

## MEMORANDUM

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**TO:** Michael G. Herring, City Administrator  
**FROM:** Kelly L. Vaughn, Director of Finance and Administration  
**DATE:** June 29, 2010  
**SUBJECT:** Finance and Administration Committee Meeting

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The Finance and Administration Committee met on Monday, June 28, 2010. 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; Assistant City Administrator for Community Services and Economic Development Libbey Malberg; and, Director of Finance and Administration Kelly Vaughn. Those also in attendance included Councilmember Bruce Geiger, Ward II; Councilmember Mike Casey, Ward III; and, Assistant Director of Finance and Administration Brian Whittle.

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

### **1. Approval of Minutes—April 26, 2010**

Councilmember Erickson motioned to approve the minutes from the April 26, 2010 meeting of this Committee. Councilmember Nation seconded the motion. A voice vote was taken, with a unanimous result, and the motion was approved.

### **2. Discussion Regarding Sullivan Publications Ordinance Codification Services**

Mr. Herring stated that the City was switching to Sullivan Publications for ordinance codification services. He said that Sullivan is a local company and is used by the majority of cities in our area. He said this switch was made after the City Attorney, Rob Heggie, expressed some concern regarding the City's current ordinance codification. As part of the switch, Sullivan will compare all ordinances to the laws of the State of Missouri. Mr. Herring said that some discrepancies might be brought to the City's attention and any changes that result will need to be approved by the City Council.

Chairperson Logan asked if Sullivan Publication's prices were in line with what the City had been paying for ordinance codification services. Ms. Vaughn replied that the costs were similar.

### **3. Discussion Regarding FY2010 Financial Update**

Ms. Vaughn stated that General Fund FY2010 revenues are up \$60,565 when compared to FY2009 revenues. She noted that the increase was a result of earlier franchise fee

collection from cable companies in FY2010 compared to FY2009. She said that without the earlier collection, revenues would be lower as a result of decreased sales tax and gas receipt collections. Sales tax collections were down approximately 13% for the month of April 2010 compared to the month of April 2009.

Ms. Vaughn stated that expenditures as a whole and as a percent of budget are on par with last year. Based on her projections, the City is on pace to finish at or slightly below budgeted expenditures. She noted that the City has been cautious with spending as directed by Mr. Herring.

Ms. Vaughn said that both Parks Sales Tax Fund and Capital Improvement Sales Tax Fund were down approximately 17% for the month of April 2010, from April 2009

Mr. Herring noted that while revenues are down at this point, the City had only received four months of the main sources of revenue and could not yet make projections about the entire year based on the incomplete information. He said that some revenue sources like utilities show signs of improving in the months ahead. He also stated that the City might receive a cell phone settlement payment in early 2011 that would result in a one-time check in addition to increased monthly collections. Mr. Herring further noted that he and all Department Heads have been working on ways to cut costs and are making plans in case revenues do not improve. As an example, he stated that the Finance Department prepared the annual financial statements in-house this year for savings of approximately \$3,000. He noted that while this may be small in relation to the entire budget, it is still a reflection of the effort being made by all departments to decrease expenditures.

A general discussion followed regarding the general economic situation and the City's finances, including a discussion of fund reserves, in both the General Fund and the Parks Sales Tax Fund.

#### **4. FY2009 Audit**

As Ms. Vaughn distributed copies of the City's annual audit and Comprehensive Annual Financial Report (CAFR), Mr. Herring noted that this was not on the AGENDA and, for that reason, could not be discussed, at this meeting. He said that the audit would be on the next meeting and the City's auditors would be invited to attend and answer any questions the Committee might have. Staff wanted to give the Committee members as much time as possible to review this audit, prior to the next meeting. Mr. Herring again commended both Ms. Vaughn and Mr. Whittle for their efforts in preparing this year's CAFR, saving the City approximately \$3000.

#### **5. Adjournment**

There being no further business to discuss, Chairperson Logan adjourned the meeting at 6:40 p.m. The Committee's next meeting has been scheduled for Monday, July 26, at 5:30pm.