

MINUTES  
FINANCE COMMITTEE  
APRIL 5, 2018

The Finance Committee met on April 5, 2018, at 5:00 p.m. in the Council chambers at City Hall.

Present: Chairman Thornton, Aldermen: Colwell, Braun, Gould, Connor, Jenkins  
Hughes, Sharp, Mayor White, City Clerk Hurd, Office Manager Passage  
ED Director Parker, Superintendent of Public Works Sutherland, Fire Chief  
Benisch, Police Chief Mettille

Chairman Thornton called the meeting to order.

Mayor White opened the meeting, as it was the annual budget session and asked that we discuss the audit agenda item first.

**AUDIT PROPOSALS**

Office Manager Passage stated that Pat McElhiney has decided to retire from doing the City's audit, therefore; the finance committee has requested audit proposals for three years. She stated three audit proposals were received.

Striegel Knoblock & Co., LLC	\$15,000	\$15,450	\$15,913.50
Ginoli & Company	\$18,000	\$18,500	\$19,000.00
Phillips, Salmi & Associates	\$19,950	\$20,450	\$20,950.00

She stated that the Mayor and herself has met with Phillips, Salmi & Associates and will be meeting with Ginoli & Company on April 12, 2018, as they offered the best proposals.

Mayor White stated that he has also reviewed the proposals and recommended meeting with Phillips, Salmi & Associates and Ginoli & Company.

He stated that the Striegel Knoblock & Co., proposal did not meet what the city was looking for in an audit.

Chairman Thornton stated that he was familiar with Ginoli & Company. He stated that we could look at obtaining a price for five year, however was good with three years.

A recommendation will be made at the April 23 council meeting.

**BUDGET 2018-2019**

Mayor White stated that each elected official has been presented with a final follow up document regarding to the Council Self-Evaluation-2018. He explained that one of the areas needing improvement was understanding the budget. Therefore; with this year's budget presentation the Office Manager will be presenting more graphs and charts to help understand the budget process.

Office Manager Passage gave the budget presentation with is attached.

Office Manager Passage stated that all elected officials have received a copy of the proposed budget via email. She stated in the presentation that a couple of major concerns for the council this year would be the increasing of water rates and the expiring TIF Districts.

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Mayor White stated that another concern would be a decision as to whether to join the Fire District.

He stated that he would hold a Committee of the Whole to discuss the topic of joining the Fire District.

A discussion ensued regarding the budget.

The general consensus of the committee and other elected officials was to present the 2018-2019 budget at the April 9, 2018 council meeting for approval.

Office Manager encouraged all elected officials to use the Budget Comparison Report that is emailed to each elected official at the beginning of each month to track the budget. This report gives the Budget amount, the monthly expenditure per line item per fund, the Year to date amount per line item per fund and the unexpended budget amount per line item per fund and the % used per line item per fund.

There being no further business the meeting adjourned.

Respectfully,

James Thornton  
Chairman

# BUDGET PRESENTATION

2018-2019

Together

Everyone

Achieves

More

# Budget Purpose

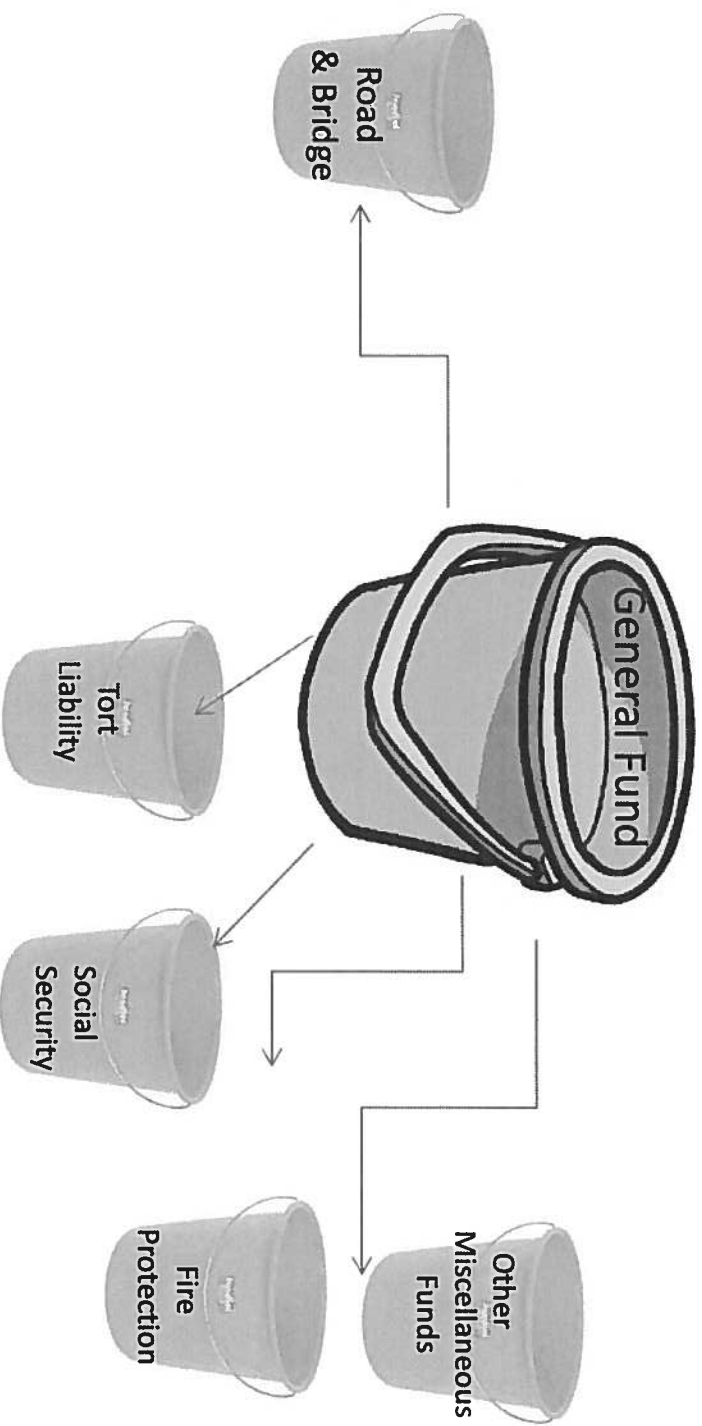
- Municipalities set a budget for internal purpose to monitor costs in each fund.
- Monthly provide a Budget Comparison report
- Elected Officials, Committee Chairs, and Supervisors can track budget by using the Budget Comparison report

# KEY POINTS

- Fund Accounting
- Water Fund – Self Supporting
- TIF Operating – Last year to receive revenue  
2019 payable in 2020
- TIF Business – Last year to receive revenue  
2021 payable in 2022
- Fire Protection
- General Fund

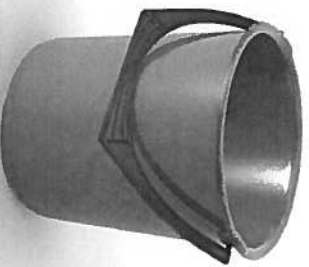
# FUND ACCOUNTING

Each fund has a distinct purpose. General Fund has the ability to help other non self supported funds

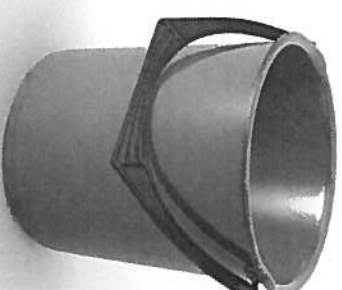


General Fund can share funds with Road & Bridge Fund and other Miscellaneous Funds but should not share funds with Self supporting funds such as....

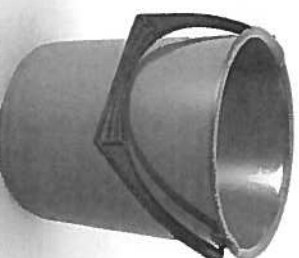
# SELF SUPPORTING FUNDS



TIF Operating

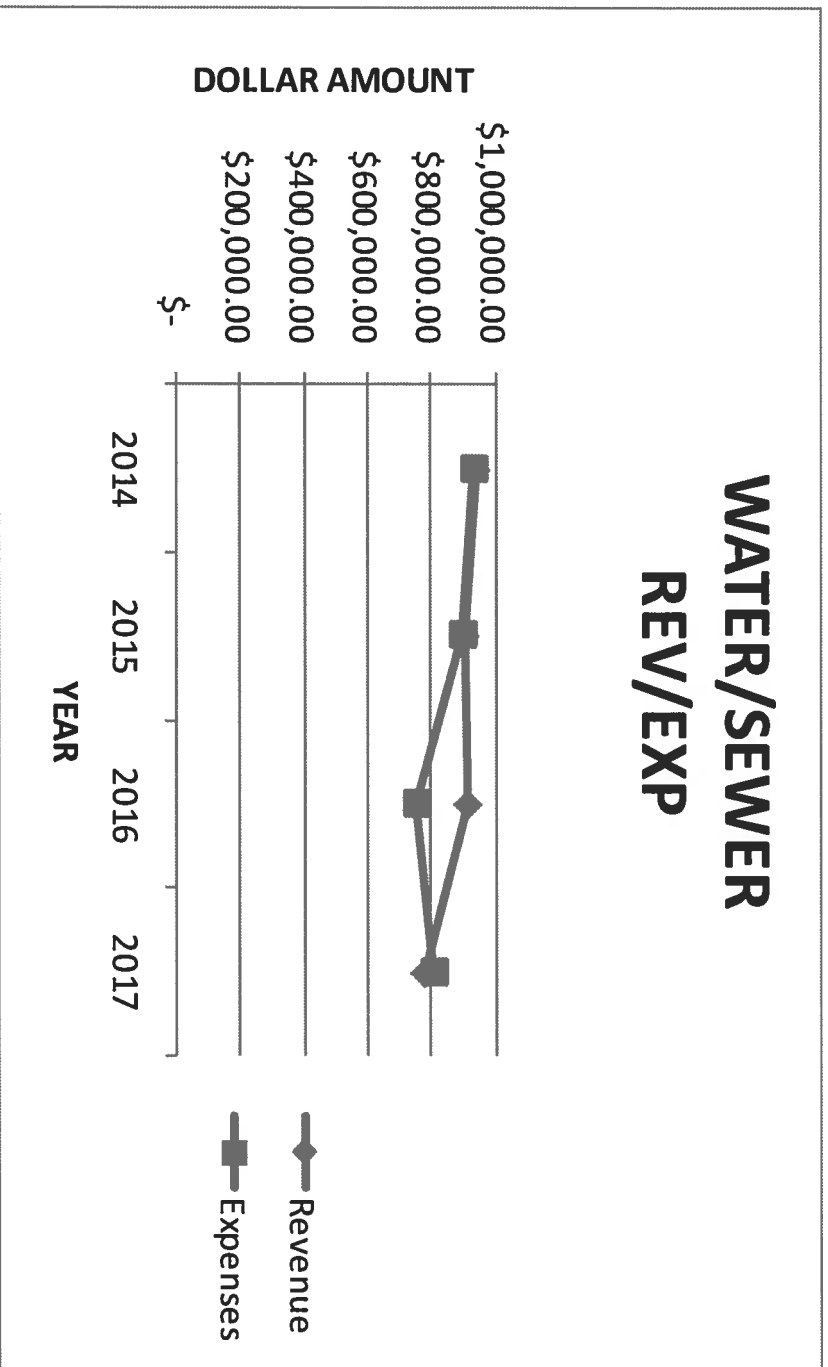


Water Fund



TIF Business

# WATER/SEWER REVENUE VS EXPENSES





# 2018-2019

## WATER/SEWER PROPOSED BUDGET

(Without Projects)

	WATER/SEWER FUND BUDGET 2018-2019	
RECAP		
Cash Carry Over	\$ 25,000.00	
Revenue	<u>\$ 743,500.00</u>	
Total Revenue		\$ 768,500.00
EXPENSES		
Labor WA	\$ 185,500.00	
Labor SW	<u>\$ 146,200.00</u>	
Total Labor		\$ 331,700.00
Benefit WA	\$ 80,500.00	
Benefit SW	<u>\$ 68,500.00</u>	
Total Benefit		\$ 149,000.00
Operating WA	\$ 268,250.00	
Operating SW	<u>\$ 96,950.00</u>	
Total Operating		<u>\$ 365,200.00</u>
TOTAL EXPENSES		\$ 845,900.00
Net Operating		\$ (77,400.00)

# WATER/SEWER 2018-2019 PROJECTS

WATER DEPARTMENT	PRIORITY #1	PRIORITY #2	PRIORITY #3
Facility Improvement	\$ 50,000.00	\$ -	\$ -
Meter Replacement		\$ 25,000.00	\$ -
Scada Upgrade	\$ -	\$ 50,000.00	\$ -
Viaduct - Water Main Ext.	\$ -	\$ 110,000.00	\$ -
Back up Chlorination	\$ -	\$ 15,000.00	\$ -
Chlorine Detection	\$ 12,000.00	\$ -	\$ -
Vehicle Utility Box	\$ 6,000.00		
Pump House roofs	\$ 10,000.00	\$ -	\$ -
Vehicle	\$ 13,000.00		
Pump Maintenance	\$ -	\$ 30,000.00	\$ -
Tapping Machine	\$ 54,000.00		
Water Mains/Valves	<u>\$ 75,000.00</u>	<u>\$ 40,000.00</u>	<u>\$ 40,000.00</u>
Sub Total WA Projects	\$220,000.00	\$270,000.00	\$ 40,000.00
<b>SEWER DEPARTMENT</b>			
Vehicle	\$ 13,000.00	\$ -	\$ -
Utility Box	\$ 6,000.00		
Scada Lift Station	\$ -	\$ 80,000.00	\$ -
Lift Station Rehab	tbd		
Sewer Camera	\$ 5,000.00	\$ -	\$ -
Viaduct - Sewer Main Ext.	\$ -	\$ 110,000.00	\$ -
Sub Total SW Project	\$ 24,000.00	\$ 190,000.00	\$ -
<b>Total Water/Sewer Projects</b>	<b>\$244,000.00</b>	<b>\$460,000.00</b>	<b>\$ 40,000.00</b>

# TIF OPERATING

(Plaza)

- TIF Operating (Plaza) was created in 1985
- Revenue is received through property tax
- Last year to receive revenue is 2019 payable in 2020
- Once TIF Operating (Plaza) is dissolved any operating cost for that area will need to be funded through General Fund

# TIF BUSINESS

- Central Business District TIF – Riverfront was created in 1999
- Revenue is received through property tax and TIF Operating (Plaza)
- Last year to receive revenue from TIF Operating (Plaza) is 2020
- Last year to receive revenue through property tax is 2021 payable in 2022
- Once TIF Business is dissolved any operating costs for that area will need to be funded through General Fund

# Incomplete sampling of past projects funded by TIF since 2012

- Park Improvements:  
Stage, Playground Equipment, etc. \$ 96,987
- Eagle Landing \$149,727
- Boat Docks; Improvements, Maintenance \$307,869
- Street Resurfacing; Plaza Drive, Elm Street, etc. \$388,737
- Project Facelift \$ 26,595

## TIF PLAZA/TIF BUSINESS

### TIF PLAZA

Cash Carry Over	\$1,600,000.00	
Revenue	<u>\$ 490,000.00</u>	
Total Revenue		\$ 2,090,000.00
Expenses		
Operating	<u>\$ 99,100.00</u>	
Total Expense		<u>\$ 99,100.00</u>
Transfer		\$ (272,800.00)
Transfer Projects		<u>\$ 1,339,500.00</u>
Net Operating		\$ 378,600.00

### PROJECTS

TIF PLAZA	PRIORITY #1
Sign for Plaza	\$ 80,000.00
Street/Alley Maintenance/signage	\$ 20,000.00
Project Facelift	\$ 35,000.00
Welcom Sign	\$ -
Loans & Incentives	\$ 175,000.00
Plaza Drive Improvement	\$ 5,000.00
4th Street Improvement	\$ 7,500.00
Property Acquisition	<u>\$ 10,000.00</u>
TOTAL	\$ 332,500.00

### TIF BUSINESS

Cash Carry Over	\$ 1,000.00	
Revenue	<u>\$ 135,000.00</u>	
Total Revenue		\$ 136,000.00
Operating		
	<u>\$ 408,800.00</u>	
Total Expenses		<u>\$ 408,800.00</u>
Net Operating		\$ (272,800.00)

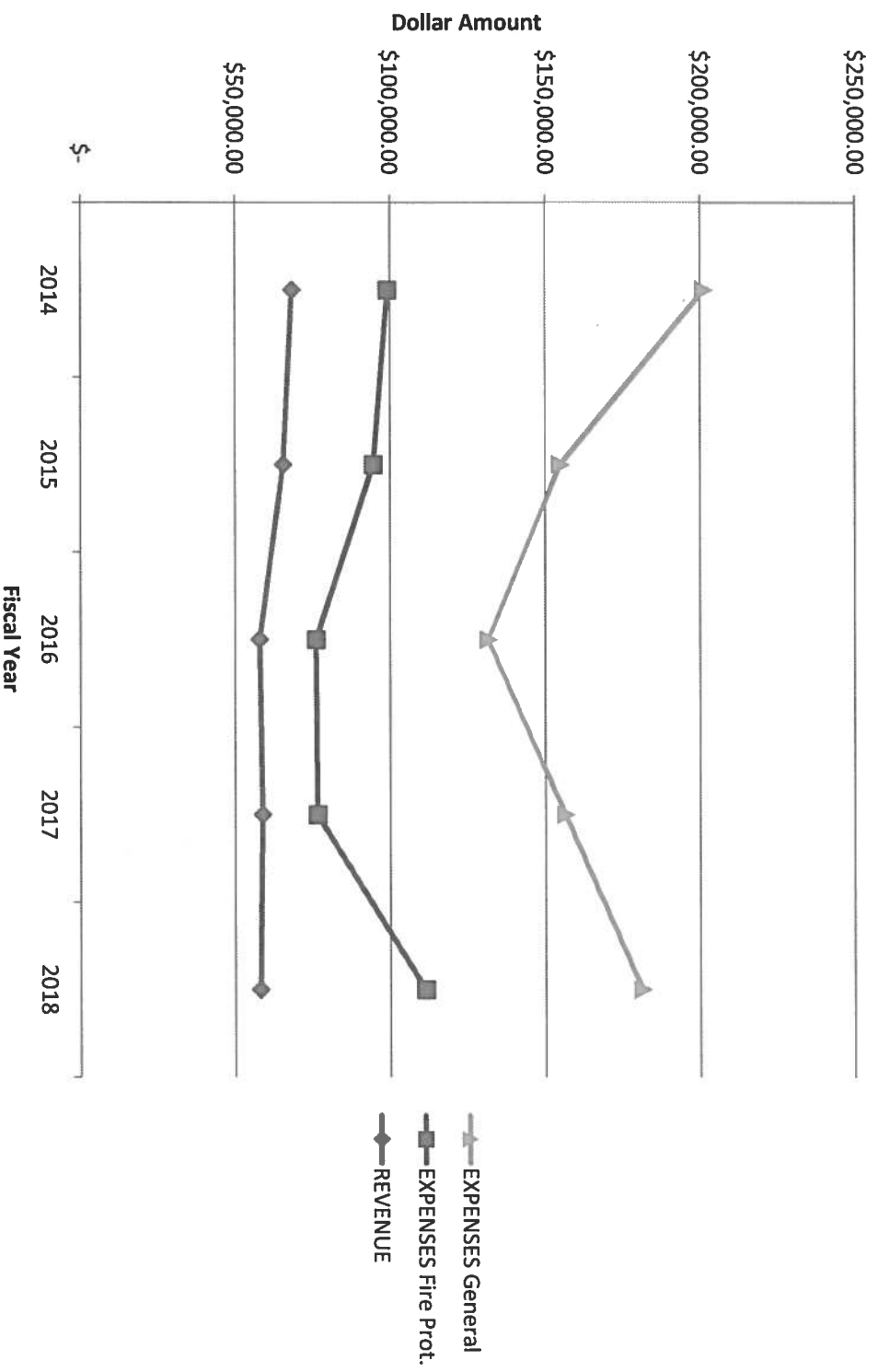
### PROJECTS

TIF -CENTRAL BUS.	
Maintenance & Repair Streets	\$ 150,000.00
Parking Lots Improvements	
Alley Improvements	\$ 10,000.00
City Hall Renovation	
City Park Sidewalks	\$ 50,000.00
Eagle Landing Platform	\$ 2,000.00
Tree Removal	\$ 5,000.00
Johnson Landing Improvements	\$ 10,000.00
Sidewalks Curb/ramps Parking	\$ -
4th Street Improvement	\$ 7,500.00
Loans & Incentives	\$ 375,000.00
Property Acquisition	\$ 270,000.00
Property Maintenance	\$ 450,000.00
Park Improvements	<u>\$ 10,000.00</u>
TOTAL	\$1,339,500.00

# FIRE PROTECTION

- The Fire Department has two areas of funding.
- General Fund – Fire Department
  - a. Funds most of the operational costs
- Fire Protection Fund
  - a. Funds capital improvements

# Fire Department



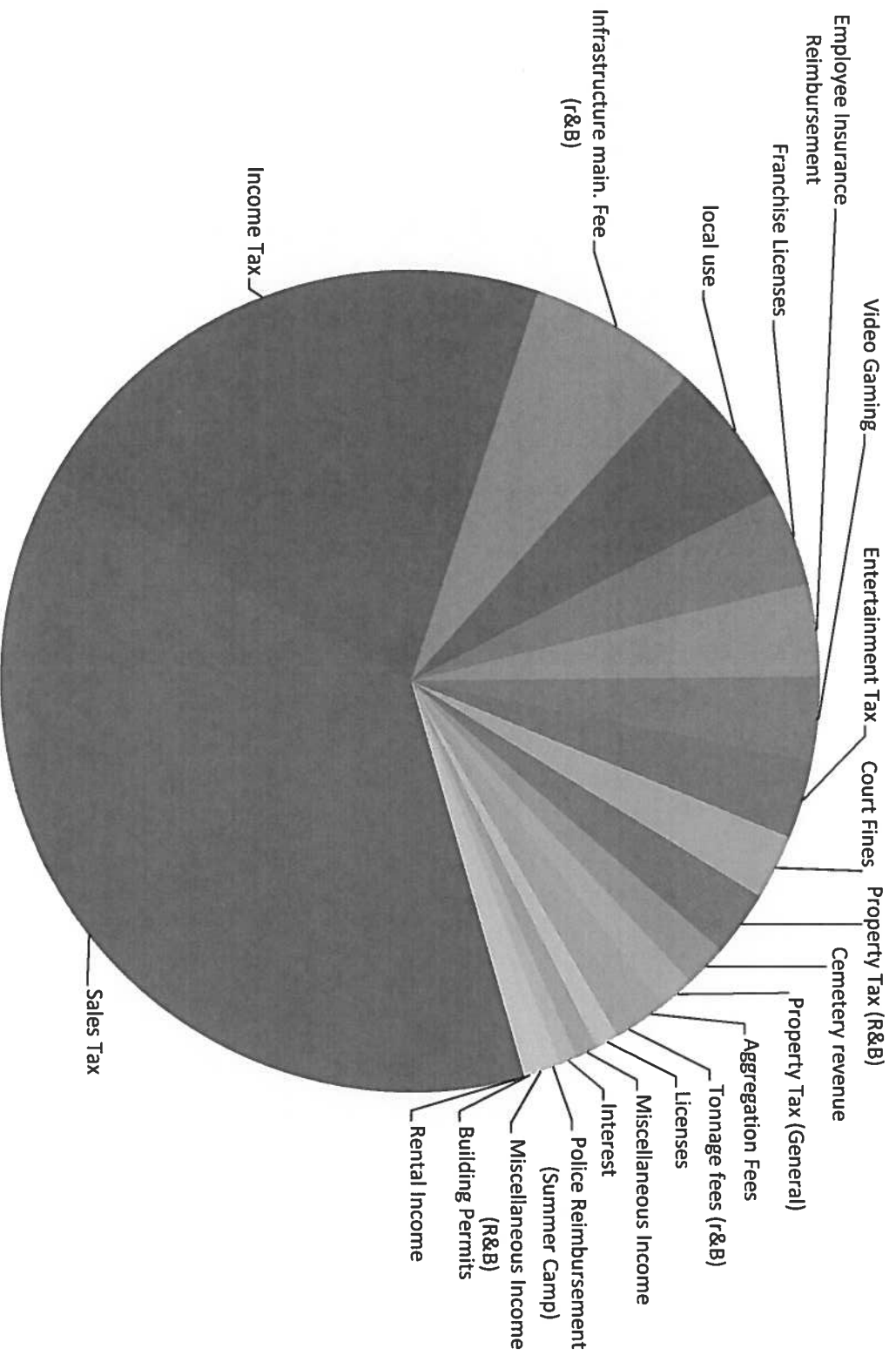


# GENERAL FUND

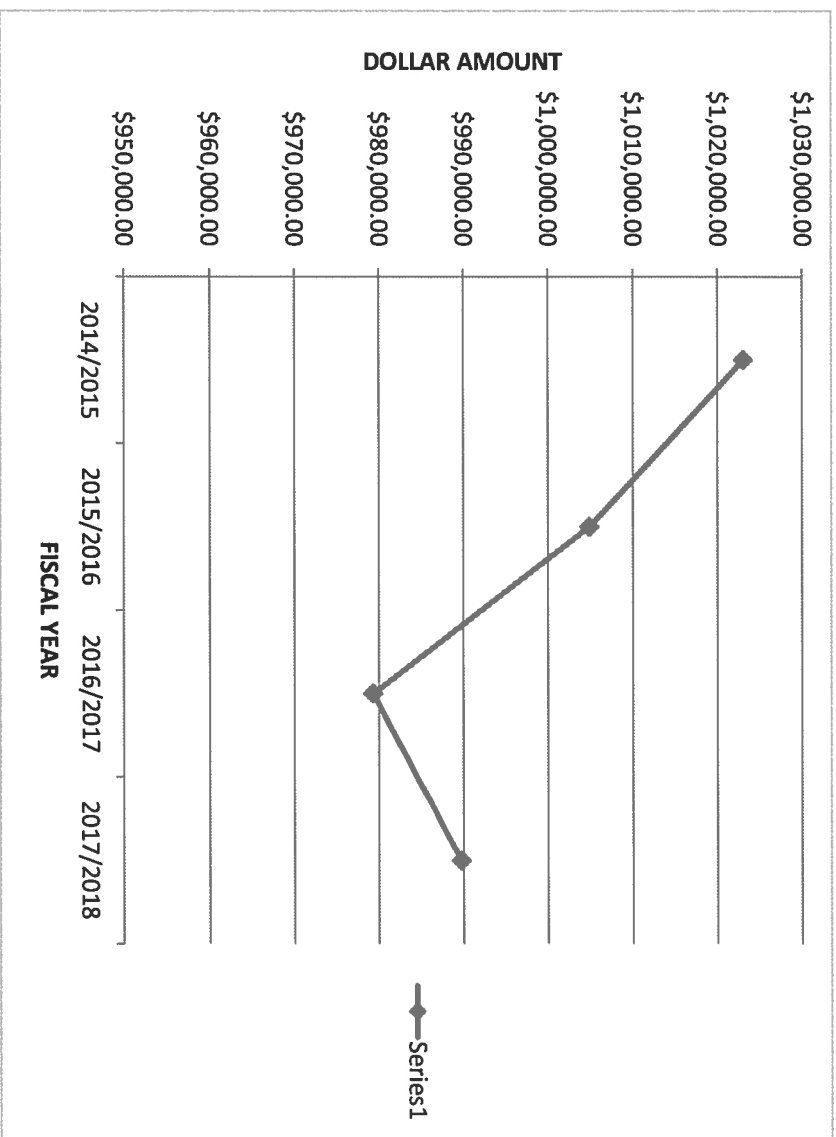
- General Fund is a fund mostly described as a catch all fund. It records activity that is not designed for a specific purpose fund.
- Sales tax is the biggest revenue source

# Revenue Source

## \$2,626,514.78



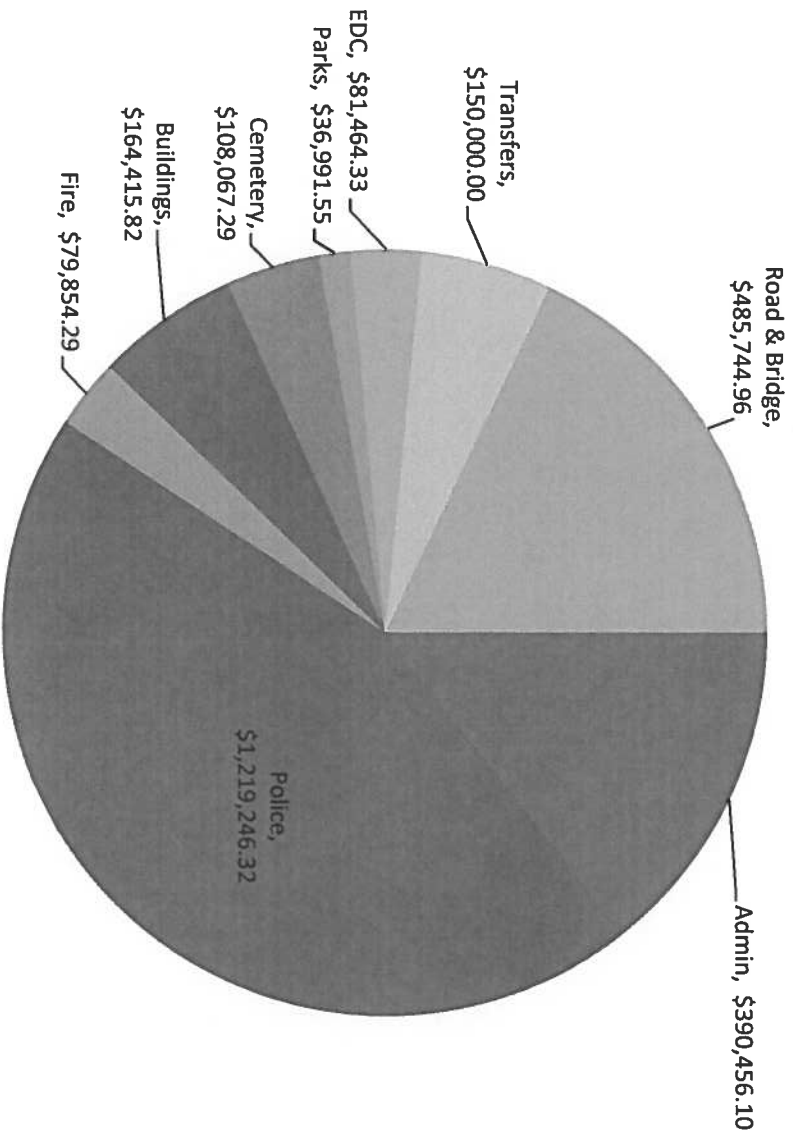
# SALES TAX HISTORY BY FISCAL YEAR



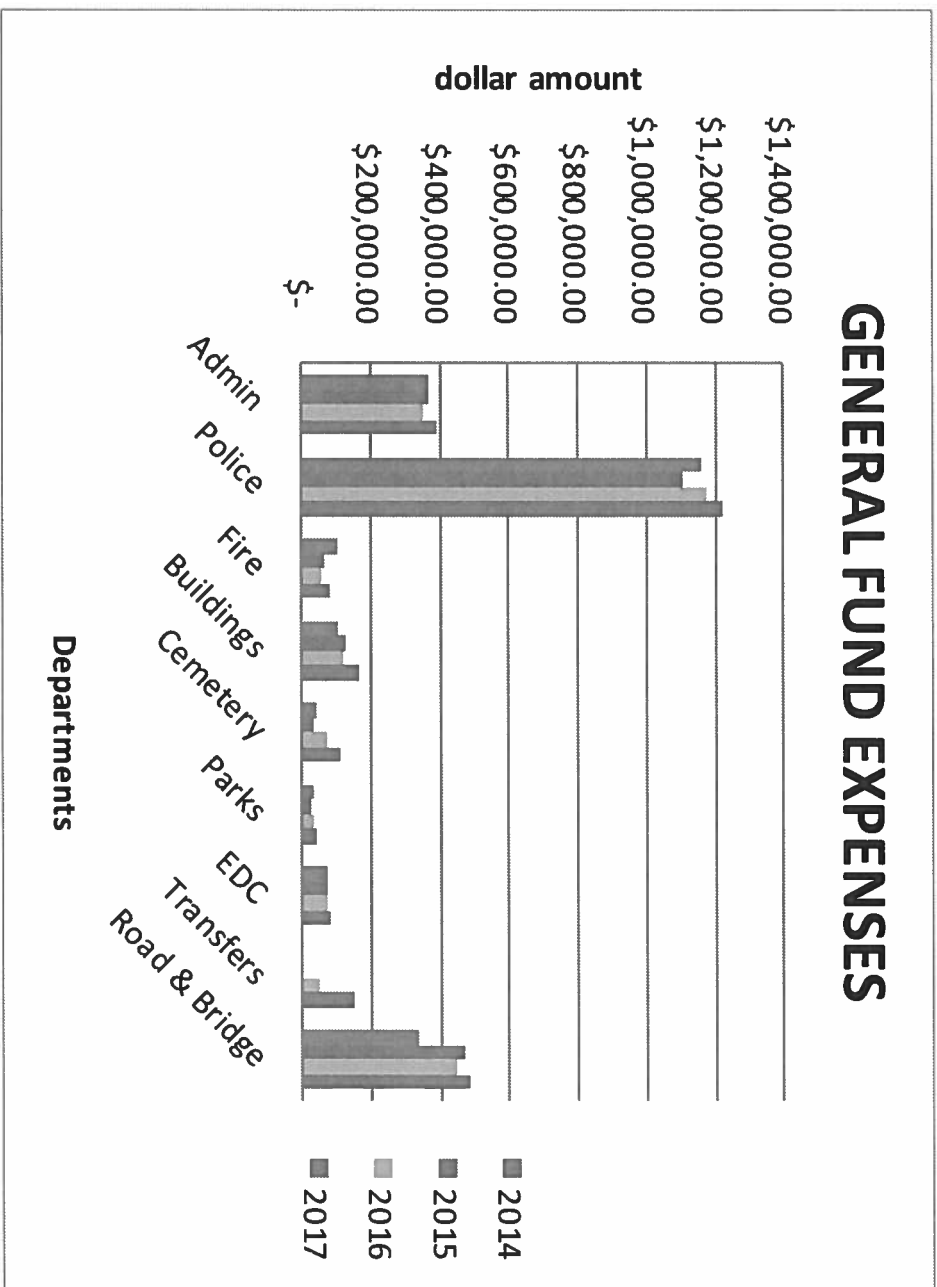
## General Fund Expense information

- The following slides will show information regarding expenses.
- Expenses by Department for one year
- History of expense by Department
- History by total for the General Fund/Road & Bridge

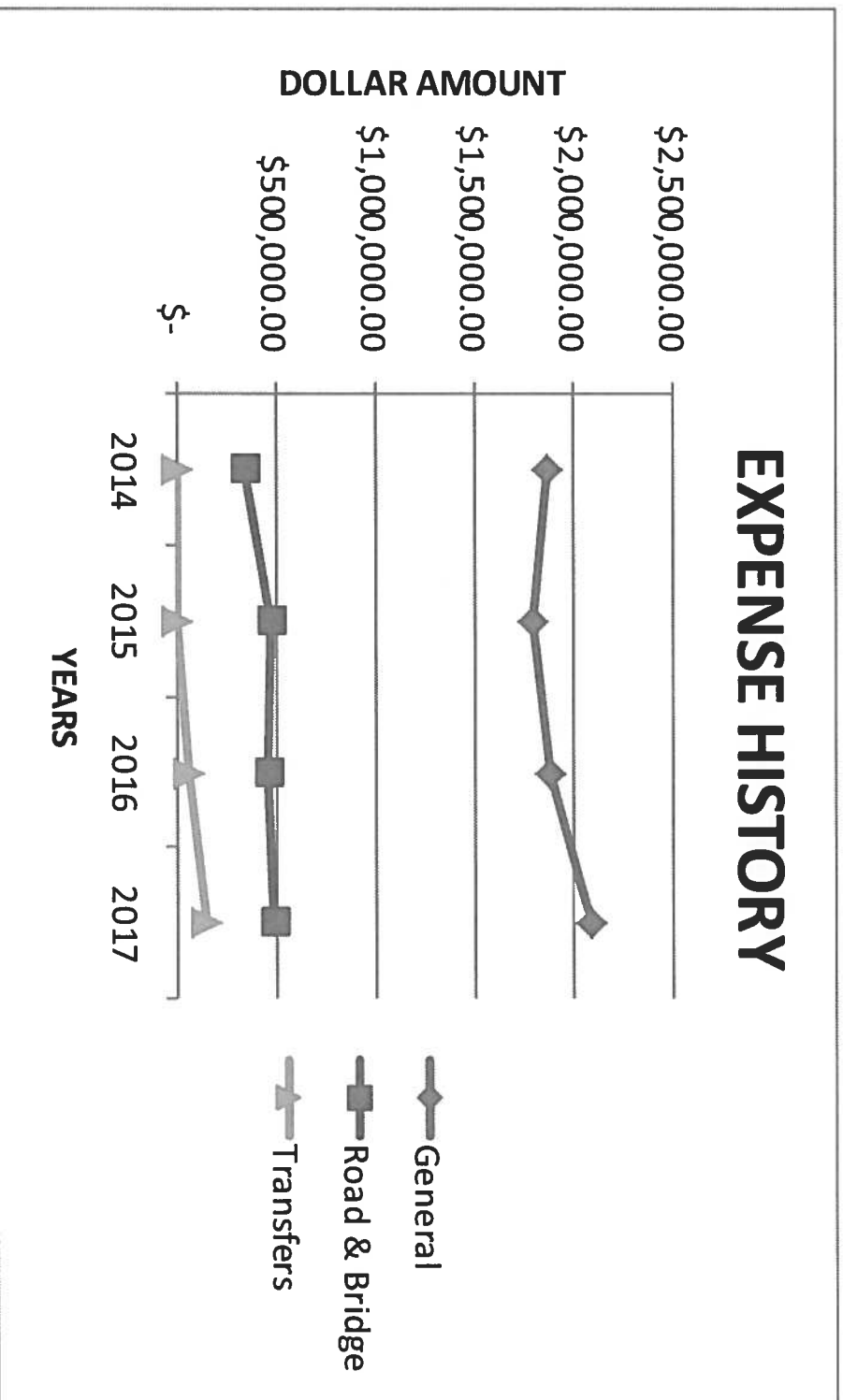
# General Fund Expenses \$2,716,240.66



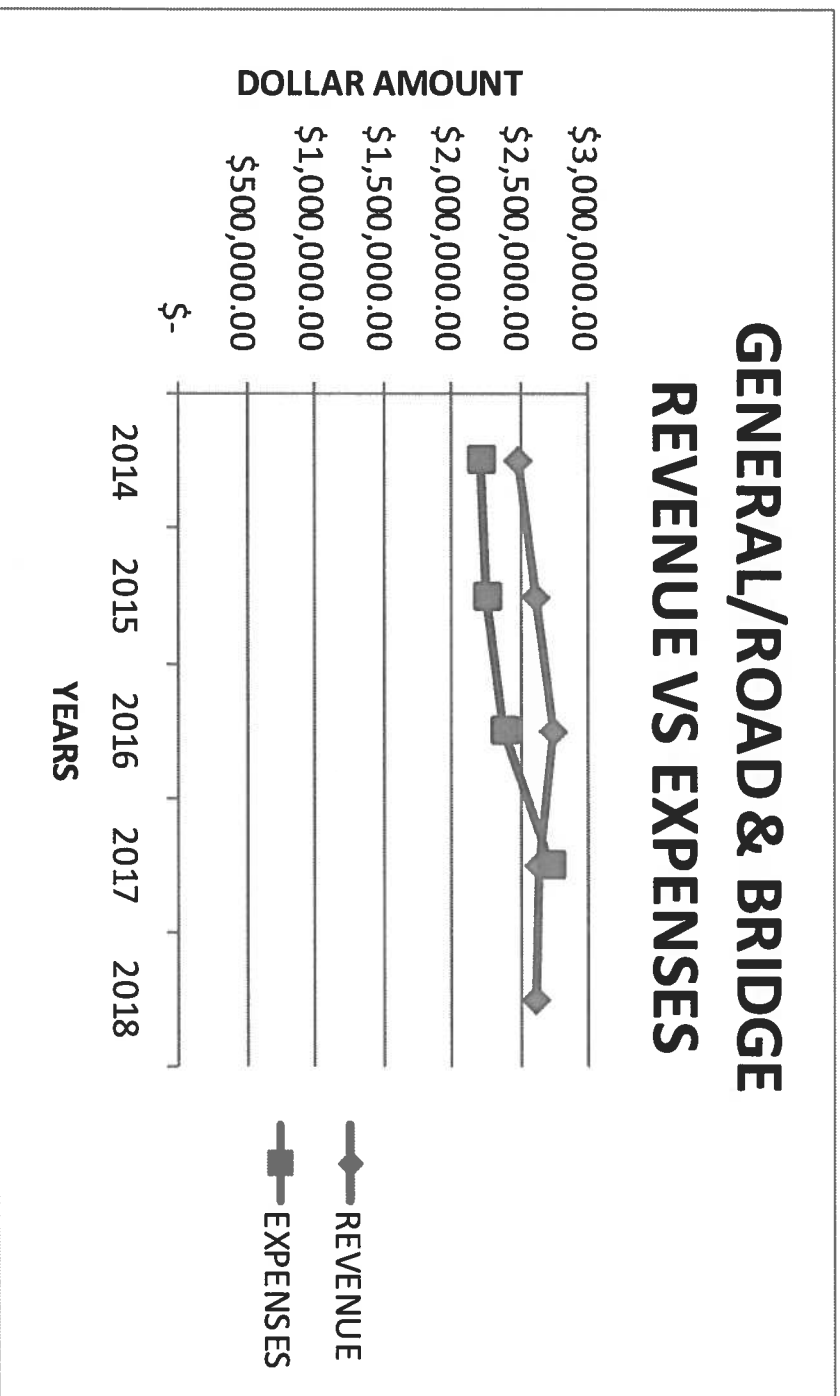
# HISTORY OF EXPENSES BY SOURCE



# GENERAL FUND TOTAL EXPENSE HISTORY



# GENERAL FUND/ROAD & BRIDGE REVENUE VS EXPENSES





# 2018-2019 PROPOSED BUDGET – GENERAL FUND

**Cash Carry Over**

General	\$3,750,000.00
Road & Bridge	<u>\$ 10,000.00</u>
<b>Total Cash on Hand</b>	<b>\$3,760,000.00</b>

**Projected Revenue**

General	\$1,903,000.00
Road & Bridge	<u>\$ 213,000.00</u>
<b>Total Project Revenue</b>	<b><u>\$2,116,000.00</u></b>
<b>Total Revenue Available</b>	<b>\$5,876,000.00</b>

**Projected Expenses**

General	\$2,297,055.00
Road & Bridge	\$ 526,400.00
Transfer to R & B	\$ 610,000.00
Contingencies	<u>\$ 22,500.00</u>
<b>Total Projected Expenses</b>	<b><u>\$3,455,955.00</u></b>

Balance Remaining before any project in General Fund

<b>Projected Priority One Projects</b>	<b>\$2,420,045.00</b>
<u><b>Total projection at year end</b></u>	<u><b>\$ 156,400.00</b></u>
	<b>\$2,263,645.00</b>

# PROJECTS 2018-2019

<b>POLICE</b>	<b>PRIORITY #1</b>	<b>PRIORITY #2</b>	<b>PRIORITY #3</b>
Generator	\$ -	\$ 20,000.00	\$ -
Police Officer	\$ 20,400.00	\$ -	\$ -
<b>Sub Total Police</b>	<b>\$ 20,400.00</b>	<b>\$ 20,000.00</b>	<b>\$ -</b>
<b>FIRE</b>	<b>PRIORITY #1</b>	<b>PRIORITY #2</b>	<b>PRIORITY #3</b>
Grant - Match Funds	\$ 10,000.00	\$ -	\$ -
Equipment Miscellaneous		\$ 5,000.00	
<b>Sub Total Fire Projects</b>	<b>\$ 10,000.00</b>	<b>\$ 5,000.00</b>	<b>\$ -</b>
<b>BUILDINGS</b>	<b>PRIORITY #1</b>	<b>PRIORITY #2</b>	<b>PRIORITY #3</b>
City Hall Renovations/asb.		\$ 600,000.00	\$ 15,400.00
Elevator	\$ -	\$ -	\$ 100,000.00
City Hall Building Improvements	\$ 25,000.00	\$ -	\$ -
<b>Sub Total Building Projects</b>	<b>\$ 25,000.00</b>	<b>\$ 600,000.00</b>	<b>\$ 115,400.00</b>
<b>CEMETERY</b>	<b>PRIORITY #1</b>	<b>PRIORITY #2</b>	<b>PRIORITY #3</b>
Utility Tractor	\$ 12,000.00	\$ -	\$ -
Equipment Misc.	\$ 2,500.00	\$ -	\$ -
Cemetery Overlay	\$ -	\$ -	\$ 16,000.00
Cemetery Kiosk	\$ 3,000.00	\$ -	\$ -
Flag Pole	\$ -	\$ 2,000.00	\$ -
Mower	\$ -	\$ 9,000.00	\$ -
Fence Extension	\$ -	\$ 20,000.00	\$ -
<b>Sub Total Cemetery Projects</b>	<b>\$ 17,500.00</b>	<b>\$ 31,000.00</b>	<b>\$ 16,000.00</b>

**PROJECTS  
2018 -2019  
CONTINUED**

<b>PARKS</b>	<b>PRIORITY #1</b>	<b>PRIORITY #2</b>	<b>PRIORITY #3</b>
Truck	\$ -	\$ 22,000.00	\$ -
Utility Tractor	\$ 12,000.00		
Drinking Fountain	\$ -	\$ 2,000.00	\$ -
Park Improvement	\$ 40,000.00	\$ 15,000.00	\$ -
<b>Sub Total Park Projects</b>	<b>\$ 52,000.00</b>	<b>\$ 39,000.00</b>	<b>\$ -</b>
<b>ADMINISTRATION</b>	<b>PRIORITY #1</b>	<b>PRIORITY #2</b>	<b>PRIORITY #3</b>
Recycling	\$ 10,000.00		
Shademakers - Projects	\$ 6,500.00		
Technology Upgrade	\$ 15,000.00	\$ -	\$ -
<b>Sub Total Administration</b>	<b>\$ 31,500.00</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL GENERAL FUND</b>	<b>\$ 156,400.00</b>	<b>\$ 695,000.00</b>	<b>\$ 131,400.00</b>