

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

**GURNEE VILLAGE HALL
JANUARY 8, 2018**

Call to Order

Mayor Kovarik called the meeting to order at 7:00 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; Tom Rigwood, Director of Public Works; John Kavanagh, Fire Chief; Kevin Woodside, Police Chief; Brain Smith, Deputy Police Chief; Tracy Velkover, Planning Manager; Ellen Dean, Economic Development Director, Jack Linehan, Assistant to the Administrator

Roll Call

PRESENT: 6- Garner, Balmes, Hood, Thorstenson, Jacobs, Ross
ABSENT: 0- None

Pledge of Allegiance

Mayor Kovarik led the Pledge of Allegiance.

A. PUBLIC COMMENT

Kim Oclon
1025 Depot Road
Gurnee, IL

Ms. Oclon stated she has been in contact with the Village Administrator regarding a number of items on Depot Road. She then provided the Village Board a copy of email correspondence she has had with the Administrator. Ms. Oclon continued to state that she would like the current speed limit on Depot Road lowered from 30mph to 25mph and would like to be part of that conversation. She recommended a committee be formed to look into the issue and requested to be part of that committee.

Mayor Kovarik stated the Village Board had already received a copy of the email correspondence and thanked her for her comments.

B. APPROVAL OF CONSENT AGENDA

It was moved by Trustee Balmes, seconded by Trustee Garner to approve the Consent Agenda as presented.

Roll call,

AYE: 6- Garner, Balmes, Hood, Thorstenson, Jacobs, Ross
NAY: 0- None
ABSENT: 0- None
Motion Carried.

C. CONSENT AGENDA / OMNIBUS VOTE

The Village Administrator read the consent agenda for an omnibus vote as follows:

1. Approval of minutes from the December 18, 2017 meeting.
2. Approval of setting bid date of February 21, 2018 for Almond Road Water Main Crossings.
3. Approval of Payroll for period ending December 22, 2017 in the amount of \$809,468.57.
4. Approval of Bills for the period ending January 8, 2018 in the amount of \$4,995,744.45.

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

Roll call,

AYE: 6- Garner, Balmes, Hood, Thorstenson, Jacobs, Ross
NAY: 0- None
ABSENT: 0- None
Motion Carried.

D. PETITIONS AND COMMUNICATIONS

1. Approval of Proclamation designating January 15, 2018 as Dr. Martin Luther King, Jr. Day in the Village of Gurnee.

Mayor Kovarik read proclamation into record.

It was moved by Trustee Balmes, seconded by Trustee Ross to approve of Proclamation designating January 15, 2018 as Dr. Martin Luther King, Jr. Day in the Village of Gurnee.

Voice Vote: ALL AYE: Motion Carried

2. Approval of the Mayor's recommended appointment of Police Chief Kevin Woodside to the Northeast Lake County Consolidated Emergency Telephone Systems Board – term ending January 2020 (vacancy created by retirement of Deputy Police Chief Sandra Campbell).

It was moved by Trustee Balmes, seconded by Trustee Garner to approve of the Mayor's recommended appointment of Police Chief Kevin Woodside to the Northeast Lake County Consolidated Emergency Telephone Systems Board – term ending January 2020 (vacancy created by retirement of Deputy Police Chief Sandra Campbell).

Roll call,

AYE: 6- Garner, Balmes, Hood, Thorstenson, Jacobs, Ross

NAY: 0- None

ABSENT: 0- None

Motion Carried.

E. REPORTS

1. Report by Finance Director Brian Gosnell – Fiscal Year 17/18 Second Quarter financial performance.

Mr. Gosnell presented the following Power Point presentation to the Board:

Fiscal Year 2017/2018
2nd Quarter Financial Review
May 1, 2017 – October 31, 2017
(Un-audited)

Planning & Reporting Process

FY17 is complete with the presentation of the CAFR in October.

This is the 2nd quarterly report for FY18.

FY19 planning is in full swing with the completion of the long-term planning elements and budget preparation underway, which will lead to a series of meetings before the first presentation in March.

Cash & Investments

- Total \$34,698,073
 - General Fund 69%
 - W&S 12%
 - Capital Fund 8%
 - 30% in Money Markets - IL Funds
 - 40% Checking/Money Market – First Midwest
 - 30% Short-Term Fixed Income – Schwab
- Yield vs. Benchmark
 - Village Portfolio – 1.215%
 - 91 Day T-Bill – 1.130%

General Fund – Major Revenues

Major revenues in the General Fund, which account for about 75% of all revenues, finished the quarter 2.29% ahead of the seasonally adjusted budget and 0.69% ahead of last year.

One of the primary weaknesses staff is seeing is sales tax which finished the quarter 1.56% behind budget and 1.7% behind last year. This trend continues into the 3rd quarter and is compounded by the loss of a supplemental payment the State has made to the Village the last 2 years that it didn't qualify for this year. A defined pattern of 2-2.5% reductions

in sales taxes nearly every month is being observed. At this point staff is predicting the Village will miss the budget estimate for the year by about 2% or about \$340k.

Income taxes are well ahead of budget and last year but this is due to 2 additional payment made by the State in July and September, The State agreed to ease the burden of the 10% drop in receipts by accelerating 2 payments that they had previously delayed. On a cash basis, FY18 will receive 14 payments and likely end with a positive variance even with the 10% drop.

Use tax continues to outperform both budget and last year as more and more online retailers are collecting sales taxes. Telecom taxes are sliding less than anticipated down only 2.5% versus last year.

Amusement park taxes performed strong through the 3rd quarter and end of the season finishing 2.6% ahead of budget.

Food & Beverage receipts continue to be strong.

Hotel taxes are down 39.60% from last year but ahead of budget by 3.68%. Here we see the impact of the closing of KeyLime Cove which we anticipated.

Building permits continue to be strong.

General Fund

Taxes (excluding those detailed earlier) finished the quarter at 59.63% of budget primarily due to the timing of road & bridge taxes.

Licenses & permits (excluding those detailed earlier) finished the quarter at 10.52% of budget due to the timing of Business and Liquor licenses.

Intergovernmental Revenues (excluding those detailed earlier) finished the quarter at 50.13% of budget, primarily due to the timing of replacement tax receipts and an unbudgeted grant for energy efficiency.

Charges for Services finished the quarter at 49.9% of budget primarily due to the timing of the water & sewer administrative fee and Zion dispatch charges.

Fines & Forfeitures finished the quarter at 55.17% of budget primarily due to increased red light enforcement and collections from IDROP.

Interest & Contributions finished the quarter at 71.09% of budget, due to rising interest rates and strong performance from investments.

Contractual Services finished the quarter at 53.22% of budget due to the timing of seasonal contracts for items such as mowing.

Other Contractual Services finished the quarter at 73.27% of budget due to the timing of liability insurance premiums.

Other Financing is at 52.35% due to the timing of the Aquatic Center debt payment.

Water & Sewer Fund

Charges for service finished the quarter at 53.61% of budget due to lower than anticipated water usage. Water usage was down approximately 6.1% over the same timeframe last year.

Fines & Forfeitures finished the quarter at 54.79% of budget due to greater than anticipated delinquencies.

Interest Income finished the quarter at 50.13% due to slightly rising interest rates and strong performance from investments as noted in the General Fund.

Employee Benefits finished the quarter at 68.03% of budget due to the timing of the workers compensation premium.

Other Contracted Services finished the quarter at 72.77% of budget due to the timing of insurance premiums.

Other Financing at 61.36% due to the timing of the administrative fee to the General Fund.

Police & Fire Pension

- Police Pension (Ziegler & Stratford)
 - Avg. Monthly Portfolio Balance - \$44.4m
 - FY18 Gains/Income – \$2.8m
 - FY18 Annualized Return – 12.52%
 - 12 month Rolling Return – 12.17%
 - 36 month Rolling Return – 6.67%
- Fire Pension (Sawyer Falduto)
 - Avg. Monthly Portfolio Balance - \$34.3m
 - FY18 Gains/Income – \$2.1m
 - FY18 Annualized Return – 12.18%
 - 12 month Rolling Return – 13.76%
 - 36 month Rolling Return – 7.28%

Questions:

Trustee Balmes asked when Great Wolf is scheduled to open.

Mr. Muetz said they are currently taking online reservations for September, but staff believes a soft opening will take place in June.

F. OLD BUSINESS

None.

G. NEW BUSINESS

1. Approval of Ord. 2018 - 01 granting a Zoning Map amendment pursuant to the Gurnee Zoning Ordinance for 6261 Washington Street.

Mr. Muetz said Timothy & Lisa Bixler are requesting a Zoning Map Amendment to rezone property at 6261 Washington Street from R-2 PUD, Single Family Residential District as a Planned Unit Development, to O-1, Restricted Office District. The property was annexed and zoned with a phase of the South Ridge Planned Unit Development but was not incorporated into the development as it already had an existing single family home on it. The property is accessed via Washington Street and is surrounded by residentially zoned property. O-1 zoning is intended for small scale office buildings that can be sited close to residential, however, they are generally located an intersection or used as a transition from a more intense zoning district. If O-1 was applied to this parcel, there is an issue of spot zoning, which is a change in zoning applied only to a relatively small area inconsistent with the surrounding uses and zoning and with the comp plan. Spot zoning is illegal and can lead to litigation if granted. The request was before the Planning and Zoning Board (PZB) on December 6th. The meeting was attended by residents from the area. Five expressed concerns over the request. In addition, a formal written protest was filed by more than 20% of the neighboring property owners. As a result, a super majority vote (2/3rd or greater) of the Village Board is required to approve the request. The PZB is forwarding a unanimous unfavorable recommendation. The PZB cited concerns over spot zoning, compatibility with nearby properties and consistency of the amendment compared to the Comp Plan.

Mr. Tom Bixler, son of the petitioner, read a prepared statement to the Board regarding the reasoning behind the request to change the zoning of this property.

Ms. Bernhart said she is the realtor for the property and stated that it has been on the market for over a year and they have had only one offer. She said the one offer planned on putting an in home insurance company at the location.

Mayor Kovarik said for the record a home based business would be allowed at this location if the business owner was also the residential occupant.

Attorney Winter explained that the Public Hearing for this request has already been held and each Board member has been provided all the information regarding this request. He also reminded the Board that a “yes” vote would be in favor of rezoning and a “no” vote would be against rezoning the property. He also stated for this to pass it would require a super majority vote.

Mayor Kovarik said a super majority vote is five.

Attorney Winter said correct.

It was moved by Trustee Jacobs, seconded by Trustee Balmes to approve of Ord. 2018 - 01 granting a Zoning Map amendment pursuant to the Gurnee Zoning Ordinance for 6261 Washington Street.

Roll call,

AYE: 0- None

NAY: 6- Garner, Balmes, Hood, Thorstenson, Jacobs, Ross

ABSENT: 0- None

Motion Failed.

Attorney Winter said since the request has failed it cannot be reconsidered for one year.

Trustee Ross suggested the petitioners approach the Park District about purchasing the property.

Mayor Kovarik said they should also consider speaking with Village Staff for suggestions.

2. Approval of Ord. 2018 - 02 adopting a policy prohibiting sexual harassment for the Village of Gurnee.

Mr. Muetz said Public Act 100-0554 amends the State Officials and Employees Ethics Act, including Section 70-5, which pertains to government entities. The Act mandates all governmental units adopt, within 60 days after the effective date of November 16, 2017, an ordinance or resolution establishing a policy prohibiting sexual harassment. As a service to municipalities throughout the state, the Illinois Municipal League developed a Policy Prohibiting Sexual Harassment that complies with the mandates of the Act. The Village of Gurnee already had an Anti-Harassment policy in place, however, it did not focus on sexual harassment to the degree the new law requires. Therefore, staff incorporated the IML’s model policy to our existing policy. Once approved, the updated policy will be distributed to the Village’s workforce. In addition, staff is working to schedule some refresher training related to harassment in the workplace.

It was moved by Trustee Balmes, seconded by Trustee Ross to approve of Ord. 2018 - 02 adopting a policy prohibiting sexual harassment for the Village of Gurnee.

Roll call,

AYE: 6- Garner, Balmes, Hood, Thorstenson, Jacobs, Ross

NAY: 0- None

ABSENT: 0- None

Motion Carried.

3. Approval of 2018 Trick or Treating hours – Saturday, October 27th from 2:00 – 5:00 pm.

Mayor Kovarik stated this has been discussed numerous times and making a decision now gives the community ample notice of the date.

It was moved by Trustee Garner, seconded by Trustee Jacobs to approve of 2018 Trick or Treating hours – Saturday, October 27th from 2:00 – 5:00 pm.

Voice Vote,

AYE: 4- Garner, Hood, Thorstenson, Ross

NAY: 2- Balmes, Jacobs

ABSENT: 0- None

Motion Carried.

H. PUBLIC COMMENT

None.

Closing Comments

None.

Adjournment

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

Voice Vote: ALL AYE: Motion Carried.

Mayor Kovarik adjourned the meeting at 7:31 p.m.

**Andrew Harris,
Village Clerk**