

MINUTES OF THE REGULAR MEETING OF THE FINANCE AND ADMINISTRATION COMMITTEE OF THE VILLAGE OF WILLOWBROOK HELD ON MONDAY, MAY 14, 2018 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 Chairwoman Berglund at 5:30 p.m.

**2. ROLL CALL**

Those present at roll call were Chairwoman Sue Berglund, Trustee Michael Mistele and Director of Finance Carrie Dittman.

**3. APPROVAL OF MINUTES**

A brief discussion of the minutes of the Regular Finance/Administration Committee held on Monday, April 9, 2018 occurred. Motion to approve by Chairwoman Berglund, second by Trustee Mistele. Motion carried.

**4. DISCUSSION – Financial Disclosure Statements**

Director Dittman explained that on an annual basis all Village employees, elected and appointed officials, and certain consultants of the Village are required to complete a Financial Disclosure Statement to be filed with the Deputy Village Clerk. The Village's new Ethics Officer, Greg Smith, reviewed the 2018 statements and issued a report in March 2018. His findings included the following:

1. Our current form is very simplistic and we should consider expanding the form to include information similar to what DuPage County requires on their economic interest statement, along with having the employee disclose other employment outside of the Village of Willowbrook for themselves and employers of their immediate family members. Any changes to our form would require the Village Board to adopt an ordinance amending Section 1-12-4 of the Village code.
2. Some responses were illegible; he recommends we include language that statements should be typed or neatly printed or returned to the party for correction.
3. Incomplete responses or missing information; he recommends we add language that "lack of a response to a disclosure shall indicate the public servant has no information to disclose in response thereto."
4. Identified conflicts of interest should be compared to Village's vendor database by Village staff.
5. Missing certification of receipt of Code of Ethics; he recommends that we provide each employee with the Code of Ethics and have the employee sign off that they have read and understand it.

A discussion ensued and the consensus of the Committee was that the Village should adopt the same format as DuPage County's economic interest statement, to be completed and submitted online if possible. The Committee determined that the changes should be effective with the 2019 filing and that they would not recommend that 2018 forms be corrected and resubmitted. Additionally, Director Dittman noted that the Village's Code of Ethics requires that all employees' complete ethics training within 30 days of hire and every two years thereafter. The Committee determined that training is an administrative decision and any recommended changes to that section should be determined by the Village's management.

**5. REPORT – Monthly Disbursement Reports – April 2018**

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

- Total cash outlay for all Village funds – \$875,327. Fiscal Year to Date is \$15,793,243. Includes handwritten checks for \$17,435.
- Payroll monthly total for active employees including all funds - \$277,787 (2 payrolls). The average payroll for the year was \$155,179, which is a 5.94% increase from the prior fiscal year. Director Dittman explained that the payrolls contain not only the union and non-union increases of 2.5%, but also step increases for the sworn officers and also retirement payouts of accumulated time and severance payouts.
- Average daily outlay of cash for all Village funds for the current month: \$29,178. Average monthly cash outlay for all Village funds fiscal year to date (FYTD): \$1,316,103. Daily average fiscal YTD: \$43,289; this is high due to the numerous capital projects that occurred this year.
- Average daily expenditures for the General Fund only: \$19,842. Fiscal YTD average is \$29,473 which is a 21.77% increase from the prior year. The increase is due to the General Fund transfers out to the LAFER Fund to cover the police department renovation, now that the bond proceeds have been exhausted.

**6. REPORT – Sales Tax, Business District 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**

The Committee reviewed and accepted the revenue trend reports and key items are highlighted below. All revenues are monthly collections for April 2018 (unaudited):

- Sales tax receipts - \$285,192 up 4.03% from the prior year. Trending 8.8% over budget. Trustee Mistele inquired about next year’s sales tax budget, and Director Dittman replied that it was held at \$3.6 million.
- Business District sales tax receipts - \$36,122. Year to date is \$464,829, 10.4% under budget. This represents collections of the 1.0% sales tax collected in the Village’s new business district. The revenue comes from only the Town Center side as only those businesses are currently open.
- Income Tax receipts - \$72,516 down 4.07% compared to the prior year, 10.2% under budget. This is right in line with the 10% reduction imposed by the state of Illinois. Director Dittman relayed that we budgeted for a continued 10% reduction in income taxes for next year’s budget.
- Utility tax receipts - \$77,637 down 4.02% from the prior year, 6.4% under budget, consisting of:
  - Telecomm tax - down 8.11%
  - Northern IL gas – up 0.72%
  - ComEd - down 2.68%

Director Dittman relayed that we budgeted for \$50,000 reduction in utility taxes in next year’s budget.

- Places of Eating Tax receipts - \$45,969 up 2.87% compared to the prior year, trending 6.17% over budget.
- Fines - \$15,939 down 5.34% compared with the prior year, 19.44% over budget. Fines come from County distributions and also local fine tickets written by Village police officers.

- Red Light Fines – \$74,330 down 6.26% from the prior year receipts, trending 20.5% over budget. All three approaches are live.
- Building Permit receipts - \$150,099 up 25.29% from the prior year, 154.82% above budget. The large permit revenue in April was due to the issuance of a permit to Compass Arena for about \$125,000.
- Water sales receipts - \$207,182 down 5.11% from the prior year, 5.19% below budget. The large decline from Sept 2016 to Sept 2017 is due to a \$181,000 catch up bill issued in Sept 2016 to a shopping center that experienced a huge leak, and that billing is non-recurring. Revenues have generally normalized since the MTU replacement project concluded and we are seeing far fewer “catch-up” bills than in the past year. Trustee Mistele inquired about rate increases from our water provider, DuPage Water Commission (passed through from the City of Chicago). Director Dittman noted that DWC had indicated a small proposed rate increase in their FY 18/19 budget, and that at the Board Budget workshop in March the line item for the cost of purchased water had been increased by about \$21,000 and relayed to the Board. However, no increase in Village water rates to our customers will be passed on in next year’s budget.
- Hotel/Motel Tax receipts - \$17,918 up 0.35% compared with the prior year. The revenue is trending at 4.7% higher than budget. Three of the four hotels are open and active.
- Motor Fuel Tax receipts - \$16,593, no change compared with the prior year, 1.2% below budget.

**7. VISITOR’S BUSINESS**

There were no visitors present at the meeting.

**8. COMMUNICATIONS**

There were no communications.

**9. ADJOURNMENT**

Motion to adjourn at 6:12 p.m. was made by Chairwoman Berglund, seconded by Trustee Mistele. Motion carried.

(Minutes transcribed by: Carrie Dittman)