Minutes
Village of Glen Ellyn
Finance Commission
Regular Meeting
Friday, November 8, 2019
7:00 AM
Glen Ellyn Civic Center, Room 306

A. Call to Order

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

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

Chairman Halkyard called the meeting to order at 7:02 AM.

B. Public Comment (Non Agenda Items)

None.

C. Approval of Minutes

1. July 12, 2019 Regular Finance Commission Meeting Minutes

Finance Director Coyle requested that the July 12, 2019 minutes be re-approved because Commissioner DeLeon noted that he was marked absent in error on the original minutes.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Jeremy S VanEk, Commissioner
SECONDER:	Scott R Greeno, Commissioner
AYES:	Cleaver, Greeno, VanEk, Dan, Halkyard
ABSENT:	DeLeon, Oakes, Campagna, Peck, Harrington

2. Finance Commission - Special Meeting - Aug 30, 2019 7:00 AM

RESULT:	**ACCEPTED [UNANIMOUS]**
MOVER:	Jeremy S VanEk, Commissioner
SECONDER:	Scott R Greeno, Commissioner
AYES:	Cleaver, Greeno, VanEk, Dan, Halkyard
ABSENT:	DeLeon, Oakes, Campagna, Peck

3. Finance Commission - Regular Meeting - Sep 13, 2019 7:00 AM

RESULT:	**ACCEPTED [UNANIMOUS]**
MOVER:	Jeremy S VanEk, Commissioner
SECONDER:	Scott R Greeno, Commissioner
AYES:	Cleaver, Greeno, VanEk, Dan, Halkyard
ABSENT:	DeLeon, Oakes, Campagna, Peck

D. Financial Reports

1. General Fund Update - September 2019

Finance Director Coyle distributed the September 2019 General Fund report. Key revenues are doing well in 2019, sales and home rule sales taxes are lagging slightly behind the budget, but still performing well. Sales taxes will most likely not meet the budget estimate, but home rule sales taxes are expected to. Liquor licenses are up over the prior year due to several new restaurants and the opening of Pete's Fresh Market. Building permits are up from last year. Investment income is still experiencing a positive trend, even with the recent drop in interest rates. Going forward investment income growth will be tempered. As far as expenses go, there is still a positive variance from the budget for the Information Technology, because the additional position was not filled until August. The Finance Department added a full-time staff member to help with the administration of the food and beverage tax, which is why expenses are higher than last year. Fire services is down from the prior year because of lower liability insurance costs. The Street Department's costs are higher than last year due to the snowy winter experienced in 2019.

Commissioner Greeno asked how the food and beverage tax implementation is going. Finance Director Coyle replied overall the program is exceeding budget expectations and receipts are tracking higher than anticipated. Food and beverage taxes are recorded in the Capital Projects Fund. Finance Director Coyle noted another city shared their food and beverage tax software program with the Village, so now the Finance Department is using this to track tax payments.

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

Finance Director Coyle said the Links experienced a high volume of rain in September, which contributed to lower golf revenues than the prior year. However, Reserve 22 revenues were up 11%. Overall the Links and Reserve 22 had a positive gain of $145,852 in operating income over the prior year, while the change in net position was about $30,000. Reserve 22 is meeting their 12-month rolling revenue goal for 2019 as indicated in the chart included in the agenda packet. The cash reserves for the Village Links and Reserves are still being closely monitored. Reserve 22 will be closed on Mondays during the off-season. Village Manager Franz noted the Recreation Commission has spent some time on contingency plans due to the back-to-back down years experienced in 2018 and 2019. On a positive note, the Links realized one of the strongest golf seasons in the summer months.

RESULT:	**DISCUSSION ONLY**

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

RESULT:	**DISCUSSION ONLY**

E. Staff Report

1. Finance Director Coyle will present an overview of the 2020 draft budget. (Discussion Only)

Finance Director Coyle presented an overview of the upcoming 2020 budget. Operating expenses are expected to increase by 4.8%, while combined capital and debt costs will increase 57.6%. The 2020 budget includes three (3) new full-time employees namely, a police officer, and economic development coordinator (formerly part-time), and a senior building inspector. The IMRF employer rate went from 7.15% to 9.09%, which is still trending well compared to prior years. Contractual services are estimated to increase 7.6% due to higher street maintenance costs in the Capital Projects Fund and the economic incentive payment to the newly opened Pete's Fresh Market. Capital costs are increasing by 71.7% due to the new $16 million central business district parking garage. Village property taxes will cost an average homeowner about an extra $10 in 2020. Overall the General Fund budget is balanced with total revenues projected at $19.5 million, depicting a 3.5% increase over the current budget, and total expenditures estimated at $19.5 million, reflecting a 3.7% increase over the current year. Commissioner VanEk inquired about the $1.8 million increase in operating expenses and asked how the Village is paying for this. Finance Director Coyle replied the $1.8 million is comprised of an increase in personnel and contractual services in the General Fund, as well as the $535,000 increase in street maintenance costs in the Capital Projects Fund, and the higher pension contribution, which rose by $120,000.

Village Manager Franz noted the budget is set for approval on Tuesday, November 12, 2019.

RESULT:	DISCUSSION ONLY

2. Finance Director Coyle will update the Finance Commission on a bill filed to consolidate Downstate Fire and Police Pension Funds. (Discussion Only)

Finance Director Coyle discussed the recent bill which will be considered next week during the veto session in Springfield. Finance Director Coyle said the bill calls for a consolidation of the Downstate fire and police pension funds throughout the State of Illinois, whereby there would be one fire pension fund and one police pension fund. This bill is a result of a report issued by the Illinois Pension Consolidation Task Force. With the consolidation each municipality would maintain their funded status, which is similar to IMRF. This bill will consolidate auditing and actuarial services. The benefit and duty disability decisions would still be determined at the local level. The Task Force also recommended restructuring the Tier 2 benefits. Commissioner VanEk inquired about the objections to the bill. Village Manager Franz replied that those who are voicing opposition to the bill is based upon a perception of the loss of control over the pension.

RESULT:	DISCUSSION ONLY

3. Scorecard Working Session (Discussion Only)

Finance Director Coyle distributed a draft version of the proposed Scorecard. Finance Director Coyle said the Scorecard now includes a matrix that details the different revenue types received by the comparable communities. Commissioner VanEk suggested that the home rule sales taxes be included in the Concentration of Sales taxes bar graph on page 24 because for a taxpayer there is no distinction between regular and home rule sales taxes. The Finance Commission will further discuss the Scorecard at the December 2019 meeting.

F. Trustee Liaison Report

Village Manager Franz updated the Commission on the recent Village Board activity.

G. Chairman's Report

None.

H. Other Business

1. Economic Development Update

Village Manager Franz updated the Finance Commission on the recent economic development news.

2. Next Meeting: Friday, December 13, 7:00AM

I. Adjournment

1. Motion to Adjourn

The meeting was adjourned at 8:21 AM.

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