

BUDGET WAYS & MEANS COMMITTEE  
MONDAY, FEBRUARY 10, 2020 5:30 P.M.  
CITY HALL COUNCIL CHAMBERS

**MEMBERS PRESENT:** Juan Topete, Darren Collier, and Ray West. Alan Snow was absent.

**OTHERS PRESENT:** City Administrator Tom Short, City Clerk Traci Cox, Council Members Ceri Otero and Ed Barlow, Fire Chief Roger Williams, CVB Director Niki Cloud and Citizen Seth Thompson.

Mr. Snow called the meeting to order at 5:30 P.M.

**\*NOTE:** All areas *“italic”* below were submitted to the Committee in a pre-meeting memo by Mr. Short.

**OLD BUSINESS:**

1. **Consideration and approval of minutes from previous meeting.**

Mr. Collier made a motion to approve the minutes of the January 13 Budget meeting.  
Motion carried 3-0.

**NEW BUSINESS**

1. **Consider and discuss status of services/contract between the City and the Carthage Convention and Visitors Bureau.**

*“Article IV of the Agreement between the City and CVB states that “The CVB shall file quarterly written reports, in a format agreed to by the City, with the Carthage City Clerk, reporting on the activities of the Tourism Marketing Program of the Convention and Visitors Bureau. This report shall pertain to the expenditures of the Tourism Marketing Services in its entirety and shall provide information on the use of public funds.” Included is the submitted report from CVB. This report will be fleshed out at the meeting. The Committee can also visit with Niki about the future plans for CVB in light of beginning the fiscal 2021 budget year process. The amended Agreement is included in the packet.”*

Mr. Short stated according to the contract with the CVB, they are to report quarterly to the city. CVB Director Niki Cloud sends a weekly report to the CVB board but has not sent the information to the city. Ms. Cloud reviewed programs that are ongoing and the status of the budget for the CVB. Ms. Cloud will begin providing a lodging tax report to the council and a regular update on projects.

2. **Consider and discuss an Ordinance to authorize the Mayor to apply for federal financial assistance for the Taxi program.**

*“The State had previously moved up their timeframes for approval of the grant process regarding the taxi program. We now have to have the completed application to them by March 1, 2020. This year will not include any capital items as the replacement of the “bus” occurred two years and the van was replaced approximately a year to a year and a half before that. In order to meet this timeframe we need approval by the Council of the submitting the grant by the end of the month. This is about a month earlier than we have*

*done it in the past but similar to last year. Included is a Council Bill authorizing the Mayor to execute the appropriate paperwork. This item will also appear on the Council meeting of February 11, 2020.”*

Mr. Short discussed the need to proceed with the grant application. Mr. Collier made the motion to recommend a Council Bill to authorize the Mayor to apply for federal financial assistance for the Taxi program. Motion carried 3-0.

**3. Consider and discuss Overall Goals and Priorities for Fiscal 2021 Budget.**

*“Included is a draft copy of the goals and priorities for the Fiscal 2021 Budget. This is basically a marked-up version of the approved 2020 goals and policies. There have been a couple of changes that will be discussed at the meeting. The main one is the impact of issues regarding compensation for City employees. These include the McGrath Compensation Study currently underway and minimum wage changes. We hope to have numbers of the potential impact from our consultants for inclusion in the fiscal 2021 budget. We are led to believe that based on tentative conversations, the amount may be significant. Once the goals and priorities for next year’s budget are determined, they will be communicated to the departments and agencies for preparation of their requests. The forms for the requested 2021 budget are scheduled to be sent out February 24, 2020 to the Agencies and Departments.”*

Mr. Short reviewed areas of the goals that had changed from last year. The goals are substantially the same with the exception of the McGrath study which could have a major impact on the budget. Monitoring Municipal Court operations continues along with the operations at the south fire station. Mr. Short also discussed ongoing projects and potential projects. Mr. West made a motion to approve the Overall Goals and Priorities for Fiscal 2021 Budget. Motion carried 3-0.

- 4. Staff Reports.** *“We have received the **February Sales Taxes**. This month’s receipt for the 1% General Fund portion for February 2020 showed a decrease of 8.85% from the same month last Fiscal Year. This amounted to approximately \$19,410 less than the same month last year. Fiscal year-to-date numbers are 0.46% (\$7,545) higher than last year’s year-to-date totals. Also included is the summary **Revenue & Expense Report (unaudited)** (budget report) as of the end of January 2020. As of January 2020, there did not appear to be any major budgetary concerns, on a fund basis, outside of the **Golf Course Fund**. Currently in the **General Fund**, expenditures are running higher than revenues (backing out the “Banking Error”). The originally approved budget anticipated using over \$1,000,000 of the fund balance. Additionally, the original budget anticipated using a portion of the **Golf Fund’s** fund balance in addition to a transfer from the General Fund of \$80,000. For information, contract disbursements to the **CVB** are continuing to be made at the full contract amount, which is payable in twelve (12) equal monthly installments of eight thousand five hundred dollars and no cents (\$8,500.00). We will continue to monitor the budget for any outstanding and potential adjustments (there*

are a number pending for the March Budget Committee meeting) that will need to take place before the end of the fiscal year. Also included in the packet is the **Pooled Investment Report** for January 2020. Activity for the month added about \$14,250 to the City's accounts. A reminder, next month's meeting will include the discussion of the **5 Year Capital Plan** and presentations from Department Heads. Due to the impact of **minimum wage**, changes/adjustments to positions have been processed to be able to partially address recruitment/retention issues; the pending **Budget Adjustment Ordinance #2**, is awaiting proposals to the Parks & Rec. master plan RFP, it will also include the Radio contract with Morris Strom, as well as some additional items. We'll update the Committee on the status of McGrath's Compensation Study work. A **legislative update: The Video/Cable Franchise Fee Reduction** (MML Opposes) The Senate Commerce, Consumer Protection, Energy, and the Environment Committee convened Wednesday afternoon to continue the public hearing on SB 526, sponsored by Senator Ed Emery (Lamar). The bill modifies provisions relating to video service providers by reducing the franchise fee cable providers remit to municipalities, while also repealing the sunset date for the Uniform Small Wireless Facility Deployment Act. The county of St. Charles, Independence Power and Light, St. Louis County Police, city of Joplin, city of O'Fallon, Dish Network, city of Branson and city of Moberly provided opposing testimony. CenturyLink provided informational testimony urging committee member to consider the original intent of legislation enacted in 2001 regarding the use of rights of way. Clearly, the bill supporter's intent is to go for so much more than the bill already attempts to do. They want to use the public rights of way and not have to pay for it. The hearing was followed by a stakeholders' meeting that provided cities with an opportunity to speak, but it was clear that there was little support from the industry representatives in the room. There remains no consensus or ideas to explore that would bring the parties together to negotiate. **Capturing Use Tax on Out of State Purchases (Wayfair Legislation)** The House Rules – Legislative Oversight Committee met this week to review HB 1957 (MML Opposes) sponsored by Representative J. Eggleston (Maysville). The League opposed this legislation in the House Ways and Means Committee because it would require cities that have already passed a use tax measure to pass another one in order to collect the tax on internet sales. The Rules Committee rejected the bill and remanded it back to the House Ways and Means Committee. The Chair, Representative Rocky Miller (Lake Ozark), voiced concerns about the negative effect some provisions in the bill could have on local governments. The House Ways and Means Committee plans to hold another executive session on the bill on February 10."

Mr. Short reviewed sales tax revenues and the monthly financial reports. Also discussed was the Parks Master Plan and the possibility of re-appropriating funds to it in the future. No action was taken at this time.

5. **Other Business.** None

**ADJOURNMENT:** The meeting adjourned at 6:30 P.M. on motion by Mr. Collier.

Respectfully submitted,  
Traci Cox