

CITY OF COUNTRYSIDE

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



Meeting Minutes Regular Meeting of the FINANCE COMMITTEE

Wednesday, January 26, 2022

7:00 PM

Council Chambers

Committee Members

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

I. Call to Order

The meeting was called to order at 7:00 PM.

II. Roll Call

Those physically present were as follows:

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

Also Present: Mayor McDermott, Alderman Musillami, Alderman Von Drasek, Alderman Benson, City Clerk Kmet, City Administrator Paul, Assistant City Administrator Peterson, Finance Director Schutter, and Building Commissioner Wagner.

III. Public Comment.

None.

IV. Approval of Finance Committee Meeting Minutes – December 22, 2021.

I move to approve the minutes of the Finance Committee meeting of December 22, 2021.

A motion was made by Alderman Mikolyzk that this matter be APPROVED, seconded by Alderman Frohlich and carried unanimously.

V. Consideration to Approve the Monthly Treasurer’s Report for the 8 months ended December 31, 2021.

Chairman Finn stated that he would like Finance Director Schutter to only report on the Monthly Treasurer’s Report for the 8 months ending December 31, 2021. The committee will make a motion on the Monthly Treasurer’s Report for the 6 months ending October 31, 2021 and the Monthly Treasurer’s Report for the 7 months ending November 30, 2021 after Mr. Schutter’s presentation.

Finance Director Schutter proceeded on reporting on the Monthly Treasurer’s Report for the 8 months ending December 31, 2021.

The YTD cash basis financial statements reflect a positive revenue variance of just over \$1.76 million. This result is due primarily to positive variances in sales tax (\$969K), fee in lieu of tax (\$193K), restaurant tax (\$115K), investment income (\$109K), state shared income tax (\$100K), Flagg Creek profit sharing (\$68.5), gaming tax (\$63K), property maintenance inspections (\$56K), and building permits (\$48K).

On the expense side, total costs appear to be under budget by just over \$185K despite overages in buyback costs related to retirements in the Public Works and Police Departments which were offset by lower wages (rate disparity between retiree and entry employee and lag time to secure rehires). Based on the noted revenue and expense variances, the fund is reflecting a positive net surplus variance of just under \$1.95 million.

Hotel/Motel Taxes – Hotel tax collections are showing a significant improvement at nearly 2.45 times larger than the collections achieved in the prior fiscal year for the same period.

Countryside Commercial TIF District – Incremental tax collections to date are about \$100K under budget but we will still have enough to cover interest income on the loan. The budget was based on assessor certified values which have declined with successful appeals this year. Marginal legal expenses have been incurred to date.

55th Street Commercial TIF District – Nearly \$185K in increment has been collected in the fund from triennial reassessment increases. Expenses of just over \$7.6K have been incurred on consulting fees to Novotny as related to work performed on the old City Hall site (subdivision/easements/etc.) as well as legal fees related to RDA negotiations.

Capital Projects Fund – Total expenses of just over \$1.57 million have been incurred in the fund YTD. These costs include \$231K for the street sweeper, a \$600K reimbursement to Buona under their RDA, fence reimbursements related to the Brainard Bike Path Project (about \$5K), police equipment (LPR and Radar Signs), and a new admin vehicle (\$53K), and progress billings on the pavement program inclusive of engineering costs (\$673K).

Flagg Creek Golf Course Fund – Total revenues for the course now exceed the prior year and budget by \$154K and \$168K respectively. Total personnel costs as a percentage of revenue are running at about 35%. These costs are just \$11K above the prior YTD total on \$154K in additional total course revenues.

Budgeted capital costs of just under \$103K have been expended on the irrigation pump deposit (\$54K), the walking greens mower (\$10K), mechanical bunker rake (\$15K) in the maintenance department, and four new golf carts (\$18.7K) net of the trade in allowance. When adjusting for capital outlays (net income before capital) this variance improves to \$98K/\$174K for the prior year and budget respectively.

The motions were made as follows;

A motion was made by Alderman Mikolyzk to APPROVE the monthly Treasurer’s Report for the 6 months ended October 31, 2021, seconded by Alderman Frohlich and carried unanimously.

A motion was made by Alderman Mikolyzk to APPROVE the monthly Treasurer’s Report for the 7 months ended November 30, 2021, seconded by Alderman Frohlich and carried unanimously.

A motion was made by Alderman Mikolyzk to APPROVE the monthly Treasurer’s Report for the 8 months ending December 31, 2021, seconded by Alderman Frohlich and carried unanimously.

VI. Presentation of the Investment Report for the Second Fiscal Quarter ended October 31, 2021.

Finance Director Schutter stated that the City’s cash and investments 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 at US Bank. The City has maintained over 60% of expenses in cash and investments which tend to be lower/more conservative than fund balance. As of October 31, 2021 the City is holding over 85% of current budgeted expenses in cash equivalents. The City’s self-directed account (US Bank) had a fair market value of just over \$8.75 million, a book yield to worst of 2.77%, a book yield to maturity of 3.30%,

annual coupon income of \$348,061 and an overall credit rating of AA. A significant amount of the portfolio turned over in the past year and a half from security calls and maturities.

VII. Other Committee Business.

None.

VIII. 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 7:16 PM.

APPROVED:

Respectfully Submitted,

Alderman John Finn, Chairman

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