



**Village of Algonquin
Minutes of the Committee of the Whole Meeting
Held On November 8, 2022
Village Board Room
2200 Harnish Dr. Algonquin, IL**

AGENDA ITEM 1: Roll Call to Establish a Quorum

Trustee Smith, Chairperson, called the Committee of the Whole meeting to order at 7:30 p.m.

Present: Trustees Jerry Glogowski, John Spella, Laura Brehmer, Maggie Auger, Brian Dianis, Robert Smith
President Debby Sosine and Clerk Fred Martin.

A quorum was established

Staff in Attendance: Tim Schloneger, Village Manager; Bob Mitchard, Public Works Director; Ryan Markham, Deputy Police Chief; Jason Shallcross, Community Development Director; Katie Gock, Recreation Superintendent; Michael Kumbara, Assistant Village Manager; Amanda Lichtenberger, Accounting Manager; and Attorney, Kelly Cahill.

AGENDA ITEM 2: Public Comment

None

AGENDA ITEM 3: Presentation

Water Audit and Water Loss Assessment Program

The presentation, by Aaron Horbovetz, advised the Committee of the findings for the completed internal water loss audit FY 20-21. The Utilities Division contracted M.E. Simpson Co, Inc. to complete the internal audit of the Villages water treatment facilities, and distribution system. During the audit process, village staff compiled all the necessary data for M.E. Simpson to complete the audit. The final outcome was to find the deficiencies in the water system which have been located and corrected. Aaron Horbovetz explained the remainder of the water audit, and provided further recommendations to the Village.

AGENDA ITEM 4: Community Development

Mr. Shallcross:

Showed the new Algonquin Marketing Video

AGENDA ITEM 5: General Administration

A. Consider a Resolutions Accepting Popular Annual Financial Report for Fiscal Year End April 30, 2022

Mr. Kumbara:

The finance team has completed its fifth Popular Annual Financial Report (PAFR) for fiscal year ended April 30, 2022. Aligning with the Village's commitment to fiscal management and transparency, the PAFR summarizes findings from the Village's Annual Comprehensive Financial Report (audit) into a brief document that is easy for residents and other interested parties to understand. The report has been submitted to the Government Finance Officers Association (GFOA) for feedback and recognition through the Popular Annual Financial Reporting Award Program. The Village has received recognition from the program for its last four submissions. Additional information about the Village's finances, including budgets, audits, and other financial reports, can be accessed on the Village's website. Special thanks to Management Intern Ethan Hoffman, Accounting Manager Amanda Lichtenberger, Comptroller Susan Skillman for their assistance with preparing the document.

It is the consensus of the Committee to move this on to the Village Board for approval.

B. Consider a Resolution Accepting the Algonquin Police Pension Municipal Compliance Report for Fiscal Year End April 30, 2022

Mr. Kumbara:

Pursuant to House Bill 5088, the Municipal Compliance Report for the Algonquin Police Pension Fund has been completed. The Police Pension Board is required to report annually to the Board of Trustees on the condition of the pension fund at the end of each fiscal year for tax levy purposes.

Staff recommends the Committee of the Whole forward this item to the Village Board for acceptance by Resolution at their meeting on November 15.

It is the consensus of the Committee to move this on to the Village Board for approval.

C. Consider a Resolution Accepting the Actuarial Funding Report for the Algonquin Police Pension Fund for the Contribution Year May 1, 2022 to April 30, 2023

Mr. Kumbera:

Presented the independent actuarial report, provided by Lauterbach and Amen, for the Algonquin Police Pension Fund as of May 1, 2022. The fund is 81.4 percent funded (up 7.0 percent) from the prior year and the amortization target remains 100 percent by 2033 (13 years). Some additional highlights of this year's report include:

- 10.8%** Decrease in Required Contribution
- \$4.2M** Increase in Actuarial Value of Assets
- 5.6%** Rate of Return (Market)
- \$3.6M** Reduction in Unfunded Liability

The Algonquin Police Pension Fund Board of Trustees is requesting that the Village Board levy an amount of \$1,905,327 in accordance with the actuarial valuation results for the year beginning May 1, 2022.

Staff recommends the Committee of the Whole forward this item to the Village Board for approval by resolution at their meeting on November 15.

It is the consensus of the Committee to move this on to the Village Board for approval.

D. Consider a Resolution for the 2022 Property Tax Levy

Mr. Kumbera:

The proposed resolution establishes the amount the Village is requesting for its 2022 property tax levy. State statutes require that the corporate authorities of the Village pass a resolution estimating the amount of tax to be levied not less than 20 days prior to the adoption of the final levy, which is scheduled to be presented at the December 6 Village Board meeting.

Background

For the 2021 tax levy year, the Village's portion of resident's tax bill was approximately 6.4 percent (with some minor variations depending on exact location of household). In FY 22/23, property taxes comprise 28 percent of the General Fund revenue, which includes the Road and Bridge tax levy, which is levied by the township level of government. The Village, a home-rule unit of government, is not subject to the Property Tax Extension Limitation Law (PTELL), however, the Village is required to comply with the "Truth in Taxation Law." The law places requirements on the Village in the adoption of the 2022 property tax levy if the proposed 2022 gross property tax levy is 105 percent greater than the 2021 net property tax extension. Property tax revenues are not used to support business-like activities that are accounted for in enterprise funds, such as the Village's Water and Sewer Utility.

Recommendation

The recommendation for the 2022 Tax Levy is \$6,130,000. This is an increase of \$230,000 from the 2021 tax levy. The details are shown in Exhibit A which is attached. As the proposed levy is 103.90 percent of last year's extensions, there is no requirement for a public hearing under the Truth in Taxation Statute. The recommendation does take into consideration several factors that will impact the FY 23/24 financial plan including:

- The actuarial contribution recommendation for the Algonquin Police Pension Fund which exceeds the statutory requirement with a 100 percent funding level by 2033.
- The proportion of state-shared revenues and their stability in the long-term.
- Operational and capital needs for the upcoming period.
- Growth in Equalized Assessed Valuation (EAV) from both property value appreciation and new construction.

Projected EAV

Based on preliminary data obtained from Kane and McHenry County, equalized assessed valuation in the Village is expected to increase for the eighth consecutive year. The estimate of EAV for 2022 is \$1,110,000,000

which is 6.3% more than last year which illustrates appreciation of real estate values and new construction. The assessors in each county use a three year history of property values including sales experience in determining the reassessment or current valuation. Assessments generally lag behind current market pricing by 18 months. The estimated tax rate for 2022 would be 0.55 per \$100 of EAV which is slightly less than 2021.

If the Committee of the Whole concurs, a Resolution should be forwarded to the Village Board for approval at the November 15 Village Board meeting.

It is the consensus of the Committee to move this on to the Village Board for approval.

E. Consider an Agreement with Hitchcock Design Group for the Towne Park Design and Engineering Services

Ms. Gock:

Presented is a design and engineering proposal for the redevelopment of Towne Park from Hitchcock Design Group. This firm previously assisted the Village with the Parks and Recreation Master Plan, Towne Park Master Plan, and our \$600,000 OSLAD grant application for this site, and therefore, is very familiar with our park system, recreation offerings, and community needs.

The proposed cost for design and engineering at Towne Park is projected at \$363,500. The proposal does include an option for the Mineral Springs site at a cost of \$15,000, based upon the scope of work included in the Historic Commission's grant application to the Landmarks Illinois Donnelley Preservation Fund program. If there is Village Board consensus to proceed with work at the Mineral Springs site, it would be prudent to incorporate this work as part of the Towne Park construction for a total project cost of \$378,500.

The FY 22/23 budget currently has \$180,000 allocated to Towne Park engineering, which only included Phase 1 preliminary engineering. Due to the prospective OSLAD grant award for this site as well as construction financing/debt planning for this and other proposed projects (i.e. Presidential Park), Village staff is recommending that we advance the design engineering phase into the current fiscal year, with a goal of having shovel-ready documents in 2023. There is existing capacity in the Park Improvement Fund to make up the difference between budget and the proposed expenditure.

Staff recommends approval of the proposal from Hitchcock Design Group for the design and engineering services at Towne Park.

It is the consensus of the Committee to move this on to the Village Board for approval.

AGENDA ITEM 6: Public Works & Safety

A. Consider an Agreement with Christopher Burke Engineering for the Eastgate Roadway and Pedestrian Improvements

Mr. Mitchard:

In meetings recently with the Director of the Algonquin Library, the Village of Algonquin was requested to pursue roadway improvements in the area of the east side library that would expand the sorely needed parking availability in the area of that business. To meet this request, we determined that the entirety of Eastgate Drive, from Algonquin Road to the dead end at Algonquin Middle School, and contiguous to the library property was in need of roadway maintenance upgrades. The Public Works Department requested the assistance of Christopher B. Burke Engineering LTD to put together a scope of services, which you will find attached to this memo. The project includes the addition of 22 to 24 angled parking spaces on the west side of Eastgate Drive, adjacent to property owned by the Archdioceses of Rockford. To make this project workable the Village will need either land acquisition or permanent easements from the St. Margaret Mary ballfield area, as the existing ROW is too narrow to accommodate the proposed parking. The project will also make all current carriage walk ADA compliant at the existing intersections with Algonquin Road, Ridge and Webster, and curb and carriage sidewalk will be removed and replaced, as needed, to make the area safe for residents in the area, pedestrians and school children who walk to St. Margaret Mary School and the library.

Any necessary underground utility work will also be addressed prior to redoing the new roadway. This project was not budgeted, but due to the timing of the Library project, we need to get the design underway so we can coordinate with their improvements. The Ratt Creek Reach 5 Stream Restoration project came in under budget. Therefore, we will use the cost saving from this to initiate this engineering.

Therefore, it is our recommendation that the Committee of the Whole take action to move this matter forward to the Village Board for approval of the Eastgate Roadway and Pedestrian Improvements to Christopher B. Burke Engineering in the amount of \$70,191.00.

It is the consensus of the Committee to move this on to the Village Board for approval.

AGENDA ITEM 7: Executive Session
None

AGENDA ITEM 8: Other Business
Trustee Glogowski attended the Environmental Defenders Transportation Committee Meeting and briefed the Committee on the bicycle plan.

AGENDA ITEM 9: Adjournment
There being no further business, Chairperson Smith adjourned the meeting at 8:11 p.m.

Submitted: _____
Fred Martin, Village Clerk