

**MINUTES OF THE REGULAR MEETING OF FINANCE COMMITTEE OF THE CITY OF SUNSET HILLS,
MISSOURI HELD ON MARCH 9, 2023**

Meeting called to order at 5:34 p.m.

Place of meeting: Public Works Conference Room at City Hall

The Finance Committee of the City of Sunset Hills, Missouri met in open session. Chairman, Alderman Brian Fernandez, Alderman Fred Daues, Member Mike Fitzgerald, Member Mark Colombo, Finance Director, Susanna Messmer, Assistant Finance Director, Jeff Trentmann, City Administrator, Brittany Gillett, were in attendance.

Approval of Minutes:

Member Fitzgerald made the motion. Seconded by Member Colombo. All ayes in favor of approval of the January 30, 2023 minutes.

Retirement Enhancement presented by Alderman Epperson & First Responder Pension Change:

Alderman Epperson proposed a change to the City's current LAGERS pension plan to reclass Communications officers from General to Police, hereby lowering their optional retirement age of 60 to 55. Per cost statement provided by LAGERS, the change would result in an increase to City contributions of approximately \$16,000 to approximately \$21,000 over the next 10 years. Questions were raised regarding the Unfunded Liability in the report and these were answered by city staff.

Motion was made by Member Fitzgerald to recommend to the Board of Alderman that the City reclass Communications Officers to be classified as Police under LAGERS. Seconded by Member Colombo. All ayes in favor.

Alderman Epperson presented on options for retirement enhancement for City employees. Alderman Epperson presented two options for the city to decide. Alderman Epperson recommended the option creating a matching contribution percentage to the City's existing 457(b) plan. Discussion was had on the pros and cons of each option to the City. Alderman Daues inquired whether other cities are offering a matching contribution to their employees. Alderman Epperson noted he has sent out a poll to other cities asking for this information. From the responses he has received so far early into the process, no other cities are offering this service. Discussion was had regarding what additional administration fees could result from this change.

No motion was made.

Additional Information Requested during January 30th Meeting:

MOSIP

Assistant Finance Director Trentmann presented on the staff action item noted at the last meeting and the City's received response. Response from MOSIP regarding fees was discussed and the current rate of the MOSIP plan was noted.

Arbitrage Management

Assistant Finance Director Trentmann presented on the staff action item noted at the last meeting and the City's received response. Response from Arbitrage Management regarding their fee structure was discussed. City staff noted Arbitrage Management's broker/dealer and independent auditors.

CD Early Withdrawal

Assistant Finance Director Trentmann presented on the staff action item noted at the last meeting and the City's received response. Response from Arbitrage Management was discussed regarding the possibility of early withdrawal of three city CDs. Each withdrawal would result in a net loss to the city. Decision to keep CD's to maturity was made as cursory calculations indicated additional interest from reinvestment did not exceed loss from early withdrawal.

Current Interest Rates

Assistant Finance Director Trentmann presented on the staff action item noted at the last meeting and the City's received response. Staff noted the research performed inquiring local bank about current Money Market account interest rates and Insured Cash Sweep (ICS) account rates. Discussion ensued and concluded with acknowledgement that MOSIP had the highest rates.

Staff recommendation:

Finance Director Messmer discussed the city's recommendation regarding the action items discussed. Staff recommends the City contract with MOSIP to start a Liquid Series account. Members agreed with this recommendation and suggested the City transfer excess cash funds into the City's available ICS account with US Bank until the MOSIP accounts have been created.

Motion was made by Member Colombo to recommend to the Board of Alderman the City contract with MOSIP for depository services. Seconded by Member Fitzgerald. All ayes in favor

2022 Final Budget Adjustment:

Finance Director Messmer presented the City's final 2022 budget adjustment. The budget adjustment is favorable by \$1.5 million overall. Notable aspects to the adjustment were Stieren projects not being completed and the Despotis settlement being added.

Motion was made by Member Colombo to recommend the Board of Alderman approve the 2022 Final Budget Amendment. Seconded by Member Fitzgerald. All ayes in favor

2023 Budget Adjustment:

City Administrator Gillett discussed the 2023 budget amendment for Police riot gear for \$11,000.

Motion was made by Member Fitzgerald to recommend the Board of Alderman approve the 2023 Budget Amendment. Seconded by Member Colombo. All ayes in favor

Other Matters:

Member Colombo inquired about the city's current lawsuits. City Administrator Gillett was able to inform the member that Econolodge lawsuit is settling and Rugby is still ongoing. Discussion was had regarding special counsel appointment at recent Board of Alderman special meeting.

Adjournment:

Alderman Daues made a motion to adjourn the meeting. Member Fitzgerald seconded the motion and it was unanimously approved.

Meeting adjourned at 7:00 p.m.