

Village of Carol Stream

SPECIAL WORKSHOP MEETING

TUESDAY JANUARY 20, 2015

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. DISCUSSION ITEMS
 - A. FY15 Budget Status/FY16 Revenue Projections
 - B. Farm House Disposition and Further Direction
4. OTHER BUSINESS
5. ADJOURNMENT



Village of Carol Stream

FY 15/16

Budget Workshop #2

GENERAL FUND

January 20, 2015



Agenda

- **FY14/15 Budget - Year End Projection**
 - Bottom Line (Compare to FY13/14)
 - Revenue Summary and Review
 - Expenditure Projection
- **FY15/16 Budget “Primer”**
 - Revenue Outlook
 - Significant Program/Service Areas
- **Next Steps**

Village of Carol Stream

FY14/15 Budget Status Update - General Fund

Projected FY14/15 Revenues & Expenditures

	FY13	FY14	FY15	FY15	Over/ (Under)	Over/ (Under)
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimate</u>	<u>FY14</u>	<u>Budget</u>
Total Revenues	22,969,585	24,823,994	25,025,000	24,433,000	(390,994)	(592,000)
					-1.6%	-2.4%
Total Expenditures	<u>(20,907,102)</u>	<u>(21,902,386)</u>	<u>(25,025,000)</u>	(22,947,000)	1,044,614	(2,078,000)
					4.8%	-8.3%
Net Increase / (Decrease)	<u>\$ 2,062,483</u>	<u>\$ 2,921,608</u>	<u>\$ -</u>	<u>\$ 1,486,000</u>	<u>\$ (1,435,608)</u>	<u>\$ 1,486,000</u>
Other - Transfer to Capital	\$ 2,100,000	\$ 3,700,000		TBD		



FY14/15 Year End Projection

Bottom Line

- Adopted FY14/15 Budget included a surplus of \$1,350,000.
- Current estimates project that we will achieve and likely exceed the budgeted surplus by 4-30-15. (\$1.5M).
- This year, the surplus is more attributable to expenditure management rather than revenue growth.
- We should anticipate another transfer to the Capital Projects Fund before 4-30-15 (4th year in a row following the Great Recession). Amount yet to be determined.



FY14/15 Year End Projection

Revenue Review

- We have had some revenue challenges in the current year.
- FY14/15 estimated revenues are \$390,000 or 1.6% below prior year actual revenues.
 - Interest Income (\$312,000) IMET Loss
 - Telecommunications Tax (\$194,000) State Claw-Back
 - Gas Tax (\$118,000) Record cold last year
 - Miscellaneous Revenue (\$136,000) IPBC Reserve
 - Permits (\$48,000) Decreased Commercial Activity
- FY14/15 estimated revenues are \$592,000 or 2.4% below budget.
- Many of these are one-time impacts, others will be on-going.



FY14/15 Year End Projection

Revenue Review

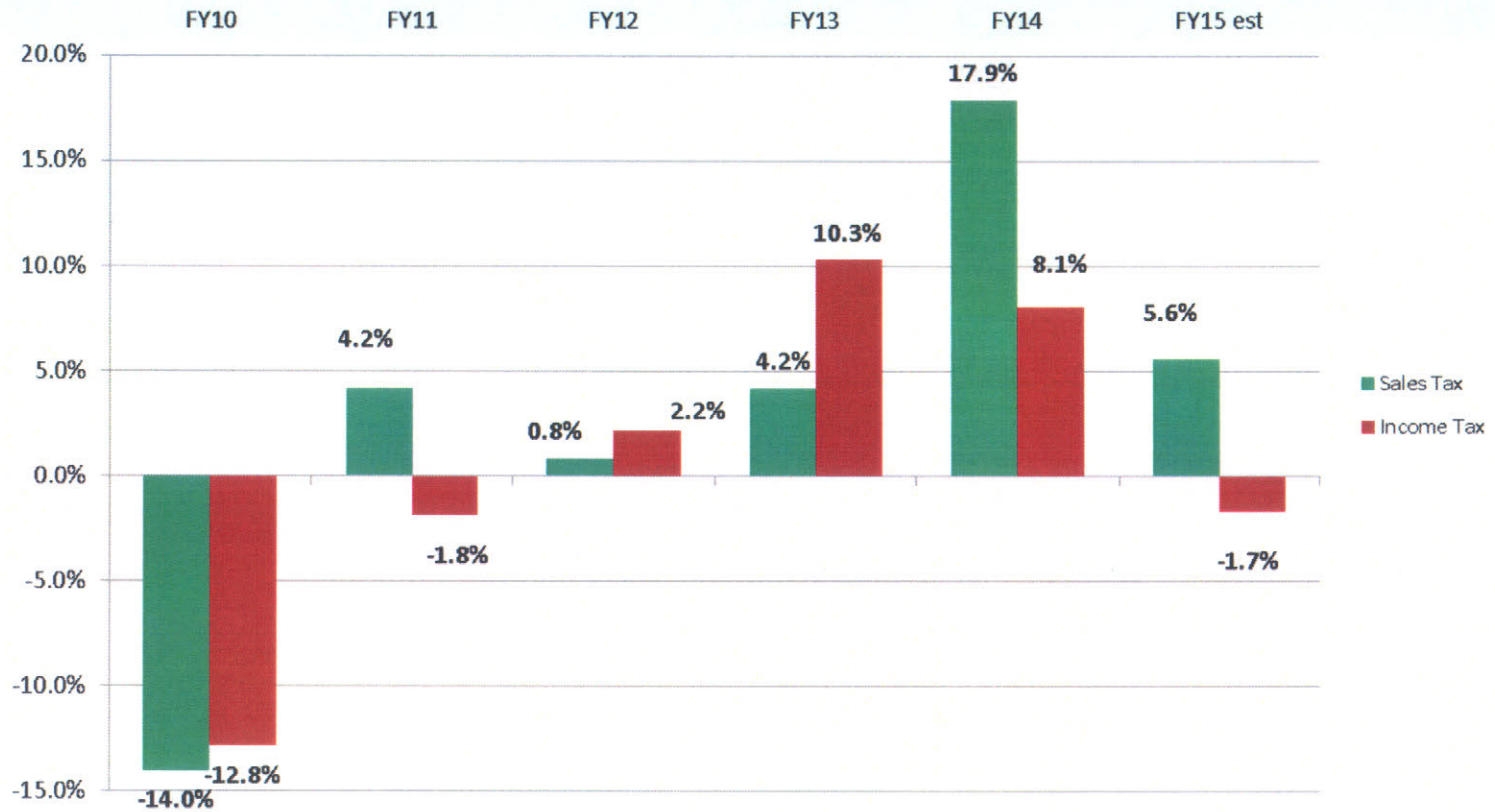
On the positive side:

- Sales taxes continue to show steady growth.
 - Increase of \$434,000 or 4.4% from last year
 - Slightly less than current year budget due to Caputo's opening later than anticipated.
 - Continued growth expected into FY15/16.
- We were able to maintain a surplus in FY14/15 despite revenue challenges because of maintaining expenditure growth at a slower rate than revenue growth of prior years.

Village of Carol Stream General Fund Revenues 4/30/15 Estimated Revenues

	<u>FY13</u> <u>Actual</u>	<u>FY14</u> <u>Actual</u>	<u>FY15</u> <u>Budget</u>	<u>FY15</u> <u>Estimate</u>	Over/ (Under) <u>FY14</u>	Over/ (Under) <u>Budget</u>
Sales Tax	\$ 5,411,060	\$ 6,135,360	\$ 6,512,000	\$ 6,400,000	\$ 264,640	\$(112,000)
State Income Tax	3,578,776	3,869,685	3,760,000	3,805,000	(64,685)	45,000
Home Rule Sales Tax	3,155,990	3,675,307	3,843,000	3,845,000	169,693	2,000
Utility Tax - Telecomm.	1,517,503	1,423,863	1,425,000	1,230,000	(193,863)	(195,000)
Utility Tax - Electricity	1,885,171	1,919,580	1,850,000	1,850,000	(69,580)	-
Natural Gas Use Tax	583,189	687,662	585,000	570,000	(117,662)	(15,000)
Real Estate Transfer Tax	485,937	681,352	570,000	670,000	(11,352)	100,000
Hotel Tax Receipts	281,670	281,048	280,000	308,000	26,952	28,000
Other Taxes	<u>1,001,606</u>	<u>1,132,591</u>	<u>1,157,400</u>	<u>1,238,400</u>	<u>105,809</u>	<u>81,000</u>
Total Taxes	17,900,902	19,806,448	19,982,400	19,916,400	109,952	(66,000)
Licenses and Permits	1,154,156	1,189,855	1,236,800	1,141,800	(48,055)	(95,000)
Grants	113,867	86,685	240,000	160,000	73,315	(80,000)
Charges for Services	1,319,872	1,386,508	1,381,300	1,355,500	(31,008)	(25,800)
Fines and Forfeitures	1,609,373	1,649,809	1,825,000	1,602,000	(47,809)	(223,000)
Interest Income	36,093	31,774	40,000	(280,000)	(311,774)	(320,000)
Miscellaneous Revenue	<u>835,322</u>	<u>672,915</u>	<u>319,500</u>	<u>537,300</u>	<u>(135,615)</u>	<u>217,800</u>
Total Revenues	\$ 22,969,585	\$ 24,823,994	\$ 25,025,000	\$ 24,433,000	(390,994)	(592,000)
	6.7%	8.1%		-1.6%	-1.6%	-2.4%

Village of Carol Stream History of Sales and Income Tax Revenues FY09/10 to FY14/15



Village of Carol Stream

General Fund Expenditures

4/30/15 Estimated Expenditures

	<u>FY13</u> <u>Actual</u>	<u>FY14</u> <u>Actual</u>	<u>FY15</u> <u>Budget</u>	<u>FY15</u> <u>Estimate</u>	Over/ (Under) <u>FY14</u>	Over/ (Under) <u>Budget</u>
Personal Services	\$ 9,955,782	\$ 10,292,603	\$ 10,966,824	\$ 10,649,165	356,562	(317,659)
Seasonal Help	31,070	38,598	43,870	41,635	3,037	(2,235)
Court Time	119,266	111,716	117,500	124,900	13,184	7,400
Overtime	603,019	662,565	680,200	793,898	131,333	113,698
Group Insurance	1,718,687	1,703,475	1,734,913	1,734,913	31,438	-
IMRF	698,647	729,480	749,287	726,957	(2,523)	(22,330)
FICA	766,542	797,600	834,686	818,377	20,777	(16,309)
Work Comp	260,042	306,610	371,916	350,336	43,726	(21,580)
Unemployment	12,105	-	18,000	6,000	6,000	(12,000)
Police Pension	<u>1,474,398</u>	<u>1,551,754</u>	<u>1,651,830</u>	<u>1,651,830</u>	<u>100,076</u>	<u>-</u>
Total Salaries & Wages	15,639,558	16,194,401	17,169,026	16,898,011	703,610	(271,015)
Contractual Services	4,493,938	4,800,170	6,433,860	5,056,690	256,520	(1,377,170) *
Commodities	235,975	473,055	557,754	482,868	9,813	(74,886)
Capital Outlay	<u>537,631</u>	<u>434,760</u>	<u>864,360</u>	<u>509,431</u>	<u>74,671</u>	<u>(354,929)</u>
Total	<u>\$ 20,907,102</u>	<u>\$ 21,902,386</u>	<u>\$ 25,025,000</u>	<u>\$ 22,947,000</u>	<u>\$ 1,044,614</u>	<u>\$ (2,078,000)</u>
					4.8%	-8.3%
Transfer to Capital Fund	2,100,000	3,700,000				

* Includes budgeted surplus of \$1,350,000.

FY14/15 Year End Projections

Changes in Total Expenditures

- FY14/15 estimated expenditures projected 4.8% (\$1.045M) ahead of FY13/14 actual expenditures and below FY14/15 budget by 8.3% (\$2.078M).
- **Salaries & Wages** \$703,610 or 4.3% ahead of FY13/14, driven by salary increases and new positions (4.15 FTE)
- **Contractual Services** \$256,520 or 5.3% ahead of FY13/14
- **Commodities** \$9,813 or 2.1% ahead of last year
- **Capital** \$74,671 or 17.1% ahead of FY13/14
 - Timing of Scheduled Capital Replacements



New Year FY15/16 Budget “Primer”

- Continued revenue growth anticipated into FY15/16.
- A balanced General Fund Budget will be presented without compromising continued capital and infrastructure reinvestment.
- Revenue base will allow for continued operational growth to address community needs and Village Board strategic goals / focal areas identified in October 2013 planning retreat.

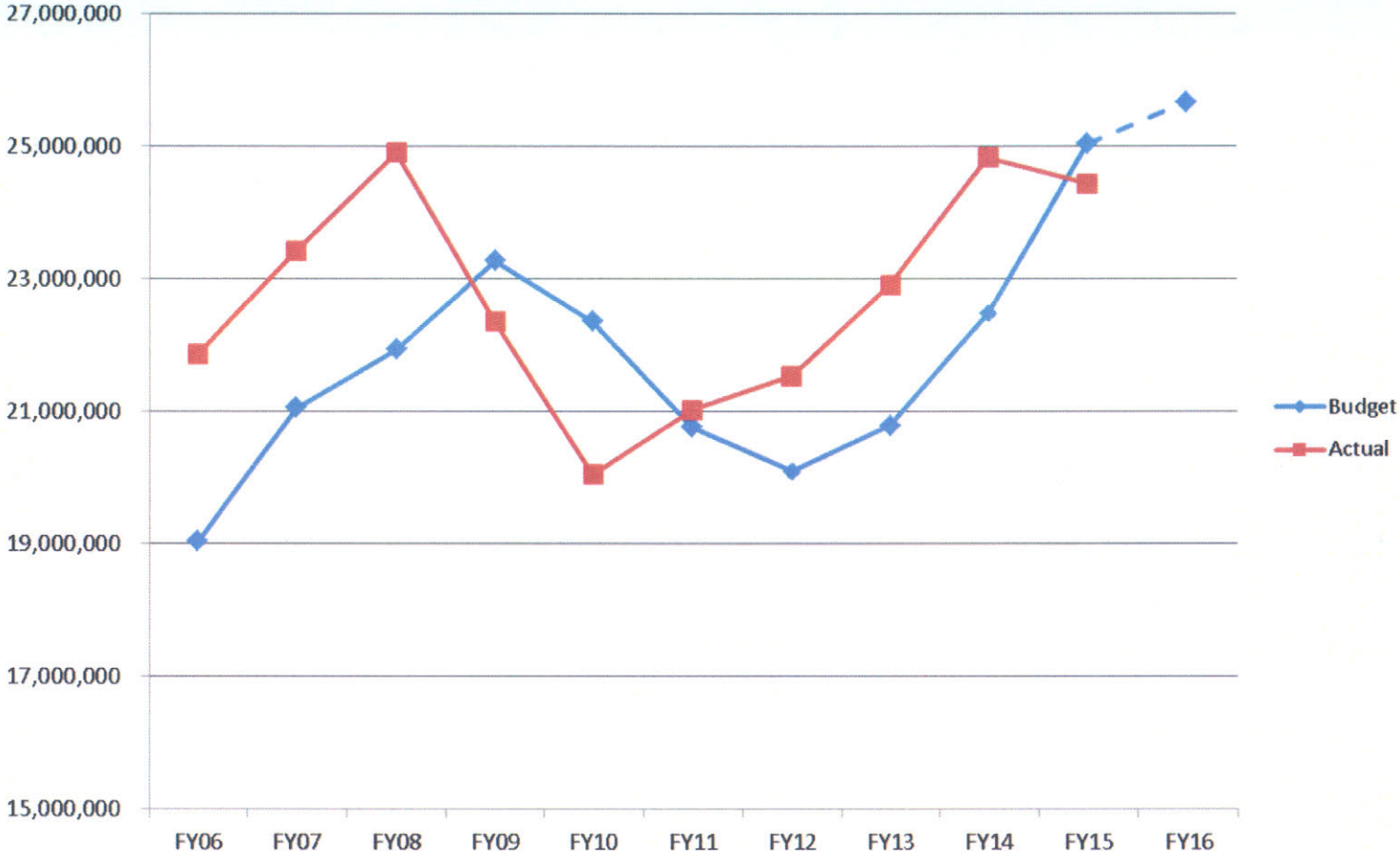


Village of Carol Stream

REVENUE SUMMARY – General Fund

- **FY15/16 Projected Revenues = \$25,657,000**
 - 2.5% ABOVE FY14/15 Budget (+\$632,000)
 - 5.0% ABOVE FY14/15 Est. Year-End Actual (+\$1,224,000)
- **Signs of a continued recovering economy**
 - Sales Tax FY15/16: + 5.5% over FY14/15 EST
 36.9% Growth Over Last 4 Years
 - Use Tax FY15/16: + 5.9% over FY13/14 EST
 - Transfer Tax Single Family Home Sales continue to increase

Village of Carol Stream REVENUE SUMMARY – General Fund



Village of Carol Stream

FY 15/16 Revenue Highlights

	FY15 <u>Budget</u>	FY15 <u>Estimate</u>	FY16 <u>Projected</u>	Chg. From <u>FY15 Budget</u>	Chg. From <u>FY15 Est.</u>
Sales Tax	\$ 6,512,000	\$ 6,400,000	\$ 6,750,000	\$ 238,000	\$ 350,000
State Income Tax	3,760,000	3,805,000	3,881,000	121,000	76,000
Home Rule Sales Tax	3,843,000	3,845,000	3,985,000	142,000	140,000
Utility Tax - Telecomm.	1,425,000	1,230,000	1,210,000	(215,000)	(20,000)
Utility Tax - Electricity	1,850,000	1,850,000	1,850,000	-	-
Natural Gas Use Tax	585,000	570,000	570,000	(15,000)	-
Real Estate Transfer Tax	570,000	670,000	680,000	110,000	10,000
Hotel Tax Receipts	280,000	308,000	323,000	43,000	15,000
Other Taxes	<u>1,157,400</u>	<u>1,238,400</u>	<u>1,295,500</u>	<u>138,100</u>	<u>57,100</u>
Total Taxes	19,982,400	19,916,400	20,544,500	700,200	628,100
Licenses and Permits	1,236,800	1,141,800	1,214,000	(22,800)	72,200
Grants	240,000	160,000	200,000	(40,000)	40,000
Charges for Services	1,381,300	1,355,500	1,503,500	122,200	148,000
Fines and Forfeitures	1,825,000	1,602,000	1,665,000	(160,000)	63,000
Interest Income	40,000	(280,000)	5,000	(35,000)	285,000
Miscellaneous Revenue	<u>319,500</u>	<u>537,300</u>	<u>525,000</u>	<u>205,500</u>	<u>(12,300)</u>
Total Revenues	\$ 25,025,000	\$ 24,433,000	\$ 25,657,000	\$ 632,000	\$ 1,224,000
	0.8%	-1.6%	2.5%	2.5%	5.0%



New Year FY15/16 Budget “Primer”

Significant Program/Service Areas

- Revenue growth has created capacity to support modest **staffing increases** to bolster delivery of core services.
- Revenues will also be available to assist in the implementation of **Village Board goals / priorities** identified in October 2013 planning retreat.
 - Technology & Infrastructure Initiatives (GIS, Asset Management, Community Development Software).
 - Crime Free Housing Program
 - External Communication/Education/Branding

Other Considerations

- State Funding



Next Steps

- Monday, February 2, 2015
 - 6:00 pm Special Village Board Workshop
 - **FY15/16 Draft Budget Presentation #3**
 - **CAPITAL IMPROVEMENT PROGRAM**
- Tuesday, February 17, 2015
 - 6:00 pm Special Village Board Workshop
 - **FY15/16 Draft Budget Presentation #4**
 - **GENERAL FUND**



Next Steps

- Monday, March 2, 2015
 - 6:00 pm Special Village Board Workshop
 - **FY15/16 Draft Budget Presentation #5**
 - **ALL OTHER FUNDS**
- Monday, April 20, 2015
 - 7:30 pm Regular Village Board Meeting
 - **Budget Public Hearing**
 - **Budget Adoption**
- May 1, 2015
 - FY15/16 Begins

QUESTIONS?

Village of Carol Stream
INTER-DEPARTMENTAL MEMO

TO: Mayor and Trustees

Rm

FROM: Robert Mellor, Acting Village Manager

DATE: January 16, 2015

RE: Farmhouse Disposition & Future Direction - Ongoing Maintenance

As you are aware, the farmhouse that was recently leased to the Park District for use by their administrative staff while the Fountain View Recreation Center was being built was returned to the Village. The Carol Stream Historical Society which previously housed their archives and held meetings and events at the farmhouse expressed a desire to reoccupy the farmhouse when it became available again. They provided the Village with a certificate of insurance to use the farmhouse for storage, meetings and events. There is no lease agreement associated with this use.

The farmhouse was originally restored in 2000 to preserve the Italianate building style prevalent during the early years of the Village. It has been 15 years since the original renovation work was completed on the farmhouse and grounds. The building and grounds are beginning to show their age and several maintenance and repair items have been identified by staff as needing attention. The most immediate needs include the following:

- Siding – Replace existing wood siding with maintenance free vinyl siding to match as closely as possible the existing wood clapboard siding including insulation.
- Soffit & Fascia – Replace existing wood soffit & fascia with maintenance free aluminum S&F.
- Windows – Replace existing single pane, wood windows with energy efficient multi-pane vinyl windows.
- Window Pediments – Replace existing, exterior wood pediments with polyurethane pediments over windows to match existing wood as close as possible.

The total of all this work is in excess of \$30,000.

* We originally included \$15,000 in the current budget to replace/repair and paint the existing wood siding. Upon further analysis of current maintenance needs at the farmhouse and in an effort to reduce future maintenance and energy costs it was decided to research alternative maintenance solutions shown above. If the Village Board agrees with these maintenance recommendations, the remaining funds could be included in the proposed fiscal year 2016 budget.

Although staff has attempted to recoup some of our expenses associated with the operation of the farmhouse, our efforts to charge for its use have resulted in limited success. Past challenges associated with use of the farmhouse for private events have been to maintain the “historical” character of the building without unduly hindering use by renter occupants for private events.

In the end, the Village's core service does not contemplate the rental of an old farmhouse building or operation of a museum and it could be argued this type of use belongs in the private sector or as part of park district services. The Village does not currently rent the farmhouse for private events and remains unused and unoccupied for most of the year.

The CSHS desires to continue to use the farmhouse as a museum to showcase Village archives and historical artifacts and to host monthly meetings and periodic events however, they do not have the personnel or funds that would allow them to participate in the maintenance and upkeep of the building and grounds. Several questions need to be considered:

1. What is the intended and best use of the farmhouse going forward?
2. Should the Village continue to own the farmhouse?
3. How should future operating expenses be funded or partially offset?

This item has been included on the Village Board workshop agenda for Tuesday, January 20, 2015 to discuss the future use of the farmhouse including funding of ongoing maintenance needs.