

**MINUTES OF THE REGULAR MEETING  
OF FINANCE COMMITTEE  
OF THE CITY OF SUNSET HILLS, MISSOURI  
HELD ON MONDAY, APRIL 25, 2016**

Meeting convened at 5:30 p.m.

Place of meeting: Public Works Conference room at Sunset Hills City Hall.

The Finance Committee of the City of Sunset Hills, Missouri met in open session. Chairman Alderman Pat Fribis, Member Alderman Thomas Musich, Member City Collector Michael Sawicki, Member Joe Stewart, and Member Mike Fitzgerald along with IPM Administration Consultant Robert Heacock, Accounting Manager Bill Lehmann were personally in attendance. Member Jeff Cammilleri and Public Works Director Bryson Baker were absent. Guests in attendance were Frank Hardy, Dee Baebler Alderman Ward I and Rich Gau Alderman Ward I.

**1) Approval of Minutes**

The minutes of the March 28, 2016 Finance Committee meeting were distributed for review. A motion was made by Alderman Musich to adopt the minutes as written. Alderman Stewart seconded the motion, and it was passed unanimously.

**2) Review of Delta Dental renewal plan options-Scott James, J. W. Terrill**

Mr. James distributed an over review on the final results of the renewal. A goal was to align the dental and the medical plan years. J.W. Terrill negotiated the 16 month renewal with no changes to the plan design or rates. The effective date is June 1 and will extend through September 30, 2017.

Member Sawicki made a recommendation to accept the 16 month plan and send this the Board of Alderman for the next meeting on May 10. Member Stewart seconded the recommendation and it was passed unanimously.

Mr. Heacock handed out a matrix of all the City's insurance plans with detailed information, including policy numbers, names of the carriers, contacts, and renewal dates for planning purposes.

**3) Potential flood property buy-out financial implications**

Mr. Heacock stated that there was no new information regarding the repetitive loss program or the hazard mitigation program. With respect to the public assistance program, dealing with potential reimbursement of costs incurred by the City in the recent flood events, Gerald Brown Director of Parks & Recreation and Bryson Baker Public Works Director had a kick-off meeting with FEMA, where the steps the City would need

to follow were explained. . A project specialist has been assigned to work with the City staff..

4) **Standard & Poor's Rating Discussion**

Mr. Lehmann has been gathering information from other cities comparable to Sunset Hills and also worked with Gilmore & Bell. Mr. Heacock stated that we would like to have as much information as possible in the event we would get reviewed by Standard & Poor's (S&P) in the next 6 months or in a year from now. Mr. Lehmann distributed a handout to the members and cross-referenced a few areas showing how Standard & Poor's rating system works with the information he has compiled regarding the rating for Sunset Hills, including analysis of overlapping debt and the potential pay down of existing debt. Mr. Lehmann advised not to pay down the City's debt at this time.

5) **Finance System Project Update**

Mr. Lehmann stated a lot of progress has been made with Tyler Technologies with regard to the new finance software system. Tyler Technologies has provided the City with approximately 15-20 data collections sheets. The next step is to extract the electronic files out of the City's current system and this will become the base line data. Mr. Lehmann stated that the system live date is around October 1 or November 1. Mr. Lehmann indicated that the plan is to back load 5 years of history. Mr. Fitzgerald had some concerns regarding this 5 years of back data. Mr. Lehmann stated they are for sure doing this on personnel payroll data he stated he was not sure they are doing this on the financial side. Mr. Lehmann will verify this with Tyler Technologies. Mr. Fitzgerald stated his concern is about the staff time to collect this data. Chairman Fribis asked about if the contract includes a payroll module. Mr. Lehman stated it does not include a payroll module however he did contact ADP for a bid and a comparison will be done between ADP and Tyler.

6) **Use of Cash Reserves**

Mr. Lehmann distributed handouts regarding the investment schedule from last month. He pointed out the dollar amount of reserve money that could be put back into the investment market or spend. Currently the City has approximately \$2.3 million. Mr. Lehmann contacted Mr. Brad Lukins who is currently watching the market to see if there are any investment opportunities. Mr. Lehmann stated the City could only use this money on bonds, treasury bills, notes, government agency instruments, certificates, etc.

7) **Income/Expense variance review**

Mr. Lehmann indicated that he has been working to the current system to the best of his abilities to load the revenue information into 12 months, based on past history. Mr. Heacock explained stated that this will be a first step, but only represents one model for monitoring the budget and being able to detect potential problems mid-year. The City is

working with Tyler so that the new system will be much more functional in that regard, and will be able to produce reports that can be shared with the departments and the Finance Committee. Mr. Lehmann stated that the Tyler system has this capability to monitor revenue and expenses and to project potential variances.

**8) Annual Finance Committee Work Calendar**

Mr. Heacock indicated the changes Member Stewart had suggested were made to the calendar and e-mailed to the Committee. There was discussion about listing the work calendar for further discussion in months where the agenda seemed relatively light.

**9) Other Matters**

Next meeting is May 23, at 5:30 pm.

Mr. Heacock mentioned that Alderman Fribis had asked about whether the City has flexibility with the flood buyout properties on how to come up with the local match, and could that approach vary from property to property. He spoke with Mr. Baker, and clarified that there is flexibility if the city wanted to do that. He stated it can be based on need and can be a combination of city funds and resident funds.

Alderman Musich inquired about the selling of the Sunlife stock, what is the cost basis. Mr. Lehmann stated he did not see a cost basis on the books.

**10) Adjournment**

Alderman Musich made a motion to adjourn the meeting. Alderman Stewart seconded the motion and it passed unanimously. Meeting adjourned at 6:30 p.m.

Recording Secretary – Dede Hendricks