

VILLAGE OF GLENCOE
FINANCE COMMITTEE

Meeting Minutes
December 15, 2011

1. CALL TO ORDER AND ROLL CALL

The Finance Committee was called to order at 6:00 p.m. in the Conference Room at Village Hall. The following members were present:

Keki Bhote
Andrew Hayek
Lawrence Levin
Joel Solomon

Village President Feldman, Trustees Cowans and Keefe were absent

The following Village staff was present:

Paul Harlow, Village Manager
William Jones, Assistant Village Manager
David Clark, Director of Finance
David Mau, Director of Public Works

2. CONSIDERATION OF MINUTES

Trustee Hayek moved, seconded by Trustee Levin to approve minutes of the September 15, 2011, October 20, 2011 and November 17, 2011 meetings. Said motion was unanimously adopted.

3. PUBLIC COMMENT TIME

No members of the public were present.

4. REVIEW FUND BALANCE ANALYSIS

Director of Finance David Clark presented recommendations for amendments to fund balance polices for the General, Water and Garbage Funds.

- **General Fund** - The minimum fund balance target in the General Fund would increase from \$1,000,000 to \$1,400,000. The Fiscal Year 2013 includes an ending balance of over \$2.1 Million. The Government Finance Officers Association (GFOA) recommends a fund balance target equal to 2 months of operating activity or about \$2.3 Million.
- **Water Fund** - The amount annually available for capital improvements in the Water Fund would be net operating income and unrestricted net assets in

excess of 10% of annual expenditure target and annual IEPA loan repayment amount.

- **Garbage Fund** - The Garbage Fund has been stressed by the implementation of the \$100,000 IRMA deductible. Staff recommends increasing the Budget from \$350,000 to \$450,000 for the annual transfer from the General Fund to the Garbage Fund. Village staff will seek Board authorization prior to making transferring beyond \$350,000. In time, the fund balance target should grow from 10% of operating expenditures to 21% of operating expenditures.

The Committee reviewed the sufficiency of fund balance and generally agreed that the level should be increased over a period of time.

5. REVIEW RECOMMENDED FISCAL YEAR 2013 BUDGET

The Committee reviewed the capital plan and discussed the Information Technology Plan. Trustee Hayek suggested that there be a future meeting to review the financial direction of the Village in depth including the sustainability of the growth in cost of services.

6. ADJOURNMENT

There being no further business to come before the Finance Committee, upon motion made and seconded, the meeting was adjourned at 7:00 p.m.