

Village of Round Lake Beach

Finance Standing Committee

MINUTES

For the meeting of

July 16, 2007

- 1. Call to Order:** 6:45 PM, by Acting Chairman Mayor Hill
- Members Present: Trustee Villa, Mayor Hill
- Members Absent: Trustee Butler, Trustee Mattingly
- Others in Attendance: Trustee Armstrong, Trustee Mount, Administrator Kilbane, Finance Director Sutton Burger, Deputy Chief Chiarello

2. Approval of Agenda:

The agenda was amended to add item F, the Authorization to Dispose of Unused Property, at the request of the Police Department.

Motion to approve amended agenda by Trustee Villa

Second by Mayor Hill

Motion Carried

3. Approval of Minutes, June 4, 2007:

Motion by Mayor Hill

Second by Trustee Villa

Motion carried

4. Business Agenda Items

A. Disaster Recovery Follow-Up

The Finance Director informed the Finance Committee of a new Emergency Back-Up License provided by Harris Systems for the Village's financial system, Municipal Software, Incorporated (MSI). This service allows the Harris/MSI server to automatically backup the Village's financial system data on a nightly basis through an "ftp" file transfer. Despite the fact that this was not budgeted for FY08, the Mayor commented that this was a very cost-effective way to safeguard the Village's data. Trustee Villa made a motion to move forward with the purchase of the one-time license in the amount of \$995. Mayor Hill seconded the motion, and it carried.

B. Proposal for Updated Feasibility Report – Tax Increment Revenue Bonds, Series 2003

Due to the known and potential material changes in the Tax Increment Financing District #1, continuing disclosure requirements necessitate an update to the Feasibility Report of

the Tax Increment Revenue Bonds, Series 2003. Kane McKenna, the Village's long-time financial consultant for this TIF and other financial events, submitted a proposal to update the Feasibility Report, last updated in December 2005, for a not-to-exceed cost of \$15,000. Mayor Hill commented that this necessary cost should be funded out of the TIF #1 Capital Projects fund only, despite the fact that it was an unbudgeted, unanticipated FY08 expenditure. Trustee Villa moved to bring the proposed not-to-exceed contract to the Village Board on July 23, 2007, Mayor Hill seconded the motion, and it carried.

C. Direct Response Resource, Inc. – Water Bill Production and Distribution

The Finance Director contacted the Village's long-time water billing production and distribution provider to formalize the existing contract and to confirm and potentially lock in costs through a multi-year contract. This resulted in a proposal from Direct Response Resource, Inc., that will result in annual savings to the Village of approximately \$1,650 through June 2010. The proposal stated that either the vendor or the Village could cancel the agreement with 90 days written notice. The Mayor commented that this was a bigger risk to the Village than a benefit, and suggested that the Finance Director ask the vendor to strike that clause. The Finance Director agreed to resolve this issue prior to bringing the contract to the entire Board for approval on Monday, July 23. Trustee Villa moved to recommend the agreement for consideration by the full Board on Monday, July 23, with the amended clause; Mayor Hill seconded the motion, and it carried.

D. Travel Policy and Procedures

The Finance Director has noted inconsistencies in the expenditure reporting and accounting of business travel conducted by various Village departments. Current procedures made it difficult for the Finance staff to comply with audit standards. Therefore, the Finance Director developed a formal, documented policy which standardizes business travel across the Village, provides upfront guidance to travelers, and supports the Finance Department's need to document and substantiate costs paid to and on behalf of employees for business travel. Though several Committee members acknowledged that they had not sufficiently reviewed the lengthy document, Trustee Villa made a motion to forward the Travel Policy and Procedure document to the Village Board for consideration on July 23, 2007. Mayor Hill seconded the motion and it carried.

E. Treasurer's Report – May and June 2007

The Finance Director presented the new format for the Treasurer's Report, resulting from the revised meeting schedule. The reports reflect a very healthy cash balance due to the receipt of 50% of the 2006 property tax levy in May and June. A large channel dredging payment and debt service payments were the large payouts during this period. The Trustees commented that the new format was acceptable and had no further comments or questions.

F. Authorization to Dispose of Unused Property (Auction of Vehicles)

The Police Department has four vehicles that have extended their useful life and were rendered not useful to the Department due to actual or anticipated major repairs. Therefore, the Police Department sought approval to auction four Ford Crown Victoria

vehicles at the next available auction conducted by The Obenauf Auction Company. Trustee Mount asked why the 2003 vehicle had reached this stage so quickly and the Deputy Chief explained that repairs required for a vehicle determine when it needs to be replaced, not necessarily age. Trustee Villa moved to approve the declaration of surplus vehicles for consideration by the full Board on Monday, July 23; Mayor Hill seconded the motion, and it carried.

5. Other

There were no other items for discussion.

6. Public Participation

There was no public participation.

7. Executive Session

Trustee Villa moved to go into Executive Session at 7:05 p.m., Mayor Hill seconded the motion, and it carried. Trustee Villa moved to come out of Executive Session at 7:10 p.m., Mayor Hill seconded the motion, and it carried.

8. Adjournment

Trustee Villa moved to adjourn, Mayor Hill seconded the motion, and it carried. The meeting was adjourned at 7:11 p.m.