

# CITY OF COUNTRYSIDE

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

Wednesday, March 2, 2022

6:00 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 6:00 PM.

**2. Roll Call**

Those physically present were as follows:

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

**Also Present:** City Clerk Kmet, Chief Ford, Public Works Superintendent Serna, and Finance Director Schutter.

**3. Communications from the Public**

None.

**4. Approval of Minutes****4.a. Approval of Finance Committee Meeting Minutes – January 26, 2022.**

I move to approve the minutes of the Finance Committee meeting of January 26, 2022.

**A motion was made by Alderman Mikolyzk that this matter be APPROVED, 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 9 months ended January 31, 2022.**

Finance Director Schutter stated that the YTD cash basis financial statements reflect a positive revenue variance of just over \$1.835 million. This result is due primarily to a positive variances in sales tax (\$1.052MM), fee in lieu of tax (\$189K), restaurant tax (\$123K), state shared income tax (\$136K), gaming tax (\$69K), Flagg Creek profit sharing (\$68.5K), property maintenance inspections (\$57K), and building permits (\$53K). The nine months sales tax reflects the accruals for sales earned in February through October. The large variance in the fee in lieu of tax line item is due largely to the Genesis Breach settlement payment from Ettleson Hyundai in the amount of just under \$199,000 and is a non-reoccurring revenue item. The increase in inspection income is due to the Building Departments effort to inspect all rental properties on an accelerated schedule and an increase in fees for registrations and the inspections.

On the expense side, total costs appear to be under budget by just over \$205K despite overages in buyback costs related to retirements in the public works and police department which are offset by lower wages. It is also likely that total expenses may be slightly understated based on timing. Based on the noted revenue and expense variances, the fund is reflecting a positive net surplus variance of just over \$2 million.

**A motion was made by Alderman Mikolyzk to APPROVE the monthly Treasurer's Report for the 9 months ended January 31, 2022, seconded by Alderman Frohlich.**

**5.b. Discussion on Updated 15 Year Capital Replacement Schedules.**

Finance Director Schutter stated that the City presents an annual 5-year capital plan covering the street resurfacing program, equipment/vehicle replacements and all other capital projects. The plans are then presented to the Infrastructure and Finance Committees for discussion.

Last year, the Finance Committee and elected officials requested more details on capital assets to be replaced such as mileage, annual maintenance costs, and number of pieces in the City's respective fleets. The Sustainability Committee also requested detailed replacement information on the City's Water Infrastructure to be considered in the Sustainability Plan.

Public Works Superintendent Serna explained the need for Public Works to buy a new sidewalk tractor. The old tractor is slow and doesn't have enough horsepower.

Chief Ford stated that the department needs to replace seven mobile base radios for the squad cars. We went to STARCOM about 2 years ago and purchased tri-band portable radios for the officers. At the time we didn't purchase the car radios because the APX portable radios that we purchased facilitated the main Illinois Emergency radio band (ISPERN) as well as multiple channels for interoperability. After about a year and a half with STARCOM we realized the importance of upgrading the base radios in the squad cars. We looked into two different types of radios one is a dual band and the other is a single band. The dual band radios cost \$7,000 each and \$3,000 to install them in the cars. The single band would not let us monitor the neighboring towns. We feel for officer's safety and interoperability adding the new mobile units to the squad cars is the best solution.

The firearm simulator training system would be a great asset for our training needs especially with the new SAFE-T Act that is in place. We have looked at a couple of the simulators, Hodgkins has the MILO system and Burbank has the PRISim system. They are interactive 2 D systems and have changeable scenarios. Because of the emergence of virtual reality there are many companies that are starting to get into the realm of simulated firearm training. These systems range between \$50,000 and \$100,000. I only budgeted \$50,000 but I will come back to the committee with the actual cost once we determine the cost. We might be able to split the cost with another agency if it far exceeds our budget. The new state laws now mandates scenario based training incorporated in use of force training. These systems will allow us to develop these scenarios for not only use of force situations but also De-escalation, less than lethal and crisis intervention.

**5.c. Presentation and Discussion on the Second Requested Budget for FY 2023.**

Finance Director Schutter went over the second requested budget for FY 2023. The Committee stated that the budget looked good.

**5.d. Presentation of the Investment Report for the Third Fiscal Quarter Ended January 31, 2022**

Finance Director Schutter stated that we basically look at the cash and investments by fund. The City has a fund balance requirement to maintain at least 50% of the current budgeted expenses on hand. The City has maintained over 60% of expenses in cash and investments which tend to be lower/more conservative than fund balances. As of January 31, 2022 the ratio is over 76%.

As of January 31, 2022 the City's self-directed US Bank portfolio had a fair market value of just over \$8.36 million, a book yield to worst of 2.73%, a book yield to maturity of 3.33%, annual coupon income of \$331,124 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 (nearly 40% of the portfolio). Proceeds from redemptions were reinvested primarily in longer dated municipal bonds with call and/or sinking fund structures that have increased the average life of the portfolio but helped maintain yield as well.

**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 7:30 PM.**

APPROVED:

Respectfully Submitted,

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Alderman John Finn, Chairman

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