

# Minutes

## Village of Niles

### Finance Committee Meeting

Village Hall Conference Room 218

October 17, 2018

9:00 a.m.

#### Call To Order

Chairman Dean Strzelecki called the meeting to order at 9:00 a.m.

#### Roll Call

Assistant Finance Director Laurie Nannini called the roll for Committee members:

**Committee Members Present:** Chairman Dean Strzelecki, Patricia Dlubala, Jack Drexler, George Van Geem, Joseph Ori

**Committee Members Absent:** None

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

#### Old Business

None

#### Approval of Minutes

The regular minutes from the September 19, 2018 Finance Committee meeting were presented for approval, motion was made and all concurred.

#### Accounts Payable Approval

The Accounts Payable registers for 9/14, 9/21, 9/28, 10/5 2018 were presented for approval, motion was made and all concurred.

#### New Business

##### **Alliant/Mesirow Insurance Services**

Deputy Village Manager Hadley Skeffington-Vos requested a renewal of the Village of Niles Workers Compensation and Liability Insurance Program. Tom Collins and Dan Mackey from Alliant/Mesirow presented an overview of renewal options and recommended Premium Summary. Tom stated there will be an increase from last year due to loss of Auto Liability carrier. He mentioned Workers Comp activity has decreased in frequency rate and amount of claims over the past 3 years resulting in a reduction to the Workers Comp premium which will offset some of the Liability costs. The recommended insurance program offers Workers Comp, Liability and Property Damage as a bundled package to offer a better cost to the Village. Chairman Strzelecki requested a motion to move forward with the recommended plan. Motion was made by George Van Geem and second by Patricia Dlubala. All concurred.

##### **2018 Police/Fire Pension Actuarial Results**

Finance Director Jeff Martynowicz continued discussion from last month's meeting regarding Police and Fire Actuarial and Interest Rate Assumption. Both Pension Boards were interested in a rate of 6.5%. Todd Schroeder, from Lauterbach provided analysis of the current interest rate and what the Villages contribution would be at different percentage points ranging from 7.25% down to 6.25%. Chairman Strzelecki said that going down to 6.5% would be hard on the budget. The Committee requested a recommendation from staff. Village Manager Steve Vinezeano voiced his concern and stated if we went with 6.25% or 6.5% we would have to dip into our reserves to get the funding. He doesn't want to impacted service the Village provides. Jeff recommended going with 7%. He stated the Village will still

be contributing an additional million dollars to the fund next year. Chairman Strzelecki agreed. Carolyn Clifford, attorney for the Police and Fire Pension Funds, suggested transitioning to 6.5% over a 3 to 5 year period. Jeff stated that transitioning would increase the liability on paper and didn't feel that would be a good option. George Van Geem made a motion to accept staff recommendation to move the Actuarial Assumption to 7%, second by Joseph Ori. On roll call, all concurred.

**2018 Property Tax Levy**

Finance Director Jeff Martynowicz presented the proposed Annual Property Tax Levy. He stated the Property Tax Levy is devoted to Police and Fire along with the .25% sales tax, Post Office rent, Video Gaming and General Fund revenues. He proposed a 4.9 percent increase that would be specific to funding Police and Fire Pensions. This would be about \$21 per household with a market value of \$300,000. Steve Vinezeano said he is behind the 4.9% increase to keep up with the pensions. George Van Geem asked about other revenue options. Jeff stated there are no other revenue sources at this time. Steve mentioned a potential revenue source will be the Water Fund once the new Evanston Water system is in place. Chairman Strzelecki entertained a motion to accept the recommendation of staff for the Property Tax Levy. Motion was made by Jack Drexler, second by Patricia Dlubala. On roll call, all concurred.

**Vehicle Financing**

Finance Director Jeff Martynowicz stated there is a total of 1,365,000.00 to be financed in this year's budget. The vehicle financing is for 14 new Police squad cars with outfittings, a replacement dump truck and the second installment of a Fire Pumper. Jeff would like to continue financing with JP Morgan for 5 years at 3.42%. He recommends paying the first payment of the pumper with cash and financing the second installment. Jeff also stated this is the third and final year of the 3 year program which includes the purchase of 14 new squad cars. Chairman Strzelecki asked for an estimated savings and an explanation of the Police Squad Car Program to bring the new Committee members up to date. Steve Vinezeano stated the benefits of the program and said he would email the numbers to the members. Chairman Strzelecki entertained a motion to approve the vehicle financing for the listed items. Motion was made by Patricia Dlubala, second by Joseph Ori. On roll call, all concurred.

**Quarterly Reports**

Assistant Finance Director Nannini presented the quarterly reports of the Finance Department's delinquent water accounts, payment plans, leak adjustments and the Illinois Debt Recovery Program. Laurie stated the Debt Recovery Program has brought in \$240,000 to date to the Village. Steve Vinezeano mentioned we have gotten tighter with our delinquency process stating that when a water account reaches \$600, the finance department begins the collection process. Jeff Martynowicz added the cut off amount used to be \$1000. He mentioned we will be dropping it to \$400 in the spring and we will remain on the quarterly billing cycle.

**Other Business**

None

**Public Comments**

None

**Executive Session**

None

**Adjournment**

Motion to adjourn was made at 10:00 am and all concurred.

*Prepared by Joy Athanasiou on October 24, 2018.*