

MINUTES
FINANCE/ECONOMIC DEVELOPMENT COMMITTEE
APRIL 5, 2021

The Finance/ED committee met on April 5, 2021 at 4:30 p.m. in the Council Chambers and via teleconference and zoom.

Present in person: Chairman Connor, Alderman Bredeman, Alderman Braun, Alderman Sharp, Mayor White, City Clerk Hurd, Attorney Seghetti, Economic Development Director Beadles, and Office Manager Passage

Present on Conference call: none

Chairman Connor called the meeting to order at 4:35 p.m.

PUBLIC COMMENT

No public comment

The following items were brought forward as Jane Johnson, with the Peoria Heights Arts Collaboration was in the audience to address the committee and City Attorney Seghetti had to leave the meeting early.

EDC

Bridge to Bridge River Road Invoice – Economic Development Director Beadles explained that this is an event that will help bring tourism into the region. It is similar to Spoon River Drive, where it will encourage people to drive from Lacon, Chillicothe, Peoria Heights, and Spring Bay, attending events that will be held in each community. Jane Johnson, with the Peoria Heights Arts Collaboration addressed the committee. She stated that this group will be organizing the marketing of this event and has asked each community to participate by funding this event based on population. The City of Chillicothe is asked to fund the event in the amount of \$2,000.00. Mayor White recommended that the City bring to council the request to fund the event in the amount of \$1,000.00 out of the Hotel/Motel budget this year and then consider an additional funding of \$1,000.00 out of the Hotel/Motel budget in fiscal year budget 21-22. This will give the city time to see how the marketing will be done and how each community is supporting the event. After discussion, the consensus of the committee was to present the request to the city council at the April 12 council meeting.

HELP Loan Balance - Mayor White explained that Mr. Myers, who has a HELP loan with the City is in default. He has been behind on his payments. A discussion ensued regarding collection of said loan. The consensus of the committee was to have the attorney advised Mr. Myers that the late fee will be added, the interest will be increased per the agreement, should payment not be received by Monday, April 12.

TIF Incentive/Help Loan Nat's Place – Mayor White advised the committee that this was referred to the attorney at the last council meeting to draft the agreement. He also advised the committee that the Zoning Board of Appeals Committee held the public hearing regarding the request for a variance for parking and did approve the variance. The attorney stated that he has the agreement drafted. The consensus of the committee was to bring the agreement to council for approval at the April 12 meeting.

FINANCE

Central States Health Care – review of Contributions 2019 – Office Manager Passage explained that Central States Health Care is our employee’s health insurance program and they did a review. The findings were:

1. The economic development director when hired was not reported immediately; therefore the amount of \$2,098.16 is due.
2. They believe all part-time employees should have been added to the insurance, therefore; potentially \$94,434.80 in principal adjustments, plus related interest may be due.

Office Manager Passage explained that this was referred to the attorney. She also explained that the economic development director at the March 11, 2019 council meeting was hired part time effective April 1 and then full time May 1. She was reported to Central States as full time on May 1 and the city paid the eight weeks per the agreement immediately. It was always the city’s understanding that no part time people were subject to the insurance as long as they did not work 30 hours weekly.

The correspondence from Central States regarding the review also stated that if the city would adhere to the below four items they would present the issues to the Fund’s Trustees for consideration:

1. Remit payment of the \$2,098.16 for the audit findings and associated interest (estimated through April 2, 2021) related to the Economic Development position, less any disputed amounts for which sufficient documentation is provide.
2. Continue to remit contributions on behalf of all eligible full-time bargaining unit and non-bargaining unit employees upon hire.
3. Chillicothe will remit contributions on behalf of all non-full-time, non-bargaining unit employees who average 30 hours per week or more during an initial/standard measurement period, including retroactive contributions for eight (8) weeks in order for employee to gain immediate coverage, in accordance with the fund’s establishing requirement and Affordable Care Act rules
4. Chillicothe will indemnify the fund from any claims asserted by the excluded employees, their dependents, Medicare, or any other entity that paid claims.

A discussion ensued. Attorney Seghetti advised the committee that he has reviewed the correspondence and recommends that the city respond to the correspondence by submitting information regarding item #1 showing that the employee was hired part time then went to full time and agreeing to the other three items. The consensus of the committee was to bring the correspondence to the city council to have the attorney respond accordingly.

FINANCE

Budget Review – Office Manager Passage stated that the budgets should be at 91.6% at this time. There is only one month left in the fiscal year. The expense totals are all lower than the 91.6%. Revenue in the General Fund is steady for this month.

She stated she would submit a fourth quarter review at the next meeting.

Budget for Fiscal year 21-22 – Office Manager Passage stated that the budget workshop was held and no changes were presented. The budget is ready to be presented to the City Council for approval. The consensus of the committee was to present the budget for approval at the April 12 council meeting.

Pearl Technology – Managed Service Maintenance Proposal Renewal – Office Manager Passage stated that the three-year contract with Pearl Technology expires in May, 2021. She explained currently the city pays \$624.00 monthly for Tech services to maintain the city's desktop computers, firewall, server, and backups for City Hall and the Police Station. The new cost would be \$741.00 monthly. This provides the both city hall and police station with 24-hour service for any technology issue, regular monitoring for any malicious activity, regular updates to all computers, and regular backups. It will also cover, at no additional cost, should a computer need to be replaced they will transfer all data from one computer to another and add the new computer to the contract at no cost and also locks in the fee for three years. The recommendation from the Police Chief and the Office Manager is to renew the contract. The consensus of the committee was to present the contract for approval at the April 12 council meeting.

Community Shred Day Event – City Clerk Hurd explained in an effort to help citizens protect personal information she would like the city to host a community shred day on Saturday, June 12, 2021 from 9:00 a.m. to Noon or until the truck has reached its capacity. The cost would be \$247.50. The consensus of the committee was to host the event. The City Clerk will advise the council at the next council meeting, under communications.

Discussion – Sidewalk Café fee – Section 78-161 – City Clerk, Hurd, explained that there is a license fee to have a sidewalk café. The cost for the license is \$50.00. She asked if the committee if the license fee would be waived this year. Mayor White explained that sidewalk café option helped business during COVID. A discussion ensued regarding waiving the fee. Chairman Connor recommended that since COVID is still impacting business she would like to see the fee waive this year. The consensus of the committee was to recommend to the city council the fee be waived at the April 12 council meeting.

Report – TIF Business Projects – Mayor White advised the committee that he placed this on the agenda to keep the committee informed of the progress of the TIF Business Projects. He advised the committee is working on obtaining proposals for some of the projects that are in the TIF Business Project List and Office Manager Passage stated the City Engineer will be providing costs for the street projects. Mayor White stated that once we get the pricing then the projects will be taken to the appropriate committees for handling of the projects. Mayor White also explained that for the Cutright park restroom project he is considering the option of the city being the general contractor for that project. No decision was made at this time.

EDC

HELP Loan Balance - Economic Development Director, Beadles reviewed the Help Loan Account Balance and the Façade Program/Facelift balance. Chairman Connor asked about when the Little Shop of Hoarders (Scime) would open. Economic Development Director stated that she would follow up with the Scimes for an update.

Façade Application Review – Mayor White explained the façade application changes to both the Façade Applications Outside a TIF District and Central Business TIF District. In the Central Business TIF the change was made to include all business with that district. The consensus of the committee was to bring the new applications to council for approval at the April 12 council meeting.

Downtown Thursday Event Vendor Change - Economic Development Director Beadles advised the committee that this event has been a free event to vendors in the past. Since the event is free, some vendors commit however; then they do not show up. A discussion ensued regarding charging a fee of \$10.00 to \$15.00 for each Thursday. Alderman Sharp suggested \$12.00 dollars. Alderman Bredeman suggested \$15.00 per Thursday or if they register for all four Thursdays charge \$40.00. Office Manager Passage asked if not-for-profit organizations would be exempt to the fee and recommended that the fee be not refundable unless the city cancelled the event. She also suggested that a policy be drafted with the guidelines and brought to council for approval. Economic Development Director Beadles stated that there would be no fee for the local stores who wished to use the parking space in front of their building. The consensus of the committee was to seek approval at the April 12 council meeting.

OLD BUSINESS

Water Rate Increase – Nothing to report

Microsoft 365 – email update – Office Manager Passage reported that the domain of cityofchillicotheil.org has been obtained.

Sound System – City Hall – Office Manager Passage reported that some of the equipment has been received by Pearl Technology and installation should begin soon.

City Clean Up Voucher Program – update – Office Manager Passage reported that over 50 vouchers have been issued and a fall voucher program was scheduled.

M & T Commission Report – Economic Development Director Beadles reported that this was handled under the agenda topic Bridge to Bridge River Road Invoice.

Chillicothe Business Grant Round 2/DCEO Economic Support Grant – Economic Development Director Beadles reported the grant extension application had been sent out to the businesses on Friday. She reported receiving some applications and calls to make to clarify the program guidelines.

Eagle Landing Observation Tower Update – Mayor White reported that the concrete for the tower should be installed in a couple of weeks and then suggested that a ribbon cutting be schedule for a later time.

Grant Status – Bike Path - Mayor White reported that it may be late spring before the city is advised of anything regarding this grant.

Website – Economic Development Director reported that training on the new website has been completed. There are some revisions and edits that need to be made before going live.

i3 Broadband – Nothing to report

Pubic WIFI Proposal – Downtown and Parks – Chairman Connor reported that Keeton Barker will be at the May meeting to address the committee regarding this topic.

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SUMMARY

Chairman Action – Nothing

Council Agenda Items – Budget for Fiscal Year 21-22

Pearl Technology – Managed Service Maintenance Proposal Renewal

Central States Health Care – Audit review

Sidewalk Café fee waiver

Help Loan – Myers

TIF Incentive/Help loan Nat's Place

Bridge to Bridge River Road Funding

Façade Applications

Policy – Downtown Thursday Event

There being no further business the meeting adjourned at 6:08 p.m.

Respectfully,
Trish Connor, Chairman