

Jerilee Hopkins
City Clerk



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**CITY OF MT. VERNON, ILLINOIS
CITY COUNCIL WORKSHOP MEETING
Monday, April 13, 2015**

The Mt. Vernon City Council met in a Workshop Meeting on Monday, April 13, 2015 at 3:00 p.m. at the City Hall, 1100 Main Street, old Council Chambers, 2nd Floor, Mt. Vernon, IL.

Mayor Mary Jane Chesley called the meeting to order.

Roll call showed present: Council Members Dennis McEnaney, Todd Piper, David Wood and Mayor Mary Jane Chesley. Council Member Ron Lash was absent. Also present were City Manager Ron Neibert, City Finance Director Merle Hollmann, and City Clerk Jerilee Hopkins.

PROPOSED FY 2015-2016 BUDGET

**GENERAL CORPORATE FUND
ANNUAL OPERATING BUDGET SUMMARY**

	FY 2014-2015 TOTAL CURRENTLY BUDGETED	TOTAL ESTIMATED OPERATING REVENUE (EXPENDITURES)	TOTAL ESTIMATED RESTRICTED OPERATING REVENUE (EXPENDITURES)	TOTAL ESTIMATED TOTAL REVENUE AND (EXPENDITURES)	FY 2015-2016 PROPOSED OPERATING REVENUE (EXPENDITURES)	FY 2015-2016 PROPOSED RESTRICTED OPERATING REVENUE (EXPENDITURES)	FY 2015-2016 PROPOSED TOTAL REVENUE AND (EXPENDITURES)
WORKING FUND BALANCE BEGINNING	3,651,382	3,804,556	83,995	3,888,551	3,815,106	191,202	4,006,308
REVENUE	14,012,987	14,127,783	473,093	14,600,876	14,299,147	25,533	14,324,680
OPERATING TRANSFERS IN	172,975	179,054		179,054	182,654		182,654
TOTAL REVENUES	14,185,962	14,306,837	473,093	14,779,930	14,481,801	25,533	14,507,334
EXPENDITURES							
MAYOR AND COUNCIL	(33,119)	(31,980)		(31,980)	(37,180)		(37,180)
CITY MANAGER	(230,894)	(282,888)		(282,888)	(318,332)		(318,332)
CITY CLERK	(87,077)	(84,393)		(84,393)	(88,403)		(88,403)
CITY TREASURER	(8,338)	(8,526)		(8,526)	(8,217)		(8,217)
HUMAN RESOURCES	(135,505)	(131,789)		(131,789)	(136,270)		(136,270)
LEGAL	(160,262)	(185,475)		(185,475)	(168,406)		(168,406)
PARK	(878,082)	(776,473)	(250)	(776,723)	(934,899)		(934,899)
AQUATIC CENTER	(398,553)	0	(354,296)	(354,296)	0		0
FINANCE	(287,303)	(278,649)		(278,649)	(297,877)		(297,877)
ENGINEERING	(636,106)	(620,428)		(620,428)	(637,672)		(637,672)
POLICE	(4,972,320)	(4,619,917)	(11,340)	(4,631,257)	(5,076,397)		(5,076,397)
FIRE	(3,258,778)	(3,208,816)		(3,208,816)	(3,465,398)		(3,465,398)
EMERGENCY MANAGEMENT AGENCY	(19,520)	(19,013)		(19,013)	(23,904)		(23,904)
PUBLIC WORKS	(1,657,736)	(1,559,854)		(1,559,854)	(1,623,251)		(1,623,251)
FLEET SERVICES	(661,393)	(650,230)		(650,230)	(650,548)		(650,548)
GENERAL GOVERNMENT - GENERAL EXPENSES	(1,372,364)	(1,308,094)		(1,308,094)	(1,418,369)	(4,000)	(1,422,369)
GENERAL GOVERNMENT - TRANSFER TO CAPITAL PROJECTS FUND	(339,362)	(339,362)		(339,362)	0		0
GENERAL GOVERNMENT - TRANSFER TO SANITATION FUND	(91,400)	(91,400)		(91,400)	0		0
GENERAL GOVERNMENT - TRANSFER TO QUALITY OF LIFE	0	(99,000)		(99,000)	0		0
	(15,228,112)	(14,296,287)	(365,886)	(14,662,173)	(14,885,123)	(4,000)	(14,889,123)
ANNUAL CHANGES IN WORKING FUND BALANCE	(1,042,150)	10,550	107,207	117,757	(403,322)	21,533	(381,789)
WORKING FUND BALANCE ENDING	2,609,232	3,815,106	191,202	4,006,308	3,411,784	212,735	3,624,519
WORKING FUND BALANCE REQUIRED BY FINANCIAL POLICY		1,147,210			1,240,427		
EXCESS WORKING FUND BALANCE		2,667,896			2,171,357		
EXCESS WFB LESS \$250,000 LOAN TO DOWNTOWN TIF		\$2,417,896			\$1,921,357		

City Manager Ron Neibert noted that the City is going into the new fiscal year with an anticipated working fund balance of \$3,815,106; revenues and transfers into the general corporate fund of \$14,481,801. Expenditures of City Departments stayed fairly even. Increases in the budget reflect personnel increases in terms of contractual obligations pursuant to Union contracts. Total expenditures will be \$14,885,123 with a proposed pre-budget estimate deficit of (\$403,322). Historically, the City has been able to eliminate this deficit during the first half of the year because of reduced health insurance, liability insurance costs and miscellaneous cost reductions. He noted that the ending fund balance is \$3,411,784. The City's fiscal policy for this account is \$1.2 million.

**PUBLIC UTILITIES OPERATING & CAPITAL FUNDS
ANNUAL BUDGET SUMMARY**

WITH 3.0% INCREASE FOR OPERATING											
	FY 2014-2015 CURRENTLY BUDGETED FOR OPERATIONS	FY 2014-2015 ESTIMATED OPERATING REVENUE (EXPENDITURES) WITH 2.4% INCREASE	FY 2014-2015 ESTIMATED RESTRICTED CAPITAL REVENUE & (EXPENDITURES)	FY 2014-2015 ESTIMATED 2010 BONDS REVENUE (EXPENDITURES)	FY 2014-2015 ESTIMATED 2012 BONDS REVENUE (EXPENDITURES)	FY 2014-2015 TOTAL ESTIMATES	FY 2015-2016 ESTIMATED OPERATING REVENUE (EXPENDITURES) WITH 3.0% INCREASE	FY 2015-2016 ESTIMATED RESTRICTED CAPITAL REVENUE & (EXPENDITURES)	FY 2015-2016 ESTIMATED 2010 BONDS REVENUE (EXPENDITURES)	FY 2015-2016 ESTIMATED 2012 BONDS REVENUE (EXPENDITURES)	FY 2015-2016 TOTAL PROPOSED
WORKING FUND BALANCE BEGINNING	\$3,723,563	\$466,167	(\$349,616)	\$785,669	\$2,831,377	\$3,733,597	\$543,291	(\$423,408)	\$0	\$2,741,140	\$2,861,023
REVENUE	\$7,909,433	\$6,908,603	\$839,724	\$1,836	\$9,638	\$7,759,801	\$7,126,158	\$809,825	\$0	\$4,000	\$7,939,983
TOTAL REVENUES	\$7,909,433	\$6,908,603	\$839,724	\$1,836	\$9,638	\$7,759,801	\$7,126,158	\$809,825	\$0	\$4,000	\$7,939,983
EXPENDITURES											
PUBLIC UTILITIES - OPERATING	(\$6,769,309)	(\$6,618,794)				(\$6,618,794)	(\$6,847,623)		\$0		(\$6,847,623)
PUBLIC UTILITIES - BILLING SERVICES	(\$208,561)	(\$212,685)				(\$212,685)	(\$220,142)		\$0		(\$220,142)
PUBLIC UTILITIES - CAPITAL & DEBT SERVICE	(\$3,954,369)		(\$913,516)		(\$99,875)	(\$1,013,391)		(\$810,997)	\$0	(\$2,250,000)	(\$3,060,997)
TRANSFER TO GEN CORP CAPL PROJECTS FD	(\$785,674)			(\$787,505)		(\$787,505)					\$0
TOTAL EXPENDITURES	(\$11,717,913)	(\$6,831,479)	(\$913,516)	(\$787,505)	(\$99,875)	(\$8,632,375)	(\$7,067,765)	(\$810,997)	\$0	(\$2,250,000)	(\$10,128,762)
ANNUAL CHANGES IN WORKING FUND BALANCE	(\$3,808,480)	\$77,124	(\$73,792)	(\$785,669)	(\$90,237)	(\$872,574)	\$58,393	(\$1,172)	\$0	(\$2,246,000)	(\$2,188,779)
WORKING FUND BALANCE ENDING	(\$84,917)	\$543,291	(\$423,408)	\$0	\$2,741,140	\$2,861,023	\$601,684	(\$424,580)	\$0	\$495,140	\$672,244
						checked					checked
WORKING FUND BALANCE REQUIRED BY FINANCIAL POLICY		\$569,290					\$588,980	0	0	0	
EXCESS (DEFICIT) WORKING FUND BALANCE		\$ (25,999)					\$ 12,704				

Neibert noted that the City is going into the new fiscal year with an anticipated Public Utilities working fund balance of \$543,291. The City's fiscal policy requires \$569,290. He proposed a three percent (3%) increase in water and sewer rates. Total revenues are projected at \$7,126,158 with proposed expenditures at \$7,067,765 with a change in fund balance of \$58,393 and a working fund balance at \$601,684. The City's fiscal policy balance on this account is \$588,980. This fund balance is right on target according to the fiscal policy. However, due to increases in contracts with Rend Lake, EMC and other Union contractual obligations, it will be necessary to implement a three percent (3%) rate increase.

The capital budgets will be reviewed at a Council workshop scheduled on Tuesday, April 21, 2015, at 3:00 p.m. at City Hall.

EXECUTIVE SESSION

Council Member Wood made a motion to go into executive session for the purpose of discussing land acquisition, litigation and personnel. Seconded by Council Member Piper. Yeas: McEnaney, Piper, Wood and Chesley. Absent: Lash.

ADJOURNMENT

Council Member Piper made a motion to adjourn. The motion was seconded by Council Member Wood. Yeas: McEnaney, Piper, Wood and Chesley. Absent: Lash.

The Workshop Meeting adjourned at 3:55 p.m.

Respectfully submitted,

Jerilee Hopkins
City Clerk