

CITY OF GENOA
City Council Meeting Minutes
April 1, 2008

Mayor Walker called the regular meeting of the City Council to order at 7:00 p.m. Roll call taken. Aldermen Wesner, Carroll, Sheahan, Pizano, Watson and Hansen were present. Aldermen Curley and Jursich were absent.

Mayor Walker led the Pledge to the Flag.

Guest speaker—none

Motion made by Alderman Sheahan to accept the minutes of the regular City Council meeting of March 18, 2008, seconded by Alderman Hansen. Roll call vote taken. Aldermen Sheahan, Pizano, Watson, Hansen, Wesner and Carroll voted yes. Motion carried.

Motion made by Alderman Wesner to approve payment of the accounts payables for the second half of March 2008, seconded by Alderman Watson. Roll call vote taken. Aldermen Wesner, Carroll, Sheahan, Pizano, Watson and Hansen voted yes. Motion carried.

ITEMS FROM INDIVIDUALS IN ATTENDANCE—none

COMMITTEE REPORTS

Administrator Misurelli stated that the Economic Development Commission will meet next on May 8th. Their Roundtable meeting will be on the first Thursday in June at 12:00 noon. The Plan Commission will meet next on April 10th. There is one petition to be reviewed.

OLD BUSINESS—none

NEW BUSINESS

Presentation of the 2008/2009 Annual Budget—Finance Director Jepson distributed the proposed budget to the City Council members. He reviewed the phases in the process of creating the budget. The first phase is taking inventory. The second phase estimates the resources available. The third evaluates requests for services and improvements. Finally, the budget is created. There are 5 major sections to the budget. The first is introductory material including a transmittal letter from the Mayor. The second section contains summaries. The third section deals with the General Funds. The fourth section is the Water and Sewer Funds. The last section contains the Special Revenue Funds. He was projecting that for the current year, there would be about \$150,000 in excess of expenditures over revenues. For next year, that was in the range of \$230,000. There are several initiatives that have taken place and are reflected in the new budget.

The current year has been reduced to \$135,000. The projected \$230,000 has been reduced to \$100,000. The total budget starting for May 1, 2008 is \$7,159,000. He reviewed the charts indicating how each dollar is expended. The major expenditures affecting the budget are Police Protection, Streets and Public Property and Water and Sewer services that account for 79% of the budget; with refuse disposal that increases the figure to 83% of the budget. He then reviewed sources of income. In next year's budget, he has included anticipated income increases as a result of the Special Census. He expects a tentative bond issue to affect the budget if a sewer project is undertaken in the next year. He estimates drawing down the fund balance by \$980,000 next year. This would be a result of certain water and sewer and/or street projects being done which will draw down funds. The budget figures are presented on a fund basis as required by statute and generally accepted accounting principles. This document shows the expected balances of funds April 30, 2008, the anticipated revenues and expenditures for next year, and the expected final balances of the funds April 30, 2009. There has been a general 3% increase for the cost of living in salaries and there are no new employees. We expect to expend \$2,484,000 in capital improvements next year. Water and sewer projects account for \$1,700,000 of the overall total and Second Street improvements could be up to \$500,000. It is anticipated that \$1,500,000 will be from existing funds set aside for those purposes with the addition of borrowing about \$1,000,000. In the General Fund, we expect our total revenue to be \$2,406,000. We expect \$69,000 more than anticipated in sales tax. We expect franchise fees to increase. In evaluating Administrative costs, about 25% is obligated to water and sewer services. We anticipate having the building inspector available to other communities or firms which should help boost revenues. Some of the budget expenditure changes include the ability to charge the utility billing clerk to the water and sewer fund. Also, a police officer in the military is not expected to return for more than 4 months of the fiscal year. One of the anticipated increases in expenditures is the Police Pension Fund upon certification of the Special Census. With insurance and fuel increases, they have kept the anticipated expenses conservative. They anticipated the total expenditures for General Fund departments to be \$2,639,000, but they are actually down to \$2,574,000. The overall changes have made the anticipated deficit for next year \$99,480 instead of \$230,000. These figures can change with the sale or rental of City properties. Many communities are experiencing stringent times also. The Water and Sewer Funds are expected to do \$1,680,000 in capital improvements and they remain in excellent financial condition. After the improvements, they expect to have \$1,250,000 in the funds. With the changes in the Police Pension Fund, the share of contributions to IMRF for the City will be reduced in future years. The overall budget shows detailed information, and Finance Director Jepson highlighted changes and matters of interest. Administrator Misurelli summarized that the Police Pension has created a significant obligation for City as a result of the Special Census this year. The City is applying for a low interest loan for the wastewater improvements and for the water main upgrades. Mayor Walker commented on the overall positive aspects of this budget. We are spending money on projects that are in the best interest of this community. The City is steadily increasing the Equipment Replacement Fund. He is pleased with the overall budget. This budget will be before the Council for approval at a special meeting before the Committee of the Whole meeting in order to fulfill public notice requirements. If there are any questions or comments, Mayor Walker encouraged Council members to contact Finance Director Jepson. There were no further comments or questions by the Council.

DEPARTMENT REPORTS

Administrators report—Administrator Misurelli distributed the latest newsletter that was mailed in April. The City has filed its application for the low interest loan program. A new pack and ship business will be opening in the center at Routes 23 and 72.

Public Works—Director Gentile stated that the schedule for brush pickup has been changed. It will be done on the first and third Monday of each month. This should help reduce fuel costs. The appliance drop off will be for 2 weeks and was advertised in the newsletter. The annual water report was included in the newsletter and the staff has done an excellent job remaining in compliance with EPA regulations. There is a significant cost savings in sending the report in the newsletter.

Police Department—Chief Solar said on March 8th the City experienced damages with spray-painted signs and some damaged yard decorations. Through the diligence of an officer, these offenders have been apprehended.

Mayor's report—Mayor Walker stated that last week several employees completed the Federal NIMS requirements and we are now in compliance.

Motion made by Alderman Wesner to adjourn the regular meeting of the City Council, seconded by Alderman Carroll. Voice vote taken. All voted yes. Motion carried. Meeting adjourned.