

**MINUTES OF THE
COMMITTEE OF THE WHOLE MEETING
VILLAGE OF NORTHFIELD
TUESDAY, JULY 17, 2018**

The Committee of the Whole meeting was called to order by Village President Joan Frazier on Tuesday, July 17, 2018 at 5:30 p.m. Village Clerk Stacy Sigman called the roll as follows:

Committee Members Present:

Trustee Tom Roszak
Trustee Allan Kaplan
Trustee Greg Lungmus
Trustee Thomas Terrill
Trustee John Gregorio
Trustee John Goodwin

Absent:

President Frazier

Others Present:

Village Attorney Everette M. Hill, Jr., Village Manager Stacy Sigman, Director of Community Development Steve Gutierrez, Finance Director Steve Noble and Assistant to the Village Manager Melissa DeFeo

Approval of the June 19, 2018 Report of Proceedings

Trustee Lungmus made a motion, seconded by Trustee Terrill to approve the June 19, 2018 Report of Proceedings as amended. Trustee Roszak said on page 9, he commented after President Frazier and said that “we should do more.”

Discussion on proposed sign code amendment for the Park District

Steve Bickford, the President of the Park District Board of Commissioners was present to address the Board and with him was Buggie O’Grady and George Alexoff, Executive Director of the Park District. Mr. Bickford said the Park District’s mission is to provide facilities and programming to serve the needs and interests of the residents. Unlike most of the other organizations in town they differ in both the variety of the facilities and the breadth of programs. They are also a little different because of the partnerships they maintain to help deliver services. These partnerships include the Northfield School Board, New Trier and they are very thankful for the partnership with the Village of Northfield itself. Partnerships also include private organizations that offer their own services to our residents and neighbors who use Park facilities, such as AYSO. These organizations and the Park District often receive support funding from businesses to enhance their program offerings. For instance, at Willow Park there might be a mix of individuals and groups across 26 acres using the four baseball fields, two soccer fields, two tennis courts, six picket ball courts now. One of the hallmarks of good park service

is getting these people through the facilities to help them find their personal destinations. The park district can't be successful in its mission, if they can't provide proper directional signage.

Mr. Bickford then stated that upon reading the current ordinance regarding signage, it allows for one sign per lot and Willow Park essentially qualifying as one lot, they find that they are unable to meet their mission and comply with the ordinance as it is currently written. They are at the meeting to ask for the Village's help. They believe that the Park District is different than the Northfield businesses. They share the Village Board's commitment to a beautiful Northfield, uncluttered by excessive signage, commercial or otherwise. Their needs are quite different from most commercial businesses, to which the Code appears to be directed. They hope to work with the Village Board and hope that the Code might be amended so that the Park District can comply with codes while successfully completing their mission to serve our mutual residents.

George Alexoff directed the Board to the packets. He said they tried to highlight some of the issues, but not necessarily what the answer should be. These are suggestions. He said they are looking for the Board's input and whether there a way to meet in the middle. The first one talks about A-frame signs. There are not a lot of them around but the park occasionally uses them for directional signage. He said these are used to direct people to additional parking. They were requested to use them through their planned development process on the Willow Park renovation and would like to be able to continue to utilize those signs.

President Frazier asked when the A-frame signs would be put out and when do they get picked up. Mr. Alexoff said it is done seasonally and usually for the outdoor season. There is one in front of the community center is up early spring and will take it down late fall. Mr. Bickford added that it depends because if you look at the daily activities, it might be up for a couple of hours. That would be a specific sign. The seasonal signs stay out all the time until late fall. Mr. Alexoff said they would like to be able to use other signs to help direct people. These would be used on a daily basis.

Mr. Alexoff then discussed off-premise signs. When they are having an event, they will ask their event sponsors to provide banners or signs to post on the premises. Most have banners they put on their tables at the events. These are only up for the day of the event.

President Frazier asked about allowing affiliate organizations to place an event banner at various parks, even though they may not play games at the park. Mr. Alexoff said the code says "on-premise." For example, soccer. If they were to allow AYSO soccer to pay to put a banner up at Willow Park, that would be against the sign code because AYSO soccer does not play games at Willow Park. They play games at Fox Meadow Park. He showed a picture of a sign showing the program and registration on the sign. So the way the sign code is written, this would not be allowed because AYSO does not play games at that site. They may play within the Park District boundaries or at one of

their parks, but not this specific park. If they put a sign in Clarkson Park advertising the 4th of July, that would be against the sign code because it takes place at Willow Park.

Trustee Gregorio questioned whether the AYSO sign is up all the time. Mr. Alexoff indicated no, they follow the 14 day rule. However, they would like to have it up a little longer. Ideally, they would like to see a more permanent sign area in front of Willow Park as well as Clarkson. They would then use that location, similar to what is shown, to promote events and be more consistent. Mr. Bickford added that the AYSO sign tries to reach parents who want to sign their kids up for AYSO. You would get more at Willow Park than Fox Meadow because it has very little traffic. Once registration is over, they would swap the sign out and put up something different.

President Frazier asked if the sign is used for sponsors. Mr. Alexoff responded, for direct sponsors no. Sponsorship of a program would be like the sign that says, "Thank you to Our Park Partners." That is a sponsor to the Park District. The Pee Wee Baseball sign which is a small sign and they rely on sponsors for their event. They have a sponsorship program and in the past, they have allowed them to put sponsor signs and they would keep it up during their season. This year, they didn't do it. That was more advertising and they weren't trying to do that, but no one has ever questioned it. Part of the partnerships they have with organizations is that they are looking for funding and part of their ability to serve their function is giving at least some acknowledgement to their partners. They are not selling advertising space to try to generate money for the park district. They want to acknowledge their partners while the event is going on. Mr. Alexoff indicated that if that is the type of signage, they would like to have a limited time frame that the sign is up. Just so there is some recognition. They would rather have their signs up, but the partners are big part of what they do. They can't run baseball or softball programs on their own; they rely on the affiliate organizations.

President Frazier asked if other programs, besides Northfield, use the baseball parks. Mr. Alexoff responded yes, they have soccer and lacrosse. President Frazier then asked what they pay. Mr. Alexoff said there is a set rate for each of them. He said back when they did reconstruction, they made a capital contribution, but they also pay a fee for using it themselves. There is a resident, non-resident, and an affiliate rate. President Frazier then asked how much the organizations pay to use the parks. Mr. Alexoff said it varies by organization. Soccer is close to \$70,000 a year. Baseball is \$10,000 - \$12,000. There are outside groups that are looking for fields and may contribute about \$4,000. President Frazier then asked if a non-Northfield group wants to play soccer there ... Mr. Alexoff continued by saying there is no field availability for a non-Northfield group for soccer. Some of the clubs have kids from three or four towns. Trustee Gregorio noted that in soccer, there are kids from all over the north shore in the club. The fee is for the team. Trustee Gregorio asked if there is a registration fee paid to them. Mr. Alexoff said they have a public baseball program and also have a private baseball organization that rent the fields for games. Mr. Bickford said when his son played baseball and AYSO soccer, they paid the fee to those two organizations separately and in any given week, they might be playing in Northfield's fields or all over

the north shore and the kids were a mix from Middlefork and Sunset Ridge or Winnetka and surrounding schools.

Mr. Alexoff then discussed animated signs. They have had user groups use them as a threshold sign and are also called blade signs. In the picture, it has the soccer logo on it and it is telling the patrons as they are walking into the park to follow these banners to the soccer fields which are on the back side of the park. He said he would like to see the ability to use those only on the day of the event. Put them up early before the games and take them down by 3:00 p.m. when the games are over. Mr. Bickford said these are interior signs and are extremely effective.

Portable signs were then discussed. Mr. Alexoff said that they are currently not allowed. They can be moved around and are around 18" x 18" poster banner. They have used them and they were effective. He believes they are more professional looking.

According to the sign code, signs may also not be placed on a building or fence. Mr. Alexoff said it would give them the ability, if allowed, to put up a banner. Gewalt-Hamilton is their sponsor for the bike parade for 4th of July. They put the banner up for the event and take it down at the end of the day. But the code currently won't let them do that. Mr. Bickford said that these fence banners are all in the interior of the park and face inward.

Discussion continued on other signs of whatever kind or nature. Mr. Alexoff indicated they have one message board at Clarkson and one at Willow Park. The code does not currently allow these. They would like to be able to post district news. This is where they post closures and other things that the patrons need to be aware of.

Mr. Alexoff indicated the Park District would also like the Board to consider the display of banners for a maximum of 21 days instead of 14 days. They would also request eliminating no more than six times a year. He said they have a lot more events than six. He said if they are able to move ahead with their permanent signage at Clarkson and Willow Parks that would eliminate a lot of this need with the exception of putting a sign on their fence to advertise a program. The code also says that they can put only one sign up on the site. They have started using banners on the light poles. There are 9 at Clarkson Park so they received a variance from the Architectural Commission in order to allow that to happen. They would like the Board to give them some consideration based on the size of the park, maybe there is a different number than just one. The reason he requested 20 event banners inside the park because on the 4th of July, they have a lot of banners for that one event.

Mr. Alexoff said they still believe they should go through the Architectural Commission for approval of the banner design, but the way the code is written, it is specific to the Village Center. They would like to add the park sites to that as well. They would have to ask for a variance based on the code because they are not in the Village Center. The boundaries of the Village Center are the Willow Road bridge, east side of the Edens,

south of Willow on Happ and then a small area going north like Walgreens and Bess but the residential areas behind them are not. Chase and Starbucks are in the Village Center but the office buildings are not.

Mr. Alexoff then discussed permanent signage. They would like to do something more eye pleasing than in the past. The District would like to update their sign to look like the community events board at Happ and Willow. They would also like to discuss allowing some parameters on how the banners are hung, how long and what is and is not appropriate. They would like to have the ability to manage that site. Like the Village's community event banners have to be a certain dimension.

President Frazier questioned Attorney Hill asking what kind of precedent would be set if the Board allowed this. Attorney Hill indicated that he didn't think there is a great precedent problem because we only have one park district with these kinds of programs within the Village. It is a given that Northfield never wants to change its sign ordinance that prohibits off-premise advertising. It would be a nightmare to get into that. The question is can we treat a sister unit of government differently and write the ordinance so that they can do off-premise advertising when nobody else can. It is a tough question. The recent U.S. Supreme Court case, *Green v. Town of Gilbert*, where the U.S. Supreme Court more than ever before clearly stated that you can't regulate signs based on content. It must be content neutral. Saying to the Park District that you can put up off-premise advertising signs which some of these clearly are, the way we define off-premise advertising and say to a business you can't. That was the distinction that was made at *Green v. Town of Gilbert* case. They were treating election signs differently than signs for directing people to locations. The *Town of Gilbert* case leaves some room for making distinctions. It applies to the very strictest standard for doing it. In terms of this type of request, there has to be an overriding governmental interest in making the distinction. Attorney Hill believes it is a close question and that we could defend it if the Board decided to let the Park District have some of these off-premise advertising signs. Trustee Gregorio stated that there are just issues with the off-premises signs, not the interior. Attorney Hill said there are issues with some of the on-site they want also in terms of our current code. It is more of a content issue. VM Sigman said there is an issue such as sandwich boards, the code says you can't have them but it's tough to distinguish to say you can have them here but not here. Attorney Hill added that all of this would require treating the Park District differently than we treat businesses and other corporate citizens in Northfield. Attorney Hill also said he doesn't know if anyone will challenge this if they do it, but it would be a tough case. There is a good rationale for saying there is an overriding governmental concern in treating them differently. We want to make sure they have sufficient revenues to keep their field safe for the kids using them. One of the pillars of the Illinois Constitution is intergovernmental cooperation and he believes he could make good arguments, but it is not a question that has been answered yet pursuant to the *Green v. Town of Gilbert* case which is 18 months old.

Trustee Gregorio asked if there was a challenge, couldn't we make them whole? Attorney Hill said we would have to re-amend our code and then the Park District will claim that they were grandfathered in.

President Frazier then asked if the Park District ran on a deficit last year. Mr. Bickford said no and that their fees and charges all go toward their capital program. The District's target is to generate \$200,000 per year which then goes into the capital fund. \$175,000 of the \$200,000 is debt replacement for the renovation that was just done. They have roughly \$30,000 that is used for capital replacement now. President Frazier then asked how much the permanent sign they want will be. Mr. Alexoff has a ball park figure, without landscaping, around \$35,000 each. President Frazier said the Village's community events sign at Happ and Willow cost \$125,000.

President Frazier indicated that she is not a fan of signs. There is such a thing as visual clutter and it's a constant battle to keep people from putting signs in the park, the bus shelters and throughout the Village. She said she was surprised when she saw all of these signs at the park. The park is not just for kids who play sports there, it is for other people that walk through it and use it. She would like to find some balance between the Park District's need for sponsorship and too many signs. She would like them to narrow it to a couple of signs that they really want and feel would be the most effective for them. It concerns her also that the Village would be subject to a legal challenge. She said we need to be careful about setting a precedent. Her request would be for the Park District to decide which signs they really need.

Mr. Alexoff indicated it is complicated because a lot of them are intertwined within each other, but they could come up with something that could be considered. Mr. Bickford said as you look at the various needs from the Park District concerning the people, not just people who are going to play baseball, soccer or tennis. There is a need for signs that are informational. On any given sports Saturday where there might be four or five organizations out there. Although the number of signs seems high, they are only up a couple of hours. That is easy to put down in terms of stipulations. There isn't an occasion outside the 4th of July or 2 or 3 days a year that you have the maximum signs. The advertising portion of this is relatively confined to a few different organizations that we partner with and their specific organizations. That is not signage throughout the park; that is the signage on the deals that they tend to give them. He said it seems like a lot, but most of the signage is redundancy in the signs; however, they are identifying all the different ones that have been used for different purposes. Part of what they do is help people use those facilities and being able to guide people is part of their service when you can't show people where things are. He understands President Frazier's concern and he is a Northfield resident and doesn't want the Village cluttered in advertising either. But he goes to park districts in other regions and towns around here and he sees that they are dealing with the same issue. It speaks to the quality of the park district is how people can intuitively find themselves around the park. He hopes there is a middle ground for the need to serve the people.

Trustee Roszak said he felt the Park District's needs are very complicated and needs for different types of signs for different locations. If we approve something, it should be just for the Park District. If there is a way to bolster the way the ordinance is written so that we don't have to remove it 12 months later when we get sued by three businesses. In terms of the signage request, the Park District is such a great asset, we should work with them on their request. He felt if a design professional could be hired to do a comprehensive signage program. Every sign is different. They could have a 3' x 5' section that is designed and can have the sign up for 21 days. Just one so it is a system. He said there are so many different requests and he encourages them to have permanent signs and to have a system to describe what is happening next week. He feels that they should have less temporary and more permanent signs and based on a signage system. They should be designed to look good and use fewer words.

Trustee Lungmus said he thinks the music and market was a great idea. He agrees with Trustee Roszak that something more permanent which would allow them to put different signs within a contained, regulated space makes sense. Mr. Alexoff said that is what they are looking to do for the permanent Clarkson sign. Trustee Lungmus indicated that it wouldn't address all the other parking and directional signs. The banner signs on the fences could be reduced and keep it in one area that informs the people as to what is going on.

Trustee Goodwin said he was a former AYSO soccer coach and would travel around to different fields and would try to figure out where you are supposed to go and play. He thinks the temporary blade type signs that say today you are over here and park here are useful. They would spend a lot of time trying to figure out where to go every Saturday morning.

Trustee Terrill agreed with President Frazier in that he is anti-sign. He likes the simplicity of nature and the greenery, but he also understands that in order for people to get to their event, they need a picture of how to get there. He would like to see it condensed a little bit more. He would support additional signs for the time being that are primary to their needs and after a year of experiencing it and discovering they need another sign here or there, it could be considered.

President Frazier recalled giving the Park District variances in the past. Mr. Alexoff indicated yes, for Clarkson Park and the other one they have been trying to stick for the most part to exactly what they said and put it on the fence which was up for 21 days. They felt it was a cleaner look on the fence than on two poles. They have also used them for special events. VM Sigman added they received a variance for the score board.

President Frazier indicated she doesn't like signs. She said the consensus seems to be that the Board needs to make exceptions to accept some level of advertising or sponsorship so they can make their program effective but also to get additional revenue. She asked the Park District to go back to the drawing board and take some of Trustee Roszak's comments into consideration. Let the Board know which signs are

the most important. Mr. Alexoff asked what the Board's thoughts are about allowing banners on their permanent sign where it has the name of the park. On the two wings would be the banners. That would allow more definition as to how they come back. Mr. Bickford indicated one of the things that are very important to the Park Board is that anything you put up has to look good and reflect well on the Park District and the affiliate organizations. They spend a lot of time talking about improving the quality of what is put up so it is not an eyesore, whether inside the park or facing outward. President Frazier said she does not want to see sponsorship banners on the permanent sign. She said if they wanted to advertise the Park District's programs, it would be fine. They could also use the Village's community events sign. Mr. Alexoff said they use it all the time.

Attorney Hill suggested to Mr. Alexoff that when they bring the next plan back, give the Board what the Park District needs. It will be easier for the Board and for him in drafting the standards instead of a lot and hoping to get some. Mr. Bickford felt this now gives them guidelines for what the purpose is that they are trying to achieve and to condense them down to a couple different types.

VM Sigman asked Trustee Roszak whether he is suggesting a wall or a canvass or a theme like at Woodfield Mall and it all matches – this way to parking, to stores, a directory and they are all designed in a cohesive package. Trustee Roszak felt that was a great idea. He was referring to a system for these things and suggested locations, like a blank canvass so that Gewalt-Hamilton can put the sign up and they know where to put it and knows the size. Mr. Bickford said they could have a specific area where they can put this event sponsored by along with their information.

Discussion on Core Objectives

President Frazier indicated that every year the Board talks about what they want to do the following year(s). What they want to achieve, what they want Stacy and staff to work on and what direction do we want to go in. She will go through the objectives and tell the Board where we are and then get the Board's thoughts.

Continue to implement the 10-year infrastructure plan for roads, streetscape, and life safety with an emphasis on storm water management efforts. Leverage financial resources whenever possible through use of partnerships and grants. President Frazier wanted to add the financing of Winnetka Road trunk main.

Continue to strengthen the Police Pension Fund with a goal of reaching a 60% funded ratio by 2020-2023. President Frazier said that we are already at 58.8%.

Maintain confidence and trust within the Village and our neighboring communities. President Frazier would like to cut this because it is implicit that we should this. Trustee Roszak suggested combining this goal and the following goal.

Continue advocacy with State, county and local agencies. President Frazier would like to cut this as well.

Implement electronic board packages and improved audio visual upgrades for the Boardroom and web page. Work with the Glenview 911 center to provide emergency notifications to our web page. President Frazier said this could be cut as well because it has all been done.

Continue to seek opportunities to cost effectively collaborate with neighboring communities, including assessing fire call dispatching through Glenview. President Frazier said assessing fire call dispatching has already been done, but it is critical to seek opportunities to cost effectively collaborate with neighboring communities.

Close out the Willow Road construction project with IDOT. Work with Cook County on infrastructure improvements including the design for Happ Road and the Winnetka Road trunk main. President Frazier indicated this is still ongoing.

Update the Comprehensive Plan to ensure economic development, strengthen business districts, support property values, and protect the character of Northfield. President Frazier indicated that this is in the works and it is a major goal. Trustee Roszak said conceptually, it would be interesting to have a study done for the Village Hall, the Post Office, the Library are not the most efficient buildings. He is suggesting a study to maybe building a new building and everything could be consolidated and one of the properties could be sold. If you get \$2 or \$3 million of cash, that would help in the long term. Maybe planning firms could help with a study. Trustee Lungmus said that thought was brought up during the launch of the Steering Committee meeting. VM Sigman felt the Comprehensive Plan study is a good place to have this discussion. President Frazier asked Community Development Director Steve Gutierrez if Trustee Roszak should speak with Houseal Lavigne. Director Gutierrez indicated yes. VM Sigman added that all of the trustees are invited to all the Comprehensive Plan meetings.

Continue to explore and develop Village streetscape initiatives including pedestrian and bicycle connectivity. Advance the development of the Skokie Valley Trail. President Frazier said we want to continue working on this. Trustee Roszak asked if this is a \$3 million project. VM Sigman indicated we don't know the number yet. We got a grant for the initial assessment. Assistant to the Village Manager Melissa DeFeo was successful in getting a grant. It is a combination of Glenview, Wilmette, Northfield, Northbrook and Glencoe. It is tying that whole corridor from Highland Park down to Skokie. For many years they have been seeking a grant to study the corridor and get a cost analysis. This year, through the Cook County grant, Glenview submitted the grant on behalf of all the towns it was awarded to them. They will begin a phase 1 study and will look at the environmental impacts, the locations, the land acquisition, the cost, etc. We will be able to use the phase 1 study to leverage additional grants for phase 2 and then construction. Trustee Terrill asked the amount of the grant. AVM DeFeo said the grant was 7% and the communities are splitting it. The construction costs will depend on

what is identified to be best for phase 1. They are analyzing the bridge next to New Trier but the bike path will need its own bridge.

Seek opportunities to add cultural attractions to the Village Center. President Frazier suggested including installation of public art. She doesn't know why Northfield doesn't have art shows. There are art lending libraries and lots of programs. She asked that VM Sigman assign AVM DeFeo to undertake this initiative. This art would be displayed in public places. This would be from the lending programs or if local artists wanted to contribute. Trustee Roszak suggested working with New Trier because they produce some amazing art. Trustee Gregorio liked the idea of the art also. Trustee Terrill suggested making certain restrictions on what can be done.

Implement a Sustainability Agenda into Board and Commission goals and actions consistent with the Greenest Region Compact 2 Guidelines (GRC2). Prioritize goals and document progress. President Frazier suggested increasing engagement which would involve polling and online work which she would like Melissa to do. A long term goal is to research options to share a high quality water supply at the most economical price. It will take a number of years to do this. She also suggest succession planning because many of the people in the village government are reaching the time that they could retire. It would be unfortunate if they all retired at the same time. Trustee Lungmus then indicated the long term needs of the water system needs to be addressed. It is an aging system. Trustee Terrill said we have a 30 year agreement with Winnetka and there are 15 years to go. He asked if Winnetka has decided anything yet. VM Sigman indicated nothing definitive yet, but there are some conversations about regionalizing that. It may be what Glencoe gives up which would create a water district. It would be a plant that would serve Winnetka, Northfield and Glencoe. These initiatives take a long time to study and to build the infrastructure. Kenilworth foolishly spent \$5 of \$6 million revamping the water plant and now it's worthless. He said we should figure out who will be the survivor if we can and make a deal now.

Work with Northfield Caucus to explore implementation of a streamlined election process, consistent with the Village's home rule authority. Trustee Lungmus said he had lunch with Alan Chircop who chairs the Caucus and discussed increasing the candidates for more selection and how they source going forward. Mr. Chircop suggested combining the Caucus's. President Frazier indicated that would have to come from the Caucus. Trustee Terrill indicated that the Caucus interviewed 70 candidates for the last election. President Frazier said the streamlined election process has been done.

Discussion on long range financial planning initiative

President Frazier explained that this discussion started because the State of Illinois is very worried. We depend on them for a certain amount of our monies and they are not proving to be a viable partner. As an example, we are entitled to local government distributive funds, 10%, and when they had the last Illinois Constitutional Convention, in the 70's, part of the deal with the City of Chicago going along with it was that we would

get a 10% LTDF. But not surprisingly, the state has cut it to 5% which is temporary. We have also had a very sharp reduction in utility taxes and we have not been able to figure out why. The state has not been forthcoming in releasing records that help explain it. The state recently instituted 2% sales tax administratively. It's more of our money and we have to make up the difference. With our past budgets, we haven't had a lot of money to play with. It is very disconcerting so we set up this long range financial planning committee. She asked Trustee Lungmus to be the Board's liaison and chair it.

VM Sigman said she started back in the 90's and when she came to the Village, the Village was doing very well. It was astounding to work for a Village that has so much money that they gave some back to the residents. We gave water rebates and froze water rates and froze property taxes and gave money to help the Park District. What they didn't see coming was the economic downturn and they weren't thinking what was underground. Infrastructure wasn't a common thought. This is catching up to Northfield as it is in a lot of communities. She thinks Northfield has done better than most. Somewhere around 2005, the Board started looking at the long range trends and they saw our revenues weren't going up as fast as our expenses. They saw a change was needed and started looking at ways to reduce costs. In 2006, they offered an early retirement program with the express interest in reducing staff. Since 2006, about 25% of positions have been cut or outsourced. We constantly look for ways to become more efficient. In 2009, even with all of those efficiencies, the Board felt they weren't winning the battle. They continued to see revenue declines and problems with the state and there was a massive economic downturn in 2008. The Board then looked for other options for revenue. They did a very deep dive into the financials. What we are contemplating here is re-looking at that information ten years later. What has worked and what hasn't and what other options still need to be explored.

VM Sigman then explained that the 2009 study along with other changes happened and the study of home rule. The best way then to get additional revenues was to find a way to get revenue outside of property taxes. The Home Rule Sales Tax gave us a lot of options that we didn't have before. Last year, our revenues did not meet expectations and we ended up with a deficit. Our expenses stayed below what was planned, but the revenues didn't come in due to a variety of reasons, such as the Kraft property tax appeals and the State keeping home rule sales tax and 10% of the local distributive fund. We managed to become an AAA rated community through all of this financial upheaval. She said we have done a really good job because we periodically stop and assess. The last time we looked was with the infrastructure assessment and the referendum that went with that. After looking at the more global picture in 2009 that led to home rule, once passed, we tried to do a deeper dive into the infrastructure and the age of the system and the cost of replacement for that. VM Sigman pointed out that at the time this was done, it was recommended that there be a doubling of the water and sewer rate over a ten year period. The Board started to implement that plan which was a 7-1/2% in water and a 10% in sewer rates every year for ten years. After three years, we stopped and the rates went back to about 2-3% annual increases as opposed to 7-1/2 and 10%. The Board wanted to take the time to study all of the infrastructure. The referendum has passed and we have made great strides in implementing most of the

projects for infrastructure. She thinks it is time to go back and re-look at that and assess what is working and what is not working and other cuts or programs we should be looking at changing.

Trustee Lungmus said it is an important initiative and will take a lot of work. His business is that he studies global markets and business trends and cycles. He tries to understand global risks and economic systems. The goal of the initiative is the analysis of the multiple Village funds and their associated sources of revenue and expenses. If possible, find areas of cost savings and related efficiencies. Better understanding the long term trends and how they affect our budget and use that understanding to develop model forecasts so we utilize resources and at the same time maintain services that the Village expects. He divided the Village operations and financials into four categories and will be studied over the next six months. This month they are introducing it to the Board and defining the scope of the initiative and next month they go through the General Fund and pension analysis. In September, the Water and Sewer Fund and in October will be a staffing review which will address the age of the senior staff and in November they will look at alternative revenue sources and expense reductions and in January they will summarize everything reviewed. He said Steve, Stacy, Joan and him will systematically analyze what we are currently doing through the by weekly meetings and will report the results back. They would like to have input from everybody. The data both historical and real time are provided by the staff and some of the analytics and review will be provided by consultants and service providers such as insurance. Analysis can also come from this Board.

Trustee Lungmus then commented on forecast and modeling. It is difficult when there are so many multiple complex mechanisms in the Village budget. The things that effect the general economy, economic cycle, market forces, and there are always State of Illinois' events. The one offside any model can wreck your finances in a hurry. The big one is Springfield and its enormous debts. You can only control things you can actually control. Stacy's outline shows what we can actually control. He said he has always said multi-year forecasts are always a fool's work, but when you're in a position like this you have to do it, it's the job. He said VM Sigman runs a very tight ship. From 2009, there have been reductions in head count and we are already running lean. Our internal controls are excellent so you won't find line items that anyone would be suspicious of. His nature is to look at things skeptically, but he isn't bringing any agenda to it. His expectations are to learn as quickly as possible. Lastly, he wants to re-encourage everybody on the Board to reach out to them if they have any ideas. He would like to hear any concerns or comments. Everyone brings to the table a skill set. His ultimate goal is to transparently infirm the value and integrity of our financial decisions and forecasts that this Board makes acting as responsible stewards of the Village.

Trustee Lungmus then went through the charts that Director Noble put together. Some of the big line items make it easier to understand. Salaries and property taxes are predictable. Permits and fines are hard to forecast. In the sales tax line, we have been

lucky to have Range Rover and Medline which have helped our financials. If the Kraft property sat vacant for years, we would be in a different financial situation.

President Frazier asked Director Noble what assumptions were used to come up with the forecast for sales tax. She thinks it looks good. Director Noble said the sales tax indicates a 3% growth every year. The chart shows that it can be very different. VM Sigman added the assumptions that are used to model going forward were the assumptions that were primarily adopted by the Board in 2009. Part of what we want to do here is revisit those model assumptions. Director Noble said the red and green chart is a snapshot of back in 2009-2010 when the modeling was developed. The first column of each year is what we forecasted and then the actual is next to it. If we did better than forecasted, he put it in green and if we did worse, then he put it in red. You hit big or miss it big. Trustee Lungmus agreed saying it is really hard to forecast out more than four years. Director Noble believes this is good reference material to have. He explained that this is simply what was forecasted in 2009. Ordinarily, it is adjusted each year. With that, you wouldn't see the wild swings because they were adjusted yearly. He said this shows how we did based on a snapshot in 2009 looking out five years. The other two pages are actual history going back to 2005. Trustee Lungmus said he was anxious to see how the financial crisis affected the numbers.

Trustee Terrill asked if the Red Light could be re-installed. VM Sigman answered no. VM Sigman said Red Light cameras are very strictly enforced by the state. We can do a study, but it has to be based on the number of accidents, the severity of accidents and the number of violations at the intersection. She doesn't think there is a single intersection currently in Northfield that would meet State warrant. Willow and Waukegan and Wagner and Willow did in the past. The cameras lost money at Wagner and Willow. Trustee Terrill then asked how much land there is left for expansion. VM Sigman said even when she came to Northfield, it was a built out community. All that is left is really redevelopment or problematic parcels. There are a few tracts that could potentially see something happen. This year should show solid building numbers based on what we see on the radar screen. Building permits generally track with the economy which was why this past year we were surprised.

Other Business

None.

Adjournment

There being no further discussion or issues to come before the Board, Trustee Goodwin made a motion, seconded by Trustee Terrill to adjourn the meeting.

The meeting adjourned at 7:00 p.m.