VILLAGE OF JOHNSBURG
SEPTEMBER 30, 2025 SPECIAL MEETING
OF THE PRESIDENT AND BOARD OF TRUSTEES

President Hettermann called the meeting to order at 7:00 p.m. in the Village Hall.

Attendees
Trustee Mike Fouke
Trustee Josh Hagen
Trustee Scott Letzter
Trustee Jamie Morris
Trustee James Sylvanus
Trustee Keith Von Allmen
~~Village Administrator Claudett Sofiakis~~ *(absent)*
Assistant Village Administrator Vinny Lamontagna
Chief of Police Jason Greenwald
Attorney Michael Smoron
~~Village Engineer Tim Hartnett~~ *(absent)*
Special Projects Coordinator Rick Quinn

PUBLIC COMMENTS – Elizabeth Tarzon of 1320 Oeffling Dr attended to express statistics as an Assistant Manager at Walmart – Johnsburg and consideration to the proposed Municipal sales tax proposed. In summary she advised, Walmart fiscal year Feb 1st through Jan 31st; total store approx. $114 million sales, online sales at approx. $18.9 million, SPARK- $2.5 million, totaling online pickup/delivery $21.4 million and average basket size of $101. Year to Date the Johnsburg Walmart store at approx. $7.4 million, online at approx. $13.4 million, and sales up 12.6% with SPARK at approx. $2.7 million, up 80%. Walmart moved to Johnsburg 2011, partially due to lower taxes. They employ over 350 employees that will be impacted by an increase, many associates live in Wisconsin. She stated highly competitive area, online pickup and delivery is #2 in region, online delivery allows customers to choose stores within a 40 min delivery radius/window. They compete with Crystal Lake, Round Lake, Antioch and Lake Geneva. Customers prefer Johnsburg Walmart store due to in stock and better quality. Trustee Letzter inquired further of Ms. Tarzon regarding based on basket size and comments of #2 in region, the shoppers would still continue to shop with the proposed additional 50 cents per average basket size. Ms. Tarzon commented additionally delivery penetration at 60% of total online orders, Illinois delivery tax proposal of additional $1.50. In summary, advising this would affect Walmart sales.

Cheryl Markunas of 1310 Hayden Dr attended to express her statements regarding not to exceed 8% overall of taxes and reasonable.

Trustee Von Allmen requested clarification from counsel regarding pulling the Ordinance 25-26-13 Amending Chapter 41 Municipal Taxes, amending Section 41.04 Non-Home Rule Municipal Occupation, Service and Use Taxes of the Johnsburg Municipal Code due to matter being continued from September 23rd and including said matter in omnibus would conflict with motioned provided previously. Trustee Hagen also questioned the procedure. Attorney Smoron advised Ordinance 25-26-13 should be removed from omnibus, since matter was continued parliamentary to said special meeting taking place tonight for action.

OMNIBUS AGENDA – Trustee Fouke moved to approve the Omnibus Agenda, with the removal of Ordinance 25-26-13 Amending Chapter 41 Municipal Taxes, amending Section 41.04 Non-Home Rule Municipal Occupation, Service and Use Taxes of the Johnsburg Municipal Code. Trustee Letzter seconded the motion. All Trustees present voted aye on the roll on the remaining agenda item. Motion carried.

Move to approve Ordinance 25-26-13 Amending Chapter 41 Municipal Taxes, amending Section 41.04 Non-Home Rule Municipal Occupation, Service and Use Taxes of the Johnsburg Municipal Code. Trustee Fouke moved to approve Ordinance 25-26-13. Trustee Letzter seconded the motion. Discussion among the board began with Trustee Letzter that provided input from previous history during referendum via discussions and it's approx. eight years since increase, while the overall increase of the economy and operations of the Village entirety. President Hettermann shared some clarification matters to the proposed service and use taxes which expands beyond just capital improvements, stating public infrastructure including roads, sidewalks, water & sewer extensions, distribution facilities, storm water drainage/retention, municipal's day-to-day operating costs, property tax relief. Additionally, a portion can be designated to reduce the burden of property taxes on residents, before this 2024 law update for municipalities, would only be allowable via referendum. President Hettermann then shared the deadlines provided within this proposed Ordinance 25-26-13 per Illinois Department of Revenue to take effect.

Trustee Sylvanus commented since the referendum passing, there has been a significant amount of sales taxes, reference the Walmart as an example that wasn't previously established in Johnsburg. Trustee Hagen then shared the projected revenues from past budgeting details regarding considerable increases since Walmart. Trustee Hagen then further provided discussion centered on the Village's sales tax revenue growth, staffing levels, and the need for a clear financial plan before making further tax decisions. Further sharing; over the past 10 years, sales tax revenue has increased from roughly $1.5 million to $2.2 million with projections estimate it will reach about $2.7 million in the next decade, showing steady growth rather than stagnation. Trustee Sylvanus noted that the Village is still below normal staffing levels, many employees currently handle multiple roles, indicating understaffing even at what was once considered a "normal" level, with the goal should be to return to adequate staffing before considering new initiatives. Additionally, Trustee Sylvanus suggested that having a defined plan—for example, designating a portion to reduce sales tax in future years, making financial decisions easier to justify. Trustee Hagen questioned the urgency of raising revenue or making changes without a structured plan, emphasizing the need for long-term strategy rather than simply adding funds to the general budget.

Trustee Von Allmen emphasizes the need for a clearly defined plan for the Village of Johnsburg's future spending and resource allocation. Noted that the village has historically been very fiscally conservative and that revenues have greatly increased, especially after Walmart's arrival and the subsequent referendum, but staffing and resources have not grown accordingly. Despite significant infrastructure improvements funded through grants and matching local money, he's concerned about adding new taxes without a clear blueprint for how additional funds will be used. He stressed that while the Village has managed money responsibly, it now needs a well-defined plan to justify seeking more revenue and to ensure the public understands how it will support the Village's goals. President Hettermann provide clarification that extra money from the tax is already needed just to keep up with road repaving costs, which have risen per linear mile. Trustee Hagen question the urgency of acting immediately, especially since the existing tax has only been in place for a year, rather than decide by the next day seems unnecessary. Trustee Hagen insists should first develop a proper plan, consult residents, and consider long-term impacts, especially on small businesses and possibly larger ones like Walmart. Emphasizing that while having more money for projects is good, decisions should be thoughtful, not rushed, and based on careful planning and fairness. Trustee Letzter requested fairness regarding business district development towards Trustee Hagen comments. In summary Trustee Hagen expressed taxes should not be greater than City of McHenry. Trustee Sylvanus then emphasized why raise the taxes at all; further growth into that corridor and keep it low for the rest of the businesses in the Village.

Special Projects Coordinator Quinn provided some history regarding neighboring municipalities prior to home rule regarding comparisons to Village of Johnsburg. Advised regarding previous board position during increase taxes; however, as shared by President Hettermann the opportunity provides an opportunity to provide relief to resident's property taxes, which also provides reliefs to business in the Village. Additionally, Spec. Proj. Coor. Quinn expressed in economic development projects; like improving sidewalks, building parking lots, or attracting new businesses to fill vacant properties. Emphasize that having extra revenue provides flexibility to improve the community and offer incentives for growth; however, if no new revenue is created, things will remain the same. Trustee Fouke stressed the importance of transparency and communicating clearly to residents how funds will be used. Noting the need for a clear long-term plan, including goals for downtown development, staffing, and parks improvements which could be discussed during strategic planning look-ahead to come.

After discussion about Ordinance 25-26-13 Amending Chapter 41 Municipal Taxes, amending Section 41.04 Non-Home Rule Municipal Occupation, Service and Use Taxes of the Johnsburg Municipal Code in general; the roll call is taken. Trustee Letzter voted aye, Trustee Fouke adds that he supports ensuring residents are informed and can clearly see the benefits of any tax increase and voting aye, and Trustee Morris voted aye. Trustees Von Allmen, Sylvanus and Hagen voting no. President Hettermann voted aye, motion carried.

ADJOURNMENT – Trustee Von Allmen moved to adjourn the meeting. Trustee Fouke seconded the motion. All Trustees voted aye on the roll. Motion carried 8:01 p.m.

Respectfully Submitted,

Vinny Lamontagna
Assistant Village Administrator