



Village of Algonquin
Minutes of the Committee of the Whole Special Meeting
Held On February 1, 2022
Village Board Room
2200 Harnish Dr. Algonquin, IL

AGENDA ITEM 1: Roll Call to Establish a Quorum

Trustee Brehmer, Chairperson, called the Committee of the Whole meeting to order at 8:02 p.m.

Present: Trustees Brian Dianis, Jerry Glogowski, Robert Smith, John Spella, Maggie Auger, and President Debby Sosine. A quorum was established

Staff Members Present: Village Manager, Tim Schloneger; Michael Kumbera, Asst. Village Manager; Public Works Director, Bob Mitchard; Michele Zimmerman, Asst. Public Works Director; John Bucci, Police Chief; Katie Gock, Recreation Village Clerk, Fred Martin; and Village Attorney, Kelly Cahill.

AGENDA ITEM 2: Public Comment

None

AGENDA ITEM 3: Community Development

None

AGENDA ITEM 4: General Administration

Mr Kumbera

1. Capital Improvement Budget for Fiscal Year 2022/2023

- Proposed Water and Sewer Improvement and Construction Fund totaling \$6.51M
- Proposed Motor Fuel Tax Fund totaling \$1.95 M
- Proposed Street Improvement Fund totaling 18.1M
- Proposed Park Improvement Fund totaling \$1.9M
- Proposed Natural Area and Drainage Improvement Fund totaling \$1.30M

2. Review of Home-Rule Sales Tax for Funding Capital Improvements

The ability to impose home rule taxes is provided by and subject to the provisions of Sections 8-11-1 and 8-11-5, respectively, of the Illinois Municipal Code (65 ILCS 5/8-11-1 and 5/8- 11-5). The Village of Algonquin is a home rule municipality and has the ability to enact changes to its home rule sales tax rates by ordinance. The Village's current total sales tax rate for general merchandise is 7.75 percent. This total rate can be broken into the following categories:

1. State Tax: The State of Illinois rate is 6.25 percent and is broken down as follows:

- 5.00 percent: state portion
- 1.00 percent: local portion
- 0.25 percent: county portion

2. Regional Transportation Authority (RTA) Tax: The collar counties of DuPage, Kane, Lake, McHenry, and Will are assessed a 0.75 percent RTA rate.

3. Home Rule Tax: In 2005, the Village adopted an ordinance imposing a 0.75 percent home rule sales tax rate.

Home rule sales tax must be set in increments of 0.25 percent, and there is no maximum rate limit. Currently, 100 percent of Home Rule Sales Tax receipts are dedicated to capital infrastructure expenses, being deposited in the Street Improvement Fund.

To implement a change in the Village's home rule sales tax rate, the following steps would need to occur:

1. The Village Board would have to approve an ordinance changing the tax rate.

2. Once approved, a certified copy of the ordinance must be filed with the Illinois Department of Revenue before the new rate will be administered.

It should be noted that the Illinois Department of Revenue provides two (2) deadlines during the year to enact, repeal or change home rule sales tax rates: April 1 for July 1 implementation, or October 1 for January 1 implementation.

Trustee concerns include:

Glogowski, referencing due dates imposed by the Department of Revenue

Spella, if the tax wasn't imposed what is the impact on street projects cancelled

Smith, suggested the utility tax should be reduced once the new Home Rule tax expectations are met

Brehmer, supports the tax as long as the revenues are used for specific needs, such as open spaces and park equipment improvements

It is the consensus of the Committee to move the Home-Rule Sales Tax forward to the Village Board for approval.

AGENDA ITEM 5: Public Works & Safety

Mr. Mitchard and Ms. Zimmerman stressed the importance of the Home Rule Sales Tax to support all of the necessary programs for open space, natural areas and creeks

AGENDA ITEM 6: Executive Session

None

AGENDA ITEM 7: Other Business

Trustee Brehmer, thanked Public Works, discussed the State's open space revenue stream, and voice concerns about food waste and potential future collection by Groot.

AGENDA ITEM 8: Adjournment

There being no further business, Chairperson Brehmer adjourned the meeting at 9:20 p.m.

Submitted: _____
Fred Martin, Village Clerk