



CITY OF WASHINGTON, ILLINOIS

City Council Agenda Communication

Meeting Date: Monday, February 2, 2026

Prepared By: Jeff Fiegenschuh, City Administrator

Agenda Item: R-1458 (2-26) Approve Amendment to City Administrator Employment Contract for Car Allowance

Explanation: I wanted to inform you that a contract amendment will be included on the next City Council agenda to modify the City Administrator vehicle provision. I apologize for not bringing this up during my contract negotiations, but after much thought feel this amendment makes the most sense for the city and myself.

The proposed amendment would replace the use of a city-owned vehicle with a \$300 per month car allowance. This allowance would cover all mileage and driving within a 50-mile radius and would allow me to utilize my personal vehicle for City business.

From a financial perspective, this approach results in a cost savings to the City. For comparison purposes, below are the annual lease costs only for similar City vehicles, which do not include fuel, insurance, maintenance, or administrative costs:

- **Jeep Cherokee (Investigations):** \$12,048
- **Jeep Grand Cherokee (Unmarked – Deputy Chief):** \$13,236
- **Jeep Grand Cherokee (Unmarked):** \$13,020

Vehicle Type	2026 Jeep Cherokee Laredo/Limited 4dr 4x4 KJUJM74	2026 Ford Bronco Sport Heritage 4dr 4x4 R9G	2026 Chevrolet Blazer LT w/3LT 4dr All-Wheel Drive 1N826	2026 Nissan Rogue SV 4dr All-Wheel Drive 54216	2026 Hyundai Tucson SEL 4dr All-Wheel Drive 85432A4S
Engine	1.6L I-4 EP Turbo Hybrid	1.5L EcoBoost	2.0L Turbo 4-Cylinder SIDI DOHC w/VVT	1.5L DOHC 12-Valve 3-Cylinder DI Turbo	2.5L GDI MPI DOHC CVVT 4-Cylind
EPA MPG City	Not available	25	22	28	24
EPA MPG Highway	Not available	30	27	35	30
Total Actual Depreciation	\$39,285	\$33,886	\$40,845	\$26,607	\$32,608
Total Fuel Cost	\$26,542	\$18,802	\$24,868	\$14,966	\$20,639
Total Insurance Cost	\$20,269	\$12,635	\$14,422	\$11,193	\$13,075
Monthly Depreciation	\$7,584	\$6,001	\$7,353	\$7,179	\$7,594
Monthly Management Fee	\$300.56	\$543.79	\$653.51	\$425.71	\$521.73
Monthly Interest	\$39.29	\$32.09	\$49.84	\$36.61	\$32.61
Monthly Payment	\$126.33	\$109.61	\$131.25	\$98.33	\$105.26
Lease Term	60 Months	60 Months	60 Months	60 Months	60 Months
Holding Period	5 Years	5 Years	5 Years	5 Years	5 Years
Annual Mileage	20,000	20,000	20,000	20,000	20,000
Cost Per Mile	\$0.70	\$0.55	\$0.64	\$0.46	\$0.55
ROI at Term	\$1,571	\$1,359	\$1,534	\$1,064	\$1,104
Expected Sales Price at Holding End	\$12,743	\$16,184	\$15,977	\$11,641	\$11,969
Estimated Equity at Term	\$11,171	\$13,825	\$14,343	\$10,577	\$10,665

By contrast, the proposed allowance totals \$3,600 annually, while also eliminating additional operating and insurance expenses.

In addition to the cost savings, this amendment removes any ambiguity related to the personal use of a city-owned vehicle and avoids potential policy or liability issues that can arise from mixed-use vehicles.

Action Requested: Staff requests approval of an amendment to the City Administrator employment contract for a car allowance.

FIRST AMENDMENT TO EMPLOYMENT AGREEMENT

THIS FIRST AMENDMENT TO EMPLOYMENT AGREEMENT ("Amendment"), is made this 2nd day of February, 2026 by and between the City of Washington, Illinois, a Municipal Corporation located in Tazewell County, Illinois, hereinafter called the "City", and JEFF FIEGENSCHUH, hereinafter called the "Administrator".

RECITALS

WHEREAS, on December 15, 2025, the Mayor appointed the Administrator to the office of City Administrator and the City Council approved an Employment Agreement ("Agreement") with the Administrator (Resolution R-1455); and

WHEREAS, the Administrator has requested an amendment to the Employment Agreement to provide for an automobile stipend in lieu of a City provided automobile;

NOW, THEREFORE, in consideration of the promises hereinafter exchanged in the Agreement, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Paragraph 12 of the Agreement is hereby deleted in its entirety, and replaced with the following:

12. The City will pay the Administrator an automobile stipend in the amount of Three Hundred Dollars (\$300.00) per month, commencing January 19, 2026, with such stipend to be prorated for any partial calendar month occurring during the term of the Agreement.

2. All other terms and conditions of the Agreement shall remain in full force and effect following execution of this Amendment.

CITY OF WASHINGTON,
TAZEWELL COUNTY, ILLINOIS

By: _____
Mayor

ATTEST: _____
City Clerk

ADMINISTRATOR:

By: _____
JEFF FIEGENSCHUH
Administrator