

MINUTES OF THE REGULAR MEETING OF THE FINANCE AND ADMINISTRATION COMMITTEE OF THE VILLAGE OF WILLOWBROOK HELD ON MONDAY, OCTOBER 8, 2018 AT 5:30 P.M. AT THE VILLAGE HALL, 835 MIDWAY DRIVE, WILLOWBROOK, ILLINOIS.

1. CALL TO ORDER

The meeting was called to order by Chairwoman Berglund at 5:30 p.m.

2. ROLL CALL

Those present at roll call were Chairwoman Sue Berglund, Trustee Michael Mistele and Director of Finance Carrie Dittman.

3. APPROVAL OF MINUTES

Minutes of the Regular Finance/Administration Committee held on Monday, September 10, 2018 were reviewed. Motion to approve by Trustee Mistele, second by Chairwoman Berglund. Motion carried.

4. DISCUSSION – Compassionate Leave Policy

Director Dittman relayed that staff had inquired about donating sick leave to another employee; she researched the issue and drafted a Compassionate Leave Policy modeled after another Village, whereby employees could donate specified limits of accumulated leave into a bank that could then be drawn upon by employees in need that had exhausted their own time. Director Dittman discussed the policy with Sikich's HR consultants and incorporated their recommendations and IRS regulations into the draft, and relayed the pro's and con's to the Committee. The Committee asked what other policies and programs were already available to employees and instructed Director Dittman to bring that information back to the November Committee meeting for further discussion.

5. REPORT – Special Recreation Tax Levy

Director Dittman discussed that one component of the Parks and Recreation Dept. budget process is determining the amount of the annual Special Recreation Tax levy. The levy funds certain park expenditures that are ADA eligible. Interim Parks & Recreation Superintendent John Fenske and Director Dittman compiled a list of expenditures (as detailed in the packet) to be funded by the levy next year. The 2018 levy amount requested is \$74,420, which is a decrease of 5.01% or \$3,921. The tax bill impact to a homeowner with a home valued at \$300,000 would be \$17.22. As of April 30, 2019 the Village estimates that it will have \$77,000 of restricted SRA tax funds on hand, plus the requested \$74,420, to cover the planned expenditures of \$151,420. This amount will be brought forth to the Village board at the second meeting in October.

6. REPORT – Status of Annual Audit of the Village of Willowbrook for the fiscal year 2017-18

Director Dittman relayed that the audit of the FY 2017/18 financial statements is now complete. The Village received a clean, unmodified opinion on the audit and the auditors will make a formal presentation at tonight's Village Board Meeting.

The highlights are as follows: General Fund revenues exceeded budget by \$770,322 or 9.05%. Major contributing factors were:

- Sales tax, came in \$364,030 or 10.11% over budget, due to conservative revenue estimates

- Building permit fees, came in \$387,492 or 156.56% over budget, due to large non-recurring projects such as Pete’s Fresh Market and Willowbrook Inn
- Red light fines, came in \$114,617 or 20.47% over budget, as all approaches are back live again

Lower than budgeted General Fund revenues, by major category, are as follows:

- Income tax came in \$88,117 or 10.22% under budget, due to the state of IL shaving 10% off the top to keep to balance its own budget
- Federal/state grants came in \$124,809 or 23.55% under budget, as 2 planned projects did not occur: 1) the Knolls Lake drainage for which the Village is awaiting approval from the state to transfer the grant award to another project, and 2) the municipal campus permeable paving parking lot grant from DuPage County, which was being deferred due to cost
- NARCINT revenue came in \$51,542 or 33.49% under budget, as expected seizure busts did not occur

Director Dittman continued the highlights with the General Fund expenditures. General Fund expenditures came in under budget by \$299,157; the major factor was the deferral of the municipal campus permeable paving parking lot project noted above, which was budgeted at \$295,000. Expenditures in total by department, budget vs actual, were discussed. Most departments’ actual expenditures were below budget; one exception was Building and Zoning. Due to the high level of building activity, as evidenced by the above normal permit receipts described previously, the Village added outsourced staff and additional plan review to keep pace. The Village also needed outsourced help to cover the work shift of an employee out on an extended leave. This caused the department’s total budget to go over by \$235,440, or 70.10%.

After considering all revenues, expenditures and transfers in/out, the General Fund’s total fund balance decreased by \$1,107,217. The planned decrease was \$2,206,527, so the Village actually did much better than it had budgeted. At April 30, 2018, the General Fund had \$5,048,506 in fund balance of which \$4,862,049 is unrestricted. This represents 191 days of operating expenditures which exceeds the target of 120 days and exceeds the prior projection of 150 days.

7. REPORT – Monthly Disbursement Reports – September 2018

The Committee reviewed and accepted the disbursement reports for the month and key items are highlighted below:

- Total cash outlay for all Village funds – \$1,013,460. Fiscal Year to Date is \$5,223,788.
- Payroll monthly total for active employees including all funds - \$300,863 (2 payrolls). The average payroll for the year was \$148,804, which is a 4.11% decrease from the prior fiscal year. Director Dittman explained that the payrolls contain not only the union and non-union increases of 2.5%, but also step increases for the sworn officers and payouts of accumulated sick, vacation and other time due to employees that retire or terminate employment.
- Average daily outlay of cash for all Village funds for the current month: \$33,782. Daily average fiscal YTD: \$34,141. Average monthly cash outlay for all Village funds fiscal year to date (FYTD): \$1,044,757.
- Average daily expenditures for the General Fund only: \$23,835. Fiscal YTD average is \$22,620 which is a 23.25% decrease from the prior year due to the non-continuance of large capital projects that occurred last year.

8. REPORT – Sales Tax, Business District Sales Tax, Income Tax, Utility Tax, Places of Eating Tax, Fines, Red Light Fines, Building Permits, Water Revenues, Hotel/Motel Tax and Motor Fuel Tax

The Committee reviewed and accepted the revenue trend reports and key items are highlighted below.

- Sales tax receipts - \$364,229 up 5.52% from the prior year. Trending 14.8% over budget.

- Business District sales tax receipts - \$40,597. Year to date is \$188,927, 4.31% above the prior year and 7.7% over budget. This represents collections of the 1.0% sales tax collected in the Village's new business district. The revenue comes from only the Town Center side as only those businesses are currently open.
- Income Tax receipts - \$52,413 up 5.09% compared to the prior year, 10.5% over budget. Director Dittman relayed that we budgeted for a continued 10% reduction in income taxes for this year's budget, although subsequently the state passed their budget with only a 5% reduction planned.
- Utility tax receipts - \$74,848 down 4.33% from the prior year, 5.7% under budget, consisting of:
 - Telecomm tax - down 8.32%
 - Northern IL gas – up 18.44%
 - ComEd - down 4.02%
- Places of Eating Tax receipts - \$44,262 up 4.27% compared to the prior year, trending 10.70% over budget.
- Fines - \$8,190 down 26.43% compared with the prior year, 12.13% under budget. Fines come from County distributions and also local fine tickets written by Village police officers. Director Dittman noted that local fine revenue is down significantly, however we do utilize a collection agency to attempt to collect unpaid tickets written by officers.
- Red Light Fines – \$86,300 up 51.57% from the prior year receipts, trending 82.6% over budget. All three approaches are live. This was the second highest month of collections the Village has experienced since the inception of the program.
- Building Permit receipts - \$30,008 up 21.75% from the prior year, 197.84% above budget. We have now surpassed the budget of \$250,000 for this account for the fiscal year.
- Water sales receipts - \$370,074 down 0.47% from the prior year, 5.64% below budget.
- Hotel/Motel Tax receipts - \$22,570 up 5.41% compared with the prior year. The revenue is trending at 4.2% higher than budget. Three of the four hotels are open and active.
- Motor Fuel Tax receipts - \$18,668, up 1.07% from the prior year, on target with budget.

9. VISITOR'S BUSINESS

There were no visitors present at the meeting.

10. COMMUNICATIONS

Trustee Mistele asked a few questions on the Comprehensive Annual Financial Report (CAFR) which were answered by Director Dittman.

11. ADJOURNMENT

Motion to adjourn at 6:20 p.m. was made by Chairwoman Berglund, seconded by Trustee Mistele. Motion carried.

(Minutes transcribed by: Carrie Dittman)