

MINUTES OF THE REGULAR MEETING OF THE FINANCE AND ADMINISTRATION COMMITTEE OF THE VILLAGE OF WILLOWBROOK HELD ON MONDAY, MAY 8, 2017 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 5:30 p.m.

2. ROLL CALL

Those present at roll call were Trustee Gayle Neal, Director of Finance Carrie Dittman and Assistant to the Village Administrator Garrett Hummel. Chairman Umberto Davi was participating by phone and arrived in person at 5:40 p.m.

3. APPROVAL OF MINUTES

Minutes of the Regular Finance/Administration Committee held on Monday, April 10, 2017 were reviewed.

Motion to approve made by Trustee Neal, seconded by Chairman Davi. Motion carried.

4. REPORT – Monthly Disbursement Reports – April 2017

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

- Total cash outlay for all Village funds – \$1,171,733. Fiscal Year to Date is \$16,006,979.
- Payroll monthly total for active employees including all funds - \$277,793 (2 payrolls). The average payroll for the year was \$146,478, which is a 15.21% decrease from the prior fiscal year.
- Average daily outlay of cash for all Village funds – \$39,058. Fiscal year to date daily average is \$43,879.
- Average daily expenditures for the General Fund only - \$20,696. Fiscal year to date average is \$24,204.

5. 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 April 30, 2017 (unaudited):

- Sales tax receipts - \$3,765,737 down 0.59% from the prior year. Trending 4.6% over budget.
- Income Tax receipts - \$807,241 down 11.30% compared to the prior year, 9.0% over budget. IDOR has communicated to DMMC that this is due to “an accounting change” and it affects all municipalities, but IDOR has not given further details about the accounting change or if it will be ongoing.
- Utility tax receipts - \$975,463 up 0.36% from the prior year, 2.5% under budget, consisting of:
 - Telecomm tax - \$394,283, down 7.31%.
 - Northern IL gas - \$138,626, up 19.04%
 - ComEd - \$446,258, up 2.95%
- Places of Eating Tax receipts - \$500,521 down 3.43% compared to the prior year, trending 5.4% over budget.

- Fines - \$164,037 up 23.34% compared with the prior year, 26.18% over budget. Fines come from County distributions and also local fine tickets written by Village police officers.
- Red Light Fines – \$719,794 up 87.85% from the prior year receipts (in the prior year the cameras were down due to road construction and camera maintenance), trending 37.1% above budget. The budget for the first 4 months of FY 2016/17 was reduced due to the Rt. 83/63rd St. intersection cameras being out of service due to the road construction project. Those cameras are still down with no anticipated “go live” date yet given by ATS or IDOT.
- Building Permit receipts - \$488,124 up 32.42% from the prior year, 116.94% above budget.
- Water sales receipts - \$3,541,901 up 7.35% from the prior year, 0.09% below budget.
- Hotel/Motel Tax receipts - \$242,370 up 14.15% compared with the prior year. May & June 2015 collections (from April & May 2015 tax receipts) were 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. The revenue is trending at 0.3% lower than budget.
- Motor Fuel Tax receipts - \$217,196 down 0.77% compared with the prior year, 1.8% below budget.

The reports above were approved by Chairman Davi and Trustee Neal.

6. **REPORT – Comparative Telecommunications Taxes**

At the request of Trustee Neal at the last Finance and Administration Committee meeting, Director Dittman compiled a spreadsheet of telecommunication taxes collected by other area municipalities. Five (5) other municipalities are included: Burr Ridge, Clarendon Hills, Darien, Hinsdale and Westmont, and are contrasted to what the Village of Willowbrook has experienced in its telecommunication tax revenue collection from 2014-2016. The data was compiled from the Illinois Comptroller’s website repository of annual financial reports. The data indicates that, except for Hinsdale, all of the other communities have experienced declines in this revenue source, ranging from 8.85% - 14.30% reductions.

The Committee discussed the possible reasons for these declines, including rate changes (the Village of Willowbrook imposes a 6% tax rate which has remained the same for many years), customers dropping phone lines or land lines in favor of mobile phones only, and lower phone rates imposed by the carriers. Assistant Hummel described the trend of POTS (Plain Old Telephone Service) lines’ costs being drastically increased in the recent past which may have prompted customers to drop these expensive land lines.

7. **VISITOR’S BUSINESS**

There were no visitors present at the meeting.

8. **COMMUNICATIONS**

Chairman Davi raised the question of the Committee’s role in monitoring the revenues of the Village and inquired about what other municipalities reviewed/discussed in their respective finance meetings. He noted that perhaps we

should discuss trends in finance each meeting. Director Dittman noted that Willowbrook's committee typically reviews the major revenue sources such as sales and income taxes because Willowbrook does not have a conventional property tax we are non-home rule, and we cannot generally impose new taxes or raise rates without a successful referendum, thus the monitoring of these other revenues is crucial to the sustainability of the Village.

Director Dittman asked if we should add an agenda item each month to specifically discuss current events, political issues with financial ramifications, and other trends. The Committee asked that Director Dittman see what other Village Finance Committees are doing and to report back at the next meeting.

9. ADJOURNMENT

Motion to adjourn at 6:08 p.m. was made by Trustee Neal, seconded by Chairman Davi. Motion carried.

(Minutes transcribed by: Carrie Dittman, 5/18/2017)