



City of Palos Heights
Finance Committee Meeting
Tuesday, July 12, 2022
6:00 p.m.
MINUTES

CALL TO ORDER

Chairman McGrogan called the Finance Committee meeting to order at 6:13 p.m. In attendance were Aldermen Key, Director of Accounting Jan Colvin, City Administrator David Strohl, and Recording Secretary Ashley Pala. Treasurer Jim Daemicke entered at 6:23 p.m. and Alderman Bylut entered at 6:29 p.m. Absent was Alderman McGovern.

APPROVAL OF MINUTES

Alderman McGrogan moved to approve the minutes of the Finance Committee meeting held on May 11, 2022, seconded by Alderman Key. On a voice vote, the motion passed unanimously.

APPROVAL OF THOMAS BROWN BILLS

Alderman McGrogan presented the Thomas Brown bills in the amount of \$4,500.00.

Alderman Key moved to accept the Thomas Brown bills in the amount of \$4,500.00 seconded by Alderman McGrogan. On a voice vote, the motion passed unanimously.

APPROVAL OF MORRIS ENGINEERING BILLS

Alderman McGrogan presented the Morris Engineering bills in the amount of \$1,316.50.

Alderman McGrogan moved to accept the Morris Engineering bills in the amount of \$1,316.50 once all escrow payments are received seconded by Alderman Key. On a voice vote, the motion passed unanimously.

AT&T Mobility Cell Tower Lease Extension

Director of Accounting Jan Colvin presented the revised AT&T cell tower lease extension. In 2020, they presented a proposal that was too low to consider. In 2022, they presented Jan Colvin with \$23,000.00 per year at a 3% rent increase every year with an extension of lease of six (6)-five year terms through April 30, 2053. Chairmen McGrogan requested Jan Colvin attempt to gain \$30,000.00 per year instead of the proposed \$23,000.00.

American Tower (PD) Cell Tower Lease Extension

Director of Accounting Jan Colvin presented the American Tower lease extension. Jan Colvin stated that Option 2 – Ground Lease Agreement Extension, which includes the current rent at \$50,000.00 per year with escalator and revenue share to remain the same at 5% per year. The proposal includes six (6) additional five (5) year terms, effective at the expiration of the ground lease.

Alderman Key moved to approve the extension of American Tower for six (6) additional five (5) year terms at the current rent of \$50,000.00 per year with escalator and revenue share to remain the same at 5% per year, seconded by Chairman McGrogan. On a voice vote, the motion passed unanimously. -**AGENDA**

2021 Annual Comprehensive Financial Report

Director of Accounting Jan Colvin presented those present with copies of the report. This will be presented at the City Council meeting on August 2, 2022, by Kevin Bissell from Mueller. The possible transfer to the capital fund is \$1,900,000.00.

Adoption of Budget Officer System

City Administrator David Strohl presented that there is a provision in the Illinois Municipal Code to adopt a budget system in which the approval of the budget would be in lieu of adopting an appropriation ordinance. This would consist of a financial document instead of a legal document. The advantages for this change would be more flexibility in making changes and specific provisions for contingencies and accumulation of capital funds.

Alderman Key moved to approve the City Administrator to draft an ordinance of adopting a budget system for Tom Brown to review, seconded by Alderman Bylut. On a voice vote, the motion passed unanimously. **-AGENDA**

OLD BUSINESS

Alderman Key inquired about an update on the police department's collective bargaining matters. No further information in regards to this matter.

NEW BUSINESS

Director of Accounting Jan Colvin has been in communication with Palos Heights Library to discuss the delay of property tax payments which the library relies on. The discussion of the City of Palos Heights loaning \$475,000.00 to cover costs from late October, 2022 through February, 2023. City Treasurer James Daemicke made comment of the lack of preparation in the library and concerns for the future. Alderman Key made comment on either or both Director of Accounting Jan Colvin and City Treasurer James Daemicke to be involved by looking over their budget in the future in attempt to prevent this from happening again. Alderman Bylut commented that this occurrence is due to irresponsible usage of reserve funds. Chairman McGrogan stated that, if needed, the City of Palos Heights will loan \$475,000.00 to the library with conditions in place to follow.

PUBLIC COMMENT – NONE

ADJOURNMENT

There being no further business, Alderman McGrogan made a motion to adjourn, seconded by Alderman Bylut. All in favor.

Meeting adjourned at 7:08 p.m.

Respectfully submitted,

Ashley Pala, Recording Secretary