

Jerilee Hopkins
City Clerk



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City of Mt. Vernon, Illinois
City Council Workshop Meeting
Monday, March 24, 2014

MINUTES

The Mt. Vernon City Council held a City Council Workshop Meeting on Monday, March 24, 2014 at 3:00 p.m. at the City Hall, 1100 Main Street, old Council Chambers, Mt. Vernon, IL.

ROLL CALL

Roll call showed present: Council Members Ron Lash, Dennis McEnaney, David Wood and Mayor Mary Jane Chesley. Council Member Todd Piper was absent.

Also present were City Manager Ron Neibert, City Finance Director Merle Hollmann and City Clerk Jerilee Hopkins.

THIRD QUARTER BUDGET REVIEW

Merle Hollmann, Director of the Finance Department, presented the Third Quarter budget Review starting with the general corporate fund with a beginning balance as of April 30, 2013 is \$3,149,467. The ending balance as of January 31, 2014 is \$2,926,799 just below the beginning balance. The working fund balance as of April 30, 2013 is \$3,721,763 and the ending balance as of January 31, 2014 is \$3,507,178. Theoretically, the actual revenues as a percentage of the budget should be at 75% and it is a little under at 73.4%. The actual expenditures are at 71.1%. Even though revenues came in at a slower pace than expected, expenses are even slower so that the original projected deficit for the year is at (\$214,575). Hollmann's projection for the end of the year deficit is around (\$300,000). The fiscal policy states that the City should have one month's worth of expenses which is \$1,221,000 in the working fund. That fund balance is \$3,507,178.

In the public utilities fund the beginning balance as of April 30, 2013 is \$23,245 and the ending balance is \$60,365. The working fund balance is \$491,209 as of April 30, 2013 and the ending balance as of January 31, 2014 is \$472,188. The fiscal policy states that the City should be at \$567,000. The projected surplus is \$117,657. The actual budget operating deficit after the third quarter is (\$19,021).

CITY OF MT. VERNON, ILLINOIS
3RD QUARTER BUDGET REVIEW
AS OF JANUARY 31, 2014

Description	General Corporate Fund	Comments	Public Utilities Fund	Comments
Operating Cash Balance @ 4/30/13	\$ 3,149,467		\$ 23,245	
Operating Cash Balance @ 7/31/13	\$ 3,124,118	Extra payroll in May lowered cash by \$148,000	\$ 86,967	Extra payroll in May lowered cash by \$19,600
Operating Cash Balance @ 10/31/13	\$ 3,605,596		\$ 321,940	
Operating Cash Balance @ 1/31/14	\$ 2,926,799		\$ 60,365	
Working Fund Balance @ 4/30/13	\$ 3,721,753	Budget projected balance to be \$3,654,254	\$ 491,209	Budget projected balance to be \$402,864
Working Fund Balance @ 7/31/13	\$ 3,646,891		\$ 454,288	
Working Fund Balance @ 10/31/13	\$ 3,408,651		\$ 517,441	
Working Fund Balance @ 1/31/14	\$ 3,507,178		\$ 472,188	
Actual Revenues as % of Budget	73.4%		74.5%	
Actual Expenditures as % of Budget	71.1%		76.5%	
Originally Budgeted Operating Surplus(Deficit) FY 2013-2014	\$ (611,135)		\$ 117,657	
Actual Budget Operating Surplus (Deficit) after 3rd quarter	\$ (214,575)		\$ (19,021)	

WATER MAIN BREAKS

Steve McCoy, the Director of Public Utilities, prepared the following spreadsheet:

Water Main Breaks 2003-2014 (Through 3/21/2014)												
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
January	40	27	10	3	13	32	29	24	16	15	41	27
February	7	14	6	5	23	29	8	9	10	8	6	14
March	9	9	10	7	6	8	11	4	2	4	7	1
April	16	12	6	7	8	5	4	3	4	7	6	
May	11	10	9	9	4	3	4	6	10	17	15	
June	11	18	10	10	11	22	9	11	10	17	15	
July	32	41	26	12	51	29	31	25	10	34	9	
August	31	19	30	8	89	16	21	24	20	22	14	
September	11	12	8	8	37	7	8	10	10	13	25	
October	8	16	10	5	33	11	10	15	15	10	24	
November	3	6	9	5	15	9	5	26	3	16	15	
December	18	19	16	15	14	17	15	25	7	14	13	
Yearly Total	197	203	150	94	304	188	155	182	117	177	190	
Summer of 2012 was drought conditions												
Winter of 2013-14 was very cold and snowy												
										TOTAL FOR FY 2013-2014 thru 3/21/14		172
										TOTAL FOR FY 2012-2013 thru 3/31/13		197

The total for FY2013-2014 through March 21, 2014 is 172 leaks. The total for FY2012-2013 was 197.

Mayor Chesley requested that Hollmann report whether or not the Park Plaza Shopping Center paid their water bill after a huge water leak in one of the buildings.

**CITY OF MT. VERNON, IL
MULTI-YEAR COMPARISON OF 1% SALES TAX**

LIABILITY MONTH	MONTH RECEIVED	FY 2007-2008	FY 2008-2009	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014	MONTHLY PERCENTAGE COMPARISON OF MOST RECENT YR TO PREVIOUS YEAR
APRIL	JULY	\$438,632.50	\$407,794.29	\$418,967.94	\$403,299.10	\$438,054.71	\$413,345.85	\$417,313.89	1.0%
MAY	AUGUST	\$437,823.02	\$417,753.35	\$428,603.92	\$434,046.32	\$425,073.52	\$462,490.66	\$451,599.76	-2.4%
JUNE	SEPTEMBER	\$438,349.79	\$437,964.93	\$435,429.82	\$473,792.37	\$471,145.49	\$450,682.91	\$449,115.95	-0.3%
JULY	OCTOBER	\$415,210.14	\$408,698.43	\$400,426.58	\$433,021.47	\$475,730.14	\$431,115.53	\$439,482.29	1.9%
AUGUST	NOVEMBER	\$391,587.50	\$400,432.01	\$406,111.58	\$422,792.11	\$440,940.37	\$431,643.75	\$427,230.95	-1.0%
SEPTEMBER	DECEMBER	\$404,666.14	\$417,077.49	\$390,092.87	\$422,938.76	\$430,482.03	\$424,995.71	\$423,086.66	-0.4%
OCTOBER	JANUARY	\$365,561.57	\$361,403.50	\$392,603.66	\$403,217.32	\$423,053.79	\$403,469.31	\$411,730.30	2.0%
NOVEMBER	FEBRUARY	\$394,892.50	\$379,219.69	\$391,284.53	\$388,891.92	\$482,427.64	\$434,126.45	\$429,370.49	-1.1%
DECEMBER	MARCH	\$481,086.33	\$473,037.77	\$521,162.57	\$528,918.62	\$578,423.02	\$527,102.34	\$516,248.25	-2.1%
JANUARY	APRIL	\$356,690.15	\$328,298.84	\$360,605.42	\$367,556.57	\$402,637.47	\$393,061.21	\$0.00	-100.0%
FEBRUARY	MAY	\$349,526.38	\$351,788.39	\$389,515.00	\$408,084.47	\$432,826.88	\$391,809.94	\$0.00	-100.0%
MARCH	JUNE	\$419,798.42	\$396,569.80	\$415,972.00	\$444,939.91	\$486,526.94	\$431,162.08	\$0.00	-100.0%
ANNUAL TOTALS		\$4,893,824.44	\$4,780,038.49	\$4,950,775.89	\$5,131,498.94	\$5,487,322.00	\$5,195,005.74	\$3,965,178.54	
% INCREASE/(DECREASE) OVER PREVIOUS YEAR			-2.3%	3.6%	3.7%	6.9%	-5.3%		
YEAR-TO-DATE AMOUNTS							\$3,978,972.51	\$3,965,178.54	
% INCREASE/(DECREASE) OVER PREVIOUS YEAR-TO-DATE								-0.3%	
% INCREASE/(DECREASE) OVER CURRENT YEAR-TO-DATE BUDGET								-1.1%	

Hollmann noted that the City does not receive December sales tax until March and was down at -2.1% several factors played into this such as the Interstate 57 ongoing construction and the inclement weather. After extensive study by City Manager Ron Neibert and Hollmann they have concluded that the Interstate construction had a major impact on the decrease of revenues.

**CITY OF MT. VERNON, IL
MULTI-YEAR COMPARISON OF 1% HOME RULE SALES TAX**

LIABILITY MONTH	MONTH RECEIVED	FY 2007-2008	FY 2008-2009	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014	MONTHLY PERCENTAGE COMPARISON OF MOST RECENT YR TO PREVIOUS YEAR
APRIL	JULY	\$297,006.70	\$275,753.11	\$266,099.80	\$301,146.94	\$315,948.25	\$301,330.71	\$290,518.85	-3.6%
MAY	AUGUST	\$312,168.52	\$296,874.22	\$297,474.87	\$302,600.21	\$313,862.01	\$320,847.45	\$316,153.60	-1.5%
JUNE	SEPTEMBER	\$295,592.70	\$314,824.22	\$309,316.91	\$318,679.07	\$330,904.19	\$321,667.13	\$317,664.36	-1.2%
JULY	OCTOBER	\$278,212.22	\$287,489.38	\$277,586.84	\$303,422.24	\$313,659.63	\$294,773.90	\$299,893.82	1.7%
AUGUST	NOVEMBER	\$268,153.24	\$270,784.81	\$279,518.79	\$297,739.31	\$309,213.30	\$301,317.68	\$292,853.90	-2.8%
SEPTEMBER	DECEMBER	\$278,745.89	\$284,427.11	\$279,605.67	\$316,875.03	\$302,637.83	\$306,524.18	\$295,054.52	-3.7%
OCTOBER	JANUARY	\$254,649.67	\$258,565.22	\$293,164.49	\$272,788.62	\$296,529.37	\$280,437.17	\$281,033.82	0.2%
NOVEMBER	FEBRUARY	\$284,400.15	\$261,073.92	\$283,192.14	\$297,492.65	\$306,433.22	\$305,744.52	\$302,881.22	-0.9%
DECEMBER	MARCH	\$341,627.86	\$335,098.58	\$386,348.58	\$379,094.14	\$414,084.63	\$376,032.51	\$359,300.40	-4.4%
JANUARY	APRIL	\$236,642.22	\$215,207.54	\$245,779.54	\$244,906.39	\$275,478.80	\$260,799.71	\$0.00	-100.0%
FEBRUARY	MAY	\$235,609.28	\$227,547.61	\$269,925.78	\$261,457.66	\$297,324.87	\$270,192.20	\$0.00	-100.0%
MARCH	JUNE	\$287,445.05	\$281,697.64	\$309,470.36	\$321,441.71	\$341,993.90	\$308,803.26	\$0.00	-100.0%
ANNUAL TOTALS		<u>\$3,370,253.50</u>	<u>\$3,309,343.36</u>	<u>\$3,497,483.77</u>	<u>\$3,617,643.97</u>	<u>\$3,818,070.00</u>	<u>\$3,648,470.42</u>	<u>\$2,755,354.49</u>	
% INCREASE/(DECREASE) OVER PREVIOUS YEAR			-1.8%	5.7%	3.4%	5.5%	-4.4%		
YEAR-TO-DATE AMOUNTS							<u>\$2,808,675.25</u>	<u>\$2,755,354.49</u>	
% INCREASE/(DECREASE) OVER PREVIOUS YEAR-TO-DATE									-1.9%
% INCREASE/(DECREASE) OVER CURRENT YEAR-TO-DATE BUDGET									-3.0%

The 1% home rule sales tax for FY2012-2013 show a decrease at -4.4%. The -3.0% equates to \$86,000 under budget.

**CITY OF MT. VERNON, IL
MULTI-YEAR COMPARISON OF 1/2% HOME RULE SALES TAX
RESTRICTED FOR QUALITY OF LIFE/ECONOMIC DEVELOPMENT**

LIABILITY MONTH	MONTH RECEIVED	FY 2012-2013	FY 2013-2014	MONTHLY PERCENTAGE COMPARISON OF MOST RECENT YR TO PREVIOUS YEAR
APRIL	JULY	\$0.00	\$145,259.43	N/A
MAY	AUGUST	\$0.00	\$158,076.80	N/A
JUNE	SEPTEMBER	\$0.00	\$158,832.18	N/A
JULY	OCTOBER	\$147,386.95	\$149,946.91	1.7%
AUGUST	NOVEMBER	\$150,658.83	\$146,426.96	-2.8%
SEPTEMBER	DECEMBER	\$153,262.10	\$147,527.26	-3.7%
OCTOBER	JANUARY	\$140,218.58	\$140,516.91	0.2%
NOVEMBER	FEBRUARY	\$152,872.26	\$151,440.62	-0.9%
DECEMBER	MARCH	\$188,016.26	\$179,650.19	-4.4%
JANUARY	APRIL	\$130,399.86	\$0.00	-100.0%
FEBRUARY	MAY	\$135,096.10	\$0.00	-100.0%
MARCH	JUNE	\$154,401.63	\$0.00	-100.0%
ANNUAL TOTALS			<u>\$1,352,312.57</u>	
% INCREASE/(DECREASE) OVER PREVIOUS YEAR				N/A
YEAR-TO-DATE AMOUNTS			\$1,377,677.26	
<u>% INCREASE/(DECREASE) OVER PREVIOUS YEAR-TO-DATE</u>			N/A	
<u>% INCREASE/(DECREASE) OVER CURRENT YEAR-TO-DATE BUDGET</u>			-3.0%	

**CITY OF MT. VERNON, IL
MULTI-YEAR COMPARISON OF STATE INCOME TAX**

LIABILITY MONTH	MONTH NORMALLY RECEIVED	FY 2007-2008	FY 2008-2009	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014	MONTHLY PERCENTAGE COMPARISON OF MOST RECENT YR TO PREVIOUS YEAR
MAY	JUNE	\$135,791.44	\$132,441.18	\$105,801.91	\$85,731.11	\$91,194.53	\$100,923.46	\$88,556.52	-12.3%
JUNE	JULY	\$134,455.49	\$146,614.36	\$115,195.26	\$120,486.27	\$118,137.36	\$129,600.09	\$135,629.35	4.7%
JULY	AUGUST	\$80,706.45	\$85,489.27	\$78,414.98	\$78,991.23	\$81,274.76	\$81,325.49	\$84,266.52	3.6%
AUGUST	SEPTEMBER	\$82,786.63	\$82,191.89	\$74,873.29	\$81,008.07	\$78,230.17	\$80,668.15	\$82,208.52	1.9%
SEPTEMBER	OCTOBER	\$141,043.05	\$146,184.36	\$115,377.48	\$117,736.10	\$124,252.62	\$127,018.33	\$143,426.11	12.9%
OCTOBER	NOVEMBER	\$90,655.69	\$91,299.79	\$86,929.99	\$88,606.87	\$79,131.47	\$95,975.85	\$94,960.68	-1.1%
NOVEMBER	DECEMBER	\$82,614.41	\$71,115.00	\$68,332.20	\$97,994.34	\$74,505.64	\$79,205.29	\$75,796.33	-4.3%
DECEMBER	JANUARY	\$121,894.77	\$120,088.84	\$120,113.55	\$111,720.59	\$110,695.55	\$122,776.91	\$140,362.22	14.3%
JANUARY	FEBRUARY	\$180,126.77	\$150,993.48	\$127,300.04	\$138,061.74	\$127,626.00	\$144,932.41	\$148,960.15	2.8%
FEBRUARY	MARCH	\$96,167.28	\$81,833.38	\$78,769.09	\$68,859.84	\$85,146.93	\$81,268.69	\$85,079.83	4.7%
MARCH	APRIL	\$138,804.26	\$126,335.83	\$122,886.82	\$118,461.84	\$132,205.69	\$141,117.32	\$0.00	-100.0%
APRIL	MAY	\$247,759.51	\$198,151.03	\$160,781.69	\$151,351.48	\$191,959.11	\$260,658.72	\$0.00	-100.0%
ANNUAL TOTALS		\$1,532,805.75	\$1,432,738.41	\$1,254,776.30	\$1,259,009.48	\$1,294,359.83	\$1,445,470.71	\$1,079,246.23	
% INCREASE/(DECREASE) OVER PREVIOUS YEAR			-6.5%	-12.4%	0.3%	2.8%	11.7%		
YEAR-TO-DATE AMOUNTS							\$1,043,694.67	\$1,079,246.23	
% INCREASE/(DECREASE) OVER PREVIOUS YEAR-TO-DATE								3.4%	
% INCREASE/(DECREASE) OVER CURRENT YEAR-TO-DATE BUDGET								7.4%	

The percentage increase over the previous year-to-date is 3.4% with 7.4% over the current year-to-date budget which is a \$74,000 rebound in the state income tax fund.

**CITY OF MT. VERNON, IL
MULTI-YEAR COMPARISON OF 1% FOOD & BEVERAGE TAX**

LIABILITY MONTH	MONTH RECEIVED	FY 2008-2009	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014	MONTHLY PERCENTAGE COMPARISON OF MOST RECENT YR TO PREVIOUS YEAR
MAY	JUNE	\$0.00	\$52,173.48	\$51,984.89	\$53,431.26	\$55,941.74	\$55,016.59	-1.7%
JUNE	JULY	\$0.00	\$52,587.38	\$53,553.00	\$55,311.76	\$57,007.91	\$55,739.07	-2.2%
JULY	AUGUST	\$0.00	\$53,740.05	\$56,331.70	\$56,952.71	\$58,535.21	\$56,476.53	-3.5%
AUGUST	SEPTEMBER	\$0.00	\$49,786.13	\$51,913.22	\$51,639.74	\$53,341.64	\$53,583.57	0.5%
SEPTEMBER	OCTOBER	\$44,937.33	\$47,965.69	\$49,855.08	\$50,904.20	\$51,409.11	\$50,894.92	-1.0%
OCTOBER	NOVEMBER	\$47,160.70	\$47,527.07	\$51,934.25	\$52,967.75	\$52,273.79	\$52,766.25	0.9%
NOVEMBER	DECEMBER	\$44,302.56	\$46,293.72	\$47,859.34	\$49,616.58	\$51,850.49	\$51,823.90	-0.1%
DECEMBER	JANUARY	\$50,190.78	\$51,581.89	\$51,328.06	\$56,104.83	\$55,142.56	\$54,295.62	-1.5%
JANUARY	FEBRUARY	\$44,330.02	\$43,272.06	\$46,652.08	\$48,894.45	\$48,132.94	\$47,699.12	-0.9%
FEBRUARY	MARCH	\$44,312.69	\$44,678.87	\$48,102.53	\$50,648.69	\$47,777.56	\$0.00	-100.0%
MARCH	APRIL	\$51,078.09	\$53,121.79	\$55,415.20	\$56,689.52	\$55,674.40	\$0.00	-100.0%
APRIL	MAY	\$48,415.31	\$50,362.97	\$53,439.17	\$53,664.82	\$52,697.81	\$0.00	-100.0%
ANNUAL TOTALS		\$ 374,727.48	\$ 593,091.10	\$ 618,368.52	\$ 636,826.31	\$ 639,785.16	\$478,295.57	
% INCREASE/(DECREASE) OVER PREVIOUS YEAR			N/A	4.3%	3.0%	0.5%		
YEAR-TO-DATE AMOUNTS						\$483,635.39	\$478,295.57	
% INCREASE/(DECREASE) OVER PREVIOUS YEAR-TO-DATE							-1.1%	
% INCREASE/(DECREASE) OVER CURRENT YEAR-TO-DATE BUDGET							0.4%	

**CITY OF MT. VERNON, IL
MULTI-YEAR COMPARISON OF 2 CENT DIESEL FUEL TAX**

LIABILITY MONTH	MONTH RECEIVED	FY 2008-2009	FY 2009-2010	FY 2010-2011	FY 2011-2012	FY 2012-2013	FY 2013-2014	MONTHLY PERCENTAGE COMPARISON OF MOST RECENT YR TO PREVIOUS YEAR
MAY	JUNE	\$ -	\$44,956.14	\$42,481.78	\$44,469.25	\$50,555.76	\$38,162.90	-24.5%
JUNE	JULY	\$ -	\$44,271.60	\$43,858.75	\$49,235.44	\$45,691.76	\$42,513.76	-7.0%
JULY	AUGUST	\$ -	\$48,356.97	\$43,664.78	\$52,047.12	\$44,124.71	\$42,604.36	-3.4%
AUGUST	SEPTEMBER	\$ -	\$48,257.63	\$46,562.85	\$55,674.53	\$51,649.65	\$45,667.18	-11.6%
SEPTEMBER	OCTOBER	\$ 41,699.35	\$39,982.79	\$42,849.95	\$57,119.32	\$53,891.83	\$44,625.02	-17.2%
OCTOBER	NOVEMBER	\$ 40,017.17	\$45,626.51	\$44,091.34	\$63,650.16	\$56,263.85	\$51,714.83	-8.1%
NOVEMBER	DECEMBER	\$ 38,663.83	\$38,496.21	\$39,368.93	\$51,024.36	\$51,672.71	\$44,035.82	-14.8%
DECEMBER	JANUARY	\$ 42,410.22	\$40,098.65	\$39,068.57	\$44,535.53	\$43,086.48	\$44,073.82	2.3%
JANUARY	FEBRUARY	\$ 44,873.26	\$41,467.93	\$39,917.18	\$56,527.45	\$49,033.03	\$49,307.61	0.6%
FEBRUARY	MARCH	\$ 43,309.82	\$38,822.94	\$39,645.89	\$59,002.60	\$45,940.28	\$0.00	-100.0%
MARCH	APRIL	\$ 44,857.83	\$42,337.17	\$48,332.25	\$53,950.81	\$50,625.63	\$0.00	-100.0%
APRIL	MAY	\$ 43,256.89	\$42,170.51	\$46,039.74	\$53,296.61	\$46,269.55	\$0.00	-100.0%
ANNUAL TOTALS		\$ 339,088.37	\$ 514,845.05	\$515,882.01	\$640,533.18	\$588,805.24	\$402,705.30	
% INCREASE/(DECREASE) OVER PREVIOUS YEAR			N/A	0.2%	24.2%	-8.1%		
YEAR-TO-DATE AMOUNTS						\$445,969.78	\$ 402,705.30	
% INCREASE/(DECREASE) OVER PREVIOUS YEAR-TO-DATE ACTUAL								-9.7%
% INCREASE/(DECREASE) OVER CURRENT YEAR-TO-DATE BUDGET								-9.9%

Construction on the Interstate definitely attributed to the loss in diesel fuel tax; however, December and January totals are in the positive because of the conclusion of the construction.

BUDGET WORKSHOPS

Mayor Chesley reminded that budget workshops are scheduled for Tuesday, April 15, Thursday, April 17, Tuesday, April 22 and Monday, April 28.

ALLISON VENTERS RESIGNATION

Hollmann announced that Allison Venters, Assistant Finance Director, resigned her position and moving to Georgia.

EXECUTIVE SESSION

No executive session was held.

ADJOURNMENT

Council Member Wood made a motion to adjourn the City Council Workshop Meeting. Seconded by Council Member McEnaney. Yeas: Lash, McEnaney, Wood and Chesley. Absent: Piper.

The meeting adjourned at 3:35 p.m.

Respectfully submitted,

Jerilee Hopkins
City Clerk