

**VILLAGE OF SOUTH BARRINGTON
MINUTES OF THE FINANCE COMMITTEE MEETING
MARCH 5, 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 January 8, 2018. Trustee Abbate seconded the motion. By unanimous voice vote, the Motion passed.

AGENDA ITEMS

1. Preliminary Budget for Fiscal Year 2018/2019

Treasurer Bodie explained that she was working on the Public Safety portion of the budget and would have that completed shortly. Bodie then reviewed the balanced budget with the committee. Bodie presented the revenue estimates for the coming year and touched briefly on the estimates provided by the Illinois Municipal League (IML). Bodie also discussed the property/liability coverage expense. Trustee Abbate brought up an IT issue, noting that the spam filter that had recently been changed accumulates email very rapidly and is difficult to work with. Mayor McCombie stated that a change is necessary and being looked into, the solution will be to have the filter separate the emails into a more user friendly format. Trustee Abbate agreed and added that the ability to select emails one at a time would make the system work better. Chairman Stagno asked about the reimbursement from Willow Creek Church for police services in the budget. Bodie explained that the expense is shown as a contra revenue (expense). Bodie also explained the Arboretum Sales Tax rebate, where 50% is rebated to the shopping center. The rebate's source is from the 1% Municipal Tax and 1% Home Rule Tax (2% total taxes collected by the State). Bodie noted that 42% of the Village's sales tax revenue comes from the Arboretum. The sales tax rebate agreement expires in 2020. Chairman Stagno asked about the deadline for paying the rebate, to which Bodie answered that the deadline is the end of April. No action or recommendation was made at this time regarding the Preliminary Budget for Fiscal Year 2018/2019; this item will be scheduled again for a future meeting when the recommended budget will be prepared and ready for review.

2. IMRF Reserve Statement for Regular and SLEP Plans

Treasurer Bodie presented the IMRF Reserve amount of \$81,868.17, noting that interest was \$6,140.11 and payroll contributions were \$67,437.00 from payroll. Residual amount was \$248,704.19. Ending balance as of December 31, 2017 was \$479,149.47. The Committee briefly discussed recent retirees and the impact on the IMRF account. Chairman Stagno asked about the SLEP account and who is covered by that program. Bodie explained that the Chief of Police is covered under the SLEP program, however he may transfer to the IMRF plan. No action or recommendation was made at this time regarding the IMRF Reserve Statement for Regular and SLEP Plans; item was presented as information only.

3. Cricket Club License to use Village parcel

Administrator Palmer presented the request from the South Barrington Cricket Club to once again utilize the Village property that has been developed as a Cricket field for their season in 2018.

Chairman Stagno asked for a motion to recommend to the Village Board the granting of a license to the South Barrington Cricket Club to play cricket on the designated Village parcel located off of Studio Drive. Motion was made by Abbate to recommend to the full Village Board the granting of a license to the South Barrington Cricket Club to play cricket on designated Village property off of Studio Drive for the 2018 season. Motion was seconded by Kerman. On a voice vote motion carried.

4. Electric Contract for Water/Sewer Operations (Plant & Lift Stations)

Administrator Palmer explained that the Village has the lift stations and water plant on a separate supplier of electricity and that contract is a fixed amount. The contract is coming to an end this year and the opportunity came up to participate in a bid process through NIMEC for pricing on a new contract. The bids came in and a check was made directly with the current provider to see what they could offer on an individual basis. The current provider, New Constellation, was able to provide a better fixed rate price for four years than the bid amount that had been made through NIMEC. Therefore the recommendation is to continue with New Constellation for a new contract that will start when the existing contract ends this year and continue for four years. The rate is for \$0.05059/kWh. The term of the contract is from July 27, 2018 to July 26, 2022. Because the quoted price was only good for the day quoted, the Board had previously granted authority to execute the agreement on the day of the offer. Therefore the agreement needs to be ratified by the full Village Board.

Chairman Stagno asked for a motion to recommend to the Village Board a Resolution Ratifying an Agreement to Purchase Electricity. Motion was made by Abbate to recommend the proposed resolution. Motion was seconded by Kerman. On a voice vote motion was approved.

5. Reserve Discussion

Treasurer Bodie stated that the Village has maintained a policy for the reserve amount to be at 40% of operating costs and is now proposing to reduce that percentage to 30%. The reasoning behind the recommendation is that it appears that the State of Illinois is continuing to look at the revenues of municipalities and making policies to redirect revenue from municipalities and redirect them to the state. Transferring funds from the general fund to the capital fund and

specifically the road fund is also recommended. Bodie expressed concern regarding the state possibly freezing the levy amount of municipalities. Mayor McCombie added that another avenue would be to direct more funds into the pension fund or do more work under the road program. Trustee Abbate commented that road program bids came in lower than the engineer's estimates which allows more work to be done. Bodie said that she would continue reviewing the Village's position in terms of the reserve amount and come back at the next meeting with suggestions for more funding in the pension fund or the capital fund.

STAFF REPORTS

Mayor

Mayor McCombie reported on an unemployment case that had been filed, union negotiations schedule, and attendance at the IPELRA conference. Mayor McCombie also added that 30+ Police applications had been submitted.

Village Administrator

Palmer reported that there is an upcoming ACC meeting that will have on its agenda a new building proposal in the Arboretum and a review of Toll Brothers signs. Palmer also gave a brief update on the mailbox situation in the Woods subdivision and also a brief meeting that was held with the SWANCC Executive Director.

Finance Officer

Bodie reminded the Committee that the next meeting would be on April 9, 2018 and also that at 2PM on that day there would be a HR/Legal and Insurance Committee Meeting, followed by Finance Committee at 3PM.

OLD BUSINESS

No old business to discuss.

NEW BUSINESS

Bodie mentioned the MVT agreement for the advisors to the Police Pension Fund. Chairman Stagno discussed the fiduciary duty of the consultants and wanted to make sure that a discussion would take place regarding the investment management agreement.

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 4:09 p.m.

Respectfully submitted by,



Bob Palmer

Village Administrator

These Minutes were approved this

9th day of April, 2018