CALL TO ORDER
Mayor Riley H. Rogers called the Regular Board Meeting of the Board of Trustees to order at the New Village Hall at 6:39 p.m.

ROLL CALL
The following Trustees were present: Stanley Brown, Tiffany Henyard, Robert E. Hunt, Jr., Duane Muhammad, Robert E. Pierson, Jr., and Valeria Stubbs.

Also present: Village Clerk Mary Kay Duggan, Village Administrator Stan Urban and department heads. Village Attorney John B. Murphey and Village Engineer Ronald E. Smith were absent.

A quorum was present.

PLEDGE OF ALLEGIANCE/
PRAYER
Prayer was led by Trustee Stubbs.

GENERAL ANNOUNCEMENTS

Trustee Henyard offered her assistance to residents struggling to modify their mortgages. She may be reached at 708-297-6859. Trustee Henyard reminded residents that funds from last year's Cancer Walks are available for assistance in paying for their medications. Residents who have received utility shut-off notices may also apply for up to $200 in assistance from the village.

Trustee Muhammad announced a Youth Empowerment Conference for students grades six through twelve on February 4th at Hillcrest High School in Country Club Hills.

Trustee Brown announced that Thornton Township is currently accepting youth applications for its summer senior lawn care program. Residents interested in participating in the NAACP Far South Side South Suburban Youth Commission may contact Trustee Brown at 708-541-2778.

OLD BUSINESS

A. Analysis of Current Bond Structure
B. Tax Loss Levy

Administrator Stan Urban asked that Items A & B be deferred until arrival of Mr. Vincent Cainkar, the village's bond attorney, who was scheduled to present these items. Mr. Urban later announced that Mr. Cainkar had notified him that he would be unable to attend due to a family matter.

C. Budget Analysis – John Kasperek, CPA

Administrator Urban introduced John Kasperek, CPA, of John Kasperek and Company. Mr. Kasperek's company has assisted the village in preparing its books for financial audit.

Mr. Kasperek distributed his report on village revenues and expenditures from the fiscal year ending April 30, 2013 to date.
Trustee Muhammad objected to not having more time to review the numbers being presented. Mayor Rogers replied that the board had time since the last meeting when it placed the budget on this meeting’s agenda to communicate with the finance department or have a finance committee meeting. Trustee Muhammad said that he had submitted 25 questions to the finance department and received “so-called” answers. Mayor Rogers again suggested that if the board is not ready to proceed, that the questions should be deferred to a finance committee meeting.

In response to Trustee Hunt’s question, Mr. Kasperek said that he would not know if the village had ever before defaulted on a bond payment; he has only been here since 2013. Trustee Hunt asked how the village was going to repay the $850,000 in default and the $2.7 million in borrowed funds. He noted that salaries for the mayor’s office are shown at $84,830.47 for fiscal year ending April 30, 2015 and at $494,947.91 for the fiscal year 2017. Mr. Kasperek said that the grouping of categories had been inconsistent and that comparisons over years are not accurate. He noted that this administration can take credit for completing audits for fiscal years 2012, 2013, 2014, and 2015, with 2016 almost completed. Mr. Kasperek added that he prepared the information before the board in response to Trustee Hunt’s asking for an explanation of the cash shortfall. He is not prepared to discuss the budget as a whole.

In response to Mayor Rogers’ request for clarification, Mr. Urban and Finance Director Yvonne Redmond confirmed that the village had made $1.7 million of the $2.6 million bond payment due. Mr. Urban said that when he arrived in early December, 2014, the bond payment for that year was already past-due. In order to make the late payment, vendors were not paid in December and January. He said that the village had borrowed $2.7 million because he and Ms. Redmond determined that there may be a possible shortfall in revenues collected. The bank initially denied the loan because of the lack of village audits, so he personally guaranteed the loan. The village paid back the interest of $500,000 when the loan became due, and is making monthly payments on the remaining $2.2 million due. As Mr. Kasperek said, the insurance company paid the balance due on the bond so the bondholders have their money. He and Ms. Redmond will be meeting with the bondholders tomorrow. They are also meeting with several other taxing bodies in the area who did not make the full payments due. Mr. Cainkar, the village’s bond counsel, has been in discussion with the insurance company over repayment.

Mr. Urban outlined efforts in past years to develop neglected revenue streams. He said that he elected to not make the full bond payment so that police, fire, and other employees could be paid. He added that the items on tonight’s agenda are suggestions, as he has made in the in the past. For example, in 2014 he proposed closing the “tax loss” gap which would increase property taxes $30 to $40. Trustee Hunt voted in favor. A tax loss levy is also on tonight’s agenda for discussion only. It would increase taxes for a homeowner who pays $5,600 in property taxes by $56.00, not $375.00 as has been circulated.

Mayor Rogers said that the text message sent out to residents telling them to come out because the mayor wanted to raise taxes by $375 was a lie.

Trustee Hunt said he has a one-page document before him talking about raising taxes. He objected to Mr. Urban taking it upon himself to decide whether or not to make the bond payment. Trustee Hunt accused Mayor Rogers’ of mismanagement.

Mayor Rogers added that the village’s financial situation was a “nightmare” when he came in, including more than $2 million dollars owed to the City of Chicago for water and to Homewood Disposal for garbage, which Trustee Hunt did not want to pay. Mayor Rogers asked if the trustees would have preferred police and fire not be paid.
Trustee Hunt said that the trustees made salary cuts in 2013 and the documentation provided by Mr. Kasperek shows that salaries have increased from $371,704.63 in the fiscal year ending 2015 to a projected $880,965.80 for 2017.

Trustee Henyard also said that Mayor Rogers wants to raise taxes because of his mismanagement. She said that she would never vote to raise taxes.

Trustee Muhammad asked for a status report on the $170,000 insurance overpayment discussed at the last meeting. Mr. Urban said that email correspondence between the former and new insurance companies confirms correction of the overpayment.

In response to Trustee Stubbs’ question, Mr. Kasperek explained that the main reason the village was unable to make the bond payment is the unexpected shortfall in real estate taxes collected. Trustee Stubbs noted that the purpose of tonight’s meeting was to discuss the budget, and she had been looking at possible sources of revenue such as increasing commercial water rates and the sale of the Dorchester.

Mr. Urban said that he has heard tonight that no one wants to raise taxes so that is a dead issue.

NEW BUSINESS

A. Evaluation of Industrial and Commercial Water Rates

Administrator Urban said that there are over 300 businesses in Dolton. Residents and businesses both pay $5.61 per 1,000 gallons of water. Staff analysis shows that the cost of water to Dunkin Donuts to sell 1,000 cups of coffee is $.75. Of the twelve communities staff looked at, only the Village of Dixmoor has a lower commercial rate. Mr. Urban said that if the village increased its commercial water rate to $8.61 it would raise $537,698.15.

Mayor Rogers’ recommended deferring further discussion on the budget to a meeting of the finance committee.

CITIZENS ADDRESS

(Trustee Stubbs left the meeting during Citizens Address.)

Dan Lee, resident, said that putting out emails and text messages to mislead people was not right. He suggested making the budget information available to residents. Mr. Lee further announced that the Urban League Work Force Development Program was hiring drivers and about an upcoming Working Professionals Group seminar, which also has jobs.

Resident since 1986 said that even with transparency, the residents don't have a say. The board meeting is not the venue for these kinds of discussions and this kind of behavior is unprofessional. She said that she would like to see the improvements over the last few years continue but if the stalemate continues it is never going to happen.
Cheryl Richards, resident, said that it should not take a bogus text message to get residents to come to meetings. She also expressed her appreciation for Chief Collins.

Bobby Evans, 1600 block of 150th Street, spoke of the serious water problem he has due to water runoff from the Bishop Ford.

Rebecca Raines of Rain Ready outlined the Dolton steering committee’s efforts to adopt a flooding plan and the potential for financial assistance.

Resident said that Administrator Urban had said that borrowing $2.7 million would improve the village’s credit rating. He asked that a stop sign be posted at 156th and Greenwood and/or the speed limit be reduced. Resident also suggested increasing the food and gas taxes for Food for Less.

Garrett Ghezzi, resident, said that the trustees elected four years ago have cost the village $9 million in lost revenue, including turning down two firm offers to sell the Dorchester Senior Center for $8.3 million.

Kenny Williams, Silk ‘N Classy Barber Shop, questioned why the trustees turned him down for a laborer position with Public Works because he was not qualified, when there are few qualifications for the position posted. He did not appreciate that the comments were made in open session. He added that the trustees should think less about cutting jobs and more about bringing in revenue.

Barbara Morris, resident, expressed her disappointment in the board in its treatment of the previous speaker and sending emails that the mayor was going to raise taxes. Residents are smart enough to know better. She said that there are telephone calls about bringing back the former police chief when no one has expressed dissatisfaction with the current chief and regarding the Melanie Fitness Center. She said that if there were problems with the Melanie Center’s manager, he should have been fired.

Sabrina Smith, resident, asked why the board is not having budget hearings.

Earl Barbour, resident, said the village’s snow plows are providing good service and that he is pleased to see extra squad cars. He said that it takes money to give good services.

EXECUTIVE SESSION

None.

ADJOURNMENT

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

ROLL CALL
AYES: 5 Trustees Brown, Henyard, Hunt, Muhammad, Pierson, Stubbs
NAYS: 0
ABSTAIN: 0
ABSENT: 1 Trustee Stubbs
Motion passed.
The meeting was adjourned at 9:12 p.m.

MARY KAY DUGGAN, Village Clerk

APPROVED by the Board of Trustees this 6th day of February, 2017.

RILEY H. ROGERS, Mayor