

MINUTES OF THE FINANCE COMMITTEE

OF THE LA SALLE CITY COUNCIL

Tuesday, September 2, 2025

6:00 p.m. – City Hall Council Chambers

CALL TO ORDER

Chairman Ptak called the meeting to order at 6:00 p.m.

ROLL CALL

Present: Chairman Ptak, Aldermen Demes, Reynolds, Lavieri, Jeppson, and Crane

Excused Absence: Aldermen Thompson and Herndon

Others Present: Deputy Clerk Brent Bader, Finance Director John Duncan, Economic Development Director Curt Bedei, Fire Chief Jerry Janick, City Engineer Brian Brown, and Attorney James McPhedran (arrived 6:18 p.m.)

A quorum was present.

APPROVAL OF MINUTES

Moved by Alderman Reynolds and seconded by Alderman Demes to approve the minutes of the Finance Committee meeting from the August 18, 2025, meeting.

Voice vote, all ayes. Motion carried.

DISCUSSION AND RECOMMENDATIONS

Finance Director John Duncan presented highlights from the audit report indicating the City's statements were prepared in compliance with GAAP (Generally Accepted Accounting Principles) and there were no material findings by the auditor. The audit compares April 30, 2025, cash balances with April 30, 2024. The overall difference is a net positive of approximately \$45,000. The General Fund saw a cash increase of \$416,000 from the prior year; cash in the Library Fund was up approximately \$1.2 million due to large donations which are now discontinued; TIF (Tax Increment Financing) 1 and TIF 3 balances increased \$1.1 million, typical for TIFs which accumulate funds in anticipation of infrastructure projects; the combined balances of Water and Sewer decreased approximately \$2.5 million due to planned capital improvement projects. Duncan cautioned that going forward it would be prudent to allow the Water and Sewer balances to accumulate prior to planning any additional large projects. Overall, the cash balances remained consistent with prior years' balances and ended with a solid cash position despite some large debt payments and capital outlay payments.

On long-term debt approximately \$700,000 was paid on the Illinois EPA (Environmental Protection Agency) loan but the City also took on approximately \$1.5 million in new Illinois EPA debt with the low interest plan.

Duncan reported the auditor commented on the net pension liability figures. Although the auditor makes the pension part of this audit, he is not the one who makes the official audit of the police and fire pensions; Lauterbach & Amen are responsible for those audits. Net pension liability as of April 30, 2025, totaled \$15,800,680, an improved position by approximately \$60,000 from the prior year.

Duncan referenced pages 52 through 58 of the audit report regarding the General Fund; as of April 30, 2025, the balance had increased \$474,000 to a total of \$2.8 million. Reserves are slowly building; the ideal level of reserves is six months' worth of expenses.

Duncan recommended acceptance of the audit report.

Alderman Crane asked Duncan for his recommendation on handling the Water and Sewer fund; Duncan indicated that ongoing general maintenance expenses are affordable and several ongoing projects that should be completed prior to taking on any additional large million-dollar projects so the fund has an opportunity to build adequate cash reserves.

Alderman Lavieri asked about water and sewer rates. Duncan indicated there have been no rate increases since 2020 because adequate cash balances have been available to do the necessary work. Lavieri asked if the rate ordinance is still in effect. That needs to be reviewed.

City Engineer Brown pointed out that with the loan forgiveness grants the City has been concentrating on the supply side including wells and treatment of the water; the next round of low interest loan forgiveness grants will focus on distribution and needed improvements including water main replacements.

Two emergency water main replacements are currently going out for bid and could result in \$400,000 in unplanned expenses. The affected area is on Gunn Avenue from 11th Street to Chartres Street.

Brown indicated sewers are being cleaned and televised. The southern half of Ward 2 has been completed; they will then move to the northern half and are hoping to do Wards 3 and 4 over the winter.

Alderman Reynolds asked about the location of a certain sewer failure on Eighth Street; Brown indicated it is relatively small at \$31,000 and is located on the north side of Eighth Street between Joliet and Marquette Streets; there are barricades in place due to a four-foot-deep void under the sidewalk. Efforts to fill the void with dirt were unsuccessful; the dirt is absorbed.

Duncan suggested having the finance, water and sewer chairmen meet with him and the city engineer to develop some five-year projections for this work by February. Brown mentioned the attractiveness of large projects which include loan forgiveness.

Chairman Ptak asked for the location of the other emergency water main project. Brown indicated it is on Malcolm next to Northwest School; there have been several water main

breaks by the water tower. Valves have been installed at Malcolm and O'Conor in anticipation of the repairs to the north.

Alderman Crane underscored the importance of checking under streets prior to repaving them to avoid tearing up a new street to perform underground maintenance.

Alderman Ptak asked if there were any questions on the bills; there were none.

COMMENTS

Alderman Lavieri asked for further information on the rates ordinance and Duncan indicated he would provide it.

DISCUSSION AND RECOMMENDATIONS

Deputy City Clerk Bader asked if there had been a motion to make the recommendation to the City Council regarding the audit report.

Moved by Alderman Lavieri and seconded by Alderman Jeppson to recommend to the Council to accept and place on file the Fiscal Year 2025 Finance Audit and related matters.

ROLL CALL

AYES: Aldermen Demes, Ptak, Reynolds, Lavieri, Jeppson, Crane

NAYS: NONE **Absent:** NONE **Abstain:** NONE

MOTION CARRIED: 6-0-0

COMMENTS

See above.

ADJOURNMENT

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 6:21 p.m.



Liz Bishop, City Clerk