

FINANCE COMMITTEE

November 16, 2016

MEMBERS

Chairman Budd
Alderman Burtle
Alderman Vota
Alderman Jones
Mayor Brotherton

ALSO PRESENT

George Calvert	Gary McNeely	Marsha Neal
Alderman Heberling	Dave Combs	Bruce Barry
Alderman Olive	Ken Hart	Mark Durham
Alderman Walters	Mary Renner	Ron Ladley
Alderman Dorchinecz	Owen Lasswell	Doug McDermand
Attorney Romano	Adam Mathis	Phil Martin
Cindy Dey	Billie Heberling	Mike & Jean Bell
Dan McNeely	Amery Gardner	Jim & Kathy Lindsey
	Chris Biondolino	Jessica Stone

Chairman Budd called the meeting to order at 6:00 P.M.

Workers Compensation Renewal

Mr. Gary McNeely with Dimond Brothers Insurance Agency presented the Workers Compensation annual premium for January 1, 2017 to January 1, 2018. The renewal premium is \$278,626.00 which reflects a 1.1% increase in payroll and a .6% increase in premium from last year. The experience modification used for the 2017 premium calculation uses the policy years of 2013 through 2015. The loss ratio is 52%. The 2015 loss ratio increased from 63% to 115% after the 2016 premium was calculated last fall for the November Finance Committee Meeting. Illinois Public Risk Fund (IPRF) continues to make sound risk selection and underwriting decisions. They again have retained their AAA Demotech financial rating. They currently insure over 700 members in Illinois. The City of Taylorville will receive a Grant Award for 2017 of \$26,607.00 from Illinois Public Risk Fund.

Motion by Alderman Jones and seconded by Alderman Vota to recommend to the City Council to approve the January 1, 2017 to January 1, 2018 Workers Compensation Policy Renewal Premium of \$278,626.00 from Illinois Public Risk Fund. Motion carried 4-0.

Downtown Taylorville.org Contribution

Ms. Marsha Neal, Executive Director of Downtown Taylorville.org is requesting a contribution from the City to help with the expenses of the Christmas activities around the Square.

Motion by Alderman Burtle and seconded by Alderman Jones to recommend to the City Council to donate \$500.00 to DowntownTaylorville.org to help cover expenses of the Christmas activities around the Square and with the funds coming from the Community Relations Line Item. Motion carried 4-0.

City Fund Analysis Report from LMHN

Mr. Adam Mathias of Lively, Mathias, Hooper & Noblet addressed the Committee relaying the result of the firm's recently completed analysis of the City's funds. He advised that overall the City appears to be in good financial condition. He stated that both the revenues and expenses have grown during the past 3-4 years but that they have grown in unison and the revenues continue to exceed the expenses. He cautioned the City to remain conservative in regard to its finances warning that things can change very rapidly.

Mr. Mathias did inform the Committee that the software system currently used by the City limited the ability to do some comparative analysis and that moving forward the Treasurer may need to do some of that manually. He stated now that the majority of the preparation work had already been completed by his firm it would be fairly easy for them to provide that service if the City would like.

Christian County Economic Development Corp./Request of Funds for New Industrial Park

Mr. Ken Hart representing the Taylorville Development Association (TDA) addressed the Committee and provided a brief history of attempts to establish an Industrial Park in the City of Taylorville. Christian County Economic Development Director Ms. Mary Renner advised the Committee that over the years numerous inquiries had been made regarding potential businesses establishing in Taylorville but those opportunities were lost when the City had no site ready spaces for them to locate. TDA is in the process of applying for an EDA Public Works Grant to be used to provide the initial infrastructure for a new Industrial Park that will be located on Route 29 between Wal-Mart and Trinity Dodge. Mr. Doug McDermid is preparing the pre-application for the grant and that based upon his experience in preparing previous applications it is important to show that the City supports the effort and has some "skin in the game". He is requesting the City provide a financial commitment of \$100,000.00 to be used as part of the matching funds requirement for the grant. The total project cost is estimated at \$1,644,457.00 and the matching amount would be \$889,000.00.

Motion by Alderman Jones and seconded by Alderman Burtle to recommend to the City Council to support a Resolution in a form approved by the City Attorney to conditionally financially commit a total of \$100,000.00, payable in two fiscal year installments of \$50,000.00 each, towards the proposed Taylorville Development Association's comprehensive infrastructure improvement project at the Industrial Park site and to support the application to the U.S. Economic Development Administration ("EDA") for a Public Works Grant under the EDA Public Works Grant Program concerning said improvement project in the estimated amount of \$725,457.00, contingent on the full obligation of said EDA Grant Funds for said improvement project estimated to \$1,644,457.00. Motion carried 4-0.

Sale and/or Exchange of City Owned Parking Lot/South Webster & West Main Cross

The Committee discussed an offer from West Main Street Realty Corporation to purchase and/or exchange property and cash for the City's parking lot located at the corner of South Webster and West Main Cross. Mr. Dave Combs advised that the corporation would give the three lots that it owns on the north side of West Main Cross Street and pay the City an additional \$50,000.00 to acquire the City owned parking lot. He advised that First National Bank intends to expand the size of its current building and that ownership of the lot would allow them to proceed with that plan. The Committee all mentioned that they would like the expansion to take place and looked forward to the enhanced appearance of the property.

Motion by Alderman Vota and seconded by Alderman Jones to recommend to the City Council to direct the City Attorney to prepare an appropriate Exchange Agreement and the requisite statutory Public Hearing Notice, and an Ordinance to vacate an alleyway reserving appropriate easements for public utilities concerning West Main Street Realty Corporation's offer to exchange its three parking lots located on the north side of West Main Cross Street for the City owned parking lot located at the southwest corner of South Webster Street and West Main Cross Street, plus a cash payment to the City for \$50,000.00. Motion carried 4-0.

Bike Trail Funding

Mayor Brotherton asked the Committee to make a motion authorizing him to sign the necessary paperwork to participate with the City of Pana in the Illinois Transportation Enhancement Program Grant that was awarded to Pana to be used to replace the bike trail bridge. The Mayor mentioned that the Mayor of Pana had suggested entering into an Intergovernmental Agreement regarding the bike trail. The City of Taylorville has pledged to split the costs of the matching funds portion of the grant with Pana. Taylorville's share would be \$43,000.00. City Attorney Romano will work with the Mayor Brotherton on this issue.

Motion by Alderman Jones and seconded by Alderman Vota to recommend to the City Council to confirm the City's commitment to pay 50% of the required matching funds required incident to the City of Pana's award of Illinois Grant Funds for renovation and repair of the bridge structure along the Bike Trail; and to refer to the Ordinance Committee the discussion of an Intergovernmental Cooperation Agreement as requested by the City of Pana concerning the Bike Trail. Motion carried 4-0.

FY 2016/2017 Truth-In Taxation & Tax Levy

Motion by Alderman Burtle and seconded by Alderman Jones to recommend to the City Council to direct the City Clerk's Office to prepare an Ordinance that, pursuant to the Truth-in-Taxation Act, the sum of \$2,719,477.00 for the City's current Fiscal Year 5/1/16 to 4/30/17 upon the taxable property in the City, which amount is less than 105% of the amount extended, or estimated to be extended upon the final aggregate levy of the preceding fiscal year; and a Truth-in-Taxation Public Hearing is not required. This includes a total maximum levy of \$263,694.00 for the Taylorville Public Library. Motion carried 4-0.

Mowing Charge-1100 West England

Ms. Jessica Stone addressed the Committee regarding a Mowing Invoice that she claims she never received. She is requesting the Committee forgive the \$200.00 mowing bill. The Committee feels that if they forgive the bill it would set a precedent. She inquired if she could set up a payment plan and the Committee will allow a payment plan for the \$200.00 mowing bill.

Treasurer's Report

The July 2016 Sales Tax (received in October 2016) was \$205,096.06 compared to \$205,257.68 in July 2015 and year-to-date is \$30,102.20 less than July 2015.

The August 2016 Sales Tax (received in November 2016) was 214,223.86 compared to \$219,616.85 in August 2015 and year-to-date is 35,495.19 less than the total through August 2015.

The July 2016 Non Home Rule Sales Tax (received in October 2016) was \$82,494.59 compared to \$78,946.35 in July 2015 and year-to-date is \$11,504.99 less than July 2015.

The August 2016 Non Home Rule Sales Tax (received in November 2016) was \$84,810.17 compared to \$87,765.07 in August 2015 and year-to-date is \$14,459.89 less than August 2015.

Interest earned on the Sewer Project Fund to date is \$189,352.09. The current balance is \$109,562.70.

The Fire and Police Pension Boards hired Lauterbach & Amen, LLP to complete the GASB 67/68 reporting and provide their actuarial opinion for the tax levy amount for Fire and Police Pensions. In the past former Treasurer France and Treasurer Nation have used the State of Illinois statutory minimum contribution. Lauterbach & Amen have provided an amount substantially higher than the State of Illinois actuarial assumptions. The State advised municipalities that the pensions must be 90% funded by the year 2040. This year Lauterbach & Amen advised the \$562,537.00 should be used for the Police Pension and \$476,271.00 should be used for the Fire Pension. Mr. Rich Hooper, the City's auditor, advised the Pension Boards to use the State of Illinois statutory minimum, which \$427,409.00 is for Police Pension and \$337,723.00 is for Fire Pension.

Motion by Alderman Burtle and seconded by Alderman Jones to recommend to the City Council to accept the Treasurer's Report as presented. Motion carried 4-0.

Motion by Alderman Burtle and seconded by Alderman Jones to adjourn. Motion carried 4-0.

Meeting adjourned at 8:27 P.M.

Larry Budd, Chairman
Finance Committee