

**Agenda  
City of Salem  
Regular City Council Meeting  
March 21, 2016  
6:00 p.m.**

- I. **Call to Order – 6:00 pm**
- II. **Prayer and Pledge of Allegiance**
- III. **Presentation of Petitions/Public Comments**
- IV. **Mayor’s Report and Presentations**
  - 1. John Andrews Day
  
- V. **City Council Action**
  - 1. Consent Agenda
    - a. Approval of Minutes – March 7, 2016
  - 2. Approval of Bills Payable
  - 3. Second Reading – Approval of Resolution Creating Housing Committee
  - 4. Purchase Approval – Vehicle for Chief of Police
  - 5. Resolution Encouraging Demolition of Armory in Salem, IL
  - 6. Approval to go out for Bids for Connection of Baldrige and Mills Cart
  - 7. Presentation of FY17 Budget – Part 1
  
- 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  
REGULAR CITY COUNCIL MEETING  
March 21, 2016 - 6:00 PM**

- I. **CALL TO ORDER**

The regular March 21, 2016 meeting of the City Council was convened at 6:00 p.m., and called to order by Mayor Rex Barbee.

**Council members present:**  
Councilman Nic Farley  
Councilman Craig Morton  
Councilwoman Sue Morgan  
Mayor Rex Barbee

**Council members absent:**  
Councilman Jim Baity

**Others present:**

City Manager Bill Gruen	City Attorney Mike Jones
City Clerk Bev Quinn	Finance Director Ben Stratemeyer
Public Works Director John Pruden	Assistant Public Works Director Annette Brushwitz
Chief of Police Sean Reynolds	Deputy Chief of Police Susan Miller
Code Enforcement Officer Brian Hunt	Economic Development Director Jeanne Gustafson
Animal Control Officer Paul Wimberly	Members of the Media and Public
Library Director Kim Keller	
  
- II. **PRAYER AND PLEDGE OF ALLEGIANCE**

Opening prayer was given by Councilwoman Morgan, followed by the Pledge of Allegiance to the Flag.
  
- III. **PRESENTATION OF PETITIONS/PUBLIC COMMENTS** – None.
  
- IV. **MAYOR’S REPORT AND PRESENTATIONS**

**Proclamation – John Andrews Day:** Mayor Barbee presented a proclamation, declaring March 24, 2016 as “John Andrews Day” in Salem, IL. Members of John’s family were present to accept the proclamation.
  
- V. **CITY COUNCIL ACTION**
  - 1. **Consent Agenda**
    - a. Approval of Minutes – March 7, 2016

*Minor typing corrections were noted. Motion was made by Councilman Farley and seconded by Councilwoman Morgan to approve the Minutes of March 7, 2016, as amended. Roll call vote: Councilman Farley, Councilman Morton, Councilwoman Morgan, Mayor Barbee. NAYS: None. Motion carried.*

**2. Bills Payable**

*Motion was made by Councilwoman Morgan and seconded by Councilman Morton to approve the Bills Payable, as presented. Roll call vote: AYES: Councilman Morton, Councilwoman Morgan, Councilman Farley, Mayor Barbee. NAYS: None. Motion carried.*

**3. Second Reading – Approval of Resolution Creating Housing Committee**

City Manager Gruen indicated he had made the revisions to the resolution creating a Housing Committee, as directed by City Council, and he recommends approval. *Motion was made by Councilman Farley and seconded by Councilwoman Morgan to approve Resolution 2016-05 Creating a Housing Committee. Roll call vote: AYES: Councilwoman Morgan, Councilman Farley, Councilman Morton, Mayor Barbee. NAYS: None. Motion carried.* Councilman Farley added that the City needs to get a jump on applying, due to the number of communities who want the grant.

**4. Purchase Approval – Vehicle for Chief of Police**

City Manager Gruen indicated purchase of a car for the Chief of Police is a budgeted item, and asked Chief Reynolds to explain further. Chief Reynolds indicated he requested bids for a four-door car with less than 36,000 miles on it, 2014 or newer. Bids were received from Schmidt, Boulder and Max Dye. The low bid was received from Boulder Chevrolet in the amount of \$19,094 for a 2014 Chevy Impala. This vehicle has a bumper-to-bumper warranty, as well as a power train warranty. One of the vehicles bid was completely out of warranty and the other one was \$2,800 over budget. The vehicle the Chief is currently using will be passed to the second detective. The car the second detective is using (*which was obtained at no cost through a drug seizure*) will be passed to Animal Control, replacing a 1985 truck.

Councilman Farley noted that the new vehicle is \$1,096 over budget. City Manager Gruen indicated the General Fund is coming in under budget FY2016, and can absorb the extra cost. *Motion was made by Councilman Farley and seconded by Councilwoman Morgan to approve the purchase of a 2014 Chevy Impala in the amount of \$19,096 from Boulder Chevrolet. Roll call vote: AYES: Councilman Farley, Councilman Morton, Councilwoman Morgan, Mayor Barbee. NAYS: None. Motion carried.*

**5. Resolution Encouraging Demolition of the Armory in Salem, IL**

City Manager Gruen indicated he received an email from the State of Illinois Department of Military Affairs, indicating there may be grant funds available to assist the State in demolishing the Salem National Guard Armory. Mr. Gruen added that during discussions with individual Council members, most seem to support demolition. The State may have up to \$350,000 that can be used for the demolition.

Mayor Barbee indicated he has mixed emotions, but feels the building is a hazard to the surrounding residential neighborhood, and he is not opposed to demolition. Councilman Farley asked if the grant funds are tied to State funding. City Manager Gruen indicated he would check into it. Councilman Farley asked if City demolition funds should be brought up, since the State is having budget issues. City Manager Gruen indicated he will not lead with that possibility, but using those funds is a possibility, as well as using CDAP funds. Councilman Farley asked what will happen to the land once the building is demolished. Mr. Gruen indicated the City would then take ownership. Mr. Gruen added, for the record, that the basement fills with water when it rains, and there is a fair amount of mold inside the building. The boiler is cracked. There are a lot of problems with the building. Mr. Gruen indicated he has received a number of calls from residents who do not want to see the building demolished, due to the memories they have, but the armory isn't the same building it used to be. Councilwoman Morgan added that it is a shame the building was allowed to fall into such deplorable condition. *Motion was made by Councilwoman Morgan and seconded by Councilman Morton to approve Resolution 2016-06, Encouraging Demolition of the Salem Armory. Roll call vote: AYES: Councilman Farley, Councilman Morton, Councilwoman Morgan Mayor Barbee. NAYS: None. Motion carried.* City

Manager Gruen indicated he would send the resolution to our local legislators as well as the Department of Military Affairs.

**6. Approval to go out for Bids for Connection of Baldrige Lane and Mills Cart Rd.**

City Manager Gruen indicated Rhutasel and Associates has prepared plans for construction of the connection between Baldrige and Mills Cart. The Council has authorized prior actions related to this project, but should formally authorize requesting bids for construction of the project. Dollars for construction are in the draft FY17 Budget.

There was discussion among Council, indicating they were disappointed that the connection hadn't been completed at the time Wal-Mart was constructed. Councilwoman Morgan asked who would be responsible for maintenance. Public Works Director Pruden indicated the road was not connected at the time of construction because the City doesn't own Mills Cart Road. The City will be responsible for the sections of roadway it owns and Salem Township Highway Department will be responsible for the sections of road it owns. Mayor Barbee asked if the township will limit truck traffic. Mr. Pruden responded, "very much so". **Motion was made by Councilman Farley and seconded by Councilwoman Morgan to approve requesting bids to connect Baldrige Lane to Mills Cart Road. Roll call vote: AYES: Councilman Morton, Councilwoman Morgan, Councilman Farley, Mayor Barbee. Motion carried.**

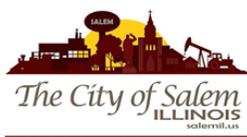
**7. Presentation of FY17 Budget – Part 1.**

City Manager Gruen indicated the FY17 budget has come together nicely, such that it is possible to present the budget in two parts, over two meetings. This will break up presentation of the budget, give everyone more time to review it, and provide more time at regular City Council meetings to have regular business. The revised schedule is:

- March 21, 2016 – review of budget Part 1 (*General Fund*)
- April 4, 2016 – review of budget Part 2 (*Everything except General Fund*)
- April 18, 2016 – public hearing prior to meeting, approval of FY17 budget.

*(Clerk's Note: City Manager Gruen presented the following PowerPoint presentation. Discussion is added.)*

City of Salem  
FY17 Budget Review



FY17 Budget Review



FY17 General Fund budget totals \$5,961,563.  
 ✓ Increase of \$21,137 or 0.36%  
 ✓ Would be a decrease of \$18,863 or - 0.32% without financing a new squad car for PD.

All City budgets total \$18,768,831.  
 ✓ Decrease of \$83,628 or - 0.44%.

FY17 Budget Review

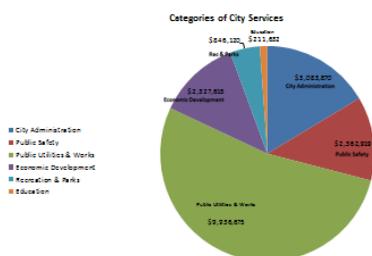


FY17 Budget Review



Notes & Analysis

- Sales tax revenues are down and PTELL is keeping property tax revenues fairly flat.
- I calculate value of diminishing dollars to Gen Fund to be as much as \$70,000.
- City has strived to meet the realities of diminishing revenues by diminishing the City budget accordingly.
- Able to balance FY17 Gen Fund budget due to a number of purchases made in FY16 that don't need to be made next fiscal year.



FY17 Budget Review



Notes & Analysis, cont'd

- Don't hear as much about cut to LGDF, but will create a spending contingency plan.
- Global or statewide economic slide in future may cut Illinois income tax collections anyway.
- Fund 20 spending proposed: (A) Community Center Exec Director; (B) Reservoir boat dock match; and (C) clean Bryan Statue.
- A State analysis indicates the City should increase contributions to Police Pension Fund, \$135,000 in FY12.

FY17 Budget Review



General Admin Budget Overview

- ☐ \$712,750 +\$6,155 or + 0.87%
- ☐ Cut \$12,595 in lines including Advertising, Postage, Travel, and Printing.
- ☐ \$20,000 → building demolitions remain in budget.
- ☐ \$15,000 → UP grant for Historical Commission.
- ☐ \$8,000 → Salem Theater electricity consolidated here.

FY17 Budget Review



Public Works Admin Budget Overview

- ☐ \$103,055 +\$2,835 or 2.83%
- ☐ Cut \$7,690 in Asst Public Works Director salary expenses and moved to other budgets.
- ☐ \$3,300 → vehicle maintenance
- ☐ Salaries split as follows:

Position	01-5103-	Water	Gas	Fund 08
Public Works Director	60.00%	25.00%	15.00%	0.00%
Assistant Pub Works Dir	39.00%	16.25%	9.75%	35.00%

FY17 Budget Review



Economic Development Budget Overview

- ☐ \$116,645 - \$2,085 or -1.76%
- ☐ \$8,000 → total expenses for things related to meetings or travel for business recruitment.
- ☐ \$3,000 → for general economic development promotion.

FY17 Budget Review



Street Lighting Budget Overview

- ☐ \$137,500 + \$29,500 or + 24.63%
- ☐ The City pays for street lighting to both Ameren and Tri County.
- ☐ There appear to be months that weren't paid in FY15 that got backed up into FY16.
- ☐ There also appears to be an increase in Ameren's distribution rate.

FY17 Budget Review



Notes & Analysis, cont'd

- FY17 is last year of contracts with FOP and Operating Engineers.
- First full year budgeting for YMCA. Management sees budget savings totaling \$61,465.
- City will still operate the Aquatic Center.

FY17 Budget Review



Police Dept Budget Overview

- ☐ \$1,754,525 +\$61,264 or 3.62%
- ☐ Cut \$5,000 from Motor Fuel and almost \$65,000 in K9 and vehicle expenses not repeated.
- ☐ \$85,000 increase in Police Employees due to (A) retirement planning; (B) step increases; and (C) contractual pay increases.
- ☐ \$40,000 → Squad car purchase (\$30,000 loan from Water Fund; \$10,000 repayment from PD budget).
- ☐ \$16,500 → K9 maintenance, two in-car cameras, four bullet resistant vests.
- ☐ \$20,000 → cap grant if we receive, would be put into building improvements.
- ☐ \*\*Didn't budget \$3,400 for AEDs that I'd like to take a closer look and squeeze in.

FY17 Budget Review



City Hall Budget Overview

- ☐ \$48,000 - \$580 or -1.19%
- ☐ Some City Hall repairs completed in FY16 aren't re-budgeted in FY17.
- ☐ \$21,000 → electricity increase by \$4,620 (this is for City Hall, Police Dept, some traffic lights)

FY17 Budget Review



Street Department Budget Overview

- ☐ \$288,165 - \$94,180 or -24.63%
- ☐ - \$75,000 → dump truck purchased in FY16, no other similar purchase in FY17.
- ☐ \$2,200 → for backhoe tires
- ☐ \$2,000 → for replacement emergency truck lights

FY17 Budget Review



Bryan Museum/Home Budget Overview

- ☐ \$6,650 - \$8,690 or - 57.40%
- ☐ Roof and repair of back deck completed in FY16 not re-budgeted in FY17.
- ☐ \$5,000 → allocation for general maintenance, prevent any additional deferred maintenance.

FY17 Budget Review



Swimming Pool Budget Overview

- ☐ \$456,443 + \$9,335 or + 2.09%
- ☐ \$221,893 for bond debt service, increase of \$5,995.
- ☐ \$20,000 → repairs for cracks in pool floors – or replacement of lights with LEDs.
- ☐ \$7,600 → startup and winterization of pool.
- ☐ \$3,100 → replacement of netting feature at bucket.
- ☐ \$4,100 → pump impeller replacement.
- ☐ City is still responsible for oversight of pool.

FY17 Budget Review



Cemetery Budget Overview

- ☐ \$179,600 - \$340 or - 0.19%
- ☐ \$2,500 → Cemetery has a small track hoe that we use for digging projects that needs tracks replaced.
- ☐ \$8,000 → purchase a new UTV with a dump. We currently use a gas-powered EZ-GO with a manual dump.

FY17 Budget Review



Animal Control Budget Overview

- ☐ \$81,490 + \$90 or + 0.11%
- ☐ \$23,920 → increase in full time payroll line to account for making the AC Assistant a full time position. The facility and animals require staffing 365 days per year, and making Assistant full time will help cover needed time at facility.
- ☐ - \$21,220 → reduction in professional services and overtime line.
- ☐ Some facility maintenance and equipment purchases not included this year.

FY17 Budget Review



General & Personnel Budget Overview

- ☐ \$1,915,570 + \$18,235 or + 0.96%
- ☐ This budget IMRF, health insurance, risk management, and related expenses for all General Fund departments.
- ☐ Assuming level IMRF and health insurance expenses.
- ☐ Risk management related expenses increase by \$17,700.
- ☐ Does not make any transfer to the Recreation budget, saving about \$35,000.

FY17 Budget Review



Tourism Budget Overview

- ☐ \$83,645 \$0 or 0%
- ☐ This is the budget that receives the hotel/motel taxes from Salem hotels.
- ☐ \$25,000 → general expenses related to advertising.
- ☐ \$16,445 → expenses that support events that the Tourism Board determines increase overnight stays.
- ☐ \$6,000 → Bluegrass Festival
- ☐ \$30,000 → PKC

FY17 Budget Review



Mechanical Services Budget Overview

- ☐ \$74,025 + \$1,745 or + 2.41%
- ☐ This budget supports the City Mechanic, who performs service and maintenance work on City vehicles.
- ☐ \$3,350 → Shop Key diagnostic software and manual subscription renewal, which permit the Mechanic to remain current on diagnostic tools on City vehicles.
- ☐ \$1,600 → new computer
- ☐ \$1,450 → cutting torch and hose reel

During review, Councilman Farley indicated he would like to see something budgeted to repair and paint the wood areas of the outside of City Hall. City Manager Gruen indicated he would see what he could do. Councilman Morton asked Chief Reynolds about acquiring body cams for the Police Department. Chief Reynolds indicated there are very few departments using body cams in Southern Illinois, due to the resulting increase in FOIA requests. Vandalia Police Department, Jefferson County and Fayetteville County are the only departments currently using body cams in our area. Springfield has had to hire at least one additional employee, just to handle FOIAs. Chief Reynolds indicated the department could not absorb the cost increase.

Councilman Farley asked about the overtime on the PD budget, and if overtime was increased by the fires at the former Brown Shoe, former Yohe building, and Roberts Park. Chief Reynolds indicated the department did have increased overtime due to those events, but the department must have a certain amount of coverage. Meetings, training, sick time and vacations all cause the remaining officers to work overtime. Councilman Farley asked if cameras on traffic signals would have helped in instances such as the fires. Chief Reynolds answered that they might have helped, but it would cost a minimum of \$10,000 per camera to have them installed.

Mayor Barbee indicated he appreciated City Manager Gruen putting together the budget and presentation. Councilwoman Morgan indicated she likes splitting the budget review into two meetings.

VI. CITY MANAGER’S REPORT

City Manager Gruen indicated the Department Heads did a great job of keeping their budgets tight and submitting them on time.

VII. CITY ATTORNEY REPORT – None.

VIII. FINANCE DIRECTOR REPORT – None.

IX. **CITY COUNCIL REPORT**

**Councilman Farley** asked if the City has updates on the fires. City Attorney Mike Jones indicated he would prefer not to provide updates in open session.

**Mayor Barbee** indicated Freddie the Police Department canine had a very successful weekend.

X. **ADJOURNMENT**

As there was no further business to discuss, ***motion was made by Councilwoman Morgan and seconded by Councilman Morton to adjourn the meeting at 7:22 pm. Roll call vote: AYES: Councilwoman Morgan, Councilman Farley, Councilman Morton, Mayor Barbee. NAYS: None. Motion carried.***

Bev Quinn, CMC  
City Clerk

Minutes approved: \_\_\_\_\_