

**Village of Hinsdale  
Administration and Community Affairs Committee  
Minutes of Meeting On  
July 7, 2008**

Chairman Orler called the meeting of the Administration and Community Affairs Committee to order in the Board Room of the Memorial Building on July 7, 2008 at 7:33 P.M.

**Members Present:** Chairman Vic Orler, Trustee Bob Schultz and Trustee Cindy Williams

**Members Absent:** Trustee Michael Smith

**Staff Present:** Doug Cooper, Director of Finance; Nick Troy, Department of Parks and Recreation; Tim Scott, Community Development Strategist;

**Others Present:** Kevin Kane, Finance Commission Chairman; Keith Medick; Bob Saigh

**Approval of Minutes**

Chairman Orler stated that the minutes from the June 2, 2008 ACA meeting were being presented for approval and asked if there were any questions or comments. Hearing none from the other Committee Members, Trustee Schultz moved to approve, and Trustee Williams seconded. The motion passed unanimously.

Chairman Orler then asked if there were any questions regarding any of the staff reports. There were none.

**Treasurer's Report/Finance Commission Update**

Mr. Doug Cooper said that the Treasurer's Report was reviewed by the Finance Commission at its June 26, 2008 meeting. The commission pointed out 3 areas of revenue concern: food and beverage tax, building permit revenues, and interest income. Food and Beverage Tax is bringing in about \$19,000 per month, which would bring in an estimated \$234,000 this year. Budgeted revenues are at \$264,000 leaving a potential \$30,000 shortfall in food and beverage revenues. Less disposable income will negatively affect people dining out. Building permit revenues are slightly above this point last year by about \$10,000. However, on a straight-line basis, revenues will be down 30%-40%. Based on current rates, interest income could be in an at-risk range of 70-80. This is based on the potential of interest rates going down.

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Sales tax receipts in May were up 12% from last year, and income tax receipts were up 16%. However, in June, there was an 8% decrease in sales tax. So far this year, sales tax revenues slightly above budget. There was a small decline in income tax receipts in June, but overall so far this year income tax receipts are up 9% from last year. Property tax revenues are in line with budget estimates.

There appear to be no major swings regarding expenditures. The fire department had a fiscal year '07-'08 project budgeted for \$47,600 that was anticipated to be completed prior to May 1<sup>st</sup>, however it was not begun or completed until after May 1<sup>st</sup>. Therefore it will factor into the fiscal year '08-'09 budget.

Chairman Orler asked if the project was accrued for. Mr. Cooper said it can't be accrued because it was completed in this fiscal year. Trustee Williams asked if the money allotted for the project could be carried over from the previous fiscal year. Mr. Cooper said a budget adjustment could be made, but it will still show a decrease in available expenditure funds for this fiscal year. Mr. Kevin Kane noted that cash basis accounting has limits, and the only solution is to be more aware as the year-end approaches. Chairman Orler stressed the importance of communication. Trustee Schultz asked if Mr. Cooper foresaw any upcoming projects that may also have lapsed into the current fiscal year. Mr. Cooper replied that he does not, and this is the only such project.

Chairman Orler then asked if Hinsdale could take greater risk than the 2% rate on interest income. Mr. Cooper replied that the municipality is limited by state statute. Chairman Orler asked that Mr. Cooper and Trustee Smith seek alternative options. Mr. Cooper said that he did seek outside help for a manager to offer alternative suggestions in the Village's portfolio. Chairman Orler suggested that the Finance Commission investigate the Village's limitations under state statute. Mr. Kane said that the Finance Commission would do so.

Mr. Kane then discussed the Village's infrastructure plan. The Finance Commission viewed it the previous Fall from two standpoints: the project's total scope, and how it was going to be paid for. It recommended a project in the \$60 million range, paid for by a variety of sources, notably the proposed 1% sales tax increase. President Woerner asked the Commission to re-evaluate the two aforementioned standpoints. After re-evaluation, the Finance Commission determined that both the cost and scope will be higher than initially estimated. By next month, the Commission hopes to have completed an updated analysis of the project, with its new price tag. It will be substantially more than estimated in the Fall. Since the previous Fall, Cook County has increased its sales tax by 1%, and DuPage increased its sales tax by 0.25%. Property taxes have gone up in Hinsdale

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as well. Furthermore, the referendum earlier in the year did not pass. The Commission still recommends a 1% sales tax increase to be the most substantial source of funding for the project. 60% of the sales tax base is residents, while 18% comes from the Hinsdale Oasis, which is almost entirely non-residents. Property tax increases were looked at as well, but would not generate revenue as quickly as the sales tax increase. Mr. Kane feels that the sales tax referendum has the best chance of getting passed with the greatest benefit to the residents.

Trustee Williams asked what the property tax assessment would be on each house, to raise as much as the sales tax referendum would (\$1.5 million). Mr. Kane said that it would cost a \$1 million home an extra \$274 annually. A sales tax referendum would cost such a home around \$100 annually. He said that the Finance Commission also considered charging a fee commensurate to the damage made by water main cuts. Currently a person pays a \$250 fee to cut into the streets. Chairman Orler clarified this as an impact fee. He said that he feels it's something that should be looked at closer.

Trustee Williams asked about trucks that come into the Village and the damage they inflict on the streets in contrast to normal passenger vehicles. Mr. Cooper replied that the Village has an overweight permit run by the police department. The fee is based on the truck's weight. Mr. Kane said a variable would be to expand the life of the repairs, from 17 years to 20 years, which could be done without jeopardizing the turnover rate.

**Park and Recreation Activity Report**

Trustee Williams thanked Keith Medick and the Parks and Recreation Commission for their participation in the 4<sup>th</sup> of July Parade. Mr. Medick acknowledged the work of Nick Troy, Carrie Haupt, and Alice Manzel for her volunteer work. He felt the parade went smoothly and is open to any suggestions to improve the event. Mr. Troy reaffirmed that the two-day (July 3<sup>rd</sup> and 4<sup>th</sup>) event went well, and he thanked all volunteers and attendees. Chairman Orler said the event was outstanding.

**Approval of a Request from the Hinsdale Historical Society to Waive Fees in the Amount of \$3,995 for Extending Permits for Three Months**

Trustee Williams motioned to approve, and Trustee Schultz seconded. The motion passed unanimously. Mr. Bob Saigh said the 4<sup>th</sup> of July was terrific. Immanuel was open briefly, and its rehab is moving along well. Chairman Orler complimented Mr. Saigh on the building. Mr. Saigh stated his appreciation of approval on this matter.

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Trustee Schultz asked if Immanuel was ok in terms of water hook-up, and Mr. Saigh replied that it is. Trustee Schultz noted that Brook Park is in need of water hook-up and a permit to do so has not been approved and the deadline is quickly approaching. Chairman Orler asked Mr. Cooper to speak with Mr. Dave Cook in order to contact State Senator Kirk Dillard and State Representative Patti Bellock.

**Approval of a New Form and Fee Schedule to Permit All Formal Use of All Hinsdale Park Properties**

Chairman Orler explained the fees: \$25-40 for residents, \$60-\$100 for non-residents beginning with groups of 1-50 and it goes up from there. Trustee Schultz asked if this fee schedule compares to other towns. Mr. Troy said that only a handful of requests come in, and almost all of them are residents. Due to the clean-up after the events that is required, a fee is suggested. Trustee Schultz motioned to approve.

Trustee Williams asked for an example when another Hinsdale park, other than KLM, is used. Chairman Orler and Mr. Troy said that Robbins Park was recently used for a BBQ. The fee is strictly for reserving the park. Mr. Medick said that a reservation will also allow the Village to clean-up and prepare the park before the event. Trustee Schultz noted that the toy store also used Burlington Park recently. Trustee Williams seconded the motion and the it passed unanimously.

**Approval of a Proclamation Entitled “July is Parks and Recreation Month” in Hinsdale**

Trustee Williams motioned to approve, and Trustee Schultz seconded. The motion passed unanimously.

**Approval of a Resolution supporting the City of Chicago’s Bid for the 2016 Olympic and Paralympic Games**

Trustee Williams motioned to approve, and Trustee Schultz seconded. The motion passed unanimously.

**Approval of a Request from the Hinsdale Humane Society to Place a Banner at KLM Park Regarding the July 2009 Pet Walk**

Trustee Williams motioned to approve, and Trustee Schultz seconded. The motion passed unanimously.

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**Approval of a Resolution Expressing Official Intent Regarding Certain Capital Expenditures to be Reimbursed from Proceeds of an Obligation to be Issued by the Village of Hinsdale**

Chairman Orler inquired as to if this is within the current headroom for what the Library is issuing debt for, regarding the HVAC system replacement. Mr. Cooper said that the Library cannot issue the debt, the Village must. If there are expenditures prior to the loan being finalized, the Library can be properly reimbursed. Chairman Orler verified that the loan would replenish the Library's cash reserves.

Trustee Williams said this has been done before and asked that whenever the Library is fronted money, if they repay the whole payment. Mr. Cooper replied that they will. Principal and interest will be covered, and the corporate fund of the Village will not be touched. Trustee Williams motioned to approve, and Trustee Schultz seconded. The motion passed unanimously.

**Approval of an Ordinance Entitled "Annual Appropriations Ordinance for the Fiscal Year May 1, 2008 to April 30, 2009"**

Chairman Orler said that this is a formality based upon the existing budget, passed in April. Trustee Schultz motioned to approve, and Trustee Williams seconded. The motion passed unanimously.

Mr. Cooper noted that a public hearing, as required by state statute, on the appropriations ordinance will be held prior to the EPS Committee Meeting on Monday, July 14 in the Board Room.

**Approval of a Resolution for Improvement by Municipality Under the Highway Code for Various Streets (2008 Road Program)**

Trustee Schultz motioned to approve, and Trustee Williams seconded. The motion passed unanimously.

**Approval of a Resolution for Maintenance of Streets and Highways by Municipalities Under the Illinois Highway Code (2008 50/50 Sidewalk Program)**

Trustee Schultz motioned to approve, and Trustee Williams seconded. The motion passed unanimously.

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**Approval to Waive Competitive Bidding and Award the Brook Park Water Service Contract to H and R Construction in the Amount of \$24,900**

Trustee Schultz wanted to clarify a complaint received about the Village taking “no-bid” contracts. In actuality, the contracts have been bid, but the Village does not meet the criteria for competitive bidding. Mr. Cooper said that quotes were received from three or four businesses and the lowest one was taken. Competitive bidding was waived because the formal bid process, which involves publication, did not occur. A super-majority of the Board is needed as well. Trustee Schultz motioned to approve, and Trustee Williams seconded. The motion passed unanimously.

**Approval to Waive Competitive Bidding and Award the 2008 Road Program Utility Work to Riccio Construction Corp. in the Amount of \$344,400**

Trustee Schultz motioned to approve. Trustee Williams asked about the corporation’s record. She referred to trouble previously with an engineering firm. Mr. Cooper said that the low bid has favorable Village experience. Trustee Williams seconded. The motion passed unanimously.

**Discussion of Bid #1443-2008 New Sidewalk Program – Permission to Review Bids and Make Recommendation to Board of Trustees at the July 10, 2008 Board Meeting**

Mr. Cooper said that Mr. Shaun Pelletier wants the Trustees to know that this will be coming before the Board as a Board Agenda Item as opposed to a Consent Agenda Item. This will come to a vote at the July 10<sup>th</sup> Village Board meeting.

**Adjournment**

Since there was no further business to come before the Committee, Trustee Williams moved to adjourn. Trustee Schultz seconded, and the motion passed unanimously. The meeting of the ACA meeting was declared adjourned at 8:30 p.m.

Respectfully Submitted:

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Douglas E. Cooper  
Director of Finance