

FINANCE COMMITTEE OF THE WHOLE

HELD ON JULY 23, 2014 IN THE CITY COUNCIL CHAMBERS  
204 PULASKI ROAD, CALUMET CITY, ILLINOIS

**CALL TO ORDER**

The Finance Committee of the Whole meeting was called to order at 6:10 p.m. by Alderman Wosczyński, chairman.

ROLL CALL

PRESENT: 7 ALDERMEN: Schneider, Wosczyński, Jones, Williams, Munda, Manousopoulos, Collins

ABSENT: 0 ALDERMEN: None

Also present were Mayor Michelle Markiewicz Qualkinbush, City Clerk Figgs, City Treasurer Tarka, Finance Director Kasperek, City Attorney Montana and employees from the public works department.

There being a quorum the meeting was called to order.

Final review 2014-2015 budget

Finance Director Kasperek gave an update of all the revenue and expenditures that are budgeted, all changes that were made during the meetings and any changes made are highlighted in yellow.

There was a lengthy discussion regarding combining structure of Street & Alley Commissioner and the Water/Sewer Commissioner all together into one salary of \$110,000 a year. It would be a savings of approximately \$80,000 a year for the restructure of one Commissioner for all three departments and \$240,000 over three years.

Recess meeting

Alderman Manousopoulos moved, seconded by Alderman Schneider, to take a five minute recess.

MOTION CARRIED

(The City Council recessed from 6:23 p.m. to 6:33 p.m.)

Return - regular order of business Alderman Wosczyński moved, seconded by Alderman Manousopoulos, to return to the regular order of business.

MOTION CARRIED

At this time in the meeting, there was discussion regarding restructuring of Street & Alley, Water and Sewer Departments commissioner into one commissioner.

Alderman Manousopoulos moved, seconded by Alderman Wosczyński, to recommend that the salary of \$110,000 a year be put into the budget for Street & Alley, and Water/Sewer Commissioner.

ROLL CALL

YEAS:	6	ALDERMEN:	Wosczyński, Williams, Munda, Manousopoulos, Collins, Schneider
NAYS:	1	ALDERMAN:	Jones

MOTION CARRIED

Ald. Collins - statement

Alderman Collins: "I voted yes contingent upon this being the accurate savings of \$234,000 over the three years or approximately in the ball park.

Also that the other statement that this other position would not create overtime."

Mayor Michelle Markiewicz Qualkinbush: "No, the department head position does not create overtime."

Alderman Collins: "If that is the number or close to that number than yes."

7/29/14 Public Hearing/Spec. Mtg.

The committee recommended that a Public Hearing be scheduled for Tuesday, July 29, 2014 at 6:00 p.m. followed by a Special Meeting to adopt the appropriation.

Ald. Jones - statement Alderman Jones: “Mayor for the record. I will just quantify my no vote by saying when we left this last meeting we said we were not going to make any changes until we had specific answers about the water fund and about the savings given to us.

I believe that the numbers are correct but we talk about making this move and making sure we are making the right move with this department heads. We went from three to four, we talked about different numbers. Tonight we are presented with numbers in the budget and we haven’t talked about the expenses of the water department, with the water purchases versus the water revenue and that is one of the reasons why I voted no. This is not a complete discussion to me because we left here saying we were going to review everything and tonight we are just making the decision to do part of it.”

Mayor Michelle Markiewicz Qualkinbush: “Just for clarification Alderman Jones. That what has to be done there has to be a fair amount of work to answer your question. I believe at the last meeting you stated before we raise the water rates you wanted the answers to those questions which is understandable. I don’t know that you tied it to this issue.

I believe what your statement says before we decide to raise the water rates which we have to consider very seriously because the water fund is running in the deficit you wanted some answers to some things that there were some questions on some items.”

Alderman Jones: “No, I said the moves. If we were going to do the moves or the water increase. It is a saving but at the time we need to answer those questions because those questions are pertinent.”

Mayor Michelle Markiewicz Qualkinbush: “You will have the answer to all those questions by the point of adopting the ordinance because it is going to require some work. After having gone through the new computer system which we just put into effect last July. We are only one year into it. It is going to take us a little time to put that together. We are working on it.”

Alderman Jones: “The sewer user fee is only bringing in \$300,000 and the expenses of the department are 1.2 million in the deficit. You are making those changes but in three years you are going to still have to deal with it.”

Mayor Michelle Markiewicz Qualkinbush: "The bigger issue is Alderman Jones is when Hammond raised our water rates to \$2.20 per 1,000 gallons and it used to be 89 cents per 1,000 gallons. That is the disparity that we can hardly overcome that we really need to seriously sit down and talk about raising the water rates because that number is insurmountable and it has been accumulating for how many years has that been in affect."

City Treasurer Tarka: "Since the new contract about 1 year and a half."

Mayor Michelle Markiewicz Qualkinbush: "A year and a half that we have been absorbing those increases and that is why the water fund is in deficit. Yes we do need to look at how things are being reported and what is going on and they are going to into the right funds on the software. More importantly we have seriously talk about and Finance Director Kasperek has been saying it for the last budget.

While it is not a popular position for all of us to do. Even I don't want to raise the water rates. The residents are having a hard time paying their water bills now. But we can't absorb that cost for too much longer."

City Treasurer Tarka: "In actuality it started with the City of Chicago raised their rates to \$3.30 per 1,000 gallons and Hammond raising their rates and the unfortunate that our 20 year contract was up."

Alderman Wosczyński: "Right, the public doesn't even know that all this happened."

Alderman Jones: "If you are talking about long term any savings if it continues and we don't raise the water rates, the structure the savings is going to be offset by the expenses that are coming."

Alderman Manousopoulos: "I am just saying that the structure has nothing to do with what we are going to do with the increase. The structure who sits in those seats has nothing to do with what we plan on doing down the road."

Alderman Wosczyński: "So what you are saying is we need the structure and this appropriation in order to fulfill our day to day obligations?"

Alderman Manousopoulos: "That was the motion and we took a roll call, yes."

Mayor Michelle Markiewicz Qualkinbush: "The motion passed, the next item unless somebody has any other question."

Finance Director Kasperek: "Mayor and aldermen, I want to show you with what I am going to do with the budget so you will understand when you see the ordinance. Go to page 11, Street & Alley Commissioner, is currently budgeted at \$83,325."

Based on the discussion if I follow everybody that is going to be \$55,000. That is coming down just under \$28,000. Does everyone understand that. That number is going to be reduced based on the motion that was just made to be reduced to \$55,000. You can actually see that number on how it is being reduced."

Mayor Michelle Markiewicz Qualkinbush: "So you are going to pay half out of corporate and half out of water."

Finance Director Kasperek: "That is the way I understand it to be. If you go to the water fund on page 27, a little more than half way down where we started off with personal services. The very first line item under there is Water/Sewer Superintendent."

As you will see that line item also has \$83,325 and will be reduced \$55,000. That is where you are seeing approximately \$57,000 in savings between the two departments."

Mayor Michelle Markiewicz Qualkinbush: "John, did you account for one of those foreman going back into the rank or I need to probably tell you that prior to submitting to the city council who that is going to be?"

Finance Director Kasperek: "We will have to sit down and talk about that. But does everyone see how it is reduced in the budget. That is all I have on that."

Mayor Michelle Markiewicz Qualkinbush: "Are there any other items that the city council wants to discuss?"

Alderman Wosczyński: "Any other questions as far as number #1 the appropriation is concerned? If not, there will be a public hearing next week, July 29, 2014 at 6:00 p.m."

Ald. Leni (cont'd)

Next is item #2, discussion of the salary ordinance and fringe benefits of appointed officials, supervisory personnel, and other full-time and part-time employees not covered by a collective bargaining agreement.”

Alderman Jones: “Before we move there, I thought we had five other items under the budget that we had to talk about.”

Mayor Michelle Markiewicz Qualkinbush: “You can bring up anything you want to bring up Alderman.”

Alderman Jones: “I am not saying there items but I thought there were more items under review. We discussed special legislative meetings as well, are we going to keep that at 12.”

Alderman Wosczyński: “That is I proposed. If you have any other suggestions, I am open.”

Mayor Michelle Markiewicz Qualkinbush: “Actually that is what I proposed to leave at 12. If the city council wishes to talk about certainly we can.”

Alderman Wosczyński: “Any other discussion on that or any opinion? Hearing none.

Mayor Michelle Markiewicz Qualkinbush: “If we pick up with the salary ordinance. John you are going to make the appropriate changes that you just mentioned as it relates the Street & Alley/Water Sewer Commissioner and we will have to reflect it in the salary ordinance as you just stated.”

Finance Director Kasperek: “Right, see where it is shaded to \$83,325 where is next to the Water/Sewer Commissioner on page 1 and the Street & Alley Commissioner. I propose that those be \$55,000, correct?”

Alderman Wosczyński: “That is just the change that we made in the appropriation, yes.”

Finance Director Kasperek: “That would be one persons salary, two positions.”

Alderman Schneider: “So there will be no more Deputy Commissioners?”

Mayor Michelle Markiewicz Qualkinbush: “There hasn’t been.”

Finance Director Kasperek: "My question would be on that alderman, I believe they are in the ordinance. Do you want me to leave the Deputy Commissioner in the budget with pay raises?"

Mayor Michelle Markiewicz Qualkinbush: "I want them deleted because they are know longer Deputy Commissioners. If it requires an ordinance change we will present at another meeting."

Finance Director Kasperek: "I will delete the position of Deputy Commissioners."

Mayor Michelle Markiewicz Qualkinbush: "John, remember we combined the Office of Professional Standards with FOIA and the other. So this salary is wrong here too, it should be reflected of what we put. This number should be what?"

Finance Director Kasperek: "Correct me if I wrong, my understanding is we are combining the three positions. I would take the Office of Professional Standards, which is on the bottom of page 1 and then on page 2, we have the Insurance Investigator/FOIA Officer.

I will delete that one but I will calling this per the budget as discussed I set the line item on page 22 to read Office of Professional Standards/Insurance Investigator/FOIA Officer. Is that the way you would like to read it."

Mayor Michelle Markiewicz Qualkinbush: "If that is what you put in the budget that is what this should reflect."

Finance Director Kasperek: "Under the Office of Professional Standards, I will put Insurance Investigator/FOIA Officer. We are going to change that salary to \$80,292.00 as reflected in the new appropriation."

The Office of Professional Standards Director/Insurance Investigator/FOIA Officer that line item is on page 22. The salary Mayor that you recommended was \$80,292 for that position."

Mayor Michelle Markiewicz Qualkinbush: "That is what you are going to change this line item too."

Alderman Wosczyński: "I have a question, you didn't address the Economic Coordinator. We also have a secretary where is that one reflected."

Mayor Michelle Markiewicz Qualkinbush: “She is part time. Does that have to be in here John somewhere?”

Finance Director Kasperek: “The employee ordinance.”

There was a lengthy discussion regarding the salary of the Fair Housing Administrator relative to raising his salary.

Alderman Manousopoulos moved, seconded by Alderman Wosczyński, to increase the salary of the Fair Housing Administrator to \$70,000 a year.

ROLL CALL

YEAS:	7	ALDERMEN:	Jones, Williams, Munda, Manousopoulos, Collins, Schneider, Wosczyński
NAYS:	0	ALDERMEN:	None
ABSENT:	0	ALDERMEN:	None

MOTION CARRIED

There was a lengthy discussion regarding the position of Crime Free Housing Administrator line item.

Alderman Manousopoulos moved, seconded by Alderman Munda, to leave the position of Crime Free Housing Administrator in the budget but not fund it in the appropriation and the salary ordinance for \$65,000.

ROLL CALL

YEAS:	7	ALDERMEN:	Williams, Munda, Manousopoulos, Collins, Schneider, Wosczyński, Jones
NAYS:	0	ALDERMEN:	None

MOTION CARRIED

There was lengthy discussion regarding the salary ordinance and COLA increases.

Alderman Manousopoulos moved, seconded by Alderman Jones, to remove and delete COLA paragraph in the salary ordinance.

MOTION CARRIED



Ald. Jones changed

Alderman Jones: "I would like the record to reflect that I will change my vote since we are still in session to "yes" on combining the water department and the street & alley.

Alderman Jones moved, seconded by Alderman Manousopoulos, to recommend that the Finance Director prepare a report that reflects the increases and savings of the whole budget.

MOTION CARRIED

**ADJOURNMENT**

Adjournment was at 7:29 p.m. on a motion made by Alderman Wosycznski and seconded by Alderman Manousopoulos.

MOTION CARRIED

  
Nyota Figgs, City Clerk

/rb