

MEMORANDUM

TO: Michael G. Herring, City Administrator
FROM: Kelly L. Vaughn, Director of Finance and Administration
DATE: January 27, 2011
SUBJECT: Finance and Administration Committee Meeting

The Finance and Administration Committee met on Thursday January 27, 2011. Those in attendance included: Chairperson Randy Logan, Ward III; Councilmember Matt Segal, Ward I; Councilmember Lee Erickson, Ward II; Councilmember Bob Nation, Ward IV; City Administrator Mike Herring; Director of Finance/Administration Kelly Vaughn; Assistant City Admin. for Community Services/Economic Development Libbey Tucker; and, Assistant Director of Finance/Administration Brian Whittle. Those also in attendance included Acting-Mayor Barry Flachsbart, Councilmember Bruce Geiger, Ward II; Councilmember Mike Casey, Ward III; and, Councilmember Connie Fults, Ward IV.

Chairperson Randy Logan called the meeting to order at 5:30 p.m.

1. Approval of Minutes—October 5, 2010

Councilmember Nation motioned to approve the minutes from the October 5, 2010 meeting of this Committee. Councilmember Segal seconded the motion. A voice vote was taken, with a 4-0 result, and the motion was approved.

2. Volunteer Recognition Event

Ms. Tucker next summarized her memo to Mr. Herring, dated 1/18/2011, noting that every two years the City has traditionally hosted a dinner for those citizens who serve on Board/Committees/Commissions, and their spouses or significant others. As directed by Mr. Herring, due to budget constraints, she had been researching “lunch” events for the citizen volunteers, only. Mr. Herring confirmed that the amount budgeted, \$5000, had been reduced from the typical \$10,000, due to efforts to reduce expenditures, for non-essential items. Ms. Tucker noted that, when discussing this event with Acting-Mayor Flachsbart, he expressed concerns about lower attendance, during a daytime event. Mr. Herring added that, if the Committee wished to fund the traditional dinner event, the additional cost could be easily funded.

General discussion followed, during which various City Councilmembers expressed support for the traditional dinner, which would include spouses/significant others of the citizen volunteers being honored. In response to a question from Councilmember Geiger, Ms. Vaughn noted that it appeared likely that the additional \$5000 could be funded, within the context of the existing budget. If not, she reminded the Committee that the

FY2011 Budget included a projected surplus, which could be used. Ultimately, Fund Reserves would also be available, if necessary.

Councilmember Logan motioned to approve spending up to \$10,000 to hold the event during the evening and for Ms. Tucker to research less expensive options. Councilmember Erickson seconded the motion. A voice vote was taken, with a 4-0 result, and the motion was approved.

3. Discussion Regarding FY2010 Financial Update

Ms. Vaughn stated that General Fund expenditures and revenues are both on pace to finish within the Fiscal Year 2010 projections made during the FY2011 budgeting process. She stated that due to the accrual nature of the City's finances, final numbers will not be known for another month. She noted that sales taxes revenue was down overall, but that increases in other areas, such as electric revenues, have helped to offset that decrease.

Ms. Vaughn stated that the Parks Sales Tax Fund is projected to finish with revenues approximately \$100,000 below budget and the expenditures to finish at or below budget. She said the Capital Improvement Fund revenues will finish approximately \$140,000 below budget and the expenditures should finish at or below budget.

Chairperson Logan noted that, prior to this meeting, he had communicated to Mr. Herring concerns expressed by the Acting-Mayor and members of Council, regarding the inconsistency of sales tax receipts, on a month-to-month basis. He then referenced the enclosed memo from Ms. Vaughn, dated January 21, 2011. A general discussion ensued. Mr. Herring noted that he had spoken to Ms. Vaughn, following his conversation with Chairperson Logan. He commended Ms. Vaughn for the thoroughness of her response. Councilmember Segal pointed out that, in light of Ms. Vaughn's findings, perhaps the Committee should not focus on each month's receipts, understanding that they are likely to swing back and forth. A better approach might be to look at sales tax revenues, on a quarterly basis. Mr. Herring also pointed out that Ms. Vaughn and her employees carefully review each month's sales tax report, from the Dept. of Revenue, and compare same to the City's current list of business licenses, to make sure sales tax is not being reported to another jurisdiction. The Committee asked Staff to continue to monitor the situation.

4. Adjournment

There being no further business to discuss, Chairperson Logan adjourned the regular meeting at 6:05 p.m. The Committee's next meeting has been tentatively scheduled for Monday, February 28, at 5:30pm.

A motion was then made by Councilmember Nation, seconded by Councilmember Logan, for the Committee to go into Executive Session (closed session), as provided by RSMo 610.021 (1) and (2), for the purpose of discussing "confidential communication

from the City Attorney” and “property acquisition”. A roll call vote was taken, with the following results: AYES: Logan, Segal, Erickson, Nation; NAYS: None. Chairperson Logan declared the motion as passed and called the meeting to order, at 6:06pm.