

**MINUTES OF THE REGULAR MEETING
OF THE FINANCE COMMITTEE
OF THE CITY OF SUNSET HILLS, MISSOURI
HELD ON MONDAY, FEBRUARY 26, 2018**

Meeting convened at 5:35 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 Rich Gau, Member Michael Sawicki, Member Jeff Camilleri and Member Tom Musich, Member Joe Stewart, Member Mike Fitzgerald, Director of Finance Bill Lehmann, City Administrator Eric Sterman, were personally in attendance.

Approval of Minutes:

The minutes of the January 29, 2018 Finance Committee meeting were distributed for review. A motion was made by Member Sawicki to adopt the minutes. Member Stewart seconded the motion and it was passed unanimously.

Review Investment Policy (Storm/Parks Funds (Fund 12):

Chairman Gau recapped the figures and noted the balance of \$1,704,079.00 left in Parks and Stormwater Fund. Mr. Sterman stated this is a conservative balance and the suggestion was to possibly invest some of this money.

Member Stewart asked what investments we would consider. Mr. Lehmann answered notes, bonds and money market. Alderman Musich asked what the coupon rate is now and stated he thinks it's 2.84.

Member Stewart suggested aggregating it. Chairman Gau stated these funds would have to be kept separate. Mr. Lehmann stated that each fund is determined or under the restriction or the two funds collaboratively. Member Stewart stated that each fund is separate and no more than 10% of one of the entities fund.

Chairman Gau asked for suggestions on how to reword the investment policy. After some discussion it was decided to remove the first part of the sentence in the second paragraph.

Member Sawicki made a motion to make the changes to the investment policy Sec 2-10. Alderman Musich seconded the motion and it was unanimously approved.

Workers Comp Insurance Update:

Mr. Sterman stated our renewal is with MO Rural and that the City had another good year. He stated our premium has been lowered due to our history, past performance, use and a rebate.

Chairman Gau asked what JW Terrill's fee is. Mr. Sterman stated they get their fee in January for the year.

Member Sawicki made a motion to stay with MO Rural and it was unanimously approved.

IRS Audit Update

Mr. Sterman recapped some items from the IRS audit. Mr. Lehmann stated six 1099's were penalized, at \$520.00 each. He stated the benefit Group Term Life, for the employees who have greater than a \$50,000 a year salary; the city had to pay a back tax. He stated this has been a little over \$400.00 for 2015 and \$400.00 for 2016 and this will be billed back to the employees and will be recouped.

Chairman Gau made a suggestion to just pay the \$800.00 instead of having the employee pay it back.

Chairman Gau made a motion to not recoup the amount from the employees. Member Stewart seconded the motion and it was unanimously approved.

Adjournment:

Member Musich made a motion to adjourn the meeting. Member Sawicki seconded the motion and it passed unanimously. Meeting adjourned at 6:02 p.m.

Recording Secretary – Dede Hendricks