



City Council

City Council Chambers ♦ 314 West Stephenson Street ♦ Freeport, IL 61032

**FINANCE COMMITTEE OF THE WHOLE
MINUTES (AMENDED)
SPECIAL MEETING
MONDAY, JUNE 19, 2017 AT 5:00 P.M.**

CALL TO ORDER

The regular meeting of the City of Freeport, Illinois, Finance Committee of the Whole was called to order in council chambers by Chairperson McClanathan with a quorum being present at 5:00 p.m. on June 19, 2017.

ROLL CALL

Present at roll call were Mayor Jodi Miller and Chairman Peter McClanathan, Alderpersons: Art Ross, Bob Smith, Patrick Busker, Sally Brashaw, and Andrew Chesney. *Note: Alderperson Klemm arrived at 5:04. Alderperson Koester arrived at 5:56.

Present from the City: Manager Lowell Crow, Finance Director Guary Bernadelle, Public Works Director Tom Dole, City Engineer Shaun Gallagher, Community Development Director Alex Mills, Fire Chief Miller and City Clerk Dovie Anderson. Police Chief Barkalow arrived at 5:36. Attorney Aaron Zeto, arrived at 5:55.

PLEDGE OF ALLEGIANCE

The pledge of allegiance was said by all.

APPROVAL OF AGENDA

Alderperson Ross moved for approval of the agenda, seconded by Alderperson Chesney. Motion prevailed by voice vote without dissent.

APPROVAL OF MINUTES

Alderperson Chesney moved for approval of the minutes from the June 5th Finance Committee of the Whole. It was seconded by Alderperson Ross. Motion prevailed by voice vote without dissent.

PUBLIC COMMENTS – AGENDA (LIMITED TO 3 MINUTES PER PERSON)

There were no public comments at this time.

PRESENTATION OF DRAFT BUDGET BY CITY MANAGER CROW

Manager Crow first thanked Finance Director Gaury Bernadelle for his countless hours of work on this. He spoke about the balanced budget taking into consideration that the seemingly \$281, 116 shortfall is balanced out by a prepaid workman's comp out of last year's budget. He expressed concern that the next census, in the year 2020, may show a drop below 25,000 constituents. If this happens we would lose our Home Rule status and may lose approximately 2.5 million in annual tax revenue. He went on to highlight other cost saving measures that helped balance the budget, making reference to the packet

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titled: City of Freeport Budget Presentation dated June 19, 2017. Manager Crow spoke of the need of Council to authorize hiring of 3 police officers and reducing firefighters by 2 through attrition.

DISCUSSION OF DRAFT BUDGET

Alderman Ross asked about the reduction in firefighters and if it would lead to more overtime pay.

Manager Crow explained that the Fire Chief can cover this and we do not see an anticipated reduction in service.

Chairman McClanathan thanked the City Manager and Department Heads and staff for their attention to balancing the budget. He also expressed gratitude for the demolition expenditure line to be double from last year. He asked about whether the reducing firefighter numbers through attrition could be handled through operations.

Manager Crow stated that he is looking at manning in all departments and is working on those details with the department heads.

Manager Crow spoke briefly about Water and Sewer projects including construction of 2 new wells.

Engineer Gallagher spoke about the need for 2 new pieces of equipment and a 2 man crew to handle them.

Alderman Chesney spoke addressing Director Mills. He asked if the \$240,000 allotted for demolitions would bring us "on target".

Director Alex Mills stated that if we keep competitive bids going, we should stay on target.

Manager Crow mentioned that most bids were in "packages" to keep the bids competitive and so demo crews were not picking and choosing properties.

Vice Chairman Brashaw asked Public Works Director Dole about the salt purchases being on hold.

Director Dole explained that salt had been somewhat "over-bought" the previous season with approximately 1,700 tons remaining for next season.

Alderman Chesney and subsequently Alderman McClanathan asked about MFT funding.

Manager Crow stated that because of the lack of a State budget, MFT funding is unsure at this time.

Engineer Gallagher stated the difficulty in putting together a 5 year plan with uncertainty of money. He would like to go out for bids in March and April instead of later in the season.

Alderman Smith brought up the subject of the acquisition of another street sweeper, and the necessity of having a fleet of 2.

Manager Crow stated that he thought we should have 2.

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Aldersperson Smith questioned on what would happen if we reduced the count to just one.

Manager Crow said it would only make a reduction (in expenditure) by about 30,000.

Aldersperson McClanathan asked for an explanation of why the interdepartmental contingencies were not in the budget.

Manager Crow stated that he had pulled the contingencies out as it was a negative number.

Aldersperson Klemm asked about how the reserves being intermingled were going to “shake out”.

Manager Crow called on Engineer Gallagher to answer:

Engineer Gallagher stated that it will take 2 ½ years to stockpile funds to form our “reserve” or “emergency fund”.

Aldersperson McClanathan asked Manager Crow for additional directives on building said reserve.

Manager Crow stated that the goal is to save \$100,000 per month for our reserve/emergency fund.

Engineer Gallagher stated that we need 2 ½ million in reserves.

Aldersperson Ross asked if anything was budgeted for East Stephenson Street work.

Manager Crow stated that he and Engineer Gallagher would discuss this and make a plan for maybe this year or next year.

Engineer Gallagher emphasized that there are lots of priorities with roads and paths.

Aldersperson McClanathan asked if in the budget there was a city maintenance funding (line item?).

Manager Crow stated that the city didn't have a program for its buildings this year. But, next year it will be in the budget.

Manager Crow went on to discuss TIF Issues. He referred to the handouts distributed to Council Members titled: Downtown TIF Issues, Downtown TIF Recommendations, Meadows TIF Fund, LAMM Road TIF Fund, Burchard Hills TIF Fund, and West Ave TIF Fund. His concern was that for our Downtown TIF, we had \$350,000 in requested TIF funds. Counting reserves (\$68,000) and estimated funds coming in (\$178,000), only \$246,000 may be available to cover expenses. He expressed concern that we will have to tap into reserve in several TIF funds.

There were no questions on TIF issues at this time.

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SCHEDULE OF NEXT MEETING

Vice Chairman Brashaw made a motion to have the next meeting on June 26th at 5:00. Alderperson Klemm seconded the motion. Voice vote prevailed without dissent.

The next meeting of the Finance Committee of the Whole will be on June 26th at 5:00 before the regularly scheduled Council Meeting.

PUBLIC COMMENTS – AGENDA OR NON-AGENDA ITEMS (LIMIT TO 3 MINUTES PER PERSON)

There were no public comments at this time.

ADJOURNMENT

Upon a motion duly made by Alderperson Koester and seconded by Alderperson Klemm, the Finance Committee of the Whole meeting adjourned at 5:58 p.m.

s/ Sally A Brashaw

Sally A Brashaw
Alderperson and Vice Chair of Finance Committee of the Whole