

COMMITTEE OF A WHOLE MEETING MARCH 27, 2023

A Committee Of A Whole meeting was called to order by City Clerk Dave Bartley in the Peru City Council Chambers on Monday, March 27, 2023 at 6:00 p.m.

City Clerk Dave Bartley called the roll with Aldermen Ballard, Tieman, Payton, Edgcomb, Waldorf, Sapienza and Lukosus present; Alderman Buffo absent; Mayor Kolowski present.

PUBLIC COMMENT

MINUTES

Clerk Bartley presented the Committee Of A Whole Minutes of January 3, 2023. Alderman Waldorf made a motion that the minutes be received and placed on file. Alderman Payton seconded the motion; motion carried.

FINANCE COMMITTEE

Finance Officer Tracy Mitchell provided a Current Dept Update:

Debt Schedule-our CURRENT amount of debt is \$34M. This leverage is broken up into 86% Bond related debt which includes just over \$7M still due to Parkside School that is funded with our HMR tax revenues. Loans make up 10% and include the Federal Stimulus-interest free-EPA Loan and the Firetruck at 1.95% with Central Bank. Leases make up only about 3%.

FY24 Budget payments due of \$4.6M. Of that 85% are bond related payments (50% ours and 35% Parkside) and 15% Loans/Leases. Cash Flow will come from 59% GF, 37% Utility Fund and the remaining 4% the new MVP TIF which are INTEREST only with principal deferred 2 years to hopefully seeing some increment by then. The interest payments are now being made from the Utility Fund with as a loan to the TIF which can be repaid once we start seeing the increment.

Bond Summary by Fund: graph depicts the top line what we will pay during FY24, the \$4.6M, the middle bar represents what our current debt balance is \$34M, the bottom bar is the original amount of debt from inception of bond obligation of \$61.2M.

The GF that is leverage the most. Our cash flow will be impacted and tied up into the year 2040. Our COVID related American Rescue Relief funds will now have been depleted with the Schweickert Stadium and Arena-Ice House nearing completion with expenditures of \$2.6M. \$1.6M over donation. We also have the GAF Roadway GF project which will be underway soon with an approximate cost of \$1.8M with which we will use our Infrastructure Funds from .5% of the HMR. The other .5% is allotted to the Parkside Bond obligation and that final payment will be in January of 2028, 5 more years.

The Utility Fund is strong with adequate reserves. Their current obligations are 40% of the GF obligations. However, BIG projects are on the horizon with FY24 budgeted amounts of Deep Sewer/Trunk Line \$6M, Rt.6 WM of \$4M, GAF Utilities of \$1.9M and NE WM \$1.1M. These are not all TOTAL project costs but just FY24 budgeted. Then, there is also the continuous progression of the WaterSt. Substation relocation. Therefore, it is inevitable that we will need to likely issue a bond for the Utility Fund in the short-term as construction progresses.

Last meeting, Cash/Investments was summarized. Our borrowing rates are lower than current CD rates. BUT, not all of our CD rates are 5% and up. 2/3 of our cash invested is 3-4%. Rates and opportunities update daily and we will need to keep our Cash/Debt in check as we enter a new fiscal year and construction season. Overall, the purpose is to provide information to be knowledgeable of our Cash/Investments and our Debt. I think it really helps to have that understanding BEFORE we present the budget for approval which will be proposed in April to work together to agree on a fair and balanced budget with a strong financial plan to support it.

Alderman Payton initiated a review of the city health insurance plan. Human Resources Director Kim Reese reviewed renewal options:

- 3.9% increase for 6 months
 - 4.05% increase for 12 months
- 6.7% increase for 18 months
- Recommended 6.7% for 18 months option; Alderman Payton agreed

Committee discussed/recommended \$250,000 reinvestment into Charles Schwab, CD at 5.4% for 18 months (Utility Fund).

Committee discussed/recommended \$235,000 reinvestment into Comerica Bank, CD at 5.25% for 18 months (Utility Fund).

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PUBLIC SERVICES COMMITTEE

PSM/Fire Chief Jeff King and Chris Perra of T.E.S.T. reported on recent water main breaks. PSM/Fire Chief King noted the large break on Water Street triggered leaks in other locations.

FIRE AND POLICE COMMITTEE

PSM/Fire Chief Jeff King reported on another incident of two travelers seeking care on March 21st, pulled off the interstate for the nearest hospital because one of them had chest pain. With the hospital closed, they went to the fire department to seek medical treatment. PSM/Fire Chief King stated the responders administered initial care before the ambulance arrived. PSM/Fire Chief King stated as long as the hospital is shut down and the GPS isn't changed, people are going to keep going to the fire department. PSM/Fire Chief King stated the police department is working on getting the GPS changed. Police Chief Sarah Raymond said Google is in charge of processing those requests, either by phone or email. Chief Raymond stated officials have tried for the past two years to change the GPS address for the Peru Police Department because Google still directs people to 4th Street instead of the new building on Peoria Street. PSM/Fire Chief King stated more people are likely to show up at the fire department once warmer weather and increased tourism at areas such as Starved Rock. PSM/Fire Chief King stated he hopes, like everyone else, they get it straightened out and the hospital opens back up.

NEW BUSINESS

PSM/Fire Chief Jeff King reported work comp/safety incidents are down.

Alderman Sapienza commented on researching options for vacating alleys to residents when we don't have an easement requirement.

Parks, Recreation and Special Events Director Adam Thorson reported there is a plan under review for possible expansion to work on the mud issue

PUBLIC COMMENT

Clerk Bartley read a letter from resident Joanne Slevin expressing her concerns over the marijuana dispensary coming to Peru.

CLOSED SESSION

ADJOURNMENT

Alderman Waldorf made a motion that the meeting be adjourned. Alderman Lukosus seconded the motion and motion carried.

Meeting adjourned 6:36 p.m.