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CITIZENS SUMMARY

Findings in the audit of the North Main-Malone Transportation Development District

Background

The North Main-Malone Transportation Development District (TDD) was formed in January 2005 for the purpose of improving Main Street and Malone Avenue in the City of Sikeston. Details of this project include, but are not limited to, the construction of turning lanes and a new traffic signal at the intersection of Main Street and Lake Street, improvements to the intersection of Main Street and Malone Avenue, improvements to the intersection of Main Street and Tanner Street, municipal utility relocation, storm water related improvements, and sidewalk, street, and other public areas throughout the district. The Missouri Highways and Transportation Commission (MHTC) serves as the transportation authority with jurisdiction over the portion of the project intended to be merged into the state highways and transportation system. The City of Sikeston serves as a local transportation authority with jurisdiction over the local portion of the project. The project was completed in March 2006. The North Main-Malone TDD's portion of the project costs was \$925,587.

The project was funded by a 1-cent (1 percent) sales tax on all taxable transactions within the boundaries of the district. The sales tax was approved in June 2005, and the Board of Directors subsequently passed a resolution formally establishing that sales tax rate to be effective for 40 years unless terminated sooner.

In May 2006, the City of Sikeston issued Tax Increment Revenue Notes to pay for the project costs as well as other costs related to the redevelopment project. The North Main-Malone TDD satisfied its portion of this debt in April 2023. The Board approved repealing the District's sales tax on April 25, 2023. In June 2023, the North Main-Malone TDD Board formalized its intent to dissolve the district.

Based on the audit, the cash balance of the North Main-Malone TDD as of December 31, 2023, was \$133,377. The TDD's cash balance as of March 31, 2024, was \$135,039. According to district legal counsel, as of October 18, 2023, the district is expected to incur approximately \$5,000 in fees to dissolve the district. After the district's final costs and professional fees are paid, the North Main-Malone TDD will enter into an agreement with the City of Sikeston and the MHTC dictating how the surplus funds will be distributed in accordance with state law.

Financial Status

The audit of the North Main-Malone Transportation Development District indicates the financial condition of the district is such that it may be abolished.

Because of the nature of this audit, no rating is provided.