

MINUTES OF THE REGULAR MEETING OF THE FINANCE AND ADMINISTRATION COMMITTEE OF THE VILLAGE OF WILLOWBROOK HELD ON MONDAY, MAY 10, 2021, AT 5:30 P.M. AT THE VILLAGE HALL, 835 MIDWAY DRIVE, WILLOWBROOK, ILLINOIS.

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

**1. CALL TO ORDER**

The meeting was called to order by Chairwoman Sue Berglund at 5:33 p.m.

**2. ROLL CALL**

Those present at roll call at the Village Hall were Chairwoman Sue Berglund, Trustee Michael Mistele, Trustee Greg Ruffolo and Director of Finance Carrie Dittman. No one was present via Zoom.

**3. APPROVAL OF MINUTES**

Minutes of the Regular Meeting of the Finance & Administration Committee held on Monday, April 8, 2021 were reviewed.

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

**4. REPORT – Audit RFP Results**

Director Dittman informed the Committee that the Village received five (5) responses to the Request for Proposal (RFP) for auditing services that was sent out April 1, 2021; these were distributed previously to the Committee members. Director Dittman compiled a matrix of the results which is included in the agenda packet. Director Dittman and Administrator Pabst reviewed the proposals and selected two finalists based on price and quality to interview: GW & Associates and Sikich LLP. Phone interviews were conducted and Director Dittman highlighted the pros and cons of each firm and prior experience the Village staff has with each firm. Five-year cost proposals were requested, however GWA and Crowe provided only three-year proposals, which are summarized in the agenda sheet. Three-year fees for the audit, single audit (if required), and CYEFR report (required by the State of IL) are as follows:

Lauterbach & Amen: \$88,200

Sikich: \$98,255

GWA: \$103,525

BKD: \$116,090

Crowe: \$120,000

The Committee discussed the proposals, pricing, the prior audit firm issues with the report and fees, and the consensus was to retain Sikich LLP as the new audit firm, subject to board approval. Director Dittman will contact Sikich for an engagement letter and place it on the Village board agenda for May 24<sup>th</sup>.

**5. APPROVAL – Appropriation Ordinance**

Director Dittman explained to the Committee that the Village follows the Appropriation Act and thus must annually

file an appropriation ordinance for its legal level of spending authority. The appropriation ordinance does not replace the operating budget that the Village Board adopted in April, that is the management tool used for day-to-day expenditures. The operating budget amounts are generally doubled to form the appropriation amounts, which are included in the agenda packet. The ordinance must be adopted and filed with the County within the first quarter of the new fiscal year; the ordinance will be placed on the May 24<sup>th</sup> Village Board agenda for approval. Director Dittman asked if there were any questions, a brief discussion ensued as to the amounts and what happens if the appropriation is exceeded; Director Dittman replied that an amendment to the appropriation would need to be passed by the Board, but historically this has not occurred (only once when a new fund was created).

*Motion to approve the appropriation ordinance was made by Chairwoman Berglund, seconded by Trustee Mistele. Unanimous voice vote in favor. Motion carried.*

## **6. REPORT – Monthly Disbursement Reports – April 2021**

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

- Total cash outlay for all Village funds – \$1,066,717, Fiscal Year to Date is \$13,800,383. One handwritten check for Harlem Irving's developer incentive was approved separately by the Village Board.
- Total monthly payroll for active employees including all funds - \$335,801 (2 payrolls). The average payroll for the year was \$164,200, which is an 8.42% increase from the prior fiscal year.
- Average daily outlay of cash for all Village funds for the current month: \$35,557. Daily average fiscal YTD: \$37,858. Average monthly cash outlay for all Village funds fiscal year to date (FYTD): \$1,150,032. This fiscal year has virtually no capital spending.
- Average daily expenditures for the General Fund only: \$25,333. Fiscal YTD average is \$26,482 which is a 1.87% increase from the prior year.

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

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

- Sales tax receipts - \$4,449,437 YTD down 0.18% from the prior year. April 2021 collections were 3.39% higher than April 2020. Trending 27.13% over budget. The FY 20/21 budget was dropped \$500,000 to \$3.5 million due to the pandemic. We have exceeded the budget for the year by nearly \$950,000.
- Home Rule Sales Tax receipts – This 1.0% tax became effective January 1, 2021; our first distribution of \$160,090 (for January sales) was received in April.
- Business District (restricted) sales tax receipts - Year to date is \$565,143, 16.54% below the prior year and 5.8% under budget; the budget for this line item was increased, not decreased, this year. This represents collections of the 1.0% sales tax collected in the Village's business district. The restricted revenue comes from the Town Center & Pete's Fresh Market developments.
- Income Tax receipts - \$985,982 YTD up 6.36% compared to the prior year, 37.5% over budget. April 2021

was 20% higher than the prior year.

- Utility tax receipts - \$807,441 YTD down 4.11% from the prior year, 5.0% under budget, consisting of:
  - Telecomm tax - down 10.66%
  - Northern IL gas – up 4.80%
  - ComEd – down 2.43%
- Local Gas Tax receipts - \$252,720 YTD vs. budget of \$275,000. One delinquent station caught up for 4 months of payments during August 2020. The tax was established December 1, 2019.
- Places of Eating Tax receipts - \$445,673 YTD down 17.11% compared to the prior year, trending 11.42% over budget. This represents sales which occurred during the pandemic restrictions. We had budgeted for 50% less revenue than normal for April-May, 25% less for June-September, 15% less for October-January, and 10% less February – April, however actual collections were generally not that low.
- Hotel/Motel Tax receipts - \$163,803, 31.81% lower compared with the prior year. The revenue is trending at 24.17% lower than budget. The additional 1% tax became effective November 1, 2019 which began to appear in December 2019 collections. The Village's fourth hotel, Delta Marriott, re-opened on August 5, 2020 and just caught up their delinquent months in February. Three hotels did not make payments in March.
- Fines - \$142,930 YTD up 0.77% compared with the prior year, 16.2% over budget. April was the highest month for fine revenue. Fines come from County distributions and local fine tickets written by Village police officers. Director Dittman noted that beginning May 2019 we are reporting fine revenue by overweight fines, DUI fines, local fines and other fines collected by DuPage County.
- Red Light Fines – \$642,014 down 10.48% from the prior year receipts, trending 13.6% over budget.
- Building Permit receipts - \$314,964 YTD down 48.83% from the prior year, trending 10.51% over budget. Collections have exceeded the annual budget despite the lack of commercial activity.
- Water sales receipts - \$3,274,349 YTD up 2.42% from the prior year, 2.32% above budget. April 2021 water sales were 6.68% higher than last year.
- Motor Fuel Tax receipts - \$302,962 YTD, down 1.86% from the prior year, 2.4% below 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 received.

**10. ADJOURNMENT**

*Motion to adjourn at 6:23 p.m. was made by Chairwoman Berglund, seconded by Trustee Mistele. Unanimous voice vote in favor. Motion carried.*

(Minutes transcribed by Carrie Dittman)