

MEETING: SPECIAL BOARD OF TRUSTEES MEETING
VILLAGE OF HANOVER PARK

DATE: JUNE 18, 2009
LOCATION: MUNICIPAL BUILDING
2121 West Lake Street
Hanover Park, IL 60133

President Craig called the Special Meeting of the Board with the Departments to Order at 6:00 P.M.

PRESENT: Trustees Bill Cannon, Rick Roberts, Lori Kaiser, Edward J. Zimel Jr, and President Rodney Craig

ABSENT: Trustees Toni Carter and Joseph Nicolosi

ALSO PRESENT: Corporation Counsel Bernard J. Paul, Ron Moser, Patrick Grill, David Webb, Mark Gatz, George Dimidik, Howard Killian, Craig Haigh, Harry Sakai, and Sandra Vincent Richard

Ron Moser stated this was his first workshop as Acting Village Manager and noted the agenda would be presented in this format in the future. President Craig added that he and Mr. Moser had agreed on the agenda format as well.

He asked if there were any items to be placed on a Consent agenda or if there were any simple questions to be answered at the workshop. The next item would be warrant questions and once answered, the warrant could be placed on the Consent agenda. Mr. Moser continued to explain the agenda structure.

First of all, he asked to review the agenda to see if any items could be placed on a Consent agenda. It was noted that a change was made to 5-A.2 and 5-A.3 replacing Harry Sakai with Tom Dahl's name. It was suggested that items 5-A.2, 3, 6, 7, 8, 11, 12, and 16 be placed on the Consent agenda.

Mr. Moser asked for a warrant review. The first was the Paid In Advance Warrant SWS109. There were no questions. The next was Warrant FY 2009 SW607. There were no questions. The next was Warrant FY 2010 SW607. President Craig fielded questions on the warrant. It was requested that \$3,750 for the Chamber of Commerce be removed from the warrant. It was then noted that items 5-A.18, 19, and 20 can be added to the Consent agenda with the one item being removed for the last warrant.

Harry Sakai gave a power point presentation regarding the Preliminary FY 2009 Results of Operations for the Operating Funds. Mr. Sakai reviewed the current revenues and accumulated surplus (reserves). He noted the surplus was used to balance out the current revenues. At this time, it was projected that total revenues for the Operating Funds for 2009 would fall short of the budget. He noted expenditures were also short of the budget. He stated they needed to take a closer look at revenues to figure out what happened. The surplus was budgeted at \$6.6 million, but they actually used \$3.4 million, so, not as much savings was needed to balance out the 2009 budget. He noted there was a detailed spreadsheet for comparisons for the Board.

He highlighted, specific funds, noting first that the General Fund revenues outperformed what was budgeted and expenditures were not as much. He stated, they expected a shortfall in revenues for the Motor Fuel Tax but that the spending was under budget, again not using as much from the surplus. The TIF #2 Debt Service Fund (to finance improvements at the Westview Shopping Center), projected a shortfall in revenues (from property tax collections). He noted, the expenditures were as expected and as a result more money is needed from the surplus.

He noted, in the General Capital Projects Funds that we spent \$1.6 million vs. a budget of \$2.5 million. Transfers from the General Fund and Water & Sewer Funds went into this Fund and on those projects where it was not spent, we would not see the revenues coming in either. In Accumulated Surplus, he stated we budgeted \$950,000 and it was closer to \$900,000. Nothing happened in the Municipal Building Fund, noting revenues would be transferred from the General Fund. He stated, \$19,000 was spent on a \$1 million budget but the transfer was made in its entirety and because of that no monies were needed from the Accumulated Surplus Fund to balance this fund.

He noted the projected revenues from the Water & Sewer Fund fell short and the expenditures also fell short, due to lower purchases from JAWA. In the Central Equipment Fund, he stated, there were some unanticipated vehicle purchases. It was explained that 4 squad cars came in after the May 1 date and had to be charged to FY 2009 as well as 2 Public Works trucks, plus the new Fire Pumper came in before May 1 this year. Mr. Sakai stated these were all added for general accounting principles, thus using more of Accumulated Reserves than budgeted to balance this fund for 2009. He explained Fund Balance, Reserves, Accumulated Surplus were interchangeable names.

Mr. Sakai stated, the May 1, 2009 Cash Investment Balances was one component of Fund Balance and it was not the same as Reserve Balance.

He stated, the formula for the Fund Balance was Cash & Investments, various Accounts Receivables, other kinds of Assets, less Liabilities. He stated for Operating Funds, as of May 1, there was approximately \$30 million. He stated the spreadsheet detailed this by fund. The General Fund has approximately \$7 million. We would use \$400,000 from Surplus to balance out the 2009 budget.

He stated, the cash flow for the first quarter was sufficient and he gave some examples. He continued with the Water & Sewer Fund, explaining the study done a few years ago, which included rate increases. Also, part of that study included having a reserve to fund replacement of big ticket improvements. He recommended starting the reserve fund for the Water & Sewer Infrastructure Replacement Fund by setting aside cash and investments on a scheduled basis. Mr. Sakai fielded comments and questions from the Board. President Craig thanked him for his report.

Mr. Patrick Grill continued with Hanover Square redevelopment discussion.

He stated the developer requested \$4.7 million in TIF assistance to rehab the shopping center. He noted, there was an independent review of the proposal and it indicated this could be accommodated under the current TIF. Our consultant reviewed those numbers and S.B. Friedman indicated the rents after the rehab proposed at \$12/square foot was low, citing \$15/square foot. The gap would be less and the TIF assistance would also be less. He stated, the language needed to be reviewed, perhaps, we could state that the TIF monies could be less, if the \$15/square foot were charged. Another comparison was to the Menard's agreement where the developer paid \$6 million to acquire the property and another \$4.5 million to improve and they had \$11 million invested with \$2 million in TIF assistance, approximately 20%. He stated, in the Hanover Square situation, they paid \$9 million and proposed \$5-6 million in improvements and requested \$4.7 million which was approximately 33%. Mr. Grill noted there was room to negotiate and he sought Board comments.

Discussion followed regarding costs, comparison costs, provisions, legal language, and other concerns. Comments were that there should be a time table included in the agreement and research should be done to make sure the developer was reputable.

Chief David Webb continued with the next item. He explained the crime initiative which was the Police Department's reaction to the recent problems in town. The main purpose was to suppress the gang activity and other strategies to fight crime and combat problems. He stated they wanted to maximize the number of officers in the street in the "hotspot" areas. He stated administrative duties were placed on hold and administrative staff, sergeants, and lieutenants were re-assigned to help combat these problems.

Chief Webb noted there would be four (4) officers each weekend with a neighborhood response detail (NRT) and their sole duty was for gang identification and suppression in the hotspot areas. He noted another gang initiative was having commitments from police departments of Streamwood, Bartlett, Schaumburg, Palatine and Elgin for a weekend mobile force detail, and noted, for example, this weekend there were be an additional 10 officers going through town.

He stated, the Illinois State Police Violent Crime Initiative Unit was also utilized this past weekend in patrolling the Village, with 12-15 State Troopers. He noted they would also be in the Village another week.

He stated, we applied under the COPS grant for three additional police officers and that was pending. He hoped for a response by August-September. He also requested the investigative aide position be reclassified to a civilian accreditation/grant manager. He stated, this added another officer on the street and noted that this was Item 5-A.17 on the agenda.

He continued, the agenda included an update to the Nuisance ordinance (Item 5-A.15). It was lowered from three occurrences per year to two occurrences in

6 months. This would assist in getting a quicker grip on problem residences.

He stated, in the upcoming board meeting he would be recommending a curfew ordinance. They did make a lot of curfew arrests. He noted the current ordinance mirrored the State statute. He proposed to lower it 1 hour so it would be 11:00 p.m. each day of the week including weekends. The fines were questioned and it was noted that it was up to the judge.

He addressed the Crime Prevention Unit and stated there were no officers assigned at this time. He noted they did have a school familiarization program whereby officers were in the in the schools each day. It gave visibility to students and outsiders and provided the interior layout of the schools for the officers should a problem arise.

He stated, a goal was to meet with Homeowners Associations and the trespass agreements. These agreements made it possible to press charges without an actual complainant.

He noted, they had meetings at two schools to address gang awareness at Laurel Hill and Einstein Schools. He also stated they were looking at supporting privately organized Neighborhood Watch groups whereby an officer could present information on gangs, social services, or simply listen at those meetings. He stated with increased manpower, they could increase Crime Prevention activities. It was noted at this time that there is no one officer assigned to Crime Prevention or Neighborhood Watch. President Craig interjected that Hanover and Schaumburg townships were willing to work with each other to support the Village with Neighborhood Watch programs. It was questioned where the three new officers (from the grant) would be placed and Chief Webb stated it would be his recommendation that they be out on the street.

President Craig stated he asked Ron Moser to provide a budget amendment to hire police officers. It was then asked if the 2nd group of 3 if an officer could be allocated to Crime Prevention and it was answered that it would be revisited at that time.

Chief Webb continued with the comments on the new building. He stated with the recent homicides our facilities were lacking during those investigations. He stated there were 30+ people being interviewed and they utilized every room in the Police Department, plus Room 214 and scuffles still broke out in the halls while people were waiting to be interviewed. He urged the Board to please proceed with the plans for the new building.

He stated the red light cameras went active on June 16. He gave the Board copies of a "cheat sheet" which gave information regarding this to assist in answering questions to residents. It was questioned if there was a difference between a ticket for a car or truck and answered no. President Craig thanked Chief Webb for his report.

President Craig adjourned the meeting at 7:20 p.m.

Recorded and transcribed by,

Eira L. Corral
Village Clerk

Minutes approved by President and Board of Trustees on this 2nd day of July, 2009.

Village President