FINANCE AND PERSONNEL COMMITTEE  
Monday, March 26, 2018  
Municipal Center Classroom, 5:30 PM

1. Call to Order: The meeting was called to order at 5:30 pm.


Also in attendance Director of Finance Lynch and Deputy Clerk Geraghty.

3. Public Comment:  
None.

4. Review of Fiscal Year 2018/19 Budget and recommendation to approve funding to the full city Council at the April 11, 2018 Committee of the Whole meeting.

Chairman Curry asked Director Lynch to present the agenda item to the Committee.

Discussion highlights:

Director Lynch provided a brief summary of funds previously reviewed by the Committee and a review of the remaining funds. She announced that staff is seeking a motion to forward the proposed FY 18/19 Annual Budget to the full City Council for consideration on April 11.

Director Lynch summarized the following revisions made to the General Fund proposed budget for FY 18/19 made since the March 12 meeting.

- The city’s insurance company proposed rate for one of our coverages was incorrect, resulting in a decrease of $40,000 in General Fund operating expenses. Revenues over expenditures are now $119,000.

- All Capital Improvements Projects were added to the budget summary sheet on line 33, that are paid from the General Fund Balance; Timothy/Clover Water Main Replacement - $345,000; Green Street Bridge Rehabilitation - $451,500; and Lakeland Park Drainage Improvements - $610,000; for a total of just over $1.4M.

- $14,000 for the Green Street Bridge Rehab project was moved out of the FY 17/18 estimated actuals for Street Division.

- Estimated actuals for Gasoline were revised, as the projected decrease in fuel did not occur due to the amount of snow events this past season. The FY 18/19 budget amount was increased to the amount originally budgeted in FY 17/18.

- A total of $1,500 was added to the Street Division for safety equipment. This amount had been inadvertently omitted from the proposed budget.
Discussion on Other Funds:

Director Lynch reported the Capital projects recommended by Council were added to the funds presented this evening.

As stated earlier, due to changes in the Local 150 Union Insurance, personnel costs savings of $5,717 were included in the Water/Sewer Fund.

Alderman Schaefer noted that capital projects such as the water main replacement on Timothy and Clover show $830,000 from the Utility Fund but the total project from General Fund is $345,000. Director Lynch answered the General Fund amount is to pay for the road only. Chairman Curry noted that a small portion of the Green Street Bridge project is also paid from the Water/Sewer Fund as well as the Recreation Center parking lot expansion.

Director Lynch reported no personnel requests or Compensation Study wage considerations were included in the budget.

Alderman Schaefer asked if a recommendation on the study was ever brought before the Council and Chairman Curry stated the Finance and Personnel Committee would discuss the study further at the April 2nd meeting. Director Lynch said if any recommendations from the study were approved, changes would be made to the FY 18/19 budget. Chairman Curry said he recalled the amount to be just under $65,000 if the study recommendations were approved. Director Lynch reiterated that amount was not included in the budget as presented and most likely would not be included in the April 11 presentation. Alderman Schaefer suggested that this information be relayed to the Council.

Alderman Schaefer asked if three new job positions were added to the budget. Chairman Curry said the new positions have not been approved and suggested this topic also be presented at the April 2 Finance and Personnel agenda.

Director Lynch and the Committee reviewed the remaining funds. Noteworthy was an increase to the Tourism Fund Transfer to the General Fund whereby $25,000 was added for miscellaneous Economic Development expenses.

Chairman Curry noted many of the smaller fund amounts never seem to change. Director Lynch stated some fund are required to be kept separately from the General Fund and some funds such as the Pageant and Band Funds were not however they are monitored closely by staff.

Director Lynch reported FY 18/19 is the last year of the contract with the city’s current Auditor.

Chairman Curry inquired about the amount of revenue included in the Annexation Fund budget for the Gravel/Mining Annexation Agreement. Director Lynch stated the $65,000 in the summary is the per ton amount. Chairman Curry stated he had been told the
amount was approximately $700,000.
Alderman Schaefer asked if the Motor Fuel Tax is based on population and Director Lynch answered yes, the IML established a formula based on per capita not how many gallons of gasoline were sold in the city however, the more fuel that is sold, the more revenue would be generated but the city’s share is still based on per capita.

Director Lynch reported the TIF Fund is expected to increase again. A discussion ensued on the merits of charging TIF projects through the General Fund until the TIF fund balance is healthy versus carrying a negative balance in the TIF Fund.

Regarding the Debt Service Fund, Chairman Curry suggested adding a notation to reflect the amount owed.

As there was no further discussion, Chairman Curry called for a motion to forward the proposed FY 18/19 Annual Budget to the full Council on April 11.

Alderman Schaefer made a motion, second by Chairman Curry to forward the proposed FY 18/19 Annual Budget to the full Council on April 11.

Voting Aye: Schaefer, Curry
Absent: Mihevc
Motion carried.

5. Adjourn.

Motion by Alderman Schaefer, second by Chairman Curry to adjourn the meeting.

Voting Aye: Schaefer, Curry
Absent: Mihevc
Motion carried.

The meeting adjourned at 6:10 pm.

Respectfully submitted,

Marci Geraghty, Executive Assistant/Deputy City Clerk

Reviewed and approved this 2 day of April 2018.

Alderman Scott Curry, Chairman