

# MINUTES

(DRAFT)

---

BOARD / COMMISSION: Finance Commission

DATE: May 11, 2012

MEETING: Regular

CALLED TO ORDER: 7:00 AM

QUORUM: Yes

ADJOURNED: 8:35 AM

MEMBER ATTENDANCE:

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

ABSENT: None

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 7:00 AM by Chairman Skirvin 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 April 13, 2012 minutes. Commissioner Parker moved, and Commissioner Geiselhart seconded, that the minutes from the April 13, 2012 meeting be approved. The motion was passed unanimously.

#### **IV. FINANCIAL UPDATE**

Finance Director Wachtel reviewed the 2012 Fourth Quarter report. The total for Governmental Funds was a net \$1.2 million. The Enterprise Funds recorded a \$2.5 million surplus. The report is made on a cash basis. Accruals will be recognized later.

The General Fund Budget Summary as of April 30, 2012 showed that non-special program funds increased by \$100,000. Special programs increased by \$34,000 which was slightly more than budgeted. Expenditures increased by \$500,000, but were under budget by 4%.

Sales tax revenues were approximately \$3.1 million, a decrease of \$8,000 from last year. The largest components of that decrease were autos and filling stations. State income tax revenues were higher than in 2011. However, population shifts may cause the Village's portion to decline. State revenues were better than budgeted.

Details on individual funds were presented in the report. Finance Director Wachtel reviewed the summary by fund type, noting that government funds showed a net increase of \$1.2 million before encumbrances. Village operations totaled a net income of \$3.7 million for the fiscal year. Each fund is in a position whereby each can take on projects that are necessary.

The comparison between FY2010/11 and FY2011/12 showed that the Village took in \$300,000 less, but spent \$1.6 million less in FY2011/12. Economic activity is better and spending habits are better than the previous year. Trustee Henninger noted the spikes in one year from another because of capital projects. Village Manager Franz said that two future large capital projects are grant funded. The police pension trust revenues dropped due to investment returns. Chairman Skirvin asked that this comparison be updated quarterly going forward.

There was discussion concerning how savings from staff and police vacancies are shown. Other comments concerned the TIF fund and the impact of the mild winter.

Commissioners and Manager Franz reviewed the positive aspects of the budget results. The deficit for the next year results from the scheduled capital expenditures on the Hawthorne Road reconstruction, and therefore can be viewed as not being in a deficit position. The required reserves provide much flexibility. Manager Franz stated that if the press incorrectly describes the Village's position, it will be clarified for the three to four reporters that are usually contacted.

**V. ECONOMIC DEVELOPMENT**

Manager Franz reported that there is one unresolved item in the Haggerty agreement, so another meeting has been arranged with their representatives. The Finance Commission may have to respond prior to its next regularly scheduled meeting.

Fresh Market has executed its lease, and the Developer is meeting to discuss the timetable later this day. The remediation issue has not been resolved, although an arrangement has been reached concerning Taft Avenue. Commissioners expressed hope that Fresh Market would open before the new Mariano's in Wheaton.

There appears to be a desire to do some retail at the Roosevelt Glen office complex. The current owner has received three proposals, and will soon decide on one. Manager Franz reported an increase in interest in the Village. Interviews have taken place for the economic development position, and a decision will be coming soon. The position is being considered as a contract position as well as part time.

The Board of Trustees approved an RFP for the gas station property at Stacy's Corner. Interested parties will have 60 days to respond. The Village has repurchased property from the Historic Society at Stacy's Corner, and is looking to have the Chamber of Commerce move into the 813 property. The Village will need spend \$70,000-\$80,000 to make it habitable. The Board of Trustees will consider it on May 21. The history park agreement is expected to be before the Board in June.

The property on Duane west of Citibank will be purchased and developed for commuter parking largely with a grant from METRA. If the Village desires to sell the land in the future, the 55 new parking spaces will have to be relocated, but not eliminated. It was noted that METRA restricts the amount that can be charged residents for those spaces, and restricts use for non-commuters. The seller was originally asking \$1.2 million as land for residential development. The Village is paying \$445,000.

**VI. FINANCE COMMISSION ROLE IN POLICE UNION CONTRACT NEGOTIATIONS**

Village Manager Franz and Chief Norton (from the audience) walked the Commissioners through the contract negotiation procedure. The contract ends October 31, 2012. There was discussion concerning how the Village's financial position might affect negotiation. It was noted that the Village has never had to go to arbitration.

**VII. PLANNING FOR THE SCORECARD**

Chairman Skirvin said that it has been three years, and it needs to be updated. Director Wachtel said that the audit would not be ready until November. Chairman Skirvin reminded that this is a planning discussion and to be sure that staff resources available. Interim Director Noller started discussions with Sikich to take over a large amount of the number crunching. Sikich will be contacted, and the Commission will discuss the matter again in about two months.

**VIII. TRANSITION PLANNING FOR THE FINANCE COMMISSION**

Chairman Skirvin reminded that the terms for all the Commission members expire in December. Going forward, an all-new Commission could be assembled and/or there could be staggered terms. Trustee Henninger said that the plan is for the long term existence of the Commission. All Commissioners will email Chairman Skirvin with their interest in serving in the future. There was discussion concerning reaching out to other taxing bodies, i.e., Park District, Library, schools, etc. Chairman Skirvin suggested that if a Commissioner plans to resign, he or she should try to find a replacement.

**IX. OTHER BUSINESS**

There was general discussion concerning property taxes and how the rates of various taxing bodies compare to each other. Commissioner Parker noted that EAVs declined more in some areas of the Village than others. Director Wachtel will prepare a release describing why the Village portion of the tax bill increased.

This will be Student Commissioner Cooney's last meeting as school ends in three weeks.

The next meeting will be June 8, 2012.

**X. ADJOURNMENT**

Commissioner Geiselhart moved, seconded by Commissioner Faber, to adjourn the meeting at 8:35 AM. The motion carried unanimously.

Submitted by Karen Blake, Recording Secretary

Reviewed by Finance Director Wachtel