

City of Morristown

Finance Committee Agenda for Tuesday, August 18, 2015 4:00 p.m.

Agenda

1. Review City finances and state/local sales tax for the month and year to date Larry Clark
2. Committee to discuss authorization to issue debt for Fire Department Larry Clark
3. Other business
4. Adjourn

City of Morristown
Finance Committee Minutes
Tuesday, July 21, 2015
4:00 p.m.

Present: Councilmember Bob Garrett; Mayor Gary Chesney; Councilmember Tommy Pedigo, committee member; Councilmember Chris Bivens, committee member; Councilmember Ken Smith; Councilmember Dennis Alvis; Tony Cox, City Administrator; Larry Clark, Administrative Services Director; Joey Barnard, Finance/Purchasing Manager; Councilmember Kay Senter, Finance Chair.

Others Present: Bob Moore, Citizen Tribune; Ron Perkins, City Attorney; Buddy Fielder, Assistant City Administrator.

Minutes of the June 16, 2015, Finance meeting were approved as presented (Motion: Pedigo/Bivens).

1. Update on local sales tax and state sales tax collections

Larry Clark distributed informational sheets and reported on local and state sales tax collections.

- State and Local Option Sales Tax collections are higher than budget projections. West end Wal-Mart sales for the past 1.5 months are reflected in these sales tax reports. June 2014 sales tax collections reflect a 10% increase.
- Graphs representing sales tax collections from July 2013 to July 2014 indicate that Local Option Sales Tax collections are up 13% and State Sales Tax collections are up 7.2%. These percents indicate that Sales Tax collections from July 2013 to July 2014 are 8.4% above budget projection – a positive trend in both local and state sales tax collections.

2. Joey Barnard provided an update on the closing of the City books and initiating the audit process.

- August 1, 2015, is the target date for closing the books to begin the audit process. The auditor has already started preliminary audit work.
- The Comptroller has set August 31st of each year as the date by which all cities must close the books.
- Morristown is to be commended for the August 1st target date
- Mr. Cox complimented Finance personnel for the improvements initiated in the department that have improved and expedited the audit process.

3. Tennessee Drug Card

- Councilmember Ken Smith reported on the TN Drug Card.
- Councilmember Smith presented the information he gathered, answered questions and provided an independent pharmacist's perspective.
- After much discussion, the following motion was made.
 - Motion: Pedigo/Bivens - The Finance Committee recommends dropping further consideration of the TN Drug Card. Motion passed.

4. Other Business

- Delinquent tax notices for 2011: Mr. Cox addressed the newspaper article that listed 26 parcels incorrectly as past due on 2011 taxes.
 - A software problem was identified as the source of the incorrect report.
 - City Attorney Perkins noted that generating tax notices is complicated because city and county property information is not generated by one source.
 - Mr. Barnard has spoken with Michelle Parvin at the County.
 - To resolve the incorrect delinquent tax notices, the City Attorney will draft an ordinance to remove the 26 properties listed in error from the law suit.
 - Mr. Clark noted that the City sends a letter to remind City property owners who have not paid their taxes. The letter essentially serves as a second notice.

- Keep America Beautiful (KAB)
 - Councilmember Alvis inquired about the article about KAB in the newspaper.
 - Mr. Cox said this is a developing issue that has not been resolved.
 - Mr. Barnard said that the City requires non-profits receiving City funds to submit a letter requesting the amount allocated to the organization in the City budget. Funds are not released until the letter is submitted. This internal control complies with the Comptroller's requirements.

Meeting adjourned at 4:50 p.m.

Submitted by,

Kay Senter

Kay Senter, Councilmember
Finance Chair