

**Minutes of Springfield City  
Council Meeting  
Tuesday, January 4, 2011  
City Council Chambers**

**PRE-COUNCIL SESSION**

City Clerk Cecilia Tumulty called the Pre Council Session of the Springfield City Council to Order at 5:05 p.m., Tuesday, January 4, 2011, in the Council Chambers of the Municipal Center West.

Clerk Tumulty read the following **Ordinances and/or Resolutions on Emergency Passage** into the record of this Council meeting.

**2011-001** An Ordinance Repealing Ordinance 657-10-06 And Authorizing Signing Of Checks Drawn On City Funds, **For Emergency Passage (Requested By Mayor Frank Edwards) (Committee Of The Whole)**

**2011-002** An Ordinance Accepting Grant No. 11-373004 From The Illinois Department Of Commerce And Economic Opportunity In The Amount Of \$329,775.00 With Matching Funds In The Amount Of \$329,775.00 For A Total Grant Amount Of \$659,550.00 For The International Tourism Marketing Grant Program Beginning July 1, 2010, Through June 30, 2011, And Authorizing A Supplemental Appropriation In The Amount Of \$105,460.00 For The Springfield Convention And Visitors Bureau, **For Emergency Passage (Requested By Mayor Frank Edwards) (Committee Of The Whole)**

Clerk Tumulty read the following Ordinances and Resolutions to be considered at the next regularly scheduled City Council meeting and assigned the Ordinances to the Committee of the Whole.

**2011-003** An Ordinance Authorizing A Supplemental Appropriation From Unappropriated 094 Fund Balance In The Amount Of \$6,900.00, For The Springfield Fire Department **(Requested By Mayor Frank Edwards) (Committee Of The Whole)**

**2011-004** An Ordinance Authorizing Payment Of \$239,173.00 To New World Systems Corporation For Annual Maintenance Fees For The Springfield Fire And Police Departments **(Requested By Mayor Frank Edwards) (Committee Of The Whole)**

**2011-005** An Ordinance Authorizing A Supplemental Appropriation In The Amount Of \$40,786.00 For The Springfield Police Department **(Requested By Mayor Frank Edwards) (Committee Of The Whole)**

**2011-006** An Ordinance Authorizing Payment To Lawrence Kluckman, A Firefighter For The Springfield Fire Department, For Settlement Of Workers' Compensation Case Number 09-Wc-18334 **(Requested By Mayor Frank Edwards) (Committee Of The Whole)**

**2011-007** An Ordinance Authorizing The Execution Of An Agreement With The Laborers International Union Of North America, Local 477, From October 1, 2010, Through September 30, 2011 **(Requested By Mayor Frank Edwards) (Committee Of The Whole)**

**2011-008** An Ordinance Authorizing The Execution Of An Intergovernmental Agreement With The State Of Illinois Department Of Agriculture For Use Of The Illinois State Fairgrounds For Training Purposes And Other Activities **(Requested By Mayor Frank Edwards) (Committee Of The Whole)**

**2011-009** An Ordinance Authorizing The Execution Of A Letter Offer For Extension, Approving A One-Year Contract Extension And Authorizing Additional Funding In The Amount Of \$962,204.00 Under Contract No. Uw10-12-89 With Midwest Meter, Inc. For The Purchase Of Five-Eighths To Two-Inch Automatic Meter Reading (AMR) Capable Cold Water Meters For A Total Amount Payable Of \$1,924,408.00 Under Said Contract **(Requested By Ald. Kunz) (Committee Of The Whole)**

**2011-010** An Ordinance Authorizing The Execution Of A Letter Offer For Extension, Approving A One-Year Contract Extension And Authorizing Additional Funding In The Amount Of \$3,000,000.00 Under Contract No. Ue08-01-89 With Nelson Tree Service, Inc. For Line Clearance Services For The Electric Transmission, Distribution And Operations Department For A Total Amount Payable Of \$9,150,000.00 Under Said Contract **(Requested By Ald. Kunz) (Committee Of The Whole)**

**2011-011** An Ordinance Accepting A Proposal With And Authorizing Payment To Stress Engineering Services, Inc. In An Amount Not To Exceed \$58,404.00 For A High Energy Pipe (HEP) Hanger Walk Down And Pulsed Eddy Testing (Pet) For Dallman Power Plant Unit No. 33 For The Electric Generation Department **(Requested By Ald. Kunz) (Committee Of The Whole)**

**2011-012** An Ordinance Accepting And Authorizing The Execution Of Proposal No. Uw11-21 With River City Construction, L.L.C. For The Construction Of A New Potable Water Clearwell Storage Tank In Amount Not To Exceed \$8,831,000.00 For Use By The Water Treatment Plant For The Water Works Improvement Project **(Requested By Ald. Kunz) (Committee Of The Whole)**

**2011-013** An Ordinance Approving And Authorizing Execution Of A Residential Lease Agreement With Edward McMasters For A One-Year Term For The Administrative Services Division For The City Of Springfield **(Requested By Ald. Kunz) (Committee Of The Whole)**

**2011-014** A Resolution Notifying The State Of Illinois Department Of Transportation That Motor Fuel Tax Funds In The Amount Of \$250,000.00 Were Spent For Reconstruction Of The Old State Capitol Plaza, Mft Section 98-00396-00-Pv, For The Office Of Public Works **(Requested By Mayor Frank Edwards) (Committee Of The Whole)**

**2011-015** An Ordinance Regarding The Variance Request Of Section 153.157(L) Pertaining To Restriction Of Access For Northwest Whitney Business Park For The Office Of Public Works **(Requested By Mayor Frank Edwards) (Committee Of The Whole)**

**2011-016** An Ordinance Regarding The Variance Request Of Section 153.158(B)(2) Pertaining To Lot Arrangement For Northwest Whitney Business Park For The Office Of Public Works **(Requested By Mayor Frank Edwards) (Committee Of The Whole)**

**2011-017** An Ordinance Approving The Location And Sketch Map Of Northwest Whitney Business Park For The Office Of Public Works (**Requested By Mayor Frank Edwards**) (**Committee Of The Whole**)

**2011-018** An Ordinance Regarding The Variance Request Of Section 153.156(A) Pertaining To Right-Of-Way Width In Carver Estates For The Office Of Public Works (**Requested By Mayor Frank Edwards**) (**Committee Of The Whole**)

**2011-019** A Resolution Authorizing Execution Of A Letter Of Intent With The State Of Illinois For Pavement Patching On Jefferson Street From Emporia Avenue To Veteran's Parkway And On Madison Street From Lewis Avenue To Ninth Street (Mft Section #10-State-02-Rs), For The Office Of Public Works (**Requested By Mayor Frank Edwards**) (**Committee Of The Whole**)

Clerk Tumulty Read the **Consent Agenda** into the record of this Council meeting.

**2010-488** An Ordinance Approving A Supplemental Appropriation In The Amount Of \$23,385.40 From The Looking For Lincoln Heritage Coalition, For The Convention & Visitors Bureau (**Requested By Ald. Kunz**) (**Committee Of The Whole**)

**2010-489** An Ordinance Authorizing The Execution Of An Agreement With The International Union Of Operating Engineers, Local 399, From November 1, 2009, Through September 30, 2011 (**Requested By Ald. Kunz**) (**Committee Of The Whole**)

**2010-490** An Ordinance Authorizing A Supplemental Appropriation In The Amount Of \$25,094.95 For The Springfield Fire Department (**Requested By Ald. Kunz**) (**Committee Of The Whole**)

**2010-491** An Ordinance Authorizing A Supplemental Appropriation In An Amount Not To Exceed \$1,100,00.00 For The Sidewalk And Street Overlay Projects For The Office Of Budget And Management (**Requested By Ald. Kunz**) (**Committee Of The Whole**)

**2010-492** An Ordinance Authorizing Execution Of An Agreement With St. John's Hospital Of The Hospital Sisters Of The Third Order Of St. Francis In Regard To A Lease Of Air Space Along A Portion Of Seventh Street (**Requested By Ald. Kunz**) (**Committee Of The Whole**)

**2010-493** An Ordinance Approving The Plat Of Easement Vacation On Part Of Lots 2 And 3 Of Shymansky Acres, For The Office Of Public Works (**Requested By Ald. Kunz**) (**Committee Of The Whole**)

**2010-494** An Ordinance Approving And Authorizing The Execution Of A New Water Purchase Contract Between The City Of Springfield And The Round Prairie Water Coop For A 40-Year Term And Rescinding Ordinance No. 163-04-10 Which Authorized A Prior Contract With Said Company For The Water Division (**Requested By Ald. Kunz**) (**Committee Of The Whole**)

**2010-495** An Ordinance Authorizing Payment To The Central Illinois Light Company D/B/A Amerencilco Under An Existing Rate Schedule In An Amount Not To Exceed \$200,000.00 For

Natural Gas Transportation Charges For The Electric Division Dallman Power Plant Unit No. 4  
**(Requested By Ald. Kunz) (Committee Of The Whole)**

**2010-496** An Ordinance Approving And Authorizing Execution Of A Non-Retail Telecommunications Carrier Franchise Agreement Between The City Of Springfield And Illinois Network Alliance, LLC **(Requested By Ald. Kunz) (Committee Of The Whole)**

**2010-497** An Ordinance Approving And Authorizing Execution Of A Telecommunications Pole Rental Agreement Between The City Of Springfield And The Illinois Network Alliance, LLC **(Requested By Ald. Kunz) (Committee Of The Whole)**

**2010-498** An Ordinance Approving And Authorizing The Execution Of A Telecommunications Fiber Capacity License Agreement Between The City Of Springfield And The Horace Mann Companies **(Requested By Ald. Kunz) (Committee Of The Whole)**

**2010-499** An Ordinance Approving And Authorizing The Execution Of A Telecommunications Contract Service Agreement Between The City Of Springfield And Springfield Clinic, LLP **(Requested By Ald. Kunz) (Committee Of The Whole)**

**2010-500** An Ordinance Declaring Certain Fire Apparatus As Surplus Property, Authorizing Execution Of An Agreement With Fire Apparatus & Supply Team, Inc. For The Sale Of Said Surplus Property, And Approving A Supplemental Appropriation In The Amount Of \$13,500.00, For The Springfield Fire Department **(Requested By Ald. Kunz) (Committee Of The Whole)**

**2010-501** An Ordinance Declaring A Retired Springfield Police Department Canine Known As “Dago” As Surplus Property And Authorizing Execution Of An Agreement For The Purchase Of Said Canine With Officer James Wangard, A Former Canine Handler **(Requested By Ald. Kunz) (Committee Of The Whole)**

**2010-502** An Ordinance To Increase The Number Of Class “D” Liquor Licenses By One For El Nopal Inc. D/B/A La Loma, 2433 S. Macarthur Boulevard **(Requested By Ald. Kunz) (Committee Of The Whole)**

The Pre Council Session Concluded at 5:10 p.m.

### **CITY COUNCIL MEETING**

Mayor Edwards called the meeting to order at 5:30 p.m. All were invited to rise for the Pledge of Allegiance.

Clerk Tumulty called the roll of City Council members.

PRESENT: Ald. Simpson ☒, Ald. Kunz ☒, Ald. Lesko ☒, Ald. Cahnman ☒, Ald. Mahoney ☒, Ald. Cimarossa ☒, Ald. Theilen ☒, Ald. Dove ☒, Ald. Griffin ☒ and Mayor Edwards ☒.

ABSENT: None

Ald. Simpson moved, Ald. Cimarossa seconded, to dispense with the reading of the minutes and to approve the minutes of the December 21, 2010, City Council meeting and the December 28, 2010, City Council meeting. The motion carried via voice vote.

Ald. Simpson moved, Ald. Griffin seconded, to incorporate the pre-council first reading of ordinances into the record of this council meeting. The motion carried via voice vote.

The next matter on the agenda was the Consent Agenda. Ald. Simpson moved, Ald. Cimarossa seconded, to incorporate the pre-council reading of the consent agenda into the record of this council meeting. The motion carried via voice vote.

Ald. Simpson moved to place the Consent Agenda on Final Passage. Ald. Cimarossa seconded. The motion to place the Consent Agenda on Final Passage carried 9/0. Ald. Griffin expressed concerns about 2010-489 (tentative agreement with Local 399). He's still not real clear on the ordinance. He stated originally, Dallman 4 had to be kept separate from everyone else and now we're taking steps to make everyone the same or equal. Why did we start out different and become the same. Jim Gates, Labor Relations Manager, stated that in coming up with a plan for staffing, it was determined it would be in the best interests of the Utility for the efficiency, to change the way the various classifications worked at Unit 4. They took on more responsibilities in a broader area. That meant that it was not easy to simply fold them into a current collective bargaining agreement. We established the classifications, we posted them, filled them and let the process legally happen for a union to gain recognition of them under the Collective Bargaining laws of the State of Illinois.

Ald. Griffin stated so a floor room operator at Unit 33 vs. Unit 4 may have different job responsibilities within their job description. Jim Gates stated that was true. Ald. Griffin stated so we're trying to make them all equal and the same, but in reality they have different job descriptions or job responsibilities at this point. Gates agreed and stated the process under the law for establishing bargaining units means that it's possible that the bargaining units end up in a separate contract even though they may be recognized and/or represented by the very same union. It's just the process. The decision was made by the bargaining units that they wanted to be separate.

Ald. Griffin stated that's really his question. Why would everyone want them to be separate? Gates stated he cannot speak for the unions but as he understands it, there was an established contract and they chose to not be part of the new group. Ald. Griffin stated so if someone was at 33 and they wanted to go to 4, they would have had to leave their union, throw they dice, and go what was a non-union shop at the time, lose their seniority, but then as soon as this union established and recognized, they want to be the same as the other guys? Gates stated exactly. Ald Griffin stated that's why he's confused.

Mayor Edwards asked if Ald. Griffin would like this ordinance to remain in committee. Ald. Griffin stated he thought the ordinance would pass. He's just unsettled with how we got here and is not clear as to why this happened. He has some understanding now but it doesn't seem right.

Ald. Cimarossa and Ald. Kunz requested they be recorded voting "present" on Agenda No. 2010-498, An Ordinance Approving And Authorizing The Execution Of A Telecommunications Fiber Capacity License Agreement Between The City Of Springfield And The Horace Mann Companies.

The Consent Agenda passed 9/0. Ald. Simpson ☒, Kunz ☒, Lesko ☒, Cahnman ☒, Mahoney ☒, Cimarossa ☒, Theilen ☒, Dove ☒, and Griffin ☒ voted yes.

Ald. Griffin asked for the information previously requested on Agenda No. 2010-496, An Ordinance Approving And Authorizing Execution Of A Non-Retail Telecommunications Carrier Franchise Agreement Between The City Of Springfield And Illinois Network Alliance, LLC. He thought Ald. Cahnman had asked for information on the franchise agreement. Ald. Cahnman stated there were no amounts stated in the Agreement. Eric Hobbie stated the Franchise Agreement is between the City and the provider. The next ordinance (2010-497) is the pole attachment agreement and the Utility charges for that. He has spoken to Corporation Counsel's office that negotiated the agreement. There are certain poles where there would be no charges to attach to the poles because they are charged the telecomm tax and we collect revenue through that provision of the agreement.

Agenda Numbers 2008-337, 2010-001, 2010-048, 2010-131, 2010-158, 2010-284, 2010-328, 2010-380 And 2010-404 Remain Tabled Or In Committee.

The first item on the Agenda was Agenda No. 2011-001, An Ordinance Repealing Ordinance 657-10-06 and Authorizing Signing of Checks Drawn on City Funds, For Emergency Passage. Ald. Cimarossa moved to place Agenda No. 2011-001 on Emergency Passage. Ald. Mahoney seconded. The motion carried 10/0. Ald. Simpson ☒, Kunz ☒, Lesko ☒, Cahnman ☒, Mahoney ☒, Cimarossa ☒, Theilen ☒, Dove ☒, Griffin ☒ and Mayor Edwards ☒ voted yes.

The next item on the Agenda was Agenda No. 2011-002, An Ordinance Accepting Grant No. 11-373004 From The Illinois Department Of Commerce And Economic Opportunity In The Amount Of \$329,775.00 With Matching Funds In The Amount Of \$329,775.00 For A Total Grant Amount Of \$659,550.00 For The International Tourism Marketing Grant Program Beginning July 1, 2010, Through June 30, 2011, And Authorizing A Supplemental Appropriation In The Amount Of \$105,460.00 For The Springfield Convention And Visitors Bureau, For Emergency Passage. Ald. Simpson moved to place Agenda No. 2011-002 on Emergency Passage. Ald. Cimarossa seconded. The motion carried 9/1. Ald. Simpson ☒, Kunz ☒, Lesko ☒, Cahnman ☒, Mahoney ☒, Cimarossa ☒, Dove ☒, Griffin ☒ and Mayor Edwards ☒ voted yes. Ald. Theilen voted "Present" as he is employed by the Illinois Department of Commerce and Economic Opportunity.

Mayor Edwards stated that Corporate Counsel Johnson tried to prank him today. He stated the Mayor always receives a script to conduct the meeting. He stated the next statement in the script called for a motion to adjourn since he could not wait to get out of his suit and tie. He stated he will get even.

Ald. Simpson Moved To Suspend The Rules And Place On First Reading Agenda No. 2011, 020, An Ordinance Appointing Thomas G. Shanahan, M.D. To The Office of Alderman For Ward 1. Ald. Cimarossa Seconded. The motion carried via voice vote.

Mayor Edwards introduced Dr. Shanahan and his wife, Gloria, to the Council members.

Ald. Simpson Moved To Suspend The Rules And Place On First Reading Agenda No. 2011-021, A Resolution Supporting The Master Plan For The Enos Park Neighborhood Improvement Association. Ald. Cahnman seconded. The motion carried via voice vote.

Ald. Simpson Moved To Suspend The Rules And Place On First Reading Agenda No. 2011-022, A Resolution Initiating A Binding Public Question For Submission On The Ballot At The Consolidated Election On April 5, 2011, Regarding Appointments Of Non-Aldermen For A Mayor Vacancy. Ald. Cahnman seconded. The motion failed 5/5. Ald. Simpson, Cahnman, Mahoney, Griffin and Mayor Edwards voted Yes. Ald. Kunz, Lesko, Cimarossa, Theilen, and Dove voted No.

Ald. Cahnman Moved To Suspend The Rules And Place On First Reading Agenda No. 2011-023, "A Resolution Initiating A Binding Public Question For Submission On The Ballot At The Consolidated Election On April 5, 2011, Regarding Tie Breakers By Lot For Filling Mayoral Vacancies. The Motion failed for lack of a second.

Mayor Edwards stated that he is scheduling a Special City Council meeting for Tuesday, January 11, 2011, at 5:15 p.m. for the purpose of voting on Agenda No. 2011, 020, An Ordinance Appointing Thomas G. Shanahan, M.D. To The Office of Alderman For Ward 1.

Mayor Edwards provided the Council with a document titled "Comparison – No Recession vs. Actual Revenues.:" The document is incorporated into these minutes by reference. He asked Ald. Dove to comment.

Ald Dove stated that as Chair of the Finance Committee, he wanted to provide a brief snapshot of where we stood financially. He indicated the council would get their budget books by Friday. The first workshop is Tuesday, the 11<sup>th</sup> after Committee of the Whole. The second meeting will be Thursday, Jan. 13 and the third meeting would be Tuesday, Jan 18. If necessary, a fourth meeting could be held on Jan. 24. The meeting would begin following the committee or council meeting.

Ald. Simpson asked if these dates were set in stone. She indicated she had a previous obligation on Jan. 13. It's a neighborhood meeting and the residents have been notified. She needs to attend. She asked the Council to consider that conflict.

Ald. Mahoney asked if we could just use the Jan. 24<sup>th</sup> date instead. Ald. Dove stated he is out of town. Ald. Cimarossa stated she has a problem with the 18<sup>th</sup>.

Ald. Dove suggested Tuesday, Jan. 11; Tuesday, Jan 18 and Monday, Jan. 31st. Ald. Cimarossa asked if that was going to give the aldermen enough time to review the budget before the workshops begin. She stated we won't get the budget books until Friday.

Ald. Dove stated the aldermen will have the weekend and until Tuesday to review the budget books which is more time than they've had in the past.

Ald. Dove restated the dates for the workshops.

OBM Director Crutcher stated the Public Hearing is currently set for February 1, 2011. That can be changed.

CC Johnson stated the Public Hearing does not have to be the same day as passage. We do have to publish the Notice for the Public Hearing so that will have to be scheduled.

Ald. Dove stated we will be here on Tuesday, Feb. 8<sup>th</sup> and it could be done at that time. Mayor Edwards stated that more meetings could be scheduled if necessary.

Ald. Cimarossa asked if Ald. Dove knew which departments would be presenting on each date. Ald. Dove stated he was working on that schedule.

OBM Director Crutcher explained the document titled "Comparison – No Recession vs. Actual Revenues." He provided an overview and stated that budget books would be prepared and ready by Friday. He stated over the last few years, the country has experienced recessionary economic impacts. On page 1 of the handout, the graph and chart shows the historical and trend models. The chart shows what the revenues should have been and as they were projected without a recession. The bottom of the chart (where blue meets red) are the actual revenues. That difference is \$37.9 million over the last 5 years. Revenue across the board is diminished. That says there should be diminution of expenses so we don't overspend. FY08 through FY12 revenues are set forth in the same manner – with and without the recession. He stated the various taxes we receive are flat. FY12 projections are flat. State and City sales tax are revenues we depend on. We are doing ok with the income tax we are supposed to receive from the State of Illinois, but we haven't received it. The state is 5 months behind in paying us and the total is \$3.8 to \$4.0 million dollars.

Dir. Crutcher stated the PILOT projections were up but they have not performed at that level. That is not necessarily any one person's fault. The dollars paid for energy is down. That is due to factories. Factories are not producing over 3 shifts like they used to.

Property tax is ok because our base has not been subject to severe recessionary impact. Other revenues are down some as well.

Therein is the difference in the \$37.9 million dollars. We don't have enough money.

Page 2 of the handout details suggested strategies for dealing with fiscal crises. Crutcher indicated we have used some of these strategies in the past. This year, the total deficit is \$10 million dollars. There will be difficult decisions that must be made in the coming year. He stated we must find \$9.9 million in major cuts before we look at minor cuts. There is no choice. The economy has failed to perform.

Crutcher stated that expenses have decreased in a lot of areas. Revenue has not increased.

Page 3 titled "Corporate Fund DRAFT" was explained. Beginning fund balance is \$2, 717,042. Revenues are projected at \$105,922,557. Projected expenses are at \$115,955,495. The ending fund balance as indicated \$(7,315,869).

Crutcher stated that many line items have been cut or wiped out. There have been furlough days. We are under 1600 employees. We have had some employees retire and some were laid off. He stated last year, expenses were cut by \$17 million. Major cuts have been made. We are at a point where we have to make serious cuts; raise revenue or a combination of both.

The last page is a summary of the previous 3 pages. Bottom line is \$7,491,968 in the red. In addition, some of this money had 12 furlough days built in. We had to put that money back in the budget this year. None of those decisions have been made.

Ald. Cimarossa asked if there was a list by department of how many furlough days were taken and the impact of those days Crutcher stated yes and he will get it to the council members. She further asked about overtime and what the situation is there.

Ald. Simpson asked for the total amount of revenue generated by the furlough days.

Julie Zolgadahr, Budget Analyst, stated that one major area of concern regarding overtime in the Corporate Fund was the Fire Department. Minimum manning issues, etc. She stated with good luck in the upcoming year, we'll run about \$600,000 over budgeted amounts on fire overtime. Anytime there is an absence in a slot, that creates an overtime issue.

Crutcher stated that this only relates to corporate fund expenditures. There are other funds within the corporate fund and those will be brought for review during the budget workshops.

Mayor Edwards stated that the other funds Ken Crutcher referred to are 4 or 5 other funds that take money from the Corporate Fund. As those monies dwindle down, there is some support available. But, if we're not funding the corporate fund, those funds are in trouble. The other funds are Enterprise Funds, Sewer Fund, Parking Fund. The issue is how the money goes between the funds.

Ald. Cahnman asked for a report indicating the percentage of employees by department who took furlough days. Crutcher stated he would provide that information.

Crutcher stated there was negotiation in the past that resulted in some employees taking furlough days and other employees having other arrangements over the last 3 years. The real question is whether that number in a percentage formula is relevant.

Ald. Cimarossa asked that the summary be included in the report to the council.

CC Johnson stated the furlough impact will be different for each department and whether or not those employees are bargaining unit employees and which unit they are in.

Ald. Cimarossa stated that the synopsis would be helpful.

GM Todd Renfrow presented a document titled "Forward Wholesale Power Prices per MWH to the Council. He stated as we stand today, CWLP had 65 people working on the budget. Currently, we have a \$21 million dollar deficit. The budget is at \$353 million dollars. On the bright side our line of credit is in tact. The emergency fund is fully funded. The biggest problem is the price of energy. The

bright side is there are some forward sales recently between \$40 and \$50. He cannot say if that will be a trend for the whole year. Renfrow stated his staff is trying very hard to reduce that \$21 million dollar figure.

Ald. Theilen asked how we looked for the remainder of FY11. Renfrow stated he believes we're in the black. CWLP is not filling jobs. Craig Burns stated that currently on the water side the revenues are ahead approximately 17% ahead of budget. Expenses are 16% under budget. The electric side is a little different. Retail electric is 3% higher but wholesale is around 60% less than what we expected. The overall revenue is about 5% lower. The overall expenses are about 8% lower.

Ald. Griffin asked if the fact that Chatham was pulling out of their contract would impact those numbers. Burns stated it affects water only – roughly \$1.3 million. Effective July of 2013. Round Prairie Water Co-Op that passed tonight was not as large as Chatham.

Mayor Edwards stated there will be changes to this budget. As we make changes to the budget, we'll see these numbers comes down. We'll explain it to everyone how and why those numbers are reducing. There are ideas out there to consider. This is where we are today. The budget is a working document. The idea is to get that number to zero to get a balanced budget. It's going to take some hard work to do that. The government that we're looking at today will not be the on March 1, 2011. There's no way to prevent that.

GM Renfrow stated we budgeted one million megawatts for sale. We'll probably hit that this year – but it's the price that makes the difference. We anticipate another million next year. The market dictates the bottom line.

Ald. Simpson asked if the budget books were public. Can anyone get the information? Mayor Edwards stated the information will be on the City's website.

Ald. Simpson moved to adjourn the meeting at 6:29 p.m. Ald. Cimarossa seconded. The motion carried 9/0 via voice vote.

*Cecilia K. Tumulty*

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Cecilia K. Tumulty  
City Clerk