

MINUTES

VILLAGE OF LA GRANGE
BOARD OF TRUSTEES REGULAR MEETING
Village Hall Auditorium
53 South La Grange Road
La Grange, IL 60525

Monday, December 10, 2012 - 7:30 p.m.

1. CALL TO ORDER, ROLL CALL, PLEDGE OF ALLEGIANCE

The Board of Trustees of the Village of La Grange regular meeting was called to order at 7:33 p.m. by President Asperger. On roll call, as read by Village Clerk Thomas Morsch, the following were present:

PRESENT: Trustees Holder, Horvath, Kuchler, Langan, Nowak and Palermo

ABSENT: None

OTHERS: Village Manager Robert Pilipiszyn
Assistant Village Manager Andrianna Peterson
Village Attorney Mark Burkland
Finance Director Lou Cipparrone
Community Development Director Patrick Benjamin
Public Works Director Ryan Gillingham
Fire Chief William Bryzgalski
Police Chief Michael Holub

President Asperger requested Clerk Morsch to lead the Board and audience in the Pledge of Allegiance.

2. PRESIDENT'S REPORT

President Asperger expressed heartfelt sadness at the loss of two La Grange residents due to a recent home fire. As first responders the La Grange Fire and Police Department were acknowledged for their professionalism. Compassion and community support were extended to families of the victims.

President Asperger congratulated all involved in the successful Hometown Holiday Walk sponsored by the La Grange Business Association. Extending a wonderful holiday season, President Asperger encouraged residents to continue to shop locally.

3. PUBLIC COMMENTS REGARDING AGENDA ITEMS

None

4. OMNIBUS AGENDA AND VOTE

- A. Resolution (#R-12-12) Authorizing Study of Vacation of Public Right-of-Way Located North of 1407 W. Cossitt Avenue
- B. Engineering Services Agreement – East Avenue Pumping Station – Detailed Engineering, Design and Inspection Services
- C. Ordinance (#O-12-34) – Disposal of Surplus Property
- D. Minutes of the Village of La Grange Board of Trustees Town Meeting Monday, November 26, 2012
- E. Consolidated Voucher 121210 – (\$816,747.28)

It was moved by Trustee Langan to approve items A, B, C, D, and E of the Omnibus Agenda, seconded by Trustee Nowak.

Trustee Palermo inquired as to the nature and cost of the study for a vacation of public right-of-way. Community Development Director Patrick Benjamin responded that with Board approval, the application will be referred to the Plan Commission whose task is to determine whether the public right-of-way which is subject to the proposed vacation should be retained. The process also provides for a public hearing. Mr. Benjamin indicated it could take approximately one and a half months before a recommendation is presented to the Village Board for consideration.

Approved by roll call vote.

Ayes: Trustees Holder, Horvath, Kuchler, Langan, Nowak and Palermo
Nays: None
Absent: None

5. CURRENT BUSINESS

- A. Ordinance (#O-12-35) Abatement of 2012 Tax Levy / 2005 Street Light Refunding Bonds: Referred to Trustee Langan

Trustee Langan explained the history of the Residential Streetlight Program noting the Village Board's approval to issue alternate revenue bonds in 1998 to complete the program. Due to more favorable interest rates in 2005, the Village adopted an ordinance authorizing the refunding of the remaining outstanding bonds, thereby saving the Village approximately \$100,000 in interest over the remaining life of the

issue which matures on December 1, 2017. Trustee Langan added that the Series 2005 bond issue is a general obligation, alternate revenue source issue, backed by the full faith and credit of the Village. Revenues derived from the collection of utility taxes are pledged to pay the principal and interest expenditures related to this issue. Because sufficient revenues from the utility tax are available within the General Fund, it is appropriate to abate this portion of the tax levy.

It was moved by Trustee Langan to approve the Ordinance abating taxes levied for 2012 with respect to the \$2,785,000 General Obligation Refunding Bonds, Alternate Revenue Source, Series 2005, in the amount of \$301,545, seconded by Trustee Nowak. Approved by roll call vote.

Ayes: Trustees Horvath, Palermo, Holder, Langan, Kuchler and Nowak
Nays: None
Absent: None

B. Ordinance (#O-12-36) Abatement of 2012 Tax Levy / general Obligation Alternate Revenue Water Bonds Series 2012A: Referred to Trustee Langan

Trustee Langan summarized the Boards deliberation and subsequent approval to replace the outdated and inaccurate water meters and initiate mechanical and technical upgrades to the water pumping station. Trustee Langan added to fund these two significant infrastructure capital projects the Board adopted an ordinance authorizing the issuance of \$2.08 million in general obligation, alternate revenue water bonds in September, 2012. Trustee Langan noted that the Series 2012A bond issue is a general obligation, alternate revenue source issue, backed by the full faith and credit of the Village. Revenues derived from the collection of water sales are pledged to pay the principal and interest expenditures related to this issue. Explaining that water rates were adjusted earlier this year in anticipation of funding the debt obligation, thus sufficient monies are budgeted and available within the Water Fund, it is appropriate to abate this portion of the tax levy.

It was moved by Trustee Langan to approve the Ordinance abating taxes levied for 2012 with respect to the \$2,080,000 General Obligation, Alternate revenue Water Bonds, Series 2012A, in the amount of \$130,930, seconded by Trustee Horvath. Approved by roll call vote.

Ayes: Trustees Holder, Palermo, Horvath, Langan, Kuchler, and Nowak
Nays: None
Absent: None

C. Resolution – Levying a Tax for Library Operating Purposes: Referred to Trustee Langan

Trustee Langan explained that the La Grange Library Board of Trustees 2012 tax levy request for operating purposes is \$2,084,869 which is a 4.20% increase over

last year's tax levy. This is the allowable increase under the Property Tax Limitation Act equal to the increase of the Village tax levy request. Because the La Grange Library this a "municipal library" rather than a separate "public library district" it must levy property taxes as part of the Village of La Grange tax levy. Trustee Langan noted that the Library's debt service levy decreased due to more favorable interest rates and the recent refunding of the 2004 General Obligation Library bonds originally issued for the construction of the new library building. Adding that by refunding the outstanding bonds, Village residents will realize a savings of approximately \$750,000 in interest over the remaining life of the issue which will mature in December, 2024.

Members of the La Grange Public Library were in attendance to answer any questions.

It was moved by Trustee Langan to accept La Grange Public Library Resolution approved by the Library Board, seconded by Trustee Holder.

Trustee Horvath inquired if the Library ever foresees a situation when they would not require the maximum allowable increase under the Property Tax Limitation Act. Jeannie Dilger, Executive Director of the library responded that the library makes every effort to contain expenses. Ms. Dilger added that the library has limited revenues and relies almost entirely on property taxes for operations.

Approved by roll call vote.

Ayes: Trustees Holder, Palermo, Horvath, Langan, Kuchler, and Nowak
Nays: None
Absent: None

- D. Ordinance (#O-12-37) – 2012 Property Tax Levy for Village Operations: Referred to Trustee Langan

Trustee Langan explained that the preliminary 2012 property tax levy was reviewed and discussed in detail at the November 12, 2012 Village Board meeting and since the tax levy did not exceed Truth in Taxation requirements it was not necessary to hold a public hearing to adopt the final levy.

The final tax levy includes an increase of 4.27%, exclusive of debt service, over the prior year's tax extension. The increase reflects the allowable increase under the Property Tax Limitation Act of 3.0% (Consumer Price Index) as of December 2011.

Trustee Langan added that pre-budget workshops were held to discuss expenses and revenues at which time no changes or adjustments were made to the final tax levy line items. Trustee Langan noted that on average, a home with an estimated market value of \$350,000 would only incur an annual increase of \$27.53 from the Village levy and \$9.11 from the Library levy.

Although a Special Service Area levy is filed with Cook County to fund on-going maintenance of the Central Business District, it is not subject to Truth in Taxation requirements. By ordinance the Special Service Area levy is to be adjusted annually by the Consumer Price Index utilized as part of the Property Tax Limitation Act. Trustee Langan noted the 2012 Special Service Area levy of \$65,109 reflects an increase of 3.0% over last year's levy of \$63,213.

It was moved by Trustee Langan to adopt the ordinance requesting a 2012 property tax levy of \$8,354,316, exclusive of debt service, which is a 4.20% increase from the 2011 levy, seconded by Trustee Holder.

Trustee Horvath reiterated his belief that the levy should be limited to new growth and he will vote nay on the final 2012 property tax levy for Village operations. Trustee Horvath believes looking at expenses and options to leverage alternative resources for revenues is necessary.

Trustee Langan noted his support for the levy and feels that under the cost containment plan the Village has already reduced personnel expenses and continues to budget conservatively. Trustee Langan does not believe the levy is unreasonable.

Trustee Holder stated his support for the final property tax levy ordinance. He noted that La Grange is a vibrant community where people want to live. Other communities are envious of what La Grange has accomplished. Trustee Holder cautioned that one cannot cut their way to growth and vitality, adding that thriving takes money but decay does not.

Approved by a 4 to 2 roll call vote.

Ayes: Trustees Holder, Kuchler, Langan, and Nowak
Nays: Trustees Horvath and Palermo
Absent: None

6. MANAGER'S REPORT

None.

7. PUBLIC COMMENTS REGARDING MATTERS NOT ON AGENDA

None

8. EXECUTIVE SESSION

9. TRUSTEE COMMENTS

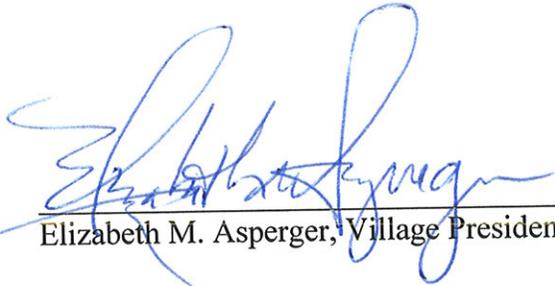
As the year ends, Trustee Horvath extended good will and holiday wishes to all.

Trustee Kuchler echoed Trustee Horvath's wishes for happy holidays to all.

Trustee Holder added Happy Hanukah.

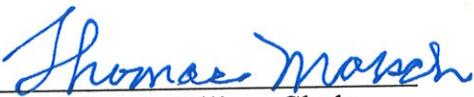
10. ADJOURNMENT

At 8:00 p.m. Trustee Langan moved to adjourn, seconded by Trustee Holder. Approved by voice vote.



Elizabeth M. Asperger, Village President

ATTEST:



Thomas Morsch, Village Clerk

Approved Date: January 14, 2013