



City Council Meeting Minutes
Public Hearing
Monday, December 9, 2024 at 6:30 p.m.
Five Points – 360 N. Wilmor Road, Washington, IL 61571

Call to Order Mayor Manier called the Public Hearing to order at 6:30 p.m. for consideration of the proposed 2024 Municipal Property Tax Levy. A quorum was present.

Roll Call *Present:* Council Members Adams, Blundy, Brownfield, Butler, Martin, McIntyre, Smith and Stevens

Also Present Planning & Development Director Oliphant, City Engineer Carr, Finance Director Baxter, Public Works Director Rittenhouse, Deputy Police Chief Stevens, City Clerk Brod, Attorney Braskich

Audience Comments None provided at this time.

Public Hearing At 6:30 p.m., Mayor Manier opened the public hearing and introduced Finance Director Baxter. She explained that while the tax rate remains the same as projected, the proposed property tax levy would add an additional \$181,053 to the levy amount, which equates to an 8.56% increase when compared to the prior year levy. This will help defer the some of the cost from the fire and ambulance contract increase approved by Council. Of the total taxes proposed to be levied, 68.4% will go to pensions, 20.5% are for the fire and ambulance contract, 4% for the General Fund and the remaining 7.1% will go to special levies. The City's portion of the tax bill is 6.04% which is low compared to other taxing bodies. The total amount would be \$2,297,352. She provided a chart in the agenda memo with more details including property tax distributions. She further explained that the increase in assessed valuation is due to the market and an equalization factor that was applied by Tazewell County.

Mayor Manier opened floor for questions from council.

Council Member Blundy expressed confusion. He noted that the City does not control the EAV. He noted the amount in the proposed levy presented for Council approval. He noted that the City does not control the County's quadrennial assessment and the higher the value of the home, the more a homeowner pays. He wonders about other sources of revenue and noted the CPI is 3.4%, Pekin approved 2.5%, East Peoria approved 0%, and Bloomington approved 0%. He also shared that residents don't know their other taxes. He noted other taxes such as sales tax, home rule tax, local use tax, income tax, telecommunications, personal property replacement tax, motor fuel tax revenue, water user fees, water fix fees, tech fees, and sewer user fees. He is going to vote no. Mayor Manier noted the 1% grocery tax that is being taken away from municipalities. Council Member Adams noted Pekin's tax rate and expressed concern that all the facts are not being shared. He noted the reason for the sales tax is to cover millions of projects costs and it is captured when non-residents come to Walmart and Menards, so that it doesn't just burden the people of Washington. He noted that Council approved ambulance and fire contract increases and this will help pay for it. He feels we can't be compared to communities with double our tax rate. Council Member Butler noted the timing for approving the levy and if Council members vote no, it would mean the City would see zero dollars and it would create a \$2 million hole in our budget and that is not responsible. He also noted the City's responsibility for paying pensions. He wonders how much a full-time fire department costs and feels we need to take care of the department we have with this levy.

Council Member Blundy read an article from Pekin and said that like Washington, the City of Pekin has no control over their tax rate, they can only control the amount they want to levy and they stated that they will increase their levy by 2.5% He noted that a special meeting could be scheduled to meet the levy approval guidelines. He is not voting for zero dollars, just a different percent. Council Member Martin shared that the tax rate is controlled by the levy and lowering the levy will lower the tax rate. He is for lower taxes and further discussion for ways to increase our tax revenue. Council Member Martin noted lowering the property tax doesn't just affect residential properties it would also affect Walmart, Menards and other businesses. He wants to lower taxes but feels the City needs to increase tax revenue. Council Member Stevens said if Council does not want to increase property taxes, we should take the amount levied last year and add the taxes that will be paid on new construction. She shared that information was provided when the City approved going to home rule and it should lower the tax rate. Her goal is to decrease the tax rate. Council Member McIntyre agreed with Council Member Martin but noted the struggle with our property value increases and the cost of business is increasing. He also noted that large infrastructure projects will also directly affect residents and shared that many residents might not be aware that the grocery tax is being taken away by the state, which we will need to address in the future. He does not favor raising taxes but noted that things have increased including vehicles and maintenance and other taxing bodies affect the tax bill more than the City. Council Member Brownfield noted that Pekin, East Peoria and Bloomington have many tax generating businesses that we don't have. He shared that the schools will take their full amount.

He noted that the City needs to fund police pensions and this will help with that. He feels we need more businesses to help pay taxes. Regarding General Fund reserves, Finance Director Baxter shared that we have 25% set by policy for a minimum standard balance which equal about \$6-6.5 million. She further clarified that with the City projects at the end of this year, we will be at 60%. She shared that Council uses the funds for one-time Capital Projects and they are not used for ongoing expenses. Council Member McIntyre clarified that this also helps the City obtain good credit scores like the Storm Water Management Bond. Finance Director Baxter confirmed and agencies look at the health of the funds to provide interest rates. Council Member Stevens asked if the funds could pay for BUS24. City Engineer Carr shared that our portion of the road project would come from the Water Account. He further explained that other expenses will be based on design selections.

Mayor Manier opened floor for public comments and none were provided.

Mayor Manier closed the public hearing at 7:02 p.m.

Adjournment At 7:02 p.m. Council Member McIntyre moved to adjourn; Council Member Adams seconded. Motion carried unanimously by voice vote.

Valeri L. Brod, City Clerk

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