

MINUTES OF THE REGULAR MEETING OF THE FINANCE AND ADMINISTRATION COMMITTEE OF THE VILLAGE OF WILLOWBROOK HELD ON MONDAY, JUNE 13, 2016 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 Trustee Neal at 5:36 p.m.

2. ROLL CALL

Those present at roll call were Trustee Gayle Neal and Director of Finance Carrie Dittman. Chairman Umberto Davi was absent.

3. APPROVAL OF MINUTES

Minutes of the Regular Finance/Administration Committee held on Monday, May 9, 2016 were reviewed.

Motion to approve made by Trustee Neal. Motion carried.

4. DISCUSSION – Annual Appropriation Ordinance: FY 2016/17

Director of Finance Dittman relayed that the Village follows the Illinois Appropriation Act and is required to annually adopt an appropriation ordinance that establishes spending authority. The appropriation does not replace the Administrative (Operating) Budget, which was passed in April 2016 and serves as the day to day management tool to monitor expenditures. The line items in the Administrative Budget are generally doubled to form the appropriation amounts, which are the amounts the Village cannot exceed in fiscal year 2016/17. The appropriation will be presented to the Village board for approval.

5. DISCUSSION – Proposed Business District Plan

Director of Finance Dittman discussed that owners of commercial properties located near Kingery Highway and Plainfield Road have faced challenges finalizing their proposed re-development projects plans given the high cost of required off-site improvements, including necessary traffic improvements. The Village has received requests for the consideration of public subsidies in order to make these projects financially viable. The public finance consultant Ehlers Associates was hired to review the financial data, including project proformas and gap analysis reports, to assist in determining whether a public subsidy is warranted, and if so, what amount. The final report concluded that a public subsidy is warranted. After continued discussions with the commercial property owners, it was agreed that the creation of a new Business District Sales Tax was the preferred method to raise funding to provide the subsidies. If approved as proposed, the sales tax rate within the boundaries of the new Business District would be 1% higher (i.e., 8% versus 7% elsewhere in town). This 1% sales tax increment would be collected from the state, forwarded to the Village, and deposited into a separate fund. Eligible project expenses could be reimbursed to the developers from this fund to offset extraordinary development costs. In accordance with state law, the maximum term of a Business District is 23 years.

At the Village board meeting on June 27, the Village Board will be presented with the proposed business district plan and will set a future public hearing date. After two (2) publications of the notice of public hearing, the public hearing will be conducted to allow interested parties an opportunity to comment on the proposed business district. After the hearing, the Village Board will consider whether to approve the business district. If approved, the Village will file the necessary documents with the IL Dept. of Revenue by October 1, who will collect the new business district sales tax beginning January 2017.

6. REPORT – Monthly Disbursement Reports – May 2016

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

- Total cash outlay for all Village funds – \$1,188,234. Fiscal Year to Date is \$1,188,234.
- Payroll for active employees including all funds - \$348,394 (2 payrolls this month). The average payroll for the year was \$174,197.
- Average daily outlay of cash for all Village funds – \$38,330. Fiscal year to date daily average is the same.
- Average daily expenditures for the General Fund - \$26,461. Fiscal year to date average is the same.

7. REPORT – 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

All revenues are fiscal year to date collections through May 31, 2016 (unaudited):

- Sales tax receipts - \$267,882 up 5.76% from the prior year. Trending 11.3% over budget.
- Income Tax receipts - \$116,485 down 23.91% compared to the prior year, 6.5% under budget.
- Utility tax receipts - \$76,429 up .41% from the prior year, 2.4% under budget, consisting of:
 - Telecomm tax - \$35,774, up .90%.
 - Northern IL gas - \$10,304, down 4.87%
 - ComEd - \$30,662, up 2.79%
- Places of Eating Tax receipts - \$41,442 up 7.92% compared to the prior year, trending 17.8% over budget.
- Fines - \$10,990 down 27.23% compared with the prior year, 25.55% under budget. Fines come from County distributions and also local fine tickets written by Village police officers.
- Red Light Fines – \$60,454 up 54.57% from the prior year receipts, trending 12.8% above budget.
- Building Permit receipts - \$28,379 up 147.89% from the prior year.
- Water sales receipts - \$262,520 up 2.26% from the prior year, 4.82% below budget.
- Hotel/Motel Tax receipts - \$18,523 up 312.63% compared with the prior year, since May 2015 (receipts from April 2015) was still taxed at 1%. The hotel/motel tax rate increased to 5% effective June 1, 2015. Three of the four hotels are open and active.
- Motor Fuel Tax receipts - \$19,435 down 2.15% compared with the prior year, 3.2% below budget.

The reports above were approved by Trustee Neal.

8. VISITOR'S BUSINESS

There were no visitors present at the meeting.

9. COMMUNICATIONS

There were no communications received.

10. ADJOURNMENT

Motion to adjourn at 5:57 p.m. was made by Trustee Neal.

(Minutes transcribed by: Carrie Dittman, 7/6/2016)