

VILLAGE OF SOUTH BARRINGTON
MINUTES OF THE FINANCE COMMITTEE MEETING
February 1, 2017
2:00 PM

CALL TO ORDER

The meeting was called to order at 2:08 pm by Committee Chairman Stagno.

ROLL CALL

Members Present: Committee Chairman Stagno, Trustee Joseph Abbate, and Trustee Bernard Kerman.

Members Absent: None.

Others present: Mayor McCombie, Treasurer Michelle Bodie and Administrator Bob Palmer.

PUBLIC COMMENT

None.

APPROVAL OF MINUTES

Trustee Abbate made a Motion to approve the Minutes of the Open Session Meeting held December 5, 2016. Trustee Kerman seconded the motion. By unanimous voice vote, the Motion passed.

AGENDA ITEMS

Autumn Leaves Letter of Credit Release/Expiration

Palmer explained that he had been contacted by the LaSalle Group regarding the release of their Letter of Credit (LOC) in the amount of \$100,013.20 for the Autumn Leaves Memory Care Facility located on Bartlett Road. Since the development was concluded about two years ago, it is appropriate to consider release of the LOC, however, upon investigation of the LOC it was discovered that it had expired January 1, 2017. Even though the LOC had expired, a review of the facility was made by the engineer and found to be in order. Additionally, the LaSalle Group requested formal documentation of the release of their LOC.

Motion was made by Trustee Abbate to recommend to the Village Board the formal release of the Letter of Credit for the Autumn Leaves Memory Care Facility. Seconded by Trustee Kerman. By unanimous voice vote, the Motion passed.

Applied Ecological Services (AES) – Conservancy Ban

Chairman Stagno explained that at the January meeting of the Conservancy Committee he attended, the merits of the vegetation burn at the Conservancy was discussed. The burn is recommended every three years to control the growth of invasive plants and promote healthy growth of natural plants. Applied Ecological Services (AES) will submit a proposal to conduct the burn similar to the one they performed in 2014. The timing of the burn is dependent on weather and wind conditions. Bodie explained that the estimated contract price is \$3,000 and approval is recommended. The Committee briefly discussed the Conservancy budget. It was the

consensus of the Committee to approve the contract with Applied Ecological Services for \$3,000 to conduct a vegetation burn at the Conservancy when conditions are favorable to do so.

Pitney Bowes Postage Meter Lease Contract

Bodie explained that the Village has received a new lease agreement with Pitney Bowes for the Village's Postage Meter. The previous lease of 36 months was for \$54/month or \$162/quarter. The proposed lease is for 48 months at \$52.60/month or \$157.80/quarter. The new lease includes updated equipment that will be wifi enabled for postage transfer. After brief discussion the Committee came to a consensus to authorize execution of the Pitney Bowes Meter Lease Contract for 48 months at \$52.60/month or \$157.80/quarter.

Resolution adjusting the Fair Market Value of Land

Palmer explained that this is an annual item whereby the Village adjusts the cash equivalent of land value in the Village by the Consumer Price Index from the previous 12 months to determine the contribution to the School Districts, Park District, Fire Protection District and Library District when residential development occurs. Another way this process is described is as an Impact Fee collected by the Village on behalf of the aforementioned taxing bodies. Chairman Stagno asked about how an actual land donation would work in this process, since the proposed ordinance pertains to a cash donation. Palmer explained that with a large enough parcel, it would be possible to have an actual land donation rather than the cash donation outlined by the resolution. Trustee Kerman mentioned the issue of a small area of the Regency that is included in Barrington Hills Park district instead of South Barrington Park District. Bodie stated she has emailed the Park district previously on this issue. Palmer stated he will contact the Executive Director of the Park District.

Motion was made by Trustee Abbate to recommend the proposed resolution to the full Village Board for consideration. Seconded by Trustee Kerman. By unanimous voice vote, the Motion passed.

Fiscal Year 2018 Budget Update

a. General Fund Revenue and b. Estimate of FY2018 Budget Update

Bodie gave a presentation on estimates of the General Fund Revenue for the upcoming fiscal year including an overview of Fund Accounting, noting the differences between Governmental, Proprietary and Fiduciary Funds. Special Service areas were briefly discussed, as well as the Police Pension Fund. Chairman Stagno asked about the Special Service Areas, particularly the type of project and how it was funded. Bodie explained that the Stonegate project was municipal sewer connection and in general, any Special Service Areas bonds will pertain to an infrastructure type project. Bodie went on to explain that the Village Revenue is well balanced into three parts: real estate taxes, sales taxes and other taxes and fees. Bodie pointed out that many other municipalities do not have such a balance due in part to a lack of commercial development. Bodie stated that from the general sales tax rate of 10%, the Village receives the 1% municipal share plus an additional 1% Home Rule Sales Tax implemented by Village. Separately, the Village directly collects a 1.5% Village Food and Beverage Tax. There was a review of the many Offset Revenues the Village receives such as grant funds, pension contributions and waste collection fees. These revenues are essentially a pass through revenue. Bodie noted that the Village has lost revenue due to the closing of the Millrose restaurant. The

Committee briefly discussed the projections for the Police Pension Fund investment returns. Bodie stated that work is continuing in the preparation of the budget and the information presented represents only the revenue portion.

STAFF REPORTS

Village Administrator

Palmer reported that Illini Power is continuing work on the Village Hall back-up generator and that he along with the Mayor and Police Chief attended a program presented by the Illinois Tollway on the successful progress of the I-90 Jane Addams Expressway project. He also informed the Committee that the Mayor, Village Engineer and Building Officer had met that day to discuss a program promoting solar energy development.

Finance Officer

Bodie reviewed the recent 1st installment Property Tax Bills that had been mailed, noting that these bills reflect 55% of last year's total tax. Cook County reports the taxing bodies' liabilities, such as unfunded pension liabilities, on this bill. Bodie pointed out that these amounts are self reported by the various municipalities and could be inaccurate. Bodie reviewed the South Barrington information and provided references for Village liabilities shown.

OLD BUSINESS

No old business.

NEW BUSINESS

Mayor McCombie reported that she anticipated a meeting would be scheduled to discuss personnel issues.

ADJOURNMENT

Having no further business, Chairman Stagno asked for a Motion from the Committee to adjourn the meeting. Trustee Kerman made a Motion and Trustee Abbate seconded. By unanimous voice vote, the motion passed, and the meeting was adjourned at 3:44 p.m.

Respectfully submitted by,

Bob Palmer
Village Administrator

These Minutes were approved this

_____ day of _____, 2017