

**MINUTES OF A BUDGET WORKSHOP/SPECIAL MEETING OF THE ZION CITY COUNCIL
HELD ON MONDAY, MAY 3, 2004, AT 3:40 P.M. IN THE CITY COUNCIL CHAMBERS, CITY
HALL, ZION, ILLINOIS**

Mayor Harrison called the meeting to order.

On call of the roll the following answered present: Commissioners DeTienne, Flammini, Bennett, Taylor and Mayor Harrison.

2004/05 BUDGET

Greg Schneider reported that the City's General Fund will start the fiscal year 2004/2005 with a fund deficit of \$353,999. The cash analysis for 2004/05 indicates a decrease in cash position of \$2,745,963.59. Commissioner Bennett stated revenues are down, mainly due to a decrease in property tax and utility tax. Commissioner Taylor questioned why the estimated sales tax revenue would be lower, since new businesses will be adding to the sales tax. Mr. Schneider stated this tax is difficult to predict.

The Council recommended amending the proposed budget revenue as follows:

- Sales tax to be increased from \$1,800,000 to \$2,000,000
- Utility tax to be increased from \$1,684,000 to \$1,800,000
- Business licenses to be increased from \$21,000 to \$27,000
- Dog and cat licenses to be increased from \$1,800 to \$2,545
- Franchise fees to be increased from \$83,780 to \$122,427
- Traffic fines to be increased from \$65,000 to \$85,000
- Non-traffic fines to be increased from \$112,000 to \$116,514
- Police grants to be decreased from \$25,000 to \$0
- Cable Commission surplus to be indicated as \$100,000
- Brownfield grant to be indicated as \$45,000

Attorney Rolek recommended the Council consider adopting an entertainment tax for the movie theater in the future.

Economic Development

The Council agreed to consider Delaine Rogers' request for capital outlay purchase of 2 portable computers.

Ms. Rogers stated there are a total of \$1,526,375 in façade grants still open, however funds may not be needed for the following projects:

- Shiloh Mall - \$150,000
- Our Society Resale Shop - \$93,750
- Zion-Benton News - \$85,375
- Cackovic Realty - \$126,250

The Council agreed to keep separate records for:

- Aldi's Project
- Butz Building Façade – to be placed with façade grants

The Council agreed to amend the following projects:

- Rapers Project – eliminating line item for \$1,000 remediation
- Candy Factory Demolition – eliminating \$91,000 to Champion Environmental, as this amount is already included in the contingent line item
- Candy Factory total to be decreased from \$106,663 to \$15,663

TIF District #1

The Council agreed to eliminate the façade grant for Betty's Tanning and Boutique in the amount of \$4,615.

TIF District #2

There were no recommended changes to the TIF District #2 budget.

TIF District #3

Ms. Rogers recommended utilizing the surplus funds in TIF District #3 to either support bond payments or to pay back the Economic Development fund. If every project is approved, Economic Development is over budget by \$3.3 million. Attorney Rolek noted TIF funds could be used to pay for road projects within the TIF District.

The Council agreed to utilize funds in the TIF District #3 for bond payments, and to use \$2,000,000 of the cash from bonding for repayment of Economic Development. Attorney Rolek will contact financial consultant Kevin McCanna to start the process for bonding.

Cable Fund

The Council agreed that the transfer from the Cable Fund to Festival of Lights should be decreased from \$10,000 to \$5,000. The Council also agreed to eliminate the line item for the Pat Summerall Program of \$12,000.

ESDA

The Council agreed to the request for the purchase of a truck for ESDA, and that the transfer from General Fund to ESDA should be increased from \$35,000 to \$50,000.

Accounts & Finance

The Council agreed to consider Greg Schneider's request for capital outlay purchases of four computers, one printer, and various office furniture and cabinets.

Public Affairs/Legislative

The Council agreed to consider Clerk Mackey's request for capital outlay purchases of two portable computers, one desk computer, one printer and various office furniture. The Council also agreed to add an expenditure of \$7,000 for 4th of July fireworks under grants to other agencies, increasing this line item from \$16,000 to \$23,000.

Public Affairs/Legal

The Council agreed to place \$500 in the Legal Capital Outlay line item for the purchase of a chair for the City Attorney.

Public Affairs/Board and Commissions

The Council agreed to increase the Boards and Commissions Contingent line item from \$1,000 to \$2,000.

Jubilee Days Commission

There were no recommended changes to the Jubilee Days Commission budget.

Festival of Lights

The Council agreed to amend the following for Festival of Lights:

- Decrease transfer from General Fund from \$23,140 to \$20,000
- Decrease transfer from Cable Fund from \$10,000 to \$5,000

ADJOURN

There being no further business to come before the Council at this time, it was moved by Commissioner Bennett, seconded by Commissioner DeTienne and unanimously approved the meeting be adjourned at 8:55 p.m. Motion carried.

Approved May 18, 2004

City Clerk