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2 **VILLAGE OF SOUTH BARRINGTON**
3 **MINUTES OF THE FINANCE COMMITTEE MEETING**
4 **AUGUST 10, 2015**

5 **CALL TO ORDER**

6 The meeting was called to order at 9:05 a.m. by acting Committee Chairman Stagno at
7 9:05 a.m.

8
9 **ROLL CALL**

10 Members present: Acting Chairman Stagno, Trustee Abbate

11 Staff present: Mayor McCombie, Administrator Palmer, Treasurer Bodie,
12 Secretary Latoria

13
14 **PUBLIC COMMENT**

15 None.

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17 **APPROVAL OF MINUTES**

18 Acting Chairman Stagno asked for a Motion from the Committee to approve the Minutes
19 of the meeting held May 18, 2015. Commissioner Abbate made a Motion. Acting
20 Chairman Stagno seconded. By unanimous vote the Motion was passed.

21
22 **AGENDA ITEMS**

23 Draft Audit Report. Treasurer Bodie stated the report will be finalized sometime this
24 month, printed and distributed at the September Trustees meeting. Treasurer Bodie
25 further stated the auditor will be at the Trustees meeting to present the information.
26 Treasurer Bodie added if the auditor found a mistake, it would be addressed in a separate
27 letter to Village management. Acting Chairman Stagno noted the auditor's opinion letter
28 states management is responsible for information provided and the auditors are
29 responsible for reviewing the information. Acting Chairman Stagno asked who would be
30 considered Village management. Treasurer Bodie stated it would be herself, the Village
31 Administrator, the Finance Committee and Village Board. Acting Chairman Stagno
32 stated there are certain terms in the report he did not understand. Treasurer Bodie asked
33 Acting Chairman Stagno send her an E-mail with any questions on the report and she will
34 respond with clarification. Mayor McCombie suggested the Committee read the report
35 and present any questions they have to Treasurer Bodie before the September meeting.
36 Treasurer Bodie will send the final draft to the Committee as soon as it is completed.

37
38 Village Enclave. In attendance representing Village Enclave was developer, Joe Elias.
39 Regarding the reduction in the Letter of Credit, Administrator Palmer stated Village
40 Engineer Natalie Karney will be going out to the site today to do a checklist. Mr. Elias
41 provided copies of the Village Enclave Maintenance Bond for the Committee and

1 Administrator Palmer stated it has been sent to Attorney Storino for review.
2 Administrator Palmer added there are also some outstanding fees and a question about an
3 escrow account. Treasurer Bodie stated the Village received a check last Wednesday for
4 the outstanding amount due from Enclave if the Village liquidates the escrow account in
5 full. Treasurer Bodie stated Mr. Elias is asking if there is any requirement to have an
6 escrow account as he proceeds with the development. Treasurer Bodie stated she felt
7 there is a need to have an escrow account; however it could be less than the current
8 \$15,000 which is what is currently in the account. Treasurer Bodie further stated there
9 will be ongoing engineering and legal expenses. Treasurer Bodie added historically all
10 the ongoing developments in the Village have escrow accounts. Commissioner Abbate
11 asked what amount she would recommend for the escrow account. Treasurer Bodie
12 stated she felt \$5,000 to \$10,000 would be adequate. Treasurer Bodie further stated when
13 expenses incurred exceed the escrow account, the Village needs pursue the collection.
14 Treasurer Bodie stated another issue is how the Village will receive impact fees up front
15 or when the lots were sold. Treasurer Bodie stated her concern is to make sure
16 prospective buyers were made aware of the impact fees ahead of time. Commissioner
17 Abbate asked Mr. Elias what was their intention for Village Enclave? Mr. Elias stated
18 they were built into the Annexation Agreement and the fees would be paid at the time of
19 issuing the building permit. The Board agreed the Village Attorney should review this
20 issue to see what would be the best way to incorporate notification of impact fees to
21 prospective buyers. Treasurer Bodie suggested \$5,000 should be kept in the escrow
22 account until the development is sold or fully developed. Mr. Elias stated he has been
23 reviewing the issue of the escrow account and could not find anything in the Village
24 ordinance which requires it beyond the original application process. Mr. Elias further
25 stated it was his understanding once the original application was approved and all fees
26 were paid the escrow account balance would be returned to them. Mr. Elias read Village
27 Ordinance 11-2-3 Section C to the Board and stated he did not see any requirement for an
28 ongoing escrow account. Mr. Elias stated it was his belief when construction begins,
29 their Letter of Credit in the amount of \$1.1 million dollars, which has been posted, would
30 be available for the Village to draw on for additional fees. Mr. Elias stated once the
31 Letter of Credit is reduced, it is replaced by a Maintenance and Surety Bond. Treasurer
32 Bodie stated in the Village Ordinance 11-2-3 Section A there is an ongoing developer
33 deposit requirement. Treasurer Bodie stated there will be additional items for the
34 development will need to be overseen by the Village such as water hookup to the
35 individual lots. Treasurer Bodie stated she felt there was a Village requirement as listed
36 in Section A. Mr. Elias asked for a copy of the Developer Agreement. Treasurer Bodie
37 gave copy to Mr. Elias which he read to the Committee. Mr. Elias felt this was still only
38 for the initial Application Fee. Commissioner Abbate stated every subdivision in the
39 Village has had an escrow account and they are not asking them to do anything different
40 from what every other subdivision has done in the past. Administrator Palmer stated the
41 Village Attorney also recommended an escrow account be in place. Mr. Elias stated he
42 will bring a check to the Village in the amount of \$5,000 for the escrow account and

1 asked if there would be an expiration date on the account? Administrator Palmer stated
2 he will ask the Village Attorney to review. The Committee agreed. Administrator
3 Palmer stated he will have the Village Attorney review to see what will come before the
4 Board of Trustees. Chairman Stagno asked for a Motion from the Committee to reduce
5 the escrow account to \$5,000. Commissioner Abbate made a Motion. Acting Chairman
6 Stagno seconded. By unanimous decision the Motion was passed.

7
8 Acting Chairman Stagno asked for a Motion from the Committee to forward the
9 Reduction in Letter of Credit and Closing of Letter of Credit pending Village Attorney
10 review and checklist from Public Works Natalie Karney. Commissioner Abbate made a
11 Motion. Acting Chairman Stagno seconded. By unanimous vote the Motion was passed.
12 Maintenance Bond - pending Village Attorney review.

13 Elevator Maintenance

14 Administrator Palmer stated the Village had received proposals for the maintenance of
15 the elevator. Administrator Palmer further stated Schindler who is the manufacturer of
16 the elevator will do the first three months of maintenance free and dropped their monthly
17 price by \$10. Administrator Palmer discussed past issues with the elevator and proposals
18 they have received. The Committee agreed to support a one year contract with Schindler.
19 Committee members requested a list of the elevator issues have occurred while under
20 warranty. Treasurer Bodie will send copy of elevator issues to the Committee. Acting
21 Chairman Stagno asked for a Motion from the Committee to recommend to the Board of
22 Trustees a one year maintenance agreement with Schindler for the Village elevator.
23 Commissioner Abbate made a Motion. Acting Chairman Stagno seconded. By
24 unanimous decision the Motion was passed.
25
26

27 **STAFF REPORTS**

28 Administrator Palmer stated the Village received proposals today for the removal of 75
29 trees in the Village.
30

31 Treasurer Bodie stated there will be a Resolution coming before the Board of Trustees at
32 the September meeting to transfer the MFT funds to the approved road program.
33

34 Mayor McCombie stated there are some issues with overgrowth maintenance along
35 Mundhank Road and Witt Roads. The Village contacted Willows Landscaping to get
36 pricing on the cost to cut back some of the areas along those roadways and reviewed the
37 pricing with the Committee. Mayor McCombie stated she had spoken with Cook
38 County to see if they would pay for the clearing of the right of way along Witt Road if
39 the Village requested Willows perform the work, under the Intergovernmental
40 Agreement. Mayor McCombie stated the County was in agreement with doing and the
41 Village just received documentation from them today which will be reviewed. Mayor
42 McCombie will check with the County to see what they will pay. The Committee agreed

1 to have Willows do the clean up along Witt Road, provided a letter is sent to the
2 individual homeowner's in those areas reminding them maintenance of this area is their
3 responsibility and will be expected in the future.
4

5 Mayor McCombie stated the Village has received some complaints about a homeowner's
6 using their residence as a bed and breakfast. Mayor McCombie further stated these
7 complaints are being investigated by the Village.
8

9 **CLOSED SESSION - None**

10 **OLD BUSINESS - None**

11 **NEW BUSINESS - None**
12

13 **ADJOURNMENT**

14 Being no further business, Acting Chairman Stagno asked for a Motion from the
15 Committee to adjourn the meeting. Commissioner Abbate made a Motion. Acting
16 Chairman Stagno seconded. By unanimous vote the meeting was adjourned at 10:55 a.m.
17

18 Respectfully Submitted,
19

20 _____
21 Christine Latoria, Secretary
22

23
24 These Minutes were approved this

25 _____ day of _____, 2015
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