

Approved 9/23/20

MINUTES

Budget Committee

July 29, 2020

@ 3:00 p.m.

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| MEMBERS PRESENT | James Fennell – Chairman; Rachel Reliford – Vice Chairman; Jennifer Groves Allison, James Dillon, Kate Pastucha (<i>via teleconference</i>), Andrew Rand, Rob Reneau, Steven Rieker, Paul Rosenbohm (<i>via teleconference</i>), Phillip Salzer, Sharon Williams |
| MEMBERS ABSENT: | |
| OTHERS PRESENT: | Scott Sorrel – County Administrator; Shauna Musselman – Assistant County Administrator; Jennie Cordis Boswell - State's Attorney's Office; Randy Brunner – Chief Financial Officer; Julie Ciesla – Finance; Amy McLaren – County Highway; Nicole Bjerke – Treasurer; Anthony Miceli – Speer Financial |

Call to Order

Chairman Fennell called the meeting to order at 3:22 pm.

Approval of Minutes

A motion to approve the minutes of June 24, 2020 was made by Ms. Williams and seconded by Mr. Dillon. The motion to approve carried unanimously (9-0).

A motion to allow the participation of Ms. Pastucha and Mr. Rosenbohm via teleconference was made by Mr. Salzer and seconded by Ms. Reliford. The motion carried unanimously (9-0).

Monthly Financial Report

Ms. Ciesla summarized financial activity for the period ending May 31, 2020, representing 41.7% of the fiscal year. Highlights included:

- State Sales Tax revenue trending 10% below budget
- Personal Property Tax trending 10% below budget
- Local Use Tax predicted to be above budget due to increased online sales
- Sales Tax trending 20% below budget
- Public Safety Sales Tax trending 20% below budget
- Supplemental Sales Tax trending 17% below budget
- Commodities and Contractuals currently over budget due to unanticipated expenditures related to COVID-19.
- Impact from Property Tax revenue will not be seen until June 2020
- General Fund continues to maintain a healthy fund balance in part due to recent budget cuts

Mr. Sorrel provided a summary of the status of many of the main revenue streams that have a material impact on achieving not only the originally adopted business plan but the revised business plan. He noted that in estimates made in early to mid-April projected that the General Fund could see an organization-wide loss of revenue of as much as \$17 million due to the shut down of the economy. He remarked that current department reporting and

tracking has revealed better numbers than anticipated, and although some revenues have been under-estimated due to the shutdown, there are also several revenue streams out performing estimated projections. He stressed the importance of exercising a significant amount of caution going forward into the FY2021 budget discussions as current fiscal issues see no sign of resolving in the near future.

Resolution

- **Ordinances authorizing the sale of 2020 refunding bonds and the sale of refunding debt certificates**

A motion to approve was made by Mr. Dillon and seconded by Mr. Salzer.

Mr. Sorrel advised that the agenda item covers Refunding (i.e. refinancing) Ordinances for Peoria Riverfront Museum Bonds, backed by the Public Facility Sales Tax, and Wilhelm Road Bridge Debt Certificates, which are financed by the Debt Service in the General Fund. He stated that the life of the bonds is not being extended and will benefit from the current interest rate in the bond market to realize savings. He advised that as much as \$1.9 million in interest savings is predicted over the last 10 years of the bonds. He advised that interest savings for the Debt Certificates is estimated at approximately \$190,000.00 over a 10-year period and would be direct savings to the General Fund on an annual basis. He remarked that the bond pricing and sale is scheduled to be held on or after August 17, 2020 with closing anticipated mid-September 2020.

Mr. Reneau asked if the interest savings on the Peoria Riverfront Museum Bonds can be utilized for capital projects only or for other projects. Mr. Sorrel advised that as the source for the Peoria Riverfront Museum Bonds is Public Facilities Sales Tax, the savings can only be used for County capital improvements and/or any public facility capital improvements. He stated that Debt Certificate interest savings would total \$15,000.00 to \$16,000.00 yearly and could be applied to any General Fund expense.

The motion carried unanimously (11-0) with Ms. Pastucha and Mr. Rosenbohm voting aye via teleconference.

Miscellaneous

Ms. Pastucha noted a report that was generated to break down Peoria County infrastructure costs by building and location as a means of determining spending on infrastructure, and stated that Gift Avenue facility costs are consolidated within Courthouse costs. She asked if there was a manner of separating that information in the budget. Mr. Sorrel advised that the Gift Avenue facility houses both the Coroner's Office and the Children's Advocacy Center, a division of the State's Attorney's Office. He stated that the Facilities staff assigned to the courthouse is responsible for the facility maintenance of the Gift Avenue property as well. He commented that at the direction of this committee and/or the County Board, staff will review the creation of a separate budget program within the Facilities Department that would break out utility and other costs and apply an allocation model for personnel related costs.

Adjournment

The meeting was adjourned by Chairman Fennell at 3:56 p.m.

Recorded and Transcribed by: Jan Kleffman