

# *Village of Carol Stream*

## **SPECIAL MEETING**

**TUESDAY, FEBRUARY 19, 2013  
6:00 P.M.**

**GREGORY J. BIELAWSKI MUNICIPAL CENTER  
500 N. GARY AVENUE  
CAROL STREAM, ILLINOIS 60188**

**LOWER LEVEL TRAINING ROOM**

## **AGENDA**

1. CALL TO ORDER
2. ATTENDANCE
3. FY 13/14 BUDGET WORKSHOP #2 - GENERAL FUND
4. CONSIDERATION OF AN INCREASE IN THE DEVELOPMENT SERVICES FEE AS PART OF AN UPDATE TO THE BUILDING PERMIT FEE SCHEDULE
5. OTHER BUSINESS
6. ADJOURNMENT



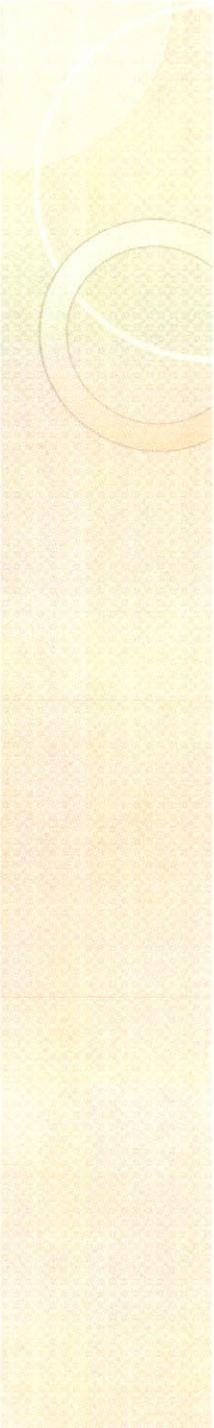
*Village of Carol Stream*

**FY 13/14**

**Budget Workshop #2**

**GENERAL FUND**

**February 19, 2013**



# Agenda

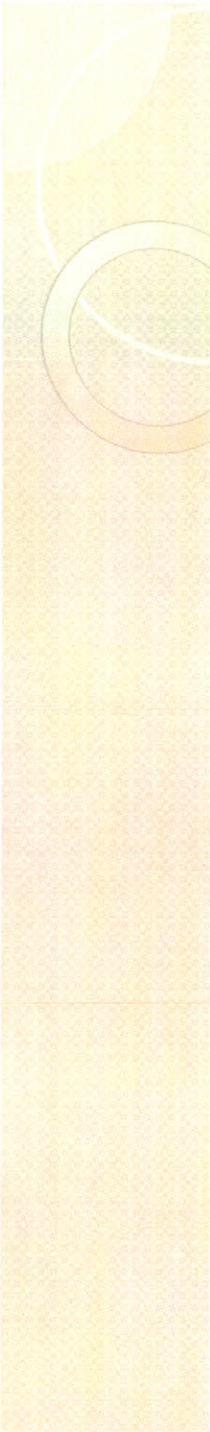
- **FY12/13 Budget - Year End Projection**
  - Bottom Line (Compare to FY11/12)
  - Revenue Summary and Review
  - Expenditure Projection
- **FY13/14 Budget “Primer”**
  - Revenue Outlook
  - Significant Program/Service Areas
- **Next Steps**

# Village of Carol Stream

## FY12/13 Budget Status Update - General Fund

### Projected FY12/13 Revenues & Expenditures

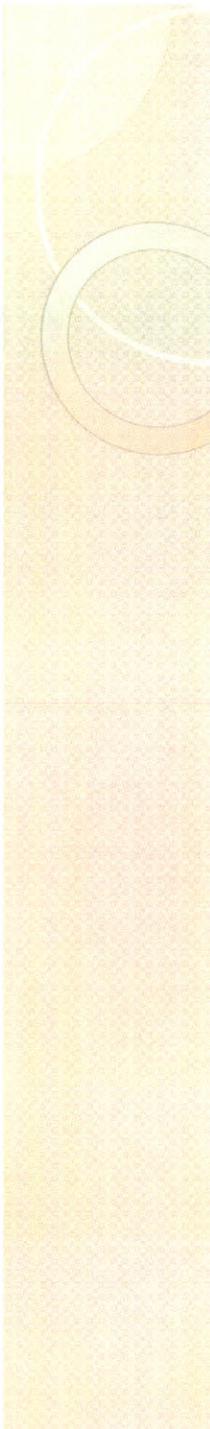
	<u>FY10</u> <u>Actual</u>	<u>FY11</u> <u>Actual</u>	<u>FY12</u> <u>Actual</u>	<u>FY13</u> <u>Budget</u>	<u>FY13</u> <u>Estimate</u>	Over/ (Under) <u>FY12</u>	Over/ (Under) <u>Budget</u>
Total Revenues	20,035,228	21,023,024	21,535,381	20,785,000	21,849,000	313,619 1.5%	1,064,000 5.1%
Total Expenditures	<u>(20,871,138)</u>	<u>(19,558,570)</u>	<u>(19,532,590)</u>	<u>(20,785,000)</u>	<u>(20,568,197)</u>	<u>1,035,607</u> 5.3%	<u>(216,803)</u> -1.0%
Net Increase / (Decr)	<u>\$ (835,910)</u>	<u>\$ 1,464,454</u>	<u>\$ 2,002,791</u>	<u>\$ -</u>	<u>\$ 1,280,803</u>	<u>\$(721,988)</u>	<u>\$ 1,280,803</u>
Other - Transfer to Capital	-	-	\$ 5,000,000				



## FY12/13 Year End Projection

### **Bottom Line**

- Adopted FY12/13 Budget was balanced, with projected revenues = expenditures. **\$20,785,000**
- Current estimates project a surplus of approximately \$1.3 million by 4/30/13.
- Largely attributable to good performance in our two largest revenue sources (sales tax and income tax).



## FY12/13 Year End Projection

### FY12/13 Revenue Review

- Good news. FY12/13 estimated revenues are \$1.1 million or 5.1% above budget. Why?
  - Largest 2 Revenues make up 52% of total.
    - **Sales Tax Revenues 5.5% ABOVE Budget**
    - **Income Tax Revenues 13.7% ABOVE Budget**
  - Better than last year. Performance is positive and nearly the same as last year, BUT gains this year are more directly attributable to economic growth as opposed to more “incidental” in nature as we saw last year (real estate transfer tax).
  - Positive revenue growth in FY12/13 is key contributor (83%) to projected 4/30/13 budget surplus.

# Village of Carol Stream General Fund Revenues 4/30/13 Estimated Revenues

	<u>FY12</u> <u>Actual</u>	<u>FY13</u> <u>Budget</u>	<u>FY13</u> <u>Estimate</u>	Over/ (Under) <u>FY12</u>	Over/ (Under) <u>Budget</u>
Sales Tax	\$ 4,881,599	\$ 4,931,000	\$ 5,200,000	\$ 318,401	\$ 269,000
State Income Tax	3,244,566	3,145,000	3,575,000	330,434	430,000
Home Rule Sales Tax	2,820,612	2,860,000	3,015,000	194,388	155,000
Utility Tax - Telecomm.	1,684,908	1,562,000	1,605,000	(79,908)	43,000
Utility Tax - Electricity	1,815,206	1,800,000	1,860,000	44,794	60,000
Natural Gas Use Tax	502,232	575,000	550,000	47,768	(25,000)
Real Estate Transfer Tax	690,164	250,000	425,000	(265,164)	175,000
Hotel Tax Receipts	269,610	275,000	290,000	20,390	15,000
Other Taxes	<u>956,873</u>	<u>1,009,700</u>	<u>971,550</u>	<u>14,677</u>	<u>(38,150)</u>
Total Taxes	16,865,770	16,407,700	17,491,550	625,780	1,083,850
Licenses and Permits	1,179,724	1,107,000	1,082,750	(96,974)	(24,250)
Grants	204,254	128,000	125,000	(79,254)	(3,000)
Charges for Services	1,353,486	1,300,800	1,307,200	(46,286)	6,400
Fines and Forfeitures	1,591,296	1,635,000	1,521,000	(70,296)	(114,000)
Interest Income	33,992	25,000	35,000	1,008	10,000
Miscellaneous Revenue	<u>306,859</u>	<u>181,500</u>	<u>286,500</u>	<u>(20,359)</u>	<u>105,000</u>
Total Revenues	<b>\$ 21,535,381</b>	<b>\$ 20,785,000</b>	<b>\$ 21,849,000</b>	313,619	1,064,000
	2.4%		1.5%	1.5%	5.1%

# Village of Carol Stream History of Sales and Income Tax Revenues FY07/08 to FY12/13

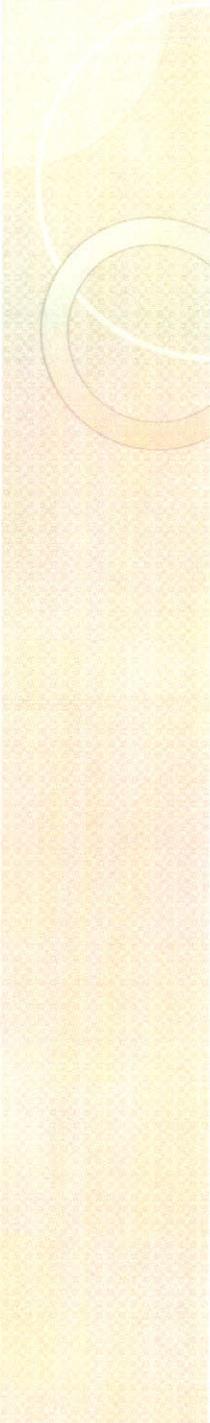


# Village of Carol Stream General Fund Revenues 4/30/13 Estimated Revenues

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	2.4%		1.5%	1.5%	5.1%

# Village of Carol Stream General Fund Expenditures 4/30/13 Estimated Expenditures

	<u>FY12 Actual</u>	<u>FY13 Budget</u>	<u>FY13 Estimate</u>	Over/ (Under) <u>FY12</u>	Over/ (Under) <u>Budget</u>
Personal Services	\$ 9,854,473	\$ 9,657,931	\$ 9,823,451	(31,022)	165,520
Seasonal Help	39,775	56,500	31,115	(8,660)	(25,385)
Court Time	107,325	138,500	114,590	7,265	(23,910)
Overtime	573,152	650,250	606,085	32,933	(44,165)
Group Insurance	1,666,302	1,808,063	1,808,063	141,761	-
IMRF	623,675	671,958	672,661	48,986	703
FICA	756,805	740,643	743,454	(13,351)	2,811
Work Comp	237,131	270,280	260,394	23,263	(9,886)
Unemployment	23,946	35,000	35,000	11,054	-
Police Pension	<u>1,434,572</u>	<u>1,474,398</u>	<u>1,474,398</u>	<u>39,826</u>	<u>-</u>
Total Salaries & Wages	15,317,156	15,503,523	15,569,211	252,055	65,688
Contractual Services	3,638,719	4,431,150	4,296,103	657,384	(135,047)
Commodities	188,958	256,057	169,288	(19,670)	(86,769)
Capital Outlay	<u>387,757</u>	<u>594,270</u>	<u>533,595</u>	<u>145,838</u>	<u>(60,675)</u>
Total	<u>\$ 19,532,590</u>	<u>\$ 20,785,000</u>	<u>\$ 20,568,197</u>	<u>\$ 1,035,607</u>	<u>\$ (216,803)</u>
				5.3%	-1.0%
Other - Transfer to Capital	5,000,000				



## FY12/13 Year End Projections

### Changes in Total Expenditures

- FY12/13 estimated expenditures projected 5.3% (\$1.035M) ahead of FY11/12 actual expenditures and below FY12/13 budget by 1.0%.
- **Salaries & Wages** \$252,055 ahead of FY11/12, driven by health and pension costs
- **Contractual Services** \$657,384 ahead of FY11/12
  - Emerald Ash Borer +\$252K
  - Contract Street Sweeping +85K
  - Mowing Contract Enhancement +60K
  - New Sales Tax Sharing Agreement +180K
- **Capital** \$145,838 ahead of FY11/12
  - Timing of Scheduled Vehicle Replacements

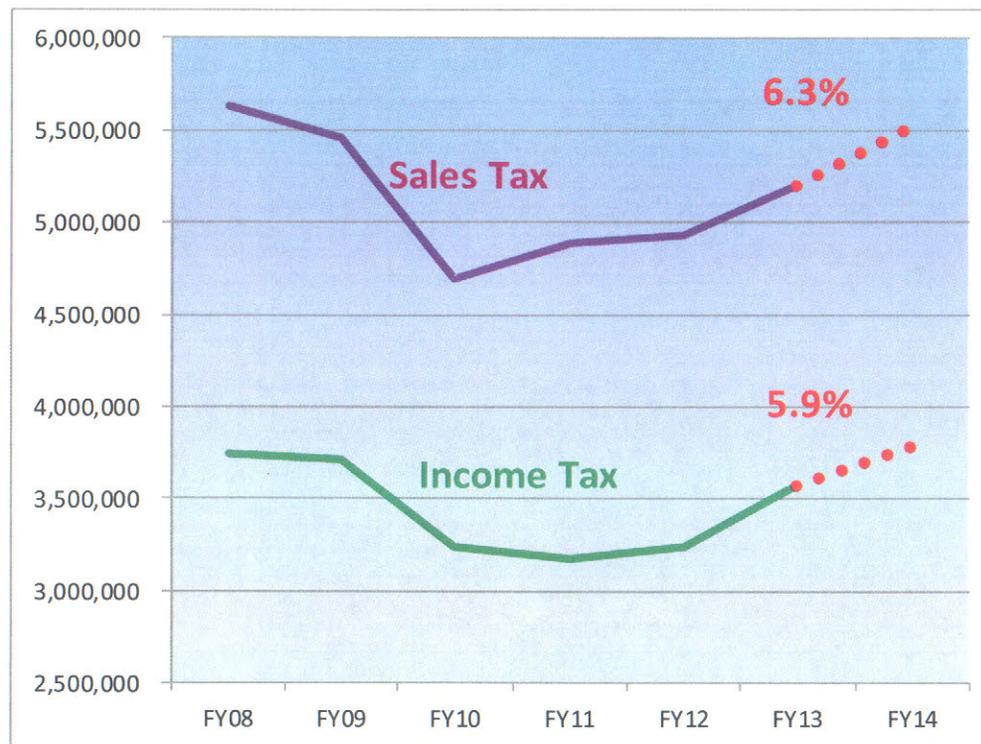
# FY12/13 Year End Projections

## Personnel Expenditures

- Gross Salaries (**Personal Services**) are lower than actual FY11/12 expenditures due to:
  - Reorganization of Public Works Department
  - Retirements
  - Replacement with PT positions where able
  - Temporary Vacancies
- 3<sup>rd</sup> Consecutive Year where **Personal Services** spending has declined
- FY12/13 estimate = 9.6% or \$1,000,000 below FY09/10 Actual Expenditures (20 fewer FTE positions)
- Staffing Headcount as low as we are likely to see.

## New Year FY13/14 Budget “Primer”

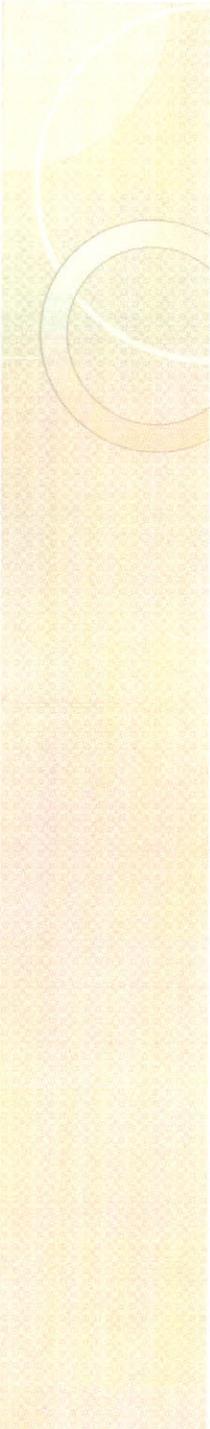
- We are turning a corner.
- A balanced General Fund Budget will be presented.
- First credible signs of potential for continued economic growth (Sales and Income Tax).





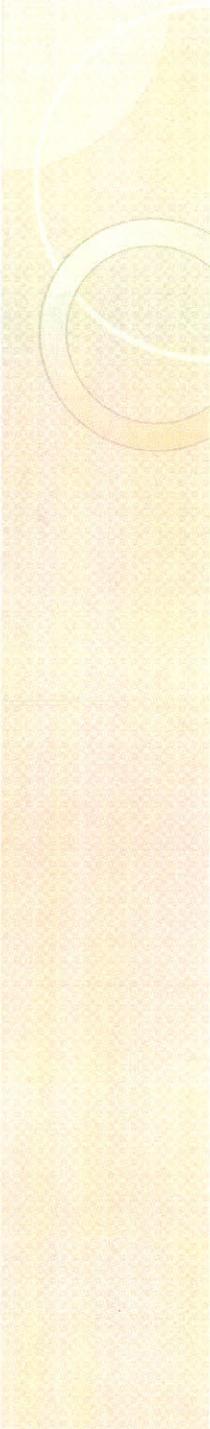
## New Year FY13/14 Budget “Primer”

- Some modest increases in organizational **staffing** will be proposed to address increased activity.
- **Health Insurance** – NO Increase from FY12/13 Budget?
- FY13/14 will be our largest investment ever in the **Parkway Tree Program** at > \$500,000 as EAB removal and reforestation efforts hit the “top of the curve”.
- Opportunity now exists to complete some previously deferred items and aging equipment:
  - **Comprehensive Plan**
  - **Copiers**
  - **Live-scan Digital Fingerprinting Replacement**
  - **Customer-service upgrades**
- **New TIF Activity / Rebate Agreement** begins.
- **Alternate Revenue Proposal?**



## Next Steps

- Monday March 4, 2013
  - 6:00 pm Special Village Board Workshop
    - **FY13/14 Draft Budget Presentation – Part 1**
      - **General Fund**
      - **Alternate Revenue Discussion**
- Monday, March 18, 2013
  - 6:00 pm Special Village Board Workshop
    - **FY13/14 Draft Budget Presentation – Part 2**
      - **All Other Funds**
      - **Capital Improvement Program**
- Monday, April 1, 2013
  - 6:00 pm Special Village Board Workshop
    - **TENTATIVE – ONLY IF NEEDED**



## Next Steps

- Monday April 15, 2013, 2013
  - 8:00 pm Village Board Workshop
    - **Budget Public Hearing**
    - **Budget Adoption**
- May 1, 2013
  - FY13/14 Begins

QUESTIONS?

*Village of Carol Stream*  
**Interdepartmental Memo**

**TO:** Joseph E. Breinig, Village Manager

**FROM:** Robert J. Glees, Community Development Director 

**DATE:** February 14, 2013

**RE:** **Agenda Item for February 19, 2013, Village Board Workshop  
Recommendation for Increase in Development Services Fee**

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**PURPOSE**

The purpose of this memorandum is to recommend that the Village Board consider an increase in the Village's Development Services Fee, which is a key component of the Village's building permit fee schedule.

**BACKGROUND**

At the July 2009 Budget Workshop, staff proposed that a restructured building permit fee schedule be developed in order to improve the efficiency and customer service of the building permit processes in the Community Development Department. The new fee schedule was unveiled at the March 2010 budget workshop, approved by the Village Board on April 19, 2010, and went into effect on August 2, 2010.

As part of the presentation in March 2010, there was discussion as to updating the Development Services Fee. Recall that the purpose of the Development Services Fee is to compensate the Village for the indirect costs (costs not directly compensated by permit revenues) of the Development Services Program. The Development Services Fee was last updated in 1996, when it was set at \$5.10 per \$1,000 of project cost. After discussion, the Village Board directed staff to maintain the Development Services Fee at \$5.10.

**DISCUSSION**

One of the features of the Village's building and zoning permit fee schedule is that its structure makes it easy to update. The Community Development Department is in the final stages of completing an update to the fee schedule, and we expect to bring the final draft to the Village Board in April, with the updated fee schedule to be effective May 1, 2013. The proposed changes to the

Joseph E. Breinig, Village Manager

February 14, 2013

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fee schedule will include many improvements, and a number of minor modifications, resulting from our experience over the past two years in applying it to development projects and meeting the needs of our customers.

As noted above, a significant component of the Village's building permit fees is the Development Services Fee. This fee has remained at \$5.10 since 1996, and we believe it appropriate to consider raising the fee as part of the updates which we will be bringing to the Village Board in April. We would note that simply adjusting the fee per the changes in the Consumer Price Index to reflect the value of 1996 dollars in today's 2013 dollars would result in a Development Services Fee of \$7.69, which would be an increase of approximately 50%. We are not proposing an increase of this magnitude, but we believe an increase on the order of 10% would be reasonable at this time. As was the intention when the new fee schedule was implemented in 2010, we will continue to review all components of the Village's building permit fees, including the Development Services Fee, on a regular basis.

Attached for the Village Board's consideration are two tables - Table 1 shows the effect of a 10% increase in the Development Services Fee on various types of permits, and Table 2 shows the effect on revenues. We believe the Village's current fee schedule is very reasonable in terms of percentage of project cost, and the proposed increase would not present a significant impact on the development community. We would also note that, as reflected on Table 2, the Development Services Fee is not applied to Type C permits, which include common residential improvement projects such as fences, driveways, patios and the like.

### **RECOMMENDATION**

It is our recommendation that the Development Services Fee be increased by 10% for a new fee amount of \$5.61 per \$1,000 of project cost. If the Village Board concurs, we will incorporate this new fee amount into the updated fee schedule to be brought forward in April and go into effect May 1, 2013.

RJG:bg

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# Village of Carol Stream

## COMMUNITY DEVELOPMENT DEPARTMENT

### 2013 FEE SCHEDULE UPDATE - DEVELOPMENT SERVICES FEE INCREASE

#### TABLE 1 - EFFECTS ON PERMIT TYPES

PROPOSED INCREASE IN DEVELOPMENT SERVICES FEE = 10%

PERMIT TYPE	TOTAL PERMIT FEE (EXCLUDING IMPACT FEES)	PROJECT VALUATION	TOTAL PERMIT FEE AS A PERCENTAGE OF PROJECT VALUATION	DEVELOPMENT SERVICES FEE	DS FEE WITH 10% INCREASE	INCREASED PERMIT FEE AS A PERCENTAGE OF PROJECT VALUATION
<b>Residential</b>						
<b>Attached Single-Family Residence</b>						
New Townhome	\$6,514.43	\$110,672.00	5.89%	\$564.43	\$620.87	5.94%
New Townhome	\$6,470.89	\$102,135.00	6.34%	\$520.89	\$572.98	6.39%
New Townhome	\$6,550.50	\$117,745.00	5.56%	\$600.50	\$660.55	5.61%
New Townhome	\$6,550.50	\$117,745.00	5.56%	\$600.50	\$660.55	5.61%
New Townhome	\$6,586.70	\$124,844.00	5.28%	\$636.70	\$700.37	5.33%
New Townhome	\$6,550.50	\$117,745.00	5.56%	\$600.50	\$660.55	5.61%
New Townhome	\$6,514.43	\$110,672.00	5.89%	\$564.43	\$620.87	5.94%
New Townhome	\$6,470.91	\$102,139.00	6.34%	\$520.91	\$573.00	6.39%
New Townhome	\$6,543.10	\$116,295.00	5.63%	\$593.10	\$652.41	5.68%
New Townhome	\$6,586.70	\$124,844.00	5.28%	\$636.70	\$700.37	5.33%
<b>Detached Single-Family Residence</b>						
New Home	\$17,514.69	\$425,500.00	4.12%	\$2,170.05	\$2,387.06	4.17%
<b>Commercial/Industrial</b>						
<b>New Building</b>						
New Fast-Food Restaurant	\$13,447.94	\$950,000.00	1.42%	\$4,845.00	\$5,329.50	1.47%
New Institutional Building	\$247,934.34	\$18,000,000.00	1.38%	\$91,800.00	\$100,980.00	1.43%
New Fast-Food Restaurant	\$8,525.16	\$250,000.00	3.41%	\$1,275.00	\$1,402.50	3.46%
<b>Interior Remodelling</b>						
Clubhouse Remodel	\$3,144.50	\$95,000.00	3.31%	\$484.50	\$532.95	3.36%
Commercial Buildout	\$7,555.00	\$250,000.00	3.02%	\$1,275.00	\$1,402.50	3.07%
Commercial Buildout	\$7,782.20	\$400,000.00	1.95%	\$2,040.00	\$2,244.00	2.00%
Commercial Remodel	\$2,030.00	\$8,000.00	25.38%	\$100.00	\$110.00	25.50%
Commercial Remodel	\$1,710.00	\$14,000.00	12.21%	\$100.00	\$110.00	12.29%
Commercial Remodel	\$2,282.00	\$20,000.00	11.41%	\$102.00	\$112.20	11.46%
Commercial Remodel	\$1,732.40	\$24,000.00	7.22%	\$122.40	\$134.64	7.27%
Commercial Remodel	\$2,458.50	\$35,000.00	7.02%	\$178.50	\$196.35	7.08%
Commercial Remodel	\$3,524.00	\$40,000.00	8.81%	\$204.00	\$224.40	8.86%
Commercial Remodel	\$3,284.00	\$40,000.00	8.21%	\$204.00	\$224.40	8.26%
Commercial Remodel	\$2,995.00	\$50,000.00	5.99%	\$255.00	\$280.50	6.04%
Commercial Remodel	\$10,552.07	\$102,500.00	10.29%	\$522.75	\$575.03	10.35%
Commercial Remodel	\$2,392.00	\$120,000.00	1.99%	\$612.00	\$673.20	2.04%
Commercial Remodel	\$4,222.66	\$175,000.00	2.41%	\$892.50	\$981.75	2.46%
Commercial Remodel	\$3,309.00	\$190,000.00	1.74%	\$969.00	\$1,065.90	1.79%
Commercial Remodel	\$3,786.00	\$260,000.00	1.46%	\$1,326.00	\$1,458.60	1.51%
Commercial Remodel	\$8,126.75	\$295,000.00	2.75%	\$1,504.50	\$1,654.95	2.81%
Commercial Remodel	\$4,497.46	\$532,835.00	0.84%	\$2,717.46	\$2,989.21	0.90%
Industrial Remodel	\$1,550.00	\$10,000.00	15.50%	\$100.00	\$110.00	15.60%
Industrial Remodel	\$1,200.00	\$15,000.00	8.00%	\$100.00	\$110.00	8.07%
Industrial Remodel	\$2,391.90	\$69,000.00	3.47%	\$351.90	\$387.09	3.52%
Industrial Remodel	\$2,467.00	\$170,000.00	1.45%	\$867.00	\$953.70	1.50%
Industrial Remodel	\$2,332.50	\$175,000.00	1.33%	\$892.50	\$981.75	1.38%
Industrial Remodel	\$2,609.60	\$196,000.00	1.33%	\$999.60	\$1,099.56	1.38%
Industrial Remodel	\$5,335.00	\$650,000.00	0.82%	\$3,315.00	\$3,646.50	0.87%
Industrial Remodel	\$9,260.00	\$1,500,000.00	0.62%	\$7,650.00	\$8,415.00	0.67%
Industrial Remodel	\$12,590.00	\$1,500,000.00	0.84%	\$7,650.00	\$8,415.00	0.89%
Industrial Remodel	\$14,620.00	\$2,000,000.00	0.73%	\$10,200.00	\$11,220.00	0.78%
Industrial Remodel	\$30,859.60	\$3,650,000.00	0.85%	\$18,615.00	\$20,476.50	0.90%
Institutional Remodel	\$5,675.00	\$650,000.00	0.87%	\$3,315.00	\$3,646.50	0.92%
Institutional Remodel	\$17,187.80	\$2,578,000.00	0.67%	\$13,147.80	\$14,462.58	0.72%
Office Addition	\$1,633.80	\$38,000.00	4.30%	\$193.80	\$213.18	4.35%
Office Remodel	\$1,530.00	\$16,900.00	9.05%	\$100.00	\$110.00	9.11%
Office Remodel	\$2,771.50	\$165,000.00	1.68%	\$841.50	\$925.65	1.73%
Office Remodel	\$5,335.00	\$250,000.00	2.13%	\$1,275.00	\$1,402.50	2.19%
Office Remodel	\$5,450.00	\$300,000.00	1.82%	\$1,530.00	\$1,683.00	1.87%
Office Remodel	\$4,505.00	\$350,000.00	1.29%	\$1,785.00	\$1,963.50	1.34%
Office Remodel	\$12,959.02	\$1,350,000.00	0.96%	\$6,885.00	\$7,573.50	1.01%

*Village of Carol Stream*

COMMUNITY DEVELOPMENT DEPARTMENT

2013 FEE SCHEDULE UPDATE - DEVELOPMENT SERVICES FEE INCREASE

TABLE 2 - EFFECTS ON PERMIT FEE REVENUES

PROPOSED INCREASE IN DEVELOPMENT SERVICES FEE = 10%

PERMIT TYPE	2011			2012		
	PERMITS ISSUED	DEVELOPMENT SERVICES FEE REVENUES	10% of DEVELOPMENT SERVICES FEES	PERMITS ISSUED	DEVELOPMENT SERVICES FEE REVENUES	10% of DEVELOPMENT SERVICES FEES
<b>1&amp;2-FAMILY RESIDENTIAL</b>						
A New Construction	30 (2.0%)	\$16,440	\$1,644	10 (0.7%)	\$5,839	\$584
B Additions, Alterations and Accessory Structures	33 (2.2%)	\$7,431	\$743	22 (1.5%)	\$3,797	\$380
C Miscellaneous Construction	794 (54.1%)	\$0	\$0	942 (63.5%)	\$0	\$0
<b>SUBTOTALS</b>	857 (58.3%)	\$23,871	\$2,387	974 (65.6%)	\$9,636	\$964
<b>COMMERCIAL, INDUSTRIAL, INSTITUTIONAL AND MULTIPLE-FAMILY RESIDENTIAL</b>						
D New Construction, Additions, Alterations, Acc. Structures	144 (9.8%)	\$249,054	\$24,905	117 (7.9%)	\$119,736	\$11,974
E Miscellaneous Construction	468 (31.9%)	\$61,445	\$6,144	393 (26.5%)	\$79,101	\$7,910
<b>SUBTOTALS</b>	612 (41.7%)	\$310,498	\$31,050	510 (34.4%)	\$198,838	\$19,884
<b>TOTALS</b>	1,469	\$334,369	\$33,437	1,484	\$208,473	\$20,847