

**MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL  
OF THE UNITED CITY OF YORKVILLE, KENDALL COUNTY, ILLINOIS,  
HELD IN THE CITY COUNCIL CHAMBERS,  
800 GAME FARM ROAD ON  
TUESDAY, OCTOBER 8, 2019**

Mayor Purcell called the meeting to order at 7:02 p.m. and led the Council in the Pledge of Allegiance.

**ROLL CALL**

City Clerk Pickering called the roll.

Ward I	Koch	Present
	Transier	Present
Ward II	Milschewski	Present
	Plocher	Present
Ward III	Funkhouser	Present
	Frieders	Present
Ward IV	Tarulis	Present
	Peterson	Absent

Staff present: City Administrator Olson, City Clerk Pickering, Chief of Police Jensen, Deputy Chief of Police Mikolasek, Deputy Chief of Police Pfizenmaier, Public Works Director Dhuse, Community Development Director Barksdale-Noble, Finance Director Fredrickson, Parks and Recreation Director Evans, Assistant City Administrator Willrett, Building Code Official Ratos, Attorney Orr, and EEI Engineer Sanderson.

**QUORUM**

A quorum was established.

**AMENDMENTS TO THE AGENDA**

None.

**PRESENTATIONS**

**Employee Appreciation of Service**

City employees Christopher Kuehlem and Steven Redmon were recognized for five years of service and Shelley Augustine was recognized for ten years of service.

**PUBLIC HEARINGS**

None.

**CITIZEN COMMENTS ON AGENDA ITEMS**

None.

**CONSENT AGENDA**

None.

**MINUTES FOR APPROVAL**

None.

**BILLS FOR PAYMENT**

Mayor Purcell entertained a motion to approve the bill list in the amount of \$838,299.33 (vendors); \$401,340.45 (payroll period ending 9/20/19); for a total of \$1,239,639.78. So moved by Alderman Koch; seconded by Alderman Milschewski.

Motion approved by a roll call vote. Ayes-7 Nays-0  
Funkhouser-aye, Tarulis-aye, Transier-aye, Plocher-aye,  
Frieders-aye, Koch-aye, Milschewski-aye

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**REPORTS**

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**MAYOR'S REPORT**

**Cannabis Zoning Restrictions  
(CC 2019-62)**

Mayor Purcell asked Community Development Director Barksdale-Noble to explain the proposed cannabis zoning restrictions. Director Barksdale-Noble said that with the expansion of the state cannabis act, the state has allowed municipalities to provide reasonable regulatory provisions through the establishment of time, place, manner, number, and minimum distance limitations. This includes setbacks for sensitive uses such as schools, parks, and religious institutions through a special use process. There

are six different types of cannabis establishments that are identified in the state cannabis act: craft grower, cultivation center, dispensary, infuser, process and transporter organizations. Staff's recommendations are to have all the uses as a special use. The proposed distance for a craft grower is 2,500 feet from the property line of a pre-existing public or private schools, public parks, and religious institutions (not including commercial trade schools). For cultivation centers, staff is recommending it may not be located within 2,500 feet of the property line. The recommendation for dispensaries is 1,000 feet from the property line of pre-existing schools, public parks, and religious institutions with a maximum size of 5,000 square feet. The dispensaries cannot have drive-through facilities and cannot utilize an e-commerce delivery service platform either. Additionally, 75% of the gross floor area must be dedicated to sales, which would leave 25% for storage. Infusers, processors, and transporting facilities would also be subject to setbacks of 2,500 feet.

Staff is recommending additional restrictions by limiting the allowed number to one per organization type. The recommended business hours are 10:00 a.m. to 8:00 p.m. during the week and Saturdays, and 12:00 p.m. to 5:00 p.m. on Sundays. On-premise consumption will not be permitted. There will also be signage criteria as well. Establishments with dispensaries would be allowed one wall-mounted sign, no electronic message board signs, and no imagery related to cannabis.

One item that was mentioned regarding the infuser organizations is that they might not need 5,000 square feet to operate out of. With an operation that primarily involves cooking, they could potentially operate out of an empty 700 - 2,500 square foot unit found in various strip malls throughout the city. If infusers were allowed in the B-3 zoning districts, there is potential for them to open in an existing empty unit instead of needing to build a new facility from the ground up.

It was asked if online ordering would be allowed. Administrator Olson said staff was fine with online ordering with personal pick-up at the location. Staff did not want to facilitate e-delivery of the product.

Concerns were raised that the proposed setbacks were overly restrictive. A significant reduction in the setbacks was requested on all the different types of uses. It was suggested that the setbacks be reduced to 500 feet from schools, parks, and religious institutions and 250 feet from residential areas.

It was asked if the state is going to allow home delivery. City Attorney Orr responded that it would be allowed under the cannabis act. Administrator Olson asked if the City can prohibit someone from ordering from out of town and getting it delivered. City Attorney Orr does not think so. She believes that we can only restrict businesses in the City from delivering.

Consensus was for staff to reduce the setbacks to 500 feet from schools, parks, and religious institutions and 250 feet from residential areas and to allow infuser organizations to be located in B-3 zoning districts as a special use.

**CMAP LTA Grant Program/Application –  
Industrial Feasibility Study  
(CC 2019-63)**

Mayor Purcell entertained a motion to approve the CMAP LTA Grant Program/Application for a future Industrial Feasibility Study. So moved by Alderman Plocher; seconded by Alderman Funkhouser.

Administrator Olson said that the City would need to be prepared to contribute 20% of the project cost. Staff is estimating the City's cost to be approximately \$15,000.

Motion unanimously approved by a viva voce vote.

**PUBLIC WORKS COMMITTEE REPORT**

No report.

**ECONOMIC DEVELOPMENT COMMITTEE REPORT**

No report.

**PUBLIC SAFETY COMMITTEE REPORT**

No report.

**ADMINISTRATION COMMITTEE REPORT**

No report.

**PARK BOARD**

**Ordinance 2019-55**

**Amending the Liquor Regulations Allowing Possession  
and Consumption of Alcoholic Beverages at  
the Bristol Bay Regional Park  
(CC 2019-64)**

Mayor Purcell entertained a motion to approve an Ordinance Amending the Liquor Regulations Allowing Possession and Consumption of Alcoholic Beverages at the Bristol Bay Regional Park. So moved by Alderman Frieders; seconded by Alderman Koch.

Motion approved by a roll call vote. Ayes-5 Nays-2  
Plocher-aye, Frieders-aye, Koch-aye, Milschewski-aye,  
Funkhouser-nay, Tarulis-aye, Transier-nay

**PLANNING AND ZONING COMMISSION**

**Downtown Form-Based Code and Streetscape Master Plan  
(PZC 2019-09 and EDC 2019-23)**

**Ordinance 2019-56**

**Amending the Yorkville Zoning Ordinance by  
Adding a Downtown Overlay District**

**Ordinance 2019-57**

**Approving a Streetscape Master Plan  
for the Downtown Overlay District**

Mayor Purcell entertained a motion to approve an Ordinance Amending the Yorkville Zoning Ordinance by Adding a Downtown Overlay District and to approve an Ordinance Approving a Streetscape Master Plan for the Downtown Overlay District. So moved by Alderman Frieders; seconded by Alderman Koch.

Motion approved by a roll call vote. Ayes-7 Nays-0  
Frieders-aye, Koch-aye, Milschewski-aye, Funkhouser-aye,  
Tarulis-aye, Transier-aye, Plocher-aye

**Ordinance 2019-58**

**Approving the Final Plat of the Menard's Commercial  
Commons Seventh Addition Resubdivision  
(PZC 2019-21 and EDC 2019-74)**

Mayor Purcell entertained a motion to approve an Ordinance Approving the Final Plat of the Menard's Commercial Commons Seventh Addition Resubdivision. So moved by Alderman Frieders; seconded by Alderman Milschewski.

Motion approved by a roll call vote. Ayes-7 Nays-0  
Koch-aye, Milschewski-aye, Funkhouser-aye, Tarulis-aye,  
Transier-aye, Plocher-aye, Frieders-aye

**CITY COUNCIL REPORT**

No report.

**CITY CLERK'S REPORT**

No report.

**COMMUNITY & LIAISON REPORT**

**Sam Clementz**

Alderman Frieders mentioned that the gentleman that ran against him for alderman in 2013 passed away last week. Alderman Frieders wanted to give a public appreciation to Sam Clementz.

**Yorktoberfest**

Alderman Funkhouser reported that the Yorkville Kiwanis Club Yorktoberfest event, which was held on October 5<sup>th</sup>, was successful even though it ended early due to the rain. He thanked the City staff for their help with the event.

**STAFF REPORT**

Chief Jensen reported that last weekend, officers were called to the area of Route 47 and Kennedy Road for a person passed out behind the wheel. Upon arrival, officers noticed the car was still in drive. Two officers stopped the vehicle with their bodies until a sergeant was able to get a squad car pulled to the bumper to prevent the vehicle from entering the intersection and causing an accident. Officers were then able to get into the vehicle with their equipment in order to put the vehicle in park. The officers called an ambulance for assistance as the driver was experiencing a diabetic incident.

**MAYOR'S REPORT (cont'd)**

**Fiscal Year 2019 Audit Report  
(CC 2019-65)**

Brad Porter, audit manager from Lauterbach & Amen, LLP, gave an overview of the city's fiscal year 2019 financial statement audit. He said there were a few items that he wanted to go over. The first item is known as the SAS 114 letter. This statement on auditing standards 114 document requires the auditor

to communicate any disagreements or difficulties that the auditor has encountered over the course of their audit testing. Mr. Porter was happy to report that there were not any disagreements or difficulties.

The second item he mentioned was that the City was awarded a Certificate of Achievement for Excellence in Financial Reporting that was issued by the Government Finance Officers Association. This award represents the highest form of financial reporting excellence that an entity can receive in the governmental accounting world.

In the Independent Auditor's Report, Mr. Porter stated that the auditor has issued an unmodified opinion for fiscal year 2019, which is the cleanest form of an opinion that you can receive in the governmental world. This opinion represents that the auditor feels that the financial statements are free from any material misstatement and that there are sound internal controls over the financial reporting function.

Within the Comprehensive Annual Financial Report (CAFR) document, under the section titled "Management's Discussion and Analysis", Mr. Porter pointed out that the City's aggregate net position increased by \$4,615,901 which is approximately 3.3% over the prior year. Mr. Porter also noted that the state has implemented a Grant Accountability and Transparency Act which seeks to improve transparency regarding grant expenditures. On page 137 of the CAFR, there is a consolidated year-end financial report which breaks down each major grant program which is going on within the City's boundaries. On page 138, there is a report that is generated on the internal controls over the grant function. No material deficiencies or significant weaknesses were identified regarding the internal controls over the financial reporting.

Mr. Porter next mentioned the Management Letter. The primary purpose of this letter is for the auditor to convey any internal control recommendations or best practices that they see across the industry. He reported that there were no new current recommendations as a result of their fiscal year 2019 audit procedures.

Finance Director Fredrickson gave a brief overview of the fiscal year 2019 audit (*see attached*).

#### **ADDITIONAL BUSINESS**

##### **Speeding**

Alderman Funkhouser mentioned the speeding on Route 34 and Route 47 as well as through the downtown area. He said he appreciated the efforts of the police department to address speeding, but he feels it continues to be an issue.

##### **Cannonball Trail Curve**

Alderman Funkhouser reported on the Cannonball Trail curve. He thanked staff for paving the outside curve and he requested that the inside curve be paved also.

#### **CITIZEN COMMENTS**

Rick Hanna, Yorkville resident, spoke regarding his extreme concern about the possibility of cannabis being allowed in the City.

#### **EXECUTIVE SESSION**

None.

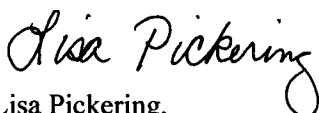
#### **ADJOURNMENT**

Mayor Purcell entertained a motion to adjourn the City Council meeting. So moved by Alderman Milschewski; seconded by Alderman Plocher.

Motion unanimously approved by a viva voce vote.

Meeting adjourned at 8:34 p.m.

Minutes submitted by:



Lisa Pickering,  
City Clerk, City of Yorkville, Illinois

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## United City of Yorkville

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Audit Overview – Fiscal Year 2019  
City Council  
October 8, 2019

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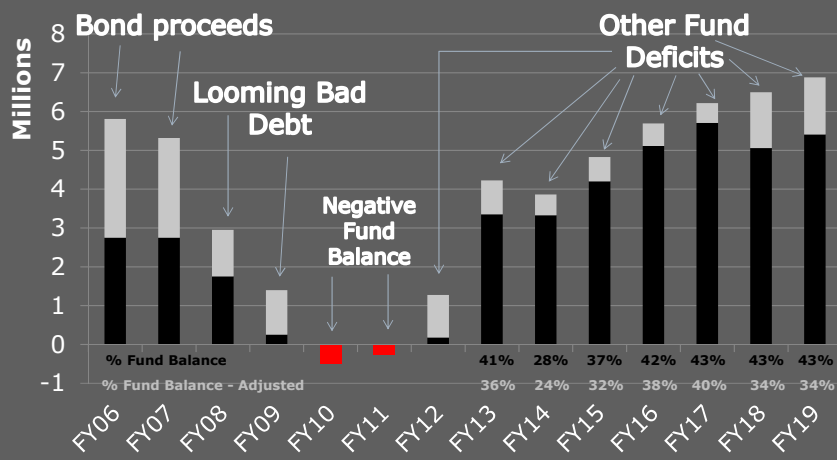
## Another award

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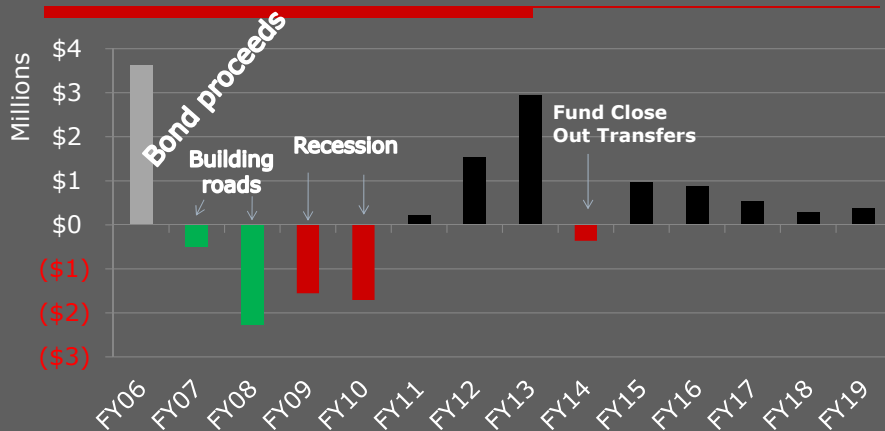
8<sup>th</sup> time  
Certificate of Achievement for  
Excellence in Financial Reporting Award  
by the Government Finance Officers Association  
of the US and Canada in FY 18

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## General Fund Fund Balance History



## General Fund Budget Surplus(Deficit)



## Revenue performance

Page 101 of paper copy (page 117 of pdf copy)

Revenue Line-Item	Budgeted Amount	Actual Amount
Property Tax	\$3,149,823	\$3,149,635
Sales Tax (local)	\$3,009,475	\$3,070,663
Sales Tax (non-home rule)	\$2,339,575	\$2,358,568
Utility Tax	\$943,340	\$1,016,669
Income Tax	\$1,822,308	\$1,966,699
Use Tax	\$500,279	\$578,328
Hotel Tax	\$80,000	\$77,563
Video Gaming Tax	\$110,000	\$145,734
Excise (i.e. Telecom) Tax	\$325,000	\$329,742
Cable TV Franchise Tax	\$290,000	\$301,100

## Controlling costs

Pages 103-108 of paper copy (pages 119-124 of pdf copy) - General Fund  
 Page 110 (126 pdf) - Library / Pages 113-114 (129-130 pdf) - Parks & Rec  
 Page 133 (154 pdf) for Sewer / Page 134 (155 pdf) for Water

Department	Budgeted Expenses	Actual Expenses
Administration	\$955,899	\$934,740
Finance	\$490,629	\$473,924
Police	\$5,645,116	\$5,351,136
Community Development	\$829,646	\$869,044
Public Works / Streets	\$919,028	\$872,202
Admin Services	\$3,336,340	\$3,291,811
Library Operations	\$806,288	\$791,441
Parks	\$1,143,164	\$1,115,901
Recreation	\$1,109,462	\$1,074,096
Sewer Operations	\$1,092,314	\$472,396
Water Operations	\$3,351,034	\$1,858,861

## General Fund Performance

	Budgeted	Actual	Variance
Revenues	15,624,962	16,392,412	767,450
Expenditures	(13,350,885)	(12,998,595)	(352,290)
Net Transfers	(3,037,911)	(3,010,367)	(27,544)
Surplus(Deficit)	(763,834)	383,450	1,147,284

## Engineering Costs

- ❑ FY 09, 5 FTE in-house for \$618,640 (inflation adjusted)
- ❑ FY 19, outsource for \$420,275
  - \$242,438 of routine engineering
  - \$177,837 for subdivision inspections
- ❑ Additional \$269,044 in reimbursed development work
- ❑ Additional \$414,095 gross in capital project expenses (\$273,875 net cost to City)
  - These items would not likely have been handled by in-house employees



## Items of Note

- Fund balance categories and amounts
  - Paper pages 25-26 (pdf pages 36-37)
  - Restricted amount of \$459k due to IMRF levy, will be zeroed out in ~2 years
  
- Pensions and OPEB (notes & add'l info)
  - Paper page 75-97 (pdf pages 88-111)

## Illinois Municipal Retirement Fund (IMRF) –pages 90/92-93 (pdf 104/106-107)

- Total Pension Liability
  - Increased by \$1.8M
  - From \$12.4M to \$14.2M
- Net Position
  - Decreased by \$300K
  - From \$12.3M to \$12.0M
- Percent Funded
  - 99.46% - at December 31, 2017
  - 84.59% - at December 31, 2018

Fiscal Year	Actuarial Determined Contribution	Actual Contribution	Excess (Deficit)	Covered Payroll	Contribution as % of Covered Payroll
2016	\$311,346	\$311,346	-	\$2,853,781	10.91%
2017	308,134	308,134	-	2,898,722	10.63%
2018	344,487	344,487	-	3,217,682	10.71%
2019	350,666	350,666	-	3,506,685	10.00%

## Police Pension Fund pages 91/94-95 (pdf 105/108-109)

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- Total Pension Liability
  - Increased by \$2.1M
  - From \$20.0M to \$22.1M
- Net Position
  - Increased by \$1.3M
  - From \$9.1M to \$10.4M
- Percent Funded
  - 45.55% - at April 30, 2018
  - 47.07% - at April 30, 2019

Fiscal Year	Actuarial Determined Contribution	Actual Contribution	Excess (Deficit)	Covered Payroll	Contribution as % of Covered Payroll
2015	\$571,437	\$624,168	\$52,731	\$2,220,146	28.11%
2016	722,940	722,940	-	2,294,948	31.50%
2017	825,413	825,413	-	2,320,642	35.57%
2018	966,211	966,211	-	2,543,266	37.99%
2019	963,361	963,361		2,449,210	39.33%

## Items of note

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- Long term debt summary on paper pages 60-68 (pdf pages 73-81)
    - Debt service schedules on paper pages 140-153 (pdf pages 163-176)
  - Developer commitment narratives start on paper page 72 (pdf page 85)
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## Other items of note Statistical Section

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- Pages 154 -187 (pdf pages 179-212)
  
  - Historical Trends covering:
    - City financial trends
    - Revenue & debt capacity
    - Demographic & economic information
    - Operating information
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## Other items of note Statistical Section

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- Paper pages 181-182 (pdf pages 206-207)  
employee counts
    - 77 full-time employees in 2019
    - 96 full-time employees in 2008
    - 73 full-time employees in 2005
  
  - Paper pages 183-187 (pdf pages 208-212)  
miscellaneous service data
    - Traffic violations
    - Permits issued
    - Streets resurfaced, in miles
    - Street inventory
    - New housing starts per year
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## Management Letter

### Prior Year - Recommendation #1

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- Downtown TIF
    - Over budget due to journal entry to record bank loan proceeds.
  
    - Offsetting transaction – no effect on ending fund balance.
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## Management Letter

### Prior Year - Recommendation #2

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- GASB Statements No. 74 & 75
    - Additional note disclosure and supplementary information for sponsored OPEB (other post-employment benefits) plans (i.e. retiree health insurance). Will also be included on the financial statements.
  
    - Implemented in FY 2019
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## Management Letter

### Prior year - Recommendation #3

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- Funds with deficit equity
    - Countryside & Downtown TIF's
      - Over time development in the TIF Districts should yield sufficient surpluses to eliminate negative equity position.
    - Sunflower Special Service Areas
      - Due to one-time expenditures and will be paid back with SSA property tax proceeds.
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## Management Letter

### Prior year - Recommendation #3 (cont.)

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- Funds with deficit equity
    - Land Cash
      - Temporary in nature, due to the construction of Riverfront & Bristol Bay parks. Was reimbursed by State OSLAD grants in FY 19. Negative equity has been eliminated.
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## Upcoming

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- 2019 Tax Levy discussion
    - Tax levy estimate approval
      - October 16 Administration Committee
      - October 22 City Council meeting
    - Public Hearing
      - November 12 City Council meeting
    - Discussion and potential vote
      - November 26 or December 10
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## Upcoming

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- FY 21 Budget rollout
    - October 19 goal setting session
    - Nov-Dec budget preparation
    - January 31, 2020 finalized
    - February 11, 2020 City Council presentation
    - February 25, 2020 City Council presentation
    - March 10, 2020 public hearing
    - Discussion and potential vote
      - March 24, 2020 City Council or
      - April 14, 2020 City Council or
      - April 28, 2020 City Council
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