

Minutes of Finance Committee

August 22, 2016, 3:30 PM

City Hall Conference Room

Attending meeting were Mayor Tom Smith, Aldermen Clyde Heller, Vicki Koerber, Rita Trantham, Stan Darter, Russ Thomas, Jim Hopkins, Russ Row, Keith Brinkman and Budget Officer Shawn Kennedy.

Meeting called to order by Chairman Clyde Heller at 3:45.

Agenda Item 1, Petitions by Citizens on non-agenda items. None

Agenda Item 2, Approval of Finance Committee Minutes of June 20, 2016. After review, Stan Darter motioned to approve as submitted, Rita Trantham seconded motion, approved.

Agenda Item 3. Police Actuary Study. Shawn Kennedy and Keith Brinkman presented information to the committee on the variable rate of return expected to support the Police Pension fund. Bank of Edwardsville suggests a level of approximately 5.5%. Keith explained that the Actuary would be in the range of 6.0 to 7.5%. Historically, our city has been holding at 6.5%. The city also has an emergency pension fund that is separately managed to provide for a sudden influx of funds without causing a drain on General Fund dollars (if needed). Our current payout from the pension fund to retirees is \$200,000 of the \$8M balance. After discussion of impacts on the General Fund, a motion by Stan Darter and Second by Vicki Koerber to remain at 6.5% for the 2017 pension year. Committee unanimously agreed and Shawn Kennedy was asked to contact Actuary to inform him of our position.

Agenda Item 4. City Hall Chiller bids. Russ Row provided information on replacement of the City Hall Chiller and bids received from Trane Corp with accompanying Trane Maintenance Agreement and Murphy Company. Murphy Corp did not provide a solid quote for Maintenance Agreement, but told Russ that its price would be revised after we agreed to the equipment replacement. The Murphy chiller quote replacement was \$77,200, Trane quote \$85,548.00. The accompanied bid for maintenance agreement: Murphy, \$17,412.50, Trane \$11,641.00. After discussion, recommendation to accept Trane bid for chiller replacement and maintenance agreement by Russ Thomas and second by Stan Darter, approved 5-0. To be added to Council Agenda in September.

Agenda Item 5, Reliance Bank. Shawn Kennedy provided information that Reliance Bank, Columbia, IL was seeking to be approved as an investment holding bank for the City. Reliance is collateralized with Federal Securities. Vicki Koerber motioned to add to ordinance, second by Rita Trantham. Ordinance Committee with complete actions.

Agenda Item 6, Management Policies. Mayor Smith addressed the issue that the City doesn't have a policy concerning maximum carryover of vacation time. This is addressed in our union contracts, however the management employees' are not covered by any policy. After discussion, it was suggested that CBIZ be contacted to address the amount other cities have on the topic.

Miscellaneous: None

Motion to adjourn by Vicki Koerber, second by Rita Trantham, meeting adjourned at 4:50 pm.

Submitted by Clyde Heller