

# Minutes

## Village of Niles

### Finance Committee Meeting

Village Hall Council Chambers

August 4, 2021

8:00 am

#### Call to Order

Chairman Joe LoVerde called the meeting to order at 8:00 am.

#### Roll Call

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

**Committee Members Present:** Chairman Joe LoVerde, George Van Geem, Robert Callero, Alan Weel, and Jack Drexler

**Committee Members Absent:** None

**Others Present:** Assistant to the Village Manager Kathy Thake, Finance Director Kent Oliven, Assistant Finance Director Laurie Nannini, Public Works Director Fred Braun, Economic Development Director John Melaniphy, Management and Budget Analyst Conor Schultz, and Administrative Assistant Joy Athanasiou.

#### Old Business

##### **Audit RFQ & RFP Update**

Finance Director Kent Oliven stated that the finance department has begun auditing fiscal year 2021 (FY21), the fiscal year ended April 30, 2021. He stated they are also seeking an audit firm for our current fiscal year, FY22. There is a team consisting of the Finance Director, Assistant Finance Director, Chairman LoVerde, and either the Village Manager or Deputy Village Manager, reviewing RFQ submissions for a CPA firm capable of handling the Village's entire government, including special services, such as Family Services, Senior Center, Fitness Center, and the Free Bus. The team will review the RFQs and send an RFP to the firms that were prequalified.

Chairman LoVerde asked when the Finance Department will return to presenting the Treasurer's Report for the prior month at each board meeting. The reports were being presented for the month before the prior one. Mr. Oliven stated the Finance Department is short staffed at this time but has been approved for a permanent Payroll/Accountant position. Staff is currently working on defining the role and is waiting for the compensation study to complete before establishing a salary figure. The Finance Department will also still seeking temporary accounting help to assist with the FY21 audit. Mr. Oliven noted that they are looking for a person with governmental accounting experience, but have been unable to locate someone thus far. Chairman LoVerde reiterated the importance of reporting current numbers/payables to the residents. The Finance Department will attempt to present the prior month's Treasurer's Report at the next Village Board meeting.

#### Approval of Minutes

The regular minutes from the June 30, 2021 and July 7, 2021 Finance Committee meeting were presented for approval. A motion was made by Jack Drexler, seconded by Robert Callero, to approve the minutes. All concurred.

#### Accounts Payable Approval

The 2021 Accounts Payable registers for 6/25, 6/28, 7/2, 7/9, 7/12, and 7/16 were presented for approval. A motion was made by George Van Geem, seconded by Al Weel, to approve the Accounts Payable registers. All concurred.

#### New Business

## **Large Customer Utility Billing Rate Discussion**

Chairman LoVerde began the discussion by establishing recent events. At the previous Finance Committee meeting, the Committee moved to recommend a water rate increase to the Village Board. The ordinance passed at the July Village Board meeting to increase the water and sewer rates, but language regarding an alternative rate for large-scale water users was struck from the final ordinance. Discussion was set to continue with the Finance Committee regarding a possible rate reduction for our largest water customer.

Finance Director Oliven proposed a new rate structure for our largest utility customer. He stated that the customer's current rate includes separate water and sewer charges. The customer, however, uses most of their water to fill and ship bottles; that does not utilize the sewer system. The new proposal charges the customer an increased water rate, but eliminates the sewer charge for all water used in their industrial process (separate sanitary sewer billing on accounts for office space and personal water use remain unaffected). The change of a higher water rate combined with eliminating the sewer charge on the larger accounts amounts to a net 1.4% increase in this largest customer's total bill next year.

The Committee raised questions. Mr. Oliven stated that the customer has not requested a reduction in water rates. This proposal is proactive in an effort to preserve the customer's presence in town. The discussion can be tabled for future consideration.

Chairman LoVerde asked staff to gather more information to discuss at the next Finance Committee meeting including other revenues this company generates for the Village, such as taxes, vehicle stickers, jobs, etc. He would like the Committee to make an informed, transparent decision on behalf of residents.

### **Other Business**

None

### **Public Comments**

None

### **Executive Session**

None

### **Adjournment**

A motion to adjourn was made at 9:05 am by Jack Drexler, seconded by Al Weel. All concurred.