

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

FINANCE, LEGAL & AUDIT COMMITTEE MEETING
JUNE 20TH, 2023
6:30 PM

PRESENT: Aldermen Marcier, Cahoe, Barragree, Miller, Anderson and Mayor Allhands

ABSENT: Alderwomen Rohlfis and DeLahr and Alderman Muench

Alderman Marcier opened the meeting at 6:30 pm. There was no public comment. **Alderman Marcier makes a motion to recommend to the council to accept the May Treasures report and Alderman Anderson seconded. Roll call carried 6-0.**

The foam wall at 128 W Walnut was discussed. The contractor Mike Costello that was working on another wall in the city gave a quote to remove the rest of the foam, tuck point and do some brick-and-mortar work for a cost not to exceed \$35,000. The committee discussed the cost is about \$10.00 a square foot. The contractor can do this project in about 2-4 weeks. There was general discussion about the other lot improvements that they would like to do such as a concrete pad and some picnic benches. **Alderman Cahoe makes a motion to accept the bid from Mike Costello to repair the wall at 128 W Walnut for a cost not to exceed \$35,000 and to pay for this from the promotion line item. Alderman Barragree seconded. Roll call carried 6-0.** Alderman Miller stated to make sure the contractor gives proof of insurance to the city.

Mayor Allhands stated he has 3 bids from structural engineers for the JC Penny building at 100 W Walnut: Matt Clevenger/Kaskaskia Engineering Group \$8400.00, Jacob Carlile \$4000 at \$200 an hour for 2 people with an estimated 20 hours and John Trankina \$2800. It was stated if the city needs to demolish the building it will cost at least \$120,000. After more discussion **Alderman Barragree makes a motion to recommend to the Council to accept the bid from Carlile Group/Jacob Carlile for \$4000 at \$200 an hour for 2 people and Alderman Anderson seconded. Roll call carried 6-0.**

The intergovernmental agreement between the Village of Sheldon and City of Watseka was discussed next. Alderman Marcier stated if Sheldon starts to send over cases maybe the city should pay Mr. Hiatt more money. Alderman Anderson is concerned that city Attorney Cainkar represents both the City of Watseka and Sheldon and after reading the agreement he is concerned with a paragraph that he believes protects the attorney and not the city. Mayor Allhands suggests he call the city attorney to get his question answered.

The Natural Hazard Mitigation Plan renewal was discussed next. The total cost for this renewal is \$45,000 but there is a grant that the city will get for \$33,750 and then the city will only need to pay \$11,250.00. Mayor Allhands stated the city needs this plan to apply for FEMA grants. **Alderman Anderson makes a motion to recommend to the Council to pay the city portion of the Hazard Mitigation Renewal Plan of \$11,250 and Alderman Barragree seconded.**

Mayor Allhands stated the committee has a copy of a proposed golf cart sticker. This was discussed briefly in Public Safety last week. Chief Douglas is ok with adding gators and side by sides to the ordinance with a fee. It was stated to not allow 4 wheelers in this new ordinance. **Alderman Anderson makes a motion to change the ordinance to include gators and side by sides and to charge a \$25 fee for a yearly sticker. Alderman Marcier seconded. Roll call carried 6-0.**

Mayor Allhands stated the Watseka Ford Sales Tax Agreement is good until 2027 and Attorney Cainkar thinks that this should just continue on no need to start over. Watseka Ford is proposing to add 9 full time and 2 part time employees and add an additional \$25,000 to \$40,000 more in sales after the new addition and building is completed. Watseka Ford is also wanting more revolving loan money. Mayor Allhands stated in the past 3 loan officers from the local banks get together to decided the low interest rate on the revolving loan and get all of the financial information needed to move forward. The maximum revolving loan money is about \$200,000 to \$250,000 that is allowed to borrow. After some discussion it was decided to have Mayor Allhands move forward with this committee of local bankers.

Mayor Allhands wanted to discuss the possibility of raising the liquor tax from 3% to 6%. It was stated that this is a tax of choice. Currently with the 3% there was \$161,000 brought in. With a 5% tax the estimated money is \$267,500 and with a 6% tax the estimated money is \$321,000. Mayor Allhands stated he would like to split the funds from this tax for police pension, and business district improvement/Promotional/Business Incentive fund. After a lengthy discussion of whether or not to raise this **Alderman Cahoe makes a motion to increase the alcohol tax to 6% and Alderman Marcier seconded. Roll call carried 4-2 with Alderman Miller and Anderson voting no.**

Alderman Marcier stated on the council agenda next week will be the budget and appropriations ordinance that needs to be adopted.

There was general discussion concerning adding more monies to the revolving loan fund by using property tax monies that the city collects. It was stated to possibly take \$100,000 each year from property tax monies and put into the revolving loan until it is up to \$1.1 million. Alderman Cahoe also stated the city hasn't raised taxes for about 16 years and it's about time to do that as the city is losing money by not keeping up with costs. There was general discussion about incentives for new businesses, extending TIFs and reinstating TIF's on a smaller scale, tax abatements, industrial bonds, and property conveyance.

Alderman Anderson stated he has talked with the Fire Chief, Police Chief and Public Works director about getting each department their own credit card. City Treasurer and Administrative Assistant Cathy Molck both expressed their opinions as to why this isn't a good idea and they also have the support of the city auditors.

Alderman Marcier makes a motion to adjourn at 7:40 pm and Alderman Cahoe seconded. Roll call carried 6-0.

_____, Benny Marcier, Chairman