

VILLAGE OF HINSDALE
Finance Commission
Minutes of the Meeting on October 24, 2013

Chairman Waldo called the meeting of the Finance Commission to order at KLM Lodge on October 24, 2013 at 7:37 PM.

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

Staff Present: Darrell Langlois, Assistant Village Manager; Gina Hassett, Parks and Recreation Director; Chris Webber, Assistant Finance Director

Also Present: None

Approval of Minutes – August 22, 2013

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

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

Mr. Langlois presented the report. Base Sales Tax receipts for the month of August increased by 10.2% and decreased by 1.6% for September. Year-to-date base sales tax receipts for the first five months of FY 2013-14 total \$1.41 million, an increase of 2.6%. This variance is slightly negative when compared to budget as this revenue source was projected to increase 3% in the FY 2013-14 Budget. Total Sales Tax receipts (including local use taxes) for the first five months of the fiscal year total \$1,251,000, an increase of 2.8%.

Income Tax revenue for the month of August increased by 3.7% and increased by 1.9% for September. Total Income Tax receipts for the first five months of FY 2013-14 totals \$717,000, an increase of 11.4%. Mr. Langlois reported that the State is still \$183,000 or two months behind the normal payment schedule.

Property tax collections through August amount to \$3,243,458, which is approximately 52.8% of the Village's \$6.14 million tax levy. September is the next major collection month.

Mr. Langlois reported that Utility Taxes for August were \$213,122, which is 9.9% below previous year's receipts. Year to date Utility Tax receipts amount to \$692,051, a decrease of \$57,772 or 7.7%. Receipts from telecommunications taxes continue to decline, and revenue from the utility tax on electric service has declined on average of 13.3% over the last three months.

Building Permit revenues for August were \$70,817. For the first four months of the year, total Building Permit revenue stands at \$378,404, an increase of 19.4%. Mr. Langlois reported that the EPS Committee has reviewed a staff request that will result in spending approximately \$24,000 over the budgeted amount for tree and stump removal due to an

increase in the number of tree impacted by emerald ash borer. This additional cost will be offset by savings in other areas of the Public Services budget.

A number of months ago, the Village Board authorized staff to proceed with a project that will result in changing out most of the Village's water meters as well as implementing an automated meter reading system. At the time of the authorization, Village staff estimated the cost of the project at \$1.9 million.

Due to the scope of the project, it took a number of months for staff to prepare a request for proposal (RFP). The RFP was issued at the end of August, and proposals have been received for the project; most responses are within the \$2 million project budget. Staff has started work on updating the Five Year Departmental Capital plan; we expect to begin meeting with individual departments in the next couple of weeks.

Tour of KLM Lodge and Continued Discussion Regarding KLM Lodge Operations

The Finance Commission members were given a tour of both floors of the facility led by Park and Recreation Director Gina Hassett. During the tour they were provided a history of the building, a description of the types of events held, and many of the facility's physical limitations were discussed.

After the tour there was a lengthy discussion between the Village staff and the Commission on KLM operations, how it is operated and managed, past financial performance, improvement opportunities, etc. While many issues were discussed, the Commission noted that the size and layout of the facility has an impact of the number of rental events booked and the amount of revenue generated, and that a material change in financial performance would likely involve changes in how it is managed as well as capital investment by the Village (elevator, improved kitchen, expanded dining room, etc.), which may not necessarily result in improved financial performance.

Review and Discussion-Community Pool Operations

Due to the length of the meeting to this point this item was deferred to a future meeting for discussion.

Adjournment

As there was no further business to come before the Commission, Trustee Morris motioned to adjourn. Trustee Balzekas seconded and the motion passed unanimously. The meeting was adjourned at 9:45 P.M.

Respectfully Submitted:

Darrell Langlois
Assistant Village Manager/Director of Finance

