

CITY OF COUNTRYSIDE

*803 Joliet Road
Countryside, IL 60525
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Meeting Minutes Regular Meeting of the FINANCE COMMITTEE

Wednesday, February 26, 2025

6:45 PM

Council Chambers

Committee Members

**Chairman: John Finn
Treasurer: Courtney Bolt
Alderman: Thomas Mikolyzk
Alderman: Thomas Frohlich**

1. Call to Order

The meeting was called to order at 6:45 PM.

2. Roll Call

Those physically present were as follows:

Present: Chairman Finn, Alderman Mikolyzk, Alderman Frohlich, and Treasurer Bolt

Also Present: Mayor McDermott, Alderman Von Drasek, Alderman Musillami, City Clerk Kmet, Finance Director Schutter, Deputy Clerk Cordova, and City Attorney Peck

3. Communications from the Public

None.

4. Approval of Minutes

4.a. The minutes of the Regular Meeting of February 12, 2025 were previously distributed to the Board Members. There being no changes, the minutes of February 12, 2025 were approved as presented.

A motion was made by Alderman Mikolyzk to approve the Finance Committee Meeting Minutes of February 12, 2025, seconded by Alderman Frohlich and carried unanimously.

5. Business from the Committee for discussion, consideration and if so determined, action upon:

5.a. Presentation and discussion on the second requested budget for fiscal year 2026.

Finance Director Schutter stated that the primary purpose of the second requested budget is to update projections with data through December and include a budget for all City funds. The general fund excess surplus has been reallocated to a capital fund transfer in this second requested budget to provide for additional reserves and future capital projects.

The second requested budget as of 2/26/25 remains very conservative relative to the fiscal year 2025 projections. Material revisions from the first requested budget include an overall downward adjustment to revenues and a corresponding decrease in expenses. The bulk of the revision on the revenue side accounts for conservative adjustments primarily related to sales taxes and on the expense side there is a correlated adjustment for sales tax sharing expenses as related to the Duckee's project.

For the General Fund Expenses the COLA adjustments are now reflected at 4% versus the previously budgeted level of a 2.5% increase. CPI-U figures were recently announced by the Census Bureau and the City Administrator took a proposed like-kind adjustment before the HR Committee this month. The Committee approved the proposed increase. The personnel costs were adjusted City-wide for IPBC renewal indications adjusted to 7% for health and dental costs from a previously projected increase of 5%. This is based largely on an uptick in claims costs and market trends which affected the preliminary renewal figures.

The transfer out has been noticeably reduced based on a large revision related to the surplus transfers to the capital fund. Tax sharing expenses as related to the Duckee's project have been significantly reduced as well. The budget relative to the ETSB department (LTACC Dispatch Services) projection and historical funding levels have been significantly reduced to reflect the expiration of the initial capital allocations required under the enabling intergovernmental ordinance, approximately \$50,000 in recapture capital annually that is now foregone.

For the Capital Fund Budget grant revenues were revised downward by \$315,000 relative to the notice recently received that we will not be awarded the OSLAD grant funding request for the 5th Avenue Cutoff Park Project. The transfer in from the General Fund has also been reduced based on the revenue and expense side revisions. The budget now includes a \$65,000 allowance for a new F-250 truck with unfit for the Public Works Department to be utilized primarily at the new municipal hall complex. The paving project is now expensed primarily in the MFT fund consistent with historical practice. DPW equipment costs have been reduced by a recent bid for the international dump/plow.

For the Flag Creek Golf Course Fund revenues are very conservative relative to trend, especially in light of the golf course's ability to increase fees and rates based on demand trends and overall golf course utilization ratios. Margins (net income from concessions and the Pro Shop) appear conservative as well as the total budgeted labor costs as a % of projected revenue.

Current budget supports just under \$279K in capital projects plus \$475K in projected profit sharing distributions. Net income before capital outlays, profit sharing, and depreciation is very conservative at \$754K compared to the projected trend.

Mayor McDermott asked about the grocery tax and when do we get impacted by the lack of grocery tax. Finance Director Schutter stated that would be in 2026 potentially. If you don't want to be impacted you have to make a decision by the fall. You can implement a local grocery tax before the state shared grocery tax expires. They (the IML) recommends doing this by October of 2025. Right now I'm not accounting for any impact in the budget.

Mayor McDermott asked if any of the Joliet bike path is federally funded. Finance Director Schutter said that a lot of the Joliet bike path project is federally funded. Mayor McDermott stated that we have to stay cautious regarding the federal funding.

6. Other Committee Business.

Finance Director Schutter talked about the item under Finance Committee on the City Council agenda. We go out to bid about every two years. We seek competitive bids for our street lighting power and our pump house power at the Water Department. If we don't bid every two years than we are stuck with a floating ComEd rate. On the last program, which is about to expire soon, we saved about \$10,000 over the two years.

When you go out to bid you only have 24 hours to accept the bid. What we try to do is get permission to approve the contract by the City Administrator before the bid. The bid is going to take place on March 4th and as soon as we get the bid results we have 24 hours to act on it. The City Administrator will only bind the contract if the City feels that there will be a savings with this program. They will offer us a 1, 2, or 3 year rate lock at different rates.

Chairman Finn said are we just authorizing City Administrator Paul to accept this bid based on the results. Finance Director Schutter said yes and this is what we do every two years. We asked the company if they can combine the street lighting power and the pump house bids together this year. They agreed to let us do it this way.

7. Adjournment.

There being no further business to discuss, Alderman Mikolyzk motioned to adjourn, seconded by Alderman Frohlich and carried unanimously.

Chairman Finn declared the meeting adjourned at 7:11 PM.

APPROVED:

Respectfully Submitted,

Chairman John Finn

/km