

MINUTES

BOARD / COMMISSION: Finance Commission

DATE: 8/12/11

MEETING: Regular

CALLED TO ORDER: 7:05 AM

QUORUM: Yes

ADJOURNED: 8:31 AM

MEMBER ATTENDANCE:

PRESENT: Chairman Parker,
Commissioners Faber, Geiselhart,
Moody, Nuehring, McCloskey, and
Skirvin

ABSENT: None

ALSO PRESENT:

Village President Pfefferman;
Trustee Liaison Henniger; Village
Manager Franz; Interim Finance
Director Noller; Interim Assistant
Finance Director Barbeau; Recording
Secretary Blake

AUDIENCE:

Police Chief Philip Norton

I. **CALL TO ORDER:**

The Regular Meeting of the Glen Ellyn Finance Commission was called to order at 7:05 AM in Room 301 at the Civic Center at 535 Duane Street; Glen Ellyn, Illinois. Roll call was taken, and all Commissioners were present.

II. **PUBLIC COMMENT**

None

III. **APPROVAL OF MINUTES**

Commissioner Faber moved, and Commissioner Skirvin seconded, that the minutes from the June 10, 2011 meeting be approved. The motion was passed unanimously.

IV. DEPARTMENT UPDATES AND REVIEW FINANCIALS

Interim Finance Director Noller provided financial updates. Year to date sales tax is flat as compared to last year. The August sales tax numbers were down 5%, possibly due to the weather. Income taxes are higher than last year, but are at the budgeted levels. Other taxes are performing well.

Interim Finance Director Noller reviewed other revenue numbers: building permits are 26% below budget. Ambulance fees are 16% below budget for the year. The fire chief is looking at the rates and perhaps will suggest adding some other sources of revenue.

Overall, revenue is 1% below budget and expenditures are 4% below budget for the year.

Interim Finance Director Noller explained that community grants were approved at the last Village Board meeting. A scoring system was developed taking into account factors of purpose, community impact and fiscal administration.

V. PURCHASING POLICY UPDATE

Interim Finance Director Noller reviewed the memo distributed to Commission members. The policy has not been revised since 1993. The Commission was considering changing directors' approval from \$2,000 to \$5,000. The new proposed policy issues authority on a needs basis rather than a hierarchical basis.

Commissioner Faber asked if the Village is seriously behind income projections, should that trigger extra review? Village Manager Franz responded that any pull back could be done at a department head level, and Interim Finance Director Noller added that the purchase authority does not preclude the need to bring a department in on budget.

Chairman Parker asked if a discussion was needed concerning the practice of breaking purchases into smaller chunks to skirt policies. Village Manager Franz responded that it is not acceptable, and the voucher report should reveal it. The consensus of the Commission was that it would be appropriate to put language in the policy addressing this issue.

Commissioner Skirvin raised the issue of un-budgeted items. Village Manager Franz noted that if there are extraordinary expenses, for example tree removal after the summer storms, the Village Board needs to address them. If departments identify a proactive purchase opportunity exceeding a line item, something else in that department will have to be sacrificed.

In response to a question concerning penalties in the ethical conduct section, Trustee Henninger noted that while the ethics policy ultimate disciplinary action is dismissal, if an employee has broken the law, it is automatically prosecutable.

There was general discussion on how to assure the Village is purchasing at current market prices, and show that the Village is spending money wisely. Using joint purchasing vehicles as well as getting viable pricing from as many vendors as possible is the key. Trustee Henninger used the example of a printing RFP that will include the library and School District 41 as well as all Village departments to create an economy of scale.

Chairman Parker recommended a motion be made to approve the policy as drafted, with additional language addressing the ethics concern about attempted skirting of the policy by subdivision of purchases. Village Manager Franz noted that a proposal is under discussion to raise Village Manager spending authority to \$20,000. The consensus of the Commission was for the Board of Trustees to set the Village Manager's approval level.

Commissioner Skirvin moved, and Commissioner Faber seconded a motion to approve the revised purchasing policy with additional language concerning the prohibition of subdividing purchases to circumvent approval authority limits. The motion was approved unanimously.

VI. OTHER BUSINESS

There was general discussion concerning opportunities for redevelopment in the Village. Village Manager Franz said that the TIF is moving forward. The boundary is essentially the central business district. There are possibilities for future opportunities both downtown and in the Roosevelt Road corridor.

The status of the Village Links was reviewed. No taxes are used to support it. There has been a recommendation for new banquet and restaurant facilities along with a pro shop and parking. Several options have been presented with the goal of preserving the asset for the Village without using tax dollars.

Chairman Parker will work with Interim Finance Director Noller to gear up the forecast process. Information needs to get to the Commission so recommendations can go to the Village Board by the first of next year to allow the Board to use it as budgets are gearing up.

VII. ADJOURN

Commissioner Nuehring moved, seconded by Commissioner Moody, to adjourn the meeting at 8:31 AM. The motion carried unanimously. The next regular meeting will be Friday, September 9, 2011.

Submitted by Karen Blake, Recording Secretary

Reviewed by Interim Finance Director Larry Noller