

**CITY OF BRENTWOOD  
WAYS AND MEANS COMMITTEE MEETING  
JUNE 2, 2016**

Alderman Slusser called the Ways and Means Committee Meeting to order at 6:00 p.m.

**ROLL CALL:**

Deputy Clerk Pittman performed roll call:  
Alderman Dimmitt – present (via teleconference)  
Alderman Plufka – present  
Alderwoman O’Neill – present  
Alderman Slusser – present

Staff and others present: City Clerk/Administrator Bola Akande, City Treasurer Greg Reynders, Finance Director Karen Shaw, Interim Fire Chief Terry Kurten, and Deputy City Clerk, Octavia Pittman.

**APPROVAL OF AGENDA**

Motion was made by Alderman Plufka and seconded by Alderwoman O’Neill to approve the meeting agenda as submitted. Unanimous vote in favor taken; **MOTION PASSED.**

**APPROVAL OF THE MINUTES**

**Meeting Minutes May 5, 2016**

Motion was made by Alderman Plufka and seconded by Alderwoman O’Neill to approve the meeting minutes as submitted. Unanimous vote in favor taken; **MOTION PASSED.**

**PUBLIC COMMENT**

**None**

**COMMENTS BY COMMITTEE MEMBERS**

**None**

**CHAIRMAN’S COMMENTS**

**None**

**PRESENTATION**

**2015 Comprehensive Annual Financial Report (CAFR); 2015 Financial Audit Results For Year Ending December 31, 2015; Report On Internal Control Related Matters And Advisory Comments For The Year Ending December 31, 2015, Uniform Guidance Single Audit Report**

Jim Torte presented the results of the annual audit of the city’s financial statements of the year ending December 31, 2015. An overview was provided of the Comprehensive Annual Financial Report, the Report on Internal Control Related Matters and Advisory Comments, the Report to the Board of Aldermen, and the Uniform Guidance Single Audit Report.

The auditors’ responsibility is to plan and perform the audit to obtain reasonable assurance that the financial statements are free in material statements. The audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. It

also includes accessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. The CAFR includes the independent audit report. Torte provided a summary presentation of the report, stating that they have issued an unmodified opinion and the financial statements are fairly presented in all material respects and in conforming with accounting principles generally accepted in the United States. With the GASB34 reporting model there are two sets of financial statements: 1) Government wide statements present the financial condition of the city as a whole and are prepared using the full accrual basis of accounting; meaning that all assets and liabilities of the city are included (capital assets, infrastructure and long-term liabilities are reported). During the year, the city implemented new GASB pronouncements, 68 and 71, which are required for governmental entities that comply with GAP and requires the city to report a net pension asset or obligation in the government wide financial statements for defined benefit plans.

The City's net position is approximately \$2.6M, the unrestricted net position is a deficit of approximately \$25M primarily due to the tax increment financing debt outstanding for which infrastructure assets the city does not own (as the TIF debt is paid down the net position should increase). The government wide financial statements include a statement of activity that presents direct expenses and program revenue for each function of the city's activities. The net amount shows the extent to which the function itself financing or draws on the general revenues of the city.

2) The fund financial statements are prepared on a modified accrual basis of accounting using a current resources measurement focus; prepared using a major fund concept. Each major fund is shown separately, are determined using a mathematical computation and all non-major funds are grouped together. The city's governmental funds ended with a total fund balance of approximately \$14M, a decrease of approximately \$4.5M from 2014. Unassigned fund balance was approximately \$4.5M or 43% of general fund expenditures; reconciliations are also provided. A separate statement is included of the police and fire pension trust fund. Actual expenditures did not exceed those budgeted for any fund.

Several clarifications and corrections were noted of the 2015 CAFR.

#### **Uniform Guidance Single Audit Report For Year Ending December 31, 2015**

This report is required for entities that spend more than \$750,000 per year in federal awards. In 2015, the federal program audited was the Highway Planning and Construction Cluster; the city complied with all material respects with the requirements applicable to that major federal program.

#### **Report on Internal Control Related Matters and Advisory Comments**

This report includes audit findings, comments and suggestions for strengthening internal controls and operating efficiencies, as well as management responses and the status of prior year recommendations. Current recommendations for significant deficiencies or material weaknesses include, 1) to establish procedures to ensure that capital assets were properly capitalized or recorded as construction process in the government wide financial statements, 2) to review the current budget process to ensure that the budget document is approved prior to the beginning of the year, 3) to review the personnel change report in addition to the labor distribution report and document review, 4) the physical inventory of capital assets should be reconciled to the actual capital asset record, and 5) to ensure that all disbursements are recorded in the proper accounting period.

#### **Report to the Board of Aldermen**

This report provides various communication at the end of the audit as required by professional standards.

After additional questions and clarifications of the deficiencies as well as the firm's role in accounting services, motion was made by Alderman Plufka and seconded by Alderwoman O'Neill to forward a positive recommendation to the full board to accept the 2015 Audit with the changes identified. **ROLL CALL:** Alderman Dimmitt – yes; Alderman Plufka – yes; Alderwoman O'Neill – yes; Alderman Slusser – passed. **MOTION PASSED.**

### **MONTHLY FINANCIAL REPORT**

#### **April 2016**

Director Shaw previously provided the financial report for review; there were no questions.

### **NEW BUSINESS**

#### **Request for Ambulance Billing Write-Off**

Interim Chief Kurten announced the request to write off a portion of an ambulance bill; the original bill was for \$697.60, the settlement amount requested \$446.37, balance of write off \$251.23. The ambulance bill was for care and transport for a non-resident of Brentwood. The Brown and Crouppen Law Firm, client's attorney, states that there are limited funds available from a settlement of a law suit and they are asking the City of Brentwood to consider a reduced amount to settle this case. The city adopted an ambulance billing policy of which this would comply with the section "Procedure for Uncollectable Charges". Motion was made by Alderwoman O'Neill and seconded by Alderman Plufka to accept the settlement offer to write off the ambulance bill for C. Randall as and present it to the Board of Aldermen for final approval. Unanimous vote in favor taken; **MOTION PASSED.**

#### **Request for Budget Amendment – CALEA Certification RFP**

The police department issued an RFP for competitive proposals from qualified consultants to perform CALEA Accreditation Consulting Services. The deadline for submittals was May 31, 2016. The City received two submittals: Public Safety Strategies Group LLC from Massachusetts with a project cost not to exceed \$61,600 and The Fitch Group, from St. Louis, Missouri with a project cost not to exceed \$15,000. Discussions were held regarding Aldermen questions of what happens if after completing this process the city does not gain accreditation which failure is not address in the proposal, completion predicted for 2017, and the ability for Maj. McIntyre to continue training after this process. Motion was made by Alderman Plufka and seconded by Alderwoman O'Neill to accept the proposal from the Fitch Group and to amend the FY 2016 budget for the DEA Asset Forfeiture Fund to expense this item. **ROLL CALL:** Alderwoman Dimmitt – yes; Alderman Plufka – yes; Alderwoman O'Neill – yes; Alderman Slusser – yes; **MOTION PASSED.**

#### **Discussion of Amendments to Conflict of Interest Policy**

The Board adopted an Ordinance to set forth standards of conduct for elected and appointed officials as well as employees of the City of Brentwood. The proper operation of municipal government requires that public officials and employees be independent, impartial, and responsible to the people; that government decisions and policy be made in the proper channels of the government structure; that public office not be used for personal gain; and that the public have confidence in the integrity of its government. In recognition of these goals, a procedure for disclosure and/or recusal of officials and employees faced with financial or personal conflicts of interest in matters affecting the City and a penalty for violation have been established. This applies to the following positions: each elected official, the City Administrator, Assistant City Administrator, Finance Director and City Attorney.

After adoption by the Board, the discussion has been brought back to the Committee to discuss new components; the inclusion of leaseholder interests, appointed positions - discuss difference between bodies of "recommendation" and bodies of "adjudication" and whether sufficient rationale exists to treat the two differently, and campaign contribution – a list of

information to be disclosed (contributions or expenditures) and placement on City webpage with a "link" to the MEC website.

Alderman Slusser suggested the committee discuss the pros and cons and to give an opportunity for members to digest and work towards approval at a future meeting.

Discussions were held and Alderman Plufka offered comments that he is in favor of the changes and stated concerns that there appears to be a more strenuous requirement than those placed by the Missouri Ethics Commission. And, while he is in favor of including members of the Board of Adjustment and Planning and Zoning, he is concerned that it may diminish the ability to obtain volunteers. Alderwoman O'Neill commented that the Board of Adjustment meets less often and there are individuals willing to serve due to the time commitment and added that they should be held to the same standards as others. Alderman Slusser commented that while he is not opposed, he agreed that including Board and Commission members could diminish the pool of volunteers and suggested considering less stringent requirements. Alderman Dimmitt commented that this process may take a while to work through and added he does not support more stringent requirements than those of the Ethics Commission and suggested mirroring what is filed with the ethic commission.

The committee will discuss with the City Attorney and discuss further at a future meeting.

**PUBLIC COMMENT**

**Louise Charboneau, Madge**, offered comments regarding the requirements included in the conflicts legislation.

**ADJOURNMENT**

Motion was made by Alderwoman O'Neill and seconded by Alderman Plufka to adjourn the meeting at 7:02pm. Unanimous vote in favor taken; **MOTION PASSED.**

**Approved as submitted on the 7<sup>th</sup> day of July, 2016.**

Attest:

---

Bola Akande, City Clerk/Administrator