

## MINUTES

**COMMISSION:** Finance Commission **DATE:** 12/10/10

**MEETING:** Regular **CALLED TO ORDER:** 7:06 AM

**QUORUM:** Yes **ADJOURNED:** 8:25 AM

**PRESENT:** Chairman Parker, Commissioners Faber, McCloskey, Nuehring, Skirvin

**ABSENT:** Commissioners Geiselhart and Moody

**OTHERS:** Trustee Liaison Cooper, Village President Pfefferman, Village Manager Jones, Interim Finance Director Noller, Police Chief Norton, Public Works Director Caracci and Interim Assistant Finance Director Barbeau

**I. Call to Order and Roll Call**

The Regular Meeting of the Glen Ellyn Finance Commission was called to order at 7:06 AM in Room 301 of the Civic Center at 535 Duane Street.

**II. Public Comment**

Jim Meyer asked for an explanation about the additional IMRF contribution. Interim Finance Director Noller explained that a phase in ARC rate was chosen by the Village for this calendar year and the balance of the ARC needed to be paid by December 31, 2010 to fund the required contribution for 2010 to avoid paying interest on the unfunded portion.

**III. Approval of Minutes from Regular Meeting**

Commissioner Faber motioned and Commissioner Skirvin seconded that the minutes from the November 12, 2010 Regular Meeting be approved. Motion carried unanimously.

**IV. Department Updates and Financial Reviews**

Interim Finance Director Noller provided a review of the financial reports. Sales tax is up 6% while state income tax has declined. Building permit revenue has continued to increase. Overall revenues are on target and expenses are below budget.

Interim Finance Director Noller advised of the IMRF payment of approximate \$60,000.00 that will be made from the General Fund in December.

**V. Property Tax Levy**

Chairman Parker led discussion on the Village policy of voluntarily following the property tax cap laws and how that policy fits with the current practice of reallocating debt service taxes for capital improvements. Discussion ensued about what Village controls are in place to prevent exceeding the tax cap and if the reallocation adheres to the tax cap.

Commissioners discussed the time frame for street repair cycles and the correlative costs. Minutes were provided to the Finance Commission from the Capital Improvements Commission public meetings held in 2008 to gather resident's input on the plan to reallocate debt service taxes.

After further discussion, Commissioners were in general agreement that the plan to reallocate debt service property taxes adheres to the spirit of voluntarily imposing the property tax cap laws.

**VI. 5 Year Forecast**

Chairman Parker led a review of the 5 year forecast project. As with many municipalities, Glen Ellyn's revenues are growing slower than expenses. Chairman Parker expressed the need to focus on key financial drivers now to avoid an uncomfortable situation in the future.

Chairman Parker reviewed possible ways to close the \$6 million dollar gap to achieve a balanced budget in the future. The commission was in agreement that the three key drivers in which to concentrate on were sales tax, salaries and healthcare costs.

Chairman Parker summarized the conclusions of the 5 year forecast including increasing economic development as well as controlling the increase of personnel costs.

Commissioner Faber pointed out that Glen Ellyn should coordinate and work with other municipalities to enact pension reform on a state basis.

Chairman Parker recommended forwarding this 5 year forecast on to the board. Commissioner Skirvin motioned to approve and Commissioner Faber seconded. The motion carried unanimously.

**VII. Adjourn**

Commission Nuehring moved, seconded by Commissioner McCloskey to adjourn the meeting at 8:25AM. The motion carried unanimously.

Respectfully submitted by:

Sue Barbeau, Interim Assistant Finance Director

Reviewed by:

Larry Noller, Interim Finance Director