

FINANCE COMMITTEE MEETING
APRIL 12, 2004 - 7:00 P.M.

Chairman Hinterlong called the meeting to order which was continued from April 6, 2004. Committee members present: Aldermen Hinterlong, Bellon, Nolan and Hay. Also present were Mayor Henning, Administrator Nelson and Aldermen Dikun, Marzahl and Berg, members of the press and audience.

Audience Participation

Chairman Hinterlong opened the floor to audience participation. On behalf of Harvard Main Street, the following individuals addressed the Finance Committee requesting that the City continue its funding for the Main Street program: Vice-President Dr. Jon Warnecke, Secretary Annamarie Platt-Miller, Executive Director Nancy Heberle and Joanne Boppart. Main Street representatives reviewed the Design Committee Rehab/Façade Renovations, a statement recapping Main Street's funding recommendations made at the last Finance Committee Meeting on April 6th, and gave a brief overview of the Main Street organization. Main Street currently has 39 paying members (about \$20,000 last year), 3 grants and 108 in-kind donations/sponsorships. Nancy Heberle passed out an article that appeared in The Week, a Walworth County Newspaper last week on Harvard and noted that Main Street provides architectural services, communications, cooperation, business support, beautification, clean-up, administration of the low interest loan, promotion of businesses and inexpensive group advertising. It was again noted that one of the ten criteria to be part of the Illinois Main Street Program is that they receive 20% of their budget in financial support from the city.

Proposed Budget Fiscal Year 04/05

Alderman Hay noted Administrator Nelson's memo reference the budget (attached) and concurred with his recommendation that any additional financing found should be allocated towards the reinstatement of previously lost positions which would bring the City's service levels back to an adequate level. Moved by Hay, seconded by Nolan to recommend to the City Council approval of the budget as was originally presented. Chairman Hinterlong asked the aldermen present for their comments. Alderman Dikun felt that maintaining Harvard Main Street was as important as anything else included in the memo and stated according to his recollection, there was never discussion of eliminating Main Street funding, just cutting both EDC and Main Street funding by 50%. Alderman Bellon felt that Main Street's services help generate revenue for the City through downtown beautification and the free architectural and engineering that they provide. Alderman Berg noted his interpretation of the last Ordinance Committee Meeting, that his view as to the function of the Ordinance Committee was to set the negotiation terms of the agreement and that the funding of Harvard Main Street is a function solely of the Finance Committee and stated that he could not recommend continued funding in light of the City's current fiscal picture. Alderman Nolan said it was not his intent for Harvard Main Street to dissolve, but rather to get the budget in order and to keep it in order. Alderman Marzahl stated he can't recommend funding for anything unless we know how to finance it and would support the budget as presented. At Alderman Hinterlong's inquiry, Administrator Nelson clarified that the Best Civic Project is funded through a \$5,000 contribution by Harvard State Bank which is matched by the City in the amount of \$5,000. Alderman Hinterlong inquired if recommendation #8 in Administrator Nelson's memo reference the formulation of a special service area pertained to Harvard Main Street forming this type of service area. Dave stated that the City could form the district or it could be done by application to the City; there are no petition requirements under the law. The petition requirements come after the public hearing with a 90 day waiting period; if 51% of electors and building owners in the area pass a petition not to form a district, then the City is obligated under law not to do it. Alderman Hinterlong felt that one of the things that stands out is Main Street's dedication and number of volunteers and noted the \$100,000 approximate investment the City already has in this organization and to abandon it causes concern. Alderman Hinterlong felt that the \$7,500 would be a very good investment for our money. Alderman Dikun inquired if the money that could be saved by not putting in the "no parking signs" on Ayer St. as discussed at the last Finance Committee meeting could be considered by the Committee. Chairman Hinterlong stated that there was already a motion and second on the floor to be voted on. Administrator Nelson restated that the motion was to adopt the City budget as presented. Roll call vote: Bellon, no; Hay, yes; Nolan, yes and Hinterlong, no. Tie vote two to two. Administrator Nelson said that the budget would come out of committee with no recommendation and would go before the full City Council.

Alderman Dikun brought up further discussion on the \$5,700 earmarked in the budget for signs of which approximately \$2,400 is for the signage for no parking of SUV's and vans in the first two parking spaces at all four corners on Ayer St. from Park to Sumner. Enforcement was postponed until money was available for the signs. Alderman Dikun inquired if any figures were available as to how many accidents have occurred and suggested postponing purchasing the signs for another year and using the money for Main Street. Administrator Nelson said he is still working on obtaining those figures. The Committee also discussed the need to increase the visibility at those intersections and the potential liability if the city doesn't put in the signs.

The Committee continued to discuss the budget in general and some of the unknowns in the budget. Administrator Nelson stated that he has not received the extension numbers for property taxes from the County Clerk. The City is still in arbitration with the FOP; arbitration is scheduled for April 16th, but it will be a minimum of 90 days before a decision is made. Alderman Hinterlong inquired if the money for Main Street could be found in light of the unknowns in the budget as well as the fact that the tax revenue estimates are conservative in nature and are economic related. Administrator Nelson did not feel that the economy was going to get any better throughout the summer and did not recommend any tinkering with revenue estimates. At Alderman Hinterlong's inquiry, Administrator Nelson stated that if the budget is approved as presented, a Finance Committee meeting can be called at any time with the task at hand to try and find additional financing.

Moved by Hay, seconded by Nolan to adjourn the meeting. All ayes. Motion carried.

Submitted by:

Mel Hinterlong, Chairman