Minutes
Village of Glen Ellyn
Finance Commission
Regular Meeting
Friday, May 11, 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	Absent
Jose G DeLeon	Commissioner	Present
Scott R Greeno	Commissioner	Present
Jeremy S VanEk	Commissioner	Absent
Matthew L Halkyard	Chairman	Present
Christopher D. Oakes	Commissioner	Absent
Lea Dan	Commissioner	Absent
Michael Campagna	Commissioner	Present

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

B. Public Comment (Non Agenda Items)

None.

C. Approval of Minutes

1. Finance Commission - Regular Meeting - Apr 13, 2018 7:00 AM

RESULT:	**ACCEPTED [UNANIMOUS]**
MOVER:	Scott R Greeno, Commissioner
SECONDER:	Brenton J. Peck, Commissioner
AYES:	Peck, DeLeon, Greeno, Halkyard, Campagna
ABSENT:	Cleaver, VanEk, Oakes, Dan

D. Financial Reports

Finance Director Coyle stated she will discuss the first quarter report which also includes the financials for the Village Links and Reserve 22. First quarter General Fund revenues were flat and in-line with the last year. Expenditures were below the prior year. The $300,000 forfeiture fund transfer to the Capital Projects that was made last year was not made of the General Fund this year because a new Forfeiture Fund was created in the current year. The transfer will come out of that fund. The Village's three (3) key revenue sources, sales, home rule, and income taxes were near, but slightly below their target levels. Real-estate transfer taxes exceeded the 2017 amount. The 2018 snow personnel budget was $82,500 and to-date $95,722 was spent on snow removal efforts. The Village equalized assessed value grew by 4.2%, offsetting losses in prior years 2009-2014.

The Village Links operating income decreased from last year due to the cool and snowy start of the year. However, Reserve 22's gross profit increased by 9%, with restaurant sales up 7% and banquets higher by 26%. Village Manager Franz indicated an interior restaurant renovation was proposed to the Village Board for their approval. The goal of the remodel is to enhance operations in the off-season.

Finance Director Coyle stated the major construction projects for the current year budget include: the Park Boulevard/Main Street rehabilitation and the Taylor Street pedestrian underpass. Also, the Village saved money by prepaying for a fire ladder truck which will be delivered later this year.

Finance Director Coyle reported cash reserves in all funds are positive except for the Village Links/Reserve 22. Staff is still researching the availability of insurance for the greens. So far, staff has not been successful in finding someone to insure the greens.

The investment performance of the Police pension is down less than 1% for the first quarter of 2018. However, for the year, the investment rate of return is 7%. Marquette Associates began managing the portfolio in January 2017, with a target return rate of 6.5%. Finance Director Coyle noted the actuarial contribution for the 2018 levy will decrease.

RESULT:	**DISCUSSION ONLY**

E. Capital Projects Funding

Professional Engineer Daubert said the Capital Improvements Commission (CIC) reviewed the Village's 5-Year Capital Plan. A $2.2 million deficit was projected by the end of the original 5-year plan in 2022. The Plan does not include the proposed new train station and pedestrian underpass projects which are estimated to cost $19 million. Grant funds could possibly finance 60% to 70% of this cost. The street scape project in the Central Business District (CBD) is estimated to cost $10.5 million, much higher than the original $4.5 million placeholder. Currently a study is being conducted by an outside engineering firm to determine the condition of the CBD's sewer and water infrastructure.

In order to avoid this deficit, the CIC discussed proposed changes to the 5-year plan including: lowering the rate of inflation for project costs from 7.5% to 5% and re-evaluating the streets programmed for reconstruction. With these changes the $2.2 million deficit was eliminated and a $1.1 million surplus is projected.

Daubert indicated about 50% of the members of the CIC suggested borrowing to pay for the proposed parking garage and other capital projects under consideration. The CIC recommended that the funding in the Capital Improvement Plan continue to be used for street projects that have already been committed to, and not redirected to fund the train station or parking garage.

Village Manager Franz distributed a spreadsheet detailing the proposed Capital Projects and Potential Revenues. Village Manager Franz said the Village Board has directed staff to identify ways to pay for the new parking garage. Village Manager Franz discussed some of the capital needs including an additional $2 million for the CBD project, a new HVAC system for the Civic Center at $1,000,000, and the parking garage at $12 million. Village Manager Franz said the Village has about $2.5 million in revenues to pay for these projects but is short by $12.5 million. If the Village were to issue $12 million in bonds the estimated bond payment would be around $826,000, of which new revenues would be needed to pay for this.

Village Manager Franz said part of the discussion has been an increase in the home rule sales tax which could generate about $500,000 in additional revenues. Also, there could be contributions totaling $225,000 from the following funds TIF, MFT, and Parking, along with a $150,000 in storm water fees. The Commission concurred to further research a food and beverage tax to fund these proposed capital projects. Village Manager Franz indicated in order to pay for these proposed improvements and the associated debt service payments, a new revenue source such as an increase to the home rule sales tax or a new food and beverage tax will be necessary.

Finance Director Coyle distributed a 10-year forecast for the parking fund, which included the new parking garage and assumed a pay-as-you-go approach. Village Manager Franz said there a lot of variables within the projection such as if a new development finances some of the parking lot improvements.

RESULT:	**DISCUSSION ONLY**

F. Trustee Liaison Report

Trustee Fasules said the Village Board passed an ordinance that does not allow retailers to sell tobacco to people under 21 years of age. The Village Board is also working on expanding the fire award to Roosevelt Road. The sign code is also under review by the Village Board.

G. Chairman's Report

None.

H. Other Business

1. Economic Development Update

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

2. Next Meeting: Friday, June 8, 7:00AM, Room 301

I. Adjournment

1. Motion to Adjourn

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Jose G DeLeon, Commissioner
SECONDER:	Scott R Greeno, Commissioner
AYES:	Peck, DeLeon, Greeno, Halkyard, Campagna
ABSENT:	Cleaver, VanEk, Oakes, Dan