

**RUTLAND TOWNSHIP
FEBRUARY 14, 2006
REGULAR BOARD MEETING**

Page 399

The Rutland Township Board held its regular monthly meeting in the Town Hall. Supervisor Bulmahn called the meeting to order at 7:00 p.m. Roll call showed the following board members present: Supervisor Bulmahn, Clerk Carlsen, Trustees Tessendorf, Stelford and Schuldt. Also present were Road Commissioner Schultz and Assessor Siers. Trustee Brown was absent.

The Supervisor went quickly over the agenda and explained that following the usual routine business of minutes, financial statements and bills we have a resolution to update, and an update on the Trustees compensation. Road Commissioner Schultz will also give his proposal for the future long-range road and equipment needs of the road district. This is in anticipation of the appropriations process, which we're now entering. There are also some amendments on the current years budgets as we're over on some line items and under in others. This will be discussed later on in the budget appropriation category of the agenda. The preliminary budget process starts today and this is just the initial submittal. The bank resolutions from EFS Bank, for the road district, came through. They were approved at last months meeting and they're now in the process of being signed. We're in the process of changing our phone system back to SBC. They've offered us a \$660.00 credit if we sign a three-year contract, so we've accepted their offer. It is to be in affect within the next few days. We now also have a contractor to do the repairs on the aluminum trim around the doors of the building. The contractor has requested that we pay the material costs upfront so we'll be doing that.

MINUTES

There were no additions or corrections to the minutes so a **motion was made by Trustee Schuldt and seconded by Trustee Tessendorf to approve the minutes of January 10, 2006.**

Vote: Voice vote, all ayes. 2006-02-01 Motion carried unanimously.

FINANCIAL REPORTS

The financial reports for the nine months ending December 31,2005 were distributed in last months binders for the Board to analyze. Since there were no questions a **motion was made by Trustee Stelford and seconded by Trustee**

Tessendorf to approve the financial reports for the nine months ending December 31, 2005. Vote: Voice vote, all ayes. 2006-02-02 Motion carried unanimously.

The financial reports for the ten months ending January 31, 2006 have been distributed in this months' binders and will be reviewed at next months meeting.

BILLS AND SALARIES

The total claims for the road bills for the month of January, 2006 are \$19,563.24. Of this, total salaries are \$8,659.00 and total bills are \$10,904.24. The largest bills were for ice control, for LP gas, and two bills for truck repair. The other bills were pretty routine therefore; **a motion was made by Trustee Tessendorf and seconded by Trustee Stelford to approve the total road district bills of \$19,563.24 for the month of January 2006.** Vote: Roll call vote. 2006-02-03

Schuldt	yes	
Bulmahn	yes	
Stelford	yes	
Tessendorf	yes	Motion carried unanimously.

The total claims for the township bills for the month of January are \$13,926.87. Salaries are \$10,565.08, prepaid bills of \$63.06 to Office Max and unpaid bills of \$3,298.73. We still have the old bill to PT Construction for \$17,803.31 and Trustee Schuldt asked how long we're going to carry this on the books? Supervisor Bulmahn stated that it's been on the books for three years but if they give us the final lien and prevailing wage certificate we'll issue them a check. He will check with Attorney Roeser about how long this is to be on the books. **A motion was then made by Trustee Schuldt and seconded by Trustee Stelford to approve the township bills for the month of January 2006 totaling \$13,926.87.** Vote: Roll call vote. 2006-02-04

Tessendorf	yes	
Stelford	yes	
Bulmahn	yes	
Schuldt	yes	Motion carried unanimously.

RESOLUTION

The Supervisor then read the resolution to classify the income tax status of the Trustee compensation. This is simply an update on what was previously done in 2004 with a

previous resolution, which established the compensation level at \$100.00 per meeting for the Trustees. They are to be classified as independent contractors not as employees in accordance with IRS ruling 87-41. The township will report the annual compensation to every Trustee on federal tax form 1099 every year. There being no questions, a **motion was made by Trustee Tessendorf and seconded by Trustee Schuldt to approve Resolution # RU 2006-02 to establish the income tax status of the Trustee compensation.** Vote: Roll call vote.

2006-02-05

Tessendorf	yes	
Stelford	yes	
Bulmahn	yes	
Schuldt	yes	Motion carried unanimously

ROAD COMMISSIONER'S LONG RANGE PLANNING REPORT & COST PROJECTIONS

Commissioner Schultz then gave a synopsis on his long-range needs on upcoming work and equipment for next year. He indicated that the low part of Binnie Road is the area most needing attention and it will be addressed next summer. Preparations have already begun on this. Long term overlay paving plans on Harper, Gunpowder, Hidden Hills, and Carriage Way are already underway for this year and next. The Commissioner explained that some roads are more critical than others and the worst ones will be done first. Areas along Square Barn are patched and filled periodically but due to the counties projections on ultimately widening this road little else will be done. Curran is to give us an estimate on the crack filling that will also be necessary on many of the roads that are not to be overlaid. The IDOT balance will probably be used mainly for overlay. We will be gaining some new roads and losing some but it will all average out as far as we're concerned. The ones we gain will be paved roads. Cambridge Homes will eventually take over Reinking Rd. and Ryland will ultimately take over McCornack as part of Gilberts development.

The Commissioner then stated his proposals for needed equipment. He explained that a bobcat would not be sufficient for his needs and money wise was almost half the cost of an end loader and wouldn't do the job for us. Repairs have been done on the older trucks so hopefully they'll get us through the next couple of years. The commissioner has looked into the cost to lease a used end loader. It's from \$1,900 to \$1,990 and he'd be willing to

consider a used one. Any new trucks would cost approximately \$60,000 including a salt spreader and plow. Commissioner Schultz then discussed his proposed weight limit ordinance for heavy equipment on the roads. He has a rough draft from Attorney Roeser and hopes that this will help to keep the roads in shape by limiting weights of equipment on them. Signs have been posted regarding weight limits and fines will be imposed on violators. Discussion followed on the petition given to the Road Commissioner from residents regarding their need for bus service. Grafton Township already has bus service and wants Rutland Township to help finance it. Trustee Tessendorf feels it would be a losing proposition financially, as most companies have lost money, and the Supervisor concurred. Supervisor Bulmahn thanked Commissioner Schultz for his input and information.

APPROPRIATIONS

The Supervisor then submitted a preliminary revised budget & appropriations for the road district. Since we didn't post the notice for the preliminary budget hearing in the newspaper thirty days prior to the meeting we cannot have the budget meeting in March. The Supervisor suggested having the meeting in either April or May and Trustee Schuldt expressed concern that the April meeting is a short one due to the Annual Meeting, which follows it. Trustee Tessendorf stated that he didn't have a problem having the meeting in May since the deadline for submittal is June 30th. It was determined that we'd see how things went at next months meeting and if further discussion was necessary we'd put it off till May. Supervisor Bulmahn went briefly over some of the line items of the road district budget noting that the property tax levels are capped at 3.5%, replacement tax revenue is coming in nicely for both the town and the road, interest income rates are going up on our savings so we should have a little bit of an increase there. Under Permanent Road there are big increases in road crew wages and salaries and an item for employee retirement benefit of \$2,000 as a starter. We still have \$102,000 in the IDOT account to spend. Our total Permanent Road expense is \$265,750. Trustee Schuldt asked if we'd budgeted enough for vehicle fuel? The Supervisor stated that he felt this year's amount was more realistic. The Road & Bridge Fund is our overhead account and will be up mainly due to insurance, heating fuel and electric utilities. We're budgeting \$62,250 for this fund in F/Y 07 that is less than a 10% increase over last year. For the Equipment Fund

we've budgeted \$101,000 this year and next year is to be \$98,000, which is down due to the reduction of culvert fee refunds. The excess of revenue over expenses is \$-28,000. This means that we will be reducing our cash reserves by \$28,000. This is okay we feel as we're running a little heavy on reserves in a couple of accounts. These preliminary budgets are for the board to check and analyze over the next month and for further discussion next month.

Revisions for the current road district budget were then discussed. This is simply a reclassification of the existing resources. Some line items have been under spent and some have been over spent but the bottom line stays the same. The Board will not be asked to approve this tonight as a budget amendment has to go through the same process as a new budget by notifying the public beforehand so this is for informational purposes only.

The Township budget revisions also have no net change to the bottom line but are again a reclassification of some accounts that are over and some that are under. This will also be a topic of discussion for the March meeting and for approval at the April meeting.

Supervisor Bulmahn then went briefly over some of the line items on the Township budget, which also contains the Assessors budget. He explained that the property tax revenue is capped at 3.5% with a kick-up in the replacement tax coming in strongly in both the town and the road. Interest income is up due to the rise in interest rates. The biggest difference is in the grant income from the State of IL, which will not recur again. Total Revenue is estimated to be \$234,000. Administrative expenses show that salaries will go up modestly based on what was scheduled by the previous board. Legal services have been reduced with the total administrative expenses of \$118,000. Assessor Siers noted that there was a \$700.00 difference in her submitted budget bottom line then what was presented in this total budget. The difference was in the amount of payroll taxes the assessor had estimated and the actual taxes figured in the budget. The proposed current assessors budget, for F/Y 06, totaled \$121,700 with the actual being \$127,750 and a preliminary budget for F/Y 06 of \$133,215. Cemetery maintenance and building maintenance are being kept the same. In the general assistance fund, Deb Schuldt has asked to be relieved as the administrator of this

account. We are working now with Elgin Township to see if they will handle this function for us on a contract basis. They already do this for Hampshire and for one other township. This is a very technical area and the only other alternative would be to train someone else to do it. Mary, at Elgin Township, has worked closely with Deb over the years and has helped process applicants to make sure that they qualify. As a result we're in the process of turning this over to Elgin Township. We have no idea what they will charge though it could be on a case-by-case basis. We should know more next month and will make any changes in the budget if necessary. Deb has worked hard on this over the years and has been underpaid as well. Trustee Schuldt questioned whether Mary would remain in her position at Elgin, and Supervisor Bulmahn replied that he'd not heard anything to the contrary. We could decide not to offer the emergency services here, which would be helpful to us as it's difficult to administer. He will have more information on this also at next months meeting. The total general assistance budget would increase from \$6,900, in F/Y 06, to \$7,300 in F/Y 07. We will continue with the GA Umbrella insurance, which covers us for the year. The total budget for the current year is \$251,000 and with next years being \$264,015. If we adopt this budget we'll be a total of \$29,415 of expenses over revenue. As with the road district this would be a modest drawdown in our cash reserves. Trustee Tessendorf questioned the large difference in the Assessor's budget from last year to this year and asked for justification? He stated that he didn't want to approve a 9 or 10% increase this year when last years increase was supposed be a "one shot deal". The Supervisor replied that the previous Assessor had brought in some high priced talent to try and get caught up. Trustee Tessendorf requested a break down on the expenses and not to go further till we have that. Further discussion then ensued between the Board and the Assessor on these matters. Once again Trustee Tessendorf asked for detail from the Supervisor, for whatever light could be shed on this, in order to justify a 9 or 10% increase. The Supervisor asked the Assessor for detail on how she plans to utilize the people on her payroll? She replied that the former employees in her office had no previous experience in assessment. She has hired people who have had 15 to 18 years in assessing and in order to get these qualified people in her office she needs to offer them a good salary, as we have no benefits. In an effort to keep the discussion a preliminary general one, rather than one specific on the

budget, the Supervisor asked that we get into more detail at the next meeting.

OTHER BUSINESS

The Supervisor then explained a mix-up that had occurred with Commonwealth Edison regarding some of our street lighting bills. Apparently they had been sending them to the town of Rutland somewhere downstate for the past two years. He and Commissioner Schultz have worked out a compromise with Com Ed and tentatively agreed, with the Boards approval, to pay for the last 12 months of service for these lights, and then every month hereafter. These lights are located on: Mary Lane & Freeman, Powers & Freeman, Freeman & Carriage Way, and 47 & Powers Rds. The total bill would be \$913.00, with no penalties; we'll owe them this amount and waive the rest. Supervisor Bulmahn recommends adoption and acceptance of their offer. With the earlier revision of the budget for the road district we kicked up the electric bills in order to cover this. In essence, we'll be settling this obligation for \$913.00 instead of \$3,000.00. We are paying the light bill on 47 & Powers Rd. under protest as this is a state right of way. **A motion was made by Trustee Tessendorf and seconded by Trustee Schuldt to settle the arrearage with ComEd in the amount of \$913.00 and undertake the ongoing expense of these four lights with the one on 47 & Powers being paid under protest.** Vote: Roll call vote. 2006-02-06

Tessendorf	yes	
Stelford	yes	
Bulmahn	yes	
Schuldt	yes	Motion carried unanimously

A settlement offer is also pending from Smith Engineering. All documentation has been received and this \$10,000 bill is the last bill, other than the one we will be receiving from Kane County for our 20% portion of the McCornack Rd. Bridge. This is the only other claim on our IDOT money and they are proposing to settle for \$6,500.00. The Supervisor recommends that we accept their offer. There is a contract in affect signed by the previous road commissioner, so legally, we are bound. **A motion was made by Trustee Tessendorf and seconded by Trustee Schuldt that we settle the contract with Smith Engineering in the amount of \$6,500.00.** Vote: Roll call vote. 2006-02-07

Schuldt	yes
Bulmahn	yes
Stelford	yes
Tessendorf	yes

REPORT BY OFFICIALS

The clerk reported on the alleged upcoming meeting to be held at Kane County on February 23rd. There are supposed to be morning and afternoon meetings scheduled for people to select for their convenience. There is to be early voting here starting the 27th of this month and there will be three judges at every voting site. The county has allocated \$180,000.00 to help pay for everything. The clerk also reminded the board to sign the documents approved at tonight's meeting.

The Supervisor then complimented Deb Schuldt for all her work on the General Assistance account. She concurred with his recommendation that Elgin Township handle it from now on. She also noted that the handbook shows all the legal descriptions of this account and she will verify everything for the Boards information and approval.

Assessor Siers has confirmed her selection for a cleaning service to clean her offices. She's selected "Scuff & Buff" from Gilberts and she will ask them to start next week.

ADJOURN

There being no further business **a motion was made by Trustee Schuldt and seconded by Trustee Tessendorf to adjourn the meeting at 9:30 p.m.** Vote: Voice vote, all ayes. 2006-02-08 Motion carried unanimously.

Respectfully Submitted,

Charleen Carlsen, Rutland Township Clerk

Fred Bulmahn, Supervisor

Ron Tessendorf, Trustee

Steve Schuldt, Trustee

Roscoe Stelford, Trustee