

ADMINISTRATION & FINANCE COMMITTEE

Virtual Meeting

Special Meeting Minutes - April 15, 2021

Draft Approved - June 3, 2021

I. CALL TO ORDER - 4:30pm

II. ROLL CALL

<p><u>Committee</u> Trustee Liddle (as Chair) Mayor Gunter Clerk Szymiski Trustee Guzzo Trustee Barker Trustee Nero Trustee Brady</p> <p><u>Visitors</u> Amylee Hogan Simonovich</p>	<p><u>Staff</u> Village Manager May Assistant Manager/Finance Director Parker IT Director Liljeberg (host) Public Works Director Ramsey HR Director Brainerd Communications Director McIntyre Management Analyst Mielcarski Executive Director Forsberg Police Chief Gunter Fire Chief Riley Fire Deputy Chief O'Hare</p>
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III. PLEDGE OF ALLEGIANCE - Due to this being a virtual meeting the pledge was waived.

IV. OPEN FORUM - None

V. APPROVAL OF MINUTES - There were no available minutes.

VI. NEW BUSINESS

A. Local Government 101 - Overview - Manager May presented an overview of the governmental set up in the State of Illinois, specifically the differences between the various governmental entities and differences between city government and village government.

1. Mayor Gunter stated that candidates, be they write in or on ballot candidates, have to register with the county.

2. Questions: Mayor Gunter asked if we have a public hearing to approve the budget and wait 30 days?

a) Director Parker explained that the budget was the approval of the spending document, yet the appropriations ordinance is the legal document that allows us to spend things in the approved budget.

3. Trustee Barker asked how we amend the appropriations?
 - a) Director Parker answered that we could amend the appropriations - it would take a supermajority, it is not something that is done routinely - it is a matter of planning that we do not have to do this.
4. Trustee Barker asked if the Mayor was counted as part of the Quorum?
 - a) The answer is yes, per the Mayor and the Manager.
5. Trustee Barker asked if the longest service trustee was Sue Senika?
 - a) Mayor Gunter stated that it was probably Bill Rahn.
 - b) Manager May stated if looking at service it would be Jim Addington.

(1) Discussion of term limits & Home Rule status ensued.

6. Trustee Liddle asked if the census numbers are over 25,000 what would the Village have to do to be a Home Rule Community?
 - a) Manager May responded that our understanding is that being a Home Rule Community will be automatic.
7. Trustee Barker asked how much revenue the Village has lost since the ballot question to retain home rule was lost?
 - a) Director Parker stated that the loss was a home rule sales tax generating about \$1,000,000.00 a year & home rule motor fuel tax generated \$125,000.00 a year.
8. Mayor Gunter commented on the Special Districts in Illinois as the state that has the most.
 - a) Manager May agreed stating that for us it is the Library, School District, Park District, and neighboring areas have fire districts and other shared services.

(1) Mayor Gunter went on to reiterate that each of these entities have their own elected board of officials that the Village is not over, it is next to.

- B.** Local Budgeting 101 - Overview - Finance Director Parker presented a Government Accounting & Budgeting 101 overview covering funds, bonds, debt, taxpayers, and auditing (see attached).

1. Questions:

a) Mayor Gunter asked out of the \$32 million for the stormwater fund how much was completed to date?

(1) Director Parker stated that \$10 million has been used.

b) Trustee Barker as if he missed the description of the typical amount out of the general fund transferred?

(1) Director Parker stated that upon the loss of home rule we made a transfer of \$124,160.00, each year we do so to make sure that we keep the balance.

c) Trustee Barker asked if the General Fund has grown over the years and how does it grow?

(1) Director Parker explained that we transfer unused appropriations into the General Fund every year.

(2) Mayor Gunter said that if revenue goes up more than we estimate that is transferred as well.

d) Mayor Gunter asked how much will we have this year based on the spending hold and now the CARES Act funding and what is the end result of the pandemic ?

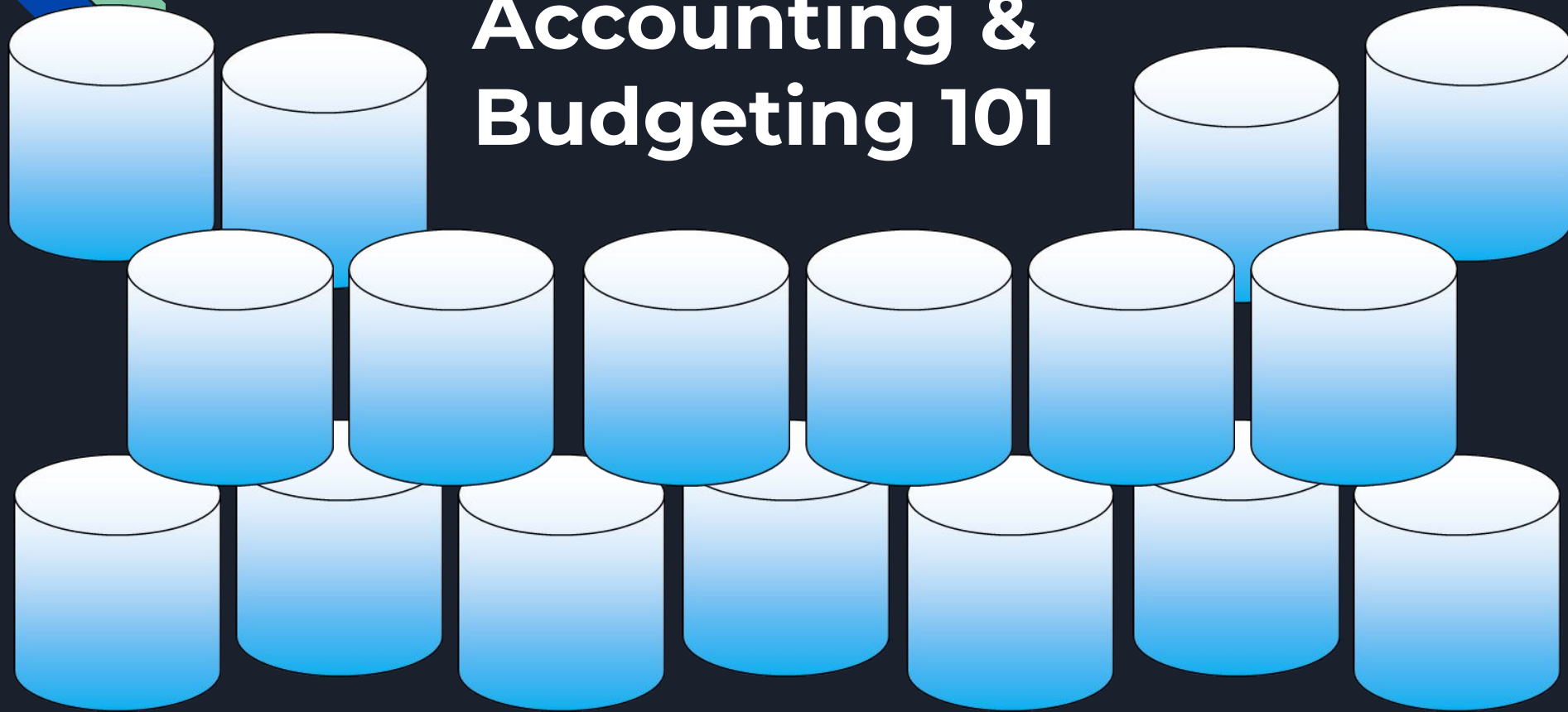
(1) Director Parker estimates that the loss revenue was \$2 million and the Federal Cares Act that we received from the County was \$1.3 million and we did better in some areas than we expected so it will probably be \$500,000.00 when it is all compiled and totaled.

VII. ADJOURN Trustee Liddle announced that the next meeting normally scheduled for May 6, 2021 will be cancelled in observance of the Swearing-in of the newly elected. A motion to adjourn was made by Trustee Barker and seconded by Trustee Nero. All ayes. The meeting adjourned at 5:55 p.m.



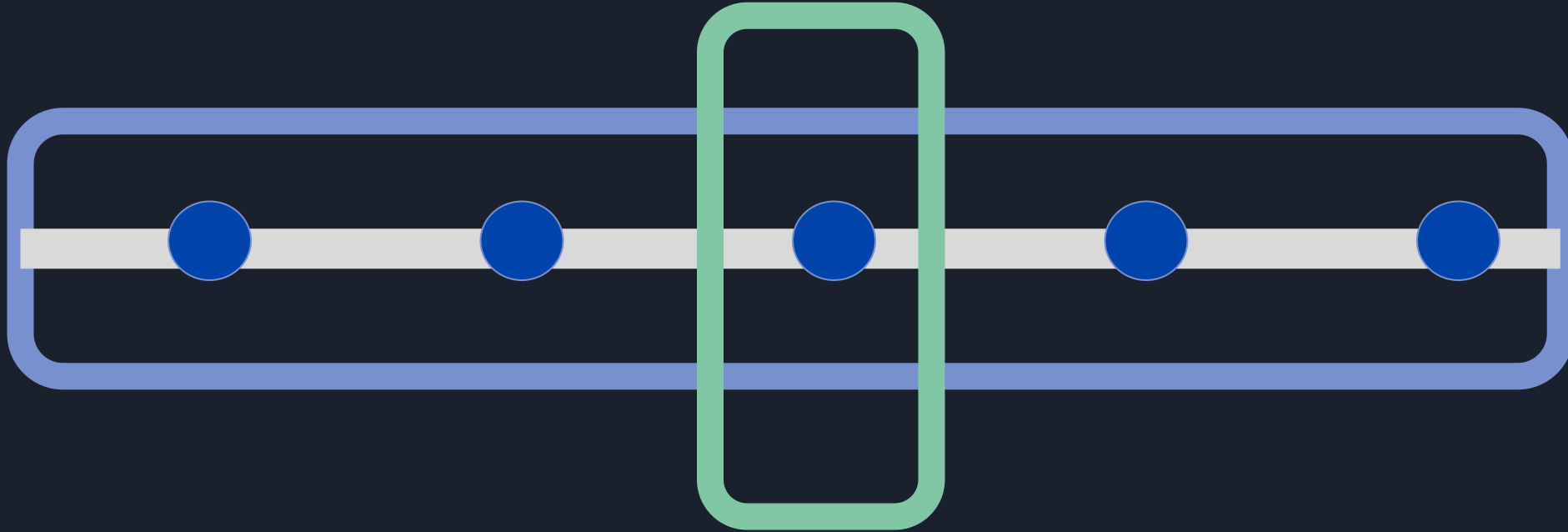
FY 2021-22 Budget

Government Accounting & Budgeting 101





Government Accounting 101





Government Accounting 101

- Buying a Truck

No Financial Impact

That's
why
you
need
my
money



Government Accounting 101

- Truck gets older

Value goes down

Don't
need
any
more
of my
money



Government Accounting 101

Enterprise Fund

Governmental
Funds



Government Accounting 101

Investors

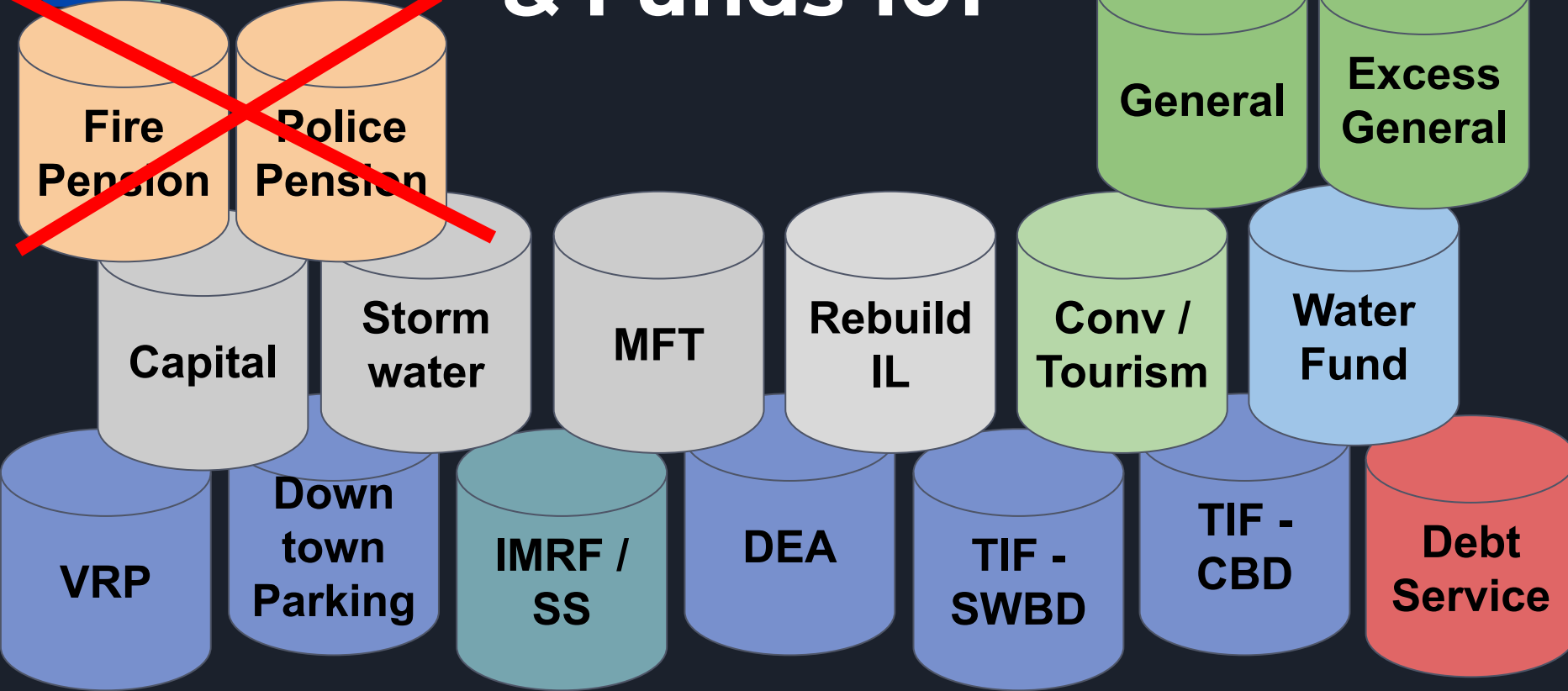
Tax
Payers



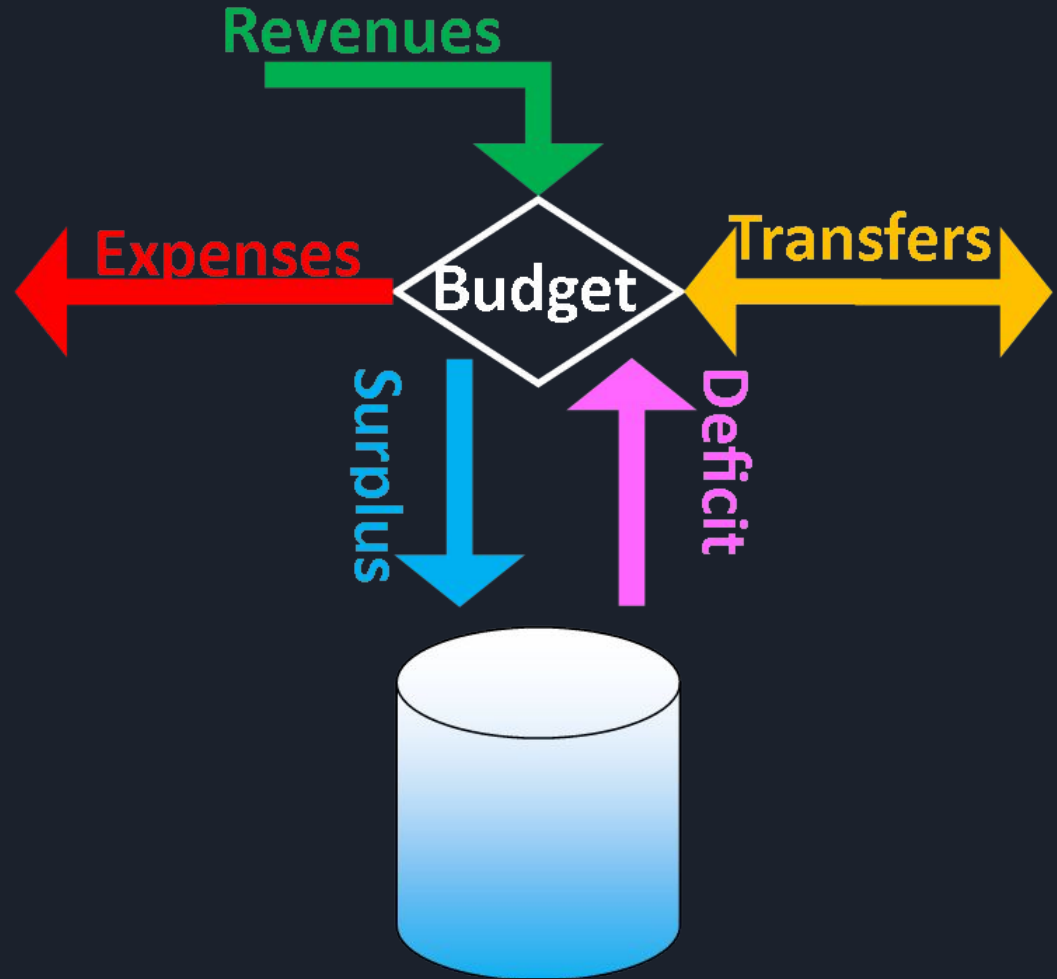
Government Accounting 101

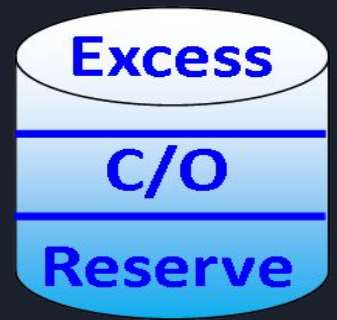
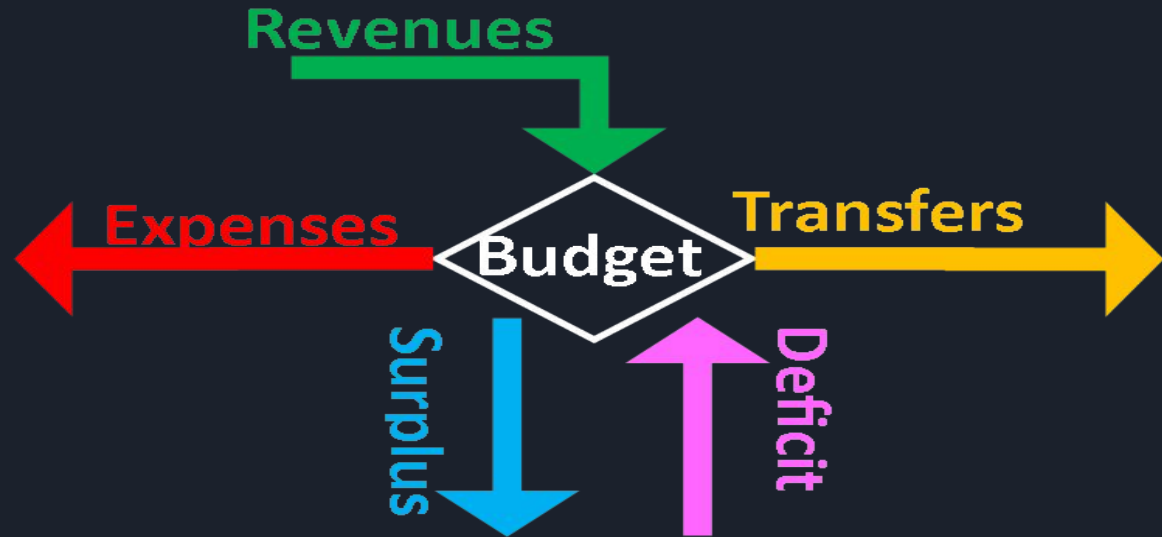
- Audit
 - Enterprise like Business
 - Governmental like Government
 - All together like a Business
- Budget
 - All like a Government
 - No Fiduciary

Budget Philosophy & Funds 101



Funds & Budgeting Review



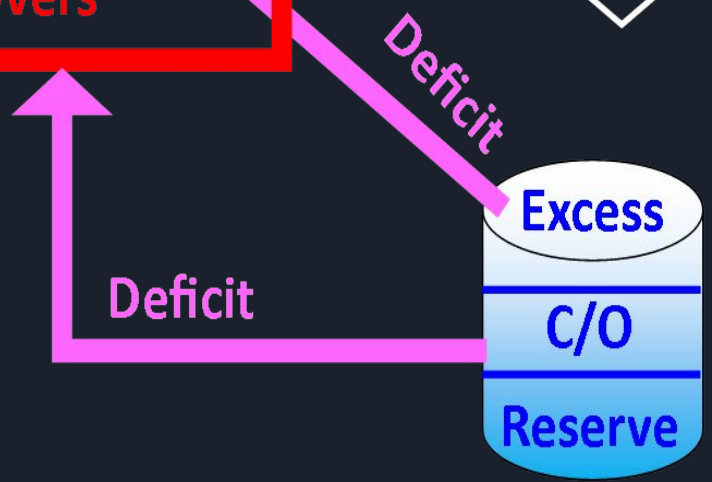


Fund Balance

Funds & Budgeting Review

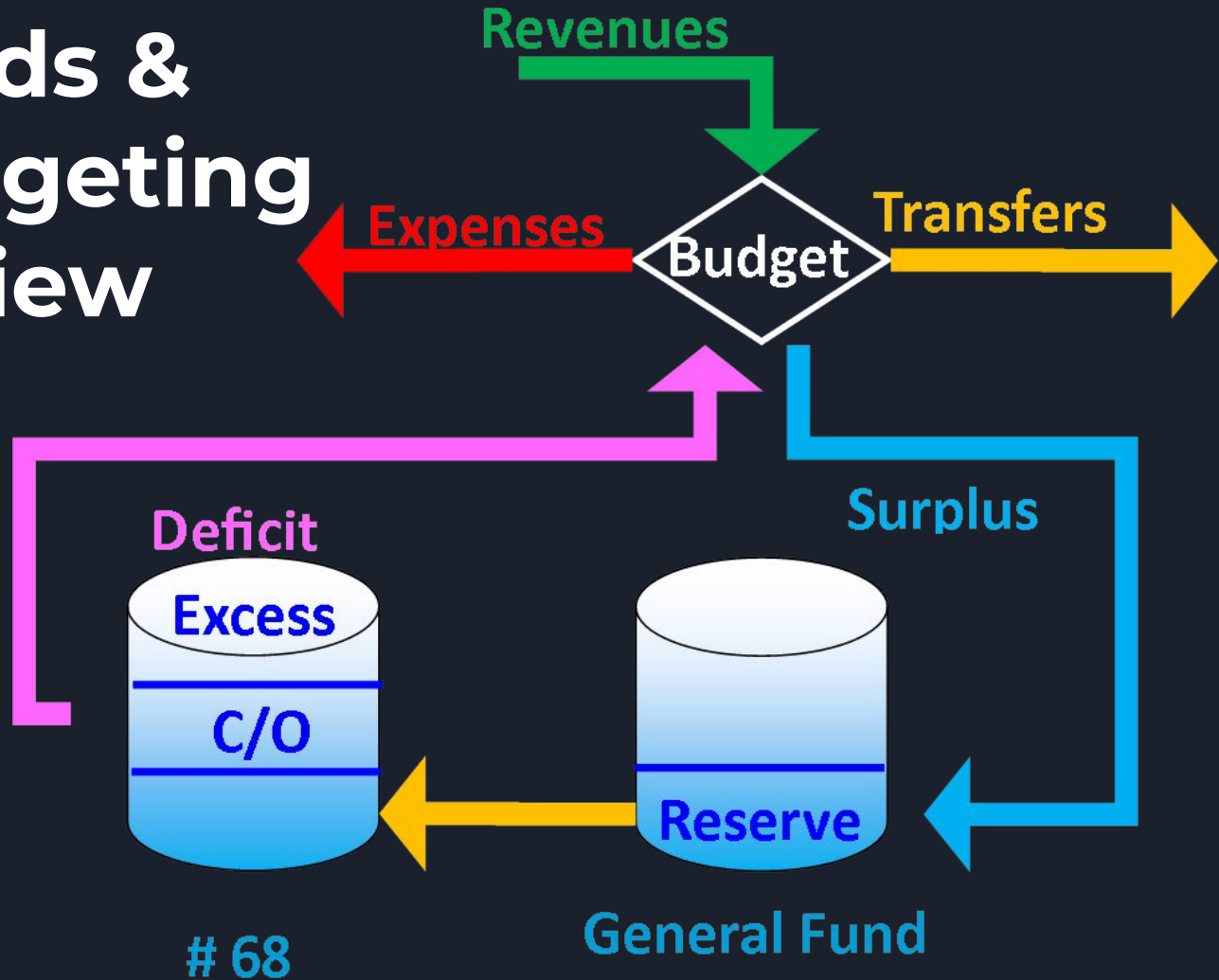


Funds & Budgeting Review



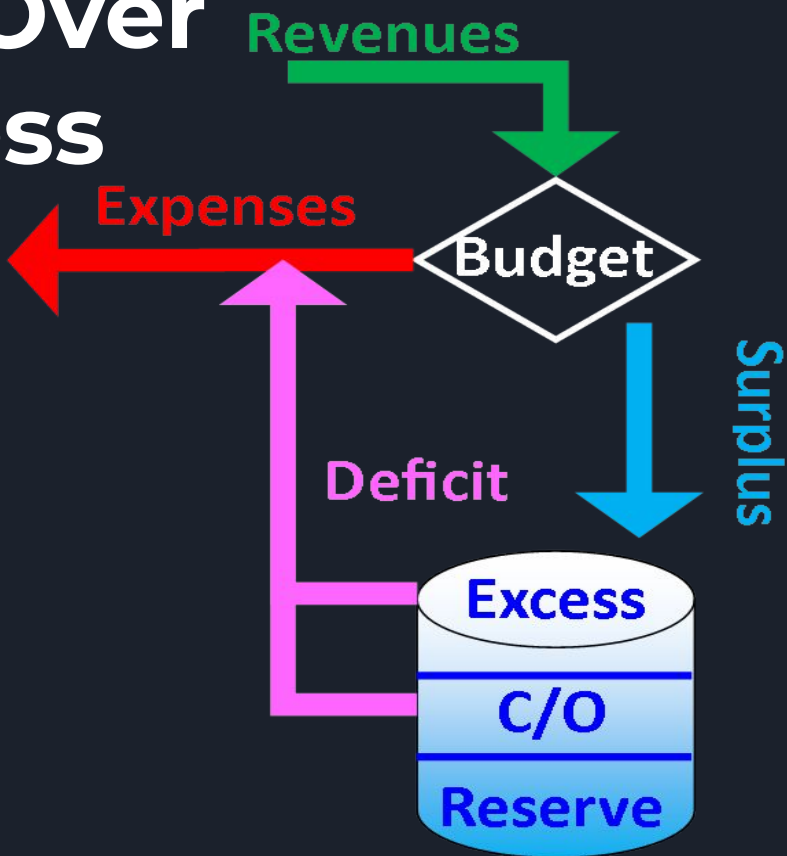
Fund Balance

Funds & Budgeting Review



Carry Over & Excess

- Conv/Tour
- Capital
- Stormwater
- MFT
- Rebuild
- VRP

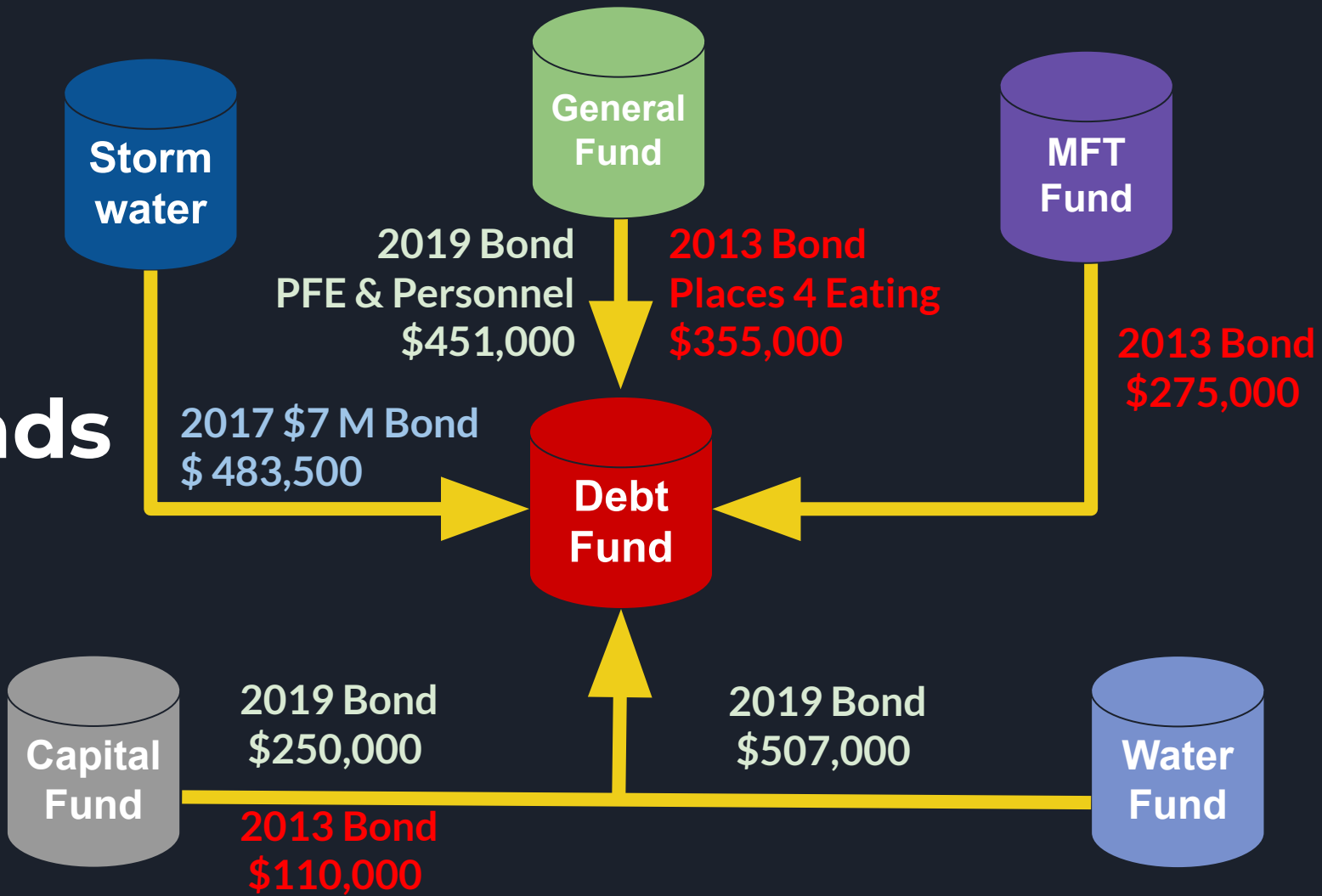


- Downtown
- IMRF
- DEA
- Water

Fund Balance

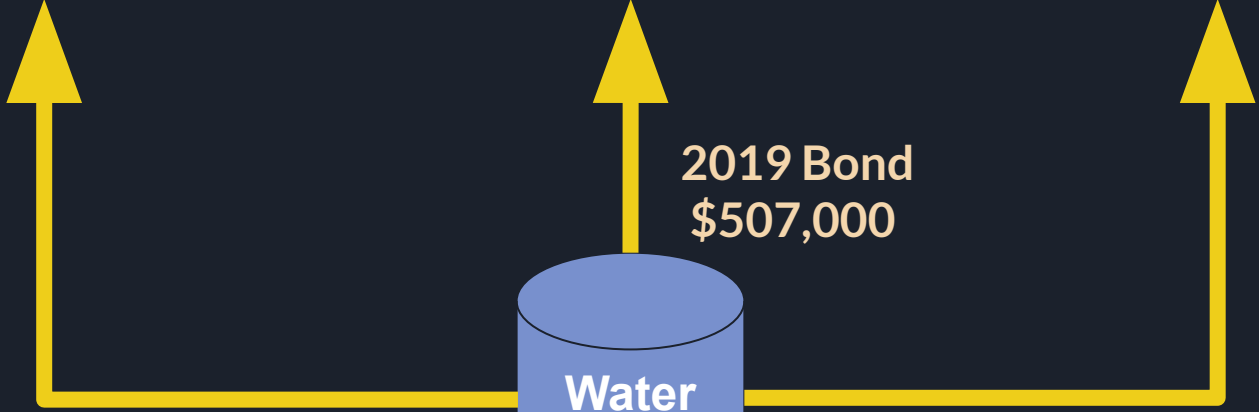


Bonds





Water



Payment in Lieu
of Taxes \$415,000

2019 Bond
\$507,000

Pension Costs
\$226,340

General Fund

