

DANVILLE CITY COUNCIL
FEBRUARY 7, 2017

#1...THE REGULAR MEETING of the City Council of the City of Danville was called to order at 6:05 p.m. by Mayor Scott Eisenhauer at the Robert E. Jones Municipal Building, 17 W. Main Street, Danville, Illinois.

THE ROLL CALL was answered by Mayor Scott Eisenhauer, Vice Mayor Rickey Williams Jr., Aldermen Brenda Brown, Jon Cooper, R.J. Davis, Dan Duncheon, Steve Foster, Sharon McMahon, Steve Nichols, Michael O'Kane, Sherry Pickering, Michael Puhr, and Rick Strebing. Absent were Aldermen Lloyd Randle and Tom Stone. A quorum was present.

Staff Members Present: Assistant Corporation Counsel Bethany Nystrom, City Clerk Lisa Monson, City Comptroller Gayle Lewis, Corporation Counsel Dave Wesner, Engineering & Urban Services Director David Schnelle, Human Relations Administrator Sandra Finch, Public Safety Director Larry Thomason, Public Transportation Director Lisa Beith, and Public Works Director Doug Ahrens.

There were also 10 audience members and 3 news media in attendance.

Before the invocation, Mayor Eisenhauer asked everyone to keep Alderman Randle and his family in their prayers as they are going through a very difficult time.

#2...INVOCATION was given by Reverend Zach LeCrone, Pastor of First United Methodist Church and Bowman Avenue United Methodist Church, followed by

#3...THE PLEDGE OF ALLEGIANCE led by Alderman Foster.

#4...THE MINUTES of the regular meeting held, January 17, 2017 having been published and distributed, was presented. Alderman Cooper moved for approval as presented, seconded by Alderman Brown. On the voice vote, the motion so ordered.

#5...THE AGENDA for the evening was presented. There being no changes, Alderman Strebing moved for approval as presented, seconded by Vice Mayor Williams. On the voice vote, all ayes, no nays; the motion so ordered.

#6...MAYOR'S REPORT

#6-A..Proclamations – None

#6-B..Board/Committee Appointments

#6-B-1) Mayor Eisenhauer announced the reappointment of Tom Day to the Vermilion Regional Airport Authority Board, term to expire December 31, 2020. Alderman Foster moved to concur, seconded by Alderman McMahon. There being no questions or discussion, on the voice vote, all ayes, no nays; the motion so ordered.

#6-C..Reports of Boards, Agencies, Commissions - None

#6-D..Items of Information

#6-D-1) Introduction by MLK Chair Mary Thompson of the 2017 Martin Luther King, Jr. Scholarship Recipient Lyric C. Cunningham

Administrator Finch introduced Mrs. Mary Thompson, MLK Committee Chair, who thanked Mayor Eisenhauer, the City Council and the Community for their support enabling the Committee to continue to award the scholarship. Mrs. Thompson noted 2017 is the 21st year for the scholarship. She then

introduced the 2017 MLK Scholarship Recipient Lyric C. Cunningham, who presented her MLK speech.

- Mayor Eisenhauer wished a “Happy Birthday” to Vice Mayor Williams who celebrated a birthday yesterday, to Jennifer Bailey with the Commercial-News who will be celebrating a birthday tomorrow and to Risk Manager Kathy Courson who will celebrate a birthday next Monday.
- Mayor Eisenhauer announced another successful Midwest Classic Show Choir Invitational was held this past weekend with 40 groups performing over Friday and Saturday. He congratulated Mark Mercer, the new DHS Choral Director for the successful event.

#7....PETITIONS, COMMUNICATIONS, AUDIENCE COMMENTS - None

#8....ZONING PETITIONS - None

#9....PAYROLL

Mayor Eisenhauer presented Payrolls for January 20, 2017, of \$585,536.12, for January 27, 2017, of \$65,889.15, and for February 3, 2017 of \$563,827.37. Alderman Cooper moved to dispense with the readings and asked for approval as presented, seconded by Alderman Puhr. There being no questions, the roll call vote being:

Ayes: Aldermen O’Kane, Cooper, Puhr, Nichols, Foster, Brown, Duncheon, Davis, McMahon, Williams, Strebing, Pickering

Nays: None

Absent: Aldermen Randle, Stone

Motion carried 12 to 0 with 2 absent.

#10...SCHEDULE OF VOUCHERS PAYABLE

Mayor Eisenhauer presented the Schedule of Vouchers Payable, having been published, posted, and distributed, for January 24, 2017, of \$384,324.78, and for February 7, 2017, of \$852,331.70.

Alderman Cooper moved to dispense with the readings and asked for approval as presented, seconded by Alderman Brown. Vice Mayor Williams voiced concern of the Midwest Asphalt payment for the mini-parks and requested a report which shows the grant funding expenditure breakdown for the mini-park projects. He does not feel the mini-park funding is the best use of the CDBG funding and would be better used for individuals to repair their homes. Alderman Pickering questioned the payment to Wright Automotive for purchase of the Ford F-150 Super Crew cab trucks as to why crew cabs are necessary and Director Ahrens responded the trucks are supervisory vehicles and they haul personnel to and from job sites on occasions. There being no further questions, the roll call vote being:

Ayes: Aldermen Cooper, Puhr, Nichols, Foster, Brown, Duncheon, Davis, McMahon, Strebing, Pickering, O’Kane

Nays: Alderman Williams

Absent: Aldermen Randle, Stone

Motion carried 11 to 1 with 2 absent.

#11...PUBLIC WORKS COMMITTEE REPORT

#11-A..Chairman Puhr presented RESOLUTION NO. 2017-7 authorizing the Filing of Applications with FTA (Federal Transit Administration) for Federal Transportation Assistance, moved to dispense with the reading and asked for approval without recommendation by Committee, seconded by Alderman Cooper. There being no questions or discussion, the roll call vote being:

Ayes: Aldermen Puhr, Nichols, Foster, Brown, Duncheon, Davis, McMahon, Strebing, Pickering, O’Kane, Cooper

Nays: None

Absent: Aldermen Randle, Stone

Motion carried 12 to 0 with 2 absent.

#11-B.. Items of Information

Chairman Puhr announced discussion regarding the Solid Waste fees will take place at the March 14th Public Works Committee meeting.

[The next Public Works Committee meeting is scheduled for Tuesday, February 14, 2017 at 6:00 p.m.]

#12...PUBLIC SERVICES COMMITTEE REPORT

Chairman Nichols presented Items A thru F for a single vote, moved to dispense with the readings and asked for approval as recommended by Committee. There being no objections, Alderman Brown seconded. Those items being:

#12-A...RESOLUTION NO. 2017-8 authorizing a Budget Amendment in the Finance Division (011) budget to increase line items Group Insurance in the amount of \$9,000.00, Auditing in the amount of \$11,000.00, and Actuarial Expense in the amount of \$2,600.00 and decrease line items Finance Salaries in the amount of \$6,000.00 and Treasurer Salaries in the amount of \$5,000.00 with the remaining funds of \$11,600.00 to come from General Fund Reserve;

#12-B...RESOLUTION NO. 2017-9 authorizing a Budget Amendment in the General City Government (015) budget to decrease expenditure 001-015-00-49091 from 2007 Bond Fund in the amount of \$35,061.78, to cover the transfer needed in the 2011 Debt Service fund;

#12-C...RESOLUTION NO. 2017-10 authorizing a Budget Amendment in the Information Technology Division (020) budget to increase expenditure Computer Service & Supplies in the amount of \$20,000.00, with funds to come from the General Fund Reserve;

#12-D...RESOLUTION NO. 2017-11 authorizing a Budget Amendment in the 2011 (2001) Bond & Interest Fund (201) budget and Closing the Fund, to decrease 201-201-00-49091 from General Fund, in the amount of \$35,061.78 and increase 201-201-00-54086 2001 Bonds-Interest & Cost in the amount of \$538.00 and increase 201-201-00-54149 2001 Sewer Bond-Interest Cost, in the amount of \$458.66, with the amount of \$996.66 to come from the 2011 (2001) Bond Fund Reserve;

#12-E...RESOLUTION NO. 2017-12 authorizing a Budget Amendment in the 2007 Bond & Interest Fund (202) budget, to increase 202-202-00-54086 2007 Bonds-Interest & Cost, in the amount of \$5,540.66 and decrease 202-202-00-99003 Transfer to General Fund, in the amount of \$35,061.78, with the amount of \$5,540.66 to come from the 2007 Bond Fund Reserve; and

#12-F...RESOLUTION NO. 2017-13 authorizing a Budget Amendment in the 2009 Bond & Interest Fund (203) budget, to increase 203-203-00-54171 Bonds-Interest & Cost, in the amount of \$3,409.66 and decrease 202-202-00-99003 Transfer to General Fund, in the amount of \$35,061.78, with the amount of \$5,540.66 to come from the 2007 Bond Fund Reserve.

After all questions were addressed and there being no further discussion, the roll call vote being:

Ayes: Aldermen Nichols, Foster, Brown, Duncheon, Davis, McMahon, Strebing, Williams, Pickering, O'Kane, Cooper, Puhr

Nays: None

Absent: Aldermen Randle, Stone

Motion carried 12 to 0 with 2 absent.

#12-G.. Items of Information

[The next Public Services Committee meeting is scheduled for Tuesday, February 28, 2017 at 6:00 p.m.]

#13...ITEMS OF INFORMATION

- Alderman Puhr announced the elected official's appreciation event hosted by Pastor McCray has been moved from March 24th to April 1st due to the NJCAA basketball tournament.
- Alderman Foster requested an update from Mayor Eisenhauer regarding his recent testimony in Springfield on gambling expansion. Mayor Eisenhauer reported the testimony went well and stated a casino here would mean about 600 construction jobs, 800 permanent jobs, \$30 million dollars in annual revenue, approximately \$5 million annual dollars in new taxes for the City just from the facility, and more revenue expected from sales tax, liquor tax, hotel/motel tax, and food and beverage tax. Market studies have indicated that 65% of the revenue would come from the State of Indiana based on our location as there is a massive void in east central Illinois and west central Indiana. There is some optimism it may pass the Senate, but there has not been any talk in the House of Representatives in moving casino bills forward. Terre Haute has made overtures to the Indiana State legislature that they would like to have a casino, so if in fact, Terre Haute would be given a license ahead of Danville, he thinks the opportunities that once existed for Danville would become minimalized quickly. Video gaming has crippled the opportunity for gaming expansion and does not create jobs. The amount of video gaming machines that have become licensed in the State of Illinois since 2012 is the equivalent of adding 21 casinos to the State. To address Alderman Duncheon's question as to whether the casino has to be on water, Mayor Eisenhauer responded legislation to this point has said any casino has to be on water, but there is a possible amendment to the bill that will allow a casino to be land based. The City would not own the casino license and the Illinois Gaming Board, the City, and the license holder would select a casino location. The only portion the City would pay for is infrastructure, such as roadways and sewers, to get to the casino. Construction would take about 12 months and there can be a temporary casino opened prior to the permanent facility opening.

#14...CLOSED SESSION was not needed.

[Alderman Strebing left the meeting at 7:15 p.m. during discussion of the next item.]

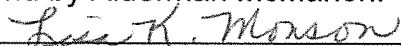
#15...2017-2018 BUDGET STUDY SESSION

Mayor Eisenhauer gave a PowerPoint presentation on the Fiscal Year 2017-2018 Budget titled "Introduction to Budget Challenges" which outlined the change in revenues (budgeted FY 2016-2017 versus actual FY 2016-2017 figures as of 02/06/17 which is what is being budgeted for next year) and expenditures from last year. The state sales tax, state income tax, corporate replacement tax, and home rule sales tax have been reduced while liquor, video gaming, food and beverage, state use tax, etc. have increased. The total loss in revenue equals \$850,583.00. The total increase in expenditures equals \$1,962,410.00 due to expenses over last year greater than \$50,000.00 such as ERI payment, transfer to Fire Pension, transfer to Police Pension, general reserve, PSB (Public Safety Building) lease, fire overtime, and streets electricity. The total savings over last year is \$926,578.00 due to expenses less than last year in general liability, sales tax incentive, transfer to bond/2007 debt, and health insurance. Some changes have been made to both expenditures and revenue which have no financial impact on the bottom line (public safety pension fee, transfer to police pension, and transfer to fire pension). Divisional Budgets were presented showing divisions above last year, below last year, and same as last year's budget. Projected Expenditures total \$25,895,595.00, Projected General Fund Revenue total \$21,425,574.00, and Projected Divisional Revenue totaling \$2,813,804.00 for a projected total amount needed of \$1,656,217.00. Mayor Eisenhauer reminded everyone this figure is a starting number only that exists as of today. Comptroller Lewis handed out the following supporting documents: a Budget Performance Report dated 05/01/16-01/31/17, a

General Fund Cash Flow Report dated 02/07/17, and a Divisional Line Item Budgetary Spreadsheet. Mayor Eisenhower stated the Administration decided to present budget items differently than the way it was done in previous years. Revenue changes and expenditure changes were presented in hopes of the Administration receiving some guidance as to what direction the Council wants to go as far as long term solutions and on ways to balance the budget. Vice Mayor Williams voiced concern the revenue and expenditure figures are not an accurate reflection of where the City will end up at the end of the fiscal year. Vice Mayor Williams asked if there has been a substantial deficit in the past at year end and asked what the average has been the last five to ten years. Mayor Eisenhower responded he would prefer to not comment until he is able to run the numbers. Comptroller Lewis stated the only one behind, on average, is the state income tax. The state sales tax and home rule tax are normally not that far behind, possibly \$50,000.00 off and corporate replacement tax each fiscal year has varied. Comptroller Lewis referred to the General Fund Cash Flow Report and stated we have actual figures for two (state sales tax and home rule city sales tax) of the four revenues for ten months and for the other two for March and April are estimated, so based on the actual numbers that we have received and only two more months left of actual numbers to receive those numbers are very close. Vice Mayor Williams requested a ten-year history of projected revenues versus actual revenues as well as projected expenditures versus actual expenditures. Alderman Puhr asked if December sales for the holidays were up or down and Mayor Eisenhower responded the Administration is putting together a chart on that to share with everyone. The City receives quarterly reports broken down by item categories and those numbers have tended to hold their own. There have been significant reductions in manufacturing sales. Interviews done with the larger local retailers were very positive so there is opportunity for optimism. The national news reports the brick and mortar sales were horrendous this year. Mayor Eisenhower stated the December numbers will be received in March. To address Alderman Nichols question regarding the numbers being off because we budgeted early last year, Mayor Eisenhower responded "yes". Comptroller Lewis stated the difference is not \$400,000.00. Alderman Duncheon asked if the projected revenues will be down about \$850,000.00 and Mayor Eisenhower stated "yes", it is actually reflected in the total general fund revenue line. Alderman Nichols asked why other revenues were down and Comptroller Lewis responded other revenue would be anything that is not itemized on the report and Mayor Eisenhower stated he will take a look at why those figures are down. Alderman Puhr asked if the projected Fire personnel costs include reducing the manning and Mayor Eisenhower responded the projected Fire personnel costs shows one of two scenarios, either keeping the personnel at the level we are and having 13 minimum manning or having 10 minimum manning, but some reduction in personnel that would still create overtime and we won't know the answer to that until an arbitrator makes a determination. Alderman Duncheon requested a 2016-2017 salary spreadsheet. Alderman Cooper asked for an update on the possibility of a utility tax and Mayor Eisenhower responded the Administration has met with business leaders for a very thorough preliminary discussion, but a final plan has not been given to them. Alderman Cooper requested another utility tax report of other cities in the State. Alderman Duncheon asked to revisit a sales tax increase. After all questions were addressed by Mayor Eisenhower and Comptroller Lewis, Mayor Eisenhower reminded Council the Administration needs some direction from everyone as to what services you are willing to do without or what revenue you are willing to increase. The budget schedules will be sent out soon and the budget will need to be approved by the third Tuesday in April.

#16...ADJOURNMENT

There being no further business to discuss, the meeting was adjourned by acclamation at 7:35 p.m. following a motion by Alderman Duncheon and a second by Alderman McMahon.



Lisa K. Monson, City Clerk

I, Lisa K. Monson, City Clerk of the City of Danville, Illinois, do hereby certify that the foregoing Minutes are a true and correct copy of the regular meeting held February 7, 2017, as the same appears on the records of the City now in my custody and keeping.

Lisa K. Monson, City Clerk

Approved: 02/21/17
Posted Publicly: 02/22/17