

**MINUTES
CITY OF DEKALB
FINANCE ADVISORY COMMITTEE MEETING
JANUARY 30, 2018**

1. CALL TO ORDER

The Finance Advisory Committee held a meeting on January 30, 2018, in the Police Training Room, at the DeKalb Police Department, 700 W. Lincoln Highway, DeKalb, Illinois.

The meeting was called to order at 5:06 p.m. by Chair Peddle.

2. ROLL CALL

Account Technician III Carri Parker called roll, and the following members of the Finance Advisory Committee were present: Tom Teresinski, Lynn Neeley, Steve Parker, Ron Partch and Chair Mike Peddle.

Also present were: Finance Director Molly Talkington, Public Works Director Tim Holdeman, Assistant Finance Director Robert Miller, and Account Technician III Carri Parker.

3. PUBLIC PARTICIPATION

Bessie Chronopoulos asked if there would be public comment after the Committee discusses the topics on the agenda. She added that she was glad that the Committee is meeting. She expressed that many individuals are not pleased with having the meeting at the Police Department. She expressed that the public is unhappy at the location of the meetings, and that the meetings are not videotaped or live on the local television channel.

Chair Peddle explained that the previous meeting was cancelled as all Open Meetings Act regulations were not met. He further added that the Committee would not have had a quorum due to the number of illnesses as well.

Committee Member Neeley read an email from Marc Charvat (Appendix A).

4. APPROVAL OF MINUTES

- a. Minutes of the Finance Advisory Committee of November 2, 2017.

MOTION

Committee Member Partch motioned to approve the minutes of November 2, 2017; seconded by Committee Member Teresinski.

VOTE

Motion carried on a 5-0-1 voice vote. Aye: Teresinski, Neeley, Parker, Partch and Peddle. Not Present: Conlin.

- b. Minutes of the Joint City Council and Finance Advisory Committee Meeting of November 16, 2017.

MOTION

Committee Member Neeley motioned to approve the minutes of November 16, 2017; seconded by Committee Member Teresinski.

VOTE

Motion carried on a 5-0-1 voice vote. Aye: Teresinski, Neeley, Parker, Partch and Peddle. Not Present: Conlin.

5. FY2019 BUDGET SCHEDULE

Chair Peddle explained the focus of the meeting.

Finance Director Talkington explained the plan that Council is currently working on. She added what the FY2019 budget schedule will entail and when the meetings will be held. She explained that what is decided by the Committee will be updated into the budget document and brought back to the Committee for review.

Chair Peddle asked about the goal setting meetings and confirmed that they will be held after the Five-Year Plan has been approved. Finance Director Talkington explained that Council has met once and only on the “big picture” items. Chair Peddle stated it is concerning that Council has met and that he would like to make sure that the Committee’s recommendations are respected.

Committee Member Teresinski asked about the meeting on June 26, 2018. He was interested in knowing if the quarterly financial report will be available. He added that within the policy the Committee is supposed to have a quarterly report and he added that he has not seen one in a long period of time. Finance Director Talkington confirmed that the quarterly forecast will be added to the Committee meetings. Chair Peddle stated that a meeting may need to be added in July to share the quarterly report.

Chair Peddle asked for an inquiry from the Illinois Municipal League (IML) on the way Sales Taxes as distributed from internet sales. He questioned where the 1.75% is going and would like to know where it is going.

A discussion ensued with the Committee and Finance Director Talkington regarding sales tax charges.

Committee Member Parker asked how soon Committee members could see monthly reports. Finance Director Talkington stated that the software is very old and it takes some time to develop the reports. She said with the new software, which is at the end of negotiations, will help significantly.

Committee Member Parker asked about the audit process and communication to the Committee. Chair Peddle stated it will not be completed until July/August.

6. FIVE-YEAR FINANCIAL PLAN

Chair Peddle explained that he and Finance Director Talkington are going to go through the minutes from previous meetings to gather recommendations for the Five-Year Financial Plan.

Finance Director Talkington stated that the figures will be updated based on what was passed with the FY2018 budget.

Committee Member Teresinski asked when the budget document will be available. Finance Director Talkington responded that the document will be available 90 days after approval.

Committee Member Teresinski stated he would like to see the Five-Year Financial Plan on the agenda every meeting for discussion and updates.

The Committee discussed all of the different types of items that will need to be discussed, such as staffing, funding pensions, infrastructure and sustainability.

Finance Director Talkington mentioned that working on the Financial Polices will affect the level of service that will directly affect the staffing.

Chair Peddle stated that the level of services could have a direct result in a benefit for a homeowner (i.e. ISO rating). He added that the Committee should be meeting first and recommending to the Council and have open communication.

Alderman Mike Verbic was recognized as the City Council liaison for the Finance Advisory Committee.

Committee Member Parker asked about the Economic Development Committee and what their recommendations are for growing the community.

Chair Peddle stated that the City's former mayor, John Rey, used to have a meeting with all of the Committee Chairs and would discuss current updates.

Chair Peddle expressed that the first order of business will need to be how to fund the pension liability.

Chair Peddle stated that he was disappointed that none of the revenue recommendations were not included in the FY2018 budget.

Committee Member Teresinski asked about the median income.

The Committee discussed the median income, revenue and comparable communities.

7. COMMITTEE OPERATIONS POLICY

Committee Member Neeley questioned the timeframe of the additional information deadlines.

Chair Peddle explained the recommended deadlines and the agenda process.

The Committee discussed the types of handouts, previous meeting's events and information sharing deadlines.

Chair Peddle read through the policy and provided detailed information for each item.

MOTION

Committee Member Partch motioned to approve the Committee Operations Policy; seconded by Committee Member Parker.

VOTE

Motion carried on a 5-0-1 voice vote. Aye: Teresinski, Neeley, Parker, Partch and Peddle. Not Present: Conlin.

8. LOCATION OF MEETINGS

Chair Peddle stated that the Finance Advisory Committee is different from others with regard to televised meetings. Only ones that are televised are required by state law. He explained why the meetings cannot be held at City Hall.

Committee Member Neeley expressed her concern with how the meetings ended up at the Police Department. She likes the configuration of the room currently. She states that the Committee needs to meet more often and be able to talk with one another.

Chair Peddle stated there was a conflict of meeting location on October 5, 2017, and after that meeting, the Committee was asked if they would like the meeting to be held at the Police Department. At that time, it was unanimous that the meetings would be held at the Police Department.

A discussion ensued between the Committee on the location of the meetings and the recordings of the meetings.

Chair Peddle requested options to be explored to have video recordings available for the public if the meeting were to continue to be held at the Police Department. He stated that the short term goal could be having the meeting at City Hall, but in the long term to find ways to video record the meetings at the Police Department.

Bessie Chronopoulos stated that the City Hall is the people's place as that is where people gather to share information. She agrees that the current configuration is much better, but can be done at City Hall. She added that sharing information and transparency is very important.

Chair Peddle and Bessie Chronopoulos discussed the transparency of information.

Mayor Jerry Smith stated that the City Council has received the same information from the public regarding the meetings. He added that within the next few weeks, Council would develop a meeting logistics policy to guide the committees.

A discussion ensued between the Committee regarding pro and cons of the meeting location and setup.

9. CONFIRM NEXT MEETING DATE AND TIME

- a. Tuesday, February 27, 2018, 5:00 p.m., at City Hall

Alderman Verbic added that he was appreciative of the Committee's commitment and stated that he is hopeful for long-term infrastructure planning. He questioned the amount that is needed to "catch-up" on the pension liability and how to do it. Committee Member Neeley stated that she will share some information received from the Staff Unions and Associations (SUA).

10. ADJOURNMENT

Chair Peddle asked for a motion to adjourn. Committee Member Parker motioned to adjourn the meeting; seconded by Committee Member Neeley. The motion passed by a 5-0-1 voice vote. Aye: Teresinski, Neeley, Parker, Partch and Peddle. Not Present: Conlin.



CARRI PARKER, Account Technician III