

FINANCE COMMITTEE

July 17, 2018

MEMBERS

Chairman Budd
Alderman Jones
Alderman Lanzotti
Alderman Walters
Mayor Barry

ALSO PRESENT

Treasurer Nation
Alderman Olive
Alderman Vota
Alderman Dorchinecz
Owen Lasswell
Kellie Hamell
Gerry Mahr
Mary Renner
Cindy Dey

Chairman Budd called the meeting to order at 7:40 P.M.

Christian County Senior Citizens-Request for Funding

Mr. Gerry Mahr, Executive Director of the Senior Citizens of Christian County, is requesting the City of Taylorville to consider contributing \$5,000.00 to help with the needs of the Senior Citizens Center.

Motion by Alderman Jones and seconded by Alderman Walters to recommend to the City Council to contribute \$5,000.00 to the Christian County Senior Citizens. Motion carried 4-0.

Enterprise Zone Expansion/Expenses

Ms. Mary Renner, Director of Christian County Economic Development Corporation informed the Committee that the Enterprise Zone Contract between Christian County and the City of Taylorville will expire December 31, 2021. The first step is to begin two years in advance creating a new Enterprise Zone. The cost to establish a new Enterprise Zone could range from \$60,000.00 - \$100,000.00. Ms. Renner suggested a firm that specializes in enterprise zones. This firm will attempt to solicit donations from local companies that have already benefited from the existing Enterprise Zone. If the City agrees to utilize this firm they would be committed to paying half of the travel expenses that arise out of the solicitation process. Christian County has already agreed to pay the remaining half and the representative will retain ten percent of the funds collected during this process.

Motion by Alderman Walters and seconded by Alderman Jones to recommend to the City Council to enter into an Agreement with the firm represented by Mr. Doug McDermith as suggested by Ms. Mary Renner based upon a clarification of item #2 of the Agreement and present to the City Attorney for review. Motion carried 4-0.

TIF 1 Incentives/Agreements

Chairman Budd stated there is no information available.

Real Estate Tax Abatement/401 West Market

Mayor Barry has received an email request from the property owner of 401 West Market to rebate the Real Estate Taxes for 10 years. She was informed at the time she started her project that if 15 people were employed the Real Estate Taxes could be rebated for 10 years. The Committee discussed the information on the email and felt that more information is required to consider this request.

Municipal Utility Tax Procedures

Treasurer Nation presented a copy of a Spread Sheet outlining the deposits and expenses to the Street Maintenance Fund regarding the 2% Utility Tax Revenue.

Treasurer's Report

Sales Tax and Non-Home Rule Sales Tax

The April 2018 Sales Tax (received in July 2018) was \$203,706.25 compared to \$212,537.32 in April 2017 and year-to-date is \$10,083.07 less than 2017.

The April 2018 Non-Home Rule Sales Tax (received in July 2018) was \$81,409.95 compared to \$88,502.59 in April 2017 and year-to-date is \$8,756.79 less than 2017.

Telecom Tax

There is a decrease in the Telecom Tax due to people doing away with their landlines and cell phone companies are rebranding their packaging. Also, there is no Telecom Tax collected on internet service. The City currently is not receiving enough Telecom Tax per month to cover the bonds for the Fire Department Building and the ladder truck. The monthly transfer amount for the \$1.1 Million Alternate Revenue Bond is \$5,000.00 and due to the decrease in the Telecom Tax received monthly there are months that she is unable to transfer the full amount. The 2016 refunding bond is \$18,000.00 and when the Telecom Tax is received the \$18,000.00 is transferred first and the remaining \$5,000.00 or what's left is then transferred. Currently, there is a safety cushion in both accounts if the Telecom Tax drops drastically over the years.

Christian County Real Estate Tax Distribution

The City received the first distribution of Real Estate Taxes on 7/13/18 of \$1,239,124.83 and of this amount the Fire and Police Pensions will have to be distributed first. She is still waiting to receive the distribution list from the County Treasurer.

Water Treatment Plant IEPA Loan

A new account was opened with funds from the Water Fund for the new Water Treatment Plant IEPA Loan. The amount of \$84,000.00 is needed from the Water Fund each month to cover the debt service of \$1,007,500.00 per year. This amount is for a 30-year loan and this could possibly change.

Treasurer's Conference Information

Treasurer Nation relayed information pertaining to the LGDF Income Tax. Last year there was a one-time 10% cut and this year was a 5% cut. She urges the Mayor and Council Members to contact their local Legislators and inform them how the City needs 100% of LGDF per capita.

The Wayfair Ruling is a Use Tax per capita not a Sales Tax and please keep in mind that if a census is taken the City's per capita may drop as it is a concern the population is less than the last census. The State of Illinois is losing residents to other states.

City's Finances

Treasurer Nation is concerned regarding the finances as there is a decrease in revenues and expenses have increased. The General Fund ending balance as of May 2017 was \$2,729,809.57 and ending balance as of May 2018 was \$1,591,679.33. The General Fund ending balance as of June 2017 was \$2,266,143.62 and the ending balance as of June 2018 was \$1,541,224.53.

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 4-0.

Motion by Alderman Jones and seconded by Alderman Walters to adjourn. Motion carried 4-0.
Meeting adjourned at 8:30 P.M.