

CITY OF OLNEY
CITY COUNCIL MEETING
NOVEMBER 23, 2015

AGENDA #1 "CALL TO ORDER" The November 23, 2015, meeting of the Olney City Council was called to order by at 7:00 p.m. in the Council Chambers of the Olney City Hall located at 300 S. Whittle Avenue, Olney, Illinois, with Mayor Ray Vaughn presiding.

AGENDA #2 "PLEDGE OF ALLEGIANCE TO THE FLAG-PRAYER" Council members and visitors joined in the pledge of allegiance to the flag. April Dailey led the group in prayer.

AGENDA #3 "ROLL CALL" The following Council members were present: Les Harrison, Belinda Henton, John McLaughlin, Bob Ferguson and Ray Vaughn. Also present were City Manager Allen Barker, City Attorney Bart Zuber, City Clerk Kelsie Sterchi, and City Treasurer Chuck Sanders.

AGENDA #4 "PRESENTATION OF CONSENT AGENDA"

4-A "Approve Minutes of Council Meeting on November 9, 2015"

4-B "Approve and Authorize Payment of Accounts Payable on November 24, 2015" Pooled Cash \$169,766.21, Manual Pooled Cash \$98,389.48, Utility Refunds \$1,524.36, IMRF \$29,846.62, Tourism \$27.89, 175th Anniversary \$5,940.00, Christmas Light Display \$9,197.84

AGENDA #5 "REMOVAL OF ITEMS FROM CONSENT AGENDA" No items were requested for removal from the consent agenda.

AGENDA #6 "CONSIDERATION OF CONSENT AGENDA" Councilman McLaughlin moved to approve the items on the consent agenda, seconded by Councilman Harrison. A majority affirmative voice vote was received to approve the consent agenda.

AGENDA #7 "CONSIDERATION OF ITEMS REMOVED FROM CONSENT AGENDA" No consideration was necessary since no items were removed from the consent agenda.

AGENDA #8 "PRESENTATION OF ORDINANCES, RESOLUTIONS, ETC."

8-A "Presentation: Fire Pension Board Formal Request for Tax Levy" The Council was provided with a tax levy formal request from the Fire Pension Board, and a detail sheet as prepared by City Treasurer Sanders.

City Treasurer Sanders told the Council that the Fire Pension Board had received and reviewed actuarial reports from both the Illinois Department of Insurance (IDOI) and Art Tepfer, a third-party actuary. After review of the reports, the Fire Pension Board is requesting an amount of \$134,234.00 as their preferred tax levy amount. Consistent with prior requests, the Board also gave a suggested levy range of \$121,074.00 to \$144,234.00.

The Treasurer reminded the Council that they were not required to take any action at this meeting, but wanted the Council to acknowledge that the Board had made their request.

Councilman Ferguson recalled that in 2014, the levy for Fire Pension was \$151,853.00, which was much higher than the 2015 suggestion. The City Treasurer replied that the suggested levy amount was based on reaching a 90% targeted fund amount in 25 years.

The Council would take the suggestion into consideration during tax levy discussion.

8-B “Presentation: Police Pension Board Formal Request for Tax Levy” The Council was provided with a tax levy formal request from the Police Pension Board, and a detail sheet as prepared by City Treasurer Sanders.

Similar to the Fire Pension Board, the Police Pension Board had also reviewed the IDOI and Art Tepfer actuarial reports. After their review, the Board requested a preferred levy amount of \$573,303.00 with a range of \$520,000.00 to \$598,693.00.

Councilman McLaughlin was disturbed by the suggested increase as the 2014 levy amount was \$450,764.00. Mr. Sanders did not have all of the detail listed in the actuary reports that would have influenced the increase, but could get that information for the Council. He did note that the Police Pension Fund was also the most underfunded plan.

Mayor Vaughn added that in the prior year, about 85% of the funds were in fixed income. The funding had substantially increased in equities.

The Mayor also felt strongly that the Council should not continue to “kick the can down the road,” and that the City should accept responsibility for the funding level obligation. If the current Council did not accept that responsibility, future Councils would have a bigger problem. He wished for the pension issues to be passed on in better shape than when they inherited it.

Mr. Sanders went on to explain that there was a new GASB 67 & 68 standard that Mr. Tepfer recognized in his approach to his actuary report. According to Mr. Sanders and Kemper CPA, the City is not required to comply with GASB 67 & 68 requirements. Therefore, Mr. Sanders reduced Mr. Tepfer’s suggested amount by \$25,390.00.

The Council would take the suggestion into consideration during tax levy discussion.

8-C “Discussion/Authorization: Contribution of Additional \$50,000 Towards City’s IMRF Funding Obligation” Mr. Sanders reminded the Council that they had authorized the 2014 tax levy to include an extra \$50,000.00 to allow for an additional contribution towards the City’s IMRF funding obligation. Mr. Sanders believes there is adequate cash in the IMRF bank account to make the planned contribution in December of 2015.

Mayor Vaughn noted that the City was about \$3 million underfunded in IMRF.

Mr. Sanders explained that although the levied amount had been approved, he would need the Council to take action on authorizing the disbursement of those funds to make the contribution in December.

Councilman McLaughlin moved to authorize the contribution of an additional \$50,000.00 towards the City's IMRF funding obligation, seconded by Councilwoman Henton. A majority affirmative voice vote was received.

8-D "Discussion/Resolution: Estimate of Amount for 2015 Tax Levy" The Council was provided with a proposed tax levy resolution and detail sheet as prepared by City Treasurer Sanders.

According to the Supervisor of Assessments, the EAV should increase 2% across the board in the 2015/2016 year for an amount of \$104,103,025.00. From there, this year's tax extensions were reviewed and totaled \$1,759,085.96.

The proposed levy increase was proposed at 4.99%. General Corporate, Fireman Protection, and Police Protection, Street Lighting, and Playground & Recreation were all at capped rates.

The proposed resolution suggested a \$1,846,800.00 City levy that excluded the Olney Public Library.

The Olney Public Library is also at its capped rate, however the proposed levy was less than the prior year due to lowering the amount of personnel. The suggested levy for the library was at \$206,349.14. The combined City and Library level would total \$2,053,149.14.

Councilman Ferguson referenced the five year comparison in the 2014/2015 audit report. The report showed an extension of \$1,248,488.00, but Mr. Sanders' levy sheet showed an extension of \$1,759,085.96. He was curious where the other approximate \$500,000.00 had gone. Mr. Sanders would research Kemper's footnote on the audit report, but was certain that the extension was correct.

Mr. Sanders added that fluctuations can be caused by several variables such as guessing incorrectly on the EAV.

Of the 14 categories, eight would see a decrease in tax, but the Police Pension category would see a \$122,000.00 increase.

The formal tax levy would be determined by the Council at the December 14, 2015, meeting.

Councilwoman Henton moved to approve 2015-R-55, seconded by Mayor Vaughn. A majority affirmative voice vote was received.

8-E "Resolution: Accept Donation from RCRC, Accept Quote for Playground Equipment, Waive Formal Bid Procedures, and Amend 2015/2016 Budget for Together We Play Park" The Council was provided with a proposed resolution to accept a donation from RCRC, accept a quote

for playground equipment, waive formal bid procedures, and amend the 2015/2016 budget for the Together We Play Park project.

Mr. Sanders recapped that the Richland County Recreation Council (RCRC) was ready to make a \$87,314.00 donation to the City in order to purchase playground equipment for the Together We Play Park project. While RCRC was raising all of the funds, it would be of benefit for the City to purchase the equipment as the City is exempt from sales tax.

The proposed resolution would approve the purchase of the equipment, waive the bidding procedures, and amend the 2015/2016 budget for the donation and the disbursement.

Councilwoman Henton asked for the total cost of the playground project. Councilman McLaughlin replied that the project would cost approximately \$250,000.00. Current funds raised were at approximately \$230,000.00.

The Councilwoman then asked if that project amount included funds for a restroom. Councilman McLaughlin indicated that funds were not included for inclusion of a restroom. Prior Councilman, Brad Brown, during his time on the Council, had felt that the City should contribute for a restroom at Musgrove Park because whether or not the new playground was built, an actual restroom was needed versus the current port-a-potties.

The Councilman also had City Engineer Charleston provide a cost estimate for an appropriate restroom, and the estimate came in at about \$50,000.00. The restrooms would be used by those at the playgrounds, soccer field, basketball courts, and skate park.

Councilwoman Henton referenced past minutes which indicated that the project would begin once all of the funds had been raised. Councilman McLaughlin agreed that was the original plan, but GameTime was offering RCRC an almost \$70,000.00 grant if the equipment was purchased in 2015.

The Councilwoman then questioned who would install the equipment. Councilman McLaughlin told the Council that the equipment would be installed by volunteers while a representative of GameTime would act as a site supervisor. After installation, GameTime would return to finish the pour-in-place rubber. Doll's would be providing the groundwork.

Lastly, Councilwoman Henton asked if the playground equipment met the City's quality and insurance requirements. Councilman McLaughlin and Mr. Bradley confirmed that it did.

Councilman McLaughlin moved to approve 2015-R-56, seconded by Councilman Ferguson. A majority affirmative voice vote was received.

8-F "Discussion/Resolution: Accept Quotes for Liability, Property, Workers Compensation, and Miscellaneous Insurance Coverages for 2016" The Council was provided with a proposed resolution to accept quotes for liability, property, workers compensation, and miscellaneous

insurance coverages for 2016, and a cost estimate from Arthur J. Gallagher Risk Management Services, Inc.

City Manager Barker told the Council that the City had received quotes from Arthur Gallagher & Co. for a variety of insurance coverages. Overall, the renewal premium increased slightly more than 2% from the current year. According to Arthur Gallagher & Co., the average coverage increases were at 6%. The City received a better rate due to risk management programs that are being used.

Councilman McLaughlin asked why the workers compensation coverage had increased. Mr. Barker responded that a refund was given for workers compensation after the audit. Thereafter, the increase was also due to a payroll increase.

Councilman McLaughlin moved to approve 2015-R-57, seconded by Councilman Harrison. A majority affirmative voice vote was received.

8-G “Discussion/Approval: Musgrove Park Lighting and Benches” The Council was provided with two memos from Park Department Supervisor Frank Bradley, and proposed schematic.

Mr. Bradley came before the Council to explain the proposed Musgrove Park improvements. He indicated that eight light poles were proposed to be installed along the south side of the south sidewalk at Musgrove Park. The lights would be placed on a timer from sundown to approximately 11:00 p.m. These poles should be 150 feet apart. Mr. Bradley also hoped to install four benches that would be identical to the others in the park.

Mr. Bradley was also aware that there was some concern about the added light shining onto homes south of the park and becoming a nuisance. The proposed poles would be bi-directional. The lights would shine 40 feet to the north and only 17 feet to the south.

The poles were not the same as those in the City Park, as originally planned. These particular light poles were donated by a business that was upgrading to LED lighting. The only up front expense to these poles would be the fact that they would need to be powder coated.

Electricity would be provided from the Number 7 ball diamond. The lights would hopefully be installed this year.

The 2015/2016 budget reserved \$15,000.00 for Musgrove Park improvements. The proposals for the lighting and benches were expected to come in at \$12,443.00.

Councilman McLaughlin moved to approve proceeding with adding the eight light poles and four benches on the south sidewalk of Musgrove Park, seconded by Councilwoman Henton. A majority affirmative voice vote was received.

8-H "Request from Dodransbicentennial Commission for a Free Swim Day on Sunday, July 24, 2016" The Council was provided with a memo from the Dodransbicentennial Commission.

City Clerk Sterchi reported that at the last meeting of the Dodransbicentennial Commission, it was learned that there may be some activity going on at Musgrove Park on the Sunday of the upcoming 175th anniversary celebration weekend. Additionally, the afternoon of that Sunday, July 24, 2016, would have also have an ecumenical worship service at the City Park.

The Commission unanimously voted to request from the City Council a Free Swim Day at the Musgrove Aquatic Center for July 24, 2016.

The Carrie Winter Trust requires that two Free Swim Days be determined for each year. Historically, those Free Swim Days were granted for Independence Day and the day of the ERFAE Duck Race. The Commission did not wish to ruffle any feathers by taking one of those two swim days, so they also offered that if in favor, the Council could elect to have an additional Free Swim Day that year.

Councilwoman Henton noted that the two Free Swim Days from the Carrie Winter Trust were not defined for Independence Day or the day of the Duck Race, and that the Council could choose those days.

While the Council could decide at a later date to use the July 24, 2016, Free Swim Day as part of the Carrie Winter Trust requirement or to have it as a separate Free Swim Day, Mrs. Sterchi hoped that the Council could indicate whether or not the Commission could add it to their roster of events.

Councilwoman Henton moved to approve a Free Swim Day at the Musgrove Aquatic Center for Sunday, July 24, 2016, seconded by Councilman McLaughlin. A majority affirmative voice vote was received.

Mrs. Sterchi thanked the Council on behalf of the Dodransbicentennial Commission.

AGENDA #9 "REPORTS FROM ELECTED AND APPOINTED OFFICIALS"

9-A "Status Report - City Manager" The Council was provided with a status report from City Manager Barker.

Mr. Barker told the Council that a public hearing for the Enterprise Zone would take place at 5:30 p.m. at City Hall on Tuesday, November 24, 2015. It would be the only public hearing before submitting the new application.

The City Manager also made the Council aware that a lift station motor had been purchased at a cost of \$4,100.00. Simply repairing the current motor would have cost \$2,700.00 alone.

The new leaf vacuum had yet to arrive due to the continued backorder of its Kubota engine. If the backorder goes on much longer, a John Deere motor may need to be explored as an alternative option. He also noted that many residents were bagging their leaves for faster removal.

Mr. Barker went on to say that he had seen some opportunities for the purchase of used equipment on government auction sites. For example, the City had budgeted for new dump trucks. A very nice and durable dump truck had been available for \$17,000.00 on one of the auction sites. The 2015/2016 budget had \$45,000.00 reserved for the dump trucks. Currently, the City Manager is unable to authorize purchases over \$10,000.00.

Mr. Barker told the Council that he would like to be able to attain authority to bid on some needed equipment before going to the Council, due to auction time constraints. If so, he would like the City Mechanic and the specific department's supervisor to inspect the equipment before purchase.

Councilwoman Henton recalled that many capital items were requested to be delayed in purchasing due to the State's budget issues. Mayor Vaughn confirmed, and replied that the State issues had not yet greatly harmed the City.

The Mayor wished to construct a list of guidelines for the City Manager to make such purchases of equipment that had been budgeted for. He requested that the topic be placed on the December 14, 2015, agenda.

City Attorney Zuber reported that as of this week, two demolitions were in progress.

The property at 331 W. Butler was in the process of being conveyed to the City. Mayor Vaughn asked if the Council needed to take official action on the conveyance. Mr. Zuber replied that the Council did not need to take any action.

Councilman McLaughlin reminded the Council and the audience that the Christmas Parade was scheduled for November 28, 2015, at 6:30 p.m.

AGENDA #10 "PUBLIC COMMENTS/PRESENTATIONS"

10-A "Brian O'Neil" Brian O'Neil, 818 E. Main Street, claimed his predictions were correct on a raise in taxes. The State still had not been able to pass a budget, and he felt that not enough members would be present to pass that budget anytime soon. He was also not a fan of the City's tax levy increase being due to the police pension as he felt he had no police protection since he has lived in Olney.

Mr. O'Neil again claimed that people with disabilities were victimized, and the law was not on their side.

AGENDA #11 "CLOSED SESSION: SALE PRICE OF REAL PROPERTY; ACQUISITION OF REAL PROPERTY; APPOINTMENT, EMPLOYMENT AND PERFORMANCE OF SPECIFIC

EMPLOYEES; AND CONSIDERATION OF PRICE FOR SALE OR LEASE OF REAL ESTATE”

Councilman McLaughlin moved to adjourn to closed session to discuss sale price of real property; acquisition of real property; appointment, employment and performance of specific employees; and consideration of price for sale or lease of real property, seconded by Councilwoman Henton. A majority affirmative voice vote was received.

Councilmen Harrison, McLaughlin, Ferguson, Councilwoman Henton, Mayor Vaughn, City Manager Barker, City Treasurer Chuck Sanders, City Attorney Zuber, and City Clerk Sterchi left the Council Chambers at 8:06 p.m.

AGENDA #12 “RECONVENE OPEN SESSION” Upon return of those who were in closed session to the Council Chambers, Mayor Vaughn moved to enter back into open session, seconded by Councilwoman Henton. A majority affirmative voice vote was received. Open session resumed at 8:46 p.m.

City Manager Barker wanted to quickly discuss some possible Community Building improvements. He had received information from the City Engineer that a restroom renovation and kitchen upgrade could be done at about \$25,000.00. An amount of \$20,000.00 was in the 2015/2016 budget for Community Building improvements.

Before continuing research, he wanted to know if the Council wished to pursue or back off of the project. If the Council wished to move forward, a decision would need to be made quickly.

The bathrooms would be completely gutted, and the extra storage space in the old shower rooms would also be utilized for the restrooms. Mr. Barker also suggested enclosing the kitchen area, but installing a serving window. Councilwoman Henton was not in favor of that suggestion.

Councilman Ferguson asked if the Fair Board had any interest in helping fund the project. Mayor Vaughn replied that Fair Board funds were tight, but that they could possibly provide some labor.

The Mayor recommended prioritizing the renovations by having the bathrooms done first, improvement of water drainage away from the building, and lastly the flooring

The topic was tabled and would be placed on the December 14, 2015, agenda.

Councilman Ferguson offered that assistance could be possible through an OSLAD grant or assistance from the Carrie Winter Trust.

Mr. Barker added that the City Engineer estimated a price of \$830,000.00 to construct a new Community Building.

Councilman McLaughlin hoped that some extra money would be available from the Together We Play Park fundraising project that could allow for extension of the drive and placement of a

restroom. If the City was not interested in contributing to the restrooms, he needed to let RCRC know how much more money would be needed so they could determine if another phase of fundraising would be needed. Councilwoman Henton felt such a discussion should take place during the 2016/2017 budget planning process. Mayor Vaughn felt that the City should contribute.

Mr. Barker ended by telling the Council that an Enterprise Zone Board would be created at the upcoming public hearing. Mike Mitchell would act as the Enterprise Zone Administrator for both Richland and Jasper Counties. Jasper County would incur any fees related to their county.

AGENDA #13 “ADJOURN” Councilman McLaughlin moved to adjourn, seconded by Councilman Harrison. A majority affirmative voice vote was received.

The meeting adjourned at 9:14 p.m.

Kelsie J. Sterchi
City Clerk