

MINUTES OF THE REGULAR MEETING OF THE FINANCE AND ADMINISTRATION COMMITTEE OF THE VILLAGE OF WILLOWBROOK HELD ON MONDAY, OCTOBER 12, 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 Chairwoman Sue Berglund at 5:30 p.m.

2. ROLL CALL

Those present at roll call in person were Chairwoman Sue Berglund, Trustee Michael Mistele, Trustee Greg Ruffolo, and Village Administrator Brian Pabst. Present by telephone was Director of Finance Carrie Dittman.

3. APPROVAL OF MINUTES

Minutes of the Regular Meeting of the Finance & Administration Committee held on Monday, September 14, 2020 were reviewed.

Motion to approve the minutes made by Chairwoman Berglund, seconded by Trustee Mistele. Unanimous voice vote in favor. Motion carried.

4. REPORT – Status of Annual Audit of the Village of Willowbrook FY 2019/20

Director Dittman updated the committee with the status of the audit. Report drafts have been issued and the final report will be presented to the Village Board at tonight's Village Board meeting. The Village has once again received an unmodified, or "clean" audit opinion on the financial statements, and no new management letter comments were given. The General Fund outperformed budget by \$1.97 million; the Village had budgeted a loss of \$1.7 million but experienced net income of \$246,000. Director Dittman highlighted each of the other Village funds in the attached memo; all of them experienced a net income except the Water Operating Fund, which had a net loss of \$293,000. This was caused by the \$400,000 transfer out of the Water Operating Fund to the Water Capital Improvement Fund for buildup for future capital projects.

5. REPORT – Special Recreation Tax Levy

Director Dittman noted that since 2006, the Village has levied a modest property tax to fund Special Recreation programs in the Parks & Recreation Dept. Currently, the levy is \$72,750 and the impact to a homeowner of a \$300,000 home is \$14.24 in annual property taxes. The proposed levy for the next year is \$74,794 and the tax impact would be approximately \$14.64. This represents a 2.81% increase in the levy. The planned expenditures are detailed in the packet and total \$184,840, however, this will be offset by expected reserves on hand of \$110,046, yielding a net \$74,794, to be levied. The committee had no changes or comments to the proposed levy, and this item will be presented at the October 26 Village Board meeting.

6. DISCUSSION – COVID-19 Pandemic Liquor License Reduction Program

At the October 6, 2020 Special Village Board Meeting, Mayor Trilla asked staff to investigate options for a liquor

license reduction program for businesses affected by the pandemic. The exhibit enclosed in the packet shows current revenues by license categories and gives examples of the financial effect of a 75% or 50% reduction. Grocery stores and retail stores would not receive a reduction as they were not restricted by the Governor's Stay at Home Order. A 75% reduction for 2021 would produce \$28,563 in liquor license revenue, vs. the current revenue of \$72,000. The Committee related that in principal they liked the idea, but only for one year of reduction currently, to be revisited again next year to see what conditions looked like. They concurred with a 75% reduction for licenses issued January 2021. Staff will work on an agenda item for this to be brought to the full Village Board later this month.

7. DISCUSSION – COVID-19 Pandemic Gaming Terminal Fee Reduction Program

At the October 6, 2020 Special Village Board Meeting, Mayor Trilla asked staff to investigate options for a video gaming terminal fee reduction program for businesses affected by the pandemic. The exhibit enclosed in the packet shows current revenues by business and gives examples of the financial effect of a 75% or 50% reduction. The terminal fee was increased to \$500 last year. A 75% reduction for 2021 would produce \$2,125 in revenue, vs. the current revenue of \$8,500. As with the liquor license reduction, the Committee related that they liked the idea, but only for one year of reduction currently, to be revisited again next year to see what conditions looked like. They concurred with a 75% reduction for terminal fees issued January 2021. Staff will work on an agenda item for this to be brought to the full Village Board later this month.

8. REPORT – Monthly Disbursement Reports – September 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 \$1,005,059, Fiscal Year to Date is \$5,050,392.
- Total monthly payroll for active employees including all funds - \$297,105 (2 payrolls). The average payroll for the year was \$143,170, which is a 5.46% decrease from the prior fiscal year.
- Average daily outlay of cash for all Village funds for the current month: \$33,502. Daily average fiscal YTD: \$33,018. Average monthly cash outlay for all Village funds fiscal year to date (FYTD): \$1,010,078.
- Average daily expenditures for the General Fund only: \$23,844. Fiscal YTD average is \$21,874 which is a 15.85% decrease from the prior year.

9. 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 September and key items are highlighted below:

- Sales tax receipts - \$1,699,884 YTD down 7.14% from the prior year. Trending 18.27% over budget. The FY 20/21 budget was dropped \$500,000 to \$3.5 million due to the pandemic. We have completed 41.67% of the year and have collected 48.57% of the budgeted revenues.
- Business District (restricted) sales tax receipts - Year to date is \$184,837, 32.30% below the prior year and 23.6% 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 - \$407,765 YTD down 1.36% compared to the prior year, 27.5% 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. September receipts were 30.38% higher than the prior year.
- Utility tax receipts - \$325,602 YTD down 2.96% from the prior year, 3.9% under budget, consisting of:
 - Telecomm tax - down 5.62%
 - Northern IL gas – down 2.87%
 - ComEd – down 0.96%
- Local Gas Tax receipts - \$100,129 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 - \$176,693 YTD down 25.35% compared to the prior year, trending 0.33% over budget. This represents April-August sales, which occurred during the pandemic restrictions. We had budgeted for 50% less revenue than normal for April-May and 25% less for June-August, however actual collections were not that low.
- Hotel/Motel Tax receipts - \$85,365, 31.17% lower compared with the prior year. The revenue is trending at 23.45% 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.
- Fines - \$49,147 YTD down 11.99% compared with the prior year, 1.49% 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 – \$281,239 down 14.01% from the prior year receipts, trending 9.2% over budget.
- Building Permit receipts - \$130,473 YTD down 21.32% from the prior year, trending 69.93% over budget. We have completed 41.67% of the year and have collected 45.78% of the revenues.
- Water sales receipts - \$1,451,568 YTD up 1.24% from the prior year, 1.15% above budget. August 2020 collections were 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 - \$120,730 YTD, up 20.54% from the prior year, 19.9% 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).

10. VISITOR'S BUSINESS

There were no visitors present.

11. COMMUNICATIONS

There were no communications.

12. ADJOURNMENT

Motion to adjourn at 6:11 p.m. was made by Trustee Mistele, seconded by Chairwoman Berglund. Motion carried.

(Minutes transcribed by Carrie Dittman)