

## FINANCE COMMITTEE

May 20, 2021

### MEMBERS

Chairman Dorchinecz  
Alderman Skultety  
Alderman Budd  
Alderman Bryant

### ALSO PRESENT

Alderman Olive	Alderman Wilson	HBO Goodall
Alderman Brown	David Pistorius	Steve Craggs
Mayor Barry	Ted Bailey	Rich Payne
Clerk Lilly	Nichole Brown	Lee Skinner
HBO Goodall	Dan McNeely	Dyanne Skinner
Superintendent Mann	Superintendent Ortman	Terri France

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

### Bond Restructuring

Mr. David Pistorius with First Midstate Inc. presented information on the status of outstanding bonds held by the City of Taylorville. Currently the City has a 1.77% interest rate on the restructured Series 2016 bonds. The Series 2014 bonds are callable 12/1/22, but can be restructured now and held in escrow until the call date. The Telecommunications Tax was enacted in 2006 to cover the cost/payment of these bonds. The Tax has continued to see a reduction, leaving a shortfall each year that must be covered by other revenue sources from the General Fund. In 2020 the Telecom Tax was \$192,641.00 with the bond payment of \$258,093.70. As interest rates are low at this time, he is recommending that the City restructure the bonds to save money in the long term. He presented several options with savings from \$7,129.90 up to \$163,838.50, along with terms of payout date of 12/31/30 up to 12/31/2036. Interest rates for these options would vary from 2.01% to 2.5% based on today's rates, along with changes in yearly payments based upon both the term of the bond restructuring and interest rates. The process consists of the Council formally hiring the firm and bond attorneys, along with a Bond Ordinance of Intent that has a petition period of thirty days. This petition period allows 7 ½% of all registered voters to halt the process. If the Council wishes to proceed, following this period, bonds are sold at the current market value within ten days prior to the final Bond Ordinance being passed.

Motion by Alderman Bryant and seconded by Alderman Skultety to recommend to the City Council to direct the Bond Attorneys, with approval from City Attorney Romano, to draft an Ordinance of Intent with a petition period of thirty days. The motion carried (4-0).

### Health Insurance Renewal

Mr. Dan McNeely and Mrs. Nichole Brown, representing Dimond Bros. Insurance, were present to discuss proposed rates and options for the upcoming health insurance renewal. Quotes have been received from various providers, with the most competitive option coming from Health Alliance. Total increase in premiums for 2021/2022 renewal is 3.9%. Dental and vision will still be carried through Blue Cross Blue Shield, with a 5% increase in dental premium and no change in vision coverage due to a three year locked in premium cost. Overall six year average is a .09% increase, with average savings per year of \$118,000.00 by implementing the HRA.

Motion by Alderman Bryant and seconded by Alderman Skultety to recommend to the City Council to accept the proposed health insurance plan from Health Alliance. The motion carried (4-0).

### Electricity Rate Pricing

Currently the City purchases electricity through a consultant for City owned property/buildings through the Bailey Energy Group. Direct Energy is the current provider at a rate of \$0.04925 per kWh. The current agreement expires in November 2021. The city has the option to lock in pricing now, while it is low, or wait to determine how the market may fluctuate. The pricing would not take effect until the new agreement begins. Information from four suppliers was presented, with the most favorable being from Homefield, which is the marketing arm of Ameren. It is the recommendation of Mr. Bailey to contract with Homefield for a term of 36 months.

Motion by Alderman Bryant and seconded by Alderman Skultety to recommend to the City council to accept the 36 month electric rate agreement with Homefield, with rates to be set on the date of signing. The motion carried (4-0).

#### Budget Updates

Chairman Dorchinecz thanked Treasurer Hamell, Terri France and Alderman Budd for all their help. Ms. France presented a synopsis of the work she and former Treasurer Nation have completed to finalize the month of April and year-end reporting for the Auditor. She mentioned the many different loans and bond payments that have been and will be made in May and moving forward. Clerk Lilly addressed the need to have budgets completed within the next few weeks, as they will need to be installed, projected revenues be calculated, and all figures presented to meet the statutory guidelines for the Appropriations Ordinance in July.

#### Department Copier Purchases

Information has been gathered from various copier suppliers including: RK Dixon, Tap Business Systems, GFI Digital, and Tom Day Business Machines. Costs vary with each supplier including the price per copy, as well as the price per copy and service. Street and Sewer, Water Billing Office, along with the City Clerk's Office, are the only departments requesting copiers at this time, although all departments were included in the pricing.

Motion by Alderman Budd and seconded by Alderman Bryant to recommend to the City Council to allow Street and Sewer, Water Billing Office, and Clerk's Office to purchase department specific copiers at a price not to exceed price quotations. The motion carried (4-0).

#### BDD Applications

The BDD Committee has reviewed and forwarded four applications for BDD reimbursement to the Finance Committee for review and approval. Ordinances will be approved at the June 7, 2021 City Council Meeting.

The first application received was from Douglas Cowell dba Sydney Lynn's Little Book Shop located at 109 West Main Cross. He requested \$8,063.66, but only \$2,041.91 was found to be eligible. The total reimbursement will be at 50%, for a total reimbursement of \$1,020.96.

Motion by Alderman Budd and seconded by Alderman Skultety to recommend to the City Council to approve the Business Development District Application from Douglas Cowell in the amount of \$1,020.96. The motion carried (4 -0).

The second application was received from Lee and Dyanne Skinner dba Dear Yesteryear for the property located at 122 West Market. This is the fourth application for this property, and was submitted in the amount of \$10,000.00, eligible at 35%, for a total reimbursement of \$3,500.00.

Motion by Alderman Budd and seconded by Alderman Skultety to approve the Business Development District Application from Lee and Dyanne Skinner in the amount of \$3,500.00. The motion carried (4-0).

The third application was received from Deep Patel for his property located at 709 West Springfield Road, the Economy Inn. Total project cost is \$16,169.11 eligible at 35%, for a total reimbursement of \$5,659.19.

Motion by Alderman Budd and seconded by Alderman Bryant to approve the Business Development District Application from Deep Patel in the amount of \$5,659.19. The motion carried (4-0).

The final application was from Donald Broaddus for property located at 119 East Main Cross, for \$1,907.10, eligible at 50%, for a total reimbursement of \$953.55.

Motion by Alderman Budd and seconded by Alderman Skultety to recommend to the City Council to approve the Business Development District Application from Donald Broaddus in the amount of \$953.55. The motion carried (4-0).

Alderman Budd stated there had previously been an application submitted by Lee and Dyanne Skinner for HVAC work at the former Betty Rose building. The BDD Committee felt it should be approved, but as this is not an external project it was ultimately denied. He discussed making modifications to the guidelines for reimbursement for downtown buildings to include HVAC, wiring, plumbing, brickwork, and rooftops that would preserve the integrity of the buildings and would remain a part of the real estate if sold. HBO Goodall stated that he and Fire Chief Adermann have discussed the need to develop an inspection process for the downtown area to insure that as projects are completed or ownership is transferred, these buildings are up to code. The BDD Fund may be able to help offset the cost of inspections. Lee Skinner discussed the importance of buildings being brought up to current code, as a fire or similar large scale event would also impact adjacent buildings. Mayor Barry stated that the max any one property could receive is currently set at \$50,000.00, with percentages for project reimbursement varying between 25-50% based on project cost. This may also need to be re-evaluated due to large scale projects.

Motion by Alderman Budd and seconded by Alderman Bryant to recommend to the City Council to approve the Business Development District Application from Lee and Dyanne Skinner in the amount of \$16,159.36. The motion carried (4-0). This pertains to the HVAC work and will bring their total reimbursements for this project to the \$30,000.00 range.

#### Treasurer's Report

Motion by Alderman Budd and seconded by Alderman Bryant to recommend to the City Council to accept the Treasurer's Report as presented. The motion carried (4-0).

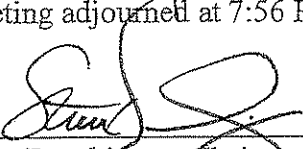
#### Any Other Matters

Alderman Budd mentioned a potential development/subdivision near Park West, on land owned by Mark Stephens. It is currently not in City limits. There is a possibility that a new TIF District could be developed in that area to assist a developer with costs. Prior to any other action, this property must be annexed into the City.

Superintendent Mann inquired as to utilizing the State Surplus for office equipment. He was advised that this had been approved.

Mayor Barry stated that he has been involved with a Committee that is interested in developing a Skate Park. He suggested utilizing the parking lot owned by the City that is located on West Main Cross, in between the Amoco Gas Station and the apartment building, across from First National Bank. Concerns were discussed as to the proximity to residential property and the noise level that would be produced from this type of activity. Many attendees expressed concern about this and felt this was not the best location. Mayor Barry will continue to meet with the Committee and explore other locations prior to bringing this back to the City Council.

Motion by Alderman Bryant and seconded by Alderman Budd to adjourn. The motion carried (4-0).  
Meeting adjourned at 7:56 P.M.

  
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Steve Dorchinecz, Chairman  
Finance Committee