

**Minutes
Regular Village Board Workshop
Glen Ellyn Village Board of Trustees
October 24, 2011**

AMENDED AT THE
VILLAGE BOARD MEETING
OF NOVEMBER 14, 2011

Time of Meeting: 6:30 p.m.

Present: President Pfefferman; Trustees Cooper, Hartweg, Henninger and Ladesic; Village Clerk Connors, Village Attorney Diamond.
Staff present: Village Manager Franz, Interim Finance Director Noller, Interim Public Works Director Perrigo, Police Chief Norton.

1. Call to Order

President Pfefferman called the Board Workshop to order at 6:30 p.m. Village Clerk Connors called the roll at 6:35 p.m. President Pfefferman, Trustees Hartweg and Cooper responded "Present." Trustees Friedberg, Henninger, and McGinley were excused. There was no quorum present until Trustee Ladesic arrived at 6:43 p.m. during Mr. Lantz's presentation of the Village's annual financial report.

2. Presentation of Comprehensive Annual Financial Report

Interim Finance Director Larry Noller introduced Mr. Lantz from the accounting firm of Sikich LLC. Mr. Lantz gave an outline of the ingredients in the financial report including the audit report and the reasons for the report. He explained the new elements included this year. The Glen Ellyn Library and Volunteer Fire Company will also be included in this year's report. He explained assets; statement of activities; the change in net assets; balance sheet of government funds showing all funds, which may be reevaluated in the future as others have done; traditional income statement showing revenue and expense proprietary funds; user fees and proprietary funds/cash flow statements. Mr. Lantz discussed deposits and investments, debt, and pension plans, both IMRF and police. He answered questions from Village Board members; there were no questions from the public.

3. Budget Policy Review Discussion

There was a short introduction by Village Manager Franz detailing four items planned for discussion this evening and describing issues to come before the Board in the future.

Interim Finance Director Larry Noller presented information concerning the Home Rule Sales Tax. The balance is now \$418,552 after pension contribution. Reserves are over the minimum after expenses. The Home Rule Sales Tax budget is balanced.

The commercial Special Service Areas is funding commercial areas and is now 12.5¢. It could be raised to 15¢, but staff is recommending it remain at its current level even though a 5% drop in revenue is anticipated.

It is anticipated there will be a 25% cash reserve in all funds. The cash reserve is for emergencies and the 25% is the minimum level the Village maintains. Cash reserves have recovered, but are threatened by a possible drop in income tax revenue.

The Facility Management Reserve Fund has not been part of the General Fund after 2008/09 and there have been no contributions to the Fund since then. Updating this line item will be considered next year.

The Village Board asked Mr. Noller questions regarding the Home Rule Sales Tax and the Facility Maintenance Reserve Fund.

Manager Franz explained that some goals will not be implemented until the May 1, 2012 budget begins. The Volunteer Fire Company and Police Fund showed a savings this year and there was a savings of about \$36,000 in turnover costs because Larry Noller took over the responsibility in the Finance Department. A large Thank You was extended to Mr. Noller for the wonderful job he has done as Interim Finance Director.

4. Preliminary Tax Levy Discussion

Larry Noller, Interim Finance Director, explained the property tax levy. Property taxes are used for the following: 27% for bonds; 25% for capital programs (mainly 20 street improvements) and 48% for General Fund operations. He then explained each of the three uses in detail. The Library is included with the Village. Of the total collected, 2.6% is for the Library and 6.6% is the Village. Mr. Noller reviewed the tax cap law. Although it does not apply to home rule communities, which Glen Ellyn is, the Village has always followed the limit of the law. The total levy is \$10.4 million. There are abatements for the Village Links and the Glen Ellyn Library which were explained. Mr. Noller announced the schedule for public hearing notices and meetings.

5. Other Items?

None

6. Adjournment

At 8:00 p.m., Trustee Hartweg moved, seconded by Trustee Cooper to adjourn to the Regular Village Board Meeting in the Galligan Board Room. All voted "aye." Motion passed; Village Board Workshop adjourned.

Submitted by:

Suzanne R. Connors,
Village Clerk