

VILLAGE OF SHOREWOOD HILLS
FINANCE COMMITTEE
Meeting Minutes
September 23, 2024 – 7:00 pm
Location: Village Hall – Hybrid / Zoom

1. Call to Order:

Finance Committee Chairperson Mark Lederer called the meeting to order at 7:01 pm.

2. Roll Call:

Members Present: Chair Mark Lederer, Sean Cote, Liz Heiner, and Marilyn Townsend

Members Absent: Dietmar Bassuner (excused), Gloria Beach, and Gard Strother

Also in Attendance: Village Administrator Brian Mooney. Clerk-Treasurer Julie Fitzgerald, and Brad Viegut (Baird Associates) - *via Zoom*

3. Note Compliance with Open Meeting Laws:

Fitzgerald stated the meeting had been properly posted and noticed.

4. Approval of Minutes: August 26, 2024

M/S Townsend/Heiner to approve the August 26, 2024, minutes as presented.

Motion carried.

5. Public Comments:

None.

6. Discussion – New S&P Guidelines and Municipal Bond Ratings:

Brad Viegut informed the Committee that Standard & Poor’s released a new set of criteria for setting bond ratings effective last week. The Village’s AAA rating was not impacted by the changes. If the rating were to change by a single level in the future, it would not have a huge impact for the Village. Right now, it would only be .1% more in interest on borrowing..

7. Discussion/Action – Financial Impact and Borrowing Needs 2025-2029 CIP (Capital Improvement Plan):

Administrator Mooney referenced the draft 2025-2029 CIP included in the meeting packet.

Committee members asked some clarifying questions regarding some specific line items.

Viegut reviewed Scenario F of projected borrowings as presented in the meeting packet.

Committee members confirmed with Viegut that interest rates were set at a very conservative level. They also discussed that GO promissory notes were the more economical borrowing tool as opposed to revenue bonds at this time.

The Committee discussed the wording of the motion. Some wanted to stress that the Finance Committee approves the financing, not the specific projects in the CIP. Townsend specified that she believes the Village has the capacity to borrow between \$1M - \$10M for capital projects. However, she does not endorse building a new public works building or village hall.

M/S Lederer/Cote to recommend approval of the financing plan for the proposed 2025-2029 CIP to the Board as presented. The Committee expresses no opinion with respect to the projects presented in the proposed 2025-2029 CIP. Motion carried. 3-1 with Townsend dissenting.

8. Discussion – Village General Fund Budget Draft:

Administrator Mooney discussed the preliminary General Fund budget as presented in the meeting packet. He pointed out that these are rough numbers, and they may change as work on the budget continues. The Personnel Committee was consulted about estimated employee wage increases for 2025, and the presented budget reflects a 3% COLA + 1 step increase in wages and benefits that are allocated across all of the funds. Mooney also reported that he is in the process of working with consultants regarding the utilities' budgets. The CIP and Debt funds will be updated after the Board approval of those documents.

Lederer gave an explanation of current Village debt and how it is broken out between several funds. Discussion earlier tonight focused primarily General Fund debt only. Other funds cover their debt costs with specific revenues that are brought in by their respective funds only, not tax levy.

9. Suggested items for future agendas:

- A. Future Revenue Sources
- B. TIDs Performance
- C. Financial Policy
- D. Future Street and Roads Projects

10. Next Meeting Date: October 28, 2024 – 7:00 pm

Heiner informed the Committee that she would not be available for the October meeting.

11. Adjourn:

M/S Townsend/Heiner to adjourn. Motion carried.

The Finance Committee adjourned at 8:42 pm.

Respectfully submitted,

Julie Fitzgerald
Village Clerk/Treasurer