************************************************************************************

**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 14, 2013, AT 5:30 O'CLOCK P.M.**
**LAURIE L. BARRA, MAYOR PRESIDING**

**PRESENT: COUNCIL MEMBERS, ABEL, BLANCHARD, SCHMIDGALL, MASSAGLIA, MCCABE, HENDRICKS, AND BARRA**
**ABSENT: NONE**

***********************************************************************************

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

**Roll** was called and all Council Members were physically present. A quorum was present.

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

**MINUTES**
Motion by Council Member McCabe, seconded by Council Member Blanchard, that the **minutes of the Regular City Council Meeting of December 10, 2012 and the Special Council Meeting of December 17, 2012, be approved as written.** On roll call vote, all present voted Aye.

**CONSENT AGENDA**
Motion by Council Member Schmidgall, seconded by Council Member Abel, that the **CONSENT AGENDA be approved as presented.** Mayor Barra presented the following for consideration of the Consent Agenda items by Omnibus Vote.

| |
|---|
| **7.1 Receive and File Monthly Reports:** Police Department August, September, October, November, December Reports; Liquor Commission December 6, 2012 Minutes; and Traffic Safety Committee December 7, 2012 Minutes. |
| **7.2 Proclamation:** Dr. Martin Luther King Jr. Day January 21, 2013. |
| **7.3 Receive and File** Zoning Board of Appeals Minutes dated December 12, 2012. |
| **7.4 Receive and File** Annual Financial Statements Year Ended April 30, 2012 prepared by Willock Warning & Co., P.C. |

On roll call vote all present voted Aye.

**COMMUNICATIONS, PETITIONS, REPORTS**
James Warning, Willock Warning & Co., P.C., presented an outline to the Council of items he reviewed regarding the City's **FINANCIAL STATEMENTS** for the year ended April 30, 2012. He began with Balance Sheet Items of Assets, Liabilities, Fund-Balances. Cash and investment balances decreased by $4.1 million. He advised of multiple factors related to decreased cash not operational costs, such as proprietary funds and payoff of 2 general obligation bonds. After summarizing Revenue and Expenditure Items for Activities of Core Governmental Services, the report showed general revenues were $21.2 million, down by $600,000 over 2011. State and local sales taxes and use tax had increased but corporate personal property replacement tax and telecommunication tax decreased. Core service costs were $21.6 million. He stated the recession cost the City more but the food and beverage tax made up the revenues lost. Health Insurance costs were examined for the previous 4 years and shown to decline since the years of being self-insured. Mr. Warning advised if the City continued to maintain it current level of services with same amount of personnel, fund balances and reserves would continue to decline or the city needed to find new sources of revenues to fund core service costs.

Mayor Barra noted investment earnings were down related to lower interest rates and local property taxes down as a result of declining property values. It was reported that in addition to the losses, the City opted to eliminate the $200,000 a year generated from the impound ordinance. Council Member Blanchard commented on the dollar amount of outstanding liens and directed staff to review the ordinance to see if there was a more effective means of collecting Code Enforcement property issues.

**NEW BUSINESS**

Motion by Council Member Massaglia, seconded by Council Member Abel, that **TOURISM FUNDS IN THE AMOUNT OF $5,000.00 BE APPROVED FOR 2013 ILLINOIS HIGH SCHOOL ASSOCIATION MARCH MADNESS EXPERIENCE**. Tourism Director Leigh Ann Matthews presented the recommendation of the Tourism Committee to approve a sponsorship for Peoria to host the IHSA Boys State Basketball Tournament. She stated that as a regional player Pekin received additional traffic at restaurants and retailers. Discussion followed with Council questioning the statistics of attendees' stays at Pekin motels. Mayor Barra spoke in support, noting the honor of Pekin High School pep band being invited to participate in the event. On roll call vote, Ayes, Abel, Schmidgall, Massaglia, and Barra; Nays, Blanchard, McCabe, and Hendricks. Motion Carried.

Motion by Council Member Blanchard, seconded by Council Member Massaglia, that **AUTHORIZATION BE APPROVED TO NEGOTIATE THE AGREEMENT WITH NOBLE AMERICAS ENERGY SOLUTIONS, LLC FOR ELECTRIC POWER FOR A 2 YEAR EXTENSION UNTIL DECEMBER 31, 2015.** Assistant City Manager requested staff be authorized to negotiate a modification to the City's current electricity sales and purchase agreement. The extension would also allow a blend to lower the fixed costs by taking advantage of even lower electric market rates. Projected savings were $50,000. Council Member Blanchard questioned if residential customers could take advantage of the savings and was answered not on this larger facilities participation agreement. On roll call vote, all present voted Aye.

**ANY OTHER BUSINESS TO COME BEFORE THE COUNCIL**

Mayor Barra extended condolences from the City to the family of the former Mayor William Waldmeier who served Pekin as Mayor from1966-1979.

Council Member Blanchard questioned the staff on the amount of the City's most recent bond cost. He also asked for explanations regarding wastewater billing issues that citizens had contacted him about.

Council Member Schmidgall stated he had issues with the facts in a recent Pekin Daily Times article regarding the West Campus, including his wrong address as a contact source. He also advised that he would never support the City investing in saving the damaged building. He suggested instead of the Times asking the Council's monetary contribution from the City that the business itself donate and seek others to acquire the $65,000 needed to purchase.

Economic Development Coordinator Leigh Ann Matthews informed the Council and public of the regional economic development efforts. Focus Forward CI would hold meetings on each of the target areas to define ideas and come up with specific target goals. The next full meeting would be February 7, 2013 at 5:00 p.m. at the Riverfront Museum.

Assistant City Manager Darin Girdler advised Council of the preparation status for Budget Hearing Meetings the first and third Mondays in February. Department budge line items were being input in to the Springbrook software program. Scheduling would be set for the department heads to meet with the Manager in the next 2 weeks. He planned to create a uniformed budget report that would be used by Council and Staff during the work sessions.

Gerald Witzig, 11501 Antioch Road, Tremont, asked for an explanation as to his rental property at 415 South 2nd Street not being contained within the new Southside Tax Increment Financing Conservation Area.

Seeing police reports were disseminated within the Consent Agenda of the Council packet, Tim Golden, Pekin, requested monthly fire reports be available to the public.

Ann Witzig, 11501 Antioch Road, Tremont, told Council that her tenants were turn away at outlying service providers intending to pay the property wastewater billing because the number assigned was listed a invalid accounts. She asked for answers to the problems. Mayor Barra was willing to meet with the citizens to correct the matter.

**EXECUTIVE SESSION**
Motion by Council Member Hendricks, seconded by Council Member McCabe, that the Council move to Executive Session at 6:35 p.m. to discuss 65 ILCS 120/2 (c) (5) Purchase of Property. On roll call vote all present voted Aye.

Council returned to open session. No further business to come before the Council, motion by Council Member Hendricks, seconded by Council Member Massaglia to adjourn. Unanimously approved by voice vote.

**COUNCIL ADJOURNED AT 6:45 P.M.**

Sue E. McMillan
City Clerk