



**MINUTES  
VILLAGE OF GLENCOE  
BOARD OF TRUSTEES  
FINANCE COMMITTEE**

Village Hall Conference Room  
675 Village Court  
Tuesday, May 19, 2026 - 6:00 PM

**I. CALL TO ORDER**

Chair Ruben called the meeting to order at 6:00 p.m. A quorum was present. The following were in attendance:

| <b>Attendee Name</b> | <b>Title</b>                  | <b>Status</b> |
|----------------------|-------------------------------|---------------|
| <b>Village Board</b> |                               |               |
| Gary Ruben           | Trustee/Chair                 | Present       |
| Joe Halwax           | Trustee/Committee Member      | Present       |
| Georgia Mihalopoulos | Trustee/Committee Member      | Present       |
| Howard Roin          | Village President             | Present       |
| Dudley Onderdonk     | Trustee                       | Present       |
| <b>Village Staff</b> |                               |               |
| Philip Kiraly        | Village Manager               | Present       |
| Nikki Larson         | Deputy Village Manager        | Present       |
| Taylor Baxter        | Development Services Director | Present       |
| Adam Hall            | Assistant Village Manager     | Present       |
| Sean Loughran        | Public Safety Director        | Present       |
| Jen Maddux           | Management Analyst            | Present       |
| Stella Nanos         | Golf Club Manager             | Present       |
| Monica Sarna         | Public Works Director         | Present       |
| Margaret Schwarz     | Assistant CFO                 | Present       |
| Matt Siegel          | IT Director                   | Present       |

**II. PUBLIC COMMENT**

There were no comments from the public.

**III. CONSIDERATION OF MINUTES**

Chair Ruben asked for a motion to approve the Committee's April 14, 2026, meeting minutes. Trustee Mihalopoulos made a motion to approve the minutes as presented, seconded by Trustee Halwax. The motion passed by unanimous voice vote.

**IV. REVIEW OF MONTHLY FINANCIAL REPORTS**

Assistant CFO Margaret Schwarz presented the April Treasurer's Report and provided updates on revenues, expenditures, fund balances, economic conditions and ongoing operational initiatives.

Assistant CFO Schwarz reported that property tax collections were approximately \$247,000 below the prior year and stood at 45.3% of budget. She reported that when excluding the prior-year second installment tax receipts that were accrued back to 2025, collections were approximately \$2.4 million below the prior year and represented 29.3% of budget. She explained that Cook County reporting remains incomplete, making it difficult to determine precisely how recently received tax distributions should be allocated between levy years. The Village received approximately \$4.4 million during April, which staff believes represents the first installment of the 2026 levy, though final allocation remains uncertain pending additional County reporting. State income tax revenues exceeded the prior year by approximately \$27,000 and were at 34.8% of budget, slightly ahead of projections. Sales tax revenues, reflecting January sales activity, exceeded the prior year by approximately \$79,000 and stood at 32.5% of budget. Assistant CFO Schwarz further reported that sales tax, Illinois income tax, building permits, use tax, parking fees, personal property replacement tax revenues, sewer charges and E-911 surcharges were all performing above both prior-year levels and budget expectations.

Assistant CFO Schwarz noted General Fund expenditures were slightly higher than the prior year and represented 31.2% of budget. Revenue projections remained favorable, with General Fund revenues projected approximately \$3.7 million above budget when including prior-year 2025 tax receipts. Excluding those receipts, revenues remained approximately \$1.5 million above budget. Assistant CFO Schwarz reported that the General Fund was projecting a surplus of approximately \$736,000. After removing the prior-year tax receipts, the projected deficit was approximately \$1.4 million, which remains above the budgeted \$2.2 million planned drawdown. Fund reserves at month-end totaled approximately \$15.9 million, representing 54.3% of operating expenditures.

Turning to the Water Fund, volumetric water revenues exceeded the prior year by approximately \$44,000 and stood at 19.7% of budget. Fixed charge revenues exceeded the prior year by approximately \$9,000 and were at 27.2% of budget. Water Fund expenditures were below the prior year and stood at 24.4% of budget. She reported that revenue-only projections showed the fund approximately \$86,000 ahead of budget. Including planned bond proceeds associated with upcoming capital improvements, the Water Fund reflected a projected surplus of \$2.7 million, compared to a planned drawdown of \$1.8 million. Month-end fund reserves totaled approximately \$5.6 million, representing 95% of budget.

Golf Club Manager Stella Nanos presented the Golf Fund report. She reported that April was among the wettest on record, with more than eight inches of rainfall and below-average temperatures. Despite challenging weather conditions, favorable weekend weather allowed the Golf Club to exceed revenue projections by 34%. Payroll expenditures were approximately 14% below budget due to weather-related operational adjustments. Golf Club Manager Nanos reported that clubhouse construction continues to progress rapidly. Recent accomplishments included completion of the exterior patio concrete installation and the beginning of window framing installation. She also reported that the Glencoe Historical Society has partnered with the Golf Club to provide historical photographs for display in the new clubhouse, including a 1931 aerial photograph of the golf course.

Assistant CFO Schwarz continued with updates on other funds. Debt Service Fund expenditures were on target at 23.7% of budget. Capital Project Fund expenditures stood at 12.4% of budget and are expected to increase substantially as construction season progresses. Motor Fuel Tax Fund expenditures remained minimal at 2.5% of budget but are expected to increase as roadway projects advance. Police and Fire Pension Fund expenditures remained on target at approximately 34.0% and 33.4% of budget, respectively. Personnel costs remained higher than the prior year due to cost-of-living adjustments and the filling of vacant positions. She reported that only one Public Safety Officer vacancy remained to be filled following recent recruitment efforts.

Assistant CFO Schwarz then reviewed several economic indicators. She reported continued concerns regarding global commodity pricing due to ongoing conflicts in the Middle East. Fuel prices increased approximately 12.8% between March and April 2026 and were nearly 30% higher than April 2025 levels. She also reported significant increases in computer hardware pricing driven by global RAM shortages and the upcoming Windows 10 end-of-life transition. Major manufacturers have announced expected price increases of 15 to 20% for computer systems through 2026 and potentially into 2027. The Committee discussed strategies to mitigate these increases, including evaluating alternative vendors and purchasing equipment in advance of future price escalations.

Assistant CFO Schwarz concluded by providing an update on the annual audit process. She reported that the Village had received a draft audit and expected to receive a final draft within days. She noted that the audit remained on schedule for formal presentation in June and that preliminary results were positive.

Deputy Village Manager/ CFO Nikki Larson then provided an update regarding the upcoming Series 2026 bond issuance. She reported that the Village had released the preliminary official statement and was preparing for a competitive bond sale on June 18, 2026. Staff recommended separating the issuance into two series: a \$10 million issuance to finance the next three years of Village infrastructure improvements and a \$3.9 million series to finance the first installment of bond financing for the Glencoe Public Library expansion project.

The Committee discussed the benefits of maintaining separate bond series, potential repayment terms and the balance between shorter-term or longer-term debt structures. Committee members generally expressed support for maintaining the proposed 20-year term for the initial issuance while continuing to evaluate future financing options for the Library project. Deputy Village Manager/ CFO Larson stated that staff will provide additional comparative analyses regarding debt service impacts and repayment scenarios prior to final approval.

**V. MONTHLY REVIEW OF COMMUNITY INVESTMENT PROGRAM**

Public Works Director Sarna presented the monthly Community Investment Program update and reviewed several items scheduled for Village Board approval. Director Sarna reported that staff would seek approval for the Harbor Street and Green Bay Road pedestrian crossing improvements project. After rebidding the project, the Village received a responsive proposal from Meade Electric Company that remained within budget and would allow the project to proceed during the current construction season.

She next reviewed bridge maintenance improvements. Following completion of the Village's biennial bridge inspections, staff revised the planned project scope to focus on the Hazel Avenue and Scott Avenue bridges rather than the Hazel Avenue and Lakewood Avenue bridges. Director Sarna explained that inspection findings identified a greater need for maintenance work at the Scott Avenue structure, prompting the revised prioritization while remaining within the approved budget.

Public Safety Director Sean Loughran then presented information on the proposed replacement of the Public Safety rescue boat. He explained that the existing 2008 vessel has exceeded its useful life and that staff had completed a competitive procurement process to identify a replacement capable of operating safely in both Lake Michigan and inland waters. While the Village had originally anticipated grant funding to offset the

purchase, the Port Security Grant application was unsuccessful and the Glencoe Public Safety Foundation declined funding support. The lowest responsive proposal meeting all specifications totaled approximately \$104,306, exceeding the original budget estimate by approximately \$10,000. He attributed the increase to a combination of manufacturing cost escalation and industry-wide pricing increases. Deputy Village Manager Larson noted that stronger-than-anticipated General Fund revenues would allow the Village to absorb the additional cost without significantly impacting overall financial projections. Committee members discussed the impact of tariffs and manufacturing costs before expressing support for bringing the recommendation forward to the Village Board.

Director Sarna concluded the CIP update by reviewing several schedule adjustments. The golf course protective netting project for the driving range remains in the bid review process and is expected to be presented for approval in June. She also noted that staff have delayed the Village Hall south entrance replacement project to allow additional coordination with the Village Hall space needs analysis currently underway.

#### **VI. REVIEW AND DISCUSSION OF THE GLENCOE INVESTMENT PORTFOLIO**

Deputy Manager/CFO Nikki Larson introduced Brian Hextell (Senior Vice President) and Patrick Struttman (Associate Relationship Manager) of PTMA, who presented an overview of the Village's investment portfolio and current market conditions. The presentation will include updates regarding arbitrage monitoring, portfolio performance and market outlook.

Mr. Struttman first reviewed the Village's outstanding bond arbitrage calculations. Staff explained that current arbitrage liabilities associated with the 2023 Alternate Revenue Bonds and 2023 Golf Course Bonds remain preliminary and may decrease following a final reconciliation of project expenditures. Trustees discussed the relationship between construction schedules, bond proceeds and arbitrage liability calculations. Staff emphasized that any arbitrage payments represent excess investment earnings generated on bond proceeds rather than unbudgeted expenditures from Village operating funds.

Mr. Hextell then provided an overview of the organization's recent merger and explained that the Village's service team and investment management approach remain unchanged. He reviewed the firm's investment philosophy, fiduciary responsibilities and portfolio management process. He noted that PTMA now manages more than \$150 billion in assets nationwide while continuing to focus exclusively on serving public sector clients.

Mr. Hextell began a detailed market update and discussed the impact of geopolitical instability, particularly in the Middle East, on energy prices, inflation expectations and interest rates. He noted that oil prices had risen significantly above \$100 per barrel and that elevated energy prices could place upward pressure on inflation if sustained over a longer period. Despite those concerns, he reported that consumer spending remains strong, unemployment remains low, corporate earnings continue to perform well and overall economic conditions remain stable. Mr. Hextell also discussed Federal Reserve policy, interest rate expectations and the likelihood that rates may remain elevated longer than previously anticipated.

Mr. Hextell then reviewed the Village's investment portfolio. He reported that the portfolio remains highly diversified and invested in high-quality securities consistent with Illinois statutory requirements and Village policy. The portfolio maintains a laddered maturity structure with an average duration of approximately 2.5 years and continues to outperform its benchmark. He highlighted recent shifts toward additional high-quality corporate securities while maintaining strong credit quality and diversification.

The Committee reviewed representative holdings within the portfolio and discussed portfolio performance, duration management and investment strategy. The Committee also discussed potential updates to the Village's investment policy. Mr. Hextell recommended revising the policy to align with recent statutory

changes allowing investments in longer-term corporate securities. The Committee also discussed whether the Village should authorize limited investments in certain lower-rated investment-grade securities and asset-backed securities utilizing the broader authority available under home rule powers.

The Committee expressed interest in exploring these options while maintaining appropriate safeguards and risk management controls.

Deputy Manager/CFO Larson indicated that proposed policy revisions will be prepared and presented at a future meeting for further discussion.

**VII. OTHER BUSINESS**

No other business was discussed.

**VIII. ADJOURN**

At 7:27 p.m., Trustee Halwax moved, seconded by Trustee Mihalopoulos, to adjourn the meeting. The motion passed with a unanimous voice vote.

DRAFT