

Village of Fox Lake
Finance Committee Meeting
December 11, 2007
6:00 p.m.

I. Call to Order

The Meeting was called to order at 6:00 p.m.

II. Roll Call

Present were Chairman Ulasz, Trustee Working, Trustee Bender, Trustee Murrey, Trustee Kiesgen and Trustee Koske. Also in attendance were Mayor Irwin and Treasurer Paul Christensen.

III. Approval of Prior Meeting Minutes

Chairman Ulasz asked if there were any questions or clarifications to the minutes of November 27, 2007. There were no comments, the minutes will stand as presented.

IV. Bills to be paid

Chairman Ulasz asked if there were any questions regarding the bills to be paid in the amount of \$724,498.81. Chairman Ulasz stated there were no questions or comments, the bill list will stand as presented.

V. Ratification of Manual Check List

Chairman Ulasz asked if there were any questions. There were no questions or comments, the manual checklist will stand as presented.

VI. Grainger Bills

Chairman Ulasz asked if there were any questions. There were no questions; Chairman Ulasz stated she would make a motion at the Board Meeting.

VII. Old Business

Discussion of Interfund Transfers related to Lotus School Water Mains

Chairman Ulasz asked if Trustee Murrey would like to speak on this item. Trustee Murrey stated this is something that has been lingering. You will see tonight that I will be making a motion this evening. This somehow got goofed up and charged to the Building Dept. and the bills need to be paid and the water department needs to pay for the bills. What we are paying for in the increased water main size, which was needed, for the scope of that job. Trustee Murrey asked if there were any questions, there were none.

VIII. New Business

Presentation of Actuary of Police Pension Report

Chairman Ulasz asked Paul Christensen to speak on this item. Paul Christensen stated that unfortunately the Actuary was not able to make it tonight due to the weather. Due to the conflict of schedules he will not be able to attend a meeting until the 2nd meeting in January. The reason it was important to discuss tonight, this numbers goes straight into our Tax Levy. I am going to pass out the report; I will go through the highlights as it goes into the tax levy. We are still using Tim Sharpe; we have been using him the last 10 years. On page 4 it is basically summarized. Last year we had a levy of \$481,993, which was required in order to, fund our Police Pension. Usually there is an increase every year and you would expect to see an increase, but we did have a retiree deceased this year, because of the reduced liability we are

able to reduce our funding level this year so next years requirement is \$421,336. That is good news for us, when you look at the levy the exact same number is put in there as well. Basically if you want to know that money is going, it was funneled into the general fund. If you have any question come see me and Tim will be out in a month and he will give a detail presentation at that time. Trustee Bender asked what does that translate to go into the general fund, roughly? Paul Christensen stated you have a \$50,000 decrease, one of the largest increases is we are not issuing a garbage levy anymore. Overall there is large amount going into the general fund, it has to be looked at overall not piece by piece. Paul stated the liability increased a little this year we still have some claims going back a number of years.

Presentation of the 2007 Village Audit

Paul Christensen stated John Delan or Wolf and Company who a partner in the company was unable to make the meeting but will be attending the next Board Meeting and be presenting the audit.

Electricity Consulting Service Agreement with Brubaker & Associates

Paul Christensen stated he had placed a memo in everyone's mailboxes. Last year we had gone out when ComEd deregulated the electricity and we went out to get the rates. We basically use the same amount of electricity during the day as we do at night. We can get a substantial saving by buying the electricity off-peak. We went and worked through a cooperative, we had worked through them and done a bid and we chose People's Gas as our energy provider. The initial window for this for 18 months, that is this May it is up again and then it will be 12-month contracts. What I am asking for is approve to hire the Electricity Consultant to start working on the next contract. When we get to this level a point 001 can make a big difference and with us using a lot of electricity I feel we need an expert to review this for the Village. We use over \$600,000 a year on electricity. If there should be a dip in the cost I want to be able to come back to the Board immediately to lock this price in. Trustee Koske asked if you did this with any of the other utilities like gas or something? Paul Christensen stated no, but I have looked at doing the gas as well, but so far we haven't found the need for the consultant, but we are still looking at it for consideration. We have only done it so far for electricity since that is the largest user, we actually use Peoples Energy not People's Gas, and this is one we want to bid out. Paul stated I know we can beat Com Ed prices for sure, their increase wholesale is 12%, and we are only paying 2% and saving \$60,000, which is a substantial saving.

Updates to Water and Sewer Code

Chairman Ulasz asked Trustee Murrey to speak on this issue. Trustee Murrey stated as I talked about at the last meeting, since then we determined that Commercial accounts should be excluded from the billing the owner only. The staff is preparing a contact sheet, and we will have on file the names leasing the building locations from the owners of the commercial buildings. All residential will remain the same and the billing will only go to the owner, that has not changed.

Trustee Bender stated he wanted to ask a couple questions; I am not disagreeing with it at all. Trustee Bender all the other utilities bill you every month why do we bill every two months? Paul Christensen stated it is the cost of the labor, postage, printing etc. every month. During the Pappas administration it was every three months; it was changed to every two months to accommodate our residents. If you look at the gas companies they bill every other month as an estimated bill. They only do the actual readings every two months. What is the percent of delinquents? Paul stated I would have to verify that with Carol but generally around 1%. Generally we will eventually get our money, only exception is when people move and we are not notified. Trustee Bender asked about specific verbiage and if it was a certified notice of

final billing. Carol Ward went through the process and what was provided to the Attorney's or Title Companies for final billings.

Personnel

Chairman Ulasz asked Trustee Bender to speak on this item. Trustee Bender asked Annette Wolf to speak on the personnel item on the agenda. Annette Wolf introduced Jeffrey Callahan. We now actually have four supervisor positions now with the 12-hour shifts. Jeffrey is one that tested with us 100% EMD scores and has had a tremendous career here at FoxComm. We are asking to promote Jeffery as stated on the agenda.

IX. Committee Comments

Trustee Koske said we touched on it with the discussion on the dispatch center. I don't think we should pay Tucker's bill if it hasn't been paid yet. I didn't see it on the bill list. Until we get a more definitive answer and the Board feels a little more comfortable about the report I am hesitate to pay the bill. Paul Christensen stated the bill has been presented. Trustee Koske said I want to pay this guy for his opinion not for options. Mayor Irwin stated we hired him. Trustee Bender stated I don't think that would hold up legally even if we don't like his comments. Mayor Irwin said we have to honor our word. Trustee Koske stated I don't think we got what we contracted for. We take your comments into consideration, once we talk with Mr. Tucker in the morning we will have definitive information and we will get back to each and everyone of you. Trustee Koske stated thank you.

X. Audience Comments

None

XI. Adjournment

There being no other business to discuss the Committee Meeting was adjourned at 6:24 p.m.

Carol Ward
Deputy Clerk