

MINUTES OF THE REGULAR MEETING OF THE FINANCE AND ADMINISTRATION COMMITTEE OF THE VILLAGE OF WILLOWBROOK HELD ON MONDAY, JANUARY 9, 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 5:32 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 5:45.

3. APPROVAL OF MINUTES

Minutes of the Regular Finance/Administration Committee held on Monday, November 14, 2016 were reviewed.

Motion to approve made by Trustee Neal. Motion carried.

4. REPORT – Payroll Tax and Benefit Compliance Assessment

Director Dittman noted that the Village had contracted with Sikich LLP in spring 2016 to perform a review of the Village's payroll system to determine its compliance with current laws and determine if any changes were necessary. Sikich interviewed Village staff and reviewed our payroll software setup. In August, Sikich made a presentation to the Committee based upon their draft report. At the Village's request, two additional areas were reviewed further by Sikich (police pensionable wages and SUI wages), and Sikich provided a final report on December 16, 2016.

The Village has already implemented some of Sikich's recommendations as noted in their report, such as adopting a travel policy, correcting our taxation of workers' compensation benefits and gift cards, and plans to implement the remainder of their recommendations in the future.

The Committee accepted the report.

5. DISCUSSION – Personnel Manual Updates

Director Dittman relayed that numerous changes have occurred in the personnel policy area, including the passage of the Local Government Travel Expense Control Act, the Illinois Employee Sick Leave Act, and as just discussed, recommendations arising from the payroll review that was just completed. The Village's current personnel manual was last updated on March 1, 2012.

Staff believes that due to these changes, it may be time to consider a comprehensive policy review and update. Sikich LLP performed our last personnel manual update, and the Village has a current HR subscription service with them; due to our current service, we receive discounts from them on larger scale projects such as this.

The Committee concurred that it would be a good idea to review and update the policy manual. Staff will obtain cost estimates that it will bring back to the Board during the annual budget preparation for inclusion in the FY 2017-18 budget.

6. DISCUSSION – Village Water Rate Structure

Director Dittman reminded the Committee that at the December 19, 2016 Village Board meeting, Willowbrook resident Kay Hoffman expressed concern over the Village's water rate structure. Specifically, Mrs. Hoffman raised two (2) main points:

- 1) That our minimum water bill amount is too high, and that we should eliminate the minimum water charge and only bill based on consumption.
- 2) That due to our 9,000-gallon minimum, that is the amount of water that DuPage County bills for sanitary services.

In response to Mrs. Hoffman's concerns, the Village surveyed seven (7) other local communities for their rate structures and compiled the attached spreadsheet based on the six (6) responses received. While the other communities surveyed do not issue a minimum bill (except Westmont), they do all have a fixed service charge on each bill that varies based on meter size. The results show that a Willowbrook resident using 3,000 gal/month (9,000 gal/quarter, which is the maximum usage on a minimum bill) would pay \$314.24 annually, which is the second cheapest community. The Village's minimum bill also has a 9.7% discount already built into it. If the Village were to eliminate the minimum bill, the fixed capital costs of maintaining the water system would still be present and that cost would need to be covered by a water rate increase to all customers.

In addition, staff confirmed with DuPage County that sewer bills are based on actual usage, not a minimum. In fact, DuPage County rounds down to the nearest 1,000 gallons (i.e. a 4,600 gallon usage water bill would receive a sewer bill for 4,000 gallons).

The Village also reviewed Mrs. Hoffman's water usage history and found that many of her bills were charged for usage at or above the charge for a minimum bill, thus eliminating a minimum bill structure would not necessarily lessen her water bill amount. Staff researched other avenues independent of the Village that Mrs. Hoffman might pursue for financial assistance, such as a free cell phone, USDA food assistance, and DuPage County programs. Trustee Neal also obtained information from Downers Grove Township that we could share with Mrs. Hoffman.

The Committee directed staff to contact Mrs. Hoffman and share the Village's findings with her, but at this time a change to the Village's water rate structure would not be warranted.

7. REPORT – Monthly Disbursement Reports – November and December 2016

The Committee reviewed and accepted the disbursement reports for the months of November and December, respectively, and key items are highlighted below:

- Total cash outlay for all Village funds – \$1,711,581 & \$1,533,413. Fiscal Year to Date is \$10,830,700.
- Payroll for active employees including all funds - \$276,469 (2 payrolls) & \$327,559 (2 payrolls plus safety incentive payroll). The average payroll for the year was \$150,561.
- Average daily outlay of cash for all Village funds – \$57,053 & \$49,465. Fiscal year to date daily average is \$44,280.
- Average daily expenditures for the General Fund - \$31,257 & \$18,476. Fiscal year to date average is \$24,350.

8. 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 December 31, 2016 (unaudited):

- Sales tax receipts - \$2,537,159 up 1.28% from the prior year. Trending 6.6% over budget.
- Income Tax receipts - \$518,699 down 13.19% compared to the prior year, 6.7% over budget. Director Dittman communicated that Village staff had attended a meeting the previous week where income tax revenue was discussed, and the other municipalities present relayed that their income tax revenues were also down 8-12%. IDOR responded to one community's inquiry saying that it was due to "an accounting change."
- Utility tax receipts - \$619,505 down 0.85% from the prior year, 3.6% under budget, consisting of:
 - Telecomm tax - \$265,660, down 6.7%.
 - Northern IL gas - \$57,988, up 2.82%
 - ComEd - \$298,601, up 4.47%
- Places of Eating Tax receipts - \$345,503 down 2.07% compared to the prior year, trending 6.9% over budget.
- Fines - \$99,460 up 10.19% compared with the prior year, 12.72% over budget. Fines come from County distributions and also local fine tickets written by Village police officers.
- Red Light Fines – \$541,844 up 217.92% from the prior year receipts (in the prior year the cameras were down due to road construction and camera maintenance), trending 132.0% 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. Those cameras are still down with no anticipated "go live" date yet given by ATS or IDOT.
- Building Permit receipts - \$391,555 up 33.63% from the prior year, 118.92% above budget.
- Water sales receipts - \$2,591,715 up 11.51% from the prior year, 3.78% above budget.
- Hotel/Motel Tax receipts - \$179,620 up 19.74% 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. The revenue is trending at 4.6% higher than budget.
- Motor Fuel Tax receipts - \$143,660 down 1.66% compared with the prior year, 2.7% below budget.

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

9. VISITOR'S BUSINESS

There were no visitors present at the meeting.

10. COMMUNICATIONS

There were no communications received.

11. ADJOURNMENT

Motion to adjourn at 6:09 p.m. was made by Chairman Davi, seconded by Trustee Neal. Motion carried.

(Minutes transcribed by: Carrie Dittman, 1/12/2017)