



**AGENDA
FINANCE AND ADMINISTRATION COMMITTEE
Monday, October 26 2015
5:30 PM
Public Safety Building**

I) Roll Call

(Mike Bennett, Chairman, Jerry Albrecht, Vice-Chair, Gene McCoskey, Herb Roach, Ned Drolet, Bob Kueker, Matt Smallheer)

II) Approval of Minutes from Previous Meeting September 28, 2015

Note: All recently approved committee minutes posted on official City website: <http://www.ofallon.org>

III) Items Requiring Council Action

- A. None

IV) Other Business:

- A. Hospital Bond update
- B. Strategic Plan Continuing Discussion

V) Informational Purposes Only- No Action/Discussion Required

- A. Treasurer's Report as of 9/30/15

VI) Adjournment

NEXT MEETING: November 23, 2015

General Citizen Comments: The City of O'Fallon welcomes comments from our citizens. The Illinois Open Meetings Act provides an opportunity for citizens to speak at all committee and Board meetings. However, 5 ILCS 120/1 mandates that NO action shall be taken on matters not listed on the agenda. Please submit your name to the chairman and limit your comments so that anyone present has the opportunity to speak.

Summary of proposed projects (not in priority order)

<u>City Projects</u>	<u>Est. Cost</u>	<u>Comments</u>
Green Mount Medical Campus mine remediation	\$10,000,000	Bond issue reimbursed by TIF
Green Mount Road expansion	\$2,800,000	State DCEO grant approved
Central Park Drive/Green Mount intersection	\$975,000	CMAQ grant approved
Ashland Ave. extension (Hartman-Central Park)	\$1,600,000	STP grant approved
Ashland Ave. extension (OCR-Hartman)	\$4,000,000	Unfunded
Shiloh Valley Township Road reconstruction	\$4,900,000	Rieder frontage road unfunded
Reider Road sewer extension	\$1,800,000	Unfunded
Sports Park Completion	\$15,000,000	Unfunded(fields, lake, aquatics)
Wastewater Treatment Plant expansion	<u>\$26,500,000</u>	Rate structure should support
TOTAL	\$56,775,000	

<u>Unfunded Annual Infrastructure Needs</u>	<u>Est. Cost</u>	<u>Comments</u>
Stormwater Improvements	\$1,500,000	Annually for projects & mntce.
Street Paving	<u>\$2,800,000</u>	Annually for projects & mntce.
TOTAL PER YEAR	\$4,300,000	
TOTAL OVER 10 YEARS	\$43,000,000	

<u>Dreams</u>	<u>Est. Cost</u>	<u>Comments</u>
City Center	\$40,000,000	Feasibility study underway
I-64 Overpass	\$4,200,000	Unfunded

Bond	Bond Description	Date Issued	Date to Mature	Balance 4/30/16		Sourced by	
				Annual Payment	Total Fund Paid From		
2010 Bond	Public Safety building re-issued 2006 bond	Jan 2011	Jan 2024	\$ 554,780	\$ 4,363,756	Fund 55 Utility Tax	
2010 Bond	Defraying cost of street construction (SWIDA) re-issued 2001 bond	Jan 2011	Jan 2022	\$ 598,804	\$ 3,587,187	Fund 53 Sales Tax	
2009 Series	Defease 2006 bond issue & finance park additions Refund Portion	Jun 2009	Jan 2035	\$ 249,903	\$ 5,816,632	Prop S Fund 55 - 25.4%	1/2 Cent Sales Tax
2009 Series	Defease 2006 bond issue & finance park additions Refund Portion	Jun 2009	Jan 2035	\$ 317,790	\$ 7,396,741	Conv Ctr Fund 68 - 32.3%	Food & Bev Tax
2009 Series	Defease 2006 bond issue & finance park additions Refund Portion	Jun 2009	Jan 2035	\$ 416,177	\$ 9,686,754	Sportspark Fund 69 - 42.3%	Hotel/Motel Tax Telephone Tax
2009 Series	Defease 2006 bond issue & finance park additions Existing Debt Portion	Jun 2009	Jan 2026	\$ 114,770	\$ 1,149,287	Prop S Fund 55 - 25.4%	1/2 Cent Sales Tax
2009 Series	Defease 2006 bond issue & finance park additions Existing Debt Portion	Jun 2009	Jan 2026	\$ 145,948	\$ 1,461,494	Conv Ctr Fund 68 - 32.3%	Food & Bev Tax
2009 Series	Defease 2006 bond issue & finance park additions Existing Debt Portion	Jun 2009	Jan 2026	\$ 191,133	\$ 1,913,969	Sportspark Fund 69 - 42.3%	Hotel/Motel Tax Telephone Tax
2009 Series	Defease 2006 bond issue & finance park additions New Money Portion	Jun 2009	Jan 2035	\$ 51,330	\$ 970,038	Prop S Fund 55 - 25.4%	1/2 Cent Sales Tax
2009 Series	Defease 2006 bond issue & finance park additions New Money Portion	Jun 2009	Jan 2035	\$ 65,274	\$ 1,233,552	Conv Ctr Fund 68 - 32.3%	Food & Bev Tax
2009 Series	Defease 2006 bond issue & finance park additions New Money Portion	Jun 2009	Jan 2035	\$ 85,482	\$ 1,615,456	Sportspark Fund 69 - 42.3%	Hotel/Motel Tax Telephone Tax
2009A Build America	Sportspark	Jun 2009	Jan 2029	\$ 90,100	\$ 1,058,209	Fund 77	Hotel/Motel Tax
2009A Build America	EMS	Jun 2009	Jan 2029	\$ 60,100	\$ 705,473	Fund 77	EMS
2009A Build America	Sportspark (interest only, 4 principal pymts beginning Jan 2036)	Jun 2009	Jan 2039	\$ 297,925	\$ 13,691,097	Fund 69	Hotel/Motel Tax
GRAND TOTAL				\$ 3,239,516	\$ 54,649,643		

Bond	Bond Description	Date Issued	Date to Mature	Total Issued	Annual Payment	Balance 4/30/16		Sourced by
						Total	Fund Paid From	
SSA #1	Shoppes at Greenmount	Dec 2004	Dec 2025	\$ 3,465,080	\$ 166,740	\$ 1,675,924	Fund 61	Property Tax
SSA #2	Greenmount Common	Dec 2004	Dec 2024	\$ 734,938	\$ 38,225	\$ 329,175	Fund 62	Property Tax
SSA #4	Regency Extension	Dec 2004	Dec 2025	\$ 2,307,378	\$ 112,900	\$ 1,119,600	Fund 63	Property Tax
SSA #5	Subaru	May 2006	Paid Off 3/2014	\$ 1,584,291	\$ -	\$ -	Fund 64	Property Tax
SSA #6	Newbold	Jun 2006	Dec 2026-Pd Off?	\$ 1,867,383	\$ 196,000	\$ 1,596,383	Fund 67	Property Tax
SSA #7	Frieze Harley Davidson	Jan 2007	Dec 2027-Pd Off?	\$ 1,623,214	\$ 165,000	\$ 1,398,214	Fund 71	Property Tax
GRAND TOTAL				\$ 11,582,284	\$ 678,865	\$ 6,119,296		

Loan	Bond Description	Date Issued	Date to Mature	Total Issued	Annual Payment	Balance 4/30/16		Sourced by
						Total	Fund Paid From	
IEPA L17-1017	Sewer plant on Rieder Rd	Aug 1998	Aug 2017	\$ 10,105,817	\$ 518,247	\$ 777,371	Fund 48	Water/Sewer Revenue
IEPA L17-1320	Sewer plant improvements	Aug 1998	Aug 2017	\$ 431,133	\$ 22,100	\$ 43,123	Fund 48	Water/Sewer Revenue
Water Bond	Water meter reading system	Dec 2003	Dec 2013	\$ 3,857,958	\$ 385,248	\$ -	Fund 57	Water/Sewer Revenue
IEPA L17-2797	Pump station	Feb 2009	May 2028	\$ 1,191,630	\$ 60,771	\$ 759,634	Fund 31	Water/Sewer Revenue
IEPA L17-128600	Water towers	Dec 2010	Feb 2030	\$ 6,837,326	\$ 350,632	\$ 4,908,850	Fund 31	Water/Sewer Revenue
IEPA L17-3318	Headworks/Disinfection	Apr 2013	Apr 2033	\$ 4,546,377	\$ 224,425	\$ 4,205,345	Fund 34	Water/Sewer Revenue
GRAND TOTAL				\$ 26,970,241	\$ 1,561,423	\$ 10,694,322		

Revenue Source/Restricted Use	Expiration	Years Remaining	Annual Payment	2016 Budget
Sales Tax				\$7,500,000
Less Bond Pymt for SWIDA	Expires Jan 2022	6	\$589,800	(\$589,800)
State Use Tax				\$504,050
Income Tax				\$2,669,225
Utility Tax (general fund portion)	Ord.#3093 expires 2022			\$754,190
Less Bond Pymt for PSB	Expires Jan 2024	8	\$554,780	(\$555,100)
Less Azavar Professional Service				(\$94,000)
Utility Tax (park/rec fund portion)	Ord.#3093 expires 2022			\$945,840
(Effective Jan. 2016,includes additional \$13K /mo.due to 5yr contract expiring)				
Property Tax (general fund portion)				\$248,300
Road & Bridge				\$260,000
Building Permits				\$300,000
Cable Franchise				\$475,000
Food & Beverage Tax				\$720,000
Less Bond Pymt Series 2009A Conv Ctr	Expires Jan 2026 (existing debt)	10	\$145,950	(\$528,190)
	Expires Jan 2035 (refund & new debt)	19	\$383,065	
Telephone Franchise (general fund portion)				\$140,000
Telephone Franchise (park/rec fund portion)				\$560,000
Less Bond Pymt 2009A Sport Park	Expires Jan 2026 (existing debt)	10	\$70,720	(\$250,000)
	Expires Jan 2035 (refund & new debt)	19	\$185,615	
Less Bond Pymt 2009A BAB Sport Park	Expires Jan 2039 - interest only until 2036	23	\$90,000	(\$90,000)
Ameren Franchise				\$245,000
Hotel/Motel Tax				\$740,000
Less Bond Pymt 2009A Sport Park	Expires Jan 2026 (existing debt)	10	\$120,410	(\$442,000)
	Expires Jan 2035 (refund & new debt)	19	\$316,045	
Less Bond Pymt 2009A BAB Sport Park	Expires Jan 2039 - interest only until 2036	23	\$311,000	(\$311,000)
Sales Tax 1/2 Cent (Prop S)				\$1,800,000
Less Bond Pymt Series 2009A Prop S	Expires Jan 2026 (existing debt)	10	\$114,770	(\$415,358)
	Expires Jan 2035 (refund & new debt)	19	\$301,230	

Additional Revenue Options/Scenarios

Revenue Source/Scenario	2016 Budget	Additional Revenue
Sales Tax	\$7,500,000	
Home Rule- .25%		\$900,000
Home Rule- .5%		\$1,800,000
Prop S Home Rule Sales Tax	\$1,800,000	
Property Tax (general fund portion)	\$248,300	
General Fund Rate Currently .0390		
Increase rate to .1180- additional \$34.76		\$500,000
Increase rate to .1965- additional \$69.30		\$1,000,000
Increase rate to .2745- additional \$103.62		\$1,500,000
Increase rate to .3532- additional \$138.25		\$2,000,000
*Based on \$150K home with \$6K exemption		
Food & Beverage Tax (1%)	\$720,000	
.5% increase		\$360,000
1% increase		\$720,000
Hotel/Motel Tax (5%)	\$740,000	
.5% increase		\$74,000
1% increase		\$148,000
1.5% increase		\$222,000
2% increase		\$296,000
Amusement Tax	0	TBD
.25 per ticket		

Community	State Rate	County Flood Prevention	MEPRD	METD	Home Rule	Non Home Rule	Business District	TOTAL
Belleville	6.25%	0.25%	0.10%	0.75%	0.75%		1.00%	9.10%
Collinsville -Madison	6.25%	0.25%	0.10%	0.25%	1.25%		1.00%	9.10%
O'Fallon	6.25%	0.25%	0.10%	0.75%	0.50%		0.00%	7.85%
Swansea	6.25%	0.25%	0.10%	0.75%		0.50%	1.00%	8.85%
Fairview Heights	6.25%	0.25%	0.10%	0.75%	1.00%		0.50%	8.85%
Collinsville -St Clair	6.25%	0.25%	0.10%	0.75%	1.25%			8.60%
Shiloh	6.25%	0.25%	0.10%	0.75%			1.00%	8.35%
Glen Carbon -Madison	6.25%	0.25%	0.10%	0.25%			1.00%	7.85%
Edwardsville - Madison	6.25%	0.25%	0.10%	0.25%	0.25%		1.00%	8.10%

SURROUNDING AREA TAX RATES

	O'Fallon	Shiloh	Belleville	Swansea	Fairview Heights	Collinsville -St Clair	Collinsville - Madison	Collinsville - Junction	Glen Carbon - Madison	Edwardsville
Sales Tax										
State Rate	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Local	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
County	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
County Flood Prevention	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Metro East Park & Rec District	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
Metro East Transportation District	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.25%	0.25%	0.25%	0.25%
Home Rule	0.50%		0.75%		1.00%	1.25%	1.25%			0.25%
Non Home Rule				0.50%						
Business District (see below)										
TOTAL GENERAL MERCHANDISE	7.85%	7.35%	8.10%	7.85%	8.35%	8.60%	8.10%	6.85%	6.85%	7.10%
<i>Business District:</i>										
<i>Regency Conference/Hilton</i>	1.00%									
<i>Villages at Wingate</i>		1.00%								
<i>3 Springs</i>		0.50%								
<i>Carlyle/Green Mount</i>			1.00%							
<i>Frank Scott Parkway</i>			1.00%							
<i>The Parkway North</i>			1.00%							
<i>Rt 15/South Green Mount</i>			1.00%							
<i>Illinois Rte 159/Boul Ave</i>				1.00%						
<i>North Illinois St</i>				1.00%						
<i>Shoppes at St Clair Square</i>					0.50%					
<i>Fournie Lane</i>							1.00%			
<i>Collinsville Crossing North</i>							1.00%			
<i>Collinsville Crossing South</i>							1.00%			
<i>I-255/Horseshoe Lake Rd</i>							1.00%			
<i>Eastport Plaza Drive</i>							1.00%			
<i>Northeast</i>							1.00%			
<i>Troy Rd/Route 159</i>									1.00%	1.00%
<i>Illinois Rte 157</i>									1.00%	
<i>Center Grove</i>									1.00%	
Food & Drug										
State Rate (goes to local)	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Metro East Transportation District	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.25%	0.25%	0.25%	0.25%
TOTAL FOOD & DRUG	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.25%	1.25%	1.25%	1.25%
Vehicle										
State Rate	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%
Metro East Transportation District	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
TOTAL VEHICLE	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%
Automobile Rental										
State Rate	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Local Rate			1.00%	1.00%		1.00%	1.00%		1.00%	1.00%
TOTAL AUTOMOBILE RENTAL	5.00%	5.00%	6.00%	6.00%	5.00%	6.00%	6.00%	5.00%	6.00%	6.00%
Telecommunication Tax										
State Rate	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
Local Rate	5.00%	1.00%	6.00%	3.00%		6.00%	6.00%		6.00%	6.00%
TOTAL TELECOMMUNICATIONS TAX	12.00%	8.00%	13.00%	10.00%	7.00%	13.00%	13.00%	7.00%	13.00%	13.00%
as of 11/20/2013										
Food & Beverage Tax	1.00%	0.00%		1.75%	2.00%	1.00%	1.00%		0.00%	
Hotel/Motel Tax	5.00%	5.00%	5.00%	0.00%	7.00%	7.00%	7.00%		5% of 94% of room	
Gas Utility	5.00%									
Electric Utility	5.00%									

Treasurer's Report
Cash Reserve Balance of Major Funds

General Fund

Cash on Hand as of 9/30/15	\$ 11,832,486.60
3 mos. operating reserve	\$ (3,940,916.25)
10% emergency reserve	\$ (1,183,248.66)
Obligated Transfers Budget 2016	\$ (1,893,400.00)
	<u>\$ 4,814,921.69</u>

Ambulance

Cash on Hand as of 9/30/15	\$ 3,986,103.77
3 mos. operating reserve	\$ (624,338.75)
10% emergency reserve	\$ (398,610.38)
	<u>\$ 3,605,869.39</u>

Fire

Cash on Hand as of 9/30/15	\$ 3,605,869.39
3 mos. operating reserve	\$ (480,190.00)
10% emergency reserve	\$ (360,586.94)
Obligated Transfers Budget 2016	\$ (177,295.00)
	<u>\$ 2,587,797.45</u>

Parks

Cash on Hand as of 9/30/15	\$ 1,735,883.89
3 mos. operating reserve	\$ (955,886.25)
10% emergency reserve	\$ (173,588.39)
Obligated Transfers Budget 2016	\$ (272,235.00)
	<u>\$ 334,174.25</u>

Prop S

Cash on Hand as of 9/30/15	\$ 3,212,797.05
3 mos. operating reserve	\$ (457,250.00) *
10% emergency reserve	\$ (321,279.71)
Obligated Transfers Budget 2016	\$ (991,360.00)
	<u>\$ 1,442,907.35</u>

MFT

Cash on Hand as of 9/30/15	\$ 3,336,565.68
3 mos. operating reserve	\$ (473,750.00)
10% emergency reserve	\$ (333,656.57)
Obligated Transfers Budget 2016	\$ (1,094,000.00)
	<u>\$ 1,435,159.11</u>

Water

Cash on Hand as of 9/30/15	\$ 8,169,945.01
3 mos. operating reserve	\$ (2,486,265.00) *
10% emergency reserve	\$ (816,994.50)
Obligated Transfers Budget 2016	\$ (1,220,065.00)
	<u>\$ 3,646,620.51</u>

Sewer

Cash on Hand as of 9/30/15	\$ 3,744,730.60
3 mos. operating reserve	\$ (1,425,037.50) *
10% emergency reserve	\$ (374,473.06)
Obligated Transfers Budget 2016	\$ (1,678,150.00)
	<u>\$ 267,070.04</u>

Library

Cash on Hand as of 9/30/15	\$ 2,047,993.23
3 mos. operating reserve	\$ (285,767.50) *
10% emergency reserve	\$ (204,799.32)
Obligated Transfers Budget 2016	\$ (1,250,000.00)
	<u>\$ 307,426.41</u>

Hotel/Motel

Cash on Hand as of 9/30/15	\$ 1,139,719.89
3 mos. operating reserve	\$ (234,057.50)
10% emergency reserve	\$ (113,971.99)
Obligated Transfers Budget 2016	\$ (195,930.00)
	<u>\$ 595,760.40</u>

Park Land Fund Subdivision

Cash on Hand as of 9/30/15	\$ 277,499.83
3 mos. operating reserve	\$ (7,512.50)
10% emergency reserve	\$ (27,749.98)
	<u>\$ 242,237.35</u>

Annex Fees

Cash on Hand as of 9/30/15	\$ 847,634.20
3 mos. operating reserve	\$ (37,500.00)
10% emergency reserve	\$ (84,763.42)
	<u>\$ 725,370.78</u>

Strategic Plan Fund***

Cash on Hand as of 9/30/15	\$ 777,345.38
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***Includes proceeds from Ameren's settlement, sale of cell tower, Kyle Road property & \$200K Menards

Note: 3 mos operating reserve calculated by using FY 2016 budget

*(Some 3 mos reserve amounts adjusted to reflect "normal" expenses, not extraordinary- reduced by transfer from reserve amount)