

MINUTES OF THE REGULAR MEETING OF THE FINANCE AND ADMINISTRATION COMMITTEE OF THE VILLAGE OF WILLOWBROOK HELD ON MONDAY, JULY 11, 2016 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 and Director of Finance Carrie Dittman. Chairman Umberto Davi arrived at 5:33 p.m.

3. APPROVAL OF MINUTES

Minutes of the Regular Finance/Administration Committee held on Monday, June 13, 2016 were reviewed.

Motion to approve made by Trustee Neal. Motion carried.

4. DISCUSSION – Credit Card Processor (Official Payments)

As noted in a previous meeting, the Village executed a contract in November 2015 with Official Payments to add online bill payment as an option to residents and to process credit and debit card payments at the front counter. Director of Finance Dittman relayed that the Village had experienced intermittent issues since going live on March 1, 2016 and after nearly two months of support conference calls, emails, and sales rep on-site visits with both Official Payments and BS & A (Village's software provider) it was finally determined that the cause was due to a VISA regulation that prohibited a service charge from being imposed on utility bills paid in person using a VISA credit or debit card. All other payments could be processed with the service charge using a VISA and the other two credit card companies did not have this same regulation on utility bill payments.

The Village contract with Official Payments, drafted by Official Payments, acknowledges the service fee was to be passed on to the customer for all payment types (utility payments, parking tickets, permits, etc.) and all three credit cards were to be accepted (VISA, MC and Discover). Additionally, the Official Payments sales rep. failed to communicate this VISA regulation to the Village during the implementation and go-live process, and only noted that Official Payments changed its own internal policies about not allowing these payments to be processed once the problem was discovered by the Village. Despite numerous attempts by the Village to contact Official Payments to rectify this situation, Official Payments and their legal department has taken the position that they will not make any accommodations despite their breach of contract.

The Village must now decide which direction to move in to correct this issue. Some options are:

1. cancel the contract with Official Payments and find a new credit card processor (only one other integrates with BS & A and they will likely follow the same VISA regulation);
2. set up a payment kiosk in the Village Hall lobby for people using VISA cards (VISA considers this a web transaction not a point of sale transaction, which was the Official Payments' recommended solution);
3. eliminate fees charged on utility bills paid with a VISA at the front counter (Village would have to absorb fee);
4. eliminate fees charged on utility bills paid with any credit card at the front counter (Village would have to absorb fee);
5. eliminate the acceptance of VISA;
6. consider other options.

Director Dittman reviewed the spreadsheet of credit card payments taken in March 1 – July 5, 2016 which was included in the packet. About 67% of all credit card transactions made are done using a VISA card. In addition, about 49% of all credit card payments are for utility bills (roughly \$4,700 was charged for water bills at the front counter of Village Hall and \$17,500 over the web). Discussion ensued about the possible options, and options 1, 2 and 5 are not efficient or effective options. The committee instructed Director Dittman to see what neighboring communities are doing and they will take those results into account before making a recommendation.

5. REPORT – Monthly Disbursement Reports – June 2016

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

- Total cash outlay for all Village funds – \$1,141,186. Fiscal Year to Date is \$2,329,420.
- Payroll for active employees including all funds - \$302,429 (2 payrolls this month). The average payroll for the year was \$162,706.
- Average daily outlay of cash for all Village funds – \$38,040. Fiscal year to date daily average is \$38,185.
- Average daily expenditures for the General Fund - \$21,011. Fiscal year to date average is \$23,798.

6. 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 June 30, 2016 (unaudited):

- Sales tax receipts - \$580,563 up 4.65% from the prior year. Trending 10.1% over budget.
- Income Tax receipts - \$55,680 down 20.54% compared to the prior year, 2.3% under budget.
- Utility tax receipts - \$150,144 down 2.07% from the prior year, 4.8% under budget, consisting of:
 - Telecomm tax - \$71,179, down 2.97%.
 - Northern IL gas - \$17,651, down 0.64%
 - ComEd - \$61,937, down 0.83%
- Places of Eating Tax receipts - \$87,067 up 1.94% compared to the prior year, trending 11.2% over budget.
- Fines - \$20,455 down 25.86% compared with the prior year, 24.15% under budget. Fines come from County distributions and also local fine tickets written by Village police officers.
- Red Light Fines – \$137,439 up 91.10% from the prior year receipts, trending 39.5% 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.
- Building Permit receipts - \$41,225 up 26.73% from the prior year.
- Water sales receipts - \$598,668 up 4.85% from the prior year, 2.41% below budget.

- Hotel/Motel Tax receipts - \$39,612 up 293.37% compared with the prior year, since 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.
- Motor Fuel Tax receipts - \$38,737 up 0.59% compared with the prior year, 0.5% below budget.

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

7. VISITOR'S BUSINESS

There were no visitors present at the meeting.

8. COMMUNICATIONS

There were no communications received.

9. ADJOURNMENT

Motion to adjourn at 5:59 p.m. was made by Chairman Davi, seconded by Trustee Neal.

(Minutes transcribed by: Carrie Dittman, 7/12/2016)