Minutes
Village of Glen Ellyn
Village Board Special Workshop
Monday, August 12, 2024 7:00 PM
Glen Ellyn Civic Center, Room 301

A. Call to Order – 7:03 P.M.

B. Pledge of Allegiance

C. Roll Call

Upon roll call by Village Manager Franz, President Senak and Trustees Fasules, Gould, and Simon answered "Present." Trustees Christiansen and Thompson were absent. Clerk Cosby arrived at 7:10 P.M.

Trustee Fasules moved and Trustee Simon seconded to allow Trustee Kalinich to join the meeting via phone, with a unanimous vote in favor.

Also in attendance: Village Manager Franz, Village Attorney Stephanides, Public Works Director Buckley, Finance Director Brankin, and Police Chief Norton.

D. Audience Participation

There was no off-agenda audience participation.

E. Midyear Financial Report

1) Presentation of the Midyear Financial Report for 2024

Finance Director Brankin introduced the Presentation of the Midyear Financial Report for 2024, reviewing the General Fund, Capital Projects Fund, as well as Water and Sewer, Parking, Residential Solid Waste Funds, and the Village Links.

Trustee Gould asked about the new water fee and how that fee influences the Water and Sewer Fund. Finance Director Brankin replied. Trustee Gould asked a follow-up question; Finance Director Brankin replied.

Finance Director Brankin reviewed the cash reserves as of the end of June 2024. He pointed out the number in the Solid Waste Fund and what the number reflected.

Finance Director Brankin moved on to the Police Pension Fund.

Trustee Gould asked about the strong showing of building permits, and to what this was attributed. Village Manager Franz replied that College of DuPage had a large project which increased revenue. Finance Director Brankin added more information regarding the permit revenues.

F. CY2024 Budget Kickoff

1) Discuss Revenue Projection & Budget Challenges in Preparation for CY24 Budget

Finance Director Brankin started by saying there was much positive news for the first half of the year, but there are challenges coming in the second half, including the large increase for the police pension contribution. Discussion continued amongst the Board.

Finance Director Brankin also discussed pending challenges in the Use Tax, personnel cost increases, and the elimination of the State Grocery Tax.

Trustee Gould asked for the definition of the Use Tax. Finance Director Brankin replied.

Finance Director Brankin gave several options for replacing tax dollars from the elimination of the Grocery Tax. President Senak asked if Finance Director Brankin thought these were regressive taxes and if the home rule tax was less regressive. Discussion ensued, including what other municipalities are planning to do.

Trustee Gould wanted to see a fee column with the Fire Services included, as well as all of the taxes with fee categories to see collectively how everything compares. Finance Director Brankin gave additional insight on her request. Discussion continued. Trustee Gould felt that the data would help the Board understand how the cost of living in Glen Ellyn compares to other towns.

Finance Director Brankin showed a pie chart breaking out revenues by source in the General Fund. He then gave a few highlights including the proposed levy increase and growth in core revenues.

Finance Director Brankin reviewed 2023 property tax levy. He then went over what PTEL is and how it affects taxes. He also presented 3 scenarios for tax levy increase for 2024. Finally, he presented a bar chart illustrating the cumulative impact of property taxes, forecasted from 2024 to 2029.

Finance Director Brankin walked through the General Fund levy history, illustrating the data with a bar chart from 2003 to 2023. President Senak asked whether the policies of the current Board have saved residents money. Finance Director Brankin confirmed that this was correct.

Finance Director Brankin moved on to speaking about sales tax and home rule sales tax in the Village. He then explained distributions from the LGDF, relating to a 2021 reconciliation issue. Discussion on LGDF, use tax, and PPRT continued.

In summary, Finance Director Brankin was looking for direction from the Board for three items: transfer of excess General Fund reserves to the Capital Projects Fund and Fire Services Fund; how to mitigate loss of grocery tax, and the preferred 2024 tax levy approach.

Per President Senak's request, discussion turned to specifics relating to the General Fund Revenues.

Trustee Gould asked about the increase scenario for the property tax levy approach. Finance Director Brankin replied. Trustee Simon asked what the impact would be on residents. Finance Director Brankin replied. Trustee Gould asked a follow-up question.

Trustee Simon asked to look at scenario C again, which was the 0.0% alternative. Finance Director Brankin replied. Trustee Gould asked how this would impact residents. Finance Director Brankin replied.

President Senak returned to the three items for which the Board's direction is needed. President Senak gave his thoughts. Trustee Simon agreed that she doesn't favor increasing taxes, but wanted to know what the implications were of not increasing the levy. Trustee Fasules gave his thoughts on this. Discussion continued about the tradeoffs and future implications to the budget.

Trustee Gould felt that where money is being spent must be looked at as closely as where the money is coming from. She then gave her thoughts on permit fees to cover their cost. Discussion on the viability of permit fees covering their cost continued. Village Manager Franz added that the fees are perceived as too high and that they should be reviewed once the Community Development software has been implemented.

Trustee Gould said she would be good with the 0.0% scenario. She asked for an explanation of the new growth increase linked to 0.0%. Finance Director Brankin replied.

Trustee Simon still wanted to know what the implications of the 0.0% scenario would be. Finance Director Brankin said he could not answer this but would be able to toward the end of the year.

Trustee Fasules thought at first a percentage increase plus new growth should be initially implemented. It was felt that staff needs to know what their budget really is so they can accurately budget and increase the tax rate if needed.

Police Chief Norton gave his thoughts on budgeting that allows for full staffing for the Police Department. Discussion on this point continued in term of services being provided.

Village Manager Franz talked about the ongoing debate on where budget resources should go. He summed it up by saying it's about managing the limited resources available.

Trustee Kalinich said that she has never had people (residents) come up to her and complain about Village taxes. She also has been asking random people and they have not complained either.

Trustee Kalinich felt that there was a good faith effort to consider the Board's feedback when proposing the tax levy increases, and she appreciates this effort.

Trustee Kalinich added that she does not want to go through the budget line by line. She felt that scenario A was her preferred approach. Trustee Fasules agreed.

Trustee Gould and Trustee Simon supported scenario C. President Senak asked for clarification on the scenarios and items that would need to be cut. Finance Director Brankin replied. President Senak stressed that the Board needs to know where the pain points would be as far as reductions to meet a proposed budget.

The General Fund budget conversation continued, hitting several topics of concern to the Board. In the end, the Board gave Finance Director Brankin the direction he needed that also addresses the concerns of the Board.

As far as the grocery tax, each Board member gave their thoughts on the grocery tax options, giving Finance Director Brankin the direction he needed. President Senak also requested more guidance from Finance.

Trustee Kalinich wanted to be sure the possibility of a gas tax remains on the table for implementation. Finance Director Brankin replied, saying it would be in a different budget.

Discussion continued about the 2024 budget and the various funds and transfers. President Senak asked the Board for their opinions on the $2 million transfer to Fire Service and Capital Project funds, which gave Finance Director Brankin the direction he needed on this point.

President Senak asked Finance Director Brankin to generate numbers for implementing a motor fuel tax.

President Senak asked Finance Director Brankin for a spending report that shows where the budget was actually spent for 2023. Finance Director Brankin replied that he could supply this report.

Norris Eber, resident, commented that as far as services, he hears that building permits take forever but services are pretty good. His second comment was regarding the monies realized from the sales of the Roosevelt Road properties and he wondered when this revenue will be reflected in the General Fund.

G. Reminders

1) Village Board Meeting 08/26/24 at 7:00 P.M., Galligan Board Room

H. Adjourn – 9:22 P.M.

Mover: Trustee Simon; Second: Trustee Fasules. Unanimous vote to adjourn.