

April 18, 2016

Minutes of the Budget Hearing of the City Council, City of Clinton at 6:45 p.m. in the Council Chambers of City Hall, Monday, April 18, 2016. Mayor Roger Cyrulik, presiding. On roll call Commissioners Crang, Wise, Ballenger and Edmunds were present.

Mayor Cyrulik introduced Paul Skowron, CEO and Donna Wisner, CFO of the Hospital to give an overview of the capital and operating budget for fiscal year 2017.

Paul Skowron, CEO, discussed the Capital Budget items excluding carry over and contingency. It is \$733,200.00 with all major expenditures to include: \$323,200.00 for various facility and grounds upkeeps and move forward with modernizing and replacing equipment which has reached end of life status. The larger items include \$130,000.00 for the replacement of the heating system's hot water boiler #2, \$50,000.00 for storm water pumps and \$50,000.00 for main campus parking lot restoration. Several information services purchases totaling \$250,000.00 of which the largest expenditure is \$105,000.00 for a virtualization solution that includes both hardware and software. This will replace server infrastructure to allow for expansion within the computer network and improve the operation of the computer systems which are used by all departments to support and provide patient care and \$85,000.00 for a replacement nurse call system. The carry over budget of \$423,000.00 includes expenditures approved in the current year but to be paid for next fiscal year. The majority is for the Family Medicine Clinic Ambulatory Electronic Health Record (EHR) that will integrate with the Meditech hospital system. Also included is the patient registration/welcome area renovation. The contingency budget amount of \$1,097,500.00 is an amount for contingency equipment not listed in the budget if a need arises. He then discussed the Operating Budget, which is projecting an excess of revenues over expenses of \$248,067.00 for the operating income. Inpatient revenue is 10% with outpatient revenue at 90%. Of this revenue, over 44% will be written off due to Medicare, Medicaid and various other reasons concerning expenses, 38% relates to salaries/wages/benefits, 15% relates to purchase services and maintenance services, 13% professional fees and 9% relates to supplies/minor equipment with the rest being utilities, maintenance, education/travel and insurance.

Mayor Cyrulik thanked Paul for his presentation.

City Treasurer, Clint Lichtenwalter discussed the City portion of the budget. This year's General Fund budget expenses and debt retirement exceed revenues by approximately \$206,000.00. Some of that is to be expected because we had some one time budgeted items (demolition of properties) of \$100,000.00 additional dollars not in the budget in the past. While most of the revenues continue to remain stagnant the City is continuing to hear from the Illinois Municipal League that bills continue to be proposed each legislative cycle to decrease shared revenues to municipalities as a way to plug the state's budget gap. The sales tax and income tax still remain intact and they are up-to-date on

those payments. The largest unknown going forward with the State of Illinois is the lack of a budget since Governor Rauner has been in office and it doesn't look like there will be one any time soon and they keep approving spending bills on their end so they will have to come up with the revenue from somewhere and part of the threat is it could come from the money the City receives. The other big proposal that is in his Turnaround Agenda that could effect the City is a 2 year property tax freeze. One of the numbers that was thrown out last year as far as some of the percentages that could be taken away from the City was to the tune of \$350,000.00, over 10% of our General Fund Revenue, which would be a devastating impact to the City if that would happen. Overall the expenses, General Fund operating expenses are 3.4 million, which is a 5.1% increase from the projected current fiscal year end but some of those include the extra \$100,000.00 for the demolition of properties so removing that it would only make it a 2.03% increase which is less than the rate of inflation so it would maintain expenses fairly well on the operating side. The revenues overall have only increased an average of 0.52% per year since 2008. The revenues have not increased by much taking out any new revenue resources like Telecom Tax which was set aside for Streets and Park improvements and the Gaming Tax. The interest income has been down for quite some time.

He stated that currently the cash reserves stand at 6 months, which is what the City has always set the minimum at and for those to drop any further or if expenses increase any more would put the City below that.

He stated there is good news this year with the City's Self-Funded Health Insurance plan. After several years of unhealthy losses in that fund last year and this year we have managed to remain healthy and some of the changes that were made have made big impacts and in 2 years has grown the fund back to where it was prior to 2008. It is looking very healthy but it is still not where we would like the reserves to be but the last 2 years have been very good.

Mayor Cyrulik opened the floor for any comments or questions from the audience. Hearing none, motion was made by Commissioner Ballenger and seconded by Commissioner Edmunds to adjourn the Budget Hearing. On roll call vote, Commissioners Wise, Ballenger, Edmunds, Crang and Mayor Cyrulik voted "Yes".

Respectfully submitted,

Cheryl A. Van Valey
City Clerk

April 18, 2016

Minutes of the regular meeting of the City Council of the City of Clinton, Illinois in session in the Council Chambers of City Hall, Monday, April 18, 2016 at 7:00 p.m. Mayor Roger Cyrulik, presiding. On roll call, Commissioners Ballenger, Edmunds, Crang and Wise were present.

Written motion was made by Commissioner Ballenger and seconded by Commissioner Wise that the minutes of the regular meeting of April 4, 2016 be approved as submitted. On roll call vote, Commissioners Edmunds, Crang, Wise, Ballenger and Mayor Cyrulik voted "Yes".

The bills and payroll were read.

Written motion was made by Commissioner Edmunds and seconded by Commissioner Crang that the bills and payroll be allowed as read and the Clerk be instructed to issue warrants on the Treasurer for the several amounts. On roll call vote, Commissioners Crang, Wise, Ballenger, Edmunds and Mayor Cyrulik voted "Yes".

PETITIONS AND COMMUNICATIONS

John Baker, Chairman of the Tree City Commission, presented the awards to the Arbor Day Poster winners, which were Kieran Conaty (1st place), Trinity Buggar (2nd place) and Emily Burkett (3rd place). Mayor Cyrulik read an Arbor Day proclamation.

REPORT FROM THE DEPARTMENT OF PUBLIC AFFAIRS

Mayor Cyrulik reported that the DeWitt County Animal Shelter will have a grand opening and ribbon cutting ceremony on Saturday, April 23rd from 11:00 a.m. – 2:00 p.m. The public is invited. He also received a letter from Mediacom regarding some channel changes.

REPORT FROM THE DEPARTMENT OF STREETS & PUBLIC IMPROVEMENTS

Commissioner Crang reported the City Wide clean-up will be done differently this year. Citizens will need to come to City Hall and pick up a voucher (1 per household) and take their items to Area Disposal any time from May 2nd – June 30th. They will need to show their driver's license and the voucher before unloading their items. She was also very excited to announce the first summer concert on the Square will be June 11th with artist Lauren Alaina with Green Diamond Express as the opening act. She also stated the Blessing of the Bikes was a huge success and hopefully it will be a yearly event.

Mayor Cyrulik announced when you are putting your limbs and yard waste out do not put it in the street but on the terrace.

REPORT FROM THE DEPARTMENT OF PUBLIC PROPERTY

Commissioner Wise reported the department is working on flushing the hydrants.

REPORT FROM THE DEPARTMENT OF PUBLIC HEALTH & SAFETY

Commissioner Ballenger had no report but wanted to thank Public Works Director Steve Lobb for his help in the oil spill on the highway.

Police Chief Lowers reported on April 30th from 10:00 a.m. – 12:00 p.m. they will be conducting the Take Back Initiative program where citizens can bring unused and expired medications to the Police Station and drop them off, which you can do any time in the lobby of the Police Station, and so far they have collected 1,000 pounds since last September.

Interim Fire Chief Dallas reported they have been very busy the month of April with 50 calls and the classes are going very well for the volunteers.

REPORT FROM THE DEPARTMENT OF ACCOUNTS & FINANCES

Commissioner Edmunds had no report.

UNFINISHED BUSINESS

Written motion was made by Commissioner Edmunds and seconded by Commissioner Wise to adopt Ordinance #1406, An Ordinance Amending Annual Budget (FY 2016). On roll call vote, Commissioners Wise, Ballenger, Edmunds, Crang and Mayor Cyrulik voted “Yes”.

Written motion was made by Commissioner Edmunds and seconded by Commissioner Ballenger to adopt Ordinance #1407, An Ordinance Adopting Budget (FY 2017). On roll call vote, Commissioners Ballenger, Edmunds, Crang, Wise and Mayor Cyrulik voted “Yes”.

Written motion was made by Commissioner Wise and seconded by Commissioner Crang to adopt Ordinance #1408, Ordinance Amending Section 7-8-3(A) of the City Code of the City of Clinton, Illinois (3% increase in water rates only). On roll call vote, Commissioners Edmunds, Crang, Wise, Ballenger and Mayor Cyrulik voted “Yes”.

Written motion was made by Commissioner Ballenger and seconded by Commissioner Crang to approve an Intergovernmental Agreement between the City of Clinton and DeWitt County Emergency Management Agency (EMA) for \$15,000.00, which will be paid in four quarterly installments of \$3,750.00. On roll call vote, Commissioners Crang, Wise, Ballenger, Edmunds and Mayor Cyrulik voted “Yes”.

Written motion was made by Commissioner Wise and seconded by Commissioner Edmunds to adopt Ordinance #1409, An Ordinance Authorizing Sale of Personal Property Owned by the City of Clinton, Illinois Hospital (8 used wood church pews). On roll call vote, Commissioners Wise, Ballenger, Edmunds, Crang and Mayor Cyrulik voted “Yes”.

Written motion was made by Commissioner Crang and seconded by Commissioner Edmunds to approve the purchase of Hydraulics, Bed & Lighting for the Dump Truck in the Sewer Dept. from Rahn Equipment Co. in the amount of \$32,815.19. On roll call vote, Commissioners Ballenger, Edmunds, Crang, Wise and Mayor Cyrulik voted “Yes”.

Written motion was made by Commissioner Wise and seconded by Commissioner Crang to approve the purchase of a Spreader & Snow Plow for the Dump Truck in the Street Dept. from Rahn Equipment Co. in the amount of \$12,434.28. On roll call vote, Commissioners Edmunds, Crang, Wise, Ballenger and Mayor Cyrulik voted “Yes”.

NEW BUSINESS

On File – Ordinance to Authorize Borrowing a Line of Credit for Dr. John Warner Hospital

On File – 2016 MFT Summer Maintenance Bid – Illiana Construction - \$175,416.40

On File – Removal of Bird Excrement/Woodward Park – not to exceed \$11,000.00

ADJOURNMENT

With no further business to come before the Council, a motion was made by Commissioner Ballenger and seconded by Commissioner Crang to adjourn the meeting. On roll call vote, Commissioners Crang, Wise, Ballenger, Edmunds and Mayor Cyrulik voted “Yes”.

Respectfully Submitted,

Cheryl A. Van Valey
City Clerk