

FINANCE COMMITTEE

September 18, 2019

Members

Chairman Budd
Alderman Bryant
Alderman Burtle
Alderman Lanzotti
Mayor Barry

Also Present

Treasurer Nation	Clerk Lilly
Alderman Olive	Own Lasswell
Alderman Skultety	Don Farrimond
Alderman Driskell	Mike Mann
Superintendent Bialis	Kellie Hamell
Reggie Benton	Bill Sleeman
	Mike McEvers

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

Discussion of FAU and MFT Funds

Mr. Reggie Benton with Benton and Associates, along with Bill Sleeman and Mike McEvers, were present to discuss the many types of programs available from the State of Illinois, Department of Transportation. MFT and FAU programs are currently being utilized by the City, with funds available for road construction, maintenance and improvements. A map was distributed highlighting all FAU routes available in the City that may use STU Funds. There are other grant programs available that could potentially help with sidewalks in school areas (Safe Routes to School) and Illinois Transportation Enhancement Program which can be used for streetscapes, bicycle facilities and other qualified projects. Mr. Benton advised the Council to prioritize the infrastructure needs and develop a Capital Improvement Plan for implementation of future projects.

Campground and Lake Lot Lease Fees

The Committee discussed raising the Campground and Lake Lot Lease fees. The last rate increase was three years ago at a yearly rate increase of \$50.00 for lake lots and \$35.00 for campgrounds. There are a total of 382 lake lots and 92 campgrounds. Currently, lake lot lease fees are \$500 per year, with campgrounds paying \$105 per month for a total of \$735 per year. Campground fees include water service, and some also have septic service. Lake Superintendent Bialis is suggesting to raise the lake lots \$100 per year to a new total of \$600 per year and campgrounds \$120 per month for a new total of \$840 per year, and cautioned that too steep of an increase could potentially drive locals away and leave vacancies. There is a waiting list for both at this time. Mayor Barry proposed an increase to \$800.00 per year for lake lots, and \$150.00 per month for campgrounds, while Alderman Skultety suggested a more graduated approach to \$650.00 for this next season. Treasurer Nation noted that \$25.00 from each Lake Lot Lease is transferred into the Lake Restoration Fund; no money is transferred from Campground Leases. The Committee would like to see a comparison of other lake lot and campground fees in the area prior to making a final decision on the increase. Information will be compiled by the City Clerk's office and brought to the next Lake Committee meeting for review.

Azavar Agreement

The Mayor, Chairman Budd, and the City Attorney have not yet finalized the terms of the Agreement.

American Tower Lease

The Lyle Company, lease consultant for American Tower, has made an offer for a Perpetual Easement for the wireless tower currently rented by American Tower. They are offering a lump sum payment of \$185,276.00. Currently they pay the City an annual rent of \$12,360.00 with a 3% annual escalation. The lease is set to expire on 2/28/2053; with a 35 year, 3% escalation rate, the total received over the life of the lease would be \$747,311.33. The proposed agreement allows the City to maintain ownership of the land.

City Attorney Romano has advised that the City is unable to accept a Perpetual Easement, but could consider a 99 year lease. The current offer is too low to consider, but the Mayor, City Attorney and Chairman Budd will continue to negotiate to determine a fair value.

Use of Funds from Brick Staining Account for Roof Repairs at the Fire Station

Chief Crews has expressed an interest in using the funds held in the Brick Staining Account (currently in a CD) for roof and brick repairs at the Fire Station. These funds were given to the City by H&H Construction when the building was constructed, not to be used for anything other than brick staining. Discussion was held on past votes regarding the use of these funds. Aldermen Olive and Skultety stated that the roof and outer wall are leaking, causing damage to the interior of the women's dormitory and drywall in office space. Alderman Olive requested to use the funds for roof and brick repairs, as well as outer wall sealing. Treasurer Nation confirmed that \$17,749.00 was available in this escrow account, with \$8,000.00 left in the Fire Department Building line item. The project cost, per the engineer, is \$18,000.00 for current repairs and \$18,500.00 for future repairs. Treasurer Nation noted that \$40,000.00 was appropriated. She will investigate the terms of the CD for maturation date and fees for early withdrawal.

Motion by Alderman Bryant and seconded by Alderman Lanzotti to recommend to the City Council to allow the use of the funds in the Brick Staining Account for payment of repairs to roof and brick seam. The motion carried (4-0).

Christian County Senior Citizens Donation

Chairman Budd stated that the City donated to the Christian County Senior Citizens in the amount of \$5,000.00 in 2018. Mr. Don Farrimond, Interim Director, touched on some of the programs that the Senior Center provides to the community and expressed his appreciation to the City for their support.

Motion by Alderman Burtle and seconded by Alderman Bryant to recommend to the City Council to contribute \$5,000.00 to the Senior Citizens Center. The motion carried (4-0).

BDD Applications

The BDD Committee, along with Steve Kline, have approved two applications. Mr. Glenn Kluge, Kluge's on the Square, has requested a total of \$10,000.00 for updates to the kitchen in his establishment. He has spent \$190,000.00 thus far for the purchase of the property (formerly Joyce's Café) and a complete overhaul of the interior. The bar is open for business, and the kitchen is expected to be open soon.

Motion by Alderman Bryant and seconded by Alderman Burtle to reimburse Glenn Kluge, owner of Kluge's on the Square, \$10,000.00 from the BDD Fund for kitchen remodeling, subject to completion of project and proof of receipts. The motion carried (4-0).

Mrs. Lorrie Foor, owner of Family Traditions Bakery, located in the former Jubelt's Bakery building, has submitted receipts totaling over \$23,000.00, along with a reimbursement request for \$9,363.28. She plans to open in October.

Motion by Alderman Bryant and seconded by Alderman Burtle to recommend to the City Council to reimburse Lorrie Foor, owner of Family Traditions Bakery, \$9,363.28 from the BDD Fund, subject to completion of project and proof of receipts. The motion carried (4-0).

Treasurer's Report

The June 2019 Sales Tax (received in September) was \$236,970.11 compared to \$224,115.14 in June 2018 and year-to-date is \$41,999.65 more than 2018.

The June 2019 Non-Home Rule Sales Tax (received in September) was \$92,864.79 compared to \$88,833.89 in June 2018 and year-to-date is \$15,044.94 more than 2018.

The June 2019 BDD Tax (received in September) was \$ and the total year-to-date is \$97,590.20. The total received for the year is \$558,474.61.

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

Any Other Matters

Chairman Budd discussed the project on East Main Cross. \$175,000.00 is the cost, and is to be paid from pooled cash as this project was approved and MFT Funds transferred in 2014. Pleasant and Walnut Street project has a balance of \$33,000.00 which will either be paid from Ward 1 or from the 5th Ward Fund. This will be discussed at the Street and Sewer Meeting. Mayor Barry acknowledged the need for funding for a project in Ward 3, where only 80% of the funds are available. He would like to see other wards contribute. Another available option is the 5th Ward or the NHR Overage account, containing over \$700,000.00. This will also be discussed at the Street and Sewer Meeting.

There will be a Finance Committee Meeting on Monday, September 23, 2019 at 6:00 P.M. where the FY 2018/2019 Audit Report and Results will be discussed. All Aldermen and Superintendents are invited and encouraged to attend to learn more about our financial situation and outlook.

Motion by Alderman Lanzotti and seconded by Alderman Bryant to adjourn. The motion carried (4-0). Meeting adjourned at 8:10 P.M.

Larry Budd, Chairman
Finance Committee