



Finance Committee

August 6, 2019
6:30 p.m.

Civic Center
West Committee Room

Roll Call:

Alderpersons Wattawa, Feirer, Damon

1. Call to Order
2. Minute Approval
 - June 18, 2019 - [Finance Minutes 06-18-2019](#)
3. Discussion and Action Items:
 - Petition for Compromise of Property Tax Penalty – Tax Key #592-9928-002 - [Property Tax Penalty - Petition for Compromise](#)
 - Contract Renewal for Property/Liability Insurance – Ansay & Associates - [City of St. Francis 2019-20](#)
4. Adjourn

PUBLIC NOTICE

Upon reasonable notice, a good faith effort will be made to accommodate the needs of individuals to participate in public hearings, which have a qualifying disability under the Americans with Disabilities Act. Requests should be made as far in advance as possible, preferably a minimum of 48 hours. For additional information or to request this service, contact the St. Francis City Clerk at 481-2300 Extension #4305. The meeting room is wheelchair accessible from the east and west entrances.

NOTE: There is a potential that a quorum of the Common Council may be present.

MINUTES OF THE FINANCE COMMITTEE MEETING HELD JUNE 18, 2019

Present: Alderman Wattawa, Alderman Feirer, Alderman Damon

Also Present: City Administrator Johnsrud, City Clerk/Treasurer Uecker, City Attorney Alexy, City Engineer Dejewski, Alderwoman Schandel, Alderman Drew

Chairman Wattawa called the meeting to order at 6:15 p.m.

Moved by Alderman Damon, seconded by Alderman Feirer to place on file the minutes of the Finance Committee meeting held May 17, 2019. Motion carried.

Discussion and Action Items:

1. Tax Key #127000 – Request from property owner to remove interest and penalty
City Clerk/Treasurer Uecker explained that the property owner did pay the principal balance on the Personal Property bill in full after they were made aware of the outstanding balance. The property had been sold mid-year and the delinquent billings went to the restaurant address so it was never forwarded to the previous owner. When the City went through the delinquent personal property bills, a copy was sent to Rushan Sinani who was the previous owner of the restaurant. Because they never got the bills, they asked if the interest and penalty could be waived and they did pay the principal balance in full.

Moved by Alderman Damon, seconded by Alderman Feirer to recommend to the Common Council to waive the interest and penalty amounts for Tax Key #127000. Motion carried.

2. Contract Renewal for Banking Services – Associated Bank
City Clerk/Treasurer Uecker reviewed the contract with the Committee. The contract is for 2 years with an increase in fees of 1.86%. Interest rates on the accounts have been maintained at the higher (current) level.

Moved by Alderman Feirer, seconded by Alderman Damon to recommend to the Common Council to renew the contract for banking services with Associated Bank. Motion carried.

Moved by Alderman Feirer, seconded by Alderman Damon to adjourn. Motion carried.

Time: 6:20 p.m.

Date: July 8, 2019.

To,

The Finance Committee

City of St Francis

RE: Petition for Compromise of Property Tax Penalty

For: Mahmood Investments LLC.

Parcel#: 5929928002

To Whom it May Concern,

I wanted to reach out to you and request a compromise on the property tax penalty. I was charged for the year 2018. Byline Bank is escrowing the 2019 property taxes and the business cannot afford to pay this escrow amount. We want to request using the penalty amount towards our 2019 escrow tax payment. The escrow amount along with the loan payment for the property taxes is really causing us extreme hardship and putting us out of business.

The penalty that was charged for the year 2018 is \$2223.50

The construction to resurface Brust Avenue caused us undue hardship, it shut access to our store and completely stopped traffic for four months. We were charged \$150,000.00 in special assessment for the new street and it was added to our property tax bill, since then we could not afford the new amount and had fallen behind on our property taxes. In all fairness Brust Ave is a thoroughfare for trucks and semi's between Layton and Whitnall Ave and majority of the traffic is related to business in the St Francis Industrial park.

We have experienced a great deal of financial hardship lately, due to our sales revenue being down this year, making it almost impossible for us to continue to pay our company bills and the taxes, interest and penalty due to the City of St Francis. We had to take out a loan to pay the property taxes, interest and penalty. We agree that the interest is non-negotiable since we couldn't make the payments on time, but we request you to reconsider the penalty that was charged

We have limited access to capital due to minimal personal and company assets. In fact, for a long time the company operates on its own revenues since we are not able to secure a line of credit and it has made it difficult for us to be competitive in an industry that can be capital intensive. We continue to minimize our salaries to build equity and focus our efforts on our plans to grow the business.

We would sincerely appreciate your help if you can waive the penalty and apply the penalty amount towards our 2019 property tax balance since Superior has to come up for the escrow from our own cashflow every month that the company cannot afford.

Please advise at your earliest convenience.

Sincerely

Samina Mahmood.

St. Francis Premium Snap Shot

<u>Coverage</u>	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-20</u>	% Change
Property -	\$15,001 (Selective)	\$19,980*** (Selective)	\$19,814	\$20,051	1.20
Inland Marine -	\$4,913 (Selective)	\$4,913 (Selective)	Included (CIC)	Included (CIC)	
General Liability - CIC	\$39,839	\$39,839	\$38,739	\$39,374	1.64
Automobile – Physical Damage	\$17,210 (Selective)	\$12,419 (Selective)	\$16,650	\$18,194	9.27
Automobile – Liability - CIC	\$22,969	\$21,451	\$20,859	\$21,201	1.64
Equipment Breakdown Hartford Stem Boiler	Included- (Selective)	Included (Selective)	\$2,332	\$2,332	0.00
Crime – Zurich	\$735	\$770	\$770	\$609	-20.91
Sub-Total	\$100,667	\$99,372	\$99,164	\$101,761	2.62
Cyber Liability (BCS)	-	\$2,481	Included (CIC)	Included (CIC)	
Worker’s Compensation – CIC	\$169,552	\$216,842	\$234,599	\$225,209	-4.00
Payroll	\$5,330,118	\$5,550,000	\$5,550,000	\$5,905,630	6.41
Experience Modification	0.94	1.21	1.43	1.31	-8.39
Annual Premium	\$270,219	\$318,695	\$333,763	\$326,970	-2.04
Dividend Offer**	10% Flat w/Slider (75% L/R Cap)	10% Flat w/Slider (75% L/R Cap)	Slider (50% L/R Cap) Max return \$58,650	Slider (50% L/R Cap) Max return \$56,302	