

## FINANCE COMMITTEE

January 19, 2012

### MEMBERS

Chairman Lawrence  
Alderman Vota  
Alderman Burtle  
Mayor Brotherton

### ALSO PRESENT

Alderman Walters  
Alderman Heberling  
Shirley Sams  
Blain Cromwell  
John Gardner  
Jim Adcock

### MEMBERS ABSENT

Alderman Jones

Chairman Lawrence called the meeting to order at 6:00 P.M.

### **GENERAL FUND REPAY WATER FUND FOURTH QUARTER 2011**

Chairman Lawrence advised the Committee in 2009 the General Fund had a pooled balance of approximately \$750,000.00 each month but now has approximately \$1,500,000.00 each month. He stated the Water Fund is making money and has received \$150,000.00 in repayments from the General Fund. Treasurer France had advised him the funds are available for the fourth quarterly payment.

Motion by Alderman Burtle and seconded by Alderman Vota to recommend to the City Council to approve the transfer of \$50,000.00 from the General Fund to the Water Fund for the fourth quarter payment.

Motion carried 3-0.

### **SEWER PROJECT PRIORITIES**

Chairman Lawrence advised those in attendance that the City passed a Non-Home Rule Sales Tax Referendum in 2009. The revenue generated from this tax can only be used for the City's public infrastructure. These revenues were used as a revenue source to borrow \$10,000,000.00 General Obligation Alternate Revenue Bonds, which has been used on projects for Storm Sewer Separation Projects. The first \$7,500,000.00 was borrowed in 2009 and then an additional \$2,500,000.00 in December 2011.

Chairman Lawrence gave a recap of the cost and location of these projects and stated he would like to make a recommendation to the Street & Sewer Department Chairman Alderman Walters to add the NE Sanitary Sewer to their list of priorities as there is no room for expansion of the Industrial area. Mayor Brotherton stated the projects that have been started need to be completed but also emphasized the importance of completing the NE Sanitary Sewer to allow for growth which would generate revenue for the City. City Engineer Joe Greene checked with the Bond Counsel and were advised that the NE Sanitary Sewer qualifies as a project that can be funded by bond money. Chairman Lawrence advised the Taylorville Sanitary District said there could not be another tap made on the line that runs along South Esther Street.

Alderman Heberling stated he would recommend tying the Esther Street area into this line to benefit the residents in that area. Alderman Burtle stated the projects started need to be completed and he would agree for the City to pay a portion of the bill for the NE Sanitary Sewer for the Industrial Park recommends waiting to see if Tenaska comes before starting this project.

Alderman Walters, Chairman of the Street and Sewer Committee was in attendance and stated there are not enough funds available for the NE sanitary sewer as there isn't enough money left to complete the projects that have already been started. He then gave a report of the projects and the actual costs to date that those projects have cost stating that there were overages due to unforeseen circumstances. He stated the City

cannot totally fund the \$1,500,000.00 needed for the NE Sanitary Sewer that the TDA needs to pursue loans themselves for Industrial Expansion that the City and County can't. After much discussion the Committee stated other entities need to be involved as well, such as the Taylorville Sanitary District, CCEDC, and TDA. Mr. Lawrence advised Mr. Ken Hart is in the process of contacting the USDA and the Rural Development Authority for Christian County Economic Development.

There were gentlemen in the audience that represented local banks and Christian County Economic Development that agreed that meetings need to be held to get all parties involved as well as the City residents to make some decisions in the next two months to discuss this project so that if Tenaska gets approved the City is ready for additional business to follow. Mayor Brotherton advised he will begin making phone calls to coordinate a meeting.

### **ADDITIONAL FUNDING SOURCES SEWER PRIORITIES**

Chairman Lawrence advised he has been in contact with the local banks in regards to a \$2,000,000.00 participation loan and all have been agreeable. Other than getting the other entities involved as discussed under the sewer priority agenda item there was discussion regarding where the revenue source to repay this loan would come from. There was discussion regarding a ¼% increase to the sales tax which would require a referendum and takes 3 ½ months in advance to be placed on the ballot. Alderman Walters advised the deadline for the November 6<sup>th</sup> election would be August 20<sup>th</sup>.

Another suggestion was raising the Utility Tax 2% which doesn't require a referendum. The Aldermen in attendance agreed they would rather have an increase in the sales tax as that tax is on all merchandise purchased in Taylorville rather than the Utility Tax which is only applied to the residents.

### **TREASURERS REPORT**

- The October Sales Tax (received in January) was \$196,181.21 which is \$10,384.99 more than October 2010. Year to date is \$168,748.85 more than last year at this time.
- Non-Home Rule Sales Tax- October NHMR Tax (received in January) was \$79,860.27 as compared to \$70,516.46 last October. Year to date is \$91,524.51 more than last year at this time.
- Sewer Project Fund- Interest earned on the account to date is \$153,797.91. The additional \$2,500,000.00 bond proceeds were received 12/20/11. Current balance is \$3,530,796.04
- Aldi's new store was open one year ago on December 1, 2011 and she has begun the process for the first annual reimbursement of sales and real estate taxes per Ordinance # 3468.

Motion by Alderman Vota and seconded by Alderman Burtle to adjourn. Motion carried 3-0.

Meeting adjourned at 7:15 P.M.

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John Lawrence, Chairman  
Finance Committee