



**VILLAGE OF BARTLETT
COMMITTEE MINUTES
December 21, 2021**

CALL TO ORDER

President Wallace called the Committee of the Whole meeting of December 21, 2021 of the President and Board of Trustees of the Village of Bartlett to order on the above date at 7:21 p.m.

ROLL CALL

PRESENT: Chairmen Deyne, Gandsey, Gunsteen, Hopkins, Reinke, Suwanski
President Wallace

ABSENT: None

ALSO PRESENT: Village Administrator Paula Schumacher, Assistant Village Administrator Scott Skrycki, Sr. Management Analyst Sam Hughes, Management Analyst Joey Dienberg, Planning & Development Director Roberta Grill, Finance Director Todd Dowden, Assistant Public Works Director Tyler Isham, Public Works Engineer Bob Allen, Grounds Superintendent Matt Giermak, Deputy Chief Geoff Pretkelis, Deputy Chief Jim Durbin, Village Attorney Bryan Mraz and Village Clerk Lorna Giles.

FINANCE & GOLF, CHAIRMAN DEYNE
Debt Refunding Bond

Finance Director Todd Dowden stated included in the packet is the hypothetical savings if we refinance the bonds for the police station from 2016. It would be an advance refund because the call date is not until approximately 2026, but there is a present value savings of \$773,000. Also included is an opportunity to refinance our IEPA loans from back in 2014. Dalena Welkomer is here tonight to give some more detail.

Ms. Welkomer stated this is very similar to refinancing a home mortgage. You have outstanding financing at a higher interest rate and because of the unique market environment we are in, it is an opportune time to refinance at a better rate. The call date for the first set of bonds is not until January 1, 2026, but under current tax law, you can refinance that in advance of that call date, but it has to be done at taxable interest rates. With the U.S. treasury rates being so low right now, this is a great time to refinance. The 2016 bonds have an outstanding coupon rate of 5% and in the current market, we are estimating to bring that down to 2.3%. This is currently paid out of the property tax levy and this will save an estimated \$60,000 per year. The second refunding opportunity is the IEPA loan which has an outstanding rate of 2.295% and can be refinanced at any time without a prepayment penalty and we are estimating to get around 1.3% at current market rate and that would be realized in the sewer fund.



VILLAGE OF BARTLETT COMMITTEE MINUTES December 21, 2021

President Wallace stated this makes sense to do in our current environment and asked if anyone had any questions.

Chairman Suwanski confirmed that we levied taxes to pay for the bond at the time.

President Wallace stated that was correct, this is just dealing with future savings because the interest rate is lower.

Ms. Welkomer stated as soon as the bonds are priced and we know the levy amount, there will be a separate filing with the county so we know what adjustments need to be made for this coming years levying cycle so you are not levying too much.

Chairman Gandsey asked what the next bond we will be looking at and do they just review it annually.

Ms. Welkommer stated they keep an eye on it and see what the next one coming up will be. It depends on the call date of the bonds and the interest rate.

Chairman Suwanski asked about the hypothetical refunded par amount.

Ms. Welkommer stated the reason why the hypothetical refunded par amount is larger is because the call date is in 2026 so we are not only refunding the par amount, but also the accrued interest through that date, so that is the reason for the larger par amount. Despite the larger par amount, because of the low interest rate, we are still able to capture the savings listed.

Chairman Hopkins asked what project the IEPA loan was for.

Mr. Dowden stated it was for the wastewater treatment plant loan.

Chairman Hopkins asked when it is refunded, will it still be paid for out of the sewer fund.

Mr. Dowden stated it would be.

2021/22 Six Month Budget Review

Mr. Dowden presented the attached presentation. He stated on Page 1, the first column is the budget for the year, second column is where we are currently at, 4th column is where we project to end the year at. Our revenues are projected to be \$26,609,954 which is about \$1,400,000 over budget. The State really underestimated the income taxes which is why our projected sales tax figures are so much higher than budgeted. Between income tax and use tax being up, that is the majority for why we are going to be up on the income



**VILLAGE OF BARTLETT
COMMITTEE MINUTES
December 21, 2021**

side. On the expense side, we project being a little under in administration because of unused BEDA money and 6 retirements in the police department which is leaving some positions unfilled. In the streets department, it really just depends on the amount of snow we get. We should be about \$500,000 in the positive and we budgeted to use \$1 million of the general fund, so to end up where we are projected to be is very good.

On page 2, water consumptions is still high as we have seen throughout the pandemic. It is down a bit from last year, but still elevated. The DuPage Water Commission did not raise rates last year so what we are paying for water is lower than expected. The \$2,373,000 surplus will go toward capital projects.

On page 3, operating revenues is up based on usage. We have also been charging surcharge fees to some of the businesses in Brewster Creek for pretreatment, so we have been collecting extra revenue. We spent extra money for sludge removal and an emergency we had out there this summer, so we are going to be at budget by saving money in other ways.

On Page 4, the parking is still not being used to capacity. We are projecting \$50,000 this year, we ended up about \$30,000 last year. We are trying to cut expenses where we can.

On Page 5, we are doing very well on the golf side and expect people out on Christmas. The banquet side is starting to pick up and is doing a lot better than last year. Total, we are about \$95,000 under budget on revenue. We anticipate being about \$97,000 under budget on expenses.

There being no further business to discuss, Chairman Deyne moved to adjourn the Committee meeting and that motion was seconded by Chairman Gunsteen.

ROLL CALL VOTE TO ADJOURN

AYES: Chairman Deyne, Gandsey, Gunsteen, Hopkins, Reinke, Suwanski

NAYS: None

ABSENT: None

MOTION CARRIED

The meeting was adjourned at 7:36 p.m.

Samuel Hughes
Deputy Village Clerk