

MINUTES
WORKING SESSION
CITY COUNCIL
COUNCIL CHAMBERS IN THE CIVIC COMPLEX
401 WEST WASHINGTON STREET
EAST PEORIA, ILLINOIS

February 8, 2022

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. The City Clerk certifies that notice of the meeting was duly served upon Council Members via email on Tuesday, February 1, 2022, at approximately 7:00 p.m.

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

Mayor Kahl explained that that the meeting topic is regarding the Fiscal Year 2022-2023 Budget Planning discussion. He further explained that no final action would take place at the meeting. Mayor Kahl turned the discussion over to Director of Finance Jeff Becker.

Director Becker explained the Budget calendar for the year. He commented on Marina Budget that includes an increase in pool fees and needed capital expenses for the Marina. He explained that there would be proposals on the capital expenses coming forward in a future meeting. Mayor Kahl thanked Director Becker, Robert Cole and his department, and Marina staff for their efforts at the Marina. The Marina will be opened fully operational as in years past. The business will be conducted differently which will be positive changes. There is a responsibility to maintain and make repairs at the Marina. There have been repairs that have been tackled in the last few months at the Marina. There will be discussion about the plan for the next boating session in the future to ensure that it is ready and everyone is on the same page. Mayor Kahl also commended Mike Johnson, Jason Payne and the Marina staff for their help at the Marina.

Director Becker invited Public Works up to the present the proposed Public Works budgets. Ric Semonski, Garbage and Recycling/Street Supervisor explained that he would present four budgets. The first budget he presented was the proposed vehicle maintenance budget. He explained that overtime is down. However, it is difficult to anticipate the amount of overtime due to unforeseen events that can happen. He also does not know where overtime will end up for the current fiscal year due to the snow event. Overall, the anticipated budget is only a couple of thousand dollars over on the budget. The next budget that he will discuss is the Solid Waste Budget. The wages are under in the solid waste and this attributable to new workers starting and transferring people around. He explained that Other Operating Expenses line item is proposed to increase next year to replace mechanical arms on trucks in Solid Waste. The other increases in other operating expenses are for software and electronics to upgrade those items in the trucks.

Next budget the Supervisor Semonski discussed was the Street and Bridge Fund proposed budget. The first large increase is to the engineering fees for capital projects that will take place this summer.

The next proposed increase is for travel and training employees on the vector equipment. Next, he discussed the motor fuel expenses the takes into account an increase for the cost of fuel. Operating expenses are proposed to increase for the purchase of a plow truck and street sweeper. The Street Paving and Resurfacing line item in proposed to increase for the Highview Road project for concrete construction repairs and engineering. The requested line item for streets is much more than the previous budget. Some of these items were deferred from previous years because they were not completed. The last budget Supervisor Semonski presented is Motor Fuel Tax ("MFT") budget. MFT is a monthly allotment received from the state. It is anticipated is used for street projects for next year. It estimated that street projects will be around \$2,000,000 including the Highview Road project. Supervisor Semonski discussed potential projects for the next year.

Commissioner Sutherland entered the meeting at 4:15 pm.

Water and Wastewater Superintendent, Cord Crisler, began discussion on the Water & Sewer fund proposed budget. There are proposed adjustments that relate to the maintenance repair bill on parking lot repairs for facilities. There is a proposal for meter inventory replenishment and repairs. There is planned utility main repairs for the next year. There is also an increase for proposed purchase of equipment and tools. There is also a proposal to purchase a replacement of dump truck for service line replacements. There are also EPA requirements that are coming down the pipeline that are anticipated to result in more costs. He explained that there are proposed request for budget items include wastewater treatment plant upgrade project, updated technology, and water main construction and costs of water main projects along Kerfoot. There are also proposed requests for upgrades on lift stations and sewer construction.

Doug McCarty, Tourism and Special Events Director, presented the EastSide Centre and Tourism budgets. He began with the presenting the proposed EastSide Centre budget. He explained that revenues are anticipated to be up a little due to concessions increases. Reimbursement is down a little due to the backhoe that was shared with East Peoria School District Number 86 and the Fon du Lac Park District being paid off. The EastSide Administrative proposed budget that includes costs on the building itself was presented. The grounds manager position is proposed to be back in the budget. There is a proposed decrease in the part-time employee pay and an increase in the fulltime pay to make certain positions fulltime. There are a lot of reductions in part time and increases in fulltime due to reorganizing positions. Director McCarty presented the proposed Fitness Center budget. Parttime wages are down in the proposed budget; otherwise, the Fitness Centre proposed budget remains flat. There is a big reduction due to the credit card charges going into the concessions budget. Projections for the current year fiscal year budget are off due to the seasonality of EastSide Centre. Director McCarty presented the Outside Operations proposed budget. There is a reduction in a part-time position that reduced the salaries and wages in that proposed budget. Additionally, the backhoe loan and interest go away as that loan is paid. Revenue is up a bit, and the expenses are somewhat flat.

Director McCarty presented the proposed Hotel/Motel budget. He explained that the estimated \$750,000 for hotel/motel tax is increase and is a more conservative estimate; however, the indications are that hotel/motel tax revenues may be more. The projections for Winter Wonderland are at \$275,000 and are estimated to stay the same as the current fiscal year. The Sponsorships for the Festival of Lights are up this year. Overall, there is anticipated to be an increase in hotel/motel revenues, changes to put fulltime in and reduce the part-time salaries, and hotel/motel proposed expenses are relatively flat. The capital expenditure numbers will be discussed at a future meeting. There is a proposed

Working Session next week for renovation plans for Eastside Centre. Director McCarty feels that there is a need to set aside funds to maintain park spaces and other items.

Deputy Fire Chief Bobby Zimmerman presented the Fire and ESDA budgets. He began with presented the proposed ESDA budget that remains flat with no changes. There is a siren to be replaced in the ESDA budget. DC Zimmerman presented the proposed Fire budget. Proposed Revenue changes is the largest that takes into account the GMT which is a federal program that has increased revenues. Under the program, if there is a difference in costs, then they supplement the offsets of the costs. The reimbursements go up and down a little based on the GMT funding. On expenses, the salaries is a 2% increase and an overall 1% increase. DC Zimmerman explained that by having younger employees the salary line item is less overall. The overtime line item is a trending number and is estimated. Everything else stayed the same. He explained that the Fire Department is seeking to send fire recruits to the Peoria Academy if it is available to save money overall. The other big increase is the IT portion for an intergovernmental agreement that will come to the revenue side to save around \$1,100 to \$1,300. The other increases are for updated equipment. There is a proposed increase motor fuel costs. For the current fiscal year, there is a \$45,000 decrease is based on a discrepancy on who was using the fuel pump that will be adjusted to increase the Police motor fuel based upon the discrepancy. Medical has increased. There will be a proposed purchase for a used ladder truck that will be discussed in the capital budget presentation at a future meeting. The final increase is in medical billing. If this line item goes up, it means that there is more revenue.

Police budget beginning on page 8. Deputy Chiefs of Police David Horn and Ryan Billingsley presented the proposed Police Budget. He discussed the expenses. The largest in salaries that is an increase for retiree payouts and estimated backpay for the contractual arbitration that is ongoing. The backpay was budgeted the last two years and it is the best estimate as the decision has not been completed. Grant overtime has increased due to money received from the State that is reimbursed from the Illinois Department of Transportation. There is also an increase in salaries due to restructuring administrative staff as Department is separating the administrative position with the records supervisor. There is also a proposed increase for overtime due to estimated expenses. Animal control costs will remain the same. The proposed Contractual Services budgeted line item is for TC3, policies, and pest control. Office supplies is proposed to increase by 6%. There is also an increase in MFT expenses. Operating equipment is proposed to increase for the outfitting of cars and the yearly taser fee. Proposed capital expenses will be discussed at a future budget planning meeting. K-9 expenses has increased is for veterinary care, drugs, and other expense for a K-9 for the Department. Director Becker explained that cannabis revenue tax is for training. These cannabis revenue tax training funds are limited in how they can be spent.

Planning and Community Development Director Ty Livingston presented the proposed Planning and Community Development budget. Director Livingston gave an overview of the Planning and Community Development department explained that the East Peoria Housing Authority has moved out and are no longer city employees. He explained that the proposed budget for consulting fees is for a project on Camp and Riverside Drive. Director Livingston indicated that next year aerial photography is like to be proposed to paid over fiscal years instead of in just one year. One proposed expenditure is for comprehensive planning for the City as an update has not happened for around 20 years. Newer comprehensive plans have pictures and plans for infrastructure within the plan. The comprehensive plan entails goals for the community and include strategies that are geared toward those specific goals for the community. He explained that there are grants out there for comprehensive plans and it is

estimated to budget around \$40,000 with the costs being able to be spread out over two years. Mayor Kahl expressed the importance of a comprehensive plan to a community. Transportation is a piece that can included and updated and the comprehensive plan is often used for future land use planning

Director of Buildings and Inspections Robert Cole presented the proposed Buildings, Inspection, and Maintenance budgets. He commented on revenues, including building permits. Part time wages is proposed to increase for a part-time seasonal person for maintaining parks for the City. The additional help can add more detail and help Director McCarty out with other areas in the city. Motor Fuel tax will is anticipated to offset mowing and is proposed to increase fuel costs.

Mayor Kahl commented on working pre-pandemic on including a two-man crew and coordinating efforts with IDOT. He explained that areas of responsibility need to be discussed and sorted out. Eastport Marina, Riverfront Park, Levee Park, and pedestrian spine are areas that are the City responsibility for maintenance. If the City going to implement it, we need to know who will be responsible for areas. There was a discussion about the potential need and whether one part-time position is enough.

Director Livingston commented on the Camp Street TIF and West Washington Street TIF. He explained that Flaherty and Collins is anticipated to closed on the property. There are also other expenses such specialty striping and other things that must be maintained at Bass Pro. Capital expenses will be discussed separately at a future budget planning meeting.

The City Clerk presented the proposed City Clerk budget for the upcoming fiscal year which is relatively flat.

Director Becker commented on the proposed City administration budget, Accounts and finance budget, and Fire and Police Commission budget. He explained that there is estimated to be a reduction in the group insurance due to better utilization rates. There is estimated to be a revenue sharing increase due to increase in sales tax received. There is an estimated reduction in state use tax and an estimated increase in sales tax due to changes in how online purchases are taxed.

Director Becker presented the information technology proposed budget. The budget includes repair parts and network equipment as switches have reached end of life. He explained that the Fire and Police Pension Fund budgets are anticipated to be decreased by 5% on the Fire Pension and 3% on Police Pension due to funding and the pension funds being healthier than at any time since he has been with the City. Director Becker commented on the proposed Bond Fund budget there is only one bond and the SSA payment that in there and as the SSA payments come in those balance each other. There is a reduction for street lighting due to more efficient street lighting upgrades completed in the City. He discussed the proposed social security, workers compensation, and unemployment insurance.

He commented on the Marina Debt service which the bonds are paid off. Money is transferred to the Riverboat gaming and twenty percent is dispersed to other taxing bodies. He commented on the proposed camp Street TIF that includes engineering fees for intersection by the Office Max. West Washington Street has engineering for a street project with a West Camp Street project.

Director Becker commented on the rebound for Riverboat Gaming shown as an increase that was more than anticipated. He also explained that the Early Retirement Incentive will now be paid in full.

Mayor Kahl thanked everyone and explained that the next meeting is scheduled for revenues and capital expenses discussion for another budget planning working session.

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Mayor Kahl asked for any comments from the audience.

Don Norbits inquired as to whether there was a personnel table. Director Becker explained that there is one that needs to be updated.

Mayor Kahl asked for any additional comments from the audience. There was no response.

Mayor Kahl asked for comments from the City Council.

Commissioners and Mayor Kahl thanked the department heads for coming together and their efforts on the budget planning. Mayor Kahl expressed excitement in the future capital discussion as many capital expenditures have been deferred for many reasons.

Motion by Commissioner Mingus, 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 5:15 P.M.

/s/ Morgan R. Cadwalader

Morgan R. Cadwalader, City Clerk