

Finance Committee Meeting

January 22, 2018 - Johnsburg Village Hall

In attendance:

Chairman Klemstein; Committee Members: Laurie Cwerenz, Matt Colby and Rich Hrabak

Village Staff: Accountant Kim Giovanni

Meeting started: 7:03 p.m.

TOPIC	DISCUSSION	NEXT STEPS
Approval of Minutes	Minutes from the November 27, 2017 meeting were approved with a motion by Committee Member Cwerenz and second by Committee Member Hrabak. All present voted aye.	
Chairman's Report	<p>Chairman Klemstein briefly discussed:</p> <p><u>Tax Levy Update:</u> Board approved the new growth only option for the tax levy</p> <p><u>Golf Course Update:</u> The annexation process has started for formally bringing the golf course into the Village and the process for replacing the loan for the golf course with a bond has started</p> <p><u>Police Presentation:</u> Chief Von Allmen presented the police department 2017 annual report to the Board. The presentation will be available on the Village website</p> <p><u>Financial Metrics:</u> Agenda item for February</p> <p><u>Committee Chair Meeting Attendance:</u> Planning to invite other committee chairs to future meetings to discuss budget items</p>	
Old Business	<p>Capital Asset Policy</p> <p>The Committee reviewed and discussed the final changes to the capital asset policy. The committee previously recommended changing the useful life of land improvements from 20 to 15 years. Ms. Giovanni discussed the items that fall into the category of land improvements and informed the committee of the impact this change would have on depreciation expense. Committee Member Cwerenz then made a recommendation to change the useful life of land improvements to a range of 15 – 20 years rather than 15 years. The motion was seconded by Committee Member Hrabak. All present voted aye.</p> <p>Fiscal Policies</p> <p>The Committee reviewed and discussed the final changes to the fiscal policies document. Committee Member Cwerenz discussed the previously recommended changes including the addition of item F</p>	

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	<p>under budget policies identifying the expense categories that non-home rule sales tax revenue would be applied to. Committee Member Colby shared his concerns on the restrictive language of item F and recommended that item F be stricken from the policy. Committee Member Hrabak seconded the motion. Committee Members Hrabak and Colby voted aye. Committee Member Cwerenz voted nay.</p> <p>FY 2018 Income Tax Revenue Update Ms. Giovanni provided an update on income tax revenue for FY 2018 through January.</p> <p>Sales Tax Update Ms. Giovanni shared sales tax reports, routinely provided to the Economic Development Committee, for the 3rd quarter of 2017 and discussed fiscal year to date sales tax revenue.</p> <p>Pension Presentation Committee Member Cwerenz presented a fact sheet and presentation to the Committee regarding the police pension fund. She covered the basics of the pension, how it is funded, the difference between the statutory and actuarial recommended contributions, and the current status of funding. Committee discussion included current vs. actuarial anticipated investment return and statutory limits on how assets can be invested. She stated that the information would also be shared with the Board in advance of their budget review. The Committee agreed that the information was timely and relevant and would be helpful for the Board as they consider the FY 2019 budget.</p>	
New Business		
Adjournment	Committee Member Cwerenz moved to adjourn the meeting. Committee Member Colby seconded the motion. Meeting adjourned at 9:07 p.m.	
Next Meeting	Monday, February 26, 2018 at 7:00 p.m.	