

## FINANCE COMMITTEE

October 5, 2020

### MEMBERS

Chairman Budd  
Alderman Lanzotti  
Alderman Bryant

Absent: Alderman Burtle

### ALSO PRESENT

Treasurer Nation  
Alderman Driskell  
Alderman Olive  
Alderman Dorchinecz  
Superintendent Speagle  
Superintendent Mann  
Clerk Lilly  
Kellie Hamell  
Iris Noblet-Crites

Chairman Budd called the meeting to order at 5:00 P.M.

### Review of Audit Report

Mrs. Iris Noblet-Crites with Lively, Mathias, Hooper, & Noblet (LMHN) was present to discuss the results of the Audit of the City of Taylorville for the Fiscal Year ending April 30, 2020.

Overall outcome for the City of Taylorville was net positive \$359,972.00 over last year. Sales tax was up \$104,000 over last year, as well as an increase in intergovernmental revenues, to include income tax, video gaming and the cannabis use tax, and the BDD Tax of \$1.2 million. Franchise fees were down in direct correlation to the two years of fees paid in arrears by Ameren the previous year. Expenditures were \$300,000+ lower, to include reduction in Fire Salaries and Public Works. Property and telecom taxes were down a total of \$181,000.00 combined. Licenses and permits were also down due to extending the payment of lake lot, campground, and boat dock lease payments due to COVID-19.

Proprietary Funds were reviewed, with the only positive net operating income reported in the Water Fund. All others had money transferred in from the General Fund to sustain operations. As in past years, the Sewer Fund continues to be a drain on the General Fund, although the loss is less \$385,000.00 this year.

Mrs. Noblet-Crites recommended one repeat finding:

- Lack of segregation of incompatible duties, primarily in Treasurer's Office, due to the incompatible duties of the Treasurer in correlation to the vacancy in the Deputy Treasurer position. This is also applicable to the Lake Marina when only one person is responsible for the operations at the Marina.

Opportunities for strengthening the internal controls of the City include:

- Proper bidding or 2/3 vote to waive the Statutory Bidding Requirements of a \$25,000.00 expense; neither of these were found to have been done in one instance in direct relation to \$65,000.00 spent with one service provider regarding tornado damage clean up.
- Cash kept on hand at the Street Department from scrap metal sales; all cash should be recorded with the City Clerk's Office, as well as all expenses
- Incorrect billing to other governmental agency; all should be billed and recorded through the Clerk
  - Fire Protection District - \$30,000.00 not shown as received
  - SRO billed by Police Department at incorrect amount
- Employee education, training, and policies to include Whistleblower and Ethics \*Repeat Comment\*
- Adequate reconciliation of the water as related to other entities/funds \*Repeat Comment\*

Meeting adjourned at 6:08 P.M.

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Larry Budd, Chairman  
Finance Committee