

**AGENDA CITY OF SALEM
6:00 PM REGULAR CITY COUNCIL MEETING
AUGUST 19, 2019**

- 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. City Council Minutes - 08/05/19
 - 2. Approval of Request for TIF Assistance
 - 3. Presentation of FY19 Audit by Fick Eggemeyer & Williamson
 - 4. Approval of Ordinances Making Amendments to Zoning Code
 - a. Final Action of Special and Temporary Uses with City Council
 - b. Commercial/Large Scale Solar Permitted Use in the Non Urban Zone
 - 5. Approval of Bills Payable
- VI. City Manager Report**
- VII. City Attorney Report**
- VIII. Finance Director Report**
- IX. City Council Report**
- X. Executive Session**
 - 1. 5 ILCS 120/2 (c)(1) – Personnel
- XI. City Council Action**
 - 6. Action on Personnel

XII. Adjournment

Bill Gruen, City Manager

**MINUTES
CITY OF SALEM
AUGUST 19, 2019**

I. CALL TO ORDER

The regular August 19, 2019 meeting of the City Council was convened at 6:00 pm, and called to order by Mayor Rex Barbee.

Council members present:

Councilman Jim Koehler
Councilman Nic Farley
Councilman Craig Morton
Councilwoman Sue Morgan
Mayor Rex Barbee

Council members absent:

None.

Others present:

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|---|--|
| City Manager Bill Gruen | City Clerk Bev Quinn |
| City Attorney Mike Jones | Chief of Police Sean Reynolds |
| Public Works Director John Pruden | Economic Development Dir. Jeanne Gustafson |
| Asst. Public Works Director Annette Brushwitz | Members of the Media and Public |

II. PRAYER AND PLEDGE OF ALLEGIANCE

Opening prayer was offered by Councilwoman Morgan, followed by the Pledge of Allegiance.

III. PRESENTATION OF PETITIONS/PUBLIC COMMENTS – None.

IV. MAYOR'S REPORT AND PRESENTATIONS

Mayor Barbee indicated he and Economic Development Director Jeanne Gustafson met with the Enterprise Zone officials in Springfield, and were advised that Salem has been approved for its new Enterprise Zone. Barbee added that they also received a \$30,000 check for funds Former Representative Cavaletto had

obtained for the theatre expansion. The check will be presented by Representative Cavaletto at the Salem Theatre on Wednesday at 4:30 pm.

Mayor Barbee indicated he saw the Public Works employees working tirelessly on water line repairs and other issues over the weekend, and he appreciates all they do.

VI. CITY COUNCIL ACTION

1. Consent Agenda

a. City Council Minutes – 08/05/2019

Two typographical errors were pointed out, which the Clerk indicated would be corrected. ***Motion was made by Councilman Farley and seconded by Councilwoman Morgan to approve the minutes as amended. Roll call vote: AYES: Councilman Farley, Councilman Morton, Councilwoman Morgan, Councilman Koehler, Mayor Barbee. NAYS: None. Motion carried.***

2. Approval of Request for TIF Assistance

City Manager Gruen indicated the TIF request from Brendan Bullard, Bullard Investments, Inc., is the only one to be considered, since Becky Carpenter Timmerman withdrew her request. Mr. Gruen added that the request for assistance is to help them move their business, Gadget Gurus, to a location that they own at 117 S. Broadway Ave. The project will involve rewiring, flooring, drywall, paint, and an updated bathroom. Mr. Bullard indicated he expects his project to come in at between \$20,000 and \$24,000. Mr. Gruen indicated the City Council can approve the TIF assistance at 50% of the total cost, not to exceed \$15,000, if they want to support the project. ***Motion was made by Councilman Farley and seconded by Councilman Koehler to approve TIF assistance to Brendan Bullard for use at 117 S. Broadway for 50% of the total cost of the project, not to exceed \$15,000. Roll call vote: AYES: Councilman Morton, Councilwoman Morgan, Councilman Koehler, Councilman Farley, Mayor Barbee. NAYS: None. Motion carried.*** Councilman Farley added that it is good to see people investing in Salem, and thanked Mr. Bullard for his project.

3. Presentation of FY19 Audit by Fick Eggemeyer & Williamson

Mr. Shawn Williamson of Fick Eggemeyer & Williamson presented the FY19 Audit, and provided a summary, as follows:

- Pages 1 & 2 of the audit indicated the auditors are not aware of any serious material mistakes.
- Page 3 is the balance sheet, which shows we are down \$1.5 million, but this is due to the purchase of fixed assets and paying down a bond. Also shown on this page is the Net OPEB liability, which is the insurance from retirement until Medicare age, which is \$27 million.
- Page 4 shows that the tax revenues were up approximately \$260,000, which is good. The expense side was also up, since the City relinquished its RLF funds.
- Page 5 shows the balance sheet for Governmental Funds, which shows the cash down about \$1 million, due to the purchase of fixed assets and paying down debt.
- Page 9 shows the Net Position of Proprietary Funds, and the garbage fund has negative cash. The total of these funds is very similar to last year.
- Page 10 shows the Gas and Garbage revenues are up and Water is down, but we are still up \$187,000 over last year.
- Page 12 shows regular pension net position of \$5,813,577.
- Page 14-20 provides standard language providing summary of significant accounting policies.
- Page 21 shows that not quite all of the City's money was secured by securities or FDIC in the amount of \$296,000. Finance Director Barrow noted that these were funds held by Xpress Bill Pay, and she has made arrangements to reduce the amount held by them each week and Xpress Bill Pay will charge us a fee to add our dollars to their insured dollars.
- Page 23 shows the City has deficit balances in Parks in the amount of \$271,872 and Garbage in the amount of \$711,575.
- Pages 27-29 outline the City's long-term liabilities (bonds).
- Pages 30-43 are for the IMRF Pensions, showing we are funded at 81.7%. Finance Director Barrow Indicated this number is closer this year, as they asked for members' dates of birth.
- Page 51 showed that although the City budgeted to lose \$500,000 from the General Fund this year, it didn't lose anything.

Mr. Williamson drew Council's attention to the Management Comment Letter, which outlined the following control deficiencies, which are small weaknesses that do not rise to the level of being reported as a finding:

#1 – During 2018, the City granted \$15,000 to an individual related to the purchase of the Selmaville School and did not receive a 1099 for his grant income.

Recommendation – The City has implemented a policy to collect W-9's for all 1099 payees before their checks are issued.

#2 – The City has a policy to require invoices to be presented to the City before disbursement checks are issued. During the review of 40 disbursements, the auditors noted three invoices missing. City Manager Gruen responded that one of these was to Keep Salem Beautiful, as part of their annual grant.

Recommendation – that the City obtain and retain invoices to support all of its disbursements.

#3 – In accordance with the Public Funds Investment Act, all uninsured deposits must be secured with acceptable collateral. The city has an account with Xpress Bill for utility payments collected from customers. As mentioned earlier, Finance Director Barrow has taken the necessary steps to correct this.

Mr. Williamson indicated City Manager Gruen, Finance Director Barrow and City Clerk Quinn are all doing a great job.

4. Approval of Ordinances Making Amendments to Zoning Code

a. Final Action of Special and Temporary Uses with City Council

City Manager Gruen indicated he did some research regarding how Special and Temporary Uses are approved in other communities, and the norm is the Planning Commission makes a recommendation and City Council makes the final decision. A public hearing regarding the proposed zoning code change was held on August 13th. A recommendation was provided from the Planning Commission to approve a revision to the Zoning Code to give City Council the final decision making power on Special and Temporary Use Permits. ***Motion was made by Councilman Morton and seconded by Councilman Farley to approve Ordinance 2019-13 Amending Chapter 23 of the Zoning Code to amend the approval process for Special and Temporary Use Permits wherein City Council will make the final decision. Roll call vote: AYES: Councilwoman Morgan, Councilman Koehler, Councilman Farley, Councilman Morton, Mayor Barbee.***

b. Commercial/Large Scale Solar Permitted Use in the Non Urban Zone

City Manager Gruen indicated the Planning Commission held a public hearing regarding the proposed change to the Zoning Code to add Commercial/Large Scale Solar to the list of Permitted Uses. The Planning Commission made a recommendation **not** to approve this change. ***Motion was made by Councilman Morton and seconded by Councilman Farley to approve Ordinance 2019-14 amending the Zoning Code to add “Commercial/Large Scale Solar” to the list of permitted uses in the NU Non-Urban District. Roll call votes: AYES: Councilman Koehler, Councilman Farley, Councilman Morton, Councilwoman Morgan. NAYS: None. Mayor Barbee abstained.***

5. Approval of Bills Payable

Following review, ***motion was made by Councilwoman Morgan and seconded by Councilman Koehler to approve the Bills Payable of 7-15-19 through 8-16-19 as presented. Roll call vote: AYES: Councilman Koehler, Councilman Farley, Councilman Morton, Councilwoman Morgan, Mayor Barbee. NAYS: None. Motion carried.***

VI. CITY MANAGER REPORT

Councilman Morton asked how the liquid chlorine has worked at the pool. City Manager Gruen reported that it has been a trouble shooting headache, but the City did save money.

VII. CITY ATTORNEY REPORT- No report.

VIII. FINANCE DIRECTOR REPORT – No report.

IX. CITY COUNCIL REPORT

Councilman Farley indicated he was happy to see the City Clerk at the “Marijuana in the Workplace” seminar held at Kaskaskia College. Farley added that he is really proud of the City, and the work the Public Works employees have been doing. Farley added that there are always a large group of people using the Disc Golf course in the park, and he offered a “hats off” to the group responsible.

Councilman Koehler asked if the Aquatic Center will be open Labor Day weekend. City Manager Gruen responded that there will be an event at the pool on August 31st with a movie and an evening swim, but that will be the last event.

Councilwoman Morgan noted that she is seeing a lot of people walking on the Bryan Park walking trail.

Mayor Barbee indicated there are two Scouts looking for Eagle Scout projects, and if Council is aware of anything that would be of benefit to the community, let him know.

X. EXECUTIVE SESSION

1. 5 ILCS 120/2(c)(1) – Personnel

Motion was made by Councilman Farley at 6:40 pm and seconded by Councilman Koehler to enter into executive session for the purpose of discussing Personnel. Roll call vote: AYES: Councilman Farley, Councilman Morton, Councilwoman Morgan, Councilman Koehler, Mayor Barbee. NAYS: None. Motion carried. Mayor Barbee indicated there would be a five (5) minute recess.

Returned to open session at 7:55 pm.

V. **City Council Action (cont.)**

6. **Action on Personnel**

Motion was made by Councilwoman Morgan and seconded by Councilman Farley to offer the position of City Manager to Mayor Rex Barbee, effective September 3, 2019, at a starting wage of \$87,500/yr., with 12 days of vacation available for immediate use, with a performance review to be held prior to the FY21 year beginning May 1, 2020. Roll call vote: AYES: Councilman Morton, Councilwoman Morgan, Councilman Koehler, Councilman Farley. NAYS: None. Mayor Barbee abstained. Motion carried. Mayor Barbee accepted the offer, and indicated he looks forward to continuing to work with the City Council, Department Heads, staff and citizens for the betterment of the community.

Councilman Farley added that he is very pleased with the hiring process and he commended the City Council for their efforts. Farley added there were 16 applications received, three candidates were interviewed, and Council is very happy with its choice, which was unanimous. Farley added that Mayor Barbee stepped aside from the review process, and did not participate in resume review or the interviews of other candidates.

XI. **ADJOURNMENT**

As there was no further business to discuss, ***motion was made by Councilman Farley and seconded by Councilman Koehler to adjourn the meeting at 7:58 pm. Roll call vote: AYES: Councilwoman Morgan, Councilman Farley, Councilman Morton, Mayor Barbee. NAYS: Councilman Koehler. Motion carried.***

Bev Quinn, CMC
City Clerk

Approved: _____