

VILLAGE OF OAK LAWN, ILLINOIS
MUNICIPAL CENTER @ 9446 S. RAYMOND AVENUE
PRESIDENT & BOARD OF TRUSTEES
SPECIAL MEETING MINUTES #2012-28
MONDAY, DECEMBER 17, 2012

I. ROLL CALL: by Village Clerk Jane M. Quinlan at 6:18 p.m.

Village President:	Dave Heilmann	
Village Trustees:	Cynthia Trautsch Thomas E. Phelan Thomas M. Duhig	Robert J. Streit Carol R. Quinlan Alex G. Olejniczak
Village Manager:		Larry R. Deetjen
Management Fellow:		Josh Jones
Finance Director:		Brian Hanigan
Budget Director:		Joanne Suczynski
Fire Chief:		George Sheets
Village Attorney:		Pat Connelly

II. ORDINANCE #12-28-91: AN ORDINANCE ADOPTING THE 2013 VILLAGE OF OAK LAWN MUNICIPAL BUDGET:

The 2013 adjusted proposed budget presentation is attached to the minutes.

Finance Director Hanigan stated the management team has removed all revenue from a previously proposed utility tax increase which amounted to \$100,000 dollars. Expenditures have been reduced in other areas as indicated, primarily in the Fire Department for a retiree and certain Buildings and Grounds expenditures.

Trustee Phelan asked about plug numbers to increase the tax rolls.

Trustee Duhig clarified there were no additions on utilities and no fee for the hospital in this budget.

Finance Director Hanigan recommended that the Village look at a utility tax in the future. There is nothing in the budget now related to the hospital.

President Heilmann discussed that Trustee Duhig cannot raise an issue that does not relate to the budget. Under Robert's Rules you cannot do that.

Trustee Phelan stated we are talking about a budget item.

President Heilmann deferred to Village Attorney Connelly on this issue.

Village Attorney Connelly stated when a "Point of Order" is called, the Mayor makes a ruling as the Chairman and that ruling is final unless the ruling is appealed. Bringing back issues before the Board that have been decided already is against Robert's Rules.

Trustee Olejniczak asked what the sale of the Village property was.

Finance Director Hanigan and Village Manager Deetjen stated the sale of the property was \$1.8 million dollars.

Trustee Olejniczak clarified that this \$1.8 million dollars was for one time only and we will not see that money next year.

Finance Director Hanigan stated the Village sells property all the time.

Trustee Olejniczak wanted to get ahead of our budget for next year and look at other sources of revenue ahead of time. He wanted to be specific that there could be money from somebody that is not paying the Village anything at this point that could help us get ahead of our budget for next year.

Finance Director Hanigan answered possibly.

Trustee Phelan asked what is going to happen with the Senior Center because we really have not resolved that. The original intent was to put the Senior Center in the Wintrust Bank and that really takes us away from the \$1.8 million dollars on a net basis with maybe doing something different now.

Finance Director Hanigan stated that we are expected to close on January 5th with Wintrust.

Finance Director Hanigan stated we have not seen in the budget the property tax increment of \$150,000 dollars to \$200,000 dollars that might net out senior costs. Any excess will go to the General Fund. He stated 70% of this budget is in people. Out of a \$50 million dollar budget, we have a \$35 million dollar payroll. He also discussed pension obligations and Alcalde and Fay consulting services.

Trustee Olejniczak understood there was a 2.5% pay increase across the Board that was budgeted, and he asked about the possibility of the Firemen receiving retro pay.

Village Manager Deetjen clarified that the Fire Department’s contract expired on December 31, 2011 and the Fire Department retro pay will go back for all of 2012 and this was budgeted for. This is in the General Fund.

Trustee Olejniczak asked what was budgeted for our contribution for health insurance.

Finance Director Hanigan stated we budgeted approximately \$4.5 million dollars for medical costs. He stated we budgeted for workers’ compensation too which we do every year.

Trustee Olejniczak stated going into 2014 if we do not watch what we are doing and look at an impact fee from a certain business in the Village, we could be looking at a huge tax increase.

Trustee Streit stated from a historical perspective, he pointed out that going back long before anybody else was sitting on this Board, we used to always anticipate that our expenses were going to rise by a million dollars a year. This is an issue that has always confronted this Board and we obviously found a way to successfully deal with that. Trustee Streit asked Finance Director Hanigan besides an impact fee, how many other legitimate ways could the Village increase revenues.

Finance Director Hanigan stated there is a myriad of ways to bring in more revenue to the Village.

Trustee Quinlan stated that selling property is not new for the Village. She stated that we have a balanced budget right now.

Trustee Duhig asked Finance Director Hanigan what this fiscal cliff could bring for us.

Trustee Streit stated this is way off the beaten path and he advised Trustee Duhig to watch Fox News or CNN to find that out. He stated this is not a necessary topic.

Trustee Phelan called “Point of Order”.

President Heilmann asked Finance Director Hanigan to give Trustee Duhig a brief answer on this.

Finance Director Hanigan stated he did not know.

Trustee Streit moved, seconded by Trustee Quinlan to approve Item II.

<u>ROLL CALL:</u>	TRUSTEE TRAUTSCH-YES	TRUSTEE STREIT-YES
	TRUSTEE PHELAN-NO	TRUSTEE QUINLAN-YES
	TRUSTEE DUHIG-NO	TRUSTEE OLEJNICZAK-NO
		PRESIDENT HEILMANN-YES

MOTION PASSED 4-3.

III. RESOLUTION #12-28: A RESOLUTION ADOPTING A POLICY PERTAINING TO THE APPROVAL OF ADDITIONAL INFRASTRUCTURE IMPROVEMENTS IN A GIVEN CALENDAR YEAR:

President Heilmann asked that this item be placed on the agenda because of the issue that arose a few months ago. Village Engineer Jack Gallagher and Village Attorney Pat Connelly were talking before the meeting regarding some language for clarity.

Village Attorney Connelly discussed the point that Jack Gallagher raised as currently written, where it talks about when approved bids come in under the total amount budgeted for that year, Mr. Gallagher explained that was not the way it works for the big infrastructure projects. Mr. Connelly stated that Village Engineer Gallagher wanted to change it to when approved bids come in for infrastructure projects, less than the amount of the engineer’s estimate, that is the amount that gets approved by the Public Works Committee. That was the threshold that Mr. Gallagher wanted to address in this policy. In that case then that would trigger a notification to the Board and the Public Works Committee. If additional infrastructure work was needed in that circumstance again, it would go before the Board or as the policy states if time is of the essence, staff could come right to the Village Board. The change would be not when bids come in under budget, but it is basically when bids come in under the engineer’s estimate approved by the Public Works Committee.

Trustee Streit stated he wanted to point out the obvious so if we have a situation like we had this year where an alley was started without approval from this Board. The policy is clear that this is not allowed to happen. The simple language is budgeted in the second line changed to approve low bid. In the third line that amount of the bid is under budget for the year changed to the actual construction cost. Trustee Streit stated it is that simple.

President Heilmann asked Village Attorney Connelly to resubmit this item for the January 8th meeting packet. He asked Board members to share their opinions with Village Attorney Connelly.

Trustee Phelan stated this should not apply to just this year, but going forward and backwards. He stated this has happened repeatedly for the last six or seven years.

Trustee Phelan moved, seconded by Trustee Streit to postpone Item III to the January 8th Board meeting.

ROLL CALL: **TRUSTEE TRAUTSCH-YES** **TRUSTEE STREIT-YES**
 TRUSTEE PHELAN-YES **TRUSTEE QUINLAN-YES**
 TRUSTEE DUHIG-YES **TRUSTEE OLEJNICZAK-YES**

MOTION PASSED UNANIMOUSLY.

IV. ADJOURNMENT:

Trustee Quinlan moved, seconded by Trustee Phelan to adjourn at 6:49 p.m.

VOICE VOTE. ALL VOTED AYE. MOTION PASSED UNANIMOUSLY.