Minutes
Village of Glen Ellyn
Finance Commission
Special Meeting
Tuesday, April 7, 2020
7:00 AM
Glen Ellyn Civic Center, Room 306
And via Conference Call

A. Call to Order

Attendee Name	Title	Status
Lisa A Cleaver	Commissioner	Absent
Jose G DeLeon	Commissioner	Present
Scott R Greeno	Commissioner	Present
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	Absent

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

Chairman Halkyard called the meeting to order at 7:03 AM.

B. Public Comment (Non Agenda Items)

None.

C. Covid-19 Projections

1. Financial Projections - Covid-19

Finance Director Coyle noted Governor Pritzker's Executive Order allows the Finance Commission to meet through by conference call. Finance Director Coyle referenced the February 2020 cash reserves update included in the agenda packet. The Village is meeting all of the policy limits except for the Village Links. Interest rates have recently gone down which will lower investment income. Finance Director Coyle explained what funds could possibly be repurposed due to

Covid-19. Trustee Christiansen asked what would be the parameters to rebuild the reserves before the Village starts using other funds. Finance Director Coyle said this would be up to the Village Board and would be part of the budget discussions.

Finance Director Coyle referenced the Covid-19 General Fund Revenue projections which includes four (4) scenarios including a one (1) month stay-at-home order which is the best case scenario, a three (3) month impact, a six (6) month impact, and a nine (9) month impact being the worst case scenario. The Village's sales taxes are heavily weighted on groceries, which will help the Village in times like this. Commissioner Peck inquired if neighboring communities are preparing similar scenario projections. Finance Director Coyle replied Wheaton is using a similar approach. Commissioner Campagna asked if the State of Illinois has provided any guidance on the duration of the stay-at-home order. Finance Director Coyle responded the Illinois Municipal League plans on releasing some estimates for the per-capita rates. Finance Director Coyle noted the State of Illinois delayed sales tax payments for businesses, which means there will be a five (5) month delay from when the taxes are paid by the consumer to when the Village receives the funding. Village Manager Franz noted the Village is in constant contact with other village managers sharing information about the possible impact of COVID-19. Finance Director Coyle noted that back in 2008/2009 General Fund revenues decreased about $1.1 million due to the recession. The Village mitigated this reduction through instituting the home rule sales tax.

Finance Director Coyle provided an update on how the Village is handling expenses due to Covid-19. The Village instituted a hiring freeze. All departments were asked to provide a list of reductions that they could make in the current fiscal year and the departments submitted about $1 million in budget savings. The Village will be using a tiered response in terms of reductions. Village Manager Franz noted there is a possibility of obtaining some FEMA grants and staff is working with other municipalities to push for federal stimulus monies. Commissioner VanEk said he assumed that the monies under the Coronavirus Aid, Relief, and Economic Security Act for the payroll protection and employer retention credits were not applicable to the Village. Finance Director Coyle responded yes that most of the monies the Village will receive will come from FEMA for overtime and the costs associated with responding to the disaster.

Finance Director Coyle referenced the 2020 Capital Program information included in the agenda packet and discussed the possible impact of COVID-19 on the Capital Projects Fund. Food and beverage taxes will be impacted based upon the proportionate months that the restaurants are closed. The Village will still receive food and beverage taxes from liquor stores and curbside pickup. Similar to the State of Illinois, the Village gave businesses a two (2) month delay to file their food and beverage tax returns.

Professional Engineer Daubert prepared an analysis prioritizing the 2020 capital program. Some items can be pushed out in the future, to help with the Covid-19 event. Commissioner Peck inquired if there were any financial implications for the deferred projects. Professional Engineer Daubert replied the Village is moving forward with the projects already under contract. Professional Engineer Daubert noted the contracts include provisions allowing the Village to terminate the contract if needed. Professional Engineer Daubert recommended proceeding with the two (2) miles of street resurfacing project at $1.4 million because there are longer term cost impacts if this project is not completed. Commissioner VanEk inquired about the parking garage. Finance Director Coyle replied some decisions will need to be made in regards to this project. Finance Director Coyle said the Village met with their financial advisor who indicated the debt market to issue bonds is very uncertain right now. Commissioner VanEk asked how much more debt would the Village need to issue if the parking garage moves forward. Finance Director Coyle replied the Village has about $15 million more to spend on the project. Finance Director Coyle noted the Village Board will need to weigh in on this project and decide on how to proceed.

Village Manager Franz provided an update on the new train station project and said the Village received another $2 million grant from the ICC for the project bringing the total grants to over $20 million. Village Manager Franz said he does not believe the monies from this project will be shifted and taken away from the Village. Village Manager Franz noted the Village's share of the project cost will be around $4 million in upfront project costs for the phase two (2) engineering. Village Manager Franz the Village is in a good place to defer planning for the streetscape project for right now, and reevaluate this later.

Finance Director Coyle said the Village Board approved a $250,000 no-interest line of credit to the Village Links at the last meeting. The purpose of the line of credit is to provide funds for cash flow issues. The stay-at-home order has forced the closure of the golf course and Reserve 22 is only open for curbside pickup on the weekends. Some of the Village Links and Reserve part-time staff have been laid off, except for a couple of employees to help with food operations. The grounds crew is still working to maintain the greens. Finance Director Coyle noted if the closure is extended, the Village will need to look at other ways to reduce expenses. Village Manager Franz said public golf courses are lobbying to be first wave of businesses to be released from the stay-at-home order. Village Manager Franz said the Village Links has a new app in place whereby golfers can reserve their tee-time and pay without having to go into the golf shop. Commissioner Campagna asked if the $250,000 line of credit is enough. Finance Director Coyle said probably not given how long the stay-at-home order lasts. Finance Director Coyle explained in the worst-case analysis, the cash would last through May before asking for more money and if the event extends to June, the Links would definitely need additional funding. Village Manager Franz noted the Recreation department initially requested a $500,000 line of credit and added the $250,000 line of credit is a start and hope for the best.

Village Manager Franz noted building permits and construction projects have not slowed down since this event.

Chairman Halkyard thanked staff for their spectacular efforts at addressing Covid-19.

RESULT:	**DISCUSSION ONLY**

D. Other Business

None.

E. Adjournment

1. Motion to Adjourn

The meeting was adjourned at 8:30 AM.

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