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PROCEEDINGS OF THE REGULAR 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, JANUARY 25, 2016 AT 5:30 O'CLOCK P.M.
JOHN H. MCCABE * MAYOR * PRESIDING

PRESENT: COUNCIL MEMBERS, GOLDEN, DUNN, ORRICK, ABEL, RITCHASON, LUFT, AND MCCABE
ABSENT: NONE

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

Roll was called. All members were physically present. A quorum was declared.

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

MINUTES
Motion by Council Member Orrick, seconded by Council Member Abel that the **minutes of the Regular City Council Meeting of January 11, 2016 and the Special Council Meeting of January 19, 2016 be approved as written.** On roll call vote all present voted Aye.

PUBLIC INPUT
The following addressed the Council in support of the $5,000 funding for the Academy of fine Arts. Each person presented testimony of their experiences, opportunities offered, use of the venue, or involvement at the Speakeasy Art Center and the benefits of having such a unique facility in Pekin.

Teresa Mack	Bailey Haynes	Linda Seth	Shane Hawkins
Susan Carson	Erica Ziegenbein	Loni Wenzel	Bob Killion
Amy Psinas	David Laux	Winston Dunbar	Kyra Muth
Isabelle Janssen			

Ann Witzig spoke against funding March Madness Event without proof of additional hotel guests during the event period. She expressed concern in contributing to the Academy of Fine Arts. She felt it was not good business if you needed to ask for money. Mrs. Witzig expressed no confidence in the audit and felt it was not the whole truth about the finances of the City. She expressed concern that there was an expense for the purchase of an office chair for over $700.00.
Bob Bramham asked the Council to make a decision on the City Manager's continued employment in open session. He was not supportive of the contribution to the IHSA for a Peoria event in that there was no proof of tourism dollars coming to Pekin. He asked Council to table the vote for the Pekin Academy of Fine Arts until the people had the chance by viewing the Council document packet, to weigh in on the decision. He agreed with Mrs. Witzig that Council was not presented with a true audit of city spending.
Sally Johnson spoke in opposition to the payment to the IHSA March Madness Event. She indicated she had never heard of the Speakeasy. She echoed Mr. Branham's request to discuss and vote on the City Manager performance in open session.
Jim Mangan read from a prepared statement of his comments regarding the purpose of the Hotel/Motel Tax Fund and without proof of stays in Pekin for the March Madness Event. He stated financial benefits were just speculation.

CONSENT AGENDA
Motion by Council Member Luft, seconded by Council Member Orrick that the **CONSENT AGENDA be approved as presented.**
The following was read and presented by Mayor McCabe for consideration of the Consent Agenda items by Omnibus Vote.

7.1 Receive and File Monthly Reports and Minutes: Tazewell County Animal Control December Report; Building Department Reports Inspections & Zoning November 2015 and December 2015; and Fire Department December 2015 Report.
7.2 Resolution No. 16-15/16 – Mayor's appointment of L. Ray Gordon to the Mayor's Advisory Committee for Persons with Disabilities to fill a vacancy until the first Monday in May 2017.
7.3 Proclamation: "Dr. Martin Luther King Jr. Day" January 18, 2016
7.4 Receive and File: Pekin Zoning Board of Appeals Minutes August 19, 2015 and January 13, 2016.
7.5 Receive and File: Pekin Planning Commission Minutes January 13, 2016
7.6 Receive and File: Pekin Planning Commission Recommendations and Hearings: Hearing #1 - 04-1899 – recommendation to re-zone certain property located at 1502 Sheridan Road PIN 04-04-35-215-025 from B-1 (Local Business District) to B-3 (General Business District) submitted by Hauter Brothers

On roll call vote, all present voted Aye.

COMMUNICATIONS, PETITIONS, REPORTS

PRESENTATION CITY OF PEKIN ANNUAL FINANCIAL STATEMENTS
PREPARED BY WILLOCK WARNING & CO., P.C.
FOR THE YEAR ENDED APRIL 30, 2015

The Annual Financial Statements was received and filed with Council at the meeting of January 11, 2016. Auditor Jim Warning emphasized governmental accounting had differences with traditional business accounting. He had provided to the Council in advance of the meeting, an outline and summary of selected financial information of the City for the fiscal year ended April 30, 2015 that he wished to explain to aid in the Council's understanding of dollar amounts and balances found in the Audit. Mr. Warning presented highlighted information from the audit schedules and commented on Balance Sheet Items; Revenue and Expenditure Items; Schedule of Activities-Core Government Services; Schedule of Personnel Cost/Health Insurance Charges; Solid Waste Fund; and Sewerage Fund to aid in Council's understanding of the City's financial position.

- Sales Tax 50% of total revenue
- Personnel 72% of core government cost
- Receivables not much difference of previous 5 year comparison

Solid Waste and Sewerage Funds most concerning

- Solid Waste Fund operating activities resulted in cash deficit of $724,000 that is absorbed by the general fund
- Last scheduled user rate increase will end April 30, 2016
- Annual debt service at least $2,933,000 beginning FY2017-2033
- Operating expense #5 annually

Using his own wastewater service fee bill for comparison, Mr. Warning noted areas that could be addressed:

- Service fees
- Late penalties
- Additional cash – discontinue abatement of real estate taxes and/or winter averaging

Mr. Warning expressed concern that council address deficits or the City would have serious cash problems in the future. In summary Mr. Warning stated doing nothing was not an option. He encouraged the Council to work with staff on noted concerns. Mr. Warning answered Council's questions and responded to Council's comments:

NEW BUSINESS

<u>ORDINANCE NO. 1568-A203-15/16</u>
PROVIDNING FOR THE REZONING OF CERTAIN PROPERTY
PIN 04-04-035-215-025
1502 SHERIDAN ROAD

Motion by Council Member Abel, seconded by Council Member Dunn that **Ordinance No. 1568-A203-15/16 be adopted.** Code Enforcement Officer Ron Sieh presented to the Council the recommendation of the Pekin Planning Commission to re-zone property located at 1502 Sheridan Road from B-1 (Local Business District) to B-3 (General Business District). Council was advised that the owners Hauter Brothers requested the change for 1 parcel to allow for more opportunities to lease space in the existing building with less restrictive regulations. Council Member Golden questioned the reference of the notice of hearing being published in Tazewell County not the Journal Star located in Peoria County. On roll call vote all present voted Aye.

Motion by Council Member Dunn, seconded by Council Member Abel that **$5,000.00 from Hotel/Motel Tax Fund for sponsorship of 2016 March Madness Event be approved.** Leigh Ann Brown, Tourism Director presented the Council with the request from the event steering committee for regional sponsorship of $5,000.00. The reinvestment of the tax dollars from the guests provided for potential additional traffic for the City from IHSA tournament attendees. Council Member Luft, Orrick, Dunn Abel, Ritchason and Mayor McCabe spoke in favor funding the regional partnership. Council Member Golden expressed concern of funding directly from the Hotel/Motel Tax Fund and not as a grant through the Tourism Committee. On roll call vote, Ayes, Dunn, Orrick, Abel, Luft, Ritchason and McCabe; Nay Golden. Motion carried.

Motion by Council Member Luft, seconded by Council Member Abel that **$5,000.00 from Hotel/Motel Tax Fund for support of the Pekin Academy of Fine Arts be approved.** Leigh Ann Brown requested Council's approval to expend the dollars from the Hotel/Motel Tax Fund designed to reinvest in the economic impact adding revenue based on attendees and supporting the importance of arts and cultural events in our community. Council Members Dunn, Orrick, Abel Luft, Ritchason and Mayor McCabe spoke in support of the partnership and the benefits. Council Member Golden expressed concern that parking for the Speakeasy was not compliant with ADA requirements. He was not supportive of funding directly from the Hotel/Motel Tax Fund. On roll call vote, Ayes, Dunn, Orrick, Abel, Luft, Ritchason and McCabe; Nay Golden. Motion carried.

ORDINANCE NO. 2736-15/16

AMENDING DESIGNATING AREA AS AN ENTERPRISE ZONE AND RELATED MATTERS UNDER SECTION 5 OF THE ENTERPRISE ZONE ACT / INTERGOVERNMENTAL AGREEMENT REGARDING AN ENTERPRISE ZONE LOCATED IN SOUTHERN TAZEWELL COUNTY AMENDMENT ADDING TERRITORY

Motion by Council Member Orrick, seconded by Council Member Luft that **Ordinance No. 2736-15/16 be adopted.** Economic Development Director Leigh Ann Brown advised the Council that Pekin, Tazewell County, Morton, and Tremont, the Southern Tazewell Enterprise Zone was certified in January 2016 with the State of Illinois. Boundaries were determined in 2014 based on future economic growth and land use. Since then additional property had interest in potential for commercial projects. The Act required new application to the State DCEO with Council approval to extend the boundaries. Council Member Golden stated the creation of Enterprise Zone was a gimmick for development. Growth would be attracted by a City that was run well. On roll call vote, Ayes, Dunn, Orrick, Abel, Luft, Ritchason and McCabe; Nay Golden. Motion carried.

ANY OTHER BUSINESS TO COME BEFORE THE COUNCIL

Bob Brahman, Sally Johnson, Ann Witzig, Jim Mangan were given the opportunity to expressed to the Council concerns on items other than agenda business.

Teresa Mack and Shannon Cox expressed appreciation for Council's sponsorship of the Academy of Fine Arts, the Speakeasy, and March Madness Event.

Council Member Golden suggested researching the Hotel/Motel Tax Fund for ADA space use.

Council Member Abel requested Council vote on approving the expenditure for A/V equipment.

EXECUTIVE SESSION

Motion by Council Member Golden, seconded by Council Member Ritchason, that the Council move to Executive Session at 8:58 p.m. to discuss 5 ILCS 120/2 (c) (1.) The appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the body and 5 ILCS 120/2 (c) 11. Litigation when the public body finds that an action is probable or imminent. On roll call vote, all present voted Aye. Council reconvened in open session.

No further business to come before the Council, motion by Council Member Orrick that Council adjourn. Motion carried voice vote. Mayor McCabe adjourned the meeting in open session.

COUNCIL ADJOURNED AT 9:32 P.M.

Sarah Newcomb
Deputy City Clerk
Submitted by
Sue E. McMillan
City Clerk