

**REGULAR BOARD MEETING
Public Safety Center #2 (EOC), 100 Carrington Drive**

**March 28, 2016 - 6:30 pm
Village of West Dundee**

I. CALL TO ORDER:

President Nelson called the Regular Board Meeting to order at 6:24 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, Community Development Director Timothy Scott, Public Works Director Eric Babcock, Fire Chief Randy Freise and zero (0) people in the audience.

III. PLEDGE OF ALLEGIENCE:

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

IV. APPROVAL OF AGENDA:

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

V. VILLAGE PRESIDENT'S REPORT:

President Nelson reminded the Board and Staff that Economic Interest Statements are due to Kane County by May 1.

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

VII. VILLAGE STAFF REPORTS:

Manager Cavallaro advised that a development proposal is anticipated to come before the Board in April for the portion of the Haeger property on the east of Route 31 just north of the cemetery.

VIII. QUESTIONS FROM THE AUDIENCE: There were none.

IX. CONSENT AGENDA:

- A. Approval of Bill List: March 21, 2016
- B. Approval of Minutes: March 7, 2016 Regular Board Meeting
- C. Memorial Day Parade – Approval and Resolution

MOTION: Moved by Trustee Kembitzky and seconded by Trustee Yuscka to approve the Consent Agenda as presented. Upon roll call, motion was approved.

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

NAYS: None

President Nelson appointed Trustee Yuscka as President Pro-Tem and left the meeting for the discussion of the following item.

X. RESOLUTIONS AND ORDINANCES:

A. Ordinance Amending Municipal Code of Ethics: Interest in Contract or Transaction (Trustee Kembitzky)

Trustee Kembitzky noted that a conflict of interests exists for President Nelson in regards to the upcoming Cable Franchise renewal with Comcast, with whom he is employed. She noted that the Village code in regards to conflicts of interest in contracts or transactions is more restrictive and ambiguous, and not as easily quantifiable as that of the State of Illinois.

Manager Cavallaro noted that the Village code was reviewed by the legal firm of Zukowski, Rogers, Flood and McArdle, and a recommendation was provided to mirror the State code.

MOTION: Moved by Trustee Kembitzky and seconded by Trustee Hanley to adopt an Ordinance Amending Title 1, Chapter 7, Article A (Section 1-7A-8), Interest in Contract or Transaction, of the Municipal Code of the Village of West Dundee, Illinois. Upon roll call, motion was approved.

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

ABSTAIN: President Pro-Tem Yuscka

NAYS: None

President Nelson returned to the meeting at 6:33 pm.

B. Ordinances Proposing Downtown SSA – Amended (Trustee Price)

Trustee Price noted that the previously adopted ordinances proposing the Downtown SSA #7 and #7.20 contained an error in terms of the tax rate, noting a rate of \$0.20 per \$100 of EAV. The correct rate, as reflected in the ordinances before the Board, is of \$0.80 per \$100 of EAV.

Manager Cavallaro noted that the Public Hearings for the SSAs are scheduled for April 18. Letters noting the error and corrected rate, along with per parcel financial details, will be mailed out to the impacted business and property owners this week. President Nelson suggested that in person visits be made as appropriate.

MOTION: Moved by Trustee Price and seconded by Trustee Hanley to Repeal Ordinances 16-06 and 16-07, and adopt amended Ordinances Proposing the Establishment of Special Service Area No. 7 and Special Service Area No. 7.20 in the Village of West Dundee, Kane County, Illinois and Providing for Other Procedures in Connection Therewith. Upon roll call, motion was approved 5 to 1.

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

NAYS: Trustee Wilbrandt

XI. UNFINISHED BUSINESS:

A. FY 2016-17 Budget Presentation Continued (Trustee Kembitzky)

Manager Cavallaro noted that the 2016/17 Budget is largely similar to the 2015/16 Budget, with the exception of capital projects funding.

General Fund (Fund 1): Director Scott presented the Community Development Department budget request. He provided an overview of the department's accomplishments and major

projects for the current fiscal year and goals for the coming fiscal year. He noted that only modest changes have been made from the previous budget request.

Director Danielson presented the General Fund Revenues, noting a total revenue increase of approximately \$95,000 or 1%. Based on a nearly 4% increase in total EAV, the property tax rate is projected to decrease from \$1.80 per \$100 of EAV down to \$1.75, representing the first decrease in property tax rates in several years. By the same token, the amount of property tax to be collected was increased by just over 1%. Sales Tax has declined due to the relocation of retailers at Spring Hill Mall into Carpentersville, but is expected to level off. A nearly 8% decrease in budgeted Sales Tax is reflected. Food & Beverage Tax has been very strong, as have State Shared Revenues, the bulk of which are related to State Income Tax. He pointed to Governor Rauner's letter indicating that the State distribution formula remains in potential flux, and that if distributions are changed, the budget may need to be revisited. Court Fines have increased, in large part due to the reinstallation of the red light enforcement camera at the intersection of Routes 31 & 72. The General Fund operational budget does not reflect any increases in user fees or service charges assessed to either the residential or business communities.

Trustee Wilbrandt indicated a desire to reduce red light camera fees, and to revisit the Food & Beverage Tax annually, with a goal to phase it out within a set time period. There was general consensus that the Food & Beverage Tax should continue to be reviewed on an ongoing basis, with the intention of eliminating it if/when Sales Tax rebounds sufficiently.

General Fund Expenditures are budgeted at about a 1% increase. The remaining departments of the General Fund were presented next.

Manager Cavallaro presented the Legislative, Administrative & Finance and Legal departments. A staffing reduction of one full-time position to one part-time position in the Administration & Finance Department was noted. The only capital expenditure in the budget is also in this department, in the form of computer upgrades for the entire organization. The Legal department reflects the costs of ongoing litigation and an increase in the fee for the Village Attorney that has been phased in over a 2 year period.

Chief Freise presented the Fire department budget request, providing an overview of the department's 2015/16 accomplishments and 2016/17 goals. He highlighted operational changes that were made to reduce costs. Manager Cavallaro noted that whereas 2 vacant full-time firefighter positions were budgeted for the 2015/16 fiscal year, this has been reduced to 1 in the 2016/17 budget. Discussion was held regarding desired staffing levels, the costs of using part-time firefighters (increase in cost for uniforms, physicals, etc) versus full-time (benefits, pension, etc), and the cost of overtime to maintain 2 full-time firefighters per shift (one at each station) versus hiring another full-timer to minimize overtime needs. Chief Freise discussed the department's unbudgeted request to refurbish Engine 32 and Truck 31, presenting data regarding the cost of refurbishment versus buying new, the age of the apparatus and the additional years that can be added to the life of each apparatus through refurbishment

Director Babcock presented the budget request for the Streets and Buildings & Grounds departments, providing an overview of each department's 2015/16 accomplishments and 2016/17 goals. Within the Streets department, he noted a contractual services number of \$20,000 for sealcoating and crack filling of municipal parking lots. In regards to Buildings & Grounds, the cost of forestry (tree trimming and stump removal) was briefly discussed and confirmed as a priority to minimize liability issues.

Water and Sewer Funds (Fund 2): A 2% increase in water and sewer rates have been budgeted to account for continued increases in the expenses directly associated with providing these services. A survey of area water rates indicated that West Dundee rates continue to be on the low end, in the 20th percentile.

Discussion was held regarding funding for infrastructure maintenance and upgrades to water and sewer facilities, and a desire by the Board to look at an additional rate increase or capital improvements line item inclusion on water bills to provide for this, while allowing the Water & Sewer Funds to become self-sufficient. Staff will put together some alternatives for the Board's review. It was noted that water & sewer rate changes can be done at anytime, and are not specifically tied to the budget adoption.

Motor Fuel Tax Fund (Fund 3): Director Danielson noted that \$190,000 is anticipated to be received this year, plus approximately \$10,000 annual adjustment for high growth counties. \$175,000 is being transferred to the General Fund to help fund Streets Department operations and \$70,000 of existing balance is being transferred to the Capital Projects Fund to help fund Boncosky Road improvements, leaving a projected fund balance of \$235,000 at year end.

Capital Projects Fund (Fund 4): The Capital Projects Fund balance at the end of the 2015/16 fiscal year will be just \$811,000. The focus of this budget discussion is to center on resolving the funding formula to provide for priority capital projects and equipment replacements.

Several alternatives were noted, including committing a one-time contribution of \$400,000 from fund balance, foregoing the abatement of property taxes for debt service, charging a refuse collection fee equal to the contract amount for this service, a real estate transfer tax or streets and/or tax levy line item specific to capital projects, the latter two which would require a successful referendum. It was noted that if water and sewer capital needs are accounted for separately through billing, as previously discussed, capital project funds could be focused on other needs, most notably streets improvements.

Staff will put estimated numbers to these concepts and discussion will continue.

Community Development Fund (Fund 5): Economic Incentives are accounted for within this fund, as is operational funding for Public Safety Center #2. \$545,000 of these dollars are again being transferred to the General Fund for this purpose. \$120,000 derived from TIF 2 is being transferred to the Capital Projects Fund to assist in funding for Huntley Road improvements and Downtown Redevelopment.

The 2016/17 budget presentation is now concluded. A Public Hearing will be scheduled for the April 4 Board Meeting, and the budget adoption is scheduled for a vote at the April 18 Board Meeting.

XII. MISCELLANEOUS: There was none.

XIII. ITEMS TO BE DISCUSSED AT A LATER MEETING:

- April - Presentation of Development Proposal for Haeger Property
- April 18 – Downtown SSA #7 & #7.20 Public Hearings
- April 4 – Budget Public Hearing
- April 18 – Budget Adoption

XIV. ADJOURNMENT:

MOTION: Moved by Trustee Kembitzky seconded by Trustee Hanley to adjourn the Regular Board Meeting. Motion was approved by voice vote.

The Regular Board Meeting adjourned at 8:58 pm.

ATTEST:

Kim Tibbetts
Deputy Village Clerk

Christopher Nelson
Village President