Minutes
Village of Glen Ellyn
Finance Commission
Regular Meeting
Friday, June 12, 2015
7:00 AM
Glen Ellyn Civic Center, Room 301

A. Call to Order

Attendee Name	Title	Status
Erik G Ford	Chairman	Present
Lisa A Cleaver	Commissioner	Present
Jose G DeLeon	Commissioner	Present
Scott R Greeno	Commissioner	Present
Matthew L Halkyard	Commissioner	Absent
Connor T. O'Shea	Commissioner	Absent
Yadav N Nathwani	Commissioner	Absent
Steve Rackl	Commissioner	Present
Jeremy S VanEk	Commissioner	Absent
Jeffrey S Wallace	Commissioner	Absent

This Regular Meeting of the Glen Ellyn Finance Commission was called to order at 7:03 AM by Commissioner Ford in Room 301 at the Civic Center at 535 Duane Street; Glen Ellyn, Illinois. Roll was taken, and it was determined that a quorum was not present.

Also Present: Finance Director Coyle, Village Attorney Mathews.

B. Public Comment (Non Agenda Items)

None.

C. Financial Update

Director Coyle reviewed the May 2015 Financial Update. Revenues for May were ahead of the prior year and ahead of the monthly budget by $153,400. Expenditures were under the prior year and below budget for the same period. 2015 figures are trending more with 2013 than last year. Director Coyle noted that business registrations are now collected in September/October versus May; cable franchise fees have increased from 2014; and discussed the receipt of Federal Drug Forfeiture dollars.

On the expense side, the Assistant to the Village Manager position was not filled in 2015. Information Technology upgrades totaled $37,800. The payment to the Alliance of Downtown Glen Ellyn of $71,250 was made in January rather than May due to the change in the fiscal year. Variances from the prior year for fire and EMS will continue due to the change in the ambulance contract model.

In response to Commissioners' questions, Director Coyle said that facilities maintenance expenses were down at the History Park as less plowing was done over the winter. She also noted that income taxes paid in April is received and May are 10% higher than last year's receipts; similarly sales and home rule sales tax figures, which are from February sales, are 11% ahead of 2014.

D. Approval of Minutes

1. Finance Commission - Regular Meeting - May 8, 2015 7:00 AM

With a quorum now present, Commissioner Cleaver moved, and Commissioner Greeno seconded, to approve the May 8, 2015 meeting minutes as revised by Chairman Ford. The motion was approved unanimously.

RESULT:	**ACCEPTED [UNANIMOUS]**
AYES:	Ford, Cleaver, DeLeon, Greeno, Rackl
ABSENT:	Halkyard, Jacklich, Nathwani, VanEk, Wallace

E. Village Links Financial Statements

1. Draft Village Links Financial Statements

Director Coyle reviewed the Village Links / Reserve 22 Dashboard which separates golf and restaurant performances. On an operating basis combined they ended May with an operating loss of $120,000, ahead of all other years except for 2012. Results trended down in May for Reserve 22 and up for golf. Greens fees increased in May. Commissioners discussed the results of the foot golf; while not profitable it brings patrons to the facility.

The draft financial statement breaks down revenues between golf and food services and notes the key metric of personnel and the debt service after operating income and expenses. The following pages further break down the golf and food service revenues and expenditures, cost of goods sold, and will show the amount of revenue per guest check average.

Commissioners discussed the availability of financial results from similar facilities against which to compare the Links' results. Is 50% personnel cost good or bad? In particular, how does the 20% restaurant margin compare to other restaurants that have rent and property tax expenses that the Links does not? Commissioners noted that the stormwater management expenses are considered a benefit to the Village rather than an expense to the golf course. However, there are some incidental expenses for the maintenance of Panfish Park and Lambert Lake for the Village that are not offset with revenue.

Chairman Ford asked Commissioners to review the financials, and be prepared to comment on the structure at the next meeting. It was also noted that Jeff Vesevick has been appointed permanent General Manager. His old position will not be filled, but those duties will be taken on by other staff.

F. Short Year 2014 Audit Report

1. The Village's Comprehensive Annual Financial Report for the 8-Month Short Fiscal Year Ended December 31, 2014.

Director Coyle directed the Commissioners' attention to the Auditor's Opinion on page 1 of the Comprehensive Annual Financial Report for the 8-Month Short Fiscal Year Ended December 31, 2014. It is an unmodified opinion, which is the best possible outcome with no exceptions. The Management's Discussion and Analysis ("MD&A") is a narrative summary of the Village's operations and financial position as of December 31, 2014. The General Fund had a positive increase of $1 million. Revenues were more than budgeted and expenditures were less than budgeted. The last page of the MD&A notes economic factors affecting Village financial results, in particular that assessed property values have decreased each year since 2010, although were nearly stabilized in 2014.

Pages 49-67 of the Report pertain to pensions. In particular, page 53 discloses the Village pension liability, the current discount rate (7%) and a sensitivity analysis showing the effects of a change in the return percentage. In response to questions, it was noted that IMRF sets the discount rate for the IMRF. The IMRF is also not as restricted as to types of investment as is the police pension fund.

Chairman Ford asked that Commissioners study the audit report and bring questions to the next meeting.

G. Trustee Liaison Report

None.

H. Chairman's Report

Chairman Ford asked on behalf of the Investment Subcommittee the procedures for setting up an account, for example with Schwab, to hold and place assets. What would need to be included in a Request for Proposals and do these types of firms handle municipalities differently from other clients? The proposal would be taken to the Village Board; however in the interim, Chairman Ford wants to keep the process moving.

Chairman Ford noted that the new format for the minutes does not include the list of those voting on recommendations. Director Coyle said that was an error, and will check the computer system setting up the new format.

An email message will be sent to Commissioners concerning their availability for Friday meeting dates in July.

I. Other Business

1. Bond Update

Director Coyle reported that the Village Board workshop will be rescheduled for later in June. It has been determined, however, to not add any prospective costs for the Village's portion of the Geische site redevelopment to this bond issue. Therefore, this bond issue will cover the costs for the new police station and Lake Ellyn improvements, totaling $13.5 million. The request will be for $14 million. Director Coyle will inform Commissioners as to the date and time of the Board workshop.

J. Adjournment

1. Motion to Adjourn

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Lisa A Cleaver, Commissioner
SECONDER:	Jose G DeLeon, Commissioner
AYES:	Ford, Cleaver, DeLeon, Greeno, Rackl
ABSENT:	Halkyard, Jacklich, Nathwani, VanEk, Wallace