

VILLAGE OF LAKE BLUFF - FINANCE COMMITTEE
MINUTES OF MEETING – **February 2, 2013**

I. Call to Order – Roll Call

The Finance Committee of the Village of Lake Bluff was called to order on Monday, February 2, 2013 at 8:00 AM in the Village Hall Conference Room, 40 E. Center Ave., Lake Bluff, Illinois.

Members Present: Trustee Brian Rener, Chairman
Trustee John Josephitis, Member
Trustee Kathleen O'Hara, Member

Others Present: Christine Letchinger, Village Board President
Steve Christensen, Village Board Trustee
Mark Dewart, Village Board Trustee
R. Drew Irvin, Village Administrator
Susan M. Griffin, Director of Finance
Marlene Scheibl, Assistant Finance Director
George Russell, Village Engineer (arrived at 9:00)
Brandon Stanick, Assistant to the Village Administrator
Paul Lemieux, 560 Evanston, Lake Bluff

II. Approval of Minutes

Member O'Hara moved to approve the minutes of the December 10, 2012 meeting as presented; seconded by Member John Josephitis and approved unanimously on a voice vote.

III. Business Items

1. FY2013-14 Preliminary Budget Discussion

Review of General Fund Operating Expenditures

Director Griffin provided an overview of the major changes in the preliminary FY2013-14 General Fund budget. She stated that the proposed budget is \$8.967 million (excluding the Contingency amount of \$200k) financed with \$7.716 million in anticipated operating revenues; the intentional use of excess reserves in the amount of \$765k; two grants for a total of \$468k; and a transfer of \$17.77k from the E911 Fund. Director Griffin remarked that the General Fund multi-year fund balance projections schedule shows the fund balance declining FY14-FY19 exclusive of potential new revenue sources or program modifications. The use of \$765k in fund balance reserves is to finance the recommended capital projects. In FY13 the Village contributed \$325k to the MFT fund in order to fund the annual street paving expenditure of \$475k. For FY14, it is recommended that the General Fund finance the entire \$475k for street repaving and reduce the FY15 transfer to the MFT fund to \$175k. The average of the General Fund supplement to the street resurfacing program will still be \$325k over both fiscal years. Village Administrator Irvin advised the Trustees that use of motor fuel tax allotments typically increases the cost of the projects resulting in less money for actual construction. Further, pricing becomes more competitive when Lake Bluff bids the repaving projects in conjunction with the City of Lake Forest. Member Josephitis asked if spending \$475,000 annually to maintain the roads is an adequate amount. VA Irvin replied that, at this time, this is the annual amount estimated to maintain the roads. Chairman Rener added that the Village intentionally delayed some improvements in order to have adequate funds available during the recession. Director Griffin said that the unsecured note for the Walnut property was paid in full in FY13. VA Irvin noted that the increase in projected operating expenses for FY14 is a 0.6% and this does not include any operational changes that may be the result of the Fire/EMS/Dispatch study which is expected next week. This FY14 preliminary General Fund budget was

prepared with (i) continuing service at current levels; (ii) no additional positions; (iii) maintaining lean operations; and (iv) aggressively financing capital improvements. The only new initiative is \$7.5k for the Historic Preservation incentive program. One project that is not in the budget is potentially trying to solve the flooding under the viaduct. The cost of a design study would be \$25k. President Letchinger suggested that maybe the Village should consider looking at the design in order to have a dollar figure for a future repair. At the request of Chairman Rener, Director Griffin briefly discussed the Police Pension property tax contributions noting that the projections are in line with the amount suggested by the actuary which is higher than the amount using the state method to calculate the contribution.

Director Griffin handed out an events expenditures list showing the support provided by the Village for special events. Chairman Rener said both the Park and School Districts have foundations to support their events and the Village should look into a partner foundation for the same purpose. Member O'Hara opined that the Village should not run the events but should support them and events that are not hosted by local residents or businesses should be self-supporting. Mr. Lemieux noted that these events benefit the downtown merchants which bring in sales taxes to the Village. Member O'Hara commented that the Twilight Criterium bike race should over time be self-supporting since it is a national and not a local event. Mr. Lemieux added the Fourth of July Committee plans to pay for the tent and portable water closets this year.

External Organization Funding Requests

VA Irvin noted that the Village receives financial support requests from various local service organizations and, pursuant to the "External Organization Financing Request Policy", is presenting the FY2014 requests for consideration. The proposed budget includes funds for: Lake County Cares \$600; LEAD Parent University \$5,000; Speak Up! \$2,500; and Community Wellness Task Force (CWTF) \$1,000. He noted that the CWTF is a new organization asking for a contribution. Member O'Hara stated that community health is part of the Village's strategic plan. VA Irvin noted that the recent teen suicides resulted in the creation of a Community Wellness Task Force. The Task Force has advised community leaders that recent studies have shown the need for more community awareness and a lack of mental health facilities in the Lake Bluff/Lake Forest area. Member O'Hara remarked that the schools educate the students on substance abuse and risky behavior but LEAD is the only organization serving Lake Bluff, Lake Forest, and Knollwood which is focused on parent education. VA Irvin stated the Strategic Plan includes a goal for the Village to embrace volunteerism. Lake County Cares has a model in which they manage volunteer opportunities. They have a new web-site which they are in the process of enhancing. Once the enhancements are complete, the Village will begin to provide information to LCC to expand resident participation in local government. Member O'Hara also noted she is meeting with the Charmm'd Foundation for a venue to add to opportunities for volunteers.

2. Discussion Regarding Possible Redevelopment of Former Shepard Chevrolet Property and Requested Economic Incentives

Discussion ensued regarding economic incentive options for possible redevelopment of the former Shepard Chevrolet property.

3. Review of Public Works Capital Projects

Village Engineer Russell presented a packet of the Proposed Capital Improvement Projects for FY14 providing details regarding each project. The Sheridan Road/Scranton crossing improvement warning signs come in two different designs. One is an ornamental design and the other is a standard post mount. The ornamental has a wider base for the pole and black outline on the signs. The budgeted amount includes the cost of two poles. The remote button operates both signs. The Lincoln Avenue relief storm sewer is a rollover of construction phase which was budgeted in the current fiscal year. The Tangley Oaks pump station generator replacement is a carryover from the current year due to a lead time of 14 weeks for the generator. The annual bidding for the street resurfacing project will be bid with the City of

Lake Forest only this year as some of the communities that participated last year experienced significant delays due to the inability of the contractor to complete the increased number of projects. The Village and the City receive favorable bids for street resurfacing because of lower trucking costs. The two most prevalent contractors have asphalt supplies within a few miles of Lake Bluff. Trustee Dewart asked about the value of the crack sealing program. Village Engineer Russell responded that the crack sealing has held up and looks good but we have not had a severe winter yet to really test the condition. Chairman Renner added the \$475,000 budgeted annually should be adequate to maintain the roads in the future.

Village Engineer Russell excused himself from the meeting at 9:45.

4. Strategic Plan Year 2 Informational Report

Assistant to the VA Stanick reviewed the status of the strategic plan goals. He noted that the goal to develop a volunteer model has been delayed as Lake County Cares continues working on the enhancements proposed by the Village staff to their website. He further stated that the assessment of housing types and the senior housing plan will be started with engaging a consultant for an overview of what is happening in these areas in the current market. Trustee Dewart added this should coincide with the recovery of the housing market. Mr. Lemieux suggested that the Village discuss housing in terms of diversity as opposed to the term affordable. President Letchinger stated the community is not adding students to its schools and it appears that older adults currently living in the community may want to stay in Lake Bluff but not in their current homes. Assistant to the VA Stanick said the Village branding and marketing program and Waukegan Road corridor study both address creating a sustainable revenue base. Trustee Dewart suggested the next Board's Bulletin could include an update on the accomplishments of the strategic plan goals.

IV. Next Meeting

The date of the next meeting is Saturday February 9, 2013 at 8:00 AM.

V. Adjournment

Member O' Hara made a motion to adjourn the meeting at 10:50 AM, seconded by Member Josephitis and all members voted aye.

Respectfully submitted,

Marlene Scheibl
Assistant Director of Finance