

PUBLIC SERVICES COMMITTEE
MINUTES OF OCTOBER 27, 2015

#1 CALL TO ORDER

Chairman Nichols called the Public Services Committee meeting to order at 6:02 p.m.

Roll Call was answered by Chairman Steve Nichols, Vice Chairman Steve Foster, Aldermen Brenda Brown, Frank Hoskins, and Tom Stone. Aldermen R.J. Davis and Sharon McMahan were absent. A quorum was present.

Others Present were Mayor Scott Eisenhauer, Aldermen Mike O'Kane and Sherry Pickering, Assistant Corporation Counsel Bethany Nystrom, City Clerk Lisa Monson, City Comptroller Gayle Lewis, Human Relations Administrator Sandra Finch, Human Resources Administrator Bill Westphal, Public Safety Director Larry Thomason, Risk Manager Kathy Courson, 5 audience members and 3 news media.

#2 APPROVAL OF MINUTES

Chairman Nichols presented the Minutes of the regular meeting of September 22, 2015. Alderman Hoskins moved to dispense with the reading and asked for approval as presented, seconded by Alderman Stone. On the voice vote, all ayes, no nays; the motion so ordered.

#3 APPROVAL OF AGENDA

Chairman Nichols presented the agenda. There being no changes, Vice Chairman Foster moved for approval as presented, seconded by Alderman Brown. On the voice vote, all ayes, no nays; the motion so ordered. Discussion regarding revolving loan

#4 AUDIENCE COMMENTS

Lynn McClinden of Danville spoke in support of keeping the Public Safety Pension Fee at least at the \$2.00 per month level and encourages thinking in a forward manner concerning the fee and is strongly inclined to think along the lines of \$10.00 or perhaps more, but in coming years the actuary is going to come back with a lot higher requirement. He suggests increasing the monthly fee, but with the excess over what is required this year specifically dedicated to paying down the unfunded liabilities on the Police and Fire Pensions.

#5 CHAIRMAN'S COMMENTS

- Chairman Nichols clarified remarks he made at the last Council meeting. What he was suggesting was not \$10, but suggesting to charge a fee and lower the property tax to a fairly small amount which would decrease the property tax and would eliminate what the State might do with the property tax freeze. He feels it is important for people to know what they are paying for and what things cost.
- Director Schnelle asked Chairman Nichols to bring up an item for discussion. He stated a downtown business has requested a revolving loan and asked if the resolution could be taken directly to the Council next week. Mayor Eisenhauer stated it is a timing issue at the request of the business owner who would like to make their improvements by the end of the calendar year or it could be held until the November Public Services Committee meeting and for approval at the first Council meeting in December. It was the consensus of the Committee to take it directly to City Council next Tuesday.

#6 APPROVAL OF PAYROLLS

Chairman Nichols presented Payrolls for October 23, 2015 of \$68,443.71. Alderman Hoskins moved to dispense with the readings and asked for approval, seconded by Alderman Stone.

There being no questions, the roll call vote being:

Ayes: Aldermen Hoskins, Stone, Foster, Brown, Nichols

Nays: None

Absent: Aldermen Davis, McMahan

Motion carried 5 to 0 with 2 absent.

#7 APPROVAL OF VOUCHERS PAYABLE

Chairman Nichols presented Schedule of Vouchers Payable for regular run for October 27, 2015 of \$174,817.29. Alderman Hoskins moved to dispense with the readings and asked for approval, seconded by Alderman Brown. There being no questions, the roll call vote being:

Ayes: Aldermen Stone, Foster, Brown, Hoskins, Nichols

Nays: None

Absent: Aldermen Davis, McMahon

Motion carried 5 to 0 with 2 absent.

#8 CITY CLERK'S REPORT – Lisa Monson, City Clerk

- Staff is working on Annual FOIA Directory, Annual Meeting Schedule, and preparing documents for the semi-annual business license renewal notices for liquor licenses and business taxicab licenses.
- Clerk Monson recently completed her third year of the Municipal Clerk's of Illinois (MCI) Institute and will be attending a 32 hour certified pension trustee training through the Illinois Public Pension Fund Association (IPPPA) November 2 to November 5, which is a State Statute requirement.

#9 FIRE – Larry Thomason, Public Safety Director

#9-A) The Monthly Incident Report for October 1, 2015, through October 26, 2015, was presented, stating total incidents were 181, total estimated loss in fires were \$78,675.00. During this period there were 5 building fires, 2 cooking fires, 4 passenger vehicle fires, 1 natural vegetation fire, 3 brush fires, 2 outside rubbish, trash or waste fire, 2 grass fires and 1 dumpster or special outside fire with 61% of the calls related to Rescue & Emergency Medical Service Incidents. Vice Chairman Foster commended the Fire Department for the rescues during a recent fire and requested statistics of total rescues in a yearly period.

#10 HUMAN RELATIONS – Sandra Finch, Administrator

Administrator Finch presented the Status Report of Complaints for period September 22, 2015, through October 19, 2015, that stated the office handled 36 complaints, which consisted of a total of 18 Police, 15 Employment, and 3 Housing complaints.

#11 INFORMATION TECHNOLOGY – Agnel DSilva, Administrator

In the absence of Administrator DSilva, Mayor Eisenhower reported staff is making progress with the data conversion on the ERP (Enterprise Resource Planning) project. He stated New World has been very impressed with the organization and preparation by the City staff so far with the conversion project. Comptroller Lewis updated the Committee on the project by stating users have been set up, but the City is waiting on the license from New World for each of the user's access capabilities. Also, the chart of accounts has been entered, the hardware and software has been installed, and the conversion will begin the second week of November. Mayor Eisenhower reported Administrator DSilva has also been working with Danville Mass Transit and Public Works on their technological systems.

#12 LEGAL – Dave Wesner, Corporation Counsel

In the absence of Corporation Counsel Wesner, Assistant Corporation Counsel Bethany Nystrom presented the Municipal Court Report for May 1, 2015 through October 27, 2015. The total number of cases filed for the period in Danville was 1,154 cases which accounts for 77% of the total filed. The total fines and costs collected for the period was \$169,103.03 for the City which accounts for 94% of the total collected. She also stated she has diligently been working on demolition projects.

#13 POLICE – Larry Thomason, Public Safety Director

- The Monthly Calls for Service Report for September 18, 2015, through October 26, 2015, was presented stating 4,232 total Calls for Service by Grid, with arrests of 278 adults and 67 juveniles. The largest category within the reportable offenses was Criminal Damage/Property, Theft, Domestic Battery, Tows/ID, Equipment, Insurance, Disorderly Conduct, Warrant/Arrests, Retail Theft followed by Burglary. There were 517 Traffic Citations by Offense issued with the majority of those issued for uninsured motor vehicles and there were 1,171 actual reported offenses with activity that went to the States Attorney's office for referral.

- Vice Chairman Foster requested an update on what has been done with pedestrians in the roadway. Director Thomason reported the TET (Traffic Enforcement Team) which consists of four to six officers who have been out on the streets since the last part of August. Their primary emphasis has been on pedestrians in the roadway and as of October 21 the team has stopped 462 cars with 468 total citations issued. A large number of these citations issued have been for pedestrians in the roadway.
- Chairman Nichols asked for an update on the use of body cameras. Director Thomason stated we are currently meeting with several vendors looking at their costs and the products they have and whether their products are compatible with other police equipment such as the car cameras. The laws are there in place and if we go that direction the City would have to have a written policy in place.

#14 URBAN SERVICES - David Schnelle, Director

#14-A) Items of Information

In the absence of Director Schnelle, Mayor Eisenhauer announced the West Main Street demolition debris should be removed from the site by mid November. Chairman Nichols stated the area looks fantastic and it enables the City to pursue development along that street. The graduate students from the University of Illinois Landscape Architecture, Architecture, and Urban Planning will be holding a public meeting on December 9 from 4:00 p.m. to 6:00 p.m. at The Social to showcase their Riverfront Project design concepts. Mayor Eisenhauer stated the meeting location and time is tentative.

#15 FINANCE – Gayle Lewis, Comptroller

#15-A-1) Human Resources Monthly Report – Bill Westphal, Human Resources Administrator

The Personnel Report was presented as of October 28, 2015, stating 242 fulltime and 27 part-time/seasonal employees, with one new hire, no separations, and six transfers. Applications are being accepted for Accountant/Auditor, Superintendent of Streets & Sewers, Engineer, Electrical & Zoning Inspector, and Extra Board Bus Drivers are on-going. Administrator Westphal stated the testing process for Probationary Police Officers and Probationary Firefighters has been completed with the oral interviews taking place within the next month. There were 30 individuals who passed the written test for Fire with 38 individuals passing the written test for Police. There were also three lateral transfers for Police. The eligibility list will be completed by December 6.

#15-A-2) Risk Management Monthly Report – Kathy Courson, Risk Manager

September 2015 Statistics were presented stating Health Alliance Insurance Premiums for employees totaled \$332,219.00, for retirees \$44,840.60, and for Library employees \$11,334.00; September claims for Worker's Compensation totaled six and there were three Liability claims submitted.

#15-A-3) Discussion of Health Plan and Flexible Spending

Manager Courson handed out spreadsheets which indicated savings incurred from the health insurance spousal incentives. The total premiums paid in 2015 were \$3,996,016.00 compared to 2014 total premiums paid of \$4,124,368.00 and the amount of monthly premium savings to the City in 2015 was \$382,217.00. The potential yearly savings after the incentive amounts are deducted would be \$407,132.00 with the \$2,000.00 and \$2,500.00 incentive or \$388,632.00 with the \$2,500.00 and \$3,000.00 incentive. She also handed out a spreadsheet with the HDHP (high deductible health plan) potential total savings in employees who switch from the HMO or PPO and receive a deduction incentive up to \$1,500.00 which would be deposited into their HSA (health savings account). The savings vary depending upon the type of plan the employee enrolls in and the employee would not be offered both incentives. It was the consensus of the Committee to support the incentives. Manager Courson stated additional paperwork will be included with the resolution for the Council meeting next week. Comptroller Lewis stated the flexible spending plan is a cafeteria plan offered to all full time employees.

#15-A-4) Discussion of Proposed Fiscal Year 2016-2017 Budget and 2015 Tax Levy

Mayor Eisenhauer gave a PowerPoint presentation on the actual actuarial valuation results. He stated the payment of the downstate police and fire pension funds are the law and every municipality must pay the downstate police and fire pension according to one of two actuarials; one is the actuarial from the IDOI (Illinois Department of Insurance) or a third party actuary hired by the municipality. The City has always chosen to use

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a third party actuary because of the flexibility that is allowed whereas the IDOI uses one interest rate and one salary rate. Under new State law either you pay according to one of those two formulas or if you choose not to pay then the State will withhold the LGDF (Local Government Distributive Funds) and remit to the pension funds. To create the Actuarial Valuation Results, two assumptions were made; the interest rate set at 6.75% (down from 7.50% a year ago) and the salary rate set at 4.50% (same as last year). The assumptions also indicate a 100% amortization with end date of 2040, DOI 2012 mortality, disability, turnover and retirement assumptions which greatly expands the lifespan of the employees. The unfunded liability in the fire pension is \$44,731,390.00, amortization of unfunded liability is \$2,216,946.00, and the tax levy requirement is \$2,714,487.00 which is a 17.9% increase from last year. The fund is 22.5% funded, down 4% from a year ago. The unfunded liability in the police pension is \$38,467,862.00, amortization of unfunded liability is \$1,906,517.00, and the tax levy requirement is \$2,494,048.00 which is a 37.9% increase from last year. The fund is 34.4% funded, down 4% from a year ago. The total increase from last year for both fire pension and police pension combined is \$1,097,785.00 which is an increase of 26.71% and a tax levy requirement of \$5,208,535.00. The presentation also included tax levy history from 2000 to 2015 which ranged from a total amount of \$645,000.00 (56.8% funded) in 2000 to \$2,494,048.00 (34.4% funded) in 2015 for police pension for a total increase over 15 years of 180.33% and for fire pension the range from 2000 to 2015 is \$923,200.00 (41.7% funded) in 2000 to \$2,714,487.00 (17.9% funded) in 2015, for a total increase of 149.42% over a 15 year period. The total tax levy amount ranged from \$4,799,805.00 (32.67% of total levy for police pension and fire pension) in 2000 to \$6,007,058.00 (68.43% of total levy for police pension and fire pension) in 2014 for a total increase over 15 years of 25.15% of total levy for police pension and fire pension. The 2016-2017 Budget General Fund is balanced, the enterprise funds will be presented next Tuesday and the grant funds will be presented November 17th. The Budget nor the Tax Levy includes money for demolition of dilapidated structures, East Main Street Corridor Redevelopment, Riverfront Infrastructure, Stormwater Management Projects, or other projects. After discussion and questions were addressed, Mayor Eisenhower stated he and Comptroller Lewis will present alternatives next Tuesday that the Administration feels are important to propose as well as those the Aldermen have suggested. The following documents were handed out: Actuarial Valuation Results for Police Pension Fund and Fire Pension Fund from Timothy Sharpe, Actuary, the Actuarial Valuation Reports from IDOI for Police Pension Fund and Fire Pension Fund, the Tax Levy History from 2000 to 2015 spreadsheet, the Parks and Public Property and Parks and Central Services Budget Comparison for 2015-2016 and proposed budget for 2016-2017, and a corrected spreadsheet of the cost of a new firefighter including salary and benefits from the first year to the third year.

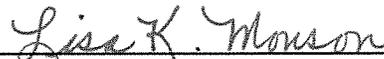
#15-A-5) Additional Items of Information – None

#16 CLOSED SESSION was not needed.

#17 COMMITTEE MEMBERS' COMMENTS – None

#18 ADJOURNMENT

There being no further business to discuss, the meeting was adjourned by Chairman Nichols at 7:42 p.m. following a motion by Alderman Hoskins and a second by Alderman Brown.



Lisa K. Monson, City Clerk

Approved: 11/24/15

Posted Publicly: 11/25/15