



**THE VILLAGE OF HAWTHORN WOODS  
SPECIAL JOINT MEETING OF THE COMMITTEE OF THE WHOLE, FINANCE  
COMMITTEE, PUBLIC SAFETY AND JUDICIAL COMMITTEE, PLANNING,  
BUILDING AND ZONING COMMISSION, AND PUBLIC WORKS COMMITTEE  
2 LAGOON DRIVE, HAWTHORN WOODS, ILLINOIS  
SEPTEMBER 28, 2013  
8:30 AM**

**MINUTES**

**I. CALL TO ORDER AND ROLL CALL**

Mayor Mancino called the meeting to order at 8:34 a.m. Roll call indicated the following Village Board members were present: Mayor Mancino, Trustees Riess, Morgan, Corrigan and Ponzio. Absent were Trustees DiMaggio and David.

Roll call indicated the following Finance Committee members were present: Mr. Singh Kalra, Ms. Kosik, Trustees Riess, Ponzio and Corrigan. Absent was Mr. Schulte.

Also present were Chief Operating Officer Pamela Newton, Chief Financial Officer Kristin Kazenas, Chief Administrative Officer and Village Clerk Donna Lobaito, Chief of Police Jennifer Paulus, Public Works Director Erika Frable, and Deputy Director of Parks and Recreation Brian Sullivan.

**II. PLEDGE OF ALLEGIANCE**

**III. OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD**

There was no public comment.

**IV. PRESENTATION AND OVERVIEW OF THE 2014 OPERATING BUDGET**

Ms. Newton reported that staff is presenting a conservative, balanced budget for 2014. She highlighted the last four years of financial recovery for the Village. We met our financial goal of 33% of the operating budget in 2013. The theme for the 2014 budget is Painting the Vision for our Future. She noted that in 2013, there was a 0% tax rate increase and over \$300,000 in grant revenue was realized.

Ms. Newton noted the 2014 budget reflects the addition of 1.9 FTE. She also highlighted the many programs, initiatives, partnerships, and classes to be addressed and offered in 2014.

V. **REVIEW AND DISCUSSION OF 2014 OPERATING BUDGET**

Ms. Kazenas reviewed the budget process which began months ago. She noted a public hearing for the budget is scheduled before the Village Board on November 18, 2013. At that time, she will be seeking the approval of the 2014 Operating Budget. She noted specifically, that there will be no interfund transfer from Community Development to the General Fund, which reflects positively on the health of the General Fund.

***Planning, Building and Zoning*** – The Planning, Building and Zoning Commission did not have a quorum; however, Commissioners Rein and LaGro were present at roll call. Commissioner Lindquist arrived shortly thereafter. Ms. Lobaito noted that personnel services reflect a 36.9% increase due to the potential personnel re-allocation of a full-time Administrative Assistant into the Building Department from Administration and Public Works. She also noted there are 15 new housing starts in the Hawthorn Trails subdivision anticipated in 2014, and that staff has had very encouraging discussions with a national homebuilder, and it is anticipated construction could begin as early as summer, 2014.

***Police Department*** – The Public Safety and Judicial Committee did not have a quorum; however, Gene Gewalek was present. Chief Paulus reported that the 2014 budget reflects the addition of two new squad cars, one coming from the DUI fund and the other coming from the CIP fund. She reported .5% increase in the personnel services, and that the sworn officers will realize a 3% increase due to the union contract. It was noted that since 2010, the police pension has been funded using the actuary recommendations. Fuel purchasing options were discussed.

***Elected Officials*** – Ms. Lobaito presented the Elected Officials budget which reflects a 12.7% increase in expenditures primarily due to the Village's relationship with Sister Cities International. It was noted our elected officials do not receive a salary or benefits, and that their work is completely volunteered.

***Administration*** – The Administration budget reflects a 4.6% decrease in expenditures. The budget reflects funding for a part-time MPA student intern, the re-allocation of the Executive Administrative Assistant to the Building Department, and a \$2,500 decrease in credit card fees due to allocation to appropriate funds—Parks & Recreation and Aquatics. The Management Analyst's position will not be funded in 2014.

***Legal*** – The Legal budget reflects a 30.3% decrease in expenditures. This is reflective of the Village resolving many legal issues carried forward from the previous administration. \$2,000 additional funding for legal—labor is budgeted due to the impending renewal of the police collective bargaining agreement.

**Village Clerk** – The Village Clerk budget reflects an increase of 53.9% in expenditures, or a \$3,829 increase over Fiscal Year 2013. This increase reflects a portion of the Deputy Village Clerk's salary being re-allocated to the Village Clerk department.

The question as to when the Village stops adding to reserves was discussed. It was noted that the Village has 52 miles of roads to maintain, at a cost of approximately \$1 million per mile. It was noted that the Village presently has \$1 million in reserves, enough to pave one mile of roads. Ms. Kazenas stressed the importance of protecting our reserves in case the State of Illinois reverts back the untimely remittance to the Village of income tax dollars, as we have seen in the past.

**Risk Management** – The Risk Management budget reflects a 1% increase. It was noted that medical insurance increased by 6%; however, dental and unemployment saw significant decreases. Ms. Kazenas noted there were no Workers' Compensation claims in 2012.

**Human Resources** – The Human Resources budget reflects the addition of an Administrative Assistant to the Finance Department. This position is also funded in the Finance Department. Random drug screens for all employees are included in the budget.

**Technology** – The Technology budget reflects a 38.1% increase due to the budgeting of service hours through our IT vendor. It is anticipated that this block of time will be used for hosted email and file exchange set-up, as well as the day to day support of staff and the Village computer system. There is no rate increase from ABN for their service hours, and they have not raised their rates since 2011.

**Finance Department** – Ms. Kazenas reported the Finance Department budget reflects an 11.6% increase due primarily to the re-allocation of a part-time Administrative Assistant to full-time status.

**Public Works/MFT** – The Public Works Committee did not have a quorum; however Mr. Wright, Mr. Ibbotson and Mr. Kinzer were present. Ms. Frable presented the Public Works budget which reflects a 2.8% increase in expenditures. The personnel services line item reflects an increase of one summer staff and one temp part-time administrative assistant. The budget also reflects a reduction in the debt service as two truck loans have been paid in full.

The MFT budget reflects a 2.7% decrease in revenues. The 2014 budget includes cracksealing and pavement marking. It was noted that there is a decrease in the expenditures due to an abundance of salt remaining from 2013, and a recalculation in the County's traffic signal maintenance formula.

**Park Maintenance** – Ms. Frable presented the Park Maintenance budget which includes an 11.9% increase in expenditures due to the addition of one seasonal and one summer staff members. Ms. Frable discussed the hours required to mow all parks in the Village.

**Engineering** – The Engineering budget reflects a 17.7% decrease in expenditures due to more engineering reviews and services planned in-house.

**Parks and Recreation** – Mr. Sullivan presented the Parks and Recreation budget which includes a 28.2% increase in revenues and a 52.4% increase in expenditures. The 2014 budget includes funding for ADA, the addition of a Director of Parks and Recreation, the addition of a Recreation and Public Information Manager, and new programming opportunities.

**Community Events** – The Community Events budget includes an increase in revenues of 50.5% and an increase in expenditures of 74.7%. It is anticipated donations and golf outing revenues will continue to increase. This budget includes partial allocation of the Director of Parks and Recreation and the Recreation and Public Information Manager salaries.

**Aquatic Center** – The Aquatic Center budget reflects a 4.5% increase in revenues and a 7.7% increase in expenditures. Swim lessons will be enhanced due to demand. There will be no increase in the seasonal or daily passes in 2014. Waste hauling of \$25,000 is still being budgeted, which results in a decrease to the depreciation fund.

Trustee Corrigan spoke of promoting our parks and ADA programs more. The Village is looking to add Facebook; however, more staffing is required to maintain the site. The Village also recently inventoried all the parks and updated the park map, which will be provided to the Village Board.

**Economic Development** – Ms. Kazenas reported an increase in revenues 81.7% due primarily to the anticipated 15 new homes. The 2014 budget reflects an increase in expenditures of 6.5%.

**Capital Improvement Plan** – The ending fund balance for 2014 is projected at \$111,174 with \$60,000 restricted to roads. The budget reflects a decrease in revenues of 5% and an increase in expenditures of 147.8%, with purchases including a police squad car, Village entrance signs, a new furnace and Public Works equipment.

**Reserve Fund** – Ms. Kazenas reported that the fund balance in reserves in FY'08 was 5%; in FY'13 is projected at 44%; and it is projected the reserves fund balance in 2014 will be at 45%.

This ended the presentation portion of the meeting. Ms. Kazenas noted that if any member had any specific questions, they should contact her and she will route those questions to the appropriate department head.

**VI. APPROVAL OF A MOTION TO RECOMMEND THE 2014 OPERATING BUDGET TO THE VILLAGE BOARD**

Motion by Corrigan, second by Kosik for the Finance Committee to recommend the 2014 budget to the Village Board. Upon a voice vote, the motion carried unanimously.

**VII. ADJOURNMENT**

Motion by Riess, second by Singh Kalra to adjourn the Finance Committee. Upon a voice vote, the motion carried unanimously.

Motion by Riess, second by Morgan to adjourn the Committee of the Whole. Upon a voice vote, the motion carried unanimously.

There being no further business, the Joint Finance/Committee of the Whole adjourned at 11:10 AM.

Respectfully submitted,



Donna Lobaito  
Village Clerk