

**City Council of the City of Carbondale, Illinois**  
**Public Hearing on Proposed FY 2008 City Budget**  
**April 3, 20067**

The City Council of the City of Carbondale, Illinois, held a public hearing on Tuesday, April 3, 2007, 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 7:09 p.m. with the following-named members of the City Council present/absent:

Present: Councilman Lance Jack, Councilwoman Sheila Simon, Councilwoman Corene McDaniel, Councilman Joel Fritzler, Councilman Chris Wissmann, Councilman Steven Haynes 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-4-3-07).

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 there will also be City Council discussion under General Business on the Proposed FY 2008 Budget and Five-Year Community Investment Program. Mayor Cole then invited comments or questions from the public.

Barbara McKasson said she was speaking on behalf of the approximately 125 members of the Shawnee Group Sierra Club who live within the boundaries of Carbondale and also for the 750,000+ members of the Sierra Club across the United States. She noted that Sierra Club is an outdoor environmental and recreational organization. Two years ago there was a conference at which the delegates from 50 states voted to make the issue of global warming the number one priority. She said Carbondale is a leader in Southern Illinois and they expect Carbondale to take the lead in cutting back on global warming gasses and promoting energy efficiency use. The recent electric rate hike and climbing gasoline prices add an extra motivation to cut back on energy usage. They are encouraged that Carbondale has already changed to florescent lighting and put LED lights in the traffic signals and is saving quite a bit of energy and money plus cutting back on greenhouse gasses with these actions. They also applaud the fact that Mayor Cole has signed the Mayor's Climate Protection Agreement. In order to fulfill the pledge in that agreement, they expect the City to reflect that pledge in its actions and in its budget every year. Ms. McKasson said there are many other energy-saving measures that could be taken by the City, for example, programmable thermostats in its buildings, a policy of buying of high mpg, low-emission vehicles including trucks and police vehicles, LED lights in exit signs and adequate insulation in all municipal buildings. She said they also urge the City to look for other ways to cut CO<sub>2</sub> such as aggressive tree plantings, improvement of mass transit and more bike lanes and safety crossings for pedestrians. She said the first step in cutting energy use and greenhouse gasses is to conduct an audit of the government's energy usage to determine what actions will save the most energy and cut the most CO<sub>2</sub> for the amount of money spent. Ms. McKasson said they urge the City to invest for long-term savings and not be distracted by insignificant, quick-fix, feel-good solutions. She said there are dozens of affordable, proven practices that can be pursued. Some investments will have high financial pricetags but a thorough financial analysis will reveal the solutions that have good returns and will save the City energy and money for decades. She added that a real bonus is that after equipment or materials have paid for

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themselves with energy savings, every dollar in energy savings is money in the bank. She said that energy saving measures should be considered as an investment that will reap interest in the long-term. Ms. McKasson noted that Council Member Simon proposed that the City spend approximately \$250,000 for photovoltaic panels on the Eurma Hayes Center. McKasson said this proposal has merit for fulfilling the City's portfolio of green energy power solutions. She said that energy prices will continue to climb and now is the time to act on this sort of investment. With Ameren's electric rates doubling in many cases, the payback period for the solar panels could be as short as seven years or even shorter. McKasson said that an added benefit of putting solar panels on a municipal building would be the encouragement given to individuals in the Carbondale area to use solar panels in their own homes and businesses. This will cut climate change emissions even further. The plan is to have a computer connected to the solar panels in order to show the output of electricity so people can see first-hand the electrical output. She said people need to see working models of solar energy to see how it works in order to get motivated to buy solar panels themselves. McKasson said their suggestion is to put the \$250,000 estimated cost of the solar panels in the budget at a line item earmarked for renewable energy and/or energy efficiency measures. Then after an energy audit is completed for all municipal activities, compare the payback period and possible long-term savings and benefits of putting solar panels on the Eurma Hayes Center with other energy-saving measures. McKasson said there are also grants available for renewable energy projects, for example, Carbondale could get a grant from the Illinois Department of Community and Economic Development and another grant from the Illinois Clean Energy Community Foundation for solar panels. She said that Carbondale needs to be creative and visionary and be a real leader in renewable energy and energy efficiency. She said the time to address the dual threats of global climate change and rising energy costs is now and said the Council should not put it off to next year. She said the consequences of global climate change are dire and the changes are already happening. McKasson said they strongly urge the City to budget for energy efficiency and renewable energy expenditures that will pay for themselves in the long-term. She said that just because the City's name is "Carbondale" doesn't mean it can't be a green city. She said they know that Council members want to do the right thing so they hope everyone can work together to save energy, save money and save our climate for our families and for our future.

Shelby Seeger-Schafer, 1803 W. Sunset, said she has been a resident of Carbondale for seven years and wanted to thank the Council for allowing her to speak and for all the hard work the Council members have put in. She said that she again wanted to second what Barbara McKasson had to say about energy efficiency and renewables in the budget. She said she also sees Carbondale as one of the most progressive cities in the region and believes it is now time to lead this region with energy efficiency and renewable energy, adding that having the City become energy efficient would save money for the average taxpayer. She said that renewable energy like solar wind will help cut down on carbon emissions and fight global warming, adding that the time to take these measures is now. She said that like many others she recently received her Ameren utility bill. She owns a three bedroom ranch on a slab and has already taken several energy efficient measures but her bill went from \$120 per month to \$300 per month. This made her wonder about the costs that larger homes and public buildings are facing, which convinced her further that having the City have an energy audit to see where it can make better and lower use of energy and participate in renewable energy which would be a win-win situation for the City and the taxpayers. She said the City can win by being energy efficient and the planet can win if renewal energy is used, thus decreasing the imprint on Carbondale and planet earth.

Linz Brown, 906 Valley Road, thanked the Council for the opportunity to speak and said he would divide his comments into two parts. He said he is present tonight to request the Council consider finishing up the project on Valley and Taylor Drives. He said he does appreciate what has been done thus far and wants to acknowledge it. He said they have gone through a process during the last year since presenting their petition

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which was driven by the street improvement program passed by the Council. He said that half of the streets in Carbondale have already been paved and Valley Drive is scheduled to be in the second half coming up this summer. He said he has discussed his concerns with the City Manager, saying that it was originally planned to do resurfacing but not replace the culverts but it didn't make any sense to put down the bituminous pavement and then go in the following year and tear it up to take out culverts. As a result, the City Manager consented to correct the situation with the culverts so that has been addressed. However, he said, the other thing that should be done before the bituminous is laid is that the erosion problems along the roadway need to be corrected. He presented photographs that show the pavement along the east side and west side of Valley Road, noting that the street is normally a 20' street but because of erosion has been reduced to less than 17' in some areas. He said one of his neighbors put in plants to help with erosion control, but the street has eroded more than two feet since the plantings were added. He said the road is jagged and eroded, adding that two cars cannot safely pass each other. He said there needs to be work done on the shoulders to support the sides, even them out, make them straight and stop the erosion before the bituminous is laid. He said he would like to see the plan modified to address the shoulders. He said when the street improvement plan was approved he was concerned about the planning and he still is, adding that there are other things that should be taken care of first and do it properly before the streets are repaved. He said the street improvement program says that the City needs to address problem areas and Valley Road was listed as a problem area. When the Council approved the program, it was saying that the problem would be addressed. He noted that Councilwoman McDaniel asked at the Council meeting if problem areas will be addressed and if there will be funding for it and the City Manager said he hoped so. Brown said although the City Manager didn't promise anything, he did acknowledge that it should be addressed. Brown also noted that it should be addressed because 65 residents asked that it be addressed, 100% of the households on that street. Brown said he is also concerned about whether the project can be afforded, adding that when the street improvement program was passed it was shown that 42 streets had been repaved with oil and chip the year before, then the next year the same streets were resurfaced with bituminous with the rest of them scheduled for repaving this next year. He said this doesn't make much sense to spend the money to fix something then you spend money again to redo it with something much more expensive. Brown also said that residents on Valley Road shouldn't have to wait two or three years for the second part of the plan to be implemented, in other words, putting the bituminous down and then coming back in to fix other problems a year or two later. He said this part of the plan needs to be reversed. He asked that when the budget is discussed the Council discuss the planning issue and see if there is a better way to do it.

Linz Brown said he has also done quite a bit of research on the City budget and audit, adding that he purchased a copy of the audit and has reviewed both the FY 2007 and proposed FY 2008 budgets. He said there seems to be confusion about the financial condition of the City and how much deficit there is, adding that he wants to spend his time on the General Fund. He said the City Manager made a very important point that he will talk about later. Brown said that the budget is nothing more than estimate or a guide or proposal and there is nothing factual. It is a best estimate and is a matter of how accurate the estimates are by degree and people should not take it as being actual amounts. He said FY 2007, for example, has a beginning balance of \$7,162,000 but because the budget was developed before the end of the year, it was off quite a bit and wound up being \$6,851,000. He said the best way to find out what has really taken place is to look at the end of year audits. Brown said that the City Manager made the point in the Sunday paper about revenues, adding that the Council needs to discuss revenues because they are changing and need to be looked at. One of the things he wants to point out is that when the City did away with the property tax it was mentioned that one of the revenue sources that would help alleviate the removal of the property tax would be the simplified communication tax. The property tax was a steady stream and could be relied upon because it held its value and goes up every year. However, what has happened with the simplified tax is that it is going down, going down 17% last year. The point he is making is that the City has declining revenue

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streams, including one that was eliminated by the FCC, the cable television utility, so out of the FY 2007 projections, 6 of the 10 were down because the money didn't come in. He said that someone needs to look at it when the projections are off \$300,000, adding that this was not the fault of the Finance Director. He said that the revenues need to be looked at because the City is not on good ground, adding that the only thing that held up last year was sales tax which is a big part of the revenue. He questioned what would happen if there was an economic downturn, adding that there are too many eggs in one basket. He said there will be a serious problem and that there are too many programs being proposed with no revenues. He said that the City Manager has stated that the shortfall in the General Fund budget is attributed to the Community Clean Up Program. Brown said he has looked into that program and would like to share some facts. He said he is not against the youth and not against programs for the youth but he wants to make sure the City is doing things that there is money to support and that they don't cause deficits. Brown said that in Mayor Cole's State of the City address, the Mayor said that there will be a program to clean up the City and that it will be done in three parts: (1) have a strong enforcement before the summer work program is started; (2) a summer work program for youth; and (3) a follow-up code enforcement that will set new standards. Brown said that he found through a Freedom of Information request that there was no evidence that there was any pre-enforcement, no difference in activities and nothing in followup and no evidence that there was anything done in those areas. He questioned whether the summer work program was a program for youth, saying that 48% of the 111 paid employees were over the age of 18, adding that he chose the age of 18 because at that age a person can sign contracts, join the service and fight for your country. 19% were over 21 years old. In addition, the reported program costs were \$229,655 but this does not include the labor of the City employees who supported the program, i.e. people that went out in the trucks, picked up the materials, and did other things. He said he would estimate it is closer to \$250,000 to \$300,000 if it was done on a cost basis. He said that the non-supervisory workers, the youth, got only 52% of the program cost which would mean that the program was not necessarily for youth as he defines it because they only received one-half of the money for the program. Brown questioned whether the program was City-wide, noting that he found that ten streets received 40% of the services as evidenced by the property agreements which does not sound like a City-wide program to him. He said that 64 streets received one or more services, noting that there are 144 streets in the City of Carbondale. Brown questioned who benefitted most from the program, stating that two landlords had a total of 21 agreements between them. He said he would like to have seen a program that served the people who most needed it, the elderly, the disabled, or public sites, or have a work program that would teach the young people skills other than how to pick up trash. Brown said a lot of agreements were not signed by anyone and he also had problems with the evaluations which had leading questions and gave predictable results.

Linz Brown said he also wanted to talk about deficits in the General Fund. He said he has presented two figures which come directly from City documents. He said in FY 2000, the City had an excess of \$1.2 million; last year, the City ran a deficit of \$143,497; estimated deficit for FY 2007 has been revised to \$235,736 and another deficit is estimated for FY 2008. Brown said his point is that the City is operating on deficits and there is a problem with the City running deficits year after year. He said the fund balances are going down, adding that his concern is with the undesignated fund balance which is the money that the City can spend. He said the actual in FY 2000 was \$6.2 million and the estimated for FY 2009 is \$4.5 million, which has been revised along the way. Brown said that the City Manager tonight talked about the policy passed by the City Council that is called the minimum undesignated fund balance, noting that all this means is how far down the City should go and how much money should be kept for a rainy day or an emergency that occurs in the City. He said the Council set the policy that it would set aside the equivalent of four months of the current fiscal year's projected sales and service tax revenues. This means it is related to what is taken in each year and what is paid out and that the City has said it will keep a certain amount back. Brown said he took actual figures for FY 2006 from the audit which shows an actual undesignated fund

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balance of \$5.6 million, there is a policy minimum of \$4.45 million and there was a favorable variance of \$1.2 million which is the amount of money that can be spent without breaking the policy. Brown said that two years ago the City had roughly \$1.2 million that could be spent before the Council got below the break-even point (of the policy). However, the City Manager is projecting that at the end of FY 2008 the undesignated fund balance will have a favorable variance of only \$432,000. He said that the Council is closing in on its own policy because of its spending practices, adding that with not having revenue over spending the Council is drawing down on its savings, the safety net. Brown said the Council needs to look at this but he has heard no discussion about this balancing act and he feels this needs to be addressed. He added that most people do not study the audits or the budgets and thanked the Council for listening to his concerns. Brown said he hopes this helps the public understand where the City really stands and offered to answer questions regarding his comments. He noted that he met with the Finance Director and City Manager to discuss these issues to make sure he was correct in his concerns.

Anthony Hamelin, 402 East Snider Apt. 1, stated he has been a resident of Carbondale for four years. He said his grandfather would say that the City has champagne appetite on cheap beer salaries. He said the university is losing students and businesses are closing, resulting in less revenue for the City. He said if the City is going to spend money it doesn't have, the City should invest more in police and security for its citizens instead of neighborhood cleanup programs that are taken advantage of by million dollar landlords at the public expense. He said he was robbed but the police don't have the resources to solve crimes, saying that they only have the resources to report them. He said the last time he checked, the last student that was murdered here took twenty years to solve, adding that he does not feel safe in this community any more. Hamelin said he is looking at going to graduate school elsewhere. He said there are not a lot of people knocking at the door trying to get in to Southern Illinois University, adding that the university's problems evidence that. He said that if the City is going to spend money it doesn't have, it should spend money to hire more police who are then able to report and solve crimes. He said that many students are victims of crimes and they leave town before they ever get justice. Hamelin said that this isn't fair because the students make up a large portion of the City's population.

Mayor Cole said he had called three or four times for public comments. Inviting comments one more time but seeing no one else who wished to speak on the budget, Mayor Cole closed the public hearing on the Proposed FY 2008 City Budget at 7:56 p.m.. He added that the budget will be brought back for City Council discussion under General Business.

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Janet M. Vaught, City Clerk

Approved by the City Council on:

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