



City of Peru



David R. Bartley
City Clerk

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FINANCE & SAFETY SERVICES COMMITTEE MINUTES

DATE OF MEETING: May 26, 2020 TIME: 6:00 p.m.

PLACE OF MEETING: Council Chambers, Peru Municipal Building
1901 4th Street, Peru, IL 61354

THE FINANCE & SAFETY SERVICES COMMITTEE MEMBERS PRESENT: Aldermen Radtke and Payton present; Aldermen Sapienza and Buffo present. Mayor Harl present.

OTHER PERSONS PRESENT: City Clerk Dave Bartley, Treasurer Powell, Alderman Ferrari, Alderman Lukosus, Alderman Ballard, ASM Doug Bernabei, PSM Jeff King, City Engineer Eric Carls and Finance Officer Justin Miller

MATTERS DISCUSSED

Alderman Payton made a motion to approve the minutes of the May 11, 2020 Finance & Safety Services meeting. Alderman Buffo seconded the motion; motion carried.

The Committee reviewed and approved the disbursements for payment on May 27, 2020.

PRESENTATION

OLD BUSINESS

Finance Officer Justin Miller presented the following update:

Finance Report- 05/26/2020

Investment Strategy

- Update
 - CD market to low; Illinois Funds offer a better rate

Fiscal Year 2021 Budget

- Budget hearing set for June 8th
 - Mayor Harl discussed options for reducing our monthly contribution to the Peru Volunteer Ambulance Service from \$74,000 to \$10,000. Committee discussed liability saved from not having PVAS on the City's insurance. PVAS net income is \$150,000 annually
 - Finance Officer Justin Miller reported on adjusted budget line of \$30,000 in the recreation fund from the cancellation of fireworks and adjusted budget line of \$100,000 in economic development due to the cancellation of the TBM Avengers event.
 - Mayor Harl asked Clerk Bartley to get a more detailed list on rates and services from PVAS
 - Committee discussed and recommended reducing the contribution to PVAS from current rate to \$50,000 with no 3% annual increase

- Alderman Lukosus read a letter from BHMG reporting on progress with the new Water Street Substation planning

Fiscal Year 2020 Budget Amendments

- Finance Officer Justin Miller outlined the major changes within the FY2020 Budget Amendments
 - Purchase power/sale of power
 - Sale of CVS
 - Commercial sewer
 - \$125,000 donation to cemetery
 - MFT
 - Police Department project

Police Station Funding

- Finance Officer Justin Miller recommended limiting our initial offering for the calendar year with \$10,000,000 which keeps a bank qualified tax savings
- Finance Officer Justin Miller noted the handout and the bond offering was the most favorable compared to the bank offering
- Finance Officer Justin Miller noted the differences between the bond (legal and closing costs are imbedded) with bank option there is \$65,000 up front
- Alderman Payton noted the bond option is less expensive, but he was concerned with the optics of supporting and legacy projects with local banks
 - Bonding would afford the local banks a first option to participate
- Treasurer Jackson Powell noted the flexibility with a capital market and the administrative burden on Finance Officer Justin Miller
- Finance Officer Justin Miller noted both option rates were locked in
- Mayor Harl noted the big picture with overall of deferred infrastructure projects and the impact of COVID-19. The plan was to split up the offering between banks and bonding.
- Committee was overall in favor of the bonding option

Committee discussed and recommended a \$500.00 contribution to IVCIL for the curb address painting fundraiser

Committee discussed and recommended a \$10,000 contribution to Illinois SBDC at Starved Rock Alliance

NEW BUSINESS

PUBLIC COMMENT

CLOSED SESSION

Alderman Buffo made a motion to adjourn. Alderman Payton seconded the motion. Meeting adjourned at 7:01 p.m.