

City of Watseka
201 Brianna Dr
PO Box 338
Watsoka Il. 60970

SPECIAL CALLED

**FINANCE, LEGAL & AUDIT COMMITTEE MEETING
FEBRUARY 22, 2022
6:30 PM**

PRESENT: Aldermen Barragree, Cahoe, Marcier, Rushbrook, Garfield, Miller, Alderwomen Ulfers and Musk and Mayor Allhands

GUESTS: City Attorney Joe Cainkar and John Vezzetti with Bernardi Securities, Police Pension Board Member Robert Harwood

Alderman Barragree opened the special called meeting at 6:30 pm. There was no public comment. Alderman Barragree stated everyone has a copy of the CliftonLarsonAllen engagement letter for the fiscal year ending 2022 for the yearly audit. The cost is \$35,095.50.

Alderman Barragree makes a motion to recommend to the council to accept the engagement letter from CliftonLarsonAllen for the fiscal year audit for \$35,095.50 and Alderman Cahoe seconded. Roll call carried 9-0.

Mayor Allhands then stated the reason for this meeting is to have Attorney Cainkar and Mr. Vezzetti talk about possible bonds to repay the deficit in the police pension. There is 6.37 million unfunded liability that needs to be paid by 2041. Mayor Allhands stated if the city would choose to get a bond it would save the city 1.3 million over the life of the bonds. Police Pension board member Robert Harwood stated he thinks getting a bond is a good idea. He also stated March 1 the pension will be turning over the funds to the state per their request and then the state will be in control of the funds. Mr. Harwood stated the pension board had returns last year of 19% with Busey Bank. It was also stated the state will be telling the city what the contributions will be now instead of the actuary and the actuary rates were probably higher. Mr. Vezzetti stated the city should go slow and watch the interest rates as they are very volatile at this time. The bonds fixed rate right now is 3.25- 3.50 fixed for 20 years.

After more discussion it was decided to have Attorney Cainkar prepare an ordinance and wait to see what the state is going to do.

Alderman Barragree makes a motion to adjourn at 7:0 pm and Alderwoman Ulfers seconded. Roll call carried 9-0.

Brandon Barragree, Chairman