

CITY OF OLNEY
CITY COUNCIL MEETING
MARCH 25, 2013

AGENDA #1 “CALL TO ORDER” The March 25, 2013 meeting of the Olney City Council was called to order at 7:30 p.m. in the Council Chambers of the Olney City Hall located at 300 S. Whittle Avenue, Olney, Illinois, with Mayor Mark Lambird presiding.

AGENDA #2 “PLEDGE OF ALLEGIANCE TO THE FLAG-PRAYER” Council members and visitors joined in the pledge of allegiance to the flag. Beau Brown led the group in a prayer.

AGENDA #3 “ROLL CALL” The following Council members were present: Barb Thomas, Gary Foster, Brad Brown, Bob Ferguson and Mark Lambird. Also present were City Manager Larry Taylor, City Treasurer Chuck Sanders, City Engineer Roger Charleston and City Clerk Belinda Henton.

AGENDA #4 “PRESENTATION OF CONSENT AGENDA”

- 4-A Approve Minutes of Council Meeting on March 11, 2013
- 4-B Approve and Authorize Payment of Accounts Payable March 26, 2013-Pooled Cash \$108,417.31 and Water Deposit Refunds \$1,528.44
- 4-C Raffle License-ERFAE
- 4-D Raffle License-First National Bank-Relay for Life

AGENDA #5 “REMOVAL OF ITEMS FROM CONSENT AGENDA” No items were requested for removal.

AGENDA #6 “CONSIDERATION OF CONSENT AGENDA” Councilwoman Thomas moved to approve the consent agenda, seconded by Councilman Brown. A majority affirmative voice vote was received to approve the consent agenda.

AGENDA #7 “CONSIDERATION OF ITEMS REMOVED FROM” No consideration was necessary for items removed from the consent agenda.

AGENDA #8 “PUBLIC COMMENTS/PRESENTATIONS”

8-A “Citizens of Olney, Government & Disclosure” Brian O’Neill asked Mayor Lambird what is more important building baseball fields or the City’s infrastructure. Mr. O’Neill stressed that infrastructure was important to attract business. He stated Mayor Lambird was just about talk, but he was about money. He stated he has gotten free money for the past 28 years without working a second because of voters voting foolishly and keeping people like him on government assistance.

Mr. O’Neill commented the government has broken down.

Councilman Foster told Mr. O’Neill he could do a lot more good in Washington. Mr. O’Neill knew he could, that is why he is running for president. Councilman Foster volunteered to help him get there.

Ray Vaughn requested to make comments at the end of the budget discussion. The Council was agreeable.

AGENDA #9 “PRESENTATION OF ORDINANCES, RESOLUTIONS, ETC.”

9-A “Resolution: Endorsement of an Emergency Grants Program for SWAN” Linda Bookwalter was not present. The Council tabled this item until she was available to answer questions about the grant.

9-B “Resolution: Amend Contingencies in Budget for Advertising, AED Supplies, Bunker Gear and Computer” The Council was provided with a proposed resolution that would move money from contingencies to several different line items. Currently, there is a balance of \$12,792 in the contingency line item. It was proposed to move \$2,500 from contingencies to an advertising line item in Industrial Commission Department to reimburse Richland County Development Corporation for one-half of the cost of advertising in an Illinois publication. Another proposal was to move \$2,500 from contingencies to a computer line item in the Administrative Department to allow for the purchase of a computer and monitor for the administrative assistant. The next proposal was to move \$4,500 from contingencies and \$475 from the firemen turnout gear to bunker gear to the bunker gear line item in capital improvements in the Fire Department. These two transfers will allow the Fire Chief to purchase needed helmets. The final proposal was to move \$1,400 from contingencies to the miscellaneous supplies line item in the Recreation Department. This transfer will provide enough money to buy the necessary supplies such as pads and batteries to bring the three automated external defibrillators (AED) at Musgrove Park up to date. The proposed changes would reduce the contingency line item balance to \$1,892.

Councilman Foster moved to approve Resolution 2013-R-12, seconded by Councilman Ferguson. Councilmen Foster, Brown, Ferguson, Mayor Lambird and Councilwoman Thomas voted yes. There were no opposing votes. The motion carried.

9-C “Discussion: Swimming Pool Hours” Due to a request that was just received concerning pool hours, this item was deleted pending further information.

AGENDA #10 “REPORTS FROM ELECTED AND APPOINTED OFFICIALS”

10-A “City Manager - Status Report” Mr. Taylor pointed out an additional item was added to the status report concerning the video gaming tax. The City will be receiving \$827 for the month of February for video gaming. It was not known how soon this tax would be received.

Mr. Taylor asked for the Council's input for the hours of the brush dump. He believed it would be appropriate to close the brush dump on Good Friday since it is a City holiday. The Council was agreeable.

The Council was in favor of allowing Mr. Taylor to make the decision when hours should be extended at the brush dump once the weather becomes more favorable. Mr. Taylor will keep the Council advised concerning brush dump hours.

Mayor Lambird congratulated the Humane Society for a well-attended spaghetti fund-raising dinner they sponsored last Saturday.

Councilman Foster questioned if Mr. Charleston has obtained a price to build a new water tower. Mr. Charleston advised he has contacted two companies for a price estimate, but has not yet received a reply. He anticipates they will send something to him soon.

Councilwoman Thomas has noticed that the roadway at the intersection of Butler and Walnut is in bad shape. She questioned if there was something that could be done to smooth it out. Street Department Supervisor Marty Nuss explained new road equipment is needed to be able to grind down that area and patch it with asphalt. The patch that is currently being used is not a permanent fix.

Councilwoman Thomas moved to recess, seconded by Councilman Foster. A majority affirmative voice vote was received. The Council recessed at 7:55 p.m.

Councilwoman Thomas moved to enter back into open session, seconded by Councilman Foster. A majority affirmative voice vote was received. Open session resumed at 7:58 p.m.

10-B "Discussion: Free Swim Day June 15, 2013 & July 4, 2013" Mr. Taylor commented each year the City has at least two free swim days at the Musgrove Aquatic Center. This year ERFAE has requested that June 15 be a free swim day. Mr. Taylor also suggested July 4 as a free swim day.

Councilman Brown moved to approve June 15, 2013 and July 4, 2013, as free swim days, seconded by Councilman Ferguson. A majority affirmative voice vote was received.

AGENDA #11 "2013/2014 BUDGET DISCUSSIONS"

11-A "General Corporate Fund" City Treasurer Sanders distributed a list of General Corporate capital improvements, a list of vehicles with mileage, hours and condition and a spreadsheet detailing fund balance histories for February 28, 2013, April 30, 2012, April 30, 2009, April 30, 2005 and April 30, 2001.

Prior to the meeting the Council received a recap for General Corporate. Mr. Sanders noted expenses exceed revenues by \$512,954. Mr. Sanders reviewed the anticipated use of existing reserves to fund the proposed deficit.

Mr. Sanders reviewed the various departments' budgets. Two new sources of income for General Corporate were the video gaming tax and electric aggregation fees.

Councilman Brown asked how much the State of Illinois owes the City. Mr. Sanders reported a little more than \$200,000. They consistently run three months behind.

Concerning the Pacific Cycle roof, one section of roof is budgeted for \$215,000 for repairs during the 2013/2014 budget year. There will still be one more section of roof that needs to be completed. At this time there is approximately \$827,000 in the City's Pacific Cycle project account.

Also included in the proposed budget is \$22,000 for a school car. The plans are to use the Buick that the Police Chief currently drives as the school cars for all departments. The budgeted money would then buy a low mileage car equipped with the necessary lights and radio for the Police Chief.

Included in the Legal Department budget was a new line item for real estate expenses. Mr. Taylor explained this line item would cover title costs, filing fees and compensation to acquire easements on various real estate transactions.

Mr. Sanders explained the recycling budget is anticipated as break even. Councilman Foster wanted to hear from the public whether they prefer the number of pickups increased or the rate reduced.

Mr. Sanders was requested to prepare an analysis for weekly pickup with different types of containers. This information will be ready for the next meeting.

Proposed income in the Fire Department includes \$75,000 for fire truck proceeds. Richland County committed to pay \$125,000 toward the purchase of the new fire truck which was purchased last year. So far they have only paid \$50,000. The remaining \$75,000 is budgeted for next budget year.

Councilman Foster questioned the status of the radio conversion for the Fire Department. Fire Chief Holmes reported all radios have been converted, but there is a link issue at the tower that will need to be corrected.

Mayor Lambird left the Council Chambers at 8:36 p.m.

Councilman Foster asked what building improvements are planned for the Police Department. Police Chief Paddock explained a key pad entry system is being proposed for the doors and another over head garage door opener.

Mayor Lambird returned to the Council Chambers at 8:38 p.m.

Councilman Ferguson questioned the increase in the joint dispatch expense. Mr. Taylor explained approximately \$80,000 is going to be spent by the County to replace their consoles and related radio equipment. The City will be responsible for 50% of that cost. Mr. Taylor commented the cost should go back down next year.

The Council questioned the budgeting of \$500 for the drug unit. It was explained this was money used for drug enforcement.

Councilman Brown asked about the purchase of additional in-car cameras. Chief Paddock reported not all cars will be furnished with cameras, but every car in use will have a camera.

Chief Paddock explained a new squad car is in the proposed budget. This new car will replace Officer Berry's car. His car will become the Lake Patrol car and the Lake Patrol car will be sold.

Councilman Ferguson questioned the replacement of the snorkel truck in the Fire Department. Mr. Sanders explained the current snorkel truck has issues. Fire Chief Holmes considers it not in service. The proposed budget includes \$90,000 for the purchase of a used ladder truck.

Mr. Sanders pointed out in the Park and Cemetery Department there is \$13,000 budgeted for a road in Maple Dale Cemetery and \$13,000 for a road in Memorial Gardens. City crews will build the roads and the \$13,000 budgeted is for materials.

Councilman Brown questioned the decrease in the budgeted amount for permanent employees in the Park Department. Mr. Sanders explained the decrease is due to a retirement and this year's amount is higher than usual because of accrued vacation being paid.

Councilman Brown questioned if Park Department Supervisor Frank Bradley was happy with the security cameras which were purchased for the ball diamonds. Mr. Bradley indicated he was happy with that system. That camera system does not cover the Angel of Hope area or the swimming pool.

Councilman Foster asked what it would take to include the Angel of Hope, playground area and swimming pool in the camera system. Mr. Bradley explained it would be a problem because there are no enclosed structures to house the equipment.

Mr. Bradley expressed a concern with the amount of money budgeted for building both cemetery roads. He did not believe city crews could build both roads considering all the other projects that are being scheduled. The \$13,000 budgeted for each road is for material costs only. Mr. Bradley suggested cutting the camera systems for the City Park and Rotary Park proposed for a total of \$13,000 and contract the road construction.

Councilman Foster suggested building only the Maple Dale road and postpone the building of the Memorial Gardens road until the 2014/2015 budget year. Mr. Bradley was agreeable with that suggestion. Mr. Charleston estimated it would cost \$20,000 to \$26,000 to contract the construction of the Maple Dale road. Councilmen Foster and Brown suggested budgeting \$26,000 to contract the construction of the Maple Dale.

Councilman Foster moved to delete \$13,000 for the Memorial Garden road and add \$13,000 to the Maple Dale road, seconded by Councilwoman Thomas. A majority affirmative voice vote was received.

Included in the Street Department capital improvements was \$490,745 for the Boone Street drainage project and \$195,500 for the purchase of an asphalt zipper, vibratory roller, pulverizer and trailer.

There are plans to purchase a smaller trailer for the Recycling Department from the Street Department budget and move the larger trailer from the Recycling Department to the Street Department. There are also plans to move a ½ ton truck in the Street Department to the Recycling Department and the ¾ ton truck in the Recycling Department to the Sewer Plant. The Sewer Plant needs a heavier truck to tow the skid steer. There is \$195,500 included in the Street Department revenue as a way to finance the equipment purchases through MFT. Mr. Sanders explained General Corporate will purchase the equipment and then rent the equipment and labor to MFT. Another option would be to finance the equipment purchase through a local bank.

MFT has anticipated annual revenue between \$216,000 and \$218,000. The current projected cash balance at the end of the fiscal year is \$113,000.

Mr. Charleston noted that Mt. Carmel has similar equipment to what is being proposed. Street Department Supervisor Marty Nuss believed there were definitely advantages for the City to own its own equipment. Owning equipment would reduce the cost of street improvements.

Councilman Foster commented significant street improvements will not be seen until equipment is purchased. He saw several advantages to owning the needed equipment.

Mr. Sanders contacted two different communities in Illinois that have similar sized zippers. Their reports were very positive.

Councilman Brown stated he was not yet sold on purchasing this equipment. Councilwoman Thomas supported the purchase of equipment if the City has the capability, knowledge and manpower needed to use the equipment. Mr. Nuss explained he ran this type of program in another city. The street repair crew can be run by three men. The proposed equipment will handle repair areas of 20' x 20'.

Mr. Taylor commented on the use of MFT funds. Funds will be needed to match an STU project in two to four years. There are funds in the account, but there are several projects that

still owe the state money. Day labor and equipment rental have been used several times in the past. Man hours and equipment usage has to be documented and then money is transferred from MFT to General Corporate.

Mr. Sanders mentioned the Street Department requested that \$50,000 be put into reserves for a dump truck and \$35,000 budgeted for a 1 ton 4x4 truck with a snow plow. These two items were not included in the proposed budget.

Councilman Foster questioned if the leaf vac upgrade for \$8,500 will significantly improve the leaf program. Mr. Nuss explained the upgrades will improve the program, but he expects more people to participate in the leaf program next fall.

Councilman Foster questioned if another leaf vac needs to be purchased. Mr. Nuss explained it is more important to prepare another dump truck for the leaf pickup than to purchase an additional leaf vac. An additional vac may need to be considered the following year.

After reviewing several years of City audits, Ray Vaughn expressed a concern for under funded pensions. He asked if this was a concern of the Council, or if he was misreading the information.

Mayor Lambird asked Mr. Sanders to explain how the various pension funds are funded. Mr. Sanders explained the Fire and Police Pension funds are levied based on the Illinois Department of Insurance actuarial reports. The increased unfunded percentage was a result of the Illinois Department of Insurance changing some of their assumptions such as life expectancy of retirees and rate of return from investments.

Mr. Vaughn questioned when the trend will turn because funding levels appear to be drastically low. Future Councils will have limited options. Most of the money comes through property tax revenue.

Mr. Taylor explained IMRF determines the percentage that the City and employees pay into the fund. The state statutes regulate Fire and Police Pension contributions and they have been adjusted several times.

Mayor Lambird commented that the Fire and Police Pensions are funded by tax levies and employee contributions.

Mr. Sanders explained both the Fire and Police Pension funds complete an annual report which is filed with the Illinois Department of Insurance and the pension boards control the investments. The ability of the Boards to invest for the Fire and Police Pension funds is regulated by strict guidelines through the Illinois Department of Insurance.

Mr. Taylor commented there is no doubt that pension costs constitute a significant portion of the tax levy. The state contributes nothing toward any of the three City pension plans.

AGENDA #12 “COLLECTIVE NEGOTIATING MATTERS AND APPOINTMENT OR EMPLOYMENT OF SPECIFIC EMPLOYEES” Councilman Foster moved to adjourn to closed session to discuss collective negotiating matters and appointment or employment of specific employees, seconded by Councilwoman Thomas. A majority affirmative voice vote was received.

Councilmen Foster, Brown, Ferguson, Councilwoman Thomas, Mayor Lambird, City Manager Taylor, City Treasurer Sanders and City Clerk Henton left the Council Chambers at 9:58 p.m.

AGENDA #13 “RECONVENE OPEN SESSION” Upon the return of those who were in closed session to the Council Chambers, Councilman Brown moved to enter back into open session, seconded by Councilwoman Thomas. A majority affirmative voice vote was received. Open session resumed at 10:43 p.m.

AGENDA #14 “ACTION ON CLOSED SESSION” No action was taken as a result of the closed session.

AGENDA #15 “ADJOURN” Councilman Brown moved to adjourn, seconded by Councilman Ferguson. A majority affirmative voice vote was received.

The meeting of the City Council adjourned at 10:44 p.m.

Belinda C. Henton
City Clerks