

**VILLAGE OF HUNTLEY
VILLAGE BOARD MEETING
June 27, 2013
MINUTES**

CALL TO ORDER:

A meeting of the Village Board of the Village of Huntley was called to order on Thursday, June 13, 2013 at 7:00 p.m. in the Municipal Complex, Village Board Room, 10987 Main St., Huntley, Illinois 60142.

ATTENDANCE:

PRESENT: Mayor Charles Sass; Trustees: Ronda Goldman, Nick Hanson, Niko Kanakaris, Harry Leopold, John Piwko and JR Westberg.

ABSENT: None

IN ATTENDANCE: Village Manager David Johnson, Assistant Village Manager Lisa Armour, Management Assistant Barbara Read, Village Clerk Rita McMahan, Director of Finance and Human Resources Jennifer Chernak, Accounting Manager Julie Baumgartner and Village Attorney Mike Coppedge.

PLEDGE OF ALLEGIANCE: Mayor Sass led the Pledge of Allegiance.

PUBLIC COMMENTS: None

INTRODUCTION AND SWEARING IN OF NEW POLICE OFFICERS:

- a) Officer Brock Larkin and Officer Daniel Rowe

Mayor Sass introduced the members of the Police Commission and thanked them for their service to the Village.

Police Chief Perkins thanked the Village Board and Village Manager David Johnson for their support and thanked the Police Commission for their hard work and dedication.

Chief Perkins introduced Brock Larkin and shared his background information. Village Clerk Rita McMahan administered the Oath of Office.

Chief Perkins introduced Daniel Rowe and shared his background information. Village Clerk Rita McMahan administered the Oath of Office.

PUBLIC HEARING:

Petition for an Amendment to the Annexation Agreement in regards to the Matter of the Application of Standard Bank and Trust Company, as Trustee Under Trust No. 17383 and Alden Realty Services

A MOTION was made at 7:09 p.m. to open the Public Hearing.

MOTION: Trustee Leopold

SECOND: Trustee Piwko

The Voice Vote noted all ayes and the motion carried.

Mayor Sass reported that the petition for an amendment to the Annexation Agreement in regards to the Matter of the Application of Standard Bank and Trust Company, as Trustee Under Trust No. 17383 and Alden Realty Services also known as the Buralli, Drendel, Manke Annexation Agreement is before the Village to allow the development of a skilled nursing and rehabilitation facility, memory care facility, and independent living community for seniors age 62 and older, on a ±14.6-acre site within Regency Square

Mayor Sass asked if anyone from the audience or the Village Board wished to make a public comment; there were none.

There being no public comments, a MOTION was made to close the Public Hearing at 7:10 p.m.

MOTION: Trustee Leopold

SECOND: Trustee Hanson

The Voice Vote noted all ayes and the motion carried.

CONSIDERATION OF AN ORDINANCE APPROVING AN AMENDMENT TO THE BURALLI, DRENDEL, MANKE ANNEXATION AGREEMENT, ORDINANCE NO. 98-10-22-10.

Mayor Sass reported that this item was reviewed at the June 20, 2013 Committee of the Whole Meeting and the Public Hearing on this matter was just completed. Mayor Sass asked if the Village Board had any comments or questions; there were none.

A MOTION was made to approve an Amendment to the Buralli, Drendel, Manke Annexation Agreement, ordinance No. 98-10-22-10.

MOTION: Trustee Hanson

SECOND: Trustee Leopold

AYES: Trustees Goldman, Hanson, Kanakarlis, Leopold, Piwko and Westberg

NAYS: None

ABSENT: None

The motion carried: 6-0-0

CONSENT AGENDA:

(All items listed under Consent Agenda have been discussed at the Committee of the Whole and may be approved/accepted by one motion. The Village Clerk will number all Ordinances and Resolutions in order, following approval).

- a) Approval of the June 6, 2013 Committee of the Whole Meeting Minutes
- b) Approval of the Bill List in the amount of \$1,879,729.43
- c) Approval of a Resolution Authorizing the Execution of an Intergovernmental Agreement between Grafton Township and the Village of Huntley for Senior Transportation Service
- d) Approval of an Ordinance Approving a Special Use Permit to operate an Indoor Recreation Facility within the "M" Manufacturing-zoned property at 11131 Kiley Drive
- e) Approval of an Ordinance Approving (i) Final Plat of Subdivision; (ii) Site Plan Review; and (iii) Special Use Permit for Recreational Vehicle Sales to accommodate the facility expansion at 14000 Automall Drive

- f) Approval of an Ordinance approving a request for (i) Preliminary Plat of Subdivision; (ii) Map Amendment to rezone the proposed Lot 1 from C-2 Regional Retail to BP Business Park; (iii) Special Use Permits for Independent Living and Nursing Home; and (iv) Site Plan Review, including any necessary relief, pursuant to the requirements of Village of Huntley Ordinance (O) 1999.08.12.04 which established the Regency Square Development Guidelines / Alden Realty Services, Inc., as contractor purchaser, and Standard Bank and Trust Company Trust No. 17383, as owner
- g) Approval of the Village of Huntley 2013 Street Improvement Program:
 - i. Approval of a Resolution to Appropriate \$300,000 in Motor Fuel Tax Funds for Maintenance of Streets and Highways for the 2013 Street Improvement Program
 - ii. Approval of a Resolution for the Execution of the Construction Contract to the lowest responsible bidder, Plote Construction, Inc., in the amount of \$235,267.55 for the 2013 Street Improvement Program
 - iii. Approval of a Resolution amending the FY2013 Budget for the Water Capital Development Fund

Mayor Sass asked if the Village Board had any changes to the Consent Agenda; there were none.

A MOTION was made to approve the Consent Agenda.

MOTION: Trustee Westberg

SECOND: Trustee Hanson

AYES: Trustees Goldman, Hanson, Kanakarlis, Leopold, Piwko and Westberg

NAYS: None

ABSENT: None

The motion carried: 6-0-0

CONSIDERATION OF ITEMS REMOVED FROM THE CONSENT AGENDA: None

ITEMS FOR DISCUSSION AND CONSIDERATION:

- a) Referral of the Proposed Site Plan and Elevations for a McDonald's Restaurant on Outlot 8 in the Huntley Grove Commercial Subdivision to the Plan Commission to begin the formal development review and approval process

Village Manager David Johnson reported that McDonald's Restaurant is proposing to develop Outlot 8 (1.38-acres) in the Huntley Grove Commercial Subdivision. This will be the second Huntley location for McDonald's (the existing location at 10711 Route 47 will remain). The proposed restaurant is a 4,376 square foot building featuring a side by side drive-through. The building will be primarily constructed of face brick and cultured stone with yellow metal canopies and aluminum trellis. The proposed trash enclosure would be constructed to match the building.

The proposed site plan orientates the restaurant to front Route 47, which requires the parking lot to encroach 29.5 feet into the 100-foot landscape buffer. The 100-foot landscape buffer was established by the Annexation Agreement for the site; therefore, the proposed encroachment shall require amending the Annexation Agreement.

The site is designed to facilitate one-way traffic around the restaurant with a total of 48 parking spaces provided on the site. The Village's Zoning Ordinance requires one parking space for every three seats

within the restaurant; however, the covenants for Huntley Grove provide further parking requirements which dictate 10 spaces per 1,000 square feet of building area for restaurants. Based on the development's covenants, 44 parking spaces must be provided on the site.

Proposed signage includes wall mounted signs and a monument style sign to be located along Route 47. Proposed wall signs include "McDonald's" on the front (west) and drive-through side (north) elevations and the trademark "M" on all four elevations. In accordance with the Sign Ordinance, the restaurant would be permitted one wall sign; therefore, relief will be required to allow five additional wall signs. The proposed monument sign, to be located adjacent to Route 47, measures six feet in height and will include an electronic message center. The sign base will be constructed of brick and will include a concrete cap. The proposed sign does not match the monument sign template approved as part of the planned unit development for Huntley Grove. Examples of the approved monument sign template can be found at AutoZone and retail center located on Outlot 6. Furthermore, the proposed electronic message center will require relief to be approved by the Village Board as the Sign Ordinance prohibits the use of such signs.

Staff Analysis

The Annexation Agreement allows a maximum of three drive-through restaurants on the outlots, which is inclusive of restaurants that may be located in a multi-tenant building. McDonald's will be the first drive-through restaurant in Huntley Grove. Staff notes a drive-through is designed for the multi-tenant building on Outlot 6; however, it has never been utilized.

Staff is working with the petitioner on architectural enhancements to the north elevation of the building and to the main monument sign along Route 47.

In addition, Staff has forwarded information on the prairie style lighting fixtures used on the other outlets in Huntley Grove to the petitioner. Pedestrian access improvements are also being reviewed with the petitioner.

Legal Analysis

The proposed encroachment into the 100-foot landscape buffer along Route 47 shall require a Public Hearing to amend the Annexation Agreement for the subject property.

Village Manager Johnson reported that representatives from McDonald's were in attendance to answer questions.

James E. Olguin, McDonald's Attorney, Elizabeth LoGalbo, McDonald's USA Area Real Estate Manager and Libby Fisher, McDonald's USA Regional Construction Manager came up to the podium.

Mayor Sass asked if the Village Board had any comments or questions.

Trustee Piwko made the following recommendations: 1) handicapped spaces be moved to the other side of the aisle as it will be difficult to back cars out of parking spots if there is overflow in the drive-thru; 2) crosswalk indicator to alert cars that pedestrians are walking, maybe a sign "keep walkway clear"; 3) need to better cap the monument sign with brick. Trustee Piwko also asked if there was a sidewalk on the east side of the property; Village Manager Johnson reported that there was a sidewalk in that location. Trustee Piwko noted that the Woodstock location has incorporated some of their old time pictures and suggested that this location might consider that option.

Trustee Leopold agreed with the relocation of the handicapped parking spaces and the monument sign

having a larger cap.

Trustee Kanakaris agreed with Trustee Piwko's comments and asked if there were plans for outdoor seating; Mr. Olguin reported that currently there were no plans for outdoor seating. Trustee Kanakaris asked about the design of the arches; Mr. Olguin reported that this proto-type building is the new McDonald's look.

Trustee Westberg asked if the directional signs could be surrounded in brick; Mr. Olguin reported that it might be a safety issue to have those signs in brick as they are in a high traffic area. Trustee Westberg asked if the interior style would be similar to the McDonald's near Woodfield; Mr. Olguin reported that the operator of the location has the responsibility for interior design of the building and it is believed that the design has not yet been selected.

Trustee Goldman asked if there have been problems with the dual drive thru lanes; Mr. Olguin reported that McDonald's is probably the leader in drive thru design and with the dual drive thru they take into consideration the angle, etc. when designing the lanes and have found them to be successful and efficient.

Trustee Hanson reported that he had no comments and approved of the proposed plans.

There being no further comments or questions it was the consensus of the Village Board to refer McDonald's to the Plan Commission to begin the formal development review and approval process.

- b) Accept and Place on File the Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended December 31, 2012

Director of Finance and Human Resources Jennifer Chernak thanked Accounting Supervisor Julie Baumgartner for her hard work on the audit.

Mr. Fred Lantz, Partner-in-Charge, Government Services of Sikich LLP reviewed a Power Point Presentation and reported the following:

Page 1 - 2 Independent Auditor's Report: Less than 3/10 of 1% of all government agencies nationwide and only 1 out of 20 in the State of Illinois receive a "clean" unqualified opinion. The Village of Huntley is one of the agencies. The auditor's review of the Village's financial records confirms the information contained in the report is fairly and accurately presented without any misrepresentations or areas of concern.

MD&A4: Table 1; the statement of net assets on this page includes the outstanding TIF debt. There are no assets associated with the TIF debt; therefore, the total net assets shown in this table are not "balanced" nor is it indicative of the Village's financial position.

MD&A5: Table 1a displays the same information *excluding the TIF activity*. The statement of net assets is an indicator of the Village's financial position. Removal of the TIF debt from the net assets truly presents the Village's overall positive financial position.

Page 3: The Village is in a strong financial position with cash and investments totaling over \$31 million dollars at the end of 2012. The Village Board is governing an operation that has assets in excess of \$242 million dollars.

Page 4: The Statement of Activities displays the cost of providing services to our constituents. During

2012, the cost to provide Huntley residents services at current levels was over \$21 million dollars. The change in net assets decreased by \$ 168,517 and is attributable to contributions of capital assets or infrastructure from new development.

Page 5: Total Governmental Funds Liabilities and Fund balance is \$25 million dollars. The fund reserve policy requirement is \$4.2 million. Funds assigned for future operations, capital projects, and the capital transfer are \$1,055,478.

Page 7: Excess of revenues over expenditures displays the resources or cash available to the Village during the year to pay expenses. The General Fund had \$1,243,498 excess revenues over expenditures at the end of 2012. The additional revenues can be primarily attributed to unexpected higher revenues in building permits and other development related fees.

Page 10: The change in net assets for proprietary funds, water/sewer, are operating at a loss during 2012. However, removal of depreciation from the equation, a non-cash transaction, the water funds realize a gain in operating income totaling \$247,351, and the sewer funds realize a gain in operating income totaling \$476,354. A lower volume of current users versus capacity continues to remain a factor in the plants operational and depreciation costs. The Benefits Fund, an internal service fund, has been established to account for the Village's employee health and life benefits funded by charges to user departments and employee contributions. During 2012 the fund realized net operating income totaling \$284,092.

Page 13: The Village of Huntley Police Pension Fund recognized a net increase of \$660,009. The Police Pension Fund contains \$4.1 million in assets as of 12/31/12. Net investment income realized a \$190,000 gain from 2011.

Page 22: The Village has a strong position in cash and investments. There is little interest risk or exposure to credit risk due to the Village's investment policy requiring collateralization of Village deposits in excess of federal depository insurance. Cash and investment balances are designated and restricted as defined in each fund operation.

Page 26 - 30: Long term debt schedules display principal payments of the TIF, PW Installment Contract, Municipal Complex debt certificates (2008B) and Water/Sewer Fund certificates (2008A) used to pay for the Sewer Interceptor Project during 2012. The Public Works Installment Contract was refinanced in January 2011 with a net interest rate of 1.5%.

Page 43: The Illinois Municipal Retirement Fund was 83.87% funded at the end of 2012. The 2012 employer contribution rate was 10.58% and the 2013 rate is 10.67%.

Page 44: The Police Pension Fund was 46.22% funded at the end of 2012, a commendable ratio for a young fund (established in June, 2001).

Mayor Sass asked if the Village Board had comments or questions.

Trustee Leopold commended staff for the good job of preparing the audit; Mr. Lantz reported that they received full cooperation from the Staff and the Village Board.

Mayor Sass asked how the TIF was doing; Mr. Lantz reported that it was doing okay and made

\$150,000 last year. Mayor Sass asked if the TIF fund balance was \$3.9 million; Mr. Lantz concurred. Trustee Leopold confirmed that the TIF bonds are to be paid by 2016.

There were no other comments or questions from the Village Board.

A MOTION was made to Accept and Place on File the Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended December 31, 2012.

MOTION: Trustee Leopold

SECOND: Trustee Hanson

AYES: Trustees Goldman, Hanson, Kanakarlis, Leopold, Piwko and Westberg

NAYS: None

ABSENT: None

The motion carried: 6-0-0

c) Approval of the Village of Huntley 2013/2014 Health Insurance Renewal

Mayor Sass reported that the Village's in-force health insurance plan with United Health Care (UHC) covering Village of Huntley full time employees expires June 30, 2013.

Staff Analysis

The Village's health insurance plans contain medical and prescription drug card benefit provisions. The current UHC PPO Base Plan has a \$1,000 deductible, \$1,000 maximum out-of-pocket with a 90% co-insurance rate for hospitalization expenses. A \$30 co-pay applies to routine office visits and physicals. The current UHC Premium Plan has a \$500 deductible, \$1,000 maximum out of pocket with a 90% co-insurance rate for hospitalization expenses. The Prescription Drug Card program provides a \$10/\$30/\$50 co-pay depending upon medication. Dental insurance is paid 100% by the Village of Huntley for all levels of coverage including dependents. The Flexible Spending program and 125 Plan Dependent Care program allows an employee to make voluntary contributions on a tax-deferred basis for the reimbursement of allowable medical and child care costs.

Financial Impact

The initial renewal quote from UHC represented a 21.5% increase over last year's premiums; however, the Village's broker was able to negotiate a final reduced renewal rate of 16.73% by adding a pre-certification requirement for certain services. Quotes obtained from Blue Cross/Blue Shield of Illinois, were significantly higher at 31.17% over current plan or a 24.14% increase over current plan with changes to out-of-pocket and inpatient hospital services contributions.

The Village continues to pay 100% of the cost for an employee's medical insurance coverage for the Standard/Base United Healthcare plan. For dependent medical insurance coverage employees currently pay 18% (22% for MAP union members) of the difference in premium cost between individual and dependent health insurance coverage. The Village will continue to offer a "Premium" United Healthcare plan which requires additional contributions from employees selecting this plan at the same benefit levels as currently provided.

Additionally, effective January 1, 2014 the Health Insurer Fees and Reinsurance Fees will be imposed by certain carriers in compliance with provisions of the Affordable Care Act (ACA). The Village's broker has informed the Village that United Health Care will not collect these fees until July 2014 renewal. At this time, there is not sufficient information to calculate or estimate these amounts as regulations and guidance regarding Health Care Reform change on a daily basis.

A COST AND BENEFIT COMPARISON FOR: VILLAGE OF HUNTLEY

	Inforce						Renewal					
	EE	RATE	TOTAL									
Employee:	6	\$441.08	\$2,646.48	23	\$410.99	\$9,452.77	6	\$514.86	\$3,089.16	23	\$479.77	\$11,034.71
Employee & Spouse:	5	\$926.28	\$4,631.40	6	\$863.06	\$5,178.36	5	\$1,081.22	\$5,406.10	6	\$1,007.49	\$6,044.94
Employee & Child(ren):	5	\$758.67	\$3,793.35	4	\$706.89	\$2,827.56	5	\$885.57	\$4,427.85	4	\$825.19	\$3,300.76
Family:	21	\$1,332.07	\$27,973.47	17	\$1,241.16	\$21,099.72	21	\$1,554.89	\$32,652.69	17	\$1,448.87	\$24,630.79
Total Monthly:	37		\$39,044.70	50		\$38,558.41	37		\$45,575.80	50		\$45,011.20

	United Healthcare PPO Plan X6-P / PPO Plan X7-E				United Healthcare PPO Plan IC-9 / PPO Plan ID-M			
	In Network		Out Network		In Network		Out Network	
	Unlimited		Unlimited		Unlimited		Unlimited	
Lifetime Maximum								
Individual Deductible	\$500	\$1,000	\$1,000	\$2,000	\$500	\$1,000	\$1,000	\$2,000
Family Deductible	\$1,500	\$3,000	\$3,000	\$6,000	\$1,500	\$3,000	\$3,000	\$6,000
Coinsurance	90%	70%	90%	70%	90%	70%	90%	70%
Individual Out of Pocket	\$1,000	\$2,000	\$1,000	\$2,000	\$1,000	\$2,000	\$1,000	\$2,000
Family Out of Pocket	\$3,000	\$6,000	\$3,000	\$6,000	\$3,000	\$6,000	\$3,000	\$6,000
Inpatient Hospital Services	90%	70%	90%	70%	90%	70%	90%	70%
Inpatient Hospital Deductible	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Routine Physical	100%	70%	100%	70%	100%	70%	100%	70%
Physician Visits								
19 & ≥ 19 refers to age	\$25 Copay	70%	\$30 Copay	70%	< 19: \$0 Copay ≥ 19: \$25 Copay	70%	< 19: \$0 Copay ≥ 19: \$30 Copay	70%
Specialist Visits								
19 & ≥ 19 refers to age	\$45 Copay	70%	\$50 Copay	70%	< 19: \$0 Copay ≥ 19: \$45 Copay	70%	< 19: \$0 Copay ≥ 19: \$50 Copay	70%
Lab & X-Ray	90%	70%	90%	70%	90%	70%	90%	70%
Emergency Room	\$150 Copay	\$150 Copay	\$150 Copay	\$150 Copay	\$150 Copay	\$150 Copay	\$150 Copay	\$150 Copay
Rx Program	\$10/\$30/\$50		\$10/\$30/\$50		\$10/\$30/\$50		\$10/\$30/\$50	
Mail Order	2.5x / 90 Days		2.5x / 90 Days		2.5x / 90 Days		2.5x / 90 Days	
Website	www.uhc.com		www.uhc.com		www.uhc.com		www.uhc.com	

Total Monthly:	\$77,603.11	\$90,587.00
Total Annually:	\$931,237.32	\$1,087,044.00
Annual Difference:	N/A	\$155,806.68
Percent Difference:	N/A	16.73%

Legal Analysis

Not required.

Mayor Sass asked if the Village Board had any comments or questions; there were none.

A MOTION was made to approve the 2013/2014 Health Insurance Renewal with United Healthcare Insurance Company of Illinois effective July 1, 2013.

MOTION: Trustee Hanson

SECOND: Trustee Kanakaris

AYES: Trustees Goldman, Hanson, Kanakaris, Leopold, Piwko and Westberg

NAYS: None

ABSENT: None

The motion carried: 6-0-0

VILLAGE ATTORNEY'S REPORT: None

VILLAGE MANAGER'S REPORT: None

VILLAGE PRESIDENT'S REPORT:

Mayor Sass reported that Trustee Piwko is representing the Village on the McHenry County Transportation Committee and asked if Trustee Goldman or Westberg would volunteer for the Water Resources Committee.

Mayor Sass reported that 4-H will be putting up a cut out of a printed and decorated cow at the NW corner of Route 47 at Main Street from July 7th – 25th promoting the County Fair.

Mayor Sass reported that the Village Offices will be closed on July 4th.

Mayor Sass reminded everyone that the July 4th fireworks have been rescheduled to August 31st.

Mayor Sass reported that Family Fun Day at the Farmers Market is on July 6th.

UNFINISHED BUSINESS: None

NEW BUSINESS: None

EXECUTIVE SESSION: None

ACTION ON CLOSED SESSION ITEM: None

ADJOURNMENT:

There being no further items to discuss, a MOTION was made to adjourn the meeting at 8:35 p.m.

MOTION: Trustee Piwko

SECOND: Trustee Hanson

The Voice Vote noted all ayes and the motion carried.

Respectfully submitted,

Barbara Read
Recording Secretary