

Village of Niles

Finance Committee Meeting

Council Chambers

June 13, 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 Laurie Nannini called the roll for Committee members:

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

Committee Members Absent: None

Village Staff Present: Finance Director Jeff Martynowicz, Village Manager Steve Vinezeano, Assistant Finance Director Laurie Nannini

Old Business

None

Approval of Minutes

The regular minutes from the May 16, 2018 Finance Committee meeting were presented for approval, motion was made and all concurred.

Accounts Payable Approval

The Accounts Payable registers for 2018 5/11, 5/18, 5/25 and 6/1 were presented for approval, motion was made and all concurred.

New Business

Purchasing Policy Revisions

Finance Director Jeff Martynowicz presented suggested changes to chapters four through six of the Village's Purchasing Manual. The changes include deleting language that specifies our old paper process and updating it to reflect the procedures of our new financial software. The manual check printing procedure will be removed completely. The petty cash purchase price will be increased from less than \$50 to less than \$100. There was discussion about possible language changes to the RFP procedure. Language will be changed to clarify the procedure. John Johann asked a question regarding Department Heads responsibility to get Certificate of Insurance for Village construction projects. Jeff stated that the Purchasing Manager works closely with the Department Heads to make sure everything is compliant and meets the Village policy and the law. He said that contracts are also reviewed and signed by the Village Attorney. Paul Nielsen asked questions about the Village Tax Exempt policy. Jeff stated that all purchases must follow the policy. If sales tax is charged on an invoice, the tax must be removed before payment is sent. Bob Callero requested that the Village Attorney review and sign off on the Purchasing Manual once it is complete. Chairman LoVerde questioned the Employee Expense Report Reimbursement, Section H, No. 11. He felt the language should be changed or removed for full transparency and accountability. Jeff agreed to look into it and update or remove as appropriate. The Purchasing Manual will go to the Village Board for approval in July.

Matrix Study Discussion/Review

Finance Director Jeff Martynowicz stated that the Matrix study was concluded several months back. Matrix did a full evaluation of the Finance Department and gave recommendations on proper procedures and policy. Prior to the meeting, Jeff presented Finance Committee members with a memo showing the status report of how the department has gone about implementing changes. Chairman LoVerde wanted to discuss Automatic Meter Reading (AMR) installation and 2 month billing cycles. Jeff's recommendation for next year's budget would be a full AMR change out and the use of a contractor to coordinate and install the meters. Jeff also recommended continuing with our current 3 month billing to avoid cost increase, volume of payments increase and foot traffic increase. He would like to lower the amount of delinquent collection from \$1000 to \$400 and be more aggressive in the

collection process to help reduce receivables. The Finance Department will begin using new water billing software next year. The new software will have better reporting and better communication for outstanding balances. Bob Callero asked Laurie Nannini if there are many residences that use more than \$400 worth of water every quarter. Laurie said yes, depending on number of people living in the house or if it is a summer month. Bob felt that if we stay with a 3 month billing cycle, \$400 is too low to begin the shut-off process. Bob would like it to be \$500. Laurie stated that she reviews all accounts prior to shut-off letters being sent out. Steve Vinezeano stated that when the Family Services Policy was reviewed, the amount of funds available for true hard cases was substantially lowered. Family Services cannot provide more than \$300 to assist with water bills and they want to be able to help residents. Joe LoVerde said that he felt we should be compassionate in how we handle these cases being that we help provide for people in many other situations. Joe said that the AMR's are the answer. He questioned why village employees can't install the AMR meters. Jeff stated that by contracting it out, the meters could be installed much faster. Jeff mentioned that the utility billing software is the next phase. We will have the ability to enter the AMR meter serial number into the new software for automatic billing. The new software will also allow direct debit from a customer's account without charging a fee. Joe asked about the Debt Management Policy. Jeff said that the study recommended we include additional policies in the budget document to be in compliance with GFOA standards. Steve Vinezeano asked how things are working with the new Munis software. Jeff said things are going well. Laurie mentioned that training for Payroll and HR has started and will go live at the beginning of the next calendar year. Joe requested an Actual Budget Report be sent every 3 months. Steve asked Jeff to explain the changes with the state budget. Jeff stated that the Homeowner Sales Tax fee went down by .5% which is about \$50,000 or \$60,000 in savings and the amount of income tax the state takes went from 10 to 5%. He said we should see positive results from these changes.

Other Business

None

Public Comments

None

Executive Session

None

Adjournment

Motion to adjourn was made at 8:51am and all concurred.