

**MINUTES OF THE COMMITTEE OF THE WHOLE MEETING OF THE CITY
COUNCIL OF THE CITY OF COLUMBIA, ILLINOIS HELD MONDAY,
APRIL 2, 2012 IN THE COUNCIL ROOM OF CITY HALL**

I. CALL TO ORDER

Chairman Ebersohl called the Committee of the Whole Meeting of the City Council of the City of Columbia, Illinois to order at 7:35 p.m.

Upon Roll Call, the following members were:

Present: Chairman Ebersohl and Aldermen Agne, Niemietz, Roessler, Huch, Mathews, Piazza and Reis and Mayor Hutchinson.

Absent: None.

Quorum Present.

Administrative Staff Present: City Administrator Al Hudzik, City Engineer Ron Williams, Chief of Police and EMS Director Joe Edwards, Accounting Manager Linda Sharp and Director of Community and Economic Development Paul Ellis.

Guests Present: None.

Chairman Ebersohl stated the purpose of the meeting was to review and discuss (1) budget and financial information; and (2) any other items to be considered.

**II. BUDGETARY AND FINANCIAL INFORMATION PRESENTATION AND
DISCUSSION**

Chairman Ebersohl called upon City Administrator Al Hudzik to address the Committee on budgetary matters. Hudzik made introductory remarks pertaining to the level of receipts the city anticipates receiving in FY 2012-2013 and indicated that many of them had not increased from the amounts received 5-10 years ago; however, since the city's expenditures have increased in that time frame, a very tight cash flow situation has been created in many of the city's funds (especially the General Fund). In the event the city receives less than the estimated amounts, expenses shown in the budget will have to be reduced accordingly. Hudzik then informed the Committee Members that Department Heads would be making budgetary presentations.

Police Chief Joe Edwards reviewed a power point presentation on the city's increase in ordinance violations and chronic nuisance calls over the past few years – he reviewed several incidents of criminal activity occurring in the city and indicated he felt that stricter enforcement of those violations may result in reduced crime in the city. He cited examples of steps taken by the cities of Schaumburg, IL and Mesa, AZ, and recommended that consideration be given to hiring another full-time police officer to

actively enforce the city's ordinance violations, nuisance calls and occupancy permit violations. During Joe's presentation, all in attendance were given the opportunity to ask questions and make comments, which included (i) the approximate cost of adding a full-time police officer; and (ii) the source(s) of revenue available to fund that cost (since the General Fund cash flow is so tight and the draft budget is reflecting a General Fund deficit).

City Engineer Ron Williams then reviewed the budgetary process of the Department of Public Works and indicated the capital equipment and projects requested in the budget reflect the minimum needed to operate based on departmental budgetary meetings (i.e., if the department feels it can get by without replacing equipment or including a project, it is not requested in the budget). Ron then touched upon several of the capital items in the DOPW budgets and indicated he felt they should remain in each respective budget; he also indicated he felt the DOPW personnel level should not be reduced.

Director of Community and Economic Development Paul Ellis then touched upon many items he is working on and requested that his budgetary submittals not be reduced from prior years.

Accounting Manager Linda Sharp then briefly reviewed the Draft Budget, which showed a General Fund deficit of \$132,427 and distributed a document entitled "Budget Analysis – Budget Changes From Weekend Handout" which detailed Revenue Changes (\$20,000 increase) and Net Expense Reductions (in the aggregate amount of \$77,753) resulting from meetings with Department Heads earlier today (04/02/12) on budgetary changes. The net result of these budgetary changes reduced the projected General Fund budget deficit from \$132,427 to \$34,674. Linda then reviewed her Fee Schedule Memo, and its accompanying Fee Schedule, reflecting changes that are required by previously approved ordinances, as well the fee adjustment in each category that would result from a 1% fee increase (figures were also shown on an aggregate basis (reflecting an aggregate increase of approximately \$1,600 for each 1% fee increase)) – she also informed the Committee Members that the CPI increase during the past year approximated 3%. During Linda's presentations, all in attendance were given the opportunity to ask questions and make comments, which included (i) a revised fee schedule should be provided to Committee Members based upon a 3% fee increase (rounding most amounts to reflect full dollar amounts or \$.25 increments); and (ii) additional work will need to be done on the General Fund deficit.

City Administrator Hudzik then reviewed his Memo and its accompanying documents, one by one, and commented on various figures reflected on the documents, including the changes that were made pursuant to the budgetary meetings held earlier today with the Department Heads (resulting in a General Fund budget deficit reduction from \$132,427 to \$34,674). He also distributed a three (3) page document detailing the calculation of the Health Insurance, Dental Insurance and Life Insurance premiums paid by the city for city employees – the worksheets reflected monthly premiums for each employee and extended those totals to the proper departments – the final worksheet contained annualized aggregated totals as reflected on the various departmental expenditures

worksheets reviewed by Hudzik. He then reviewed the Motor Fuel Tax Fund, Capital Development Fund, Water and Sewer Operations Fund and Garbage Fund budget figures. During Hudzik's review, all in attendance were given the opportunity to ask questions and make comments, which included (a) additional revenues/expense reductions are needed in the General Fund to alleviate the \$34,674 deficit – aggregated items in excess of the \$34,674 deficit figure are recommended since the receipts total is just an estimate, and the state continues to be delinquent in its distribution of income taxes; (b) cash balances in the Motor Fuel Tax and Capital Development Funds are being drawn down and alternate revenue sources may be necessary if all envisioned future projects are to be funded; (c) additional analysis is needed on Water and Sewer Department figures so those departments remain adequately funded in the future (since the projected 2012-2013 budget is reflecting a cash drawdown approximating \$300,000); and (d) additional analysis and budgetary figures will be presented at the April 9th Committee Meeting. Hudzik reiterated that cash flow is very tight in the General Fund and additional expense reductions will be necessary.

III. OTHER ITEMS TO BE CONSIDERED OR DISCUSSED

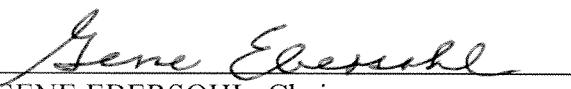
None.

IV. ADJOURNMENT

MOTION:

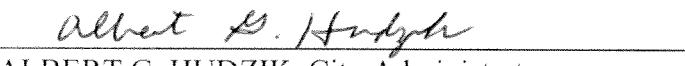
It was moved by Alderman Roessler and seconded by Alderman Niemietz to adjourn the Committee of the Whole Meeting of the City Council of the City of Columbia, Illinois held Monday, April 2, 2012 at 11:10 p.m. Upon Roll Call vote, Chairman Ebersohl and Aldermen Agne, Niemietz, Roessler, Huch, Mathews, Piazza and Reis voted yea.

MOTION CARRIED.



GENE EBERSOHL, Chairman
COMMITTEE OF THE WHOLE

Minutes taken by:



ALBERT G. HUDZIK, City Administrator