

IV. FINANCIAL UPDATE

Assistant Director Coyle presented the Fiscal Year 2012/13 Budget Report, which covers the fiscal year ending April 30, 2013. The graph on page 1 shows a \$1.072 million surplus in the General Fund and \$3.767 million surplus in the enterprise fund. The Enterprise Fund surplus is primarily due to the Links project funds not yet spent. She also mentioned the capital projects delayed to 2014 as presented on page 3. Commissioners discussed how residents might look at the page 1 graph but not take note of the caveats to the surpluses, and took note of there being no summary chart for the Capital Investment section.

Commissioners discussed the results of the General Fund, noting that the decrease in sales tax revenues seems to be from a reduction in car sales. It was noted that sales tax results are affected by the types of businesses attracted to the Village. There was discussion as to if and how economic development efforts can encourage businesses that drive sales taxes to move to the Village. Glen Ellyn has limited options to control the types of businesses opening in the Village.

Assistant Director Coyle reviewed the results from the Enterprise Funds, noting the extra expenses due to the July 2012 storm. Some FEMA funds may be available, although most municipal damage was covered by insurance.

Commissioners discussed the Recreation Fund and the Links at some length. The FY 2013 operating surplus was just under the FY2012 surplus. Approximately one-half of the renovation funds have been spent. Its reserves will be used to pay off the bonds. The Links is operated independently from the Village governmental funds, although the Village guarantees its bonds. It is one of a handful of municipal golf courses that are self-supporting without property tax support. The Recreation Fund also maintains Panfish Park and Lambert Lake as well as handles the stormwater from the south side of the Village. The Village benefits from the Links taking care of these items, but does not get the benefit of property taxes that would be generated by a privately owned facility.

The Police Pension fund return on investment was 6.5-7.0%, slightly below the 7.25% actuarial assumption recommended by this Commission. The amount of the unfunded liability will be known in August. It was noted that the Commission reviewed the returns and actuarial assumptions in depth last summer. Investment options are limited. The Village can control costs with hiring decisions and the contribution assumptions. All agreed that the unfunded liability must be watched carefully.

Commissioners asked about the Riford Road area storm water damage from the April storm. Director Wachtel said that the Board of Trustees approved using \$90,000 to address the issue, and that there may also be some FEMA funds made available. The funds will come from the existing capital improvements budget. Other capital projects may need to be deferred if the projects to address flooding exceed amounts that are included in the long term capital plan. Chairman Skirvin asked that the 10 year capital plan and the capital budget be placed on a future agenda for consideration by the Commission.

There was discussion concerning the report itself. It was felt that it is difficult for residents to quickly get a true picture of the Village's financial position as footnotes and details for the cash surplus and General Fund appear much later in the report. If there are encumbrances to the positive figures, they need to be mentioned up front. The challenge is to keep it concise, but to have the data available for those who want to review it. Residents are not concerned with cash versus accrual reporting. The report should answer the questions of (1) what is the Village financial position; (2) does it have the funds available to do what it wants to do; (3) is the Village position better or worse (4) how are my taxes affected; and (5) did the Village do what it said it would do and why or why not. Staff expressed appreciation for the Commissioners' comments.

V. OPEN MEETINGS ACT AND FREEDOM OF INFORMATION ACT REFRESHER

Director Wachtel reviewed the main points about the Illinois Open Meetings Act (OMA) as it affects Commissioners. Notice of meetings and agendas must be posted 48 hours in advance. In the case of the Finance Commission, a conversation with three or more voting members of the Commission would constitute a meeting. Email conversations are included in this rule.

The Village has an ethics officer, and any questions concerning the ethics ordinance can be directed to her. Commissioners are not required to file statements of economic interest as the Commission is an advisory board.

Chairman Skirvin noted for new members that the purpose of the Commission is longer term strategic planning and to take on special projects. The Commission does not set the budget, although it can suggest ways of revising the report structure.

VI. PROJECT UPDATES / PENDING PROJECTS

Director Wachtel reported that construction has started on the Fresh Market, and it is hoping to open in December 2013. The director of economic development has resigned. Staff is exploring options with the DMMC to identify more areas for economies of cooperative purchasing.

The scorecard will be moved on in a couple of months when updated audited information is available from other municipalities. Most communities have April 30 year end dates.

At the Links, the kitchen is open on a limited basis and is serving a limited menu. The re-openings are being done in phases. The original schedule was to have it completed by early June. The delays have been mostly weather related.

Once the investment policy is revised, the procedures will be updated to match the policy. Red-lined versions will be brought to this Commission for review.

VII. FUTURE MEETING TOPICS

The Commission will consider the strategic plan and benchmarks for economic development and Scorecard beginning in August or September. The Capital Projects fund will be reviewed at the July meeting. This Commission becoming more involved in economic development will also be considered.

Commissioners also need to consider the Commission's role going forward. Is there any interest in becoming more involved in the budget process?

VIII. ADJOURNMENT

Commissioner Ford moved to adjourn the meeting, which was seconded by Commissioner Moody. The motion was approved, and the meeting was adjourned at 8:30 AM.

Submitted by Karen Blake, Recording Secretary
Reviewed by Finance Director Wachtel