

April 16, 2012

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 16, 2012. Mayor Carolyn Peters, presiding. On roll call Commissioners Milton, Edmunds, Crang and Wise were present.

Mayor Peters introduced Earl Sheehy, CEO and Donna Wisner, CFO of the Hospital to give an overview of the capital and operating budget for fiscal year 2013.

Donna Wisner, CFO, stated the Operating Budget is projecting a near break even over expenses of \$12,189 this year. Inpatient revenue is 12% with outpatient revenue at 88%. Of this revenue, over 45% will be written off due to Medicare, Medicaid and various other reasons concerning expenses, 40% relates to salaries/wages/benefits, 14% professional fees and 10.5% relates to supplies/minor equipment with the rest being utilities, maintenance, education/travel and insurance.

Earl Sheehy, CEO, discussed the Capital Budget items excluding carry over and contingency is \$816,650 with all major expenditures to include: \$600,000 for an electrical system upgrade as mandated by the Illinois Department of Public Health Life Safety Survey, \$75,000 for concrete and asphalt paving of the physical therapy building parking lot according to the building permit, and \$95,850 for the replacement of original 1999 tile and carpet in the Rural Health Clinic. The carryover budget of \$182,255 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 \$1,475,610 is an amount for contingency equipment not listed in the budget as a need arises.

Mayor Peters thanked Earl and Donna for their presentations.

City Treasurer, Clint Lichtenwalter discussed the City portion of the budget. While most of the revenues remain stagnant and not growing there are also 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 the budget will dip into reserves by approximately \$282,000.

Operating expenses 4 years ago were approximately 2.78 million and in this next budget they are projected at 3 million. Staff had discussed the possibility of not budgeting for any capital items in order to reduce the amount that was needed from reserves, but it was decided that would just delay the inevitable, and also create higher maintenance costs.

State shared revenues have been bouncing up and down over the last several years, mostly due to the economy, with the income tax share being the most volatile. While projecting the FY12 income tax to end down approximately \$125,000 over the previous year he projected a recovery of about \$65,000 next year to gain back about half of what was lost this year. After seeing a couple of losing years in sales tax and a stagnant year FY12 sales tax grew at an increase of 4 ½%. This increase will only bring revenue back up to FY08 numbers. The Non-Home Rule Sales tax ended FY12 with a 3.07% increase

bringing it back to FY08 levels. Overall next year's revenue is budgeted at \$36,764 less than the current projected year end revenue.

Mr. Lichtenwalter stated it is recommended that the City should have a year's worth of reserves to cover any unexpected contingencies, and at a bare minimum 6 months worth. With this budget, the City will end the year with approximately 6.7 months worth of reserves.

The changes that were made to the City's Self-Funded Insurance plan around 6 years ago have been holding the City steady with small increases or decreases each year in fund balance, until FY11 and another and another loss is projected in FY12 which will cause the City to implement a 5% increase to the premiums in the FY13 budget.

Motion was made by Commissioner Milton and seconded by Commissioner Edmunds to adjourn the Budget Hearing. On roll call vote, Commissioners Edmunds, Crang, Wise, Milton and Mayor Peters voted "Yes".

Respectfully submitted,

Cheryl A. Van Valey
City Clerk

April 16, 2012

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 16, 2012. Mayor Carolyn Peters, presiding. On roll call, Commissioners Crang, Wise, Milton and Edmunds were present.

Written motion was made by Commissioner Wise and seconded by Commissioner Crang that the minutes of the regular meeting of April 2, 2012 and minutes of the recessed meeting of April 5, 2012 be approved as submitted. On roll call vote, Commissioners Crang, Wise, Milton, Edmunds and Mayor Peters voted "Yes".

The bills and payroll were read.

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

PETITIONS AND COMMUNICATIONS

Mayor Peters read a Volunteer Week Proclamation.

John Baker, Chairman of the Tree City Commission, presented the awards to the Arbor Day Poster winners, which were Erin McGhee (1st place), Grace Boughton (2nd place) and AnnMaree James (3rd place) and then Mayor Peters read an Arbor Day proclamation.

Written motion was made by Commissioner Milton and seconded by Commissioner Wise to reappoint David Campos to the Police Pension Board. On roll call vote, Commissioners Milton, Edmunds, Crang, Wise and Mayor Peters voted "Yes".

Written motion was made by Commissioner Edmunds and seconded by Commissioner Milton to reappoint Owen Junkert to the Fire & Police Commission. On roll call vote, Commissioners Edmunds, Crang, Wise, Milton and Mayor Peters voted "Yes".

Written motion was made by Commissioner Crang and seconded by Commissioner Wise to reappoint Dana Korneman to the Planning Commission. On roll call vote, Commissioners Crang, Wise, Milton, Edmunds and Mayor Peters voted "Yes".

Written motion was made by Mayor Peters and seconded by Commissioner Crang to reappoint Mary Mitchell-Stites to the Tree City Commission. On roll call vote, Commissioners Wise, Milton, Edmunds, Crang and Mayor Peters voted "Yes".

REPORT FROM THE DEPARTMENT OF PUBLIC AFFAIRS

Mayor Peters stated she received a notice from IEPA and provided copies.

REPORT FROM THE DEPARTMENT OF STREETS & PUBLIC IMPROVEMENTS

Commissioner Crang reported that the Police Dept. did a speed study from April 4 – 11, 2012 at various times and they reported:

28 vehicles – 16 – 20 mph
91 vehicles – 21 – 25 mph
74 vehicles – 26 – 30 mph
33 vehicles – 31 – 35 mph
5 vehicles – 36 – 40 mph
1 vehicle – 41 – 45 mph

She stated it has been determined that a 4-way stop sign at Johnson St. & Walnut St. is not an option as well as a speed bump. She said the police would continue to patrol the area. She thanked Mr. Defebaugh for bringing this to the City's attention and the Police Dept. for doing the study.

REPORT FROM THE DEPARTMENT OF PUBLIC PROPERTY

Commissioner Wise reported that there was a setback in starting the well but it should be starting shortly.

REPORT FROM THE DEPARTMENT OF PUBLIC HEALTH & SAFETY

Commissioner Milton asked Steve Lobb about the mowing at the cemetery. He asked if people who need community hours could be used since mowing was started earlier this year. Steve reported that they do use them when it can be coordinated with schedules.

REPORT FROM THE DEPARTMENT OF ACCOUNTS & FINANCES

Commissioner Edmunds reported the regular sales tax exceeded our highest year which was about 5 years ago by about \$27,000 and the Non-Home Rule sales tax also exceeded last year by about \$700.

UNFINISHED BUSINESS

Written motion was made by Commissioner Edmunds and seconded by Commissioner Milton to approve Ordinance #1264, An Ordinance Amending Annual Budget (FY 2012). On roll call vote, Commissioners Milton, Edmunds, Crang, Wise and Mayor Peters voted "Yes".

Written motion was made by Commissioner Edmunds and seconded by Commissioner Crang to approve Ordinance #1265, An Ordinance Adopting Budget (FY 2013). On roll call vote, Commissioners Edmunds, Crang, Wise, Milton and Mayor Peters voted "Yes".

Written motion was made by Commissioner Wise and seconded by Commissioner Milton to approve Ordinance #1258, Ordinance Amending Chapter 8 of Title 7 of the City Code of the City of Clinton, Illinois (Water fees). On roll call vote, Commissioners Crang, Wise, Milton, Edmunds and Mayor Peters voted “Yes”.

Written motion was made by Commissioner Crang and seconded by Commissioner Wise to approve Ordinance #1259, An Ordinance Amending Section 7-1-5 and 7-1-6 of the City Code of the City of Clinton, Illinois (Cemetery fees). On roll call vote, Commissioner Wise, Milton, Edmunds, Crang and Mayor Peters voted “Yes”.

Written motion was made by Mayor Peters and seconded by Commissioner Crang to approve Ordinance #1260, An Ordinance Revising the City of Clinton’s Code of Ordinances to Provide for Municipal Utility Taxes. On roll call vote, Commissioner Milton, Edmunds, Crang and Wise voted “No” and Mayor Peters voted “Yes”. The motion failed.

Written motion was made by Commissioner Wise and seconded by Commissioner Edmunds to approve the construction of a gas main for Douglas 2nd Subdivision in the amount of \$14,950.17. On roll call vote, Commissioner Wise, Milton, Edmunds, Crang and Mayor Peters voted “Yes”.

Written motion was made by Commissioner Edmunds and seconded by Commissioner Crang to approve Ordinance #1263, Ordinance Authorizing Borrowing of Funds. On roll call vote, Commissioner Edmunds, Crang, Wise, Milton and Mayor Peters voted “Yes”.

Written motion was made by Mayor Peters and seconded by Commissioner Edmunds to adopt Resolution 2012-6, A Resolution Authorizing Applying for Federal Assistance (Hospital). On roll call vote, Commissioner Crang, Wise, Milton, Edmunds and Mayor Peters voted “Yes”.

Written motion was made by Commissioner Edmunds and seconded by Commissioner Wise to approve Ordinance #1261, An Ordinance Authorizing Sale of Personal Property Owned by the City of Clinton, Illinois (Hospital). On roll call vote, Commissioner Wise, Milton, Edmunds, Crang and Mayor Peters voted “Yes”.

Written motion was made by Commissioner Crang and seconded by Commissioner Edmunds to award the bid for Center St., Washington St., Madison St. and Parking Lot Improvements to Stark Excavating, Inc. in the amount of \$146,581.33. On roll call vote, Commissioner Milton, Edmunds, Crang, Wise and Mayor Peters voted “Yes”.

Written motion was made by Commissioner Crang and seconded by Commissioner Edmunds to approve the Agreement with Farnsworth Group in the amount of \$20,400.00 (not to exceed) for Design and an additional \$20,400.00 for Construction Phase Services on Center St., Washington St., Madison St. and Parking Lot Improvements. On roll call vote, Commissioner Edmunds, Crang, Wise, Milton and Mayor Peters voted “Yes”.

Written motion was made by Commissioner Crang and seconded by Commissioner Wise to approve the Agreement with Farnsworth Group in the amount of \$20,000.00 for curb & gutter on W. White St. from Grant St. to Elm St. On roll call vote, Commissioner Crang, Wise, Milton, Edmunds and Mayor Peters voted “Yes”.

NEW BUSINESS

On File – Amendment to Parking Ordinance – The Mayor explained the new parking ordinance for the downtown area.

On File – Special Use Application #356 – Andrea & Sheila Walter requested the Special Use permit for a body art studio.

On File – Ordinance Amending Chapter 12 – The Police Dept. requests the right to create a Deputy Chief position. This was approved in the last labor agreement.

Written motion was made by Commissioner Crang and seconded by Commissioner Edmunds to hold a closed session for the purpose of Approval of Closed Session Minutes and Appointments of Annual Appointees. On roll call vote, Commissioners Milton, Edmunds, Crang, Wise and Mayor Peters voted “Yes”.

ADJOURNMENT

With no further business to come before the Council, a motion was made by Commissioner Crang and seconded by Commissioner Milton to adjourn the meeting. Voice vote was taken. Motion was unanimous.

Respectfully Submitted,

Cheryl A. Van Valey
City Clerk