

The City Council of the City of Mattoon held a special meeting in the Lone Elm Room of the Mattoon Depot on January 7, 2017 for a Budget Work Session.

Mayor Gover presided and called the meeting to order at 8:00 a.m.

Mayor Gover led the Pledge of Allegiance.

The following members of the Council answered roll call physically present: YEA Commissioner Dave Cox, YEA Commissioner Sandra Graven, YEA Commissioner Rick Hall, YEA Commissioner Preston Owen, and YEA Mayor Tim Gover.

Also physically present were City personnel: City Administrator Kyle Gill, Public Works Director Dean Barber, Fire Chief Tony Nichols, Police Chief Jeff Branson, IT Director Brian Johanpeter, Park/Lakes/Cemetery Superintendent Kurt Stretch, and City Clerk Susan O'Brien.

Mayor Gover opened the floor for Public (Rob Stroud, Dave Schilling, Bart Owen, Barry Pullen) comments with no response from the Public.

The City Council and City Staff reviewed budgetary items in preparation for the FY18 Budget. Administrator Gill announced Department budgets for FY18 are to be turned in by January 20th; reviewed FY17/18 projections with a -\$267,050 balance stating reduced State income tax (\$299,000) and health care costs as reasons for negative balance. Administrator Gill believed the reduction in State funding was due to an overpayment by the State and was expecting \$1.5 million to be received while the IML estimated \$1.8 million to be received. Administrator Gill also noted a reduction in General Corporate real estate taxes due to fire and police pension obligations of \$600,000. He further noted expenses were on track and total revenues are projected to be \$17.9 million. Attendees discussed the deficit, IML calculations, most accurate estimates, Department Heads reducing every year, no grant funding of \$285,256 in the MEF fund until received, slight debt service reduction, and pursuance of IML on the diminishing sales tax.

Administrator Gill opened the floor for Department Heads to review their big ticket budget requests. Clerk O'Brien stated her immediate budget should be stable, replacing a retired employee with a temporary employee. Administrator Gill explained his budget and the IPRF Grant. Administrator Gill reviewed the Finance budget noting retiree health insurance increases. Administrator Gill noted Legal budget remaining the same. Director Johanpeter reviewed IT budget as flat, requested a different salary structure, and noted technology replacements/updates and IT projects. Discussion ensued over the County's microwave service tower proposal, cameras throughout the City, and backup antennas. Police Chief Branson explained the Police Department budget and requested the most significant big ticket items as a Dispatch A/C unit, Portable radios, and replacement squad cars. Fire Chief Nichols presented the Fire Department budget requests for Turnout Gear, SCBA Air Packs and Grant, Rescue Spreaders & Cutters, New Ambulance Billing Software, replacement ambulance from MEF, and Capital Improvement projects. Council recessed for a break at 9:46 a.m. The meeting reconvened at 10:05 a.m. Administrator Gill reviewed the Community Development budget, noting the funds from the Water/Sewer accounts. Director Barber reviewed Public Works budget noting salary expenses funded by the General Fund and Water/Sewer funds with no equipment in the General Fund or Capital Improvement fund. Council with Director Barber discussed the street sweeper, remodeling of Burgess Osborne Auditorium and parking lot. Administrator Gill noted the Arts Council budget is not funded by the City. Administrator Gill noted Equipment Maintenance is not budgeted separately. Commissioner Owen noted equipment maintenance was budgeted throughout the other budgets. Superintendent Stretch reviewed Parks/Lakes/Cemetery budget as status quo, noted the reduction of staff by August, maintenance and repair of Parks, a second year plan to upgrade electric at Huffman's Campsite, and

potential purchase of a Cemetery niche upon fill of first niche. Attendees discussed the seal coat of Cemetery roads, purchasing property around Boys/Girls Complexes, and increase of Lake permits. Administrator Gill presented the Capital Improvement budget noting the income of \$750,000 (property taxes and 1/2% sales tax) and outflow of \$300,000 and listed the items: Pistol Range Remodel, Dispatch Concrete, City Wide wireless, Fire Dept. Parking Lot, Fire Annex addition, City Hall tuck-pointing, Fire Hydrant inventory, Marshall Avenue sidewalks, Burgess Osborne remodel, Little Wabash Drainage Project, Bike Trail, Bond payments, and Farm expenses. Director Barber presented the projects from the Capital Planning as Public Works Building & Paving, Bike Trail Extension, Little Wabash Drainage, Burgess Osborne remodel and parking lot, and City Hall rehabilitation. Director Barber reviewed the MFT projects as Broadway parking lot between 19th and 20th Street, Broadway Alleyway, and Streetscaping. He reviewed the maps where changes have occurred over the last ten years, sidewalk grant work, and future grant funding. Director Barber reviewed the Water Treatment Plant Capital Improvement projects as Water Treatment Plant Clearwell, SCADA upgrades, and SBLHC GST mixer. Director Barber reviewed the Waste Water Treatment Plant Capital Improvement projects as the \$6 million Treatment facility, CSO Piping, and WWTP Screens which filter debris. Director Barber requested suggestions and feedback from the Council on which projects should take precedence. Council added Streetscaping between 14th – 19th Street and Street Lighting from I-57 to the Mall entrance or Logan Avenue. Administrator Gill discussed the MEF budget and noted the contributions and purchases. Administrator Gill opened the floor for discussion with no response.

Mayor Gover announced a break and recessed at 11:43 a.m. The meeting reconvened at 12:17 p.m. Administrator Gill discussed the renaming of 1000N Interchange with the City of Charleston. Council discussed economic development and more signage.

Administrator Gill noted revenues as flat and expenses increasing. Council and Administrator Gill discussed the expenses for personnel outstripping the revenues, and discussed cutting services and personnel. Administrator Gill instructed Department Heads to make necessary purchases this year and not to defer purchases to next year. Attendees discussed the collection of internet sales taxes, IML's influence, unknown release of State funding, State's property tax proposal, unfunded mandates, and change in Electrical Ordinance. Council reviewed when the next budget session would be held, and the consensus was on February 10, 2017 for an all-day session.

Commissioner Hall seconded by Commissioner Cox moved to adjourn the meeting at 12:40 p.m.

Mayor Gover declared the motion carried by the following vote: YEA Commissioner Cox, YEA Commissioner Graven, YEA Commissioner Hall, NAY Commissioner Owen, YEA Mayor Gover.

/s/ Susan J. O'Brien
City Clerk