

VILLAGE OF DOLTON
SPECIAL MEETING OF THE BOARD OF TRUSTEES
December 27, 2016

CALL TO ORDER Mayor Riley H. Rogers called the Special Meeting of the Board of Trustees to order in the New Village Hall at 4:12 p.m.

ROLL CALL The following trustees were present: Duane Muhammad, Robert E. Pierson, Jr., and Valeria Stubbs.

Trustees Stanley Brown, Tiffany Henyard, and Robert E. Hunt, Jr. were absent.

Also present: Village Clerk Mary Kay Duggan and Village Administrator Stan Urban.

A quorum was present.

PLEDGE OF ALLEGIANCE

PRAYER Led by former trustee Willie Lowe, Jr.

NEW BUSINESS

- A. Ordinance No. 16-026
Authorizing the Issuance of Not to Exceed \$2,200,000 Tax Anticipation Warrants (TAW) in Anticipation of the Collection of Taxes Levied for Tax Year 2016, for Corporate and Special Corporate Purposes

Village Administrator Stan Urban outlined the TAW process. This allows for an extension of the due date for full repayment of the TAW passed by the board in December, 2015. Mr. Urban referred the trustees to the memorandum from John Kasperek & Associates which had been requested by Trustee Hunt, outlining the reasons for the village's shortfall in funds, and specifically noted that the village's property tax collection for fall, 2016, was down 12 percent from the previous year.

In response to Trustee Muhammad's question, Mr. Urban explained that the TAW interest rate is confirmed upon the bank finalizing the loan. The village has a verbal commitment to retain the rate from the TAW passed by the board last year. Trustee Muhammad objected to Mr. Urban bringing this to the board at the last minute. Mr. Urban outlined the timeline from late November, when the real estate taxes came in, to date. Mr. Urban said that he anticipated presenting the ordinance at the board's first meeting in January but MB Bank informed him that the board must pass the TAW ordinance before the end of the year.

Trustee Muhammad said that Mr. Urban's answer was not acceptable. He said that the trustees may have to reconsider the recent hires. In response to Trustee Muhammad's question, Mr. Urban explained that if the ordinance was not passed, the bank would likely call in its loan and obtain a judgment against the village, and possibly freeze its accounts.

In response to Trustee Pierson's question, Mr. Urban said that the current fund balance was \$437,180.58. He reminded the board that dedicated accounts were established in 2016 separate from the general fund. If the village chose to break the law as it had in the past and utilize those funds for general purposes, the village could make the payment.

Trustee Pierson asked what is to prevent this from happening again, and said that he would not have approved the recent hires if he had been aware of the situation. Nor should the village have been spending money on parties. Mr. Urban said that no one could have anticipated the 12 percent reduction in property tax collection, and again referred to Mr. Kasperek's letter for explanation, which also noted payment of \$1.3 million dollars in retro pay per the union contracts. Mr. Urban also said that when he suggested closing the property tax loss, the board refused to consider his proposal. He will be bringing a proposal to the board to increase commercial water rates. Trustee Pierson said that he would like to see account fund balances with the corporate bills in the future and asked that review of the budget be placed on the January 3rd meeting agenda.

In response to Trustee Stubbs' question, Mr. Urban confirmed that passage of the earlier TAW had allowed the village to open a line of credit with MB Bank, although the village's credit rating remains at junk status. Trustee Stubbs noted that there were some unforeseen emergencies notwithstanding the retro pay. She said she has seen improvements in Public Works since the new employees were hired. She agreed that budget tightening may otherwise be needed.

In response to Trustee Muhammad's question, Mr. Urban outlined the accounting services provided by Kasperek & Associates that staff alone cannot handle, including, creating books, of which there were none from the previous administration, prepare for back and current audits, and motor fuel tax (MFT) filings. He noted that Mr. Kasperek's most recent monthly billing was significantly less than previous billings as many of these tasks have been accomplished. Staff may maintain the books going forward but will still require outside accounting assistance.

There being no further discussion, Mayor Rogers again asked if there was a motion to approve.

MOTION TO APPROVE ORDINANCE NO. 16-026.

Motion by Trustee Pierson. Second by Trustee Stubbs.

ROLL CALL

AYES: 3 Trustees Muhammad, Pierson, and Stubbs

NAYS: 0

ABSTAIN: 0

ABSENT: 3 Trustees Brown, Henyard, and Hunt

Mayor Rogers cast his vote: AYE. Motion passed.

CITIZENS ADDRESS

Willie Lowe, Jr., resident, asked Trustee Pierson what parties he had been talking about. Trustee Pierson said that he was referring to the recent Senior Thanksgiving Dinner and the Christmas Party for village employees. Mr. Lowe asked for clarification of the revenues and expenses for the Red Light Cameras. He was told that under the current vendor, monthly revenues are at or exceed \$55,000 per month. The vendor pays the expenses.

ADJOURNMENT

There being no further business before the Board of Trustees, on a motion by Trustee Pierson, second by Trustee Stubbs, to adjourn the Special Board Meeting of the Board of Trustees, Mayor Rogers asked for a roll call to adjourn.

ROLL CALL

AYES: 3 Trustees Muhammad, Pierson, Stubbs

NAYS: 0

ABSTAIN: 0

ABSENT: 3 Trustees Brown, Henyard, Hunt

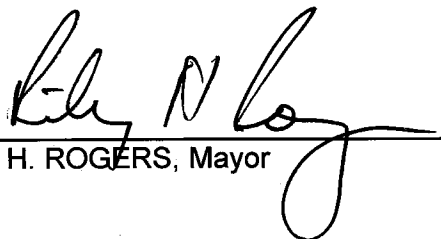
Motion passed.

The meeting was adjourned at 4:55 p.m.



MARY KAY DUGGAN, Village Clerk

APPROVED by the Board of Trustees this 3rd day of January, 2017.



RILEY H. ROGERS, Mayor