

**VILLAGE OF SOUTH BARRINGTON
MINUTES OF THE FINANCE COMMITTEE MEETING
JANUARY 8, 2018
2:00 PM**

CALL TO ORDER

The meeting was called to order at 2:05 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 Paula McCombie, Treasurer Michelle Bodie, and Administrator Bob Palmer.

PUBLIC COMMENT

None.

APPROVAL OF MINUTES

Trustee Kerman made a Motion to approve the Minutes of the Open Session Meeting held December 11, 2017. Trustee Abbate seconded the motion. By unanimous voice vote, the Motion passed.

AGENDA ITEMS

1. Fiscal Year 2019 Budget Update

Treasurer Bodie reviewed the Village's General Fund Revenue estimate (\$7,055,000). Bodie noted that the biggest month for sales tax revenue is December and the collections for that month won't be known until March. Mayor McCombie stated that the Arboretum sales were projected up by one percent. Bodie then reviewed the Village's Home Rule sales tax (1%), the food and beverage tax along with the state sales tax. Bodie explained that the impact of businesses closing, such as the L'eiffel Bistro and Millrose, has had an impact on revenue. New this year too, is the State charging 2% as a revenue collection fee. Income tax revenue is projected to be \$468,000. Amusement tax is over 100% of the projected collection, with four months to go in the fiscal year. Collections could be double the projected amount for the Amusement tax. In 'other' revenue, the Village collected \$33,000 from entities involved in the Plum Farm proposed development dispute in Hoffman Estates. Mayor McCombie clarified that no decision had been received to date from the court where the issue was being heard. Bodie also noted that interest revenue was up, due to the CD's that are invested. Funds through intergovernmental agreements with Cook County also amounted to a significant amount of funds for this past year. It is expected that the two new restaurants being developed in the Arboretum shopping center will make a positive impact on revenues. Mayor McCombie concurred and mentioned the restaurants being built: Rascal Flats, Hampton Social, Wheat & Barley (taking the place of an existing retail space) and Falafel Restaurant (also going into an existing space). Bodie reviewed other parts of the budget, the general fund, motor fuel tax, the pension fund, water and sewer fund and the capital fund. Chairman Stagno asked about the expenses for the sewer and water fund. Trustee

Kerman asked if water charges would stay the same. Bodie explained that it is highly likely that expenses will increase, however rates for the Regency are projected to stay the same. No action required at this time concerning the 2019 Fiscal Year Budget, Bodie stated she would be bringing back further information to the Committee at a later date.

2. Illinois Department of Insurance – Actuarial Report (to send to Board to place on file)

Treasurer Bodie presented and reviewed the Actuarial Report for the Police Pension Fund; the report is kept on file and also placed on the Village's website. The State shows the pension fund at 58% funding, while the Village's own actuarial report has the funding level at 54%.

Chairman Stagno asked for a motion to send the Actuarial Report to the Village Board to accept and place on file. Motion was made by Abbate to forward the list of proposed Holiday Bonuses to the Village Board for approval. Motion was seconded by Kerman. On a voice vote motion carried.

3. Resolution to authorize NIMEC to negotiate an electric service contract for Village Water & Sewer Fund Electric Service

Administrator Palmer briefed the Committee on a proposed Resolution to authorize NIMEC to negotiate an electric service contract for Village Water & Sewer Fund Electric Service. Palmer explained that NIMEC would be going out to bid on behalf of a number of their members and South Barrington could be considered to participate in the process with the passage of a resolution authorizing acceptance of the resulting bid price. Because the prices are fluid in the electric markets, authority to secure an agreement would be granted to staff to accept the offered price if it is determined favorable.

Chairman Stagno asked for a motion to recommend to the Village Board the passage of a Resolution appointing NIMEC as the Village's broker to purchase electricity and delegation of signing authority to the Village Administrator to enter into NIMEC – selected energy provider. Motion was made by Kerman to recommend passage of a Resolution appointing NIMEC as the Village's broker to purchase electricity and delegation of signing authority to the Village Administrator to enter into NIMEC – selected energy provider, to the Village Board for consideration. Motion was seconded by Abbate. On a voice vote motion carried.

4. Resolution authorizing the execution of a service agreement with Hey & Associates, Inc. (Wetland Consultant for Woods Development)

Administrator Palmer presented a proposed resolution authorizing the execution of a service agreement with Hey & Associates, Inc. to be the Village's Wetland Consultant for the Woods Development. It was noted that the previous consultant had moved from the area, leaving a void for this service. Hey & Associates is currently doing wetland consulting work for the Village and with the former consultant employed by the Village moving out of state, it is a natural move to expand the scope of service with a service agreement.

Chairman Stagno asked for a motion to recommend to the Village Board a Resolution authorizing the execution of a service agreement with Hey & Associates, Inc. (Wetland

Consultant for Woods Development). Motion was made by Kerman to recommend the proposed resolution. Motion was seconded by Abbate. On a voice vote motion was approved.

5. Resolution authorizing the execution of the NICOR franchise agreement

Administrator Palmer explained that he had recently met with a NICOR representative who explained that the franchise agreement between the Village and NICOR had expired and that it would be in order to execute a new agreement. The representative explained some changes that had been made to the new franchise agreement, including an increase in the credit amount of terms based on population and an option to switch from the credit to a cash payment option. Palmer explained that the representative has yet to supply a copy of the agreement that outlines these changes, therefore the information is being offered at this time as informational. No action is necessary at this time.

6. Resolution authorizing the execution of an Intergovernmental Agreement with Cook County (Bike Trail Grant)

Administrator Palmer explained that to finalize a grant with Cook County for the construction of a bike trail along Barrington Road as part of a proposed widening project by IDOT, the Village needs to execute an Intergovernmental Agreement (IGA) with the County. Due to the rather unique nature of the grant, modifications need to be made to the standard Cook County IGA form. To date the Village is waiting to hear from the Cook County Legal Department on the final form of the IGA. No action at this time, it is expected that the IGA will be finalized by the time of the next Committee meeting.

7. Discussion of the Village Reserve Policy

Treasurer Bodie presented the issue regarding the Village's Reserve Policy, recommending that all but 40% of reserve funds be transferred to the Capital Fund. Bodie further recommended that a change in policy be considered, setting the Village's Reserve Policy at 30% rather than 40%. Current policy is to have cash reserves at 40% of the Village Budget.

Chairman Stagno asked for a motion to recommend to the Village Board an amendment to the Village's Reserve Policy, lowering the reserve amount from 40% of budget to 30% of budget. Motion was made by Kerman to recommend to the Village Board a change in the Village Reserve Policy from 40% of budget to 30% of budget. Motion was seconded by Abbate. On a voice vote motion carried.

8. Review of the Wheat & Barley Design Package

Mayor McCombie presented the proposed Wheat & Barley design package as an information item. Wheat & Barley is a proposed new restaurant at the Arboretum, to be located in the Charming Charlie's retail space.

STAFF REPORTS

Mayor

Mayor McCombie reported on efforts to fill the Executive Assistant position. Bodie added that Sue Ardizzone has been putting in some hours to assist with the work in administration. Mayor McCombie reported that ads have been placed to fill the position. Mayor McCombie also

reported that legal counsel for Toll Brothers would be coming to the Village Hall to review materials that they have FOIA'd in relationship to the issue of Estate Homes on Signature Lots. Mayor McCombie also reported on a traffic accident this morning involving one of the Village Officers, no serious injuries; however the squad car looks to be a total loss.

Village Administrator

No report.

Finance Officer

Bodie reported on Blue Star (the Village's IT provider) being given a 30 day notice. The Village will be transitioning to working with West Dundee as a provider for IT services.

OLD BUSINESS

No old business to discuss.

NEW BUSINESS

No new business to discuss.

CLOSED SESSION

No closed session was held.

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 3:38 p.m.

Respectfully submitted by,



Bob Palmer

Village Administrator

These Minutes were approved this

5 day of March, 2018