

MINUTES OF THE REGULAR MEETING OF THE FINANCE COMMITTEE OF THE VILLAGE OF METTAWA, ILLINOIS, HELD AT THE HOUR OF 6:00 P.M. ON MARCH 16, 2021 BY ZOOM

A. CALL TO ORDER

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

The Village meetings are being conducted in accordance with the recently amended provisions of the Open Meetings Act, the Governor’s Disaster Proclamation and the Governor’s Executive Order which provides that meetings attended by more than 25 persons are not feasible, an in-person meeting is not practical nor prudent at this time. Therefore, the meeting is being conducted in a virtual conference format.

B. ROLL CALL

Upon a call of the roll, the following were:

Present: Chairman Maier and Trustee Towne

Absent: Trustee Brennan

Chairman Maier declared a quorum.

Also, on the call: Village Administrator, Bob Irvin; Village Clerk, Sandy Gallo; Village Treasurer, Carol Armstrong; Financial Consultant, Dorothy O’Mary; Trustee Pink

C. APPROVAL OF THE MINUTES OF FEBRUARY

Chairman Maier requested a motion to approve the February 16, 2021 meeting minutes. It was moved by Trustee Towne and seconded by Trustee Maier that the minutes be approved and be placed on file. The motion was carried.

D. REVIEW OF INVOICES PRESENTED FOR PAYMENT

Trustee Towne asked about the salt discrepancy at hand and the cost for loading the salt on the truck. Village Administrator Irvin replied Lake Forest does charge the Village at the end of the season a loading expense ranging from \$500-600. The Village does not incur any charges for storing the salt at their facility. Chairman Maier stated the Village has purchased the amount of salt that was budgeted.

Chairman Maier stated two invoices have been added to the total. ComEd acct#1048 in the amount of \$212.07 and acct#2015 for \$114.92. The approved amount for bills to be paid is \$140,515.49.

E. REVIEW OF THE TREASURER’S REPORT FOR FEBRUARY

Trustee Towne asked if on the revenue listing Charitable Games and Pull Tab Jar could be renamed to Charitable Use instead. Village Administrator Irvin recommended Illinois Charitable Games License Tax. The Committee had no further questions.

F. REVIEW OF BUILDING PERMIT INVOICES AND EXPENSES

Chairman Maier indicated a B&F invoice was received for a resident's project in the amount of \$528.70, this project had been closed out and yet charges are still being reflected against it. Chairman Maier added even if an invoice has nonbillable hours and it's being applied to the \$10,000 retainer amount, it needs to be charged against a project code. Village Administrator Irvin said it's not often a deposit has been made for a building permit and the resident later cancels their plans. Financial Consultant O'Mary said the Village currently is not able to provide permit revenues and expenses on a specific project. Financial Consultant O'Mary did an analysis on the Village's year-to-date retainer amount paid and discovered an overage of \$6,000 has occurred by utilizing a retainer versus actual amounts. Trustee Towne added the retainer also includes answering resident's calls, FOIAs and other miscellaneous questions as projects. Village Administrator Irvin said several years ago the Village worked a retainer formula to capture several miscellaneous services that were not assigned a project number. Trustee Towne said we need to address the limiting 2-hour service period James Anderson provides to the residents. Village Administrator Irvin commented if the Committee feels the retainer amount is the issue that is a separate dialogue. Chairman Maier asked Financial Consultant O'Mary to do an analysis for the last two years of James Anderson's retainer amount. Chairman Maier asked Village Administrator Irvin to review the building services analysis from Financial Consultant O'Mary. Village Administrator Irvin added the flat retainer amount benefit is to allow a higher number of permits issued to create a greater revenue. Village Administrator Irvin suggested we review the last few years to determine if the retainer amount needs to be adjusted.

Resident, Jess Ray (350 Little Melody Lane) indicated he had some concerns regarding the retainer amount. One issue is a retainer amount is not including details, the residents building project activities should be accounted in detail and James Anderson effectiveness to the Village residents is a separate issue. Chairman Maier replied he understood his concerns and the Committee is reviewing this matter. Trustee Towne said the advantage of the retainer amount is not having engineers on an hourly rate increasing engineering expenses. Trustee Towne suggested doing an RFP for engineering services. Chairman Maier said in house engineering consultants can create larger in-house expenses for the Village.

G. REVIEW OF THE PROPOSED DRAFT VILLAGE BUDGET FOR FY2021-2022

Village Administrator Irvin stated the largest change in this year's budget is the hotel revenue. The hotel revenue in the past was set to \$600,000 next year's projection is \$200,000. The sales tax revenue will be the same from the prior year. A decrease in revenue at the Lake Forest Oasis is due to the number of businesses closing and the reduction of customers due to the pandemic. Telecommunication tax will increase by \$20,000. The listed expenses on the budget are the same from last year. Legal budgeted amount has been increased due to the number of cases being handled. Engineering services also increased due the stormwater management study in the works. Property tax sharing is currently set for \$600,000, however this number can be altered by the Committee. A new line item of debt service is for the Grainger land purchase in the amount of \$685,000 will be amortized over 3 years. No large changes in SSAs, SSA#13 will be closed out in 2021. The balance of the Hamilton Estates SSA will be distributed among the 33 property owners. A decrease in the Road and Bridge maintenance line item due to the prior year's repairs and no maintenance is currently anticipated. No capital projects are planned. Two culverts are anticipated to be replaced with

a budget of \$50,000. Village Administrator Irvin added the Village is expected to receive over \$1M in reserve funds for the year.

Mr. Ray asked what is being budgeted for the tax rebate versus what is being paid out next year. Village Administrator Irvin indicated the budget is \$600,000. Village Administrator Irvin indicated the proposed budget will be posted on the Village website. A public hearing will be held at the April Board meeting to approve the following budget for the next fiscal year. Financial Consultant O'Mary asked where the stormwater management budget was going to be allocated. Village Administrator Irvin indicated the budget has been placed in engineering services, prior stormwater work projects have been charged to this account. The water engineering services is for potable water and miscellaneous services. Village Administrator Irvin said he will ask JACO to split the stormwater management out of general engineering. Chairman Maier said the Hey and Associates project will be charged to engineering services with a sub-account to identify their charges.

Trustee Towne said Lake County and some municipalities are starting to charge storm sewer tax as a utility tax. Trustee Pink said she is against putting an extra tax on our residents. Trustee Towne said this is a county tax not a Village tax. Chairman Maier confirmed no taxes will be passed along to the residents.

Mr. Ray asked what was captured under revenue sharing. Village Administrator Irvin responded the Village has three types of revenue sharing. The two-hotel sales tax revenue, the sales tax sharing with the City of Lake Forest and the property tax sharing with the residents.

Trustee Towne asked what portion of the legal expenses were reimbursable from the projects. Village Administrator Irvin said he can provide the details after the meeting. Village Administrator Irvin said he can also provide the Board the engineering details that are also being reimbursed. Chairman Maier asked Financial Consultant O'Mary to compare the financial systems tracking to Village Administrator Irvin's legal/engineering cost to be reimbursable.

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

I. ADJOURNMENT

With no further business to conduct, it was moved by Trustee Towne and seconded by Chairman Maier that the meeting be adjourned at 6:48 p.m.

Sandy Gallo, Village Clerk