

**VILLAGE OF LAKE BLUFF
BOARD OF TRUSTEES
REGULAR MEETING
NOVEMBER 14, 2016**

APPROVED MINUTES

1. CALL TO ORDER AND ROLL CALL

Village President O'Hara called the meeting to order at 7:00 p.m. in the Lake Bluff Village Hall Board Room, and Village Clerk Aaron Towle called the roll.

The following were present:

Village President: Kathleen O'Hara

Trustees: Barbara Ankenman
Mark Dewart
Eric Grenier
John Josephitis
William Meyer

Absent: Steve Christensen

Also Present: Aaron Towle, Village Clerk
Drew Irvin, Village Administrator
Peter Friedman, Village Attorney
Susan Griffin, Finance Director
Jeff Hansen, Village Engineer
David Belmonte, Police Chief
Jake Terlap, Public Works Superintendent
Brandon Stanick, Assistant to the Village Administrator (A to VA)

2. PLEDGE OF ALLEGIANCE

President O'Hara led the Pledge of Allegiance.

3. CONSIDERATION OF THE MINUTES

Trustee Grenier moved to approve the October 24, 2016 Board of Trustees Regular Meeting Minutes as presented. Trustee Dewart seconded the motion. The motion passed on a unanimous voice vote.

4. NON-AGENDA ITEMS AND VISITORS

President O'Hara stated the Village President and Board of Trustees allocate fifteen minutes for those individuals who would like the opportunity to address the Village Board on any matter not listed on the agenda. Each person addressing the Village Board of Trustees is asked to limit their comments to a maximum of five (5) minutes.

There were no requests to address the Board.

5. VILLAGE BOARD SETS THE ORDER OF THE MEETING

There were no requests to change the order of the meeting.

6. ITEM #6A – WARRANT REPORT FOR NOVEMBER 1-15, 2016 AND OCTOBER 2016 PAYROLL EXPENDITURES

President O’Hara reported expenditure of Village funds for payment of invoices in the amount of \$361,235.29 for November 1-15, 2016 and expenditure of Village funds for payroll in the amount of \$254,195.40 for October 2016.

As such, the total expenditures for this period is in the amount of \$615,430.69.

As there were no questions from the Board, Trustee Meyer moved to approve the Warrant Report. Trustee Josephitis seconded the motion. The motion passed on the following roll call vote:

Ayes: (5) Ankenman, Dewart, Grenier, Josephitis and Meyer
Nays: (0)
Absent: (1) Christensen

7. ITEM #6B – OCTOBER 2016 FINANCIAL REPORT

At President O’Hara’s request, Finance Director Susan Griffin provided a brief summary of the October 2016 Finance Report highlighting major revenue sources and expenditures for the period. Finance Director Griffin stated there is not much new information in this report because the August sales tax revenue have not been received.

- Sales tax revenue for May-July 2016 is of \$844,000 is \$161,000 or 24% greater than May-July 2015;
- Home rule sales tax of \$282,000 for May-July 2016 is \$107,000 or 61% greater than May-July 2015;
- Income tax revenue of \$284,000 for May-October 2016 is 15% lower than the same period in 2015;
- Building permit revenue is \$281,000 and is \$62,000 or 18% less than May-October 2015; and
- Expenditures are consistent with the budget.

Finance Director Griffin stated Staff continues to closely monitor the actions in Springfield and assess the implications to the Village of potential changes in State-shared revenue allocations, property tax limitation changes and pension reform.

President O’Hara stated she had met with State Representative Scott Drury and he provided an update on the budget stalemate and ongoing actions in Springfield. A discussion ensued regarding transportation funding.

Trustee Dewart moved to accept the Finance Report. Trustee Meyer seconded the motion. The motion passed on a unanimous voice vote.

8. ITEM #7 – VILLAGE ADMINISTRATOR’S REPORT

Village Administrator Irvin provided an updated on the Village’s Household Waste Program proposal solicitation for solid waste, recyclables and yard waste. There were a total of five proposals received and a committee comprised of the Finance Committee Chair Christensen, Sustainability and Community Enhancement Committee Co-Chair Brian Rener, Public Works Superintendent Jake Terlap and himself will review the proposals and present its recommendation to the Board at a future meeting.

9. ITEM #8 – VILLAGE ATTORNEY’S REPORT

Village Attorney Friedman had no report.

10. ITEM #9 – VILLAGE PRESIDENT’S REPORT

President O’Hara provided background information on applicant Julie Wehmeyer and recommended she be appointed to the Architectural Board of Review to fill a term ending April 30, 2018.

Trustee Meyer moved to approve the recommended appointment. Trustee Grenier seconded the motion. The motion passed on a unanimous voice vote.

President O’Hara wished everyone a happy Thanksgiving.

11. ITEM #10 AND #11 – CONSENT AGENDA

President O’Hara introduced the following Consent Agenda items for consideration:

- 10. Correspondence Delivered in the October 21, 28 and November 4, 2016 Informational Reports; and
- 11. Second Reading of an Ordinance Granting a Special Use Permit to Hunter Fitness and Nutrition, Inc. to Operate a Physical Fitness Facility at 37 Sherwood Terrace, Units 132-133 in the Village’s Light Industry District.

Trustee Josephitis moved to approve the Consent Agenda. Trustee Ankenman seconded the motion. The motion passed on the following roll call vote:

Ayes: (5) Dewart, Grenier, Josephitis, Meyer and Ankenman
Nays: (0)
Absent: (1) Christensen

12. ITEM #12 – A RESOLUTION APPROVING THE PURCHASE OF ROCK SALT FOR THE PURPOSE OF SNOW AND ICE REMOVAL FROM COMPASS MINERALS AMERICA, INC THROUGH THE ILLINOIS DEPARTMENT OF CENTRAL MANAGEMENT SERVICE JOINT PURCHASING PROGRAM

President O’Hara reported the Village’s FY17 fiscal plan includes \$48,587 for the purchase of rock salt for ice and snow control operations. Annually, the State of Illinois Office of Procurement conducts a joint rock salt bid process for roadway maintenance agencies statewide. This year’s approved bid of \$47.07 per

ton was awarded to Compass Minerals of Overland Park, KS. At this price the Village Staff is recommending we purchase approximately 600 tons of rock salt.

President O'Hara reported the Village must commit to purchase 100% of the order and the supplier commits to provide 120% of the ordered amount at the bid price should severe weather conditions arise. Last year's price per ton was \$67.41 with the Village's salt usage totaling 600 tons due to a below average number of winter events. The Village currently has 528 tons left over from last season and with the purchase of 600 more tons the Village should have an adequate supply of rock salt for this winter, barring an exceptionally harsh season.

In response to a comments from President O'Hara, Public Works Superintendent Terlap stated Lake Bluff Park District purchases their salt from the Village. He expressed his uncertainty regarding the State pricing differential between the Village and the City of Lake Forest.

Trustee Grenier asked how much salt could be stored at public works. Public Works Superintendent Terlap stated the storage shed will accommodate approximately 2,000 tons but the plan is to maintain at least 1,000 tons.

As there were no comments from the Board, Trustee Dewart moved to adopt the resolution. Trustee Meyer seconded the motion. The motion passed on the following roll call vote:

Ayes: (5) Grenier, Josephitis, Meyer, Ankenman and Dewart
Nays: (0)
Absent: (1) Christensen

13. ITEM #13 – A RESOLUTION ESTIMATING THE AMOUNT OF THE ANNUAL AGGREGATE 2016 PROPERTY TAX LEVY

President O'Hara reported annually the Village is statutorily required to estimate the funds to be raised from taxes on real property in the Village prior to the adoption of the levy. This is an estimate and does not limit the Board's ability to levy a different amount provided it is in compliance with the Truth in Taxation Law and all applicable notice and hearing provisions. She further reported the Finance Committee, at their September 19th and 26th meetings, reviewed the 2016 levy projections and recommended approval of an aggregate property tax levy of \$4,130,447 or 1.25% more than the 2015 property tax extension.

President O'Hara reported the Village share of the property tax levy is \$3,233,329 and the Library Board's levy request is \$897,118. This levy comprises new construction equalized assessed valuation (EAV) estimated at \$3 million and a CPI factor of 0.7%. The total EAV is projected to increase by 6% to \$553 million. This estimated levy is in compliance with the amount allowed under the Property Tax Extension Limitation Law. The first reading of the 2016 tax levy ordinance and the public hearing will be held on Monday, November 28th.

President O'Hara noted that the Village's levy is less than 10% of the overall property tax bill. She asked the Board for their comments and thoughts regarding freezing or not using the 0.7% CPI factor for the 2016 property tax levy.

Trustee Ankenman stated the police pension fund was previously funded at 58% and given the actuarial requirements the Village could end up with a funding level of only 52% this year and noted this is a significant issue which the Village needs to closely monitor.

Trustee Dewart stated there are several capital projects pending and the Village is in the process of assessing the funding needed to move those projects forward. Trustee Dewart stated the Village has been careful stewards by driving the cost of services as low as possible. He stated there are important uses for the funds which are defensible with respect to using the full 1.25% increase.

Trustee Grenier expressed his concern about the police pension costs and asked when the Village would reach the required funding level. Finance Director Griffin stated the level is required to be reached by 2040. Trustee Grenier asked if the capital projects were in excess of where the Village has been. Trustee Dewart stated there are several projects being considered and each one has its own expense component. Trustee Dewart outlined some concerns such as the underfunded police pension, the capital projects list and the potential that the State will reduce shared municipal revenue.

Trustee Grenier expressed his concern with the potential percentage loss of sales tax revenue; although the Target Development has increased sales tax revenue by a considerable amount. He questioned how future developments could impact property tax increases. Trustee Grenier stated if the CPI factor is not frozen an assessment should be taken to determine how this would impact the Village. He wondered if a reduction in the levy by not using the CPI factor would result in a noticeable impact to the taxpayers compared to the impact on the Village's financial position. His preference is to strike a balance that benefits both the taxpayers and Village. In addition, he questioned if the community would be willing to take the necessary actions should the State budget condition continue to worsen.

Trustee Josephitis expressed his agreement with Trustee Ankenman regarding the pensions and his concern regarding the state of the State of Illinois. The chart shown on the Finance Director's memorandum reflects a 1.25% increase which is the lowest percentage increase over the past nine years. Trustee Josephitis stated he is comfortable with the proposed levy noting that the Village needs to fortify the police pension fund.

Trustee Meyer questioned what the average Lake Bluff home could anticipate in terms of actual property tax increase/decrease in dollars. Finance Director Griffin replied that the max levy provides about \$40,000 new dollars to the Village with the CPI factor of 0.7% representing \$22,500 of the \$40,000. She noted that the rate is estimated to decline by about \$0.04 cents per \$100 of EAV. Trustee Meyer asked if the General levy would need to be reduced to cover the pension levy. She stated that the reduction to the General Fund levy would be an additional \$17,500 on top of the \$5,800 that the General levy is estimated to decline when using the CPI factor.

Village President O'Hara noted that this Resolution is an estimate and can be changed prior to adoption of the Ordinance. A discussion followed, it was the consensus of the Village Board to maintain the tax levy and re-evaluate as needed.

As there were no further comments from the Board, Trustee Ankenman moved to adopt the resolution. Trustee Grenier seconded the motion. The motion passed on a unanimous voice vote.

Village Administrator Drew Irvin announced that A to the VA Brandon Stanick has accepted a position as the Township Manager for South Strabane, PA and thanked him for all the work he has done for the Village.

President O'Hara stated it has been a delight working with Mr. Stanick and thanked him for his hard work.

A to VA Stanick stated it has been an honor to serve Lake Bluff and thanked the Board for allowing him the opportunity.

14. ITEM #14 – TRUSTEE’S REPORT

There was no Trustee’s report.

15. ITEM #15 – EXECUTIVE SESSION

At 7:39 p.m. Trustee Ankenman moved to enter into Executive Session for the purpose of discussing Property Disposition (5 ILCS 120/2(c)(6)), Personnel (5 ILCS 120/2(c)(2)) and Executive Session Minutes (5 ILCS 120/2(c)(21)). Trustee Dewart seconded the motion. The motion passed on the following roll call vote:

Ayes: (5) Josephitis, Meyer, Ankenman, Dewart and Grenier
Nays: (0)
Absent: (1) Christensen

There being no further business to discuss, Trustee Grenier moved to adjourn out of executive session. Trustee Ankenman seconded the motion and the motion passed on a unanimous voice vote at 8:58 p.m.

16. ITEM #16 – CONSIDERATION OF THE MINUTES OF THE OCTOBER 24, 2016 EXECUTIVE SESSION MEETING

Trustee Ankenman moved to approve the October 24, 2016 Executive Session Meeting Minutes as presented. Trustee Meyer seconded the motion. The motion passed on a unanimous voice vote.

17. ITEM #17 – ADJOURNMENT

Trustee Dewart moved to adjourn the regular meeting. Trustee Meyer seconded the motion and the motion passed on a unanimous voice vote. The meeting adjourned at 8:59 p.m.

Respectfully Submitted,

R. Drew Irvin
Village Administrator

Aaron Towle
Village Clerk