

**MINUTES OF A COMMITTEE OF THE WHOLE MEETING  
OSWEGO VILLAGE PRESIDENT AND BOARD OF TRUSTEES  
OSWEGO VILLAGE HALL  
100 PARKERS MILL, OSWEGO, ILLINOIS  
July 19, 2022**

**CALL TO ORDER**

President Troy Parlier called the meeting to order at 6:02 p.m.

**ROLL CALL**

Board Members Physically Present: President Troy Parlier; Trustees Tom Guist, Kit Kuhrt, James Marter II, Terry Olson, Jennifer Jones Sinnott, and Brian Thomas.

Staff Physically Present: Dan Di Santo, Village Administrator; Christina Burns, Asst. Village Administrator; Andrea Lamberg, Finance Director; Tina Touchette, Village Clerk; Jeff Burgner, Police Chief; Susan Quasney, Engineer; Rod Zenner, Community Development Services Director; Bridget Bittman, Community Engagement Manager- Marketing; Kevin Leighty, Economic Development Director; Joe Renzetti, IT/GIS Director; Corey Incandela, Administrative Intern; and Karl Ottosen, Village Attorney.

**PUBLIC FORUM**

Public Forum was opened at 6:02 p.m. There was no one who requested to speak. The public forum was closed at 6:02 p.m.

**OLD BUSINESS**

There was no old business.

**NEW BUSINESS**

G.1 Discussion on Outstanding Village Debt

Director Lamberg addressed the Board regarding Village debt. The Village has issued several General Obligation Bond in previous years and has obtained loans through the Illinois Environmental Protection Agency (IEPA). The Village currently has \$73.1 million in outstanding debt. The Village has six outstanding debt issuances and one outstanding IEPA loan. It is common to issue debt and then subsequently refund debt with new issuances to save money from better interest rates like the refinancing of a home mortgage. The Village has four refunding bond issues of the six outstanding debt issuances. The Village makes two payments on the outstanding debt issues: 1) interest only in June and 2) interest plus principal in December each year. The Village has always attempted to maintain a level annual debt service whenever refunding or issuing new debt. \$4.2 million is the current annual debt service which increases to \$4.8 million in Fiscal Year 2025 before declining each year thereafter. The Village has always paid the debt service on all debt with general operating revenues, specifically sales tax revenue, motor fuel tax revenue, water /sewer revenue and tax increment revenue. Property tax revenues have not been used to pay any of the annual debt service on the outstanding bonds.

The following information was presented to the Board:

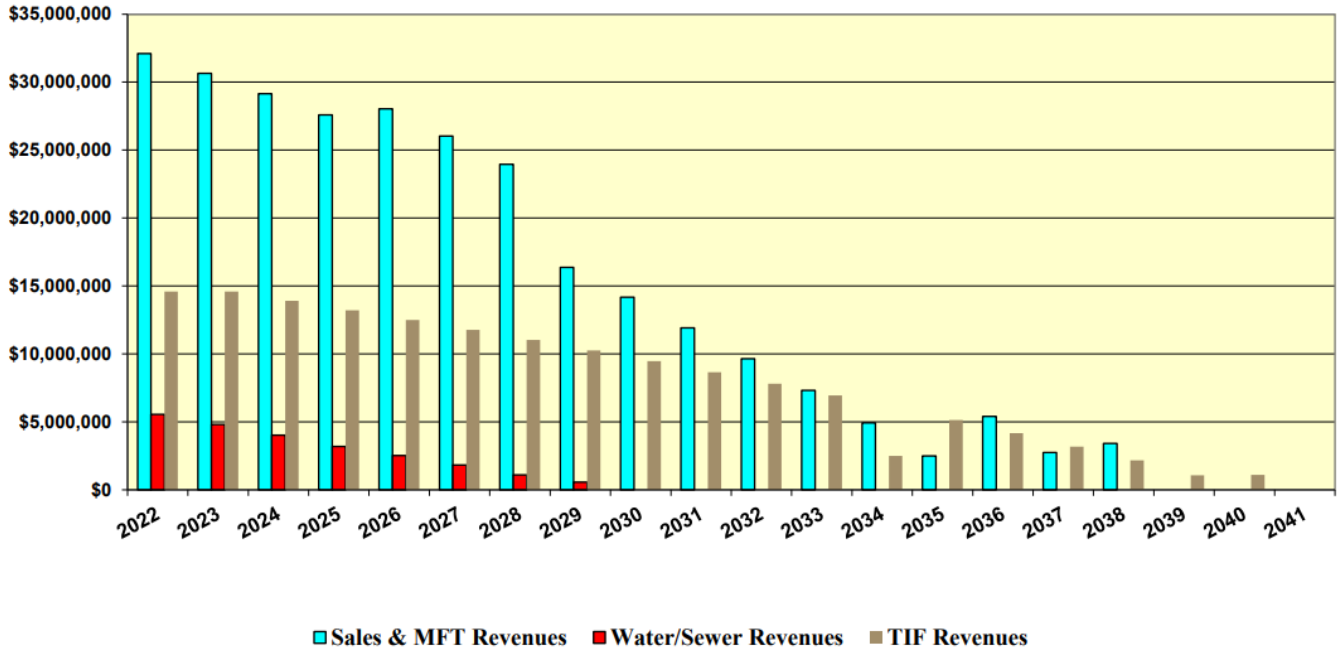
# Outstanding Debt

<u>Debt Issuance</u>	<u>Debt Purpose</u>	<u>Issue</u>	<u>Outstanding</u>
2011 Refunding of 2004A & 2004B Bonds	Town Center	\$ 4,055,000	\$ 1,165,000
2013 Refunding of 2006A, 2007A & 2007B Bonds	Village Hall	\$ 8,595,000	\$ 6,470,000
2016 General Obligation Bonds	Police Facility	\$ 27,105,000	\$ 9,110,000
2017 General Obligation Refunding of 2009 Bonds	West Street Bridge	\$ 5,070,000	\$ 3,690,000
2019 General Obligation Taxable Bonds	Downtown TIF	\$ 14,585,000	\$ 14,585,000
2021 General Obligation Refunding of 2016 Taxable Bonds	Police Facility	\$ 20,825,000	\$ 20,645,000
<b>Total</b>		<b>\$ 80,235,000</b>	<b>\$ 55,665,000</b>

# Fiscal Year 2023 Debt Payments

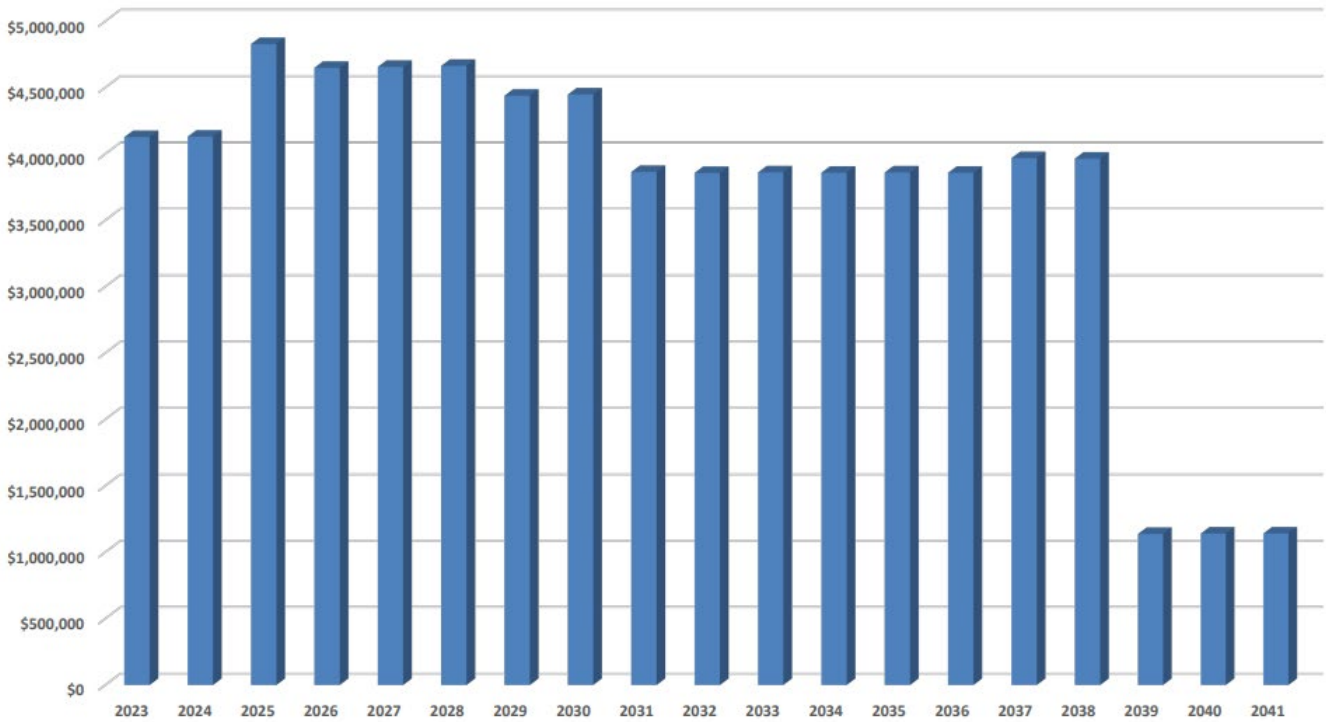
<u>Debt Issuance</u>	<u>Principle</u>	<u>Interest</u>	<u>Total</u>
2011 Refunding of 2004A & 2004B Bonds	\$ 385,000	\$ 40,775	\$ 425,775
2013 Refunding of 2006A, 2007A & 2007B Bonds	\$ 1,250,000	\$ 194,100	\$ 1,444,100
2016 General Obligation Bonds	\$ 195,000	\$ 333,750	\$ 528,750
2017 General Obligation Refunding of 2009 Bonds	\$ 380,000	\$ 131,150	\$ 511,150
2019 General Obligation Taxable Bonds	\$ -	\$ 461,111	\$ 461,111
2021 General Obligation Refunding of 2016 Taxable Bonds	\$ 345,000	\$ 409,997	\$ 754,997
<b>Total Debt Service</b>	<b>\$ 2,555,000</b>	<b>\$ 1,570,883</b>	<b>\$ 4,125,883</b>

### Principle Debt Outstanding by Revenue Source



- Water/Sewer revenues- being paid off; 2028 is the last year
- TIF revenues- issued in 2019

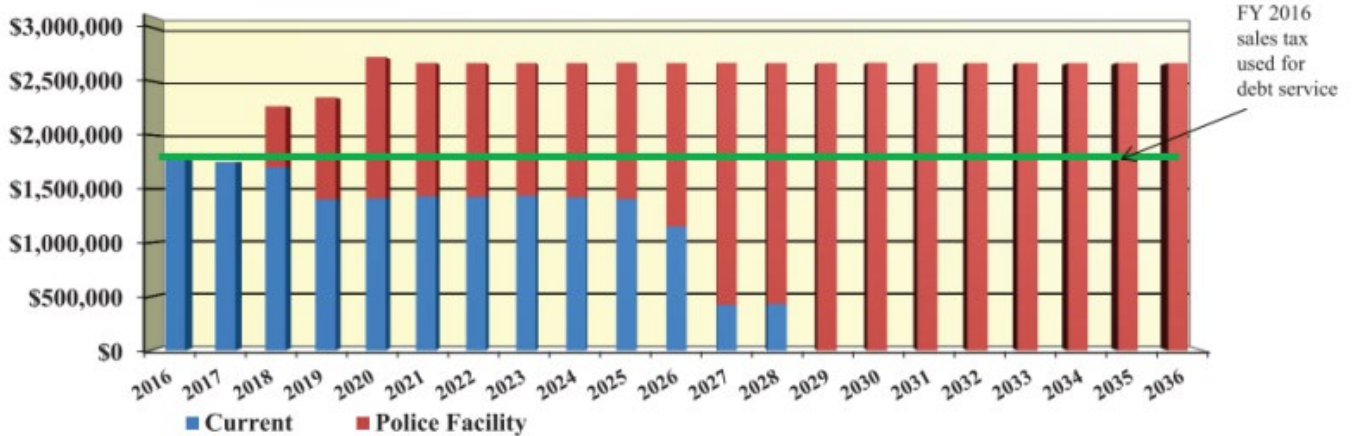
### Annual Fiscal Year Debt Service Payments



- Just above or below \$4 million
- Police Facility paid off in 2038
- Final TIF payments in 2039, 2040 and 2041

# Police Facility Funding

**Projected Total Debt Service Payments  
Paid with General Sales Tax**

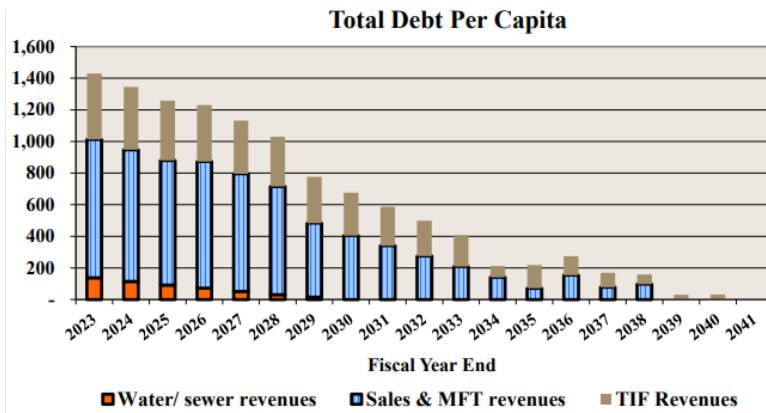


- Police Facility- debt payments added
- Two re-fundings processed
- Debt payments just over \$4 million

## Downtown TIF Loans

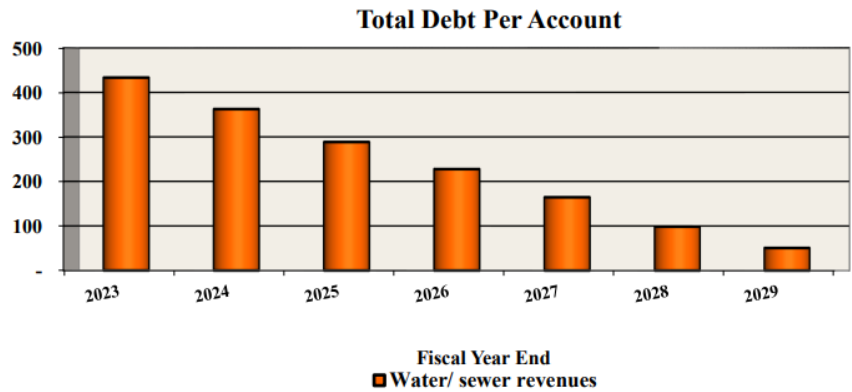
- \$2,000,000      General Fund Loan
- \$5,193,070      Capital Improvement Fund Loan
- \$2,363,515      Water and Sewer Capital Fund Loan
- \$8,325              Garbage Fund Loan
- **\$9,564,910      Total Loans to the TIF Fund**

- This is not uncommon in the early years of a TIF
- Goal is to have it paid off in 2041



- FY 23 - \$1,430 per capita
- \$137 per capita for W/S debt
- \$875 per capita for General debt
- \$417 per capita for TIF debt

➤ \$433 per account in FY 23 would pay off O/S debt



Board and staff discussion focused on TIF keeps going up; increment not coming in; parking garage fees go into the Parking Fund; costs go into this Fund; will need to amend the TIF budget at some point; cost of parking garage was not included in the original budget; when the increment will cover the debt; debt service payments; need more projects to provide more increment; may need to implement an SSA; what the assessor will value the Reserve at Hudson building; will have a separate TIF discussion at a future Committee of the Whole meeting; there is no windfall coming in when some of the debt is paid off; open to opportunities to decrease or re-structure debt; breathing room for other projects; passing of recent referendum is good; what the per capita on debt is compared to other communities; staff to follow-up; do not save anything if paying off the 2011-2013 Bonds. There was no further discussion.

## G.2 Community Solar Presentation

Administrative Intern, Incandela addressed the Board regarding solar energy suppliers. In April, staff became aware of a concept known as Community Solar where residents can sign up for a Community Solar project and receive monthly net metering credits on their electric bill with the goal of reducing electric costs and supporting clean energy. Residents do not have to install solar panels on their own homes. NIMEC, the Village's current utility consultant who helps run the Village's Electric Aggregation Program, also consults with municipalities on Community Solar Programs. With their help, staff identified two Community Solar suppliers: MC Squared (MC2) and Solstice. The suppliers, who have worked with multiple other municipalities in Illinois, would send informational postcards to residents about how to enroll. The postcards would include the Oswego logo and the supplier would pay for these costs.

MC2 is sponsored by the Mayors Caucus and is the Village's current supplier for its Municipal Aggregation Program. Solstice would provide residents with a \$100 sign up bonus, as well as a \$100 donation to the Village for each resident that signs up. The Aggregation program is an Opt-Out program, which is different from Community Solar's Opt-In program. Therefore, the program has about a 3-5% Opt-In rate. Residents can participate in both the Aggregation and the Community Solar program. Based on the sign-up bonus from Solstice, staff believes that this supplier would be a better choice than MC2. Both suppliers offer comparable services, but there is an extra

incentive from Solstice for residents and the Village. Once a resident signs up for community solar and as availability opens up, a solar farm will deliver electricity into the power grid and the resident will then receive credits on their electricity bill. Credits for a resident's solar subscription will show up on a resident's monthly electric bill. The supplier would bill the resident for their credits, but at a discounted rate. A Community Solar Program is comparable to a restaurant rewards program. There is no penalty for not opting in.

Adam Hoover, with NIMEC, presented the following:



- Oswego Utility Consultant
- Helps with Municipal Aggregation
- Worked with Oswego since 2007 in purchasing electricity at lower prices.
  - Saving over 50% currently



- Guarantees 20% savings of supply portion of electric bill
- Supports Solar Energy
- No solar panel installation needed
- Program for residents and small businesses
- Backed by state of Illinois to promote green

➤ This is a new program started one year ago



- Inform residents of new program with Oswego logo
  - Postcard, website, newsletter
  - No charge to Oswego
  - Opt-In program
- \$100 to municipality and residents that Opt-In

➤ Village to choose a supplier

➤ More success with Village logo on the materials



# Next Steps

- No availability due to popularity
  - 2 Suppliers
    - MC2- Sponsored by Mayor's Caucus
    - Solstice- Running 10+ programs in IL
  - First come, first serve basis
- If chosen by October, could have a supplier by December or January
  - Solstice is not as familiar
    - ✓ \$100 sign-up bonus for the resident
    - ✓ \$100 to the municipality
  - Opt-in program

Below is an example for the program in the Village of Northbrook:

## Join the Largest IL Residential Community Solar Program and Save!

The Village of Northfield is joining other Illinois communities that have partnered with the Metropolitan Mayors Caucus to offer Community Solar Subscriptions for their residents and small business owners on a first-come, first-served basis. The Community Solar Subscription program will provide the subscriber with a guaranteed 20% savings of the net metering energy credits on their ComEd bills after paying MC Squared Energy Services for their monthly subscription fee.

### Community Solar Benefits:

- Support renewable energy development throughout northern Illinois
- No change in your utility company
- No solar panels at your home or upfront investment
- Local economic development, job training, and a lower carbon footprint for Illinois

### Program Benefits:

- Substantial net metering credits on your monthly electricity bill
- No credit check, simple automated payment process
- Fair and transparent subscription terms negotiated by local governments
- Professional program management by MC Squared Energy Services

Learn more about the program by contacting our program administrator MC Squared Energy Services:

Web: <http://www.northfieldil.org/communitysolar>  
 Email: [solar@mc2energyservices.com](mailto:solar@mc2energyservices.com)  
 Call: 833-970-3552



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