

CITY OF PALOS HEIGHTS



Finance Committee Meeting Minutes February 13, 2018

CALL TO ORDER

Chairman Fulkerson called the Finance Committee meeting to order at 6:30 p.m. at the Palos Heights City Hall, 7607 W. College Drive. In attendance were Alderman Bylut, Alderman McGovern, City Treasurer Jim Daemicke, City Administrator Dan Nisavic, Director of Accounting Jan Colvin, and Recording Secretary Pat Sheppard. Absent was Alderman McGrogan

APPROVAL OF MINUTES

Chairman Fulkerson called for a motion to approve the minutes of the Finance Committee meeting held on January 9, 2018. So moved by Alderman Bylut, seconded by Alderman McGovern. On a voice vote, the motion passed unanimously.

PROPOSED F/Y 2018 BUDGET

The City Administrator stated he had sent out the budget package which included 2017 end of the year reports, department end of the year reviews, and notes and information relevant to the budget. He noted the City ended the year with a surplus and the 2018 budget was balanced. He also noted there was approximately \$180,000 to transfer to the capital funds. The City Administrator requested approval of the proposed 2018 with recommendation to the City Council for approval and adoption. He said if anyone had any questions, to please call him.

Alderman McGovern moved to approve the proposed F/Y 2018 budget as presented, seconded by Alderman Bylut. On a voice vote, the motion passed unanimously. **AGENDA**

PROPOSED 2018 ANNUAL APPROPRIATION ORDINANCE

The Director of Accounting stated based on the 2018 budget, the appropriation ordinance was prepared which contained a 5% increase that will be used to calculate the tax levy at the end of the year. She noted the public hearing for the proposed appropriation ordinance should be held on March 6 prior to the City Council meeting where the ordinance could then be adopted.

Alderman McGovern moved to approve calling a public hearing on March 6 for the appropriation ordinance, seconded by Alderman Bylut. On a voice vote, the motion passed unanimously.

ANNUAL AUDIT ENGAGEMENT LETTER

The Director of Accounting informed the committee that the City's auditors, MPS/CPA, had merged with Mueller & Co., LLP. Their engagement letter included two (2) options: a 3-year term and a 1-year term. She noted the 3-year term saved the City money. Chairman Fulkerson recommended the 3-year option.

Alderman Bylut moved to accept the engagement letter from Mueller & Co., LLP to provide the City's auditing services for a term of three (3) years, seconded by Alderman McGovern. On a voice vote, the motion passed unanimously. **AGENDA**

GASB 74/75 ACTUARIAL VALUATION PROPOSALS

The Director of Accounting informed the committee that a requirement of this year's audit was that the City needs to become GASB 75 compliant. She explained this was for reporting the liability for post-employment benefits other than pension, specifically healthcare costs. She received three (3) proposals (included in the packet). The lowest proposal was from Menard Consulting, Inc. in the total amount of \$3,600.00 for a four (4) year term. Menard Consulting was recommended by Mueller & Co.

Alderman McGovern moved to accept the proposal from Menard Consulting, Inc. to provide actuarial services for GASB 75 compliancy for a term of four (4) years at a total cost not to exceed \$3,600.00, seconded by Alderman Bylut. On a voice vote, the motion passed unanimously. **AGENDA**

AMEND CITY CODE, SECTION 30.03

The City Administrator explained Section 30.03, *Municipal Records, Retention, and Destruction*, was obsolete – it had been carried over from the 1969 Code. The recommendation was to delete the current language in its entirety and replace it with the following language: “All records of the City of Palos Height shall be maintained in accordance with the Illinois State Local Records Act 50 ILCS 205”. He further explained this was the process currently in use by the Clerk's Office.

Alderman McGovern moved to approve amend the City's Code, Section 30.03, *Municipal Records, Retention, and Destruction*, by deleting the current language in its entirety and replacing it with the following language: “All records of the City of Palos Height shall be maintained in accordance with the Illinois State Local Records Act 50 ILCS 205”, seconded by Alderman Bylut. On a voice vote, the motion passed unanimously. **AGENDA**

AMEND CITY CODE, CHAPTER 92

In regards to this item, Chairman Fulkerson noted the committee had been sent the comments from IRMA (the City's insurance carrier) and their recommended language changes to 92.08 (A). Subject to their revisions, Chairman Fulkerson called for a motion to adopt the proposed amendment to Section 92.08. So moved by Alderman McGovern, seconded by Alderman Bylut. On a voice vote, the motion passed unanimously.

The City Administrator stated the recommendation was to delete Chapter 92, *Parades and Demonstrations*, in its entirety and replace it with the proposed language for a new Chapter 92, *Special Events*, which, he noted, included the insurance clause that was reviewed by IRMA.

Chairman Fulkerson requested a motion to withdraw the previous motion. So moved by Alderman McGovern, seconded by Alderman Bylut.

Chairman Fulkerson requested a motion to repeal the existing Chapter 92, *Parades and Demonstrations*, (and related ordinances) in its entirety. So moved by Alderman McGovern, seconded by Alderman Bylut. On a voice vote, the motion passed unanimously. **AGENDA**

Chairman Fulkerson requested a motion to approve the proposed new Chapter 92, *Special Events*, as presented including IRMA's recommended changes in the insurance clause 92.08 (A). So moved by Alderman McGovern, seconded by Alderman Bylut. On a voice vote, the motion passed unanimously. **AGENDA**

WEBSITE SERVICE AGREEMENT

The City Administrator stated two proposals were received to develop a new website for the City. The proposals were reviewed and the companies were interviewed. The low proposal was from Civic Plus who solely work for government entities. Their proposal of \$24,710.00 included the development and deployment of a new website as well as the annual services of enhancements, maintenance, support and hosting. Thereafter, the annual service fee would be \$4,150.00 subject to a 5% increase after year 5 and beyond. He noted the annual fee also included an update of the website every 3 years. The other proposal was from American Eagle at a cost of \$34,050. The City Administrator recommended accepting the proposal from Civic Plus.

Chairman Fulkerson thought the City had recently got a new website that was designed by a resident. The City Administrator noted there were many issues with the development of the current site as well as many complaints and features that did not function properly. City staff were limited to changes and updates that needed to be made to keep information current and/or accurate. Chairman Fulkerson inquired what the city paid for that website, and it was recalled approximately \$9,000. Discussion ensued.

(Alderman Bylut announced he had to leave to attend to an emergency at home).

Chairman Fulkerson asked if a website was budgeted for and the City Administrator confirmed it was. Chairman Fulkerson requested a motion to accept the proposal from Civic Plus for the development, deployment and maintenance of a new website in the amount of \$24,710.00 with an annual service fee of \$4,150.00 subject to a 5% increase after year 5. So moved by Alderman McGovern, seconded by Chairman Fulkerson. On a voice vote, the motion passed unanimously. **AGENDA**

OLD BUSINESS

None

NEW BUSINESS

None

QUESTIONS/COMMENTS FROM THE AUDIENCE

None

ADJOURNMENT

There being no further business, Alderman McGrogan moved to adjourn, seconded by Chairman Fulkerson. All in favor.

Meeting adjourned at 6:45 p.m.

Respectfully submitted,

Patricia Sheppard
Recording Secretary