

: OFFICIAL PROCEEDINGS :**: OF THE CITY OF PEORIA, ILLINOIS :**

A Special Meeting of the City Council of Peoria, Illinois, was held October 20, 2020, at 6:00 P.M. at City Hall, Council Chambers (Room 400), 419 Fulton Street, with Mayor Ardis presiding, and with proper notice having been posted.

COVID-19 PUBLIC NOTICE

In accordance with Governor JB Pritzker's Executive Order 2020-43 which continues to limit any gatherings of more than 50 people, and Executive Orders 2020-07, 33, 44, 52 and 55 requiring the provision of video, audio or telephonic access to meetings – as well as the CDC recommending social distancing of at least 6 feet between persons, City Hall is implementing changes and restrictions for the Special City Council Meeting on October 20th, 2020 while complying with the Open Meetings Act.

The Council Meeting will be conducted in person with members of the Council and some Staff present in Council Chambers with plexiglass barriers, and with Department Heads in room 404 with the ability to remotely answer questions while maintaining a six-foot distance. Fifteen members of the public will be permitted inside Council Chambers at a time. Temperature screenings are required upon entry to City Hall and face coverings are always required while inside.

Members of the public and media are invited to watch through the live stream, YouTube, Television Channel 22 or through WCBU Radio. Submissions for Public Comment were received through the City Clerk's Office. The agenda, minutes and video podcast of the meeting will be available online through the City website.

ROLL CALL

Roll Call showed the following Council Members were present: Cyr, Grayeb, Jensen, Kelly, Montelongo (Electronic Attendance), Moore, Oyler, Riggerbach, Ruckriegel, Mayor Ardis - 10.
Absent: Ali -1.

ELECTRONIC ATTENDANCE

After having established a quorum, Mayor Ardis said a notice was received from Council Member Montelongo in accordance with the rules established by Ordinance No. 16,142. He said Council Member Montelongo would be authorized to attend the meeting electronically unless a motion objecting to his electronic attendance was made, seconded, and approved by two-thirds of the members of the City Council physically present at the meeting. He said if no such motion was made and seconded, then the request by Council Member Montelongo to attend electronically shall be deemed approved by the City Council and Council Member Montelongo would be declared as present.

Hearing no objection to the request for an electronic attendance, Council Member Montelongo was declared present by Mayor Ardis.

INVOCATION & PLEDGE OF ALLEGIANCE

Mayor Jim Ardis requested a moment of silent prayer or silent reflection and then he led the pledge of allegiance.

PETITIONS, REMONSTRANCES & COMMUNICATIONS – CITY OF PEORIA**(20-264) Communication from the Mayor and Corporation Counsel with a Request to APPROVE the DECLARATION OF LOCAL STATE OF EMERGENCY.**

Council Member Riggerbach moved to approve the Declaration of Local State of Emergency; seconded by Council Member Moore.

Approved by roll call vote.

Yeas: Cyr, Grayeb, Jensen, Kelly, Moore, Oyler, Riggerbach, Ruckriegel,
Mayor Ardis - 9;

Nays: Montelongo - 1.

(20-265) Communication from the City Manager and Finance Director/Comptroller with a Request to RECEIVE and FILE a PRESENTATION and Discussion of the 2021 REVISED ANNUAL BUDGET.

A 2021 Revised Annual Budget – 2021 Budget Revision and Realignment presentation dated October 20, 2020, was distributed to all Council Members.

City Manager Urich presented the 2021 Revised Annual Budget, remarking the 2020 budget had been in a constant state of flux since the onset of the pandemic. He reported an estimated loss of revenue for 2020, in the amount of \$20 million, and a two-year estimate of \$36 million. He said the City was able to take full advantage of the CURES reimbursement that came from the Federal CARES Act through the State of Illinois, in the amount of \$4.7 million. He said the City submitted a request for FEMA Public Assistance reimbursement of eligible expenses, in the amount of \$300,000.00, which was built into the 2021 budget. Additionally, he said the City was granted, and the Council approved, \$1.4 million for the new EDA Revolving Loan Fund, which was included in the 2021 budget. He said the City was in the process of applying for a \$1.4 million Business Interruption Grant through the State of Illinois. He reported the City had already applied for, and was waiting to hear back from, the Illinois Justice Criminal Information Authority on funds through the State's Cannabis Tax. With additional reimbursements, he said it would help to reduce the City's need for a working cash bond. Remarking on the continued increase in COVID cases, he said the City would need to be prepared going into 2021 and would need to review the budget on a regular and reoccurring basis. He said an additional concern that could impact the City's budget would be a lack of another stimulus package or the State balancing its budget on the backs of local government.

City Manager Urich reviewed the key elements of the 2021 Revised Budget: the revised operating plan, the revised capital plan, and the revised debt plan. He said the revisions outlined were based upon the changes made in 2020. He said the Council would need to approve the revised capital plan, which was \$6 million higher than originally anticipated. He said the increase was due to additional Motor Fuel Tax Funds provided by the State and the

expansion of stormwater management projects. He commented on the revised debt plan, which the Council previously supported, that allowed for the City to restructure and refinance some debt in order to provide for \$9 million in savings. He said the City was trying to minimize the working cash it would need to borrow, commenting on the amount of interest that would have to be paid in the out years.

City Manager Urich compared the Revised 2020 Budget total revenues to the 2021 Revised Annual Budget reporting an increase of 8.7%, from \$191.6 million in 2020 to 208.2 million in 2021. He said the increase for 2021 was due to the \$10 million bond, the short-term borrowing the City was using for working cash. He compared the expenses between 2020 and 2021 reporting an increase of 9.7%, from 186.4 million in 2020 to \$204.5 million for 2021. He said the increase in expenses was attributable to capital projects, wherein the State was providing additional revenues for road work; the restructuring of debt in 2020, which provided for a decrease in payments for 2020 but added an increase for 2021; and an increase in employee benefits as it related to pensions. He reviewed the revisions to operations for 2021, noting the reductions from 2020 would continue. He said the City needed to prepare for the possibility of vacant positions in response to the Early Retirement Incentive, which was open to eligible employees until July 2021. He remarked on the reorganization of City Staff and streamlining of City processes, stating the organization needed to prepare for succession planning. He said the City would continue to review its service levels based upon staffing realities. He reviewed the debt restructuring stating the Council approved the restructuring in 2020 in order to reduce payments and interest; however, he said those payments would return in 2021. He said Staff continued to research resources to reduce pandemic-related debt in order to delay the issuance of a working cash bond.

Regarding 2022, City Manager Urich said the Council would need to consider the Public Safety Pension Fee, which would sunset in 2021, and whether a tax referendum should be issued to continue to pay for those pensions. He said another consideration for the Council would be the Combined Sewer Overflow Consent Decree and how to finance for those projects.

To conclude the budget presentation, City Manager Urich reviewed the 2021 Revised Budget timeline stating a budget hearing was allotted for October 27, 2020, with the anticipated adoption of the 2021 Revised Budget on November 17, 2020. He asked the Council to approve the estimated property tax levy, in the amount reflected in the budget, which would allow for the Council to adopt the budget as early as November 10, 2020. He said the property tax levy Ordinance would come back to the City Council for adoption.

Council Member Riggerbach moved to approve the estimate of taxes to be levied, in the amount of \$26,552,919.00 at a rate of \$1.3466 pursuant to 35 ILCS 200/18-60; seconded by Council Member Jensen.

Approved by roll call vote.

Yeas: Cyr, Grayeb, Jensen, Kelly, Montelongo, Moore, Oyler, Riggerbach, Ruckriegel, Mayor Ardis - 10;

Nays: None.

Mayor Ardis said now was the time for the Council to ask questions and request Report Backs. Considering the pandemic, he said revenues were rebounding better than anticipated, and the City had received some assistance from the State to cover some COVID-related expenses. He said all the budget discussions that took place over the last couple of months had placed the City in a maintenance position for the 2021 budget.

Discussions were held regarding the construction of the new Fire Station 4, and it was noted that project was approved by the City Council in 2019 and those funds were set aside to begin construction in 2021.

Council Member Kelly moved to receive and file a presentation and discussion of the 2021 Revised Annual Budget; seconded by Council Member Oyler.

Discussions were held regarding converting Adams and Jefferson Streets from one-way streets to two-way streets. City Manager Urich said the City received Federal Funding, in the amount of \$1.8 million, for this project, stating the City was required to spend those funds. Council Member Kelly inquired whether that project could be delayed without consequences, and City Manager Urich said he would discuss the matter with the Public Works Department and provide an update on whether there was a time limit to complete the project.

Discussions were held regarding the replacement of City vehicles, and Fire Chief Ardis said he would provide the age of those vehicles to the Council, noting at least four were in extreme disrepair.

Discussions were held regarding the construction costs for Fire Station 4, and City Manager Urich stated the City budgeted \$2.5 million for the construction of the Fire House with another \$5 million coming from a grant fund. He said that money was not only to build the Fire Station, but also to build a community center.

Council Member Cyr said this was his fourth budget he had worked on for the City, and he expressed his appreciation to the City Manager for his efforts. He inquired about the grants and COVID-related reimbursements the City anticipated receiving from the State and whether those were calculated into the budget. City Manager Urich said the CURES reimbursement along with the EDA money had been allocated in the 2021 budget, but the \$1.8 million the City had applied for from State grants had not been included since those funds had not yet been granted.

Council Member Cyr requested a Report Back on the full cost of public safety pensions per year for the next 20 years.

Council Member Jensen expressed her appreciation for the efforts on the proposed 2021 Revised Budget. She inquired whether there was a deadline for the City to decide if it needed to use the \$10 million working cash bond. City Manager Urich said it was the City's intent to hold off as long as possible to issue such a bond, and to wait and see if another stimulus would be coming from Washington so as not to create an additional cost for the City. He said there was not a definite deadline to issue such a bond.

In response to Council Member Jensen regarding projections on the potential stimulus amount, City Manager Urich said the revised Hero's Act could provide between \$40 million to \$60 million. He said that money would only apply toward the City's lost revenue, noting anything over lost revenue would be considered a loan. He said the City's current lost revenues totaled \$36 million expanding from 2020 into 2021, a two-year time period.

Discussions were held regarding support to other agencies, and City Manager Urich commented as the HRA began to rebound, then the City should be able to provide support to other agencies. Discussions were held regarding revenue from cannabis sales, and he said in 2020 the City received approximately \$100,000.00 with the anticipation of that amount increasing to approximately \$400,000.00 in 2021.

Discussions were held regarding the elimination of positions, the number of employees who took the Early Retirement Incentive and the number of employees who took the Voluntary Separation Incentive. Due to the decrease in personnel, City Manager Ulrich said some of those positions were reassigned based on revenues and grants. He said he would provide a Report Back on the changes in Staffing that had occurred and the final number of employees at the City.

City Manager Ulrich explained the revenue projections came from the Illinois Municipal League. He said his main concern related to the income tax and the corporate income tax, noting both had decreased by approximately 10%. The Personal Property Replacement Tax (PPRT), he said, was a separate allocation that could be impacted at will by the State. He noted another item of concern was the Fair Tax Referendum, reporting the State had already accounted for those numbers in its budget. He said should that referendum not get passed, there would be a hole in the State's budget.

Council Member Riggerbach inquired about pavement preservation and whether there was a new PCI Index Report and Data Point. Public Works Director Rick Powers said there was a new report which would be presented to the Council after the budget. He said that report would be used to build the next 5-year plan.

Council Member Riggerbach asked for a Report Back reflecting the City's annual contributions towards public safety pensions for the last 15 years, remarking on the importance of reviewing historical numbers and percentages as it related to the City's entire budget. He asked when the State Legislature passed the 2040 deadline to have those pensions funded. He also requested additional information regarding the Fair Tax Referendum and how it would impact the City.

Mayor Ardis encouraged the Council to contact the City Manager should they have any questions while working through the budget over the next few weeks.

Motion to receive and file a presentation and discussion of the 2021 Revised Annual Budget was approved by roll call vote.

Yeas: Cyr, Grayeb, Jensen, Kelly, Montelongo, Moore, Oylar, Riggerbach, Ruckriegel, Mayor Ardis - 10;

Nays: None.

CITIZENS' OPPORTUNITY TO ADDRESS THE CITY COUNCIL/TOWN BOARD

Hearing no objection, Mayor Ardis granted Privilege of the Floor to those citizens who wished to address the City Council.

Pastor Harvey Burnett, a citizen of Peoria, expressed a concern regarding the Dream Night Club of Peoria. Due to recent and past events, he asked the City Council to consider implementing a temporary moratorium on the establishment as it related to the safety of its patrons and to the community. He said it was the Council's duty to ensure licensees were operating by the highest standards of practice and policy, remarking on the safety of patrons and the public. He asked the Council to discuss the serious issues of community safety regarding Dream Nightclub.

ADJOURNMENT

Council Member Cyr moved to adjourn the Special City Council Meeting; seconded by Council Member Oyler.

Approved by roll call vote.

Yeas: Cyr, Grayeb, Jensen, Kelly, Montelongo, Moore, Oyler, Riggerbach, Ruckriegel,
Mayor Ardis - 10;

Nays: None.

The Special City Council Meeting was adjourned at 7:00 P.M.



Beth Ball, MMC, City Clerk
City of Peoria, Illinois

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