

**MINUTES OF THE FINANCE COMMITTEE OF THE VILLAGE OF KENILWORTH
HELD AT THE VILLAGE HALL, 419 RICHMOND ROAD AT 6:00 P.M. ON
WEDNESDAY, FEBRUARY 7, 2007**

Chairman Craig Miller called the meeting to order at 6:06 p.m. Attendance was as follows:

Present:	Craig Miller Cristy Laier Katie White	Chairman Member Member
Others Village Officials Present:	Bradly Burke Maryann Van Dyke	Village Manager Finance Administrator
Others Present:	Tom Terrill Jim Hughes Bill Holland	122 Woodstock Avenue 538 Kenilworth Avenue 342 Sterling Road

Chairman Miller reviewed the plan for the evening's meeting which was to approve minutes, consider a proposed ordinance adopting a budget system of operations, and continued discussion of Village goals.

The January 8, 2007 minutes were placed before the Committee. Trustee White made a motion to approve the minutes. Trustee Laier seconded the motion, and the minutes as presented were approved 3-0.

Chairman Miller reviewed the draft ordinance creating a budget system of operations and noted clarifications needed regarding the proposed ordinance. Chairman Miller noted it is anticipated the Village Manager would be appointed as the Budget Officer.

A discussion regarding a budget approach versus an appropriation approach followed. It was the consensus the Finance Committee should provide the oversight over the Budget Officer and the budget system related to such operations as the number and type of transfers. The Finance Committee agreed the Budget Officer's authority for transfers should be limited to \$5000.

Trustee White made a motion to recommend the Budget Officer Ordinance to the Village Board for its approval. Trustee White seconded the motion, which was unanimously carried, and the Budget Officer Ordinance as corrected was recommended to the Village Board for approval.

Chairman Miller requested Manager Burke explain the Village Board priority ranking memorandum distributed to the committee. Manager Burke explained some Village Board members ranked the priorities from 1 through 15, while others ranked priorities into groups pertaining to high, medium, and low priorities. Manager Burke explained in

order to determine Board priorities; he attempted to blend both ranking approaches to come up with a listing for Finance Committee consideration.

Trustee Laier expressed her opinion the priorities ranked in the memorandum are not an accurate reflections of the input provided by the Village Board and noted she requested Manager Burke provide a breakdown of the top four priorities identified by each trustee as another way to look at the prioritization and ranking.

A discussion regarding the ranking of priorities followed.

Chairman Miller provided an overview of the planning spreadsheet and outline for Village priorities and Goals and Objectives. Chairman Miller noted this spreadsheet will help to relate action items/activities included in the budget to the Village's goals and objectives and can be a tool to use annually during the budget process.

As identified on the planning spreadsheet, Manager Burke discussed the police department, in particular the succession planning and additional staff components. Chairman Miller further explained the spreadsheet pertaining to the police department expenditures in the coming year as well as future years. Chairman Miller noted once the spreadsheet is finalized, it will include a fund balance for each fund to help delineate funding opportunities or expenditure gaps.

Jim Hughes asked if the additional police officer the department is requesting is an entirely new officer or just to cover the time during the retirement gaps and for succession planning purposes. Chairman Miller said the intent is to cover the gaps that may occur in staffing during the period when staff retirements occur.

Trustee Laier discussed the ranking of the priorities and expressed her opinion the comprehensive plan process should be included as part of the Village's ongoing work plan and not be included in any new activity or priorities listing.

Chairman Miller said even though there may not be a lot of dollars tied to certain activities, there is a work load for staff and related capital cost to the Village.

Bill Holland had a question about the goals and objectives in the spreadsheet and their relationship to administration choices and priorities. Chairman Miller explained the goals and objectives identified are applicable to any local government responsible for providing for the health, safety, and welfare of its residents, and specific activities or work priorities have been grouped under the various Village goals and objectives identified to provide structure to the planning process.

Trustee Laier expressed her opinion some issues are interrelated and noted the possibility of the redevelopment of Green Bay Road is related to land use planning, zoning and capital planning activities.

Trustee Laier asked where pursuing home rule fit into the priorities identified and expressed concern this topic was omitted from earlier discussions. Chairman Miller concurred with Trustee Lair's comments and suggested asking the Village Trustees to come back with any priorities that have been missed. A discussion about home rule and its place on the work plan for the Village followed. Chairman Miller said the Finance Committee needs to make sure they get a response from the Village Board on issues such as home rule.

Trustee Laier said she thought priorities were going to drive the goal setting process.

Bill Holland asked if it wouldn't be a good idea to get the ranking back to the Village Board for further clarification. Jim Hughes expressed his opinion one way to select priorities is to understand the resources available.

Chairman Miller suggested understanding needs and available resources is an objective of the spreadsheet being developed.

A discussion of the storm water management plan and its place on the annual schedule of priorities and activities followed.

Tom Terrill discussed Kenilworth's water service with regard to the possibility of the Village purchasing water service from the Village of Winnetka. Mr. Terrill said he did not think the Village knew the end result of an evaluation regarding the possibility of moving from its own water plant to Winnetka's water service.

A discussion of water meter replacement followed.

Bill Holland expressed his opinion the cost of water service is an issue of concern to residents and asked why the water service study is not completed. Chairman Miller said these discussions have occurred previously, and noted the existing debt service historically contributes toward 50% of current water cost, but with the recent refunding of the bonds is now at 33% and lead to the creation of the Water Improvement Fund.

A discussion regarding the possibility of the Village pursuing an alternate source for water service followed.

Chairman Miller said staff will be adding in the capital for each department, and noted the capital items will be reviewed by the Village Board for input into each item.

Jim Hughes asked what kind of process is expected at the March meeting, and noted providing the Village Board with guidance and limits may be appropriate.

Chairman Miller said after the rest of the numbers are filled in, the Board will have a clearer idea for decision making. Chairman Miller explained he anticipates staff preparing a memorandum to provide the Village Board direction and guidance regarding the planning and budgeting process.

A discussion regarding the next steps in the planning process followed.

Jim Hughes expressed his opinion if there are certain things the Finance Committee feels are important, it would be a good idea to present these to the full Village Board to get their input and consensus.

Trustee White suggested the memorandum pertaining to the Village Board input and ranking be sent out as presented along with the spreadsheet tying the cost and staff time related to each activity. Trustee Laier stated she did not feel the memorandum on long range planning should be sent out to the Village Board, but the spreadsheet should.

Chairman Miller noted he felt this discussion on the current ranking memorandum could be avoided by providing the spreadsheet information to the Village Board and letting them know that they can add priorities to the list as they see fit and set the order of priorities from there. Chairman Miller said it is important for the Village Board to know they can accomplish all of the identified priorities; however, the discussion is really a matter of when each priority will be address with available funds and staff resources.

Jim Hughes said it is one thing to say which things do you want to do rather than saying we can do all these things and asking the Board to identify when we can do them. Mr. Hughes expressed his opinion the planning process boils down to the Village Board determining when each activity is going to be addressed.

Bill Holland asked if these items can all be done without dipping into the 6 months reserve. Chairman Miller said he believed it can be done without drawing upon the 6 months reserves.

A discussion of storm water management needs and associated issues followed.

Chairman Miller said two big future cost items for the Village are the municipal building and Green Bay Road.

Chairman Miller noted the next item for discussion is the Police Department report on police service budget comparisons prepared by Chief Petersen. Village Manager reviewed the report and noted the purpose of the report was to detail the cost of police services in Kenilworth and to examine how the Village's cost compares to the amount paid for police services in other communities. Manager Burke reviewed the information pertaining to calls for services, population, total budget, and police budget for Kenilworth and nearby municipalities in the report. Manager Burke noted the report affirms larger entities enjoy a greater economy of scale benefit in the cost of providing services than do smaller municipalities.

Manager Burke explained that Chief Peterson had compared the median residential tax bill paid to the Village and the percentage received for current policing services to

contractual policing services paid by nearby unincorporated areas. Manager Burke explained the services provided via these contractual arrangements usually represents a significant reduction in service than what is currently provided to Kenilworth residents at a modest cost saving to the taxpayer.

Manager Burke noted the report highlights the foundation of this discussion pertaining to the policy questions surrounding the level and type of police services to provide to residents.

Trustee White discussed the median tax bill and the comparison to neighboring communities' taxes.

Chairman Miller said this memo, along with all of the services provided by the Kenilworth Police Department as delineated in the annual report endorses community policing. Chairman Miller noted the Finance Committee should make the policy recommendation to endorse the current approach.

Bill Holland said he likes the notion that the Finance Committee is neutral on all the activities and priorities, and suggested that perhaps the Committee not take a stand on the policing issue.

Chairman Miller explained the Finance Committee does make recommendation to the Village Board on policy matters and noted it can take a similar approach to endorse the current Community Policing policy of the Village. It was the consensus of the Finance Committee to recommend the Village Board endorse continuing its current community policing policy and 24/7 policing operations.

A discussion of the report on the community policing and comparison to nearby municipalities followed. It was noted the Kenilworth Police Department provides many services, such as code enforcement and construction site enforcement, not typical to other neighboring departments.

Tom Terrill said the Village Board should know the services the Police Department offers. Jim Hughes expressed his opinion the Finance Committee should point out what the Village's Police Department does and that may not be done by departments in other communities.

Trustee Laier made a motion to adjourn. Trustee White seconded the motion, and the meeting was adjourned at 8:00 p.m.

Respectfully submitted,

Brad Burke