



EST. 1960

Willowbrook

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AGENDA

REGULAR MEETING OF THE FINANCE AND ADMINISTRATION COMMITTEE OF THE VILLAGE OF WILLOWBROOK TO BE HELD ON MONDAY, AUGUST 10, 2020, AT 5:30 P.M. AT THE VILLAGE HALL, 835 MIDWAY DRIVE, IN THE VILLAGE OF WILLOWBROOK, DUPAGE COUNTY, ILLINOIS.

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

THE PUBLIC CAN UTILIZE THE FOLLOWING CALL IN NUMBER:

Dial in Phone Number: (312) 626-6799
Meeting ID: 860 5214 4140

Written public comments can be submitted by 5:00 pm on Monday, August 10, 2020 and the meeting password can be obtained by emailing cdittman@willowbrook.il.us.

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF MINUTES:
July 13, 2020 Regular Meeting of the Finance & Administration Committee
4. DISCUSSION – Comparable Community Salary Survey & Village Pay Structure
5. DISCUSSION – Flexible Spending Plan Amendment due to COVID-19
6. DISCUSSION – Bank Account Closures
7. REPORT – Monthly Disbursement Reports – July 2020
8. 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
9. VISITOR'S BUSINESS
10. COMMUNICATIONS
11. ADJOURNMENT

Mayor

Frank A. Trilla

Village Clerk

Leroy R. Hansen

Village Trustees

Sue Berglund

Umberto Davi

Terrence Kelly

Michael Mistele

Gayle Neal

Paul Oggerino

Village Administrator

Brian Pabst

Chief of Police

Robert Schaller

Director of Finance

Carrie Dittman



Proud Member of the
Illinois Route 66 Scenic Byway

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)

FINANCE & ADMINISTRATION COMMITTEE MEETING

AGENDA ITEM SUMMARY SHEET

AGENDA ITEM DESCRIPTION

Comparable Community Salary Survey & Village Pay Structure

COMMITTEE REVIEW

- ☒ Finance/Administration
☐ Municipal Services
☐ Public Safety

Meeting Date: 8/10/20

- ☒ Discussion Only ☐ Approval of Staff Recommendation (for consideration by Village Board at a later date)
☐ Seeking Feedback ☐ Approval of Staff Recommendation (for immediate consideration by Village Board)
☐ Regular Report ☐ Report/documents requested by Committee

BACKGROUND

Staff was directed to conduct a non-sworn employee salary survey as a part of FY 20/21 budget discussions and for future consideration. This report was presented to the Village Board at the May 11, 2020 meeting.

Two salary surveys were conducted, the first using seven towns (presented 5/11) and a second using twelve (presented 6/8). The survey results indicate that the Village of Willowbrook is under the average salary ranges in most categories. Staff presented comparable community results and possible pay plans based on a 9-year step plan to the Finance and Administration Committee on June 8, 2020, and incorporated feedback from that meeting into the July 13, 2020 and current presentation.

Staff has incorporated that feedback as follows:

- Use a 9-year step to reach the maximum of the range (as presented June 8)
- Use a 10% differential between grades (as presented June 8)
- Incorporate 15 grades into the pay plan (as presented June 8)
- Use a fixed increase each year to reach the maximum at Year 9 (as presented June 8)
- Use the 60th percentile of the comparable community surveys to place Willowbrook's existing positions into a grade (as presented July 13 and presented again as **EXHIBIT 1**)
- Plug each position into the correct year of the new pay plan based on current salary (**NEW – EXHIBIT 2**)

As expected, to get each employee to a starting point yields raises of differing percentages. If the starting level (highlighted in yellow) was less than a 2.5% increase, the next step above (highlighted in pink) was also presented to show the next level raise. Using the higher amounts, where applicable, the total wage increase for all non-union employees is **\$76,590**.

EXHIBIT 3 is presented as an additional reference and illustrates the 9-Year Police Union pay plan, using the union's contract request amounts for 2019-2021 and 2.00% for subsequent years. The range for a patrol officer and a sergeant were then added to **Exhibit 2** to show the pay differences between the police union and police management(non-union).

STAFF RECOMMENDATION

For discussion and Board direction purposes, staff would like to address the following issues:

1. Direction on further modification to the pay plan presented above.
2. Direction on initial placement of current employees.
3. Direction on movement once the top of a range is reached.
4. Direction on development of a process to reward star performers, i.e. additional percentage, or bonus; Administrator recommends to Board for approval?

Exhibit 1

VILLAGE OF WILLOWBROOK NON-UNION EMPLOYEE - 9 YEAR STEP PLAN

COMPARABLE COMMUNITIES - 60% PERCENTILE
10% INCREASE BETWEEN PAY GRADES (15 GRADES)
LEVEL ANNUAL PAY INCREASES IN DOLLARS

PRESENTED TO THE FINANCE COMMITTEE 7/13/2020

Pay Grade	Position	Diff Between Grades	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 1-9 Total Change	Approx. Annual Annual Inc	COMPARABLE COMMUNITY - 7 TOWN RANGES (60th %)	COMPARABLE COMMUNITY - 12 TOWN RANGES (60th %)	CURRENT SALARY (5/1/2019)	YEARS IN CURRENT POSITION 5/1/2020	CURRENT PLAN STEPS 20/21 RANGES*	
1			37,190	39,256	41,322	43,388	45,455	47,521	49,587	51,653	53,719	16,529	2,066					DON'T CURRENTLY HAVE	
2		3,719 10%	40,909	43,182	45,455	47,727	50,000	52,273	54,545	56,818	59,091	18,182	2,273					DON'T CURRENTLY HAVE	
3		4,091 10%	45,000	47,500 5.56%	50,000 5.26%	52,500 5.00%	55,000 4.76%	57,500 4.55%	60,000 4.35%	62,500 4.17%	65,000 4.00%	20,000	2,500					45,158	63,889
4	Building & Zoning Secretary													\$ 46,869	\$ 64,443	\$ 53,546	\$ 64,945		
	Police Secretary	4,500	49,500	52,250	55,000	57,750	60,500	63,250	66,000	68,750	71,500	22,000	2,750	\$ 49,006	\$ 66,745	\$ 48,876	\$ 65,658	45,631	2.0
	Public Works Secretary (UB)	10%		5.56%	5.26%	5.00%	4.76%	4.55%	4.35%	4.17%	4.00%			\$ 49,006	\$ 66,442	\$ 49,987	\$ 67,356	57,550-60,258	11.7 & 13.9
5	Financial Analyst	4,950	54,450	57,475	60,500	63,525	66,550	69,575	72,600	75,625	78,650	24,200	3,025	\$ 51,500	\$ 70,782	same			
	Maintenance Worker	10%		5.56%	5.26%	5.00%	4.76%	4.55%	4.35%	4.17%	4.00%			\$ 53,068	\$ 83,269	\$ 53,084	\$ 78,790	51,333	6.7
6	Executive Secretary/Deputy Clerk Police Sec/Accred. Mgr	5,445	59,895	63,223	66,550	69,878	73,205	76,533	79,860	83,188	86,515	26,620	3,328	\$ 58,797	\$ 79,047	\$ 57,904	\$ 79,047	45,631	2.0
		10%		5.56%	5.26%	5.00%	4.76%	4.55%	4.35%	4.17%	4.00%			\$ 60,203	\$ 84,408	same		57,550-60,258	11.7 & 13.9
7		5,990 10%	65,885	69,545 5.56%	73,205 5.26%	76,865 5.00%	80,526 4.76%	84,186 4.55%	87,846 4.35%	91,506 4.17%	95,167 4.00%	29,282	3,660					DON'T CURRENTLY HAVE	
8	Public Works Foreman	6,588 10%	72,473	76,499 5.56%	80,526 5.26%	84,552 5.00%	88,578 4.76%	92,604 4.55%	96,631 4.35%	100,657 4.17%	104,683 4.00%	32,210	4,026	\$ 75,327	\$ 105,198	\$ 74,422	\$ 105,124	73,943	6.3
9		7,247 10%	79,720	84,149 5.56%	88,578 5.26%	93,007 5.00%	97,436 4.76%	101,865 4.55%	106,294 4.35%	110,723 4.17%	115,151 4.00%	35,431	4,429					66,514	91,339
10		7,972 10%	87,692	92,564 5.56%	97,436 5.26%	102,308 5.00%	107,179 4.76%	112,051 4.55%	116,923 4.35%	121,795 4.17%	126,667 4.00%	38,974	4,872					76,923	98,646
11	Building Official***													\$ 101,934	\$ 142,036	\$ 97,083	\$ 131,401	94,648	1.0
	Supt of Public Works**	8,769	96,461	101,820	107,179	112,538	117,897	123,256	128,615	133,974	139,333	42,872	5,359	\$ 104,390	\$ 146,371	\$ 104,669	\$ 148,782	85,000	1.5
	Deputy Chief	10%		5.56%	5.26%	5.00%	4.76%	4.55%	4.35%	4.17%	4.00%			\$ 98,286	\$ 136,760	\$ 97,968	\$ 138,137	115,825	2.0
12	Asst Village Admin	9,646 10%	106,108	112,003 5.56%	117,897 5.26%	123,792 5.00%	129,687 4.76%	135,582 4.55%	141,477 4.35%	147,372 4.17%	153,267 4.00%	47,159	5,895	\$ 102,948	\$ 144,935	\$ 110,885	\$ 152,048	127,000	0.9
13	Director of Finance	10,611	116,718	123,203	129,687	136,171	142,656	149,140	155,625	162,109	168,593	51,875	6,484	\$ 107,224	\$ 155,147	same			
	Police Chief	10%		5.56%	5.26%	5.00%	4.76%	4.55%	4.35%	4.17%	4.00%			\$ 113,050	\$ 155,648	\$ 112,958	\$ 155,648	134,666	4.9
14		11,672 10%	128,390	135,523 5.56%	142,656 5.26%	149,789 5.00%	156,921 4.76%	164,054 4.55%	171,187 4.35%	178,320 4.17%	185,453 4.00%	57,062	7,133					125,027	176,029
15	Village Administrator	12,839 10%	141,229	149,075 5.56%	156,921 5.26%	164,767 5.00%	172,614 4.76%	180,460 4.55%	188,306 4.35%	196,152 4.17%	203,998 4.00%	62,769	7,846	\$ 137,420	\$ 185,796	\$ 136,412	\$ 191,213	165,000	0.9

* With FY 20/21 1.7% COLA range adjustment applied (RED % CHANGES ARE THE ANNUAL INCREASES BETWEEN STEPS)

**Comparable communities title was typically Director of Public Works
**Comparable communities title was typically Director of Community Development

COMPARABLE COMMUNITIES - POTENTIAL EMPLOYEE INCREASES
60TH PERCENTILE, 10% INCREASE BETWEEN PAY GRADES (15 GRADES), LEVEL DOLLAR INCREASES

Exhibit 2

Pay Grade	Position	Current Salary	Next Year Salary (2)	Increase %	Second Year Salary	Increase %	9 YEAR STEP PLAN (1)									Total Increase \$	5/1/2019 Raise
							Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9		
1							37,190	39,256	41,322	43,388	45,455	47,521	49,587	51,653	53,719		
2							40,909	43,182	45,455	47,727	50,000	52,273	54,545	56,818	59,091		
3							45,000	47,500	50,000	52,500	55,000	57,500	60,000	62,500	65,000		
4	Building & Zoning Secretary	\$ 45,631	49,500	8.48%			49,500	52,250	55,000	57,750	60,500	63,250	66,000	68,750	71,500	3,869	4.72%
	Police Secretary 1	\$ 57,550	57,750	0.35%	60,500	5.13%	49,500	52,250	55,000	57,750	60,500	63,250	66,000	68,750	71,500	2,950	4.12%
	Police Secretary 2	\$ 60,258	60,500	0.40%	63,250	4.97%	49,500	52,250	55,000	57,750	60,500	63,250	66,000	68,750	71,500	2,992	4.02%
	Public Works Secretary (UB)	\$ 51,333	52,250	1.79%	55,000	7.14%	49,500	52,250	55,000	57,750	60,500	63,250	66,000	68,750	71,500	3,667	2.85%
5	Maintenance Worker 1	\$ 52,009	54,450	4.69%			54,450	57,475	60,500	63,525	66,550	69,575	72,600	75,625	78,650	2,441	4.42%
	Maintenance Worker 2	\$ 53,090	54,450	2.56%			54,450	57,475	60,500	63,525	66,550	69,575	72,600	75,625	78,650	1,360	4.37%
	Maintenance Worker 3	\$ 55,224	57,475	4.08%			54,450	57,475	60,500	63,525	66,550	69,575	72,600	75,625	78,650	2,251	4.27%
	Financial Analyst	\$ 60,000	60,500	0.83%	63,525	5.88%	54,450	57,475	60,500	63,525	66,550	69,575	72,600	75,625	78,650	3,525	n/a
6	Exec Secretary/Deputy Clerk	\$ 55,342	59,895	8.23%			59,895	63,223	66,550	69,878	73,205	76,533	79,860	83,188	86,515	4,553	2.65%
	Police Sec/Accred. Mgr	\$ 56,279	59,895	6.43%			59,895	63,223	66,550	69,878	73,205	76,533	79,860	83,188	86,515	3,616	29.15%
7							65,885	69,545	73,205	76,865	80,526	84,186	87,846	91,506	95,167		
8	Public Works Foreman	\$ 73,943	76,499	3.46%			72,473	76,499	80,526	84,552	88,578	92,604	96,631	100,657	104,683	2,556	4.19%
9	Patrol Officer (5)	\$ 96,226	(approx. range \$70,685 - \$118,276)				79,720	84,149	88,578	93,007	97,436	101,865	106,294	110,723	115,151		
10	Supt of Public Works (3)	\$ 85,000	87,692	3.17%			87,692	92,564	97,436	102,308	107,179	112,051	116,923	121,795	126,667	2,692	2.50%
	Building Official (4)	\$ 94,648	97,436	2.95%			87,692	92,564	97,436	102,308	107,179	112,051	116,923	121,795	126,667	2,788	21.87%
11	Police Sergeant (5)	\$ 108,735	(approx. range \$114,070-\$133,652)														
	Deputy Chief	\$ 115,825	117,897	1.79%	123,256	6.42%	96,461	101,820	107,179	112,538	117,897	123,256	128,615	133,974	139,333	7,431	2.50%
12	Asst Village Admin	\$ 127,000	129,687	2.12%	135,582	6.76%	106,108	112,003	117,897	123,792	129,687	135,582	141,477	147,372	153,267	8,582	n/a
13	Director of Finance	\$ 134,666	136,171	1.12%	142,656	5.93%	116,718	123,203	129,687	136,171	142,656	149,140	155,625	162,109	168,593	7,990	2.50%
	Police Chief	\$ 123,974	129,687	4.61%			116,718	123,203	129,687	136,171	142,656	149,140	155,625	162,109	168,593	5,713	2.50%
14							128,390	135,523	142,656	149,789	156,921	164,054	171,187	178,320	185,453		
15	Village Administrator	\$ 165,000	172,614	4.61%			141,229	149,075	156,921	164,767	172,614	180,460	188,306	196,152	203,998	7,614	n/a
							Annual Incr.	5.56%	5.26%	5.00%	4.76%	4.55%	4.35%	4.17%	4.00%	\$76,590	

NOTES:
1 Ranges include FY 20/21 1.7% COLA adjustment
2 If next step yielded less than 2.5% increase (red), also presented second step
3 Comparable communties title was typically Director of Public Works
4 Comparable communties title was typically Director of Community Development
5 Police union estimated salary range for patrol and sergeant presented for illustrative purposes

VILLAGE OF WILLOWBROOK
PATROL/SERGEANT PAY SCALE - 9 YEARS
AT ORIGINAL CONTRACT OFFER WAGE INCREASES (2.85%, 3.00%, 3.15%), 2.00% THEREAFTER

			(Starting Salary)	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Sergeant
			5/1/2018	66,725	70,414	74,100	77,788	81,475	85,162	88,850	92,538	96,226	108,735
Contract request:	2.85%	5/1/2019	68,627	72,421	76,212	80,005	83,797	87,589	91,382	95,175	98,968	111,834	
	% actual increase			8.54%	8.23%	7.97%	7.72%	7.50%	7.30%	7.12%	6.95%	16.22%	
Contract request:	Year 1 3.00%	5/1/2020	70,685	74,593	78,498	82,405	86,311	89,341	93,210	97,079	100,948	114,070	
	% actual increase			8.69%	8.39%	8.13%	7.88%	6.62%	6.42%	6.23%	6.07%	15.26%	
Contract request:	Year 2 3.15%	5/1/2021	72,912	76,943	80,971	85,001	89,030	91,128	95,074	99,020	102,967	116,352	
	% actual increase			8.85%	8.55%	8.28%	8.04%	5.58%	6.42%	6.23%	6.07%	15.26%	
Estimate	Year 3 2.00%	5/1/2022	74,370	78,482	82,590	86,701	90,810	92,950	96,976	101,001	105,026	118,679	
	% actual increase			7.64%	7.34%	7.08%	6.83%	4.40%	6.42%	6.23%	6.07%	15.26%	
Estimate	Year 4 2.00%	5/1/2023	75,858	80,052	84,242	88,435	92,627	94,809	98,915	103,021	107,127	121,052	
	% actual increase			7.64%	7.34%	7.08%	6.83%	4.40%	6.42%	6.23%	6.07%	15.26%	
Estimate	Year 5 2.00%	5/1/2024	77,375	81,653	85,927	90,204	94,479	96,705	100,893	105,081	109,269	123,473	
	% actual increase			7.64%	7.34%	7.08%	6.83%	4.40%	6.42%	6.23%	6.07%	15.26%	
Estimate	Year 6 2.00%	5/1/2025	78,922	83,286	87,646	92,008	96,369	98,640	102,911	107,183	111,455	125,943	
	% actual increase			7.64%	7.34%	7.08%	6.83%	4.40%	6.42%	6.23%	6.07%	15.26%	
Estimate	Year 7 2.00%	5/1/2026	80,501	84,951	89,398	93,848	98,296	100,612	104,969	109,327	113,684	128,462	
	% actual increase			7.64%	7.34%	7.08%	6.83%	4.40%	6.42%	6.23%	6.07%	15.26%	
Estimate	Year 8 2.00%	5/1/2027	82,111	86,650	91,186	95,725	100,262	102,625	107,069	111,513	115,957	131,031	
	% actual increase			7.64%	7.34%	7.08%	6.83%	4.40%	6.42%	6.23%	6.07%	15.26%	
Estimate	Year 9 2.00%	5/1/2028	83,753	88,383	93,010	97,639	102,267	104,677	109,210	113,743	118,276	133,652	
	% actual increase			7.64%	7.34%	7.08%	6.83%	4.40%	6.42%	6.23%	6.07%	15.26%	

**FINANCE & ADMINISTRATION COMMITTEE MEETING
AGENDA ITEM SUMMARY SHEET**

AGENDA ITEM DESCRIPTION

Flexible Spending Plan Amendment Due to COVID-19

COMMITTEE REVIEW

- ☒ Finance/Administration
☐ Municipal Services
☐ Public Safety

Meeting Date: 8/10/20

- | | |
|---|---|
| <input checked="" type="checkbox"/> Discussion Only | <input type="checkbox"/> Approval of Staff Recommendation (for consideration by Village Board at a later date) |
| <input type="checkbox"/> Seeking Feedback | <input type="checkbox"/> Approval of Staff Recommendation (for <u>immediate</u> consideration by Village Board) |
| <input type="checkbox"/> Regular Report | <input type="checkbox"/> Report/documents requested by Committee |

BACKGROUND

The Village adopted a flexible spending plan (also known as a Section 125 plan) on July 1, 1996. The plan allows employees that choose to participate in it to make pre-tax contributions into the plan to pay for medical costs not otherwise covered under the Village health insurance plan, or dependent care expenses (i.e. daycare). The Village has periodically amended the plan for such things as adopting a grace period to incur expenses and increasing the contribution limits.

In accordance with the plan, an employee can choose to withhold from their pay, pre-tax, no more than \$2,500 for medical expenses and \$5,000 for dependent care expenses on an annual basis; the flexible spending plan year coincides with the Village's insurance plan year, which is July 1 – June 30. One of the IRS stipulations for these plans is that the employee's election is irrevocable for the remainder of the plan year, unless certain qualifying events occur (such as marriage, divorce, loss of employment, etc.).

Because of COVID-19, some employees may experience unforeseen hardships and need to change their elections, for example, if their child cannot attend a daycare center that has closed, if planned medical procedures have been postponed, or additional medical procedures are now needed because of COVID-19. An employee that made a prior plan year election is now "stuck" with that choice unless the Village amends the plan. Also, any contributed monies to the plan by the employee are forfeited if they do not spend them by the end of the plan year plus grace period (September 15, 2020).

The IRS issued guidance related to these issues (see attached Notice 2020-29), and at the recent request of an employee, staff is now researching what can be done to assist them. It appears a plan amendment due to COVID-19 is allowable, and staff has begun a survey of other towns that have made plan amendments and is seeking sample documents.

STAFF RECOMMENDATION

Staff recommends making an amendment to the flexible spending plan to allow prospective changes to an employee's previous election, whereby an employee could revoke, or change the amount, of a previous election on a go-forward basis only. The amendment would also allow monies previously contributed that would normally be forfeited after September 15, 2020 to be spent through December 31, 2020. With the committee's consent, staff will work with the Village attorney to draft the appropriate plan modification language to be brought forth to the Village board.

COVID-19 GUIDANCE UNDER § 125 CAFETERIA PLANS AND RELATED TO HIGH DEDUCTIBLE HEALTH PLANS

Notice 2020-29

I. PURPOSE AND OVERVIEW

To assist with the nation's response to the 2019 Novel Coronavirus outbreak (COVID-19), this notice provides for increased flexibility with respect to mid-year elections under a § 125 cafeteria plan during calendar year 2020 related to employer-sponsored health coverage, health Flexible Spending Arrangements (health FSAs), and dependent care assistance programs. This notice also provides increased flexibility with respect to grace periods to apply unused amounts in health FSAs to medical care expenses incurred through December 31, 2020, and unused amounts in dependent care assistance programs to dependent care expenses incurred through December 31, 2020.

As described more fully below, this notice provides that –

- For mid-year elections made during calendar year 2020, a § 125 cafeteria plan may permit employees who are eligible to make salary reduction contributions under the plan to: (1) with respect to employer-sponsored health coverage, (a) make a new election on a prospective basis, if the employee initially declined to elect employer-sponsored health coverage; (b) revoke an existing election and make a new election to enroll in different health coverage sponsored by the same employer on a prospective basis;

and (c) revoke an existing election on a prospective basis, provided that the employee attests in writing that the employee is enrolled, or immediately will enroll, in other health coverage not sponsored by the employer; (2) revoke an election, make a new election, or decrease or increase an existing election applicable to a health FSA on a prospective basis; and (3) revoke an election, make a new election, or decrease or increase an existing election regarding a dependent care assistance program on a prospective basis;

- For unused amounts remaining in a health FSA or a dependent care assistance program under the § 125 cafeteria plan as of the end of a grace period or plan year ending in 2020, a § 125 cafeteria plan may permit employees to apply those unused amounts to pay or reimburse medical care expenses or dependent care expenses, respectively, incurred through December 31, 2020; and
- The relief provided in Notice 2020-15, 2020-14 IRB 559 regarding high deductible health plans (HDHPs) and expenses related to COVID-19, and in section 3701 of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (P.L. 116-136, 134 Stat. 281 (March 27, 2020)) regarding an exemption for telehealth services, may be applied retroactively to January 1, 2020.

II. BACKGROUND

A. Elections Under a § 125 Cafeteria Plan

Section 125(d)(1) of the Internal Revenue Code (Code) defines a § 125 cafeteria plan as a written plan maintained by an employer under which all participants are

employees, and all participants may choose among two or more benefits consisting of cash and qualified benefits. Subject to certain exceptions, § 125(f) defines a qualified benefit as any benefit which, with the application of § 125(a), is not includable in the gross income of the employee by reason of an express provision of the Code. Qualified benefits that may be provided under a § 125 cafeteria plan include employer-provided accident and health plans excludable under §§ 106 and 105(b), health FSAs excludable under §§ 106 and 105(b), and dependent care assistance programs excludable under § 129.

Elections regarding qualified benefits under a § 125 cafeteria plan generally must be irrevocable and must be made prior to the first day of the plan year, except as provided under Treas. Reg. § 1.125-4.¹ Treas. Reg. § 1.125-4 provides that a § 125 cafeteria plan may permit an employee to revoke an election during a period of coverage and to make a new election under certain circumstances, such as if the employee experiences a change in status or there are significant changes in the cost of coverage. Section 125 does not require a § 125 cafeteria plan to permit the mid-year election changes allowed under Treas. Reg. § 1.125-4.

Due to the nature of the public health emergency posed by COVID-19 and unanticipated changes in the need for medical care, some employers have indicated a willingness to offer employees who initially declined to elect employer-sponsored health coverage an opportunity to elect health coverage or allow employees enrolled in

¹ In contrast, for qualified transportation fringe benefits under § 132(f) (which pursuant to § 125(f)(1) may not be offered under a § 125 cafeteria plan), Treas. Reg. § 1.132-9, Q&A 14 provides that employees may change or revoke compensation reduction elections related to the qualified transportation fringe benefits under § 132(f) before the employee is able currently to receive the cash or other taxable amount at the employee's discretion (generally before the beginning of a pay period).

employer-sponsored health coverage to enroll in different health coverage offered by the same employer or drop their existing employer-sponsored health coverage to enroll in other health coverage not offered by their employer (for example, coverage offered by their spouse's employer). In addition, some employees may have an increase or decrease in medical expenses due to unanticipated changes in the need for or availability of medical care and may wish to increase or decrease amounts in their health FSAs. Further, some employees may have an increase or decrease in the need for dependent care assistance due to the unanticipated closure of schools and child care providers and changes to the employee's work location or schedule. Depending on an employee's circumstances, the exceptions set forth in Treas. Reg. § 1.125-4 may not apply with respect to election changes that employees may wish to request for employer-sponsored health coverage, health FSAs, and dependent care assistance programs for reasons related to the COVID-19 public health emergency.

B. Health FSAs and Dependent Care Assistance Programs

Under the carryover rule, a § 125 cafeteria plan may permit the carryover of unused amounts remaining in a health FSA as of the end of a plan year to pay or reimburse a participant for medical care expenses incurred during the following plan year, subject to the carryover limit (currently \$550). See Notice 2013-71, 2013-47 IRB 532, and Notice 2020-33, 2020-22 IRB _____. Under the grace period rule, a § 125 cafeteria plan may permit a participant to apply unused amounts (including amounts remaining in a health FSA or dependent care assistance program) at the end of a plan year to pay expenses incurred for those same qualified benefits during the period of up to two months and 15 days immediately following the end of the plan year. See

Notice 2005-42, 2005-1 C.B. 1204, and Prop. Treas. Reg. § 1.125-1(e). For a health FSA, a § 125 cafeteria plan may adopt a carryover or a grace period (or neither), but may not adopt both features. See Notice 2013-71.

Due to the nature of the public health emergency posed by COVID-19, in particular unanticipated changes in the availability of certain medical care and dependent care, employees may be more likely to have unused health FSA amounts or dependent care assistance program amounts (or have larger unused health FSA amounts or dependent care assistance program amounts) as of the end of plan years, or grace periods, ending in 2020 and may wish to have an extended period during which to apply their unused health FSA amounts or dependent care assistance program amounts to pay or reimburse medical care expenses or dependent care expenses.

C. Impact of Health FSA Reimbursements on Eligibility to Contribute to an HSA

Section 223 permits eligible individuals to establish and contribute to health savings accounts (HSAs). Pursuant to § 223(c)(1)(A), an eligible individual is, with respect to any month, any individual if (i) such individual is covered under an HDHP as of the first day of such month, and (ii) such individual is not, while covered under an HDHP, covered under any health plan which is not an HDHP, and which provides coverage for any benefit which is covered under the HDHP. An HDHP is a health plan that satisfies the minimum annual deductible requirement and maximum out-of-pocket expenses requirement under § 223(c)(2)(A).

Coverage by a general purpose health FSA is coverage by a health plan that disqualifies an otherwise eligible individual from contributing to an HSA, although coverage by a limited purpose health FSA would not do so.² See Rev. Rul. 2004-45, 2004-1 C.B. 971. Similarly, a telemedicine arrangement generally constitutes a health plan or insurance that provides coverage before the minimum annual deductible is met, and provides coverage that is not disregarded coverage or preventive care, which would generally disqualify an otherwise eligible individual from contributing to an HSA. However, section 3701 of the CARES Act amended § 223 of the Code to temporarily allow HSA-eligible HDHPs to cover telehealth and other remote care services. See section IV.B. of this notice for more details.

III. RELIEF

A. Elections Under a § 125 Cafeteria Plan

This notice provides temporary flexibility for § 125 cafeteria plans to permit employees to make certain prospective mid-year election changes for employer-sponsored health coverage, health FSAs, and dependent care assistance programs during calendar year 2020 that the plan chooses to permit. Specifically, an employer, in its discretion, may amend one or more of its § 125 cafeteria plans (including limiting the period during which election changes may be made) to allow each employee who is eligible to make salary reduction contributions under the plan to make prospective

² Notice 2005-86, 2005-49 IRB 1075 clarifies that coverage by a general purpose health FSA during a grace period is health coverage that disqualifies an otherwise eligible individual from contributing to an HSA during that period. However, Notice 2005-86 provides methods an employer can use to amend the health FSA for the grace period so it does not disqualify employees from contributing to an HSA during that period.

election changes (including an initial election) during calendar year 2020 regarding employer-sponsored health coverage, a health FSA, or a dependent care assistance program, regardless of whether the basis for the election change satisfies the criteria set forth in Treas. Reg. § 1.125-4. In particular, an employer may amend one or more of its § 125 cafeteria plans to allow employees to: (1) make a new election for employer-sponsored health coverage on a prospective basis, if the employee initially declined to elect employer-sponsored health coverage; (2) revoke an existing election for employer-sponsored health coverage and make a new election to enroll in different health coverage sponsored by the same employer on a prospective basis (including changing enrollment from self-only coverage to family coverage); (3) revoke an existing election for employer-sponsored health coverage on a prospective basis, provided that the employee attests in writing that the employee is enrolled, or immediately will enroll, in other health coverage not sponsored by the employer; (4) revoke an election, make a new election, or decrease or increase an existing election regarding a health FSA on a prospective basis; and (5) revoke an election, make a new election, or decrease or increase an existing election regarding a dependent care assistance program on a prospective basis.

To accept an employee's revocation of an existing election for employer-sponsored health coverage, the employer must receive from the employee an attestation in writing that the employee is enrolled, or immediately will enroll, in other comprehensive health coverage not sponsored by the employer. The employer may rely on the written attestation provided by the employee, unless the employer has actual knowledge that the employee is not, or will not be, enrolled in other comprehensive

health coverage not sponsored by the employer. The following is an example of an acceptable written attestation:

Name: _____ (and other identifying information requested by the employer for administrative purposes).

I attest that I am enrolled in, or immediately will enroll in, one of the following types of coverage: (1) employer-sponsored health coverage through the employer of my spouse or parent; (2) individual health insurance coverage enrolled in through the Health Insurance Marketplace (also known as the Health Insurance Exchange); (3) Medicaid; (4) Medicare; (5) TRICARE; (6) Civilian Health and Medical Program of the Department of Veterans Affairs (CHAMPVA); or (7) other coverage that provides comprehensive health benefits (for example, health insurance purchased directly from an insurance company or health insurance provided through a student health plan).

Signature: _____

An employer utilizing this relief under § 125 is not required to provide unlimited election changes but may, in its discretion, determine the extent to which such election changes are permitted and applied, provided that any permitted election changes are applied on a prospective basis only, and the changes to the plan's election requirements do not result in failure to comply with the nondiscrimination rules applicable to § 125 cafeteria plans. In determining the extent to which election changes are permitted and applied, an employer may wish to consider the potential for adverse selection of health coverage by employees. To prevent adverse selection of health coverage, an employer may wish to limit elections to circumstances in which an employee's coverage will be increased or improved as a result of the election (for example, by electing to switch from self-only coverage to family coverage, or from a low option plan covering in-network expenses only to a high option plan covering expenses in or out of network). Changes to the plan may also implicate other applicable laws,

such as notice requirements under Title I of the Employee Retirement Income Security Act of 1974, with which any changes should comply. With respect to mid-year election changes for employer-sponsored coverage, this relief applies to both employers sponsoring self-insured plans and employers sponsoring insured plans. With respect to health FSAs, this relief applies to all health FSAs, including limited purpose health FSAs compatible with HSAs. In addition, with respect to health FSAs and dependent care assistance programs, employers are permitted to limit mid-year elections to amounts no less than amounts already reimbursed.

This relief may be applied retroactively to periods prior to the issuance of this notice and on or after January 1, 2020, to address a § 125 cafeteria plan that, prior to the issuance of this notice, permitted mid-year election changes for employer-sponsored health coverage, health FSAs, or dependent care assistance programs that otherwise are consistent with the requirements for the relief provided in this notice.

B. Extended Claims Period for Health FSAs and Dependent Care Assistance Programs

This notice also provides flexibility for a § 125 cafeteria plan to provide an extended period to apply unused amounts remaining in a health FSA or dependent care assistance program to pay or reimburse medical care expenses or dependent care expenses. Specifically, an employer, in its discretion, may amend one or more of its § 125 cafeteria plans to permit employees to apply unused amounts remaining in a health FSA or a dependent care assistance program as of the end of a grace period ending in 2020 or a plan year ending in 2020 to pay or reimburse expenses incurred for the same qualified benefit through December 31, 2020. For example, if an employer

sponsors a § 125 cafeteria plan with a health FSA that has a calendar year plan year and provides for a grace period ending on March 15 immediately following the end of each plan year, the employer may amend the plan to permit employees to apply unused amounts remaining in an employee's health FSA as of March 15, 2020, to reimburse the employee for medical care expenses incurred through December 31, 2020.³ This relief applies to all health FSAs, including limited purpose health FSAs compatible with HSAs. However, health FSA amounts may only be used for medical care expenses, and dependent care assistance program amounts may only be used for dependent care expenses. The extension of time for incurring claims is available both to § 125 cafeteria plans that have a grace period, and plans that provide for a carryover, notwithstanding Notice 2013-71, which otherwise continues in effect and provides that health FSAs can either adopt a grace period or provide for a carryover amount but cannot have both. The following examples illustrate how a plan with a July 1 plan year that allows a \$500 carryover would implement the extended period for incurring claims allowed by this notice:

Example 1. Employer provides a health FSA under a § 125 cafeteria plan that allows a \$500 carryover for the 2019 plan year (July 1, 2019 to June 30, 2020). Pursuant to this notice and Notice 2020-33, Employer amends the plan to adopt a \$550 (indexed) carryover beginning with the 2020 plan year, and also amends the plan to adopt the temporary extended period for incurring claims with respect to the 2019 plan year, allowing for claims incurred prior to January 1, 2021, to be paid with respect to amounts from the 2019 plan year.

Employee A has a remaining balance in his health FSA for the 2019 plan year of \$2,000 on June 30, 2020, because a scheduled non-emergency procedure was postponed. For the 2020 plan year beginning July 1, 2020, Employee A elects to contribute \$2,000 to his health FSA. Employee A is able to reschedule the procedure before December 31,

³ Certain plans would not need the relief provided in this notice. For example, a plan with a plan year ending on or after October 31, 2020, continues to be able to provide a grace period of up to two months and 15 days, which would allow the reimbursement of claims incurred after December 31, 2020.

2020 and, between July 1, 2020 and December 31, 2020, incurs \$1,900 in medical care expenses. The health FSA may reimburse Employee A \$1,900 from the \$2,000 remaining in his health FSA at the end of the 2019 plan year, leaving \$100 unused from the 2019 plan year. Under the plan terms that provide for a carryover, Employee A is allowed to use the remaining \$100 in his health FSA until June 30, 2021, to reimburse claims incurred during the 2020 plan year. Employee A may be reimbursed for up to \$2,100 (\$2,000 contributed to the health FSA for the 2020 plan year plus \$100 carryover from the 2019 plan year) for medical care expenses incurred between January 1, 2021 and June 30, 2021. In addition, Employee A may carry over to the 2021 plan year beginning July 1, 2021 up to \$550 of any remaining portion of that \$2,100 after claims are processed for the 2020 plan year that began July 1, 2020. A grace period is not available for the plan year ending June 30, 2021.

Example 2. Same facts as Example 1, except that Employee B has a remaining balance in his health FSA for the 2019 plan year of \$1,250 on June 30, 2020. For the 2020 plan year beginning July 1, 2020, Employee B elects to contribute \$1,200 to his health FSA. Between July 1, 2020 and December 31, 2020, Employee B incurs \$600 in medical care expenses. The health FSA may reimburse Employee B \$600 from the \$1,250 remaining in his health FSA at the end of the 2019 plan year, leaving \$650 unused from the 2019 plan year. Under the plan terms, Employee B is allowed to use \$500⁴ of the \$650 unused amount from the 2019 plan year to reimburse claims incurred during the 2020 plan year, and the remaining \$150 will be forfeited. Employee B may be reimbursed for up to \$1,700 (\$1,200 contributed to the health FSA for the 2020 plan year plus \$500 carryover from the 2019 plan year) for medical care expenses incurred between January 1, 2021 and June 30, 2021. In addition, Employee B may carry over to the 2021 plan year beginning July 1, 2021 up to \$550 of any remaining unused portion of that \$1,700 after claims are processed for the 2020 plan year that began July 1, 2020. A grace period is not available for the plan year ending June 30, 2021.

The extension of the period for incurring claims that may be reimbursed by the health FSA is an extension of coverage by a health plan that is not an HDHP for purposes of determining whether an eligible individual qualifies to make contributions to an HSA (except in the case of an HSA-compatible health FSA, such as a limited purpose health FSA). See section II.C. of this notice. Thus, an individual who had unused amounts remaining at the end of a plan year or grace period ending in 2020 and

⁴ The maximum unused amount remaining in a health FSA from a plan year beginning in 2019 allowed to be carried over to the immediately following plan year beginning in 2020 is \$500, whereas the maximum unused amount remaining in a health FSA from a plan year beginning in 2020 allowed to be carried over to the immediately following plan year beginning in 2021 is \$550 (20 percent of \$2,750, the indexed 2020 limit under § 125(i)). See Notice 2020-33.

who is allowed an extended period to incur expenses under a health FSA pursuant to a plan amended in accordance with this notice will not be eligible to contribute to an HSA during the extended period (except in the case of an HSA-compatible health FSA, including a health FSA that is amended to be HSA-compatible).

The relief set forth in this notice may be applied on or after January 1, 2020 and on or before December 31, 2020, provided that any elections made in accordance with this notice apply only on a prospective basis.

C. Plan Amendments

* An employer that decides to amend one or more of its § 125 cafeteria plans to provide for mid-year election changes for employer-sponsored health coverage, health FSAs, or dependent care assistance programs in a manner consistent with this notice or to provide for an extended period to apply unused amounts remaining in a health FSA or a dependent care assistance program to pay or reimburse medical care expenses or dependent care expenses in a manner consistent with this notice must adopt a plan amendment. In addition, an employer that decides to amend its health FSA to provide for an increase in the carryover of unused amounts to the following year in a manner consistent with Notice 2020-33, for the 2020 plan year or plan years thereafter, must adopt a plan amendment.

An amendment for the 2020 plan year must be adopted on or before December 31, 2021, and may be effective retroactively to January 1, 2020, provided that the § 125 cafeteria plan operates in accordance with this notice or Notice 2020-33 or both, as applicable, and the employer informs all employees eligible to participate in

the § 125 cafeteria plan of the changes to the plan. Any amendment adopted pursuant to this notice must apply only to mid-year elections made during calendar year 2020, or to an extended period to apply unused health FSA amounts or dependent care assistance program amounts for the payment or reimbursement of medical care expenses or dependent care expenses incurred through December 31, 2020.

IV. MISCELLANEOUS

A. HDHPs and Application of Notice 2020-15

Notice 2020-15 provides that a health plan that otherwise satisfies the requirements to be an HDHP under § 223(c)(2)(A) will not fail to be an HDHP merely because the health plan provides medical care services and items purchased related to testing for and treatment of COVID-19 prior to the satisfaction of the applicable minimum deductible. This notice clarifies that the relief provided in Notice 2020-15 regarding HDHPs and expenses related to testing for and treatment of COVID-19 applies with respect to reimbursements of expenses incurred on or after January 1, 2020. This notice further clarifies that the panel of diagnostic testing for influenza A & B, norovirus and other coronaviruses, and respiratory syncytial virus (RSV) and any items or services required to be covered with zero cost sharing under section 6001 of the Families First Coronavirus Response Act (P.L. 116-127, 134 Stat. 178 (March 18, 2020)), as amended by the CARES Act, are part of testing and treatment for COVID-19 for purposes of Notice 2020-15.

B. HDHPs and Application of Section 3701 of the CARES Act

Section 3701 of the CARES Act amends § 223(c) of the Code to provide a temporary safe harbor for providing coverage for telehealth and other remote care services. As added by the CARES Act, § 223(c)(2)(E) of the Code allows HSA-eligible HDHPs to cover telehealth and other remote care services without a deductible or with a deductible below the minimum annual deductible otherwise required by § 223(c)(2)(A) of the Code. Section 3701 of the CARES Act also amends § 223(c)(1)(B)(ii) of the Code to include telehealth and other remote care services as categories of coverage that are disregarded for purposes of determining whether an individual who has other health plan coverage in addition to an HDHP is an eligible individual who may make tax-favored contributions to his or her HSA under § 223 of the Code. Thus, an otherwise eligible individual with coverage under an HDHP may also receive coverage for telehealth and other remote care services outside the HDHP and before satisfying the deductible of the HDHP and still contribute to an HSA. The amendments to § 223 of the Code under section 3701 of the CARES Act are effective March 27, 2020, and apply to plan years beginning on or before December 31, 2021. This notice provides that treatment of telehealth and other remote care services under section 3701 of the CARES Act applies with respect to services provided on or after January 1, 2020, with respect to plan years beginning on or before December 31, 2021. Therefore, for example, an otherwise eligible individual with coverage under an HDHP who also received coverage beginning February 15, 2020 for telehealth and other remote care services under an arrangement that is not an HDHP and before satisfying the deductible for the HDHP will not be disqualified from contributing to an HSA during 2020.

V. DRAFTING INFORMATION

The principal author of this notice is Jennifer Solomon of the Office of Associate Chief Counsel (Employee Benefits, Exempt Organizations, and Employment Taxes), though other Treasury Department and IRS officials participated in its development. For further information on the provisions of this notice, contact Jennifer Solomon at (202) 317-5500 (not a toll-free number).

**FINANCE & ADMINISTRATION COMMITTEE MEETING
AGENDA ITEM SUMMARY SHEET**

AGENDA ITEM DESCRIPTION

Bank Account Closures

COMMITTEE REVIEW

- ☒ Finance/Administration
☐ Municipal Services
☐ Public Safety

Meeting Date: 8/10/20

- | | |
|---|---|
| <input checked="" type="checkbox"/> Discussion Only | <input type="checkbox"/> Approval of Staff Recommendation (for consideration by Village Board at a later date) |
| <input type="checkbox"/> Seeking Feedback | <input type="checkbox"/> Approval of Staff Recommendation (for <u>immediate</u> consideration by Village Board) |
| <input type="checkbox"/> Regular Report | <input type="checkbox"/> Report/documents requested by Committee |

BACKGROUND

The Village was recently contacted by IMET inquiring if we planned to make more deposits, or to close out our existing General Fund Convenience account there. Since the fraud that occurred with one of IMET's underlying investments in late 2014, the Village withdrew all but about \$30 of deposits there. We have been advised by IMET that we do not need to maintain an account there to receive proceeds from the liquidating trust that was established to recover funds from the fraud.

In addition to the IMET account, the Village has unused accounts in the Illinois Funds with very small balances and/or that are not legally required to be maintained as separate accounts. Staff would like to close these accounts to minimize the unnecessary accounting for these. The accounts are highlighted on the attached report and include the IMET Convenience Fund, IL Funds Hotel/Motel Tax, IL Funds Capital Projects, and IL Funds LAFER Bond Proceeds.

STAFF RECOMMENDATION

With consent from the Committee, staff will work with the necessary Village officials to close the noted accounts at these depositories.

Village of Willowbrook
Summary of Book/Bank Balances

For month of: **Jun-20**

Community Bank of Willowbrook

(formerly known as Hinsbrook Bank & Hins)		Book	Bank
General Fund	B	749,471.60	830,668.46
Accounts Payable		-	-
Payroll		-	-
General Fund MMA	A	305,719.66	305,719.66
Red Light	A	33,753.43	28,453.43
Drug Enforcement	A	81,574.06	81,574.06
Water Savings	A	782,319.13	780,431.26
Police Pension Savings	A	10,945.32	10,945.32
Flex Spending	B	13,127.70	13,127.70
Total Bank:		<u>1,976,910.90</u>	<u>2,050,919.89</u>
Less: FDIC interest bearing	A	(250,000.00)	(250,000.00)
Less: FDIC non interest bearing	B	(250,000.00)	(250,000.00)
Less: Collateral (Bank of America) - MARK		<u>(1,706,603.65)</u>	<u>(1,706,603.65)</u>
Uninsured/uncollateralized (overinsured/ov		(229,692.75)	(155,683.76)

IL Funds

General/LAFER/BD	5,311,634.80	5,311,634.80
Water	612,762.42	612,762.42
Hotel	624,643.77	624,643.77
Motor Fuel Tax	623,881.52	623,881.52
SSA Bond	110,150.10	110,150.10
Water Capital Improvement	846,587.25	846,587.25
Capital Projects	680.34	680.34
Debt Service - 2015 Bonds	11.25	11.25
LAFER Bond Proceeds	0.02	0.02
Total Bank:	<u>8,130,351.47</u>	<u>8,130,351.47</u>

no collateralization required

IMET

General Convenience	29.19	29.19
General 1-3 Year Fund	0.00	0.00
SSA Bond	0.00	0.00
SSA1 Project	0.00	0.00
2008 Bond	0.00	0.00
2008 Bond Fund II Conv	0.00	0.00
2008 Bond Fund II 1-3 Year	0.00	0.00
Total Bank:	<u>29.19</u>	<u>29.19</u>

**VILLAGE OF WILLOWBROOK
CHECKS ISSUED
FISCAL YEAR 2020-21**

<u>MONTH</u>	<u>BOARD APPROVED WARRANTS</u>	<u>GROSS PAYROLL (ACTIVE & POLICE PENSION)</u>	<u>Note 1 HANDWRITTEN CHECKS</u>	<u>MONTHLY TOTAL</u>
MAY	\$ 398,439.74	\$ 130,024.14		
MAY	256,398.44	266,579.75	\$ -	\$ 1,051,442.07
JUNE	276,514.12	128,448.19		
JUNE	237,369.93	300,440.26	73,931.39 2	\$ 1,016,703.89
JULY	360,885.29	131,914.94		
JULY	113,090.90	154,784.87		
JULY		261,053.92	26,833.32 3	\$ 1,048,563.24
AUG				
AUG				\$ -
SEPT				
SEPT				\$ -
OCT				
OCT				\$ -
NOV				
NOV				\$ -
DEC				
DEC - safety				
DEC				
DEC				\$ -
JAN				
JAN				\$ -
FEB				
FEB				\$ -
MAR				
MAR				\$ -
APR				
APR				\$ -
	<u>\$ 1,642,698.42</u>	<u>\$ 1,373,246.07</u>	<u>\$ 100,764.71</u>	<u>\$ 3,116,709.20</u>

Note 1 Handwritten checks from prior month that appear on next warrant report have been subtracted so they are not double counted

Note 2 Includes check for SSA bond payment due July 1

Note 3 Includes MFT final payment, approved separately by Village board

**VILLAGE OF WILLOWBROOK
PAYROLL - BY MONTH/YEAR
FY 2019 - FY 2021**

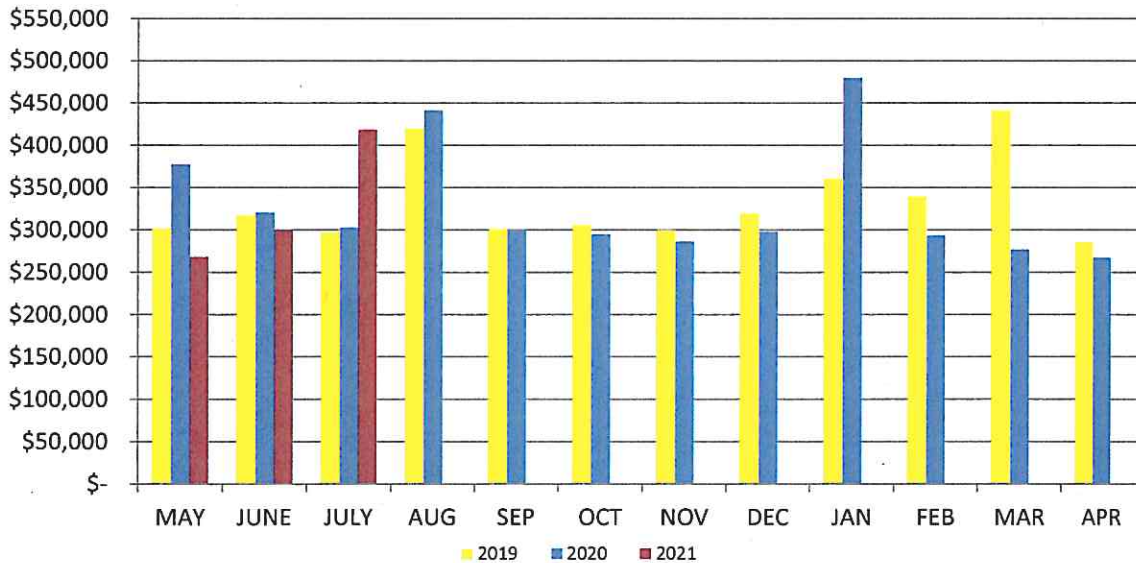
MONTHLY PAYROLL TOTALS (ACTIVE EMPLOYEES ONLY)

MONTH	FISCAL 2019	# of payrolls	FISCAL 2020	# of payrolls	FISCAL 2021	# of payrolls
MAY	\$ 301,687	2	\$ 377,536	2 #	\$ 268,343	2
JUNE	317,099	2	320,347	2	299,925	2
JULY	297,253	2	302,665	2	418,790	3
AUG	419,939	3	441,619	3		
SEP	300,863	2	298,713	2		
OCT	305,363	2	295,042	2		
NOV	299,457	2	286,261	2		
DEC	319,762	2 *	297,759	2		
JAN	360,720	2	479,988	3		
FEB	339,471	2	293,442	2		
MAR	441,021	3	276,702	2		
APR	286,033	2	267,443	2		
TOTAL	\$ 3,988,667	26	\$ 3,937,518	26	\$ 987,057	7
AVERAGE PAYROLL	\$ 153,410		\$ 151,443		\$ 141,008	
CHANGE FROM PRIOR YEAR			-1.28%		-6.89%	

* Includes safety incentive

Includes Village Administrator retirement payout

TOTAL PAYROLL BY MONTH: ACTIVE EMPLOYEES

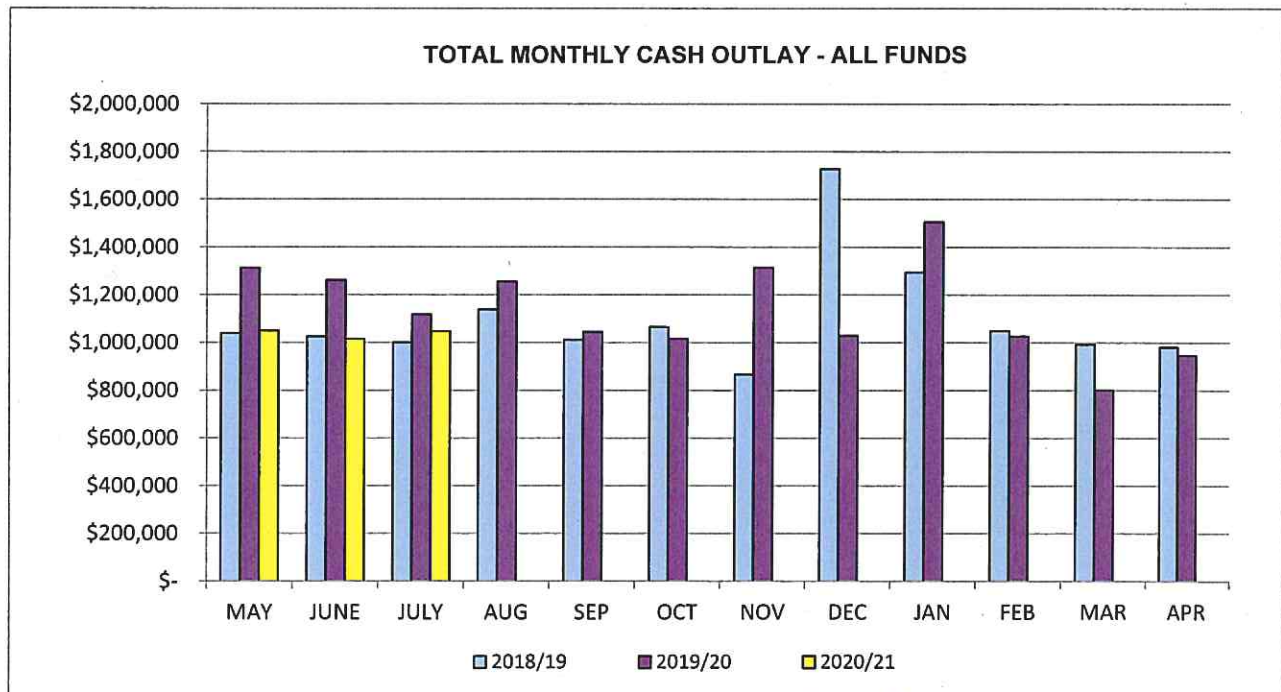


**VILLAGE OF WILLOWBROOK
CASH OUTLAY
ALL FUNDS**

MONTH	MONTHLY TOTALS			DAILY AVERAGE FISCAL 2020/21
	FISCAL 2018/19	FISCAL 2019/20	FISCAL 2020/21	
MAY	\$ 1,040,070	\$ 1,314,071 A	\$ 1,051,442	\$ 33,917
JUNE	1,027,203	1,262,520 A, B	1,016,704	33,890
JULY	1,002,201	1,119,427 B	1,048,563	33,825
AUG	1,140,853	1,257,122 B		
SEP	1,013,460	1,046,271		
OCT	1,067,553	1,017,789		
NOV	868,212	1,316,561		
DEC	1,728,219 B	1,030,423		
JAN	1,295,655	1,506,560		
FEB	1,050,881 A,B	1,028,991		
MAR	994,241	803,457		
APR	982,578 B	948,743		
TOTAL	\$ 13,211,126	\$ 13,651,935	\$ 3,116,709	
AVERAGE	\$ 1,100,927	\$ 1,137,661	\$ 1,038,903	\$ 33,877

A Includes retirement payout

B Includes payment to LJ Morse for CRC exterior renovation

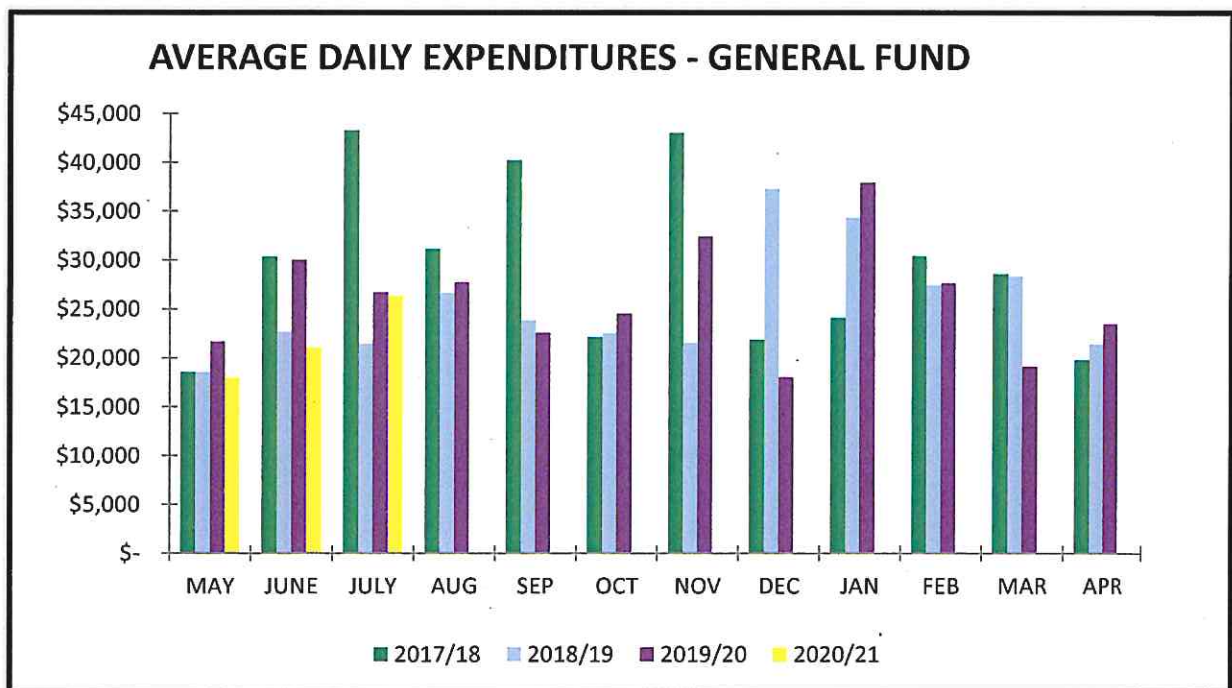


**VILLAGE OF WILLOWBROOK
AVERAGE DAILY EXPENDITURES
GENERAL FUND**

MONTH	FISCAL 2017/18	FISCAL 2018/19	FISCAL 2019/20	FISCAL 2020/21
MAY	\$ 18,548	\$ 18,531	\$ 21,671	\$ 17,998
JUNE	30,355	22,655	30,024	21,103
JULY	43,297 A	21,462	26,717	26,355
AUG	31,156	26,618	27,764	
SEP	40,215	23,835	22,574	
OCT	22,129	22,535	24,513	
NOV	43,060 A	21,549	32,423	
DEC	21,898	37,302 B	18,049	
JAN	24,115	34,349	37,955	
FEB	30,435	27,484 B	27,647	
MAR	28,627	28,355 B	19,121	
APR	19,842	21,433 B	23,489	
AVERAGE	\$ 29,473	\$ 25,509	\$ 25,995	\$ 21,819
% CHANGE		-13.45%	1.91%	-16.07%

A Includes contribution towards police dept renovation (transfer to LAFER Fund)

B Includes contribution towards CRC renovation (transfer to LAFER Fund)



VILLAGE OF WILLOWBROOK FINANCIAL REPORT MUNICIPAL SALES AND USE TAXES

MONTH DIST	SALE MADE		16-17	17-18	18-19	19-20	20-21	Difference from Prior Year
MAY	FEB	\$	267,882	\$ 264,472	\$ 276,118	\$ 320,221	\$ 307,589	-3.94%
JUNE	MAR		312,681	304,436	334,282	360,870	359,968	-0.25%
JULY	APR		269,580	304,925	309,957	343,577	289,885	-15.63%
AUG	MAY		331,887	345,478	376,154	397,471		-100.00%
SEPT	JUNE		398,196	354,582	364,229	408,372		-100.00%
OCT	JULY		316,266	313,701	320,062	380,773		-100.00%
NOV	AUG		315,293	361,826	339,020	389,765		-100.00%
DEC	SEPT		325,374	334,582	342,467	363,388		-100.00%
JAN	OCT		289,208	312,400	329,103	375,088		-100.00%
FEB	NOV		304,898	319,012	362,572	368,379		-100.00%
MARCH	DEC		371,080	416,900	428,214	437,962		-100.00%
APRIL	JAN		263,392	285,192	296,927	311,493		-100.00%
TOTAL		\$	3,765,737	\$ 3,917,506	\$ 4,079,105	\$ 4,457,359	\$ 957,442	
MTH AVG		\$	313,811	\$ 326,459	\$ 339,925	\$ 371,447	\$ 319,147	
BUDGET		\$	3,600,000	\$ 3,600,000	\$ 3,600,000	\$ 4,000,000	\$ 3,500,000	

YEAR TO DATE LAST YEAR : \$ 1,024,668
YEAR TO DATE THIS YEAR : \$ 957,442
DIFFERENCE : \$ (67,226)

PERCENTAGE CHANGE :

-6.56%

CURRENT FISCAL YEAR :

BUDGETED REVENUE: \$ 3,500,000
PERCENTAGE OF YEAR COMPLETED : 25.00%
PERCENTAGE OF REVENUE TO DATE : 27.36%
PROJECTION OF ANNUAL REVENUE : \$ 4,164,923
EST. DOLLAR DIFF ACTUAL TO BUDGET \$ 664,923
EST. PERCENT DIFF ACTUAL TO BUDGET 19.00%

VILLAGE OF WILLOWBROOK FINANCIAL REPORT BUSINESS DISTRICT SALES TAX

MONTH DIST	SALE MADE	16-17	17-18	18-19	19-20	20-21	Difference from Prior Year
MAY	FEB		\$ 33,892	\$ 33,887	\$ 47,967	\$ 47,374	-1.24%
JUNE	MAR		36,583	40,172	54,771	37,733	-31.11%
JULY	APR		35,311	34,830	53,799	21,982	-59.14%
AUG	MAY		38,019	39,441	57,570		-100.00%
SEPT	JUNE		37,321	40,597	58,915		-100.00%
OCT	JULY		34,773	38,253	56,043		-100.00%
NOV	AUG		40,727	42,081	57,905		-100.00%
DEC	SEPT		36,779	38,486	55,991		-100.00%
JAN	OCT		35,522	44,158	53,534		-100.00%
FEB	NOV		42,116	62,903	56,671		-100.00%
MARCH	DEC		57,664	79,892	75,234		-100.00%
APRIL	JAN	32,744	36,122	46,514	48,732		-100.00%
TOTAL		\$ 32,744	\$ 464,829	\$ 541,214	\$ 677,132	\$ 107,089	
MTH AVG		\$ 32,744	\$ 38,736	\$ 45,101	\$ 56,428	\$ 35,696	
BUDGET		\$ -	\$ 518,650	\$ 450,000	\$ 485,000	\$ 600,000	

YEAR TO DATE LAST YEAR : \$ 102,738
YEAR TO DATE THIS YEAR : \$ 107,089
DIFFERENCE : \$ 4,351

PERCENTAGE CHANGE :

4.24%

CURRENT FISCAL YEAR :

BUDGETED REVENUE: \$ 600,000
PERCENTAGE OF YEAR COMPLETED : 25.00%
PERCENTAGE OF REVENUE TO DATE : 17.85%
PROJECTION OF ANNUAL REVENUE : \$ 705,809
EST. DOLLAR DIFF ACTUAL TO BUDGET \$ 105,809
EST. PERCENT DIFF ACTUAL TO BUDGET 17.6%

VILLAGE OF WILLOWBROOK FINANCIAL REPORT MUNICIPAL INCOME TAXES

MONTH			Note 1 17-18	Note 2 18-19	Note 3 19-20	20-21	Difference from Prior Year
	16-17						
MAY	\$ 116,485	\$ 114,461	\$ 117,127	\$ 171,495	\$ 86,503		-49.56%
JUNE	55,680	59,196	54,108	53,557	53,643		0.16%
JULY	79,465	78,309	73,159	80,093	85,105		6.26%
AUG	46,276	37,423	53,704	57,414			-100.00%
SEPT	50,547	44,142	52,413	50,814			-100.00%
OCT	74,694	67,208	81,459	90,661			-100.00%
NOV	50,133	50,580	58,669	59,170			-100.00%
DEC	45,419	44,530	48,629	55,914			-100.00%
JAN	73,433	64,897	70,855	78,153			-100.00%
FEB	84,930	93,937	85,245	80,519			-100.00%
MARCH	44,453	47,225	51,328	60,474			-100.00%
APRIL	85,726	72,516	82,444	88,736			-100.00%
TOTAL	\$ 807,241	\$ 774,424	\$ 829,140	\$ 927,000	\$ 225,251		
MTH AVG	\$ 67,270	\$ 64,535	\$ 69,095	\$ 77,250	\$ 75,084		
BUDGET	\$ 740,418	\$ 862,540	\$ 736,319	\$ 815,000	\$ 717,000		

Note 1: 10% reduction in LGDF approved by State of IL (no reduction in Village budget)

Note 2: 5% reduction in LGDF approved by State of IL (Village budget reduced 10%)

Note 3: 5% reduction in LGDF continued by State of IL (Village budget reduced 5%)

YEAR TO DATE LAST YEAR:	\$ 305,145
YEAR TO DATE THIS YEAR:	\$ 225,251
DIFFERENCE:	\$ (79,894)

PERCENTAGE CHANGE:

-26.18%

BUDGETED REVENUE:	\$ 717,000
PERCENTAGE OF YEAR COMPLETED :	25.00%
PERCENTAGE OF REVENUE TO DATE :	31.42%
PROJECTION OF ANNUAL REVENUE :	\$ 684,290
EST. DOLLAR DIFF ACTUAL TO BUDGET	\$ (32,710)
EST. PERCENT DIFF ACTUAL TO BUDGET	-4.6%

**VILLAGE OF WILLOWBROOK
FINANCIAL REPORT
MUNICIPAL UTILITY TAXES**

Telecommunications Tax - 6%
Nicor & Com-Ed - 5%

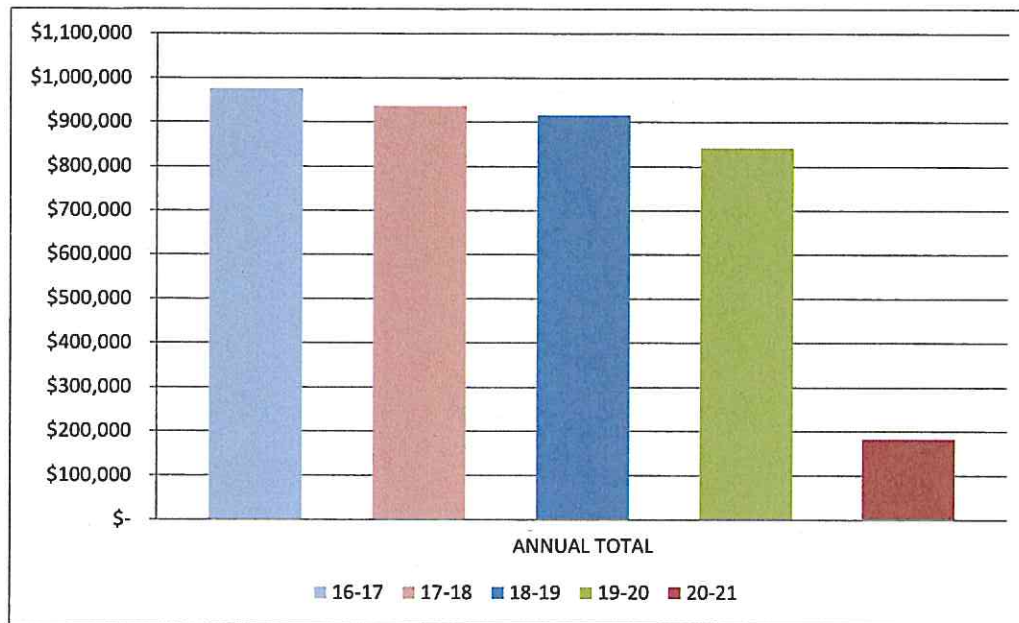
MONTH	16-17	17-18	18-19	19-20	20-21	Difference from Prior Year
MAY	\$ 76,429	\$ 71,829	\$ 73,377	\$ 67,576	\$ 63,134	-6.57%
JUNE	73,715	72,444	66,122	61,990	57,971	-6.48%
JULY	78,330	73,703	68,284	63,109	61,197	-3.03%
AUG	79,068	79,315	76,782	69,155		-100.00%
SEPT	80,232	78,406	74,848	73,700		-100.00%
OCT	83,653	76,352	77,551	70,250		-100.00%
NOV	74,678	69,376	70,012	64,343		-100.00%
DEC	73,400	73,501	71,174	67,069		-100.00%
JAN	87,946	81,944	81,654	79,863		-100.00%
FEB	96,872	96,949	83,737	76,377		-100.00%
MARCH	90,339	84,801	90,851	78,561		-100.00%
APRIL	80,801	77,637	81,337	70,076		-100.00%
TOTAL	\$ 975,463	\$ 936,257	\$ 915,729	\$ 842,069	\$ 182,302	
MTH AVG	\$ 81,289	\$ 78,021	\$ 76,311	\$ 70,172	\$ 60,767	
BUDGET	\$ 1,000,000	\$ 1,000,000	\$ 950,000	\$ 898,000	\$ 850,000	

YEAR TO DATE LAST YEAR: \$ 192,675
YEAR TO DATE THIS YEAR: \$ 182,302
DIFFERENCE: \$ (10,373)

PERCENTAGE CHANGE:

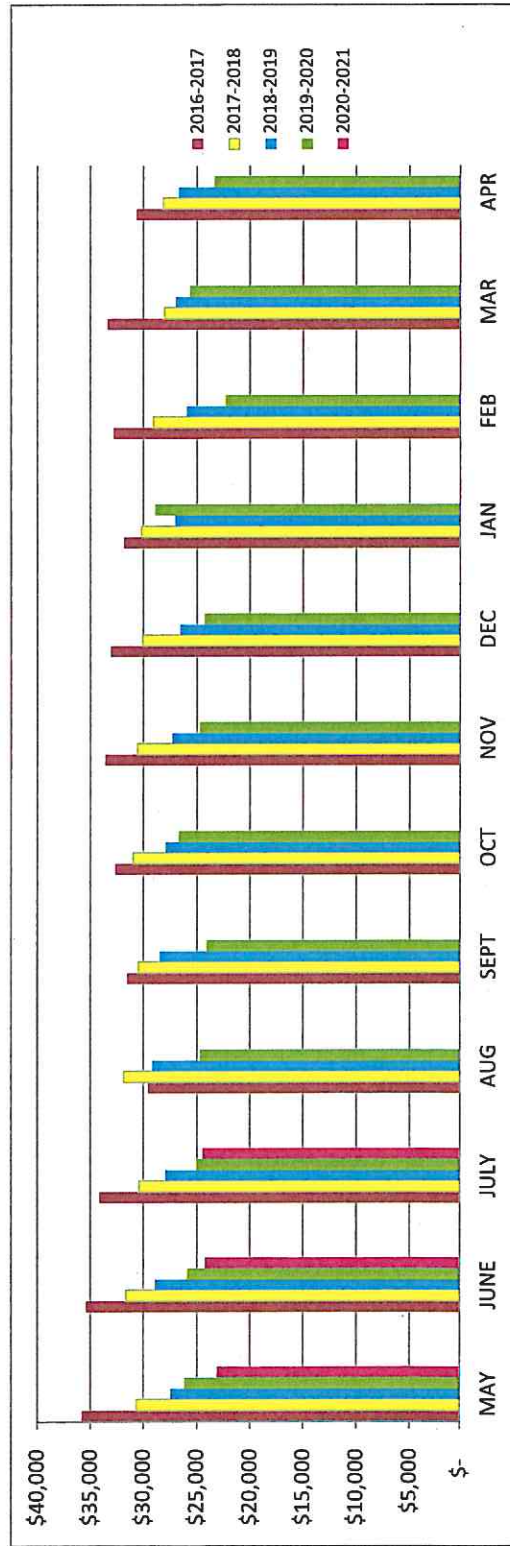
-5.38%

BUDGETED REVENUE: \$ 850,000
PERCENTAGE OF YEAR COMPLETED : 25.00%
PERCENTAGE OF REVENUE TO DATE : 21.45%
PROJECTION OF ANNUAL REVENUE : \$ 796,735
EST. DOLLAR DIFF ACTUAL TO BUDGET \$ (53,265)
EST. PERCENT DIFF ACTUAL TO BUDGET **-6.3%**



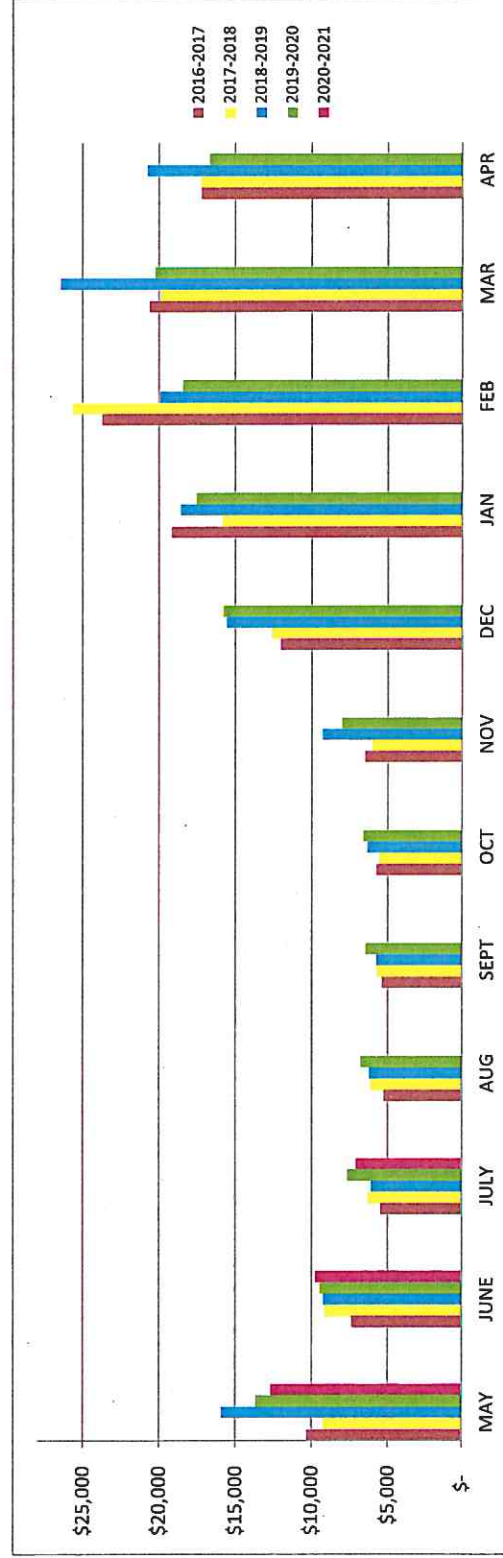
VILLAGE OF WILLOWBROOK
SIMPLIFIED TELECOMMUNICATION TAX
CASH BASIS

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021		
MAY	\$ 35,456	\$ 35,774	\$ 30,650	\$ 27,516	\$ 26,182	\$ 23,080		
JUNE	37,901	35,405	31,679	28,991	25,921	24,209		
JULY	34,148	34,133	30,435	27,985	25,080	24,416		
AUG	34,626	29,565	31,879	29,221	24,736			
SEPT	34,389	31,506	30,495	28,519	24,084			
OCT	35,567	32,636	31,009	27,985	26,712			
NOV	37,509	33,567	30,559	27,346	24,746			
DEC	35,136	33,074	30,112	26,616	24,315			
JAN	34,752	31,848	30,180	27,034	28,967			YTD PRIOR YEAR \$ 77,183
FEB	32,046	32,796	29,102	25,975	22,329			YTD CURRENT YEAR \$ 71,705
MAR	39,967	33,363	28,050	27,021	25,711			DIFFERENCE \$ (5,478)
APR	33,877	30,616	28,170	26,725	23,359			PERCENTAGE CHANGE -7.10%
TOTAL:	\$ 425,374	\$ 394,283	\$ 362,320	\$ 330,934	\$ 302,142	\$ 71,705		5 year annual average: \$ 363,011



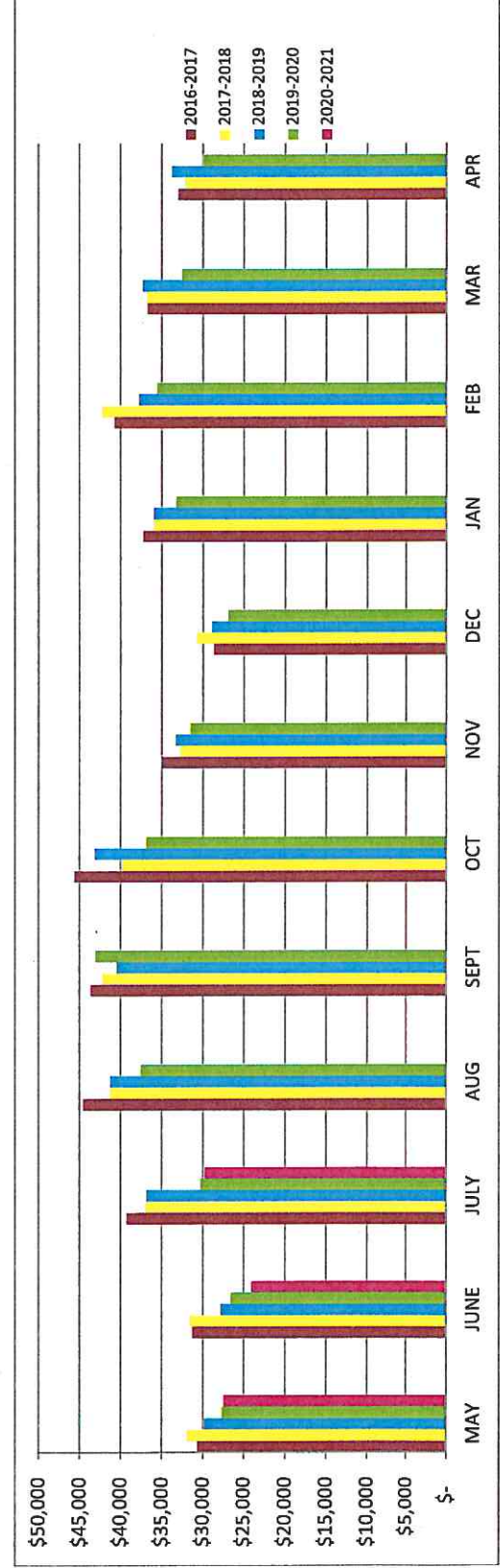
VILLAGE OF WILLOWBROOK
UTILITY TAX
NORTHERN ILLINOIS GAS
CASH BASIS

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	
MAY	\$ 10,832	\$ 10,304	\$ 9,264	\$ 15,975	\$ 13,692	\$ 12,652	
JUNE	6,932	7,347	9,161	9,247	9,463	9,727	
JULY	6,147	5,462	6,341	6,155	7,695	7,063	
AUG	5,482	5,261	6,175	6,253	6,826		
SEPT	5,187	5,386	5,736	5,810	6,482		
OCT	5,873	5,747	5,600	6,372	6,657		
NOV	7,043	6,471	6,071	9,305	8,023		
DEC	8,900	12,010	12,635	15,590	15,814		
JAN	12,720	19,149	15,856	18,618	17,596		YTD PRIOR YEAR \$ 30,850
FEB	16,804	23,695	25,618	19,961	18,474		YTD CURRENT YEAR \$ 29,442
MAR	17,469	20,597	19,908	26,447	20,236		DIFFERENCE \$ (1,408)
APR	13,062	17,197	17,257	20,770	16,723		PERCENTAGE CHANGE -4.56%
TOTAL:	\$ 116,451	\$ 138,626	\$ 139,622	\$ 160,503	\$ 147,681	\$ 29,442	5 year annual average: \$ 140,577



VILLAGE OF WILLOWBROOK
UTILITY TAX
COMMONWEALTH EDISON
CASH BASIS

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	
MAY	\$ 29,829	\$ 30,662	\$ 31,915	\$ 29,886	\$ 27,702	\$ 27,402	
JUNE	32,626	31,275	31,604	27,884	26,606	24,035	
JULY	34,803	39,258	36,927	36,894	30,334	29,718	
AUG	37,683	44,561	41,261	41,308	37,593		
SEPT	44,502	43,660	42,175	40,520	43,134		
OCT	43,645	45,590	39,743	43,194	36,881		
NOV	33,301	34,959	32,746	33,361	31,574		
DEC	29,440	28,636	30,754	28,968	26,940		
JAN	35,753	37,269	35,908	36,002	33,300		YTD PRIOR YEAR \$ 84,642
FEB	41,787	40,701	42,229	37,801	35,574		YTD CURRENT YEAR \$ 81,155
MAR	38,065	36,699	36,843	37,383	32,614		DIFFERENCE \$ (3,487)
APR	32,026	32,988	32,209	33,842	29,994		PERCENTAGE CHANGE -4.12%
TOTAL:	\$ 433,460	\$ 446,258	\$ 434,314	\$ 427,043	\$ 392,246	\$ 81,155	5 year annual average: \$ 426,664



VILLAGE OF WILLOWBROOK FINANCIAL REPORT MUNICIPAL GAS TAX

Note 1

MONTH	19-20	20-21
MAY	\$ -	\$ 14,243
JUNE	-	14,814
JULY	-	19,462
AUG	-	
SEPT	-	
OCT	-	
NOV	-	
DEC	-	
JAN	23,074	
FEB	25,823	
MARCH	24,799	
APRIL	20,771	
TOTAL	\$ 94,467	\$ 48,519
MTH AVG		\$ 16,173
BUDGET		\$ 275,000

Note 1 - The Village implemented the \$.05/gallon local gas tax effective Dec 1, 2019

YEAR TO DATE LAST YEAR:	\$ -
YEAR TO DATE THIS YEAR:	\$ 48,519
DIFFERENCE:	\$ 48,519
PERCENTAGE CHANGE:	#DIV/0!
BUDGETED REVENUE:	\$ 275,000
PERCENTAGE OF YEAR COMPLETED :	25.00%
PERCENTAGE OF REVENUE TO DATE :	17.64%
PROJECTION OF ANNUAL REVENUE :	#DIV/0!
EST. DOLLAR DIFF ACTUAL TO BUDGET	#DIV/0!
EST. PERCENT DIFF ACTUAL TO BUDGET	#DIV/0!

**VILLAGE OF WILLOWBROOK
FINANCIAL REPORT
PLACES OF EATING TAXES**

MONTH	16-17	17-18	18-19	19-20	20-21	Difference from Prior Year	Reduction Budgeted	Monthly Amount Budgeted
MAY	\$ 41,442	\$ 39,855	\$ 40,666	\$ 45,278	\$ 22,135	-51.11%	-50%	\$ 21,458
JUNE	45,625	43,516	44,029	47,281	33,862	-28.38%	-50%	\$ 21,458
JULY	47,842	42,679	47,244	49,632	37,576	-24.29%	-25%	\$ 32,187
AUG	43,496	41,124	44,386	47,229		-100.00%	-25%	\$ 32,187
SEPT	42,850	44,371	44,262	47,289		-100.00%	-25%	\$ 32,188
OCT	43,124	41,841	44,738	44,074		-100.00%	-15%	\$ 36,479
NOV	40,684	40,921	41,827	46,319		-100.00%	-15%	\$ 36,479
DEC	40,440	40,544	44,667	43,028		-100.00%	-15%	\$ 36,479
JAN	35,511	58,256	44,111	50,666		-100.00%	-15%	\$ 36,479
FEB	35,157	39,067	46,802	38,894		-100.00%	-10%	\$ 38,625
MARCH	43,213	36,762	39,793	44,330		-100.00%	-10%	\$ 38,625
APRIL	41,137	45,969	46,283	33,620		-100.00%	-10%	\$ 37,354
TOTAL	\$ 500,521	\$ 514,905	\$ 528,808	\$ 537,640	\$ 93,573			\$ 400,000
MTH AVG	\$ 41,710	\$ 42,909	\$ 44,067	\$ 44,803	\$ 31,191			
BUDGET	\$ 475,000	\$ 485,000	\$ 485,000	\$ 500,000	\$ 400,000			

YEAR TO DATE LAST YEAR: \$ 142,191
YEAR TO DATE THIS YEAR: \$ 93,573
DIFFERENCE: \$ (48,618)

PERCENTAGE OF INCREASE: -34.19%

BUDGETED REVENUE: \$ 400,000
PERCENTAGE OF YEAR COMPLETED : 25.00%
PERCENTAGE OF REVENUE TO DATE : 23.39%
PROJECTION OF ANNUAL REVENUE : \$ 353,810
EST. DOLLAR DIFF ACTUAL TO BUDGET \$ (46,190)
EST. PERCENT DIFF ACTUAL TO BUDGET -11.55%

Restore Illinois Progression:

Stay at Home Order - March 21, 2020

Phase 1 - bars/restaurants open for pickup, delivery and drive-through

Phase 2 - bars/restaurants open for pickup, delivery and drive-through

Phase 3 - bars/restaurants open for outdoor dining - May 29, 2020

Phase 4 - bars/restaurants open indoors with capacity limits - June 26, 2020

Source: <https://coronavirus.illinois.gov/s/>

**VILLAGE OF WILLOWBROOK
FINANCIAL REPORT
FINES**

MONTH DIST	Note 1					Difference from Prior Year
	16-17	17-18	18-19	19-20	20-21	
MAY	\$ 11,090	\$ 16,151	\$ 10,691	\$ 10,567	\$ 4,026	-61.90%
JUNE	9,365	13,897	16,043	9,197	7,987	-13.16%
JULY	12,157	11,415	7,454	15,022	13,622	-9.32%
AUG	15,130	20,048	11,967	9,650		-100.00%
SEPT	9,867	12,359	8,190	11,409		-100.00%
OCT	15,810	12,269	13,672	13,808		-100.00%
NOV	13,410	9,357	11,179	3,074		-100.00%
DEC	12,631	10,790	10,998	16,657		-100.00%
JAN	21,272	9,705	10,916	23,297		-100.00%
FEB	13,571	11,525	12,376	10,422		-100.00%
MARCH	17,407	11,820	8,467	15,919		-100.00%
APRIL	12,327	15,939	9,979	2,819		-100.00%
TOTAL	\$ 164,037	\$ 155,275	\$ 131,932	\$ 141,841	\$ 25,635	

DUI Fines	\$ -	\$ -	\$ -	\$ 2,762	\$ 196	1%
Overweight	\$ -	\$ -	\$ -	\$ 9,632	\$ 330	1%
Circuit Court	\$ 112,614	\$ 125,993	\$ 104,904	\$ 90,723	\$ 15,759	61%
Village issued	\$ 51,423	\$ 29,282	\$ 27,028	\$ 38,724	\$ 9,350	36%
	\$ 164,037	\$ 155,275	\$ 131,932	\$ 141,841	\$ 25,635	100%

MTH AVG \$ 13,670 \$ 12,940 \$ 10,994 \$ 11,820 \$ 8,545

BUDGET \$ 130,000 \$ 130,000 \$ 130,000 \$ 125,000 \$ 123,000

YEAR TO DATE LAST YEAR : \$ 34,786

YEAR TO DATE THIS YEAR : \$ 25,635

DIFFERENCE : \$ (9,151)

PERCENTAGE CHANGE

-26.31%

BUDGETED REVENUE: \$ 123,000

PERCENTAGE OF YEAR COMPLETED : 25.00%

PERCENTAGE OF REVENUE TO DATE : 20.84%

PROJECTION OF ANNUAL REVENUE : \$ 104,528

EST. DOLLAR DIFF ACTUAL TO BUDGET \$ (18,472)

EST. PERCENT DIFF ACTUAL TO BUDGET -15.02%

Note 1 - Began collecting overweight truck fines in August 2019

**VILLAGE OF WILLOWBROOK
FINANCIAL REPORT
RED LIGHT FINES**

MONTH DIST	Note 1					Difference from Prior Year
	16-17	17-18	18-19	19-20	20-21	
MAY	\$ 60,454	\$ 57,850	\$ 75,711	\$ 53,890	\$ 33,100	-38.58%
JUNE	76,985	48,425	69,125	50,335	50,400	0.13%
JULY	70,820	60,185	82,250	73,600	57,750	-21.54%
AUG	84,520	49,475	92,970	78,455		-100.00%
SEPT	81,365	52,170	86,300	70,770		-100.00%
OCT	66,295	50,230	95,425	67,034		-100.00%
NOV	50,555	51,165	84,560	60,280		-100.00%
DEC	50,850	50,575	85,365	66,015		-100.00%
JAN	59,660	44,045	73,419	58,086		-100.00%
FEB	38,590	64,700	68,560	47,375		-100.00%
MARCH	36,200	71,567	59,010	50,250		-100.00%
APRIL	43,500	74,330	59,345	41,065		-100.00%
TOTAL	\$ 719,794	\$ 674,717	\$ 932,040	\$ 717,155	\$ 141,250	
MTH AVG	\$ 59,983	\$ 56,226	\$ 77,670	\$ 59,763	\$ 47,083	
BUDGET	\$ 525,000	\$ 560,000	\$ 560,000	\$ 600,000	\$ 565,000	

YEAR TO DATE LAST YEAR : \$ 177,825
YEAR TO DATE THIS YEAR : \$ 141,250
DIFFERENCE : \$ (36,575)

PERCENTAGE CHANGE:

-20.57%

BUDGETED REVENUE: \$ 565,000
PERCENTAGE OF YEAR COMPLETED : 25.00%
PERCENTAGE OF REVENUE TO DATE : 25.00%
PROJECTION OF ANNUAL REVENUE : \$ 569,651
EST. DOLLAR DIFF ACTUAL TO BUDGET \$ 4,651
EST. PERCENT DIFF ACTUAL TO BUDGET 0.8%

Note 1 - The 63rd St./Rt. 83 camera was down from 5/22/2015-9/26/2017 for camera maintenance/upgrade and as required by IDOT during the ongoing construction of the intersection.

VILLAGE OF WILLOWBROOK FINANCIAL REPORT BUILDING PERMITS

MONTH	16-17		17-18		18-19		19-20		20-21		Difference from Prior Year
MAY	\$	28,379	\$	74,352 ^{1,2}	\$	53,165	\$	25,054	\$	41,190	64.40%
JUNE		12,846		15,651		63,398 ⁴		19,755		20,347	3.00%
JULY		19,166		34,261		87,643 ^{2,5}		86,908 ⁷		29,770	-65.75%
AUG		59,754 ¹		63,136		42,532		12,752			-100.00%
SEPT		62,108 ¹		39,902		30,008		21,357			-100.00%
OCT		127,894 ¹		60,823		24,737		58,337			-100.00%
NOV		72,070		43,295		61,612		21,873			-100.00%
DEC		9,338		11,428		23,253		15,659			-100.00%
JAN		39,549		62,106 ³		47,395		144,660 ⁸			-100.00%
FEB		25,008		27,862		230,171 ⁶		30,132			-100.00%
MARCH		15,940		28,651		16,948		28,820			-100.00%
APRIL		16,072		150,099 ³		29,191		150,230 ³			-100.00%
TOTAL	\$	488,124	\$	611,566	\$	710,053	\$	615,537	\$	91,307	
MTH AVG	\$	40,677	\$	50,964	\$	59,171	\$	51,295	\$	30,436	
BUDGET	\$	225,000	\$	240,000	\$	250,000	\$	275,000	\$	285,000	

YEAR TO DATE LAST YEAR:	\$ 131,717
YEAR TO DATE THIS YEAR:	\$ 91,307
DIFFERENCE:	\$ (40,410)

PERCENTAGE OF CHANGE:

-30.68%

BUDGETED REVENUE:	\$ 285,000
PERCENTAGE OF YEAR COMPLETED :	25.00%
PERCENTAGE OF REVENUE TO DATE :	32.04%
PROJECTION OF ANNUAL REVENUE :	\$ 426,694
EST. DOLLAR DIFF ACTUAL TO BUDGET	\$ 141,694
EST. PERCENT DIFF ACTUAL TO BUDGET	49.72%

- 1- includes permit to Peter Michael Realty
- 2 - includes permit to Willowbrook Inn
- 3 - includes permit to Compass Arena
- 4 - includes permit to Power Construction (former Turtle Wax bldg)
- 5 - includes permits to Willowbrook Ice Arena
- 6- includes permits to ROC Willowbrook for new storage facility (2 buildings)
- 7 - includes permit for Target interior remodel
- 8 - includes Beyond Self Storage permit

VILLAGE OF WILLOWBROOK FINANCIAL REPORT WATER SALES REVENUE

BILLING MONTH	Note 1					Difference from Prior Year
	16-17	17-18	18-19	19-20	20-21	
MAY	\$ 263,161	\$ 247,847	\$ 238,010	\$ 235,731	\$ 229,554	-2.6%
JUNE	336,148	315,225	324,934	310,934	257,332	-17.2%
JULY	239,324	238,556	231,577	226,646	227,241	0.3%
AUG	322,609	335,018	316,533	310,599		-100.0%
SEPT	544,406	351,489	370,074	349,902		-100.0%
OCT	255,530	257,241	240,680	250,311		-100.0%
NOV	312,524	320,151	302,506	288,728		-100.0%
DEC	318,013	329,836	309,763	271,826		-100.0%
JAN	217,387	207,114	208,767	202,532		-100.0%
FEB	223,201	250,258	252,660	247,636		-100.0%
MARCH	294,917	301,012	304,339	302,192		-100.0%
APRIL	214,681	207,182	208,825	200,062		-100.0%
TOTAL	\$ 3,541,901	\$ 3,360,929	\$ 3,308,668	\$ 3,197,099	\$ 714,127	
MTH AVG	\$ 295,158	\$ 280,077	\$ 275,722	\$ 266,425	\$ 238,042	
BUDGET	\$ 3,545,000	\$ 3,545,000	\$ 3,545,000	\$ 3,200,000	\$ 3,200,000	

The last rate increase was 12%, effective 1/1/15

Note 1 - Sept 2016 includes catch-up bill for shopping center \$181,169

YEAR TO DATE LAST YEAR:	\$ 773,311
YEAR TO DATE THIS YEAR:	\$ 714,127
DIFFERENCE:	\$ (59,184)

PERCENTAGE OF INCREASE:	-7.65%
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BUDGETED REVENUE:	\$ 3,200,000
PERCENTAGE OF YEAR COMPLETED :	25.00%
PERCENTAGE OF REVENUE TO DATE :	22.32%
PROJECTION OF ANNUAL REVENUE :	\$ 2,952,415
EST. DOLLAR DIFF ACTUAL TO BUDGET	\$ (247,585)
EST. PERCENT DIFF ACTUAL TO BUDGET	-7.74%

**VILLAGE OF WILLOWBROOK
FINANCIAL REPORT
MUNICIPAL HOTEL/MOTEL TAXES**

Note 2

MONTH	16-17		17-18		18-19		19-20		20-21		Difference from Prior Year
MAY	\$	18,523	\$	20,240	\$	19,596	\$	20,574	\$	10,247	-50.19%
JUNE		21,089		22,069		24,542		23,851		17,833 *	-25.23%
JULY		22,892		25,925		28,692		26,312		17,492	-33.52%
AUG		28,480		27,346		28,026		27,034			-100.00%
SEPT		19,562		21,506		22,570		26,252			-100.00%
OCT		26,887		27,690		23,943		19,660			-100.00%
NOV		21,561		21,655		23,345		21,112			-100.00%
DEC		20,626		17,117		17,997		19,517			-100.00%
JAN		16,184		14,899		15,768		17,169			-100.00%
FEB		13,982		12,963		15,144		15,871			-100.00%
MARCH		13,759		13,893		14,187		11,116			-100.00%
APRIL		18,825		17,918		19,097		11,764			-100.00%
TOTAL	\$	242,370	\$	243,221	\$	252,907	\$	240,232	\$	45,572	
MTH AVG	\$	20,198	\$	20,268	\$	21,076	\$	20,019	\$	15,191	
BUDGET	\$	243,000	\$	232,365	\$	246,000	\$	248,000	\$	248,000 (General Fund)	

Note 1 -The Willowbrook Inn closed on January 22, 2016.

Note 2 - The Village raised the hotel tax from 5% to 6% effective Nov. 1, 2019 (payments collected in Dec 2019).

* corrected

YEAR TO DATE LAST YEAR:	\$	70,737
YEAR TO DATE THIS YEAR:	\$	45,572
DIFFERENCE:	\$	(25,165)

PERCENTAGE CHANGE:	-35.58%
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BUDGETED REVENUE:	\$	216,000
PERCENTAGE OF YEAR COMPLETED :		25.00%
PERCENTAGE OF REVENUE TO DATE :		21.10%
PROJECTION OF ANNUAL REVENUE :	\$	154,768
EST. DOLLAR DIFF ACTUAL TO BUDGET	\$	(61,232)
EST. PERCENT DIFF ACTUAL TO BUDGET		-28.35%

VILLAGE OF WILLOWBROOK FINANCIAL REPORT MOTOR FUEL TAX

MONTH DIST	Note 1					Difference from Prior Year
	16-17	17-18	18-19	19-20	20-21	
MAY	\$ 19,435	\$ 18,698	\$ 19,550	\$ 18,903	\$ 25,329	33.99%
JUNE	19,302	18,958	17,998	17,323	20,055	15.77%
JULY	12,173	15,055	16,495	15,793	20,633	30.65%
AUG	19,538	19,740	19,360	19,740		-100.00%
SEPT	18,555	18,646	18,668	28,399		-100.00%
OCT	16,379	16,481	15,595	30,847		-100.00%
NOV	18,960	18,870	20,460	28,304		-100.00%
DEC	19,318	19,231	19,263	31,871		-100.00%
JAN	20,259	18,870	18,549	37,488		-100.00%
FEB	19,259	19,320	18,528	26,564		-100.00%
MARCH	18,362	16,738	16,851	26,278		-100.00%
APRIL	15,656	16,593	16,115	27,205		-100.00%
TOTAL	\$ 217,196	\$ 217,200	\$ 217,432	\$ 308,715	\$ 66,017	
MTH AVG	\$ 18,100	\$ 18,100	\$ 18,119	\$ 25,726	\$ 22,006	
BUDGET	\$ 221,186	\$ 219,905	\$ 219,905	\$ 217,343	\$ 310,429	

YEAR TO DATE LAST YEAR :	\$ 52,019
YEAR TO DATE THIS YEAR :	\$ 66,017
DIFFERENCE :	\$ 13,998

PERCENTAGE OF CHANGE:

26.91%

BUDGETED REVENUE:	\$ 310,429
PERCENTAGE OF YEAR COMPLETED :	25.00%
PERCENTAGE OF REVENUE TO DATE :	21.27%
PROJECTION OF ANNUAL REVENUE :	\$ 391,788
EST. DOLLAR DIFF ACTUAL TO BUDGET	\$ 81,359
EST. PERCENT DIFF ACTUAL TO BUDGET	26.2%

Note 1- 1st distribution of the Transportation Renewal Fund (eff. July 2019) - \$.19/gallon tax remitted in September 2019. 15.71% goes to municipalities.