

**Finance Committee
December 14, 2020.
6:00 p.m. - City Hall Council Chambers
and Via Web Ex Conference Call**

Note: Due to the increases in Covid-19 cases in our area, the City Council, Department Heads and the Public had the option to attend the meeting in person at City Hall or by remote participation through the WebEx platform.

Chairman Ptak called the meeting to order at 6:00 p.m.

ROLL CALL:

Present: Alderman Ptak, Alderman Lavieri, Alderman Jeppson

Present Remotely- Alderman Demes, Alderman Herndon, City Clerk Carrie Brown

Absent: None

Others present: Alderman Reynolds, Alderman Bacidore, Deputy Clerk Brent Bader, Finance Director John Duncan, Andy Bacidore

A quorum was present.

The minutes of the Finance Committee held on November 30, 2020 were unanimously approved by the Committee by voice vote after a motion from Alderman Lavieri and a second by Alderman Jeppson. Each and every alderman has a copy.

Alderman Lavieri questioned charges from John Deere Financial for fencing materials. Finance Director Duncan explained that they are the financing company for Rural King, so any purchases made at Rural King are billed through John Deere Financial.

Alderman Lavieri then questioned a charge for \$762.99 for cable ties and mini red lights from Menards. Finance Director Duncan stated that the charge was coded for Christmas lights and comes out of the Christmas light fund. Alderman Lavieri said he assumed based on the charge amount it must have been for more than cable ties and lights. Finance Director Duncan said he was correct, but only a certain amount of characters can be entered into the description line on the report.

Alderman Lavieri also questioned a library charge for PPE totaling \$3,800. Alderman Jeppson stated it was for all of the library's supplies for PPE since March. The library was not aware they were eligible for reimbursement for those items until recently. Alderman Lavieri said he was just curious as it seemed like a lot of money for PPE. Alderman Jeppson confirmed that all receipts were submitted by Director Stupegia to back up the charges.

Alderman Jeppson questioned the 62 hours of overtime for paid on-call in the Fire Department. Chief Bacidore responded that some part-time members called in sick or could not schedule themselves because of their other full-time jobs or because they were in school. Therefore, others had to pick up extra hours.

There were no further questions on the bills.

Finance Director Duncan indicated that at the City Council meeting this evening, the aldermen would be voting to abate three bonds. The bonds are abated to remove them from the tax rolls as these particular bonds are paid from other revenue sources. The first bond is a 2012A \$1,000,000 MFT Bond. This does not need to be included as part of the property tax bill as it is paid out of MFT funds. Mr. Duncan indicated this bond costs approximately \$115,000 year and will expire in 2022. It was a ten-year bond that was taken out for various road improvements. Once the bond is paid up, those funds will become an excess revenue stream for future road projects.

The next bond for consideration to abate is a 2010B Sewer Bond that is \$1,875,000. This bond is approximately \$95,000 year and is paid out of sewer revenues. This bond is set to expire in 2021.

The third bond is a 2010 General Obligation Bond totaling \$695,000 with a yearly payment of approximately \$60,000. This bond will be paid off in 2030 and is currently paid out of the General Fund.

Finance Director Duncan suggested that the aldermen remind the public during the council meeting, that by abating these bonds, it pulls them off the tax rolls. The City is working hard to pay off these bonds through other revenue sources therefore not adding an additional tax burden on our residents. In addition, he stated that the city has not taken out any new bonds and hopes to keep it that way. Mr. Duncan stated that at this time there are two bonds on the tax levy, one for the Library and a 2007 General Obligation bond totaling \$3,600,000. However, within three years there will be no bonds on the tax levy, as these will have dropped off.

Alderman Ptak asked Mr. Duncan what the \$695,000 General Obligation was used for. Mr. Duncan stated that to his recollection it was for economic development stimulus.

Alderman Lavieri made a point that the city does however have outstanding loans. Finance Director confirmed that point by stating that the city has two IEPA, interest free loans, for the wastewater plant. He followed by stating that those loans are paid out of the sewer fund and total approximately \$3,000,000.

Alderman Herndon stated that although the city lost tipping fee revenue from the closure of US Silica, Illinois Cement will begin paying tipping fees for the new mine expansion. Finance Director Duncan stated that a call was actually received recently from Illinois Cement indicating they were sending the first payment. Mr. Duncan stated that he will provide tipping fee revenue updates each month for the aldermen to review.

The meeting was adjourned at 6:13 p.m.



Carrie Brown, City Clerk