

**Minutes of the  
Finance Committee Meeting  
Of  
June 15, 2016**

Attendees:

Trustee Don Jensen – Committee Chairperson  
Peggy McHugh – Finance Director  
Jon Kindseth – Village Administrator

Trustee Regina Miller - Member  
Trustee Linda Sittig - Member  
Sandi Pastell – Administrative Assistant

Roll call was taken and the meeting brought to order at 6:02 p.m.

**Points of Action:** Chairman Jensen then asked if there were any updates to the Points of Action from May 18, 2016 meeting. Jon Kindseth stated there are no updates; however, he hopes to have the priority lien ordinance to the Board at the next meeting.

**May 18, 2016 meeting minutes:** Chairman Jensen then asked for a motion to approve the May 18, 2016 meeting minutes. Trustee Miller asked if the letter regarding the SSAs was sent out. Peggy McHugh stated that there is a draft prepared and should go out soon. Chairman Jensen then asked for a motion to approve the May 18<sup>th</sup> meeting minutes. Trustee Sittig made the motion to approve. Trustee Miller seconded. Upon voice vote the May 18, 2016 minutes were approved unanimously.

**Monthly Finance Report:** Chairman Jensen then moved the discussion to the Monthly Finance Report. Peggy McHugh stated there is not much to report as we are only a month into the new fiscal year. Peggy McHugh advised the Committee that we may, once again, have issues receiving funds from the state for MFT, Video Gaming, etc. if no budget is passed by July 1, 2016. Peggy McHugh stated that it will take a court order to get the funds released if they do hold them again.

**SSA 9 – 12 Expense Summary:** Chairman Jensen then moved the discussion to the new SSA projects. Peggy McHugh stated that the project is almost complete and still hopes that engineering will come in below budget. Peggy McHugh stated that we have requested the final loan disbursement.

**Warrant List:** Chairman Jensen then moved the discussion to the warrant list. Chairman Jensen asked about the T.V. expense for the Board room. Jon Kindseth explained that they will be used for power point presentations. Chairman Jensen asked if they will show the Board agenda and Jon Kindseth stated that we could certainly use it for that purpose. Chairman Jensen asked about the repair of the electrical lines on Wakefield. Jon Kindseth stated that we are having issues locating the electrical as Com-Ed does not mark their lines and Mr. Belski, who used to perform this service for us has passed away. Jon Kindseth said we are looking for a contractor or purchasing our own equipment to do it ourselves. More discussion was had.

Chairman Jensen then asked about the new vendor Return to Native. Jon Kindseth stated that they have replaced Scientific Aquatic for the ponds in Cambridge and Founders Park. Jon Kindseth stated that they take a more natural approach and use less chemicals.

**IMRF Unfunded Liability:** Chairman Jensen then moved the discussion to the IMRF unfunded liability. Peggy McHugh stated she wanted to bring this issue to the Committees' attention. Peggy McHugh stated that IMRF must be 100% funded and at the present time it is short by \$286,426.00. Peggy McHugh stated that we have had to make this payment in the past. Peggy McHugh also stated that the new GASB rule requires it to be recorded as a liability. Peggy McHugh stated that it is a book entry; however, it does effect the audit. Jon Kindseth stated that he and Peggy feel that the payment should be made; however, it does not have to be made until December.

Chairman Jensen is in agreement as well as Trustee Miller and Trustee Sittig.

**Water Rate Changes and Additional License Fees:** Chairman Jensen then moved the discussion to the increase in the water rate and again, he is concerned that we are covering our costs as we only raise the water rate the amount that Waukegan charges us. Chairman Jensen is concerned that we will not have enough money for future projects. Jon Kindseth stated that we have the Wadsworth Road Interconnect project coming up in 2018 and the cost of that at the present time is between 1.7 million and 2.1 million. Chairman Jensen stated he is all for raising the water rate more than what Waukegan passes onto the Village to ensure that we are covering the increased water system costs of operation and maintenance. Jon Kindseth stated that the Village has never increased the water rate and stated that we could increase it another \$0.30 cents per 1000 gallons or we could double what the increase is from Waukegan and increase it annually. The Committee is in agreement that the water rate should increase more than the increase Waukegan passes onto the Village. The Committee has agreed to pass the draft ordinance onto the Board as is since it was posted in the Village Link what the new rate would be.

Jon Kindseth then gave the Committee a copy of the fee schedule and stated that he would like the Committee to review it and make any suggestions in regards to increasing the fees. Trustee Sittig stated that she feels the renewal fees for liquor licenses is too low. Jon Kindseth stated that at this time we are looking at the new license that was created, Class G, Beer and Wine and would like the Committees direction. Chairman Jensen asked the Committee if they are fine with the dollar amount that has been set and the Committee agrees it's a fair amount to charge.

**New business:** Chairman Jensen then asked the Committee if there was any new business. Jon Kindseth asked the Committee if they would like to pursue another electrical aggregation program as our contract ends in September. He stated he has received the rates and for 12 months it would be 6.1 cents, 6.5 cents for 24 months and 6.9 for 36 months. Jon Kindseth advised the Committee that Com-Ed is competitive. Trustee Miller stated that the residents that she has talked to find it to be very confusing. Chairman Jensen stated that since Com-Ed's pricing is so competitive, we should not pursue it any further. The Committee is in agreement to not pursue this program any further.

Chairman Jensen then asked about the marketing effort between the communities. Jon Kindseth stated that there are some changes that need to be made to the agreement as Winthrop Harbor wants it to state they only want to include projects for retail development through retail strategy. Chairman Jensen then asked about Azavar and Peggy McHugh stated there is nothing new to report.

**Public Comment:** Chairman Jensen asked for any public comment. Hearing none, Chairman Jensen asked for a motion to adjourn.

**Adjourn:** Chairman Jensen then made the motion to adjourn. Trustee Sittig seconded. Upon a voice vote, the motion was approved unanimously. The Finance Committee meeting was adjourned at 7:14 p.m.

Next Finance Committee Meeting: Wednesday, July 20, 2016 at 6:00 p.m.