

City Council of the City of Carbondale, Illinois
Public Hearing on Proposed FY 2007 City Budget
April 4, 2006

The City Council of the City of Carbondale, Illinois, held a public hearing on Tuesday, April 4, 2006, in City Council Chambers of the Carbondale Civic Center, 200 South Illinois Avenue, for the purpose of soliciting comments on the proposed FY 2007 operating budget. Mayor Brad Cole called the public hearing to order at 7:08 p.m. with the following-named members of the City Council present/absent:

Present: Councilman Joel Fritzler, Councilman Chris Wissmann, Councilman Steven Haynes, Councilman Lance Jack, Councilwoman Sheila Simon, Councilwoman Corene McDaniel and Mayor Brad Cole

Absent: None

Also present were City Clerk Janet M. Vaught, City Manager Jeff Doherty and various members of the City's administrative staff.

City Manager Doherty presented the Budget Transmittal Letter which included the budget overview and budget highlights (Attachment PH-A-4-4-06).

After the City Manager concluded his opening remarks, Mayor Cole noted this was a public hearing so the Council is open for discussion, questions and comments from the public. He added that the item will be returned to the General Business portion of the agenda later in the evening for discussion by the City Council. Mayor Cole then invited comments or questions from the public.

Dee Gorton, 702 W. Cherry, said he read in the paper that an inspector would not be added to the Building and Neighborhood Services division. He said the Council may recall that he spoke in favor of Mayor Cole's initiative for the clean-up and he thought the Mayor had said that at the end of the initiative he would consider changing or converting one of those people into an inspector for the division, adding that he really applauds that. Mr. Gorton said his concern is twofold. His first concern is that in the neighborhoods, two things are very important: Code violations and ordinance enforcement. He said he now understands that it is four to five years between inspections of properties in town, adding if he is wrong, someone should tell him. He said this is important to him because the Code inspections make sure the houses are kept up and make sure there is safety in the houses for the students of this town. He added that it also makes sure that we have a prettier town, a better looking town, that things get taken care of, that painting gets done, etc.. He said he was very disappointed to see that. He said he was also disappointed to see that it came as a result of the City's property tax decrease. Mr. Gorton said he did not know and thinks he would have been opposed to it if he had learned that a drop in property taxes would have taken away from what he thinks of as essential services of the City in terms of safety of housing. He said he is grateful for not having the taxes, adding that it is a good thing and he is in favor of lower taxes. However, he said, he thinks these essential services are critical. Mr. Gorton said he also thinks the City has very, very hardworking people in that department, good people, and he knows they are overworked. He said he would like to see the City change next year's budget in order to be able to hire someone for the new position. Mr. Gorton said he has a suggestion, adding that he has talked to others on the Council, that perhaps a fee could be charged to those persons who have rental units in order for inspections to take place. A fee of \$50 or \$75 or \$100 might assure the City could hire enough people so the City could inspect properties once a year and not only once every five years, he said.

City Council of the City of Carbondale, Illinois - April 4, 2006

Mr. Gorton added in five years rental properties can get really run down and unsafe. So, he said, he would like the Council to think about this again. He said he doesn't know what else he can say except that he appreciates the Council's work, the things the City is doing, that he is looking forward to the cleanup this summer and that he would like to see the City add even more inspectors, maybe even ten more.

Michael Heck, 31 Pinewood, said he is addressing the Council as a citizen and not as the President of the Carbondale Park District. Mr. Heck said he needed clarification in the proposed budget, adding that he is working off materials available via the internet. Reading from Paragraph #4 of the City Manager's letter, Mr. Heck said his question is that the letter says the estimated actual FY 2006 revenues are \$34,931,000. But when he goes to the section of the budget which has the summary of revenues and expenditures in all City funds, although the numbers on the expenditure side line up, the column for revenue sources shows \$36,785,168. He asked which number is correct, the number in the column or the number in the Manager's letter. He said if the number in the Manager's letter is correct, then the City is coming up short at \$1,853,443. Mayor Cole asked if Mr. Heck was inquiring about the estimated actual expenditures versus the estimated actual revenues. Mr. Heck responded that what he is trying to do is cross reference the paragraph in the Manager's letter with the line item numbers. City Manager Doherty said if Mr. Heck is looking at the chart, the Total Revenue and Other Financing Sources line item for the FY 2006 authorized budget is \$36,559,079. The Estimated Actual for FY 2006 is \$34,931,725. Mr. Heck said that is the number that is included in the Manager's letter; the City Manager agreed. Mr. Heck said the chart that he is looking at says \$36,785,168. Mayor Cole told Mr. Heck he needed to move up about three lines to the line that says "Total Revenue and Other Financing Sources" which is in column three \$34,931,725. City Manager Doherty said the total figure at the bottom does not include depreciation nor the use of fund balances which is the difference. Mr. Heck said this would be the \$1.8 million he was talking about. Mr. Heck said his other question relates to the General Fund and which direction it is going in right now. He said he is looking at it from a historical trend for the last five years and asked if it is decreasing or increasing. City Manager said it is increasing both in terms of revenues and expenditures. Mr. Heck asked in terms of the General Fund, when the City Manager says there is \$5.5 million in there, is that referencing totally unrestricted money that is available for any emergency that might come up. The City Manager responded yes. Mr. Heck reiterated that the money is not restricted whatsoever. The City Manager responded technically no, adding that the City does have a minimum fund balance policy that is equal to four months of the sales and services revenues for the year. He noted that when he said that we could take the \$5.5 million minus the City's policy on minimum fund balance, then the City has a favorable fund balance of \$838,000. Mr. Heck said then, hypothetically speaking, if something were to be presented to the Council that would be of considerable cost for the upcoming year that hasn't already been planned for, it would come out of the \$5.5 million. City Manager Doherty agreed. Mayor Cole said it wouldn't automatically come out of the \$5.5 million, adding that the City does have a \$5.5 million fund balance but as the Manager's stated, the City does reserve a portion of that to meet payroll in some severe instance where there was no income. Mayor Cole also noted that the funds come out of other line items or be adjusted in the budget from the General Fund, but it is not automatic that the money would come out of the fund balance if there was something approved by the Council. Mr. Heck said what he is trying to figure out is out of the \$5.5 million, is whether there an element of it or a portion of it that is considered contingency or is it all there potentially as a contingency. City Manager said of the \$5.5 million there is a minimum fund balance which is the City's working cash balance to keep things going. He added there are also projects where the City has to fund the expenditures and then get reimbursed by grants so City business can be carried on. Mayor Cole added that it has been the policy of this City Council and past Councils to have no contingency in the budget for unforeseen expenses. It would require a budget adjustment. Mr. Heck said that was all he was wanting to know and said thank you.

Mayor Cole invited further comments or questions from the public.

City Council of the City of Carbondale, Illinois - April 4, 2006

Sandy Litecky, 603 W. Walnut, said it was her understanding when she attended the meeting at which the cleanup was discussed that an additional building inspector would be hired. She said she strongly urged the City Council to find money for this person. She said if the City wants economic development and growth in this City, it's got to look good and the City has a real problem with housing. She said the City needs another inspector, adding that the department is overworked. She said that if the City is only inspecting rental units every four or five years, that doesn't look good. She said the properties in this town need to be inspected at least every two years. She said she also thinks the City should start charging. She said more than anything, though, the department needs another person. She also noted that it was her understanding when she left the meeting at which the cleanup program was discussed that a new person would be hired in the building inspection department. She thanked the Council for allowing comments.

Mayor Cole noted that the City does have a mandatory rental housing inspection program with the objective of inspecting all rental housing every three years. He said the proposal for the summer cleanup program included two positions, one a manager for the program and the addition of a second building inspector to follow after that.

Mayor Cole noted that this is a *proposed* budget at this time and this public hearing is on the *proposed* budget. He said when the Council considers the matter later for discussion, there will be no final action taken this evening. He said this public hearing on the budget is for the purpose of gaining input and questions and comments on the proposed budget.

Mayor Cole said he had called four times for public comments. Seeing no one else who wished to speak on the budget, he closed the public hearing on the Proposed FY 2007 City Budget at 7:38 p.m.. He added that the budget will be brought back for City Council discussion under Item 6.5.

Janet M. Vaught, City Clerk

Approved by the City Council on:
