

Finance Committee Meeting

City Of Virden
City Council Chambers
August 28th, 2025

Meeting called to order by Alderman Donley at 7:00 pm.

Alderspersons in attendance: Carter, Bertolino, Neighbors, Donley, Matrisch, Boster, Karrick and Calloway

Absent: None

Also in attendance: Mayor George Murphy, City Clerk Jon Myint and Bookkeeper/Treasure Barry Liss

Audience: None

Comments from Audience: None

Topics:

1. Approval of Minutes 7/24/25

Motion made by Boster seconded by Matrisch to approve the Finance Committee Meeting Minutes of 07/24/25.

Motion passed

2. Treasurer's report

Account Balances reviewed; as of the meeting, \$429,000 is in corporate funds after water repaid \$115,000 it owed.

MFT (Moter Fuel Tax) balance has increased due to state deposits; \$383,000 by the end of August.

Water revenue rising to \$80,000 (best Barry has seen to date), small profit achieved after accounting for meter installations.

Motion Made by Mayor Murphy seconded by Matrisch to recommending sending the Treasure's report to the Council for approval.

Motion passed with all in favor.

3 IGA with VSD

Issue tabled to a later date as no Representatives from the VSD were present.

4 1% grocery tax

Ongoing discussion regarding management of the 1% grocery sales tax as the state phases it out.

The council aims to maintain the current revenue level (not a tax increase) to prevent loss in the city revenue.

Discussion to recommend an ordinance to keep the 1% city level after the state stops collecting it.

It was noted that the major grocery retailers in town are Family Dollar and Dollar General, so the revenue impact is modest.

Sales tax revenue for July was \$67,784; year to date total \$182,000.

There were questions raised about tracking business addresses for proper tax allocation and reporting to the city via the state channels.

Motion made by Carter seconded by Matrisch to take to the council the 1% Grocery Tax for approval.

Motion passed with all in favor

5 Raise Liquor license and Gaming fees

Existing liquor and gaming fees set to be doubled; precise numbers to be included in the City Council agenda for clarity.

Fee increases were discussed, examples include liquor licenses moving to \$1800, \$750, \$600, and \$350 depending on the class of license.

Plan to audit coin operated machines, Pool tables Juke boxes and Gaming machines more regularly potentially through quarterly review.

Consideration of restructuring classes of licenses A,B,C,D,E, and the possibility of creating a G for gaming parlors.

Comparative review of other municipalities' Licensing permit application forms (Auburn and Carlinville) for potential improvements.

Proposal to make permit applications available and fillable online.

Debates on whether gaming and liquor licenses should remain integrated or separated, and if fees should be all-inclusive.

Issue of physical address, proof of ownership/use, and means of prioritizing additional applications was raised (first come first served; or the use of a lottery.)

Liquor licensing, gaming and permit fees are to be moved to the Administrative Committee.

Additional questions on Permit fees are to be sent to the Mayor who will submit them to the City Attorney.

6 Hatala Gaming Parlor

This issue is to be sent to the City Attorney for advice.

7 Permit fees

This topic was discussed with topic #5 and will be sent to the City Attorney.

8 Rock and oil and Dean St. project with MTF

Review of the Dean St. project, rock, and oil projected cost, rock oil expense was underestimated. The estimate is was on a hot oil calculation instead of an emulsion oil calculation, resulting in about a \$15,000 overspend.

MFT fund expected to have a shortfall of \$3,300 after paying projected bills, the state's monthly deposit of \$12,000 will help, the payment will be timed accordingly.

The Dean St. project is now estimated at \$296,000. The original estimate was \$280,000. MFT will pay \$280,000 and the City will have to pay the additional \$16,000.

Suggestions to use \$16,000 in Corporate general funds reimbursed by driveway fees to offset the MFT expense.

There was a general concern expressed about all recent projects being engineered by Benton Engineering coming in over budget.

Motion made by Boster seconded by Matrisch to take the \$280,000 and the additional \$16,000 for the Dean St. project to the Council for approval.

Motion passed

9 Pay application #2 from Murphy Brothers for meter installation

Payment application reviewed for the Murphy's Brothers on the meter installations; discrepancies found in accounted meters versus the contract quantities.

Change order initiated to reflect accurate count and extra work (e.g., number of 1 inch, 2 inch, and 4 inch meters replaced).

Recommendations to handle discrepancies via formal change orders before payment: city retains a portion as a retainer and has a performance bond for completion.

Approval for Payment will be on the September 2nd City Council Meeting agenda.

10 Surplus money in budget for 2025/2026

\$125,000 of surplus budgeted funds has been identified; \$10,000 has already been allocated elsewhere. This surplus will be tracked in future reports.

Council members express general anxiety about the overall budget, cost overruns, and the impact on future projects.

Discussion on managing future unforeseen expenses (potential use of CD's incremental increases in fees for revenue).

11 Safe route to school Grant

The city is involved in a safe route to school project, requiring a signed document for next year's activities.

The project is partially funded by a \$250,000 grant, with an 80/20% cost split between funding and city responsibility.

Of the \$300,549 estimated construction cost, \$249,439 is eligible for reimbursement (80%), leaving about \$60,000 as the city's direct responsibility.

\$9,500 of the grant can cover construction engineering costs; any engineering costs above that is on the city.

IDOT did a placeholder figure of \$40,000 for construction engineering and it is in the current project schedule pending agreement.

It is estimated that the total cost to the city will be between \$60,000 to \$90,000.

12 Parkland Environmental

Parkland environmental offered a discounted inspection fee: the original price was \$1,500 but the city is charged \$650.00 due to Parkland doing the abatement.

Abatement costs for one of the properties was \$15,675.

A suggestion was made to invoice the inspection and abatement costs separately for a clear grant reimbursement documentation.

Reimbursement request to the state may be submitted quarterly; the current quarter ended on 8/15.

The city is seeking reimbursement for demolition and legal costs related to the Holden St., 932 N Springfield St. and 911 N Noble.

For 911 N Noble, reimbursement for demolition cannot be requested yet due to the lack of canceled checks; only legal costs can be reimbursed for now.

Additional reimbursement updates may occur after the following quarter.

Upfront payments are covered by the city's general fund, with states reimbursement to follow, normally within a month.

13 MOU changes

Revisions have been made to the Police MOU:

Payment to new hires is set for 15 days post hiring, not after signing the MOU.

Only active duty police are eligible for payments; those on leave have payments postponed until active.

Payment structure: two \$250 payments, both requiring active duty status at the time of the payment.

Taxes (40%) apply as payments are considered bonuses.

Motion made by Boster seconded by Carter to send the MOU with the above revisions to the Council for approval.

Motion passed

Executive Session:

None

Additional: none

Motion made by Karrick seconded by Neighbors to adjourn at 8:41 pm.
Motion passed.

Jonathan J. Myint
City Clerk

Date approved