

# Finance Committee Meeting

Council Chambers

May 18, 2016

8:00 a.m.

**Call To Order:**

Meeting opened at 8:00 am

**Roll Call:**

Finance Director Neukirch called the roll for Committee members.

**Committee Members Present:** Chairman LoVerde, Bob Callero, John Johann, Paul Nielson and Al Weel

**Committee Members Absent:** None

**Village Staff Present:** Mayor Przybylo, Trustee McCreery, Trustee Alpogianis, Village Manager Vinezeano, Finance Director Neukirch, Assistant Finance Director Nannini, Community Development Director Ostman, Economic Development Coordinator Klicker, Attorney Annunzio and Legal Assistant Thake.

**Approval of Minutes:**

The minutes from the April 20, 2016 Finance Committee meeting were up for approval, motion made and all concurred.

**Accounts Payable Approval:**

The approval of the Accounts Payable registers for 4/15, 4/22, 4/29 and 5/6 were up for approval, motion made and all concurred.

**New Business**

**6B Incentive Application:**

Economic Development Coordinator Klicker gave a brief overview of the 6B application from 7555 Caldwell. Next the attorney and broker for 7555 Caldwell provided the Committee with information pertaining to the pending rental agreement for the property that is contingent upon the approval of a 6B incentive. The representatives explained the difficulty they have been having in finding tenants for the location. The representatives also explained the improvements the owner and tenants are planning on making to the property. The prospective tenants explained that they intend to sign a 10 year lease and estimate approximately 75 employees will be at the location. The Committee asked various questions of the representatives. Motion was made to move the 6B incentive request to the Village Board. Johann-Yes, LoVerde-Yes, Callero-Yes, Weel-Yes, Nielsen-Yes.

**7B Incentive/TIF Assistance:**

Representatives from 7025-7049 Milwaukee (applicants) addressed the Committee pertaining to their request for TIF assistance of \$150,000 and its application for 7B assistance. The applicants gave an overview of the reasons for their application for assistance. The \$150,000 of TIF assistance would be paid in two equal installments for qualifying improvements after each phase of the two phase project is completed. Mr. Robert Rychlicki of Kane McKenna, who reviewed the applicants request for 7B and TIF assistance on behalf of the Village, gave an overview of the information that was provided supporting the request. The Committee asked questions of the representatives. Village Manager Vinezeano stated that he wanted to make sure that the Village's standards for streetscape improvements are adhered to. The first motion was made for TIF assistance of \$150,000: Johann-Yes, LoVerde-Yes, Callero-Yes, Weel-Yes, Nielsen-Yes. A second motion was made for the 7B application: Johann-Yes, LoVerde-Yes, Callero-Yes, Weel-Yes, Nielsen-Yes.

**FY 17 Budget Update:**

Finance Director Neukirch updated the Committee on the status of the proposed FY 17 Budget. Neukirch explained that the FY 17 Appropriation Ordinance will be up for approval at the May 24, 2016 Village Board Meeting. Neukirch also explained that the Statement of Revenues provided to the Committee will also be filed with the state after the Appropriation Ordinance is approved.

**Purchasing Manual Revisions:**

Finance Director Neukirch reviewed with the Committee the 3 sections that staff is recommending changes to in the Village's purchasing policies manual. Neukirch explained that there is a proposed section to be added outlining the Village's efforts to promote the Village working with local businesses. John Johann requested staff look in to adding some language requiring businesses to not be in debt to the Village

in order for this section to apply. The other two changes to the manual involve minor changes and clarifications to the sections on the disposal and sale of Village property and the use of the Village's sales tax exemption number.

**American Express Rewards Update:** Finance Director Neukirch updated the Committee on the current cash and points balances earned to date as part of the American Express Rewards Program. Neukirch also explained that the City of Chicago is no longer accepting payment by credit card, therefore the Village's rewards points will be cut down significantly. Paul Nielsen and Chairman LoVerde directed staff to look in to other options for credit card rewards programs that might give a better return than the Village is currently receiving through American Express.

**Other Business:** Chairman LoVerde directed staff to look in to revising the Village's investment policy. Finance Director Neukirch explained that this revision will be one of the first items that PMA, the Village's new investment advisor, will be working on with staff and the Committee.

**Public Comment:** Resident Louella Preston questioned as to whether or not the water rate increase for the Village will be on the June agenda. Preston went on to question what the 6B and 7B incentives that were approved would cost the average resident. Bob Callero responded that depending on when the property was fully occupied it would cost the average resident several dollars on their tax bill, with the amount declining each additional year that the property remained vacant. Preston also made various comments on TIFs and how they cause residents tax bills to go up. Staff, committee members and the representative from Kane McKenna all responded explaining how her comments were not accurate in how they alleged that TIFs increase residents' property tax bills. Mayor Przybylo also spoke to the benefit TIFs provide to the schools and other taxing bodies.

**Executive Session:** None

**Adjournment:** Motion to adjourn was made and all concurred at 9:10 am.