

# MINUTES

(DRAFT)

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BOARD / COMMISSION: Finance Commission

DATE: December 14, 2012

MEETING: Regular

CALLED TO ORDER: 7:05 AM

QUORUM: Yes

ADJOURNED: 9:35 AM

MEMBER ATTENDANCE:

PRESENT: Chairman Skirvin, Commissioners Faber, Geiselhart, Moody, Parker, Student Commissioner Jourdan

ABSENT: McCloskey and Nuehring

ALSO PRESENT:

Trustee 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 7:05 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.

Chairman Skirvin noted that this is Commissioner Parker's last meeting in that he is moving out of the area. Commissioner Parker was thanked for his service as the Finance Commission's first chairman and as Commissioner.

## II. PUBLIC COMMENT

None

## III. FINANCE COMMISSION SUCCESSION PLANNING

Chairman Skirvin said that he had asked Commissioners a few months ago if they could extend their terms to help with the transition. Two years would be the most someone would be asked to stay on to establish staggered terms ending April 30 of any year. He is not asking for individual decisions at this meeting, but for Commissioners to think about it. It was noted that terms for all Commissions are three years. The ordinance creating the Commission needed to be changed to provide for staggered terms. A draft ordinance has been prepared by staff. Several Commissioners moved, and several seconds were heard, on the following motion:

**“that a recommendation be made to the Village Board that the Finance Commission terms be staggered, and that the currently serving members will be placed in such a way that it will create a Commission with staggered terms.”**

The motion passed unanimously by voice vote.

Chairman Skirvin noted that there will be an opening on the Commission for 4 months at the beginning of 2013. He will also meet with each Commissioner to ascertain how each wants to be slotted.

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

Chairman Skirvin presented notes on Long Term Strategy Options. The Five Year Plan slides show clearly the Village’s current and future position if pension outlays stay on their present course. There will be continued deficits and eventually the general fund reserve will be depleted. Manager Franz expressed that this is very informative. He also noted some of the ways to balance the budgets each year, for example capital spending. The Village is also fortunate to only have a police pension fund, and not fire fighters’ pensions as well. There was general discussion concerning the options available to manage the pension situation, i.e., controlling the number of persons covered and the amount of contribution. There was speculation on what may be done at the state level and what other municipalities may do in the future.

Trustee Henninger said that it would be helpful for the Board to know what the full pension liability was, and what amount was actually funded over the past four years.

Commissioners and staff discussed items in the Long Term Strategy Options memo over which the Village has control, such as continuing to consolidate operations with the Park and Library Districts. Manager Franz noted that while some expenses are easier to consolidate, such as joint bidding for printing, other types of contracts are less expensive when handled just by the Village alone. It also takes an amount of staff work to coordinate joint activities with other municipalities. There are limited resources, but the Board has made it a priority.

Chairman Skirvin suggested that perhaps a subcommittee of the Commission could help in the coordination effort by taking more responsibility and not taking up staff time. Commissioner Faber suggested meeting with other districts and boards to see what they have controlled on the expense side. Manager Franz reminded Commissioners that 75-80% of costs are personnel. He also mentioned that staff is already working with other municipalities. Trustee Henninger suggested reaching out to other finance commissions.

Chairman Skirvin also noted that taxes were raised specifically for capital improvements. If those funds were now moved to the general fund, it would be breaking a promise made to residents when taxes were raised. He also suggested creating a model to evaluate the impact of sales tax agreements such as that with Fresh Market.

Chairman Skirvin left the meeting at 8:15 AM.

Commissioner Parker expressed concern over the land parcels not on the tax rolls. Commissioners also discussed the advantages and disadvantages of possible annexation of land south of Roosevelt Road.

Commissioner Faber left the meeting at 8:25 AM. Quorum no longer present.

**V. QUARTERLY FINANCIAL REPORT**

Assistant Finance Director Coyle reviewed the Second Quarter report. She noted that while some taxes have increased, other revenues have decreased, particularly recycling revenues.

There were no questions from Commissioners. Commissioner Parker noted the big improvement by staff in reporting. Four years ago, there were no projections. Manager Franz said that it is the best financial reporting as compared to other municipalities.

Commissioner Parker took note of the increase in cable franchise fees, which Assistant Director Coyle attributed to the growth of on-demand viewing. Commissioner Parker also expressed concern over the 6% drop in sales taxes from budgeted amount. Assistant Director Coyle said that they are up only .5% statewide.

**VI. OTHER BUSINESS**

The October 12, 2012 and November 9, 2012 minutes will be approved at the next meeting as there was no longer a quorum present.

**IX. ADJOURNMENT**

Commissioner Moody moved to adjourn the meeting, and several seconds were heard. The meeting was adjourned at 8:35 AM.

Submitted by Karen Blake, Recording Secretary

Reviewed by Finance Director Wachtel