

Finance Committee

May 30, 2023

6:00pm - City Hall Council Chambers

Chairman Ptak Called the Meeting to order at 6:01pm

ROLL CALL

Present: Chairman Ptak, Aldermen Bacidore, Thompson, Reynolds, Jeppson, Crane

Excused Absence: Alderman Lavieri, Alderman Herndon

Others Present: Finance Director John Duncan, Deputy Clerk Brent Bader, Economic Development Director Curt Bedei, Fire Chief Jerry Janick, City Treasurer Virginia Kochanowski, City Engineer Brian Brown, Police Chief Mike Smudzinski (arrived 6:10pm)

A quorum was present.

Moved by Alderman Bacidore and seconded by Alderman Thompson to approve the minutes from May 15, 2023.

Voice vote, all ayes. Motion carried.

NO COMMENTS OR QUESTIONS on the bills.

Chairman Ptak began the discussion in regards to a monetary donation to the LaSalle Little League Baseball. In 2021, the city donated \$100 to the LaSalle Little League. Chairman Ptak is suggesting a donation of \$250.

Moved by Alderman Crane and seconded by Alderman Reynolds to approve the request to donate \$250 to LaSalle Little League Baseball.

ROLL CALL

AYE: Chairman Ptak, Aldermen Bacidore, Thompson, Reynolds, Jeppson, Crane

NAY: None **Absent:** Alderman Lavieri, Alderman Herndon **Abstain:** None

MOTION CARRIED: 6-0

NEW BUSINESS

Finance Director John Duncan asked for the Committee to come up with a date to schedule the annual finance meeting in which they review the budget prior to the First July City Council Meeting for approval.

Alderman Bacidore will be on vacation the week of June 5-9th and he was concerned that if he was not at this budget meeting, he will be criticized for not being present when something important is discussed in the future.

Director Duncan suggesting getting together with Alderman Bacidore individually when he gets back from vacation to discuss everything that was mentioned.

Committee agreed to Monday, June 5th at 6:00pm.

Finance Director asked for a status update on a potential pension contribution that the city could create or match for the current part time officer that was hired. He is currently receiving a pension and is not eligible for another pension. The council had discussed it briefly of potentially the benefits of a 401A, which is employer contribution to a plan. The officer asked for a status of that because the city would have to open the plan up if so. The officer does not care if the city does decide to do so or not. He does plan on contributing to his own, if not. Duncan is hoping to revisit this topic quickly to get the council's pleasure about a potential employer contribution to the 401a plan. There is no contractual guarantee that the city has to do so. Duncan believes it that it may be a good suggestion and makes the city a potentially more attractive employer for maybe others in his situation. He stated how police officers typically do retire at the age 50 or so, but they still need to maintain employment for health insurance.

Duncan stated how the city could voluntarily add a contribution, and also a matching contribution, or just one of them. The only other comparable employer is the dispatch center and they contribute to a 401A and do an automatic 4% and they contribute a matching. They put in 4% automatically and then if the employer employee puts in 4%, they match percent per percent up to another 4% so they could be up to 8%. An example using those figures on a new hire officer in year one, it might be \$63,000. If the city puts in the full 8%, it's costing the city about \$5,000 employee versus the \$50,000 if they were on the pension.

Alderman Thompson suggests a straight 5% and they can put in whatever they want. The city will just match up to 5%. Thompson suggests the 5% because this is what other private industries do.

Alderman Jeppson asked if there was a standard. There is not a standard within the state. Duncan only had the comparable of 4%, match up to 8% because they use that figure with the dispatch center.

Duncan is looking for the committee input now so then Nationwide can draw up the paperwork and they city council would then need to approve it.

Alderman Bacidore liked Duncan's suggestion of 4%, and then match up to 4% hoping this could draw a few more retirees.

There was a little confusion on Thompson 5% contribution suggestion. He stated that the employee can put in whatever percent they want, but the city will match up to 5%. There is not an automatic contribution. It would be a matching contribution.

Alderman Jeppson and Bacidore both agree that they should give an automatic contribution.

Duncan stated that for a retiree, his gross earnings are far greater than anything he has ever made. He believes one would put away something little at age 50 to 55 for another 10 years in the market.

Moved by Alderman Thompson and seconded by Alderman Reynolds to approve the recommendation of creating a matching 401A contribution of up to 5% for any retired police officers.

ROLL CALL

AYE: Chairman Ptak, Aldermen Bacidore, Thompson, Reynolds, Jeppson, Crane

NAY: None **Absent:** Alderman Lavieri, Alderman Herndon **Abstain:** None

MOTION CARRIED: 6-0

There were no more questions or comments from the public.

Moved by Alderman Reynolds and seconded by Alderman Crane to adjourn the meeting.

Voice vote, all ayes. Motion carried.

Chairman Ptak adjourned the meeting at 6:17pm

A handwritten signature in black ink that reads "Amy Quinn". The signature is written in a cursive, flowing style.

Amy Quinn, City Clerk