

VILLAGE OF



**Board of Trustees Meeting
November 21, 2016**

CALL TO ORDER

Village President William Russell called to order the regular meeting of the Board of Trustees of the Village of Kenilworth in the Kenilworth Village Hall, Kenilworth, Illinois at 7:32 pm on November 21, 2016.

ROLL CALL

President Russell requested Village Clerk James McClamroch, Jr. to call the roll:

Trustees:

Trustee Scott Lien	Present
Trustee Kevin Lennon	Present
Trustee Ann Potter	Present
Trustee Joe Konen	Present
Trustee Alison Winslow	Present
Trustee Peter Shadek	Present
President William Russell	Present

A quorum was present.

Others Recorded as in Attendance:

Village Officials and Staff:

Patrick Brennan	Village Manager
David Miller	Chief of Police
Peter Nickell	Management Analyst
Nadim Badran	Assistant to the Village Manager
James McClamroch, Jr.	Village Clerk
Hart Passman	Village Attorney

Others, Signing In:

Eleanor Prince	Resident
Justin Mohr	Resident

AGENDA ITEM II. APPROVAL OF THE MINUTES

Trustees addressed the draft minutes from the October 17, 2016 Village Board meeting. Village Manager Brennan asked that the word “proceeds” be struck from line 18, page 8. Trustee Konen offered a motion, and Trustee Shadek seconded the motion, to approve the minutes with the proposed deletion. The minutes were approved by voice vote without dissent.

Trustees then addressed the November 8, 2016 Committee of the Whole meeting minutes. No changes were proposed. Trustee Konen offered a motion, and Trustee Potter seconded the motion, to approve the minutes. The minutes were approved by voice vote without dissent.

AGENDA ITEM III. VILLAGE PRESIDENT’S REPORT

President Russell welcomed Hart Passman, from Holland & Knight, as the new attorney supporting the village, and praised the many fine contributions of Barbara Adams having served in this capacity for many years.

AGENDA ITEM IV: APPROVAL OF THE WARRANT LIST

Trustee Lennon reported that all bills for the month of October had been reviewed, with the total for the Class A warrants being \$573,021.79 and Class B warrants being \$237,623.82. Trustee Lennon noted that all invoices appeared to be in order.

Trustee Lennon offered a motion to approve the October Class A warrants in the total amount of \$573,021.79 and ratify the Class B Warrants in the total amount of \$237,623.82. Trustee Konen offered a second to the motion.

A roll call vote was taken as follows:

For: Lennon, Konen, Potter, Shadek, Winslow, Lien
Against: None

The motion was approved with six votes in favor and none opposed.

AGENDA ITEM V: REGULAR SCHEDULED BUSINESS

A. Items for Consideration by Omnibus Vote

- 1. Authorization to Establish the Regular Meeting Dates for the Board of Trustees for the Calendar Year Commencing January 1, 2017**
- 2. Adoption of a Resolution Estimating the Amounts to be Raised by Ad Valorem Taxes for the Tax Year 2016**
- 3. Adoption of an Ordinance Providing for the Issue of Taxable General Obligation Bonds in the Amount not to Exceed \$600,000 for the Purpose of Paying for the Cost of Capital Improvements and Other Lawful Purchases, Providing for the Levy of a Direct Annual Tax Sufficient to Pay the Principal and Interest of Said Bonds, and Authorizing the Village General Fund to Purchase the General Obligation Bonds.**

Village Manager Brennan provided an overview of each individual item of the omnibus vote package. He highlighted the proposed meeting dates for 2017 that deviated from the typical third Monday pattern. Regarding the estimated tax levy, he explained that proposed levy and that the request was for an additional 2.47%. However, he noted that the tax cap for 2016 was 0.7%. Regarding the final item Brennan reminded the Board about the bond hearing that was conducted in November and again described the purpose of the bonds. He explained that the proposed ordinance would both authorize the issuance of the bonds and authorize the bonds to be purchased by the General Fund. President Russell asked if there were questions on the Omnibus Items. Hearing none, Trustee Shadek then moved to approve the omnibus items as presented. Trustee Winslow seconded the motion.

A roll call vote was taken as follows:

For: Shadek, Winslow, Potter, Konen, Lennon, Lien

Against: None

The motion was approved and President Russell declared the motion passed.

B. Items for Consideration by Individual Vote

- 4. Action on the Following Items Pertaining to the Fiscal Year 2017 Village Budget:
a) Conduct a Public Hearing Concerning the FY17 Budget**

President Russell declared that the public meeting concerning the FY17 budget was open at 7:45 pm and took the roll, confirming all trustees were in attendance.

Village Manager Brennan was asked to explain the proposed fiscal year 2017 budget. He used a PowerPoint presentation to guide his presentation. He provided an overview of the purpose of the budget, planning cycle, and goals for 2017. He stated that the proposed budget reflects General Fund revenues exceeding expenditures by \$40,241 despite a projected \$23,099 reduction in revenue. The General Fund expenditures are projected to increase by \$12,597 over the prior fiscal year budget when excluding one-time transfers for the police pension fund and capital improvements. He noted that the actuarial recommended contribution for the police pension fund increased by \$121,592 over the FY16 budget and that no fee increases were recommended.

Manager Brennan provided an overview of each of the major and minor funds for the Village as well as the Water Fund. Additionally, he provided a breakdown of the expenses by category in the major divisions of the General Fund. The Sewer Fund was reported to project a \$12,565 deficit due primarily to the reallocation of staff time as the water plant was expected to be decommissioned in early 2017. He also pointed out that the E-911 Fund was going to be closed out in 2017. Therefore, the fund would likely encounter a deficit due to the capital expenditures for dispatch consolidation. While the final number was not yet determined, he projected that the General Fund fund balance will need to be utilized to cover those costs that were not covered by the E-911 Fund.

The Village Manger stated that the proposed annual fee ordinance was included in the Board packet. He stated that the proposed changes, denoted by bold lettering, were only to clarify current practices and add fees that were recently adopted under changes to the steep slope regulations and drainage and grading requirements.

In projecting the next five years of revenues and expenses, Brennan stated that the outlook is tightening. He indicated that projected expenses for the Police Pension Fund are expected to increase by \$32,000 per year and that expenditure reductions would be necessary to maintain a balanced budget if additional revenue sources do not surface. He expressed his desire to place additional money into the fund above the actuarial requirement to the extent possible. He displayed several slides that showed the past and projected future of the Police Pension Fund and expressed that finding ways to reduce the projected liability should be one of the top priorities.

President Russell commended Village Manager Brennan and staff for their nice work on the FY17 budget. He also noted how hard the current, and previous, board had worked to deliver fiscal surpluses in recent years. However, as was called out in Village Manager Brennan's budget presentation, over the next five years, the General Fund will trend towards small, but ever increasing deficits, unless new sources of revenue are activated or expenses (services) are reduced. President Russell stated that the board will request an updated resident survey in 2017 to understand the services residents most value as input for future expenditure prioritization and trade-offs.

Trustee Konen expressed the continued importance of being a business-friendly village and the importance of building permit revenues as a critical source of revenue.

After opening the floor to questions from the Trustees or public and there being no one further to address the Board, President Russell closed the public hearing at 8:22 p.m.

b) Adoption of the Annual Fee Ordinance with an Effective Date of January 1, 2017

Trustee Lennon moved to approve the annual fee ordinance as presented. Trustee Potter seconded the motion.

A roll call vote was taken as follows:

For: Lennon, Potter, Shadek, Winslow, Konen, Lien

Against: None

The motion was approved and President Russell declared the motion passed.

c) Adoption of an Ordinance Approving the Calendar Fiscal Year 2017 Budget.

Trustee Lennon moved to approve ordinance for the Calendar Year 2017 Budget as presented. Trustee Shadek seconded the motion.

A roll call vote was taken as follows:

For: Lennon, Shadek, Potter, Winslow, Konen, Lien

Against: None

The motion was approved and President Russell declared the motion passed.

5. Discussion of Options to Fund Phase II of the Kenilworth 2023 Infrastructure Improvement Program via a Real Estate Transfer Tax, Bond Referenda, and/or Other Funding Mechanisms.

President Russell framed a discussion amongst the trustees around funding options for the second phase of the Kenilworth 2023 program. He highlighted that the second phase was likely to cost around \$10,000,000 and would focus improvements to the south east section of the village. While the village will have some financial capacity with a current bond tranche ending, funding phase two would likely involve either a new referendum to raise funds or an alternate option. He advocated revisiting an alternate funding option in the adoption of a real estate transfer tax equivalent to the scheme most neighboring communities already have in place. Implementing a real estate transfer tax would have to be accomplished by referendum and only after a prior successful referendum approving home rule status for the village.

President Russell asked the trustees to weigh in on whether there was support for approaching the community again on home rule, specifically as a way to then move towards a real estate transfer tax if a home rule referendum was successful. There was a consensus amongst the trustees on the merits of home rule, but acknowledgement that any such effort should involve a broad education of the community on the issue and present it within the context of our broader, long-term financial situation.

Discussion ensued amongst the board as to the best date to target for placing home rule in front of the community, balancing the desire to fully inform residents and place any such referendum on a ballot at a time when the greatest percentage of residents usually vote against the real need to find funding for phase two of the Kenilworth 2023 project. President Russell informally polled the trustees and the result was a decision to not formally put the issue of home rule on the next board meeting agenda, but to informally continue discussions about how, and when, to more formally advance the issue.

AGENDA ITEM VI: REPORT OF COMMITTEES

Building, Planning and Zoning

Nothing to report.

Finance

Nothing to report.

Public Safety

Trustee Shadek stated that the Public Safety committee would be busy in the weeks ahead with two upcoming meetings. Additionally, he relayed that there would be a meeting in early 2017 to more comprehensively address safety issues related to the beach.

Public Works

Nothing to report.

AGENDA ITEM VII: REPORT FROM STAFF

Community Development

Nothing to report.

Finance

Nothing to report.

Police

Chief Miller stated that the traffic study regarding speeding within the 500-600 blocks of Kenilworth Avenue was underway. Additionally, he let the trustees know about upcoming dispatch transition meetings between the involved communities.

Public Works

Nothing to report.

Legal Counsel

Nothing to report.

Village Manager

Village Manager Brennan provided an update on active public works projects.

KW2023 – Cumberland, Roslyn, Melrose Project

Village Manager Brennan stated that Melrose Avenue was fully paved and the road would be open to traffic later in the week. He also relayed that due to the cold weather, it was unlikely that sod farms would be able to cut new sod and have it delivered for installation until the ground thaws next year.

Booster Pump Station and Water Distribution System Project

Village Manager Brennan relayed that delivery of the booster station was set for delivery the first Monday in December and the station would be operationally ready by the end of the December, if the project progresses as anticipated.

Trustee Lennon asked if the monopole issue was concluded. Village Manager Brennan stated that Verizon had sent a letter to the village asking for consideration of a presence in the village, but that it was up to the board to consider or not. President Russell said that the current board has no further plans to discuss relocating cellular antenna from the water tower to a monopole, but that it would be impossible to speculate about what a future board may review and discuss.

AGENDA ITEM VIII: BUSINESS FROM THE PUBLIC RELATED TO ITEMS NOT ON THE AGENDA

Mrs. Prince conveyed her appreciation for President Russell, and several trustees, participating in the recent municipal event at the Kenilworth Club. She stated that she appreciates the work and dedication of the board. She also suggested that the board include a question on home rule in any upcoming surveys issued to residents.

AGENDA ITEM IX: ADJOURN

With no further business, Trustee Konen offered a motion, and Trustee Lennon seconded the motion, to adjourn the meeting. The meeting was adjourned by voice vote at 9:25 p.m.

Respectfully Submitted,

James McClamroch, Jr.
Village Clerk