ray Johnson; Director of Parks, Recreation and Arts Thomas McCarthy; Director of Information Technology Matt Haug; Captain Cheryl Funkhouser; Detective Clayton McGee; Asst. to City Administrator/Deputy City Clerk Molly Taylor and City Clerk Vickie McGownd.

Chairperson Barbara McGuinness called the meeting to order at 5:00 p.m.

Approval of Minutes

Chairperson McGuinness asked if there were any comments or changes to the October 10, 2022 Finance & Administration Committee of the Whole minutes. Hearing none, Councilmember McGuinness made a motion, seconded by Councilmember Moore, to approve the October 10, 2022 Finance & Administration Committee of the Whole minutes. A voice vote was taken with a unanimous affirmative result (8-0) and the motion was declared passed.

Merit Pool

City Administrator Mike Geisel briefly summarized the merit pool distribution process. Discussion ensued pertaining to various topics including the City's ongoing revenue challenges as well as employee attraction and retention.

Councilmember McGuinness made a motion to set the merit pool at 6%. The motion failed due to lack of a second.

Councilmember Wahl made a motion, seconded by Councilmember Moore, to set the merit pool at 7.5%. Discussion ensued. Councilmember Hansen made a motion to amend, seconded by Councilmember Mastorakos, to set the merit pool at 8%. Discussion

ensued. A roll call vote was taken on the motion to amend, with the following results: Ayes – Moore, Mastorakos, Hansen and Budoor. Nays – McGuinness, Hurt, Monachella and Wahl. Mayor Nation voted “Aye” to break the tie and the motion to amend was declared passed.

A roll call vote was taken on the amended motion to set the merit pool at 8%, with the following results: Ayes – Wahl, Budoor, Hansen, Moore, Mastorakos and Monachella. Nays – Hurt and McGuinness. The amended motion was declared passed.

Councilmember McGuinness made a motion, seconded by Councilmember Moore, to go into Executive Session (closed session), pursuant to RSMo 610.021(9) for the purpose of discussing preparation, including any discussions or work product, on behalf of a public governmental body or its representatives for negotiations with employee groups. A roll call vote was taken with the following results: Ayes – Wahl, Hurt, Hansen, Budoor, Monachella, Mastorakos, McGuinness and Moore. Nays – None. The motion was declared passed.

[The Finance & Administration Committee of the Whole entered into Executive Session at 6:10 p.m.]

[The Finance & Administration Committee of the Whole ended its Executive Session and resumed the Committee of the Whole meeting at 6:51 p.m.]

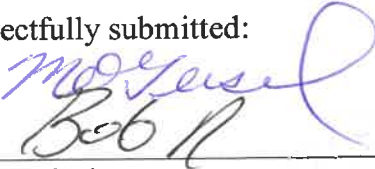
Draft Budget Proposal Review

Councilmember McGuinness made a motion, seconded by Councilmember Moore, to recommend the proposed FY2023 Budget for approval. A roll call vote was taken with the following results: Ayes – Monachella, Wahl, Hansen, Budoor, Hurt, Mastorakos and Moore. Nays – McGuinness. The motion was declared passed.


Adjournment

The meeting was adjourned at 6:53 p.m.

Respectfully submitted:



Mike Geisel
City Administrator



Vickie McGownd
City Clerk

APPROVED: 11/7/2022



**CITY OF CHESTERFIELD
FINANCE AND ADMINISTRATION
COMMITTEE OF THE WHOLE MEETING**

**MONDAY, OCTOBER 24, 2022
CONFERENCE ROOM 102-103
5:00 P.M**

I. APPROVAL OF MINUTES

**A. F&A Committee of The Whole Minutes – October 10,
2022**

II. BUDGET WORKSHOP #2

- A. Merit Pool Discussion**
- B. Draft Budget Proposal review**
- C. Executive Session –
 - i. Contract Compensation concerns****

III. ADJOURNMENT

PERSONS REQUIRING AN ACCOMMODATION TO ATTEND AND PARTICIPATE IN THE F&A COMMITTEE MEETING SHOULD CONTACT CITY CLERK VICKIE MCGOWND AT (636) 537-6716, AT LEAST TWO (2) BUSINESS DAYS PRIOR TO THE MEETING.

**Finance Committee of the Whole
2023 Budget Discussion
Budget Workshop #2 – 10/24**



Preliminary Budget Review

- Request for additional police officer,
 - total cost fully offset
- Review 4 major funds
 - General
 - Parks
 - Capital
 - Public Safety
- Discuss Merit Increase budget
- Identify issues & concerns

NEW PERSONNEL

PUBLIC HEALTH AND SAFETY COMMITTEE ACTION 2022-8-22

Staffing Request – Additional Police Officer

Chief Johnson informed the Committee members that the department has an opportunity to place an officer in an assignment with the St. Louis County Fusion Center as a Strategic Intelligence Analyst. The cost for this officer will be entirely funded (salary and full benefits) by the West Gateway Council Homeland Security Grant. Chief Johnson noted that the placement of a current officer into this fully funded position would leave Department one officer short in regular manpower and asked for approval to add one officer to the current staffing, at no cost to the City.

Councilmember Hurt motioned and Councilmember Monachella seconded to approve this request. The motion carried 4-0.

2023 Budget Assumptions

Revenues

1% increase above 2022 Estimate

- Sales Tax
- Utility Tax Electric
- Utility Tax Gas
- Utility Tax Water
- Road and Bridge Tax
- Gas Tax
 - 2.5 cent increase each October for the next 4 years
- Utility Tax Telephone
 - 5% decrease based on historical trend
- Franchise Fees
 - 4% decrease based on historical trend

Expenditures

- Health, dental, life and disability insurance increase 5%
 - effective 7/1
- Work Comp Rate increase 15%
 - effective 7/1
- General Liability and Property insurance increase 10%
 - effective 7/1
- **Merit increases not yet included in this budget for non-FOP employees**
- **1 additional Police Officer included in headcount, approved by PH&S**



2023 DRAFT Budget Summary

- **Net Revenue over Expenditures of \$2,543,793**
- **General Fund \$1,333,147 Revenues exceed Expenditures**
- **Parks Fund \$1,204,930 Revenues exceed Expenditures**
- **Public Safety Fund \$0 Revenues = Expenditures (by Fund definition)**
- **Capital Projects Fund \$26,713 Revenues exceed Expenditures**
- **The 2023 budget submission includes contracted compensation step increases for FOP Officers & Sergeants**
- **Merit pool for NON-FOP employees NOT YET DETERMINED**
- **Expenditures of \$21k related to the restricted Public Safety Fund is included**

**CITY OF CHESTERFIELD
REVENUE (WITHOUT TRANSFERS AND GRANTS)**

Fund	2020 Amended Budget Revenues	2021 Amended Budget Revenues	2022 Adopted Budget Revenues	2022 Amended Budget Revenues	2023 Proposed Budget Revenues
General	21,219,718	20,024,890	20,172,355	20,182,655	21,185,945
Parks	8,890,046	8,617,811	8,620,160	8,620,160	8,948,040
Capital	5,679,178	5,422,596	5,502,900	5,502,900	6,060,000
Public Safety	3,680,947	3,550,495	3,613,206	3,673,206	4,009,878
TOTAL	39,469,889	37,615,792	37,908,621	37,978,921	40,203,863



DRAFT Budget Summary

CITY OF CHESTERFIELD REVENUE AND EXPENDITURES (WITHOUT TRANSFERS)

Fund	2022 ADOPTED BUDGET		2023 PROPOSED BUDGET		2022 VS. 2023	
	Revenue	Expenditures	Revenue	Expenditures	Revenue	Expenditures
General	20,172,355	(11,099,636)	21,185,945	(11,350,255)	1,013,590	(250,619)
Parks	9,145,160	(8,391,881)	9,698,040	(8,493,110)	552,880	(101,229)
Capital	5,557,900	(5,426,171)	6,115,000	(6,088,287)	557,100	(662,116)
Public Safety	3,613,206	(12,065,794)	4,009,878	(12,533,418)	396,672	(467,624)
TOTAL	38,488,621	(36,983,482)	41,008,863	(38,465,070)	2,520,242	(1,481,588)
NET REVENUE	1,505,139		2,543,793		1,038,654	

General Fund
Reserves

11,900,960
61%

13,328,002
67%

2023 Proposed Budget does not include Merit Increases for Non-FOP employees

Scheduled & Planned Effective Debt Service

Scheduled Debt Service:

	Principal & Interest			Total Scheduled Debt Service
	General Fund - Land Acquisition	Parks Sales Tax Fund		
2023	1,073,625	3,374,028		4,447,653
2024	1,003,025	3,446,128		4,449,153
2025	768,625	3,525,928		4,294,553
2026	546,312	1,361,591		1,907,903
2027	550,863	1,363,040		1,913,903
2028	551,299	1,365,736		1,917,035
2029	172,038	1,397,337		1,569,375
	4,665,787	15,833,786		
	TOTAL	20,499,573		

Effective Debt Service:

	Principal & Interest			Total Scheduled Debt Service
	General Fund - Land Acquisition	Parks Sales Tax Fund		
2023	589,453	1,314,027		1,903,481
2024	589,453	1,314,027		1,903,481
2025	589,453	1,314,027		1,903,481
2026	544,221	1,291,851		1,836,072
2027	544,221	1,291,851		1,836,072
2028	544,221	1,291,851		1,836,072
2029	-	1,291,852		1,291,852
	3,401,023	9,109,487		
	TOTAL	12,510,510		

- \$6.9 million in Prepaid Debt Reserve as of 12/31/2022
- Effective Debt Schedule includes \$1M in 2023
- Parks debt service effectively reduced from \$3.4M to \$1.3M in 2023

GENERAL FUND



**General Fund
FUND RESERVES ESTIMATE
(AS SUBMITTED)**

12/31/2022 FUND BALANCE (ESTIMATED)	\$11,994,855
2023 NET ACTIVITY	\$ <u>1,333,147</u>
PROJECTED 12/31/2023 GENERAL FUND - FUND RESERVES (UNRESTRICTED)	\$13,328,002
40% RESERVE REQUIREMENT (\$19,852,798 * .40)	<u>(\$7,941,119)</u>
TOTAL AVAILABLE ABOVE 40% REQUIREMENT	\$ 5,386,883

Note: This is prior to impact of a merit pool increase for non-FOP employees.



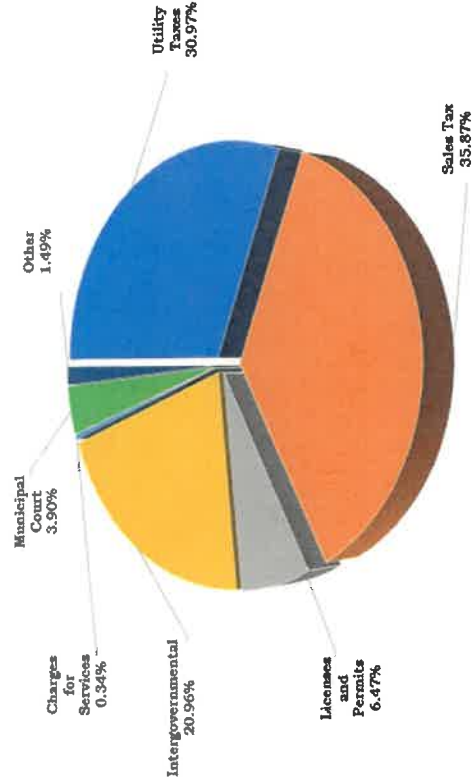
**GENERAL FUND
STATEMENT OF REVENUES AND EXPENDITURES**

	2020 ACTUAL (AUDITED)	2021 ACTUAL (AUDITED)	2022 PROJECTED	2023 BUDGET (PROPOSED)	Increase / (Decrease) 2023 Budget vs 2022 Projected
FUND BALANCE, JANUARY 1	\$ 10,648,380	\$ 10,049,646	\$ 11,487,049	\$ 11,994,855	
REVENUES:					
Sales Tax	\$6,447,574	\$7,516,503	\$7,525,000	\$7,600,250	\$75,250 1.0%
Utility Taxes	6,344,049	6,551,257	6,540,000	6,581,900	\$21,900 0.3%
Intergovernmental	3,994,013	4,279,837	4,307,000	4,441,350	\$194,350 3.1%
Licenses and Permits	1,426,233	1,430,736	1,430,445	1,369,870	(\$60,575) -4.2%
Charges for Services	120,575	143,147	111,152	120,984	\$9,842 8.8%
Court Receipts	523,107	740,150	776,500	776,500	\$0 0.0%
Other Revenues	344,085	549,025	378,132	315,081	(\$63,051) -16.7%
TOTAL REVENUE	\$ 19,199,636	\$ 21,210,654	\$ 21,068,229	\$ 21,185,945	\$ 117,716 0.6%
EXPENDITURES:					
Executive & Legislative Department of Administration	\$86,223	\$69,565	\$70,644	\$75,213	\$4,569 6.5%
City Administrator	448,265	460,817	482,362	540,119	\$57,757 12.0%
Finance	584,308	591,237	665,968	666,972	\$1,004 0.2%
Information Technology	836,569	843,546	1,106,695	1,044,708	(\$61,987) -5.6%
Courts	267,425	273,289	289,271	256,059	(\$33,212) -11.5%
Central Services	1,242,747	1,222,295	1,422,748	1,383,879	(\$38,869) -2.7%
Customer Service	65,546	70,385	84,076	87,236	\$3,160 3.8%
Public Services					
Planning and Development	74,779	743,177	814,107	859,675	\$44,568 5.5%
Public Works	4,513,907	5,077,876	5,996,892	6,057,313	\$58,421 1.0%
Capital Items for All Departments	310,532	230,498	454,170	274,800	(\$179,370) -39.5%
TOTAL EXPENDITURES	\$ 9,450,301	\$ 9,582,745	\$ 11,388,333	\$ 11,244,974	\$ (143,959) -1.3%
TRANSFERS TO / (FROM) OTHER FUNDS	10,348,066*	10,190,507*	9,171,490	8,607,624	(563,666) -6.1%
TOTAL EXPENDITURES AND TRANSFERS	\$ 19,798,370	\$ 19,773,252	\$ 20,560,423	\$ 19,852,798	\$ (707,625) -3.4%
% of Annual Budget Spent based on hist 96%			Est. Ann. Savings		
Net Change in Fund Balance	(598,733)	1,497,402	507,806	1,333,147	
FUND BALANCE, DECEMBER 31	\$ 10,049,646	\$ 11,487,049	\$ 11,994,855	\$ 13,328,002	
40% GENERAL FUND RESERVE POLICY REQUIREMENT			\$ 8,224,169	\$ 7,941,119	



GENERAL FUND REVENUES BY SOURCE

	Actual 2020	Actual 2021	Projected 2022	Proposed 2023	% Change 2022 to 2023	% of Total
Utility Taxes	\$ 6,344,049	\$ 6,551,257	\$ 6,540,000	\$ 6,561,900	0.33%	30.97%
Sales Tax	6,447,574	7,516,503	7,525,000	7,600,250	1.00%	35.87%
Licenses and Permits	1,426,233	1,430,736	1,430,445	1,369,870	-4.23%	6.47%
Intergovernmental	3,994,013	4,279,837	4,307,000	4,441,350	3.12%	20.96%
Charges for Services	85,575	100,937	66,500	72,100	8.42%	0.34%
Municipal Court	558,107	782,360	821,152	825,394	0.52%	3.90%
Other	344,085	549,025	378,132	315,081	-16.67%	1.49%
TOTAL	\$19,199,636	\$21,210,654	\$21,068,229	\$21,185,945	0.56%	





**GENERAL FUND
DETAIL OF CAPITAL EXPENDITURES**

DEPARTMENT/ACTIVITY	DESCRIPTION	AMOUNT	ACTIVITY TOTAL
<u>INFORMATION TECHNOLOGY</u>			
	Large Format Plotter/Printer replacement	\$ 25,000	
	CORE - Network Switch	15,000	
	Replacement Server for Parks	15,000	
	Wireless AP Upgrades	5,000	\$ 60,000
<u>PUBLIC WORKS</u>			
Street Maintenance	Skid Steer S-257	\$ 42,000	
	Skid Steer Planer Attachment ML-11	16,500	
	Truck Mounted Tank with Pump S231	15,000	
	Concrete Screed SC4	14,000	
	Equipment Trailer S306	11,900	
	Pressure Washer S236	8,000	\$ 107,400
Vehicle Maintenance	1/2 Ton Truck replace E-13	\$ 32,000	
	SUV to replace CA4	28,000	\$ 60,000
Facility Maintenance	PMF Building Controls Upgrade	\$ 16,500	
	Water Heater at CVAC Concession Stand F	12,500	
	City Hall Window Repairs	12,000	
	Central Park Restroom Unit Heaters (2)	6,400	\$ 47,400
TOTAL CAPITAL EXPENDITURES			\$ 274,800

PARKS FUND



**Parks Fund
FUND RESERVES ESTIMATE
(AS SUBMITTED)**

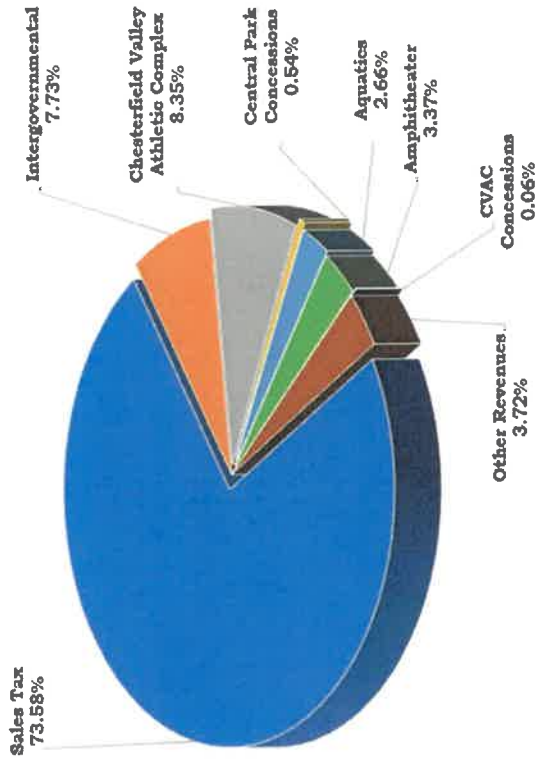
12/31/2022 FUND BALANCE (ESTIMATED)	\$ 983,714
2023 NET ACTIVITY	\$ <u>1,204,930</u>
PROJECTED 12/31/2023 PARKS FUND - FUND RESERVES	\$ 2,188,644
RESTRICTED as of 12/31/2023 FOR SYNTHETIC FIELD REPLACEMENT	\$ 500,000
UNRESTRICTED PARKS FUND RESERVES	\$ 1,688,644

Note: This is prior to impact of a merit pool increase for non-FOP employees.



PARKS SALES TAX FUND REVENUES BY SOURCE

	Actual 2020	Actual 2021	Projected 2022	Proposed 2023	% Change 2022 to 2023	% of Total
Sales Tax	\$ 5,843,589	\$ 6,907,181	\$ 7,065,000	\$ 7,135,650	1.00%	73.58%
Intergovernmental (Grants)	201,963	6,400	300,000	750,000	150.00%	7.73%
Chesterfield Valley Athletic Complex	23,013	465,596	680,773	810,000	18.98%	8.35%
Central Park Concessions	98	53,568	50,876	52,000	2.21%	0.54%
Aquatics	(18)	257,020	245,097	257,600	5.10%	2.66%
Amphitheater	1,832	518,184	285,000	327,000	14.74%	3.37%
CVAC Concessions	30,402	426,454	445,647	5,500	-98.77%	0.06%
Other Revenues	227,357	517,904	397,848	360,290	-9.44%	3.72%
TOTAL	\$6,328,235	\$9,152,308	\$9,470,241	\$9,698,040	2.41%	



Due to the Pandemic in 2020, the Parks facilities were closed per St. Louis County mandates. The Chesterfield Valley Athletic Complex (CVAC) was briefly opened (within County restrictions) in the fall.



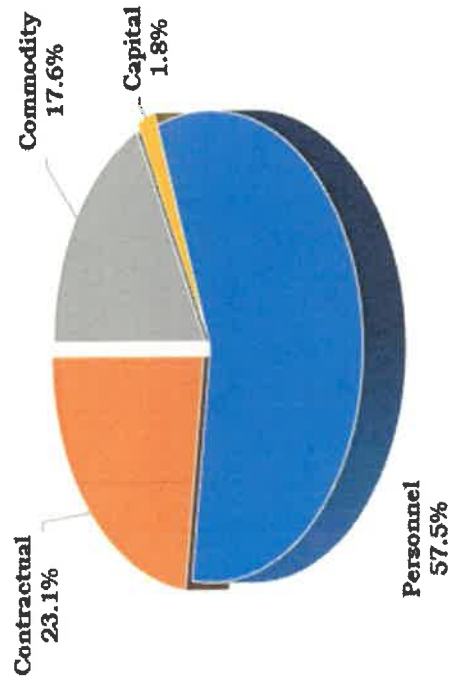
PARKS FUND
STATEMENT OF REVENUES AND EXPENDITURES

	2020 ACTUAL (AUDITED)	2021 ACTUAL (AUDITED)	2022 PROJECTED	2023 BUDGET (PROPOSED)	Increase/(Decrease) 2023 Budget vs 2022 Projected
FUND BALANCE, JANUARY 1	\$ 2,325,576	\$ 1,545,482	\$ 2,407,472	\$ 983,714	
REVENUES:					
Sales Tax	\$5,843,589	\$6,307,181	\$7,065,000	\$7,135,650	\$70,650 1.0%
Intergovernmental	201,963	6,400	300,000	750,000	\$450,000
Charges for Services	255,067	2,210,479	2,048,976	1,757,000	(\$291,976) -14.2%
Other Revenues	27,616	28,247	56,265	55,930	(\$875) -1.6%
TOTAL REVENUE	\$ 6,328,235	\$ 9,152,308	\$ 9,470,241	\$ 9,698,040	\$ 227,799 2.4%
EXPENDITURES:					
Parks Department					
Parks and Recreation	\$2,955,875	\$3,787,596	\$7,339,118	\$4,987,673	(\$2,471,445) -33.7%
Arts and Entertainment	196,025	540,720	636,172	711,379	\$75,207 11.8%
Aquatics	70,424	346,859	412,511	391,355	(\$21,566) -5.1%
CVAC Concession	85,423	323,582	375,211	3,750	(\$371,461) -99.0%
Central Park Concession	-	69,493	75,361	76,239	\$878 1.2%
Sports and Wellness	-	332,888	408,930	518,164	\$108,234 26.7%
Capital Items for All Departments	972,490	74,385	383,152	122,500	(\$260,652) -68.0%
TOTAL EXPENDITURES	\$ 4,280,237	\$ 5,475,323	\$ 9,630,455	\$ 6,691,060	\$ (2,939,395) -30.5%
TRANSFERS TO / (FROM) OTHER FUNDS	2,678,092	2,714,394	\$1,163,544	1,802,050	\$638,506 54.9%
TOTAL EXPENDITURES AND TRANSFERS	\$ 6,958,329	\$ 8,190,318	\$ 10,793,999	\$ 8,493,110	\$ (2,300,889) -21.3%
Net Change in Fund Balance	(630,094)	961,990	(1,323,758)	1,204,930	
Contribution to Restricted Fund - Synthetic Field Replacement	(150,000)	(100,000)	(100,000)	(150,000)	
FUND BALANCE, DECEMBER 31	\$ 1,645,482	\$ 2,407,472	\$ 983,714	\$ 2,185,644	
Restricted Funds - Synthetic Field Replacement - \$350,000 as of 12/31/2022					

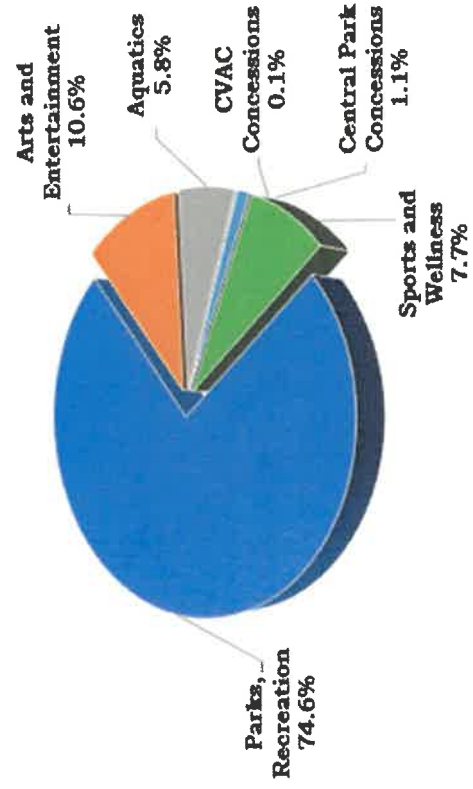
PARKS, RECREATION AND ARTS APPROPRIATIONS

Division	Personnel	Contractual	Commodity	Capital	Division Total
Parks, Recreation	\$2,937,568	\$1,287,305	\$642,800	\$122,500	\$4,990,173
Arts and Entertainment	\$251,181	\$146,348	\$313,850	\$0	\$711,379
Aquatics	\$269,095	\$66,210	\$56,050	\$0	\$391,355
CVAC Concessions	\$0	\$3,750	\$0	\$0	\$3,750
Central Park Concessions	\$48,239	\$5,500	\$22,500	\$0	\$76,239
Sports and Wellness	\$343,396	\$34,518	\$140,250	\$0	\$518,164
TOTAL	\$3,849,479	\$1,543,631	\$1,175,450	\$122,500	\$6,691,060
	57.5%	23.1%	17.6%	1.8%	

By Element:



By Division:





**PARKS SALES TAX FUND
DETAIL OF CAPITAL EXPENDITURES**

DEPARTMENT / ACTIVITY	DESCRIPTION	AMOUNT	ACTIVITY TOTAL
<u>PARKS AND RECREATION</u>	Parks Maintenance		
	Tractor replacment (PK204)	\$ 60,000	
	Fence for Central Park Maintenance Yard	40,000	
	Fence for Logan Park Playground	15,000	
	Utility Cart replacement (PK275)	7,500	
	TOTAL CAPITAL EXPENDITURES	\$ 122,500	\$ 122,500

CAPITAL PROJECTS FUND



**CAPITAL IMPROVEMENTS FUND
STATEMENT OF REVENUES AND EXPENDITURES**

	2020 ACTUAL (AUDITED)	2021 ACTUAL (AUDITED)	2022 PROJECTED	2023 BUDGET (PROPOSED)
FUND BALANCE, JANUARY 1	\$ 680,939	\$ 247,996	\$ 2,237,356	\$ 1,357,886
REVENUES:				
Sales Tax	\$4,966,930	\$5,871,160	\$6,000,000	\$6,060,000
Other Revenues	63,599	157,052	312,328	55,000
TOTAL REVENUE	\$ 5,030,529	\$ 6,028,213	\$ 6,312,328	\$ 6,115,000
EXPENDITURES:				
Public Services	851,683	865,588	1,033,798	607,287
Public Works	5,507,675	4,019,198	6,433,000	5,481,000
Capital Items				
TOTAL EXPENDITURES	\$ 6,359,359	\$ 4,884,786	\$ 7,466,798	\$ 6,088,287
TRANSFERS TO / (FROM) OTHER FUNDS	(995,885)	(845,934)	(275,000)	-
TOTAL EXPENDITURES AND TRANSFERS	\$ 5,463,473	\$ 4,038,852	\$ 7,191,798	\$ 6,088,287
Net Change in Fund Balance	(432,944)	1,989,360	(879,470)	26,713
FUND BALANCE, DECEMBER 31	\$ 247,996	\$ 2,237,356	\$ 1,357,886	\$ 1,384,599

ARPA FUND



ARPA FUND
STATEMENT OF REVENUES AND EXPENDITURES

	2020 ACTUAL (AUDITED)	2021 ACTUAL (AUDITED)	2022 PROJECTED	2023 BUDGET (PROPOSED)	FORECAST 2024
FUND BALANCE, JANUARY 1	\$ -	\$ -	\$ 3,416	\$ 3,416	\$ 3,416
REVENUES:					
Intergovernmental	\$0	\$2,055,100	\$4,432,480	\$2,818,697	\$325,000
Other Revenues	-	3,417	-	-	-
TOTAL REVENUE	\$ -	\$ 2,058,517	\$ 4,432,480	\$ 2,818,697	\$ 325,000
EXPENDITURES:					
Department of Administration	-	12,500	-	-	-
Information Technology	-	-	110,715	-	-
Police Department	-	-	-	-	-
Public Services	-	-	140,000	170,000	170,000
Public Works	-	-	-	-	-
Capital Improvements	-	-	-	-	-
Parks Department	-	-	-	-	-
Parks and Recreation	-	20,233	302,873	332,127	-
Arts and Entertainment	-	7,798	44,063	850,000	-
Aquatics	-	-	25,000	-	-
Sports and Wellness	-	-	500,000	-	-
Capital Items for All Departments	-	13,913	2,309,794	466,570	155,000
TOTAL EXPENDITURES	\$ -	\$ 54,444	\$ 3,432,445	\$ 1,818,697	\$ 325,000
TRANSFERS TO / (FROM) OTHER FUNDS	-	2,000,656	1,000,035	1,000,000	-
TOTAL EXPENDITURES AND TRANSFERS	\$ -	\$ 2,055,100	\$ 4,432,480	\$ 2,818,697	\$ 325,000
Net Change in Fund Balance	-	3,416	-	-	-
FUND BALANCE, DECEMBER 31	\$ -	\$ 3,416	\$ 3,416	\$ 3,416	\$ 3,416

\$2,741,141 deferred revenue as of 12/31/2021.
Per Guidelines we recognize revenue as expenditures are incurred.



**ARPA FUND
DETAIL OF CAPITAL EXPENDITURES**

DEPARTMENT/ACTIVITY	DESCRIPTION	AMOUNT	ACTIVITY TOTAL
<u>PUBLIC WORKS</u>			
Facility Maintenance	City Hall Carpet	\$ 240,000	
	Window repair & treatments (Multipurpose Room)	40,000	
	Parks Maint. Fac. AHU-1 Electrical Heating Element	14,000	
	Repair City Hall Fire Suppression System	12,000	\$ 306,000
<u>PARKS AND RECREATION</u>			
Parks Maintenance	Pickle ball courts (6)	\$ 300,000	
	Track Loader Skid Steer	66,000	
	Archery range (6-8 bays)	32,127	
	Skid Steer Brush Cutter (reservoirs/channels)	15,000	
	Walk Behind Mower (PK225)	8,000	
	Park Trailer replacement	5,835	\$ 426,962
Arts and Entertainment	New Restroom/Concessions at Central Park	\$ 450,000	
	Back of House Enhancements	375,000	
	Back of House Furniture	20,000	
	Bistro Lighting restroom plaza	10,000	
	Sound System for Entertainment Plaza	5,000	
	Tables for Entertainment Plaza	5,000	\$ 865,000
<u>PUBLIC SAFETY</u>			
	Police Interview Room CCTV Equipment	\$ 25,735	\$ 25,735
		-	
TOTAL CAPITAL EXPENDITURES			\$ 1,623,697

ARPA STRATEGY - UPDATE 10/6/2022

98.3%	Total Planned	First Year	Second Year	Third Year	Fourth Year
77.1%	Expenditure	2021	2022	2023	2024
		Available	Spent/Committed	Spent/Committed	Available
Fund Public Safety Labor costs	\$4,000,000	\$0	\$1,000,000	\$1,000,000	\$0
Hazard Prone Area Fire Suppression System	\$71,737	\$71,737	\$0	\$0	\$0
Workout Equipment/Fitness Center	\$10,000	\$10,000	\$0	\$0	\$0
Lead Based Paint Abatement	\$35,625	\$35,625	\$0	\$0	\$0
COVID Equipment (latorylaw room)	\$25,000	\$25,000	\$0	\$0	\$0
Repairs (retrofit) 4 years	\$12,600	\$12,600	\$0	\$0	\$0
Repairs (retrofit) One Time	\$25,000	\$25,000	\$0	\$0	\$0
Upgraded network infrastructure at City Hall	\$10,000	\$0	\$10,000	\$0	\$0
Upgrades AV infrastructure	\$150,000	\$0	\$150,000	\$0	\$0
Security Camera system requirements	\$25,000	\$0	\$25,000	\$0	\$0
Backhoe Replacement - 3 years	\$510,000	\$0	\$510,000	\$0	\$0
Private Street rehabilitation - 3 years	\$91,487	\$91,487	\$0	\$0	\$0
City Hall Flooring and shade structures; removing solar units; elevator upgrades	\$510,769	\$510,769	\$0	\$0	\$0
Elevator upgrades	\$510,769	\$510,769	\$0	\$0	\$0
Window repair & treatments (multi purpose)	\$14,000	\$14,000	\$0	\$0	\$0
City Hall Exterior Painting	\$12,000	\$12,000	\$0	\$0	\$0
Re pair City Hall Fire Suppression System	\$65,320	\$65,320	\$0	\$0	\$0
CVAC Concessions HVAC replacement	\$23,000	\$23,000	\$0	\$0	\$0
Dredging (bedrock removal - City Hall Ponds)	\$540,000	\$540,000	\$0	\$0	\$0
Groundwork for CVAC	\$57,800	\$57,800	\$0	\$0	\$0
Final year of EAB - sit-down salicy	\$575,000	\$575,000	\$0	\$0	\$0
Final year of EAB - sidewalks	\$45,001	\$45,001	\$0	\$0	\$0
Archery range with 6-8 bays	\$50,000	\$50,000	\$0	\$0	\$0
Revegetation area vegetation replacement	\$125,000	\$125,000	\$0	\$0	\$0
City Hall landscaping	\$300,000	\$300,000	\$0	\$0	\$0
Pickle ball courts (6)	\$110,000	\$110,000	\$0	\$0	\$0
Senior center at the Mall 3 year program	\$50,000	\$50,000	\$0	\$0	\$0
Enhanced Independence Day event - 3 years	\$90,233	\$90,233	\$0	\$0	\$0
Hold at Festival Central Park	\$10,890	\$10,890	\$0	\$0	\$0
Parks Trailer replacement PK301	\$5,055	\$5,055	\$0	\$0	\$0
Parks Trailer replacement PK305	\$5,055	\$5,055	\$0	\$0	\$0
Walk behind mower replacement PK225	\$5,000	\$5,000	\$0	\$0	\$0
Track Loader 3500 with front loader	\$52,000	\$52,000	\$0	\$0	\$0
1 ton Parks Maintenance Flat bed PK31	\$85,000	\$85,000	\$0	\$0	\$0
1 ton Parks Maintenance Flat bed PK30	\$45,000	\$45,000	\$0	\$0	\$0
1/2 ton Park Maintenance Truck	\$28,000	\$28,000	\$0	\$0	\$0
Parks Cherry Equinox	\$579,053	\$579,053	\$0	\$0	\$0
Back of Horse enhancements - Amph	\$40,000	\$40,000	\$0	\$0	\$0
New Restroom (concessions at CP Amph)	\$80,000	\$80,000	\$0	\$0	\$0
Fall Festival (Saturday October 16, 11am-6 pm)	\$8,000	\$8,000	\$0	\$0	\$0
Entertainment plan tables /shade and lights	\$8,500	\$8,500	\$0	\$0	\$0
2 portable metal detectors for security	\$25,000	\$25,000	\$0	\$0	\$0
Entertainment Plan synthetic turf	\$5,000	\$5,000	\$0	\$0	\$0
Pass Board System	\$5,000	\$5,000	\$0	\$0	\$0
Tables for Plaza	\$5,000	\$5,000	\$0	\$0	\$0
Electro Lighting restroom plan	\$10,000	\$10,000	\$0	\$0	\$0
Back of House Furniture	\$30,000	\$30,000	\$0	\$0	\$0
Leisure Pool Painting	\$50,000	\$50,000	\$0	\$0	\$0
Plychadeo Turf (atfalls)	\$60,000	\$60,000	\$0	\$0	\$0
2 Quat Painting	\$17,000	\$17,000	\$0	\$0	\$0
Articulated ARPA Revenues	\$9,659,616	\$2,124,722	\$2,792	\$2,792	\$0
	\$1,000	\$17,000	\$17,000	\$17,000	\$0
	\$2,127,514	\$2,124,722	\$4,398,405	\$2,818,697	\$125,000
	First Year	2021	2022	2023	2024
Net Difference	\$8,659,102	\$2,107,722	\$2,781	\$2,781	\$0
Spent/Committed	\$9,659,616	\$2,124,722	\$2,792	\$2,792	\$0
Net Difference	\$15,501	\$2,007	\$1,913	\$1,904	\$0
Total Spent	\$5,962,077	\$3,132	\$4,605	\$4,706	\$0
	\$9,659,616	\$2,124,722	\$2,792	\$2,792	\$0
	\$1,000	\$17,000	\$17,000	\$17,000	\$0
	\$2,127,514	\$2,124,722	\$4,398,405	\$2,818,697	\$125,000
	First Year	2021	2022	2023	2024
Net Difference	\$15,501	\$2,007	\$1,913	\$1,904	\$0
Spent/Committed	\$9,659,616	\$2,124,722	\$2,792	\$2,792	\$0
Net Difference	\$15,501	\$2,007	\$1,913	\$1,904	\$0
Total Spent	\$5,962,077	\$3,132	\$4,605	\$4,706	\$0

MERIT POOL DISCUSSION

Section 3. Determination of Annual Budget for Performance Based (Merit) Increases

The Finance and Administration Committee of Council will annually make a recommendation to the full City Council with regard to what amount to budget for performance-based compensation adjustments in the upcoming budget.

Staff will provide information to the Finance and Administration Committee including but not limited to; CPI, Cost of Labor indexes, and City Revenues such that the Committee can provide the recommendation for the value of the merit pool budget.



2023 Merit Pool

CPI - U
June 2022
9.5%

CPI - Urban Wage Earners and Clerical Workers

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2012	2.80	2.70	2.80	2.30	1.50	1.40	1.30	1.80	1.90	2.20	1.80	1.80
2013	1.30	2.20	1.40	1.20	1.80	2.20	1.80	1.20	1.00	0.80	1.00	1.00
2014	1.40	0.90	1.50	1.90	1.60	1.70	1.80	1.60	1.60	1.60	1.20	0.70
2015	-0.30	-0.50	-0.90	-1.10	-0.80	-0.70	-0.50	-0.30	-0.80	-0.30	-0.20	0.00
2016	0.80	0.40	0.50	0.80	0.80	0.80	0.40	0.60	1.10	1.00	1.20	1.80
2017	2.20	2.40	1.90	1.80	1.40	0.90	1.30	1.50	1.50	1.50	1.90	1.70
2018	1.60	1.70	1.80	1.80	2.30	2.50	2.40	2.10	1.90	2.20	1.40	1.30
2019	0.80	1.30	1.70	1.50	1.30	1.20	1.50	1.50	1.40	1.50	1.90	2.30
2020	2.50	2.10	1.00	-0.40	-0.40	0.40	0.70	1.10	1.30	1.00	1.00	1.10
2021	1.20	1.70	3.00	4.90	5.60	5.80	5.90	5.70	5.70	6.60	7.30	7.50
2022	7.90	8.00	8.60	8.20	8.80	9.50	8.60	8.10				



2023 CUMULATIVE COST OF MERIT POOL NON-FOP EMPLOYEES

	2023 Budget Impact of Merit Pool		Impact of Salaries				Impact of Fully Loaded Cost			
	(Salaries)	(Loaded Cost)	Gross	Payroll	Contributions	PSU	Gross	Payroll	Contributions	PSU
3.0%	\$285,552	\$373,965	\$156,048	\$72,612	\$6,420	\$50,472	\$204,364	\$95,094	\$8,408	\$66,099
3.5%	\$333,144	\$436,292	\$182,056	\$84,714	\$7,490	\$58,894	\$238,424	\$110,943	\$9,809	\$77,116
4.0%	\$380,736	\$498,619	\$208,064	\$96,816	\$8,560	\$67,296	\$272,465	\$126,792	\$11,210	\$88,132
4.5%	\$428,328	\$560,947	\$234,072	\$108,918	\$9,630	\$78,708	\$306,545	\$142,641	\$12,612	\$99,149
5.0%	\$475,920	\$623,274	\$260,080	\$121,020	\$10,700	\$84,120	\$340,606	\$158,490	\$14,013	\$110,165
5.5%	\$523,512	\$685,602	\$286,088	\$133,122	\$11,770	\$92,532	\$374,667	\$174,339	\$15,414	\$121,183
6.0%	\$571,104	\$747,929	\$312,096	\$145,224	\$12,840	\$100,944	\$408,727	\$190,188	\$16,816	\$132,198
6.5%	\$618,696	\$810,257	\$338,104	\$157,326	\$13,910	\$109,356	\$442,788	\$206,037	\$18,217	\$143,215
7.0%	\$666,288	\$872,584	\$364,112	\$169,428	\$14,980	\$117,768	\$476,848	\$221,886	\$19,618	\$154,231
7.5%	\$713,880	\$934,912	\$390,120	\$181,530	\$16,050	\$126,180	\$510,909	\$237,735	\$21,019	\$165,248
8.0%	\$761,472	\$997,239	\$416,128	\$193,632	\$17,120	\$134,592	\$544,970	\$253,584	\$22,421	\$176,264
8.5%	\$809,064	\$1,059,566	\$442,136	\$205,734	\$18,190	\$143,004	\$579,030	\$269,433	\$23,822	\$187,281
9.0%	\$856,656	\$1,121,894	\$468,144	\$217,836	\$19,260	\$151,416	\$613,091	\$285,282	\$25,223	\$198,297
9.5%	\$904,248	\$1,184,221	\$494,152	\$229,938	\$20,330	\$159,828	\$647,151	\$301,131	\$26,625	\$209,314
10.0%	\$951,840	\$1,246,549	\$520,160	\$242,040	\$21,400	\$168,240	\$681,212	\$316,980	\$28,026	\$220,330
10.5%	\$999,432	\$1,308,876	\$546,168	\$254,142	\$22,470	\$176,652	\$715,273	\$332,823	\$29,427	\$231,347

2023 CUMULATIVE COST OF MERIT POOL NON-FOP EMPLOYEES

	2023 Budget Impact of Merit Pool (Salaries)	2023 Budget Impact of Merit Pool (Loaded Cost)	Impact of Salaries			Impact of Fully Loaded Cost		
			General Fund	Parks	Capital	General Fund	Parks	Capital
3.0%	\$285,552	\$373,965	\$206,520	\$72,612	\$6,420	\$270,463	\$95,094	\$8,408
3.5%	\$333,144	\$436,292	\$240,940	\$84,714	\$7,490	\$315,540	\$110,943	\$9,809
4.0%	\$380,736	\$498,619	\$275,360	\$96,816	\$8,560	\$360,617	\$126,792	\$11,210
4.5%	\$428,328	\$560,947	\$309,780	\$108,918	\$9,630	\$405,694	\$142,641	\$12,612
5.0%	\$475,920	\$623,274	\$344,200	\$121,020	\$10,700	\$450,771	\$158,490	\$14,013
5.5%	\$523,512	\$685,602	\$378,620	\$133,122	\$11,770	\$495,848	\$174,339	\$15,414
6.0%	\$571,104	\$747,929	\$413,040	\$145,224	\$12,840	\$540,925	\$190,188	\$16,816
6.5%	\$618,696	\$810,257	\$447,460	\$157,326	\$13,910	\$586,003	\$206,037	\$18,217
7.0%	\$666,288	\$872,584	\$481,880	\$169,428	\$14,980	\$631,080	\$221,886	\$19,618
7.5%	\$713,880	\$934,912	\$516,300	\$181,530	\$16,050	\$676,157	\$237,735	\$21,019
8.0%	\$761,472	\$997,239	\$550,720	\$193,632	\$17,120	\$721,234	\$253,584	\$22,421
8.5%	\$809,064	\$1,059,566	\$585,140	\$205,734	\$18,190	\$766,311	\$269,433	\$23,822
9.0%	\$856,656	\$1,121,894	\$619,560	\$217,836	\$19,260	\$811,388	\$285,282	\$25,223
9.5%	\$904,248	\$1,184,221	\$653,980	\$229,938	\$20,330	\$856,465	\$301,131	\$26,625
10.0%	\$951,840	\$1,246,549	\$688,400	\$242,040	\$21,400	\$901,542	\$316,980	\$28,026
10.5%	\$999,432	\$1,308,876	\$722,820	\$254,142	\$22,470	\$946,620	\$332,829	\$29,427

General Fund includes the cost of Public Safety merit increases since the General Fund subsidizes Public Safety.



CBIZ Compensation Consulting
721 Emerson Rd., Suite 400
St. Louis, Missouri 63141

October 7, 2022

Mr. Michael Geisel
City Administrator
City of Chesterfield
690 Chesterfield Parkway West
Chesterfield, MO 63017

Dear Michael:

This letter documents our annual recommendations regarding salary structure updates and salary increase budgets. The current labor market has led to accelerated wage growth. We will first share our commentary on the current labor market and then address the sources and rationale for our annual recommendations, which are highlighted in the below table.

Recommendations	
Structure Update:	5.3%
Salary Increase Budget:	6.5% - 8.3%

Market Commentary

The US Bureau of Labor Statistics provides insightful data regarding the current labor market. The following economic indicators help document the current conditions:

- Job Openings¹: 10.1 million
- Unemployed Persons²: 6.0 million
- Voluntary Exits (Quits)³: 4.2 million
- Consumer Price Index⁴: 8.3%

The labor market as of late has shown signs of leveling off but remains relatively hot. The number of job openings in the labor market is down from all-time highs but remains elevated. Comparing the number of jobs openings to unemployed persons shows that there are 1.7 jobs available to each unemployed person, which still indicates heavy competition between employers for talent. The voluntary exits or "quits" data that once provided proof to the "Great Resignation" monitor, are back to normal levels. These data points taken together indicate a labor market in which candidates still have more bargaining power and are likely to result in high wage growth, as we have seen over the past year. Finally, inflation, while down from all-time highs, remains elevated and is another driver of rising salary increases.

Structure Update

Adjusting your salary structure annually will help ensure that your salary range minimums remain competitive to the market and that your salary range maximums remain appropriate. This is an annual best practice but is only a short-term fix as jobs can move in the labor market independently from the overall labor market trend. Some jobs might be

¹ Job Openings and Labor Turnover Summary: August, [Job Openings and Labor Turnover Summary - Results \(bls.gov\)](#).
² Employment Situation Summary: August, [Employment Situation Summary - Results \(bls.gov\)](#).
³ Consumer Price Index Summary: August, [Consumer Price Index Summary - Results \(bls.gov\)](#)



considered "hot jobs" and see pay escalate quickly while other jobs may stagnate in the labor market. For this reason, it's important to reassess market-competitive pay every three to five years.

Our source for structure update data is the U.S. Bureau of Labor Statistics Employment Cost Index (ECI), which measures wage growth over the prior 12-months. ECI is a valuable in understanding broad wage movement in the labor market and is a good metric to which pay structure adjustments should be based.

The relevant data in our recommendation stems from the reported wages and salaries data for civilian workers (i.e., all private and state and local government), which is 5.3% from the June 2022 report⁴.

Salary Increase Budget

Matching market trends for annual salary adjustments ensures that wages remain competitive to the market. Employees who have been in their current role for the past year should receive increases more than the ECI rate to ensure they progress through the market range, rather than simply being indexed to it. This is especially true for meritorious employees whose performance and skill development should be recognized. We therefore recommend salary increase budgets should be in the range of 6.5% to 8.3%.

I trust you will find this information helpful. If you have any additional questions, feel free to call. Sincerely,

Joe Rice
Director, Compensation Consulting
(314) 590-4070
jrice@cbiz.com

CBIZ is a business and financial advisory firm providing a vast array of services, including compensation consulting. Our professionals perform compensation valuations on a regular basis and are qualified to provide such.

⁴ Employment Cost Index Summary: June, [Employment Cost Index Summary \(bls.gov\)](#)



HISTORICAL NON-FOP MERIT POOL INCREASES

- **2022 – 4.6% (moved to 1st payroll in January)**
- **2021 – 2.5% (awarded in May)**
- **2020 – 2.5% budgeted**
 - **no increases given due to Pandemic**
- **2019 – 2.5%**
- **2018 – 2.5%**
- **2017 – no merit pool**
 - **increases only associated with re-write of compensation classification system**
- **2016 – 2.5%**

QUESTIONS
