Minutes
Village of Glen Ellyn
Finance Commission
Regular Meeting
Friday, June 14, 2019
7:00 AM
Glen Ellyn Civic Center, Room 303

A. Call to Order

Attendee Name	Title	Status
Lisa A Cleaver	Commissioner	Present
Jose G DeLeon	Commissioner	Absent
Scott R Greeno	Commissioner	Absent
Jeremy S VanEk	Commissioner	Present
Christopher D. Oakes	Commissioner	Present
Lea Dan	Commissioner	Present
Michael Campagna	Commissioner	Present
Brenton J. Peck	Commissioner	Present
Matthew L Halkyard	Chairman	Present
Ben Harrington	Student Commissioner	Present

Also Present: Finance Director Coyle, Assistant Finance Director Thomas, Village Manager Franz, and Recording Secretary Haslett.

Chairman Halkyard called the meeting to order at 7:00 AM.

B. Public Comment (Non Agenda Items)

None.

C. Approval of Minutes

1. Finance Commission - Regular Meeting - Mar 8, 2019 7:00 AM

RESULT:	**ACCEPTED [UNANIMOUS]**
MOVER:	Christopher D. Oakes, Commissioner
SECONDER:	Matthew L Halkyard, Chairman
AYES:	Cleaver, VanEk, Oakes, Dan, Campagna, Peck, Halkyard, Harrington
ABSENT:	DeLeon, Greeno

D. Financial Reports

1. General Fund Update - April 2019

Finance Director Coyle distributed the April 2019 General Fund report and noted that home rule sales taxes may have been budgeted a little too high for 2019 compared to actual receipts. Income taxes have been coming in at budget, and the taxes received in May were $557,000 compared to last May's at $268,000. Finance Director Coyle said it has been about five (5) years since the Village has received such a high May distribution, but historically May has always been one of the largest months for income taxes. Commissioner VanEk asked if the income taxes represent Glen Ellyn residents and Finance Director Coyle replied no that income taxes are distributed by the State on a per-capita basis. Vehicle licenses have been stagnating over the last couple of years. On the expense side the full transfer to the Facilities Maintenance Fund was made at the beginning of the year for the parking garage in comparison to last year when monthly transfers were processed. Information Technology had a positive variance because the budget included a second staff member. Actual interviews to fill the Information Technology Director are taking place right now, so for the rest of the year this department will be fully staffed. Commissioner VanEk commended Finance Director Coyle's ability to respond to the Finance Commissioner questions.

RESULT:	**DISCUSSION ONLY**

2. Village Links/Reserve 22 - Manager's Report - April 2019

Finance Director Coyle indicated that the Links was once again plagued by bad weather in April, which impacts their financials. A new commercial featuring the Links will be airing on the golf channel throughout June. The Links is trying different promotions to lure new customers such as the Wine and Dine. Village Manager Franz noted that this past weekend the Links held another successful customer appreciation event that was very well attended.

RESULT:	**DISCUSSION ONLY**

3. Village Links/Reserve 22 - Financial Statements - April 2019

Finance Director Coyle noted Reserve 22 revenues are up year-to-date, but banquets are down compared to last year. Staff is closely monitoring cash reserves at the Village Links and Reserve 22.

RESULT:	**DISCUSSION ONLY**

4. Sales Tax by Standard Industrial Classification

Finance Director Coyle discussed the 2018 Sales Tax by Standard Industrial Classification (SIC) Analysis report. Businesses classify themselves each year which explains some of the differences from year-to-year. The most growth sector is the drinking and eating category. The most volatile sector is the automotive category. Commissioner Campagna asked if the Village receives online taxes. Finance Director Coyle replied yes in the form of use taxes that are distributed by the State on a per-capita basis.

RESULT:	DISCUSSION ONLY

E. Police Pension

1. Finance Director Coyle will present the 2018 actuary report for the Police Pension Fund

Finance Director Coyle said the market ended so poorly in 2018 that it crushed the actuary report. Finance Director Coyle noted due to ending in a poor market, the funded status decreased to 59.4% for 2018 from 61.1% last year. Also, the annual money weighted rate of return was a -5.67%, compared to 11.98% last year. There were changes to the mortality table to more accurately reflect public service employees. There were more retirements and turnover in 2018, than originally expected. Commissioner VanEk indicated it was unfortunate where the year-end fell. Commissioner VanEk asked for clarification regarding the payroll increase. Finance Director Coyle explained the 8.67% payroll increase represented the newer officers moving through the steps that also received the cost of living adjustment. However, actual payroll increased by less than one (1) percent at .3%. Village Manager Franz noted there was one (1) less pension employee included in the report because the Deputy Chief position changed to civilian.

RESULT:	DISCUSSION ONLY

2. Funding Comparison

Finance Director Coyle said another Village developed a template to evaluate how a public safety pension would perform if it participated in IMRF instead. Finance Director Coyle said discussions have included changing the Illinois Statue to allow police pensions to invest more like IMRF or consolidating the police and fire pensions into a similar program to IMRF. Finance Director Coyle loaded the Village of Glen Ellyn's data into the template to see how the Village of Glen Ellyn's Police Pension Fund would have performed if it participated in IMRF. Under IMRF, the Village of Glen Ellyn's Police Pension would have been 77% funded in 2017, as opposed the actual of 63%. This is only a model for reference purposes.

Chairman Halkyard noted the problem with consolidation is that every municipality is different in terms outcome goals. Chairman Halkyard noted one of the advantages of consolidation is lower professional fees, which is a good idea, but still does not solve the problem of what you need the asset mix to be. Chairman Halkyard noted the priority is matching the investment duration, with the age of the work force. Village Manager Franz noted one of the arguments against consolidation is not wanting to lump all the police pensions together, but with IMRF every municipality has its own pool. Chairman Halkyard noted that every entity needs their own mix for equities and fixed income dependent upon the age of the work force. Chairman Halkyard noted that there are benefits with consolidation, but the income investment policy would need to change.

RESULT:	DISCUSSION ONLY

F. Trustee Liaison Report

No Report.

G. Chairman's Report

No Report.

H. Other Business

1. Scorecard/Comp Plan Update

Village Manager Franz said over the last six (6) months the Village has been working on updating the comprehensive plan. The last update was completed in 2001. The comprehensive plan provides a roadmap for future land use, infrastructure, and an provides an overall vision. Village Manager Franz noted it is a great time to update the scorecard because it can work in tandem with the comprehensive plan.

2. Clearwater Ordinance

Finance Director Coyle explained that a Clearwater inspection is required when you sell your house, change the deed, or refinance. Chairman Halkyard asked what the Clearwater Ordinance is for. Finance Director Coyle replied the issuance of a real estate transfer stamp will trigger a Clearwater inspection, whereby the City inspects the sump pump to ensure that it is not connected to the sanitary sewer. The Village Board will discuss the Clearwater ordinance modifications detailed below at the June 17, 2019 meeting. Items to be discussed include:

1. Lengthen the fee waiver from 90 days to one (1) year;
2. Exempt real-estate transfer stamps (such as a deed change or a refinance) will include a 10-year waiver; and,
3. Clearwater inspections will now include multi-family and commercial properties.

3. Economic Development Update

Village Manager Franz updated the Finance Commission on recent economic developments within the Village.

4. Next Meeting: Friday, July 12, 7:00 AM

I. Adjournment

1. Motion to Adjourn

The meeting was adjourned at 8:19 AM.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Lisa A Cleaver, Commissioner
SECONDER:	Christopher D. Oakes, Commissioner
AYES:	Cleaver, VanEk, Oakes, Dan, Campagna, Peck, Halkyard, Harrington
ABSENT:	DeLeon, Greeno