Minutes
Village of Glen Ellyn
Finance Commission
Regular Meeting
Friday, October 9, 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	Present
Yadav N Nathwani	Commissioner	Absent
Steve Rackl	Commissioner	Present
Jeremy S VanEk	Commissioner	Present
Jeffrey S Wallace	Commissioner	Present

Also Present: Trustee O'Shea, Finance Director Coyle, Assistant Finance Director Lori Thomas, Student Commissioner O'Shea

B. Public Comment (Non Agenda Items)

None

C. Approval of Minutes

1. Finance Commission - Regular Meeting - Aug 14, 2015 7:00 AM

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

D. Financial Reports

1. Financial Update

Director Coyle summarized the September financial results. For the General Fund, she noted that the State has stopped distributing use tax payments due to the State budget situation. This accounts for the majority of the monthly negative variance. These funds are ultimately not at risk for receipt unless the State law is changed.

Year-end projections have been added to the General Fund report. At this point, the General Fund is projected to end this fiscal year with a $739,000 positive change to the fund balance. On the income side, Director Coyle made note of building permit income being down. Also, drug forfeiture funds which must be used only for certain purposes. It is possible, however, to use these funds for certain aspects of the new police station. On the expense side, Director Coyle highlighted changes in the Village Manager's Office. Also noted was the transfer of $47,000 from the General Fund to the Corporate Reserve Fund to reimburse for Taft Avenue expenses.

The dashboard for the Village Links shows that the facility had a very good September, with green fees rounds up 11% from the prior year. There have been more golf outings, and weather cooperated. The facility is doing better with controlling personnel costs, and has installed scheduling software to help determine staff needs based on weather.

Commissioners discussed the Village's reserve level, which is over the 35% goal. While it was suggested that part of the overage be rolled into the pension fund, caution was advised give the state of the State right now.

Commissioners also discussed the concept of having the Links pay a dividend from its reserves to the Village to compensate for guaranteeing its bonds. It was pointed out that Links' staff provides benefit to the Village by maintaining parks and provides stormwater detention for the south side of the Village. It was also noted that the reserves are used to sustain the facility over the winter when there is no golf revenue.

2. Quarterly Capital Project Reporting

Included in the Commissioners' packet is the Construction Projects report prepared by the engineering staff. Director Coyle highlighted Crescent Blvd., in that the work was sufficiently completed in time for school opening; the central business district over/underpass feasibility study which will be in front of the Board for a workshop in the next couple of months; and Downtown area enhancements, which will also be the subject of an upcoming Board workshop. In response to questions, Director Coyle said that upgrades or replacements for fire houses are unfunded at this point, although two new engines will be purchased this year at a cost of $1 million to be split between the Village and the Fire Department. Commissioners noted the importance of keeping the facilities up to attract volunteer fire fighters. Additionally, the 10 year plan report shows actual against estimated costs, which helps in estimating future projects.

The police station construction will be a maximum amount contract, so it will not go over the "guaranteed maximum price".

RESULT:	DISCUSSION ONLY

E. Pension Recommendationt to Village Board

1. Finance Commission Recommendation to Village Board Regarding the Pension Funding Policy

Director reviewed her memorandum concerning pension fund policy. The budget before the Village Board assumes a 6.75% investment return assumption. The Pension Board has not changed the investment mix; however it is sending out an RFP for pension advisors. The portfolio earned 7.28% last year. Commissioners noted that performance over the past five years has been at historic market highs.

Commissioners discussed their recommendation. It was noted that the fixed income allocation of the portfolio is set by statute. The idea behind incrementally reducing the return assumption was to avoid too much of a change too fast. However, the Commission's efforts have raised the attention level to the pension situation over the past 2 years.

It was agreed that Chairman Ford will revise the existing recommendation by strengthening the recommendation. He will circulate the draft before the November Finance Commission meeting.

Commissioners discussed the upcoming police personnel contract negotiations. The police department is not budgeting to increase staff, but there will be salary increases, and also possibly a "Cadillac tax" on the Village's health insurance plan (which would affect the entire Village staff, not just police officers).

RESULT:	DISCUSSION ONLY

F. Investment Subcommittee Update

Director Coyle and Chairman Ford have meet with several investment firms and will be recommending PMA to the Village Board. The firm will also assist with cash flow modeling. The hope is to take this recommendation to the Board in November, and then start laddering investments.

G. Trustee Liaison Report

None

H. Chairman's Report

None

I. Other Business

1. Economic Development

Director Coyle reported that the Village has agreed to an economic development agreement for DeSitter to move to Roosevelt Road within the Village.

2. 2016 Budget Update

Director Coyle said that no additional proceeds are expected from IMET until 2016. The thought is that the Village will eventually recoup 50% of its investment. There are several lawsuits pending over the matter.

Director Coyle will send out information on the times and locations of upcoming Board budget workshops.

J. Adjournment

1. Motion to Adjourn

The meeting was adjourned at 8:00 AM.

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