

VILLAGE OF HINSDALE
Finance Commission
Minutes of the Meeting August 22, 2013

Chairman Waldo called the meeting of the Finance Commission to order in the Board Room of the Memorial Building on August 22, 2013 at 7:30 PM.

Members Present: Chairman Waldo, Commissioners Balzekas, Morris, Posthuma, and D'Arco

Staff Present: Darrell Langlois, Assistant Village Manager; Timothy Scott, Economic Development Director; Chris Webber, Assistant Finance Director

Also Present: John Karstrand, Economic Development Commission Chairman;

Approval of Minutes – July 25, 2013

Commissioner Balzekas moved approval of the minutes, Commissioner Posthuma seconded. Motion passed unanimously.

Review and Discussion of the July, 2013 Treasurer's Report

Mr. Langlois presented his report. Base Sales Tax receipts for the month of July posted an increase of \$15,300 and an increase of \$23,300 for August. Year-to-date base sales tax receipts for the first four months of FY 2013-14 totals \$907,000, an increase of 3.7%. This variance is slightly favorable when compared to budget as this revenue source was projected to increase 3% in the FY 2013-14 Budget.

Income Tax revenue for the month of July increased by \$6,600 and \$3,200 for August. Total Income Tax receipts for the first four months of FY 2013-14 total \$626,000 as compared to \$555,000 for last fiscal year. This variance is favorable when compared to budget as no increase was assumed in the FY 2013-14 Budget.

Food and Beverage tax revenue for July amounted to \$35,000 as compared to the prior year amount of \$32,700. Year to date Food and Beverage taxes earned for the first three months of the year amount to \$86,600 as compared to the prior year amount of \$79,700.

Combined Gas, Electric, Telecommunications, and Water Utility Taxes for July were \$168,000, which is \$22,000 below previous year's receipts. Year to date Utility Tax receipts amount to \$500,000, a decrease of \$37,000. Building Permit revenues for July were strong at \$115,319. For the first three months of the year, total Building Permit revenue stands at \$308,000, an increase of \$114,000.

Building permit revenues were strong at \$115,000. Park and Recreation Fees totaled \$497,286 through July as compared to \$481,122 for the prior year. Due to cooler summer weather, a number of pool revenue categories will likely end the year below budget.

For the first three months of the year, total water and sewer billing revenue was tracking at \$1.56 million, which is about \$450,000 below the prior year and is below budget. Water purchases for the last 3 months are 21% below 2012, so much of the decline can be tied to a decrease in water consumption due to seasonal factors.

Total legal billings through June amount to \$34,567, which is tracking above budget for the first two months of the year. Most of the increase is due to \$11,700 in reimbursable legal fees being incurred this year. At the time of the preparation of this report staff did not have the July legal bill, so the July amount has not been reflected in the data.

Mr. Langlois stated that due to the need to take down a large number of ash trees extra funds will be needed for tree removal and stump grinding. Public Works is in the process of estimating how much extra will be needed. Mr. Langlois also reported that on Monday the air conditioner unit at the Police and Fire Department failed; this will cost about \$25,000 to repair.

Mr. Langlois stated that the RFP for the water meter replacement program will go out in the next week. Proposals will be due in early October and hope to have an award in November. Once we have an idea on pricing we will begin selling bonds for the project.

Chairman Waldo questioned the decline of 21% on water sales and the impact on the budget. Mr. Langlois noted that this would likely impact the amount of money available for capital, which any shortfall is made up by transfers from the Infrastructure Fund. Mr. Langlois also commented on Village discussions that are considering setting up a new capital projects fund to address infrastructure needs that are not in the MIP.

Discussion Regarding Village Economic Development Efforts

Mr. Scott and Mr. Karstrand provided an overview of Village economic development efforts. Mr. Scott noted that one of his primary functions is to serve as a “one-stop” shop for new businesses considering locating in Hinsdale. Mr. Scott talked about the evolution of the Zoning Code, which was adopted in 1989 and various sections are being slowly revised to better address how business is transacted today. Mr. Scott discussed the First and Garfield project, which is currently underway. He also mentioned the value of relationship building, which has helped with a number of recent developments.

Mr. Scott discussed the \$150,000 target allocation of Food and Beverage tax revenue towards EDC of which 60% was for marketing and up to \$60,000 for capital projects. Mr. Scott mentioned a number of EDC-related awards that EDC has received. There was discussion regarding a number of vacancies in town and work that is being done to try to fill vacancies. The lack of parking was also discussed, a study is underway to try to improve the parking supply problem. Commissioner Morris mentioned having Mr. Scott involved with improving KLM operations. Mr. Karstrand mentioned limitations on Mr. Scott’s time in regards to this area.

Commissioner D'Arco asked if there was a process to seek out feedback from businesses that leave town. Mr. Scott mentioned that he has attempted this with very limited success and that many business leave town under bad financial circumstances. Chairman Waldo asked about the future uses of the post office site. Mr. Scott mentioned that the Village had a number of meetings with Post Office as it relates to this site, but this has slowed down and we are unclear which direction they are planning to go.

Adjournment

As there was no further business to come before the Commission, Trustee Morris motioned to adjourn. Trustee Posthuma seconded and the motion passed unanimously. The meeting was adjourned at 8:55 P.M.

Respectfully Submitted:

Darrell Langlois
Assistant Village Manager/Director of Finance