

# MINUTES

BUDGET & FINANCE COMMITTEE

CITY OF BRANSON, MISSOURI

October 27, 2009

## 1) Call to Order

The Budget & Finance Committee met in the Fishbowl Conference Room of City Hall, Tuesday, October 27, 2009 at 10:00 a.m.

## 2) Roll Call

Committee Members present: Mayor Raeanne Presley, Bob Simmons, Sandy Bruns, and Brian Blankenship.

Also present: Dean Kruthof, Lori Helle, Jamie Rouch, Bill Derbins, Bill Tirone, Yessenia Cruz, Carl Garrett, Nancy Haskin, Jerry Adams, and Jann Carl.

## 3) Discussion of Convention Center August 2009 financials.

Bill Derbins reported that September and October numbers for the Convention Center are on line to the forecast. August was not good. Prayer Mountain is booked in late October, and is in their second year of a five-year booking.

Mayor Presley asked that Bill prepare a concise one-page summary of his reflections of the past year; the highs and lows; the challenges of the past year; looking forward to next year; the types of events being held; and did they drive business to Branson. Bill will present this at the November meeting.

The question was raised as to the feedback on the Convention Center as a whole. Bill Tirone replied that the current lay-out appears to be working well. Of course, it could always be larger, but the functionality works very well. The only true complaint received has been in regard to the signage for the meeting rooms. It is only visible in the hallway from one direction. Bill Derbins is going to seek prices on the signage, both interior and moving the exterior sign hanging on the overhead crosswalk.

Bill Derbins reported that the City should receive the Convention Center 2010 Budget very shortly. They have been waiting on a decision regarding the allocation. Dean stated the allocation will stay the same. The capital needs list will be in the 2010 Budget. Bill stated the main item that is needed is more stages. The plan is to present the 2010 Convention Center budget at the November Finance Committee meeting on November 24, 2009. At that time, there will be a 3 month and a 12 month budget. Bill reported to the committee that with the City changing their fiscal year to a calendar year, he will be able to print the budget reports at any given time.

The "parking" situation, of whether to begin charging for the use of the south lot, will be pushed to a Board of Aldermen study session. Bill Derbins has dollar estimates for several options in using this lot. Bill reported that currently the Convention Center is averaging 28% rebooking, which is way above the normal average. Bill Tirone shared that they have one convention that has left the state of Kansas for the first time in 40+ years to hold their convention at the Convention Center. He is hoping that as the new airport adds flights and airlines, business will be increased.

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Bill Derbins also informed the committee that the Branson Hilton is one of only two in the Hilton Southwest Region to be on target with their numbers and forecast "up". Mayor Presley voiced a concern with the fumes in the Convention Center during the large car auction presented by Jim Cox. Bill Tirone stated he would check into the matter and have Jim Cox provide large exhaust fans in future years.

#### **4) Regular Reports:**

##### **A. Minutes**

##### **B. Monthly Tax Reports**

Carl Garrett gave a brief overview of the sales and tourism tax reports. Sales tax is down 9.3% while tourism tax for the year ending 9/30/09 is down 7.3%. Carl reported back, in response to a request, that Branson Landing restaurants are up 9% and retail is down 3% for the calendar year January through August, 2009. A concern was voiced regarding how the operating budget will be affected if the "train" continues as it is going now.

#### **5) Review of Disbursements and Approval of Disbursements \$50,000 and over (September 24, 2009; October 2, 2009; October 8, 2009; October 15, 2009; October 22, 2009)**

Disbursements were approved after discussion of the Gilmore & Bell invoices. Lori Helle related that Gilmore & Bell had failed to bill the City for invoices from 2007. Mayor Presley asked to see copies of Gilmore & Bell billings, including number of hours billed. These were provided to Mayor Presley. The committee would also like to know the balance owed and retainage held for TanStone (Forsyth Road project). As reported to the Capital Improvements Committee on 11-9-09, the total due TanStone is \$52,259.49 for Draw #13 and then a possible additional \$20,000-25,000 for the final draw. There is no retainage held.

Also, a discussion was held regarding leases and the confusion of the terminology "Airport Lease". With the opening of the new Branson Airport, it is easy for people to misconstrue information. It was suggested that the name be changed from "Airport Lease" to West 76 Property Lease. This has been changed in the computer.

#### **6) Presentation & Discussion of Monthly Financial Reports (September 2009)**

Lori Helle reported she would present the end of the fiscal year numbers at the October 27, 2009 Board of Aldermen meeting. She also gave an overview of the 4<sup>th</sup> Quarter MD&A. Lori reported that the audit is in progress, and Cochran Head & Vick will return in February to review the 3 month portion of the 15 month 2010 fiscal year.

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## **7) Discussion of TIF/Debt Service.**

Lori presented a summary of the TIF/Debt Service. She reported that Branson Hills is funding itself, while Branson Landing could possibly be out of money in 2012 and the worst case scenario is that the General Fund will then have to cover the debt. Mayor Presley asked to see the original Branson Landing Financing Plan revenue forecast. This has been provided to the Mayor, and an update will be provided to the Committee. **If these projections were off, the committee felt the citizens will want to know why.**

Lori explained that the 2003A bond deficit is covered through the Transportation Fund. The question was raised if this could be funded through the Tourism Fund. Lori checked on this and will give an explanation at the next meeting. **According to trends at this time, the Branson Landing IDA (Bass Pro, TDD) will have to be subsidized in 2011. Dean is still working to refinance the 1998B bonds.**

## **8) Discussion of CID Budgets.**

Lori handed out to the committee, a spreadsheet summary of the CID Budgets that had been discussed at the previous meeting. She also showed a large map that she had Curtis Copeland, Branson GIS Coordinator prepare defining the CID and NID areas. By state statute, the CID Budgets must be acknowledged by the Board of Aldermen, and will be put on the 11/10/09 agenda.

## **9) December meeting change.**

Due to the holidays, the December Budget Finance meeting scheduled for December 22, 2009 was changed to Tuesday, January 5, 2010 at 10 a.m.

## **10) Adjourn**

The meeting was adjourned with the next meeting to be held November 24, 2009 at 10 a.m. in the Fish Bowl at City Hall.