Minutes
Village of Glen Ellyn
Finance Commission
Regular Meeting
Friday, April 13, 2018
7:00 AM
Glen Ellyn Civic Center, Room 301

A. Call to Order

Attendee Name	Title	Status
Brenton J. Peck	Commissioner	Present
Lisa A Cleaver	Commissioner	Present
Jose G DeLeon	Commissioner	Absent
Scott R Greeno	Commissioner	Absent
Jeremy S VanEk	Commissioner	Present
Matthew L Halkyard	Chairman	Present
Christopher D. Oakes	Commissioner	Present
John Mulherin	Commissioner	Present

Chairman Halkyard called the meeting to order at 7:03 AM
Also Present: Finance Director Coyle, Village Manager Franz, Assistant Finance Director Thomas and Recording Secretary Haslett.

B. Public Comment (Non Agenda Items)

None.

C. Approval of Minutes

1. Finance Commission - Special Meeting - Feb 16, 2018 7:00 AM

RESULT:	**ACCEPTED [UNANIMOUS]**
MOVER:	Brenton J. Peck, Commissioner
SECONDER:	Christopher D. Oakes, Commissioner
AYES:	Peck, Cleaver, VanEk, Halkyard, Oakes, Mulherin
ABSENT:	DeLeon, Greeno

D. Financial Reports

1. General Fund Update - March 2018

Finance Director Coyle reported December sales taxes received in March 2018 were below budget and lower than the December 2017 amount. Home rule sales taxes were slightly better and right at budget. Sales tax projections were tempered for 2018, given that Mariano's opened in Lombard last year. Income taxes were below budget and for the first time the prior year variance and the budget variance was positive for March. Building permit revenues are doing well with major permits issued for the McDonald's renovation and the College of DuPage improvements. A reimbursement of $36,780 was received in the prior year from the Glen Oak Country Club as part of the annexation agreement. This was received in February this year. Investment income is up due to an increase in interest rates and the receipt of two (2) distributions from IMET for the partial restitution of the loss incurred back in 2014. According to IMET the Village should recoup approximately half of the $690,000 loss of which the Village has received $96,000 to date.

Finance Director Coyle reported that expenses have increased in Facilities Maintenance from last year because the department is now fully staffed. The Building Department experienced employee turnover which has created the need for temporary help, thereby increasing professional services. Last winter was mild and dry as opposed to this winter which has faced many snow events. Therefore, snow related costs exceeded the entire budgeted amount by $4,762.

2. Village Links/Reserve 22 Financial Reports – January and February 2018

Finance Director Coyle indicated approximately 20 inches of snow were experienced in February and Village Links golf course was not able to open for business. Historically the course is open in February. Since the course was closed, the Links is behind in revenues by about $41,000 from last year. Also the year-to-date number of golf rounds was 128 for 2018 compared to 1,535 last year. At the end of February 2018, the Links was at a loss of $216,000 compared to the $139,000 loss last year. The reduced business at the Links impacts restaurant operations at Reserve 22 where year-to-date revenues were down 1.4% for the restaurant, while banquets increased 9.9% over last year.

Finance Director Coyle said we are still reviewing the reserve policy for the Links and are awaiting a response from the Village's current carrier on whether the current insurance policy will endorse a greens loss. Finance Director Coyle added the Recreation Commission engaged a designer to draft a plan to refresh the Reserve 22 dining room. Village Manager Franz said the Recreation Commission hopes to make a recommendation to the Village Board regarding the dining room re-design at the May workshop.

RESULT:	**DISCUSSION ONLY**

E. Investment Policy and Options

1. Finance Director Coyle will present information regarding the Illinois Investment Trust (IIT) and a proposed update to the Village's investment policy

Finance Director Coyle presented information regarding the Illinois Institutional Investors Trust (IIIT) and a proposed update to the Village's investment policy.
Finance Director Coyle indicated she has reviewed investment opportunities to diversify Village funds because a large percentage of the Village's investments are held at the Illinois Funds. Director Coyle and Chairman Halkyard met with representatives from PFM Asset Management to get information on their company and the IIIT. The Illinois Institutional Investors Trust (IIIT) is managed by PFM

Asset Management and acts primarily as a money market. The IIIT is triple AAA rated by Standard and Poor's. Many area local government invest in the IIIT and PFM operates similar investment pools throughout the country. The current rate of return for the IIIT is 1.69% compared to 1.63% at the Illinois Funds.

Through investing some funds at the IIIT the Village will balance out the investment portfolio. The Village currently has $18 million invested in the Illinois Funds and Finance Director Coyle recommends that between $5 to $9 million of this amount be transferred to the IIIT. Commissioner Peck asked how staff calculated the amount to be invested at the IIIT. Finance Director Coyle responded the proposed amount represents about half of the current investments held at the Illinois Funds. Chairman Halkyard said PFM is a national leader in this area and offer the lowest fees to its investors. Finance Director Coyle said the Village's investment policy will need to change to account for investing at IIIT. The amended policy allows the Village to invest up to 25% of investments at IIIT. Commissioner VanEk recommended removing the words "such as" from Section 11 of the investment policy.

After further discussions, the Commission concurred to make a motion to recommend an investment in the Illinois Institutional Investors Trust to the Glen Ellyn Village Board. Commissioner Mulherin motioned and Commissioner Oakes seconded the motion.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	John Mulherin, Commissioner
SECONDER:	Christopher D. Oakes, Commissioner
AYES:	Peck, Cleaver, VanEk, Halkyard, Oakes, Mulherin
ABSENT:	DeLeon, Greeno

2. Recommend an Amendment to the Investment Policy.

Commissioner Mulherin motions to recommend an amendment to the investment policy to allow the Village to invest up to 25% of investments at the Illinois Institutional Investors Trust, Commissioner Oakes seconded the motion.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	John Mulherin, Commissioner
SECONDER:	Christopher D. Oakes, Commissioner
AYES:	Peck, Cleaver, VanEk, Halkyard, Oakes, Mulherin
ABSENT:	DeLeon, Greeno

F. Police Pension Levy

1. Finance Director Coyle will solicit the Commissions input on if the Village should levy separately for Police Pension

Finance Director Coyle explained the Village breaks its property tax levy into two (2) parts: general police operations which was $3.4 million for the 2017 levy and capital projects which was $3.7 million. Chairman Halkyard stated segregating the police pension allows the Village to communicate to residents the spending for this. Finance Director Coyle indicated another consideration if it were to be segregated, should the police pension levy be increased each year by the actuarial required contribution, regardless of the consumer price index or new growth, which historically guides the corporate levy calculations.

The Commission decided to further discuss this proposal at a future meeting. Commissioner VanEk suggested different scenarios be presented regarding the potential impact to the general levy and if the Village went to a 15-Year Open mechanism for funding the police pension.

RESULT:	**DISCUSSION ONLY**

G. Trustee Liaison Report

Trustee Fasules said the Village Board is working to raise the minimum age to 21 for the purchase of cigarettes. Trustee Fasules added the Village Board is reviewing parking options for the downtown.

H. Chairman's Report

Chairman Halkyard said Commissioner Mulherin will be leaving the Finance Commission and thanked him for his service. Chairman Halkyard said two (2) new commissioners will be on the Finance Commission next month.

I. Other Business

1. IMET Update

2. Economic Development Update

Village Manager Franz briefed the Commission on the current economic development projects.

3. Next Meeting: Friday, May 11, 7:00 AM

J. Adjournment

1. Motion to Adjourn

The meeting was adjourned at 8:18 AM

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	John Mulherin, Commissioner
SECONDER:	Christopher D. Oakes, Commissioner
AYES:	Peck, Cleaver, VanEk, Halkyard, Oakes, Mulherin
ABSENT:	DeLeon, Greeno