

MINUTES

BOARD / COMMISSION: Finance Commission DATE: April 13, 2012

MEETING: Regular CALLED TO ORDER: 7:03 AM

QUORUM: Yes ADJOURNED: 9:04 AM

MEMBER ATTENDANCE: PRESENT: Chairman Parker, Commissioners Faber, Geiselhart, Moody, Skirvin and Student Commissioner Cooney

ABSENT: Commissioners McCloskey and Nuehring

ALSO PRESENT: Trustee Liaison Henninger; Village Manager Franz; Finance Director Wachtel; Assistant Finance Director Coyle; Recording Secretary Blake

I. **CALL TO ORDER:**

This Regular Meeting of the Glen Ellyn Finance Commission was called to order at 7:03 AM by Chairman Parker in Room 301 at the Civic Center at 535 Duane Street; Glen Ellyn, Illinois. Roll call was taken, and it was determined that a quorum was present.

II. **PUBLIC COMMENT**

None

III. **APPROVAL OF MINUTES**

There were no comments on the March 2, 1012 minutes. Commissioner Skirvin moved, and Commissioner Faber seconded, that the minutes from the March 2, 2012 meeting be approved. The motion was passed unanimously.

IV. FINANCIAL UPDATE

Finance Director Wachtel introduced Christina Coyle, the Assistant Finance Director, who provided the Financial Update. March ended with positive \$28,000 and year-to-date with positive \$443,000. She noted that the spike in sales tax income resulted from Christmas sales tax receipts being received and recorded in the month of March. Revenues are slightly below budget because taxes overall are flat and license income is behind as a result of the rate of building permits. In response to Commissioners' questions, Director Wachtel said that vehicle sticker income should be realized in April, but there needs to be a review on how it is presented seasonally. Assistant Director Coyle noted that while the Village is 1% behind budget in revenue, it is 4% down in expenses. While ambulance fees are down, income from cable franchise fees is up. Manager Franz said that police expenditures are lower than budgeted because of vacancies. The decrease in expenses for Public Works is also because of vacancies, and decreased overtime because of the scant need for snow plowing.

Some confusion was expressed by Commissioners over how Special Programs Funds are being reported. Finance Director Wachtel will circulate an email with more explanation. Chairman Parker also noted that the missing two figures on the bottom right corner of the General Fund Budget Summary should be shown.

Commissioner Skirvin asked about the expectations for the General Fund in April. Finance Director Wachtel said that more revenue should be realized from vehicle stickers; however property taxes should remain the same. Therefore, the final numbers should show an approximate \$400,000 surplus. Commissioner Skirvin mentioned that the Commissioners have discussed receiving a summary of all funds on a quarterly basis, as opposed to just the General Fund.

Commissioners discussed the sales tax and home rule sales tax trends. It was agreed that both need to be watched in relation to economic trends in general.

V. FY12/13 BUDGET REVIEW – OPERATIONS and 5 YEAR CIP

Finance Director Wachtel reviewed the presentation he made at the recent Village Board meeting. The Village-wide net deficit is \$1.8 million. A 32% increase is seen in planned capital spending due to the Hawthorne Blvd. reconstruction and related infrastructure. The Commissioners reviewed the Detail by Fund pages of the presentation. In response to a question, Manager Franz said that locations are being sought for an additional salt dome, but that the Village will not buy land for it. There is adequate capacity at this time. Trustee

Henninger said that there will be a major repaving project on the commuter lot this year, and the Village is exploring the possibility of a new lot at Duane and Glenwood, which would be 70% paid for by a grant. The land will have to be purchased. The 2013 budget includes engineering for the new lot. Manager Franz said that there will not be a deficit on the solid waste line because the rates will be increased to cover it. Manager Franz also noted that the renewed health insurance contract was at a favorable rate, and liability insurance came in lower than expected. However, these trends are not expected to continue in the long run.

The police pension fund was discussed at length. Its position is largely dependent on investment returns. There will again be an actuary study to determine next year's contribution. It was noted that this pension is locally managed by the Glen Ellyn Police Pension Board with its own advisor and is separate from the IMRF.

Other notes during this discussion were that the cash reserves are being kept within the 25% Village policy. There are no revenues associated with the TIF. Manager Franz noted that the funds spent now on water and sewer improvements will save money in the long run. He also said that the fire department needs to replace two 20 year old vehicles. Trustee Henninger noted that municipalities are starting to investigate the possibility of regionalizing fire protection and sharing equipment.

Trustee Henninger said that bids for capital work are coming in lower than budgeted. Manager Franz added that all capital projects are being reviewed. The Capital Improvements Commission is near the end of its 20 year planning program, so the program is going to be reviewed. In addition, the Village is developing plans to better understand facilities and space needs. Several projects in 2013 include grant funding. The Park and Crescent projects will be funded with grants. There was general discussion concerning capital projects funds once the bond debt service is retired.

VI. CONTINGENCY PLANNING – STATE SHARED REVENUES

There was extensive discussion concerning potential changes in funding from the State and options available to the Village.

VII. OTHER BUSINESS

Manager Franz reported that the Fresh Market project is moving slower than anticipated. It is a very complicated transaction. The most recent hurdle is the remediation cost from the lot behind the gas station. The developer has appeared before the Architectural Review Commission, with the next step being the Planning Commission. It has been made clear to the

developer that the Village will not contribute any more to the project than has already been agreed upon.

The Village has asked for a formal proposal from Haggerty based on the Village's incentive requirements. It will be fast tracked once received.

The downtown TIF has been approved and a budget created. The Village will be reimbursed as soon as funds are available. A parking garage will be a big component. Twelve consultants have responded to the RFP for streetscape improvements and the garage, which will be grant funded. In about four months, staff will have a better idea of what will be presented to the Village Board. Interviews are ongoing for the part time economic development coordinator. In response to a question, Manager Franz said that those participating in the old economic development corporation will be offered positions on a new economic development commission so that their talents will not be lost. The traffic pattern in the downtown area will not change at this time. There was discussion concerning the sales tax revenue opportunities along the Roosevelt Road corridor.

The next meeting will be May 11, 2012.

VIII. ADJOURN

Commissioner Moody moved, seconded by Commissioner Faber, to adjourn the meeting at 9:04 AM. The motion carried unanimously.

Submitted by Karen Blake, Recording Secretary

Reviewed by Finance Director Wachtel