

**FINANCE AND ADMINISTRATION
MEETING MINUTES
Monday, January 27, 2014**

Minutes of a meeting of the Finance and Administration Committee of the City of O'Fallon, held in the Mayor's Conference Room, City Hall, 255 S. Lincoln, O'Fallon, Illinois on January 27, 2014. Call to order by M. Bennett: Time: 5:30 p.m. QUOREM PRESENT

Roll Call:

| Committee Members: | | Other Alderman Present: | | City Staff: | |
|-------------------------------|---|--------------------------------|---|--------------------|---|
| Chairman Bennett | X | Roach | X | S. Evans | X |
| Albrecht | X | Meile | X | | |
| Gerrish | X | True | X | | |
| McCoskey | X | | | | |
| J.Drolet | X | | | | |
| | | | | | |
| Others Present: | | | | | |
| G. Hilyer-Progress, C. Pitts, | | | | | |

Approval Minutes: November 25, 2013- Motion McCoskey, Second Gerrish **All Ayes. Motion carried.**

Items Requiring Council Action:

Item A: Ordinance to Transfer Bond Cap to SWIDA- Director of Finance discussed the transfer of industrial revenue bond volume cap in the amount of \$2,919,300 to Southwestern Illinois Development Authority. If the city does not use or transfer the bond authority by May 1, it reverts back to the State. As the City does not have a qualifying use for the authority in 2014, staff recommends that it be transferred to SWIDA for use in our 4 county region. Motion by Albrecht, Second by Drolet **All Ayes. Motion carried.**

Other Business:

Item A: Review of FY 2013 Audit. Director of Finance did a brief summary of the results of the FY 2013 audit. She commented that the complete audit could be found on the City website under the Finance department if anyone wanted to see the audit in its entirety. She gave a few details on items in Chart 2 and Chart 3 which were part of the MDA (Management Discussion and Analysis) which is found at the beginning of the audit. The Governmental Activities which comprises of all the City funds with the exception of the Business-Type Activities (Water/Sewer-Enterprise Fund) and the Component Unit which is the library, ended FY 13 with at 4% increase in net position(\$,982,440) with an ending balance of \$79,637,831 and out of that 54% was in capital assets. Business-Type Activities posted a 6% increase (\$1,786,624), with an ending net position total of \$36,350,443, with 83% investment in capital assets. On Chart 3, Total revenues for Governmental funds actually decreased from \$29.2M to \$28.1M, due to the transfer of the \$2M Build America Bond from the component unit (library) back to Governmental Activities in FY 2012. However, charges for services (park and rec programs) increased by 8% as well as increases tax and franchise fee revenues. Expenses overall increased by approximately 9% from FY 2012, due in part to an increase in park programs (36%) and an 8% increase in general government due to the purchase of a computer software upgrade and the re-allocation of IT personnel to administration. Public Safety also increased approximately 8% with the majority of the increase due to the purchase of several replacement emergency vehicles for police, fire and ems departments. The component unit (library) increased slightly by \$432,362 compared to FY 2012, however; that wasn't a true reflection since FY 2012 included the \$2M Build America Bond transfer.

Alderman Drolet questioned the Investment Income Loss of \$69,690 in 2012 for the Component Unit. Director of Finance deferred the answer since it was back in 2012 and she would need to research. However, her initial thought was that it had to do with the transferring of the Build America Bond. Staff will have to research and get back with the Aldermen.

Motion to Adjourn by Albrecht, Second, McCoskey All Ayes. Motion Carried.

Next Meeting: February 24, 2014 at an earlier time 5:00pm to review FY 2015 budget.

ADJOURNMENT: 6:00 p.m. PREPARED BY: Sandy Evans