

Hillsboro Special City Council Meeting  
September 15, 2008

Mayor Baran called the meeting to order at 12:00 noon.

Roll call was taken and those present were Mayor Baran and Commissioners Trost, Hill and McCammack.

**Motion was made by Commissioner Trost** and seconded by Commissioner Hill to appoint Cheryl Whitten as Clerk Pro-tem in the absence of Clerk Booher. Motion carried 4-0.

Mayor Baran informed everyone the meeting was called to discuss City finances and how they can be improved. Mayor Baran stated he was looking for ideas from the Council, Supervisors and employees to help with the shortfalls primarily in the general fund. Mayor Baran informed everyone that a lot of the problem is with property taxes being late last year and again this year. Money had to be borrowed last year and that additional interest was not budgeted for.

Commissioner Hill stated that the delay in tax money was not the only problem. The new water tower had not been adequately funded by rate increases, which led to the water fund borrowing from the general fund and utility rates and fuel prices have increased dramatically. Hill stated Departments have tried to hold expenses, but nitpicking \$100 here or there is not going to solve the problem. Primarily we need a new source of income.

Mayor Baran went on to state we are trying and willing to do anything to retain employees and keep from having to lay anyone off or shorten their work weeks.

Commissioner Trost mentioned pension increases have hurt, but hopefully that has been resolved by increasing the tax levy going into effect this year. Trost agreed with Commissioner Hill that we need to find additional revenues.

Commissioner McCammack stated we have two choices: cut expenses or create income. McCammack stated newspapers and cell phones need to go away. Anything that is nice to have needs to go away. McCammack stated we need to look at our income structures and he would propose raising the liquor license fees on convenience stores. All of our fees that have not been adjusted for the last 30 years need to be addressed. McCammack also addressed the increase in pension costs the last few years and how they affect the General Fund budget. Commissioner McCammack stated again we need to cut expenses and raise income.

Mayor Baran stated the annexation of the prison has increased the City's share of Motor Fuel Tax Funds by nearly \$12,000 per month. Mayor Baran addressed the increased cost of Police and Fire pensions and stated we would have to go into the "Down State Pension Fund" even without the annexation due to having four or more Police Officers. Mayor

Baran announced Ameren will be adjusting the fee structure for the Sports Complex by removing the demand meter and metering the same as other facilities. This should result in a savings of nearly \$12,000.00 to the general fund.

Waste Water Superintendent Ron Merriman stated the Zoning fees should be increased, especially those requesting a variance.

There was a brief discussion on cell phone usage and if they are needed. It was noted there would be a penalty for early cancellation of the current contract.

City employee Clark Cameron asked what dollar figure needs to be cut if incomes are not increased. Commissioner Trost stated it would take a reduction of nearly \$12,000 per month.

Fire Chief Lyerla stated he did not feel the Fire Department had any luxuries and rural fees had been increased not long ago.

Commissioner McCammack stated fuel costs are high and asked for ideas on how to hold these costs down.

Sergeant Brewer stated the Police Department is shutting off their vehicles if they are going to be sitting for any extended period of time. Vehicles are also only used for City business, not personal.

Chief Satterlee stated the cars need to be kept running when using radar or they will not start. Chief Satterlee also noted the Department is adjusting their schedules to try and cut down on overtime, which will save money in the general fund.

Public Works Superintendent Danny Robinson stated his department doesn't bring in any money, but his equipment that is wearing out is used by all departments.

Mayor Baran stated we need to try to hold equipment together, but we still need to do any preventative maintenance and keep the equipment safe.

Mayor Baran again asked that all employees jot down any idea they have that could help with revenue or expenses and pass it on to their supervisor or commissioner.

Mayor Baran stated that he knew the Fire Department was trying to get their dive truck in operation, but he asked they curtail any expenses related to the truck for the time being.

Commissioner McCammack discussed limiting the use of the street sweeper to the Main Street area.

Commissioner Hill asked what fees are being charged besides those in her department and zoning fees.

Mayor Baran stated that he, along with Chief Satterlee and Assistant Chief Stretch, had been looking at setting fees for gaming machines.

Commissioner Hill discussed the sale of surplus City-owned land as a short-term source of revenue.

Mayor Baran informed the group that he had an idea from a junior police officer concerning establishing a raffle that could be used to buy equipment. This idea would have to be reviewed by the City Attorney.

Waste Water Superintendent Merriman asked if a separate equipment fund could be established in his department where items could be purchased from fees charged for dumping, use of the camera truck or sewer jetter.

Commissioner Trost stated all the revenues from these fees are already put in the sewer fund. If we take those fees out of the revenue then the budget would have a larger shortfall.

There was talk of instituting a penalty fee for processing storm water from either Schram City or Butler.

Assistant Chief Stretch asked the Council to look into a 1% sales tax and maybe remove the utility tax. Mayor Baran stated he would contact the Illinois Municipal League and see if this can be done and, if so, how.

There was a brief discussion concerning the implementation of wheel tax or tag fees for animals.

Public Property Supervisor Blankenship stated we should implement getting rid of some cell phones and that City vehicles should be parked at the work place and not taken home. He also suggested not paying overtime for work unless it is an emergency and looking into reducing the cost of health insurance.

Mayor Baran again reminded everyone to submit any additional ideas to their Supervisors or Commissioner.

**Motion to adjourn was made at 12:55 pm by Commissioner Hill** and seconded by Commissioner Trost. Motion carried 5-0.

Respectfully Submitted,  
Cheryl Whitten, Clerk Pro-tem