FINANCE COMMISSION
MINUTES
FEBRUARY 12, 2021

CALL TO ORDER:

Matthew L. Halkyard	Chairman	Present
Jeremy S. VanEk	Vice-Chairman	Present
Michael Campagna	Commissioner	Present
Lea Dan	Commissioner	Present
Lisa A. Cleaver	Commissioner	Present
Scott R. Greeno	Commissioner	Present
Christopher Oakes	Commissioner	Present
Jose DeLeon	Commissioner	Present
Brenton J. Peck	Commissioner	Present
Kevin VanEk	Student Commissioner	Excused Absence

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

A. **Call To Order**

The meeting was called to order at 7:00AM.

B. **Public Comments**

None.

C. **Approval of Minutes**

1. Finance Commission - Regular Meeting – January 15, 2021 7:00 AM

MOVE TO APPROVE MINUTES OF FINANCE COMMISSION MEETINGS AS PRESENTED FROM 1/15/2021.

RESULT	**Motion Unanimously Carried**
MOVER:	**Commissioner Oakes**
SECONDER:	**Commissioner J. VanEk**
AYES:	**Campagna, Cleaver, Dan, DeLeon, Greeno, Halkyard, J. VanEk, Oakes, and Peck**
ABSENT:	**None**

D. **Financial Reports**

1. Village Links/Reserve 22 Financial Statements – December 2020
Finance Director Coyle highlighted some key metrics from the Village Links year-end PowerPoint presentation. The Village Links ended the year with a 9% decrease in operating expenses, even with a 20% increase in volume on the golf side. Cash reserves increased 35%

and Reserve 22 almost broke even in 2020, despite all the new COVID safety protocols. Overall, the Links experienced one of the best years in recent history. The Links staff hope to continue the positive movement in cash reserves into 2021 as well. In 2023 one of the bond issues will fall off. In the coming year the Links will continue to pursue aggressive marketing, start new programs geared at today's golf customer, continue to monitor expenses, encourage post-COVID banquets, improve the sustainability of Reserve 22 in the off-season, and continue to make improvements to the golf course.

2. 2020 Year-End Financial Report

Finance Director Coyle highlighted some key financials from the unaudited 2020 Year-End Financial Report. Actual General Fund revenues (before CARES Funding) performed slightly below budget, but better than the September 2020 COVID projections. The General Fund received $19.5 million in revenues in 2020, compared to $20.9 million in 2019. The Village received $1.437 million in CARES funding. Sales tax at $3.5 million and home rule sales tax at $2.4 million both ended the year above the September 2020 COVID-revised projection. Income taxes were actually higher than 2019 with $3 million collected compared to $2.9 million last year. Stimulus payments and unemployment incentives positively impacted income tax in 2020. Building permits were $245,653 over budget due to the Avere & Apex developments. Business registrations were $80,360 below budget because of the fee waiver prompted by COVID. Liquor licenses were below budget because the Village waived 25% of the fees due to COVID. Investment income was below budget due to a drop in interest rates.

Finance Director Coyle went on to discuss some of the expenditure trends in the General Fund. The Economic Development department was below budget because a position was temporarily vacant and projects were placed on hold due to COVID. Forestry expenses were down because some reductions were made due to COVID. Village Manager expenses exceeded the budget due to emergency COVID-19 purchases. The Village incurred about $1.5 million in COVID related expenditures. Information technology costs were over budget due to the Storage Area Network upgrade. Legal fees were higher than budgeted due to more development fees.

Finance Director Coyle discussed the Capital Projects Fund and noted the 2020 budget includes about $9.6 million in bond proceeds. Utility taxes are performing below budget and coming in at 92% of the budget with about a $1.76 million actual. Food and beverage taxes exceeded the pre-COVID budget and came in at $1,329,230. Finance Director Coyle noted the 2020 Capital budget included the completion of the parking garage. However, the parking garage will not be completed in April 2021 and $9.15 million still needs to be paid on the project. Due to COVID, several street projects were deferred due to financial uncertainty.

Finance Director Coyle discussed some of the budget amendments that will be needed for the 2020 budget. Cash reserves were above policy level for all funds except the Village Links/Reserve 22. Finance Director Coyle noted the police pension investment performance was 9.8% for the last 12 months and since Marquette Associates took over management of the portfolio in January 2017, the rate of return over this time frame has been 7.6%.

E. **Financial Policies**

1. Village Financial Policy Update

   The Finance Commission opted to defer the discussion of the financial policies at the next meeting.

F. **Trustee Liaison Report**

Trustee Christiansen updated the Finance Commission on recent Village Board activities.

G. **Chairman's Report**

None.

H. **Other Business**

1. Economic Development Update

   Village Manager Franz provided the Economic Development update.

2. Next Meeting Friday, March 12, 2020, 7:00AM

I. **Adjournment**

1. Motion to Adjourn

   Commissioner Cleaver moved and Commissioner J. VanEk seconded, to adjourn the meeting. The meeting was adjourned at 8:03AM.

Submitted by Aileen Haslett, Recording Secretary