

Village of Niles

Finance Committee Meeting

Administration Building Council Chambers

September 21, 2016

8:00 a.m.

(minutes transcribed verbatim at the request of the Chair)

Call To Order:

Chairman Joe LoVerde: I'd like to call the Finance Committee meeting to order at 8:00 a.m. September 21, 2016. Roll call please.

Roll Call:

Assistant Finance Director Laurie Nannini:

Chairman LoVerde – here

Bob Callero – here

Al Weel – here

Paul Nielsen – here

John Johann - is not present

Laurie Nannini: Also present are Interim Finance Director Harry Sakai, Village Manager Steve Vinezeano, Legal Assistant Kathy Thake and Assistant Finance Director Laurie Nannini.

Chairman LoVerde: Steve will you please introduce Harry Sakai. I've met him.

Bob Callero: I've met him also.

Village Manager Vinezeano: Al, Paul this is Harry - Harry has decided to come out of retirement to give us some assistance. He has been an incredible finance director in many other different locations and has stepped out of retirement a few times to help some people. We are very happy to have him. He has been able to help the Finance Department, who's been working extremely hard with Laurie especially, to keep things together and to meet the deadlines over the last couple of months.

Al Weel: Thank you Harry, welcome.

Approval of Minutes:

Chairman LoVerde: We're going to jump quickly to Approval of the Minutes - Regular meeting minutes from July 20, 2016.

Bob Callero: Mr. Chairman I would like to make a correction to the minutes.

On the second page of the minutes which you have under "Return from Executive Session" the third dot – It says: "A motion was made and all concurred to table the agenda item concerning the revenue sharing agreement". I'd like to add to that: "until further information could be provided". So, in other words, we were going to table the item until further information could be provided.

And the second correction that I have on that is under the fourth dot and reading that "Chairman Callero requested a motion be made to recommend that the Village Board base future revenue sharing agreements on the bringing of new retail business into Niles and must be based on hard assets and costs of real estate improvements. The agreement must be capped" it says, "at the amount spent on the improvements". I would like to add to that, it was supposed to be "The agreement must be capped at a percentage of the amount spent on the improvements."

Chairman LoVerde: I would say that is a big difference.

Bob Callero: That's a big difference is correct. Those are the two corrections I would make. And I make a motion with that to correct the minutes.

Chairman LoVerde: We have a motion to amend the minutes. Do we have a second?

Al Weel: I'll second as amended.

Chairman LoVerde: All in favor?

Callero, Nielsen, Weel: Aye

Chairman LoVerde: A note on this, I'm not sure this went to the Village Board – this suggested recommendation, right? It did not ever go there, this language to the Village Board.

Village Manager Vinezeano: Unless you consider them getting minutes for it. I don't think it was brought up publicly in the meeting.

Chairman LoVerde: Yes, under the agenda item it was not, the Finance Department recommendation, there wasn't one. So this would have not gotten to them in terms of the language. So I guess that if we can get it to them in the future maybe it's something that they can talk about, how the recommendation to do a percentage of the, you know, just so it ends up that they see it and say ok we know the Finance Committee is saying this could be one approach to revenue sharing.

Village Manager Vinezeano: I'll make sure that we get that.

Chairman LoVerde: So it can go home in their packets. Is there anything else?

Bob Callero: Yes, maybe you want to approve the accounts payable.

Chairman LoVerde: Yes, let me approve the accounts payable. We got the minutes approved as revised, correct?

Bob Callero: Right.

Accounts Payable Approval:

Chairman LoVerde: Approval of Accounts payable registers of 7/15, 7/18, 7/22, 7/29, 8/5, 8/12, 8/19, 8/26, 9/2 and 9/9.

Bob Callero: I make a motion to approve.

Paul Nielsen: I second

Chair LoVerde: Moved and seconded – all in favor

Callero, Nielsen, Weel: Aye

Chair LoVerde: And you know, you have an opportunity to call Laurie or anyone when you get the accounts payable if you see something.

OK, we are going to drop back onto Old Business.

Old Business

Golf Mill Ford Sales Tax Sharing:

Bob Callero: Mr. Chairman, I'd like to address under Old Business the Golf Mill Ford Sales Tax Sharing Agreement originally presented to our Committee and then passed by the Board of Trustees at their August 23, 2016 meeting. This agreement was presented to us at our July 20, 2016 meeting at which I presided because of your absence. At that time, because of lack of proper information on the agreement as presented, I made a motion that no sales tax sharing agreement be entered into in the Golf Mill Ford case. The Mayor requested to be heard and asked that we table the item until we receive proper information to our inquiries due to the lack of material in the preparation. In honor of the Mayor's request, I withdrew my motion and the item was tabled. Since July 20, no member of this Committee has received any further information or explanation to our questions, yet the agreement was presented to and passed by the Board on August 23, 2016. After discussion with various members of the Finance Committee I would like to set the record straight by making the following motion:

I make a motion right now....the Finance Committee did not approve the Sales Tax Sharing Agreement that was presented to and passed by the Board of Trustees on August 23, 2016 and would not have considered approving such agreement without major changes to the agreement presented to and passed by the Board of Trustees on August 23, 2016.

Al Weel: I second that.

Chairman LoVerde: It's been moved and seconded – any comments? Anybody want to add any comments to this? Well let's get it approved, all in favor?

Callero, Nielsen, Weel: Aye

Chairman LoVerde: Anyone opposed? Ok, the simplicity of this, I wasn't here so I'm not going to speak to what went on when I wasn't here. But I do know this, the Finance Committee requested additional information at some point in time we should have gotten that additional information. I've been told that we didn't have a meeting scheduled, but that meeting, really, there wasn't a meeting scheduled because we didn't receive the information. So let's just get the record straight. We hear a lot of different things going around. There was one reporter told me there wasn't a quorum last month and so that's why we didn't act on it. Ross told them there was no quorum, this one said something different, this one said we didn't schedule a meeting. It's kind of disrespectful, and I guess I take exception to the fact that the Finance Committee when requested by the Mayor to an employee to give the Finance Committee information that they need to make a major decision on revenue tax sharing that they just be ignored. I think that's just disrespectful. Forget about being a responsible adult, it's just disrespectful. With that, I'll move on.

New Business

Finance Director Search:

Chairman LoVerde: I am pleased to report we started interviewing for Finance Directors. We had one interview yesterday. We have two scheduled for today. We have one for tomorrow. The Committee makeup at this stage is Village Manager Steve, myself, Laurie, Kathy Barnat, Hadley, and Katy Darr. Did I get everyone?

Steve Vinezeano: Yes.

Chairman LoVerde: We are encouraged with the resumes that we did receive. We are encouraged today there's a couple pretty strong candidates coming in today. So we are going to continue the interview process, then Steve is going to suggest a limited second round with less members and eventually go, it will end up in the Mayor's hands for the final – to meet the candidate that the committee selects. It's moving along. I just want to thank Laurie. We all know how busy the Village of Niles is and we all know that it is an overwhelming job when the department head person just steps out of the picture. Laurie, thank you. Harry, thank you. If there is anything this Committee can do to help you in any way, shape or form, feel free to just yell out ok? I can't type.

Al Weel: Mr. Chairman, just a brief question. Is there kind of a timeline or a process that maybe you can share with us on how that is all going to play itself out? I mean is the recommendation going to be coming from that Committee straight to the Board of Trustees or how is that going to work?

Steve Vinezeano: The recruitment committee brings it to the Mayor and then he makes a decision and then he'll bring it to the Board of Trustees for approval, support.

Chairman LoVerde: It's an appointed position?

Steve Vinezeano: Yes.

Chairman LoVerde: Is it...OK

Steve Vinezeano: We've been very happy with the quality. I've actually reached out to recruiters since the beginning and they all told me you'll be lucky if you get one or two quality candidates. You know they're just not easy to find. And we have MPAs, MBAs, all with CPAs - very interested. They tell me that they've read up on the Village of Niles, and they see where we stand financially and what we're doing and how we're trying to be a progressive community and they are all very excited about an opportunity to work with us. So, we've been very pleased with that.

Bob Callero: Mr. Chair

Chairman LoVerde: Yes

Bob Callero: Harry, a couple of months ago when I met you and I asked you if you're going to throw your hat in the ring and you said no. Have you changed your mind at all?

Harry Sakai: Respectfully, no.

Al Weel: I have nothing further.

Chairman LoVerde: Fiscal Year 2016 Audit – Laurie.

Laurie Nannini: Thank you Chairman LoVerde. With Scot leaving, we're moving forward with the audit. We do have new auditors this year so that's been a little difficult because they are not familiar with our operation so it's taking time for them to get familiar, this being their first year. But I have had Harry's help as far as moving forward to try and stay on the timeline for the audit. I have been in contact, Harry and I both talked to the partner last week and he was going to send us a first draft of the report by the end of this week. So we're trying to move forward and keep everything on track with everything that's happened in the Finance Department. Are there any questions?

Chairman LoVerde: Any other business before the Committee?

Chairman LoVerde: Any public comments?

Chairman LoVerde: I think we require an Executive Session today.

Bob Callero: Yes, Mr. Mayor, because I would like to make a correction.

Chairman LoVerde: I'm not the Mayor, please.

Bob Callero: I'm sorry, Mr. Chair. I'd like to go into Executive Session to change or correct the minutes. It's been moved to Executive Session?

Al Weel: I'll move.

Bob Callero: Second.

FY2016 Audit Update:

Other Business

Public Comment:

Executive Session:

The Finance Committee went into executive session at 8:15 a.m..

Reconvene:

The Committee reconvened at 8:20 a.m.

Chairman LoVerde: We are back in open session. Any other business of the Committee, comments, concerns? One thing I would like to say - Laurie, would you please make sure that these minutes are typed verbatim, because there were revisions and I want to make sure that the revisions were clear. OK?

Laurie Nannini: OK

Chairman LoVerde: Any other thing, if not, I'll entertain a motion to adjourn.

Adjournment:

Bob Callero: So moved.

Chairman LoVerde: It's been moved.

Al Weel: Second.

Chairman LoVerde: And seconded. All in favor?

Callero, Nielsen, Weel: Aye

Chairman LoVerde: Thank you all.

The meeting adjourned at 8:23 am.