

FINANCE COMMITTEE

June 19, 2014

MEMBERS

Chairman Budd
Alderman Jones
Alderman Burtle
Alderman Vota
Mayor Brotherton

ALSO PRESENT

Treasurer Nation
Alderman Walters
Alderman Heberling
Alderman Dorchinecz
Cindy Dey

Gary McNeely
Andy Lasswell
Andy Goodall
Cole Sarginson
Jody Sarginson
Bill & Patricia Beck

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

Alderman Walters introduced Mr. Cole Sarginson with Boy Scout Troop #74 who is observing a public meeting to help earn a Merit Badge that will go towards earning an Eagle Scout Badge and also attending the meeting was his mother Mrs. Jody Sarginson.

General Liability & Property Insurance Rates

Mr. Gary McNeely, Agency Manager of Kinsella-McNeely-Ryan-Markwell, Inc. (KMRM), a Division of Dimond Bros, Inc. presented to the Committee the rates for general liability and property insurance for the City of Taylorville. The property and equipment coverage is provided through Cincinnati Insurance Company, the general liability and auto coverage is provided through Travelers Insurance Company, and the pollution liability/storage tank environmental impairment is provided through Crum Forster.

Mr. McNeely advised the Committee the total annual premium is \$218,676.00. The renewal pricing is up 5.6% when you factor in the changes made throughout the year. A number of factors that are influencing the increase are the expenditures provided last year to this year are up 7%; EMT Professional exposure increased; the Dam/Detention and Sediment basins are classified as a High Hazard Structure which is an issue every year as there are very few markets that will provide coverage; Travelers included terrorism coverage, it can no longer be excluded; Cyber Liability of \$25,000 Aggregate limit is included for first and third party coverage; the coverage includes one additional Police Officer, one additional Firefighter and four additional vehicles; and the building blanket limit was increased 2% to keep up with construction.

Mr. McNeely also advised the Committee that the City had a Miscellaneous Fidelity Bond for employees handling money that do not have separate bonds. KMRM would like to write this coverage effective 8/1/14 to renew with the General Liability & Property coverage proposed. The premium is \$365.00 for a 3 year prepaid term and provides \$20,000.00 of coverage.

Motion by Alderman Jones and seconded by Alderman Burtle to recommend to the City Council to accept the property and equipment insurance, the general liability and auto coverage, and the pollution liability/storage tank environmental impairment insurance through Kinsella-McNeely-Ryan-Markwell, Inc. (KMRM), a Division of Dimond Bros, Ins. Agency, Inc. at a cost of \$218,676.00 and accept the Miscellaneous Fidelity Bond Coverage effective 8/1/14 for a 3 year prepaid term of \$365.00. Motion carried 4-0.

Donation/THS Building Trades Class in Exchange for Labor/Building Picnic Tables for Lake

Alderman Walters explained to the Committee that the Taylorville High School Building Trades Class built 12 picnic tables for the Lake with the City providing the materials. Alderman Walters and Mayor Brotherton would like to show the City's appreciation and support for the Building Trades Program by donating to the THS Building Trade Class. They are recommending to the City Council to donate \$500.00.

Motion by Alderman Burtle and seconded by Alderman Jones to recommend to the City Council to donate \$500.00 to the Taylorville High School Building Trades Class. Motion carried 3-1.

1st and 2nd Quarter of 2014 Water Loan Reimbursement

Motion by Alderman Burtle and seconded by Alderman Jones to recommend to the City Council to approve the transfer of \$100,000.00 (\$50,000.00 each 1st & 2nd Quarter 2014) from the General Fund to the Water Fund for the repayment of the Water Fund Loan. Motion carried 4-0.

The balance remaining (after payment made) owed to the Water Fund is \$270,000.00. Alderman Vota requested discussion regarding a process be set of borrowing funds from other funds be placed on the next regular Finance Committee Meeting Agenda.

Review/Approve FY 2014/2015 Budgets

The Committee reviewed the FY 2014/2015 Library Budget.

Motion by Alderman Vota and seconded by Alderman Burtle to recommend to the City Council to forward the FY 2014/2015 Library Budget to the City Treasurer for further refinement. Motion carried 4-0.

Treasurer's Report

The March 2014 Sales Tax (received in June 2014) was \$248,507.42 compared to \$207,909.50 in March 2013 and year-to-date is \$30,129.38 more than March 2013.

The March 2014 Non Home Rule Sales Tax (received in June 2014) was \$86,719.78 compared to \$84,550.24 in March 2013 and year-to-date is \$4,624.65 less than March 2013.

The interest earned on the Sewer Project Fund Account to date is \$188,227.01 and the current balance is \$299,232.46.

Motion by Alderman Vota and seconded by Alderman Jones to accept the Treasurer's Report as presented. Motion carried 4-0.

Any Other Matters

Alderman Jones requested the segregating of Video Gaming Funds be placed on the next regular Finance Committee Meeting Agenda and Chairman Budd will place the segregating of Ordinance Violation Funds on the next regular Finance Committee Meeting Agenda.

Motion by Alderman Burtle and seconded by Alderman Jones to adjourn. Motion carried 4-0.

Meeting adjourned at 7:50 P.M.

Larry Budd, Chairman
Finance Committee