

VILLAGE OF HINSDALE
Administration and Community Affairs Committee
Minutes of the Meeting August 9, 2011

Chairman Geoga called the meeting of the Administration and Community Affairs Committee to order in the Board Room of the Memorial Building on August 9 at 7:30 PM.

Members Present: Chairman Doug Geoga, Trustees Laura LaPlaca, Chris Elder and Kim Angelo

Staff Present: Darrell Langlois, Assistant Village Manager; Gina Hassett, Director of Parks and Recreation; Timothy Scott, Community Development Strategist and Amy Pisciotto, *IT Coordinator*

Approval of Minutes – July 12, 2011

Trustee Geoga mentioned some corrections to the minutes. Trustee Angelo moved approval of the minutes with the corrections. Trustee Elder seconded and the motion passed unanimously.

Monthly Reports

Mr. Langlois presented the Treasurer's report. This report covers the second month of the 2011-12 fiscal year.

Base Sales Tax receipts for June increased by 10% and 10.4% for July. Staff recently received the August number which was up 3.8%. This now marks the twentieth consecutive monthly increase since posting an average monthly decline of 13% for the previous twelve months. Year-to-date base sales tax receipts for the first four months FY 2011-12 totals \$792,963, which is over the budget assumption of 4%.

Income Tax revenue for the month of June increased by 6.2% and for July declined by 2.1%. Total Income Tax receipts for the first three months of FY 2011-12 total \$397,317, a decrease of 1.82%. This variance is unfavorable when compared to budget as an increase of 2% was assumed in the FY 2011-12 Budget.

Mr. Langlois reported that the State made two income tax payments in July, reducing the delay from four months back to three months. The State remains \$397,317 in arrears on payments owed to Hinsdale.

Food and Beverage tax revenue year-to-date amounts to \$48,604 as compared to the prior year amount of \$43,396. This variance is favorable when compared to budget as an increase of 2% was assumed in the FY 2011-12 Budget.

Property tax collections through June amount to \$2,557,898 which is approximately 44.4% of the Village's \$5.76 million tax levy.

Combined Gas, Electric, Telecommunications, and Water Utility Taxes for June were \$159,069, which is 4.2% below previous year's receipts. Year-to-date utility tax collections are \$328,441, which is 1.6% above the prior year.

Park and Recreation Fees totaled \$388,209, which is a decrease of \$21,270.

Mr. Langlois reported that June is only the second month of the fiscal year, so most operating expenditures for all Departments are still well within budgetary expectations. Staff will continually monitor departmental expenditures, including overtime, and the Village Manager continues to stress the need for proper fiscal management by each department.

Total legal billings through June amount to \$32,596, which is tracking below budget for the first two months of the year. The severe storms occurring in June and July will likely result in unbudgeted costs in excess of \$100,000 contained in a number of various line items in the Public Service Department. Most of the activity will be reflected in the July report.

Mr. Langlois reported that although not directly finance related, over the last 30-45 days staff has taken many, many calls related to Com Ed power issues, both storm related and not storm related. This has taken a lot of staff time. The residents have been very pleased with the Village's services and information we have been able to provide, but they are clearly upset about the length of the outages and outages not related to storms. Some residents have been without power for more than three days on multiple occasions this summer. Staff hopes to have Com Ed at a meeting in the near future to be able to hear/respond to a number of complaints by residents.

Park and Recreation Activity Report – June 2011

Ms. Hassett reported on the financial recap from the July 4th parade. At the request of the Parks and Recreation Commission, staff will review how other communities secure parade entertainment. Staff will meet with representatives from Wheaton, Downers Grove and Glen Ellyn this fall. Ms. Hassett stated that she is working with the Chamber about managing the craft fair in house to help with revenues for next year.

Ms. Hassett provided an update on the KLM South shelter. The shelter is ordered and installation will be in late August.

Ms. Hassett reported on the KLM platform tennis court project. Phase One of the electric will be completed the week of August 22. She reported that the hope is to have the new courts open in October.

Ms. Hassett reported on the Lunch on the Lawn events and that this is a partnership event with the Hinsdale Library. Party in the Park at Robbins Park had over 200 people in attendance.

Ms. Hassett reported on the dirt removal efforts at Veeck. For every day that it rains, the project is postponed two days.

Ms. Hassett reported that the Village has entered into an advertising contract with “The Knot” to promote the Lodge. Several events have been booked from the new advertisement.

Ms. Hassett reported that the 10 visit passes and the 2 for 1 coupons have been popular at the pool. This year’s budget includes funds to order custom hair lint strainers and to replace the cement ramps outside the locker rooms. These recommendations were a result of the facility audit done last year. Staff is recommending that the funds allocated for the lint strainers be reallocated to shore up the pool foundation.

Trustee LaPlaca agreed that the foundation should be repaired. Trustee Elder asked if the hair/lint strainer would save on manpower. Ms. Hassett explained and discussed the exterior fence conditions.

Chairman Geoga asked Ms. Hassett why the revenue for KLM was down. Ms. Hassett stated that it is still too early in the season.

Trustee LaPlaca asked about the card that was just sent out with the water bills asking for donations for the July 4th parade that has already taken place. Ms. Hassett stated that the vendor was unable to provide a proof because of power issues.

Community Development Strategist Report

Mr. Scott presented his report. He reported that Doggie Diner is in the final approval process and a couple of other retail prospects have formally committed in the business district.

Mr. Scott reported that a working version of the Tribute Tree website is going live at hinsdaletributetrees.com. He is awaiting an estimate for reprinting the program’s color brochure.

Mr. Scott reported that field work to update the retail map and directory of the EDC website has been completed. This is being translated to a master inventory spreadsheet of the Village’s retail business areas.

The Trustees discussed “Bring Your own Bottle”. The Trustees were open for Mr. Scott asking the businesses what they would want.

Information Technology Coordinator Report

Ms. Pisciotto presented her report. She reported that website visits were up for July mainly due to individuals looking at the July 4th celebration information. E-Hinsdale subscriptions continue to increase. A special e-Hinsdale was sent out in June to update subscribers on the storm clean-up activity. This special e-Hinsdale had an open rate of 52% compared to the normal 35-40% for the weekly e-Hinsdale.

Authorize Staff to Begin the Process that will Ultimately Result in the Issuance of Alternate Revenue Bonds in an Amount Estimated at \$1,435,000 in Order to Refinance the Village’s Early Retirement Liability with IMRF

Mr. Langlois explained the request. In January, 2006 the Village of Hinsdale adopted an Early Retirement Incentive Program (ERI) for IMRF employees as a budget reduction measure. As an inducement to retiree, employees over age 50 were given the option to retire under IMRF's "5+5" program whereby they would receive five years of age and an additional five years of service credit to what they had already earned at that time. In 2006 and 2007 there were 14 employees who elected to retire under this program.

The Village cost of this program is being funded over ten years and at the end of 2011 is expected to have a balance of \$1,376,000 remaining. In May Mr. Langlois was approached by Dan Kaplan of Kaplan Financial Consulting, Inc. with the suggestion that the Village consider selling bonds in order to pay off the remaining ERI liability. Mr. Kaplan correctly pointed out to me that at the beginning of each year, the Village's IMRF account is assessed a charge of 7.5% on the beginning balance in its ERI liability reserve account; on January 1, 2012 we are schedule to be charged \$121,609 in interest for them carrying the ERI liability.

In the refinancing proposal, the Village would issue taxable pension obligation bonds (tax exempt financing is not available for this purpose), and at today's rates we would expect the average interest rate to be around 2.25%, which would result in an interest rate savings of 5.25%. In addition, if bonds are issued this year and the ERI liability paid prior to December 31, 2011, this Village will avoid the \$121,609 interest charge scheduled to be assessed by IMRF on January 1, 2012. Including issuance costs of approximately \$55,000, we would expect an issue size of approximately \$1,435,000, which would yield a total savings of approximately \$375,000 over the next six years, split about 80/20 between the Village and the Library (they participate in IMRF with the Village).

The Trustees asked questions about the request. Trustee Angelo moved approval of the request. Trustee Elder seconded and the motion passed unanimously.

Approval of a Contract with Kaplan Financial Consulting, Inc. to Act as Financial Advisor on the Proposed Alternate Revenue Bonds

Trustee Angelo moved approval of the request. Trustee Elder seconded and the motion passed unanimously.

Approval of a Paddle Tennis License Agreement with Mary Doten for a Period of One Year at the Rate of \$5,700

Ms. Hassett explained the request. She explained that with this Agreement, the office will no longer take the registrations for the platform tennis classes but will have a page in the brochure to show the class times. Chairman Geoga had some suggestions for the actual contract language and will review with Ms. Hassett.

Trustee Angelo moved approval of the request. Trustee Elder seconded and the motion passed unanimously.

Approval of a Special Use Permit and Fee Waiver of \$250 to the Hinsdale Masonic Lodge for the Use of Burlington Park on Sunday, September 24, 2011

Chairman Geoga discussed empowering the Village Manager to approve some of these requests with guidelines from the Board. Trustee LaPlaca stated that there are different types of requests and suggested creating a similar process where the Village Manager could approve and the Village President would sign off for specific amounts. She suggested that these requests be based on need. Chairman Geoga will work with staff to formulate a policy.

Trustee Elder moved approval of the request. Trustee Angelo seconded and the motion passed unanimously.

Approval of a Special Use Permit and Fee Waiver of \$250 to the Hinsdale Rotary for the Use of Robbins Park on Sunday, October 16, 2011

Trustee Elder moved approval of the request. Trustee Angelo seconded and the motion passed unanimously.

Adjournment

As there was no further business to come before the Committee, Trustee Elder motioned to adjourn. Trustee Angelo seconded and the motion passed unanimously. The meeting was adjourned at 8:29 P.M.

Respectfully Submitted:

Darrell Langlois
Assistant Village Manager/Director of Finance