

**MINUTES
COMMITTEE OF THE WHOLE MEETING
VILLAGE OF VERNON HILLS
MARCH 6, 2007**

IN ATTENDANCE: President Byrne called the meeting to order at 8:42 p.m. The following Trustees were present: Hebda, Koch, Marquardt Schultz, Schwartz and Williams.

Also present were Village Manager Allison, Assistant Village Manager Kalmar, Finance Director Nakrin, Chief of Police Fleischhauer, Public Works Director Laudenslager, Village Engineer Brown, Attorney Wolfberg and Village Clerk Pelletier.

1. APPROVAL OF 2/22/2007 COMMITTEE OF THE WHOLE MINUTES.

Motion by Trustee Williams, second by Trustee Schultz approval of the 2/22/2007 Committee of the Whole Minutes. Roll call vote:

AYES: 6-Schultz, Schwartz, Williams, Hebda, Koch, Marquardt

NAYS: 0-None

ABSENT: 0-None

Motion declared carried.

2. LAKE COUNTY EASEMENT REQUEST FOR MUNICIPAL GOLF COURSE AND SULLIVAN/ROUTE 45 PARCELS.

Village Engineer Brown stated the County was seeking easements for the installation of sanitary sewer facilities through Village parcels at the northwest corner of Sullivan and Route 45 and north of the Municipal Golf Course #1 tee box, which was a component of the Diamond/Sylvan Lake Wastewater Diversion Project. The work would not begin at the Golf Course until October 2007, with access through the parking lot. Motion by Trustee Williams, second by Trustee Hebda to approve the Lake County easement request for the Municipal Golf Course and Sullivan/Route 45 Parcels subject to attorney review. Roll call vote:

AYES: 6-Schwartz, Williams, Hebda, Koch, Marquardt, Schultz

NAYS: 0-None

ABSENT: 0-None

Motion declared carried.

3. HAWTHORN SCHOOL DISTRICT 73-SCHOOL RESOURCE OFFICER.

Manager Allison stated the fees for this year's officer were paid through the end of the school year. Since no representatives of Hawthorn were present, discussion was postponed until late May 2007.

4. FY200708 BUDGET DISCUSSIONS.

Village Manager Allison stated the operations budget was balanced and MFT funds would be used for the Road Rehab project. Monies were allocated for the expansion Police Department project, EJ&E Quiet Zone, and the Street Light Modification program. Funding would be needed for services in the Greggs commercial and TIF retailing districts. Mr. Allison stated additional monies could be allocated for the Village's 50th Anniversary in July 2008.

Finance Director Nakrin presented the Budget Overview as followed:

1. Budget Overview

The non CDW sales tax growing was 5.9%, with an assumed 4% growth would hold for the year. Staff projected a \$100,000 growth from Lowes once it was opened. The CDW projection was \$1.2

million, 11% above last year's projection, which proved to be conservative. The CDW revenue covered operations this year at \$476,000 compared to last year at \$295,000. Major revenue sources included were the electric utility tax, the telecommunications tax and the income tax which were projected to have strong growth. The total budget was \$24,388,634, which \$21,579,634 was budgeted expenditures, \$2,516,000 was budgeted transfers and \$293,000 was budgeted transfers to other funds and subfunds. The General Fund budget was \$20,706,080, which \$19,977,134 was for expenditures. Of the \$19,977,134 expenditures, \$17,606,820 was for operations, \$1,617,000 for debt service and \$753,314 for capital. Staff was reduced by one member.

Police Chief Fleischhauer presented the Police Budget as followed:

2. Police Budget

The FY06-07 Police budget was \$8,436,501, a 3.62% increase from last year. Salaries were up 3.41% at \$5,667,271; fringes were \$1,859,490, a 7.60% increase; contractual services were \$434,660, a 1.24% decrease; commodities were \$198,760, a 3.01% decrease; and equipment was \$276,320, a 4.18% decrease. The only staff change would be the classification change of police officer to sergeant. President Byrne stated revenues generated from various fines amounted to only \$700,000, which failed to cover police services. Also noted was some overtime costs were covered by grant monies. Trustee Koch made an inquiry on the camera replacements, which were 50% complete. Trustee Schwartz made an inquiry on the vehicle replacements, which 1/3 of the fleet was replaced every three years. Motion by Trustee Williams, second by Trustee Marquardt to approve the Police Budget at \$8,436,501. Roll call vote:

AYES: 6-Williams, Hebda, Koch, Marquardt, Schultz, Schwartz

NAYS: 0-None

ABSENT: 0-None

Motion declared carried.

3. 9-1-1 Budget

The 911 Budget was \$296,000 budget, which \$164,000 was a transfer to the General Fund for 911 support in the Police Department and \$132,000 was for establishing reserves to the extent cash permits. The budget was 69.83% lower than last year, because the budget included substantial reserves and some purchases of the communications and IT equipment. The FY2006-07 budget was amended in February to allow for the \$880,000 purchase of equipment. The remaining payments would be carried over from the FY2006-07 encumbrances. Staff was to review the Connect-CTY and submit later. Motion by Trustee Williams, second by Trustee Marquardt to approve the 9-1-1 Budget at \$310,000, with a \$20,000 increase from \$296,000, to cover the Connect-CTY expense. Roll call vote:

AYES: 6-Hebda, Koch, Marquardt, Schultz, Schwartz, Williams

NAYS: 0-None

ABSENT: 0-None

Motion declared carried.

4. Drug Forfeiture Budget

The budget was \$3,000, the same as last year. The revenues received for drug seizures and were imposed by the courts and could only be used for drug enforcement items. The FY2006-07 budget would be amended for training room furniture. Motion by Trustee Marquardt, second by Trustee Williams to approve the Drug Forfeiture Budget at \$3,000. Roll call vote:

AYES: 6-Koch, Marquardt, Schultz, Schwartz, Williams, Hebda

NAYS: 0-None

ABSENT: 0-None

Motion declared carried.

5. DUI budget

The budget was \$0 and restricted to items associated with DUI enforcement. No programs were scheduled for the year. Motion by Trustee Williams, second by Trustee Marquardt to approve the DUI Budget at \$0. Roll call vote:

AYES: 6-Marquardt, Schultz, Schwartz, Williams, Hebda, Koch

NAYS: 0-None

ABSENT: 0-None

Motion declared carried.

6. Fire and Police Commission Budget

The budget was \$12,729, an 11.3% increase due to the need to conduct a recruit testing process for new police officers since the current list expired. Only home rule communities were allowed to modify their hiring list. Motion by Trustee Hebda, second by Trustee Marquardt to approve the Fire and Police Commission Budget at \$12,729. Roll call vote:

AYES: 6-Schultz, Schwartz, Williams, Hebda, Koch, Marquardt

NAYS: 0-None

ABSENT: 0-None

Motion declared carried.

Public Works Director Laudenslager presented the Public Works Budget as followed:

7. Public Works Budget

The Public Works budget was \$3,992,642, an 11.96% increase from last year's original budget. Salaries were \$1,489,224, a 6.61% increase; fringes were \$429,803, a 4.02% increase; contractual services were \$1,145,365, a 23.289% increase; commodities were \$635,925, a 15.31% increase; and equipment was \$292,325, a 6.15% increase from last year's budget. Increases on the contractual and commodities were due to fuel expenses. Services had increased to cover maintenance throughout the Village. Due to the ash borer infestation in Illinois, ash trees would no longer be used in future Village landscaping. Motion by Trustee Williams, second by Trustee Schwartz to approve the Public Works Budget at \$3,992,642. Roll call vote:

AYES: 6-Schwartz, Williams, Hebda, Koch, Marquardt, Schultz

NAYS: 0-None

ABSENT: 0-None

Motion declared carried.

11. Replacement Fund Budget

The Replacement Fund budget was \$2,517,000 down 5.41% from last year's original budget. Equipment purchases were \$418,000 a 35.71% increase from last year's level and reserves for future equipment purchases were \$2,099,000, 10.79% below last year's level. The reserves were lowered after a review of needed funding based on updated equipment replacement information. Motion by Trustee Hebda, second by Trustee Koch to approve the Replacement Fund Budget at \$2,517,000. Roll call vote:

AYES: 6-Williams, Hebda, Koch, Marquardt, Schultz, Schwartz

NAYS: 0-None

ABSENT: 0-None

Motion declared carried.

Finance Director Nakrin presented the Resident Benefit Budget as followed:

8. Resident Benefit Budget

The Resident Benefit budget was \$650,400, up 7.52% from last year's original budget. The components of the budget included \$320,000 for recycling and waste pick up, a 7.02% increase from last year; grants at \$34,700, a 36.56% decrease due to the Oktoberfest being moved from grants to events; \$245,700 for VHAC maintenance, an 8.24% increase from last year; and \$50,000 for the YMCA payment, the same as last year, which would end in 2010. Manager Allison stated the new hourly rate of electricity would affect the lighting costs at the VHAC fields, which should be reimbursed by the Park District and the Cougars. Motion by Trustee Schultz, second by Trustee Marquardt to approve the Resident Benefit Budget at \$650,400. Roll call vote:

AYES: 6-Hebda, Koch, Marquardt, Schultz, Schwartz, Williams

NAYS: 0-None

ABSENT: 0-None

Motion declared carried.

5. **ADJOURNMENT.**

Motion by Trustee Schultz, second by Trustee Marquardt to adjourn the Committee of the Whole Meeting. Roll call vote:

AYES: 6-Koch, Marquardt, Schultz, Schwartz, Williams, Hebda

NAYS: 0-None

ABSENT: 0-None

Motion declared carried.

Meeting adjourned at 10:00 p.m.

Linda Pelletier, Village Clerk

Roger L. Byrne, Village President