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**City of Mt. Vernon, Illinois
PUBLIC BUDGET HEARING
Monday, April 29, 2013
MINUTES**

The Mt. Vernon City Council held a Public Hearing on Monday, April 29, 2013, at 3:00 p.m. at City Hall, 1100 Main Street, Mt. Vernon, IL.

Mayor Mary Jane Chesley called the City Council Public Hearing of Monday, April 29, 2013 to order. The purpose of the hearing was to present and discuss the Annual Budget for 2013-2014 for the City of Mt. Vernon, Illinois. City Manager Ron Neibert referred to Page 1 of the budget. The Council is proposing a total budget in the amount of \$45,954,312 which is larger than last year's budget. Finance Director Merle Hollmann noted that the proposed Capital Projects Fund balance is \$19,960,000. The general corporate fund budgetary highlights include a proposed ending working fund balance as of April 30, 2014 of \$3,124,187 which is still \$1.75 million higher than the City's minimum. A deficit in the General Corporate Operating Fund in the amount of \$611,135 is proposed. In 2010, the City issued 20-year, \$9,085,000 general obligation bonds, and in October 2012, the City issued \$36,000,000 in general obligation bonds of which 35% is allocated for capital infrastructure projects. A projected working fund balance at April 30, 2014 of \$11,569,863 is expected.

ALL FUNDS
BUDGET SUMMARY

	GENERAL CORPORATE FUND	GENERAL CORPORATE CAPITAL PROJECTS FUND	SPECIAL REVENUE FUNDS	PROPRIETARY FUNDS	TOTAL
FUND BALANCE 5/1/2012	\$ 6,790,997	\$ -	\$ 1,501,619	\$ 3,804,273	\$ 12,096,889
ESTIMATED REVENUES FY 2012-2013	\$ 13,575,432	\$ 20,366,410	\$ 23,702,727	\$ 14,901,606	\$ 72,546,175
FUNDS AVAILABLE	\$ 20,366,429	\$ 20,366,410	\$ 25,204,346	\$ 18,705,879	\$ 84,643,064
ESTIMATED EXPENSES FY 2012-2013	\$ (16,653,277)	\$ (7,330,475)	\$ (7,239,060)	\$ (14,171,640)	\$ (45,394,452)
ESTIMATED FUND BALANCE 4/30/2013	\$ 3,713,152	\$ 13,035,935	\$ 17,965,286	\$ 4,534,239	\$ 39,248,612
PROPOSED REVENUES FY 2013-2014	\$ 14,066,467	\$ 2,913,631	\$ 3,463,789	\$ 10,938,211	\$ 31,382,098
FUNDS AVAILABLE	\$ 17,779,619	\$ 15,949,566	\$ 21,429,075	\$ 15,472,450	\$ 70,630,710
PROPOSED EXPENSES FY 2013-2014	\$ (14,655,432)	\$ (4,379,703)	\$ (12,262,120)	\$ (14,657,057)	\$ (45,954,312)
PROPOSED FUND BALANCE 4/30/2014	\$ 3,124,187	\$ 11,569,863	\$ 9,166,955	\$ 815,393	\$ 24,676,398

The working fund balance of all the Special Revenue Funds, including TIF (Tax Increment Financing) funds listed on Page 2 as of April 30, 2014 is projected to be \$9,166,955. The Revolving Loan Fund and the Quality of Life/Economic Development Fund make up \$8,846,238 of this total.

SPECIAL REVENUE FUNDS
BUDGET SUMMARY

	MOTOR FUEL TAX	TOURISM	CDAP	REVOLVING LOAN	QUALITY OF LIFE/ECONOMIC DEVELOPMENT	SSA # 1	HOMESTEAD TIF	DOWNTOWN TIF	INDUSTRIAL PARK (WESTSIDE) TIF	RTE 15/ I-57 (EASTSIDE) TIF	TOTAL
FUND BALANCE 5/1/2012	\$ 289,422	\$ 428,143	\$ -	\$ 840,535	\$ -	\$ 45,189	\$ (888)	\$ (43,886)	\$ (23,053)	\$ (33,843)	\$ 1,501,619
EST. REVENUES FY 2012-2013	\$ 435,386	\$ 617,633	\$ 384,200	\$ 188,219	\$ 21,739,533	\$ 104,884	\$ 80	\$ 232,267	\$ 525	\$ -	\$ 23,702,727
FUNDS AVAILABLE	\$ 724,808	\$ 1,045,776	\$ 384,200	\$ 1,028,754	\$ 21,739,533	\$ 150,073	\$ (808)	\$ 188,381	\$ (22,528)	\$ (33,843)	\$ 25,204,346
EST. EXPENSES FY 2012-2013	\$ (652,815)	\$ (638,038)	\$ (384,200)	\$ (52,552)	\$ (5,223,441)	\$ (102,062)	\$ (524)	\$ (184,728)	\$ (350)	\$ (350)	\$ (7,239,060)
EST. FUND BALANCE 4/30/2013	\$ 71,993	\$ 407,738	\$ -	\$ 976,202	\$ 16,516,092	\$ 48,011	\$ (1,332)	\$ 3,653	\$ (22,878)	\$ (34,193)	\$ 17,965,286
PROPOSED REVENUES FY 2013-2014	\$ 434,921	\$ 569,557	\$ -	\$ 169,871	\$ 1,970,680	\$ 99,202	\$ 50	\$ 219,058	\$ 450	\$ -	\$ 3,463,789
FUNDS AVAILABLE	\$ 506,914	\$ 977,295	\$ -	\$ 1,146,073	\$ 18,486,772	\$ 147,213	\$ (1,282)	\$ 222,711	\$ (22,428)	\$ (34,193)	\$ 21,429,075
PROPOSED EXPENSES FY 2013-2014	\$ (486,025)	\$ (659,564)	\$ -	\$ (20,765)	\$ (10,765,842)	\$ (106,000)	\$ (540)	\$ (222,662)	\$ (361)	\$ (361)	\$ (12,262,120)
PROPOSED FUND BALANCE 4/30/2014	\$ 20,889	\$ 317,731	\$ -	\$ 1,125,308	\$ 7,720,930	\$ 41,213	\$ (1,822)	\$ 49	\$ (22,789)	\$ (34,554)	\$ 9,166,955

The City has three "Proprietary" funds whose operating expenses are intended to be funded by their operating revenues including Sanitation, Health Insurance and Public Utilities Operating & Capital funds. The Sanitation working fund balance at April 30, 2014 is projected to be \$38,828, and is operating as intended — cash in/cash out. The City's self-insured health insurance fund remains healthy. The City is proposing a 3.0% increase in the water and sewer rates for operations effective May 1, 2013.

PROPRIETARY FUNDS
BUDGET SUMMARY

	SANITATION	HEALTH INSURANCE	PUBLIC UTILITIES OPERATING & CAPITAL	TOTAL
FUND BALANCE 5/1/2012	\$ (9,187)	\$ 803,705	\$ 3,009,755	\$ 3,804,273
EST. REVENUES FY 2012-2013	\$ 710,475	\$ 2,313,640	\$ 11,877,491	\$ 14,901,606
FUNDS AVAILABLE	\$ 701,288	\$ 3,117,345	\$ 14,887,246	\$ 18,705,879
EST. EXPENSES FY 2012-2013	\$ (685,596)	\$ (2,399,231)	\$ (11,086,813)	\$ (14,171,640)
EST. FUND BALANCE 4/30/2013	\$ 15,692	\$ 718,114	\$ 3,800,433	\$ 4,534,239
PROPOSED REVENUES FY 2013-2014	\$ 710,010	\$ 2,316,577	\$ 7,911,624	\$ 10,938,211
FUNDS AVAILABLE	\$ 725,702	\$ 3,034,691	\$ 11,712,057	\$ 15,472,450
PROPOSED EXPENSES FY 2013-2014	\$ (686,874)	\$ (2,349,428)	\$ (11,620,755)	\$ (14,657,057)
PROPOSED FUND BALANCE 4/30/2014	\$ 38,828	\$ 685,263	\$ 91,302	\$ 815,393

Public Hearing of April 29, 2013 concluded at 3:10 p.m.

**City of Mt. Vernon, Illinois
City Council Workshop Meeting
Monday, April 29, 2013**

MINUTES

The Mt. Vernon City Council held a City Council Workshop Meeting on Monday, April 29, 2013 at 3:11 p.m. at the City Hall, 1100 Main Street, Mt. Vernon, IL.

ROLL CALL

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

First Reading on Ordinance Regarding Water and Sewer Rates

City Manager Ron Neibert presented for Council's consideration first reading on Ordinance regarding a 3% increase of water and sewer rates effective May 1, 2013. The proposed increase will cover the operating deficit due to increases in the operations of the Department and will also bring the working fund balance at the end of the fiscal year in line with the City's fiscal policy.

Council Member McEnaney made a motion to suspend the rules to vote on the passage of this Ordinance. Seconded by Council Member Piper. Yeas: Lash, McEnaney, Piper, Wood and Chesley. Council Member McEnaney made a motion to approve Ordinance No. 2013-7 regarding water and sewer rates as presented. Seconded by Council Member Lash. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

First Reading on Ordinance Approving the 2014/2014 Budget

City Manager Ron Neibert presented for Council's consideration first reading on Ordinance Approving the 2013-2014 Budget. Council Member Piper inquired about the TIF fund balance. Neibert reported about \$45,000 is unobligated at this time. He anticipates the balance to increase after the assessments are completed. The TIF Board will meet in July or August. He encouraged citizens interested in a TIF project to contact his office to begin the inducement agreement process.

Council Member Piper requested that the Council schedule a workshop in order to review the various capital projects commenced by the City. City Manager Neibert advised that if there are significant changes to the reports presented in early April, he will forward the updates to the Council. Mayor Chesley remarked that a capital projects report will be printed on the back of the City's water bills, including transportation, sidewalks/trails, and water/sewer.

Council Member Lash made a motion to suspend the rules to vote on the passage of this Ordinance. Seconded by Council Member Piper. Yeas: Lash, McEnaney, Piper, Wood and Chesley. Council Member Lash made a motion to approve Ordinance No. 2013-8 approving the 2013-2014 budget. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

EXECUTIVE SESSION

Council Member Piper made a motion to go into Executive Session for the purpose of discussing the acquisition and sale of real estate. Seconded by Council Member McEnaney. Yeas: Lash, McEnaney, Piper, Wood and Chesley. The time is 3:11 p.m.

ADJOURNMENT

Motion by Council Member Piper to adjourn the City Council Meeting. Seconded by Council Member Lash. Yeas: Lash, McEnaney, Piper and Chesley. Council Member Wood left during the Executive Session at 4:08 p.m.

The meeting adjourned at 4:15 p.m.

Respectfully submitted,

Jerilee Hopkins
City Clerk