

FINANCE COMMITTEE OF THE WHOLE
COUNCIL MEETING

TUESDAY, MARCH 8, 2016
6:00
CITY COUNCIL CHAMBERS

A Finance Committee of the Whole Council Meeting was held on Tuesday, March 8, 2016 at 6:08 p.m. in the City Council Chambers, 204 Pulaski Road, Calumet City, with Mayor Michelle Markiewicz Qualkinbush, present and presiding.

ROLL

PRESENT: 5 ALDERMEN: Schneider (6:12), Wosczyński, Jones, Munda, Manousopoulos
ABSENT: 1 ALDERMAN: Williams

Also present were City Clerk Figgs, City Treasurer Tarka, Finance Director Kasperek, Economic Development Coordinator Swanson and City Attorney Odelson.

There being a quorum, the meeting was called to order.

Accept call

Alderman Manousopoulos moved, seconded by Alderman Munda, to accept the call as present.

MOTION CARRIED

Public Comment

There was no public comment.

Planned Use
Development
Agreement/Calumet
City & Aetna

Economic Development Coordinator Swanson gave a presentation of Planned Use Development Agreement between Calumet City and Aetna Development (property located on Sibley Boulevard east of Torrence

Ald. Schneider &
Attorney Odelson
entered meeting

At this time in the meeting Alderman Schneider and City Attorney Odelson entered meeting at 6:12 p.m.

There was discussion regarding development of Planned Use Development Agreement between Calumet City and Aetna Development.

The Planned Use Development Agreement between Calumet City & Aetna Development will be on the next agenda for approval in anticipation of the review.

Property Tax Appeal Property Tax Appeal Case 10-36153 Robert Ranquist (#8 on 2/11/16
Appeal Case Robert meeting agenda) referred to Finance Committee.
Ranquist

Executive Session Alderman Wosczyński moved, seconded by Alderman Manousopoulos, to enter into Executive Session to discuss pending litigation.

MOTION CARRIED

(The City Council met in closed session from 6:17 p.m. to 6:27 p.m.)

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

MOTION CARRIED

Approve settlement Alderman Wosczyński moved, seconded by Alderman Manousopoulos, to
Ranquist PTAB case recommend approval of the settlement of the Robert Ranquist, PTAB
place on next agenda Case at the 2009 Assessment which is \$261,000 of appraised value on the property to be placed on the next council meeting for approval.

MOTION CARRIED

IMRF - ERI Recommendation from Finance Director to pay the last ERI that expired 2014.

At this time in the meeting, Finance Director Kasperek addressed the council regarding the IMRF ERI payoff that expired 2014.

There was lengthy discussion regarding IMRF - ERI payoff that expired 2014.

Recommend pay Alderman Manousopoulos moved, seconded by Alderman Wosczyński, to approve the
off IMRF - ERI recommendation from the Finance Director and recommend that the City Treasurer pay
and place on next off \$504,689.00 for approval at one of the next available agendas.
agenda

MOTION CARRIED

Early Retirement Early Retirement Incentive - June, 2016 - May, 2017.
Incentive

At this time in the meeting, City Attorney Odelson addressed the city council regarding opening Early Retirement Incentive in 2016. He stated IMRF stated that the city had to come up with a cost analysis of the savings and pass the ordinance in order to present to the IMRF board to make a determination.

There was discussion regarding the Early Retirement Incentive and the cost analysis.

It was recommended by the committee to bring more information regarding early retirement incentive to the city council for review.

City Clerk Figgs

Granicus software implementation report.

Granicus report

City Clerk Figgs gave a report on the software implementation. The city has ordered a box that has to work with our system so Granicus to work.

Once the box is working and connected to the city camera training will be provided to City Clerk and Deputy Clerk.

PSN report

PSN (payment services network) online water payment system

City Clerk Figgs gave a report on the PSN (payment services network) online water payment system which was implemented on March 1, 2016 for water bill payments. Vehicle stickers online is still with Illinois E-Pay.

Vehicle sticker sales at currency exchange on Burnham Avenue.

City Clerk Figgs reported that vehicle sticker sales will now be available for purchase at the currency exchange at 592 Burnham Avenue. The currency exchange has hours that the city clerk's office is not open to make it convenient to residents.

City Clerk Figgs reported that a flyer went out in the vehicle renewal notices, it will be on the city website and city access channel.

Ald. Williams
entered meeting

Alderman Williams entered the meeting at 7:02 p.m.

City Treasurer

City Treasurer Tarka gave a report on Social Security report filing for payroll and advised that 2014 file has been uploaded. The 2015 file has been uploaded but not certified.

His office contact Social Security and assured that the 2014 and 2015 files are both good and will be posted and a more detailed review process for the Social Security report filing which have effected only two employees and have been notified by mail.

City Treasurer gave a report on issuing amended W-2's for certain employees. He stated that in December, 2014 the Treasurer's Office refunded IMRF deductions that were taken from the elected officials insurance monies that were ran through payroll.

The city was audited by IMRF and it was determined by IMRF that those insurance premium monies were not IMRF able. The practice started back in the 1990's.

City Treasurer Tarka stated that in 2014 the insurance premiums that are paid through A/P stopped being reported on our payroll checks.

City Treasurer Tarka requested an opinion from Finance Director Kasperek to research the issue and give his recommendation.

It was reported while the insurance money is not IMRF able, it is in fact taxable. He stated that the Treasurer's Office will be issuing amended W-2's to the elected officials that this affected.

There was discussion regarding issuing amended W-2's for certain employees.

City Treasurer Tarka gave a report on the 2015 and 2016 cost of living increase on garbage rates. He advised last year 2015, the city started monthly water billing. That ordinance that was passed at that time tied the increases in the water rates to Hammond increases.

He stated that the new ordinance last year superceded the ordinance that was in place for the annual COLA increases that were taken in the water rate. It didn't effect the annual refuse COLA increases.

City Treasurer Tarka stated last year the COLA increase was not taken. He stated that he discussed this matter with City Attorney Horvath and suggested since the COLA for 2015 is a negative .3 percent that it be combined with last years 1.7 for an increase in the refuse rate of 1.4% effective May 1, 2016. He stated he will have a memo on the council agenda in April to that effect.

There was discussion in the 2015 and 2016 cost of living increase on garbage rates.

Alderman Jones moved, seconded by Alderman Williams, it was recommended that the City Attorney to prepare an opinion on the ordinance regarding cost of living increases.

MOTION CARRIED

City Treasurer Tarka Update on city finances (letter of January 28, 2016)

Mayor Michelle Markiewicz Qualkinbush: At the council meeting City Treasurer Tarka distributed his letter regarding the amount of bills that were needed to pay and asking everyone to be mindful of their expenditures.

The two main sources of income have now become our property taxes that get paid to us. That is why we are waiting for the property taxes to come in to pay the 3 million dollars in bills. The bills are monies that are appropriated in the appropriation ordinance.

They are within the realm of going thru the normal process, they are approved by the alderman and those that need to be approved by the department heads and other approvals are done in conjunction with the purchasing ordinance.

Yes we have hired more police officers, yes there are a few folks in public works who are over. We have lost a few folks in public works. If anyone wants the particulars of those, I will be happy to be provide it to you.

A few people have left our employment. We are anticipating the ERI go through and we would lose some employees at a cost savings obviously to us. We are a little concerned about the smooth transition of public works guys and plowing and of course that didn't come to fruition, where we could have trained a few.

It appears that we might be two over at this point, I am confirming this number with John. It is now unusual in past years that this occurs. I will give a more detailed report, if you would like. Alderman Jones you asked some questions and I would be happy to get you any reports that you want.

This is coming off of Treasurer Tarka's memo if no one read it. It just said, as you may recall, we have hired more police officers, new hires in public works along with the continued purchases of properties, which of course that is coming to an end.

And this coupled with 0 percent increase in real estate taxes and stagnant sales tax revenue have become a challenge for all of us at budget time.

It was a challenge last year for us at budget time. It is continuing to be a challenge for us at budget time and it is difficult to come up with new revenue sources. We are not much different than the state.

I am telling you that we are working within the guidelines of the budget and in some cases, we have to make sure the departments run efficiently and we have to make sure that we get what we need to get done.

I would be happy again, I know Alderman Jones sent some emails, that you then decided not to ask. Any information you want, I would be happy to provide to you."

There was discussion regarding update on city finances and encourage everyone to be mindful on spending.

Abatement ordinances

Finance Director Kasperek gave a report on the Abatement ordinances (1999A Special Service Area bond issue; 2015B bond issue).

Alderman Wosczyński moved, seconded by Alderman Manousopoulos, to approve the recommendation of the Finance Director regarding the abatement of the two bond issues so stated and place on the next agenda for approval.

MOTION CARRIED

Department of
Justice

Motion made on December 21, 2015, to approve payment to the Department of Justice in the amount of \$100,920.00 from account #010-60-52920; request to reclassify account.

Mayor Michelle Markiewicz Qualkinbush: "This is a motion that I asked to be placed on the agenda. Just for a little background in December, 2015, the Treasurer placed an item on the agenda to approve paying the Department of Justice \$100,920.00 from an account.

The city council approved it. Two weeks ago, the system where I do approvals in the bill paying system. If someone is over expended it sends out an alert and I usually call those department heads and say what is the deal and why are we over expending a line item.

The police department was trying to buy \$1,700.00 worth of something, and wanted to have it taken out of that line item. But it was saying it was over expended. They thought they had plenty of money in the there.

Upon checking, it appeared this motion caused that line item to be \$100,920.00 over expended because of this payment to the Department of Justice.

It is my understanding that the payment to the Department of Justice was caused by reporting errors, if that is the correct analogy with the regard to the 2009 COPS Grant. I don't think the police department did anything wrong as it relates to this.

I didn't feel it was appropriate to charge that to their line item. I don't know why we can't charge it back to the line item, which is the payroll line item, because that is where the monies were expended from for the police officers.

I guess we can't go back to the years it occurred in, however, so maybe in the special corporate or wherever. The police department didn't even know that the \$100,000 was charged to the line item.

Yes, they get an agenda, yes the Chief reads the agenda and that chief is retired. So again, I don't know where it really should have charged too in the first place.

It was errors as I understand, I don't know if it was the Grant Facilitator, Treasurer Tarka, or Cheryl, I don't remember who you said. But it wasn't the police department's fault.

The account on the agenda is where the Treasurer recommended it be taken out of. My concern is it wasn't their fault that this occurred. If it was payroll monies that were expended that the \$100,000, which it was, because that was the COPS grant, that it at least should be charged back to the same account that the error occurred in for lack of better ways to put it."

There was discussion regarding payment to the Department of Justice in the amount of \$100,920.00 made on December 21, 2015.

Reclassify account
Dept. of Justice

Alderman Manousopoulos moved, seconded by Alderman Munda, to approve payment to the Department of Justice in the amount of \$100,920.00 and to reclassify to account #01099-52990.

ROLL

YEAS:	3	ALDERMEN:	Woczynski, Munda, Manousopoulos
NAYS:	2	ALDERMEN:	Schneider, Jones
PRESENT:	1	ALDERMAN:	Williams

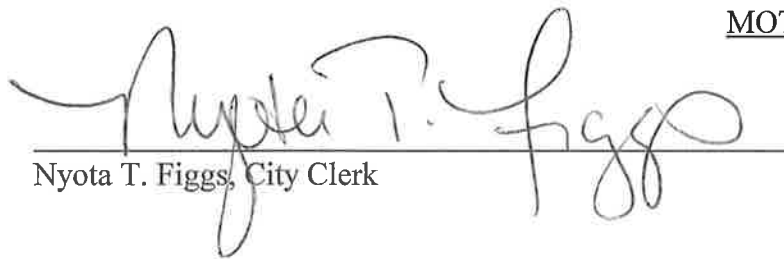
MOTION CARRIED

Mayor Michelle Markiewicz Qualkinbush: "3-yes, present vote goes with the yes. This motion carries. This motion will be placed on the next agenda at a future meeting.

ADJOURNMENT

Adjournment was at 8:27 p.m. on a motion made by Alderman Manousopoulos and seconded by Alderman Munda.

MOTION CARRIED



Nyota T. Figgs, City Clerk

/NF