

Council Meeting Minutes

September 16, 2013

The regularly scheduled meeting of the City Council, of Audubon Park was held on Monday, September 16, 2013, at 3340 Robin Road with the following present: Mayor Michael Scalise, Council Members : Joanne Bader, Vince Osbourn, Mark Stevens, Al Huber, Nancy Zinner and Cary Campbell. Also present were Police Chief Jeffrey Cox, newly appointed City Clerk, Janette Mercer and applicant for City Attorney Carrie Ritsert.

Call to Order

Mayor Scalise called the meeting to order at 7:30PM, followed by the Pledge of Allegiance.

Approval of the Minutes

Joanne Bader made the motion to approve the Council Meeting Minutes for June 17, 2013. Nancy Zinner seconded, and the motion passed unanimously.

Joanne Bader made the motion to approve the Council Meeting Minutes for July 15, 2013. Vince Osbourn seconded, and the motion passed unanimously.

Vince Osbourn made the motion to approve the Special Council Meeting Minutes for July 29, 2013. Joanne Bader seconded the motion, and the motion passed unanimously.

Nancy Zinner stated that she wanted to go on record, thanking Joanne for taking care of the minutes for these meetings, since the previous city clerk did not complete these before leaving her position.

Joanne said that meeting minutes for August 19th, Special Council Meeting for August 26th and September 4, 2013, needed some corrections and amendments, and should be ready for approval at the next Council meeting, October 21, 2013. She asked anyone who had notes or information to be added to the minutes to email to her or Robin. Mayor then reiterated that we had six sets of minutes: three are approved, and we have three that are pending.

Financial Report:

Mr. Veeneman had prepared four documents for the council to review as he covered the City of Audubon Park's finances. The following are included as part of these minutes:

1. Statement of Cash Receipts and Cash Disbursements
2. Income Statement – General Fund
3. General Ledger
4. Balance Sheet

Mr. Veeneman started with the Statement of Cash Receipts, and had us look line 4315, Insurance Premiums Tax. He explained this tax is collected two months after the end of each quarter. The sixty- six thousand dollars (\$66K) that appears in line #4315 represents the quarter that ended in June, which would be the start of the fiscal year. In ordered to calculate the total revenue expected for this account,

we would multiply the \$66K by four; the total is better than \$250K, and we have budgeted \$220K, so this account looks good. We covered line #4314, Property Taxes-Current Year. Those taxes are collected in April and May before the year starts; the revenue goes into a deferred revenue account, then once the year begins we move over into current year.

Mr. Veeneman moved on to General Government costs. The actual expenditure to date was \$67K and he said at the beginning of the year it is difficult to see if anything is out of line with a budgeted figure of \$257K. We moved to Public Works, and the same thought is applied here: too early in the year to predict if out of line. The next area we looked at was Public Safety: the actual is \$104K against a \$405K budget. Joanne Bader had asked that the insurance be divided by departments, and that change is reflected in the current display. He wrapped up the explanation of the Statement of Cash Receipts and Cash Disbursements of the General Funds by saying there is excess revenue of \$264K, recalling that all property taxes have already been collected that is why this number is so inflated.

There was conversation between Council members, Mr. Veeneman and Mayor Scalise about account numbers and where items were being charged. Joanne Bader said that there are line items that were not in the approved budget.

Mr. Veeneman said when the budget is laid out, the Council is asked about where to budget items. When the money is actually spent, accountants need help determining where these items should be charged. Nancy Zinner said we need help too, because we are not told that these invoices are approved, and maybe we need some kind of oversight for the approvals. There were several discussions about approvals of invoices and what line the invoices need to be charged against. Mr. Veeneman said he can get the accounts straightened out. Joanne asked if he could have those accounts cleaned up by the next meeting.

Mr. Veeneman covered the Road Funds, then followed by Sanitation Fund. The Sanitation Funds is basic money in and money out.

Joanne asked to go back to the first document, General Funds, and questioned line #5200, City Attorney. The actual already spent is almost half of the budgeted amount. Joanne asked for specifics from the mayor. Mayor said some of it is for pending lawsuits, open records requests, and was not sure about the rest, but could pull the invoices. Cary asked how much was budgeted last year. Joanne answered \$6K: at that time \$3K was allocated for retainer fee, and the other \$3K for additional services as needed. She wanted to go on record needing to know what the money was spent on, because it appears that an inordinate amount of money has been spent. Nancy wanted to go on record asking why the mayor is charging this to the City Attorney when the council has not voted on a city attorney. Joanne cleared this up for Nancy.

Mr. Veenman made a suggestion that he does for other cities to assist the Mayors and Council members by the format of his reports. He bolds the numbers that represents what is budgeted by ordinance. It is these bolded numbers that the Mayor and Council members need to monitor to insure amounts stay in budget. The individual line items do not have to be amended as long as they are not far from the budgeted amounts. He further explained that most of the cities he works with amend their budgets in April and May after they see what happens in December. He has seen some cities amend the budget after June 30th.

Mr. Veeneman went through the Balance Sheet. He explained that we are showing \$692K in assets and \$232K in liabilities, with equity of \$459K.

The discussion started whether we should seek a new auditor or stay with the current auditor. Mr. Veeneman feels that this is not a good time to seek a new auditor. Some of the Council and residents feel that a new set of eyes would be a benefit. The Mayor agreed with Mr. Veeneman: the city will benefit from the auditor's knowledge of issues currently going on within the city.

The Council moved to questioning the unfunded portions of the pensions. Joanne asked for a spreadsheet of the total deferred liabilities in reference to the pensions.

Mr. Veeneman said he would start emailing the financial reports to the Council a couple of days before the meetings. This would give them the opportunity to preview, and prepare any questions prior to meetings. Joanne asked if they can also continue to receive the hard copy as they are easier to read versus the electronic copies.

There was extensive conversation about the Road Fund and General Fund and how funds have been transferred between the two. The Road Fund now has a positive balance of \$57K for future work. This conversation was also set aside for further discussion because Cary, Joanne and Vince will be working on these funds to straighten them out. Joanne then made a motion to approve the financial report and Al Huber seconded. The motion was approved unanimously.

Police Report

Chief Cox read the Police report for the month of September. A copy of said report is included as part of these minutes.

Forest Board Business

Gilbert Zinner read the Forest Board Report for the month of September. A copy of that report is included as part of these minutes.

Unfinished Business

An updated Employee Handbook reflecting employee benefits and related changes was distributed at the meeting, but needs to be reviewed for final approval. A copy of this handbook will be included as part of the minutes.

The conversation moved to candidates for the City attorney's position. There was a total of 5 potential candidates. Nancy reported that 2 of the candidates declined consideration and we have not heard back from the other 3.

Vince Osbourn covered the Audubon Park Action items list. For the Preston Highway corridor, we need to see if Labor Works can help keep this area cleaned up. The mayor to update.

Vince is currently screening candidates to design a new Audubon Park Web site. Joanne and Vince solicited the police department, city clerk and the residents to submit suggestions for the site.

Council asked to be made aware of all current and pending lawsuits against the city. Mayor replied we have two.

Vince asked about the state Auditor's request for background information on the sanitation program, pension plan and road funds. Mayor said he has sent the requested information and set up a meeting with them for the end of the week.

New Business

Mayor Scalise asked for a motion to approve Janette Mercer as the new City Clerk. Joanne Bader made the motion; Nancy Zinner seconded. Motion was approved unanimously.

Vince Osbourn read from a document to propose removal proceedings for Council member Al Huber. The document is included as part of the minutes. There was discussion among the Council on making the motion for the hearing. The mayor asked for someone to make the motion. Joanne made the motion, and Mark Stevens reluctantly seconded. The motion passed with 5 in favor and 1 (Huber) opposed. A special meeting was set for October 15, 2013.

Mayor's Report

Mayor started the conversation about the road funds and the re-pavement of the streets. The mayor said that he has spoken with state contractors and received a bid of \$328K, which represents the total retail price. Our job is a government job and we would receive a discount of about 5 to 10%. We should prioritize the streets, which streets should be first, which are in the worst shape, and maybe we should get bids to re-pave only some of the streets. Cary Campbell suggested that we borrow the money to re-pave all of the streets. Carrie Ritsert said that would not be a sound financial move. Somebody suggested bonds; there were lengthy conversations about the cost and how to pay. Joanne asked that we get more information from the government contractor.

Public Comments

Laura Kely, 3242 Crossbill Rd: Laura had requested previous meeting minutes to try and find the specific meeting where the retirement plan was changed and voted on by the Council. She handed out what information that she could find in reference to the retirement plan, and the information did not reveal when the retirement plan was changed and voted on by the Council. She asked the mayor if there was something else that she needed to request to get the information, and the mayor did not provide a clear response. Laura asked for a finding of wilful misconduct against the mayor.

Rose Mangino, 3102 Meadowlark Ave: Rose said she found it hard to believe that the Mayor and Al Huber should stay in office, and asked them to resign.

Pat Kehoe, 3305 Oriole Dr: Pat started by asking whether the city is liable for damages to automobiles if the streets are not maintained. He noted that there is a manhole that needs to be repaired on Cardinal,

otherwise cars are going to be damaged. Joanne said the speed limit is 25 MPH; if you are going 25, it should not cause any damage. Mayor told Pat to talk to MSD.

Pat went on to Dave's Discount Furniture, asking about the zoning. Joanne asked Pat to refer this to the Metro Council, since the business is outside of Audubon Park.

Pat referenced his conversation with Chief Cox about police activities. He said the response the Chief gave to him was, "You are paranoid and you need professional help." Pat asked if this is the way the Chief talks to the residents ... is this acceptable?

Sharon McGee, 3110 Chickadee Rd: Sharon asked why we were we doubled charged for sanitation in the first place, and how did it get past the auditor? The mayor responded this issue is being addressed and we do not need to re-hash it.

William Klump, 1155 Dove Road: He spoke to the issue of paying for the paving of roads with bonds, saying the 10-year payback is too big a liability. Bill feels that the restatement of road funds to general funds and back is not an example of transparency. The road funds are not being used for the roads; Chickadee is the only one that has been paved in 10 years. The issue about changing the auditor is overdue. May be the auditor is too lax in reference to road fund/general fund. The last thing on his list was the sanitation fees. The Council and Mayor should have looked at charging the excess when it first happened. Is this a legal issue? The only Council member left is Al, and the Mayor was part of this decision.

Tony Williams, 3220 Eagle Pass: He supports the efforts to counteract the Emerald Ash Borer and asked for updated information that Anne Bobigian has on the mitigation. He requested a review of take-home cars for the police department. The Chief said there were three take-home cars: one for the chief of police, one for the detective and one for Captain Curtis. Tony then suggested that GPS be installed in the police cars.

Joanne Bader made the motion for the meeting to be adjourned and Vince seconded the motion the motion was passed, and the meeting was adjourned.