FINANCE COMMISSION MEETING
MINUTES
FEBRUARY 10, 2023

A. **Call To Order**

The February 10, 2023 Finance Commission meeting was called to order at 7:00AM. by Chair Jeremy VanEk at 535 Duane Street, in Glen Ellyn, Illinois.

B. **Roll Call**

Jeremy S. VanEk	Chair	Present
Anne Arnold	Commissioner	Present
Lea Dan	Commissioner	Present
Jose De Leon	Commissioner	Present
Christopher Goodman	Commissioner	Excused Absence
Mike Graham	Commissioner	Excused Absence
Scott R. Greeno	Commissioner	Present
Christopher Oakes	Commissioner	Present
Brian Niksa	Commissioner	Present
Camille White	Student Commissioner	Excused Absence

Also, prAlso present: Village Manager Mark Franz, Finance Director Larry Noller, Assistant Finance Director Patrick Brankin, Public Works Director Dave Buckley, Assistant Public Works Director John Hubsky, and Recording Secretary Aileen Haslett.

C. **Public Comment**

None.

D. **Approval of Minutes**

1) Minutes – January 13, 2023

MOVE TO APPROVE THE MINUTES OF THE FINANCE COMMISSION MEETING AS PRESENTED FROM 1/13/2023.

RESULT	**Motion Unanimously Carried**
MOVER:	**Commissioner Oakes**
SECONDER:	**Commissioner Niksa**
AYES:	**Arnold, Dan, DeLeon, Greeno, Niska, Oakes, and J. VanEk**
ABSENT:	**Goodman and Graham**

E. **Water and Sewer Rate Study**

1. Presentation and discussion of Water and Sewer Rate Study by NewGen Strategies and Solutions

Finance Director Larry Noller updated the Finance Commission on the status of the Water Rate Study and then turned the discussion over to Eric Callocchia from NewGen Strategies and Solutions. Callocchia presented an update on the water and sewer rate study following the January 2023 Village Board workshop. The Village Board directed NewGen to provide information for the Finance Commission's review regarding a tiered rate structure to reduce the impact on low usage customers and promote water conservation. NewGen found based upon their past studies that a tiered rate structure has little impact on water usage. Discussion ensued on how a tiered rate structure would impact Glen Ellyn water customers. Commissioner Dan commended Callocchia's presentation with the case study findings, which showed that a tiered rate structure is not an effective tool for water conservation. Commissioner Dan commented, if the end goal is conservation, then a different tactic is needed to achieve this goal. Commissioner Oakes said maybe the analysis is not focused on the goal of conservation, but on whether the water rates make sense given the what other public policy initiatives are behind this. With the policy focus on either encouraging business or having water rates that are fair and reasonable for Village residents. Commissioner Oakes noted Village residents comprise75% of total water users. Commissioner Oakes added that conservation is a nice thing, but not a driver for how much water is actually used. Commissioner Oakes noted that maybe the conservation umbrella is having us go in a direction that is not meaningful. Finance Director Noller said one of the goals is to have a simple rate for most customers.

Chair VanEk noted there were two (2) questions from the Village Board, should the Village implement a conservation rate structure. Chair VanEk said based upon today's discussion, the consensus of the Finance Commission is that conservation is a nice idea, but based upon the studies presented, pricing is not an effective tool towards conservation. If the Village Board wishes to pursue water conservation, this can be achieved through other policy-based initiatives. Chair VanEk said the second item the Village Board wanted the Finance Commission to review is the spread of pricing and the percentage increase on the lower usage customers versus the higher usage customers. Chair VanEk asked if NewGen could revise some of the tables whereby the increase is dialed back a little bit more. Callocchia said the recommendation for this year is just the 2% increase and not implementing the fixed customer charge. The fixed charge would not be imposed until next fiscal year. Finance Director Noller summarized the discussion and noted the Finance Commission would like Callocchia to come back with some updated charts for the next meeting.

F. **Financial Reports**

1. General Fund Financial Report – December 2022
   Assistant Finance Director Brankin noted 2022 ended with about a $1M increase in fund balance. Food and beverage taxes was very steady for 2022. Finance Director Noller said sales tax and income tax growth drove the increase in revenues for 2022. Overall, the General Fund expenditures were under budget for 2022.

2. Village Links/Reserve 22 – December 2022
   Due to time constraints, this will be discussed at the next meeting.

3. Year End Financial Report 2022
   Due to time constraints, this will be discussed at the next meeting.

G. **Five Year Forecast**

1. Review Prior Five Year Forecast
2. Five Year Forecast Discussion and Recommendations
   Due to time constraints, this will be discussed at the next meeting.

H. **Staff Report**

1. Economic Development Update
   No report.

2. Investment Sub-committee Update

Finance Director Noller noted the Investment Sub-Committee met on Monday, February 6, 2023 and concurred to do a two (2) year ladder for some of the funds. With future capital projects in mind, the Village's investments will not go too far out past this time period.

I. **Chairperson's Report**

1. 2023 Finance Commission Agenda Topics

Chair VanEk referenced the 2023 Finance Commission Agenda topic list included in the agenda packet. The high priority topics include long-term funding for the following funds: Parking, Village Links, TIF, and Fire/EMS. Some other high priority topics include: Five-year Forecast, Simplified Financial Scorecard, and the Finance Commission involvement in budgeting process. The Finance Commission concurred that the Financial Scorecard should be simplified with key metrics and updated more frequently. Commissioner Oakes commended Chair VanEk's for preparing a roadmap for 2023 discussions.

J. **Trustee Liaison Report**

No report.

K. **Reminders**

1) Next Meeting: Friday, March 10, 2023 at 7:00AM

L. **Adjournment**

Commissioner Oakes moved and Commissioner Arnold seconded, to adjourn the meeting. The meeting was adjourned at 8:24AM.

Submitted by Aileen Haslett, Recording Secretary