

**MINUTES OF THE FINANCE COMMITTEE OF THE CITY COUNCIL OF THE CITY
OF COLUMBIA, ILLINOIS HELD MONDAY,
NOVEMBER 26, 2018 IN THE COUNCIL ROOM OF CITY HALL**

I. CALL TO ORDER

Chairman Roessler called the Finance Committee meeting of the City Council of the City of Columbia, Illinois to order at 7:00 P.M.

Upon Roll Call, the following members were:

Present: Chairman Roessler and Committee Members - Aldermen Agne, Huch, and Holtkamp.

Absent: None.

Quorum Present.

Others Present: Aldermen Ebersohl, Niemietz, Reis and Martens. Mayor Hutchinson was also present.

Administrative Staff Present: City Administrator James Morani, City Attorney Terry Bruckert, Accounting Manager and Acting City Treasurer Linda Sharp, Chief of Police Jerry Paul, Director of Community Development Scott Dunakey, Assistant City Engineer Tim Ahrens, and Deputy Clerk Donna Mehaffey.

Guest Present: Mr. James Schmersahl of Schorb and Schmersahl.

Chairman Roessler stated the meeting was called for the purpose of discussing: (1) Audit Comparison/Police Pension Presentation – Jim Schmersahl of Schorb and Schmersahl; and (2) FY 2018-2019 Tax Levy.

**II. AUDIT COMPARISON/POLICE PENSION PRESENTATION – JIM
SCHMERSAHL OF SCHORB & SCHMERSAHL**

The letter dated November 7, 2018 from the Columbia Police Pension Board stated that the Board of Trustees of the Columbia Police Pension Fund respectfully request that the City of Columbia City Council take appropriate actions to approve and pass a tax levy for 2018 in an amount of at least \$391,902.00 on behalf of the Columbia Police Pension Fund. The amount has been actuarially determined and required by the Illinois Department of Insurance as contemplated by Section 3-125 of the Illinois Pension Code.

Finance Chairman Mark Roessler introduced Mr. Jim Schmersahl of Schorb & Schmersahl to make his presentation.

A handout was distributed from Mr. Schmersahl titled Governmental Activities Comparison, Statements of Net Position – Governmental Activities – April 30, 2018.

Mr. Schmersahl noted all of the cities and villages listed were through April 30, 2018 except for the City of Waterloo as 2018 was not posted. Mr. Schmersahl used figures from 2017 for Waterloo. Relative comparisons were made from the City of Columbia, Waterloo, Troy, Mascoutah, Red Bud, Belleville, and the Village of Swansea. Mr. Schmersahl reported on page 1, these figures were for Assets, Current Assets - Cash and Cash Equivalents \$6,027.176 which appears to be strong for the City of Columbia; Noncurrent Assets, Capital Assets, Net of Accumulated Depreciation \$18,498,487 is comparable to other communities; Liabilities, Current Liabilities, Accounts Payable \$488,630 is within the range; Noncurrent Liabilities, Net Pension Liability (IMRF and Other) IMRF is about fully funded; Net Pension Liability (Police Pension Fund) \$3,176,714 amount short of being fully funded; and Total Noncurrent Liabilities of \$7,918,897 - Mr. Schmersahl said Columbia is right where it should be.

Mayor Hutchinson asked Mr. Schmersahl is there is a best practice ratio on cash to total assets or capital to total assets or is it just what it is? Mr. Schmersahl said there are so many pieces and parts and as an example, some municipalities have bonds outstanding and some do not, some municipalities have more payables (Waterloo) and some have less (Columbia), but Columbia is within the range. Columbia's IMRF position is better than other cities. The IMRF doesn't show it in the cash, but in terms of future liability, the City's position is very comparable.

On page 2, Mr. Schmersahl also touched on Columbia's population from the 2010 census of 9,707 which the expense per resident for Police was at \$773.00 per resident. This is very comparable to other communities. He said the Village of Swansea has a huge police liability and the City of Belleville have bigger constraints due to their large population.

On page 3, Mr. Schmersahl said the Police Pension Fund; Four Year Comparison for Year Ending April 30, 2018, Columbia's Police Pension Fund was funded at 69% with the return being 4.25%. He stated the market should always go up 8% per year.

On page 4, Police Pension Fund, Investment Portfolio Mix and Return through April 30, 2018, Mr. Schmersahl reviewed the interest rates for the City of Columbia said that at the end of April 30, 2017, the Police Pension Fund took a "hit", Change – Income (Expense) of (\$831,428). Mr. Schmersahl also said that the mortality tables were updated because people are living longer.

Mr. Schmersahl also said that he, Mrs. Sharp, and Mr. Morani will look into more oversight until a comptroller is in place as it is not good to have one person have dual control (Treasurer and Comptroller). Mr. Morani said he will develop a written plan for this.

Mayor Hutchinson queried Mr. Schmersahl if the police pension funds and the fire pension funds could be consolidated and if all funds are placed together, they should do better

financially. Mr. Schmersahl agreed they should all do better if they were to be placed in a bigger pool which would likely result in improved returns.

The Committee thanked Mr. Schmersahl for his presentation.

III. FY 2018-2019 TAX LEVY

City Administrator James Morani addressed the Committee on the fiscal year 2018-2019 tax levy and referenced his Tax Levy Analytical Data for /Tax Years 2014 – 2017 (& Proposed Tax Year 2018). He said it had taken a long time to receive the EAV information from Monroe County because of the property tax bills being late. He said if you look at the last four years, they have been conservative with a 2% EAV (Equalized Assessed Valuation) increase and is planning to do an estimated 2% EAV for tax year 2018. For the Fiscal Year 2018-2019 Tax Levy, Mr. Morani said that since the IMRF is fully funded, he decreased IMRF by 7.78% and increased the Police Pension Fund by 10.11%. Mr. Morani said if there are any significant changes before December 10, he will bring the FY 2018-2019 Tax Levy back to the Committee.

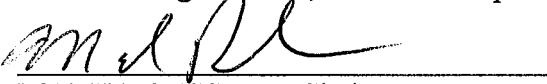
With no objections from the Finance Committee, it was the consensus to move forward with the FY 2018-2019 Tax Levy.

Accounting Manager and Acting City Treasurer Linda Sharp said the IMRF Total Employer Rate for calendar year 2019 of 5.30% is the lowest since she has been with the City of Columbia. Mr. Morani added it is the lowest he has seen in over 10 years of city management.

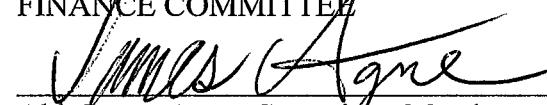
IV. ADJOURNMENT

MOTION:

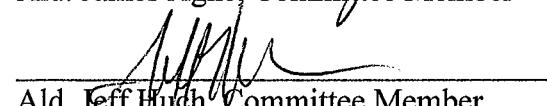
It was moved by Alderman Huch and seconded by Alderman Holtkamp to adjourn the Finance Committee meeting of the City Council of the City of Columbia, Illinois held Monday, November 26, 2018 at 7:38 P.M. Upon voice vote, Chairman Roessler and Aldermen Agne, Huch, and Holtkamp voted yea. **MOTION CARRIED.**



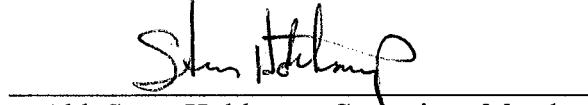
MARK ROESSLER, Chairman
FINANCE COMMITTEE



Ald. James Agne, Committee Member

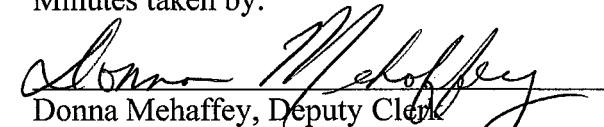


Ald. Jeff Huch, Committee Member



Ald. Steve Holtkamp, Committee Member

Minutes taken by:



Donna Mehaffey, Deputy Clerk

**MINUTES OF THE COMMITTEE OF THE WHOLE COMMITTEE MEETING OF
THE CITY COUNCIL OF THE CITY OF COLUMBIA, ILLINOIS HELD MONDAY,
NOVEMBER 26, 2018 IN THE COUNCIL ROOM OF CITY HALL**

I. CALL TO ORDER

Chairman Ebersohl called the Committee of the Whole committee meeting of the City Council of the City of Columbia, Illinois to order at 7:39 P.M.

Upon Roll Call, the following members were:

Present: Committee Members - Chairman Ebersohl and Aldermen Agne, Niemietz, Roessler, Huch, Reis, Holtkamp, and Martens. Mayor Hutchinson was also present.

Absent: None.

Quorum Present.

Administrative Staff Present: City Administrator James Morani, City Attorney Terry Bruckert, Director of Community Development Scott Dunakey, Police Chief Jerry Paul, Assistant City Engineer Tim Ahrens, and Deputy Clerk Donna Mehaffey.

Guest: Mr. Fred Wehrenberg of the Columbia Lakes HOA.

Chairman Ebersohl stated the meeting was called for the purpose of discussing: (1) Approval of Minutes from the October 22, 2018 Committee of the Whole Meeting; (2) Approval of the Executive Session Minutes from the October 22, 2018 Committee of the Whole Meeting; (3) Mowing at Columbia Lakes/Water Tower Villas; (4) Snow Removal on Private Streets; (5) Architectural/Masonry Requirements; (6) Municipal Building Cleaning Services; (7) Police Department Records Clerk Position; (8) Other Items to be Considered; (9) Public Comments; and (10) Executive Session – 5 ILCS 120/2(c).

**II. APPROVAL OF MINUTES FROM THE OCTOBER 22, 2018 COMMITTEE OF
THE WHOLE MEETING**

MOTION:

It was moved by Alderman Reis and seconded by Alderman Martens to approve the minutes of the Committee of the Whole Meeting of the City Council of the City of Columbia, Illinois held Monday, October 22, 2018. Upon roll call vote, Chairman Ebersohl and Aldermen Agne, Niemietz, Roessler, Reis, Holtkamp and Martens voted yea. Alderman Huch abstained. **MOTION CARRIED.**

III. APPROVAL OF EXECUTIVE SESSION MINUTES FROM THE OCTOBER 22, 2018 COMMITTEE OF THE WHOLE MEETING

MOTION:

It was moved by Alderman Reis and seconded by Alderman Martens to approve the Executive Session minutes of the Committee of the Whole Meeting of the City Council of the City of Columbia, Illinois held Monday, October 22, 2018. Upon roll call vote, Chairman Ebersohl and Aldermen Agne, Niemietz, Roessler, Reis, Holtkamp and Martens voted yea. Alderman Hutch abstained. **MOTION CARRIED.**

IV. MOWING AT COLUMBIA LAKES/WATER TOWER VILLAS

City Administrator James Morani stated Mayor Hutchinson asked him to place this item on the agenda. The issue is with the common ground of the Columbia Lakes HOA hillside. The City has mowed it a few times and direction is needed from the City Council on what to do in the future. Mr. Fred Wehrenberg of the Columbia Lakes HOA was in attendance.

Alderman Hutch said Mr. Wehrenberg did not recall when the hillside was cleared off. The previous developer of the water tower villas promised to take care of the area with regard to mowing, but it is impossible to get the problem resolved now when the other parties involved are not in attendance for this meeting. Alderman Hutch said there is no set maintenance; the hillside has been cleared off; the City has maintained it; the water tower villas are being constructed; and the Columbia Lakes HOA can't take care of the hillside because they don't have the equipment or the ability to maintain it. The issue is down to the City of Columbia or the Columbia Lakes HOA to maintain.

There are three property owners involved. The City owns the small strip along the bottom of the road, the steep hillside is owned by the Columbia Lakes HOA, and the upper portion is owned by the new developer of the Water Tower Villas.

Alderman Roessler suggested letting the grass grow back on the hillside to the way it was. Mr. Wehrenberg stated it looks terrible if it grows back and added the City has been mowing it for the last 10 years. Mr. Wehrenberg said to at least cut the hillside three times per year; spring, summer, and fall. It was noted the City has to rent equipment to mow the hillside and the Columbia Lakes HOA would be in the same situation.

Alderman Roessler stated that the Columbia Lakes HOA received the benefit of the hillside mowing for the last 10 years from the City of Columbia and now the City doesn't need to mow it.

Mayor Hutchinson suggested looking at the hillside. Some of it looks like woods. The problem is the City kept it maintained and was done when the City mowed around the water tower. He added the City did not get anything in writing from the previous

developer of the water tower villas for the grass mowing and can't speak for an unknown third party.

Alderman Martens suggested placing the hillside back the way it was, the City doesn't need to take care of HOA properties, and where will it end if the City does?

Alderman Niemietz commented that instead of mowing, some are going back to native grasses. She referenced the Admiral Trost Park property right now with grasses only growing to a certain height. She added that it is dangerous for someone to try to maintain the hillside.

Mayor Hutchinson stated that Mr. Morani should put together two plans with costs, one for mowing the hillside and one for native grasses on the hillside and to get all the entities involved.

Mr. Wehrenberg said he has been satisfied with the hillside getting mowed three times per year and would like to see it maintained. Mr. Morani asked Mr. Wehrenberg to inform the Columbia Lakes HOA about the possibility of going to native grasses on the hillside and see what they think.

V. SNOW REMOVAL ON PRIVATE STREETS

Mr. Morani reported he was contacted by a subdivision HOA regarding five private streets that the City does not maintain and opened it up for discussion. Mr. Morani said if the City would do it, what would the City charge and pointed out some communities provide this service but if Columbia started, it would have to consider offering this service for all subdivisions with private streets.

Alderman Ebersohl said it was not a good idea. Alderman Reis stated the company he works for won't even place a snow plow on a truck and said there is no reason to take on that liability. Alderman Roessler said in his opinion, the subdivision wanted the small width streets and now they want the streets snow plowed. Those streets are too narrow for the City's plows. He also said not to take on more snow plowing. Alderman Reis added there are other companies that plow streets and the HOA can contract with them. Mayor Hutchinson provided his opinion and said the City could put together a hold harmless agreement which the HOA and the City would sign. He added these residents are taxpayers and there would be no liability as long as there is an agreement. He also said sometimes those streets get plowed in error anyway and the City's plows are already out in the area. Alderman Martens said it is the case of buyer beware and they knew the street situation when they purchased their home. Alderman Holtkamp said let the City do their streets and the subdivisions do their own streets. Alderman Agne agreed. Alderman Niemietz does not support the City doing work on private property.

It was the consensus of the Committee to not get into the business of snow plowing private streets in Columbia.

VI. ARCHITECTURAL/MASONRY REQUIREMENTS

Director of Community Development Scott Dunakey reported to the Committee that he wants to consider revising the placement of the architectural / masonry requirements in the municipal code. There are several requirements spread across in the building, zoning, and subdivision sections in the municipal code that need to be examined. Mr. Dunakey would like to allow staff to consolidate the requirements and also look at other communities in the area to see how their requirements are written. He would also like to work with the members of the Architectural Review Board and local builders to come up with suggested revisions. Mr. Dunakey noted that the requests of E.F.I.S. (Exterior Finish Insulation System) and split-face brick have never been turned down so maybe those items need to be permitted building materials. Mr. Dunakey said he would come back to the Committee with a recommendation by the end of January.

VII. MUNICIPAL BUILDING CLEANING SERVICES

Mr. Morani addressed the Committee on the Municipal Building Cleaning Services; the proposed Kleen Sweep Cleaning Service Maintenance Agreement. The proposed agreement does not include the Department of Public Works since they have a different company. The City has been with Kleen Sweep for four years. Mr. Morani said he has asked for a quote from another company but has not heard back from them. The Library and Police Department expenses are staying the same, but City Hall is increasing to \$3,000 per month, which includes the supplies. Kleen Sweep is at City Hall for five hours per evening. Currently, the City is paying Kleen Sweep the same amount per month as what the previous cleaning company was charging the City Hall from 2012; around \$1,600-\$1,700 per month. Mr. Morani said the Police Department wants to keep Kleen Sweep and added it is hard to find a reliable company.

It was the consensus of the Committee to move forward with the proposed Kleen Sweep Cleaning Service Maintenance Agreement for a total cost per month of \$5,532 – Columbia Public Library \$1,500; Police Department Building \$1,032; and Municipal Building City Hall \$3,000.

VIII. POLICE DEPARTMENT RECORDS CLERK POSITION

Mr. Morani remarked that the Police Department Records Clerk has resigned with her last day being December 4. To attract qualified applicants, a more competitive wage is needed. Comparable communities would be contacted. The clerk was making \$15.46 per hour and Mr. Morani and Chief Paul would like to advertise the salary range to be \$16.00-\$18.00 per hour. Police Chief Jerry Paul said stability is needed in this position and noted the job description will be revised to add some additional duties.

It was the consensus of the Committee to approve the salary range of \$16.00-\$18.00 per hour for the position of Police Department Records Clerk for advertisement.

IX. OTHER ITEMS TO BE CONSIDERED

There were no other items to be considered.

X. PUBLIC COMMENTS

There were no public comments.

XI. EXECUTIVE SESSION - 5 ILCS 120/2(c)

Chairman Ebersohl inquired if there was a need to go into Executive Session. There was none.

XII. ADJOURNMENT

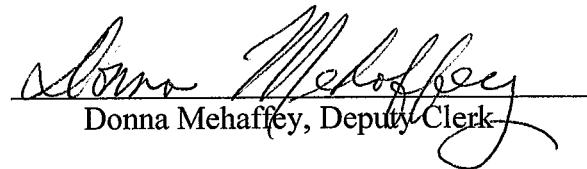
MOTION:

It was moved by Alderman Holtkamp and seconded by Alderman Niemietz to adjourn the Committee of the Whole committee meeting of the City Council of the City of Columbia, Illinois held Monday, November 26, 2018 at 8:40 P.M. Upon voice vote, Chairman Ebersohl and Aldermen Agne, Niemietz, Roessler, Huch, Reis, Holtkamp and Martens voted yea. **MOTION CARRIED.**

Minutes taken by:



Chairman Gene Ebersohl
Committee of the Whole



Donna Mehaffey, Deputy Clerk