

**MEETING MINUTES OF THE
VILLAGE OF CAMPTON HILLS FINANCE COMMITTEE
May 30, 2018**

I. Call to Order

The meeting was called to order by Chair Pearce at 7:20 p.m.

II. Roll Call.

Present

Chair Pearce
President Blecker
Member Olson
Treasurer Fischer

Absent

Member Falk
Trustee O'Dwyer
Member Bruggeman

Also Present

Administrator Searl

III. Approval of the March 28, 2018 Minutes

Member Blecker made a motion to approve the minutes of March 28, 2018; seconded by Member Olson.

Voice Vote: [AYES: 4] [NAYES: 0] [ABSENT: 3] Motion **CARRIED**

IV. Reports

a. Treasurer-

- i. **Reserve Policy** – Review/Discussion. Treasurer Fischer distributed a draft policy based upon samples of other communities' reserve policies.

Chair Pearce asked if the Committee could talk through the draft policy titled "Administrative Policies and Procedures". The Committee agreed that a "Purpose" section should be added.

The Committee discussed rewording 4. under Revenue to the effect of saying "...the Village will encourage that State and/or Federal legislation will not mandate costs to units of local government

The Chair asked about the reference to "contingency line item expense" under Debt Administration. Treasurer Fischer explained how the "line item" works.

Member Olson noted that he believed the policy language simply says that as part of the Village Budgeting process it will have a "contingency expense line item".

The Chair asked if the Village can sustain a 30% reserve funding of the General Fund as stated in the draft policy language? The Chair asked the Treasurer to look at our current reserve ratios and do some forecasting to evaluate sustainability.

Member Olson asked if the comingles it's funds as suggested in No. 3 under the Cash Management heading. Treasurer Fischer said yes except she was working on separating out the MFT funds. In this policy section Chair Pearce asked if the word "may" can be substituted for the word "will". The Treasurer said she would.

The Chair commented that No. 4. b. Safety should be modified, because "safety" is a matter of perspective, to take out the wording "The Village only invest in those investments that are considered safe."

The Chair noted that the **Accounting, Auditing and Financial Reporting Policies** section looks fine.

The Committee asked about the Petty Cash process which Administrator Searl described.

The Committee decided that they liked the first policy better than the second policy example that the Treasurer briefly described to the Committee.

The Committee did want the Treasurer to take the “Purpose” second from the second sample and put at the beginning of the first policy.

Treasurer said she would make the changes discussed and bring it back to the Committee for final review and approval.

- ii. **Financials Report-** Treasurer Fischer noted that as of April 30th, with a few straggling activities to be report the Village’s income \$3.3 Million or 105% of anticipated and the expenses were \$2.7 Million or about 97% of what we anticipated. Treasurer Fischer noted IDOT MFT audit has been finished. It was tedious and thorough, and everything is good.

Administrator- Announced for the “good of the order” that Chief Hoffman has announced his retirement which is effective the end of May.

V. Unfinished Business

- a. **Police Department- Cost and Sustainability Analysis (Rolling 5 Year Plan)**¹- Postponed because of the need for information and involvement of the Police Chief, Steve Millar.
- b. **Review 10 Capital Plan Structure and Funding Mechanism-** Discussed the Commission’s previous recommendation that once the Police Pension piece is decided the than half of the remaining anticipated funds be dedicated to the Capital Plan.
- c. **Discussion of General Fund balance assignments, commitments and transfers for FY 2018-2019 as they relate to increasing the Police Pension Fund Assets –** Discussed the Village Board’s desire exceed the 100% funding level to push the total asset level above the \$2.5 million level to allow increased investment into equities. Chair Pearce stated that increasing your equity exposure will not necessarily increase your overall returns because of cyclical market corrections.

Chair Pearce agreed to attend the June 19, 2018 Village Board meeting to engage in a discussion about increasing the Police Pension Fund equities.

The Committee discussed the Police Pension Board’s relationship to the Village and that they are a statutorily independent body.

Chair asked Treasurer Fischer to email him the Police Pension’s last quarter statements so that he could do some analysis prior to meeting with the Village Board.

Chair Pearce asked if we know what Chief Hoffman’s retirement will be an impact upon the Fund. Treasurer Fischer estimated it will be about \$20,000. Chair Pearce noted that this should be anticipated in next year’s budget for the Fund.

VI. New Business- None

VII. Public Comments- None

VIII. Motion to adjourn made by President Blecker at 9:01pm. Motion seconded by Member Olson and passed unanimously.

Voice Vote: [AYES: 4] [NAYES: 0] [ABSENT: 3] Motion CARRIED

Submitted:



Ronald R. Searl, Village Administrator

¹ Identified in the 2016-2018 Strategic Plan Implementation Timeline. To be coordinated by Trustee O’Dwyer, Chief Hoffman and the Finance Committee.