

**Harrisburg City Council Meeting
Council Room, City Hall
Harrisburg, Illinois
Regular Meeting
January 4, 2018**

The Harrisburg City Council met on January 4, 2018 at 6:00 pm in the Council Room of City Hall Harrisburg, Illinois.

Mayor John McPeck presided over the meeting with Commissioners Natalie Miller, Beth Montfort Richard Harper and Mike Weirauch answering roll call.

Pastor Jerry Wells from the Dorrisville Social Brethren Church led the group in prayer and the pledge.

Commissioner Harper made a motion to approve the following items under the Consent Agenda:

1. Regular Meeting of December 21, 2017.
2. Bill from Brown & Roberts for levee toe drain analysis in the amount of \$1,685.88.
3. Bill from Patrick Engineering for levee toe drain analysis in the amount of \$3,067.50.
4. Bill from Brown & Roberts for St. Mary's Drive C & I in the amount of \$1,400.00 to be taken out of MFT.
5. Bill from Brown & Roberts for 2017 Bridge inspections in the amount of \$510.25 to be taken out of MFT.
6. Bill from Brown & Roberts for Skuta for Final Pay Estimate and Final Change Order #4 in the amount of \$52,022.38 to be taken out of IEPA Loan.
7. Bill from Ray O'Herron for Officer Gott's equipment in the amount of \$955.62 to be taken out of Council Contingency.
8. Bill from Siegel's Uniforms for Officer Gott's equipment in the amount of \$75.99 to be taken out of Council Contingency.
9. Bill from Compass Minerals for salt in the amount of \$6,406.53 to be taken out of MFT.

Commissioner Weirauch seconded. By roll call vote, all voted yes. Motion carried.

Timothy Watson from B B & A, CPA presented the 2016/2017 audit report. He stated his firm offered an unmodified opinion and a report that found no deficiencies in internal control and grant compliance.

He began by noting Pages 1 through 3 were statements about the report with the firm's opinion on Page 2 and pointed out the required switch from a modified cash basis to accrual basis.

- Pages 4 through 14 were the required supplemental information that was supported by information on pages 57 through 65. Pages 68 and 69 were the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
- Page 4 is the Statement of Net Position showing the assets and liabilities for Governmental and Business-type (Water/Sewer) activities. The total assets are \$33,631,904.00. He stated there was a new category - Deferred Outflows of Resources - which was needed for the new accounting

method as required by the State. The Liabilities listed were both Current and Noncurrent. Commissioner Harper noted the Pension Liabilities forced \$10 million on the books. Watson stated the net position was \$19,387,142.00.

- Page 5 was the Statement of Activities showing expenses of \$5,346,757.00 for Government and \$4,301,429.00 for Water/Sewer making a total of \$9,648,186.00. Revenues were \$4,249,194.00 for services, general were \$5,222,719.00 which made a \$129,804.00 increase plus \$137,595.00 in Business-type for a total increase of \$267,399.00. Adjustments for the new method made the restated amount of \$19,119,743.00 and a Net Position on April 30, 2017 of \$19,387,142.00.
- Watson stated the audit would be available on the Illinois Comptroller's website after the City accepted it and it was filed.
- Commissioner Harper wanted to note that, of the \$5,222,719.00 the City received in revenues, 40.7% was through sales tax, 22.8% was from property taxes (tax levy) and 16.9% was from income and replacement tax which means the City operated mainly from sales tax.
- Pages 6-9 related to Government Activities.
- Pages 10 and 11 were the balance sheets for Water/Sewer.
- Page 12 was the Cash Flow for Water/Sewer.
- Page 13 was a recap of the Police and Fire pension. Police pension total assets were \$5,434,429.00, Fire pension total assets were \$3,844,338.00 with a total of \$9,278,767.00.
- Page 14 was an income statement relating to the pension funds. Commissioner Harper noted that both funds produced more money than the previous year.
- Pages 15-56 were Footnotes mostly carried forward from the prior year. Footnote 8 was a very detailed account of the pension funds. Footnote 14, starting on page 55, was a detail of the Net Position which explained the effect as a result of the change in the accounting method which added in the pension liabilities.
- Pages 57-59 were schedules of employer contributions to pension funds for two years.
- Page 60 was detail of other post-employment benefits.
- Pages 61-63 detailed the changes in the beginning of the year pension liabilities and the end of the year pension liabilities.
- Pages 64 and 65 are required supplementary information for budget to actual comparisons for major funds.
- Pages 66 and 67 show the individual government funds presented on Pages 6 and 8.

- Pages 68 and 69 are the Auditor's Report Performed in Accordance with Government Auditing Standards. Since the City received federal funding for several projects, the GAS was required. There were no issues found.

Mayor McPeek thanked Watson for his report and City employees for watching the money for the City.

Commissioner Harper moved to accept the audit report with clerical changes from the notes that Mayor McPeek, Watson and he had discussed prior to the presentation. Commissioner Weirauch seconded. By roll call vote, all voted yes. Motion carried.

Commissioner Montfort stated the Fire Department's Engine #2 was no longer in service because parts were no longer available. She stated a new law required gear to be turned every 10 years and it was time for that to happen. She reminded Council a Fireman was going on military duty as of January 8. She reported that Chief Gunning had informed her that the fire runs were doubled from last year.

Commissioner Montfort stated the Police Department had started training classes on line as well as cultural diversity classes. She stated they were waiting on the polygraph and psychological testing for the new hire. She asked Council to consider allowing light duty only if the injury had occurred while on duty. She pointed out how that would benefit the Department. Commissioner Harper pointed out that it was ironic that the reason Council had not allowed light duty was because of the previous actions of a Police Officer.

Commissioner Montfort moved to authorize the City Clerk to sign the Contingent Fee Engagement Agreement as discussed at the last meeting. Commissioner Weirauch seconded. By roll call vote, all voted yes. Motion carried.

Melissa Sims thanked Council for joining in the opioid class action suit that her firm was handling.

Commissioner Weirauch stated Custodian Kim Higgins had retired last week and wished her a happy retirement.

Mayor McPeek thanked the Water/Sewer Department employees for all the assistance they had given residents and businesses in handling frozen pipes and water lines during the current sub-freezing days.

Jim Brown addressed Council with recently received information regarding the levee toe drains. He stated the Corp had accepted the report from Patrick Engineering if the City would agree to plug the ends of the toe drains and monitor any possible erosion that may be caused by collapsed drains. Brown stated this was minor and asked Council if he could relay that information to Patrick Engineering so the project could be completed. Commissioner Harper pointed out that since it was not on the Agenda, Council could not take action but assured Brown that the official approval would be given if placed on the Agenda for the next meeting. Brown stated that he would do that.

Commissioner Harper moved to adjourn. Commissioner Weirauch seconded. By roll call vote, all voted yes. Motion carried.

Adjourned: 6:47 pm.