



Minutes of the
Finance Committee
Of the Hanover Township Board
October 16, 2012

The meeting was called to order by Chairperson Trustee Sandra Westlund-Deenihan at 8:30 a.m.

Roll Call: Trustee Westlund-Deenihan asked that the record reflect that Supervisor Brian McGuire and Administrator James Barr were present, as was Trustee Howard Krick, Assistant Administrator Katie Delaney, Management Analyst Thomas Warfield, and Accountants Lee Howard and James Howard.

Consideration of the Annual Tax Levy

Mr. Lee Howard explained that the Levy is to be filed by December 24, 2012. In 2011, the Township held the line on the levy. He reviewed the proposed levy first with a 3% increase, which is allowed by the caps. At 3%, no hearing and no publishing will be necessary, and Hanover Township would still get the maximum cap, which would result in a very small increase for the taxpayer.

The second option is to hold the levy at 0% increase, which is the same as the current levy. With 0%, the Township would still get the 3% with a 4% EAV (versus a 10% the year before). The Township may not get any growth... it could hit 4%, but it is uncertain at this point. If the EAV drops "precipitously" we may not get the cap. We are seeing very little new growth and a declining EAV. He recommended no more than a 2-3% increase. He also said that we could tell the residents that 3% is a very small amount, that the Township has ongoing obligations and services to provide, as well as costs that we do not control (insurance, utilities, etc.).

Discussion ensued. Supervisor McGuire moved that the extension be 0% increase; Trustee Westlund-Deenihan seconded the motion; motion carried by unanimous voice vote.

Supervisor McGuire made a motion that staff proceed to prepare the levy at 0% and bring the recommendation to the Board for approval during the next Board meeting; the motion was seconded by Trustee Westlund-Deenihan, carried by unanimous voice vote.

Consideration of Mini-Passport Day in Hanover Township

Clerk Dolan Baumer presented a proposal for a mini-passport day in Hanover Township to be held on the regularly scheduled Saturday (November 3) with extended hours from 9-2 p.m. She asked the Chairman and Committee to authorize the collection of food for the Hanover Township Food Pantry in lieu of the \$5 photo fee.

The Committee was in concurrence that the Clerk's Office may proceed with Mini-Passport Day in Hanover Township on November 3 and collect food donations in lieu of the \$5 photo fee.

Consideration of LexisNexis Payment Solutions Credit Card

Clerk Dolan Baumer and Management Analyst Warfield discussed the LexisNexis credit card acceptance system. LexisNexis has an umbrella contract with Cook County; due to the extensive nature of this agreement, LexisNexis is allowing any and all government entities within Cook County the ability to have LexisNexis services and equipment usage in their facilities at no cost. This option is at no cost to the facility, but the user will be responsible for paying the convenience fee of 2.13, which is one of the lowest fees in the industry. The software and hardware, as well as service and supplies are free to Hanover Township within this program. No information is stored on the card reader at the Township desk.

Discussion ensued. Mr. Warfield will forward the County contract to Mr. Mraz for his legal review. Then, after his review, Mr. Warfield will involve the accountants in setting up the system here at Hanover Township. The Committee agreed that this sounds like a good program for Hanover Township and

Trustee Westlund-Deenihan noted that accepting credit cards is something that she has brought forward for our resident's benefit before and this seems like a good option.

Consideration of Financial Policies

Mr. Barr noted that while we have many procedures and best practices, we have not documented them as ordinances to be accepted by the Board. He proposed an Ordinance Establishing Financial Policies for Hanover Township that includes Balanced Budget, Long-Range Planning, Asset Inventory, Revenue Diversification, Fees and Charges, Use of One-time Revenues, Use of Unpredictable Revenues, Reserve or Stabilization Accounts, Fund Balances, and Operating/Capital Expenditure Accountability. The Committee discussed the proposed ordinance. With minor modifications and corrections, the Chairman asked that staff prepare a recommendation for the ordinance from the Committee to the Board and that the ordinance be brought before the Board with changes as noted.

Consideration of Township Investments

Mr. Howard discussed the current bank balances and the prevailing rates. He noted that the Township no longer has money in Harris Bank, but are "heavy" with Chase. The main checking account is used to pay ordinary bills. We are collateralized up to \$250,000. The recommendation from Mr. Barr is that the Township move \$50,000 from Chase to Associated. The investment policy is one of "steady as she goes."

Consideration of the FY13 6-month Budget Review

Staff is projecting that the Township will come in on plan as projected. We are operating within budgetary means for this year, and we are stable and appropriately funded. All funds are positive and looking good. Minor deficits are mainly seasonal. In March, 55% of the previous year's extension will be received. We will be applying for the GPOA award again this year and the audit is almost completed.

Consideration of the FY14 Budget Development Guidelines

With a proposed levy of 0%, the suggestion is that we project budgets based on 0% increase. Discussion ensued regarding zero-based budgeting, with justification for each project dollar. The Committee gave direction to Mr. Barr that four departments, including one elected official, be zero based. The remaining will do a 0% increase. Trustee Westlund-Deenihan asked if we are soliciting bids for insurance; Mr. Barr replied that we will starting January 1, and then will bring them before the Board.

Consideration of the Capital Improvement Plan

Trustee Westlund-Deenihan asked that Mr. Barr take the Committee members through the proposed Capital Improvement Plan. Salient features of the plan include possible improvements on the Izaak Walton League land, Town Hall improvements, a Senior Center solar energy source, parking lot reconstruction, Senior Center carpet replacement. The Committee agreed that these are good items and should be presented as is to the Board.

Executive Session

No motion was made to go into Executive Session.

Other Business

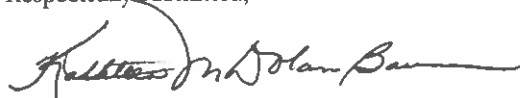
Mr. Barr discussed what is found to be lacking in our Township is employment services. He proposed that with some of the settlement money from the Kelly lawsuit that we invest it for two years into a pilot program to offer unemployment services to those we serve in the lower income brackets. \$100,000 has already gone to GA; the balance will go to the Town fund, so that it does not become so large that it becomes an object of tax objections. Staff will bring a proposal to this Committee for its consideration and recommendation.

Mr. Barr discussed Reward & Recognition with the Committee. He and Ms Delaney have discovered that what our staff would like in terms of rewards and recognition, according to a recent survey, is praise and an increase in the employee wellness amount from \$150 to \$200. Coaching of managers to teach them to praise employees will be done. Mr. McGuire is in support of increasing the EW amount, and in addition

asked that a line item for Incentives and Recognition be established at \$5,000. The Committee agreed and asked staff to proceed.

A motion to adjourn was made by Supervisor McGuire and seconded by Trustee Westlund-Deenihan and the members agreed by unanimous voice vote to adjourn at 10:31 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Kathleen M. Dolan Baumer". The signature is fluid and cursive, with a large loop at the end.

Kathleen M. Dolan Baumer
Clerk