

MINUTES OF THE REGULAR MEETING OF THE FINANCE AND ADMINISTRATION COMMITTEE OF THE VILLAGE OF WILLOWBROOK HELD ON MONDAY, SEPTEMBER 14, 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 Michael Mistele at 5:34 p.m.

2. ROLL CALL

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

3. APPROVAL OF MINUTES

Minutes of the Regular Meeting of the Finance & Administration Committee held on Monday, August 10, 2020 were reviewed.

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

4. REPORT – Final Report Dependent Verification by Dependent Specialists, Inc.

Director Dittman reminded the Committee that the Village had been mandated by its health insurance pool, IPBC, to have a dependent verification performed on the health and dental plan participants. The verification is a tool to ensure that only eligible dependents are covered, thereby saving the Village future premium costs by not paying for those that are not entitled to the benefits of the plan. Dependent Specialists, Inc. was previously approved by the Committee to perform the verification, which has now concluded. Enclosed in the packet is an Executive Summary of the results prepared by Dependent Specialists, Inc.: 30 employees/retirees were subject to the verification, which encompassed 71 dependents. All 30 participants responded and submitted the necessary paperwork; one dependent was voluntarily removed, and the rest were determined to be legitimate. The Finance Department also functions as the Human Resources Department and verifies dependent eligibility on a continuous basis at time of hire and as employees experience qualifying life changing events.

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. At the June 8, 2020 Finance Committee meeting, staff presented comparable community results and possible pay plans based on feedback received from the Committee as follows: 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. At the July 13, 2020 Finance Committee meeting, per the Committee’s direction, staff added the target of the 60th percentile of the salary ranges. At the August 10, 2020 Finance Committee meeting, staff plugged each position into the correct year of the proposed pay plan based on their current salary. If the next step yielded a raise of < 2.5%, then the following step above that was used. 2.5% was used as baseline as this was the Board’s last minimum increase, granted 5/1/2019. This is presented again as

Exhibit 1.

Exhibit 2 is a summarized version of Exhibit 1. Using the methodology noted above, the total salary increase for the 18 full-time employees (annualized, retroactive to May 1, 2020) would be \$76,590. A 2.5% wage increase had been included in the FY 20/21 budget per the Board’s direction, so the amount of potential salary increase above budget is \$35,494.

Exhibit 3 shows the proposed new 5/1/2020 Willowbrook salaries by position compared to the communities in the salary survey.

At the previous Finance Committee meeting, Trustee Oggerino requested additional information on the estimated increases to be granted to the police union officers and show the comparison to the proposed Deputy Chief and Chief salaries. This is presented at the bottom of **Exhibit 2**. Under the proposed pay plan, the Deputy Chief would be moved up to \$123,256, a 6.42% increase. This is 7% higher than what a Sergeant’s base pay is expected to be at 5/1/20. Under the proposed pay plan, the Chief would be moved up to \$129,687, a 4.61% increase. This is 5.22% above the proposed new Deputy Chief salary.

In the police union contract, it is stipulated that a Sergeant’s base salary must be 13% above the highest patrol officer (Step 9). If that same methodology were applied to the non-union Chief and Deputy Chief and the Deputy Chief salary increased to 13% above the expected Sergeant base salary, that would be \$130,164, or a 12% increase over the Deputy Chief’s current salary. If the Chief salary was increased to 13% above the Deputy Chief, the new salary would be \$147,085, or a 19% increase over the Chief’s current salary.

Discussion ensued about the pay plan and no further changes to the overall pay plan were suggested, except there was not consensus on placement of the Chief and Deputy Chief. Staff asked for direction on movement once the top of a range is reached, as well as development of a process to reward star performers, i.e. in the form of a bonus pool, which Administrator Pabst was directed to look into. A brief discussion was also held on permanent part-time positions. The proposed pay plan will be brought forth to the Village Board at an upcoming meeting in October.

6. REPORT – Monthly Disbursement Reports – August 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 \$1,928,624, Fiscal Year to Date is \$4,045,333.
- Total monthly payroll for active employees including all funds - \$290,706 (2 payrolls). The average payroll for the year was \$141,974, which is a 6.25% decrease from the prior fiscal year.
- Average daily outlay of cash for all Village funds for the current month: \$29,956. Daily average fiscal YTD: \$32,897. Average monthly cash outlay for all Village funds fiscal year to date (FYTD): \$1,011,333.
- Average daily expenditures for the General Fund only: \$20,070. Fiscal YTD average is \$21,381 which is a 17.75% decrease from the prior year.

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

The Committee reviewed and accepted the revenue trend reports for August and key items are highlighted below:

- Sales tax receipts - \$1,314,201 YTD down 7.59% from the prior year. Trending 17.69% over budget. The FY 20/21 budget was dropped \$500,000 to \$3.5 million due to the pandemic. We have completed 33.33% of the year and have collected 37.55% of the revenues.
- Business District (restricted) sales tax receipts - Year to date is \$136,305, 36.34% below the prior year and 28.2% 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 - \$341,514 YTD down 5.80% compared to the prior year, 21.8% over budget. May is normally the largest collection month due to filing income taxes by April 15, but due to the IRS and IL extensions until July 15, payments were delayed, however we have now collected (in August) those payments as evidenced by August receipts being 102.5% higher than the prior year.
- Utility tax receipts - \$253,975 YTD down 3.00% from the prior year, 3.9% under budget, consisting of:
 - Telecomm tax - down 6.52%
 - Northern IL gas – down 4.07%
 - ComEd - up 0.27%
- Local Gas Tax receipts - \$82,275 YTD. One delinquent station caught up for 4 months of payments during August 2020. The tax was established December 1, 2019.
- Places of Eating Tax receipts - \$133,612 YTD down 29.46% compared to the prior year, trending 5.19% under budget. This represents April-July sales, which occurred during the pandemic restrictions. We had budgeted for 50% less revenue than normal for April-May and 25% less for June-July, however actual collections were not that low.
- Hotel/Motel Tax receipts - \$66,041, 32.45% lower compared with the prior year. The revenue is trending at 24.88% lower than budget. The additional 1% tax became effective November 1, which began to appear in December collections. The Village's fourth hotel, Delta Marriott, re-opened on August 5, 2020, and taxes will be due beginning next month.
- Fines - \$39,213 YTD down 11.75% compared with the prior year, 1.76% over budget. Fines come from County distributions and local fine tickets written by Village police officers. Director Dittman noted that we are now reporting fine revenue by overweight fines, DUI fines, local fines and other fines collected by DuPage County.
- Red Light Fines – \$216,285 down 15.6% from the prior year receipts, trending 7.1% over budget.
- Building Permit receipts - \$109,281 YTD down 24.36% from the prior year, trending 63.37% over budget. We have completed 33.33% of the year and have collected 38.34% of the revenues.
- Water sales receipts - \$1,091,838 YTD up 0.73% from the prior year, 0.64% above budget. August 2020 collections are 21.6% higher than August 2019. This is likely due to the cessation of the penalty and shut-off holiday that the Village had in place during the shut-down; accounts that were delinquent and weren't being shut off for several months have now caught up on payments.

- Motor Fuel Tax receipts - \$91,267 YTD, up 27.19% from the prior year, 26.5% 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 6:27 p.m. was made by Trustee Mistele, seconded by Chairwoman Berglund. Motion carried.

(Minutes transcribed by Carrie Dittman)