



## ***City Council***

City Council Chambers ♦ 230 West Stephenson Street ♦ Freeport, IL 61032

---

### **MINUTES REGULAR MEETING Monday, November 15, 2010**

---

#### **CALL TO ORDER**

The regular meeting of the Freeport, Illinois, City Council was called to order by Mayor George Gaulrapp with a quorum being present at 6:00 p.m. on Monday, November 15, 2010, in Council Chambers.

#### **ROLL CALL**

Present on roll call were council members Randy Corbin, Tom Klemm, Ronnie Bush, Dennis Endress, Linda O'Neill, Shawn Boldt, Scott Helms, and Jennie DeVine (8). Corporation Counsel Sarah Griffin was present.

#### **PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Alderperson Corbin.

#### **APPROVAL OF AGENDA**

Alderperson DeVine moved to approve the agenda as presented, seconded by Alderperson O'Neill. Motion passed by voice vote without dissent.

#### **APPROVAL OF MINUTES**

Alderperson O'Neill moved to approve the minutes of the regular meeting held on November 1, 2010, seconded by Alderperson DeVine. Motion passed by voice vote without dissent.

#### **PUBLIC COMMENTS - AGENDA ITEMS**

There was no one signed on the sheet this evening for public comments on agenda items.

#### **CONSENT AGENDA**

The following items were presented in the council packet for the Consent Agenda this evening;

A. Approval to receive and place on file:

- 1) City Treasurer's Report – Schedule of Tax Receipts for period ended October 2010
- 2) City Treasurer's Report – Monthly Investments for period ended September 30, 2010
- 3) City Treasurer's Report – Monthly Investments for period ended October 31, 2010
- 4) City Treasurer's Report of Cash & Fund Balances for period ended Sept. 30, 2010
- 5) City Treasurer's Report of Cash & Fund Balances for period ended October 31, 2010
- 6) Fire Department Report on Activities through October 2010
- 7) Community Development Report on Activities for October 2010 including Building Permits; Electrical, HVAC, Plumbing, and Sign Permits; and Cash and Misc. Receipts

B. Approval of Water and Sewer Bills Payable (Registers #473) --- \$416,034.59

C. Approval of Payroll for pay period ending November 6, 2010 --- \$404,506.43

**MINUTES**  
**REGULAR MEETING**  
**Monday, November 15, 2010**

D. Approval of Finance Department Bills Payable (Registers #469, 470, 471, 472) --- \$398,160.95

Aldersperson Endress moved to approve the Consent Agenda items as presented. Alderman Helms requested removal of items A5), A7), and Letter D of the Consent Agenda for discussion. Alderman Endress stated his agreement to remove these items. Alderman O'Neill seconded the motion for all the remaining items on the Consent Agenda. Motion prevailed by roll call vote of:

Yeas: Corbin, Klemm, Bush, Endress, O'Neill, Boldt, Helms, and DeVine (8)

Nays: None

Discussion was held on Consent Agenda items A5), A7) and Letter D with Duane Price of the Finance Department answering questions. Upon no further discussion, Alderman Helms moved to approve the Consent Agenda items including items A5), A7) and Letter D, seconded by Aldersperson Klemm. Motion prevailed by roll call vote of:

Yeas: Corbin, Klemm, Bush, Endress, O'Neill, Boldt, Helms, and DeVine (8)

Nays: None

The consent agenda items were approved.

**COMMUNICATIONS TO COUNCIL**

Included in the council packet was a summary of the Winter Parking Regulations and it was read into the record that they will apply every day of the month from December 1 to March 31. Aldersperson Endress moved to place the communication on file, seconded by Aldersperson O'Neill. Motion passed by voice vote without dissent.

**APPOINTMENTS**

Mayor George Gaulrapp requested approval of the reappointment of Dr. Ahmed Rasheed to the Planning Commission effective immediately through October 31, 2014. Aldersperson O'Neill moved to accept the appointment as presented, seconded by Aldersperson Klemm. Motion passed by voice vote without dissent.

Mayor Gaulrapp stated that next month there will be an appointment for the Housing Authority Board and the Library. There is still an opening on the Zoning Board of Appeals.

**ORDINANCES – FIRST READING**

**1<sup>ST</sup> READING OF ORDINANCE #2010-50:**

**An Ordinance for the Levy and Assessment of Taxes for the Fiscal Year Beginning May 1, 2010, and Ending April 30, 2011 for the City of Freeport, County of Stephenson, and State of Illinois –**

Finance Director Craig Joesten stated that before the council is the suggested tax levy for the upcoming year that has been presented by the administration. The numbers that are adopted by the council need to be to the Stephenson County Clerk by December 28, 2010. The ordinance as presented includes a 22.53% increase in the City's portion of the real estate property taxes. The City receives approximately 10% of the total levy against the real estate so that the net effect for the increase would be approximately 2.3% of real estate taxes since we receive a fraction of the levy. Finance Director Craig Joesten stated for comparison purposes if you took a \$100,000 house, assuming that the EAV remains the same, the additional tax would account for an increase of \$75.00 per year.

**MINUTES**  
**REGULAR MEETING**  
**Monday, November 15, 2010**

Finance Director Craig Joesten stated that last year we considered the levy at a similar amount but it was not enacted by the City Council. As a result of that the City had furloughs, wage freezes and borrowed \$425,000 to make up payroll. This year we are coming back with the same suggested amount. There are four components to the tax levy, three of which are mandated contributions to the pension plans that come from the State of Illinois and they are significant increases primarily driven by the reduction in values of assets of pension plans as determined by the actuaries of the plans. The fourth item is the corporate fund and the administration is suggesting with this levy that the corporate fund be reinstated back to where it was prior to last year. This is not an increase; it is reinstating it to where it was.

Finance Director Craig Joesten reviewed the reasons for reinstating the tax levy for the corporate fund to where it was because;

- all three of the labor contracts are due to expire on the first of May 2011;
- we have an uncertain revenue stream from State and, currently, it is four months behind; and
- the property and casualty insurance expense will be incurred between now and the end of the year in addition to the Worker's Compensation insurance budgeted at \$600,000 but it may come in higher than budgeted due to significant adverse experience with quotes due by next meeting.

Finance Director Craig Joesten stated that if the tax levy that is suggested by the administration is adopted, it is his opinion that we will still face wage freezes, and a possible wage reduction during the next fiscal year. There is no additional revenue coming this year, like the increase in sales tax. The home rule portion of the sales tax is going up slightly. The City has tried to circumvent increases in expenses by initiated a payroll savings program by cutting on an annual basis around \$500,000 in payroll by certain actions including wage freezes, furloughs at City Hall, and the layoffs in the street department.

On December 6, 2010, council meeting the six month review will be provided. In this six month results there very well could show a gain and yet we are talking about the need for a tax increase and had to borrow money. The revenue is on an accrual basis so that if we earn it we book, that doesn't mean you receive it. The problem is the State of Illinois income tax because it is booked not earned, however we have not received it. This provides a cash flow problem.

Finance Director Craig Joesten stated it is a recommendation of the administration that the tax levy be approved at a 22.53% increase as presented;

	<b>2011/2010 Tax Levy</b>	<b>2010/2009 Tax Levy</b>	<b>Increase (Decrease)</b>	<b>Percent Change</b>
Firefighters Pension	\$965,806	\$722,392	\$243,414	+33.70%
Police Pension	937,272	906,618	30,654	3.38%
IMRF	240,000	212,000	28,000	13.21%
Corporate Fund	997,876	722,393	275,483	38.13%
	\$3,140,954	\$2,563,403	\$577,551	22.53%

Discussion was held regarding the \$425,000 note taken out last year to cover a payroll period and Director Joesten stated it is a three year note that can not be paid back for three years and there is an annual

**MINUTES**  
**REGULAR MEETING**  
**Monday, November 15, 2010**

amortization of ten years with a balloon payment with the intent to pay it back in three years. Alderman Helms requested to have numbers drawn up for the tax levy with increases at 5%, 10% and 15%, in addition to the 22.53%. With the pensions, it is the amount required from the actuaries as to how much the municipality needs to be paid. The numbers for next year still show an increase, but that amount will be significantly less. As these balances continue to build, the actuaries determine the amount necessary to maintain the cash flow and meet the needs that are drawing on those pensions. Our pensions are under-funded and the fully-funding of these plans has been pushed out to 2030. The City has to pay what it is required to pay whether it is received through the tax levy. Finance Director Craig Joesten stated that if the municipality has to pay the amount required by the actuaries and the formula used is to levy 80% of the pension requirements the other 20% comes out of the general fund. So when the general fund amount was reduced or you don't levy the full amount it has to come out of the general fund it puts a greater burden to try to meeting those payments because those amounts are mandated by the state.

Finance Director Craig Joesten stated that if we were to leave the general fund the same and not recapture the \$275,000 but we would levy of the pension funds we would still have a 12% increase.

Alderman Corbin moved to place the ordinance on the floor for approval, seconded by Alderman Klemm. It was noted that the Tax Levy Ordinance will need to be filed with the Stephenson County Clerk by December 28, 2010. The ordinance was automatically laid over to the next meeting.

**1ST READING OF ORDINANCE #2010-51:**

**An Ordinance for the Levy and Assessment of Taxes for the Fiscal Year Beginning May 1, 2010, and Ending April 30, 2011 for the Public Library of the City of Freeport, County of Stephenson, and State of Illinois**

Freeport Public Library Director Carole Dickerson stated the Freeport Public Library has a limitation of 2.7% or \$32,392 for fiscal year 2010 to 2011. At the November 2010 meeting of Freeport Public Library Board of Trustees, the board voted to approve a 2.7% increase in the tax levy for a total of \$1,232,204.00. Director Dickerson stated the Freeport Public Library continues to collect between \$50,000 and \$70,000 less than the amount levied. Director Dickerson answered questions from the council regarding the amount in the library reserve. Accountant Duane Price answered that as of October 31, 2010, there is \$1,349,000 in reserve cash and investments. Director Dickerson stated that when the library was not able to collect the full amount of the levy, budget cuts came from not filling one position, reducing the materials budget, and implementing labor cost savings by adoption of the city hall holiday schedule.

Alderman Endress moved to place the ordinance on the floor for approval, seconded by Alderman Klemm. The ordinance was automatically laid over to the next meeting.

**1ST READING OF ORDINANCE #2010-52:**

**An Ordinance Amending Chapter 893 (Motor Fuel Tax) of the Codified Ordinances of the City of Freeport**

Finance Director Craig Joesten stated that this is the two cent per gallon city tax and just as last year there are several items of additional capital equipment that has been purchased. The specific purpose is for police vehicles and public works vehicles. Director Joesten stated that last year and this year we have expanded the utilization of those dollars to include other items not part of the police and public works.

**MINUTES**  
**REGULAR MEETING**  
**Monday, November 15, 2010**

There was a line item in the appropriation ordinance stating that the purchase of a plow for the airport and the possible purchase of a vehicle for the Community Development Department. The vehicle for the Community Development Department has not been purchased. This ordinance requests the transfer of \$75,000 from the Capital Equipment Fund to the Corporate Fund. Since the airport has limited revenues, this intergovernmental transfer is necessary. Only the amount necessary based on the bidding process will be transferred. The bids would then need to be approved by council.

Aldersperson Endress moved to place the ordinance on the floor for approval, seconded by Aldersperson Klemm. The ordinance was automatically laid over to the next meeting.

**1ST READING OF ORDINANCE #2010-53:**

**An Ordinance Amending Chapter 1242 (Administration, Enforcement and Penalty), Section 1242.01 (Building and Demolition Permits) to Amend Title of Building Code; Section 1242.06 (Variances) to Repeal and Replace the Standards for Granting Variances; Section 1242.07 (Special Permits) to Repeal and Replace the Standards for Granting Special Permits; Section 1242.09 (Standards for Granting Applications) to Repeal the Section; Section 1242.11 (Expiration of Authorization) to Delete Language Referring to the Community Development Committee; Section 1242.12 (Variations, Permits, Planned Developments and Amendments) to Amend Application and Notice Requirements**

Community Development Director Shelly Griswold stated that after the last ordinance that came out of the Board of Zoning Appeals she researched language from other municipalities such as Naperville to simply the fact finding process for variances and special use permit. The Planning Commission unanimously recommended this ordinance to council. Director Griswold explained the changes including the standard for variances. The ordinance now stated that the Administrative Agency shall not recommend nor shall the City Council grant a variance from the regulations of this Zoning Code unless it makes four findings based upon the evidence presented to it in each specific case that: (1) The variance is in harmony with the general purpose and intent of this Zoning Code; and (2) Strict enforcement of this Zoning Code would result in practical difficulties or impose exceptional hardships due to special and unusual conditions which are not generally found on other properties in the same zoning district; and (3) The property cannot yield a reasonable return if permitted to be used only under the conditions allowed by this Zoning Code; and (4) The variance, if granted, will not alter the essential character of the neighborhood and will not be a substantial detriment to adjacent property. The ordinance removes reference to the Community Development committee which is no longer in force. The ordinance now requires a scale drawing of the property and it is to include all properties, streets, alleys and other properties within two hundred and fifty feet of the subject property. Director Griswold then explained the notice requirements which now will require a posting on the property clearly visible from the public right-of-way and posted on the property for not more than 30 days and not less than 15 days from the date of the public hearing. The notice will need to be given to those properties within 250 feet which is an increase for the general noticing from 6 notices to about 20. Discussion was held regarding the additional costs for the proper signage for posting, whether registered letters will need to be required, and the definition of substantial detriment. The council requested Director Griswold to provide a better guide for signage as to their placement and size, along with an estimated cost to go along with the new requirement.

Aldersperson Klemm motioned to moved forward ordinance for approval, seconded by Aldersperson Corbin. The ordinance was automatically laid over to the next meeting.

**MINUTES**  
**REGULAR MEETING**  
**Monday, November 15, 2010**

**RESOLUTIONS**

**Resolution #R-2010-78:**

**Resolution To Authorize And Approve Façade Improvement Program**

Community Development Director Shelly Griswold presented the resolution stating that in the resolution in previous years it stated the dollar amount allocated in the façade program through the TIF budget and with this document it now states, “funds available for the Façade Improvement Grant Program are determined by the Downtown TIF Spending Plan adopted by Freeport City Council each calendar year.” Alderperson Boldt moved for approval of the resolution, seconded by Alderperson Helms. Motion prevailed by roll call vote of:

Yeas: Corbin, Klemm, Bush, Endress, O’Neill, Boldt, Helms, DeVine (8)

Nays: None

Resolution 2010-78 was adopted.

**Resolution #R-2010-79:**

**Resolution Determining The Amount Of Money Estimated To Be Necessary To Be Raised By Taxation For Fiscal Year 2010-2011 Upon Taxable Property In Its District And Calling For Public Hearing Pursuant To 35 ILCS 200/18-70 On Its Intent To Adopt An Aggregate Levy In An Amount Which Is More Than 105% Of The Amount Extended Or Estimated To Be Extended Upon The Final Aggregate Levy Extensions December 6, 2010 At 6:00 P.M.**

Finance Director Craig Joesten stated that due to the determination that the tax levy is more than 105% over the previous year, a public hearing will be held on December 6, 2010 at 6:00 p.m. Alderperson Klemm moved for approval of the resolution, seconded by Alderperson Endress. Motion prevailed by roll call vote of:

Yeas: Corbin, Klemm, Bush, Endress, O’Neill, Boldt, Helms, DeVine (8)

Nays: None

Resolution 2010-79 was adopted.

**OTHER**

**DEPARTMENT HEAD REPORTS**

**Community Development**

Community Development Director Shelly Griswold presented the Façade Improvement recommendations. The first is for 217 West Main Street in the amount of \$3,050.00 (\$6,100.00 total project cost) for replacement of store front window, door window and façade lighting. The second is for the Oddfellows Lodge Building at 301 West Main Street in the grant amount of \$10,000.00 (\$25,200.00 total project cost) for restoration of 24 double-hung windows, restoration of six single pane windows and restoration of six eight-light attic windows, restoration of front entryway, limestone tuck pointing and stair restoration.

Alderperson Endress moved to accept the recommendations of Director Griswold, seconded by Alderperson O’Neill. Motion prevailed by roll call vote of:

Yeas: Corbin, Klemm, Bush, Endress, O’Neill, Boldt, Helms, DeVine (8)

Nays: None

**MINUTES**  
**REGULAR MEETING**  
**Monday, November 15, 2010**

**Finance**

Finance Director Craig Joesten had no further report this evening.

**Public Works**

Public Works Director Tom Dole provided a report of status of the leaf pickup in the City and provided an update of the Stephenson Street sidewalk removal which is being performed by the department in conjunction with Water and Sewer Department work in the same area.

**Water and Sewer/City Engineer**

City Engineer Denise Ihrig provided an update on the Tutty's Crossing sanitary sewer project. The paving crew has moved in on Liberty and the asphalt will be back to where the trench was with continued improvements there outside of the trench that IDOT would have done this year. The road closure will be removed but caution will need to be maintained in the area because there is still work being done. Finance Director Craig Joesten provided an update on the insurance claim for the screen and the estimate from the insurance company is \$115,000 in payment, with total cost estimated to be \$190,000 and FEMA reimbursement has been submitted. The reassembly of the part will begin tomorrow and over the next ten days it should be up and running.

**Police**

Chief of Police Jerry Whitmore was present and had no further report.

**Fire**

Fire Chief Kevin Countryman requested approval of the recommended items for purchase at Fire Station #3 for replacement of a generator in the amount of \$10,000.00 and washer/extractor in the amount of \$5,000.00. The items recommended were both sole-source procurement. Insurance covered their cost for replacement due to the flooding at the fire station. Originally these items were paid through homeland security grants. Alderperson Klemm moved to approve the expenditures as presented by Fire Chief Kevin Countryman, seconded by Alderperson O'Neill. Motion prevailed by roll call vote of:  
Yeas: Corbin, Klemm, Bush, Endress, O'Neill, Boldt, Helms, DeVine (8)  
Nays: None

Fire Chief Kevin Countryman stated receipts to date received from the City's insurance provider is \$65,348.14. The department has spent \$27,000.00 (above purchase not included). Discussion was held regarding moving these items to a higher base.

**Library**

Library Director Carole Dickerson was present at the meeting and had no report.

**MAYOR'S REPORT**

Mayor Gaulrapp spoke about the Hollywood Revisited show he attended and enjoyed. He spoke about a Northern Illinois Mayor Association meeting he will be hosting in January.

**NEW BUSINESS**

Each council member was provided the opportunity to publicly address significant items of interest. Discussion was held regarding the Census numbers and the effect it could have on the City Home Rule.

## **MINUTES**

### **REGULAR MEETING**

**Monday, November 15, 2010**

If the census numbers comes in less than 25,000, whatever the election is after that date, the citizens would have a say as to whether it stays home-rule.

Aldersperson Boldt requested an update on NICOR's exposed gas pipe on Sioux Drive. Finance Director Craig Joesten he met with NICOR and they will begin remediation of that situation and it could be completed this week by lowering the gas line by approximately two feet over the twenty-four foot length.

### **PUBLIC COMMENTS**

- Tom Teich, 653 Jefferson Street, Freeport IL, spoke about upcoming events in Freeport.

Upon motion duly made and seconded, the meeting was adjourned at 7:12 pm.

*s/ Meg Zuravel*

Meg Zuravel, City Clerk