

**Finance Committee Meeting Minutes
Wednesday, March 8, 2023**

Heidi Rudolph, Chairperson
Scott Lewis, Trustee
John Mastandona, Director of Finance
Alice Gallagher, Village President
Ellen Baer, Village Manager
Casey Biernacki, Deputy Village Manager
Matt Supert, Director of Municipal Services
Erin Duffy, Assistant Director of Municipal Services

Others Present:

Village Hall

Meeting called to order at 5:30 pm

Items of Discussion:

- **Public Comment:** None
- **Minutes:** The minutes of the January 5, 2023, Finance Committee meeting were approved as presented.
- **Lead Service Line Replacement Funding Discussion:** Director Supert went into detail about the lead survey results for the Village. He explained that this had to do with the State mandate that all lead service lines must be replaced, including the service line on private property. The inventory results for the Village is approximately 75% complete and the maximum amount of service lines that will need to be replaced is 1,200. Director Supert further explained that the State Revolving Fund (SRF) application for 2024 funding would be due in the summer of 2023. He wanted to begin the discussion on how the Board would like staff to proceed. He stated that each service line is approximately \$12,000 per service line. Discussion ensued on funding options consisting of SRF Loans, public/private partnerships, and the use of recapture agreements. The group discussed how the different options would look. Assistant Director Duffy mentioned that the only grants that have been made available have been part of SRF loan forgiveness. Chairperson Rudolph requested for staff to find out what others are doing and what the different programs would look like for the Village to implement. She also asked for a breakdown of when water rates increased and by how much.
- **Stormwater Utility Fee Ordinance:** Deputy Village Manager Biernacki introduced the draft ordinance for the stormwater utility fee. He explained that staff have done everything they can until the ordinance gets approved. Staff is still putting together the credits program mentioned in the ordinance and there will be final steps. He also stated that staff is aiming for the fee to be implemented on the July water bills. This would hit each one of the billing cycles equally in the first year. Discussion ensued about the timing of passing the ordinance and if pushing it to the May cycle would hinder the process. Deputy Village Manager Biernacki stated it should not, but staff has done everything they could until the ordinance gets passed. The Committee went through different sections of the ordinance and made minor changes to some of the language used. The Finance Committee approved the ordinance, as corrected, be placed on the Board Meeting agenda in April.
- **TIF South – Distribution Agreement:** Director Mastandona presented the payment to Hawthorn 45, LLC for the Foxford Development, per the economic incentive agreement. He stated that the increment data from the County came in January 2023. This payment is for the 2021 Property Taxes. The increment from the development's tax code was \$420,243.83. To-date, \$390,769.23 of the funds have been collected and the allocation of 70% to Hawthorn 45, LLC is calculated at \$273,538.46.

President Gallagher asked what the cap of payments are. Director Mastandona stated that the agreement has a maximum payment of \$2,200,000. The Finance Committee approved and recommended that the ordinance for payment be placed on the March 13th Board Meeting Agenda.

- **TIF North – Authorization of Expenditures:** Director Mastandona stated that any funds that are expended out of TIF Districts need to be approved by the Village Board. He presented expenditures for a consultant to assist with the application process for the development at 514 Hillgrove. He stated that the consultant is assisting staff with revenue projections, the application process, and providing a gap analysis. The gap analysis must be reviewed by a third party, per updates of the TIF Act in 2022. The Finance Committee approved and recommended that the ordinance for payment be placed on the March 13th Board Meeting Agenda.
- **Budget Amendment/Transfers:** A budget amendment was requested from the Director of Finance for \$400,000 in Developer Reimbursement in the TIF – South Fund (5201390 59990). Director Mastandona stated that the amendment was needed due to the significant increase in an increment received and the timing of the payment, which should have taken place in 2022.

A budget amendment was requested from the Director of Engineering for \$104,699 in Engineering Fees in the Roadway Construction Fund (4102375 50331). Director Mastandona stated that the amendment was needed due to increase of costs for Phase 1 and Phase 2 of the Central Avenue Project.

The Finance Committee approved the requests and recommended that the amendments be placed on the March 13th Board Meeting agenda.

- **Other Business:**

There being no further business, the meeting was adjourned at 7:07 pm

Respectfully Submitted,

John Mastandona
Director of Finance

APPROVED: May 4, 2023