

**VILLAGE OF HUNTLEY
VILLAGE BOARD MEETING
December 4, 2008
MINUTES**

CALL TO ORDER:

A meeting of the Village Board of the Village of Huntley was called to order on Thursday, December 4, 2008 at 7:00 p.m. in the Municipal Complex Village Board Room 10987 Main St, Huntley, Illinois 60142.

ATTENDANCE

PRESENT: Mayor Charles H. Sass, Trustees: Pam Fender, Jay Kadakia, Niko Kanakaris, Harry Leopold, Paul Mercer and John Piwko.

ABSENT: None

IN ATTENDANCE: Village Manager David Johnson, Finance Director Jennifer Chernak, Director of Development Services Lisa Armour, Director of Public Works Jim Schwartz, Village Engineer William Geegan, Police Chief John Perkins, Village Clerk Rita McMahon, Management Assistant Barb Read, Management Assistant Margo Griffin, Village Attorney Mike Coppedge, and Recording Secretary Anita Powers of Karick & Associates.

PLEDGE OF ALLEGIANCE

Mayor Sass led the Pledge of Allegiance.

PUBLIC COMMENTS

None

ITEMS FOR CONSIDERATION

A. Approval of the December 4, 2008 Bill List in the Amount of \$737,744.62

A MOTION was made to authorize payment of the December 4, 2008 Bill List in the Amount of \$737,744.62

MOTION:	Trustee Leopold
SECOND:	Trustee Kadakia
AYES:	Trustees Fender, Kadakia, Kanakaris, Leopold, Mercer, and Piwko
NAYS:	None
ABSTAIN:	None
Motion carried	6:0:0

ITEMS FOR DISCUSSION

A. Fiscal Year (FY) 2009 Operating and Capital Budget

Village Manager Dave Johnson presented the PowerPoint presentation attached to these minutes. With the conclusion of the PowerPoint presentation Trustee Kadakia asked for clarification on several items to which Village Manager Johnson and Finance Director Chernak responded. The Mayor and Trustees thanked Village Manager Johnson and Staff for their work in preparing the budget.

As part of the budget discussion, the Algonquin Road Streetscape was discussed in order to provide direction to staff as how to proceed.

Mayor Sass stated landscaping should begin with a design similar to Plan A and work towards enhancements like Plan C. Trustee Piwko agreed that Plan C can be phased in.

Mayor Sass asked if the County will contribute to landscaping on the South side of the street. Village Engineer, Bill Geegan, stated that the Village will need to decide between accepting trees or the cash equivalent which is approximately \$22,000.

Trustee Fender asked about the maintenance of the medians. Village Manager Johnson stated that maintenance would be approximately \$5,000 annually. Director of Public Works Jim Schwartz stated that safety is the most worrisome aspect of maintaining medians.

Village Manager Johnson stated that feedback is needed from the County before proceeding with the medians and noted that the plan needs to be considered by the County Transportation Committee.

Trustee Fender stated that irrigation will be an issue if trees are planted in the medians and suggested that decorative grasses be planted. Trustee Leopold agreed that trees will not grow well in the medians and will obstruct the views of drivers.

Trustee Kadakia stated that the cost estimates seem high. Village Manager Johnson stated that the work will be bid out for competitive pricing.

There was a consensus of the Village Board that trees nor any other landscaping material be planted in the medians of Algonquin Road. The Trustees agreed that the Village should spend the budgeted amount in 2009 and proceed with phased planting of Plan C.

ADJOURNMENT INTO EXECUTIVE SESSION

There was a motion made at 8:00 p.m. to adjourn the meeting into Executive Session to discuss pending litigation and contractual issues.

MOTION: Trustee Kadakia

SECOND: Trustee Leopold

Motion carried unanimously

ADJOURNMENT OUT OF EXECUTIVE SESSION

There was a motion made to exit Executive Session at 8:20pm.

MOTION: Trustee Kanakaris

SECOND: Trustee Piwko

Motion carried unanimously

ACTION ON CLOSED SESSION ITEM:

None

ADJOURNMENT:

There was a MOTION made to adjourn the meeting at 8:21pm.

MOTION: Trustee Kanakaris

SECOND: Trustee Piwko

Motion carried unanimously

Respectfully submitted,

Anita M. Powers
Recording Secretary
Karick & Associates.

VILLAGE OF HUNTLEY

Fiscal Year 2009 Operating and Capital Budget



Financial Year in Review - 2008

- The approved FY2008 Operating and Capital Budget expenditures for all 18 funds totaled **\$28,077,807**
- Actual Estimated Expenditures: **\$23,098,039**
- Difference: **\$4,979,768**

FY2008 - Significant Accomplishments

- The Village's first formal Capital Improvement Program (CIP) was adopted.
- The Village remained the Lead Agency for the full interchange reconstruction project at Illinois Route 47 and Interstate 90.
 - The Village executed a letter of intent with the Illinois Department of Transportation (IDOT) outlining their participation in the project.
 - The Village entered into an Intergovernmental Agreement (IGA) with Kane and McHenry Counties for Phase I Design Engineering for the project.
 - Design Engineering for the project commenced in October 2008.
- Progress continued on identifying and designing the Village's improvements planned as a part of IDOT's Route 47 widening project from Kreutzer Road to Reed Road. Village improvements and obligations include major water and sewer infrastructure reconstruction, roadway lighting and sidewalks.

FY2008 - Significant Accomplishments

- As a part of the McHenry County Department of Transportation (McDOT) Algonquin Road widening project, 4,595 lineal feet of Village water main and appurtenances were replaced and upgraded at a cost of \$533,000.
- The Village's \$1.3 million 2008 Street Improvement Program in the Woodcreek and Cove Subdivisions, which consisted of 1.75 miles of road resurfacing was completed.
- Traffic signal contracts in the amount of \$413,408 were approved for the installation of permanent traffic signals at the intersections of Haligus Road and Reed Road and Haligus Road and Huntley/Dundee Road. (December 23rd is the targeted date for operation.)
- Phase I Engineering continued for the Kreutzer Road Extension Project for the planned extension of Kreutzer Road from west of Route 47 to West Main Street (west of the Lion's Chase Subdivision).

FY2008 - Significant Accomplishments

- The Village was awarded \$700,000 from the McHenry County Council of Mayors for the resurfacing of Huntley/Dundee Road from Kreutzer Road to East Main Street.
- The Village was awarded \$700,000 from the McHenry County Council of Mayors for the widening and reconstruction of Reed Road from Haligus Road east to Cambridge Drive (main entrance to the Southwind Subdivision). The project is a cooperative partnership with Centegra Health Systems.
- The Village's new well and water treatment facility in the Talamore Subdivision came online and operational. This new 1,000 gallon per minute (gpm) well is the Village's fifth deep well bringing the Village's total potable water pumping capacity to 6.7 million gallons per day. The \$2.38 million project was funded by Huntley Venture, the developer of the Talamore Subdivision.
- Installation of the Altitude Vault at Water Tower No. 1 was completed.
- The third expansion (1,000,000 gallons per day) of the Village's West Wastewater Treatment Plant is nearing substantial completion bringing the total treatment capacity in the plant to 2,600,000 gallons per day. The \$14.32 million project is funded by Huntley Venture, the developer of the Talamore Subdivision.

FY2008 - Significant Accomplishments

- The \$2.5 million Phase II Sewer Interceptor and Water Main Crossing project from Powers Road to south of Interstate 90 is nearing substantial completion.
- The Village entered into a Jurisdictional Boundary Line and Facilities Planning Area (FPA) Agreement with the Village of Pingree Grove.
- The Village entered into a Jurisdictional Boundary Line and Facilities Planning Area (FPA) Agreement with the Village of Hampshire.
- The Board of Trustees accepted and placed on file, the Village of Huntley Wetland Phase II Report.
- The Board of Trustees accepted and placed on file, the Village of Huntley Pavement Management Program Report.
- The construction of the Village's second road salt storage facility was completed.
- Decorative street lighting on West Main Street and around the Town Square was installed.

FY2008 - Significant Accomplishments

- A Transit Study made possible through a \$105,512 grant from the Regional Transportation Authority (RTA) for the purpose of identifying transit station sites in the Village and establishing design guidelines for a Transit Oriented Development (TOD) was started.
- Completion of the Centegra Site Development and the opening of the 137,407 s.f. Healthbridge Fitness Center and 60,484 s.f. Ambulatory Care Mall.
- Continuation of the Huntley Grove (Tucker Development) Site Development at the southeast corner of Route 47 and Kreutzer Road for the anticipated Spring 2009 opening of the 176,000 s.f. Walmart Super Center.
- Continuation of the Huntley Crossings Phase I (Klein Development) Site Development at the southeast corner of Route 47 and Powers Road.
- Continuation of the Huntley Crossings Phase II (Oxford Development) Site Development at the southeast corner of Route 47 and Regency Square Parkway.

FY2008 - Significant Accomplishments

- Construction commenced on the Village's first Assisted Living Facility. The 57,813 s.f. 72 unit facility is located in Regency Square.
- Substantial completion of the new 21,420 s.f. American Community Bank Facility at the southwest corner of Route 47 and Reed Road.
- Completion of the Covington Lakes Commercial Development Agreement at the northeast corner of Route 47 and Reed Road.
- Entered into a four year collective bargaining agreement with the Metropolitan Alliance of Police Chapter #207.
- Continued the CALEA Certification process in the Police Department.
- Completed the installation of jail electronics in the Police Department.

FY2008 - Significant Accomplishments

- Continued to fund Senior Transportation Services.
- Conducted the 2008 Special Census.
- Upgraded and completed the 2008 50/50 Residential Tree Replacement Program, which included the establishment of a Village Arboretum.
- The Farmer's Market in the Town Square completed its second successful season.
- The Municipal Complex Debt Issuance was refinanced resulting in substantial savings.

Budget Process

- Provides the Village Board an opportunity to match the needs of the community with available financial resources.
- The intent / goal is to gain maximum return on each dollar spent.
- In addition to the on-going services, programs and major capital improvement projects planned for 2009, the Village Board identified these additional projects and goals to be considered as a part of the FY2009 budget.

2009 Economic Outlook

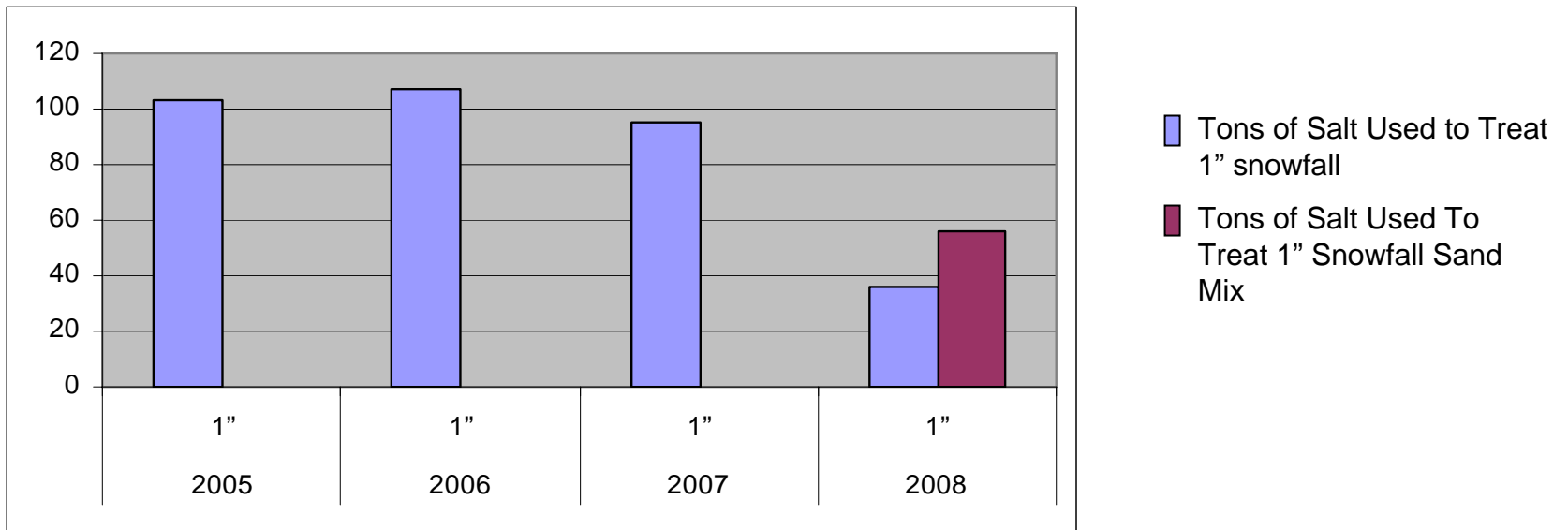
- Huntley, like all municipalities across the Country, is impacted by the on-going global economic crisis.
- The 2009 budget is presented under the most difficult economic times in recent history.
- The Village's long-term financial well being and ability to complete capital projects is directly linked to outside economic factors.

Major Economic Factors Considered in Formulating the 2009 Budget

- Unemployment (State Income Tax and Sales Tax / Flat)
- Housing Market (+/- \$350,000 reduction from 2008)
- State of Illinois Financial Position (Emergency Budget Act of Fiscal Year 2009) (+/- \$150,000 negative impact)
- IMRF Investment Income Losses (+/- \$200,000 negative impact)
- Volatility in Credit Markets
- Fluctuating Energy and Commodity Costs (+/- \$100,000 negative impact for road salt).

Tons of Salt Used to Treat 1" Snowfall

Date	Snowfall Amount	Tons Salt Used	Sand Mix
2005	1"	103	0
2006	1"	107	0
2007	1"	95	0
2008	1"	36	56



Cost Example 2008 / 100 tons = \$4,000

2009 / 36 tons - \$5,000



■ The proposed FY2009 Operating and Capital Budget expenditures totals: **\$22,582,417**

(for all 19 funds)

■ This is a \$5,506,890 or 20% decrease from the FY2008 budget amount of \$28,077,807

Major Operating Funds 2009 Expenditures

<u>Fund</u>	<u>Amount</u>	Percent of all <u>Fund Expenditures</u>
■ General Operating Fund	\$ 8,321,500	(36.8%)
■ Water Operating Fund	\$ 3,325,776	(14.7%)
■ Sewer Operating Fund	\$ <u>2,585,198</u>	(11.4%)
	\$ 14,232,474	(63%)

Major Capital Funds 2009 Expenditures

<u>Fund</u>	<u>Amount</u>	<u>Percent of all Fund Expenditures</u>
■ Capital Projects Fund	\$ 1,546,500	(6.8%)
■ Water Capital Fund	\$ 1,544,750	(6.8%)
■ Sewer Capital Fund	\$ 1,128,383	(4.9%)
■ Municipal Buildings Fund	\$ 782,500	(3.5%)
■ Tollway / Interchange Fund	<u>\$ 760,000</u>	<u>(3.4%)</u>
	\$ 5,762,133	(25.5%)

Personnel / Staffing for 2009 by Department

Department	Authorized	Authorized	Authorized	Authorized	PAR	Budget	PAR
	12/31/2005	12/31/2006	12/31/2007	12/31/2008	2008	12/31/2009	2009
Manager's Office	5	5	5	5	4	5	4
Finance and Human Resources	7	8	9	9	9.5	9	10.5
Police Department	28	30	36	37	44	39	47
Engineering				3	0	3	0
Development Services	12.5	14.5	13	11	9	11	9
Public Works							
Administration	3	3	3	3	3	3	3
Buildings & Grounds	2	2	2	2	0	3	0
Mechanic	0	0	1	1	2	1	2
Meter Inspector			1	1	0	1	0
Streets & Utilities	12.5	14.5	12	12	16	12	18
Water/Sewer	7	7	10	9	9	9	9
Total Public Works	24.5	26.5	29	28	30	29	32
Total Village Employees	77	84	92	95*	96.5	96	102.5

**On June 19, 2008, the Village Board authorized hiring two additional patrol officers due to two officers being called to active military duty.*

Comparison with other Municipalities

The Village's estimated population is 23,000. Based on the number of full-time equivalent positions in the 2009 budget the Village's number of employees per 1,000 residents is 4.2.

The following table is provided for comparison purposes.

<u>Municipality</u>	<u>Estimated Number of Employees per 1,000 Residents</u>
Woodstock	6.5
Lake in the Hills	5.9
Lake Zurich	5.8
McHenry	5.7
Algonquin	5.7
Roselle	4.4
South Elgin	4.2
Cary	4.1

Average Excluding Huntley	= 5.3 employees per 1,000 residents
Huntley	= <u>4.2</u> employees per 1,000 residents
Difference	= 1.1 employees per 1,000 residents

FY2009 Spending Adjustments

To address the concerns of the economic downturn, the following spending adjustments are proposed:

- Personnel services costs were reduced approximately **\$200,000** by deferring the hiring of vacant positions until later in the year.
- Legal fees were reduced by **\$120,000** due to no longer needing the services of special legal counsel in the ComEd Northwest Reliability case.
- Contract janitorial services for the Municipal Complex were eliminated with an estimated savings of approximately **\$50,000**.
- Contract landscaping and snow removal services for the Municipal Complex were eliminated with an estimated savings of approximately **\$15,000**.
- With the restructuring of Economic Development duties in-house, the Economic Development budget was reduced by **\$15,000**.
- The use of outside consultants in the Development Services and Engineering Departments was reduced with an estimated savings of **\$120,000**.

These proposed adjustments total approximately \$520,000.

FY2009 Major Equipment Purchases

Public Works Department

- \$75,000 for new Ford F550 Dump Truck (add to fleet for increase in maintenance responsibilities)
- \$100,000 for new Front End Loader (currently only have one being utilized between Streets and Underground Utilities and Water / Wastewater Divisions).

Police Department

- \$219,500 for the replacement of six vehicles and in-car equipment (as approved by the Village Board on November 13th).

Summary of FY2009 Major Goals, Programs and Projects

- In accordance with the Village's General Fund Balance reserve policy, the FY2009 budget is presented with the required 50% fund balance reserve.
- Continue as the lead agency in securing the full interchange at Route 47 and I-90 and oversee completion of the Phase I Engineering by mid-2009 - **\$760,000**
- Continue to lobby State leaders to provide funding for the widening of Route 47 from Kreutzer to Reed Road -

2009 Set Aside

\$775,000 / Capital Project Fund

\$690,000 / Water Capital Fund

\$475,883 / Sewer Capital Fund

Estimated Cost

\$2,261,370 (Capital Project Fund)

\$3,419,055 (Water/Sewer Capital Fund)

Summary of FY2009 Major Goals, Programs and Projects

- Implementation of the Annual Street Improvement Program - **\$1,000,000**
 - Douglas Street from Church Street to Timer Drive. If budget allows: Phillip, Kathleen, Mathew, Michael, Charles, Carl, Brittany and Elizabeth

 - Funding of Landscaping and Bike Path for the Algonquin Road Widening Project - **\$200,000**

 - Completion of Reed Road Widening and Reconstruction from Haligus Road to Cambridge Drive - ***\$1,800,000** / Completed at no cost to the Village and Village could realize approximately \$200,000 in revenue as a part of the development agreement.
- * Requires budget amendment upon final development agreement with Centegra*

Summary of FY2009 Major Goals, Programs and Projects

- Completion of Huntley/Dundee Road Resurfacing – East Main Street to Kreutzer Road - **\$470,000**
- Completion of Phase I and Phase II Design for the Kreutzer Road extension – west of Route 47 to West Main Street - **\$350,000**
- Repainting of Water Tower No. 2 - **\$400,300**
- Advancement of the design and construction of the I-90 Sanitary Interceptor Phase III – Regional Pump Station Design - **\$50,000**
- Beginning the formal lobbying process at the federal level to bring commuter rail services to the Village

Summary of FY2009 Major Goals, Programs and Projects

- Commencement of a Downtown Revitalization Planning Process - \$50,000
- Implementation of a “Green Fleet” Initiative Program for all Village departments, including installation and use of a new flex fuel system - \$10,000
- Exploration of the possibility of beginning a Sidewalk Replacement Program in the Village
- Exploration of Design Options for the replacement of Village Entry Signs - \$10,000
- Exploration of Alternative Energy Sources

Summary of FY2009 Major Goals, Programs and Projects

- Focus on innovation as a means of providing a higher level of service both external to the organization and internally such as the implementation of a GIS system and an enhanced water billing process.
- Completion of the build-out of Police Department and Village Hall second floor unfinished areas - **\$300,000**
- Attraction of additional retailers and commercial development for the Route 47 corridor.



Summary of FY2009 Major Goals, Programs and Projects

- Completion of Huntley Crossings Site Development and the opening of businesses on site.
- Completion of the Huntley Grove Site Development and opening of Walmart and other businesses on site.
- Completion of Covington Lakes Commercial Development Agreement and construction of the Walgreens store on site.
- Attraction of Business Park Development along the I-90 Corridor.
- Completion of the Village's Transit Station Study started in 2008.

Summary of FY2009 Major Goals, Programs and Projects

- Construction of railroad crossing improvements at Kreutzer Road and Grove Street.
- Complete inventorying of parkway trees to indentify location of ash trees and provide a proposed policy for Village Board consideration.
- Submittal of the Village's annual 2008 financial report to the Government Finance Officer's Association (GFOA) for the purpose of obtaining the Certificate of Achievement Award in financial reporting.
- Submittal of the Village's FY2009 budget document to the Government Finance Officer's Association (GFOA) for the purpose of obtaining the Certificate of Achievement for the Distinguished Budget Presentation Award.



Summary of FY2009 Major Goals, Programs and Projects

- Presentation of new insurance and wellness programs to Village employees.
- Exploration of alternate liability insurance programs.
- Continuation of the CALEA Certification process in the Police Department, with a 2010 completion date.
- Enhancement of public safety with the hiring and training of 3 replacement police officers.
- Establishment of a second Deputy Chief position.
- Enhancement of the Neighborhood Watch program with posting of signs in qualifying areas.

Conclusion

- As noted, current economic conditions are concerning and it is important to take them into consideration in formulating this year's budget.
- However, we cannot ignore the positive things happening here in Huntley.
- Over the last two years, the Village has experienced \$50 million dollars in new commercial construction project investment, the most in our history.
- We provide quality municipal services with one of the lowest property tax rates in the area. Our per capita cost of providing services is approximately 25% - 30% less than neighboring communities.
- Huntley will not only survive the economic downturn but will create the momentum to excel once the economy turns by continuing to move forward with important infrastructure projects such as the Interchange, Route 47 widening, etc.

Algonquin Road Landscaping – Additional Information

- Proposed Budget Amount for (southside) Landscaping and Bike Path - \$200,000

<u>Estimated Cost</u>	<u>Southside Landscaping and Bike Path</u>	<u>35 Median Trees (\$17,500)</u>
Concept A	\$178,900	\$196,400
Concept B	\$241,825	\$259,325
Concept C	\$266,150	\$283,650



QUESTIONS?