

April 18, 2011

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, 2011. Mayor Thomas Edmunds, presiding. On roll call Commissioners Hickman, Wise, and Milton were present.

Mayor Edmunds introduced Earl Sheehy, CEO and Donna Wisner, CFO of the Hospital to give an overview of the capital and operating budget of fiscal year 2012.

Capital Budget - items excluding carry over and contingency is \$1,529,119 with all major expenditures to include: \$144,000 for a replacement ambulance, \$475,000 for the sprinkler system upgrade according to the 2006 Life Safety Code with an estimated enforcement date of first quarter 2012 (design phase began in FY 2011), \$370,383 relates to hospital clinical documentation, barcode medication administration and ambulatory and emergency department information systems (these purchases are additional steps toward the mandated electronic health record, the previous step was the clinical order entry system obligated in FY 2011 and soon to be implemented), \$115,000 for the phone system upgrade (current phone hardware was purchased in 1985 – software updated in 1993 and 2001 and can no longer be updated). The carryover budget of \$315,745 includes purchases that have been approved in the current fiscal year but may not be paid for until next fiscal year. The contingency budget amount of \$802,642 is an amount for contingency equipment not listed in the budget if a need arises.

Operating Budget is projecting a near break even over expenses of \$11,490 this year. Inpatient revenue is 12% with outpatient revenue at 88%. Of this revenue, over 42% will be written off due to Medicare, Medicaid and various other reasons. 44% relates to salaries/wages/benefits, 11% professional fees and 10% supplies/minor equipment with the rest being utilities, maintenance and education/travel.

Mayor Edmunds thanked Earl and Donna for coming this evening.

Next was City Treasurer, Clint Lichtenwalter to go over the City portion. While most of our revenues remain stagnant and not growing we are also continuing to see decreases in state shared revenues with the largest decrease being seen in the income tax distributions. Due to this and the fact that operating costs continue to rise you are presented with a budget that will dip into reserves by approximately \$342,000.

Operating expenses 3 years ago were 2.78 million and in this budget they are 3.02 million. To get revenues and expenses equal we reduced general fund expenses by approximately \$70,000 and ended up with the budget in front of you tonight. We had discussed the possibility of not budgeting for any capital in order to reduce the amount that was needed from reserves, but that would just delay the inevitable, and continue higher maintenance costs.

Our state shared revenues have been bouncing up and down over the last several years, but this year we are looking at an estimated decrease of \$84,000. Sales tax remained

relatively steady this year seeing slight increase of 1.3%. Our Non-Home Rule Sales tax ended the year with a 2.3% decline. Overall our next year's revenue is budgeted at \$93,385 less than the projected current year end.

It has been recommended that we should have a year's worth of reserves to cover any unexpected contingencies, and at a bare minimum 6 months worth. With this budget, we will end the year at around 7.7 months worth of reserves.

I am happy to report that the changes that were made to the City's Self-Funded Insurance plan around 5 years ago are holding us steady with small increases or decreases each year in fund balance.

Commissioner Hickman wanted to know the impact of IMRF on the General Fund and Clint said we were doing a 4% match and right now we are at 10.36% and next year we will drop to 9.6% or 9.3%.

Bill McNutt, a lawyer representing Dr. Whitby stated that she was recruited by the Hospital a year ago. The budget at the Hospital does not include her salary. This is a breach of her contract. There is no just cause and she would like to stay. She is asking the Council to correct this error in the budget. Mayor Edmunds stated that the Hospital Board has had many meetings to develop the budget and we take the budget as a whole so we will take it under advisement.

Motion was made by Mayor Edmunds to adjourn the Budget Hearing and go into the regular meeting.

Respectfully submitted,

Cheryl A. Van Valey
City Clerk

April 18, 2011

ROLL CALL, MINUTES, BILLS & PAYROLL

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, 2011. Mayor Tom Edmunds, presiding. On roll call Commissioners Hickman, Wise and Milton were present.

Written motion was made by Commissioner Hickman and seconded by Commissioner Wise that the minutes of the regular meeting of April 4, 2011 be approved as submitted. On roll call Commissioners Hickman, Wise, Milton and Mayor Edmunds voted "Yes."

The bills and payroll were read.

Written motion was made by Commissioner Milton and seconded by Commissioner Hickman 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 Commissioners Hickman, Wise, Milton and Mayor Edmunds voted "Yes."

PETITIONS AND COMMUNICATIONS

Mayor Edmunds read the official 2011 Arbor Day Proclamation declaring April 29th as Arbor Day in Clinton. As in the past, the grade schools held a poster contest and the 3 winners along with their families were present. John Baker representing the Tree Commission passed out the awards to the poster contest winners which were 1st place Tanner Devore, 2nd place Millie White and 3rd place Jady Miller – Congratulations to ALL. Tree planting will be held on Saturday, April 30, 2011 at 10:00 a.m. on E. Washington St. between Welch St. and Emma St. and the tree that will be planted will be in memory of Jack Roberts.

Mayor Edmunds read an official proclamation for Youth Week/Clinton Elks Lodge #785.

J. D. McRoy representing the American Red Cross stating that April is Earthquake Awareness month.

State Bank of Lincoln is sponsoring a "Community Shred Day" on April 30th from 9:00 a.m. – 12:00 p.m. in the City parking lot on E. Washington St. by Sorrento's and Clinton Accounting. They will also destroy computer hard-drives but must be taken out of the computer.

Harold Weinberg presented the new in-coming City Council members with his traditional bottle of aspirin and a "list of excuses" and a certificate.

REPORT FROM THE DEPARTMENT OF PUBLIC AFFAIRS

Mayor Edmunds had no report at this time.

REPORT FROM THE DEPARTMENT OF STREETS & PUBLIC IMPROVEMENTS

Commissioner Hickman had no report at this time. Thanked the public for allowing him to serve on the Council for the past 8 years.

REPORT FROM THE DEPARTMENT OF PUBLIC PROPERTY

Commissioner Wise reported that the guys are out looking for leaks since the weather has improved. Thanked Bryan Hickman for his hard work the last 8 years.

REPORT FROM THE DEPARTMENT OF PUBLIC HEALTH & SAFETY

Commissioner Milton had no report at this time. Thanked Bryan Hickman for his 8 years of service.

Police Chief Reidy reported that the Police Dept. will also have a clean-up day on April 30th from 8:00 a.m. – 12:00 p.m. to dispose of any old or unused medication. You can drive up to the Police Dept. and they will take it from you.

Fire Chief Milton reported he would appreciate the public if they are going to have a recreational fire to call Dispatch and let them know so they are not going on unnecessary calls.

REPORT FROM THE DEPARTMENT OF ACCOUNTS & FINANCES

Commissioner Edmunds had no report at this time.

UNFINISHED BUSINESS

Written motion was made by Commissioner Milton and seconded by Commissioner Hickman to approve Resolution #2011-7 Authorizing a Façade Renovation Agreement with Grimsley's Flowers not to exceed \$8,000.00 On roll call Commissioners Hickman, Wise, Milton and Mayor Edmunds voted "Yes."

Written motion was made by Commissioner Hickman and seconded by Commissioner Wise to approve Ordinance #1226 to purchase real estate at 203 E. Washington St. in the amount of \$100,000. On roll call Commissioners Hickman, Wise and Mayor Edmunds voted "Yes." Commissioner Milton voted "No".

Written motion was made by Commissioner Hickman and seconded by Commissioner Milton to adopt Ordinance #1224, an Ordinance Amending Annual Budget. On roll call Commissioners Hickman, Wise, Milton and Mayor Edmunds voted “Yes.”

Written motion was made by Commissioner Wise and seconded by Commissioner Milton to adopt Ordinance #1225, an Ordinance Adopting Budget FY 2012. On roll call Commissioners Hickman, Wise, Milton and Mayor Edmunds voted “Yes”.

Written motion was made by Commissioner Hickman and seconded by Commissioner Milton to approve Ordinance #1223 Authorizing Acquisition of property by Eminent Domain at 223 E. Washington St. On roll call Commissioners Hickman, Wise, Milton and Mayor Edmunds voted “Yes”.

Written motion was made by Commissioner Hickman and seconded by Commissioner Wise to adopt Resolution #2011-6 to authorize \$100,000 for Summer Maintenance 2011. On roll call Commissioners Hickman, Wise, Milton and Mayor Edmunds voted “Yes”.

NEW BUSINESS

On File – TPA Agreement with Mutual Medical – 4 year term

On File – Rezoning Application #353 – Marco N.P.K., Inc.

Mayor Edmunds then presented Commissioner Bryan Hickman with a wood plaque with a “Key To The City” in honor of his 8 years of service to the City of Clinton.

ADJOURNMENT

With no further business to come before the Council, motion was made by Commissioner Hickman and seconded by Commissioner Milton to adjourn the meeting. Motion was unanimous.

Respectfully Submitted,

Cheryl A. Van Valey
City Clerk