

CITY OF COUNTRYSIDE

*803 Joliet Road
Countryside, IL 60525
www.countryside-il.org*



Meeting Minutes Regular Meeting of the FINANCE COMMITTEE

Wednesday, March 26, 2025

6:15 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 6:15 PM.

2. Roll Call

Those physically present were as follows:

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

Also Present: Alderman Von Drasek, Alderman Benson, City Clerk Kmet, Finance Director Schutter, Deputy Clerk Saucedo, and Superintendent Department of Public Works Serna

3. Communications from the Public

None.

4. Approval of Minutes

4.a. The minutes of the Regular Meeting of February 26, 2025 were previously distributed to the Board Members. There being no changes, the minutes of February 26, 2025 were approved as presented.

A motion was made by Alderman Mikolyzk to approve the Finance Committee Meeting Minutes of February 26, 2025, seconded by Alderman Frohlich and carried unanimously.

5. Business from the Committee for Discussion, Consideration and if so Determined, Action Upon:

5.a. Consideration to approve the monthly treasurer's report for the nine months ended January 31, 2025.

Finance Director Schutter stated that he was going to skip over the January report and just cover February's report in detail.

Alderman Mikolyzk made a motion to approve the monthly treasurer's report for the nine months ended January 31, 2025, seconded by Alderman Frohlich and carried unanimously.

5.b. Consideration to approve the monthly treasurer's report for the ten months ended February 28, 2025.

Finance Director Schutter stated that the February financial statements reflect a positive revenue variance of just over \$1.42 million in the general fund. The revenue result was due to positive variances in investment income (\$641K), building permits (\$279K), fixed asset sales (\$207K), Flagg Creek profit sharing distributions (\$184K), local ordinance fines (\$50K), and grant revenue (\$50K). Investment income is up from elevated short term rates and book gains in the core portfolio through October, it is partially offset by a book loss in November. The heavy permit activity was related to the Gerald Honda remodel project with a construction value in excess of \$4 million. The asset sales came from the sale of the 9540 56th Street property to Helping Hand (\$175K), the statutory refund for the Ford Fusion (\$25K), and two patrol vehicle sales to Ford in lieu of trade (\$7K).

Expenses are trending at about \$500K under budget. The positive variance was generated primarily in the Police, Public Works, Clerk's, and Finance Departments. The positive variance for the Police Department came from lower personnel and benefit costs caused by the retirement of a patrol officer as well as lower maintenance and supply costs. The positive variance in the Public Works Department came from lower personnel, contractual/consulting and maintenance costs. The positive variances in the Clerk's and Finance Department were generated from lower personnel/benefit costs from turnover (Finance Department) and a health insurance census change (Clerk's Department). In total the fund is showing a positive surplus variance of just over \$1.92 million through the first ten months of fiscal year 2025.

Grant income in the capital fund is up \$30K from the receipt of an Organized Retail Crime Enforcement Grant from the Attorney General's office. Investment income is up by over \$133K primarily from elevated short term rates and from net investment gains experienced on a fiscal YTD basis. Expenses are trending over budget primarily from the inclusion of the land acquisition costs (unbudgeted) for the 6363 Brainard Avenue property purchase.

Flagg Creek YTD green/league fees now exceed the prior year and budget by \$50K and \$59K respectively. The total revenues for the course exceed the prior year and budget by just over \$140K and \$161K respectively.

Year to date capital outlays total just under \$256K and consist of approximately \$99K which was spent in the maintenance department for the purchase of an out-front mower and two new utility carts (\$56K) in addition to the purchase of the Jacobson riding greens mower (\$43K) that carried over from last year. Additional outlays included \$47.5K in payments to Beverly Environmental for the pond #1 and pond #9 rip rap projects, \$13.5K on the valve replacement project, \$14K for design engineering on the cart path restoration project, \$6K to restore the pollinator gardens, just over \$22K for the deluxe

U-max beverage cart, and just under \$54K for the purchase of six new EZ GO carts (replaced 2011 model year carts).

More labor was deployed in the first ten months on higher revenue volume, particularly with respect to the maintenance department to maintain course grounds. Wage rates have also increased this year relative to an upward adjustment from minimum wage levels as well as step and cola increases that affected full time salaried personnel. Personnel costs are however well controlled where they stand at 37% of total revenue versus a YTD budget of 39%.

The golf course is showing a positive surplus variance (before capital outlays) to the prior year and budget of \$44K and \$116K respectively.

Chairman Finn asked for a motion to approve the monthly treasurer's report for the ten months ended February 28, 2025. Alderman Mikolyzk made a motion to approve, seconded by Alderman Frohlich and carried unanimously.

5.c. Discussion and presentation of the investment report for the third fiscal quarter ended January 31, 2025.

Finance Director Schutter stated that the first schedule is a summary of the City's cash and investments that are held in several different accounts generally described as demand deposits, money markets, IMET pooled investments in the convenience fund, and the City's self-directed investment account held in custody at US Bank.

He further explained that the City has a fund balance requirement (general fund) to maintain at least 50% of the budgeted expenses on hand. The City historically maintains over 60% of expenses in cash and investments which tend to be lower/more conservative than the fund balance. As of January 31, 2025 the City is holding just over 71% of current budgeted expenses in cash/investments (excluding bond proceeds). The fund balance policy for the water fund is to maintain at least 35% of expenses in cash/investments – the fund is currently at just under 55%.

Mr. Schutter then summarized the self-directed investment portfolio held at US Bank. At January 31, 2025 this portfolio had a fair market value of just under \$9.5 million, a market yield of just over 5%, annual income of \$473,000, and an overall credit rating of AA. The interest rates appear to have peaked on October 19, 2023 and have shown some consistent decline in the intermediate part of the interest rate curve (5-10 year maturity levels) since then. When rates decline the prices of individual securities increase thus providing book gains in the portfolio.

6. Other Committee Business.

None.

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 6:39 PM.

APPROVED:

Respectfully Submitted,

Chairman John Finn

/km