

**CITY OF WASHINGTON
WASHINGTON, ILLINOIS**

TO: Mayor Manier and City Council
FROM: Finance & Personnel Committee
DATE: February 15, 2018
SUBJECT: Report of Proceedings of Finance & Personnel Committee Meeting Held on Monday, January 16, 2018

The meeting was called to order by Chairman Brucks at 4:30 p.m.

Present: Chairman Brucks, Mayor Manier, Alderman Cobb

Also Present: City Administrator Culotta, Controller Baxter, Treasurer Dingleline, Planning & Development Director Oliphant, Public Works Director Andrews, Police Chief McCoy, Deputy Chief Stevens

AGENDA

1. Non-member Alderman wishing to be heard on a non-agenda item – None.
2. Citizens wishing to be heard on a non-agenda item – None.
3. Approval of minutes

Alderman Cobb made a motion and Chairman Brucks seconded to approve the December 18, 2017 regular session minutes. Motion carried.

4. Business Items

A. Write-Off of Uncollectible Accounts

Controller Baxter reviewed the accounts recommended for write-off at this time. A total of \$9,418.37 is recommended for write-off from bills sent to collection between six and nine months prior to November 2017.

The Committee discussed that an ordinance should be drafted to hold the landlord responsible for delinquent bills as currently this is only the case when there is not a separate shutoff. Discussion was also held and it was the consensus of the Committee that remote shutoff meters should be purchased for installation at locations that are hard to shutoff or to achieve collection.

Following the discussion, Cobb made a motion, seconded by Manier to recommend the City Council approve write-off of the accounts in the amount of \$9,418.37. Motion carried.

B. 911 Consolidations Update (formerly Item E)

Deputy Chief Stevens indicated that startup funding is being requested in the amount of \$25,000 each for Washington, Pekin, East Peoria, Morton, TazComm and the ETSB. This contribution will go as a credit toward some future funding requirement. The budget currently stands at \$3.2 million and expenses are \$60,000 per week. Funding will be used to hire a director and consultant. The funding is due within 30 days after passage of the agreement and thus anticipated to be in this fiscal year.

C. Capital Improvement Plan Financing (formerly Item B)

Brucks proposed an alternate plan to financing capital projects than what was discussed at the Committee of the Whole meeting. A .5% additional Home Rule Sales Tax would generate approximately \$700,000 for the fiscal year (10 months due to July 1 implementation) but he was concerned about this tax discouraging people from shopping in Washington. Public Works Director Andrews explained that there was clearly a justification for \$1million just in mill and overlay and if reconstruction of streets is added in – the annual price tag is \$3 million. This should be split 1/3 each for federal, state and local but unfortunately without increases in the federal and state gas tax, the load is all on the local government to bear.

Following discussion, the Finance and Personnel Committee decided on the following as an alternate way to raise new revenue:

- Increase Home Rule Sales Tax by .25%
- Increase Telecommunication Tax by 1%
- Establish Food and Beverage Tax at 1%
- Establish Local Motor Fuel Tax at \$.02/gal.

Cobb made a motion, seconded by Manier to recommend to the City Council as indicated above. Motion carried.

D. Revolving Loan Fund (RLF) Update (formerly Item C)

Planning and Development Director Oliphant updated the Council on the status of the Revolving Loan Fund. There is currently a balance of \$10,300 after funding two projects. At this time, the City has met the obligations with the USDA in regard to the funds and the money coming in from loan payments can now be used to fund other projects. Oliphant reached out to the local banks that did not provide the \$40,000 initial contribution and has not received much interest. Another option for adding funds for future projects, is to redirect budgeted funds that are not going to be spent. There is \$25,000 budgeted for development of a Marketing Plan that is not going to be used in the current fiscal year that could be redirected for this purpose.

Following discussion, Manier made a motion, seconded by Cobb to recommend the City Council approve redirecting \$25,000 from the Economic Development line item for Marketing Plan for use in providing additional funding for the Revolving Loan Fund. Motion carried.

E. Washington 223 Farm Lease Bid Results (formerly Item D)

Culotta reviewed the bid results for the farm lease of the Washington 223 property. Aaron Vercler was the highest bid at \$285 per acre or \$59,411. Vercler also requests permission to have access to the land at the end of April to start planting.

Following discussion, Cobb made a motion, seconded by Manier to recommend the City Council award the bid for the Washington 223 farm lease to Aaron Vercler at a total lease of \$59,411 and to allow him to access the property in late April. Motion carried.

5. Other Business – Cobb asked about the status of the update to the Personnel Manual and Culotta said he would request a timeline. The Committee also asked for a status on the Hotel/Motel tax situation and Staff will provide next meeting. The debt refinancing options will also be discussed at a future meeting when the information is received.
6. Executive Session – At 5:57 p.m. the Committee convened in Executive Session for the purpose of the appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body or legal counsel for the public body per 5 ILCS 120/2 (c)(1) of the Illinois Open Meetings Act.
7. At 6:20 p.m. the Committee reconvened in regular session and there being no further business the meeting was adjourned at 6:21 p.m.