

**VILLAGE OF HUNTLEY  
VILLAGE BOARD BUDGET WORKSHOP #1  
MEETING MINUTES  
October 13, 2022**

**CALL TO ORDER:**

A meeting of the Village Board of the Village of Huntley was called to order on Thursday, October 13, 2022 at 7:39 p.m. in the Municipal Complex, Village Board Room, 10987 Main St., Huntley, Illinois 60142.

**ATTENDANCE:**

**PRESENT:** Mayor Timothy Hoeft; Trustees: Ronda Goldman, Mary Holzkopf, Curt Kittel, Harry Leopold and JR Westberg.

**ABSENT:** Trustee Kanakaris

**IN ATTENDANCE:** Village Manager David Johnson, Deputy Village Manager Lisa Armour, Director of Finance Cathy Haley, Assistant Director of Finance Karin Dietz, Director of Human Resources Chrissy Hoover, Director of Development Services Charles Nordman, Director of Public Works and Engineering Tim Farrell, Chief of Police Robert Porter, Management Assistant Barbara Read, and Village Attorney Betsy Gates-Alford.

**PUBLIC COMMENTS:** None

**ITEMS FOR DISCUSSION - Fiscal Year 2023 Budget Workshop:**

- a) Review of Personnel Staffing, Pension and Insurance Summary

Village Manager David Johnson began the presentation stating that the Village is a service organization and approximately three-quarters of the operating budget expenditures are personnel related. He continued outlining the following personnel items.

**FINAL STAFFING ANALYSIS - 2022**

The Village will end FY22 with the equivalent of 107.5 full-time positions actually filled. At the time of adoption, 105.5 positions were authorized in the FY22 budget. To continue quality service delivery in conjunction with an increase in demand from a growing population and business community, several additional positions were authorized by the Village Board during the year, bringing the authorized full-time equivalent positions to 109.5 for FY22.

Positions added in 2022 include a full-time Planner (not currently filled due to lack of available quality candidates), and increasing a previously authorized part-time Code Enforcement/Building Inspector to full-time in the Development Services Department. This was in response to the Village's desire to enhance code enforcement activity. Within the Police Department, the Village's first Emergency Response and Preparedness Manager was hired to direct and oversee all emergency management functions of the Village.

**PRELIMINARY STAFFING ANALYSIS – 2023**

The number of proposed authorized/budgeted positions for FY23 is 114.5 subject to adequate funding being available. This is an increase of five full-time equivalent positions above FY22.

The FY23 budget proposes the addition of an Administrative Services Manager in the Public Works and Engineering Department. This position would be responsible for managing the department's safety and training

program, managing procurement and vendor contracts, obtaining American Public Works Association (APWA) Accreditation for the department, identifying and applying for project grants, assisting with monthly department reports, overseeing department management and coordination of Village special events, and department emergency management responsibilities in coordination with the Police Department and Village Manager’s Office.

Within the Development Services Department, a Combination Building Inspector/Plan Reviewer is proposed to meet growing demands. Inspections are up 22% from FY21. A Management Support Analyst in the Finance Department is proposed to provide a wide variety of analytical and administrative duties, collaborating across departments to assist in the budget process, including preparation of the Popular Annual Financial Report and the Annual Comprehensive Financial Report, in addition to the completion of special projects and research assignments.

In support of the Police Department’s goal to have a Patrol Sergeant overseeing each patrol shift, two additional Patrol Sergeants are being proposed, bringing the total number of sworn officers to 40. These two additional positions will allow the Village to provide an increased level of 24/7 supervisory coverage.

The proposed 114.5 full-time equivalent positions equate to 4.05 employees per 1,000 population. Historically, the Village’s ratio of employees per 1,000 population has been below comparable communities in the region.

**COLLECTIVE BARGAINING GROUPS**

The Village has two unionized employee groups. The total number of employees in these two groups is 43 representing approximately 38% of the Village’s total workforce. Collective bargaining agreements are in place for both groups. The number of employees in each group for FY23 and the expiration date of the applicable contracts are shown below:

<b>Bargaining Group</b>	<b>Number of Employees</b>	<b>Contract Expiration</b>
IUOE Local 150	16	December 31, 2025
MAP Chapter #207	27	December 31, 2024

**WAGES**

The proposed FY23 pay plan will be included in the budget.

**PENSION**

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; and the Police Pension Plan (Plan). The benefits, benefit levels, employee contributions and employer contributions for both plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

<b>Division</b>	<b>Percent Funded as of Dec. 31, 2021</b>	<b>Employee Contribution</b>	<b>2023 Budgeted Contributions as Percentage of Covered Payroll</b>
IMRF	92.70%	4.50%	11.79%
Police Pension	62.90%	9.91%	33.18%

The Village’s FY23 budgeted pension obligations total \$1,910,034.

HEALTH AND DENTAL INSURANCE

The Village has been a member of a health insurance pool to stabilize costs of providing health insurance since 2016. The Intergovernmental Personnel Benefit Cooperative (IPBC) was created under Illinois State law allowing government entities to band together for the purposes of offering members insurance in a financially stable and fully transparent environment. Members retain the right within the IPBC to create and change the plan design, which provides full flexibility for members. Comprised of over 150 government entities, the IPBC offers group purchasing power that the Village would not have on its own as a small employer.

	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22 Estimate</b>	<b>FY23 Budget</b>
Medical Insurance	\$1,233,786	\$1,257,389	\$1,302,353	\$1,425,000	\$1,595,000
Dental Insurance	\$72,687	\$72,004	\$71,777	\$80,000	\$85,000
Life Insurance	\$15,419	\$15,419	\$11,631	\$12,500	\$20,000

Trustee Leopold stated that he typically sees the percentages to up every year and that the numbers presented currently are the best he has seen in the last 20 years. Village Manager Johnson agreed.

WELLNESS PROGRAM

In a continual effort to improve the health and well-being of employees, the Village provides opportunities throughout the year for employees to participate in a variety of wellness events that foster sustained employee engagement and positive lifestyle changes.

Trustee Goldman asked if the rebate program is still in effect for the wellness program. Human Resource Director Chrissy Hoover stated that instead of the rebate program this year, a step program has been offered to the employees and is being well received. Village Manager Johnson agreed saying that it is nice seeing so many of the employees enrolled in the step challenge.

TRAINING PROGRAM

It is the Village’s philosophy that a well-trained workforce is critical to support the Village’s Mission Statement to achieve excellence in the management and delivery of municipal services in a reliable, efficient, and socially responsible manner.

Village Manager Johnson concluded the personnel portion of the presentation saying that the Village’s employees are its most valued asset and that none of the high level of services that Huntley residents experience would be possible without the Village’s highly trained and dedicated workforce. He added that none of the service levels experienced by our residents would be possible without the dedicated workforce starting with the Village Board being so supportive of staff and the service programs offered. Village Manager Johnson said that the current leadership team is committed to monitoring service levels and ultimately through the budget process, making the recommendations that were presented this evening for the Village Board to consider as this budget and future budgets are formulated. Village Manager Johnson stated that he would be happy to address any questions or concerns of the personnel section of the presentation. Mayor Hoeft asked if there were any questions or concerns for staff. Seeing none, Village Manager Johnson continued with the next agenda item.

b) Review of Financial Management and Debt Management Policies (one time transfer history, outstanding debt balances, TIF information and debt per capita)

Village Manager David Johnson stated that there have not been any significant changes to the financial and debt management policies but stated that the policies are reviewed on an annual basis. The policies are used to ensure the fiscal responsibility and sustainability for the community.

DEBT MANAGEMENT POLICY

As a home rule municipality, the Village is not subject to a debt limit. However, the Village employs the following objectives in managing its debt:

1. Long-term debt will be issued to fund capital improvements that cannot be financed utilizing current revenues.
2. Debt financing will not exceed the useful life of the project.
3. The Village will utilize current revenue sources prior to the issuance of general obligation bonds.
4. Long-term debt will not be used to fund operations.
5. The Village will maintain communications with bond rating agencies regarding financial condition and follow full disclosure policies. The Village’s current rating from S&P is a AA+. This shows the Village of Huntley’s strong capacity to repay bonds issued for capital improvement projects. A high credit worthiness allows the Village to borrow money at lower interest rates.

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DEBT PER CAPITA

Debt per capita is based on a 2022 assessed valuation of \$1,023,607,119 (Downtown TIF valuation not included) and the 2020 census population of 27,740 residents. As of January 1, 2023, the Village’s net outstanding debt totals \$8,185,000 and is the amalgamation of 2020 Series and 2022 Series G.O. Bonds. The 2020 Series comprises two portions: the Downtown TIF portion totals \$3,455,000, and the Wastewater Treatment Facilities Upgrade portion totals \$1,935,000. The 2022 Series Bond for Water and Sewer Systems totals \$2,795,000. The \$8,185,000 consists of principal only, and interest amounts are not included in calculating outstanding debt.

	Net Outstanding Debt	EAV	Market Value	Population	Debt/ EAV	Debt/ Market	Debt/ Capita
2019	\$5,518,600	\$903,893,405	\$2,711,680,215	26,632	0.61%	0.20%	\$207.22
2020	\$6,080,000	\$950,676,740	\$2,852,030,220	26,632	0.64%	0.21%	\$228.30
2021	\$5,740,000	\$981,005,463	\$2,943,016,389	27,740	0.59%	0.20%	\$206.92
2022	\$8,185,000	\$1,023,607,119	\$3,070,821,357	27,740	0.80%	0.27%	\$295.06

OUTSTANDING DEBT

Outstanding Debt is budgeted in the Downtown Tax Increment Financing District (TIF#2) Fund, the Water Operating Fund, and the Wastewater Operating Fund. Currently the Downtown TIF debt is \$3.885 million with an interest rate of 1.87%. In August 2017, the Village issued \$3,000,000 in Debt Certificates at an interest rate of 3.31% to fund upgrades to the Village’s current Wastewater Treatment Facilities (WWTF). In July 2020 the Village refunded these Debt Certificates with General Obligation Bonds at a lower rate of interest, keeping the

original date of maturity. The new interest rate is 1.39% creating an annual savings of over \$20,000 or more than \$250,000 over the remaining life of the bond.

Village Manager Johnson concluded the Debt Management presentation and said the next budget workshop will be in two weeks that will review the proposed capital expenditures for 2023 and beyond. He stated that staff is available to answer any questions. Mayor Hoeft asked if the Village Board had any questions. There were none. Mayor Hoeft thanked staff for the very thorough presentation.

**UNFINISHED BUSINESS:** None

**NEW BUSINESS:** Mayor Hoeft announced that in honor of the Morton Arboretum's 100<sup>th</sup> Anniversary and the Conservation Foundation's 50th Anniversary, Christopher B Burke Engineering presented the Village with a Princeton American Elm tree which was planted by the Municipal Complex. He added that everyone is invited to a brief dedication ceremony that will take place on Friday October 31<sup>st</sup> at noon.

**EXECUTIVE SESSION:**

**A MOTION was made at 8:02 p.m. to Enter into Executive Session for Property Acquisition, Purchase, Sale or Lease of Real Estate.**

**MOTION:** Trustee Holzkopf  
**SECOND:** Trustee Leopold  
**AYES:** Trustees: Goldman, Holzkopf, Kittel, Leopold and Westberg  
**NAYS:** None  
**ABSENT:** Trustee Kanakaris  
**The motion carried: 5-0-1**

**A MOTION was made at 08:13 p.m. to Exit Executive Session.**

**MOTION:** Trustee Westberg  
**SECOND:** Trustee Kittel  
**AYES:** Trustees: Goldman, Holzkopf, Kittel, Leopold and Westberg  
**NAYS:** None  
**ABSENT:** Trustee Kanakaris  
**The motion carried: 5-0-1**

**POSSIBLE ACTION ON ANY CLOSED SESSION ITEM:** None

**ADJOURNMENT:**

**There being no further items to discuss, a MOTION was made to adjourn the meeting at 8:14 p.m.**

**MOTION:** Trustee Leopold  
**SECOND:** Trustee Westberg  
**The Voice Vote noted all ayes and the motion carried.**

Respectfully submitted,

Rita McMahan  
Village Clerk