



Village of Lake in the Hills

600 Harvest Gate, Lake in the Hills, Illinois 60156

Committee of the Whole Meeting

October 6, 2020

Call To Order

The meeting was called to order at 7:30pm. Roll call was answered by Trustees Harlfinger, Huckins, Dustin, Bojarski, and President Ruzanski.

Motion to allow Trustee Murphy to attend telephonically was made by Trustee Harlfinger and seconded by Trustee Huckins. On roll call vote Trustees Huckins, Harlfinger, Dustin, Bojarski voted Aye. No Nays. Motion Carried.

Also present were Village Administrator Fred Mullard, Assistant Village Administrator Shannon Andrews, Interim Finance Director Wayde Frerichs, Chief of Police Dave Brey, Interim Public Works Director Peter D'Agostino, Interim Community Development Director Ann Marie Hess, Village Attorney Brad Stewart and Village Clerk Cecilia Carman.

Trustee Bogdanowski entered the Committee of the Whole Meeting at 7:36pm.

Audience Participation: None

Administration:

Raffle License Request for Lake in the Hills Property Owners Association-Presented by Village Administrator Fred Mullard- The Lake in the Hills Property Owners Association is requesting a Raffle License for Saturday, November 21, 2020.

The raffle prizes will consist of various meat items. All provisions of Section 31.02 of the Village Code have been met. Lake in the Hills Property Owners Association unanimously voted to request a waiver of the fidelity bond requirement associated with the Raffle Application form.

Staff recommends a motion to approve the Raffle License Request and waive the fidelity bond requirement for the Lake in the Hills Property Owners Association. Motion was made to place this item on the Village Board Agenda.

Pledge of Allegiance was led by President Ruzanski.

Side Letters of Agreement with SEIU 73 and MAP 90 and 168 in response to Addendum to Personnel Rules and Regulations Section III Benefit Leave- Presented by Village Administrator Fred Mullard- Staff is requesting that the Village enter into side letters of agreement with SEIU 73 and MAP 90 and 168. These agreements are required in order for the approved addendum to the Personnel Rules and Regulations Section III Benefit Leave to apply to bargaining unit employees. This addendum was previously approved by the Village Board on August 27, 2020. The agreements have been reviewed and fully executed by representatives of both unions.

Staff recommends a motion to approve the side letter of agreement with SEIU 73 and MAP 90 and 168. Motion was made to place this item on the Village Board Agenda.

Finance:

Village of Lake in the Hills Police Pension Fund Municipal Compliance Report for the Fiscal Year Ended December 31, 2019-Presented by Interim Finance Director Wayde Frerichs- Attached is the Lake in the Hills Police Pension Fund Municipal Compliance Report (MCR) for the Fiscal Year Ended December 31, 2019. This report is on the condition of the fund at the end of the most recently completed fiscal year and is required to be presented prior to the Village board levying taxes for the year on behalf of the police pension fund.

The MCR reports on nine items; **1.** total cash and investments, **2.** estimated receipts during the next fiscal year, **3.** estimated amount required during the next fiscal year to pay all pensions and obligations and to meet the annual requirements of the fund, **4.** total net income received from investment of assets and other investment information, **5.** total number of active employees, **6.** total amount disbursed in benefits during the fiscal year, **7.** the funded ratio of the fund, **8.** the unfunded liability of the fund, **9.** a copy of the investment policy. The Police Pension Board approved the MCR at its meeting on July 20, 2020.

Financial Impact:

- Total cash and investments and net position of the fund increased 21.71% or \$6,101,113 from the prior year
- Investment earnings of the fund increased 21.72% or \$411,900 from the prior year
- The recommended Village contribution via the property tax levy increased 9.10% or \$136,355 from the prior year
- Actual investment returns of the fund increased 22.85% from the prior year to 17.97% from - 4.88%
- Funded ratio of the fund increased 1.11% from the prior year to 76.56% from 75.45%
- The unfunded liability of the fund increased 1.75% or \$172,918 from the prior year to \$10.06 million from \$9.89 million

Staff recommends a motion to accept and place on file the Village of Lake in the Hills Police Pension Fund Municipal Compliance Report for the Fiscal Year Ended December 31, 2019. Motion was made to place this item on the Village Board Agenda.

Village of Lake in the Hills Police Pension Fund 2020 Property Tax Levy Request- Presented by Interim Finance Director Wayde Frerichs and Robert Reitz of Lauterbach & Amen LLP - The Village of Lake in the Hills Police Pension Fund Board is requesting the Village Board to levy an amount sufficient to produce the sum of \$1,634,382. This represents an increase of \$136,355 or 9.10% from the prior year levy on behalf of the Police Pension Fund. A significant portion of this increase (63,631 or 47%) is due to plan changes during the 2020 fiscal year.

The Village and Police Pension Fund jointly hire an Actuary, Lauterbach & Amen LLP, to perform an annual valuation of the Police Pension Fund. In accordance with the actuarial valuation results the Actuary has determined the above amount to levy. This can be found on page 4 of the attached report titled Actuarial Valuation as of January 1, 2020.

Since the Police Pension Fund cannot legally levy a property tax, the Village incorporates the funds requirements into its levy in order to support the retirement benefits of the Police Pension Fund and Police Department personnel.

The entire property tax levy for the Village will be presented to the Village Board for approval later this year.

Financial Impact: The recommended actuarial contribution of \$1,634,382 from the Village to the Police Pension Fund through levying property taxes increased \$136,355 from the prior year amount of \$1,498,027.

Staff recommends a motion to accept the Village of Lake in the Hills Police Pension Fund's request to levy \$1,634,382 for property tax levy year 2020. Motion was made to place this item on the Village Board Agenda.

Public Works:

Airport Ground Lease for Hangar PAP-54-Presented by Interim Public Works Director Peter D'Agostino- The Lake in the Hills Airport Rules and Regulations require airport tenants to enter into applicable leases, licenses, or storage agreements for Village owned hangers. Edward Finnegan is requesting a new ground lease on Hangar PAP-54. This lease is for the period of October 9, 2020 to October 8, 2040. The lease includes an option to renew for four additional five-year terms.

Mr. Finnegan has signed the appropriate lease form and has submitted acceptable proof of insurance for the hangar. A background check was previously completed and no issues were found by the Lake in the Hills Police Department.

Financial Impact: The Airport Fund will receive \$2,390.04 annually from the ground lease and another \$312 from electrical fees, subject to annual increases approved by ordinance.

Staff recommends a motion to approve the Ordinance and authorize the Village President and Village Clerk to sign the ground lease for Hangar PAP-54 with Finnegan Aviation Services, LLC of Cary, IL.

Trustee Dustin asked if the lease will be affected by limited runway access during the reconstruction. Administrator Mullard stated no because the lease has a clause stating no change in payment if access to the runways are restricted. Trustee Dustin asked how long the construction will take and if tenants are aware. Administrator Mullard stated the construction will take 60-90 days and the tenants know the possibility of closure but will not be given details until dates are set. Trustee Huckins asked if the runway will be closed during the whole duration of the project. Administrator Mullard stated the project is projected to not be done for two more years and it will be done in thirds to limit closures. Motion was made to place this item on the Village Board Agenda.

Board of Trustees:

Trustee Bogdanowski - None at this time

Trustee Bojarski - None at this time

Trustee Dustin – None at this time.

Trustee Harlfinger – None at this time

Trustee Huckins - None at this time

Trustee Murphy - None at this time

President Ruzanski: None at this time

Motion to enter into Closed Session for Approval/Semi-Annual Review of Closed Session Minutes (5 ILCS 120/2 (c)) 21 and pending administrative proceeding 5 ILCS 120/2 (c)) 11 was made by Trustee Huckins and seconded by Trustee Harlfinger. On roll call vote Trustees Bojarski, Bogdanowski, Murphy, Huckins, Dustin, and Harlfinger vote Aye. No Nays Motion carried.

Village Board Meeting reconvened at 8:09pm. Roll Call was answered by Trustee Dustin, Murphy, Harlfinger, Bojarski, Huckins and Bogdanowski and President Ruzanski.

Adjournment: A motion to adjourn meeting was made Trustee Harlfinger and seconded by Trustee Huckins. All in favor by voice vote. There being no further business to discuss, the Committee of the Whole meeting was adjourned at 8:11 pm.

Submitted by,

Cecilia Carman
Village Clerk