

**APPROVED**  
Finance Committee Meeting  
Thursday, February 16, 2012  
Room 130, Village Hall

Called to Order 7:02 p.m.

Present: Trustee's Tucker, Brewer, Trustee Hedges, President Pope

Also Present CFO Lesner, DPW Director John Wielebnicki, Village Engineer Jim Budrick, and Deputy Village Manager Lisa Shelley

**A. Fund Balance Policy**

CFO Lesner reviewed the revised draft fund balance policy as discussed last week at Finance. Some committee members restated the concern that "no less than 10%" may be too high because budgets are always tight and they just can't imagine raising taxes to get there. They don't have a problem with setting a reserve, just concerned with how we get there.

**The Committee recommended sending the policy to the entire Village Board at an upcoming regular meeting for approval.**

**B. Request for Additional Information from OPDC regarding the unfunded \$50,000 Façade Grant Program**

OPDC reviewed with the Committee some historical data regarding program use. OPDC mentioned that DTOP has their own program. In the past these programs were combined; going forward OPDC will give all sign/awning requests to DTOP. The Committee asked OPDC how we evaluate program success. OPDC said the leverage was generally 2:1. OPDC stated the greatest benefit was overall property improvements, not just the grant work and the overall community involvement. There was a discussion if it was targeted toward retail? OPDC said both. One committee member mentioned the idea for the future to look at a creative retail-targeted program (i.e. our portion of the sales tax would go toward a revolving grant fund).

**The Committee recommended to not provide additional funds at this time, but to wait to see what the interest is this year, and if needed OPDC can return to the Board to request funds.**

**C. Request for Additional Information Regarding the Basement Flooding Prevention Programs**

Engineering staff gave a detailed presentation on the calculations of Inlet Control Estimates. Overall the discussion related to sewer capacity, restrictors, and downspouts program effects.

Public Works reviewed the sewer modeling program in more details. The cost is \$100,000 in 2012 and \$150,000 in 2013. The Committee agreed that this is a worthwhile approach, especially given the potential total cost of a sewer replacement program, \$250,000 is not significant portion of the total cost.

Public Works reviewed the potential sewer overhead program. The Committee discussed the impact of "individual" fixes (private homeowners) vs. system wide (public infrastructure). There was some hesitancy to spend public dollars on private programs, at best maybe a loan program.

**There was consensus for a loan program at \$2500 on a first come, first serve basis. Also, an education program regarding the Voluntary Downspout Disconnect Program should be prepared.**

D. Debt Capacity Policy

CFO Lesner reviewed the option of having an independent 3<sup>rd</sup> party evaluation the Village's debt capacity. The Committee discussed the Village's recent refinancing, therefore the Village can learn from that experience and will not need a 3<sup>rd</sup> party.

The Committee suggested a "5-year Debt Plan" from staff. Over the next 5 years what are the Village's plans. First plan what you want to do, and then plan for options to finance it. Maybe make it part of the annual budget process. Why don't we start simple instead of a formal process to hire a 3<sup>rd</sup> party consultant? Start at a high level, *what is the right amount of debt to achieve what you want.*

**The Committee determined that hiring a 3<sup>rd</sup> party consultant was not recommended based on the above comments and instead staff would work on presenting our long-term goals during the budget process and have a conversation accordingly about possible funding options in the future (including debt).**

E. Audit Wrap-up

The Committee talked about setting up a presentation with the auditor. They also were looking for a response from staff to the management letter, in particular to address redundant issues.

The next agenda may include the 2013 budget process, audit follow-up, report on gas tax and possibly in the future a pension presentation.

The meeting adjourned at 10:05 p.m.