

MINUTES OF A REGULAR MEETING OF THE ZION CITY COUNCIL HELD ON TUESDAY, MARCH 1, 2016, AT 7:02 P.M. IN THE CITY COUNCIL CHAMBERS, CITY HALL, 2828 SHERIDAN ROAD, ZION, ILLINOIS

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Mayor Hill called the meeting to order.

On call of the roll the following answered present: Commissioners McKinney, McDowell, DeTienne and Mayor Hill. A quorum was present.

Also present: Chief of Police Steve Dumyahn, Fire/Rescue Chief John Lewis, Public Works Director Ron Colangelo, Accounts/Finance Director David Knabel, Building/Zoning Director Richard Ianson and City Attorney Paula Randall.

Mayor Hill led in the Pledge of Allegiance to the flag.

AGENDA CHANGES

It was moved by Commissioner McDowell, seconded by Commissioner McKinney to accept the City Council meeting agenda with the following change:

- Delete Item 9(c), Tabulation of Bids – Hebron Ave & 27th Street Water Main Project

The vote on roll call was: Commissioners McDowell, aye; McKinney, aye; DeTienne, aye; and Mayor Hill, aye. Motion carried.

SPECIAL PRESENTATION/2015 AUDIT/CLIFTONLARSONALLEN

Jacob Lenell, CliftonLarsonAllen, LLP, presented the 2015 Audit Results. He briefly reviewed significant audit areas, the audit opinion as well as other reports. He stated when the audit is performed the time is spent focusing on the things that are more significant from a financial perspective to the City such as cash & investments, taxes receivable and related revenues/deferred inflows. General and Payroll disbursements are a main focus along with the long term obligations also referred to as long term debt. Mr. Lenell stated the audit opinion is an unmodified opinion, also referred to as a clean opinion. This is the highest level of assurance and auditor can provide that your financial statements are free of material misstatements. He stated this is a positive indication you have a strong document. Mr. Lenell stated regarding the audit communication letter, there were no audit adjustments which he stated is very important as this means the financial information is very consistent and the auditors are able to perform the audit efficiently. He stated there was a delay in receiving the police pension audit causing a delay in issuing the report. Mr. Lenell stated the management representations are the bulk of the communication letter. He stated this allows the City to see management is accepting responsibility for the financial statements and have provided everything needed to perform the audit. Mr. Lenell stated the financials are very well maintained with no audit adjustments. He stated that he appreciated the full cooperation of City staff during the audit process. Commissioner Hill asked how the City's financial position looks over the next two years. Mr. Lenell stated the measures that have been put in place, including the expense reductions will to help prepare for things in the future. He stated these are strong indicators of being prepared to handle the immediate concerns. He stated the City is doing a fine job of anticipating challenges and talking about them early so changes can be made early on. Mayor Hill asked Mr. Lenell if he had any feelings on what might happen in Springfield. He asked if we will see less revenue or the same revenue. Mr. Lenell stated he never advises to prepare for more revenue. He stated there might be reductions in state and federal aid. He stated most communities are very concerned with being able to manage their budgets in a flat revenue environment or even a declining revenue environment. Mayor Hill asked if Mr. Lenell ever had to advise a community that they were coming close to not being able to provide services. Mr. Lenell indicated they have, but on a limited basis. He stated they will often bring in a different audit group. He stated they look to the consulting side of the group for insight. Commissioner Hill stated for the last few years he asked about the CAFR award. Mr. Lenell stated that the award is on the docket, but they do not have a specific timeline. He stated there is quite a bit more information that goes into the report to be able to achieve the award. He stated one big hurdle is completion of the audit within six months of year end. He stated this includes the police and fire pension audits. He stated a great step the City can take is to begin accumulating the statistical information. He stated the application requires the reporting of ten years of demographic information. Mayor Hill stated it is important that the City achieve this award as Director Knabel and his staff do a great job and they should be recognized for it.

CITIZEN COMMENTS

Mayor stated there were no citizen comments.

Clyde McLemore, Zion, stated he had some comments. Mayor Hill stated Mr. McLemore arrived late and was not on the sign-up sheet. He stated the meeting would continue, but Mr. McLemore would have a chance at the end of the meeting to speak.

CONSENT AGENDA

It was moved by Commissioner McDowell, seconded by Commissioner McKinney, that the Consent Agenda be approved as follows:

- (a) **APPROVAL OF MINUTES:** a Regular Meeting held on February 16, 2016 at 7:00 p.m.; and approval but not release of Closed Session Minutes of a meeting held on February 16, 2016 at 8:49 p.m.
- (b) **BILLS:** Vouchers 122912 through 122982 drawn on First Merit Bank, Total: \$229,216.00
- (c) **RECEIVE AND PLACE ON FILE –** Audit for Fiscal Year May 1, 2014 through April 30, 2015

Approved by omnibus vote as follows: Commissioners McDowell, aye; McKinney aye; DeTienne, aye; and Mayor Hill, aye. Motion carried.

**ORDINANCE/AMENDING ZION MUNICIPAL CODE/
FEE INCREASES**

Mayor Hill stated the first reading of the increase of fees ordinance was presented at the February 15th meeting. He asked the Council how they wanted to approach the second reading. Commissioner McDowell asked if the Council went through each fee for the first reading. He asked if there was a motion to approve. Mayor Hill stated they did not go through each item separately and the motion was to approve. Commissioner McDowell stated he would like to make a motion to table the fees and have further discussion. He stated he would like to take another look at the ordinance and wanted the Council to have a chance to take another look. He stated he feels some of the fees represent additional tax on citizens. He stated when the Council looked at the extension for the levy they decided to extend the maximum amount they could, which put more burdens on the taxpayers. He stated the fee increases are essentially doing the same type of thing. He stated they asked for the maximum amount in the levy and now are asking the taxpayers to bear the burden of raising fees. He stated he would like to take a closer look and go through each fee and determine which fees are necessary. He stated he understands the need to raise some of the fees because of the costs to the City but not as a means to increase revenue. He used the example of City stickers. He stated the current fee is \$30.00 and the proposed fee is \$50.00. He asked if it will cost the City an extra \$20.00 in costs to justify the increase. Mayor Hill stated although the Council decided to max the levy, the taxes will still go down \$25.00 on a \$100,000 home. He stated if the Council had decided not to go to the max on the levy, taxes would have gone down \$37.00 on a \$100,000 home. He stated the taxes are anticipated to go down due to an increase in the EAV. Commissioner McDowell stated he would like to table this item and review it at another time unless the Council wanted to take the time to discuss it at this meeting. Mayor Hill stated it is his opinion that they should have the discussion at a Council meeting. He stated he is looking at the raising of the fees as a revenue enhancement. He stated the increase in fees will bring in an additional \$400,000 of revenue to the City. He stated in looking at the budget it was necessary not only to cut costs, but consider raising the fees, fines and penalties. He stated not everyone will be paying the fees. He stated he doesn't know where else to cut. Commissioner McDowell stated he does not have the same objection with the fines and penalties. He stated he does have a concern with some of the added fees. He stated there is now a fee for plan reviews for various home improvements. He stated he is not sure it is a good idea to add another burden to the taxpayers. Mayor Hill stated he is willing to go through each fee now and decide which fees the Commissioners object to or would like to delete. Director

Knabel stated some of the fees have already been a burden on the taxpayers. He stated the City has been incurring the costs of staff time and material costs of those services that the City has not been charging for. He stated it's been a cost of the budget on the expense side for years and the City has never had the revenue to offset the costs. He stated when there are expenses but no revenue it has to be made up from taxes to fill the deficit whether it is from the tax levy, sales tax or income tax. He stated this shifts the burden to the individuals using these services that before were getting those services for free. He stated a lot of the fees have not changed in many years and City has already been incurring losses on services. He stated an example is City stickers. There is a cost for printing, purchasing and staff time, and those costs have gone up but the City has not increased the fees. Mayor Hill stated it is his understanding that it has been about nine years since most fees have been increased. He stated the fees are in line with surrounding communities who are charging for these same services. Mayor Hill stated he is ready to go through each of the fees and fines tonight. He stated if approved tonight, the fees would be able to be collected immediately but the fines and penalties would be effective in ten days. Commissioner McDowell suggested the Council table the fees and think about them a little more. Mayor Hill asked Commissioner McDowell to share which fees he had objections with so the Council could look over them for the discussion at the next meeting. Commissioner McDowell presented his areas of concern.

In Building:

Change of Use...\$100.00

Re-Inspection Fee...\$35.00

Handling Elevator Service Fee...\$100.00

Heating/Air/Refrigeration...\$100.00

New Plan Review Fees...\$75.00

In City Clerk's Office:

All Business License Fees...\$125.00

Livery Companies...\$200.00

Driver Permit Fees...\$50.00

Vending Machine & Automated Amusement Fees shown twice in code

In Public Works:

Driveway Installation/Engineering Reviews & Inspections...\$200.00

In Finance:

City Stickers...\$50.00

It was moved by Commissioner McDowell, seconded by Commissioner McKinney that the Second Reading of an Ordinance amending various Zion Municipal Code Sections regarding increasing fees be tabled until the March 15th meeting. The vote on roll call was: Commissioners McDowell, aye; McKinney, aye; DeTienne, aye; and Mayor Hill, aye. Motion carried.

**ORDINANCE/AMENDING ZION MUNICIPAL CODE/
FINES AND PENALTIES INCREASES**

It was moved by Commissioner McKinney, seconded by Commissioner DeTienne that Ordinance (16-O-9) be passed amending various Zion Municipal Code Sections regarding fines and penalties. The vote on roll call was: Commissioners McDowell, aye; McKinney, aye; DeTienne, aye; and Mayor Hill, aye. Motion carried. Ordinance passed.

Commissioner McDowell stated it would be well worth it for citizens to review the increase in fines and penalties. He specifically noted the fines regarding fireworks violations. He stated the fine is going from \$150.00 to \$500.00. He stated the City is taking this violation seriously. He stated for violations in the Fire Prevention Code penalties are being raised from a range of \$25.00 to not more than \$1,000.00 to a flat fine of \$500.00. Smoke Detector violation fees ranged from \$100.00 to \$750.00 and will now be a flat fee of \$500.00. Commissioner McDowell stated some of the fines have gone up significantly and he is okay with fines but feels residents should be aware.

**ORDINANCE/VARIANCE/CONTINUE MULTI-FAMILY USE IN R-5 ZONING DISTRICT/
1007 29TH STREET**

It was moved by Commissioner McKinney, seconded by Commissioner McDowell to pass Ordinance (16-O-10) granting a variance from Section 102-206(b)(2) of the Zion Municipal Code to continue multi-family use in an R-5 Residential Zoning District for the property at 1007 29th Street, excluding the condition that

the variance be granted for this petitioner only. The vote on roll call was: Commissioners McKinney, aye; McDowell, aye; DeTienne, aye; and Mayor Hill, aye. Motion carried. Ordinance passed.

**ORDINANCE/SPECIAL USE PERMIT/RELIGIOUS USE IN R-2 RESIDENTIAL
DISTRICT/0 & 2800 LEWIS AVENUE**

It was moved by Commissioner McKinney, seconded by Commissioner McDowell to pass Ordinance (16-O-11) granting a Special Use Permit to Ahmadiyya Movement in Islam, Inc. for the properties located at 0 Lewis Avenue and 2800 Lewis Avenue for a new prayer center (mosque), learning center and gathering place for religious activity in the R-2 Zoning provided that Ahmadiyya Movement in Islam, Inc. secures the necessary building permits and commences construction within four and one half years of issuance of the Special Use Permit. The vote on roll call was: Commissioners McKinney, aye; McDowell, aye; DeTienne, aye; and Mayor Hill, aye. Motion carried. Ordinance passed.

**ORDINANCE/AMENDING MUNICIPAL CODE/RATES ESTABLISHED; SERVICE INSIDE
CITY/WATER SERVICE OUTSIDE CITY**

Director Knabel stated when the ordinance to increase water rates was approved it stated the rates were effective January 1, 2016. He stated during his explanation of the ordinance he stated the rates would be effective for the January billing. He stated the City's water meter reading system and the water billing system cannot differentiate between December 31st and January 31st because the City bills on a three month period. He stated the rates will be effective for the first billing period in January. He stated this is just cleaning up the ordinance to reflect that.

It was moved by Commissioner McDowell, seconded by Commissioner McKinney that an Ordinance (16-O-12) be passed amending Zion Municipal Code Section 94-355 "Rates established; service inside City" and Section 94-356 "Water service outside the City". The vote on roll call was: Commissioners McDowell, aye; McKinney, aye; DeTienne, aye; and Mayor Hill, aye. Motion carried. Ordinance passed.

SURPLUS FIREARMS

A memo (16-DOC-16) was received from Chief Dumyahn requesting permission to declare various firearms as surplus property and trade them in with a local FFL (Federal Firearms License) dealer. He stated that such trades allow the Police Department to augment budgetary needs for its firearms program. He stated that all responsibility for the requisite documentation of transfer will be managed by the dealer and removes the liability held by the Department in retaining these items. The trade-in value of these firearms total \$2,420.00.

It was moved by Commissioner McDowell, seconded by Commissioner DeTienne, to approve declaring various firearms surplus property and that they be traded with a local FFL dealer and that an ordinance be prepared accordingly. The vote on roll call was: Commissioners McDowell, aye; McKinney, aye; DeTienne, aye; and Mayor Hill, aye. Motion carried.

REQUEST FOR WAIVER/RAFFLE MANAGER'S FIDELITY BOND

A memo (16-DOC-17) was received from Clerk Burkemper regarding a request for waiver of the raffle manager's fidelity bond requirement from the Kiwanis Club of Zion Benton. The PTO submitted a raffle application requesting permission to conduct a raffle for fundraising purposes during their annual pancake breakfast at Zion-Benton Township High School. The applicant is requesting a waiver of the manager's fidelity bond. Per the Zion Municipal Code, only the City Council can waive the bond requirement.

It was moved by Commissioner McDowell, seconded by Commissioner DeTienne, to waive the raffle manager's fidelity bond requirement, as requested by the Kiwanis Club of Zion Benton, per their application to conduct a raffle for fundraising purposes. The vote on roll call was: Commissioners McDowell, aye; McKinney, aye; DeTienne, aye; and Mayor Hill, aye. Motion carried.

CAPITAL IMPROVEMENTS

Mayor Hill stated he has had preliminary discussions with the Department Heads about putting together a capital improvements project for a five year period. He stated right now the capital projects are slim to none because of the City's finances but there may be some opportunities in the future as things get better. He stated he would like to have it laid out as to what capital projects the City would like to undertake in the future. He stated any amounts over \$20,000 will go on the list of projects. He stated he would request the Commissioners get together with their Department Heads soon to discuss any projects that could get into the 2016-/2017 budget. He stated he would like to have a plan in place at the same time they adopt the 2016/2017 budget. He stated it will give the City some idea about what they will be facing in the future as far as streets and water and what revenue the City will have to cover those as well as which squad cars, fire trucks and "big ticket" items the City will be purchasing over the next five years.

GOALS FOR 2016/2017

Mayor Hill stated he has previous discussions with Department Heads regarding goals for 2016/2017. He stated the City will be adopting a budget by May 1st. Director Knabel stated the plan is to have the first budget workshop before the next Council meeting. Mayor Hill state he hopes to have a budget adopted May 1st. He stated there will be some goals that will be included as to what the City wants to accomplish in the next year. He stated because of finances the first year, some of the goals are going to be fairly meager. He stated as the finances get better there can be a longer list of goals to accomplish. He stated there is a City plan that will be tied into but there are other issues and goals that are going to become more important that are not part of the City plan that will focus more on the individual departments. Mayor Hill urged the Commissioners to get with their Department Heads and try and set goals for 2016/2017 so the City can adopt the goals, budget and long range capital projects all at the same time.

DEPARTMENTAL COMMENTARY

Chief Lewis stated back last fall talks began with a consultant on the feasibility for some type of consolidation with Zion Fire Department and the Beach Park Fire Protection District. Out of that came a squad analysis workshop and out of that came a draft study on the ability of some type of consolidation on whether functional or a full consolidation. He stated after several drafts the final report is ready and a date needs to be set so the Council can be presented with the study from the consultant along with the Beach Park Fire Protection Board. A tentative date of March 16th was set, with an alternate date of March 23rd.

Mayor Hill stated that Jim Taylor has resigned his Commissioner seat with the City Council. He stated it is his intention to appoint an individual for Council approval at the March 15th meeting. He stated the person who is appointed will fill the unexpired term until 2017. He stated in 2017, Commissioner McKinney's and Commissioner DeTienne's seats will be up for a four year term and the person filling the Commissioner's seat will be up for a two year term.

Mayor Hill stated he wanted it to be on record if Mr. McLemore would have stayed for the meeting, he would have had an opportunity to speak after the Department Head comments.

ANNOUNCEMENTS

March 1	7:00 p.m.	Zion City Council Meeting
March 15	6:30 p.m. 7:00 p.m.	Election Day Zion Township Board Meeting Zion City Council Meeting
March 25		City Offices Closed for Holiday

CLOSED SESSION

It was moved by Commissioner McKinney, seconded by Commissioner McDowell that the Council recess to Closed Session at 8:10 p.m., pursuant to 5 ILCS 120/2 "Open Meetings", for the discussion of personnel and probable litigation and collective bargaining. The vote on roll call was: Commissioners McDowell, aye; McKinney, aye; DeTienne, aye; and Mayor Hill, aye. Motion carried.

It was moved by Commissioner McKinney, seconded by Commissioner McDowell to reconvene the Regular Council meeting at 9:05 p.m. with all members present. The vote on roll call was: Commissioners McDowell, aye; McKinney, aye; DeTienne, aye; and Mayor Hill, aye. Motion carried.

ADJOURN

There being no further business to come before the Council at this time, it was moved by Commissioner Taylor, seconded by Commissioner DeTienne and unanimously approved the meeting be adjourned at 9:06 p.m. Motion carried.

Deputy City Clerk

Approved March 15, 2016