

VILLAGE OF POPLAR GROVE

FINANCE COMMITTEE MINUTES – DRAFT Pending Committee Approval

February 1, 2010 – 6:30 PM

(Unless noted otherwise – all motions approved are Unanimous. All funding requests go to the full board for approval at the next Village Board meeting).

Present:

President Brad Rightnowar, Chairman Robert Fry, Vice Chairman John Neitzel, Trustee Cliff Stetter, Treasurer Maria Forrest, Jeff Strate and Secretary Maureen Brzinski

Minutes of January 4, 2010:

A motion was made by Stetter, 2nd by Neitzel to approve minutes as presented.

Public Comments:

Mr. Lane:

Mr. Lane requested the correction of a duplicate account in the water and sewer billing system. Chairman Fry stated the duplication on the billing system has already been deleted.

Mr. Lane then requested the penalty charge on his current bill be written off. Fry stated if the payment is truly late than penalty charges are due and we can not make exceptions. It was also noted that the Village does work out a payment schedule if needed. Secretary Maureen Brzinski offered to Mr. Lane that he could come into the office at any time and she would do a reconciliation of his account.

Mr. Leeson:

Mr. Leeson requested the discussion of the billing for Whiting Road water main extension in Burred Wood Subdivision from 2006 for a total of \$87,359.39 and the reimbursement of recapture fees from Invoice #102 for a total of \$6,000.

Secretary Brzinski stated she has contacted Engineer Frank McHearn, from R. H. Batterman & Co., Inc., to substantiate the billing for the Whiting Road water main extension.

Motion was made by Fry, 2nd by Stetter to approve invoice #102 from Burlled Woods, Inc. pending approved reconciliation from the Treasurer on the four (4) \$1500 recapture fees previously due for a total of \$6,000 be submitted to the Village Board for approval.

Sam Diamond: Ordinance No. 705, Debt Certificate – Series 2007

Mr. Diamond was looking for two things:

1. Home State Bank felt there was an adequate reserve to pay for the \$9,000 tap-on fees for the service area.
2. Mr. Diamond requested the Finance Committee make a finding, determine that future tap-on fees be used to retire the bond and then determine if there are any excess funds.

Motion was made by Stetter, 2nd by Neitzel to disburse \$9000, for six tap on fees, out of proceeds subject to information provided by Sam Diamond regarding what the Village is responsible for.

Old Business:

Motion was made by Stetter, 2nd by Neitzel to approve the 2009 Audit and Auxiliary Reports. Reports can now be posted to the Village website.

Motion was made by Neitzel, 2nd by Stetter to forward the billable hours for the 2009 Audit Report preparation totaling \$19,000 to the Village Board for approval.

Motion was made by Stetter, 2nd by Neitzel for approval of revised process for purchases and invoices to be effective immediately.

Treasurer's Report:

Motion was made by Neitzel, 2nd by Stetter to approve the following check runs for recommendation to the Board for disbursement:

<u>Check Runs:</u>	
01/10/10	38,949.63
01/18/10	53,285.52
01/27/10	<u>21,746.57</u>
Total	<u>113,981.72</u>

Remaining Cash: 131,560.29

Treasurer's Report continued:

Projected Year End Budget: (fiscal year)

General Fund Shortfall:	-196,000
W&S Fund Shortfall:	<u>-120,000</u>
Total	<u>-316,000</u>

Income tax brought down the projected Revenue - \$200,000 vs. \$230,000.

Expenses are running close to the budgeted number.

We're over on the following accounts:

Accounting:	Budgeted \$19,000 / end up the year at \$32,000
Legal:	Budgeted \$30,000 / end up the year at \$40,000

Current fiscal year projected deficit: \$315,232

Forrest stated there have been some increases in Village payroll related items:

IMRF – Village match	used to be at 10.31% and now is at 10.95%.
Unemployment	used to be at .6% and now is at 1.75%.

Forrest stated she would be in Saturday to put a preliminary 2011 Budget together with the same format we have used in the past and distribute so committees can begin to look at numbers.

Forrest asked if we should be renewing a \$1,500 annual fee from Sensus for software support on meter reading software. Because of poor response time from representative on issues, the fee should not be paid until situation is rectified. Brzinski will contact Sensus to see if needed or if it is cost effective to pay on an as needed basis.

Rightnowar stated the services of R. H. Batterman & Co. Inc. should be used on an as needed basis. Stetter added they should not provide any services to the Village without prior approval of the Finance Committee, Don Bawden or the Village Board. A letter will be drafted to Mr. Batterman, cc: Don Bawden.

Motion was made by Neitzel, 2nd by Stetter to authorize disbursement of \$67,405.32 to Fischer Excavating by the Village Board.

Public Works: Jeff Strate

General:

The month of January, winter slowed a bit. Only three to four days were dedicated to snow and ice removal.

Public Works Employees were able to catch up on projects that were put on the shelf in December and maintenance was an ongoing job in all departments.

Water Department:

This past month was rather uneventful for repair work, which is good. Daily logs were prepared along with daily, weekly and monthly samples / testing.

We needed to make a chlorine purchase 01/13/10.

Strate located the verizon Account Manager in Indiana and has started the process to install a new phone line, auto dialer, in the tower on Route 173.

On January 21st, two employees attended a four hour seminar at Kishwaukee College in Malta, IL on protecting your water source. The presentation was taught by IRWA and IEPA Instructions. They stressed the need to be aware of all activities that could affect the area where a municipality draws its water and have a backup source if contamination should occur. Examples were given for the cost of fixing and loss of confidence in contaminated water supplies.

On January 21st, HD Water Supply of Belvidere hosted a program on corrosion in our water systems. All six public works employees attended.

On January 26th, Mr. Strate spoke with Sam Diamond about our tower / well house near Orth Road and Poplar Grove Road. Completion figures are as follows:

Cleaning	\$ 4,000
Gilbanks for electric	\$ 9,000
Finish of well house	<u>\$50,000</u>
Total	<u>\$63,000</u>

Mr Diamond realistically believes \$75,000 would finish the project. Mr. Strate called Batterman for their input on how much they felt it would cost to finish the project.

On January 22nd, 366 late notices were mailed out. There were 67 residents who responded to our mailing of shut-off notices with a remaining 28 households that could face shut-off. There were 16 final notices posted on 02/01/10 with a shut-off date of 02/08/10 to residents who failed to respond by Friday 01/29/10.

Sewer Department:

January found the WWTP employees doing monthly maintenance at both plants:
North WWTP – repairing pumps and electrical connections.
South WWTP – ice was a particular problem in the digester tanks.

Sewer Department continued:

Frozen transfer and discharge lines caused a lack of circulation which in-turn cause reservoirs to freeze. The back-up generator at the South Plant needed its second block heater relay switch installed which was under warranty.

In mid January, new sample bottles and caps were purchased at a cost of \$120. The Waco Way back-up will be delivered the first week of February and bids have been received to install electrical connections staying within our \$35,000 package. Nicor has been involved in our schedule for the last two months, so hopefully we can get our service installed in the near future.

Mr. Strate again stressed the need for back-up generators. The areas of Prairie Green and Oak Lawn lift stations are in the forefront.

Mr. Strate had conversations with Dean Bower, a trouble shooter at ComEd who is involved with planning, engineering and design personnel working on areas of power fluctuations, and he stated there possibly is a need for transformers in affected jurisdictions. There might be a spring work order to address this problem.

On the weekend of 01/23 and 01/24, rounds found pumps not functioning correctly with high levels of waste water in the station. After further inspection, it was discovered that grease infiltration had caused the pump floats controlling cycles to malfunction and the cycle floats to become coated with grease and react erratically. Pumps were operated manually and temporarily adjusted to continue through the weekend. On Tuesday, 01/27/10, Collins Sanitary was called out to suction out and clean grease from the lift station. Once entry into the structure was gained, 12" to 13" of grease covered the entire 8' diameter structure. The Village needs to inform all residents in the Southern Section of the hazards of dumping grease and oil into our sewer systems.

Street Department:

Winter is hard on equipment and repairs are an ongoing process. Our service truck had differential repair at a cost of \$605. The ¾ ton pick-up needed a new battery. Plow blades and bolts have broken and been repaired at a cost of \$1,400. We currently have back-up blades and bolts for all trucks.

Roads were kept clean all month with only three (3) days of snow and a January thaw.

Mr. Strate was approached by Poplar Grove Township in mid January about the sale of their 1989 Ford Diesel plow truck with 80,000 miles on it. They're asking \$15,000 to \$16,000. Mr. Strate is working to determine how much we could generate from the sale of our back-up truck to put towards the purchase. It was also suggested that there is the possibility of locating a newer cab and chassis and transferring the two year old box and spreader to a new frame.

New Business:

Rightnowar stated he is still reviewing resumes for the opening on the Planning Commission.

Motion made by Stetter, 2nd by Neitzel to purchase a CD ROM Drive for the Village Clerks computer not to exceed \$100.

Received a letter from Candlewick Political Action Committee informing the Village they are contemplating the incorporation of Candlewick Lake into the City of Candlewick Lake. The letter was their formal request for the Villages permission to incorporate. The letter stated the Village may have a concern with allowing them with annexation power, but they assure us they have no intention of expanding any of their boundaries and are willing to enter into boundary agreements.

The committee reviewed public feedback from the January public hearings on the Villages financial status, and developed the following recommendations:

Short Term Goals:

1. Renegotiate Sheriff's agreement to include the following:
 - a. month to month basis from now until November 2010
 - b. target reduction of half of current \$160,000/year to no more than \$80,000/year
 - c. include performance metrics
 - d. investigate cooperative/joint agreements with neighboring Villages to consolidate police protection; i.e. Capron, Timberlane, Caledonia
 - e. develop a Police referendum for inclusion on the November ballot
2. Scavenger – issue an RFP for consolidated Trash/Recycling Services for Village residents to improve service and reduce costs – charging an administrative fee to generate revenue for village operations.
3. Investigate partnering with the County or other municipalities for inspection and code enforcement staffing.
4. Develop projections and a proposal for implementation of Vehicle Stickers for the Village.
5. Public Works Director to evaluate various options for improving efficiencies such as contracting out snow removal and mowing services, as well as opportunities for reducing staff in current water and sewer operations.
6. Contact Cellular service carriers to investigate interest in renting space on Village water towers.

Short Term Goals continued:

7. Change Water and Sewer rate increases to annual instead of current three year schedule, and request that the Treasurer develop a projected rate increase necessary to balance the W&S budget and begin generation of a capital reserve.
8. Evaluate and develop a proposal for board consideration implementing a Utility and Telecommunications tax to the maximum allowable according to current state statute.

Closed Session: None

Adjournment:

Motion made by Stetter, 2nd by Neitzel to adjourn meeting at 10:11 pm.