



# Village of Lake in the Hills

600 Harvest Gate, Lake in the Hills, Illinois 60156

BOARD OF TRUSTEES MEETING

NOVEMBER 13, 2025

## Call to Order

The meeting was called to order at 7:30 pm.

Roll call was answered by Trustees Harlfinger, Dustin, Huckins, Bojarski, Murphy, and President Bogdanowski.

Motion to allow Trustee Anderson to attend telephonically was made by Trustee Huckins and seconded by Trustee Bojarski. On roll call vote, Trustees Murphy, Bojarski, Huckins, Dustin, and Harlfinger voted Aye. No Nays. Motion carried.

Also present were Village Administrator Shannon Andrews, Assistant Village Administrator Trevor Bosack, Chief of Police Matt Mannino, Finance Director Pete Stefan, Public Works Director Ryan McDillon, Director of Community Development John Svalenka, Parks and Recreation Director Randy Splitt, Village Attorney Brandy Quance, and Village Clerk Shannon DuBeau.

The Pledge of Allegiance was led by County Administrator Peter Austin and Deputy County Administrator Scott Hartman.

### Promotions

Detective John Arient and Officer Keith Salas were promoted to the rank of Sergeant of Police and sworn in by Chief Mannino.

## Public Comment

None.

## Consent Agenda

**This portion of the agenda contains several items that will be acted upon in one Motion unless any Trustee wishes to remove an item. For members of the public, copies of the agenda are available at the entryway.**

- A. Motion to accept and place on file the minutes of the October 23, 2025 Board of Trustees meeting.
- B. Motion to approve the November 14, 2025 Schedule of Bills, total of all funds in the amount of \$2,570,975.77.
- C. Motion to approve an Ordinance Authorizing the approving of a Ground Lease between the Village of Lake in the Hills and Michael & Kimberly Monreal for PAP-16.
- D. Motion to accept the bid and award a contract to Midwest Salt, LLC for the purchase and delivery of water conditioning bulk softener salt in an amount not to exceed \$187,992.00.

Motion to approve the Consent Agenda items A-D was made by Trustee Harlfinger and seconded by Trustee Huckins. On roll call vote, Trustees Bojarski, Anderson, Murphy, Harlfinger, Dustin, Huckins voted Aye. No Nays. Motion carried.



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## Items for Discussion and Consideration

The Board may combine multiple items in the same motion. A trustee may at any time request that the combined action be voted upon in separate motions.

### Administration

#### **A. Request to Approve an Ordinance Amending Chapter 34, Section 34.12, Municipal Cannabis Retailers' Occupation Tax, of the Lake in the Hills Municipal Code**

Summarized by Village Administrator Shannon Andrews

The Village Board approved Ordinance #2025-31 on September 11, 2025, which increased the Village's Municipal Cannabis Tax from 2% to 3%, effective January 1, 2026. Per statute, staff sent a certified copy of the Ordinance to the Illinois Department of Revenue (IDOR) before the October 1, 2025 deadline.

On October 28, 2025 the Village received a letter from IDOR stating that they are accepting the ordinance for purposes of meeting the October 1, 2025 deadline, but to remove any confusion, they are asking that the language be updated in Section 34.12(c) with the following: "The 2% tax shall take effect for all sales on January 1, 2020. The 3% tax shall take effect for all sales on January 1, 2026."

The Ordinance, which is attached to the agenda, has the requested change to Section 34.12(c).

### **Motion**

Motion to approve an Ordinance Amending Chapter 34, Occupation and Other Taxes, Section 34.12, Municipal Cannabis Retailers' Occupation Tax, of the Lake in the Hills Municipal Code was made by Trustee Huckins and seconded by Trustee Harlfinger. On roll call vote, Trustees Murphy, Bojarski, Huckins, Anderson, Dustin, and Harlfinger voted Aye. No Nays. Motion carried.

#### **B. Request to Approve an Ordinance Approving Fifth Addendum to the Push Tax Tolling Agreement**

Summarized by Village Administrator Shannon Andrews

The Village Board approved a Penny Per Push Amusement Tax ("Push Tax") on October 31, 2021, which generally requires the providers of video gaming machines ("Terminal Operators") to collect and remit a monthly tax equal to \$0.01 for each time a person makes a wager and plays a game on a video gaming machine.

Prior to the Village enacting the Push Tax, two other communities who had adopted similar Push Taxes were engaged in litigation with the Terminal Operators over the enforceability of the municipal Push Tax. Several other cases are now pending as well but remain unresolved. Until these cases have fully progressed through the appeal process, our consortium recommends extending our tolling agreement with the Terminal Operators. As before, the tolling agreement reserves all legal claims and rights to pursue or defend the enforceability of the Push Tax once the tolling period expires.

The Board approved the initial Tolling Agreement through April 23, 2023, with Second, Third, and Fourth Addendums extending the expiration of the Agreement to October 31, 2025. A Fifth Addendum is now being



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proposed to further extend the term through April 30, 2026, while we await a proposal for resolution or the final rulings on the open cases.

It is important to note that any party can terminate the Tolling Agreement at any point in time, allowing the municipalities to terminate early if favorable case law indicates the Push Taxes are likely to be upheld as valid and collectible.

The only notable concession in the Tolling Agreement is that the municipalities are foregoing any late payment penalties or interest assessments against the Terminal Operators during the pendency of the tolling period. However, the principal tax balance would still be collectible if the Push Tax is ultimately upheld as enforceable. If the Tolling Agreement is not approved, the Village would need to engage in ongoing collection and legal enforcement activities against all Terminal Operators, beginning in November.

## **Motion**

Motion to Approve an Ordinance Approving Entry of Fifth Addendum to Tolling Agreement with Video Gaming Terminal Operators for the Purpose of Tolling the Video Gaming Push Tax was made by Trustee Huckins and seconded by Trustee Harlfinger. On roll call vote, Trustees Dustin, Bojarski, Huckins, Anderson, Murphy, and Harlfinger voted Aye. No Nays. Motion carried.

## Finance

### **C. Request to Approve a Resolution Estimating the Amount of the Tax Levy for 2025**

Summarized by Finance Director Pete Stefan

Illinois compiled statutes require that the corporate authorities of the Village estimate the amount of tax to be levied not less than 20 days prior to the adoption of the final levy, which is scheduled to be presented at the December 11th Village Board meeting.

The proposed levy for 2025 not only captures property taxes on new construction as has been the case since 2021, but it also begins a three-year process whereby one third of the total Special Service Area (SSA) levies (with the exception of SSA 51) will be absorbed into the Village-wide corporate levy.

While this absorption of eleven SSA levies into the corporate levy will result in a \$163,420 or 2.9% increase in the corporate levy, it will actually result in a reduction in the amount of -\$326,840 in SSA related tax levies. The planned second year phase-in for 2026 will add another \$163,420 to the corporate levy, which will still result in an overall reduction in the amount of -\$163,420 in SSA related tax levies next year compared to the 2024 levies. Finally, the planned third and final year of the phase-in will add the final \$163,420 to the corporate levy at which point the SSA tax levy absorption process will be complete.

Each individual property owner's real estate tax bill will fluctuate based on the percentage change in EAV for each property compared to the percentage change for the entire Village as a whole. However, in general, properties located in SSAs will see a slight decrease in their tax bills while non-SSA property owners will see an even smaller increase in their tax bills as the first year of the three-year phase-in eliminates all maintenance SSA levies entirely by spreading those costs equally across all properties in the Village.



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The following table compares the actual total combined levies in 2024 for the corporate levy plus all SSA levies to the proposed levies for 2025, which, if adopted, would result in a net decrease of \$318,349 when combining the various components of the levies for existing property, new construction, and SSAs:

Levy	2024 Amount	2025 Amount
<b><u>Existing Property</u></b>		
Corporate	\$ 5,474,117	\$ 5,474,067
IMRF	1,000	1,000
Police Protection	1,000	1,000
Police Pension	1,000	1,000
Audit	1,000	1,000
Liability Insurance	1,000	1,000
Social Security	1,000	1,000
Workers Compensation	1,000	1,000
<b>Sub-Total Existing Property</b>	<b>\$ 5,481,117</b>	<b>\$ 5,481,067</b>
<b><u>New Construction</u></b>		
Prior Years Corporate	\$ 67,572	\$ 93,225
Current Year Corporate	25,591	8,708
<b>Sub-Total New Construction</b>	<b>\$ 93,163</b>	<b>\$ 101,933</b>
<b><u>Special Service Areas</u></b>		
Corporate	\$ -	\$ 163,420
Special Service Area 1	4,610	-
Special Service Area 2	224,580	-
Special Service Area 3	80,470	-
Special Service Area 4A	44,000	-
Special Service Area 4B	2,600	-
Special Service Area 5	70,570	-
Special Service Area 6	38,620	-
Special Service Area 7	2,310	-
Special Service Area 8B	1,300	-
Special Service Area 8C	700	-
Special Service Area 15	20,500	-
Special Service Area 51	103,565	103,336
<b>Sub-Total Special Service Areas</b>	<b>\$ 593,825</b>	<b>\$ 266,756</b>
<b>Total Tax Levy</b>	<b>\$ 6,168,105</b>	<b>\$ 5,849,756</b>

**Dollar Amount Reduction for 2025: \$ (318,349)**  
**Percentage Reduction for 2025: -5.2%**



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Removing the SSA 51 levy of \$103,336, the remaining components comprise the proposed 2025 levy of \$5,746,420, which can be summarized as follows:

Levy	Amount
<b><u>Existing Property</u></b>	
Corporate	\$ 5,474,067
IMRF	1,000
Police Protection	1,000
Police Pension	1,000
Audit	1,000
Liability Insurance	1,000
Social Security	1,000
Workers Compensation	1,000
<b><u>Sub-Total Existing Property</u></b>	<b>\$ 5,481,067</b>
<u>Prior Years Corporate</u>	\$ 93,225
<u>Current Year Corporate</u>	8,708
<b><u>Sub-Total New Construction</u></b>	<b>\$ 101,933</b>
<b><u>Special Service Area Absorption</u></b>	
Corporate	<b>\$ 163,420</b>
<b>Total 2025 Tax Levy</b>	<b>\$ 5,746,420</b>

Based on the estimated EAV for 2025 of \$1,122,786,644, the estimated tax rate is then calculated as follows:

<b>VILLAGE OF LAKE IN THE HILLS</b>				
Estimated 2025 Tax Rate Calculation				
Levy	Limiting Rate	Per Statues	Estimated 2025 Proposed Levy	Rate
Corporate	None	0.511177	\$ 5,739,420	
IMRF	None	0.000089	1,000	
Police Protection	None	0.000089	1,000	
Police Pension	None	0.000089	1,000	
Audit	None	0.000089	1,000	
Liability Insurance	None	0.000089	1,000	
Social Security	None	0.000089	1,000	
Workers Compensation	None	0.000089	1,000	
<b>Total</b>		<b>0.511800</b>	<b>\$ 5,746,420</b>	



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- Notes:
- 1) Based on the estimated EAV of \$1,122,786,644.
  - 2) Rates are per \$100 of EAV and are expressed as a percentage.
  - 3) Based on a projected 2025 tax rate of 0.511800 per \$100 of EAV, the tax rate is projected to have decreased by -48.4% since 1991.

The projected equalized assessed valuation (EAV) for 2025 is estimated to be \$1,122,786,644, which represents an 8.8% increase from the 2024 EAV of \$1,032,194,106 and would result in the highest EAV on record for the Village, exceeding the \$1 billion mark for the second consecutive year. The projected total EAV and new construction EAV for 2025 are based on the McHenry County Assessor's Estimated EAV Report that was recently provided to the Village, a copy of which is attached to the agenda.

The estimated tax rate is expected to decrease by -5.2% from 0.540043 to 0.511800 due to the projected 8.8% increase in EAV. This would be the lowest tax rate on record for the Village.

The portion of the tax levy that is attributable to new construction for the 2021 through 2024 Tax Years is \$93,225 while the portion of the tax levy that is attributable to new construction from the 2025 Tax Year is \$8,708, which is calculated by applying the 0.511800 estimated tax rate against the projected new construction EAV of \$1,701,391 which happens to be the lowest new construction total since 2013.

Based on the above analysis, the total estimated amount to be levied for corporate and special purpose property taxes for 2025 is \$5,746,420 which is a 3.1% increase from the 2024 tax extension of \$5,574,292.03. The 2025 tax levies for debt service for SSA 51 G.O. Bonds Series 2019 in the amount of \$108,100, and for Police Facility G.O. Bonds Series 2025 in the amount of \$1,050,250, are proposed to be abated in their entirety so those totals are not included in the proposed 2025 levy amount.

Pursuant to the Truth in Taxation Act, since the estimated levy for 2025 does not exceed the levy extension or abatement for 2024 by more than 5%, a public hearing is not required prior to the adoption of the levy for 2025. A Resolution Estimating the Amount of the Tax Levy for 2025 at \$5,746,420 is attached to the agenda along with a Property Tax Trend Analysis for 1991 through 2025 and the most recent McHenry County Assessor Estimated EAV Report for Tax Year 2025.

## Financial Impact

The estimated property tax levy for 2025 to be collected in 2026 in the amount of \$5,746,420 will be approximately 23% of the entire projected General Fund budgeted revenues for Fiscal Year 2026.

## Motion

Motion to approve a Resolution Estimating the Amount of the Tax Levy for 2025 was made by Trustee Huckins and seconded by Trustee Harlfinger. On roll call vote, Trustees Dustin, Murphy, Bojarski, Huckins, Anderson, and Harlfinger voted Aye. No Nays. Motion carried.



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## **D. Request to Approve the Village of Lake in the Hills Police Pension Fund Municipal Compliance Report for the Fiscal Year Ended December 31, 2024 and Annual Funding Request for Fiscal Year 2026**

Summarized by Finance Director Pete Stefan

Attached to the agenda is the Village of Lake in the Hills Police Pension Fund Municipal Compliance Report (MCR) for the Fiscal Year Ended December 31, 2024. This is a report on the financial condition of the fund as of the end of the most recently completed fiscal year and is required to be presented prior to the Village Board levying taxes for the year on behalf of the Police Pension Fund.

The MCR reports on nine items; **1.** total cash and investments, **2.** estimated receipts during the next fiscal year, **3.** estimated amount required during the next fiscal year to pay all pensions and obligations and to meet the annual requirements of the fund, **4.** total net income received from investment of assets and other investment information, **5.** total number of active employees, **6.** total amount disbursed in benefits during the fiscal year, **7.** the funded ratio of the fund, **8.** the unfunded liability of the fund, and **9.** a copy of the fund's cash management and investment policies.

The Police Pension Board approved the MCR for presentation to the Village Board at its meeting on October 13, 2025 and requested a lump sum payment from the Village for Fiscal Year 2026 for at least the amount of the recommended contribution of \$1,277,439.

### **Financial Impact**

- Total net position of the fund increased by \$4,122,747 or 8.40% from the prior year.
- The recommended Village contribution increased by \$274,216 from the prior year to \$1,277,439.
- The actual investment return for the fund was 9.09% for the year.
- The funded ratio of the fund decreased by -3.49% from the prior year (from 97.16% to 93.67%).
- The unfunded liability of the fund increased by \$2,138,854 from the prior year (from \$1,490,111 to \$3,628,965).

### **Motion**

Motion to accept and place on file the Village of Lake in the Hills Police Pension Fund Municipal Compliance Report for the Fiscal Year Ended December 31, 2024 and to approve the Village of Lake in the Hills Police Pension Fund's funding request for Fiscal Year 2026 in the rounded amount of \$1,278,000 to be paid in twelve equal monthly installments of \$106,500 from any readily available and unrestricted General Fund revenue source was made by Trustee Huckins and seconded by Trustee Harlfinger. On roll call vote, Trustees Anderson, Dustin, Bojarski, Huckins, Murphy, and Harlfinger voted Aye. No Nays. Motion carried.

## Community Development

### **E. Request to Approve an Ordinance Granting Conditional Use for a Planned Development and Tentative Plat Approval for Silverthorne's Cheswick Meadows at 8611 Haligus Road**

Summarized by Director of Community Development John Svalenka

In 2004, the Village entered into an Annexation Agreement to allow development of the subject property at the southwest corner of Haligus Road and Ackman Road with a 20-lot single-family subdivision named Meadowbrook



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Unit 25. The property was annexed to the Village and zoned R-2. A Final Plat for Cheswick Meadows was approved and recorded in 2006. However, no construction was ever started, and the Final Plat was vacated in 2013. The property remains annexed and zoned R-2. However, the annexation agreement expired in 2014 and is no longer in effect. Therefore, any prospective developer of the subject property would be required to start the zoning entitlement and subdivision process again from the beginning.

Per Section 1-3-2 of the Subdivision Control Ordinance, an applicant wishing to subdivide land that results in over five lots shall submit a Sketch Plan for review. Jim Work of Silverthorne Development has an agreement to purchase the subject property and submitted a Sketch Plan to the Village for review. The Sketch Plan submittal was reviewed by Village staff and the effected taxing bodies, and review comments were provided to the applicant. The Sketch Plan was also reviewed by the Planning & Zoning Commission at a public meeting on April 14, 2025, and by the Village Board of Trustees at their meeting on April 24, 2025. The Planning & Zoning Commission and Village Board provided generally positive comments about the proposed development and found that the proposed homes would fit well with the adjacent existing subdivisions.

The next step in the subdivision approval process after the Sketch Plan is the review of a Tentative Plat, which is defined as a preliminary plat of a proposed subdivision including the graphic depiction of the proposed lot lines, streets and other engineering improvements superimposed on a map of the existing topography. James Work of Silverthorne Development Co. has submitted applications and plans for a Tentative Plat on the subject property to be called Silverthorne's Cheswick Meadows. Also, in accordance with the Permitted and Conditional Use Chart in Section 11 of the Zoning Code, a Planned Development may be approved in the subject zoning district with the approval of a conditional use, which will allow for the granting of several exceptions from the standards in the Zoning Code. The applicant has also requested approval of this conditional use.

Village staff reviewed the requested conditional use for a planned development according to the standards listed in the Zoning Code and reviewed the requested tentative plat according to the standards listed in the Subdivision Control Ordinance. In general, staff finds that the requests meet all seven standards for conditional uses and meet the standards for a tentative plat, subject to compliance with several conditions. Specifically, final details for civil engineering and landscaping must be submitted to the Village and shall be subject to final approval by Village prior to approval of the required Final Plat. Staff also finds that the proposed development meets the requirements for the granting of several exceptions to the applicable regulations of the Zoning Code and Subdivision Control Ordinance, specifically to allow the proposed streets to match the surrounding existing streets and to reduce the lot sizes and setbacks.

The Planning & Zoning Commission conducted a public hearing on October 13, 2025 to consider the proposed development. The Commission recommended approval of the requests by a vote of 6-0, subject to the conditions and the with the exceptions noted above.

## **Financial Impact**

Approval of the requested planned development and tentative plat will allow the applicant to submit applications for approval of the required final plat and final development plans for the proposed 24 single-family detached dwellings. Staff finds that development of the subject property as proposed would increase the taxable value of the Village.



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Trustee Harlfinger questioned road extensions and the flow of traffic. Director Svalenka explained that there have been no changes to the approved street proposal and the Ackman Road right-of-way will remain.

## **Motion**

Motion to approve an ordinance Granting a Conditional Use for a planned development and tentative plat approval for Silverthorne's Cheswick Meadows at 8611 Haligus Road was made by Trustee Huckins and seconded by Trustee Harlfinger. On roll call vote, Trustees Bojarski, Huckins, Murphy, Anderson, Dustin, and Harlfinger voted Aye. No Nays. Motion carried.

## Public Works

### **F. Request to Approve an Ordinance Amending the Rent Schedule Fees for the Lake in the Hills Airport Leases**

Summarized by Public Works Director Ryan McDillon

Staff recommends Board approval of an ordinance amending the Village's airport facility lease fees and land lease fees.

The last time the Village Board approved rate increases for leases at the airport was at the December 12, 2024 meeting. Lease rates were adjusted at that time for a rate increase of 3%; however, there was a clerical error in the Ordinance specific to the Port-a-Ports where the increase was applied to the wrong number. This error would have boosted the rental rates by 9%, which is beyond what is allowed per a majority of the leases. As such, the 2025 PAP rates were held to a 3% increase over the previously billed rates. In 2026, staff recommends an increase of the remaining 6% to bring these leases up to the rates in the 2024 ordinance.

A majority of lease agreements between the Village and airport tenants allow for annual increases based on the change in CPI up to a maximum of 10%. Staff has updated all lease templates to allow the Board to establish rate increases up to a maximum of 10% without reference to CPI; however, to maintain consistency across all tenants, rate increases must be held to the least restrictive until all tenants have been converted over to the new language. Based on this, staff is recommending a 3.5% increase for all other Airport related lease rates for 2026, which aligns to the CPI for the Chicago Metropolitan Region. No changes are recommended for transient tie-downs or electrical service at this time.

## **Financial Impact**

Staff estimates that the amended fees will generate approximately \$20,000 in additional revenue in FY2026. It should be noted that the Ordinance removes rental income associated with 8603 Pyott Road, which is scheduled for demolition in 2026.

## **Motion**

Motion to approve an Ordinance amending the Rent Schedule Fees for the Lake in the Hills Airport Leases was made by Trustee Huckins and seconded by Trustee Harlfinger. On roll call vote, Trustees Anderson, Murphy, Dustin, Bojarski, Huckins, and Harlfinger voted Aye. No Nays. Motion carried.



## Village Administrator and Department Head Reports

None.

## Board of Trustee Reports

None.

## Village President Reports

President Bogdanowski proclaimed November 29, 2025 as Small Business Saturday in the Village of Lake in the Hills and urged the residents of our community to support small businesses and merchants on Small Business Saturday.

## Unfinished Business

None.

## New Business

None.

## Adjournment

A motion to adjourn the meeting was made by Trustee Huckins. All in favor by voice vote.

There being no further business to discuss, the meeting of the Lake in the Hills Board of Trustees was adjourned at 8:02 pm.

Submitted by,

A handwritten signature in cursive script that reads "Shannon DuBeau".

Shannon DuBeau  
Village Clerk