

**SPECIAL MINUTES
COMMITTEE OF THE WHOLE MEETING
VILLAGE OF VERNON HILLS
FEBRUARY 10, 2005
(for continuation of discussion of the FY2005/06 Budget Review)**

IN ATTENDANCE: President Byrne called the meeting to order at 7:05 p.m. The following Trustees were present: Duros, Hebda, Koch, Marquardt, and Schwartz

Also present were Manager Allison, Assistant Manager Kalmar, Finance Director Nakrin, Building Commission Gerth, Police Chief Fleischhauer, Public Works Director Laudenslager, Village Engineer Brown and Attorney Citron and Village Clerk Udesky.

FY2005-2006 BUDGET REVIEW

Village Manager Allison suggested the discussion begin with information distributed by Finance Director Nakrin regarding Budget Overview Revision and utility tax. He suggested the format for discussion be budget overview, unfinished budget line items, social service grants, Lake County Illinois Convention & Visitors Bureau, School Resource Officer, and utility tax.

Administration

Finance Director Nakrin discussed the Administration budget that totaled \$1,478,489, which was a 1.9% decrease from last year. The Village Board had no questions or comments.

Cable Studio Fund Budget

Finance Director Nakrin discussed the Cable Studio budget that totaled \$124,016, which was a 1.8% increase from last year. Trustee Duros asked if the fees for the services of Lynn Brandl remained as in the prior year. Village Manager Allison stated that there was an increase in hours in the cable and general administrative budgets in anticipation of reducing a staff person. Lynn Brandl's role and budgeted amount were discussed.

General Purpose Budget

Finance Director Nakrin discussed the General Purpose Budget that totaled \$1,384,000, which was a 1.9% decrease from last year. The Village Board had no questions or comments.

Committees Budget

Finance Director Nakrin discussed the Committees' budget that totaled \$34,958, which was a 19.8% decrease from last year. Village Manager Allison stated that Debbie Bond has volunteered to replace Pam Adams as the Pageant Director. President Byrne asked that the appointment be put on the next Village Board agenda.

Judiciary Budget

Finance Director Nakrin discussed the Judiciary budget that totaled \$210,000, which was the same level as last year. The Village Board had no questions or comments.

President and Trustees Budget

Finance Director Nakrin discussed the President and Trustees budget that totaled \$66,216, which was at the same level as last year. The Village Board had no questions or comments.

Resident Benefit Fund Budget

Finance Director Nakrin discussed the Resident Benefit Fund budget that totaled \$849,555, which was a 27.0% increase from last year. The VHAC operations and maintenance budget was discussed.

Summer Celebration Budget

Finance Director Nakrin discussed the Summer Celebration budget that totaled \$131,975, which was a 0.2% reduction from last year. Trustee Hebda asked that the youth bands be seriously considered to perform at the event. Village Manager Allison stated that it would be an item on the February 17 Summer Celebration Committee agenda.

Hotel Motel Tax Budget

Finance Director Nakrin discussed the Hotel Motel Tax budget that totaled \$310,000, which was a 1.0% increase from last year. President Byrne asked if the Village was at the maximum rate for a hotel room tax. Finance Director Nakrin responded the Village was at 5%. The home rule tax rate was discussed. The Village's promotional activities were discussed.

Community Infrastructure Development Fund Budget

Finance Director Nakrin discussed the Community Infrastructure Development Fund budget that totaled \$3,235,000, which was a 301.2% increase from last year. He stated this increase represented a growth from the minimalist capital program of FY2004-2005 to full infrastructure maintenance program. Village Engineer Brown enumerated the projects in the capital improvement plan.

Cultural/Community Center Fund Budget

Finance Director Nakrin discussed the Cultural/Community Center Fund budget that totaled \$30,000, which was at the same level as last year. He stated the Cultural/Community Fee revenue was budgeted to be transferred to reimburse the General Fund for the cost of constructing the Arboretheater. President Byrne discussed raising the tax from the current \$300 per home.

Social Service Grants Budget

Village Manager Allison discussed the Social Service grant budget that totaled \$30,200, which was at the same level as last year. Manager Allison and Chief Fleischhauer discussed the Social Service Grant applications that were received. The grants were approved as follows: Omni Youth Services - \$20,000; CAP - \$2,700; PADS - \$2,000; Girl Scouts - \$1,000; Youth & Family Counseling - \$4,500; for a total amount of \$30,200.

Lake County Illinois Convention and Visitors Bureau Budget

Village Manager Allison discussed previous funding for the LCICVB. He stated they have asked the Village to have representation on their Board of Directors. He stated involvement on the Board could leverage more promotion for shopping, hotels, and events in Vernon Hills. It would also provide the opportunity to determine if the Village wanted to continue to fund the LCICVB. Village Manager suggested keeping the budget at \$10,000 and have a member on the Board of Directors. It was determined that Manager Allison would be the Village's representative on the Board of Directors with Trustee Hebda as alternate.

School Resource Officer

Village Manager Allison stated the cost with benefits for the School Resource Officer was \$77,000 for a 12-month period. The portion dedicated to the school was \$53,352 for 36 weeks of the year. The Village suggested District 73 contribute \$35,000 and their offer was approximately \$20,000. Chief Fleischhauer discussed the role of the School Resource Officer in both Junior High locations. District 128 funds the School Resource Officer \$58,000 for a nine month period. The Board concurred to move forward with negotiations with District 73.

Utility Tax

Finance Director Nakrin reviewed electric, gas, and telecommunication taxes. He suggested raising the telecommunication tax from the current 1% to 3.5% and removal of the gas tax. An implementation strategy was discussed.

Public Hearing

Finance Director Nakrin stated the proposed public hearing date was March 1.

Indian Creek – Policing Services

Trustee Duros commented that Indian Creek was in transition with a new Mayor. He stated the Village should accept Indian Creek's \$20,000 initial funding offer, work to improve that offer, and ensure that their impact fees are parallel to Vernon Hills. He stated Indian Creek had the same ability/flexibility as Vernon Hills to implement utility taxes, which they do not.

ADJOURNMENT.

Motion by Trustee Schultz, second by Trustee Koch to adjourn the Committee of the Whole to Closed Session for discussion of land acquisition-[Sec. 2(c)(5)]; and personnel-[Sec. 2(c)(1)] as allowed under the Open Meetings Act. Roll call vote:

AYES: Koch, Marquardt, Schwartz, Duros, Hebda

NAYS: None

ABSENT: Williams

Motion declared carried.

Meeting adjourned at 8:55 p.m.

Holly D. Udesky, Village Clerk

Roger L. Byrne, Village President