

MINUTES OF THE REGULAR MEETING OF THE FINANCE AND ADMINISTRATION COMMITTEE OF THE VILLAGE OF WILLOWBROOK HELD ON MONDAY, JULY 13, 2020 AT 5:30 P.M. AT THE VILLAGE HALL, 835 MIDWAY DRIVE, WILLOWBROOK, ILLINOIS.

DUE TO THE COVID 19 PANDEMIC THE VILLAGE OFFICES WILL BE CLOSED AND THE VILLAGE WILL BE UTILIZING A CONFERENCE CALL FOR THIS MEETING

1. CALL TO ORDER

The meeting was called to order by Trustee Mistele at 5:34 p.m.

2. ROLL CALL

Those present at roll call in person were Trustee Michael Mistele, Director of Finance Carrie Dittman, and Village Administrator Brian Pabst. Those present by telephone were Chairwoman Sue Berglund, Trustee Paul Oggerino, Chief of Police Robert Schaller, and Deputy Chief Lauren Kaspar. Guests present by telephone: Joe Santella and Chris Auyward of Sonnenschein Financial Services.

3. APPROVAL OF MINUTES

Minutes of the Regular Meeting of the Finance & Administration Committee held on Monday, June 8, 2020 were reviewed.

Motion to approve the minutes made by Chairwoman Berglund, seconded by Trustee Mistele. Motion carried.

4. REPORT – Collection Agency RFP Results

Administrator Pabst commented that due to revenue shortages related to the pandemic and increasing obligations, staff has investigated alternative collection agencies. Our prior contract was with AR Concepts, executed August 22, 1994 with no end date. AR Concepts charges fees of 33% for basic collection services and 50% plus court costs for litigated fines. They also advised that they no longer collect on parking tickets, which is the main item being sent to collections.

Staff sent out a Request for Proposal (RFP) and received five (5) responses: Sonnenschein Financial Services; VRH; FCR Collection Services; ABC Credit & Recovery Services; and MCSI. After conducting an analysis of the responses, which is summarized in the packet, staff recommends that the Village enter into a three-year agreement with Sonnenschein. Sonnenschein is based in Oak Brook Terrace, IL, and has extensive municipal service; their fees as quoted are 30% but will lower to 28%, and they have experience in the Illinois debt collection program (IDROP). Joe Santella answered various questions raised by the Committee. The consensus was to bring the Sonnenschein proposal to the Village Board meeting on August 24, 2020 for approval.

5. DISCUSSION – Comparable Community Salary Survey & Village Pay Structure

Director Dittman noted that tonight’s presentation is a continuation of the pay structure discussions from prior Finance Committee and Village Board meetings. Most recently, at the June 8, 2020 Finance Committee meeting, staff presented comparable community results and possible pay plans based on a nine (9) year step plan, which is what the Willowbrook police union uses and is comparable to other communities (7-10 years). Staff incorporated

the following into the analysis based on prior feedback: 9-year step plan; 10% differential between grades; 15 grades used in the plan; fixed increase each year to reach the maximum of that grade at Year 9; and targeting the 60th percentile of the salary ranges.

Director Dittman described the first exhibit whereby staff computed the 60th percentile of both the 7 and 12 comparable communities, which is what is currently referenced as the target in the Village's personnel manual. The ranges were generally the same using either 7 or 12 towns.

The second exhibit then plugs each Village position into a grade based on where the comparable communities 60th percentile range most closely matched. For example, the Building & Zoning Secretary range per 7 towns was \$46,869 - \$64,443 and 12 towns was \$53,546 - \$64,945. This mostly closely aligned with proposed Grade 4, which would be \$49,500 - \$71,500. Trustee Mistele inquired about where the Village's revenues stood and wanted to see comparable data for population and General Fund expenditures by town. Director Dittman explained that she and other staff were working on that related to a different topic and would present that at a future meeting. Additional discussion ensued and staff was directed to plug each employee into the spreadsheet into the proper grade/year based on current salary to see what the effect of moving to the next year (step) would be.

6. REPORT – Monthly Disbursement Reports – June 2020

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

- Total cash outlay for all Village funds –current month is \$1,016,704, Fiscal Year to Date is \$2,068,146.
- Payroll monthly total for active employees including all funds - \$299,925 (2 payrolls). The average payroll for the year was \$142,067, which is a 6.19% decrease from the prior fiscal year.
- Average daily outlay of cash for all Village funds for the current month: \$33,890. Daily average fiscal YTD: \$33,904. Average monthly cash outlay for all Village funds fiscal year to date (FYTD): \$1,034,073.
- Average daily expenditures for the General Fund only: \$21,103. Fiscal YTD average is \$19,551 which is a 24.79% decrease from the prior year.

7. REPORT – Sales Tax, Business District Sales Tax, Income Tax, Utility Tax, Local Gas 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 for June and key items are highlighted below:

- Sales tax receipts - \$667,557 YTD down 2% from the prior year. Trending 24.8% over budget. This represents sales made in February-March. The budget was dropped \$500,000 to \$3.5 million due to the pandemic. The Village will not see the effects of that until June/July since the state is 3 months behind in remittances.
- Business District sales tax receipts - Year to date is \$85,107, 17.2% below the prior year and 6.5% under budget. This represents collections of the 1.0% sales tax collected in the Village's new business district. The restricted revenue comes from the Town Center & Pete's Fresh Market developments.
- Income Tax receipts - \$140,146 YTD down 37.7% compared to the prior year, 19.5% under budget. May is normally the largest collection month due to filing of income taxes by April 15, but due to the IRS and IL extensions until July 15, payments are being delayed.

- Utility tax receipts - \$121,105 YTD down 6.5% from the prior year, 7.4% under budget, consisting of:
 - Telecomm tax - down 9.2%
 - Northern IL gas – down 3.4%
 - ComEd - down 5.3%
- Local Gas Tax receipts - \$29,057 YTD. The tax was established December 1, 2019.
- Places of Eating Tax receipts - \$55,997 YTD down 39.5% compared to the prior year, trending 18.7% under budget. This represents April-May sales, which occurred during the pandemic restrictions. We had budgeted for 50% less revenue than normal for these 2 months.
- Fines - \$12,013 YTD down 39.2% compared with the prior year, 29.9% under budget. Fines come from County distributions and local fine tickets written by Village police officers. Director Dittman noted that we are now breaking fine revenue down by overweight fines, DUI fines, local fines and other fines collected by DuPage County.
- Red Light Fines – \$83,500 down 19.9% from the prior year receipts, trending 1.7% over budget.
- Building Permit receipts - \$61,537 YTD up 37.3% from the prior year, trending 196.6% over budget. The increase may be due to more people staying home and able to do home improvement projects.
- Water sales receipts - \$486,886 YTD down 10.9% from the prior year, 11.0% below budget. Commercial usage is billed the following month and many businesses had lower usage in April and May.
- Hotel/Motel Tax receipts - \$23,947, 46.1% lower compared with the prior year. The revenue is trending at 40% lower than budget. The additional 1% tax became effective November 1, which began to appear in December collections. Three of the four hotels are open and active.
- Motor Fuel Tax receipts - \$45,383 YTD, up 25.3% from the prior year, 24.6% above budget. Since September 2019 we receive 2 payments each month: the normal distribution plus the additional distribution of the new Transportation Renewal Fund dollars. This is a portion of the \$0.19/gallon tax that was instituted by the state of Illinois beginning July 1, 2019 (payments to the Village beginning in September).

8. VISITOR'S BUSINESS

There were no visitors present.

9. COMMUNICATIONS

There were no communications.

10. ADJOURNMENT

Motion to adjourn at 6:22 p.m. was made by Trustee Mistele, seconded by Chairwoman Berglund. Motion carried.

(Minutes transcribed by Carrie Dittman)