
**PROCEEDINGS OF A SPECIAL BUDGET WORK SESSION MEETING
OF THE CITY COUNCIL OF THE CITY OF PEKIN, ILLINOIS,
HELD IN THE COUNCIL CHAMBERS OF CITY HALL
111 SOUTH CAPITOL STREET
ON MONDAY, FEBRUARY 7, 2011 AT 5:30 O'CLOCK P.M.
RUSTY L. DUNN, MAYOR PRESIDING**

PRESENT: COUNCIL MEMBERS, ABEL, BLANCHARD, BARRA, SCHMIDGALL STRAND AND DUNN

ABSENT: KORTKAMP

Council set a work session to discuss the FY 2012 Budget at the meeting of January 24, 2011. Notice was properly posted and Council received notice of the special meeting on Wednesday, January 26, 2011.

The **Pledge of Allegiance** was led by Mayor Dunn.

Roll was called and all Council Members were present except Council Member Kortkamp.

AGENDA

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

NEW BUSINESS

FY2012 BUDGET

Mayor Dunn stated the purpose of the work session was to discuss jointly with staff the expenditures of the departments in order to arrive at a budget to present for Public Hearing at a later date. He then gave the floor to Interim City Manager Frank Mackaman. Mr. Mackaman introduced discussion to take place at the expenditure based exercise. He asked that Council allow staff the chance to respond to questions or concerns before making cuts. He began displaying the deficit figure of \$933,905.00 provided in November, 2010, and asked Council to review discretionary items in the 25 page budget summary that listed expenses over \$2,500 as obligated, mandatory, or discretionary.

Council and staff questioned the \$2,000,000 set aside for Pekin Economic Development Investment Fund (PEDIF) as to its source and if it was already included in the budget figure. Through the exercise Council eliminated approximately \$364,000 of expense. Because of the uncertainty of the use as reserves of the PEDIF line item, the manager agreed to provide a report with updated figures on revenues and expenses at the next meeting.

City Treasurer James Wolf stated that the issue of economic recovery would not save the continued deficit budgeting. The Council would need to move forward with some type of revenue generator.

Council took no formal action.

No further business to come before the Council Mayor Dunn adjourned the meeting.

COUNCIL ADJOURNED AT 8:35 P.M.

Sue E. McMillan
City Clerk