

STONE COUNTY COMMISSION
MINUTES FROM EXECUTIVE SESSION
CONCERNING IRS INVESTIGATION

TUESDAY, FEBRUARY 15 2018

The Stone County Commission met in the County Commission Room on the Third Floor of the Old Courthouse in Galena, Missouri on February 15 2018 following the general session that began at 10:00 a.m.

Notice was posted more than 24 hours in advance that that the County Commission would hold a closed meeting at the request of the Internal Revenue Service; therefore, under authority of Section 610.021(1) RSMo, the County Commission held a closed meeting concerning pending litigation.

William McCullah, County Counselor, kept the minutes of the meeting.

On the issue, whether to conduct an executive session under the authority of §610.021(1), a vote was taken at 11:00 a.m. The vote was Presiding Commissioner Wood, yes; Commissioner Maples, yes; Commissioner Smythe, yes.

Dena Casey, IRS investigator, initiated a telephone conference call at 11,07 a.m. Those attending were, Presiding Commissioner Dennis F. Wood; Commissioner Mark W. Maples; Commissioner Hank Smythe; County Counselor William McCullah; County Clerk Cindy Elmore; Deputy County Clerk Tina Foster, Collector of Revenue Vicki May; and County Treasurer Kristi Stephens. Prosecuting Attorney Matt Selby, Prosecuting Attorney, participated in part of the meeting by telephone, from 11:10 a.m. to 11:27 a.m.

The IRS raised three issues concerning payments made to county employees in tax years 2015 and 2016 that should have been reported on Forms W-2 rather than on Forms 1099. The IRS determined that the County should pay \$8,413.69, the amount of FICA withholdings and matches that the IRS calculated should have been made. The IRS found that there was no intent to evade or avoid payment, and the IRS assessed no penalties and no interest.

After discussion of the issues, the telephone conference was terminated at 11:20 a.m.

At 11:20 a.m. the Commission considered the issue to release to the public these minutes and all of the pertinent documents from the IRS and the County. The vote was Presiding Commissioner Wood, yes; Commissioner Maples, yes; Commissioner Smythe, yes.

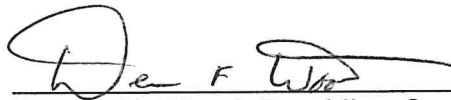
At 11:21 a.m. the issue to return to regular session was considered. The vote was Presiding Commissioner Wood, yes; Commissioner Maples, yes; Commissioner Smythe, yes.

The County Commission made the following decisions: (1) to accept the IRS determination; (2) not to appeal the IRS's determination; (3) to authorize signature of IRS Form 2504-T; (4) to authorize payment of \$8,413.68 to the IRS from the County's general revenue fund; (5) to authorize release of the minutes from executive session; to (6) authorize release to the public of all IRS documents concerning this investigation; (7) to request that the Collector reimburse the County's general revenue fund for the amount attributable to her employees; (8) to request that the Prosecuting Attorney reimburse the County's general revenue fund for the amount attributable to his employee; and (8) to direct that payment for road and bridge commissioners be reimbursed to the County's general revenue fund.



William McCullah, County Counselor

Approved on February 15 2018



Dennis F. Wood, Presiding Commissioner