

VILLAGE PRESIDENT
Seth Speiser

VILLAGE CLERK
Jerry Menard

VILLAGE TRUSTEES
Mike Blaies
Ray Matchett, Jr.
Lisa Meehling
Denise Albers
Michael Heap
Bob Kaiser

VILLAGE TREASURER
Bryan A. Vogel

VILLAGE OF FREEBURG

FREEBURG MUNICIPAL CENTER
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Committee as a Whole Meeting
Wednesday, September 11, 2019
6:15 p.m.

VILLAGE ADMINISTRATOR
Tony Funderburg

PUBLIC WORKS DIRECTOR
John Tolan

POLICE CHIEF
Michael J. Schutzenhofer

ESDA COORDINATOR
Eugene Kramer

ZONING ADMINISTRATOR
Matt Trout

VILLAGE ATTORNEY
Weilbacher & Keck, P.C.

The Committee as a Whole meeting was called to order at 6:17 p.m. on September 11, 2019, by Mayor Seth Speiser. Members present were Mayor Seth Speiser, Trustee Denise Albers, Trustee Mike Blaies, Trustee Mike Heap, Trustee Bob Kaiser, Trustee Ray Matchett, Trustee Lisa Meehling, Public Works Director John Tolan (absent), Village Clerk Jerry Menard, Village Administrator Tony Funderburg, Village Attorney Fred Keck and Office Manager Julie Polson.

A. Old Business:

1. Approval of March 4, 2019 and March 11, 2019 Minutes: Trustee Lisa Meehling motioned to approve the March 4, 2019 and March 11, 2019 minutes and Trustee Denise Albers seconded the motion. All voting yea, the motion carried.

B. New Business

1. Village of Freeburg Financial Standing: Village Administrator Tony Funderburg stated he would like to take a slightly different approach to explain the FY2019 audit. The attached spreadsheet explains where the village's money is held. We need to consider our reserve goals and where we want them to be. He stated at some point, we should make that official. He personally believes we should have 6 months in reserves.

Currently, we are receiving 1.26% in interest for our savings account with a balance of \$1,613,938.58. Tony has talked to Bryan about taking some of that money and putting it into CD's. The checking account currently has a balance of \$126,286.10 and this is the account we do our business from. The IPTIP accounts is where the income from the state is deposited, and we currently earn .18% in interest. Those include sales tax, income tax, personal property tax, and MFT. Our other bank accounts include payroll, TIF, swimming pool, insurance surplus, electric bond and MFT. We have a utility account with Midland, Citizens and Regions where residents can pay their utility bill. We then transfer those monies into either our checking or savings account. Our CD's earn from 2.12 – 3.25 in interest and those have been split out between the general fund, impact fees, water, depreciation/capital reserves, sewer, electric and MFT.

With respect to the audit, we experienced a decrease in the general fund from the budgeted amount of \$2,692,895 to the actual expenditures totaling \$2,446,864. Tony said that was expected due to the withdrawal of \$330,000 from savings for the police expansion.

Page 11 begins the detailed long term debt information. Governmental activities reported an overall decrease in debt of \$682,561 for governmental and business-type activities. On page 20, Tony explained that the \$646,913 in depreciation is not an actual deduction of monies from the Village. It is the dollar value assigned to our what our system depreciated over the past year. Tony stated we need to decide if we are going to save that money to handle the village's system deterioration. That is where we need to decide how much money we want in reserves for our electric system.

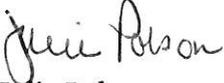
Attorney Keck advised the tax levy is where we have the ability to tax more for our general fund thereby generating revenue. If we tax over 5%, a truth in taxation hearing would be necessary. On page 30, the property taxes collected are shown along with the maximum rate allowed by law that can be collected. Attorney Keck commented you have to have a mechanism in place to help cover increase in costs. Tony advised that we are 86% funded in IMRF as noted on page 35. Page 37 begins the different debt obligations the Village is responsible for. These include the swimming pool bond coming due in December of 2026, the power plant bonds coming due in December, 2025 and the TIF bonds coming due in November, 2025. We have 3 loans with the EPA for sewer projects and 3 loans with local banks to finance vehicles and equipment.

Page 40 highlights our bonded indebtedness. Treasurer Vogel is not aware of any limitation on the amount we can borrow for our next sewer loan. He will look into that. The EPA looks at our rate structure and population to ensure the Village can guarantee enough money to pay back the loan. Attorney Keck has to submit an outstanding claims letter yearly for the audit, and ours has been good for the past two years. Tony summarized by stating it is not one of our best audits, but we are investing in good things. Bryan will look for money to put into CDs. Tony also asked Bryan to make sure we are moving in right direction. Tony then brought up the gas tax and said instead of getting 25% of 19 cents, we are getting 16%, so we won't be get that additional \$170,000.

C. General Concerns: None.

D. Public Participation: None.

E. Adjourn: *Trustee Mike Blaies motioned to adjourn at 6:52 p.m. and Trustee Lisa Meehling seconded the motion. All voting yea, the motion carried.*


Julie Polson
Office Manager