FINANCE COMMISSION MEETING
Minutes
August 11, 2023

A. Call To Order

The August 11, 2023 Finance Commission Meeting was called to order at 7:00 AM by Vice-Chair, Chris Goodman, at 535 Duane Street, in Glen Ellyn, Illinois.

MOVED:	**Vice-Chair, Christopher Goodman, to approve the minutes of the Finance Commission Meeting as presented from 7/14/2023.**
RESULT:	**Motion Unanimously Carried**
MOVER:	**Commissioner, Anne Arnold**
SECONDER:	**Commissioner, Brian Niksa**
AYES:	**Commissioners, Scott Waldbusser, Kevin Moffitt, Leo Hoerdermann, Mike Graham, and Lea Dan.**
ABSENT:	**Chair, Jeremy VanEk**

B. Roll Call

Jeremy S. VanEk	Chair	Excused Absence
Christopher Goodman	Vice-Chair	Present
Anne Arnold	Commissioner	Present
Lea Dan	Commissioner	Present
Mike Graham	Commissioner	Present
Leo Hoerdermann	Commissioner	Present
Kevin Moffitt	Commissioner	Present
Brian Niksa	Commissioner	Present
Scott Waldbusser	Commissioner	Present

Also Present: Fire Chief Chris Clark, Village Trustee Kelli Christiansen, Village Manager Mark Franz, Interim Finance Director, Patrick Brankin.

C. Public Comment

None

D. Approval of Minutes

1) Minutes – July14, 2023

E. Financial Reports

1) Second Quarter Financial Report

The Mid-Year Financial Report discussed. This covers January - June 30, 2023. These are on a cash basis/budget basis with no accrual adjustments and are unaudited. The General Fund is looking positive. The Revenues exceeding prior year is not the number in packet received. The number is $674,000. The Revenues are above budget $1M. The Sales/Income Tax still strong but not seeing same growth as in past years. The growth seen is primarily due to Interest Income and Building Permits. The Expenditures well below last year due to hotel purchase last year and vacancies throughout the Village. The Board approved $4M transfer from General Fund Reserves to the Capital Projects Fund which is not reflected in General Fund. The purchase of the Park is not reflected. It is reflected in the TIF Fund. It didn't reflect the General Fund.

We've collected 51.2% of Core Sales Tax budget ending 6/30/23. The General Fund Expenditures, 9% below budget and 10% below prior year due to vacancies. There are 45 approved Police Department positions, currently we are at 42 with 3 recently started, and continued recruiting. In Community Development vacancies are due to turnover particularly in Planner positions.

Revenues in the Capital Projects Fund were also discussed. The Food and Beverage Tax is fairly stable. We are progressing nicely since new in Covid. Real Estate Transfer Tax, lagging from 2022 and way behind 2021 revenues. There are discussions with the Board and Finance Commission the challenges with Capital Projects Fund and Capital Improvements Fund.

Water and Sewer Fund are tracking well. There is increased Capital Spending in this fund due to Streetscape Project. Police Fund is seeing better investment performance. Reserves are above policy thresholds and doing well. Taxes are in line with budget. 1% below 2022. Public Works has some new positions but have been budgeted. Income Tax has rebounded and we will be watching closely. Village Links Operating Income doubled with strong May, $1M, as well as in June. The first May ever hitting a $1M before. Village Links

usually doesn't see $1M in May. Capital Projects Fund is $19 Cash in Investments. It is not inclusive of the $4M transferred in.

Village Trustee, Christensen, "Do you have any concerns?" Assistant Finance Director, Brankin, "The priority is Capital Improvement Plan and will be having continued discussions with the Board regarding it. Public Works is working on Grants to assist with Capital Improvement Plan. The Fire Service Fund is being further discussed in present meeting, and watching Income Tax. Trustee, Christensen, "Businesses on North side of tracks have expressed sales are down 30-40% due to Streetscape Project. Are we seeing this in Tax Revenues?" Brankin, "The Sales Tax has been steady but there is a 3-month delay to be reflected. This is subject to change as we move further into the year. A follow-up item is to set-up time to further discuss the optimal balance for Cash Balances with current interest rates and consider if there are ways to protect the balances. A possible meeting with Advisors can be considered.

F. Fire & EMS Services - 5 Year Forecast

1) Fire and EMS Services

Trustee Christensen removed herself from the meeting prior to the start of this discussion due to her husband being a volunteer firefighter.

Chief Clark has provided presentations prior to this meeting. There has been a long term partnership with Village and Fire and EMS Services and have benefited and saved the Village a lot of funds. In 2014, it was decided donation program was no longer feasible due to resources. There was a shift for a permanent fee put on bills. There was also a Capital Fee instituted. There were temporary measures put in place for EMS Services funded by fees collected. There were additional EMS staff added. There is now sufficient information in place to go to the Board with three pillars of Fire Company being Operations, EMS, and Capital. The plan is to make major renovations. Chief Clark has been hired as full-time Fire Chief. We've had uptick in Volunteers also increasing budgets. The goals are to sustain the Fire Company to be able to continue to serve the community and meet their expectations and maximize other revenues while minimizing the impact to residents.

Model Discussion

1. We make a zero increase. $15 month, Single Family. This does reflect potential vehicle and capital increases needed. This 5-year plan would result in $9.8M deficit in the fund balance. This is the reason for this discussion.

2. Scenario C in Packet. A combination of $6.5M Bonds and modest fee increases. There would be a 50% fee increase on the water bill for single family home. This scenario results in a deficit $250,000.

3. Scenario B in Packet. This is a significant fee increase without Bonds. This is the type of fee increase to meet future needs and meet Capital spending. The level of fee increase results in $480,000 fund balance.

4. This may be preferable recommendation. The same overall increase but balances between Fire, EMS, Capital, each be the same amount. It also may be easier to have one fee rather than three. The current bill is $15 if increased to $33 but could may be perceived as excessive but we are very low in compared to other Villages. A suggestion mentioned to raise charge based on demands of service versus property value. It may require more research but may not be a bad idea. There was discussion some value in continuing to have three fees versus a single fee being increased. There was discussion for easier explanation to the public why increase in Capital Fee. Although, there is also value in having it split for explanation situations. The effort was to try to build a 5-year plan in an effort to not needing to get approval each year for any type of increases. It was asked if there was anything to be removed to assist in no need to increase 100%. The response was not at this time since already behind 30 years. We are in relatively the same position we were in as we were with the Police Station. There are significant Capital Needs necessary for Fire. We don't want to fall further behind with the needs for the community. What happens if we do not make this investment may need to be addressed to community. From a safety perspective, it may be needed to educate the community. The adjustment to multi-unit will be considered.

   The hopes were to have had recommendation to report today. The sooner to get recommendation to Board the better. The goal is to go into budget 2024 or if soon after. This will likely happen to take place at the same time as Water/Sewer increase.

G. Staff Report

Vice-Chair, Goodwin stepping in for Chair, VanEk during next month.

H. Chairperson's Report

None

I. Trustee Liaison's Report

There was a Special Workshop paying attention to North Side of tracks due to less foot traffic because of StreetScape project. There were several stories shared by business owners. They are reporting sales dropping as soon as the project started. Many reporting 30%-40% decrease in sales. Small Shop Saturdays has been created in hopes to bring foot traffic and increase sales. The Compensation Plan is up for discussion at Board meeting. There may/may not be a vote at August 28th meeting. It is a substantially different plan. The plan has not been visited since 2001. This is something looked at every 10-15 years but ours has been longer. It gives a vision for land and facility use. This has taken longer than anticipated to complete due to unexpected delays with COVID, change in Board, and usage of a Consultant. It is almost complete and will be good to be completed. The Downtown Business Alliance is seeking a new Executive Director. If anyone is aware of anyone who may be a good candidate or interest should reach out. The Festival of the Arts is coming up at Lake Ellyn. The Taste of Glen Ellyn will also be taking place at College of DuPage this year due to Streetscape projects. The businesses on South side of tracks have more restaurants and seem to not have been effected to the same extent as the South side of tracks with sales. MainStreet Pub has reported a 30% drop in sales. There are not enough patrons which is leading to staff being let go. Monday night meetings have expressed there are parking garages and parking on South side of tracks but very little parking on North side of tracks. There are discussions in place on how to get patron traffic back after Streetscape. The Streetscape project is on target to be completed in November. There are many specials going on the North side of tracks. Shop Local.

J. Other Business

None

K. Reminders

1) Next Meeting: Friday, September 8, 2023 at 7:00 AM

L. New Commission Orientation

1) New Commissioner Orientation

Due to the length of the meeting, it was discussed to move this section to the next regular meeting.

M. Adjourn

Commissioner Niksa moved to adjourn and Commissioner Hoerdemann seconded, to adjourn the meeting. The meeting was adjourned at 8:37 AM.

Submitted By: Lisa M. McDougal, Recording Secretary