

Village of Carol Stream

Special Meeting of the Village Board

FY15 Budget Status/FY16 Revenue Projections

Farm House Disposition and Further Direction

Gregory J. Bielawski Municipal Center
500 N. Gary Avenue, Carol Stream, IL 60188

January 20, 2015
6:00 p.m. – 7:05 p.m.

Meeting Notes

ATTENDANCE:

Mayor Frank Saverino, Sr.
Trustee Greg Schwarze
Trustee Mary Frusolone
Trustee Rick Gieser
Trustee John LaRocca
Trustee Matt McCarthy
Village Clerk Beth Melody

Joseph E. Breinig, Village Manager
Bob Mellor, Assistant Village Manager
Chris Oakley, Asst. to the Village Manager
John Batek, Finance Director
Jim Knudsen, Director of Engineering
Bob Glees, Dir. of Community Dev.
Phil Modaff, Director of Public Works
Caryl Rebholz, Employee Relations Dir.
Ed Sailer, Acting Police Chief
Don Bastian, Asst. Dir. of Community Dev.
Michelle Lopez, Office Manager PW

The meeting was called to order at 6:00 p.m. by Mayor Saverino, Sr. and the roll call read by Village Clerk Melody. The result of the roll call vote was as follows:

Present: Mayor Saverino, Sr., Trustees LaRocca, Gieser, Frusolone, Schwarze and McCarthy

Absent: Trustee Weiss

FY15 Budget Status/FY16 Revenue Projections

Jon Batek reviewed the General Fund including FY2014-15 Budget Year end projections and FY 2015-16 Budget Primer which consisted of:

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

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.

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.

Revenue Review

On the positive side:

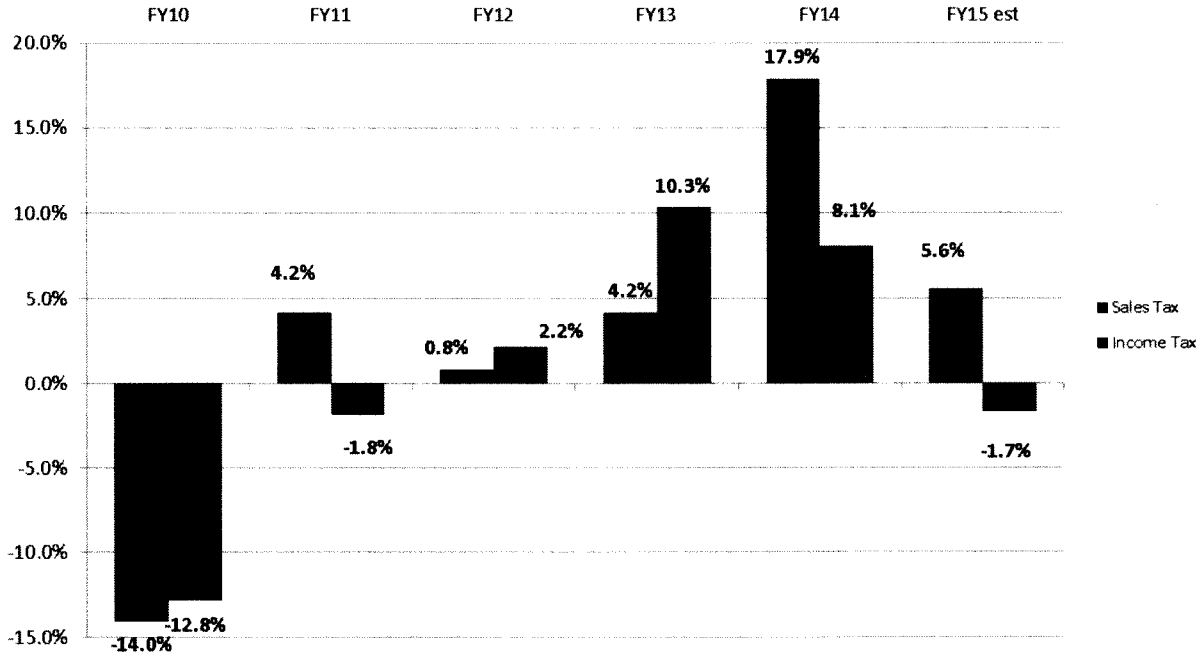
- Sales taxes continue to show steady growth.
 - Increase of \$434,000 or 4.4% from last year
 - Slightly less than current year budget due to Caputo's opening later than anticipated.

- 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*

	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>
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*

	FY13 Actual	FY14 Actual	FY15 Budget	FY15 Estimate	Over/ (Under) FY14	Over/ (Under) Budget
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	1,474,398	1,551,754	1,651,830	1,651,830	100,076	-
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	537,631	434,760	864,360	509,431	74,671	(354,929)
Total	\$ 20,907,102	\$ 21,902,386	\$ 25,025,000	\$ 22,947,000	\$ 1,044,614	\$ (2,078,000)
					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

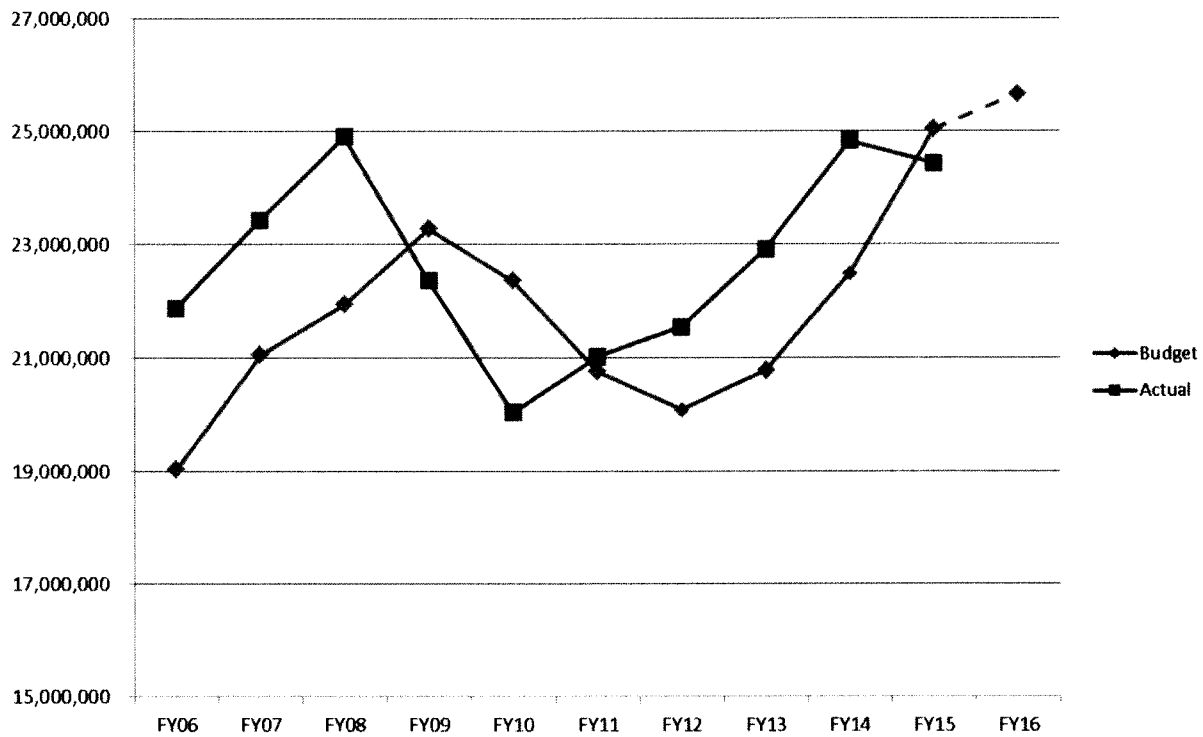
New Year FY15/16 Budget "Primer"

- 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
FY15/16 Revenue Highlights**

	<u>FY15 Budget</u>	<u>FY15 Estimate</u>	<u>FY16 Projected</u>	<u>Chg. From FY15 Budget</u>	<u>Chg. From 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**
- 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

Farm House Disposition and Further Direction

Assistant Village Manager Mellor reviewed the history of the Village's acquisition and renovation of the historic farmhouse with the Village Board. The farmhouse was renovated in 2000 and now requires costly maintenance. The Village recently replaced the cedar shingles with an architectural grade, longer lasting fiberglass shingle. Replacement of the siding and windows with more durable energy efficient products would be less costly over time. Staff would attempt to match the existing siding and windows as closely as possible. Carole Ellemeier, President of the Carol Stream Historical Society stated these changes to more modern products would be in keeping with renovations made to the house over the years since the time it was built in the 1800s. She stated several Carol Stream Historical Society members are master gardeners who could assist the Village with replacing the original landscape materials, many which have died.

The Village Board concurred with the staff recommendation to budget funds for new maintenance free siding to replace the wood siding, new aluminum soffit and fascia, new energy efficient windows and replacement of the existing wooden window pediments with more durable polyurethane pediments.

There being no further business, Trustee McCarthy moved and Trustee LaRocca made the second to adjourn the Special Board meeting. The meeting was adjourned unanimously at 7:05 p.m.

FOR THE BOARD OF TRUSTEES

Frank Saverino Sr
Frank Saverino, Sr., Mayor

ATTEST:

Beth Melody
Beth Melody, Village Clerk

Minutes approved by the President and Board of Trustees on this
2ND day of FEBRUARY 2015.

8 Beth Melody
Village Clerk