

MINUTES OF THE NOVEMBER 27, 2012 REGULAR MEETING OF THE MOUNT CARROLL CITY COUNCIL

Ms. Cindi Wiersema rang the bell to announce the start of the meeting. RINGING OF BELL  
Mayor Carl Bates called the meeting to order at 7:30 p.m. CALL TO ORDER  
Roll call: Mayor Carl Bates, present, Aldermen Tom Charles, present, Jim Rose, ROLL CALL  
present, Bob Sisler, present, Doug Bergren, present, Mike Risko, present, and Doris Bork, present.  
Alderman Bork led the Pledge of Allegiance.  
Pastor Figie gave the invocation.

Alderman Bergren moved and Alderman Risko seconded to approve the MINUTES  
minutes of the November 13, 2012 regular meeting as presented. Roll call vote: Aldermen Charles, yes,  
Rose, yes, Sisler, yes, Bergren, yes, Risko, yes, and Bork, yes. Vote: 6 yeses and 0 noes. The motion  
was carried.

Alderman Charles moved and Alderman Bergren seconded to authorize ACCOUNTS PAYABLE  
the payment of the accounts payable to date for the month of November 2012 as approved by the finance  
committee. Roll call vote: Aldermen Rose, yes, Sisler, yes, Bergren, yes, Risko, yes, Bork, yes, and  
Charles, yes. Vote: 6 yeses and 0 noes. The motion was carried.

Mayor Bates reported the bank account balances were at \$522,265.88 as FINANCIAL REPORT  
of today before the accounts payable are paid.

Alderman Bork reported of the November 19<sup>th</sup> solid waste committee COMMITTEES  
meeting: SOLID WASTE  
BID RECOMMENDATION

1. The committee members reviewed the bid proposals submitted by Allied Waste of Clinton, IA and Moring Disposal, Inc. of Forreston, IL. The committee discussed implementing the cart system and the consensus was to continue with the current program without the carts. It was noted that the current rate with Moring was at \$11.18 per household per month based on 760 households. The rate five years ago was at \$9.65 per household. The quoted price of \$10.60 per household (based on 730 households) is to remain the same over the three year contract with Moring. Alderman Bork presented the solid waste committee recommendation to award the contract to Moring Disposal, Inc. of Forreston, IL as quoted at \$10.60 per household. Alderman Sisler volunteered to work with Moring Disposal, Inc. on the new agreement and have available for council review at the December 11<sup>th</sup> meeting if the above recommendation is approved. Alderman Sisler asked the city attorney if we needed to go through the recitals in the agreement as was done in the past. City Attorney Ronald Coplan was in attendance and commented that there could be specific reasons for drafting them in agreements such as a lead in to describing a need for the agreement. Alderman Charles asked that a draft of the agreement also be forwarded to the city attorney for his review as well. Alderman Sisler commented that there was one thing left not in the Request for Proposal was the free pick up of dumpsters (at City locations) so they will be charged for these dumpsters. Roll call vote on the solid waste committee recommendation: Aldermen Sisler, yes, Bergren, yes, Risko, yes, Bork, yes, Charles, yes, and Rose, yes. Vote: 6 yeses and 0 noes. The motion was carried.

Attached to these minutes are copies of the minutes from the November 26, 2012 committee meetings. Alderman Risko presented the following recommendation from the streets BENTON STREET  
committee: The recommendation to decline the proposal from the Illinois Department of Transportation on the jurisdictional transfer of a portion of Benton Street located at the east side of town. Roll call

vote: Aldermen Bergren, yes, Risko, yes, Bork, yes, Charles, yes, Rose, yes, and Sisler, yes. Vote: 6 yeses and 0 noes. The motion was carried.

No action from the other committees. Alderman Rose read the minutes from the police committee and cemetery board. Alderman Bergren read the minutes from the water & sewer committee. Alderman Charles read the minutes from the license & ordinance committee. Alderman Sisler noted that he had received a complaint about a property on Jefferson Street.

Alderman Charles reported of the November 27<sup>th</sup> finance committee meeting: FINANCE

1. The bills were reviewed and approved.
2. Alderman Charles presented the finance committee recommendation TAX LEVY to set the overall total for the annual tax levy at \$215,100 for the draft ordinance for this year. Roll call vote: Aldermen Risko, yes, Bork, yes, Charles, yes, Rose, yes, Sisler, yes, and Bergren, yes. Vote: 6 yeses and 0 noes. The motion was carried.
3. The committee discussed the proposed purchase of the 2007 dump DUMP TRUCK truck from the Mount Carroll Township. Alderman Charles stated that the township board has indicated that they would need full payment upon purchase of the vehicle. He stated he did not want to have anything present a possible financial bind upon the City this winter. The committee members decided to table this matter to the next meeting.
4. Alderman Charles provided a review sheet of the two insurance INSURANCE BIDS companys' quotes from the last meeting. Representatives from both of the companies, Illinois Municipal League Risk Management, the City's current carrier, and Assurance Agency, Ltd. were in attendance and a comparison of the coverage was discussed. After further discussion the finance committee presented a recommendation. Alderman Charles presented the finance committee recommendation to accept the Assurance Agency quote for the City's commercial insurance coverage at the annual premium of \$51,076. Roll call vote: Aldermen Bork, yes, Charles, yes, Rose, yes, Sisler, yes, Bergren, yes, and Risko, yes. Vote: 6 yeses and 0 noes. The motion was carried.

City Attorney Ronald Coplan was in attendance and reported that the 113 N MILL ST other owner, Tom Meinsma, of the property located at 113 N. Mill Street has been served with the notice of the City's actions towards that property. He noted that Mr. Joe Haas, the owner of the Market Street property, had been served on November 20, 2012. Mayor Bates reported he had talked with Mrs. Haas as well. A Mr. Loren Wilkin was in the audience and addressed the council about the Mr. Haas property. He stated he was a friend of the family and was here to better understand what was being asked. Mayor Bates reported of the needed repairs to the west wall of the building and the process. Alderman Bork stated she felt it looked like the wall was getting worse. Mr. Len Anderson, owner of the property next door to the east, noted that the current markings to keep vehicles from parking along side of the building were not secure and has been moved frequently. He stated he felt more permanent markers were needed. Mayor Bates stated he would talk with the City crew about setting up some concrete barriers. MARKET ST PROPERTY

Mr. Matthew Schueler, CPA and Brook Woodin, CPA of WIPFLi, LLP ANNUAL AUDIT in Sterling, IL were in attendance and addressed the council about the City's Annual Financial Report. Mr. Schueler made the following summary comments going through the complete report: From pages 1&2, this was their unqualified independent auditor's report meaning it was a clean opinion and their highest opinion. He stated this was where they first noted some of the new accounting standards and how this affected the fund balance reporting and one was the general fund which would be described in

another area of the report. Pages 3-10 was good information with "Management's Discussion and Analysis". Page 11 the Statement of Net Assets with the largest piece being the capital assets the depreciable assets and noting the \$4,000,000 in liabilities with most of that being the repayment of the Illinois Environmental Protection Agency (IEPA) loan. Page 12 the Statement of Activities. Pages 13&14 the Balance Sheet for Governmental Funds with the new accounting standards with the fund balances restated. Page 15&16 the Statement of Revenues, Expenditures and Changes in Fund Balances noting that the largest decrease was the Motor Fuel Tax Fund which was not unusual in communities that have road projects. Pages 17-19 the same statements for the Proprietary Funds, the water and sewer utility. Pages 20-38 were footnotes or Notes to the Financial Statements. From page 28 he noted that all of the deposits were secured and from pages 31&32 the IEPA loan was explained and commented on the City's legal debt limit. He noted the council needed to review the compliance section. He commented about the Significant Deficiency Letter that in smaller offices there tends to be significant deficiencies and through the course of the audit there are specific tests that they follow up with. They did not find anything unusual. Alderman Charles asked whether all of the interfund transfers were accounted for. Mr. Schueler stated, yes. Alderman Charles asked if there was any evidence anywhere of any fraud or theft of any fund. Mr. Schueler stated, no. Alderman Risko stated there was a letter recently (in the newspaper) done by a former council member stating that "there are duplicate payroll records leading to overpayment of employees. Our research shows other significant and chronic financial discrepancies. The mayor, clerk and the city attorney and the finance committee would prefer that you not know." He asked if the auditors found anything. Mr. Schueler stated that there are very specifically designed tests that they complete and that they did not find anything that was not disclosed in the reports and letters. Alderman Bork stated that she had at one time gone over the payroll records and the written time had more hours than the time clock cards. They came in unexpectedly one time to review these cards and have since been told that was not legal to do. She stated she felt there were other discrepancies with the bank balances of April 30, 2012 and listed several from bank balance reports and financial reports. Mr. Schueler stated he did not have access to those reports at this time but that they had confirmed all of the cash accounts based on their review as of the April 30, 2012 date. He stated they reviewed the payroll and process and there was not anything they noted, but they did not review each and every one of the time cards for the year. He stated he might be able to address the bank balance reports if that information was presented to him. Alderman Charles stated he felt that with the bank reconciliation done each month that the finance committee members could review and initial these if that might help with one of the deficiencies. Alderman Sisler commented from the business advice letter. Regarding the interfund transfers that were noted as all recorded he would like to see approved before being made. Alderman Sisler commented that the revolving loan fund reports had not all been submitted. The ones that he had requested had not been received. Clerk Cuckler stated that all have been submitted to the State for the City's revolving loan fund. Alderman Sisler commented that from a past auditor it was stated that a reserve account was needed regarding the IEPA loan. He stated he had a letter from Mr. Kevin Bryant from the IEPA which noted the regulations and he stated he felt that this was something we should be looking at. He noted from the audit that the TIF (Tax Increment Finance) reports had not been submitted. He stated it should be up to the council to police these matters. Alderman Risko and Charles noted that they felt we were working on some things from the last audit by developing an employee handbook and they also wanted to see things get better than they are. Alderman Sisler referred back to the Annual Treasurer's Report and that there was \$425,000 more than what was received. Mr. Schueler and Ms. Woodin referred to a comparison summary of the City's assets and liabilities from 2008 to 2012 that they provided for this evening's meeting. Ms. Woodin noted that the net assets had not changed that much from last year. There was about \$220,000 spent on the Benton Street and bathrooms projects and the IEPA loan payment was \$266,000. Alderman Charles and Risko asked about the interfund loans

and restrictions from borrowing from certain funds. Mr. Schueler commented that interfund transfers or loans are allowed. He stated he would suggest not borrowing from the Social Security or Illinois Municipal Retirement Funds. By State Statute the City's interfund loans for operations should be paid back in the same fiscal year. The council thanked the representatives for attending this evening's meeting.

Mr. Lou Schau, CDC, was in attendance and reported the scaffolding at the Market CDC UPDATE Street Commons building had been removed from the north side of the building for the winter. The work was not completed yet. He reported the CDC was offered a large mill stone. The board would be considering some locations for placement. He reported two of the memorial benches had been installed and two more should be done before winter. The other two would be done next spring. The annual Christmas Walk and Tour of Homes was scheduled for December 1<sup>st</sup>. He stated he would be working on end of the year activities and would not be in for a report during the month of December. Alderman Risko asked if Mr. Schau could come to a meeting in January as the City would again be looking at our budget. It would help if he could report on what the CDC had done with the funds provided them and what they are planning to do in this next year.

Alderman Charles moved and Alderman Risko seconded to approve the GIRL SCOUT COOKIE request from the Girl Scouts of Northern Illinois to conduct the annual SALES cookie sales activities in Mount Carroll during the months of January, February and March of 2013. Roll call vote: Aldermen Charles, yes, Rose, yes, Sisler, yes, Bergren, yes, Risko, yes, and Bork, yes. Vote: 6 yeses and 0 noes. The motion was carried.

Mayor Bates noted the Open Meetings Act training that was required of some municipal officials before January 1<sup>st</sup>.

Alderman Risko moved and Alderman Bork seconded to authorize the MEETING DATE City Council meeting date change from December 26, 2012 to December CHANGE 18, 2012 at the usual time at 7:30 p.m. with the finance committee before at 6:45 p.m. Roll call vote: Aldermen Rose, yes, Sisler, yes, Bergren, yes, Risko, yes, Bork, yes, and Charles, yes. Vote: 6 yeses and 0 noes. The motion was carried.

Mayor Bates noted there was a planning commission meeting scheduled for December 4<sup>th</sup> in City Hall. This matter should be on the council's next agenda.

Alderman Sisler asked who the members of the Joint Review Board were.

Alderman Bork moved and Alderman Risko seconded to adjourn the meeting. ADJOURNMENT  
Roll call vote: Aldermen Sisler, yes, Bergren, yes, Risko, yes, Bork, yes, Charles, yes, and Rose, yes. Vote: 6 yeses and 0 noes. Mayor Bates adjourned the meeting at 8:34 p.m.

The Mount Carroll City Council approved these minutes at the December 11, 2012 regular meeting.

Julie A. Cuckler  
City Clerk & Collector

Adjourned to November 27, 2012 Meeting

Page 5

NAME OF COMMITTEE Streets

PLACE OF MEETING City Hall

DATE OF MEETING November 26, 2012

TIME MEETING CALLED TO ORDER 6:00 p.m.

THOSE PRESENT Alderman Risto, Sisler, Berger.

ITEMS OF BUSINESS DISCUSSED, RECOMMENDATIONS OR DECISIONS:

Also attending: Alderman Charles, Rose, Bark  
Street Supt. Eric Dauphin.

1. Chair Comments - Add to this evening's agenda - after Special Projects The Benton Street issue.
2. Completed projects: - Blacktopped a portion of Franklin Street; mowed and mulched the Cemetery, swept streets, waterized park + equipment.
  - Current Projects: - pour cement to see what weather permits; - replace 3 road culverts (weather permitting); - Tree Trimming; - Open grave area and assist water main breaks as required, assisted water dept. with project, equipment maintenance
  - Question - what under Franklin Street. Patching with blacktop on one side. Do at the bank area? That also done.
  - Special Project - Explore need for additional warning siren. Have a company that will present a proposal for adding new or more sirens for emergency warning.
3. Discussed the proposed jurisdictional road transfer of a portion of Benton Street from the State of Illinois.
  - \* Recommendation to the council to decline the proposal on the possible jurisdictional transfer of Benton Street at the east side of town.

TIME MEETING WAS ADJOURNED: 6:10 p.m.  
MINUTES TAKEN BY: Clark Cuckler

Police, License & Ordinance

NAME OF COMMITTEE Cemetery, Water & Sewer PLACE OF MEETING City Hall

DATE OF MEETING November 26, 2012

TIME MEETING CALLED TO ORDER 6:10 p.m.

THOSE PRESENT Aldermen Rose, Bergren, Risko, Sister, Bosk, & Charles.  
Cemetery Board Members - John Bocklers & Sheri Traumm,

ITEMS OF BUSINESS DISCUSSED, RECOMMENDATIONS OR DECISIONS:

Attending:

Police -

1. Noted the Police report submitted by the Chief for the Month of October 2012.
2. Discussed the progress of the Police officer in training.
3. Chief to get quotes for snow tires for the Explorer Police squad.

Cemetery -

1. Board Member Sheri Traumm stated she would contact the monument company in Sterling about when they might be getting the work done. Hopefully this year.
2. Next Board meeting February 19, 2013 at 4 p.m. at the Cemetery

Water & Sewer

1. Have flushed Jeanne Schmitzer hydrant since last meeting. Supt. Handal has contacted the engineers. Nick Wojner can come to Mt. Carroll ~~Wednesday~~ Thursday to meet with the homeowner. (9 a.m.)  
Discussed the timed automatic hydrant flushing equipment.
2. Supt. Handal reported he had met with one of Siemens engineers regarding the rotating bio-disc system and the repairs. Some of the parts are not being manufactured any longer. Supt. Handal stated he was getting more information for consideration of a couple of options. To also check into what grants might be available.
3. Hydrant flushing of the town not able to be done so far. Would like an extension until Spring.

TIME MEETING WAS ADJOURNED:

MINUTES TAKEN BY:

4. Alderman Sister asked about water line issue at a property on Clay Street. Supt. Handal stated the property owner had said that you for the service by the city crew. Alderman Bosko stated the property owner had said that you for the service by the city crew. Supt. Handal stated he had talked with the owner's plumber. Work should be done soon. Could it freeze?

License & Ordinance

1. Complaint - 504 S. Jackson St. garbage moved to back of house.  
Clerk to contact the owner -

2. Employee Handbook - Alderman Charles stated he was going to get his latest draft to the City Attorney to get his input.  
Need input on the at-will employment issue with adding a grievance policy.

Adjourned at 7:15 p.m.