

**VILLAGE OF HUNTLEY
VILLAGE BOARD MEETING
June 24, 2010
MINUTES**

CALL TO ORDER:

A meeting of the Village Board of the Village of Huntley was called to order on Thursday, June 24, 2010 at 6:30 p.m. in the Municipal Complex, Village Board Room, 10987 Main St., Huntley, Illinois 60142.

ATTENDANCE:

PRESENT: Mayor Charles Sass; Trustees: Pam Fender, Jay Kadakia, Harry Leopold, Paul Mercer (arrived at 6:45 p.m.) and John Piwko.

ABSENT: Trustee Niko Kanakaris

IN ATTENDANCE: Village Manager David Johnson, Senior Assistant to the Village Manager Lisa Armour, Director of Finance and Human Resources Jennifer Chernak, Management Assistant Barbara Read and Village Attorney Mike Coppedge.

PLEDGE OF ALLEGIANCE: Mayor Sass led the Pledge of Allegiance.

APPROVAL OF AGENDA: There were no changes to the Agenda.

PUBLIC COMMENTS: None

PUBLIC HEARING:

- a) Vacation of Portions of Clanyard Road Right-of-Way abutting the south property lines of Lot 1 and Lot 2 of Weltzien's Subdivision

A MOTION was made to open the public hearing at 6:32 p.m. regarding the Vacation of Portions of Clanyard Road Right-of-Way abutting the south property lines of Lot 1 and Lot 2 of Weltzien's Subdivision.

MOTION: Trustee Piwko

SECOND: Trustee Fender

The Voice Vote noted all ayes and the motion carried.

Mayor Sass asked if there was anyone in the audience that would like to make a public comment regarding the vacation of portion of Clanyard Road; there were none.

A MOTION was made to close the public hearing at 6:33 p.m.

MOTION: Trustee Leopold

SECOND: Trustee Fender

The Voice Vote noted all ayes and the motion carried.

CONSENT AGENDA:

(All items listed under Consent Agenda have been discussed at the Committee of the Whole and may be approved/accepted by one motion.)

- a) May 27, 2010 Village Board Meeting Minutes
- b) June 24, 2010 Bill List in the amount of \$1,131,290.89
- c) Accept and Place on File the Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended December 31, 2009
- d) Authorization to Defer the One-Time Transfer of Revenue Reserves in the Amount of \$329,575.00
- e) Ordinance (O)2010-06.30 – Recognizing the Legal Nonconforming Status at 10802 S. Illinois Route 47/Hoppy’s Barber Shop and Griswold Special Care
- f) Ordinance (O)2010-06.31 – Vacation of Portions of Clanyard Road Right-of-Way abutting the south property lines of Lot 1 and Lot 2 of Weltzien’s Subdivision
- g) Ordinance (O)2010-05.24 – Acceptance of Public Improvements – Bakley’s 18th Addition East and West
- h) Ordinance (O)2010-06.32 – An Ordinance Ascertaining the Prevailing Rate of Wages for Laborers, Mechanics, and other Workman Engaged in the Construction of Public Works Under the Jurisdiction of the Village of Huntley

Mayor Sass asked if the Board had any questions or comments regarding the items on the Consent Agenda; there were none.

A MOTION was made to approve the Consent Agenda.

MOTION: Trustee Kadakia
SECOND: Trustee Fender
AYES: Trustees: Fender, Kadakia, Leopold and Piwko
NAYS: None
ABSENT: Trustees: Kanakaris and Mercer
The motion carried 4-0-2

DISCUSSION AND CONSIDERATION OF ITEMS REMOVED FROM THE CONSENT AGENDA: None

ITEMS FOR DISCUSSION AND CONSIDERATION:

- a) Approval of the Village of Huntley 2010/2011 Health Insurance Plan

Village Manager David Johnson reported that the Village’s in-force health insurance plan with Blue Cross Blue Shield (BCBS) of Illinois covering Village of Huntley full time employees expires June 30, 2010. Staff met with the Village’s insurance broker Ray Rotolo of American Westbrook

Insurance Services, LLC to discuss renewal options and review quotes from other providers. The initial quote from Blue Cross represented a 30.18% increase (\$214,936.67 annually). The broker was able to negotiate a slightly lower increase to 20.81% (\$148,191.36 annually) higher than the 2009 plan; however this increase was still unsustainable considering the Village's current resources.

Staff Analysis

Staff reviewed all the Blue Cross options in addition to reviewing proposals from competing providers. The recommended option is to switch to United Healthcare Insurance Company of Illinois. In addition, United Health offers flexible program options and incorporates a full 125 Flexible Spending Account Program managed at no cost to the Village.

The Village's health insurance plans contain medical, vision, and prescription drug card benefit provisions. The comparison of the current plan and the United plan is included in the Village Board Packet. Dental insurance is paid 100% by the Village of Huntley for all levels of coverage including dependents and the 125 Plan Dependent Care program allows an employee to make voluntary contributions on a tax deferred basis for the reimbursement of child care costs.

Financial Impact

The Village continues to pay 100% of the cost for an employee's medical insurance coverage for the Standard/Base United Healthcare plan. For dependent medical insurance coverage employees currently pay 18% of the difference in premium cost between individual and dependent health insurance coverage.

New this year, the Village will offer a "Premium" United Healthcare plan which will require additional contributions from employees selecting this plan.

Mayor Sass asked if the Village Board had comments or questions.

Trustee Fender asked if Village Staff understands the new plan and is accepting of the change. Village Manager Johnson reported that meetings were held with each department to go over the new plan and answer questions. Village Manager Johnson stated that the staff understood the issues and are as positive to the change as can be expected.

There were no other comments or questions.

A MOTION was made to approve the Village of Huntley 2010/2011 Health Insurance Plan.

MOTION: Trustee Leopold
SECOND: Trustee Kadakia
AYES: Trustees: Fender, Kadakia, Leopold and Piwko
NAYS: None
ABSENT: Trustees: Kanakaris and Mercer
The motion carried: 4-0-2

b) Approval of the Relocation of the Main Street Sanitary Sewer Pump Station on Dean Foods Property

Village Manager David Johnson reviewed a Power Point Presentation and reported that due to the widening of Route 47 and intersection improvements at Main Street requiring additional right-of-way, the Board authorized entering into a Letter of Understanding with Dean Foods for the relocation of the Main Street Sanitary Sewer Pump Station in August 2008. In November 2008, Board consensus was to move forward with the relocation of the pump station to the Dean Food property. At that time, the Board authorized engineering design for the station. The engineering work was completed by IDOT's engineer and the Village's Route 47 Project Engineer Stanley Consultants.

In June 2009, a plat of easement was finalized with Dean Foods for its property located at the southeast corner of Route 47 and Main Street for four (4) purposes:

1. The relocation of the pump station and appurtenant pipelines
2. Blanket access to the property for Village access to the pump station
3. Sidewalk Easement for the proposed sidewalk on the south side of Main Street
4. Sign Easement for future Village signage, e.g., Central Business District, gateway, etc.

The Village Board approved Ordinance (O) 2009-6.22 Approving a Plat of Easement by Dean Illinois Dairies, LLC (Dean Foods) and Accompanying Agreement with Commonwealth Edison for Joint Occupation of a portion of the Pump Station Easement.

Staff Analysis

IDOT's Project Engineer, Burns McDonnell, and the contractor have determined that the previously approved and designed location is not viable due to the poor ground soils and proximity to the existing home to the west. Discussion among IDOT, Burns McDonnell, Plote Construction and the Village of Huntley has resulted in a proposal to relocate the pump station to the area identified for the sign easement at the southeast corner of Main Street and Route 47. The attached exhibits identify the previously approved location and the proposed location. The pump station consists of a pump well, valve well, and control box. It does not include a building.

While the new location is closer to the corner of Route 47 and Main Street, this location will also include a number of other pieces of equipment, including a 50' traffic signal mast arm, a 14' tall traffic signal, a control box for street lights, and a large control panel for the traffic signals. The dimensions of some of these objects are larger than the lift station panel. The new location of the pump station would be in the background of all the aforementioned items when viewed from the street. Landscaping can be added along the north and west side of the manhole structures and the control panel to provide screening if needed. IDOT has also agreed to provide a curb cut west of the residence at 11879 Main Street for maintenance vehicles to access the site.

Financial Impact

The new location would result in a cost savings to the Village due to the decrease in quantity of materials required as follows:

Approximate savings

8" Sanitary Sewer, 32 feet	\$ 1,056.00
10" Sanitary Sewer, 220 feet	\$ 8,800.00
6" Sanitary Force Main, 175 feet	<u>\$ 9,625.00</u>
Total	\$19,481.00

Legal Analysis

The plat of easement will need to be amended to reflect the change of use associated with the area described for the sign easement. Dean Foods has indicated their approval for the Village to utilize this area for the pump station as well as signage. A revised plat would be brought forward to the Board at a later date for approval.

Mayor Sass asked if the Village Board had comments or questions.

Trustee Fender asked if there was still room in this area to put directional signage; Village Manager Johnson replied yes.

Trustee Leopold asked if there was money in the budget for additional landscaping to screen the equipment; Village Manager Johnson stated that funds could be redirected to provide additional screening.

Trustee Kadakia asked for confirmation that the Sanitary Sewer Pump Station goes to the East Wastewater Treatment Plant; Village Manager Johnson confirmed the direction and that the sewer lines go through the Village's easements.

Trustee Mercer asked what development is anticipated in the area; Village Manager Johnson stated that the Village will not want to encroach into the area but will landscape around the equipment and will still have the sign easement.

Trustee Leopold suggested that a grid of the intersection be developed with a comprehensive landscape plan for the entire intersection.

Mayor Sass asked if there were further questions or comments; there were none.

A MOTION was made to approve the relocation of the Main Street Sanitary Sewer Pump Station on Dean Foods Property, as presented.

MOTION: Trustee Kadakia
SECOND: Trustee Piwko
AYES: Trustees: Fender, Kadakia, Leopold, Mercer and Piwko
NAYS: None
ABSENT: Trustee Kanakaris
The motion carried: 5-0-1

- c) Ordinance (O)2010-06.33 – Approval of Site Plan Amendment and Agreement for Lot 7 of Kreutzer Industrial Park, Kreutzer Road and Raymond Court

Mayor Sass reported that this item is being tabled to the July 8th Village Board Meeting.

VILLAGE ATTORNEY'S REPORT: None

VILLAGE MANAGER'S REPORT:

a) Strategic Plan Update

Village Manager Johnson reviewed a Power Point Presentation and reported the following:

Completed Tasks - Mission Statement

The mission of the Village of Huntley, its elected officials and staff, is to achieve excellence in the management and delivery of municipal services in a reliable, efficient, fiscally, and socially responsible manner.

In support of this, we are committed to:

- Continually pursuing and implementing improved methods for providing municipal services that preserve and enhance the public health, safety and welfare of our residents, businesses and visitors to the community
- Preserving the character of Huntley by supporting well-balanced and sustainable growth that ensures the quality of life for all residents today and in the future

Completed Tasks - Vision Statement

Our Vision for the Future

- In 2020, Huntley will be a leader in the Chicago metropolitan region and the location of choice for residents, businesses, and visitors, offering a wide range of housing options, shopping and dining opportunities, employment centers, educational opportunities, and entertainment venues

In support of this, we are committed to:

- Setting the standard for managing and providing quality municipal services while maintaining a commitment to preserving our history, environment, and unique demographic make up
- Protecting and enhancing the quality of life and preserving resources for future generations
- Building partnerships and collaborating with the private sector, community organizations, local taxing bodies and other communities to meet challenges and create opportunities for the future
- Providing for a variety of housing options for all ages and income groups
- Maintaining and enhancing the business environment to attract quality commercial, office, service, and business park development, creating more opportunities for residents to work and shop in Huntley
- Attracting new dining, entertainment, and lodging facilities that serve not only Huntley residents, but also serve to draw visitors to the community
- Preserving and revitalizing downtown Huntley, as well as fostering redevelopment along the Route 47 corridor and infill development in other areas

- Working with area and regional colleges and universities to establish local facilities offering a wide range of educational and employment training opportunities, including degree programs at all levels

Completed Tasks - Vision Statement (Values)

The Village of Huntley values:

- Friendliness – We act in a friendly manner toward all those we interact with, both externally and internally within the organization
- Teamwork – We demonstrate a willingness to work together to help others and encourage our residents and businesses to help one another
- Public Engagement – We encourage citizens of all ages to participate in local government and service organizations
- Respect - We treat all residents and those with whom we interact with respect and fairness
- Integrity – We base our actions on what is legally, ethically, and morally correct
- Professionalism – We are committed to attaining high standards of professional conduct
- Innovation – We encourage new ideas and creativity to provide the highest quality and most cost effective municipal services
- Community of Choice – We work towards preserving the quality of life for residents, attracting the best employees, and working together with our residents to maintain a safe and sustainable living environment for today and future generations

Completed Tasks – Public Survey Document

Completed Tasks – Economic Profile

Tasks to be Completed:

1. Financial Analysis
 - a) Review of General Fund (start June 24th)
 - b) Update of CIP and Review of Water, Sewer and Non-Operational Funds (July and August)
2. SWOT- Identification of Organizational Strengths, Weaknesses, Opportunities and Threats
3. Establishment of Goals and Objectives for 2011-2015
4. Complete Strategic Plan and Commence FY11 Budget Process

Multi-Year Financial Forecast

FORECAST STRUCTURE

The Multiyear Financial Forecast of the Village of Huntley is structured on the basis of individual funds. This approach represents the financial structure of the Village and is consistent with the fund structure of municipal operations.

METHODOLOGY

The forecast does not place a value on the need or desirability of expenditures. Rather, the forecast assumes the continuation of *current service levels* and the impact that the cost of maintaining current service levels will have in the years ahead. In addition, revenues are projected based on anticipated growth patterns and *does not consider increases in revenues generated by increases in fees and charges* above their current levels.

- The information contained herein is therefore a forecast of the projected financial position of the Village rather than a plan that incorporates strategies to meet those needs of the Village.

The forecast provides the basis for discussion and policy decisions that will need to be made in future years to maintain services at their current levels or enhance service levels in specific areas. The forecast will also assist in identifying where increased revenues or decreased expenditures will be required in future years.

- The most beneficial feature of the forecast is that it can indicate undesirable financial trends before they occur and can provide the basis for policy discussion and direction. It is with this intention that the Village's Multiyear Financial Forecast has been developed and presented.

GENERAL ASSUMPTIONS

- Any effort to project or forecast the future financial position of the Village must be based on certain assumptions regarding revenue and expenditure growth. These assumptions, by necessity, are broadly applied. The Multiyear Financial Forecast is no exception. An appropriate assumption for each type of revenue or expenditure account, category or fund was determined. The analysis seeks to balance out the peaks and valleys in the revenue stream that occur as a result of general economic conditions and related revenue collection variances.
- While the economy will affect inflation rates and revenue growth, current conditions cannot be assumed to be long term trends since historically such economic trends do not continue indefinitely. Neither can we be too optimistic about the future since we run the risk of creating unreasonable expectations for the future. With this in mind, the Multiyear Year Financial Forecast was based on the following general assumptions:
- Property tax revenues in the Multiyear Financial Forecast are limited to projected inflationary increases reflected by the national CPI-U, as required under the provisions of the Property Tax Extension Limitation Act (Tax Cap). The average increase over the past fifteen years has been 2.5%, ten years 2.55% and the average increase over the past five years has been 2.68%. Due to the tax caps and fluctuations in EAV, this report will be based upon a 2.5% CPI increase on the EAV as of 12/31/09.
- State shared revenues have been based on a 2008 special census population of 25,525. In addition, all state shared revenues have been adjusted in the forecast based on the general rate of inflation. The General Fund Summary page highlights the affects of delayed or discontinued payments from State of Illinois income tax receipts.
- Tax revenue from the Village's telecommunications taxes and cable franchise fees are projected to increase at a rate of 2.5% per year.

- Interest earnings have been estimated at an annual rate of 2.5% per year based on the prior year's ending fund balance. Current earnings are at 1.0% or less, however it is projected that economic conditions will warrant increases in interest rates over the next five years.
- A general inflation rate of **2.5% per year** was applied to most commodity and contractual service accounts. Notable exceptions to this general assumption are insurance costs. Health Insurance has been forecast to increase at a rate of **15.0% per year**.
- Projected increases of **2.0% per year** applicable to total personnel costs that includes both general and promotion/step adjustments were applied to the appropriate salary and wage accounts. The MAP union contract is included as actual based upon current staffing levels. The current contract expires December 31, 2012.
- Expenses that relate to increases in employer contributions to the Illinois Municipal Retirement Fund and Social Security were assumed to increase at the same rate as personnel costs (2.0%) as detailed above. The employer's share of these expenses is determined by federal or state agencies and are mandated costs that the Village will be required to fund in future years.

OUTSTANDING DEBT

The following is a list of outstanding debt for the Village:

<u>Description</u>	<u>Interest Rate</u>	<u>Call Date</u>	<u>Final Payment</u>
Public Works Building	5.85%	12/1/2010	12/1/2015
Municipal Complex	3.80%	none	8/1/2016
TIF	3.25 – 6.75%	none	12/1/2016
Sewer Interceptor	3.80%	none	7/1/2018

CONCLUSION

- The Multiyear Financial Forecast is a fluid document that is subject to further modification based on many factors. This includes ongoing analysis of the Village's financial position; changes and modifications in assumptions; changes in the economic climate affecting the community; increases or decreases in program and staffing levels; increases and decreases in charges for services, fines and fees; as well as policy decisions relating to the delivery of services in the community.
- The allocation of resources between operating expenditures and capital improvements is continually reviewed to assure us that all the needs of the community are being met.

Mayor Sass asked if the Village Board had questions or comments.

Trustee Leopold asked if the 2.5% noted under General Assumptions was based on property taxes and the possible decrease in EAV. Finance Director Chernak stated that it is based on the CPI rate. Trustee Leopold asked if AT&T U-Verse pays a franchise fee to the Village; Finance Director Chernak said yes. Trustee Leopold stated that the Village should consider looking into other sources of revenue for future Board discussion. Village Manager Johnson agreed and stated that the Village had not previously considered State Shared Revenue being an unreliable revenue source and acknowledged that the Village just received the State's January 2010 payment.

VILLAGE PRESIDENT’S REPORT:

Mayor Sass reported that the next mosquito spraying will take place on Village streets on Friday, July 2nd.

Mayor Sass reported that the Grove Street paving has been completed and the Reed Road paving will be completed on June 25th.

Mayor Sass reminded the Board that the July 1st Committee of the Whole Meeting has been cancelled.

Mayor Sass reported that there will be a Liquor Commission Hearing on July 8th.

Mayor Sass reminded the Board that Village offices will be closed on Monday, July 5th in observance of Independence Day. Fireworks will take place at dusk on July 4th at the Prime Outlet Mall.

UNFINISHED BUSINESS: None

NEW BUSINESS:

Trustee Kadakia gave a report on the McCOG meeting held on June 23rd and the McHenry County Transportation Committee Meeting that he attended.

Trustee Mercer noted that IDOT’s Route 47 Widening Project is 25 – 30 days behind schedule and that they have authorized the payment of overtime but the State is several months behind in payments to the Village for income tax collected.

EXECUTIVE SESSION: None

ACTION ON CLOSED SESSION ITEM: None

ADJOURNMENT:

There being no further items for discussion, a MOTION was made to adjourn the meeting at 7:20 p.m.

MOTION: Trustee Kadakia
SECOND: Trustee Fender
The Voice Vote noted all ayes and the motion carried.

Respectfully submitted,

Barbara Read
Recording Secretary