CALL TO ORDER

The Committee of the Whole Meeting was held on November 11, 2024 at 300 Plaza Circle, Mundelein. Mayor Lentz called the meeting to order at 6:00 PM.

ATTENDANCE

Clerk Walsh took the roll call. It indicated as follows:

Board Attendance
PRESENT: Trustees Juarez, Lambert, Meier, Ross, Schwenk, Wilson, and Mayor Lentz
ABSENT: None

Village Attendance
PRESENT: Attorney Cahill, Village Administrator Guenther, Assistant Village Administrator Monroe, Finance Director Miller, Fire Chief Lark, Deputy Police Chief Poynor,
ABSENT: None

MINUTES APPROVAL

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RESULT:	**Passed [Yes 6, No 0, Abstained 0]**
MOVER:	Trustee Juarez
SECONDER:	Trustee Berman Ross
AYES:	Trustee Juarez, Trustee Lambert, Trustee Meier, Trustee Berman Ross, Trustee Schwenk, Trustee Wilson
NAYS:	None
ABSTAIN:	None

PUBLIC COMMENTARY

None.

NEW BUSINESS

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Administrator Guenther and Finance Director Miller gave a presentation outlining the proposed 2024 Property Tax Levy, explaining the 3 options from Staff. This will be voted on in the December 9 Board Meeting; this information will be published to meet the 20-day requirement set by state statute.

Property tax is the largest source of revenue the Village has. Fire and Police pensions are totally funded by this revenue.

Staff creates approx. 12 options and then these are pared done to 3; Option 1 is recommended by Staff. This option helps by not "kicking" these pension obligations down the road for future Boards to have to deal with.

Option 1: 2024 - 4.1% Corp; Police +360K, Fire +180K Change to homeonwners tax bill for $300K home -- $66
Option 2: 2024 - 0% Corp; Police +360K, Fire +180K Change to homeonwners tax bill for $300K home -- $40
Option 3: 2024 - $ Unchanged, Police +12K, Fire +77K Change to homeonwners tax bill for $300K home -- $(1)

Option 1 Total Tax Levy includes:
Corporate Increase of 4.1%
Police and Fire Pension Contributions at State Minimum Required plus additional $360,000 to Police and $180,000 to Fire
IMRF Unchanged
Social Security Unchanged

Increase Levy Amount $745K (Corporate $293K, Police Pension $348K, and Fire Pension $104K) from 2023 and Lowers Rate to 1.37 from 2023 Rate of 1.44.

Option 2 Total Tax Levy includes:
Corporate Increase of 0%
Police and Fire Pension Contributions at State Minimum Required plus additional $360,000 to Police and $180,000 to Fire
IMRF Unchanged
Social Security Unchanged

Increase Levy Amount $452K (Corporate $0, Police Pension $348K, and Fire Pension $104K) from 2023 and Lowers Rate to 1.34 from 2023 Rate of 1.44.

Option 3 Total Tax Levy includes:
Corporate Unchanged
Police and Fire Pension Contributions at State Minimum Required plus additional $12K to Police and $77K to Fire
IMRF Unchanged
Social Security Unchanged

Increase Levy Amount $ 0K and Lowers Rate to 1.31 from 2023 Rate of 1.44.

Mr. Guenther explained that our credit rating, which is good, would be better if we funded the Police/Fire pensions at a higher rate; a good credit rating makes borrowing easier and fiscally more sound.

Mr. Guenther went into the tax situation within the Village--Cannabis taxes are down--something that was expected as other dispensaries are opening throughout the county (estimated decline of $700K in 2025); because the Board voted to raise the Village's sales tax by .25%, this has helped ease the decline in the cannabis sales-tax revenue; labor costs continue to increase due to labor contract commitments and salary costs to retain and attract talented staff (wage and salary Increases of approximately 3.6% estimated for FY26 Budget); investment earnings beginning to decrease as interest rates decline. (estimated decline of $400,000 for FY26 budget); supplies and services are at the higher costs charged during the 2022 inflationary period and increases continue. The Consumer Price Index for this area reports inflation at 4.1% for September 2024 which rose from 2.3% for September 2023.

Finance Director Miller pointed out that the state required pension amounts increased (14% for police, 11% for fire), if we don't do those substantial increases this year, it will be even higher next year and we run the risk of falling farther behind in our pension liability to the state.

Trustees discussed the options: Trustee Meier questioned the amounts the grocery tax brings in--Ms. Miller said we now have better data to work with--especially since the grocery tax was sunsetted during COVID. Ms. Meier still had questions regarding the different numbers--what about the $600K that was mentioned earlier? Trustee Schwenk said this was from the .25% overall tax (not specifically on groceries) we implemented to offset the 1% grocery tax ending which has not happened yet. Trustee Lambert asked for clarification as to the dollar amount to the homeowner--example--$66/per year, Mr. Guenther said that with Option 1 that is correct. Ms. Meier asked additional questions regarding the .25% tax and the 1% grocery tax to which Trustees Lambert, Schwenk, and Wilson responded. Mayor Lentz asked the Trustees how they feel about the options-- five Trustees said they will choose Option 1.

ADJOURNMENT

RESULT:	**Passed [Yes 6, No 0, Abstained 0]**
MOVER:	Trustee Lambert
SECONDER:	Trustee Schwenk
AYES:	Trustee Juarez, Trustee Lambert, Trustee Meier, Trustee Berman Ross, Trustee Schwenk, Trustee Wilson
NAYS:	None
ABSTAIN:	None

The Committee of the Whole meeting adjourned at 6:42 PM.