



1200 Wilmette Avenue
WILMETTE, ILLINOIS 60091

MEETING MINUTES

FINANCE COMMITTEE OF THE VILLAGE BOARD

MONDAY, JULY 3, 2018

8:45 A.M.

COMMITTEE MEETING ROOM OF WILMETTE VILLAGE HALL

Members Present: Trustee Dan Sullivan, Chair
 Trustee Senta Plunkett
 Trustee George Pearce

Staff Present: Melinda Molloy, Finance Director
 Michael Braiman, Assistant Village Manager
 John Risko, Assistant Finance Director
 John Adler, Community Development Director
 Lucas Sivertsen, Business Development Coordinator

I. CALL TO ORDER

Trustee Sullivan called the meeting to order at 8:45 a.m. Committee members Sullivan, Plunkett and Pearce were present.

II. APPROVAL OF MINUTES

Trustee Plunkett moved to approve the minutes of the June 8, 2018 Finance Committee Meeting. Trustee Pearce seconded the motion. No further discussion occurred on the motion. Voting yes: Trustees Sullivan, Plunkett and Pearce. Voting no: none. **The motion carried.**

III. DISCUSSION OF 2017 COMPREHENSIVE ANNUAL FINANCE REPORT

Jamie Wilke, Lauterbach & Amen, walked the Committee through highlights of the 2017 CAFR via phone. The goals of the audit are to ensure the financial statements are materially correct and conduct an assessment of the internal control environment. There were no internal control issues found during the course of the audit and there was an unmodified (clean) audit opinion which is the highest level opinion that can be issued.

Trustee Sullivan noted the audit was received later than usual but commented it was not related to a concern with the Village's financials and procedures but due to new staff at the Village and a change in the audit partner with Lauterbach & Amen.

Ms. Wilke noted that the Village was awarded the Certificate of Achievement for Excellence in Financial Reporting for the 2016 audit which is another independent third party review of financial statements and is the highest level award in government.

The General Fund balance was improved in FY 2017 and stands at 31% of expenditures which is consistent with other municipalities who target a three to six month reserve. Enterprise funds also reported positive operating income even when accounting for depreciation. Of note, debt refunding completed in 2017 decreased future interest expense by approximately \$500,000.

All three pension funds (IMRF, police, fire) received 100% of the actuarially required contribution. The pension funds per GASB 68 are funded as follows as of December 31, 2017:

- IMRF: 98.65%
- Police: 70.40%
- Fire: 65.09%

Per the Management Letter, there was one fund that ended the year over budget which was the Workers' Compensation fund (\$3,185 over budget). This was offset by \$23,353 in unbudgeted insurance reimbursements.

Trustee Sullivan suggesting reviewing the contract with Lauterbach & Amen and considering an extension due to upcoming changes in GASB reporting requirements.

IV. DISCUSSION OF SALES TAX & NEW REVENUES

Assistant Village Braiman summarized initial projections for the FY 2019 Budget, taking into account the loss of \$500,000 of sales tax revenues. Staff identified \$390,000 in known expense savings (IMRF rate reduction, IRMA premium reduction, leaf disposal paid by Advanced Disposal) that will offset a portion of this sales tax loss, as well as \$70,000 estimated in new use tax revenues from the Wayfair Supreme Court ruling. The remainder of the sales tax loss may be offset by new restaurants planning to open by the end of 2018.

The Committee reviewed potential new revenues for FY 2019 including ridesharing, self-storage tax, liquor consumption tax, and food and beverage tax.

The Committee determined to maintain the ridesharing tax as an option to consider as the FY 2019 Budget is developed if it is needed to reduce the property tax levy increase under 4.0% and to continue the consideration of the other revenue sources in future years.

V. DISCUSSION OF THE VILLAGE'S ECONOMIC DEVELOPMENT PROGRAM

John Adler, Director of Community Development, and Lucas Sivertsen, Business Development Coordinator, presented a summary of the Village's economic development program. There are five components to the program:

- Economic development
- Business retention
- Business assistance
- Regulatory improvements
- Marketing

An example of business assistance is providing courtesy walk-throughs with potential new businesses so they understand the improvements they will need to make if they sign a lease. In terms of regulatory improvements, the Village has reduced parking requirements in the Village Center for restaurants, eliminated the special use requirement for outdoor dining, and overhauled the PUD process to make it more efficient. The Village is working with the Chamber of Commerce on joint marketing and will be unveiling a new marketing program in the coming months.

VI. NEW BUSINESS

None.

VII. PUBLIC COMMENT

None.

VIII. ADJOURNMENT

At 10:00 a.m., Trustee Plunkett moved to adjourn the meeting. Trustee Pearce seconded the motion. No further discussion occurred on the motion. Voting yes: Trustees Sullivan, Plunkett and Pearce. Voting no: none. **The motion carried.**

Respectfully Submitted,

Michael Braiman
Assistant Village Manager