Minutes
Village of Glen Ellyn
Finance Commission
Regular Meeting
Friday, July 10, 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	Absent
Scott R Greeno	Commissioner	Present
Matthew L Halkyard	Commissioner	Present
Yadav N Nathwani	Commissioner	Absent
Steve Rackl	Commissioner	Present
Jeremy S VanEk	Commissioner	Present
Jeffrey S Wallace	Commissioner	Present
Connor O'Shea	Student Commissioner	Present

Also Present: Trustee O'Shea, Village Manager Franz, Finance Director Coyle, Village Attorney Matthews, The Links General Manager Vesevick, Assistant Finance Director Lori Thomas

B. Public Comment (Non Agenda Items)

None.

C. Approval of Minutes

1. Finance Commission - Regular Meeting - Jun 12, 2015 7:00 AM

RESULT:	**ACCEPTED [UNANIMOUS]**
MOVER:	Lisa A Cleaver, Commissioner
SECONDER:	Scott R Greeno, Commissioner
AYES:	Ford, Cleaver, Greeno, Halkyard, Rackl, VanEk, Wallace
ABSENT:	DeLeon, Nathwani

D. Financial Update

Director Coyle reported that the financials for the month of June were not fully closed by the date of the meeting. The General Fund is operating positive and has experienced a good year to date. In June, the Village will have received the first property taxes, and also have made the year's first pension contribution. In response to questions, Director Coyle said that she has not seen any issues with the financial reports that should be of concern by the Commission. Updated financials will be circulated to Commissioners when available.

E. Village Links Financial Reports

1. Draft Village Links Financial Statements

Director Coyle said that the Commission reviewed this matter in June; however, Chairman Ford asked that it be reviewed again with more Commissioners in attendance. Also, Manager Vesevick is in attendance to answer questions. The packet memo is the June memo updated with a note concerning changing the dashboard data. Manager Vesevick noted how his benchmark data is gathered.

Chairman Ford asked for comments from Commissioners. There was discussion concerning showing profit-per-category. Manager Vesevick noted that food is inventoried once a month and liquor twice a month. He also noted that, which banquets and parties are more profitable than regular restaurant operations, it is not known how much more. Commissioner Wallace said that it was never expected that the restaurant would be where it is today. It is not totally dependent on golf patrons. Commissioners discussed the positive results compared to original expectations at this point. Manager Vesevick said that personnel costs are still high resulting from increasing personnel to address service issues at the start, but that situation is improving.

Director Coyle said that reports with June results will be available for the July Recreation Commission meeting. She also noted that, currently, the bond costs are not accrued. Commissioners discussed showing the bond costs in some fashion each month to be better able to determine whether the debt service is being covered.

There was discussion on splitting the "prime costs" (being labor and cost of goods sold) between banquets and the restaurant. It would have to be done manually at this point. It could also be done by percentage to give some idea of where there is need for improvement. There is staff dedicated to selling banquets. Perhaps this can be done during the prime golf season and assess how it looks during the busiest times of the year.

Commissioners had positive comments about progress at the Links. The limitations on hours worked is the biggest challenge to hiring employees. There was discussion concerning outsourcing or contracting with a third party to avoid the pension issue. Manager Franz stated that more research will be done on how this would affect IMRF pension costs.

Commissioners discussed the caddy program. Young adults are making some money and getting some work. There are plans to do more promoting. Little cart revenue is lost as most golfers wanting a caddy are walkers anyway. The program is hoped to attract players new to the course because very few public courses offer caddies. Financially, the program does not benefit the course, and it also consumes staff time.

RESULT:	**DISCUSSION ONLY**

F. Investment Subcommittee

1. Investment Subcommittee Update

Director Coyle continues to work on transitioning Village investments to more active in house management. She and Chairman Ford have met with potential management companies, and their recommendations will be made to the Board of Trustees. There are some matters that need changing in the current Village investment policies. These changes/additions include modifying the requirement for a broker/dealer questionnaire; adjusting the maturity permitted for commercial paper; addressing municipal bond investing; and stating that no financial institution shall hold more than 25% of the portfolio, however this requirement does not include custodial accounts. This clarification generated discussion by Commissioners concerning the risks with IMET and the need for flexibility. Other recommendations include lifting the 25% ceiling on brokered CDs in the investment portfolio as well as creating an emergency clause to the diversification section. The Commissioners responded with positive feedback on these suggested modifications to the investment policy.

Staff is seeking feedback on these portions of the investment policy, and also on whether diversification should be focused on maturity rather than investment mix. Commissioners discussed maturities, particularly for laddered CDs, but also noted that investment opportunities are very restricted by current limits. Commissioners agreed that it was more appropriate to focus on maturity given the very restricted investment mix opportunities.

The Commission will continue its consideration of changes to the investment policies at the next meeting.

RESULT:	**DISCUSSION ONLY**

G. Short Year 2014 Audit

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

This was presented and discussed at the last meeting, and Commissioners were given the intervening time to review the audit. There were no questions or comments; Chairman Ford urged Commissioners to email any concerns to Director Coyle. Staff is starting work now on the 2016 budget. Director Coyle said that, in hind sight, it has been better since moving to a calendar year fiscal year in that it is easier to explain.

RESULT:	**DISCUSSION ONLY**

H. Trustee Liaison Report

Trustee O'Shea reported that residents brought their concerns over the new Glenbard West addition to the Board as it considered zoning variances. The variances were approved, allowing for more green space than building the structure without them.

The proposed development for the Geische site and St. Petronille parking lot is still in the planning stage. The developer has yet to submit a formal application to the Village.

I. Chairman's Report

No report other than matters already discussed at this meeting.

J. Other Business

1. Bond Update

Manager Franz reported that the decision by S&P should be made in the next few days. The goal is to issue the bonds by the end of July. Design-build teams will be interviewed soon, and there will be recommendations to the Board in August. Any State budget cuts should not directly affect this project; however Trustee O'Shea noted that the Village is not yet obligated to move forward with the police station project, particularly if the State takes funds away from the Village somewhere else. The cost of maintaining the new building, along with investment in the current building will also be considered.

2. Economic Development

Manager Franz reported that the developer of the property on the south side of Roosevelt Road recently met with staff. There may be a new plan for the McChesney site in the next few weeks. In general, there is more interest and fewer vacancies in the Village.

K. Adjournment

1. Motion to Adjourn

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Matthew L Halkyard, Commissioner
AYES:	Ford, Cleaver, Greeno, Halkyard, Rackl, VanEk, Wallace
ABSENT:	DeLeon, Nathwani