

**MINUTES OF THE REGULAR MEETING
OF THE GURNEE VILLAGE BOARD**

**GURNEE VILLAGE HALL
SEPTEMBER 26, 2016**

Call to Order	Mayor Kovarik called the meeting to order at 7:02 p.m.
Other Officials in Attendance	Patrick Muetz, Village Administrator; David Ziegler, Assistant Village Administrator/Community Development Director; Bryan Winter, Village Attorney; Brian Gosnell, Finance Director; Christine Palmieri, Director of Human Resources; Chris Velkover, Information Systems Director; Tom Rigwood, Director of Public Works; Fred Friedl, Fire Chief; John Kavanagh, Deputy Fire Chief; Kevin Woodside, Police Chief; Sandra Campbell, Deputy Police Chief; Willie Meyer Deputy Police Chief; Ellen Dean, Economic Development Director, Jack Linehan, Assistant to the Administrator
Roll Call	PRESENT: 5- Balmes, Hood, Wilson, Ross, Thorstenson ABSENT: 1- Garner
Pledge of Allegiance	Mayor Kovarik led the Pledge of Allegiance.
<u>A. PUBLIC COMMENT</u>	<p>Mayor Kovarik thanked all involved with the successful 2nd Annual Legions of Craft Beer Fest held September 17th. She said attendance was approximately 1600 and the Village anticipates a \$25,000 net gain. She said it was a huge effort and many gave their time to the success of the event.</p> <p>Mayor Kovarik thanked Chief Friedl and Chief Woodside for the excellent response to the semi-truck accident on I-94 at the Grand Avenue exit last Monday.</p>
<u>B. APPROVAL OF CONSENT AGENDA</u>	<p>It was moved by Trustee Balmes, seconded by Trustee Wilson to approve the Consent Agenda as presented.</p> <p><u>Roll call,</u> AYE: 5- Balmes, Hood, Wilson, Ross, Thorstenson NAY: 0- None ABSENT: 1- Garner Motion Carried.</p>
<u>C. CONSENT AGENDA / OMNIBUS VOTE</u>	<p>The Village Administrator read the consent agenda for an omnibus vote as follows:</p> <ol style="list-style-type: none">1. Approval of the minutes from the September 12, 2016 Village Board meeting.2. Approval of request for Communications Supervisor Phil Brunell, Shift Leader Wendy Mann, Records Supervisor John Petersen and Records Assistant Becky Stutts to attend the PSSI User Group Conference in Annapolis, MD from November 15 - 17, 2016 at an estimated cost of \$4,305.00.3. Approval of request for Police Officers Marti Deperte and Kirk Helgesen to attend Simon & Wesson's M&P Armorer's Certification Course in Waunakee, WI on October 19, 2016 at estimated cost of \$731.00.4. Approval of Payroll for period ending September 17, 2016 in the amount of \$764,712.73.5. Approval of Payroll Transfer Journal for period ending September 17, 2016 in the amount of \$756,837.54.6. Approval of Bills for the period ending September 26, 2016 in the amount of \$842,418.23.

It was moved by Trustee Balmes, seconded by Trustee Ross to approve the Consent Agenda for an omnibus vote as read.

Roll call,

AYE: 5- Balmes, Hood, Wilson, Ross, Thorstenson

NAY: 0- None

ABSENT: 1- Garner

Motion Carried.

D. PETITIONS AND COMMUNICATIONS

1. Introduction and recognition of 2016 Gurnee Queens:
 - Miss Gurnee Leah Davis
 - Junior Miss Gurnee Emily Hetman
 - Little Miss Gurnee Morgan Ghys

The Queens introduced themselves to the audience and Board. Mayor Kovarik presented each with a photo album.

2. Approval of a Proclamation designating October 2016 as "Let's Talk Month" in the Village of Gurnee.

Mayor Kovarik read proclamation into record.

It was moved by Trustee Wilson, seconded by Trustee Thorstenson to approve of a Proclamation designating October 2016 as "Let's Talk Month" in the Village of Gurnee.

Voice Vote: ALL AYE: Motion Carried

3. Approval of a Proclamation designating October 2016 as "Crime Prevention Month" in the Village of Gurnee.

Mayor Kovarik read proclamation into record.

It was moved by Trustee Balmes, seconded by Trustee Ross to approve of a Proclamation designating October 2016 as "Crime Prevention Month" in the Village of Gurnee.

Voice Vote: ALL AYE: Motion Carried

E. REPORTS

1. Presentation by Finance Director Brian Gosnell – Fiscal Year 16/17 First Quarter financial performance.

Finance Director Gosnell presented a brief Power Point presentation to the Board.

Cash & Investments

- ▶ Total \$31,214,846
 - General Fund 70%
 - W&S 15%
 - Capital Fund 3%
 - 39% in Money Markets - IL Funds
 - 29% Checking/Cash – First Midwest
 - 32% Short-Term Fixed Income – Schwab
- ▶ Yield vs. Benchmark
 - Village Portfolio – 0.712%
 - 91 Day T-Bill – 0.310%

General Fund - Revenues

Major revenues in the General Fund, which account for about 75% of all revenues, finished the quarter with a positive variance of 1.48% or \$102k versus budget, but more importantly 0.62% or \$43k behind last year.

The Village has seen a pretty noticeable flattening of major revenues particularly sales and income taxes. Sales tax collections continued to be flat in the 1st quarter consistent with the end of last fiscal year.

Sales taxes are ahead of budget by just 0.43% or \$17k and

0.13% or \$9k behind last year. Trend really started at the end of last year.

Income taxes are tracking well behind budget and last year, the Villages uses the IML estimate to budget for this revenue source and as of the last publication the IML felt confident that it would finish the year as predicted and we do see a slight bounce back in the 2nd quarter.

Use tax continues to outperform both budget and last year as more and more online retailers are collecting sales taxes. Telecom taxes continued to decline, however it is declining less than anticipated. Staff expected another 5% drop and its only dropped about 2% in the first quarter.

Amusement taxes continue to be strong thanks to Six Flags and the new attraction, we do see this pull back a little in August.

Hotel taxes are down 5% from last year and almost 7% versus budget, although it did bounce back somewhat in August.

Food & Beverage receipts continue to be strong with the addition of Portillos and general summer activity.

Building permits are strong as some of the projects including medical office on Rollins, Sam's gas station, Floor & Decor, and the Marcus Cinema lobby remodel.

General Fund – Expenditures

General Fund Expenditures are at 24.42% of budget.

The 1st quarter had a 3 payroll month and the insurance premium for the year is paid in the 1st quarter.

Everything else is right on track.

Water & Sewer Fund – Revenues

In the water & sewer operating fund revenues are at 26.15% of budget.

Water and sewer sales are up due to seasonality

Water & Sewer Fund – Expenditures

Expenditures are at 25.81%. This can be attributed to timing differences related to payroll and insurance, as well as training and seasonal hydrant maintenance activities.

Police & Fire Pension Investments

Police Pension (Ziegler & Stratford)

- ▶ Avg. Monthly Portfolio Balance - \$39.94m
- ▶ FY17 Gains/Income – \$140k
- ▶ FY17 Annualized Return – 8.51%
- ▶ 12 month Rolling Return – (-0.60%)

Fire Pension (Sawyer Falduto)

- ▶ Avg. Monthly Portfolio Balance - \$29.55m
- ▶ FY17 Gains/Income – \$1.15m
- ▶ FY17 Annualized Return – 15.63%
- ▶ 12 month Rolling Return – 3.88%

Mayor Kovarik asked for more info on the disparity in the Pension Fund's performance. Finance Director Gosnell stated it is a result of the funds make-up.

Economic Reports

- ▶ Federal Reserve Beige Book
- ▶ Consumer Spending slowing
- ▶ Business spending focused on IT and equipment
- ▶ Real estate largely flat
- ▶ Manufacturing strong in auto and aerospace areas
- ▶ Strong lending to small and mid-sized businesses

Mr. Muetz concluded by stating the Village has once again received the GFOA's Distinguished Budget Presentation Award.

F. OLD BUSINESS

None.

G. NEW BUSINESS

1. Approval of recommendation to set Trick-or-Treat hours for Halloween 2016 for Sunday, October 30th, 2:00 p.m. to 5:00 p.m.

Mayor Kovarik said the Village received feedback from the community that changing the day 6 weeks before the event is not enough time to plan accordingly. As a result, she is recommending that the Village follow the traditional day of Sunday trick-or-treating for 2016. She said going forward, she is recommending that the Village set the trick-or-treat date at the same time the Village Board meeting schedule is set for the year. This will give the community 10-11 months to plan their schedules. She requested comments made on her official Mayor Facebook page be included in the public record. The comments are being attached as Exhibit A to the minutes.

It was moved by Trustee Wilson, seconded by Trustee Thorstenson to approve of recommendation to set Trick-or-Treat hours for Halloween 2016 for Sunday, October 30th, 2:00 p.m. to 5:00 p.m.

Roll call,

AYE: 4- Hood, Wilson, Ross, Thorstenson

NAY: 1- Balmes

ABSENT: 1- Garner

Motion Carried.

2. Approval of awarding the Milwaukee Avenue Sidewalk Project to the low bidder, Schroeder & Schroeder, Inc., at a cost not to exceed \$249,405.00.

Mr. Muetz said at the last meeting, the Village Board voted to transfer funding around in the Capital Fund to allow some outstanding projects to be completed. One of these projects is the Route 21 sidewalk from Darlene Drive south of Washington Street. He said the initial bids came in higher than what the Village had in the budget. Staff then proposed completing just the northern half of the project. Before that contract was finalized, staff was able to gain a better understanding of where our major roadway projects will end at financially. With this information in hand, staff brought forward an ordinance amending the budget to allow some of these outstanding project to be completed. The lack of sidewalk along Route 21 has been a long-standing issue that was highlighted in both the Strategic Planning Initiative and the follow-up Pedestrian Mobility survey. Schroeder & Schroeder was the low bidder for the entire stretch of the sidewalk. Staff has worked with Schroeder & Schroeder in the past and has been happy with the quality of the work.

It was moved by Trustee Ross, seconded by Trustee Thorstenson to approve of awarding the Milwaukee Avenue Sidewalk Project to the low bidder, Schroeder & Schroeder, Inc., at a cost not to exceed \$249,405.00.

Roll call,

AYE: 5- Balmes, Hood, Wilson, Ross, Thorstenson

NAY: 0- None

ABSENT: 1- Garner

Motion Carried.

3. Approval of authorizing the development an Intergovernmental Agreement between the City of Zion and the Village of Gurnee for Emergency Telephone System Board consolidation and dispatching services.

Mr. Muetz said the Village has been in discussion with the City of Zion related to ETSB and dispatch consolidation. This is a result of State legislation that requires communities under 25,000 to consolidate their ETSBs. On Tuesday night, the Zion City Council authorized moving forward with developing an Intergovernmental Agreement with Gurnee. This agreement will spell out all the terms and conditions of the partnership between the two communities. Similar to Zion, Village staff is looking for Board approval to move forward with developing an IGA. Following the development of the agreement, which is expected to take a few months, it will be presented to both the Zion City Council and the Gurnee Village Board for formal consideration.

Mayor Kovarik said this is an excellent plan.

It was moved by Trustee Balmes, seconded by Trustee Ross to approve of authorizing the development an Intergovernmental Agreement between the City of Zion and the Village of Gurnee for Emergency Telephone System Board consolidation and dispatching services.

Roll call,

AYE: 5- Balmes, Hood, Wilson, Ross, Thorstenson

NAY: 0- None

ABSENT: 1- Garner

Motion Carried.

4. Approval of Ord. 2016 - 67 approving a Final Plat for the Vista Ridge Subdivision being in unincorporated Lake County.

Mr. Muetz said per state statute communities have zoning and subdivision oversight within 1.5 miles of their borders. As such, recently the Village received a request to sign a subdivision plat for the west side of Hunt Club Road between Gurnee Glenn and Hunt Club Meadows subdivisions. The proposed subdivision creates 65 single family residential lots, which is just under 2 lot per acre in density. Staff has reviewed and finds it to be in conformance with our requirements. In addition, Impact Fee agreements between the developer and library, elementary and high school districts have been negotiated and approved.

Trustee Balmes asked if they will get Village sewer and water.

Mr. Ziegler said that will be provided by Lake County Public Works.

Mayor Kovarik asked if they are in our Fire District. Staff responded yes.

Mr. Ziegler said yes.

It was moved by Trustee Balmes, seconded by Trustee Thorstenson to approve of Ord. 2016 - 67 approving a Final Plat for the Vista Ridge Subdivision being in unincorporated Lake County.

Roll call,

AYE: 5- Balmes, Hood, Wilson, Ross, Thorstenson

NAY: 0- None

ABSENT: 1- Garner

Motion Carried.

H. PUBLIC COMMENT

None.

Closing Comments

None.

Adjournment

It was moved by Trustee Balmes, seconded by Trustee Thorstenson to adjourn the meeting.

Voice Vote: ALL AYE: Motion Carried.

Mayor Kovarik adjourned the meeting at 7:33 p.m.

**Andrew Harris,
Village Clerk**