

MINUTES OF THE REGULAR MEETING OF THE FINANCE AND ADMINISTRATION COMMITTEE OF THE VILLAGE OF WILLOWBROOK HELD ON MONDAY, AUGUST 14, 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 Chairman Umberto Davi, Trustee Gayle Neal, Director of Finance Carrie Dittman and Assistant to the Village Administrator Garrett Hummel.

3. APPROVAL OF MINUTES

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

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

4. DISCUSSION – Police Department Renovation/Contribution from Asset Seizure Funds

Director Dittman relayed that during an October 10, 2016 Village Board meeting discussion regarding the police department renovation, alternative funding sources for change orders to the project were identified. As the Series 2015 bond proceeds were determined to be insufficient to cover the change orders and project alternates, the former Chief had offered that asset seizure funds obtained through the Village's participation in the NARCINT task force could be used for the vehicle carport and locker room upgrades (total cost of \$168,000). The Village budgeted \$153,000 (asset seizure monies on hand at the time) for the FY 17/18 to cover these items.

Subsequently, new Chief Pavelchik investigated further and determined that the NARCINT funds had multiple original sources, and only one source of these seizure funds was eligible to be used on the building, with the other source was restricted to drug abatement expenses only. Director Dittman created a spreadsheet (attached) that allocated the funds by source, and determined that the amount of NARCINT funds available for the police department renovation was only \$89,476. That, combined with prior unspent DEA funds of \$15,144, totaled \$104,620. This amount will be transferred to the General Fund to put towards the renovation expenses.

5. REPORT – Personnel Manual Update (Proposal from Sikich)

Director Dittman explained that the Village's last update to its personnel manual occurred on March 1, 2012, and that numerous changes in state and federal employment law, along with the Village's own policies, have occurred since then. These changes have necessitated an update to the personnel manual. During the FY 17/18 budget process, the Village obtained a quote from Sikich LLP for an update as Sikich performed the last update and also acts as the Village's external HR consultant. The Village added \$7,837 to the budget for this expense.

The Village has now received a formal proposal from Sikich to perform the update. Two options were given: Option One, \$7,930, whereby Sikich would perform a review of current handbook and submit a red-line copy with suggested revisions and policy language (discounted from \$8,500). An electronic copy of the handbook would be provided. The Village would be charged an additional \$200/hr. for any requested changes once the initial redline review is done.

Option Two, \$8,650, is a review of the current handbook, a reorganization and update (discounted from \$10,000). A final draft would be provided. The Village would be charged an additional \$200/hr. for any requested changes once the final draft is done.

Sikich also provided a training option for \$600/session where they would present the new handbook to

employees/supervisors on site at the Village. Finally, they offered their marketing services to design a cover for the handbook at a cost of \$1,250 - \$1,650.

The Committee discussed the options and approved Option 2 with one training session to be done. They did not approve the cover design. The proposal will be presented to the Village Board at the August 28, 2017 meeting.

6. REPORT – Monthly Disbursement Reports – July 2017

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

- Total cash outlay for all Village funds – \$1,931,329. Fiscal Year to Date is \$4,710,056. July includes payments to LJ Morse for the police department renovation, to Clauss Brothers for Willow Pond Park and to Tecorp for the Municipal Campus water tower painting project.
- Payroll monthly total for active employees including all funds - \$313,010 (2 payrolls). The average payroll for the year was \$157,911, which is a 7.81% increase from the prior fiscal year.
- Average daily outlay of cash for all Village funds – \$62,301. Fiscal year to date daily average is \$51,160. This is unusually high due to the three construction projects occurring.
- Average daily expenditures for the General Fund only - \$43,291. Fiscal year to date average is \$30,730 which is a 26.96% increase from the prior year. The increase is due to the General Fund transfer out to the LAFER Fund to cover the police department renovation, now that the bond proceeds have been exhausted.

7. 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

All revenues are fiscal year to date collections through July 31, 2017 (unaudited):

- Sales tax receipts - \$304,925 up 2.79% from the prior year. Trending 7.5% over budget.
- Business District sales tax receipts - \$35,311. This is a new report that we will begin presenting each month which shows 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. 20.4% of the annual budget has been collected (and 25.0% of the fiscal year has been completed).
- Income Tax receipts - \$78,309 up .13% compared to the prior year, 6.3% under budget. The state of Illinois is one month in arrears in payments. The recent state legislation also includes a 10% reduction in income tax, which is about \$86,254. Effective July 1, 2017, the individual and corporate income tax rates were raised to 4.95% and 7.00%, respectively, however the State of IL will not be sharing the increase with municipalities.
- Utility tax receipts - \$73,703 down 4.59% from the prior year, 6.9% under budget, consisting of:
 - Telecomm tax - \$30,435 down 11.92%
 - Northern IL gas - \$6,341 up 7.15%
 - ComEd - \$36,927 down 0.74%
- Places of Eating Tax receipts - \$42,679 down 6.57% compared to the prior year, trending 3.58% under budget.

- Fines - \$11,415 up 27.14% compared with the prior year, 60.43% over budget. Fines come from County distributions and also local fine tickets written by Village police officers.
- Red Light Fines – \$60,185 down 20.07% from the prior year receipts, trending 2.7% over budget. The Rt. 83/63rd St. intersection cameras are still down with no anticipated “go live” date yet given by ATS or IDOT, although permits were recently issued by IDOT to re-erect the cameras. The Committee requested Director Dittman to inquire about the status and an IDOT contact person.
- Building Permit receipts - \$34,186 up 105.64% from the prior year, 318.24% above budget.
- Water sales receipts - \$238,556 down 4.41% from the prior year, 4.50% below budget.
- Hotel/Motel Tax receipts - \$25,925 up 9.17% compared with the prior year. The revenue is trending at 13.9% higher than budget. Three of the four hotels are open and active.
- Motor Fuel Tax receipts - \$15,055 up 3.54% compared with the prior year, 2.3% above budget.

The reports above were approved by Chairman Davi, seconded by Trustee Neal.

8. VISITOR’S BUSINESS

There were no visitors present at the meeting.

9. COMMUNICATIONS

There were no communications.

10. ADJOURNMENT

Motion to adjourn at 6:10 p.m. was made by Trustee Neal, seconded by Chairman Davi. Motion carried.

(Minutes transcribed by: Carrie Dittman, 9/5/2017)