

MINUTES OF THE FINANCE COMMITTEE MEETING OF THE VILLAGE OF METTAWA, ILLINOIS, HELD AT THE HOUR OF 6:30 P.M. ON MARCH 19, 2019 IN THE MAPLE ROOM OF THE HILTON GARDEN INN HOTEL, 26225 N. RIVERWOODS BOULEVARD, METTAWA, ILLINOIS

A. CALL TO ORDER

Chairman Maier called the meeting to order at 6:30 p.m.

B. ROLL CALL

Upon a call of the roll, the following were:

Present: Chairman Maier and Trustees Brennan and Towne

Absent: None

Chairman Maier declared a quorum present.

Also, present: Village Administrator, Bob Irvin; Village Clerk, Sandy Gallo; Financial Consultant, Dorothy O'Mary and Village Treasurer, Pam Fantus

C. APPROVAL OF THE MINUTES

Chairman Maier requested a motion to approve the February 19, 2019 meeting minutes. Village Treasurer Fantus had a change on page 1, remove the Village Treasure title from the Roll Call listing. Trustee Towne said on page 3, the follow-up was to be made with Wintrust Bank not the resident. It was moved by Trustee Brennan and seconded by Trustee Towne that the minutes be approved and be placed on file. The motion was carried.

D. REVIEW OF INVOICES PRESENTED FOR PAYMENT

Village Treasurer Fantus said the unpaid bills report should reflect the month of March not February. Financial Consultant O'Mary said no new invoices have been reported as additions.

Chairman Maier said the new unpaid bills amount is \$ 200,622.38.

E. REVIEW OF THE TREASURER'S REPORT FOR FEBRUARY 2019

Financial Consultant O'Mary stated the true-ups have been reflected in the Sales Tax account. Village Administrator Irvin added Grainger's Sales Tax dollar amount has also been received, which contributes to the increased amount. Grainger's Sales Tax was received due to the annexation date of August 20, 2018. Village Administrator Irvin said he is tracking the sales tax for Grainger separately.

F. DISCUSS THE FY 2018-2019 Pre-Audit Review

Village Treasurer Fantus said she along with Financial Consultant O'Mary and Village Administrator Irvin met with the Sikich auditors. During the meeting, all of the Village

accounts were reviewed and the Grainger activity was discussed. The audit schedule includes a field work starting on May 20th. The remaining timeline is as follows; the account adjustments to be finalized on July 15th, a draft audit to be completed by August 14th, revisions to be done by September 2nd and the goal is to present the audit at the September 17th Board meeting. Chairman Maier stated all of the Trustees will be receiving a mailing from Sikich. Please be sure to complete and return the documents accordingly. Village Administrator Irvin said during the preliminary meeting the 4 material areas of weaknesses were discussed in detail. The goal is to have the prior year's weaknesses removed for this audit.

G. REVIEW PROPOSED VILLAGE BUDGET FOR FY2019-2020

Village Administrator Irvin said his summary memo on the proposed budget consists of six sections. Within the General Fund account revenues are expected to reflect a significant increase. One major increase in revenue is due to Grainger's sales tax received since their annexation to the Village. This year's revenue is estimated at \$900,000. No significant commercial activity or single-family house construction is forecasted. Property tax will remain at \$135,000 for the 21st year. The significant increase will mostly be attributed to the annexation of Grainger into the Village.

Village Administrator Irvin said the expense budget includes some increases this year such as; the planning consultant contract with Camiros, the road and bridge maintenance account for the culvert replacements and open space planning including a larger budget to support the Oasis and Whippoorwill Park maintenance.

Village Administrator Irvin added for a project to be capitalized, the project will require to cost above \$25,000. The two capital projects included for this year will be the Grainger land acquisition and two drainage improvements along Bradley Road north of the Oasis access road and at Old School Road by the railroad tracks. No other large-scale capital improvements have been planned. The Grainger land purchase is based on a 5-year payment plan and a 4% interest rate.

Village Administrator Irvin stated \$500,000 has been slotted as part of the property tax rebate program. An estimated surplus funds of \$900,000 will be held in the general fund account which indeed would allow the tax rebate program amount to be increased, if desired. The tax rebates program has been provided since 2005.

Village Administrator Irvin said other factors that will increase the Village's revenue in the future includes the hotel tax sharing amount to be received at 100% in 3 years. The estimated amount to be received is \$180,000 per year if revenues amounts remain. Another increase in revenue will be received through the Village's interest income.

Village Administrator Irvin suggested that the motor fuel tax account continue to build its funds for a future project.

Village Administrator Irvin said the largest SSA change was to SSA#7. This SSA is located in Riverside Preserve and the \$4,000 budgeted amount is to provide snow plowing services. The service is the Village's responsibility, due to the fact it was not contracted by the Riverside Preserve Homeowners Association.

Village Treasurer Fantus asked when would the cost of farming Grainger's land and addressing the water in the that area be discussed. Village Administrator Irvin said the Village Committees have discussed removing the teasel and farming the land for corn. Trustee Towne added he was able to obtain a local farmer to farm the land and charge the Village \$70 per acre. The wetlands in this area will not be disturbed. Village Administrator Irvin mentioned he received a call from Don Hansen regarding the status on Grainger's farmer. Their farmer is scheduled to cut the grass this year.

Chairman Maier said he would like to get a consensus on the final tax rebate program amount. Trustee Brennan said she would like to keep the amount at \$500,000. Trustee Towne said he would like to change the formula used to allow all the residents to receive a reimbursement. Village Administrator Irvin said the formula is a state statute requirement that is follows. The formula is not set by the Village. The state statute does not indicate when the surplus amount needs to be collected. Trustee Towne said he would like the amount to be increased to \$600,000. Trustee Bohm submitted an email with his suggestion on the new amount to be set at \$750,000. Chairman Maier said he was comfortable with \$550,000 to avoid future expectations of setting the standard too high.

Mayor Urlacher said the tax rebate program could probably be increased to \$600,000 given no capital project are anticipated this year. Mayor Urlacher suggested a letter to be included with the tax rebate check to help the residents understand the finalized amount fluctuation from prior years. Village Treasurer Fantus and Village Administrator Irvin will receive the resident draft letter from Chairman Maier to be included with the rebate application.

Village Administrator Irvin said the budget approval procedure is for the Village Board to approve the proposed budget. After the approval, the budget will have a public hearing to discuss the budget at the April Board meeting.

Chairman Maier asked the Committee if the proposed budget should remain as reported as an unbalance budget. Trustee Towne suggested we leave the report as indicated given the amounts could be explained. The budget will remain as reported. Chairman Maier indicated the final tax rebate program amount will be voted on at the Board meeting.

H. DISCUSS THE CALL OF MONEY FOR SANCTUARY ESTATES

Chairman Maier said a check not a wire will be issued in the amount of \$25,106.04 for Sanctuary Estates letter of credit balance. Village Administrator Irvin asked if a letter would accompany the payment supporting the issuance of the check. Financial Consultant O'Mary indicated the bank has all of the original documents regarding the letter of credit.

I. ANY OTHER ITEMS THAT MAY APPEAR TO THE COMMITTEE FOR CONSIDERATION, AND IF APPROVED, BE RECOMMENDED FOR APPROVAL TO THE BOARD OF TRUSTEES

Chairman Maier said going forward the Treasurer's Report will be provided to the Village Clerk Gallo for the Board meeting packet. Financial Consultant O'Mary will communicate to the Village Clerk when the report will not be available for the Board packet Friday.

Chairman Maier asked to include the whistleblowing policy on the agenda for next month.

J. ADJOURNMENT

With no further business to conduct, it was moved by Trustee Towne and seconded by Chairman Maier that the meeting be adjourned at 7:23 p.m.

Sandy Gallo, Village Clerk