

FINANCE COMMITTEE

February 15, 2018

MEMBERS

Chairman Budd
Alderman Jones
Alderman Walters
Mayor Barry

ALSO PRESENT

Treasurer Nation
Alderman Dorchinecz
Alderman Burtle
Superintendent Speagle
City Clerk Lilly

Dan McNeely
Jared Blaudow
Tom Snyder
Jeff Waterman
Tom Bellegante
John Gardner

Ed Downs
Ron Mizer
Bob Willard
Don Farrimond
Ted Bailey
Cameron Scheller

ABSENT

Alderman Lanzotti

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

HRA Update

Mr. Jared Blaudow and Mr. Dan McNeely presented information regarding the current HRA plan with Blue Cross Blue Shield. It is set up as a provider pay program with the HRA/BPC sending checks directly to the provider and bypassing the employee. There was a 6 month savings of \$61,215.00 from July-December 2017 over the previous plan the City offered. The renewal will be 7/1/2018.

Direct Energy Rate Discussion

Mr. Ted Bailey addressed the committee regarding the history with our relationship. We began in 2009; our current 36 month contract expires in November 2018. Rates have fallen in past year due to over production and are expected to stay on course for 2018/2019. It is suggested that we lock in a 36 month contract to take advantage of the lower rates. The term for rates runs June 1-May 31 of each year. Discussion was held regarding the various providers that Mr. Bailey works with, and the committee felt that, due to rates, history with the company, and level of service, that the City of Taylorville remain with Direct Energy as our provider.

Motion by Alderman Walters and seconded by Alderman Jones to recommend to the City Council to authorize and direct the Mayor to sign a 36-month contract with Direct Energy. Motion carried (3-0).

Savings Accounts

Mr. John Gardner with People's Bank was present to discuss a savings program through the bank called Insured Cash Sweep. This program allows People's Bank to move monies from our General Pooled Cash Fund into savings accounts to earn interest. These funds are treated as brokered deposits, providing an audit trail, unlimited withdrawals through online banking, and are backed by FDIC insurance. It was estimated that moving \$2,500,000.00 into in Insured Cash Sweep savings account over three months could generate \$3,500.00-\$4,000.00 in interest. Mayor Barry stated that the school district is presently involved in this program, and the County is considering this as well.

Motion by Alderman Jones and seconded by Alderman Walters to recommend to the City Council to present contract for Insured Cash Sweep to City Attorney Romano for review, and once approved, direct and authorize the Mayor to sign. Motion carried (3-0).

Taylorville Sanitary District Rate Discussion

Mayor Barry discussed the relationship between the City of Taylorville and the Taylorville Sanitary District(TSD). Currently, the City is responsible for billing for the Sanitary District; in exchange the Sanitary District pays the City \$5,000.00 per month. He is seeking an increase of \$1,500.00 per month from the TSD to help offset the increased costs of the monthly billing program being implemented by the City on May 1.

Mr. Tom Snyder, Board Member of the TSD, presented information regarding rates in other communities established between their City and Sanitary District. The TSD is paying considerably more than other communities, and they feel there should be a decrease in the amount they pay to the City. He stated that the TSD should not be responsible for the increased costs of a program the City has chosen to implement. The TSD could potentially charge the City for flow meter usage, leaving the City responsible for billing customers for sanitary fees. This could be a loss in revenue. Mr. Snyder will take our request to the TSD Board Meeting.

This issue will be addressed at the March 15 Finance Committee Meeting.

Veterans Memorial at Lake Taylorville

Mr. Ron Mizer and Mr. Ed Downs provided the Committee with information on a proposed Veteran's Memorial at Lake Taylorville. The City has provided the land for this memorial; Downtown Taylorville will fully fund the project, as well as paying the power bills. They are asking the City only to continue mowing this area as they do now. They are in the process of an application with Congressman Davis for assistance. They hope to secure a cannon, anchor or some type of memorabilia for the area. To assist with the funds, they will be selling memorial blocks and bricks. Mr. Don Farrimond is working with an Eagle Scout who will provide help for this as his project. Concrete work will be done by Moore Concrete and is expected to begin as soon as weather permits in the Spring.

Motion by Alderman Jones and seconded by Alderman Walters to recommend to the City Council to approve the plans of Downtown Taylorville.org Lake Taylorville Veterans Point Memorial. Motion carried (3-0).

Liquor License Fees

Mayor Barry, as Liquor Commissioner, provided information regarding Liquor License Fee increases. The largest proposed increase is for A-2 and C-2, as these are special classes created for establishments where primary income is derived from gaming. Clubs will receive no increase. All other classes will receive some increase in the yearly license fee.

Motion by Alderman Walters and seconded by Alderman Budd to recommend to the City Council to direct the City Attorney to amend the Ordinance to modify liquor license fees as presented. Motion carried (2-0). Alderman Jones abstained.

TIF Districts 1 & 2

Chairman Budd informed the Committee that City Attorney Romano is close to finalizing the paperwork with the Kim Morton property annexation. Information was provided by Jacob & Klein, Ltd. and The Economic Development Group, LTD. regarding the progression of the project. Should be continue to move forward as planned, the TIF Districts should be established as of April 1, 2018.

Fiscal Year 2018/2019 Budgets

City Treasurer Nation stated that budget worksheets have been distributed to all Superintendents. They are to work on them and bring to their respective committees in March.

Treasurer's Report

The November 2017 Sales Tax (received in February 2018) was \$200,674.96 compared to \$203,284.64 in November 2016 and year-to-date is \$33,570.74 less than the total through November 2016.

The November 2017 Non-Home Rule Sales Tax (received in February 2018) was \$86,286.35 compared to \$84,822.77 in November 2016 and year-to-date is \$3,036.11 more than November 2016.

Motion by Alderman Walters and seconded by Alderman Jones to recommend to the City Council to accept the Treasurer's Report as presented. Motion carried 3-0.

Any Other Matters

Alderman Dorchinecz addressed the pension underfunding issue with the City and the State of Illinois. He questioned whether the City has a plan in place, and the money set aside, to pay for the underfunding. Treasurer Nation confirmed that we do have a procedure to utilize a transition amount set forth by the actuarial firm of Lauterbach and Amen, LLC, with the money coming from the Personal Property Replacement Tax and the annual tax levy. Previously, the City had used the amount suggested by actuaries from the State of Illinois, which has left the City underfunded. This transition amount will make up that difference over time, as the City will set a higher amount aside in this method.

Motion by Alderman Jones and seconded by Alderman Walters to adjourn. Motion carried 3-0.

Meeting adjourned at 8:14 P.M.

Larry Budd, Chairman
Finance Committee