
**PROCEEDINGS OF THE BUDGET WORK SESSION
OF THE CITY COUNCIL OF THE CITY OF PEKIN, ILLINOIS,
CITY HALL COUNCIL CHAMBERS
111 SOUTH CAPITOL STREET
PEKIN, ILLINOIS 61554
ON THURSDAY, NOVEMBER 3, 2016 AT 5:00 O'CLOCK P.M.
JOHN MCCABE, MAYOR PRESIDING**

PRESENT: COUNCIL MEMBERS, ORRICK, RITCHASON, ABEL, DUNN, AND MCCABE

ABSENT: COUNCIL MEMBER GOLDEN AND LUFT

Notice of a special City Council Budget Work Session was properly posted and received by the Council on October 28, 2016 for the purpose of holding work session #2 to discuss the Levy Ordinance and the FY17 Budget.

The **Pledge of Allegiance** was led Mayor McCabe.

Roll was called and Council Members were physically present except Council Member Golden and Luft. A quorum was declared.

AGENDA

Motion by Council Member Abel, seconded by Council Member Ritchason that the agenda be approved as presented. On roll call vote all present voted Aye.

COMMUNICATIONS, PETITIONS, REPORTS

Levy and Budget FY17 Work Session #2

Mayor McCabe advised the Council that the members and the staff would be continuing the work started last week at the first work session and turned the presentation over to the Interim City Manager Sarah Newcomb. She informed those present at this work session there would be concentration on the Levy side of questions, comments and discussion. She stated that the levy needed to be in draft form for the new manager's arrival to present to the Council and adopt at the Council Meeting of December 12, 2016 in order to file by statutes the last Tuesday in December. Discussion began on the estimated expenses for FY17-18 budget, which included 4 Teamster Contracts, and summary of fund statuses. Together the 2 reports provided preliminary information to help make the decision on the property tax levy. She asked Council to keep in mind the tax levy revenues was only income for the General Fund and limited Enterprise Funds. Focus would be on those expenses. Questions were received from Council Members on expenses included in the budget that were recommended in the Efficiency Study such as additional personnel. Discussion followed on the department charts provided that described the department's revenue sources and financial impact.

- Code Enforcement
- Public Works – projects cut year after year; delays and postponing make projects cost more.
- Storm Water fees based – inequities of putting expense in levy.
- Solid Waste – included increase fee; City provided cheaper but cannot provide free; need to look at service levels of garbage, yard waste, recycling.
- Borrowing for capital improvements was an option.
- Funding pensions

Ms Newcomb stated the Council had four main sections of revenue to review for consideration in the 2016 levy decision:

Levy increase

Storm Water fee implementation

Solid Waste fee increase

Sales tax proposal

In closing Mayor McCabe thanked the staff for information provided in the 2 work sessions. He reminded Council that they asked for a working budget before action was taken on a levy. He felt it important to be ready to make tough decision in being fiscal responsible. He encouraged the Council to review the information and to set time to sit down with Ms. Newcomb, get questions answered, and provide their individual preference in the 4 options proposed to arrive at a levy decisions,

No action was taken.

No further business to come before the Council, motion was made by Council Member Abel, seconded by Council Member Orrick to adjourn. Motion carried viva voce. Mayor McCabe adjourned the meeting.

COUNCIL ADJOURNED AT 6:25 P.M.

Sue E. McMillan
City Clerk