

MINUTES

BUDGET & FINANCE COMMITTEE

CITY OF BRANSON, MISSOURI

January 6, 2009

1) Call to Order

The Budget & Finance Committee met in the Fishbowl Conference Room of City Hall on January 6, 2009 at 10:30 a.m.

2) Roll Call

Members present: Mayor Raeanne Presley, Stephen Marshall, Sandra Williams, Bob Simmons
Member absent: Mike Davis

Also present: Dean Kruthof, Lori Helle, Jamie Rouch, Bob McDowell, Jerry Adams, Bill Derbins, Bill Tirone, Yessenia Cruz, Jann Clark, Sally Kaucher, and Nancy Haskin

City Administrator Dean Kruthof introduced Jamie Rouch, the new Assistant Finance Director.

3) Regular Reports

A. Monthly 1% Sales Tax Trend

A discussion was held regarding the statements.

B. General Sales

A discussion was held regarding how much business is shifting. Need to know gross and net.

C. Tourism Tax Revenue Rolling Annual Trend

A discussion was held relating to the trend of the sales and tourism tax. *Tourism Tax is down 5.1% from last year, which includes the tourism tax received from Branson Landing, which the City does not keep. Carl will break out Branson Landing and Branson Hills for 1/27 mtg.*

4) Review of Disbursements: November 26, 2008; December 4, 2008; December 11, 2008; December 18, 2008; December 23, 2008; December 31, 2008.

5) Review of Disbursements of \$50,000 or more:

The Committee reviewed the disbursements of \$50,000 or more with discussion regarding the fluctuation of the dollar amounts paid monthly to Anthem. Lori Helle will check on this and report back at next meeting. There were no other concerns.

6) Review of Convention Center Statement & Report:

(This item was moved to the top of Agenda to allow Hilton representatives to leave following their presentation.)

Discussion was held and it was decided that Bill Derbins, or someone representing the Hilton, will always attend the Finance Committee meetings to be available to answer questions.

Decision was made that committee members will continue to receive monthly Hilton Convention Center financial statements and reports by the middle of the following month,

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with discussion to be held at the committee meeting the second month following month end. This will give committee members adequate time to review the reports; forward questions to Dean and/or Lori, who will discuss with Bill Derbins; and allow the Hilton adequate time to provide answers. The December '08 report will be provided for the January 27th meeting, with discussion at the February 24th meeting.

7) Discussion of Convention Center Fixed Costs report:

This item was moved to the January 27, 2009 meeting.

8) Monthly Financial Report (October 2008):

Lori Helle discussed the October 2008 Financial statements, stating she had added the 2007 numbers. In the future, she will add the 2008 numbers as well. The budget is based on yearly figures, not month-by-month. Dean Kruithof stated that all Directors have been told to "be ready to make cuts", and he is closely watching for a shortfall.

9) Discussion of proposed budget for the Branson Landing Convention Center:

(This item was moved to the top of Agenda to allow Hilton representatives to leave following their presentation.)

Bill Derbins from the Hilton presented a revised '09 Budget showing a decrease in expenses. Derbins, Bill Tirone, and Yessenia Cruz answered questions regarding past due accounts; oppositions they hear from their prospective clients; and the use of the marketing money for sponsorships of certain events. Examples of sponsorships are the Stren series, RCMA, and IMG. Derbins related that there are times these sponsorships are used in order to book the event in future years, and they are shared costs between Hilton, City of Branson, and the CVB. Concern was expressed by committee members whether sponsorships are fair to all parties. Discussion was held how this decision would be made and approved by whom, but no final decision was made.

Committee members requested information from the Hilton for the January 27th meeting; the number of groups that have re-booked; the amount of totally new business booked; and further information on the problems at the parking garage. The committee also wants to discuss the Hilton Budget as it relates to the City of Branson General Fund.

Bill Derbins is to meet with HCW regarding any contract changes or elimination of any positions that have been under the shared-cost agreement.

A general discussion was held regarding the Hilton Laundry. It was also noted by Lori Helle that the Hilton is adding a 2% Capital Reserve to their budget. It was also noted that the Convention Center website - bransonconventioncenter.org actually belongs to HCW and up until now only promoted the Hilton hotels, not properties city-wide.

It is imperative that Hilton reports be copied in a larger font.

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10) New Business:

Mayor Presley listed the following Items to be presented at the January 27, 2009 meeting:

- a) Discussion by Lori Helle re: Columbia Capital Management who has been engaged to prepare a model of bond indebtedness and requirements in future years.
- b) Hilton Convention Center '09 Budget
- c) Discussion of Dave Cochran's Convention Center and laundry letter
- d) November Financials will include column for 2008
- e) In the future, Lori Helle will prepare a written quarterly report, in addition to the monthly financial reports.
- f) Convention Center Fixed Costs
- g) Water & Sewer Fund will be added to the monthly financials

11) Adjourn

The next meeting will be held on Tuesday, January 27, 2009 at 10:00 a.m. and lunch will be served. The meeting adjourned at 1:30 p.m.