

City of Washington
Finance & Personnel Committee
Five Points Banquet Room
Monday, November 16, 2020 – **Minutes**

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

Present: Alderman Daniel Cobb, Alderman Lili Stevens, Mayor Gary Manier

Also Present: City Administrator Ray Forsythe, Planning and Development Director Jon Oliphant, Finance Director Joanie Baxter, HR Specialist Alyssa Goodman, Maureen Lyons, Alderman Adams, Brad Rose, Ellen Dingedine and John and Sharon Amdall.

AGENDA

1. Non-member Aldermen Wishing to be Heard on Non-Agenda Item: *None.*
2. Citizens Wishing to be Heard on Non-Agenda Item: *None*
3. *Mayor Manier motioned to approve minutes from the October 19, 2020 meeting. Alderman Stevens seconded the motion. The minutes as stated were unanimously approved.*

4. Business Items:

A. 2021 PACVB AGREEMENT -

The City of Washington contracts with the Peoria Area Convention and Visitors Bureau as the regional destination marketing entity for the Peoria Area which includes Washington. Due to a change-over in staffing and the COVID-19 Pandemic, no agreement has been presented to the City of Washington for the current calendar year. J.D. Dalfonso presented the current work plan and activities at the July 13th Committee of the Whole.

Request to discuss proposed 2021 agreement at a cost of \$16,000, as well as an option for a shortened agreement in 2020.

No issues arose from the Committee regarding a partial year contract. Members agreed to move forward on a 2021 calendar year contract.

B. COMCAST FRANCHISE AGREEMENT -

The City has a Franchise Agreement with Comcast since 12/20/2010 which expires in December 2020. The City will need to hold a Public Hearing on the proposed Agreement on December 7 at the City Council Meeting.

The City receives 5% of annual Gross Revenues. The 2020/2021 projected revenues included in the budget is \$225,000. Discussion and recommendation is required to move Franchise Agreement to City Council meeting on 12/7/2020.

This is a 10-year, non-exclusive agreement with no major changes. The City cannot discriminate against one franchise over the other. Ellen notices a few parts where the language is a bit unclear. Joanie Baxter responded that the language can easily be cleared up.

C. TIF EXTENSION CONSIDERATION -

A second 12-year extension would allow for the existing fund to be offered for these projects. It would also allow for more time and thought to go into them instead of attempting to hurriedly initiate projects over the next year. The current fund has about \$1.1 million in it as of the start of the current FY 20-21. Any remaining funds at the expiration of a TIF district generally are redistributed between the State and taxing bodies. Possible larger public projects on the horizon can include a streetscape enhancement, Zinser infrastructure upgrades, and parking lot acquisition and construction. There are several buildings that could utilize this resource, including the eventual renovation and occupancy of the Danforth building.

The Downtown Square TIF district was originally established in 1986. It extends to the TP&W Railroad viaduct to the west, Zinser Place to the north, one-half block east of High Street to the east, and Burton Street to the south. TIF districts in Illinois have an original 23-year establishment. They can be extended another 12 years after receiving support from the impacted taxing bodies and State legislative approval. Following that, a redevelopment plan must be created or amended that generally addresses the procedures, projects, and funds that are needed to carry out the goals over the next 12 years.

The Square TIF district was extended for 12 years in 2009 and is currently set to expire in December 2021. At the same time that this district was extended, the Washington Road TIF—the City’s only other TIF district—expired. A commonly held belief is that state statute only allows for a single 12-year extension. However, the language does not explicitly limit a TIF district to 35 years and the City of Springfield became the first, and so far only, municipality to have a second TIF extension approved in 2016. Staff is aware of at least three other cities that have or are currently in the process of seeking a second TIF extension.

ed: Staff seeks feedback to ensure that the desire is to pursue a second 12-year extension of the TIF district. Initial conversation has been had at the recent annual TIF Joint Review Board meeting and our two state representatives have also been given notice about a possible request for sponsorship of an extension bill. Time is becoming of the essence to begin soliciting formal support from the taxing bodies and then beginning the legislative process early next year should there be interest in an extension.

Jon Oliphant believes TIFs have been very successful and is requesting feedback for possible 2nd extension of TIF district. Need approval of each taxing bodies and approval through the state. If both approvals happen, there will be a need to amend the plan. Currently, there is \$1.1 million in fund, but that amount can be depleted quickly.

Daniel Cobb fully supports extensions. Feels it entices businesses to the square and helps fund some of their projects. He states that we utilize it quite frequently, as well. Alderman Stevens asked if there has been any discussion to the taxing bodies about the extension. Jon says it would be ideal to hear back from them over the next few months so that we do not catch them cold when we bring this forward more formally. Oliphant has reached out to both Senators offices and could potentially hear back between January and February.

D. WORKERS COMPENSATION RENEWAL CONSIDERATION

The City is in receipt of the Workers Compensation Insurance renewal proposal from the Illinois Public Risk Fund (IPRF) for 2021. IPRF has provided insurance since 2018 and the staff has been impressed with the safety program offered by IPRF and the support and resources available.

The renewal proposal is for \$94,773 compared to \$88,244 in 2020. This represents an increase of 7.4% due to additional staff. The budget for Workers Compensation is \$99,100 for FY2020-21.

No questions from Committee. Cobb stated that a Work Comp plan is necessary and was happy that we have not seen a rate increase. Alderman Stevens motioned to recommend approval to City Council. Alderman Cobb seconded.

E. WRITE-OFF OF UNCOLLECTIBLE ACCOUNTS -

A listing of accounts receivable that are recommended for write-off is attached. This list includes water and sewer receivables that were sent to collection 6-9 months ago.

The total charged to Bad Debt Expense would be \$1715.54 for Water Fund and \$1749.95 for Sewer Fund. The total budgeted for FY20-21 is \$3500 for Water Fund and \$7000 for Sewer Fund. The City is seeking approval for write-offs.

Motion to approve was made by Alderman Stevens. Alderman Cobb seconded the motion. All in favor.

F. REVENUE UPDATE -

Finance Director Baxter presented the Revenue update for major revenue sources as received through November. Revenue continues to come in very strong as compared to the prior year and to Budget.

G. WASHINGTON FIRE DEPARTMENT CONTRACT UPDATE –

Explanation: The City of Washington contracts with the Washington Volunteer Fire Department and Rescue Squad, Inc for Fire Protection Services and for Ambulance and Emergency Medical Services. The current contract has been extended to December 14, 2020. This existing contract was executed November 6, 2017 and outlines the operating and general terms of the contract. There is a separate agreement which outlines the City's obligations for compensation.

Following are the tentative changes in terms that the group supports:

- Increase in the verbal activity reporting to City Council from 4 to 12 times per year.
- Increase Routine Maintenance on Real Estate from \$1,000 to \$1,250
- The allowance of subcontracting fire or ambulance services without express written agreement of the City.
- Shifting the obligation to secure dispatching services to the WFD from the City. This will ensure the WFD representation on the regional Board. A line item will be included for this cost on the financial agreement with the City.
- Continuation of the annual reimbursement for the Fire Truck for FY's 2020-2024
- Term of the Agreement is proposed to be November 1, 2020 – April 30, 2024. This will align the end of the contract with the City and WFD's fiscal years.

There are ongoing negotiations between the Washington Fire Department and other entities which will likely impact the overall service area for paramedic services. Those negotiations are taking place outside of these negotiations however could have an impact on the final contract amount. It is anticipated that these contract negotiations will continue over the next several weeks and a recommended financial commitment will be determined and presented to Council with a final contract at the December 7th Council Meeting.

Cobb had a question regarding contributions to a new fire truck. Joanie Baxter clarified that we have three more years of payments on the fire truck and we are not buying another fire truck. No further questions or discussions.

5. Other Business:

- a. **Vacation** – Ray is continuing to look at this issue in regards to vacation that staff is not able to take during 2020 and thus is in danger of being forfeited. An update will be provided in December.
- b. **Business Support Funds** – The Planning and Development Department is applying for a grant program that would allow existing businesses affected by COVID to potentially receive up to \$5,000. There is a very short window to apply for economic support funds from DCEO and funds needs to be spent by end of January. Businesses would only be able to get funds if the City gets is awarded the grant from DCEO. Given that its 100% funded, it's worth at least applying.
- c. Ellen Dingleline asked Ray to update Council on the last Convention and Visitors Bureau payment to City Council.

6. Adjournment

Motion approved by Alderman Stevens, seconded by Alderman Cobb. Meeting adjourned at 5:21 PM.