

VILLAGE OF LIBERTYVILLE
BOARD OF TRUSTEES-SPECIAL MEETING
March 7, 2017

President Pro-Tem Johnson called to order a special meeting of the Board of Trustees at 7:00 p.m. in the Village Hall, 118 West Cook Avenue, Libertyville, Illinois. Those present were: Trustees Richard Moras, Jay Justice, Scott Adams, Peter Garrity, and Patrick Carey. President Wepler was absent.

CONTINUED DISCUSSION OF 2017/2018 DRAFT BUDGET

Administrator Clark introduced Finance Director Sutton who reviewed the changes to the draft budget since the last budget meeting held on February 25, 2017. The most significant changes included car dealer economic incentive costs for the current fiscal year and bid results for the landscaping/mowing contract. Both changes resulted in a decrease of the expenses and therefore the surplus from these changes was added to the capital improvements fund. Administrator Clark noted that with the decrease in the economic incentive costs, consideration could be given to the requested promotional items from the Economic Development Commission. Trustee Johnson inquired as to the status of this budget request and Administrator Clark indicated that as there was savings these requests were up for discussion. Trustee Johnson stated that she would like to discuss further the recommendation to fund the dining promotion program marketing.

Trustee Garrity inquired about the expenses in the TIF fund related to the Manchester Square improvements. Director Sutton explained that this could not be budgeted in the TIF fund due to the already budgeted items related to the parking garage and therefore it was best to include this cost in the General Fund. The other changes to the General Fund were reviewed.

Director Sutton explained that the Motor Fuel Tax Fund was not planned to have expenses this year due to funding of road improvements via bond proceeds. The new revenue during the coming fiscal year will be added to the fund balance for future projects. Trustee Carey inquired as to the time limit for expenditures of this revenue and Director Sutton indicated there were none. In the TIF (Tax Increment Financing) Fund the Maple Avenue garage entrance widening project was moved to the current Road Rehabilitation project due to favorable bids. The Church Street Garage signage was an item that needed further discussion, however due to this savings from the widening, it could be incorporated in the TIF Fund expenses.

The Hotel/Motel Fund included additional funding for downtown beautification and snow removal. Trustee Moras indicated that this was an important priority in order to keep the downtown area thriving. In the Commuter Parking Fund Director Sutton added that \$1.2 million in expenses were added for the Downtown Train Station improvement project, however Metra is expected to provide reimbursement for \$300,000 in project costs.

In the Water and Sewer Fund, revenue was raised to account for planned rate increases. In the Vehicle Replacement Fund, the expense for a new fire engine is included. In the

Park Improvement Fund, funding for the hockey rink construction was included. The Public Building Improvement Fund has funding for the first phase of chair replacements for meeting rooms.

The Sports Complex Fund included changes to the Golf Range Supervisor position from a salaried position to a contractual position.

Director Sutton reviewed the updated fund balance analysis for Village funds. The draft budget currently has a General Fund balance at 43.66% of expenses. The ETSB (Emergency Telephone Systems Board) Fund will be eliminated as a result of a change in State law and any remaining funds in the account will be transferred to the new Joint ETSB as of May 1, 2017.

Director Sutton reviewed the Administration and Finance Budget. She noted that transfers for the Capital Improvement Funds are located in this section of the budget so there was an increase for this year. A new position was added to this budget for the Facility/Asset Manager which will benefit all departments.

Trustee Garrity inquired as to any additional work related to the Places for Eating Tax. Director Sutton explained that the task is able to be managed by current staff. Administrator Clark reviewed the goals in the Strategic Plan for the 2017/2018 fiscal year.

Director Sutton reviewed the Legislative Boards & Commissions, Legal Services, Public Buildings, Community Organizations, Central Business District Parking, Special Service Areas, Motor Fuel Tax, and Hotel Motel Tax budgets. Trustee Johnson had a question about the legal expense budget. Administrator Clark reported he has been reviewing the current bills and will be monitoring the expenses and assignments.

The Capital Improvements Fund budget includes the finalization of the Peterson Road Streetscape project. It also includes \$150,000 for the salt bin extension and \$90,000 for an anti-icing brine project. Director of Public Works Kendzior presented an option for a salt dome which would be a total cost of \$350,000 and would allow for on-site storage of the season's salt supply. Trustee Moras asked about how visible the dome would be. Director Kendzior indicated it would be similar to buildings in the area from a height perspective and he noted the surrounding businesses did not have any initial concerns about the construction of a dome. Trustee Moras asked Director Kendzior about the effectiveness of the brine. Trustee Carey indicated that a salt dome had been a request for over 15 years and he was in support of it. Trustee Garrity asked if there was a savings with the dome. Director Kendzior replied that with the additional storage there would be savings due to the opportunity to take advantage of lower prices on salt when available. The life of the dome is over fifty years and the existing storage would be re-purposed for additional on-site storage.

There was a discussion regarding the benefits of the brine and the pre-treatment options prior to a snow storm. The Board members discussed eliminating the brine project until

next year since the salt dome was a one-time expense and re-considering the brine in next year's budget. The Board recommended including the salt dome project in the draft budget in the amount of \$350,000 and eliminating the anti-ice brine project.

Director Sutton reviewed the Bond & Interest funds and the Police and Fire Pension funds.

Director Sutton discussed the water and sewer rates that were part of the June 2016 rate study and the assumptions made as part of that study. Trustee Carey inquired as to whether or not any potential consolidation would cause the expenses for the Wastewater Treatment Plant to decrease. Administrator Clark indicated that the assumptions did not include consolidation savings and that any saving opportunities would not be known until completion of the engineering study. Director Sutton explained the approximate 8% increase on rates.

Trustee Moras asked about the increase on the senior citizen bill rates based on the average usage. He asked for additional analysis on the impact and any recommendations to assist seniors who may be on fixed incomes. Administrator Clark indicated the rate recommendation would be provided to the Board at the April 11th Village Board meeting.

Director Sutton reviewed the utility tax rates implemented in the Village. The gas utility tax was eliminated in 2013 and the electric utility tax was decreased in 2015, and is currently at 4%. The Telecommunications Tax is currently at 6%. Trustee Moras addressed goal to maintain road improvements over time through a consistent revenue source. He explained that the utility taxes were approved with the intent of being temporary taxes during the economic downturn in 2009-2010. However economic uncertainty from the State of Illinois and Village debt obligations remain and it is difficult to decrease the revenue at this time. In his opinion, it was important to make sure this tax is reviewed on a regular basis and through the budget process.

Administrator Clark stated that the public hearing for the 2017/2018 Budget would be held on April 11, 2017 with final approval of the 2017/2018 Budget on April 25, 2017.

EXECUTIVE SESSION - Personnel: Collective Bargaining [5 ILCS 120/2(c)(2) and Personnel: Appointment, Employment, Compensation, Discipline, Performance, or Dismissal of Specific Employees [5 ILCS 120/2(c)(1)

With no further business, Trustee Garrity moved to go into Executive Session to discuss Personnel at 8:37 p.m., Trustee Moras seconded, and the motion carried on a unanimous voice vote.

ADJOURNMENT

The Board returned to the regular meeting at 9:28 p.m., and no further business was discussed, Trustee Moras moved to adjourn, Trustee Carey, seconded, and the motion carried on a unanimous voice vote.

Respectfully submitted,

A handwritten signature in cursive script that reads "Christopher D. Clark". The signature is written in black ink and is positioned above the printed name.

Christopher D. Clark
Deputy Village Clerk