

**MINUTES OF THE REGULAR MEETING AND PUBLIC HEARING  
OF THE LA SALLE CITY COUNCIL  
November 19, 2018**

**A regular meeting and Public Hearing of the La Salle City Council of La Salle, Illinois was held Monday, November 19, 2018 at 6:30 p.m. with Mayor Jeff Grove presiding with proper notice being duly and continuously posted.**

The meeting was called to order at 6:30 p.m.

**PLEDGE OF ALLEGIANCE**

**ROLL CALL**

**Present-** Alderman Demes, Bacidore, Ptak, Reynolds, Lavieri, Sellett, Herndon, Schneider

**Absent:** None

A quorum was present.

**PUBLIC HEARING**

**6:31 p.m.** Moved by Alderman Lavieri and seconded by Alderman Herndon to open the public hearing regarding consideration of proposed real estate tax levy increase for the City of La Salle; during the course of the public hearing, explanation of the reasons for the proposed increase shall be provided and persons desiring to be heard shall be permitted an opportunity to present testimony and be heard, all pursuant to and in furtherance of law.

Voice vote, all ayes. Motion carried.

Finance Director John Duncan projected a PowerPoint presentation and recapped each slide for the public in attendance. The PowerPoint is included as Exhibit A. Mr. Duncan reviewed the following points for each slide.

**Slide #1 – 2017 Property Tax rates –** The pie graph shows the 2017 property tax rates on most La Salle residential properties. The graph will vary based upon the school district that the property is in as well as the township that has a taxing right on the property. But most La Salle properties saw the rates included in this slide.

**Slide #2 & #3 – Where your money goes –** These slides showed that in 2017 60% of the property tax dollars went to schools and 40% went to governmental bodies. Further drilling down 24.9 cents of each dollar went to the City of La Salle.

**Slide #4 – Levy comparison –** This slide shows where all of the property tax dollars are allocated from 2010 to current as well as the proposed 2018 (payable in 2019) levy. The changes to the levy are in 3 categories: the fire pension, the police pension, and the general fund. However, the increase to the general fund is merely a 1 year increase that will be reallocated to the police pension in tax year 2019 payable in 2020. The lion's share of the increase is to the police pension. The increase in annual contributions to the police pension have moved from \$300,000 in 2009 to 1.2 million in 2018 and projected to be 1.5 million in 2019. There are multiple reasons for this increase:

1. Pensions were underfunded for years.
2. Mortality tables have drastically changes as people are living longer
3. State investment restrictions limit the funds from investments in equities. It is difficult to achieve 6% when the majority of investing is limited to CDs.

4. There is a statutory minimum that must be contributed in order for each pension to reach 90% funded ratio by 2040. Police pension boards have been given an "intercept feature" in which they can garnish state funds directed to the City when the pension is not funded to the statutory minimum annual contribution.

Slide #5 – Police Pension Transitional Funding – This slide shows a transitional funding model which the City adopted that brings the City to a full annual contribution in 2019. Note: The year the pensions receive funding is 2 years after we levy. For example funds levied in 2018 are collected in 2019 and recognized by the pension in 2020. The transitional contribution for tax year 2018 is \$1,270,000 which will be collected in 2019 and recognized in the pension investments in 2020. Next year the City intends to levy for \$1,543,000. This will be the first time in history that the contribution to the pension will exceed payroll. The average cost of each officer in 2018 is \$197,000. That figure accounts for salary, health insurance, and pension contribution. This is precisely why this council has voted to explore share services. Under shared services we hope to achieve a reduction in police pension contributions through attrition while sustaining the level of services provided to the community.

Slide #6 – Owner Occupied – While we do not know what other taxing bodies will levy and we currently do not know the EAV as we are awaiting railroad calculations we can project the impact of the levy increase if we make the assumptions using all 2017 taxing data but increasing the City portion. That calculation was made on a home valued at \$100,000 with a net taxable value of \$33,333 and given an owner occupied deduction. The estimated increase in that example is \$106.43

Slide #7 – Owner occupied & Senior – The same as above applies only we added the Senior deduction and the estimated increase is \$86.95

The Mayor then asked if there were any questions from the public or the aldermen.

Tim Shinnick asked questions of Mr. Duncan regarding the police pensions. He asked if the City is locked into paying pensions. Mr. Duncan explained that the police pensions are state mandated and the only way to change this would be through a change in the state constitution. The City has no power to change this. Mr. Shinnick asked if the police officer contribution to the pension is also mandated. Mr. Duncan stated that it is and it is currently at 9.25%. The employer shoulders the rest of the burden. Finance Director Duncan stated that when the market declines, the employer has to make up the difference, not the employee. He added that the state also mandates how funds can be invested.

Alderman Lavieri asked why in previous years the pension contributions were so low. Finance Director Duncan stated there were several factors which included changes to the mortality tables, the crash of the market in 2009 and that in the past there was not a minimum requirement so municipalities only put in the minimum amount required. Finance Director Duncan stated that to address this problem they came in with the unfunded mandate that pensions must be by 90% funded by 2040.

Mr. Shinnick stated that we want a safe community and asked what the minimum number of officers is required for a town our size. Finance Director Duncan briefly spoke about how the prospect of shared police services with Peru can benefit the pension situation while also providing the same level of service.

Mike Kasap commented that providing for public safety is very important, so although the taxpayers have to absorb this increase, it is necessary. He thanked Mr. Duncan and the council for all they have done.

Mayor Grove stated that this council has made a commitment to do the right thing and address this issue so that administrations to follow do not end up in the same situation faced by this administration.

There were no further comments or questions from the public.

**7:08 p.m.** Moved by Alderman Herndon and seconded by Alderman Lavieri to close the public hearing.

Voice vote, all ayes. Motion carried.

#### **APPROVAL OF MINUTES**

Moved by Alderman Demes and seconded by Alderman Reynolds that the minutes of the Regular City Council meeting and Public Hearing held on Monday, November 5, 2018 are accepted and placed on file. Each and every alderman has a copy.

Voice vote, all ayes. Motion carried.

#### **PRESENTATION**

Moved by Alderman Lavieri and seconded by Alderman Reynolds to allow Executive Director Joni Hunt of IVAC to address the council.

Voice vote, all ayes. Motion carried.

Executive Director Joni Hunt presented information regarding the goals, accomplishments and value of being an IVAC member. She stated that currently there are 400 members, 72 of which are La Salle businesses. Ms. Hunt answered questions of the aldermen and indicated the annual fee to join IVAC is \$3,000. She stated that her goal is to promote our area as a positive place to do business while also taking care of the needs of our people by drawing in businesses who can be successful and can provide continued opportunities to build our workforce. The council will discuss becoming a member of IVAC at the next meeting.

#### **PETITIONS**

Moved by Alderman Demes and seconded by Alderman Reynolds to grant the request of Ameren Illinois to break ground to replace pole on N. Hennepin Street for 965-11<sup>th</sup> Street. Each and every alderman has a copy.

Voice vote, all ayes. Motion carried.

Moved by Alderman Lavieri and seconded by Alderman Schneider to grant the request from Chad Gilbreth to renew his Solicitor's Permit to go door-to-door on behalf of Edward Jones. Each and every alderman has a copy.

Voice vote, all ayes. Motion carried.

Moved by Alderman Demes and seconded by Alderman Reynolds to refer the request to amend the Zoning Ordinance in regard to Sign Ordinance, specifically in regard to timing of Political Signs to the Zoning Board of Appeals.

Voice vote, all ayes. Motion carried.

Moved by Alderman Ptak and seconded by Alderman Reynolds to refer the request of Hunter Strader on behalf of Sterling St. Solar, LLC, owned indirectly by GreenKey Solar, LLC, for a

Special Use Permit to construct a roof-mounted solar development on two parcels commonly known as 900 Sterling Street which is presently zoned M-2 within the City of La Salle. Each and every alderman has a copy.

Voice vote, all ayes. Motion carried.

Moved by Alderman Ptak and seconded by Alderman Lavieri to accept the recommendation of the Finance Committee and grant the request of Illinois Valley Public Action to Deliver Shelter (PADS) to a monetary donation of \$250. Each and every alderman has a copy.

**ROLL CALL:** AYE: Alderman Demes, Bacidore, Ptak, Reynolds, Lavieri, Sellett, Herndon, Schneider

NAY: None Absent: None Abstain: None

**Motion Carried 8-0**

Moved by Alderman Reynolds and seconded by Alderman Demes to grant the request of the LP High School Band Parents for a 2019 Raffle license. Each and every alderman has a copy.

Voice vote, all ayes. Motion carried.

**Mayor Grove left the meeting at 7:39 p.m.**

Moved by Alderman Herndon and seconded by Alderman Lavieri to appoint Tom Ptak as Mayor Pro-Tem in the absence of Mayor Grove for the remainder of the meeting.

**ROLL CALL:** AYE: Alderman Demes, Bacidore, Ptak, Reynolds, Lavieri, Sellett, Herndon, Schneider

NAY: None Absent: None Abstain: None

**Motion Carried 8-0**

#### **REPORTS OF CITY OFFICERS**

Moved by Alderman Lavieri and seconded by Alderman Reynolds to accept and place on file the Treasurer's Report for October 2018 showing cash balances in the La Salle State Bank of \$6,545,793.52 and in Hometown National Bank of \$5,358,269.71. Each and every alderman has a copy.

**ROLL CALL:** AYE: Alderman Demes, Bacidore, Ptak, Reynolds, Lavieri, Sellett, Herndon, Schneider

NAY: None Absent: None Abstain: None

**Motion Carried 8-0**

Moved by Alderman Bacidore and seconded by Alderman Demes to accept and place on file the Building Inspector's Report for October 2018 showing total fees collected of \$1,823 with total value of construction of \$342,650. Each and every alderman has a copy.

Voice vote, all ayes. Motion carried.

Moved by Alderman Herndon and seconded by Alderman Sellett to accept and place on file the Monthly Police Income Report for October 2018 showing total fees collected of \$6,928.60.

Each and every alderman has a copy.

Voice vote, all ayes. Motion carried.

#### **COMMUNICATIONS**

Moved by Alderman Lavieri and seconded by Alderman Reynolds to accept and place on file the Illinois Department of Revenue Report showing sales tax collected for July 2018 of \$88,756.64 and municipal home rule sales tax of \$76,602.54 for a total of \$165,359.18. Each and every alderman has a copy.

Voice vote, all ayes. Motion carried.

### **STANDING COMMITTEES**

Moved by Alderman Demes and seconded by Alderman Schneider to accept the recommendation of the Finance Committee and award the bid for the sale of City owned property at 345 Sixth Street (former Jackson School) to Mr. Peter Wang of PHP Homes, LLC in the amount of \$21,000 subject to entering into an agreement that is acceptable to the Mayor and Economic Development Director, subject to the appropriate petitions for zoning changes filed and giving the Mayor and Economic Development Director the discretion as to the timing of possession of the property. Each and every alderman has a copy.

**ROLL CALL:** AYE: Alderman Demes, Bacidore, Ptak, Reynolds, Lavieri, Sellett, Herndon, Schneider

NAY: None Absent: None Abstain: None

**Motion Carried 8-0**

**BID AWARD: PHP Homes, LLC-  
\$21,000**

### **OLD BUSINESS**

Moved by Alderman Demes and seconded by Alderman Reynolds to accept the Mayor's appointments.

**ROLL CALL:** AYE: Alderman Demes, Bacidore, Ptak, Reynolds, Lavieri, Sellett, Herndon, Schneider

NAY: None Absent: None Abstain: None

**Motion Carried 8-0**

### **REAPPOINTMENTS:**

**Tom Pigati-Planning Commission  
Chairman to 2022**

**Deb Hackman to Planning  
Commission to 2022**

**Charlie Faletti to Planning  
Commission to 2022**

**Nikki Baer to Planning  
Commission to 2022**

**Mike Schmotzer to the Zoning  
Board of Appeals to 2023**

**Larry Happ to the Zoning Board  
of Appeals to 2023**

### **NEW BUSINESS**

Alderman Lavieri commented on the recent electronic recycling event held in Ottawa. He stated that the turn-out was so large that people were turned away. He inquired if La Salle was planning to hold another event.

County Board member Mike Kasap stated that the County set aside \$10,000 for recycling events. The county did not anticipate the turn-out and there was a limit of 100,000 pounds. The plan now is to outreach to other communities in the area to see if they would be willing to work with the county to provide future collections. There would be cost savings if the county and local communities could work together. Finance Director Duncan stated that we have budgeted for a recycling event with Peru, but he would be interested in working with the county if the fees were proportional to population. He also stated that the tonnage has to meet the demand and suggested that the events take place over several days in order to avoid long waits. Mr. Kasap stated that he will have the county's Environmental Director get in contact with the City.

### **ORDINANCES/RESOLUTIONS**

Moved by Alderman Reynolds and seconded by Alderman Schneider to pass and place on file  
**Ordinance 2771:** An Ordinance Approving Final Plat of Subdivision for Premises commonly known as part of 905 11<sup>th</sup> Street (former St. Hyacinth's School Property). Each and every alderman has a copy.

**ROLL CALL:** AYE: Alderman Demes, Bacidore, Ptak, Reynolds, Lavieri, Sellett, Herndon, Schneider

NAY: None Absent: None Abstain: None

**Motion Carried 8-0**

**Ordinance 2764: Approving Final Plat of Subdivision for Premises commonly known as part of 905 11th Street (former St. Hyacinth's School Property).**

Moved by Alderman Demes and seconded by Alderman Reynolds to pass and place on file  
**Ordinance 2772:** An Ordinance Authorizing the Acquisition of Real Estate Commonly known as 1130-9<sup>th</sup> Street, La Salle, Illinois from Cory J. Johnson for a total of \$3,500. Each and every alderman has a copy.

**ROLL CALL:** AYE: Alderman Demes, Bacidore, Ptak, Reynolds, Lavieri, Sellett, Herndon, Schneider

NAY: None Absent: None Abstain: None

**Motion Carried 8-0**

**Ordinance 2772: An Ordinance Authorizing the Acquisition of Real Estate Commonly known as 1130-9th Street, La Salle, Illinois from Cory J. Johnson.**

### **COMMENTS**

Economic Development Director Katherine Toraason reported that the sidewalk grant was turned in today.

City Engineer Brian Brown announced that Celebration of Lights is now open to the public. He and Alderman Demes commended the Public Works and Parks Department for their hard work.

It was announced that leaf pick-up will end November 30, as well as yard waste.

### **APPROVAL OF BILLS**

Moved by Alderman Lavieri and seconded by Alderman Sellett that bills submitted totaling \$571,278.03. (Total Payroll \$196,042.72, Bills to be Paid \$215,075.18, Total Bills Paid \$160,160.13) be accepted, paid and placed on file. Each and every alderman has a copy.

**ROLL CALL:** AYE: Alderman Demes, Bacidore, Ptak, Reynolds, Lavieri, Sellett, Herndon, Schneider

NAY: None Absent: None Abstain: None

**Motion Carried 8-0**

Moved by Alderman Reynolds and seconded by Alderman Demes to adjourn the meeting.  
Voice vote, all ayes. Motion is carried.

November 19, 2018

7

**ADJOURNED 7:59 p.m.**

A handwritten signature in cursive script that reads "Carrie Brown".

---

Carrie Brown, City Clerk

# City of La Salle

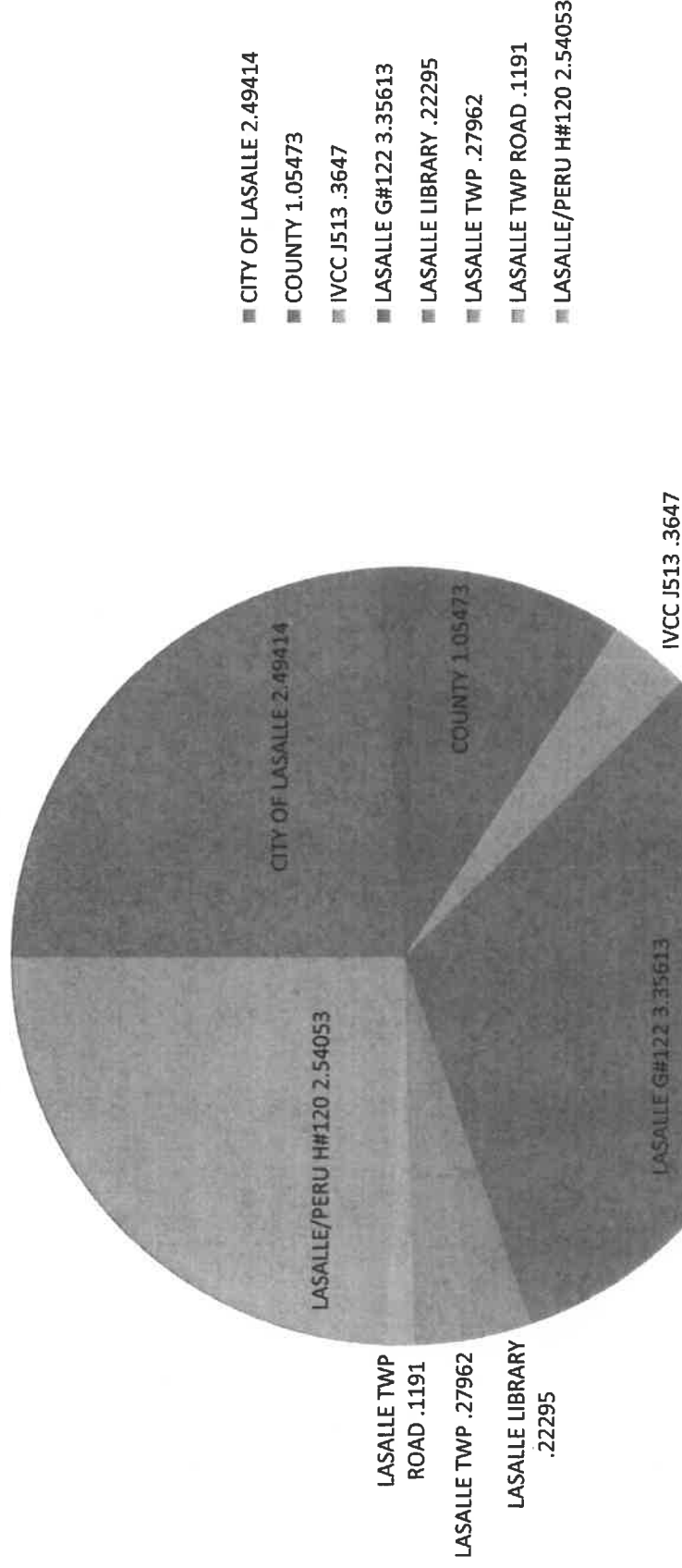


## 2018 Tax Levy

Payable in 2019



# 2017 Property Tax Rates



# Where your \$ goes

## Property Tax Breakdown



GOVERNMENT, 39.98

SCHOOLS, 60.02

## Property Tax Breakdown



**LA SALLE GRADE SCHOOL, 32.17**

**LP HIGH SCHOOL, 24.35**

IVCC, 3.50

CITY OF LASALLE, 23.91

LA SALLE LIBRARY, 2.14

**LA SALLE COUNTY, 10.11**

# LEVY COMPARISON

	FYE 4/30/12	FYE 4/30/13	FYE 4/30/14	FYE 4/30/15	FYE 4/30/16	FYE 4/30/17	FYE 4/30/18	FYE 4/30/19	Increase (Decrease)	Increase (Decrease)
Assessed Valuation	\$133,379,749	\$126,301,234	\$120,108,356	\$117,329,562	\$120,178,590	\$123,850,345	\$125,199,489	\$125,403,988		
General Corporate Purposes	\$ 290,000	\$ 183,000	\$ 183,000	\$ 350,000	\$ 350,000	\$ 369,000	\$ 246,000	\$ 500,000	\$ 254,000	103.25%
Audit	27,500	27,500	27,500	27,500	27,500	27,500	27,500	27,500	-	0.00%
Garbage Disposal	-	-	-	-	-	-	-	-	-	N/A
Illinois Municipal Retirement	20,000	40,000	20,000	20,000	40,000	40,000	40,000	40,000	-	0.00%
Playground and Recreation	82,800	82,800	82,800	82,800	82,800	82,800	82,800	82,800	-	0.00%
School Crossing Guard	-	-	-	-	-	-	-	-	-	N/A
Social Security	50,000	80,000	60,000	80,000	80,000	80,000	80,000	80,000	-	0.00%
Public Parks	-	-	-	-	-	-	-	-	-	N/A
Public Library	210,000	210,000	210,000	210,000	210,000	210,000	210,000	210,000	-	0.00%
Fire Pension	50,000	60,000	115,350	145,241	150,000	155,000	179,000	206,000	27,000	15.08%
Police Pension	400,000	503,000	545,000	743,119	797,720	860,000	1,045,000	1,270,000	225,000	21.53%
Total non-Bond Levies	1,130,300	1,186,300	1,243,650	1,658,660	1,738,020	1,824,300	1,910,300	2,416,300	506,000	26.49%
G.O. Bonds, Series 1995A (\$3.575K)	-	-	-	-	-	-	-	-	-	N/A
G.O. Bond, Series 2005B (Rfd 95A) - 2011B	419,392	440,180	425,040	-	-	-	-	-	-	N/A
G.O. Bond, 2001 Library (\$2.250K) - 2011A	178,254	182,458	182,610	182,406	181,875	181,156	180,250	184,063	3,813	2.12%
G.O. Bond, Series 2007(\$3.600K)	340,244	337,959	339,943	340,988	341,090	342,576	341,175	344,693	3,518	1.03%
G.O. Bond, Series 2008 (\$1.000K)	129,670	124,670	125,201	121,211	122,018	122,516	127,594	-	(127,594)	-100.00%
G.O. Bond, Series 2010A (\$300K)-Rotary Park	45,824	10,203	10,203	270,101	-	-	-	-	-	N/A
Total Bond Levies	1,113,384	1,095,470	1,082,997	914,706	644,983	646,248	649,019	528,756	(120,263)	-18.53%
Total all Levies	2,243,684	2,281,770	2,326,647	2,573,366	2,383,003	2,470,548	2,559,319	2,945,056	385,737	15.07%

# POLICE PENSION TRANSITIONAL FUNDING

## ADDENDUM 2 – ESTIMATED TRANSITIONAL FUNDING REQUIREMENTS

### *Three-Year Transitional Funding Period – Police Pension Fund*

		Transition Scenario				
		Budget/Contribution Year				
Actual*	Assumed <sup>1</sup>	Projected				
2017	2018	2019	2020	2021	2022	2023
795,412	860,000	1,341,000	1,427,000	1,488,000	1,548,000	1,601,000
795,412	860,000	1,045,000	1,270,000	1,543,000	1,585,000	1,639,000
		(296,000)	(157,000)	55,000	37,000	38,000
Full Contribution Recommendation						
Transition Contribution*						
Transition Cost/(Savings)						

# EXAMPLE – OWNER OCCUPIED

## \$106.43

### 2017 PAYABLE 2018

Land:	0
Farm Land:	0
Building:	33,333
Farm Building:	0
Total Assessed Value:	33,333
Owner Occupied	6,000
Total Exemptions:	6,000
Net Taxable Value:	27,333

### 2018 PAYABLE 2019

Land:	0
Farm Land:	0
Building:	33,333
Farm Building:	0
Total Assessed Value:	33,333
Owner Occupied	6,000
Total Exemptions:	6,000
Net Taxable Value:	27,333

Name	Rate	Amount
CITY OF LASALLE	0.0249414	\$681.72
COUNTY	0.0105473	\$288.29
IVCC J513	0.003647	\$99.68
LASALLE G#122	0.0335613	\$917.33
LASALLE LIBRARY	0.0022295	\$60.94
LASALLE TWP	0.0027962	\$76.43
LASALLE TWP ROAD	0.001191	\$32.55
LASALLE/PERU H#120	0.0254053	\$694.40
TIF LASALLE IV	0	
Totals:	10.4319	\$2,851.35

Name	Rate	Amount
CITY OF LASALLE	0.028835	\$788.15
COUNTY	0.0105473	\$288.29
IVCC J513	0.003647	\$99.68
LASALLE G#122	0.0335613	\$917.33
LASALLE LIBRARY	0.0022295	\$60.94
LASALLE TWP	0.0027962	\$76.43
LASALLE TWP ROAD	0.001191	\$32.55
LASALLE/PERU H#120	0.0254053	\$694.40
TIF LASALLE IV	0	
Totals:	10.4319	\$2,957.77

# EXAMPLE – SENIOR / OWNER

## \$86.95

### 2017 PAYABLE 2018

### 2018 PAYABLE 2019

Land:	0
Farm Land:	0
Building:	33,333
Farm Building:	0
Total Assessed Value:	33,333
Owner Occupied	6,000
Senior	5,000
Total Exemptions:	11,000
Net Taxable Value:	22,333

Land:	0
Farm Land:	0
Building:	33,333
Farm Building:	0
Total Assessed Value:	33,333
Owner Occupied	6,000
Senior	5,000
Total Exemptions:	11,000
Net Taxable Value:	22,333

Name	Rate	Amount	Name	Rate	Amount
CITY OF LASALLE	0.0249414	\$557.02	CITY OF LASALLE	0.028835	\$643.97
COUNTY	0.0105473	\$235.55	COUNTY	0.0105473	\$235.55
IVCC J513	0.003647	\$81.45	IVCC J513	0.003647	\$81.45
LASALLE G#122	0.0335613	\$749.52	LASALLE G#122	0.0335613	\$749.52
LASALLE LIBRARY	0.0022295	\$49.79	LASALLE LIBRARY	0.0022295	\$49.79
LASALLE TWP	0.0027962	\$62.45	LASALLE TWP	0.0027962	\$62.45
LASALLE TWP ROAD	0.001191	\$26.60	LASALLE TWP ROAD	0.001191	\$26.60
LASALLE/PERU H#120	0.0254053	\$567.38	LASALLE/PERU H#120	0.0254053	\$567.38
TIF LASALLE IV	0		TIF LASALLE IV	0	
Totals:	10.4319	\$2,329.76	Totals:	10.4319	\$2,416.71