Minutes
Village of Glen Ellyn
Special Workshop Meeting
Thursday, October 12, 2017
7:00 PM
Glen Ellyn Civic Center, Room 301

A. Call to Order

Attendee Name	Title	Status	Arrived
Diane McGinley	Village President	Present	
Bill Enright	Village Trustee	Present	
Gary Fasules	Village Trustee	Present	
John Kenwood	Village Trustee	Excused	
Pete Ladesic	Village Trustee	Present	
Craig R. Pryde	Village Trustee	Present	7:06 PM
Mark Senak	Village Trustee	Present	
John Chereskin	Village Clerk	Present	
Mark Franz	Village Manager	Present	
Greg Mathews	Attorney	Present	
Christina Coyle	Finance Director	Present	
Julius Hansen	Director	Present	
Staci Hulseberg	Director	Present	
Rich Daubert	Senior Civil Engineer	Present	
Lori Thomas	Assistant Finance Director	Present	
Robert Acton	Deputy Chief of Police	Present	

B. Pledge of Allegiance

President McGinley asked Attorney Mathews to lead the Pledge of Allegiance.

C. Roll Call

D. Audience Participation

1. Open:

None

E. Insurance Fund (Presented by Finance Director Coyle)

1. 1. Insurance Fund 2. Police Pension Fund 3. Revenues 4. Capital Budget Wrap Up 5. Budget Discussion

Finance Director Coyle referred the Board to the Internal Service Fund tab of the CY2018 Budget binder and stated the Insurance Fund is an Internal Service Fund that exists to serve other departments or funds of the Village. Finance Director Coyle stated the Village pools insurance as it applies to health insurance and liability insurance. Finance Director Coyle stated this fund’s expenses are projected to increase by 3.5%. Finance Director Coyle stated there is a 5.0% projected increase in liability insurance and a 4.0% projected increase for health insurance.

Trustee Senak asked if there is a cash reserve policy for this fund to which Finance

Director Coyle stated there is not. Trustee Ladesic asked what the employees' contribution percentage is for health insurance premiums. Finance Director Coyle stated the employees' contribution is 20%, and the Village's contribution is 80%. Finance Director Coyle stated this contribution percentage is reviewed annually.

Trustee Pryde entered the meeting at 7:06 p.m.

RESULT:	**DISCUSSION ONLY**

F. Police Pension Fund (Presented by Finance Director Coyle)

Finance Director Coyle referred the Trustees to the Pension Fund tab and stated the Village Board adopts a budget for the Pension Fund which is then run and operated by the Police Pension Board. Finance Director Coyle stated the main driver is this fund is the pension expense. Finance Director Coyle stated they project out what the increases will be and add a factor for retirement. Finance Director Coyle stated a transfer to the Police Pension Fund of $1,800,000 is done from the General Fund. Finance Director Coyle stated there is an error on the budget page as it should say 6.75% and not 6.5%, and this error increases the transfer amount so it should say $1,958,000. Village Manager Franz stated they will circle back on this when they revise the budget.

G. General Fund Revenues (Presented by Finance Director Coyle)

Finance Director Coyle stated the main revenues in the General Fund are from property taxes. Finance Director Coyle referred the Board to the 2017 Property Tax Levy page and stated there are different components in the levy, including the Consumer Price Index (CPI) are 2.1% and new growth at 1.1%. Finance Director Coyle stated the new growth is based on last year's new growth.

Finance Director Coyle stated the Board has asked for data on EAV. Finance Director Coyle showed graphs about Historical Changes in EAV and Components - Residential, Commercial and Other. Finance Director Coyle stated these graphs show the changes over the past 10 years.

Finance Director Coyle stated Home Rule Sales Tax shows a projected 2.2% increase with a 3.0% assumed increase. Finance Director Coyle stated Sales Tax is estimated as flat due to the current trend and the Mariano's opening in Lombard. Finance Director Coyle stated for Income Tax, they are budgeting an 8.6% decrease based off information on INL.

Trustee Senak asked about a budget for the Federal Forfeiture Funds as there has been in previous years. Finance Director Coyle stated this now is its own fund under the Governmental Funds tab.

Finance Director Coyle stated there are two new revenues which are the Glen Oak County Club's reimbursement as part of their annexation agreement which started in 2017 and Planning and Development's Adjudication fines which they have conservatively budgeted at $5,000 because there is no historical data on this yet.

Village Manager Franz reviewed changes in the budget and stated the tree-planting program was put back into the budget. Village Manager Franz stated a Police Officer position was added at $50,000 to allow the Police Department to overstaff and to account for one vacancy per year. Village Manager Franz stated $70,000 was taken out of the revenue streams due to the freeze on property taxes after accounting for growth and new construction. Village Manager Franz stated the Board will be discussing the Civic Center Master Plan at the October 16th Workshop as well as hear more on Innovation DuPage.

Village Manager Franz stated they do still need to discuss the FY16 surplus as well as possible Chromebooks for the Board and a seasonal clerk over-staffing.

H. Capital Budget Summary (Presented by Engineer Daubert/Village Manager Franz)

Village Manager Franz stated the Board discussed the Capital Plan in July.

Senior Civil Engineer Daubert gave an overview of the 2018 Capital Plan and stated there is $11.1 million for roadway and storm sewer projects, $4.1 million for Water Fund projects and $2.2 million for Sewer Fund projects, $3.5 million for the Park Boulevard project. Senior Civil Engineer Daubert stated the grant revenues will primarily be for the Taylor Avenue Pedestrian project.

Senior Civil Engineer Daubert stated the major roadway projects are $1.75 million for resurfacing and maintenance, $3.25 million for Park Boulevard, $315,000 for North Main Street and $500,000 for the Baker Hill access improvements. Senior Civil Engineer Daubert stated the major sewer and water projects are North Park Boulevard, the water main improvements at Roosevelt Road and Route 53, sanitary sewer lining and the Central Business District (CBD) Underground Improvements. Senior Civil Engineer Daubert stated the pedestrian improvement projects include the Taylor Avenue pedestrian tunnel and various sidewalk improvements around Lake Ellyn.

Village Manager Franz referred to the Underfunded/Unfunded Projects grid and stated the three major projects are the CBD Pedestrian Tunnel/Station, the CBD Street/Streetscape and the CBD Parking Structure. Village Manager Franz reviewed each potential project with costs and options.

Village Manager Franz stated the last project listed on this grid is the Civic Center. Village Manager Franz stated this project would be a $1 million to $1.5 million investment in the building. Village Manager Franz stated there would need to be an annual contribution adjustment to the Facilities Reserve Fund to help with this cost. Village Manager Franz stated they do need to find the monies to do the Civic Center Project, and they could use the FY2016 surplus to cover much of this cost.

I. CY18 Budget Wrap-up Discussion

Village Manager Franz referred to the spreadsheet with the modifications to the CY18 budget.

Trustee Enright stated the way-finding signs are important before a parking garage is put in as the signs can show people there are parking spaces available in the current parking lots. Trustee Enright stated people could park in these lots if they knew the lots were there. Trustee Ladesic stated they should spend money on signage as entrance and directional signs are falling apart. Trustee Ladesic stated there is enough parking, but it is not necessarily convenient. There was a discussion about a possible parking lot behind the Civic Center.

Trustee Senak stated he is in favor of a parking garage behind the Civic Center as this could provide access onto Main Street and open up more areas for economic development in the downtown. Trustee Senak stated he thinks they could do the 1% Food and Beverage Tax and possibly issue bonds to fund a garage. Trustee Pryde stated two of three development sites in town are public parking so anyone coming to develop would need to deal with the issue of replacing this parking. Trustee Pryde stated a garage would alleviate developmental pressure off the sites that are being considered. Trustee Pryde stated he thinks a 0.5% Food and Beverage tax and a 0.5% increase in sales tax could help with this.

Trustee Ladesic asked what the maximum parking is at the Civic Center. Trustee Pryde stated he is in favor of putting as much parking at the Civic Center as this will benefit development and use of sites on this side of the railroad tracks.

Trustee Ladesic stated at the last committee meeting about the Civic Center, the consultant said if they put a parking garage in first then this would help capture more money than doing a pedestrian tunnel now. Public Works Director Hansen stated that Senior Civil Engineer Daubert mentioned villages score higher for a train station and a tunnel if parking is done first. Trustee Pryde stated a garage shows the Village is investing initially in the commuter situation, and if the Village addresses parking initially, separate of development, this makes development easier and less challenging.

Trustee Senak stated if he is looking at the projects, he would put the streetscape before a tunnel as this can have a greater ability to return on investment by bringing businesses to the downtown. Trustee Pryde stated he thinks the tunnel and streetscape projects help pay for the parking garage, and they need to jumpstart what is doing into the downtown TIF. Trustee Ladesic stated the train station and tunnel could be done in phases. Trustee Enright stated if he had to rank the projects, he would want the tunnel done first.

Trustee Fasules asked if they could reduce the reserves to help pay for one of these projects.

Trustee Senak stated he does not support a budget that varies from the tax cap philosophies the Village has had. Finance Director Coyle stated the draft budget does comply with the tax cap philosophy, but it does not freeze CPI as the Village has done the past two years. Finance Director Coyle stated in the past two years, they froze CPI but taken new growth. Finance Director Coyle stated the year before that, they froze both CPI and new growth, and before this, they did increase CPI and new growth. Trustee Senak stated they should not do the CPI increase as he does not think there is a good case for this right now. Trustee Ladesic agreed with this. There was a discussion on the possible CPI increase.

Finance Director Coyle stated the Capital Program is the Village's largest expense, and if you look at the General Fund specifically, personnel costs are the largest expense.

Trustee Ladesic stated the staff needs to run things efficiently. Trustee Pryde stated the Village uses more part-time staff so there are more staff members. Trustee Pryde stated do not lessen efficiency to try and save money by doing what could be done with a fewer full-time staffers because then you have more employees to manage.

Trustee Pryde asked how much money is being saved by using two part-time employees instead of one full-time employee. Village Manager Franz stated the Village is down 15 staff members and has not grown. Village Manager Franz stated there were 120 full-time employees in 1997, and they have now decreased this. Village Manager Franz stated he will pull the data on how much money the Village is saving by using more part-time employees. Village Manager Franz stated Glen Ellyn is one of the lowest of full-time employees based on per capita of any town around in DuPage County.

Trustee Senak stated they need to look at the cash reserves and use some of these revenues to address budget issues instead of going to the residents and increasing taxes. Trustee Senak stated the people who benefit from the Village's services are the ones who are actually paying for these services. Trustee Ladesic agreed with this.

There was a discussion on staffing and efficiency. Village Manager Franz stated the staff's salaries are all performance-based pay, and the Village has not done a cost-of-living increase in years.

Trustee Senak stated some restraint needs to be shown and cuts needs to be made to the draft budget. Trustee Senak stated they also should take a look at passing some of the fees that the Village has traditionally taken on, such as credit card fees. Trustee Senak stated the residents who use the convenience of a credit card should take on these fees so this is not spread to all the residents. Trustee Senak stated they should maintain new growth and the level of services.

Trustee Ladesic stated they owe it to the residents to zero the levy. Trustee Ladesic stated DuPage County has zeroed its levy for 10 years, and the Village should be a role model for over taxing bodies. Trustee Ladesic stated the Village cannot miss out on the development projects, and they cannot ignore working toward the big picture.

Trustee Fasules stated he talked to Finance Director Coyle a few weeks ago, and he feels Finance Director Coyle has a sound plan. Finance Director Coyle stated she suggests first looking at the user fees as that is a source of revenue the Village already has and ensure these fees are in line with the services the Village is providing. Finance Director Coyle stated then they should look at what is left, and if there is still a structural deficit at that point then new revenue sources will need to be looked at. Finance Director Coyle stated that she and Village Manager Franz believe this is a structural deficit and not a one-time blip, and if it was a one-time blip, she would recommend something different Finance Director Coyle stated she thinks the state gap will continue, and those dollars are not coming back to the Village. Finance Director Coyle stated they will look at the reserve policies at the Finance Commission's November meeting.

Trustee Senak stated another option is to show restraint and thinks they should go back through the budget and find areas where they can eliminate the increase of costs or expenditures or capture more revenue.

Village Manager Franz stated what is different is that the Village manages its dollars well, but this year, there is pressure on the pension side that is not going away. Trustee Ladesic stated there are other levers that can be pulled and that moving around the Civic Center is not a must have.

Trustee Fasules stated the Civic Center is what everybody sees and where everybody comes. Trustee Fasules stated the Civic Center is a community center, and the number one thing on the unfunded capital projects list that needs to be done is the Civic Center as they have not done made any investment to the Civic Center in 20 years.

Trustee Senak stated the investment in the building should be tied to some form of economic development so that when they make that investment, they also see College of DuPage is making twice that investment in the building. Trustee Senak stated this will create more people in the downtown area, and it will be a wise investment.

President McGinley stated this is great discussion, and they will need to wrap up the discussion about the revenue gap at a future meeting. Village Manager Franz stated if they are planning to fill the budget gap with the cash reserves, that is going to impact a potential transfer from the reserves for the streetscape project which everyone said was very important. Village Manager Franz stated they need new revenues for the General Fund, and the Board may need to look at Home Rule Sales Tax and a Food and Beverage tax in the next year to cover the General Fund.

Trustee Fasules stated the Board needs to see what the cash reserves are and what the cash reserve policies are.

J. Other Items

None

K. Motion to adjourn to Executive Session for discussion concerning salary schedules for one or more classes of employees without returning to open session thereafter.

At 8:48 p.m., a motion was made by Trustee Pryde and seconded by Trustee Ladesic to adjourn to Executive Session to discuss the appointment, employment, compensation, discipline, performance or dismissal of specific employees without returning to open session thereafter.

Upon roll call, Trustees Enright, Fasules, Kenwood, Ladesic and Senak answered “aye.”

Motion carried.

Respectfully submitted,

Debbie Solomon
Recording Secretary

Reviewed and approved,
John A. Chereskin
Village Clerk