

**VILLAGE OF LAKEWOOD
MINUTES OF VILLAGE BOARD MEETING
DECEMBER 12, 2017**

The Village Board Meeting was called to order at 7:11 p.m. at Turnberry Country Club by President Serwatka. Present were Trustee Davis, McMahan, Odom, Rexroat, Ritchie, and Stephan. Also present were Chief Administrative Officer Jeannine Smith; Village Clerk Janice Hansen; Village Attorney Michael Smoron; Village Treasurer Jean Heckman; Chief of Police Michael Roth; and many members of the public.

PUBLIC COMMENTS: Gene Furey of 7012 Inverway commented that the discussion and votes for the Village's tax levies are the most important responsibility for the Board of Trustees.

CONSENT AGENDA: The following were considered and enacted on a single motion by Trustee Davis, seconded by Trustee Stephan :

APPROVAL OF MINUTES: November 14, 2017 Regular Board Meeting, and November 14 2017 Executive Special Board Meeting

APPROVAL OF BILL LISTS: Accounts Payable Dated November 29, 2017 in the Amount of \$151,849.81; Accounts Payable Pre-Paid Invoices for November, 2017 in the Amount of \$16,857.76 and Accounts Payable Dated December 13, 2017 in the Amount of \$153,945.35

APPROVAL OF FINANCIAL STATEMENTS: Village Financial Statements for the Periods May 1, 2017 through September 30, 2017; RedTail Financial Statements for the Periods May 1, 2017 through September 30, 2017; and Lake Patrol Financial Statements for the Periods May 1, 2017 through September 30, 2017; Village Financial Statements for the Periods May 1, 2017 through October 31, 2017; RedTail Financial Statements for the Periods May 1, 2017 through October 31, 2017; and Lake Patrol Financial Statements for the Periods May 1, 2017 through October 31, 2017

Voting Aye: Trustees Davis, McMahan, Odom, Rexroat, Ritchie, and Stephan. Voting Nay: None. Motion declared carried.

ITEMS REMOVED FROM THE CONSENT AGENDA: None

Trustee Ritchie asked for Item 6 (Ordinance 2017-39 – An Ordinance for the Levy of Taxes for the Village of Lakewood, McHenry County, Illinois, for the Year 2017 and Item 20 (Discussion Regarding New Village Policy Facility and/or RedTail Golf Clubhouse as requested by Trustee Ritchie) be removed from this Agenda. He had asked for Agenda Item 20 be placed on the August 8, 2017 Agenda; he does not wish to discuss this matter at this time. It was the Board of Trustees general consensus to remove this item.

Trustee Davis would like to discuss Item 6 (Ordinance 2017-39).

APPROVAL OF THE APPOINTMENT OF LARRY GALIZI AS COMMISSIONER TO THE PLANNING AND ZONING COMMISSION: Larry Galizi is a 38 year resident of the Village. He is a former military Navy pilot and is a Crystal Lake aviation insurance broker since 1990.

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Trustee Davis, seconded by Trustee Stephan, moved to appoint Larry Galizi as Commissioner to the Planning and Zoning Commission. Voting Aye: Trustees Davis, McMahon, Odom, Rexroat, Ritchie, and Stephan. Voting Nay: None. Motion declared carried.

Chief Administrative Officer Jeannine Smith stated that the Illinois State Statute requires all taxing bodies to request specific property tax amounts and not set tax rates. This legislation is based on the State's belief that all governments should only ask for what is needed to finance their operations and should not gain unnecessarily from significant increases in property values.

CAO Smith commented that the Village Manager typically presents an Estimated Tax Levy Resolution and supporting information in November. At that time, the Village did not have a Manager to present this information.

Based on Board direction, staff has determined a levy amount of \$1,586,509 representing a 10% decrease in the prior year levy is sufficient to cover expenditures for the coming fiscal year. This amount excludes special service areas, bonds and street and bridge.

By reducing the levy by 10% there is a savings of \$176,278. To arrive at this sum there was a consolidation of the Village Manager and Finance Director positions (\$76,100); reduction of Police Chief salary (\$24,405); IMRF savings for these positions (\$10,654); Fire equipment loan paid in full (\$41,000) and part time Building Inspector position contracted out (\$25,720) totaling a cost savings to the Village of \$177,879. These sums cover the 10% levy reduction.

CAO Smith commented that the Village is committed to a balanced budget for the upcoming fiscal year, excluding planned capital improvement projects, while maintaining a healthy General Fund reserve. The 2017 Audit of the General Fund shows a fiscal year fund balance increase of \$213,516 over expenditures and a total fund balance reserve of \$1,378,455 representing 52% of annual expenditures. Village Auditors typically recommend a fund balance between 30% - 50%. Hence, a levy decrease for this year is justified. At this time she highlighted a 2018 draft budget.

Trustee Davis commented on the need for stormwater mitigation.

Trustee Davis commented on tax abatements, tax cuts, and would like bond payments discussed.

Trustee Rexroat commented that the Board should be cautious with these changes; he does not want to reduce reserves.

Trustee Ritchie commented that the proposed 10% will save residents an estimated \$119 per household.

APPROVAL OF ORDINANCE 2017-39 – AN ORDINANCE FOR THE LEVY OF TAXES FOR THE VILLAGE OF LAKEWOOD, MCHENRY COUNTY, ILLINOIS, FOR THE YEAR 2017:

Trustee McMahon, seconded by Trustee Rexroat, moved to postpone the vote Ordinance 2017-39 to Monday, December 18, 2017, at 6:00 p.m.. Voting Aye: Trustees Davis, McMahon, Odom, Rexroat, Ritchie, and Stephan. Voting Nay: None. Motion declared carried.

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APPROVAL OF ORDINANCE 2017-40 – AN ORDINANCE LEVYING TAXES FOR SPECIAL SERVICE AREA NUMBER 2 IN THE VILLAGE OF LAKEWOOD FOR THE 2017 TAX YEAR (BRIGHTON OAKS):

Trustee Stephan, seconded by Trustee McMahon, moved to approve Ordinance 2017-40. Voting Aye: Trustees Davis, McMahon, Odom, Rexroat, Ritchie, and Stephan. Voting Nay: None. Motion declared carried.

APPROVAL OF ORDINANCE 2017-41 – AN ORDINANCE LEVYING TAXES FOR SPECIAL SERVICE AREA NUMBER 3 IN THE VILLAGE OF LAKEWOOD FOR THE 2017 TAX YEAR (WESTLAKE WOODS): Trustee Davis commented that the sewer connect for this subdivision belongs to the City of Crystal Lake; the lines belong to the Village of Lakewood. Previous SSA#3 levies have been assessed less than what will be required to pay for any repairs. He suggests that the Board revisit this levy next year to insure proper funds are reserved for repairs.

Chief Administrative Officer Jeannine Smith stated that she will propose strategies toward Special Service Area goals.

Trustee McMahon, seconded by Trustee Stephan, moved to approve Ordinance 2017-41. Voting Aye: Trustees Davis, McMahon, Odom, Rexroat, Ritchie, and Stephan. Voting Nay: None. Motion declared carried.

APPROVAL OF ORDINANCE 2017-42 – AN ORDINANCE LEVYING TAXES FOR SPECIAL SERVICE AREA NUMBER 4 IN THE VILLAGE OF LAKEWOOD FOR THE 2017 TAX YEAR (HIDDEN LAKES):

Trustee Stephan, seconded by Trustee Davis, moved to approve Ordinance 2017-42. Voting Aye: Trustees Davis, McMahon, Odom, Rexroat, Ritchie, and Stephan. Voting Nay: None. Motion declared carried.

APPROVAL OF ORDINANCE 2017-43 – AN ORDINANCE LEVYING TAXES FOR SPECIAL SERVICE AREA NUMBER 5 IN THE VILLAGE OF LAKEWOOD FOR THE 2017 TAX YEAR (THE RESERVES OF LAKEWOOD):

Trustee Stephan, seconded by Trustee Ritchie, moved to approve Ordinance 2017-43. Voting Aye: Trustees Davis, McMahon, Odom, Rexroat, Ritchie, and Stephan. Voting Nay: None. Motion declared carried.

APPROVAL OF ORDINANCE 2017-44 – AN ORDINANCE LEVYING TAXES FOR SPECIAL SERVICE AREA NUMBER 6 IN THE VILLAGE OF LAKEWOOD FOR THE 2017 TAX YEAR (CAMBRIA SUBDIVISION):

Trustee Stephan, seconded by Trustee Rexroat, moved to approve Ordinance 2017-44. Voting Aye: Trustees Davis, McMahon, Odom, Rexroat, Ritchie, and Stephan. Voting Nay: None. Motion declared carried.

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APPROVAL OF ORDINANCE 2017-45 – AN ORDINANCE LEVYING TAXES FOR SPECIAL SERVICE AREA NUMBER 7 IN THE VILLAGE OF LAKEWOOD FOR THE 2017 TAX YEAR (WOODLAND HILLS AND AUTUMN RIDGE):

Trustee Stephan, seconded by Trustee Davis, moved to approve Ordinance 2017-45. Voting Aye: Trustees Davis, McMahon, Odom, Rexroat, Ritchie, and Stephan. Voting Nay: None. Motion declared carried.

APPROVAL OF ORDINANCE 2017-46 – AN ORDINANCE LEVYING TAXES FOR SPECIAL SERVICE AREA NUMBER 8 IN THE VILLAGE OF LAKEWOOD FOR THE 2017 TAX YEAR (“MCINTOSH” TURNBERRY, LOCH GLEN AND HIGHLANDS OF TURNBERRY SUBDIVISIONS, TURNBERRY COUNTRY CLUB, AND REDTAIL GOLF CLUB):

Trustee Stephan, seconded by Trustee Rexroat, moved to approve Ordinance 2017-46 Voting Aye: Trustees Davis, McMahon, Odom, Rexroat, Ritchie, and Stephan. Voting Nay: None. Motion declared carried.

APPROVAL OF ORDINANCE 2017-47 – AN ORDINANCE INCREASING THE STREET AND BRIDGE FUND LEVY LIMIT FOR THE 2017 LEVY EXTENDED IN 2018:

Trustee Davis, seconded by Trustee Stephan, moved to approve Ordinance 2017-47. Voting Aye: Trustees Davis, McMahon, Odom, Rexroat, Ritchie, and Stephan. Voting Nay: None. Motion declared carried.

APPROVAL OF ORDINANCE 2017- 48 – AN ORDINANCE ABATING TAXES LEVIED TO PAY PRINCIPAL OF AND INTEREST ON CERTAIN GENERAL OBLIGATION BONDS (ALTERNATE REVENUE SOURCE) SERIES 2010A, OF THE VILLAGE OF LAKEWOOD (WATERWORKS AND SEWERAGE REFUNDING BONDS):

Trustee Davis, seconded by Trustee Rexroat, moved to approve Ordinance 2017-48. Voting Aye: Trustees Davis, McMahon, Odom, Rexroat, Ritchie, and Stephan. Voting Nay: None. Motion declared carried.

APPROVAL OF ORDINANCE 2017- 49 – AN ORDINANCE ABATING TAXES LEVIED TO PAY PRINCIPAL OF AND INTEREST ON CERTAIN GENERAL OBLIGATION BONDS (ALTERNATE REVENUE SOURCE) SERIES 2010B, OF THE VILLAGE OF LAKEWOOD (WATERWORKS AND SEWERAGE BONDS):

Trustee Davis, seconded by Trustee McMahon, moved to approve Ordinance 2017-49. Voting Aye: Trustees Davis, McMahon, Odom, Rexroat, Ritchie, and Stephan. Voting Nay: None. Motion declared carried.

APPROVAL OF ORDINANCE 2017-50 – AN ORDINANCE GRANTING VARIANCES FROM SECTION 7.6-A AND SECTION 10.2-7.2 OF THE ZONING ORDINANCE OF THE VILLAGE OF LAKEWOOD FOR 6915 INVERWAY DRIVE:

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Trustee Stephan, seconded by Trustee Davis, moved to approve Ordinance 2017-50. Voting Aye: Trustees Davis, McMahon, Odom, Rexroat, Ritchie, and Stephan. Voting Nay: None. Motion declared carried.

APPROVAL OF THE PROPOSAL OF LIABILITY INSURANCE FOR CALENDAR YEAR 2018 FROM ARTHUR J. GALLAGHER & COMPANY AND WILLIAMS MANNY IN AN AMOUNT NOT TO EXCEED \$96,248 AND AUTHORIZE THE VILLAGE CHIEF ADMINISTRATIVE OFFICER TO EXECUTE THE NECESSARY DOCUMENTS: Benefits Coordinator Sue Villie commented that the Village had another positive year in terms of claims. Williams Manny, the Village insurance consultant, secure quotes for property, worker's compensation and liability insurance coverage that is competitive against our previous provider,, Illinois Municipal League Risk Management Association. The overall 2018 premium has decreased by \$2,917 or 2.94%. Given the Village's excellent claims experience, IPRF increased our safety grant from \$2,598 to \$3,213 for education and/or safety resources.

Trustee Davis, seconded by Trustee Ritchie, moved to approve the Proposal of Liability Insurance for Calendar Year 2018 from Arthur J. Gallagher & company and Williams Manny in an Amount Not to Exceed \$96,248 and Authorize the Chief Administrative Officer to Execute the Necessary Documents. Voting Aye: Trustees Davis, McMahon, Odom, Rexroat, Ritchie, and Stephan. Voting Nay: None. Motion declared carried.

APPROVAL OF A PROPOSAL FOR INSURANCE FOR CALENDAR YEAR 2017 FROM AETNA. ALTERNATE 1: KEEPING THE EMPLOYEE CONTRIBUTIONS SAME FOR PPO AND H.S.A., WHILE INCREASING THE HMO EMPLOYEE CONTRIBUTION TO 10% AND AUTHORIZE THE VILLAGE CHIEF ADMINISTRATIVE OFFICER TO EXECUTE THE NECESSARY DOCUMENTS: Benefits Coordinator Sue Villie commented that the Gallagher Williams Manny, Village insurance consultant, put together a package for the 2018 Aetna medical renewal for Village employees. The overall increase, effective January 1, 2018, will be 1.3%. The Village offers three plans to its employees (PPO, H.S.A. and HMO). The proposed plan increased the deductible for the PPO plan be partially self funded by the Village; employees pay the first \$2,000 of their deductible and the Village will be responsible for the remaining \$1,500. Employees participating in H.S.A. will continue to receive a \$500 annual incentive toward their high deductible. Also, employees participating I HMO will now pay a 10% employee contribution, which is consistent with the PPO 15% and H.S.A. 10%.

Trustee Ritchie, seconded by Trustee McMahon, moved to approve a Proposal of Health Insurance for Calendar Year 2017 from Aetna. Alternate 1: Keeping the Employee Contributions Same for PPO and H.S.A., while increasing the HMO Employee Contribution to 10% and Authorize the Chief Administrative Officer to execute the necessary documents. Voting Aye: Trustees Davis, McMahon, Odom, Rexroat, Ritchie, and Stephan. Voting Nay: None. Motion declared carried.

DISCUSSION REGARDING NEW VILLAGE POLICE FACILITY AND/OR REDTAIL GOLF CLUBHOUSE AS REQUESTED BY TRUSTEE RITCHIE: Trustee Ritchie asked that this agenda item be removed. General consensus all agreed.

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REPORTS: Chief Administrative Officer Jeannine Smith thanked the Village Board for her appointment to CAO; staff has been great; and she appreciates all record keeping efforts.

Police Chief Michael Roth thanked all those who came to the Cookies and Cocoa with the Cops on Saturday, December 9, 2017.

With nothing further to discuss, Trustee Davis, seconded by McMahon moved to adjourn the meeting. Voting Aye: Trustees Davis, McMahon, Odom, Rexroat, Ritchie, and Stephan. Voting Nay: None. Motion declared carried. The meeting adjourned at 8:31 p.m.

Janice S. Hansen
Village Clerk

Approved: _____ Dated: January 9, 2018