

Request For Board Action

REFERRED TO BOARD November 25, 2020

AGENDA ITEM NO: 6

ORIGINATING DEPARTMENT: Finance Department

SUBJECT: Consideration of a Resolution Authorizing the Finance Director to Transfer Funds from the East Business District Fund to the Central Business District Fund.

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

The purpose of this item is to request a transfer of funds from the East Business District (EBD) to the Central Business District (CBD). The CBD was established in March 2020 and received its first sales tax distribution from the State in October 2020. During the budget process, staff discussed “porting” funds from one district to the other, if necessary, and that these transfers must be approved by the village board at each occurrence.

The CBD has been carrying a negative cash balance owing to attorney and consultant expenses to establish the fund. This is not out of the ordinary, since future revenues will cover those costs. As of today, sales taxes collected total \$142,588. which is more than sufficient to cover the startup costs. The fund has been incurring other budgeted expenses totaling \$143,962. and now has a deficit balance of \$1,300. At this time, we need to transfer (port) funds form the EBD to pay for the road repair in the CBD. The EBD has a current cash balance of \$1,105,328.

Following is the CBD budget totaling \$1,066,000:

| | |
|---------------------|--|
| Grimm Road/Pittman | \$510,000 |
| Business Incentives | \$350,000 (Ale House grant \$200k; Façade Grants; 75k; Special Grants 75k) |
| Road Program | \$200,000 |
| Profession Services | \$ 6,000 |

FINANCIAL IMPACT:

DOCUMENTS ATTACHED:

1. Resolution
2. Central Business District Budget

RECOMMENDED MOTION:

Move to accept as presented: A Resolution Authorizing a Permanent Interfund Transfer from the East Business District Fund to the Central Business District Fund

RESOLUTION 20 - _____

A RESOLUTION AUTHORIZING A PERMANENT INTERFUND TRANSFER FROM THE EAST BUSINESS DISTRICT FUND TO THE CENTRAL BUSINESS DISTRICT FUND

WHEREAS, on March 20, 2020 the Village imposed a Business District Retailers' Occupation Tax and a Business District Service Occupation Tax in the Central Business District, and

WHEREAS, the village received a total of \$142,588.26 of these Central Business District sales taxes for October and November 2020, and

WHEREAS, the Village incurred professional costs of \$55,200.26 to establish the Central Business District, engineering costs of \$85,990.56 related to Grimm Road, and engineering costs of \$2,772 associated with the Pittman property and these have therefore resulted in a deficit of \$1,374.56 in the Central Business District fund, and

WHEREAS, Two Hundred Thousand (\$200,000) was allocated in the FY2021 Central Business District Fund budget to pay for resurfacing roads within the district's boundaries, and

WHEREAS, the Village requires that transfers/loans between the East Business District Fund and the Central Business District Fund be approved by the Village Board;

NOW THEREFORE, BE IT RESOLVED by the Village of Antioch, Lake County, Illinois, as follows:

SECTION ONE: That the Finance Director is authorized and directed to permanently transfer Two Hundred Thousand (\$200,000) from the East Business District Fund to the Central Business District Fund to pay for resurfacing roads within the district's boundaries.

SECTION TWO: This transfer shall be treated as a direct and permanent transfer of revenues for accounting purposes.

SECTION THREE: That this Resolution shall be effective immediately upon approval and adoption.

PASSED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF ANTIOCH, ILLINOIS,
ON THIS ____ DAY OF _____, 2020.

ATTEST:

LAWRENCE M. HANSON, MAYOR

LORI K. ROMINE, VILLAGE CLERK