

# Joint Review Board Meeting Minutes

## October 27, 2015

### Council Chambers

The meeting was called to order at 5:00 p.m.

Karla McCleary conducted Roll Call of JRB Meeting members:

Raymond P. Rogina	Mayor, City of St. Charles
Pam Leffler	St. Charles Public Library
Holly Cabel	St. Charles Park District
John Arthur Anderson	St. Charles Township
Seth Chapman	St. Charles Community School District #303
Mark Armstrong	Kane County
Heather Scholl	Elgin Community College District #509

Also in attendance:

Bob Abraham	St. Charles Resident
John McGuirk	Hoscheit, McGuirk, McCracken & Cuscaden P.C.
Mark Koenen	City Administrator, City of St. Charles
Chris Minick	Director of Finance, City of St. Charles
Rita Tungare	Director of Community & Economic Development
Matthew O'Rourke	Economic Development Division Manager
Karla McCleary	Recording Secretary, City of St. Charles

Holly Cabel made a motion, seconded by Mark Armstrong, that Bob Abraham be elected as the "Public Member" for this Joint Review Board. All in favor. Motion passed.

John Arthur Anderson made a motion, seconded by Mark Armstrong, for Raymond P. Rogina to be named Chairperson. All in favor. Motion passed.

The elections of the Chairperson and Public Member were carried over through the remainder of the meetings.

Introductions of City Staff followed.

Mayor Rogina requested a moment of silence for former Public Member Charlie Brown.

Mayor Rogina requested a review of the effectiveness and status of the Hotel Baker TIF to date.

## Hotel Baker TIF #1

Mr. Minick explained the overall process of the Joint Review Board Meeting to all attendees:

- Providing background about the TIF
- Financial Performance for FYE April 30, 2015
- Forecast Performance for FYE April 30, 2016
- Presentation includes prepared financial statements for the individual funds within each TIF District
- Questions

Chris Minick reported that the Hotel Baker TIF, District #1, was established on January 6, 1997, and at the FYE April 30<sup>th</sup>, 2015, there was debt outstanding in the amount of \$795,000. There are two payments remaining on this debt with final maturity on December 1, 2016. This TIF expires with the 2018 tax levy payable in calendar year 2019. For FYE April 30, 2015, revenues were generated in the amount of \$267,068 with a debt service of \$376,712 resulting in a deficit of \$109,634. That deficit was advanced from the General Fund and as of April 30, 2015, the

City's General Fund has advanced TIF #1 \$181,269 over the entire life of the TIF. Early on in this TIF, there were significant surpluses generated. As debt services increased during the life of this TIF, revenues have not kept pace and as a result those revenues have been depleted and this TIF is in a deficit position. Revenues of approximately \$275,000 are anticipated, however a subsidy from the General Fund is forecast for FYE 2016. A \$415,125 debt service is due in FY 2016 with the General Fund anticipated to make up the difference of approximately \$140,000 which will result in a liability to the City's General Fund of approximately \$321,000 as of April 30, 2016.

Mayor Rogina asked Chris Minick for clarification regarding information appearing on each TIF Report in the surplus or deficit field. Chris Minick explained that if there is a deficit position, that figure would represent the amount that the General Fund has transferred over to the individual funds and this number would be accumulative over the life of the TIF. Beginning with FY 2015, a change has been made to the treatment of advances made from the General Fund, stated Chris Minick. Prior, the advances were presented as inter-fund liabilities that were on the balance sheet of each TIF as well as being listed on the balance sheet as a receivable in the General Fund. During FY 2015, the accounting has been changed to account for this on the income statements so it will run through the current year as an inter-fund transfer rather than an inter-fund receivable or payable. Chris Minick added that they are tracking each amount that has been advanced separately and accumulatively, so in the event increment is there, reimbursement to the individual TIF's after the expiration of the debt will be provided.

Mark Armstrong asked Chris Minick if he anticipates the increment over the final two years, after the expiration of the debt, to be sufficient to pay off what is owed to the General Fund. Chris Minick stated that right now it appears that it will be sufficient if the same activity levels are maintained.

Mayor Rogina asked if there were any more questions or comments regarding this TIF. There were none.

Mayor Rogina requested a motion to adjourn. Mark Armstrong motioned to adjourn, seconded by Seth Chapman. All in favor. The meeting was adjourned at 5:05 p.m.

Raymond P. Rogina, Chairman

Respectfully submitted,  
Karla McCleary

**Joint Review Board Meeting Minutes  
October 27, 2015  
Council Chambers**

**Moline Foundry TIF #2**

The meeting was called to order at 5:05 p.m.

Karla McCleary conducted Roll Call.

Raymond P. Rogina	Mayor, City of St. Charles
Bob Abraham	St. Charles Resident – Public Member
Pam Leffler	St. Charles Public Library
Holly Cabel	St. Charles Park District
John Arthur Anderson	St. Charles Township
Seth Chapman	St. Charles Community School District #303
Heather Scholl	Elgin Community College District # 509
Mark Armstrong	Kane County

Mayor Rogina requested a review of the effectiveness and status of the Moline Foundry TIF to date.

Chris Minick reported that the Moline Foundry TIF, District #2, was established on July 6, 1998. This TIF expires with the 2019 tax levy payable in calendar year 2020. As of April 30, 2015 there was debt outstanding in the amount of \$940,000. This debt matures on December 1, 2017. There were revenues of \$516,468 and expenditures of \$334,388 generating a surplus of approximately \$182,000. Going into the FY, this TIF owed the General Fund approximately \$937,000. There was \$150,000 repaid to this TIF during FYE April 30, 2015. Therefore, as of April 30, 2015, this TIF owes the General Fund \$787,465. Chris Minick stated they do anticipate the \$182,000 surplus generated during FYE April 30, 2015, to be applied toward the \$787,000 owed to the General Fund, and repaid during FY 2016. This will reduce the amount owed to the General Fund to about \$600,000 at the end of FY 2016. Similar results are anticipated for FY 2016 resulting in a surplus of approximately \$185,000 at April 30, 2016. If so, those funds will be utilized to further reduce the amount to the General Fund that has been advanced to this TIF to date.

Mayor Rogina asked if there were any questions or comments regarding this TIF. There were none.

Mayor Rogina requested a motion to adjourn. Mark Armstrong motioned to adjourn, seconded by Pam Leffler. All in favor. The meeting was adjourned at 5:10 p.m.

Raymond P. Rogina, Chairman

Respectfully submitted,  
Karla McCleary

**Joint Review Board Meeting Minutes  
October 27, 2015  
Council Chambers**

**Former St. Charles Mall TIF #3**

The meeting was called to order at 5:10 p.m.

Karla McCleary conducted Roll Call.

Raymond P. Rogina	Mayor, City of St. Charles
Bob Abraham	St. Charles Resident – Public Member
Pam Leffler	St. Charles Public Library
Holly Cabel	St. Charles Park District
John Arthur Anderson	St. Charles Township
Seth Chapman	St. Charles Community School District #303
Heather Scholl	Elgin Community College District #509
Mark Armstrong	Kane County

Mayor Rogina requested a review of the effectiveness and status of St. Charles Mall TIF to date.

Chris Minick reported that the St. Charles Mall TIF, District #3, was established on June 19, 2000. This TIF expires with the 2023 tax levy payable in calendar year 2024. Currently, it has debt outstanding of \$1,460,000 as of April 30, 2015. The debt for this TIF will mature on December 1, 2022. Increment revenues for FY 2015 were approximately \$150,000 with a debt service expense of \$222,900. This resulted in a deficit of \$72,900 that was subsidized by the General Fund and transferred to the TIF to make the bond payment. As of April 30, 2015, the fund has a liability to the General Fund in the amount of \$936,141. For FY 2016, \$123,600 is anticipated in revenues. Currently, a debt service of \$218,250 is projected, resulting in a \$94,650 deficit anticipated for FYE April 30, 2016. The City's General Fund will transfer funds for that shortfall resulting in a liability to the General Fund of \$1,030,791 as of April 30, 2016.

Mayor Rogina asked if there were any questions or comments regarding this TIF. There were none.

Mayor Rogina requested a motion to adjourn. Mark Armstrong motioned to adjourn, seconded by Holly Cabel. All in favor. The meeting was adjourned at 5:15 p.m.

Raymond R. Rogina, Chairman

Respectfully submitted,  
Karla McCleary

**Joint Review Board Meeting Minutes**  
**October 27, 2015**  
**Council Chambers**  
**First Street TIF #4**

The meeting was called to order at 5:15 p.m.

Karla McCleary conducted Roll Call.

Raymond P. Rogina	Mayor, City of St. Charles
Bob Abraham	St. Charles Resident – Public Member
Pam Leffler	St. Charles Public Library
Holly Cabel	St. Charles Park District
John Arthur Anderson	St. Charles Township
Seth Chapman	St. Charles Community School District #303
Heather Scholl	Elgin Community College District #509
Mark Armstrong	Kane County

Mayor Rogina requested a review of the effectiveness and status of First Street TIF to date.

Chris Minick said TIF #4 was established in March of 2002. This TIF expires during levy year 2026 payable in calendar year 2027. The debt was restructured in February 2013 with the term extended to December 1, 2038. Debt was restructured to provide a lower short term debt service amount to provide better cash flow until development could occur on this parcel, and the development has now begun. In early 2015, the TIF boundaries were reduced by removing a portion from TIF #4 and creating a new TIF District – TIF #7. This was done to maximize the collection of the increment that would occur on the undeveloped portion of the original TIF. The remaining area of TIF #4 will continue to collect the increment on the already developed property over the originally contemplated term of the TIF and make the debt payments as originally intended. The highlights of this TIF's fiscal activity include incremental revenue of \$628,640 with expenditures of \$1,065,498 for debt service resulting in a \$436,858 deficit for FY 2015. That deficit was covered by the General Fund and at April 30, 2015, this TIF District owes the General Fund \$1,166,550. Currently, there is approximately \$25,230,000 in debt outstanding related to TIF #4. In terms of FY 2016 performance - revenues of \$589,282 are anticipated with overall revenues declining due to the removal of a portion of the original TIF. Debt service expenditures expected are \$1,078,273 as well as a \$162,821 transfer from TIF #7- because these TIF's are adjacent to each other, money cannot be fronted between them – anticipated incremental collections from TIF #7 will assist with paying down the debt service on TIF #4. This will result in approximately a \$326,170 deficit which will result in approximately \$1,500,000 owed to the General Fund at April 30, 2016.

Mayor Rogina asked if there were any questions or comments.

Seth Chapman asked how the 2038 debt restructuring impacts the expiration for the 2026 tax levy. Chris Minick stated that the debt is all TIF revenue debt and the General Fund is used as a back stop if TIF incremental revenues are not sufficient to make the payments on the debt. The anticipation is, as development occurs between TIF #4 and TIF #7, the revenues from TIF #7 will be utilized to supplement TIF #4 debt and refunds will be advanced as much as possible. Chris Minick stated that the call date is 2022. If surpluses are generated once development occurs and is completed for phase 3 – which is under construction currently - funds will be escrowed as much as possible until 2022.

Mayor Rogina asked if there were additional questions. There were none.

Mayor Rogina requested a motion to adjourn. John Arthur Anderson motioned to adjourn, seconded by Mark Armstrong. All in favor. The meeting was adjourned at 5:21 p.m.

Raymond P. Rogina, Chairman

Respectfully submitted,

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**Joint Review Board Meeting Minutes  
October 27, 2015  
Council Chambers  
St. Charles Manufacturing TIF #5**

The meeting was called to order at 5:21 p.m.

Karla McCleary conducted Roll Call.

Raymond P. Rogina	Mayor, City of St. Charles
Bob Abraham	St. Charles Resident – Public Member
Holly Cabel	St. Charles Park District
Pam Leffler	St. Charles Public Library
John Arthur Anderson	St. Charles Township
Seth Chapman	St. Charles Community School District #303
Heather Scholl	Elgin Community College District #509
Mark Armstrong	Kane County

Mayor Rogina requested a review of the effectiveness and status of St. Charles Manufacturing TIF to date.

Chris Minick reported that the St. Charles Manufacturing or St. Charles Kitchen TIF, District #5, was established on May 5, 2003. This TIF expires during levy year 2026 payable in calendar year 2027. Currently, this TIF has debt outstanding of \$2,430,000 as of April 30, 2015. That debt matures on December 1, 2023. Revenues generated were \$201,486 as of April 30, 2015 with debt service expenditures of \$322,525 resulting in a deficit of approximately \$121,000. This TIF has a liability to the General Fund of \$1,323,761 as of April 30, 2015. Anticipated revenues for FY 2016 are \$194,847 with debt service payments of \$322,925 resulting in an anticipated deficit of approximately \$128,000. The City's General Fund would make up the shortfall resulting in a \$1,451,761 liability to the General Fund as of April 30, 2016.

Mayor Rogina asked if there are any questions or comments regarding this TIF. There were none.

Mayor Rogina requested a motion to adjourn. Mark Armstrong motioned to adjourn, seconded by John Arthur Anderson. All in favor. The meeting was adjourned at 5:25 p.m.

Raymond P. Rogina, Chairman

Respectfully submitted,  
Karla McCleary

**Joint Review Board Meeting Minutes  
October 27, 2015  
Council Chambers  
Lexington Club TIF #6**

The meeting was called to order at 5:25 p.m.

Karla McCleary conducted Roll Call.

Raymond P. Rogina	Mayor, City of St. Charles
Bob Abraham	St. Charles Resident – Public Member
Holly Cabel	St. Charles Park District
Pam Leffler	St. Charles Public Library
John Arthur Anderson	St. Charles Township
Seth Chapman	St. Charles Community School District #303
Heather Scholl	Elgin Community College District #509
Mark Armstrong	Kane County

Mayor Rogina requested a review of the effectiveness and status of Lexington Club TIF to date.

Chris Minick reported that the Lexington Club TIF, District #6, is a departure from prior policy established regarding some of the earlier TIF's. This particular TIF has no City general obligation debt associated with it. It was established in January 2013 to assist with the remediation and clean-up of the site for the Lexington Club Development. The City has received about \$4,548 in incremental development revenue primarily related to the general increase in the land. These funds will be retained on hand, so when the City begins to receive eligible costs as they relate to the developmental agreement that is in place with the developer, these funds will be applied as needed. Estimated additional increment revenue for FY 2016 is \$4,100. This particular TIF District does not have an audit completed on it as this is not required until cumulative revenue exceeds \$100,000.

Mayor Rogina asked if there were any questions or comments regarding this TIF. There were none.

Mayor Rogina requested a motion to adjourn. Mark Armstrong motioned to adjourn, seconded by John Arthur Anderson. All in favor. The meeting was adjourned at 5:28 p.m.

Raymond P. Rogina, Chairman

Respectfully submitted,  
Karla McCleary



**Joint Review Board Meeting Minutes  
October 27, 2015  
Council Chambers  
Central Downtown TIF #7**

The meeting was called to order at 5:28 p.m.

Karla McCleary conducted Roll Call.

Raymond P. Rogina	Mayor, City of St. Charles
Bob Abraham	St. Charles Resident – Public Member
Holly Cabel	St. Charles Park District
Pam Leffler	St. Charles Public Library
John Arthur Anderson	St. Charles Township
Seth Chapman	St. Charles Community School District #303
Heather Scholl	Elgin Community College District #509
Mark Armstrong	Kane County

Mayor Rogina requested a review of the effectiveness and status of Central Downtown TIF to date.

Chris Minick reported that the Central Downtown TIF, District #7, was established in February, 2015. There is no debt outstanding related to this TIF. This TIF was established to account for the development on Phases 3, 4 and 5 of the First Street Development. This TIF is so new it has not received any revenues or had any expenses. Anticipated incremental revenue during FY 2016 is approximately \$162,821. These funds will be transferred to assist with the debt repayment of the original First Street TIF debt that was put in place.

Mayor Rogina asked if there were any questions or comments regarding this TIF. There were none.

Mayor Rogina requested a motion to adjourn. Mark Armstrong motioned to adjourn, seconded by John Arthur Anderson. All in favor. The meeting was adjourned at 5:30 p.m.

Raymond P. Rogina, Chairman

Respectfully submitted,  
Karla McCleary