



**THE VILLAGE OF HAWTHORN WOODS
SPECIAL JOINT FINANCE/COMMITTEE OF THE WHOLE
AND
SPECIAL VILLAGE BOARD MEETING
2 LAGOON DRIVE, HAWTHORN WOODS, ILLINOIS
MONDAY, NOVEMBER 13, 2017
6:00PM**

MINUTES

I. CALL TO ORDER AND ROLL CALL

Mayor Mancino called the meeting to order at 6:28 p.m. Roll call indicated the following members were present: Mayor Mancino, Trustees Kosik, Riess, Corrigan and DiMaggio. Finance Committee members Mr. Kalra. Absent were Trustees Kaiser and David, and Finance Committee member Schulte.

Also present were Chief Operating Officer Pamela Newton, Chief Administrative Officer and Village Clerk Donna Lobaito, Chief Financial Officer Kristin Kazenas, Sergeant John Tennant, Public Works Director and Village Engineer Erika Frable, PE, Director of Parks and Recreation Brian Sullivan and Community Development Director Michael Cassata, AICP.

II. PLEDGE OF ALLEGIANCE

**III. OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE JOINT
FINANCE/COMMITTEE OF THE WHOLE**

None this month.

**IV. PRESENTATION AND OVERVIEW OF THE 2018 OPERATING AND CAPITAL
BUDGET**

Ms. Newton provided an overview of the 2018 Operating Budget, and highlighted many of the Village's accomplishments in 2017.

V. REVIEW AND DISCUSSION OF 2018 OPERATING AND CAPITAL BUDGET

Ms. Kazenas reviewed the budget process. The budget will be placed on display for one month after tonight's meeting. Copies will be available at the front desk and online. The public hearing for the budget will be held on December 13, 2017.

The 2018 budget reflects a 1.8% increase in revenues. Increases in revenue relate to the special census, increase in the use, sales, property and utility taxes. Decreases in revenues relate to State decreases in the LGDF shared income tax, telecommunications tax, and a transfer from the Vehicle Supervision Fund.

Ms. Kazenas also highlighted the significant changes in personnel. The 2018 budget reflects an average merit based increase for non-union employees of 2.1%. The budget also reflects the elimination of a vacant sewer specialist position.

Legal

Ms. Lobaito reviewed the Legal budget. She noted a 40.2% increase in expenditures. The significant changes relate to litigation matters.

Risk Management

Ms. Kazenas reviewed the Risk Management budget. She noted a 30.1% decrease in expenditures. The significant changes relate to an increase in the medical and dental renewal, and a decrease in unemployment. There were no increases in liability insurance or workers compensation insurance. Insurance benefits were allocated to other funds based upon the priority based budget.

Technology

Ms. Kazenas reviewed the Technology budget. The budget reflects a 10.7% increase in expenditures. The significant changes relate to an increase in hosted services and software maintenance. Ms. Kazenas also reported that ABN has not raised their hourly rate in 6 years.

Police

Sergeant Tennant reviewed the police budget. He noted a 2.7% increase in expenditures and a 10.2% increase in the police pension. The significant changes relate to the purchase of one squad car, possible promotions to the commander and sergeant positions, and the MAP collective bargaining agreement which is still in negotiations. The Village fully funds the police pension based upon the independent actuary recommendation.

Public Works

Ms. Frable reviewed the Public Works budget. The budget reflects a .6% increase in expenditures. The significant changes relate to decrease in Contract Maintenance-Vehicles and Vehicle Supplies. Increases were noted in bridge inspections, and Contractual Building Maintenance for an upgraded security system at Public Works.

Motor Fuel Tax

Ms. Frable reviewed the Motor Fuel Tax budget. The budget reflects a 41.4% decrease in expenditures. The significant changes relate to an increase in MFT revenues, and an increase in expenditures related to the Schwerman Road project. Decreases in expenditures related to salt and de-icers, patching and crack sealing.

Community Development

Mr. Cassata reviewed the Community Development budget. The budget reflects a 69.6% decrease in revenues and a 43.1% increase in expenditures. Significant changes include

funding for the Route 53 impact, an allocation of funds for insurance, and conservative budgeting of development revenues.

Planning, Building and Zoning

Mr. Cassata reviewed the Planning, Building and Zoning budget. The budget reflects a .7% decrease in revenues and a 9.2% increase in expenditures. The significant changes relate to conservative budgeting of development revenues.

Parks and Recreation

Mr. Sullivan reviewed the Parks and Recreation budget. The budget reflects a 6.7% increase in revenues and a 15.6% increase in expenditures. Significant changes relate to special recreation and maintenance items. A Parks Maintenance Apprentice will be promoted to Parks Maintenance Specialist 1.

Mr. Sullivan also reviewed the park donations. The revenues are projected to increase by 68.3% and the expenditures, which relate to the transfer to the Aquatic Center debt, are to decrease by 92%. Mr. Sullivan noted there will be insufficient funding to make the 2018 aquatic center revenue bond principal and interest payments, which will trigger a transfer of utility revenues from the general fund.

Aquatic Center

Mr. Sullivan reviewed the Aquatic Center budget. He noted the aquatic center is not generating enough revenues to support itself, and the 2018 budget reflects a deficit of \$68,242.

The season passes will be restructured to provide equity amongst our patrons.

Capital Improvement Plan

Ms. Kazenas reviewed the Capital Improvement Plan. The budget includes an increase in expenditures of 4.6%. She noted the funding comes from general fund and community development fund transfers.

Projects scheduled in 2018 include the Darlington culvert replacement, police car replacement, copier leases and the purchase of police records software.

Ms. Kazenas noted there are \$14 million in capital expense needs, but only \$506,286 in funding for the 5 year plan. A new sustainable revenue source must be implemented to adequately fund the Capital Improvement Plan.

Reserve Fund

The reserves meet the Village's policy of 35%.

The public hearing and budget approval will be on November 13, 2017.

VI. APPROVAL OF A MOTION TO RECOMMEND THE 2018 OPERATING AND CAPITAL BUDGET BE PLACED ON PUBLIC DISPLAY

Motion by Riess, second by Corrigan to recommend the 2018 Operating and Capital Budget to be placed on public display.

Roll call vote.

Ayes: Kosik, Riess, Corrigan, DiMaggio

Nays: None

Abstain: None

Absent: Kaiser and David

Motion carried.

VII. REVIEW AND DISCUSSION OF TAX LEVY

Ms. Kazenas reviewed the proposed tax levy ordinance with the Board. The ordinance will be before the Board for consideration in December. She noted she is investigating the Village's ability to levy for the police pension so long as the total levy does not exceed 2.1%.

VIII. ADJOURNMENT OF JOINT FINANCE/COMMITTEE OF THE WHOLE MEETING

Motion by Corrigan, second by Kosik to adjourn the Joint Finance/Committee of the Whole meeting.

Roll call vote.

Ayes: Kosik, Riess, Corrigan, DiMaggio

Nays: None

Abstain: None

Absent: Kaiser and David

Motion carried.

IX. CALL TO ORDER AND ROLL CALL OF THE SPECIAL VILLAGE BOARD MEETING

Mayor Mancino called the meeting to order at 8:21 p.m. Roll call indicated the following members were present: Mayor Mancino, Trustees Kosik, Riess, Corrigan, and DiMaggio. Absent were Trustees Kaiser and David.

Also present were Chief Operating Officer Pamela Newton, Chief Administrative Officer and Village Clerk Donna Lobaito, Chief Financial Officer Kristin Kazenas, Sergeant John Tennant, Public Works Director and Village Engineer Erika Frable, PE, Director of Parks and Recreation Brian Sullivan, Community Development Director Michael Cassata, AICP, and Village Attorney Robert Kenny.

X. PRESENTATION

- A. Presentation by Bill Hofherr, Senior Vice President of George K. Baum—Update on Status of Citizen Task Force Progress

Bill Hofherr of George K. Baum, provided the Board with an update on their work with the citizen’s task force for a possible referendum question. The citizen’s task force is studying the viability of conducting a referendum for the resurfacing/reconstruction of roads, drainage issues and bike paths. Two open houses were held to answer questions of our residents. A survey was sent to registered voters on November 3, 2017. The task force will make a recommendation to the Village Board at the December meeting.

Village Engineer, Lee Fell, PE, Christopher B. Burke Engineering, mentioned that the Village has not maintained the roads since 2009, and that about 10 culverts are in need of replacement.

Mr. Hofherr commented that after the survey, they may conduct another public hearing. The timing of the referendum question was discussed. Ms. Kazenas reported that a detailed analysis of the last five years of voting determined that March 2018 would be the best chance of passing a referendum.

XI. OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

None this month.

XII. MAYOR’S REPORT AND COMMITTEE REPORTS

- A. Mayors Report -----Joseph Mancino, Mayor

1. Approval of a Letter of No Objection – Whispering Trails Subdivision Proposal in the Village of Lake Zurich

Motion by DiMaggio, second by Riess to approve a Letter of No Objection – Whispering Trails Subdivision Proposal in the Village of Lake Zurich.

Roll call vote.

Ayes: Kosik, Riess, Corrigan, DiMaggio

Nays: None

Abstain: None

Absent: Kaiser and David

Motion carried.

Mayor Mancino also reported that today he took over the chair of the Metropolitan Mayor’s Caucus.

- B. Environmental Committee-----John Bickley, Chair
Steve Riess, Trustee Liaison

No report this month.

- C. Zoning Board of Appeals-----John Kosik, Chair
Dominick DiMaggio, Trustee Liaison
No report this month.
- D. Planning, Building and Zoning Commission -----Jim Kaiser, Chair
Dominick DiMaggio, Trustee Liaison
No report this month.
- E. Finance Committee-----Jayne Kosik, Chair
Kelly Corrigan, Trustee Liaison
No report this month.
- F. Special Census Update-----Mike David, Trustee
No report this month.

XIII. NEW BUSINESS

A. Consent Agenda

1. Approval of the October 23, 2017 Village Board Meeting Minutes
2. Approval of the Bills List Dated November 2017
3. Approval of Paid Invoice List Dated November 2017
4. Approval of an Ordinance Amending the Village Code of the Village of Hawthorn Woods—Title 8, Chapter 3—Swimming Pools, Section 8-3-5—Drawings and Plans, Section 8-3-14—Walk Areas, and Section 8-3-15—Fences
5. Approval of an Ordinance Accepting a Plat of Dedication – Hawthorn Trails Park
6. Approval of a Resolution Celebrating the Bicentennial of the State of Illinois
7. Approval of a Resolution Urging a Repeal of the Tax Administration Fee
8. Approval of the 2018 Meeting Calendar
9. Motion for Authorization for the Mayor to Execute Petition for SMC Certification
10. Motion for Authorization for the Mayor to Execute Petition for Isolated Wetland Certification
11. Approval of a Recommendation by the Finance Committee to Review and Place the 2018 Village Budget on Public Display
12. Approval of Budget Transfers

Consent Agenda Item #1 was removed from the agenda.

Motion by Corrigan, second by DiMaggio to approve the Consent Agenda with the exception of item #1.

Roll call vote.

Ayes: Kosik, Riess, Corrigan, DiMaggio

Nays: None

Abstain: None
Absent: Kaiser and David
Motion carried.

Motion by Riess, second by DiMaggio to approve Consent Agenda item #1,
Approval of the October 23, 2017 Village Board Meeting Minutes.

Roll call vote.
Ayes: Riess, Corrigan, DiMaggio
Nays: None
Abstain: Kosik
Absent: Kaiser and David
Motion carried.

B. Items for Separate Action

1. Approval of a Release of the Stonebridge Performance Bond Number 1140879 in the Amount of \$357,976.30—Restoration Bond—Ryan Building Group, Inc.

Motion by Corrigan, second by DiMaggio to approve the Release of the Stonebridge Performance Bond Number 1140879 in the Amount of \$357,976.30—Restoration Bond—Ryan Building Group, Inc.

Roll call vote.
Ayes: Kosik, Riess, Corrigan, DiMaggio
Nays: None
Abstain: None
Absent: Kaiser and David
Motion carried.

XIV. OLD BUSINESS

- A. None this month.

XV. ADMINISTRATION REPORTS

- A. Report from the Chief Operating Officer—Pamela O. Newton, MSOL
 1. Village Operations Report

Ms. Newton thanked Trustees Corrigan and Kosik for their help with the budget review. She also provided a progress report on the Nicor franchise agreement.

- B. Report from the Village Attorney

Mr. Kenny did not have a report this evening.

C. Reports from Department Heads

1. Chief Administrative Officer—Donna Lobaito

a. Chief Administrative Officer Report

Ms. Lobaito's report is in the packet.

b. Village Clerk's Report

Ms. Lobaito's report in in the packet.

2. Chief Financial Officer—Kristin Kazenas, CPA, MBA, CPFO

a. Finance Department Report

Ms. Kazenas' report is in the packet.

b. Human Resources Department Report

Ms. Kazenas' report is in the packet.

c. Risk Management Department Report

Ms. Kazenas' report is in the packet.

d. Business Continuity Work Group Report

No report this month.

3. Chief of Police—Jennifer R. Paulus

a. Police Department Report

Chief Paulus' report is in the packet.

4. Director of Public Works/Village Engineer—Erika M. Frable, PE

a. Public Works Department Report

Ms. Frable's report is in the packet.

5. Director of Parks and Recreation—Brian J. Sullivan, MPA, CPSI, CPRP

a. Parks and Recreation Report

Mr. Sullivan's report is in the packet.

6. Director of Community Development—Michael Cassata, AICP
 - a. Community Development Department Report

Mr. Cassata's report is in the packet.

XVI. EXECUTIVE SESSION

- A. Purchase of Property (5 ILCS 120/2(c) 1), Probable or Pending Litigation (5 ILCS 120/2(c) 11), and Executive Session Minutes (5 ILCS 120/2(c) 21)

Mayor Mancino noted that there was no need to enter into Executive Session this evening.

XVII. ADJOURNMENT

Motion by Corrigan, second by DiMaggio to adjourn the special board meeting.

Voice vote:

Ayes: 4

Nays: 0

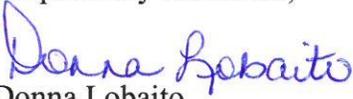
Abstain: 0

Absent: 2

Motion carried.

There being no further business, the meeting adjourned at 9:30 p.m.

Respectfully submitted,


Donna Lobaito
Village Clerk