



**Village of Algonquin
Minutes of the Committee of the Whole Meeting
Held in Village Board Room
November 13, 2018**

AGENDA ITEM 1: Roll Call to Establish a Quorum

Trustee Janice Jasper, Chairperson, called the Committee of the Whole meeting to order at 7:30 p.m. Present: Trustees Debby Sosine, Janis Jasper, Jerry Glogowski, Laura Brehmer, Jim Steigert, and President Schmitt. A quorum was established.

Absent: John Spella

Staff Members Present: Village Manager, Tim Schloneger; Assistant Village Manager, Mike Kumbera; Public Works Director, Bob Mitchard; Police Chief, John Bucci; Village Clerk, Jerry Kautz; and Village Attorney, Kelly Cahill.

AGENDA ITEM 2: Public Comment
None

AGENDA ITEM 3: Community Development
None

AGENDA ITEM 4: General Administration

A. Review and Consider the Comcast Franchise Agreement Renewal

Reporting: Mike Kumbera:

In 2014, the Village entered into a cable service franchise agreement with Comcast for a five-year term. The attached agreement is substantially similar in most material respects to the agreement that the Village has had in place with Comcast for the past several years. Like the existing agreement, it authorizes Comcast to operate in Village rights of way in a manner consistent with the municipal code and imposes a 5% fee on gross revenues.

Under Federal law, before the Village can renew this proposed franchise agreement, a public hearing must be held. Accordingly, the Village has published notice and at the meeting on November 20, 2018, the Village will hold a hearing to allow the public the opportunity to comment on the proposed franchise renewal. After that hearing, if this franchise agreement is in acceptable form, the Village Board may approve at that same meeting.

Staff recommends approval.

Ms. Joan Sage from Comcast was present to answer any questions.

Consensus of the Committee of the Whole was to move this item on for approval

B. Consider Eminent Domain Proceeding for 901 N. Main for a Temporary Easement

Reporting: Tim Schloneger:

There are three pieces of private property necessary to append to the Main Street ROW at the intersection of Cary-Algonquin Road in order to facilitate the construction of the future roundabout. At 901 Cary Road, the Village is working to acquire a five-year temp easement to resurface, reconfigure, and re-stripe the parking lot due to impacts associated with our improvement. The five-year timeframe is due to the lengthy nature of federal projects. The Village's negotiator has negotiated with the owner of 901 Cary Road regarding the land underlying the temporary easement. Compensation was offered in accordance with an appraisal of the property and the temporary easement. However, we have been unable to reach an agreement and are at an impasse.

Ms. Brehmer asked if traffic signals would be a better solution at that intersection rather than a round-a-bout. Mr. Mitchard responded that the grade on Main street at that point is too steep which would cause problems for certain vehicles to proceed up the hill in bad weather. In addition, IDOT who is in charge of signals would never allow it.

Consensus of the Committee of the Whole was to move this item on for approval

C. Consider Illinois Metropolitan Investment Fund (IMET) Tolling Agreement Extension

Reporting: Tim Schloneger:

This is a housekeeping item. The Village previously approved a Tolling Agreement with IMET. The Agreement tolls any statute of limitation, so the Village will not waive any rights to bring suit in the future. There is no monetary obligation resulting from signing the agreement. It permits the Village to preserve its discretion regarding whether to terminate the Agreement and file suit at a later date. The current Tolling Agreement has an expiration date of January 31, 2019. The recommendation is that the Board approve an amendment to extend the tolling period through January 31, 2020. The Village still reserves the right to terminate with thirty days' notice if a group decides to pursue IMET for any reason before then.

The consensus was to pass on to the Board for approval.

D. Consider Accepting the Police Pension Fund Municipal Compliance Report

Reporting: Mike Kumbera:

Pursuant to House Bill 5088, Mike presented the Municipal Compliance Report for the Algonquin Police Pension Fund. 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.

Consensus of the Committee of the Whole was to move this item on for approval.

E. Consider the Police Pension Fund Tax Levy

Reporting: Mike Kumbera:

The Algonquin Police Pension Fund Board of Trustees is requesting that the Village Board levy an amount \$1,984,537 (\$1,985,000 rounded) in accordance with the actuarial valuation results for the year beginning May 1, 2018. This is a \$1,000 increase from last year's levy.

Lauterbach and Amen completed the actuarial valuation. The fund is 65.58 percent funded (up 4.2 percent) from the prior year and the amortization target remains 100 percent by 2033 (15 years). This recommendation has been tentatively placed in the 2018 tax levy resolution that the Committee of the Whole will consider on November 13.

Consensus of the Committee of the Whole was to move this item on for approval

F. Consider the 2018 Property Tax Levy

Reporting: Mike Kumbera:

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 18 Village Board meeting.

For the 2017 tax levy year, the Village's portion of resident's tax bill was approximately 6.22% (with some minor variations depending on exact location of household). In FY 18/19, property taxes comprise 31 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 2018 property tax levy if the proposed 2018 gross property tax levy is 105 percent greater than the 2017 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. The recommendation for the 2018 Tax Levy is \$5,600,000. This amount is the same as the 2017 tax levy. The details are shown in Exhibit A, which is attached. As the proposed levy is 100 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 19/20 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 values appreciation and new construction.

Based on preliminary data obtained from Kane and McHenry County, equalized assessed valuation in the Village is expected to increase for the fourth consecutive year. The estimate of EAV for 2018 is \$956,000,000 which is 6.1% 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 2018 would be .586 per \$100 of EAV which is less than 2017.

Consensus of the Committee of the Whole is to forward on to the Board for approval.

G. Review the Popular Annual Financial Report (PAFR) for the year ending April 30, 2018

Reporting: Mike Kumbera:

Aligning with the Village's guiding principle of fiscal management and transparency, finance staff has completed the Village's first Popular Annual Financial Report (PAFR) for the fiscal year ending April 30, 2018. The goal of a PAFR is for governments to extract information from their comprehensive annual financial report to produce high quality popular annual financial reports specifically designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance. The report has been submitted to the Government Finance Officers Association (GFOA) for feedback and recognition through their Popular Annual Financial Reporting Award Program.

The Committee of the Whole was pleased and Ms. Sosine stated it is an awesome report for residents to understand.

No action is necessary for this agenda item. It is being presented for informational purposes in addition, to incorporate any feedback for future reports.

AGENDA ITEM 5: Public Works & Safety

A. Consider Certain Items as Surplus

Bob Mitchard reporting:

As part of our normal operating processes, staff submits the semi-regular submission of items to be deemed surplus via board action. The long list of the many items is available in tonight's Board packet which can be viewed at village hall or on our website.

Consensus of the Committee of the Whole was to move this item on for approval.

B. Discuss Sewer Service Connection for Certain Properties

Bob Mitchard reporting:

Discussion ensued regarding those properties within the village limits that have either one or both no water connections or no sewer hookups. He presented a list to the Committee of the Whole that contained those properties that need attention. This can cause environmental issues for the future with contaminated wells or non-functioning septic systems. Mr. Mitchard further explained this very likely could be a highly contested and emotional issue with most of the homeowners affected due to the high cost of either of the hookups. However, he stated it is in the best interest for all residents in the village for the future.

The Committee of the Whole understood the problem but said maybe there are ways to assist those owners that are required to hookup. As one member stated, we the Village should show some compassion. Mr. Mitchard said he is only looking for direction from the Board at this time for Staff to further investigate and study this issue and report back at a later time. The Committee of the Whole did give him such direction

AGENDA ITEM 7: Executive Session

Moved by Sosine, seconded by Glogowski, to recess into executive session to discuss a personnel issue at 8:32 pm.

Roll call: voting aye – Sosine, Jasper, Schmitt, Glogowski, Brehmer, Steigert.

Motion carried: 6-ayes, 0-nays, 1-absent.

Moved by Glogowski, seconded by Sosine, to reconvene the Committee of the Whole at 9:11 pm.

Roll call: voting aye – Sosine, Jasper, Schmitt, Glogowski, Brehmer, Steigert.

Motion carried: 6-ayes, 0-nays, 1-absent.

Report: There was no action required in open session from tonight's session.

AGENDA ITEM 8: Other Business

None

AGENDA ITEM 9: Adjournment

There being no further business, the Committee of the Whole meeting was adjourned at 9:12 p.m.

Submitted: Jerry Kautz, Village Clerk