

MINUTES
WORKING SESSION
CITY COUNCIL
401 WEST WASHINGTON STREET
EAST PEORIA, ILLINOIS

January 30, 2018

Mayor Mingus called the Working Session of the City Council of East Peoria, Illinois to order at 4:01 P.M. with the meeting having been properly noticed.

Upon the roll being called the following answered present: Mayor Mingus, Commissioners Decker, Densberger, Jeffers, and Kahl.

Absent: None.

Mayor Mingus explained that no final action would take place by the City Council at the meeting. He explained that the purpose of the meeting is to have a Working Session regarding discussion on the Budget. Mayor Mingus turned the discussion over to Commissioner Densberger who discussed the agenda for the working session meeting. City Administrator, Jeffery Eder, discussed the proposed Governing Body budget, Legal budget that was cut by \$100,000 from this year's budget, Boards and Commissions budget, the City Clerk budget, and the City Administrator's budget that is slightly down because the new Human Resources person is removed.

Director of Finance/Treasurer, Jeff Becker, discussed the Accounts & Finance budget that is slightly down due to the early retirement incentive and reductions in other operating expenses and training. Camp Street TIF and West Washington TIF budgets were discussed, including a West Washington Street TIF Morton Community Bank loan payment. Director Becker discussed revenues including Riverboat Gaming Taxes. The state is now taking a two-percent administrative fee on collection of a portion of the City's sales tax. He discussed a revenue summary. The revenues are estimated at \$140,000 less than last year taking a conservative approach. There are shortfalls in the personal property replacement tax due to the state taking more of those revenues.

Overall, the City is left with \$509,000 deficit in the draft budget for next year. Options for additional revenues, including sales tax and a solid waste fee were discussed. A solid waste fee that is being looked at is estimated at \$15 per month and includes biweekly recycling with totes and the need to purchase garbage trucks. Commissioner Kahl discussed that he is not in favor the solid waste fee. There was a discussion about the City absorbing the costs for recycling and increased garbage tipping fees by not increasing real property taxes to account for those increased.

Commissioner Jeffers discussed capital needs for the City. There was a discussion about the City's ability to mandate a solid waste fee. Commission Densberger discussed three alternatives he is considering: (1) Solid waste fee of \$15 per month that is estimated to generate \$1,300,000 with a value added component of possibly a more robust recycling with glass and including yard waste collection (\$600,000 is estimated to be gained at this time) and (2)(a) a quarter percent sales tax that should be added to reserves at \$250,000 per year until reserves meet 120 days of operational expenses) or (2)(b) a half percent sales tax with \$200,000 placed into a public building fund and amounts added at a certain amount over several years to reserves until 120 days of operational expenses are met.

Director of Public Works, Dennis Barron, came up to the podium and discussed the solid waste fee and cost estimates. There are unknown costs regarding yard waste pickup at this time.

Commissioner Kahl discussed the need for capital expenditures. He explained that there needs to be a commitment that the additional revenues be used responsibly if additional revenues are approved.

There was a consensus of the City Council to explore the solid waste with yard waste pick-up and associated fee.

Commissioner Decker discussed concerns over the actual costs for solid waste and yard waste pick-ups and whether the solid waste fee will cover expenses. He also expressed concerns over the solid waste fee being a direct fee to the residents and capital needs in streets and elsewhere. He would like to consider an incremental fee in solid waste and that it should be looked at with a sales tax increase.

There was a discussion about sales tax. Commissioners Decker and Jeffers expressed possible support of a half percent increase in sales tax. There were recommendations discussed about where to allocate funding of increased revenues from sales tax. There was a discussion about the ERI and costs associated. Future working sessions are likely needed on the budget and possible revenues streams.

Mayor Mingus asked for any comments from the audience.

Don Norbits came up to the podium and discussed the solid waste fee. He feels that the \$15 per month fee will work.

Bob Sinks came up to the podium to discussed issues with residents being able to pay the solid waste fee based on their incomes. He discussed sales tax being up in the air and people do not have to come to the city to shop. He expressed the need for the City to live within its means.

Charlie Morgan came up the podium. He expressed concerns over the City needing to increase reserves, sewer costs, and paying for building City Hall. Mr. Morgan discussed reduced revenues in gaming and possible increased sales tax, the needs of the City, and the City borrowing monies. He inquired as to costs associated with Bass Pro Shops, expressed opposition to home rule, and concerns over the spending of the City.

John Harris came up to the podium and expressed opposition to home rule.

Mayor Mingus asked for any other further comments. There was no response.

Motion by Commissioner Densberger, seconded by Commissioner Decker; Mr. Mayor, I move you that we adjourn the meeting.

Yeas: Commissioners Decker, Densberger, Jeffers, and Kahl and Mayor Mingus.

Nays: None.

Mayor Mingus declared the motion carried and the meeting adjourned at 5:59 P.M.

 /s/ Morgan R. Cadwalader

Morgan R. Cadwalader, City Clerk