

FINANCE COMMITTEE

November 18, 2019

MEMBERS

Chairman Budd
Alderman Bryant
Alderman Lanzotti
Mayor Barry

ALSO PRESENT

Alderman Olive
Alderman Dorchinecz(via facetime)
Matt Stobart(via zoom)
Christopher Lloyd(via zoom)
Superintendent Mann(via zoom)
Dan McNeely

Treasurer Nation

Clerk Lilly

ABSENT

Alderman Burtle

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

Workers Compensation Renewal

Mr. Dan McNeely with Dimond Brothers Insurance Agency presented the Workers Compensation annual premium for January 1, 2021 to December 31, 2021. The renewal premium is \$231,277.00. The experience modification used for the 2021 premium calculation uses the policy years of 2018 through 2020. The loss ratio is now at 6%, based on the years of 2018-2020. Loss ratios for those years were 14%, 2%, and 2%. 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 740 members in Illinois. The City of Taylorville will receive a Grant Award for 2020 of \$31,437.00 from Illinois Public Risk Fund, redeemable in 2021. The total net positive difference to the City is \$51,724.00, including \$38,296.00 in premium savings and \$13,428.00 in safety grant increase.

Motion by Alderman Bryant and seconded by Alderman Lanzotti to recommend to the City Council to approve the January 1, 2021 to December 31, 2021 Workers Compensation Policy Renewal Premium of \$231,277.00 from Illinois Public Risk Fund. The motion carried (3-0).

FY 2020/2021 Truth-In Taxation & Tax Levy

Chairman Budd presented the financial information for the 2020/2021 Annual Tax Levy. The amount of the levy is calculated at 104.99% of the prior year extension from the County Clerk plus the exclusion from PTELL. The tax levy for the library is added to this total to determine the total levy amount. Two options were presented utilizing different models for the Police Pension and Fire Pension, based upon the required minimum contribution as suggested by the State of Illinois and that of the hired actuaries. It has yet to be determined what level of funding the State will require once they begin to manage the downstate Police and Fire Pension funds. The Committee elected to contribute the State minimum contribution for this tax levy.

Motion by Alderman Bryant and seconded by Alderman Lanzotti 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 \$3,100,217.83 for the City's current Fiscal Year 5/1/20 to 4/30/21 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 \$288,973.83 for the Taylorville Public Library. The motion carried (3-0).

Enterprise Fleet Leasing of Vehicles

Christopher Lloyd and Matthew Stobart with Enterprise Fleet Leasing presented a program through Zoom on Fleet Leasing options for the City of Taylorville. The open-end lease means no early termination, mileage, or abnormal wear and tear penalties. Leases are written to a residual balance to preserve cash flow, provide flexibility of ownership and net equity from sale at time of disposal. The proposal involves 22 vehicles and the goal of more standardization to ½ and ¾ ton pick ups for better utilization between departments. In the first year, 8 vehicles would be replaced, 12 the second year, and 2 the third year. The vehicles would then be cycled

every four years to optimum savings in fuel (20%) and maintenance costs (82%). The proposed 8 year savings is \$129,580.00. At our current rate of purchase, it would take 25 years to replace our fleet as is.

207 West Main Cross

The property at 207 West Main Cross is in need of demolition and has been deemed a public health hazard. The back half has collapsed. The structural engineer from Benton & Associates has recommended it be taken down immediately; the remainder of the building must be repaired or it will need to be demolished as well over time. There is a basement under the building that will need to be filled. The 30 day process has been set in place with public notice given to the owners of record and the lienholders, which include a local bank as well as the State of Illinois. A verbal quote of \$60,000.00 to \$70,000.00 has been received from Joe Coleman for demolition of the entire building. This would be eligible for BDD Fund reimbursement as was done with the building on East Main Cross, but it is unclear if the City would be reimbursed from this property owner. At this time the City has been unable to contact the owner regarding this process. Mayor Barry will discuss with City Attorney Romano to investigate the liens by the bank and the State of Illinois to determine the liability, as well as the liability of the property owner. This will be discussed at the December 7, 2020 City Council Meeting.

BDD Application – Coker Family Inc.

An application was presented for Coker Family Inc. dba Battery Specialists; the BDD Committee has approved this application. They plan to construct an addition to the Battery Specialist + Golf Cars building, and to add three full-time technicians and possibly 1 part time clerk. The total amount of eligible project costs is \$73,000.00, with a reimbursement rate of 25%, equaling \$18,250.00 in requested BDD funds.

Motion by Alderman Bryant and seconded by Alderman Lanzotti to recommend to the City Council to approve the agreement between the City of Taylorville and Coker Family, Inc. dba Battery Specialists + Golf Cars. The motion carried (3-0).

Treasurer's Report

The August 2020 Sales Tax (received in November) was \$228,969.24 compared to \$230,254.94 in August 2019 and year-to-date is \$66,946.73 less than 2019.

The August 2020 Non-Home Rule Sales Tax (received in November) was \$91,289.84 compared to \$90,297.61 in August 2019 and year-to-date is \$13,393.42 more than 2019.

The August 2020 BDD Tax (received in November) was \$114,692.79. The total received for the year is \$2,024,838.22. Total expenditures to date \$410,035.71.

Pooled cash balance is currently up due to receipt of DCEO Grant as well as Local CURE funds.

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 (3-0).

Any Other Matters

Chairman Budd stated that there would not be a December Finance Committee Meeting.

Motion by Alderman Bryant and seconded by Alderman Burtle to adjourn. The motion carried (3-0). Meeting adjourned at 7:37 P.M.



Larry Budd, Chairman
Finance Committee