

MINUTES
FINANCE/ECONOMIC DEVELOPMENT COMMITTEE
OCTOBER 7, 2019

The Finance/Economic Development Committee met on October 7, 2019, at 4:30 P.M. in the council chambers at City Hall.

Present: Chairman Colwell, Alderman Connor, Mayor White, Economic Development Director Beadles, Office Manager Passage
Absent: Alderman Braun

Chairman Colwell called the meeting to order at 4:35 p.m.

PUBLIC COMMENT

No public comment

EDC

BUDGET REVIEW – TIF/HELP/Façade Status

Economic Development Director, Beadles presented the budget to the committee for TIF/HELP and Façade. The budget is in order. Office Manager Passage presented a new spread sheet, she and ED Director have been working on, with information regarding TIF Plaza and TIF Central Business. She stated that the information was to give the committee a potential view of the status of the two accounts at the end of the fiscal year.

The two reports plus the report that ED Director, Beadles prepares will help track the committed façade projects and committed incentives. ED Director, Beadles discussed the status of HELP loan payments.

TOWN THEATRE TIF REQUEST

ED Director, Beadles stated that Mike Mahoney and Shawn Grant are in the audience regarding the Town Theatre TIF Request. She stated that she had received a request from the Town Theatre for four projects totaling a TIF Incentive of \$424,555. A discussion ensued regarding the needs of the town theater, due to their aging building and water problems along with the funding available. It was determined that the TIF Central Business Account did not have enough finances to cover the full request and the critical portion of their request would be considered. The consensus of the committee was to have them review their request to break out the costs and resubmit their request to the ED Director. The revised request will be re-evaluated at the next meeting.

FINANCE

BUDGET REVIEW

Office Manager Passage stated that all elected officials will be receiving the Budget Comparison Analysis report next week. She stated that the budget line items should be at 41.65% to be in line with budget at this time. The exception would be Cemetery & Parks as they are seasonal department and the expense for those departments are typically incurred in the summer months. She also gave the committee some information regarding the revenue from Sales Tax, Income Tax and Telecommunication Tax.

TAX LEVY ORDINANCE

Office Manager Passage stated that it was time to prepare the tax levy ordinance. She explained that the current tax levy amount is \$712,693.33. We typically take 4.98% increase, which is \$35,492.13. That amount would be distributed into the funds that need additional revenue. This year we will remove Fire Protection in the amount of \$60,184.64 and Emergency Service in the amount of \$1,492.79, due to the transition to the Fire District. The recommended levy would be \$686,508.03. The net effect on the levy would be a decrease of \$26,195.30. The recommended funds to receive additional funding would be Police Pension and Social Security. The consensus of the committee was to proceed with preparing the tax levy, with the above changes. Once the ordinance is prepared, it will be presented to the city council for approval.

POLICE PENSION

Office Manager Passage stated that the Police Pension amount is set by an Actuarial. When the tax levy was set last year we did not have the actuarial, therefore the amount was estimated. The actuarial came in \$11,293.00 higher than expected, and we budgeted to transfer that amount from General Fund to Police Pension. She recommended that the transfer be approved at the next council meeting. The consensus of the committee was to proceed with the transfer.

ILLINOIS MUNICIPAL LEAGUE RISK MANAGEMENT – INSURANCE PAYMENT

Office Manager Passage advised the committee that she is in receipt of the insurance invoice from Illinois Municipal League Risk Management. The total cost is \$139,952.00. We can take a 1% discount if we pay before November 22, 2019, which is \$1,391.77 savings. The total cost decreased approximately 3%, due to the removal of the Fire Equipment. The consensus of the Committee was to present to the city council for approval.

TRANSFER TIF FUNDS

A discussion was held regarding the committed projects and committed façades that have been approved by the council for payment from the TIF Business Account, however; have not been completed. The revenue for the committed projects and committed facades would be funded from a transfer of funds from TIF Plaza account to the TIF Business account. After discussion, the consensus of the committee was to recommend approval of the transfer of funds from TIF Plaza to TIF Business for the committed projects and committed facades at the next council meeting, therefore the funds would be held in the appropriate account that will make the payment.

OLD BUSINESS

UPDATE TIF/HELP Payments - The September payments were reviewed and reported.

UPDATE TIF Amendment Process – The final step is to pass the ordinances adopting the TIF amendments. Chairman Colwell will present the ordinances at the October 14 council meeting.

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UPDATE Fourth Street Corridor Plan – The Mayor reported that he has met with the Nat Parrott and the Superintendent Sutherland at the median to start the median project. Alderman Connor has headed up the removal of the plants from the median and that is completed.

UPDATE Video Billboard/616 4th Street Property – We are waiting for information from CEFCU to move the project forward. The video billboard must be in place by June 1st, 2020 to comply with grant.

UPDATE Water Rate Analysis - in the review process.

SUMMARY

Chairman Action – Nothing

Council Agenda Items – Transfer from General Fund to Police Pension

Payment – Illinois Municipal League Risk Management Insurance

Transfer from TIF Plaza to TIF Central

Ordinance – TIF Plaza Plan Amendment

Ordinance – TIF Business Plan Amendment

There being no further business the meeting adjourned at 6:03 p.m.

Respectfully,

Chairman Colwell