

VILLAGE OF BEACH PARK
Minutes of the April 17, 2019
Finance Committee Meeting

Attendees:

Trustee Don Jensen – Committee Chair
Peggy McHugh – Finance Director
Jon Kindseth - Administrator

Trustee Regina Miller – Member
Trustee Linda Sittig – Member - Absent

Roll call was taken and the meeting brought to order at 6:00 p.m.

March 13, 2019 meeting minutes:

Chairman Jensen asked if there were any questions/updates in regards to the minutes from last month's meeting. Hearing none, minutes were approved as presented.

Monthly Finance Report:

Chairman Jensen moved to the monthly finance report. Discussion was had on the year to date results and variances. Trustee Miller asked about TIF Funds and whether we need to be concerned about the surpluses showing for the year. Administrator Kindseth explained the Village has more projects in mind than increment coming in so he does not have a concern. In addition, all of the TIF Districts have an amount owed to the general fund. Sheridan original fund balance is committed to bond debt service; the \$446,931.00 fund balance in the report does not reflect that.

PW Facility Bonds:

Chairman Jensen moved to agenda item – PW facility bonds. Jon Kindseth said we want to keep discussion going on the callable bonds and potential to pay them off as we did the WS recap bond. Jon Kindseth gave an overview of the scenarios in the packet. Committee is in favor of moving forward to look into paying off the bonds. Staff will continue to review.

Adding PMA – Iprime to Authorized Depositories:

Chairman Jensen then moved to the next item on the agenda – PMA. Jon Kindseth stated this is somewhat related to the above. During budget time we talked about investing funds to get a better rate of return. Staff met with PMA regarding IPrime and while we need to do a little more work we would like to diversify and earn more rate of return as well. PMA Finance Network has a vetting process for the banks they invest in and none of their banks have failed. In addition, all balances are under the \$250,000.00 so they are FDIC insured. Discussion was had on investments. The committee approved going forward with Ordinance to update depositories for the Village, adding Bank of New York Mellon as well as PMA Financial Network/IPrime.

Fee Schedule:

Chairman Jensen then moved to the next item on the agenda – Fee Schedule. The discussion started out with the water rate increase resulting from the City of Waukegan's annual cost increases to the Village. Trustee Jensen would like to have the Village pass on rate increase on our internal rate of return as well. Not just pass through the dollar amount from City of Waukegan. The difference is \$0.15/1000 gallons. Committee is in favor of keeping it consistent and change the fee schedule to \$7.50/1000 gallons. Discussion continued to other proposed fees. Jon Kindseth gave rationale behind each proposed changes. Discussion was had on permit fees and whether we want to have a sliding scale set up.

Chairman Jensen and Trustee Miller want to make sure we are covering our costs. Staff will do more work on that line item. The Committee is in favor of bringing the proposed changes to the fee schedule to the board next week.

AirBnB Update:

Chairman Jensen then moved the discussion to the next agenda item – AirBnB. Committee was advised that there are 2 in the village at this time and staff has met with both of them. Staff explained to the owners and Azavar that we want to get into compliance going forward and are not looking to collect tax on previous rentals. The revision to the village’s motel tax ordinance that was on the agenda for the last B & Z meeting was continued to next week’s meeting simply because we ran out of time. The change to the ordinance is minimal; there is a slight change to language. The revised ordinance will set up AirBnB to collect the tax and remit to the Village. Azavar has already worked this process out with AirBnB in its work with other communities. Discussion was had in regards to the process. Staff is still working on the inspection side of the short term rental market as it will fall somewhere between a rental inspection and a business inspection. The Ordinance is going to the B & Z Committee next week before the board meeting.

Warrant List:

Chairman Jensen and Administrator Kindseth had a discussion of items and questions on the last two warrant lists.

New Business:

Chairman Jensen then moved the discussion to new business. Jon Kindseth stated we did put a bid in for some green book/tax sale properties today as we had some budgeted funds remaining. Jon Kindseth described where these properties are located and discussion was had.

Public Comment:

None.

Adjourn:

Chairman Jensen asked for a motion to adjourn, Trustee Miller made the motion, seconded by Chairman Jensen.

The Finance Committee meeting was adjourned at 7:50 p.m.

Next Finance Committee Meeting:

Wednesday, May 15, 2019 at 6:00 p.m.