

AGENDA  
CITY OF SALEM  
REGULAR CITY COUNCIL MEETING  
OCTOBER 2, 2017  
6:00 PM REGULAR MEETING

- I. Call to Order
- II. Prayer and Pledge of Allegiance
- III. Presentation of Petitions/Public Comments
- IV. Mayor’s Report and Presentations
  
- V. City Council Action
  - 1. Consent Agenda
    - a. Approval of Minutes – September 14 special Meeting and September 18 Regular Meeting.
  - 2. Presentation of Request from Salem Area Foundation
  - 3. First Reading – Property Tax Levy for 208 Collections
  - 4. Police Pension Discussion
  - 5. Approval of Farm Lease for 2028 West Main Street
  
- VI. City Manager Report
- VII. City Attorney Report
- VIII. Finance Director Report
- IX. City Council Report
- X. Adjournment

Bill Gruen  
City Manager

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MINUTES  
CITY OF SALEM  
CITY COUNCIL MEETING  
OCTOBER 2, 2017 – 6:00 PM

I. **CALL TO ORDER**

The regular October 2, 2017 meeting of the City Council was convened at 6:00 p.m., and called to order by Mayor Rex Barbee.

**Council members present:**

Councilman Tim Hudspeth  
Councilman Nic Farley  
Councilman Craig Morton (arrived shortly after call to order)  
Mayor Rex Barbee

**Council members absent:**

Councilwoman Sue Morgan (due to illness)

**Others present:**

City Manager Bill Gruen	City Attorney Mike Jones
Deputy City Clerk Jill Combs	Chief of Police Sean Reynolds
Public Works Director John Pruden	Deputy Chief of Police Susan Miller
Asst. Public Works Director Annette Brushwitz	Members of the Media and Public
Economic Development Director Jeanne Gustafson	Members of the Greater Salem Area Foundation

II. **PRAYER AND PLEDGE OF ALLEGIANCE**

Opening prayer was given Mayor Rex Barbee, followed by the Pledge of Allegiance to the Flag.

III. **PRESENTATION OF PETITIONS/PUBLIC COMMENTS** – None.

IV. **MAYOR’S REPORT AND PRESENTATIONS**

Mayor Barbee noted that PKC was at the Marion County Fairgrounds over the past weekend, and he appreciates their continued presence and participation in Salem. Barbee also mentioned that there is a lot of activity in Bryan Park today due to a track event, and the Little Egypt Festival and Parade are this weekend. Mayor Barbee encouraged all to attend and support these events.

V. **CITY COUNCIL ACTION**

**1. Consent Agenda**

- a. Approval of Minutes – September 14, 2017 Special Meeting and September 18, 2017 Regular Meeting

***Motion was made by Councilman Hudspeth and seconded by Councilman Farley that the Consent Agenda be approved as presented. Roll call vote: AYES: Councilman Farley, Councilman Hudspeth, Mayor Barbee. NAYS: None. Motion carried.***

## **2. Presentation of Request from Salem Area Foundation**

Foundation Member Brian Gansauer, 311 Roddy Rd., Salem, IL provided a slide show outlining the following Foundation elements:

- Mission Statement
- Foundation Overview
- Foundation Description
- Process
- Executive Board

*(Councilman Morton arrived at 6:05 pm.)*

Mr. Gansauer further outlined and explained a new project called “Mission Salem”. The Foundation has identified a growing issue for local families related to those struggling to get by on small Social Security payments, low paying jobs, or catastrophic situations i.e. death, illness or fire. Mr. Gansauer noted that many families in our community are spending well over 50% of their monthly income in just rent or mortgage payments, which leaves no room in their budgets for repairs to their homes.

Foundation Member Dan Nichols outlined a situation where the GSAF was given a van, and they were able to assist the Hemingardner family, who has adopted a child that is terminally ill and needs a wheelchair accessible vehicle. Ms. Hemingardner asked the GSAF if they would like the van back to help another family when they no longer need it.

Mr. Gansauer indicated everyone on the Foundation is a volunteer, and the dollars they assist people with come from dues, donations and fundraisers. The Executive Board meets weekly, verifies need, performs a criminal background check, and provides funds directly to the applicant’s vendor. that the Foundation, working in concert with several local church groups, has attempted to provide some relief to families in need of repairs to their homes. Using the limited funds available from the Foundation, the churches’ donated labor, and donations from area vendors, several homes have been repaired and brought back to code.

Mr. Gansauer indicated what the Foundation is requesting is a \$15,000 grant from the Gaming Fund to be used for home repairs. They hope to turn every grant dollar received into \$3-\$4 utilizing volunteer labor and additional donations. The Foundation will do the vetting of the applicants, with a maximum of \$5,000 in assistance given to any one applicant. Although the Greater Salem Area Foundation assists people with utility bills, gas, prescriptions, etc., Mission Salem will assist only residents inside the Salem city limits.

Mr. Gansauer indicated the City would benefit as GSAF would act as the conduit; would partner with churches or other organizations; the City would have no liability on the projects, as its participation would be via grant; GSAF would also provide funds and ask area churches and members to donate to Mission Salem and determine ownership and need. Recently GSAF provided \$500, Grace United Methodist Church provided \$500, First Baptist Church provided \$4,700 and \$5,700 in volunteer labor to assist a single mother whose home needed repairs.

Former Mayor and Grace United Methodist Church member John Raymer indicated this group first came together to help with the Sloat home after it was damaged by fire. The community saw a need and came together to help them. Raymer added that the group recently received a request from the owner of property located on Warmouth St., and the repairs were estimated at \$55,000. This is not the type of project Mission Salem is looking for. Approved projects are more likely to be roofs and the types of repairs that will keep these homes from deteriorating further and ending up on the City’s demolition list.

Mayor Barbee indicated he appreciates what the Greater Salem Area Foundation has done, the City Council is currently looking at how to allocate funds for several projects. Barbee added that Council will consider this and give the Foundation an answer at the next meeting.

Councilman Morton asked if the City can legally do this. City Attorney Mike Jones indicated it can, and has done so in the past.

Councilman Farley expressed concern about where these funds will come from, as he does not want to see Gaming Funds used in this manner.

GSAF Member Sue Andrews added that they meet every week, so if someone needs gas to make a trip to St. Louis to see a doctor, or fill a prescription, they will be able to.

GSAF Member Mark Miller indicated he lives in Centralia, but now works in Salem. Mr. Miller indicated this is the best organization he has ever been a part of, and he is proud to be a member.

3. First Reading – Property Tax Levy for 2018 Collections

City Manager Gruen indicated he asked Finance Director Keli Barrow to prepare the first draft tax levy. A first version was sent out with the agenda and a second updated version has been provided at the City Council table. . \$1,222,57.72 is the total levy with a levy increase of 4.999%.

Gruen added that the provided EAV is the most up to date available right now, and it does not include the WWTP and Pool bond abatements. Column 1 shows the increase spread through all departments and Column 2 shows all of the increase being allocated to Police Pension. Mr. Gruen added that this is not being presented for action, and is only the first reading. See Draft 2 below:

\$ 78,198,219.00 TOTAL EAV			
\$ 2,611,844.00 TIF INCREMENT			
\$ 796,658.00 EZ VALUE ABATED			
\$ 1,164,364.16 AGGREGATE BASE			
0 NEW PROPERTY			
2017 City of Salem Estimated Levy			
Max 104.999% of Previous FY			
2016 Total Extension	Increases Spread Across All Funds	All Increases Dedicated to Police Pension	Fund Name
\$ 331,806.75	\$ 348,393.77	\$ 331,806.75	GENERAL
\$ 179,220.23	\$ 188,179.45	\$ 179,220.23	IMRF
\$ 125,225.62	\$ 131,485.65	\$ 183,432.18	POLICE PENSION
\$ 123,635.43	\$ 129,815.97	\$ 123,635.43	LIBRARY
\$ 50,478.61	\$ 53,002.04	\$ 50,478.61	GARBAGE
\$ 29,917.98	\$ 31,413.58	\$ 29,917.98	AUDIT
\$ 90,672.91	\$ 95,205.65	\$ 90,672.91	LIABILITY INS
\$ 47,450.05	\$ 49,822.08	\$ 47,450.05	PARK
\$ 60,683.01	\$ 63,716.55	\$ 60,683.01	RECREATION
\$ 101,508.59	\$ 106,583.00	\$ 101,508.59	LIBRARY BUILDING
\$ 15,694.16	\$ 16,478.71	\$ 15,694.16	LIBRARY SOCIAL SECURITY
\$ 8,070.82	\$ 8,474.28	\$ 8,070.82	SOCIAL SECURITY
\$ 1,164,364.16	\$ 1,222,570.72	\$ 1,222,570.72	

4. Police Pension Discussion

City Manager Gruen indicated State law has changed regarding Police Pension funds in that it now requires:

- 1) GASBE Reporting; and
- 2) Required State Minimum Contributions (SMCs)

Mr. Gruen indicated the City retained Lauterbach and Amen, who have determined the SMC for the City of Salem to be \$529,087 FY18. Lauterbach and Amen has also prepared a “transition plan”, which will help the City get up to 100% funding over 20 years. Mr. Gruen indicated he is proposing the FY18 amount be allocated as follows:

- Already budgeted - \$150,000
- Available Video Gaming - \$162,000
- General Fund Transfer - \$217,087
- TOTAL SMC \$529,087**

City Manager Gruen added that the SMC will probably increase 4-5% FY19 to \$530,538 and the following year to \$653,000.

Councilman Farley commented as follows:

- 1) If the City Council commits to a plan, it will help the City in the future, and;
- 2) he would like to see the City commit to a certain percentage of the Gaming Fund be allocated for Police Pension each year.

Mayor Barbee concurred that it is in the City's best interest to take action now, and the long-term funding plan appears to be in order. Barbee added that the Council can commit to a certain percentage of funding, but can always give more. Councilman Farley indicated he would like to see the Council commit 100% this year, and 80% of the gaming proceeds each year after that. Additionally, he would like future Councils to have to answer to that, should they decide to change it. City Manager Gruen indicated \$162,000 is the balance now, plus the dollars that have accrued this fiscal year. Councilman Hudspeth indicated he would still like the City to look at alternate funding sources. Mr. Gruen added that it seems likely that the City will be able to meet its SMCs for the near future, and if it gets to a point that it can't, we will have to look at budget cuts or increased taxes. Councilman Hudspeth does not feel the City can commit to more than the State minimum requirements right now, as even the minimum is a big increase. Councilman Farley added that it is fiscally appropriate though, to do so.

Councilman Farley asked what Council's feelings are on 80% of gaming going to Police Pension funding in the future. Councilman Hudspeth pointed out that if the City doesn't make the required contributions, the Police Pension Board can act through the State Comptroller's office to take possession of State funds that are coming to the City.

City Manager Gruen indicated this will come back for more discussion at the next meeting.

**5. Approval of Farm Lease for 2028 West Main Street**

Mayor Barbee indicated the City now holds deed to this property, and he would like to see the rent agreement changed to be between the City and the farmer. City Attorney Mike Jones added that this lease has been around for many years, and the current terms are not changing – just the landlord. ***Motion was made by Councilman Morton and seconded by Councilman Farley to approve the Memorandum of Farm Lease for 2028 W. Main St. Roll call vote: AYES: Councilman Morton, Councilman Hudspeth, Councilman Farley, Mayor Barbee. NAYS: None. Motion carried.***

**VI. CITY MANAGER REPORT**

City Manager Gruen indicated the Little Egypt Festival and Parade will be held October 7<sup>th</sup>, and he will once again be driving a Public Works truck to haul candy for the Mayor and Council to toss during the parade.

**VII. CITY ATTORNEY REPORT – No report.**

**VIII. FINANCE DIRECTOR REPORT – No report.**

**IX. CITY COUNCIL REPORT**

**Councilman Hudspeth** thanked the Public Works Department for fixing a fire hydrant leak in his neighborhood over the weekend. Mayor Barbee concurred, and indicated at one point three different crews were working on water leaks.

**Councilman Farley** asked when the leaf vac will start. Mr. Pruden indicated mid-October. Councilman Farley asked if the City is going to offer a Fall Cleanup. Mr. Pruden indicated that will also be scheduled for mid-October

**Councilman Morton** asked if the City has the contact information for the contractors who are tearing up sidewalks and yards to lay fiber. Mr. Pruden indicated they are Metro-Communication of Sullivan, Illinois, and all the work they are doing is on State rights-of-way.

VI. **ADJOURNMENT**

As there was no further business to discuss, ***motion was made by Councilman Hudspeth and seconded by Councilman Farley to adjourn the meeting at 6:52 p.m. Roll call vote: AYES: Councilman Hudspeth, Councilman Farley, Councilman Morton, Mayor Barbee. NAYS: None. Motion carried.***

Bev Quinn, CMC  
City Clerk

Minutes approved: