

Finance Committee Meeting
Monday, May 15, 2017
Red Bud City Hall
Council Chambers (2nd floor)

Committee Members Present: Susan Harbaugh, Bill Hanebutt, Mike Reed, Clem Esker

Committee Members Absent: David Friess

Council Members Present: Kyle Donjon, Curt Guebert

Council Members Absent: Glenn Linnertz

Others Present: Mayor Tim Lowry, City Attorney Paul Ray, City Superintendent Josh Eckart, Code Administrator Jeff Mueller, Police Chief John Brittingham, Administrative Assistant Pam Poetker, City Clerk Joanne Cowell

Pledge of Allegiance

Committee Chairman Harbaugh called the meeting to order at 7:01 P.M.

Old Business

I. Swimming Pool Spray Pad Conceptual Drawing

No Action. Poetker and Lowry are meeting with YMCA to develop programs to allow smaller children to come to the pool for a swim camp and also to train 14-16 year old babysitters to be certified to bring smaller children in their care to the pool. They expect to have at least a pilot program in place this swim season.

II. Code of Ordinances Rewriting and Restructuring Process Update

Committee Chairman Harbaugh requested a status update from Attorney Ray on the code book rewriting project. Poetker and Ray said it is an ongoing project as time allows. Ray is billing the city for time and material at an hourly rate of \$110, NTE \$30,000. He estimated to be half thru the reorganizing. To date \$5,835.50 has been spent. Harbaugh asked for monthly updates.

New Business

I. Approval of Prior Month's Meeting Minutes – April 17, 2017

Recommendation made by Committee Member Esker, seconded by Committee Member Reed, to approve the minutes from the April 17, 2017 meeting. Carried

II. Maturing CDs

None

III. Newly Elected Officials Training

Recommendation made by Committee Member Reed, seconded by Committee Member Hanebutt, to approve Susan Harbaugh and Curt Guebert to attend the Newly Elected Official Training at a cost of \$75, each. Carried

IV. Office Bar and Grill Gas Utility Bill Update

For the benefit of the new council members, Poetker stated that The Office Bar had a new service gas meter installed in 2009, but was not entered into the utility billing system and therefore, was not billed. Because some trash cans had been moved, the meter reader noticed the gas meter and knew it was not in the hand held or being read. Superintendent Eckart knows the actual gas used and conservatively estimated the unbilled usage to be \$29,712.63. The gas rate changes monthly. There is an added cost to the price of the gas to cover the city's cost. After communicating this error to Missy Stines, the Mayor and Poetker met with the Stines. Matt Stines submitted a proposal back to the city of \$4,244.63, a year's estimated cost settlement, on the estimated bill of \$29,712.63 (\$21,030.58 for gas and \$8,682.05 for city cost). At the meeting, an offer was made to allow The Office to pay the gas bill to the city over 10 years, interest free, since it was incurred over 10 years. There is a balloon payment of \$58,538.61 on their economic development loan, which is due August, 2019. The economic development loan is a separate issue and will be dealt with separately through the Economic Development Committee. The Office was participating in budget billing and their catch up amount is \$13,000, payable by May 10th or was subject to disconnection. A payment of \$4,200 was paid in May, leaving a balance due by April 30, 2017 of \$9,000. The Mayor told Poetker to give The Office an additional 30 days, until June 10, to catch up on the \$9,000 balance. The current balance as of the 5/15/17 utility billing is \$12,221.28 and the part of the bill that is current, must be paid by May 31st. The Office has been removed from budget billing, because of late payments and is now incurring late payment fees. Attorney Ray will redraft the proposed payment agreement. Attorney Ray, Mayor Lowry, Eckart and Poetker will meet ASAP with the Stines and Roger Hess to present the city's proposal. If they are not agreeable to paying the \$21,030.58, they will be advised that the city council's plan of action is to pursue full payment of \$29,172.63 through legal action. Poetker will make Stines and Hess aware of the proposal and that this has not been formally approved by council action and it will be on the June council agenda.

Recommendation made by Committee Member Reed, seconded by Committee Member Esker, to forward to Missy and Matt Stines a counterproposal that The Office pay the estimated cost of the gas in the amount of \$21,030.58, to be paid over a period of 7 ½ years at 0% interest. Carried

V. Economic Development Building and Property Acquisition Concepts

Committee Member Esker briefed the committee on the possible extension of Kaskaskia Street Industrial Park and possible Secon expansion. A proposal of costs from Rhutasel was reviewed. No action was taken.

VI. Public Comments/Anything for the Good of the City
None

Meeting was adjourned at 7:48 P.M.

Respectfully Submitted,

Joanne G. Cowell, City Clerk
Red Bud, Illinois