

**Village of Hinsdale
Finance Commission
Minutes of Meeting on June 29, 2009**

Members Present: Chairman Kane, Commissioners Aggarwal, Hughes, Maali, Waldo, Savickas, Kushner , Wagner

Members Absent: Commissioner Vernick

Staff Present: Darrell Langlois, Assistant Village Manager

Others Present: Doug Geoga, Village Trustee

Meeting Called to Order at 7:32 pm.

Approval of Minutes

Chairman Kane asked for a motion to approve the minutes of the May 27th, 2009 Finance Commission meeting. Commissioner Kushner moved for approval of the May 27th minutes, which was seconded by Commissioner Savickas. The motion passed unanimously.

Review and Discussion of the June, 2009 Treasurer's Report

Mr. Langlois highlighted the May 2009 Treasurer's Report. He discussed sales tax amounts compared to the previous year as well as income tax receipts, food and beverage tax receipts. Mr. Langlois also reported numbers for utility tax revenue and clarified an error from the previous month. Building permit revenue was higher this year when compared to the previous year. For the first month of the fiscal year operating expenses are tracking close to budget. Potential revisions regarding the treasurer's report format were also discussed as well as a request to allocate monthly revenue and expense budget amounts to when it is expected to occur instead of automatically on a 1/12 straight line basis. Mr. Langlois indicated that he would research the capabilities of the Village's financial software to accommodate this request.

Mr. Langlois provided an update to the Finance Commission regarding Village Board consideration of options to refinance a bond issue from 2002 in order to lower the interest rates as well as the potential to add maturities that would result in generating additional proceeds to be use for capital improvements. He discussed details of the sale process as well as potential interest savings. The consensus of the Commission was that due to very low interest rates and the obvious need for funding of capital improvements, the option to refinance the existing bonds and to extend the maturity schedule by 6 years was a good course of action. General discussion continued regarding credit rating agencies and how they have rated bonds the Village currently has outstanding. The Commission also discussed water and sewer rates and the recent 10% increase in fees per month.

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Preliminary Projection for the 2010-11 Budget

Mr. Langlois gave an overview to a preliminary 2010-11 budget projection that was based on the economic assumptions given at the May 2009 Finance Commission meeting. The projections indicate a difficult budget process for the coming year. The Finance Commission will monitor the economic condition each month to determine if any budget assumptions need to be reevaluated or changed from both a revenue and expense standpoint. A number of different issues could also alter the budget such as changes in revenue sharing at the State level and the potential receipt of grant funding.

Trustee Geoga expressed his comments and concerns regarding the budgeting process and noted that the work being done by the Finance Commission, including this preliminary forecast, will provide a great deal of assistance with the five-year plan. General discussion continued regarding the five year plan process including the Infrastructure Master Plan as well as the operating budgets for all funds. Mr. Langlois stated that the five-year plan is being prepared using a number of different revenue and borrowing scenarios as directed by the Village Board. Discussion continued between Trustee Geoga and the Commission Members as to the Commission's role in the five year plan process. It was the consensus that the Commission would review the first draft of the five year plan at its July 30, 2009 meeting. In order to streamline the review process as it relates to the infrastructure portion of the five-year plan, Chairman Kane suggested a subcommittee of two members that would undertake a review of the projects and the methodology used. The consensus of the Commission was that Jerry Hughes and Mike Maali would serve on this subcommittee and would meet with staff in advance of the July 30, 2009 meeting.

Adjournment

With no further business to come before the Commission, Commissioner Kushner motioned to adjourn the June 29, 2009, Commissioner Waldo seconded. The vote was unanimous and the meeting was adjourned at 9:33 P.M.

Respectfully Submitted:

Darrell Langlois
Assistant Village Manager/Finance Director