

# MINUTES

BUDGET & FINANCE COMMITTEE

CITY OF BRANSON, MISSOURI

February 24, 2009

## 1) Call to Order

The Budget & Finance Committee met in the Fishbowl Conference Room of City Hall, Tuesday, February 24 2009 at 10:00 a.m.

## 2) Roll Call

Members present: Mayor Raeanne Presley, Stephen Marshall, Sandra Williams, Bob Simmons, and Mike Davis.

Also present: Dean Kruithof, Lori Helle, Jamie Rouch, Bill Derbins, Bill Tirone, Yessenia Cruz, Jann Clark, Jerry Adams, Carl Garrett, Kelsi Powell, Dennis Lloyd, and Nancy Haskin

## 3) Review and recommend approval of Convention Center '09 Budget to the Board of Aldermen.

Following a short discussion, a motion was made by Stephen Marshall to recommend approval of the Convention Center 2009 Budget and to send it to the Board of Aldermen. The motion was seconded by Sandra Williams, and was unanimously approved. Bill Derbins will email the Budget to Lori showing the addition of the audit fees of \$15,000. It was noted that the Capital Reserve is a separate budget. The budget will be submitted to the City Council members and Mayor on 11 x 17 paper.

The December 2008 Convention Center financial statements were reviewed, and Bill Derbins clarified the provided questions and answers. A few, listed below, required further explanation.

Question #1 regarding two-way radio reception and increased cost due to excessive cell phone usage is being looked into. It is necessary for additional repeaters to be installed in order to have good reception throughout the building. However, this could be expensive, and the Hilton is looking into all options. It was suggested that Nextel should provide the repeaters at their expense.

Discussion was held on Question #3 regarding Other Beverage Revenue. Non-alcoholic beverages (coffee, tea, sodas) are being recorded as Other Beverage; some felt this should be classified as Food Revenue.

Yessenia explained that some Telephone payroll and benefits (question #4) had been coded incorrectly. This is being changed in January 2009, but they are not going back and making corrections in 2008.

In answering question #6 regarding the Laundry, Bill explained that the laundry equipment depreciation is shown in a column on the separate Laundry spreadsheet. It was noted by committee members that the depreciation based on square footage would be miniscule.

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Bill Tirone explained that in regard to the Ad Agency fees question #9, there is not a monthly fixed Ad Agency fee. It is only for ad placement and is incorporated into the cost of each ad. There will be a new ad for the Convention Center this year.

It was explained that question #10, operating leases, is for leased copiers.

A discussion of Question #11, regarding the electrical expense, was held. The utility rates being used for the calculation of total pounds of laundry can be adjusted if need be. The possibility of metering the laundry utilities was discussed. Bill Derbins will explore the costs of meters and report back at the next meeting.

The explanation for question #12 on General Liability Insurance was that it was not budgeted correctly in the beginning.

Question #13 concerning overtime and gratuity was explained by both Bill Derbins and Bill Tirone. It is according to Hilton policy, and is also spelled out in the Hilton Sales Contract.

On the follow-up questions from the previous meeting, question #1 concerning the yearly premium of liability insurance for the Convention Center generated discussion, with the outcome that Dean and Lori would look into the matter and report back at the next meeting.

Moving expense reimbursement will be researched in the Management contract, and a report will be given at the next meeting.

Bill has two (2) bids for parking gates and is waiting on 2 more.

In regard to bidding out the banking contract, Bill reported that Hilton did not put it out for bid. They use Bank of America.

Other discussion was held regarding the new AV contract with Liberty. Upon signing a contract for the convention center, information from Liberty is forwarded to the client, but they can choose their own AV company. If Liberty is not selected, the convention center does not generate any revenue.

#### **4) Presentation by Lori Helle on Columbia Capital Management Bond model**

Lori Helle introduced Kelsi Powell and Dennis Lloyd with Columbia Capital Management, who has been hired by the City of Branson to create a Bond model. This model was created from scratch and is very complex. Kelsi demonstrated the components of the model, the flexibility it has, and showed the capability to change projections and immediately see the results. Everyone was pleased with the model and the tremendous potential it has to give management the ability to plan ahead.

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## 5) Regular Reports:

- A. Minutes
- B. Monthly 1% Sales Tax Trend
- C. General Sales Rolling Annual Trend
- D. Tourism Tax Revenue Rolling Annual Trend

Again, the committee agreed and confirmed the above mentioned reports will be presented on a Cash Basis.

## 6) Review of Disbursements: (January 29, 2009; February 5, 2009; February 12, 2009; February 13, 2009; February 19, 2009)

The question was asked why Anthem BC/BS was paid for February, '09 and March '09 premiums on the same day. Lori will check into this matter and report back at the next meeting. *February statement had not been submitted for payment until March statement was received.*

## 7) Presentation and Discussion of Monthly Financial Report (December 2008)

Lori presented the First Quarter FY 2009 Management Discussion and Analysis financial report to the committee. The City finished the first quarter (Oct., Nov., Dec. '08) in good financial condition and is on track with the budget. Any anticipated decrease in sales tax revenues in future months was factored into the budget, and hopefully revenues will stay on track.

All committee members expressed their liking of this report, which will be presented each quarter. It was also noted that beginning March 10, 2009, Lori will be giving a "dashboard" report to the Board of Aldermen monthly on the financial status of the City.

## 8) Review of Financial Policies

Due to the length of the meeting, this item was not discussed and will be moved to a future meeting.

## 9) Discussion of previous State audits

Due to the length of the meeting, this item was not discussed and will be moved to a future meeting.

## 10) Update on Business Licensing

All Contractor and Business Licenses expire April 30, 2009. Lori reported that the renewal forms for these licenses will be mailed out over the next few weeks. Before a license can be issued, applicants for renewal must have all city taxes paid current.

## 11) Requests for agenda items to be placed on future agendas

Nothing was discussed on this item.

## 12) Adjourn

The next meeting will be held on Tuesday, March 24, 2009 at 10:00 a.m. The meeting adjourned at 12:10 p.m.