

Village of Niles

Finance Committee Meeting

Council Chambers
February 21, 2018
8:00 a.m.

Call To Order

Chairman LoVerde called the meeting to order at 8:00 a.m.

Roll Call

Assistant Finance Director Nannini called the roll for Committee members:

Committee Members Present: Chairman Joe LoVerde, Bob Callero, Paul Nielsen and Al Weel

Committee Members Absent: John Johann

Village Staff Present: Finance Director Jeff Martynowicz, Village Manager Steve Vinezeano, Assistant Finance Director Laurie Nannini, Assistant to the Village Manager Kathy Thake, Deputy Village Manager Hadley Skeffington-Vos

Old Business

MGNC Financing

Kevin McKenna, Speer Financial, gave an update on the upcoming project financing.

Approval of Minutes

The regular minutes from the December 20, 2017 Finance Committee meeting were up for approval, motion made and all concurred.

Accounts Payable Approval

The approval of the Accounts Payable registers for 2017 12-15, 12-22, 12-29, 2018 1-5, 1-12, 1-19, 1-26, 2-2, and 2-9 were up for approval, motion made and all concurred.

New Business

RFP Waiver for HUB

Hadley requested a bid waiver for fy2019 for HUB International. HUB is the Village's health insurance broker. We last went out to bid 4 years ago. The Village received a good renewal with no increases. With upcoming special projects with HUB Hadley stated that it would be a very inconvenient time to switch brokers. Over the past 5 years with HUB there has been an average increase of 1% for medical plans. Motion was made to renew HUB International and all concurred contingent on receipt of the information requested by Bob Callero on wording in the agreement for "change in circumstances".

Annual Abatement Ordinance

Jeff Martynowicz presented the ordinance abating a portion of the 2017 tax levy. With this abatement the property tax levy passed in November would remain level with no increase. Motion was made and all concurred.

FY 2019 Budget Review

Chairman LoVerde stated that the Committee was going to have questions but suggested that Jeff give the presentation and maybe some of the questions would be answered. Jeff presented the 2018-2019 operating budget draft. Jeff stated that there weren't any new taxes or fees in the budget document. Total personnel services which is the largest expense is \$41,144,963. 2% COLA is budgeted for all non union personnel and many of the union contracts already negotiated and are currently in effect. There has been a substantial reduction in health insurance. Personnel requests not in this budget will be discussed at the April 2nd Board session. The General Fund budget as proposed is projecting a surplus of \$85,625. There is a 2% reduction in sales tax from the FY 2018 budget. The Village continues to fund the police and fire pension funds at 100% based on the actuarial required contribution. This budget includes a new \$20,000,000 bond issue to fund

street lights on Milwaukee Avenue and Waukegan Avenue along with necessary improvements to many roads and alleys in the Village. The Costco sales tax rebate will be paid off in March 2018. Jeff proceeded to address the various revenue sources in the General Fund and their impact on the budget. Any specific questions from the committee were addressed by the applicable Department Director in attendance. Jeff then moved to the Water Fund with discussion regarding the new water supplier and timing of the new water system with the Committee. After completing the revenue presentation, Jeff began the expense presentation for the General Fund as well as the various other funds. Joe LoVerde asked for a list of capital projects that were budgeted but not completed in the current year and carried over to the proposed budget. Joe also requested a written 3-5 year plan from Public Works showing how the proceeds from the new bond issue would be spent. Bob had questions regarding how the ¼% sales tax amount is impacting the contribution by the Village to the pension funds. Jeff and staff proceeded to address more specific questions by the Committee. Joe reiterated that the Finance Committee makes recommendations to the Village Board. A motion was made to not recommend the budget the way it stands now to the Village Board and all concurred.

Other Business

None

Public Comments

Louella Preston stated that she had been involved with the Village budget process for a number of years. She inquired how a Village resident can view the budget detail. Jeff stated that there will be upcoming budget workshops to attend.

Executive Session:

None

Adjournment:

Motion to adjourn was made and all concurred at 11:00 a.m.