

FINANCE COMMITTEE MEETING

AUGUST 20, 2009 – 5:30 P.M.

Attendees

Councilman Hardman, Councilman France, Councilman O’Riley, Councilman Cordry, Councilman Conley, City Administrator Harrill, Budget/Finance Analyst Wood, Executive Assistant Willis and Deputy City Clerk Welch.

Call to Order

Councilman Hardman called the meeting to order at 5:30 p.m.

Bills

Deputy City Clerk Welch was in attendance to answer questions about the monthly bills. Councilman Cordry questioned the descriptions on several of the bills. The way our Accounts Payable system is set up, it goes in number order based on the invoice number but the total of all charges appears on the check. A motion was made by Councilman O’Riley to pay the bills presented and seconded by Councilman France. Motion carried.

Monthly Budget Review/Account Status

Councilman Cordry said that she had noted that some of the items were over budget. City Administrator Harrill said that expenses are often higher because of carryover from prior year.

Councilman O’Riley asked about expenses for the Cemetery. City Administrator Harrill said the major upcoming expense would be for running electric in to the Cemetery but there are continuous maintenance expenses for the upkeep of the Cemetery grounds and the roads located in the Cemetery.

Councilman Cordry asked if at some point the Pulaski County Sewer District is going to be charged for costs. She feels the PCSD is dragging us down. Councilman France said that the City would be filing for Summary Judgment the day after Labor Day and we were not going to stop until we got a ruling from the court. Councilman O’Riley asked if there had been any response from the PCSD. Councilman France said he believed City Attorney Muxlow has talked with Bill Hickle and he is sending a letter with the PCSD concerns. They want the territorial agreement removed. City Administrator Harrill said this issue would be discussed further at City Council meeting.

City Administrator Harrill said he thought the City was in a good cash position. We are holding \$1.25 million in restricted funds with a half million useable cash before bills.

Councilman France asked if funds had been received for the airport. Ms. Willis said that the funds had been received and the checks mailed to the appropriate parties.

Lease Purchase on Electric Department Bucket Truck

Bids were received from local financial institutions on the lease purchase of a 2008 Sterling Bullet 4x4 cab and chassis with a Time Manufacturing Versalift VST-40; articulated telescope aerial lift; Dakota Bodies Incorporated steel service body and miscellaneous components. It was agreed to accept a bid by Bank of Crocker based on 6 semi-annual payments, at 4%. Councilman France said that the original budgeted cost was higher than what we are actually paying for the truck. City Administrator Harrill said that one of the reasons for the reduction in price was that it was a 2008 vehicle, brand new, never off the lot. A motion was made by Councilman Cordry to accept the Bank of Crocker bid and seconded by Councilman France. Motion carried.

Employee Pay-Grade Changes and Department Manning

City Administrator Harrill presented the Committee with proposed changes to the Employee Pay-Grade Classification. He recommended upgrading the Airport Operations Manager position from a Grade 6 to Grade 7. This change would reflect the duties and responsibilities of the position more accurately. He said it was important to provide a competitive pay grade for this position to retain qualified personnel.

City Administrator Harrill also requested to create the following positions:

Create Senior Apprentice Lineman Position (Grade 5) – this position would help the City become more competitive with other utilities. An apprentice lineman could be promoted to this position with the approval of the Electric Superintendent and City Administrator.

Create Senior Journeyman Lineman Position (Grade 8) – this position would help the City become more competitive with other utilities. A journeyman lineman could be promoted to this position with approval of the Electric Superintendent and City Administrator.

Create Natural Gas Technician (Grade 4) – recommended changing this position from a part-time to a full time position. Currently the Natural Gas Department only has 1 employee which creates difficulties with construction projects and requires the employee to be “on-call” every weekend and holiday. If work in this department should slow down, this employee could “float” to assist in other departments.

Create Meter Reader (Grade 3) – due to the increase in new meters in the City and the workload in Natural Gas, he recommended separating the meter reader/natural gas technician position in to a full time meter reader and a full time natural gas position. Currently, one of the apprentice linemen is reading meters which detracts from completing the workload of the Electric Department. In addition, Electric

Superintendent Gary Wann would like to have the meter readers work on completing work orders for all the utility departments.

City Administrator Harrill recommended that the meter reader and natural gas technician position be approved immediately and add the apprentice lineman position contingent on amending the budget in September or October.

Councilman O'Riley asked how much an increase was in hourly wage for a grade increase. City Administrator Harrill explained that each step was approximately a 3% increase and increase in grade level was approximately an 8% increase. Councilman Hardman asked if the meter reader position had been filled yet and City Administrator Harrill said no it had not. Councilman Hardman asked what kind of impact it would have on the budget to make the meter reader and natural gas technician positions full time. City Administrator Harrill said currently we were budgeted for a part time natural gas technician/meter reader but that did not work well. It would increase our budget by approximately \$15,000.00, which we had in the contingency fund. In reality, we are only adding one position to the budget, since the other position was already established. Councilman O'Riley asked if there was some way to make sure the employee stayed with the City after receiving the training due to the cost paid by the City. City Administrator Harrill said he would look in to that situation. Councilman O'Riley made a motion to accept the addition of the recommended positions and Councilman Cordry seconded. Motion carried.

Financing Agreement with MoDOT (GW Lane Relocation)

City Administrator Harrill explained the financing agreement. The agreement is with the Missouri Transportation Finance Corporation (MTFC). The MTFC will loan the money to the City for the purpose of accelerating the Commission's portion of a cost share project relocating the GW Lane Outer Road that currently runs parallel to I-44. This will be paid off when MoDOT funds after August 2011. It will not impact our budget as this item has been placed in our current budget. We can go ahead and start now instead of waiting for a low risk loan. Councilman Cordry made a motion to accept the Agreement and Councilman France seconded the motion. Motion carried.

City Administrator Harrill said bids will not come out until early 2010. The engineers have decided we need to put in a regular bridge crossing due to the rain runoff in that area.

Update on Audit and Other Business

The auditors were here on Monday and Tuesday working on last year's audit. There is still one item remaining that has to be worked on before that audit is completed.

Councilman Hardman asked again about the Direct Deposit situation. Budget/Finance Analyst Wood said that she had been working strictly on the audit issues so that we

could get that closed. She had an appointment for a meeting with Carl Lewis at Security Bank and she hoped we would be able to start the Direct Deposit in October 2009.

There being no further business to come before this Committee, a motion was made by Councilman Hardman to adjourn and seconded by Councilman O'Riley. Meeting was adjourned at 5:55 p.m. The next Finance Committee meeting will be held Thursday, September 17, 2009 at 5:30 p.m.

Respectfully submitted,

Carol Welch, Deputy City Clerk