

COMMITTEE OF THE WHOLE MEETING
Village Hall, 102 South Second Street

April 14, 2014 - 7:30 pm
Village of West Dundee

I. CALL TO ORDER:

President Nelson called the Committee of the Whole Meeting to order at 7:30 pm.

II. ROLL CALL:

Present were Village President Christopher Nelson, Trustees Billy Pflanz, Dan Wilbrandt, Michelle Kembitzky, Tom Price, Pat Hanley and Andy Yuscka.

Also present were Village Manager Joseph Cavallaro, Finance Director David Danielson, Police Chief Andrew Wieteska, Community Development Director Cathleen Tymoszenko, Fire Chief Randy Friese, Public Works Director Richard Babica and Village Attorney John Brechin.

There were eighteen (18) people in the audience.

III. PLEDGE OF ALLEGIANCE:

Trustee Kembitzky led the Board and those in attendance in the Pledge of Allegiance.

IV. APPROVAL OF AGENDA:

MOTION: Moved by Trustee Wilbrandt and seconded by Trustee Pflanz to approve the agenda as presented. Motion was approved unanimously by voice vote.

V. VILLAGE PRESIDENT'S REPORT:

A. Public Hearing - FY 2014/15 Budget

MOTION: Moved by Trustee Hanley and seconded by Trustee Pflanz to call to order the Public Hearing on the Fiscal Year 2014/15 Budget for the Village of West Dundee. Motion passed unanimously.

President Nelson called the Public Hearing to order at 7:31 pm.

Manager Cavallaro stated that the Village Board has discussed the FY 2014/15 Budget in March and again last week, in particular a \$300,000 budget shortfall realized due to the loss of sales tax from Target. He added that the shortfall must be made up by an increase in revenues, a decrease in expenditures or a combination of the two.

In response to questions raised at the April 7 meeting, Manager Cavallaro provided information packets to those in attendance, outlining the following:

Personnel history: The number of full-time personnel is down to 52 from a high of 65 in 2006. During this same time, population and service demands have increased.

7-year history of Sales tax and Property tax receipts: Despite a continued rise in the cost of doing business, the Village has kept annual expenditures at about \$8,600,000 over this time. An inverse correlation is illustrated between sales tax (declining) and property tax (increasing) in order to maintain service levels.

Property tax paid to the Village: 15% of a total property tax bill is paid to the Village of West Dundee. Using the \$6000 tax bill example provided, this equates to about \$900. The cost to the Village for refuse, recycling and yard waste collection alone is \$275 per household annually.

Municipal Cost Comparison: A chart detailing costs associated with living in West Dundee versus other area municipalities was discussed. Included were property tax, vehicle sticker fees, trash collection fees and utility taxes. West Dundee provided the lowest direct cost to homeowners for all 4 years shown; the 2013 annual cost was \$1,162 for an average household.

Personnel salary costs: As a service organization, 77% of expenses are related to employee costs. Police and Fire Union contracts require a 2% salary increase for this year. To maintain equity and remain competitive with other municipalities, a 2% increase for all employees is included in the budget. A chart comparing the salaries of Patrol Officers in area municipalities was included. Manager Cavallaro noted that 2 experienced officers have recently left for reasons related to salary/benefits and opportunity for upward mobility.

Health insurance costs: As the cost of insurance premiums have increased, employee contributions have increased accordingly. The provided chart shows that West Dundee has the lowest premium cost and highest employee contribution rate of the municipalities surveyed.

2013/14 budgetary reductions: Significant savings were realized in the 2013/14 budget by changing health insurance providers, eliminating the CSO position within the Police Department, reducing the hours of part-time staff, reducing the number of Village Board meetings and reducing manning of the Fire Department at Public Safety Center #2 such that only ambulance service can be provided from that station.

Any significant budget reductions in the 2014/15 budget would have to come from personnel, for example eliminating Fire Department manning at Public Safety Center #2. Manager Cavallaro noted that savings have been realized through replacing retiring full-time staff with part-time. Consolidation efforts continue to be discussed particularly with Carpentersville in terms of Fire service. It was noted that by outsourcing the West Dundee IT department to neighboring entities, the Village earns \$60,000 in revenue annually.

Proposed Food & Beverage Tax: A total sales tax survey was provided illustrating the variation that currently exists in total sales tax, East Dundee being one of the highest.

Gasoline Tax: A survey of area gasoline prices was provided. Manager Cavallaro noted that the lowest gas price was found in Carpentersville, where a \$.02 gas tax is already in place. He also noted that all Shell stations displayed the same price, regardless of location or taxes.

Water and Sewer Rates: A comparison of water/sewer fees in area municipalities was provided, illustrating that West Dundee's rates are in the average range. Manager Cavallaro noted that water/sewer usage charges only pay for the operational costs of providing these services. Infrastructure maintenance and upgrades have historically been paid for using sales tax proceeds.

Manager Cavallaro noted that the proposed budget aims to maintain the quality services provided to the community in a cost effective manner. He added that the Village continues to nurture and attempt to grow the sales tax base for the community amid a very competitive retail environment.

President Nelson opened to floor to any questions or comments from the audience. There were none.

MOTION: Moved by Trustee Pflanz and seconded by Trustee Kembitzky to close the Public Hearing on the Fiscal Year 2014/15 Budget for the Village of West Dundee. Motion passed unanimously.

The Public Hearing was closed at 7:56 pm.

VI. REPORTS AND QUESTIONS FROM TRUSTEES: There were none.

VII. VILLAGE STAFF REPORTS:

Director Babica advised that motorists should use caution in traveling through Routes 31 & 72. Trustee Wilbrandt noted that construction barricades make visibility difficult for turn movements. Director Babica will contact IDOT and advise whether the barricades can be adjusted.

VIII. ITEMS FOR DISCUSSION:

A. FY 2014/15 Budget Discussion Continued (Trustee Kembitzky)

Manager Cavallaro stated that ordinances would be prepared for consideration at the April 21 meeting regarding the Food & Beverage Tax, Gasoline Tax and Water & Sewer Rate increase.

Trustee Kembitzky requested a reduction in the transfer from the Community Development Fund to the General Fund from \$650,000 to \$545,000. For the benefit of the audience, Manager Cavallaro explained the different funds that the Village maintains and that the transfer that Trustee Kembitzky referenced is used to pay for the cost of Firefighter/Paramedic staffing at Public Safety Center #2.

IX. EXECUTIVE SESSION:

MOTION: Moved by Trustee Yuscka and seconded by Trustee Hanley to recess to Executive Session for the purpose of discussing Land Acquisition (Section 2(c)(5) of Open Meetings Act). Motion passed unanimously.

The Committee of the Whole Meeting was recessed at 8:02 pm. The Committee of the Whole Meeting resumed at 8:37 pm.

X. MISCELLANEOUS: There was none

XI. ADJOURNMENT:

MOTION: Moved by Trustee Kembitzky and seconded by Trustee Pflanz to adjourn the Committee of the Whole Meeting. Motion passed unanimously by voice vote.

The Committee of the Whole Meeting adjourned at 8:38 pm.

ATTEST:

Kim Tibbetts
Deputy Village Clerk

Christopher Nelson
Village President

EXECUTIVE SESSION
Village Hall, 102 S. Second Street

April 14, 2014
Village of West Dundee

President Nelson called the Executive Session to order at 8:05 pm for the purpose of discussing Land Acquisition (Section 2(c)(5) of Open Meetings Act).

Present were Village President Christopher Nelson, Trustees Billy Pflanz, Dan Wilbrandt, Michelle Kembitzky, Tom Price, Pat Hanley and Andy Yuscka.

Also present were Village Manager Joseph Cavallaro, Finance Director David Danielson, Community Development Director Cathleen Tymoszenko and Village Attorney John Brechin.

Discussion took place regarding potential acquisition of a commercial parcel in West Dundee.

MOTION: Moved by Trustee Price and seconded by Trustee Pflanz to adjourn the Executive Session. Upon roll call, motion was approved.

AYES: Trustees Price, Hanley, Yuscka, Pflanz, Wilbrandt and Kembitzky

NAYS: None

The Executive Session adjourned at 8:37 pm.

ATTEST:

Kim Tibbetts
Deputy Village Clerk

Christopher Nelson
Village President