

CITY COUNCIL WORKSHOP MINUTES

CITY COUNCIL WORKSHOP: FY13 Budget

Date: March 12, 2012

Place: Municipal Center – Council Chambers

Councilmen Present: Councilman Doug Krause, Councilman Judy Brodhead, Councilman Steve Chirico, Councilman Paul Hinterlong, Councilman Robert Fieseler, Councilman Kenn Miller, Councilman Grant Wehrl, and Councilman Joseph McElroy

Absent: Mayor Pradel

Staff Present: Doug Krieger, (City Manager), Bob Marshall (Assistant City Manager), Karen DeAngelis (Director of Finance), Chris Smith (Assistant Finance Director), Marcie Schatz (Director of TED), Margo Ely (City Attorney), Mark Puknaitis (Fire Chief), Dick Dublinski (Director of DPW), Jim Holzapfel (Director of Water/Wastewater), and Mark Curran (Director of Electric Utilities)

Call to order by Mayor Pro Tem Hinterlong at 5:00 P.M. Overview by Doug Krieger.

Karen presented workshop agenda and materials

Budget Discussion

FY13 budget is balanced! Dates for future public hearing and adoption of ordinance were reviewed.

FY12 retail sales tax number was posted Friday on the Illinois State website. March retail sales tax receipts, which represents holiday sales, tax was \$2.87 million- \$350,000 higher than budget. This is 9% higher than 2007 – before the recession. This is tremendous news for FY12.

Refunding - No new borrowing

Currently one bond is callable – Two bonds can be advanced refunding. In addition, one bond already advanced refunded, is callable in September 2012.

Plan is to wait until July for issuance, so the City can call two bonds and advanced refund two bonds. The delivery date can be delayed by up to 60 days, so a July issuance can still allow for delivery in September to meet the one bond requirement. On March 20, 2012 the City Council will see a Refunding Ordinance on the agenda. This ordinance gives the City Manager authority to refund the aforementioned bonds. First Reading will be March 20th with final adoption on April 3rd.

New borrowing

Karen stressed the fact that staff does not believe we will need to borrow new money for FY13 Capital Projects. However, should we have to borrow a resolution has been created which identifies the FY13 unfunded CIP. Passage of this resolution would allow future borrowing to be applied to these projects, even if the spending was more than 60 days prior to the borrowing. This resolution does not give the City Manager authority to borrow, it just protects the city by ensuring projects could be covered by a future issuance.

Special Events Financial Report

15 events- SECA applicants
4 billable

Increased projected SECA reimbursement due to:
Ribfest extra ½ day of city services
3 new events

Council recommends staff consider development of a policy which clarifies what services can be provided by the city and what can be outsourced.