

REGULAR BOARD MEETING
Village Hall, 102 South Second Street

October 23, 2017 - 7:30 pm
Village of West Dundee

I. CALL TO ORDER:

President Nelson called the Regular Board Meeting to order at 7:30 pm.

II. ROLL CALL:

Present were Village President Nelson, Trustees Anderley, Wilbrandt, Kembitzky, Price, Hanley and Yuscka.

Also present were Village Manager Cavallaro, Attorney Orr, Community Development Director Scott, Finance Director Danielson, Attorney Orr and five (5) people in the audience.

III. PLEDGE OF ALLEGIANCE:

Trustee Yuscka led those in attendance in the Pledge of Allegiance.

IV. APPROVAL OF AGENDA:

MOTION: Moved by Trustee Hanley and seconded by Trustee Anderley to approve the agenda as presented. Motion passed unanimously by voice vote.

V. VILLAGE PRESIDENT'S REPORT: There was none.

VI. REPORTS AND QUESTIONS FROM TRUSTEES AND WORKING GROUPS:

Trustee Kembitzky reported that the Halloween Party was very successful and had the largest crowd ever.

Trustee Kembitzky complimented the contractor who is installing the trees in the 50/50 tree program for their good work.

Trustee Kembitzky asked about the handicap parking striping in the parking lot. Manager Cavallaro said that it is still being worked on.

Trustee Wilbrandt commented favorably on the Halloween Party.

Trustee Hanley asked about the plans for filling the pot holes in the old town area. Manager Cavallaro said he would double check with Director Babcock.

VII. VILLAGE STAFF REPORTS:

Director Scott reported that RocHaus will have its first public event on October 24th.

Manager Cavallaro said that the Village has been fielding complaints about leaf collection. He said there have been some issues due to the rain and some flooded yards. He requested that on garbage day refuse containers not be put into the streets, but on the parkway, so leaf collection can take place. He will notify Groot to return the refuse containers to the parkway.

VIII. QUESTIONS FROM THE AUDIENCE: There were none

IX. CONSENT AGENDA:

- A. Ratification of Bill List: October 23, 2017
- B. Approval of Minutes: October 9, 2017 Regular Board Meeting

MOTION: Moved by Trustee Hanley and seconded by Trustee Yuscka to approve the Consent Agenda with the Bill List amended. Motion passed unanimously by voice vote.

X. RESOLUTIONS AND ORDINANCES:

- A. **Ordinance Amending the Sign Regulations and Appearance Review Code of the West Dundee Municipal Code Regarding Landscaping Around Freestanding Signs**

Director Scott explained that this amendment to the Sign Regulations would make landscaping around the base of freestanding signs required rather than encouraged, including the provision that landscaping offer year-round appeal. He added that there is still some flexibility which would be worked out with staff on a case by case basis.

Trustee Wilbrandt voiced concerns over the maintenance of the landscaping. Director Scott said that the code enforcement rules that are in place will apply.

Attorney Orr added that in the next two months, the Board will see an adjudications process for property maintenance.

Trustee Price asked that examples and guidelines be provided.

MOTION: Moved by Trustee Price and seconded by Trustee Yuscka to recess to approve an Ordinance Amending the Sign Regulations and the Appearance Review Code of the West Dundee Municipal Code regarding Landscaping around Freestanding Signs. Upon roll call, motion was approved.

AYES: Trustees Price, Hanley, Yuscka, Anderley and Kembitzky

NAYS: Trustee Wilbrandt

XI. UNFINISHED BUSINESS:

- A. **Capital Projects Funding Prioritization Discussion Continued**

Trustee Kembitzky stated that this was discussed during the budget process and again in May. She said that staff has updated the 6-year Capital Plan for Fund 4: Capital Projects, as well as the departmental vehicles and the sewer and water 6-year plan that have been authorized this fiscal year, to reflect actual contracts or expenses this year.

Manager Cavallaro said that the village-wide 6-year Capital Plan needs to be discussed. Staff has identified \$900,000 needed annually to meet these specific areas of capital needs, broken down as follows: \$500,000 for streets & infrastructure/street resurfacing; \$100,000 for buildings & grounds maintenance and repairs/parking lot and building issues; \$300,000 for equipment replacement and maintenance across all departments.

Manager Cavallaro further explained that there are two options for alternative directions: (1) to continue our discussion and potentially identify new dedicated and recurring revenues to fund the

minimum \$900,000 Capital Improvements Program as identified, or (2) scale back the capital purchases through the three identified areas to meet the \$550,000 funding availability.

He also reminded the Board that the Village has significant one-time revenues this fiscal year from new developments that are segregated out of the General Fund and Sewer & Water Fund, as the Village doesn't fund recurring expenses with one-time revenues. He concluded by saying that based on the current financial parameters, the Village is looking for approximately \$350,000 in additional revenue needs on an annual basis in order to fund a \$900,000 annual capital program.

A lengthy discussion took place regarding potential ways to fill the gap including a property tax increase, gas tax increase, rental registration fee increase, utility taxes, sales tax increase, and self-storage facility use and truck/trailer rental taxes, refuse collection service charge, vehicle stickers, and implementing a real estate transfer fee.

President Nelson polled the Board for their input.

Trustee Kemitzky would support a property tax increase rather than raising user fees.

Trustee Wilbrandt said he is not in favor of any of the increases, has consistently voted no on the downtown project and spoke to the need for infrastructure/streets, water tower repairs, vehicle purchases with the ultimate goal to have downtown be the revenue generator.

Trustee Hanley said that the downtown project is a good thing, but we do need to fix the roads and be able to purchase vehicles, and would support a real estate transfer tax.

Trustee Anderley said she could support a property tax increase, real estate transfer tax, but doesn't want to see any increase for services.

Trustee Yuscka would support a real estate transfer tax.

Trustee Price would support a property tax increase and real estate transfer tax, and would like to see a restructuring of the rental fee.

President Nelson said that these items will be on the agenda next month, including the potential property tax impact on the residents, the real estate transfer tax, rental registration restructure.

XII. NEW BUSINESS:

A. 2016-17 Comprehensive Annual Financial Report Presentation

Finance Director Danielson said he is pleased with this year's CAFR (Comprehensive Annual Financial Report) and the fact that the Village continues to maintain its overall fiscal health. He said challenges continue to face our organization, but the Board as well as the administration should be commended on taking the necessary steps to ensure the financial well being is solid for both the short and long term.

He said that in 2014 the Village Board adopted a "Fund Balance Policy" as recommended and our established goal is to have an unrestricted fund balance at or greater than 15% of the Village's annual operating expenditures. He stated that as of April 30, 2016, this balance increased to 26.2% and as of April 30, 2017, the General Fund had an unrestricted fund balance of 32.8% which is well about our established minimum goal.

Michael VanAsdall from the auditing firm of Selden Fox formally presented the Comprehensive Annual Financial Report to the Board. He said the goal of the independent audit is to provide reasonable assurance that the financial statements of the Village of West Dundee for the fiscal year ended April 30, 2017 are free of material misstatement.

Mr. VanAsdall explained the Management's Discussion and Analysis, which is designed to assist the reader in focusing on significant financial issues, provide an overview of major financial activities of the Village, identify changes in the Village's financial position, identify any material deviations from the financial plan and identify individual fund issues or concerns.

Mr. VanAsdall spoke to the Communication with those Charged with Governance, which he said addresses significant risks of material misstatement, whether due to error or fraud, by performing analytical procedures, making inquiries of those charged with governance, observation and inspection, and by brainstorming with our audit team members. He stated that an audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control over financial reporting.

Mr. VanAsdall spoke to internal control and noted that the lack of segregation of duties, specifically in the area of the cash receipts process, that currently exists within the Village is considered to be a material deficiency. However, such a deficiency is not unique to West Dundee, due to the size of our Village and our limited staffing resources. It was further noted that the Board should continue to monitor financial progress and reporting on a details level with attention being paid to revenue items.

Mr. VanAsdall also addressed expenditures, revenues, assets and liabilities, financial trends, debt capacity, changes in funds, pension funds, investments and liabilities, reduction in long term debt and changes in long term debt.

MOTION: Moved by Trustee Kembitzky and seconded by Trustee Yuscka to accept the 2016-2017 Comprehensive Annual Financial Report. Upon roll call, motion was approved.

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

NAYS: None

XIII. EXECUTIVE SESSION

A. Section 2(c)(11) of Open Meetings Act: Litigation

MOTION: Moved by Trustee Price and seconded by Trustee Hanley to recess to Executive Session. Upon roll call, motion was approved.

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

NAYS: None

The Regular Board meeting resumed at 9:32 pm.

XIV. RESOLUTIONS AND ORDINANCES – CONTINUED

B. Resolution Authorizing the Acquisition of 310 W Main Street Pursuant to Court Action

MOTION: Moved by Trustee Hanley and seconded by Trustee Price to approve a Resolution authorizing the acquisition of 310 West Main Street pursuant to Court Action. Upon roll call, motion was approved.

AYES: Trustees Hanley, Yuscka, Anderley, Wilbrandt, Kemitzky and Price
NAYS: None

XV. MISCELLANEOUS/FUTURE AGENDA ITEMS:

Discussion continued regarding property tax impact on residents, real estate transfer tax, rental registration and other potential revenue sources.

Trustee Kemitzky inquired about Rouse contesting the Equalized Assessed Value of Spring Hill Mall. Manager Cavallaro said he is working on this issue with District #300 and Carpentersville.

XIV. ADJOURNMENT:

MOTION: Moved by Trustee Hanley and seconded by Trustee Anderley to adjourn the Regular Board Meeting. The motion was approved by voice vote.

The Regular Board Meeting adjourned at 9:34 pm.

ATTEST:

Barbara Traver
Village Clerk

Christopher Nelson
Village President

EXECUTIVE SESSION
Village Hall, 102 South Second Street

October 23, 2017
Village of West Dundee

President Nelson called the Executive Session to order at 8:40 pm for the purpose of discussing litigation, pursuant to Section 2(c)(11) of the IL Open Meetings Act.

Present were President Nelson, Trustees Anderley, Wilbrandt, Kembitzky, Price, Hanley and Yuscka.

Also present were Village Manager Cavallaro, Finance Director Danielson and Community Development Director Scott, Village Attorney Kathleen Field Orr and Attorney Tom Gardiner of Gardiner, Koch, Weisberg & Wrona.

Discussion took place regarding litigation related to the property located at 310 W Main Street in the Village of West Dundee.

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

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

NAYS: None

The Executive Session adjourned at 9:30 pm.

ATTEST:

Barbara Traver
Village Clerk

Christopher Nelson
Village President