

MINUTES

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

February 11, 2020

The Honorable John P. Kahl Mayor of the City of East Peoria called the Working Session of the City Council of the City of East Peoria, Illinois to order at 4:00 P.M. with the meeting having been properly noticed.

Upon the roll being called the following answered present: Mayor John P. Kahl, Commissioners Daniel S. Decker, Mark E. Hill, Seth D. Mingus, and Michael L. Sutherland.

Absent: None.

Mayor Kahl explained that the City Council is meeting for a Working Session and that no formal business will be conducted by the City Council at the meeting. He explained that the purpose of the meeting is to have a Working Session regarding 2020-2021 City Budget Planning discussion. He explained that the focus will be on the operating budget this evening with the capital being focused on at the next meeting, and there is still some work to do on the budget with additional numbers coming in the future.

Mayor Kahl turned the discussion over to Mr. Roberts, Harbormaster at EastPort Marina. Mr. Roberts explained that there was a handout in front of the city council with his budget proposal. He explained that this past year's revenues were good and if you look at it with the previous year's revenues those numbers average out to a relatively normal year. The numbers in his proposal are flat. He explained that he and his staff are constantly remodeling the facility. The entire seawall is being replaced with monies from an insurance claim caused by a weather event. Last winter, the men's bathroom was remodeled. Itv3 will be providing internet access that increased the band width. Another big change has been him taking over the service department instead of outsourcing those services. This service department change has provided quality control for the better and provided another income stream. EastPort Marina operates off of revenues as it is an enterprise fund. This year there are costs regarding winterization that was not included last year because this is now being done inhouse by the service department. The inhouse service department now also allows for two additional people available for projects that may come up. Commissioner Mingus asked about slip capacity. Mr. Roberts explained that the capacity is in the 80% range which is normal for the Marina. Mayor Kahl inquired if the lock reconstruction would affect the marina. Mr. Roberts explained that there are out-of-date locks; however, the river level will remain the same and should not affect the Marina levels. Portions of the Illinois River will be closed. The river will be cleaner during this time without the barge traffic that stirs up sediment. He explained that it will not affect the water level in the Marina.

Mayor Kahl inquired if there were any questions from the audience on the Marina budget. There was no response.

Ric Semonski, Supervisor of Public Works, began with vehicle maintenance discussion. There is an increase in wages due to a third mechanic being hired. There is also change in the line item 160 which are tools for the vehicle maintenance department. The third mechanic has been handling cars from other departments in the city, including squad cars and fire trucks. The other departments that are having vehicles fixed at Public Works are covering the costs of the parts needed for repair. The labor costs will stay in the Vehicle Maintenance Department budget. Supervisor Semonski presented the proposed solid waste budget. Wages in solid waste have stayed flat. A little more expense is anticipated in recycling and will be topic of discussion for those fees versus solid waste fees, as there has been an increase in recycling costs. The previous City Administrator shifted the recycling fees to the general fund rather than coming out of the property taxes. Supervisor Semonski explained that recycling costs will continue to increase as will the costs of solid waste; however, recycling is anticipated to continue to increase more substantially. Commissioner Sutherland is interested in becoming more educated on the recycling and solid waste fees. Commissioner Sutherland commented on the city and how other communities do recycling and solid waste pick-up. He feels that we should look at possible changes or alternatives for garbage waste and recycling pick up. Mayor Kahl commented on RouteSmart software and what the return on investment is on the software. Supervisor Semonski feels that there is some benefit but that he is unsure if the city is getting its monies worth. He feels the city should look at the software and whether to continue with it in light of the cost benefit analysis. Commissioner Decker commented on the garbage pickup and the amount that residents will need to pay if the city would outsource garbage and the city would not need to worry about toters if garbage is outsourced.

Commissioner Decker feels that the city should look at the costs of outsourcing waste pickup to determine how to proceed forward. The city currently picks up approximately 8,000 households' garbage. Commissioner Mingus commented on other community's garbage pickup and the additional options for pickup those communities have.

Mr. Semonski next discussed the Street budget. Wages are up slightly. He is anticipating engineering fees; however, if the Public Works Director that is hired is an engineer then those fees may go down. Blades in the plow fleet need to be replaced and the expenses in the budget also includes motors and spinners that are on the back of the plow trucks. The carbine blades have been a cost savings to the city. There are eight plow trucks in the fleet that range in years from 2005 through 2019.

Cord Crisler, Supervisor of Water and Wastewater, presented the Water and Wastewater budgets. He explained that he tried to do reductions so that they could have more money for capital expenses. The departments tried to decrease travel and maintenance as well as overtime expenses. Contractual services costs are up due to inspection fees. Other line items have been shifted to have more accountability and to assure proper allocation of monies. Mayor Kahl commented on fleet fuel cards revisiting the fuel card process. He explained that there may be changes to have more accountability. There was a discussion about the city fuel tanks.

Mayor Kahl asked whether anyone in the audience had comments on the Public Works proposed budget.

Don Norbits came up to the podium and inquired as to a 196% increase in dues, subscriptions and publications. Supervisor Crisler explained that the increase is due to railroad fees and it is being moved from another line item. Mr. Norbits inquired about the travel, training and meeting expense decreases. Supervisor Crisler explained that some of the travel and training was reduced for the Public Works Director that is currently vacant. Mr. Norbits commented on the recycling and solid waste fees. He feels that the solid waste and recycling may not be as cost effective. Peoria Heights has begun charging a fee for garbage and recycling. The other benefit of outsourcing solid waste pickup could be getting garbage, recycling, and yard waste pickup. He commented on Peoria placing the fees on the real estate taxes as they had trouble collecting the fees.

City Clerk, Morgan Cadwalader, presented the city clerk budget that is relatively flat from last year.

Director of Finance, Jeff Becker, commented on the Accounts and Finance budget. The City Administrator has been removed from the budget and an additional human resources person has been budgeted for. Insurance has increased due to health insurance utilization by an estimated \$500,000. Cable television has been put back to what it initially was in previous years. He discussed the proposed budgets for the bond fund, municipal audit, and the water/sewer fund. Workers' compensation is estimated to be up and is budgeted at \$215,000 over last year. He presented the Marina debt service fund budget. He explained that the Camp Street TIF and West Washington Street TIF proposed budgets include legal fees, engineer fees, and bond debt. Gaming revenue is estimated to decrease by \$300,000 from last year. The Early Retirement Incentive is estimated to be paid off in 2023. Commissioner Decker commented on liking having a fulltime mayor who is accountable to the taxpayers and he feels that it is money well spent. Mayor Kahl explained that he is confident for the next few weeks in preparing the budget and thanked the efforts of those who have worked on the budget. There is an estimated \$1.1 million deficit based on the revenues going down and increased expenses.

Mayor Kahl asked whether anyone in the audience had comments on the City Clerk and Accounts and Finance proposed budgets. There was no response.

Director of Tourism and Special Events, Doug McCarty presented the proposed EastSide Centre budget. There have been memberships lost to other facilities, concessions costs being flat, and the budget is flat overall. Youth organizations and the schools do not pay for use and the monies are made through concession sales at those events. Commissioner Decker commented on Director McCarty trying to keep EastSide competitive. Commissioner Decker would like to do what we can to make EastSide available to residents and to prevent groups from going elsewhere. He thanked Director McCarty and staff for their work. He explained that he would like to see a plan for the future of EastSide and explained that it is a lot to ask and see what the city can gain from the plan. Director McCarty explained that the budget estimates are based upon the weather. He discussed expenses being relatively flat. Cleaning expenses are increased due to EastSide paying more for those services. He commented on minimum wages going up and increases in the part-time wages line item that may result in concessions prices

going up to account for those costs. He commented on the backhoe loan that is shared with the school and park district. This is the last year on that loan and it is set to be paid completely. He commented on the hotel/motel tax and the numbers surpassing those expected from those this year. The estimated hotel/motel revenues do not include revenue from the new hotel to be completed. Revenues are pretty flat overall with expenses being increased due to minimum wage. There was a discussion on IDOT rights of way maintenance which only occurs twice a year by IDOT. IDOT has agreed to allow the city to maintain those portions. The other taxing bodies are also agreeing to work together to clean up the community.

Mayor Kahl asked whether anyone in the audience had comments on the EastSide Centre and Tourism and Special Events proposed budgets.

Don Norbits came up to the podium to inquire as to whether hotel/motel tax funds are city funds or go toward EastSide Centre and Tourism; whether EastSide Centre and Tourism are separate departments with separate employees; and whether maintenance of the city is also the responsibility of Public Works. Director McCarty explained that the hotel/motel funds are city funds the department and employees are not separate. Mayor Kahl explained that the city is discussing maintaining more from IDOT maintenance and that Public Works does take care of some of the maintenance responsibility.

With no further comments from the audience, Fire Chief Knapp came up to present the Fire and ESDA budgets. He presented the ESDA budget that is relatively flat this year. ESDA has a project to replace tornado sirens. He explained that they will be using an automated notification system for the tornado siren. He presented the proposed Fire Budget. The Fire budget is relatively flat. There is an increase in wages due in part to retirements that have payouts. There is also an increase to the starting wages for Firefighters to ensure that the city is competitive with other communities. He commented on overtime and the three additional firefighters to save on overtime costs. Mayor Kahl feels that the temporary increase was a good decision as it has saved money in overtime expenses. Chief Knapp explained that training is a large expense due to the needs of keeping trained firefighters and that training dollars are dollars well spent. Mayor Kahl commented on raising ambulance fees after not keeping up on increases in those fees in the past.

Mayor Kahl asked for comments from the audience on the proposed Fire and ESDA budgets. There was no response.

Chief of Police Steve Roegge, Deputy Chief of Police Rich Brodrick and Mallory Burmeister came up to present the proposed Police Department budget. Chief Roegge thanked DC Brodrick and Ms. Burmeister. DC Brodrick explained that there is a decrease in salary due to higher paid individuals leaving and being replaced with lower paid individuals. There will be four sworn new probationary police officers anticipated to be sworn in by the end of the month to bring the Police Department up to fully hired staff. There is an added position of receptionist that would handle the counter business in the clerical wages line item of the proposed budget. Chief Roegge commented on expungements due to state laws changes and that the city is getting up to date on those expungements. Commissioner Sutherland inquired about the cannabis revenues and whether those could be used toward those expungement costs. Mayor Kahl explained that the cannabis revenues are not budgeted because the city does not know how much those revenues will be. Expungements are a one-time cost. There was a discussion regarding body cameras and the expenses of the body cameras. Chief Roegge commended his records clerks on their work. Commissioner Mingus inquired about the dispatcher fees and whether this saved money to the city. Mayor Kahl explained that he would be hard pressed to see that the city saved money. Everyone now has to pay their fair share for the dispatch costs which some smaller communities may not have been doing in the past. Animal control has remained flat and contractual service fees are estimated to increase due to moving around line items to ensure proper allocation of money. There was a discussion on mobile training units that are consolidating and budgets being cut which has resulted in classes being cut. Chief Roegge commented on having to pay up front for new officer training in hopes of being reimbursed; however, there is no guarantee that the city will be reimbursed those costs. He has been in contact with state Senators and Representatives to find alternative revenue sources. The city is will likely need to look outside of the area for training which will increase the training costs for travel and hotel expenses. Mayor Kahl asked the Chief to send information about the funding issue so that the elected officials can contact state legislators. There is a decrease in the maintenance and repair of buildings based on the projects this expected in the next fiscal year and a decrease in maintenance and repair of vehicles due to the repairs being done inhouse. However, there is an increase in ISP fingerprinting due to increased fingerprinting for business license holders and others and an increase in operating supplies. Commissioner Decker

inquired about the overtime, and the Mayor explained that he is estimating a decrease in overtime due to the Police Department being fully staffed.

Mayor Kahl asked whether anyone in the audience had comments on the Police proposed budgets. There was no response.

Director of Planning and Community Development, Ty Livingston, and Director of Buildings and Inspections, Robert Cole, came up to the podium to present the proposed Planning and Community Development and Buildings and Maintenance budget. Dues, subscriptions and publications are estimated to be up by 25% due to meeting notices and publication fees for legal advertisements. Geographic Information System (GIS) expenses is estimated to be up 50% due to bringing in a contractor to do more GIS work. He asked the council's perspective on the farmer's market as it has continued to struggle. Mayor Kahl inquired as to whether the city continues the Farmer's Market in the future. Director Livingston explained that it is a great way to bring the community together. There was a discussion about having a challenge to get more farmers to the market. Commissioner Hill is in favor of the Farmer's Market to bring people to the promenade. There was a discussion about the increase in expenses due to costs of entertainment. Director Livingston explained that there needs to be work on some sidewalks due to their condition. He commented on a community branding initiative that will likely need wayfinding signs and other expenses and permitting software that is being looked into and the expense will be needed for it. Mayor Kahl asked about changes to the vacant and foreclosed property registration. Director Livingston explained that they are looking into some changes and the city is estimated to receive \$27,000 to \$30,000 for revenues from the vacant and foreclosed property registration program.

Director Cole presented the Buildings and Maintenance budgets. He commented on revenues and fees from the department, including permit fees, electrical aggregation, code enforcement receipts, and trying to get liens paid. He presented Public Property expenses that include an increase with having positions fully filled. He commented on taking care of around 40 buildings and thanked his staff of two for the work they do. He commented on part-time wages and eliminating one fulltime code enforcement official. Contractual fees included an increase due to an increase in the cleaning services contract. Director Cole commented on estimated decrease in training with an increase in dues and subscriptions for new code books. The department is requesting a new vehicle for the HVAC tech because of the repair costs for the current vehicle. He commented on demolition expenses and potential future expenses. Director Livingston commented on getting properties repaired or getting a new owner being the best outcome. Director Cole explained that there is an upgrade to the fuel pumps and a new fuel card policy that should help with maintenance of vehicles. He commented on the building construction and improvements line item that is for improvements and several projects throughout the city.

Mayor Kahl asked whether anyone in the audience had comments on the proposed Planning and Community Development and Buildings and Maintenance budgets. There was no response.

There was a discussion about increases in contractual services in Information Technology due to no longer having IT personnel on staff. There are also savings due to decreased benefit expenses. Mayor Kahl asked the City Council to go through the operational budget and make any recommendations.

Mayor Kahl asked if there was anyone in the audience who wished to make comments. There was no response.

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

Yeas: Commissioners Decker, Hill, Mingus, and Sutherland and Mayor Kahl.

Nays: None.

Mayor Kahl declared the motion carried and the meeting adjourned at 6:55 P.M.

/s/ Morgan R. Cadwalader

Morgan R. Cadwalader, City Clerk