

VILLAGE OF HINSDALE
Administration and Community Affairs Committee
Minutes of the Meeting January 9, 2012

Trustee Geoga called the meeting of the Administration and Community Affairs Committee to order in the Board Room of the Memorial Building on January 9 at 7:31 PM.

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

Staff Present: David Cook, Village Manager, Darrell Langlois, Assistant Village Manager; Gina Hassett, Director of Parks and Recreation and Timothy Scott, Economic Development Director

Approval of Minutes – December 5, 2011

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

Monthly Reports

Mr. Langlois presented the Treasurer's report. Base Sales Tax receipts for the month of November increased by 15.5% and December increased by 6.7%. This marks the twenty-fourth 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 eight months of FY 2011-12 total \$1,666,604 as compared to \$1,563,343 for the same period last fiscal year. This variance is favorable when compared to budget as this revenue source was projected to increase 4% in the FY 2011-12 Budget. Total Sales Tax receipts (including local use taxes) for the first eight months of the fiscal year total \$1.8 million as compared to \$1.7 million for last fiscal year.

Mr. Langlois reported that in November we received our third tax distribution of the new 1% Non-Home Rule Sales tax. The amount received for November was \$134,242 and for December was \$135,718; these amounts are right on track with what was estimated during the referendum campaign.

Income Tax revenue for the month of November decreased by \$10,605 and decreased by \$26,048 in December. According to the State of Illinois, the large December decline is attributed to non-recurring amnesty payments as well as some other adjustments inflating the 2010 amounts. Total Income Tax receipts for the first eight months of FY 2011-12 total \$878,774 as compared to \$916,722 for last fiscal year, a decrease of \$37,948 or 4.1%. This variance is unfavorable when compared to budget as an increase of 2% was assumed in the FY 2011-12 Budget.

The State did not make a payment in October and is now four months in arrears or \$391,994 behind the normal payment schedule.

Mr. Langlois reported that Food and Beverage tax revenue for November amounted to \$24,426 as compared to the prior year amount of \$25,989. Year to date, Food and Beverage

taxes earned for the first seven months of the year amount to \$183,353 as compared to the prior year amount of \$168,725. 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 November amount to \$5,411,755, which is approximately 94% of the Village's \$5.76 million tax levy.

Combined Gas, Electric, Telecommunications, and Water Utility Taxes for November were \$148,556, which is 6.2% above previous year's receipts. Year to date utility tax collections are \$1,196,577, which is 3.5% below the prior year.

Building Permit revenue for November totaled \$95,951, which is 67.8% above the amount of \$57,183 received during the same period last year. Year to date permit revenue is not comparable to the prior year due to the Village receiving significant non-recurring permit revenue from Hinsdale Hospital related to its expansion project in 2010. Year to date permit revenue is \$726,113, which is \$153,668 above the straight line budget allocation for this revenue source.

Total legal billings through November amount to \$120,193, which is tracking below budget for the first seven months of the year. Of this amount, approximately \$29,500 is reimbursable from outside parties.

Mr. Langlois reported that the severe storms occurring in June and July will likely result in unbudgeted costs in excess of \$110,000 contained in a number of various line items in the Public Service Department. Staff has identified a number of positive variances so far this year that will offset this cost without the need to utilize the \$200,000 contingency.

Mr. Langlois stated that he is aware that the quantity of water purchased from the Du Page Water Commission declined by 8.98% in August; 8.33% in September; 16.47% in October; and 14.84% in November. For the four months combined water purchases are down 11.45%. This compares with a decline of 7.23% in Oak Brook and 9.51% in Clarendon Hills. Based on this comparison, it would appear that much of the decline is seasonal as 2011 was the second wettest year on record. Water and sewer fees for the first seven months of the year total \$3,658,834 as compared to the prior year amount of \$3,707,643. The decline in water purchased will likely have a negative impact on revenues in the forthcoming months and will have to be watched very closely.

Approximately two months ago, staff had updated the estimated end of year amounts for a number of revenue accounts. On the expenditure side, we also updated our estimates on most personnel accounts, gas and oil projections and known savings on capital projects that have already been awarded or out to bid. On a net basis, the end of year results project to an end of year surplus in the General Corporate Fund of \$216,495, which is \$157,308 greater than the amount of \$59,187 assumed in the FY 2011-12 Budget. A second and more comprehensive update of the year end projections will be completed in the next 30 days in conjunction with the FY 2012-13 Budget process. We expect those results to be more favorable than presented here.

In order to address the expected increase of 90% over four years in the City of Chicago water rate and the need to pay back short-term borrowing of \$69 million due to its accounting and rate making errors, the Du Page Water Commission increased its rate by 30% on January 1, 2012 and subsequent increases of 20% in 2013, 18% in 2014, and 17% in 2015 have also been approved. For the initial 30% increase, the Village's water rate was increased by 11% during December in order to pass the cost of the rate increase on to water customers.

Park and Recreation Activity Report

Ms. Hassett presented the report and noted that the holiday events went very well. Ms. Hassett explained that there will be a Sports Summit with the sports organizations in January. It makes all of them aware of what all the organizations do. She explained that the race committee is hoping for about 500 runners in the 5K Race in April.

Winter brochure is out and in February the summer material will go to press. Staff will continue to evaluate what will happen with the ice rink for this year. Staff will be attending the IPRA conference downtown later in the month.

Ms. Hassett stated that the KLM reservationist position is still open and potential options are being reviewed.

There were no questions from the Trustees.

Economic Development Report

Mr. Scott presented his report. Temporary patchwork repairs to the wall in Burlington Park wall is complete. Attendance was good at the holiday celebrations. Lights will come down next week and he will talk to the police about the lift to remove them.

Mr. Scott gave an update for a tenant that he has worked with for more than a year. He is still hopeful that they will occupy space at Gateway.

Trustee LaPlaca asked what the arrangement is for the parking lot by Fullers. Mr. Scott said that the lot can be used until there are tenants in the building.

Approval of an Ad Service Agreement with Design Perspectives to Prepare Bid Packages and Manage the Remaining OSLAD Grant Projects in the Amount of \$24,900

Ms. Hassett explained the request. The remaining items on the grant are disc golf, grading of the lacrosse field, the nature based playground and the path to the playground. Design Perspectives submitted the grant application and have submitted the proposal for the rest of the grant projects. Ms. Hassett believes that the dollars can be maximized by not having to hire a general contractor for the project. Bid packages still need to be put together and Design Perspectives would basically be the general contractor for the project. Their fee is included in the project proposal.

Trustee Elder moved approval of the request. Trustee Angelo seconded the request. Trustee LePlaca asked if all of this is reimbursable. She was okay with the request provided there were no out-of-pocket expenses. The motion passed unanimously.

Approval of a Recreation Agreement with Hinsdale Tennis Association for a Period of One Year at the Rate of \$7,500

Ms. Hassett explained the request. The Agreement is similar to the Platform Tennis agreement. Registrations are handled by HTA and we include a page in the summer brochure. Mr. Lockhart has stated that his enrollment has decreased and has requested that the rate stays at \$7500 instead of increasing it for next year.

Chairman Geoga asked if we know what his revenues are. Ms. Hassett stated that we don't know that information. In 2008 and 2009, Mr. Lockhart provided bank statements. Chairman Geoga asked if the goal was to split revenue 80%/20%. Ms. Hassett stated that is the goal. Ms. Hassett did invite Mr. Lockhart to attend the Parks and Rec Commission meeting and he declined.

Chairman Geoga stated that he says no to the request unless Mr. Lockhart can prove hardship. The Trustees agreed that Mr. Lockhart needs to provide his enrollment numbers and how much he charges. He uses village property for his program, but it is his responsibility to provide the requested information.

Trustee Elder asked about one of the paragraphs that needed to be rewritten. Ms. Hassett explained the paragraph was changed.

Adjournment

As there was no further business to come before the Committee, Trustee Elder motioned to adjourn. Trustee LaPlaca seconded and the motion passed unanimously. The meeting was adjourned at 8:08 p.m.

Respectfully Submitted:

Darrell Langlois
Assistant Village Manager/Director of Finance