



FINANCE DEPARTMENT

MAYOR

George D. Alpogianis

VILLAGE MANAGER

Joseph S. La Margo

VILLAGE CLERK

Marlene J. Victorine

TRUSTEES

John C. Jekot

Joe LoVerde

Danette O'Donovan Matyas

Craig Niedermaier

Dean Strzelecki

Finance Committee Meeting Minutes Village Hall Council Chambers March 2, 2022 8:00 am

Call to Order

Member George Van Geem called the meeting to order at 8:05 am.

Roll Call

Assistant Finance Director Laurie Nannini called the roll for Committee Members:

Committee Members Present: George Van Geem, Jack Drexler, and Robert Callero

Committee Members Absent: Chairman Joe LoVerde and Alan Weel

A motion was made by Bob Callero, seconded by Jack Drexler, to appoint George Van Geem as the temporary Chairman in the absence of Chairman Joe LoVerde. All concurred.

Old Business FY21 Audit Update

Assistant Finance Director Laurie Nannini stated that a draft copy of the audit has been received. While reviewing, staff discovered a few errors and are working with the audit firm, Selden Fox, to make the corrections. Ms. Nannini stated that the Finance Committee should receive a copy of the audit by the next Finance Committee meeting.

Approval of Minutes

The minutes from the February 9, 2022 Finance Committee meeting were presented for approval. A motion was made by Bob Callero, seconded by Jack Drexler, to approve the minutes. All concurred.

Accounts Payable Approval

Accounts Payable registers for 2022- 2/2, 2/4, 2/11, and 2/18 were presented for approval. A motion was made by Jack Drexler, seconded by Bob Callero, to approve the Accounts Payable registers. All concurred.

New Business FY22-29 Audit Services Recommendation

Assistant Finance Director Laurie Nannini stated that five firms responded to the RFQ for FY22-FY29 audit services. The task force assigned for reviewing the RFQ's paired that group to four firms who were given the audit services RFP. One of those firms stated that they would not be responding to the RFP. Another firm did not make a submittal and gave no earlier indication. Two RFP responses were received. Finance Director Kent Oliven reviewed both responses with Chairman Joe LoVerde. Both firms are highly qualified, but their pricing structures are different. Ms. Nannini stated that both staff and

Chairman LoVerde are recommending Sikich LLP be awarded the contract. George Van Geem asked staff what has been done to assure the new firm will step up better than the current firm. Village Manager Joe La Margo stated that dates and deadlines have been added to the contract and will be monitored by staff. He added that Sikich LLP has previous experience working with the Village.

A motion was made by Bob Callero, seconded by Jack Drexler, to approve staff's recommendation to move Sikich LLP Audit Services to the Village Board for approval at the March meeting.

Consideration of Budget and/or Appropriation Ordinances

Management and Budget Analyst Conor Schultz began by explaining the main differences between an Appropriation Ordinance and a Budget Ordinance, adding that either ordinance can be used to pass the budget. He said the Appropriation Ordinance has a lower threshold for how comprehensive it needs to be. When passed, it does not need a full budget to go along with it. A Budget Ordinance is more detailed and is designed to go along with the Operating Budget. It shows year to year comparisons and additional revenue information. He added that the Budget Book and the Budget Ordinance go together more effectively than an Appropriation Ordinance. He said the Budget Ordinance would need to be passed prior to the start of the fiscal year.

Village Manager Joe La Margo added that the Budget Ordinance will benefit the Village by providing more detail, transparency, and will show all dollars being spent have been recommended by the Finance Committee and approved by the Village Board.

George Van Geem said he is in agreement of the change as long as there are best practice controls in place for transparency and the approval process is appropriate, should there need to be changes to the budget.

After discussion, a motion was made by Jack Drexler, seconded by Bob Callero, to accept staff recommendation to move to the Budget Ordinance model to the Village Board for approval.

Other Business

Jack Drexler asked staff to look into a possible road tax for businesses such as Amazon who do business in Niles but do not pay taxes here. He stated they use our infrastructure and take business away from our brick and mortar stores. He said this tax could help create revenue for repair of our roads. Village Manager Joe La Margo said staff could research options to see what is available. He added that staff is currently discussing ways to create revenue for trucks who are parking in Niles and not applying for the vehicle sticker. Assistant Village Manager Kathy Thake said the Village Attorneys office is working on language to amend our Vehicle Sticker Ordinance to state that even if a truck is not registered in Niles, but the business is homebased in Niles, they would be required to obtain a vehicle sticker.

Village Manager Joe La Margo stated that the Finance Committee Operating Budget meeting has been moved to March 16th. He said the Village Board budget workshop for the CIP was Thursday, March 3rd. Mr. La Margo said that with the suggestion of the Finance Committee, and the direction of the Village Board, staff moved some of the maintenance items, including tree trimming and tree removal, from the CIP budget to operating expenses. He also said the Teen Center module was removed from the CIP and staff is looking into other alternatives to find a solution that will work best for the community.

George Van Geem asked staff to take a look at the Internal Services Funds as they are going through the budget. He said when presenting the operating

budget, there should be no negative balances in the Internal Budget Funds. He said that in years past, some of funds have shown a negative balance. He added that if one Internal Service Fund has a negative balance then some other Operating Fund is not paying enough. Management and Budget Analyst Conor Schultz said this has been discussed and staff will reconsider the formulas of how other Operating Funds fund the Internal Service Funds, most specifically the Risk Management Fund and Auto Fund.

Public Comments

None

Executive Session

None

Adjournment

A motion to adjourn was made at 9:35 am by Jack Drexler, seconded by Bob Callero. All concurred.