

Village of Bensenville
Board Room
12 South Center Street
Bensenville, Illinois 60106
Counties of DuPage and Cook

MINUTES OF THE VILLAGE BOARD OF TRUSTEES MEETING
April 8, 2014

CALL TO ORDER: 1. President Soto, called the meeting to order at 6:35 p.m.

ROLL CALL: 2. Upon roll call by Village Clerk, Ilsa River-Trujillo, the following Board Members were present:

Bartlett, Janowiak, Jarecki, O'Connell, Ridder, Wessler

Absent: None

A quorum was present.

Staff Present: Village Attorney, Sean Conway, Cassady, Caracci, DiSanto, Finner, F. Kosman, M. Martella, Sloth, Viger, Williamsen

PUBLIC COMMENT: **Janet Luby – 284 East Jefferson Street**

Ms. Luby addressed the Village Board regarding the demolition of Saint Bede's Church along Route 83. Ms. Luby also asked why the Village Board approved a new gas station along Irving Park Road. Ms. Luby asked what the Village Board's stance was with the vacant Dominick's location. Staff was directed to meet with Ms. Luby regarding her concerns.

APPROVAL OF MINUTES:

3. The March 11, 2014 Village Board Meeting minutes were presented.

Motion: Trustee Ridder made a motion to approve the minutes as presented. Trustee Bartlett seconded the motion.

All were in favor. Motion carried.

WARRANT NO. 14/06:

4. President Soto presented **Warrant No. 14/06** in the amount of \$2,060,651.72.

Motion: Trustee O'Connell made a motion to approve the warrant as presented. Trustee Bartlett seconded the motion.

ROLL CALL: AYES: Bartlett, Janowiak, Jarecki, O'Connell, Ridder, Wessler

NAYS: None

All were in favor. Motion carries.

Motion: 5. Trustee Wessler made a motion to set the Consent Agenda as presented. Trustee Janowiak seconded the motion.

All were in favor. Motion carried.

**Ordinance No.
17-2014:**

Ordinance Approving the Grant of Conditional Use Permits to Allow a Police Station, Antennas, Indoor Firing Range, and Associated Curbcut Variance at 345 E. Green Steer, for the New Village of Bensenville Police Headquarters. (Consent Agenda)

**Ordinance No.
18-2014:**

Ordinance Granting Approval of Master Sign Plan for Property Commonly Identified as Grand Plaza, 13-105 W. Grand Avenue. (Consent Agenda)

**Ordinance No.
19-2014:**

Ordinance Amending Title 10, Chapters 2, 9B, 9C, 9D, & 11 "Motor Vehicle Repair, Major & minor and Parking Requirements" of the Bensenville Village Code. (Consent Agenda)

**Resolution No.
R-30-2014:**

Resolution Approving the Amendment to the Contract for Furniture Design and Procurement Services for the New Police Headquarters with FGM Architects, Inc. (Consent Agenda)

**Ordinance No.
20-2014:**

Ordinance Amending Title 9, Building Regulations, Chapter 5, Electrical Code, of the Bensenville Village Code Regarding Wiring Methods and Materials (Aluminum Conductors). (Consent Agenda)

**Resolution No.
R-31-2014:**

Resolution Authorizing the Execution of a Contract with Hychem, Inc. for the Purchase of Polymer in the amount of \$20,000.00. (Consent Agenda)

**Resolution No.
R-32-2014:**

Resolution Authorizing the Execution of an Agreement Between the Village and State of Illinois for Approval of Cost Participation on IDOT Traffic Signal Modernization Project (Contract 60X35) Along IL 83 in the Estimated Amount of \$42,463.75. (Consent Agenda)

**Resolution No.
R-33-2014:**

Resolution Authorizing the Purchase of Four Police Vehicles and Tow Public Works Vehicles from Roesch Ford in the Not-to-Exceed Amount of \$220,466. (Consent Agenda)

**Resolution No.
R-34-2014:**

Resolution Waiving Complete Bidding and Authorizing the Execution of a Contract with CTC, Inc. for the Purchase and Installation of a Wayside Horns to Aid on the Establishment of a Quiet Zone in the Not-to-Exceed amount of \$116,000. (Consent Agenda)

Motion:

Trustee Bartlett made a motion to approve the Consent Agenda as presented. Trustee Ridder seconded the motion.

ROLL CALL:

AYES: Bartlett, Janowiak, Jarecki, O'Connell, Ridder, Wessler

NAYS: None

All were in favor. Motion carried.

**Resolution No
R-35-2014:**

6. President Soto gave the summarization of the action contemplated in **Resolution No. R-34-2014** entitled **A Resolution Waiving Competitive Bidding and Authorizing the Execution of a Contract to Twin Supplies, LTD for LED Decorative Fixture Upgrades in the Amount of \$111,832.20.**

Motion:

Trustee Ridder made a motion to approve the resolution as presented. Trustee O'Connell seconded the motion.

Village Manager, Michael Cassady, stated the Lumecon Ring of Fire LED street light fixture itself was chosen competitively based in cost, energy efficiency, maintenance and installation, and aesthetics. Mr. Cassady stated the vendor, Twin Supplies, Ltd. was selected based on their experience with the Village and the fact that they have experience in obtaining specific grants and were able to secure \$63,674.80 in grant funding for Bensenville, which will pay for 106 out of the 293 fixtures.

ROLL CALL: AYES: Bartlett, Janowiak, Jarecki, O'Connell, Ridder, Wesseler

NAYS: None

All were in favor. Motion carried.

**PRESIDENT'S
REMARKS:**

President Soto provided a recap of his recent visit to Washington D.C. regarding increased noise in Bensenville due to the newly opened runway at O'Hare. President Soto stated he would like to hold a discussion regarding the Village's challenges in an upcoming Committee meeting.

President Soto addressed home values in Bensenville as a part of lost land due to the O'Hare Expansion. President Soto stated there is land that is potential being purchased by the toll way as part of the Elgin/O'Hare Western Bypass project. President Soto stated the Village has seen a decrease in property values and revenue taxes that were normally generated from the identified properties. President Soto stated the Village is aware of the issues and have met with the toll authority and other entities as to how the Village can minimize the effects and manufacture opportunities for tax and development growth. President Soto stated the Village's goal in to work with the State of Illinois to help maximize losses due to a cost or progression. President Soto stated the Village Board and Staff continue to work with the State of Illinois to protect Bensenville's best interest.

**MANAGERS
REPORT:**

Village Manager, Michael Cassady, presented to the Village Board the 1st Quarter Financial Review Report. A copy of the presentation has been attached to the minutes as "Exhibit A".

Mr. Cassady stated there are about twenty-one acquisitions and nineteen partial acquisitions as part of the Elgin/O'Hare Western Bypass project. Mr. Cassady stated Village Staff has discovered a potential loss of \$1,000,000 annually in revenue. Mr. Cassady stated this is a top initiative for Village Staff and asked the toll way authority to minimize the take of parcels or consider a way to help make the Village whole with the loss of revenues. Mr. Cassady stated Staff has met with the Director of the toll way and they are aware of the situation. Mr. Cassady has suggested assistance from the Bensenville BIG program and will be reporting back to the Village Board when new information becomes available.

Motion: Trustee Ridder made a motion to accept the 1st Quarter Financial

Review. Trustee Wessler seconded the motion.

ROLL CALL: AYES: Bartlett, Janowiak, Jarecki, O'Connell, Ridder, Wessler

NAYS: None

All were in favor. Motion carried.

Director of Community and Economic Development, Scott Viger, introduced newly hired full time inspector Ron Herff and newly hired part time inspection Lindsay Laycoax to the Village Board and Community.

**Resolution No
R-36-2014:**

7. Village Manager, Michael Cassady, gave the summarization of the action contemplated in **Resolution No. R-36-2014** entitled **A Resolution Authorizing the Execution of a Purchase Order with Precision Mechanical, Inc. for the Emergency Purchase of a New HVAC Unit at the Bensenville Theatre in the Amount of \$12,175.**

Motion: Trustee Wessler made a motion to approve the resolution as presented. Trustee O'Connell seconded the motion.

ROLL CALL: AYES: Bartlett, Janowiak, Jarecki, O'Connell, Ridder, Wessler

NAYS: None

All were in favor. Motion carried.

**VILLAGE ATTORNEY
REPORT:**

**Ordinance No
21-2014:**

8. Village Attorney, Sean Conway, gave the summarization of the action contemplated in **Ordinance No. 21-2014** entitled **An Ordinance Rescinding the Grant of a Conditional Use Permit to Allow Motor Vehicle Repair (Major & Minor) at 17 Gateway Road.**

Motion: Trustee Bartlett made a motion to adopt the ordinance as presented. Trustee Ridder seconded the motion.

ROLL CALL: AYES: Bartlett, Janowiak, Jarecki, O'Connell, Ridder, Wessler

NAYS: None

All were in favor. Motion carried.

**UNFINISHED
BUSINESS:**

There was no unfinished business.

NEW BUSINESS:

Trustee Bartlett asked if Staff was aware of insurance scams regarding underground lines on private property. Mr. Cassady stated any Resident unsure about insurance for underground line should contact the Village for clarification.

Trustee Ridder announced the Bensenville Art's Council is hosting their annual empty bowl soup super at the Bensenville Public Library on Thursday, April 10, 2014 from 5:00 p.m. – 6:30 p.m. All proceeds will go to the Bensenville/Wood Dale Food Pantry.

President Soto announced Sysco will be hosting an apprenticeship and job program at Fenton High School on April 9, 2014.

**EXECUTIVE
SESSION:**

Village Attorney, Sean Conway, called for an Executive Session for the purpose of discussing pending, probable, or imminent litigation, acquisition of real estate property, personnel, and collective negotiating matters. Actions will take place as a result of the discussions.

Motion:

Trustee Wessler made a motion to recess the meeting and go into executive session. Trustee Ridder seconded the motion.

All were in favor. Motion carried.

President Soto recessed the meeting at 7:38 p.m.

President Soto called the meeting back to order at 8:34 p.m.

ROLL CALL:

Upon roll call by Village Clerk, Ilsa River-Trujillo, the following Board Members were present:

Bartlett, Janowiak, Jarecki, O'Connell, Ridder, Wessler

Absent: Bartlett

A quorum was present.

Resolution No
R-37-2014:

Trustee Ridder gave the summarization of the action contemplated in **Resolution No. R-37-2014** entitled **A Resolution Authorizing the Settlement of a Workers Compensation Claim with Brett Zempel in the Amount of \$37,846.00.**

Motion:

Trustee Wessler made a motion to approve the resolution as presented. Trustee O'Connell seconded the motion.

ROLL CALL:

AYES: Bartlett, Janowiak, Jarecki, O'Connell, Ridder, Wessler

NAYS: None

All were in favor. Motion carried.

ADJOURNMENT:

Trustee Bartlett made a motion to adjourn the meeting. Trustee Janowiak seconded the motion.

All were in favor. Motion carried.

President Soto adjourned the meeting at 8:35 p.m.

Ilsa Rivera-Trujillo
Village Clerk

PASSED AND APPROVED by the President and Board of Trustees of the Village of Bensenville this 22nd day, April 2014

Village of Bensenville

***2014 Quarterly
Financial Review
@ 3/31/2014***



Village of Bensenville

2014 Quarterly Financial Review - Overview

Comparison Schedule 2011 – 2014

Village of Bensenville Revenue & Expenditure Summary - FY 2009 Actual through FY 2014 Projected						
	CY 2011 Actual	CY 2012 Actual	CY 2013 Projected	CY 2014 Budget	CY 2014 YTD	CY 2014 Projected
<i>Total Revenues</i>	62,175,628	38,272,924	53,867,901	62,464,200	5,084,936	60,334,161
<i>Total Expenditures</i>	42,398,934	37,631,425	53,386,826	72,457,679	6,371,911	70,325,271
<i>Revenues over{under} Expenditures</i>	19,776,694	641,499	481,075	(9,993,479)	(1,286,975)	(9,991,110)

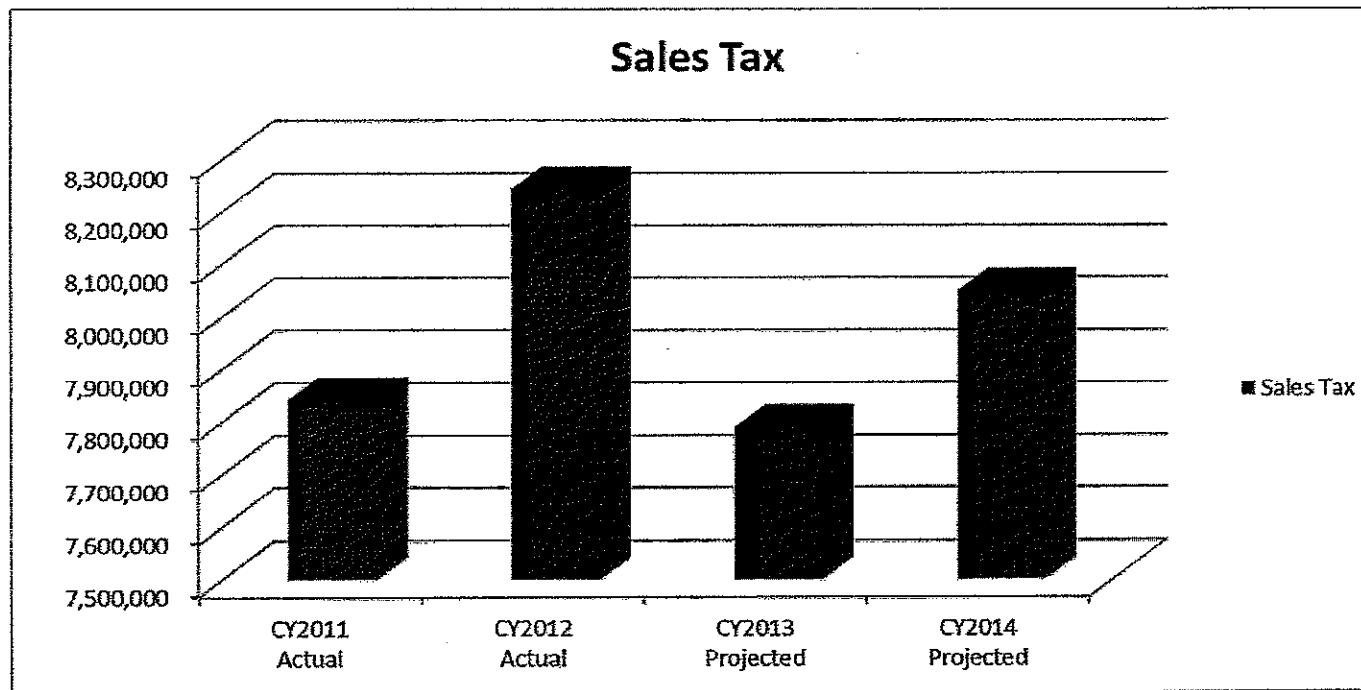
NOTES:

- For 2014 we are projecting a Total Net Positive Variance of \$71,307.
- Overall Budget is looking good.
- Total Revenues (Net of Transfers) are projecting \$2,061,101 under budget while Total Expenditures are projecting at \$2,132,408 under budget. NET = \$71,307 better than budgeted.
- Year to Date (YTD) budget deficit of \$1,286,975 is consistent with what we expected. A majority of capital spending has not occurred.
- The \$9.9M Budgeted Deficit in the CY2014 Budget is due to capital spending. A significant portion of our capital plan is being funded via cash on hand which was accumulated in previous fiscal years.

2014 Quarterly Financial Review – Revenue Trends

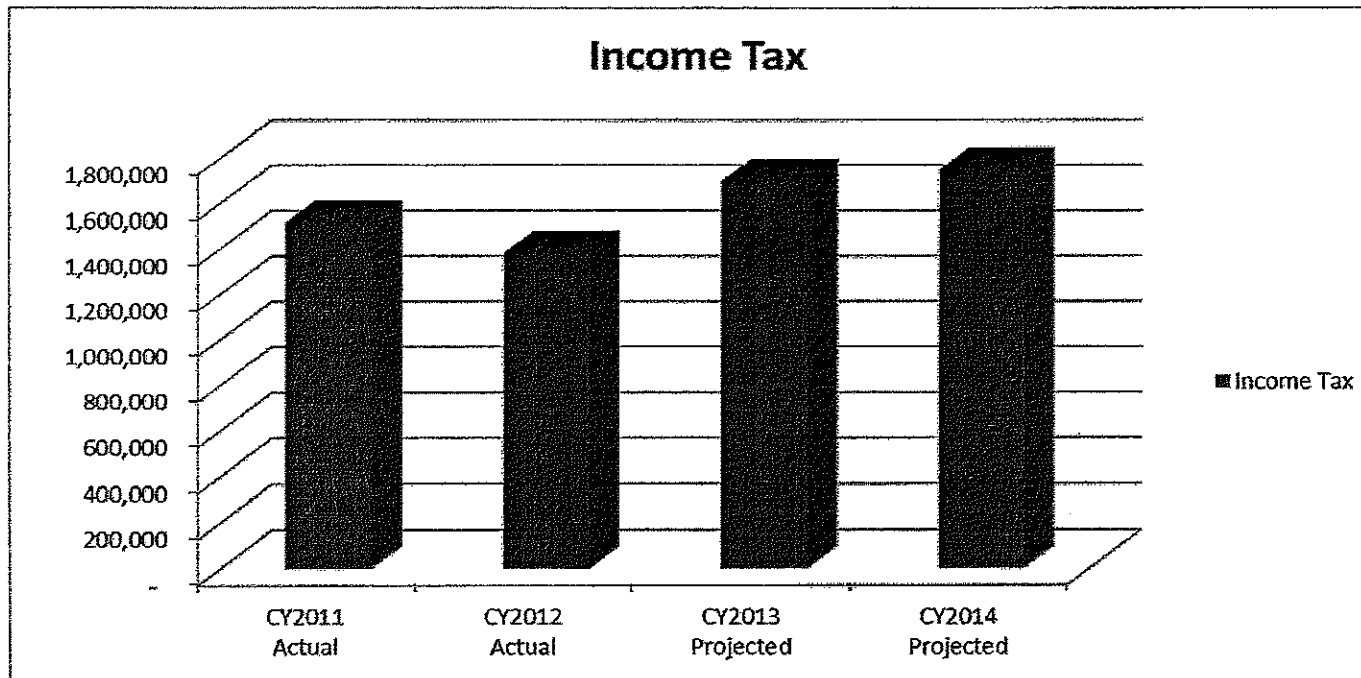
- The following graphs provide revenue trending information for major village revenue sources.

Revenue Trends



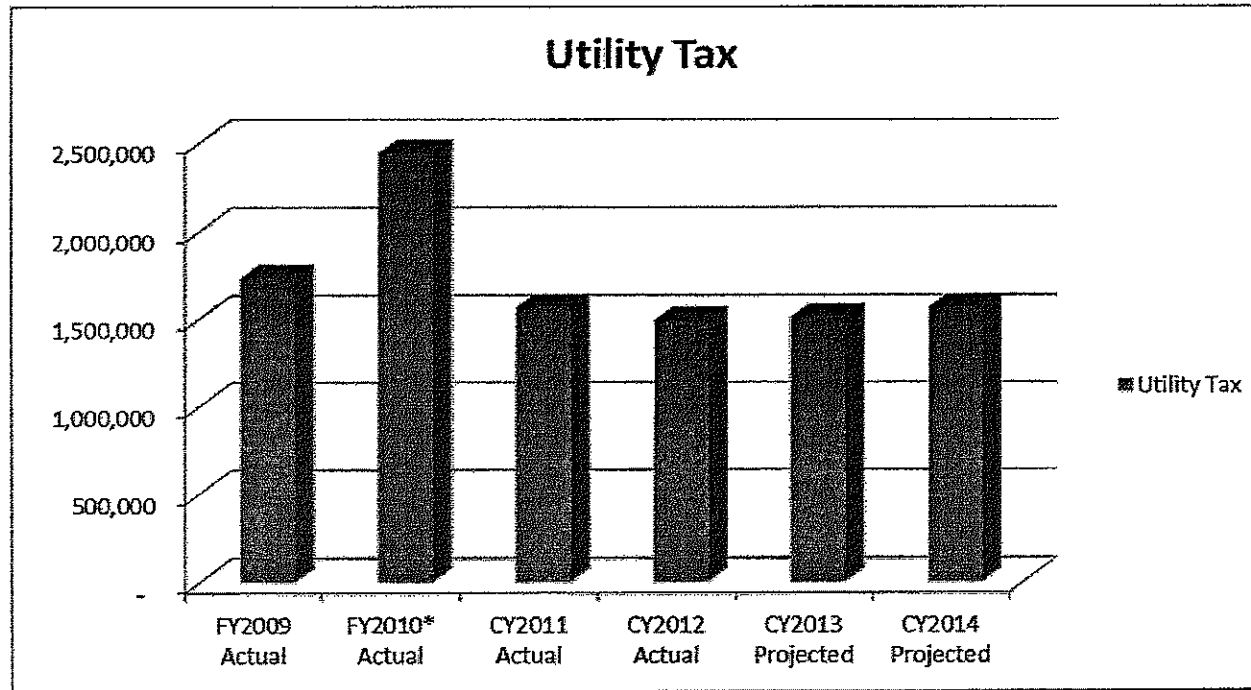
- Sales tax dipped in 2013 but is expected to recover to close to 2012 levels.
- 2014 sales tax projections are coming in about 3.3% higher than last year.

Revenue Trends



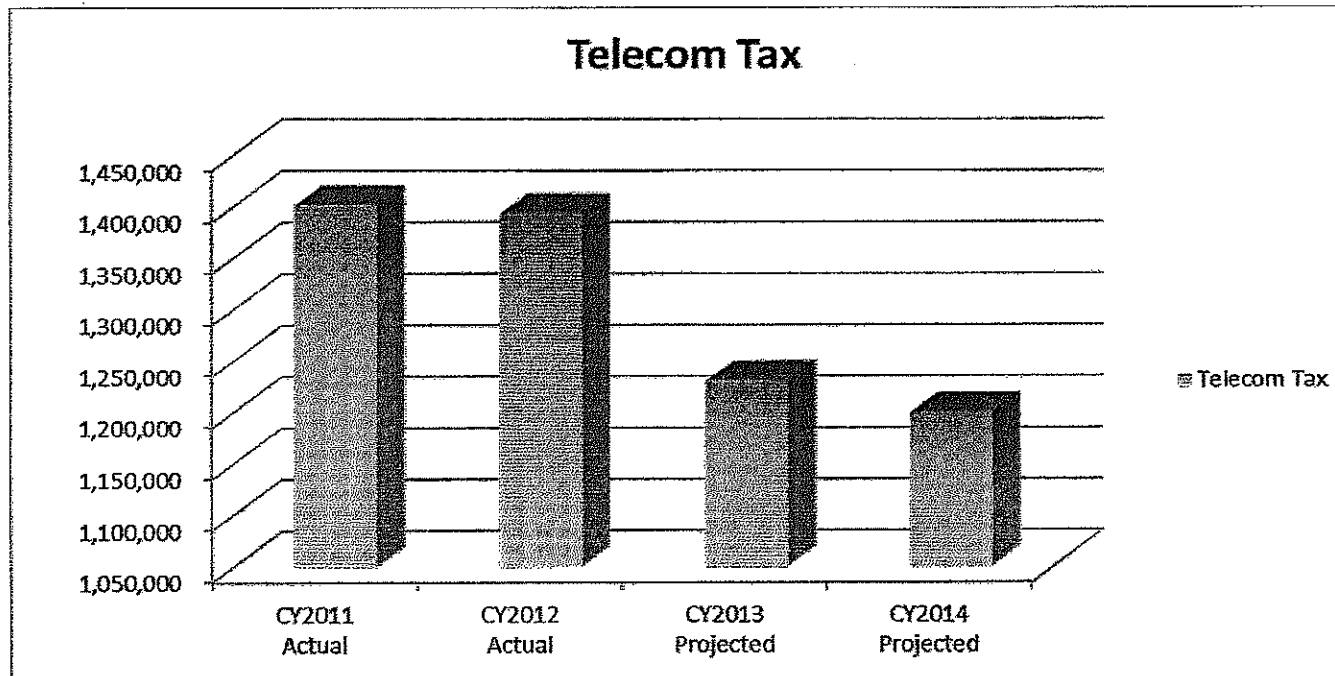
- Based on the latest state remittances income tax is currently projecting to be 2.9% higher than last year.

Revenue Trends



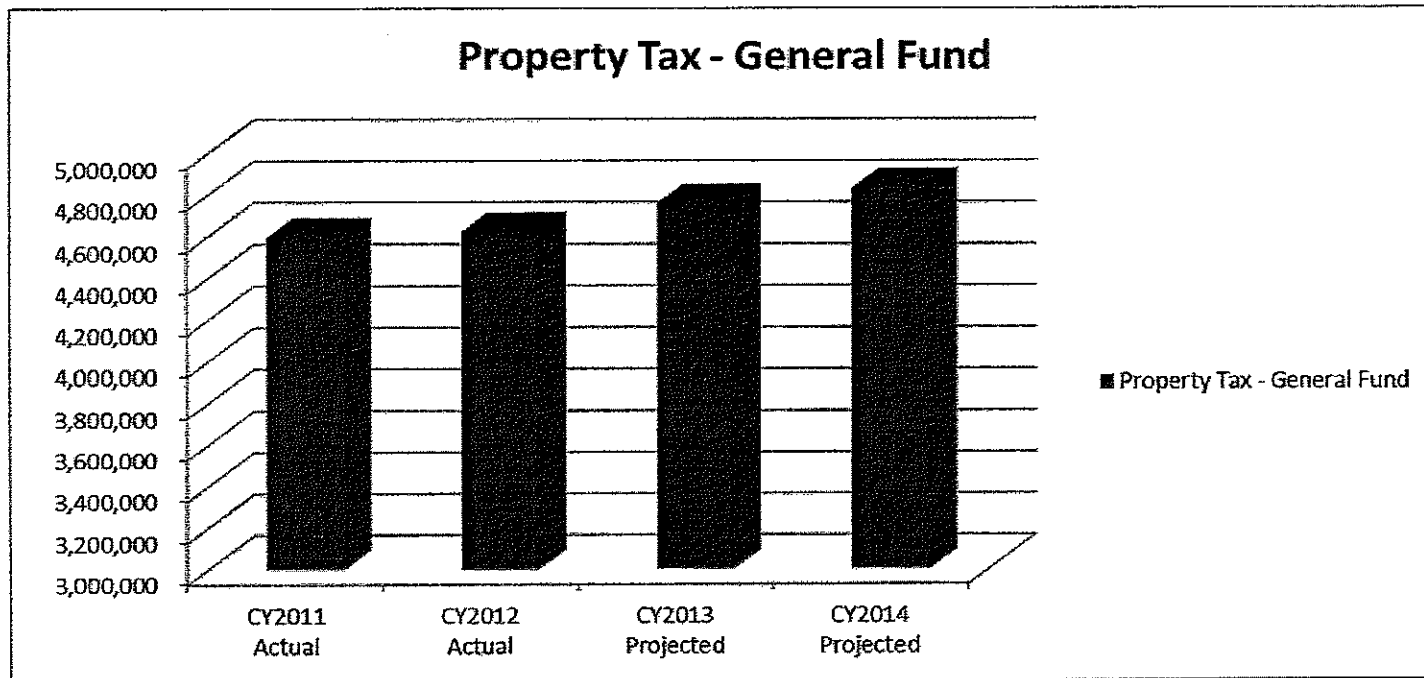
- Utility Taxes bottomed out in 2012 and are currently projecting to increase 3.7% compared to last year.

Revenue Trends



- Telecom taxes are projecting to be down 1%.

Revenue Trends



- Property taxes continue to be a stabilizing revenue source and are projected to increase 1.5% in the General Fund.

2014 Quarterly Financial Review – Property Taxes

Latest Property Tax Information

- DuPage EAV down 6.12%
- Total Taxes Extended = \$5.187M or 1.51% higher.
- Tax Rate = 1.0142 or 8.4% higher than last year (product of EAV Drop)
- Slight shift in tax burden towards non-residential means the average resident will pay the same in taxes (to the Village) this year as they did last year.
- Updated info on TIFs not available yet (April 21)

2014 Quarterly Financial Review – Departmental Projection

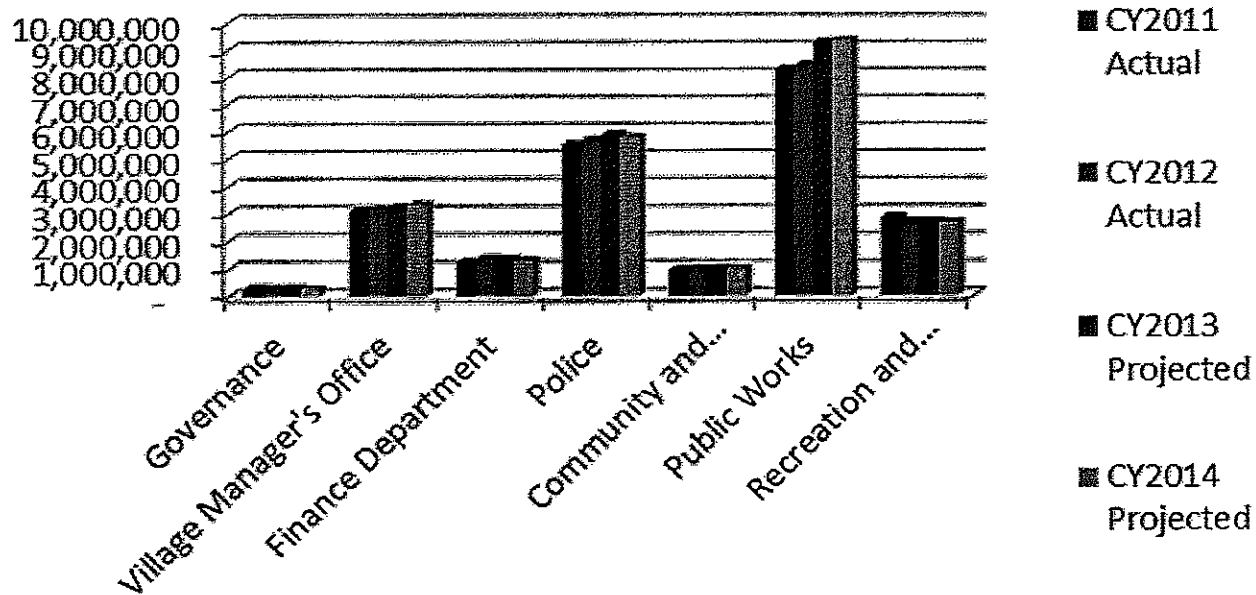
Expenditures by Department - 2011 Actual – 2014 Projected

	CY2011 Actual	CY2012 Actual	CY2013 Projected	CY2014 Budgeted	CY2014 Projected
Governance	308,367	323,429	332,605	352,680	302,291
Village Manager's Office	3,099,494	3,162,230	3,228,657	3,801,255	3,331,327
Finance Department	1,273,405	1,399,995	1,364,967	1,480,900	1,300,901
Police	5,541,685	5,707,951	5,880,411	6,192,316	5,788,805
Community and Economic Development	971,632	1,011,656	993,915	1,128,960	1,017,266
Public Works	8,300,902	8,449,827	9,309,442	9,901,670	9,334,614
Recreation and Community Programming	2,856,586	2,707,124	2,689,040	2,800,725	2,660,297
	<u>22,352,071</u>	<u>22,762,212</u>	<u>23,799,037</u>	<u>25,658,506</u>	<u>23,735,501</u>

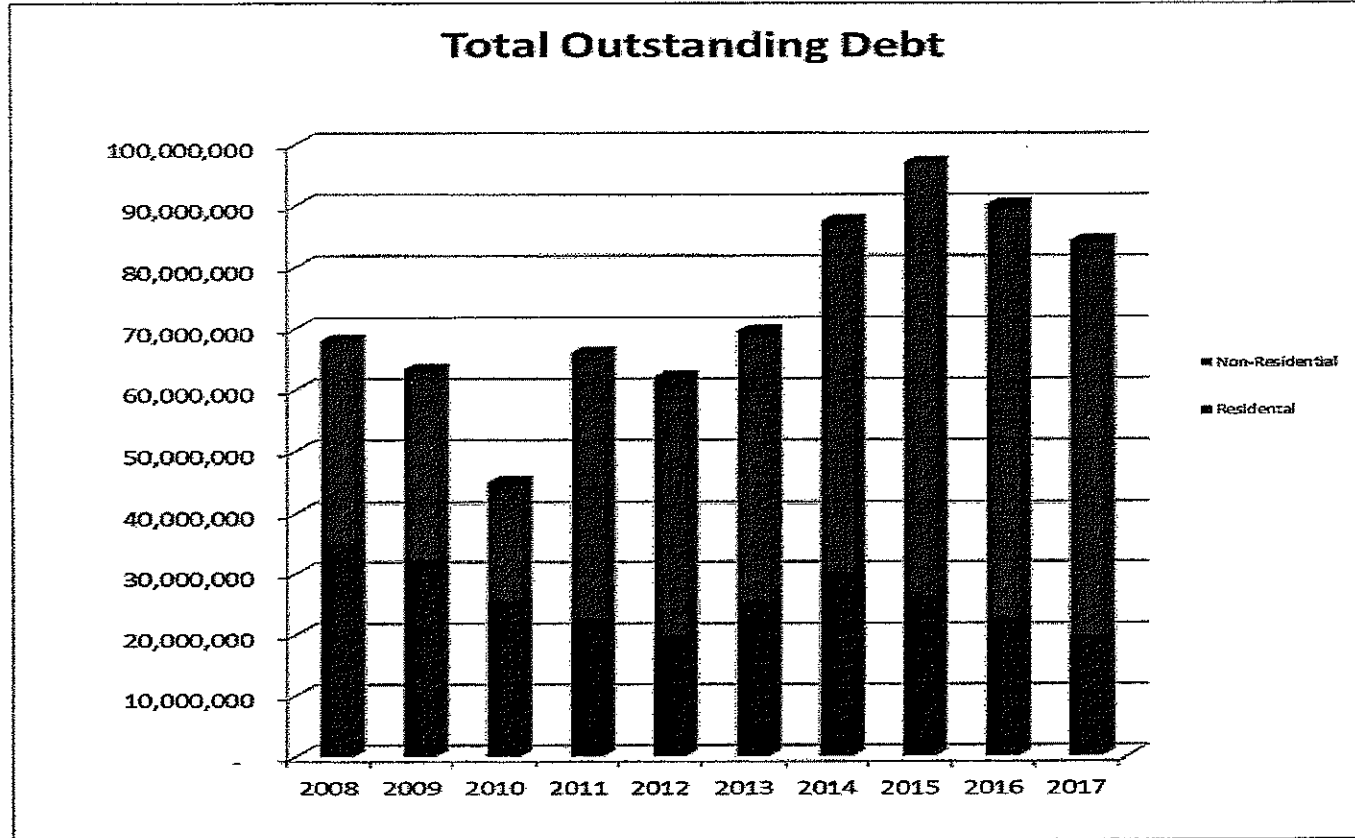
- All departments are projecting under budget!

2014 Quarterly Financial Review – Departmental Budgets

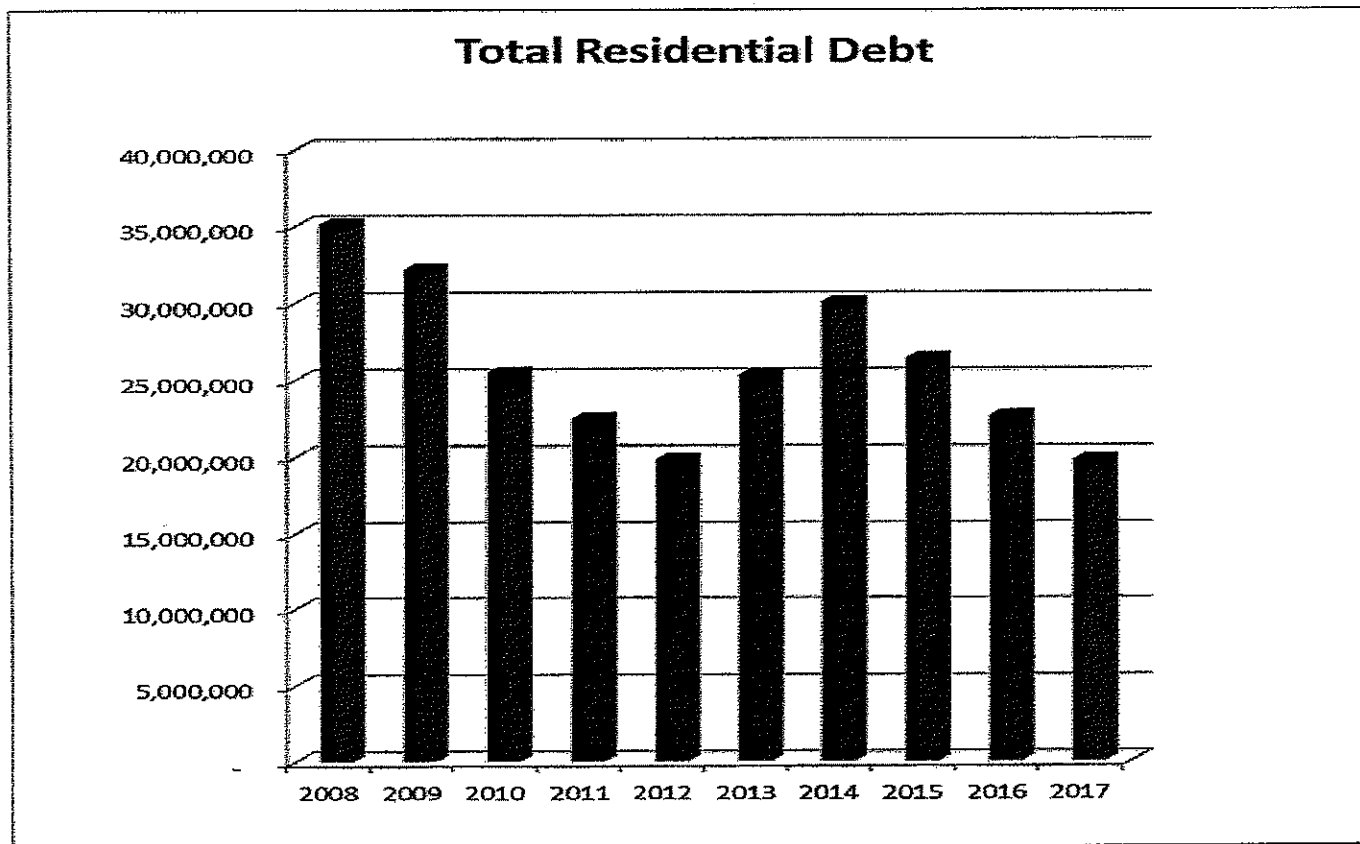
Expenditures By Department



2014 Total Debt Picture



2014 Residential Debt Picture (Debt supported by Taxes - Non TIF / SSA)



2014 Quarterly Financial Review – Bright Spots

- All departments are projecting under budget.
- Major revenue sources are stable.
- Net Revenues over Expenditures are \$71,307 better than budgeted.

2014 Quarterly Financial Review – Financial Threats

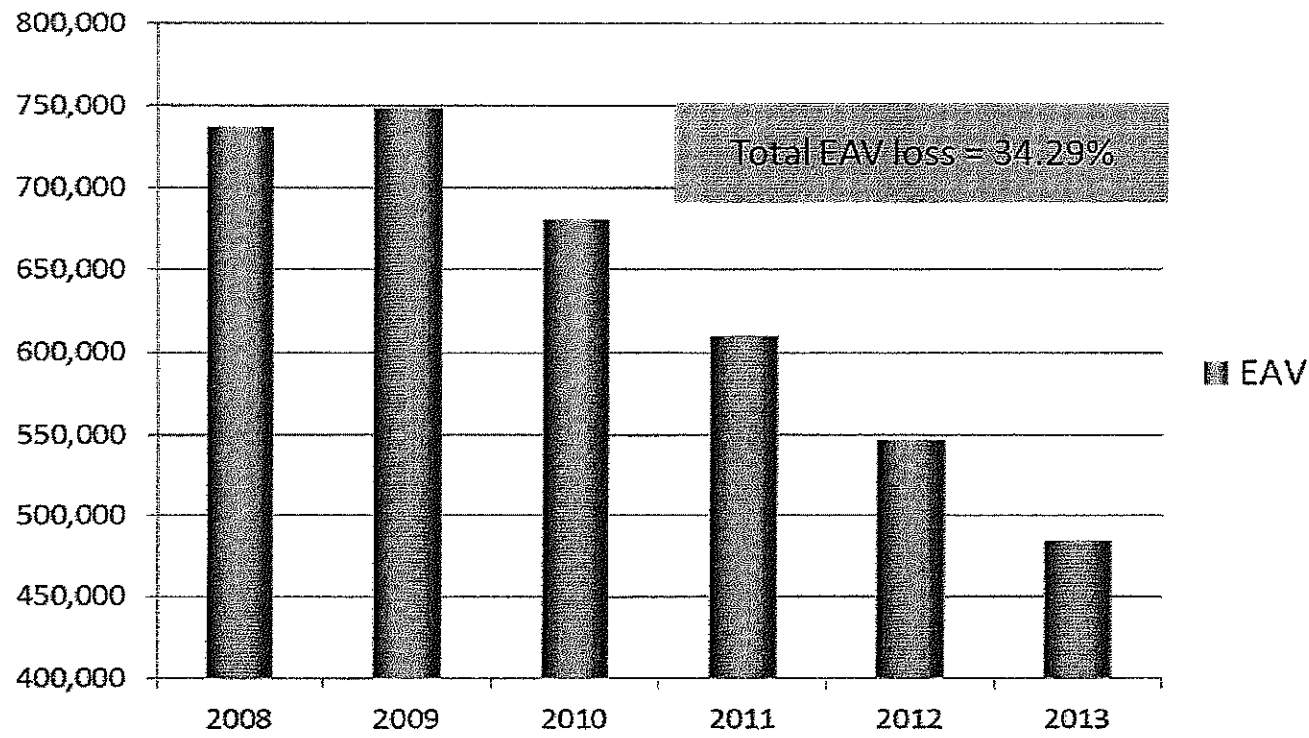
- Still early in the year.
- Dependence on Sales Tax to fund operations which can be volatile. Almost 25% of our General fund budget is funded by sales tax. In 2013, the top 10 sales tax generating businesses within the Village accounted for a staggering \$3.8M or nearly 50% of all sales tax generated in the Village.
- State of Illinois financial condition (Worst in nation \$96 Billion unfunded pension obligation). Threatened claw-back of LGDF revenues.
- General economic slow down. Who knows what the future holds? A stock market crash, natural disasters, terrorist attack, China property bubble, Tech Bubble 2.0, massive student loan default all could feasibly occur in the near future facilitating another major recession.

2014 Quarterly Financial Review – Financial Threats

- TIF 12 Value Erosion resulting in less TIF revenues than expected. TIF revenues are based on the amount of Tax increment within a given TIF district. If the Assessed value in the TIF district is greater than the baseline set when the TIF went into effect the Village receives additional incremental property tax revenue. We are heavily reliant on future value creation to pay the future debt service associated with the roadway improvements within this TIF District. The annual TIF 12 debt service is currently \$875,550. The annual debt service escalates to over \$1M by 2020, over \$3M by 2028.
- Debt Service. The Village will be taking on significant new debt to pay for the Police Headquarters (\$16M) and Waste Water Treatment Plants (\$30M).

2014 Quarterly Financial Review – Financial Threats – Value Erosion

VILLAGE OF BENSENVILLE EAV



VALUE EROSION

- The US Housing Bubble began to burst in late 2006 culminating in the Great Recession beginning in late 2007, followed by a nationwide Foreclosure Crisis
- Affluent DuPage County was not spared from these Crises
- Addison Township is the most severely impacted Township in DuPage County in terms of property value loss
- The Village of Bensenville is the most impacted municipality in Addison Township
- Residential value decline since 2008 = 45.84%.
- Foreclosures and distressed home sales made up 62% of residential real estate transactions in Bensenville in 2011 compared to 37% in DuPage County.

CAUSES OF PROBLEM

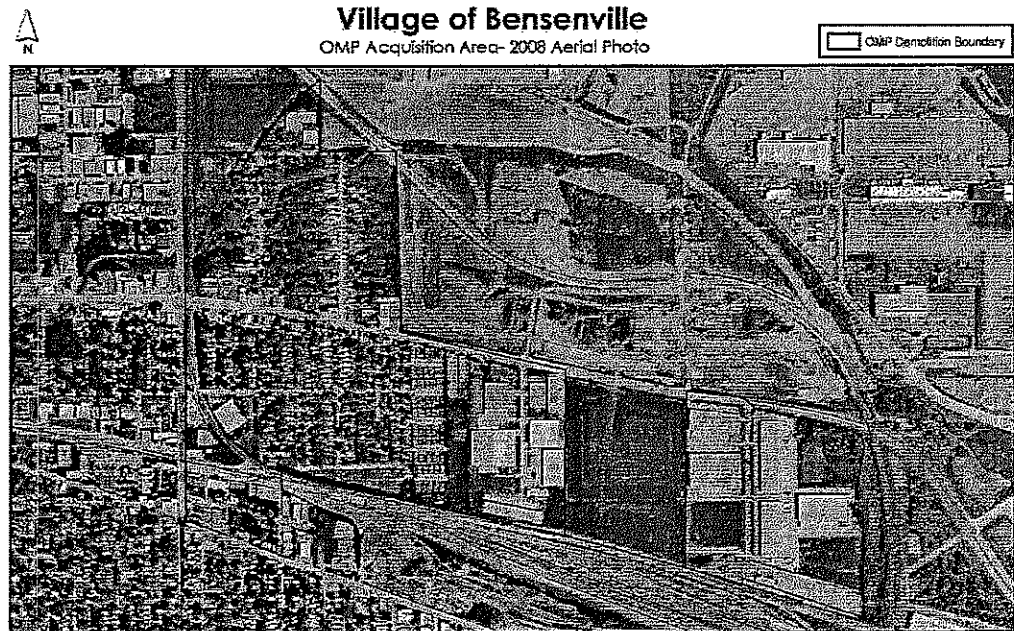
O'HARE MODERNIZATION PROJECT

City Of Chicago Acquired 665 Residential Homes and 110 Businesses

2,000 residents displaced

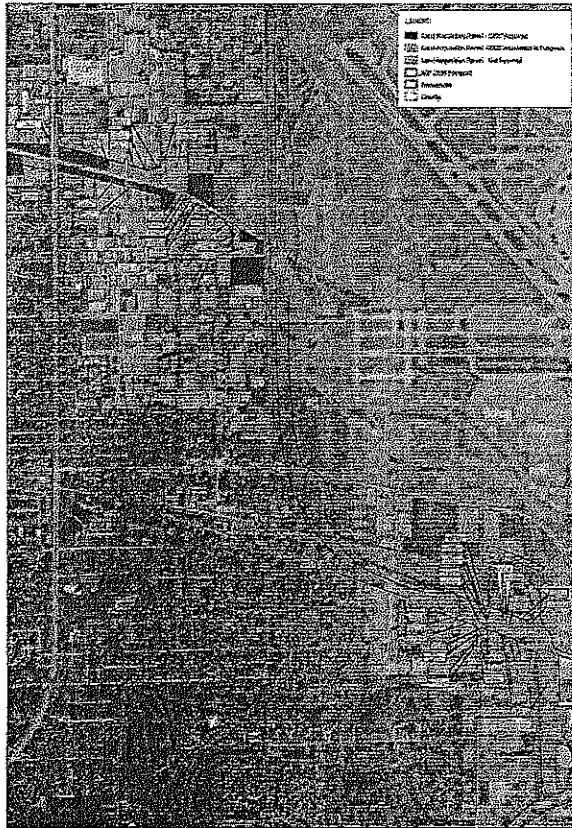
\$26.6M in EAV loss

Prop. Tax loss = \$1.69M



CAUSES OF PROBLEM

ELGIN O'HARE WESTERN ACCESS LAND ACQUISITION



- 21 Full Take Parcels
- Representing **\$8,825,972.00** in EAV loss
- Roughly **\$986,332.25** tax dollars annually
- Another 19 partial acquisitions representing another significant reduction in EAV and taxes

CAUSES OF PROBLEM

MARKET RE-SET – ADDISON TOWNSHIP ASSESSORS RESPONSE

General Reassessment every 3 years. Last General Reassessment in 2011. Assessor looks back at market and sales data for previous 3 years.

Prior to the market collapse the Assessor's Office did not include distressed sales in its calculation of EAV. They were not considered arm's length transactions.

The 2011 General Reassessment included distressed sales as there were so many of them they were now considered to be arm's length transactions. During the height of the crisis single family homes were being sold for as little as \$17,000. Because of the new criteria these transactions were required to be included in EAV calculations. This put huge downward pressure on Village-wide EAV.

Action Plan

- Pursue Economic Development Opportunities to Increase Property Values
- Continue Neighborhood Stabilization Plan to Protect Residential Property Values
- Challenge Assessment Appeals, Particularly in TIF 12
- Work with the Tollway to Minimize Negative Impacts of Takings along the Elgin-O'Hare Western Access Corridor