

Village of Carol Stream

Special Meeting of the Village Board

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

February 21, 2012
6:00 p.m. – 6:55 p.m.

Meeting Notes

ATTENDANCE: Mayor Frank Saverino, Sr.
Trustee Pam Fenner
Trustee Matt McCarthy
Trustee Greg Schwarze
Trustee Tony Manzzullo
Trustee Mary Frusolone (6:10)
Clerk Beth Melody
Trustee Don Weiss (Absent)

Joseph E. Breinig, Village Manager
Robert Mellor, Asst. Village Manager
Chris Oakley, Asst. to the Village Manager
Phil Modaff, Dir. of Public Works
James Knudsen, Dir. Engineering Services
Robert Glees, Dir. of Community Dev.
Jon Batek, Finance Director
Kevin Orr, Police Chief
Ed Sailer, Deputy Police Chief
Dawn Damolaris, Assistant Finance Dir.

The meeting was called to order by Mayor Saverino and the roll call read by Village Clerk Melody. The results of the roll call vote were as follows:

Present: Mayor Saverino, Trustees Fenner, McCarthy, Schwarze, Frusolone (at 6:10 p.m.) & Manzzullo
Absent: Trustee Weiss

Proposed General Fund Budget – FY12/13

Director of Financial Services Jon Batek presented a summary of the proposed Fiscal Year 2013 non-General Corporate Fund budgets including the Water & Sewer, Capital Projects, Motor Fuel Tax, Geneva Crossing Tax Increment Financing (TIF), North Avenue – Schmale Road TIF and Police Pension Funds. The following is a summary of the items discussed at this meeting:

Water & Sewer Budget FY 2012-13

- Enterprise fund - Supported by User Fees, not taxes.
- Rates need to cover the following costs:
 - Water Operations Costs
 - Village staffing
 - General system maintenance
 - Purchase of Lake Michigan Water
 - Water Capital Costs
 - New Extensions (e.g. SW Water Main)
 - Main replacements/rehabilitations
 - Other Infrastructure (reservoirs/pumping stations.(SCADA)
 - Sewer Operations Costs
 - WRC Operations Contract (treatment)
 - Village staffing
 - Collection System Maintenance

- Sewer Capital Costs
 - WRC Rehabilitations, Expansions
 - Infrastructure Rehab/Replacement - Mains/Lift Stations. (Infiltration & Inflow)
- Water & Sewer Fund Revenues come primarily from the following sources:
 - Water Billings = 65%
 - Sewer Billings = 28%
 - Other (Includes operating revenues such as penalties, shut-off notice revenue and meter sales, and non-operating revenues such as development-related revenues and interest income.) = 7%
- Revenues subject to variability based on billed consumption
- Expenses largely fixed however Staffing/Maintenance, WRC Operating Contract & Capital Needs will cause variations in expenditures.
- Largest true variable cost are Water Purchases from the DuPage Water Commission which comprise 32% of total Fund Expenses (up from 22% last year).
- Decreases in billed consumption will result in upward pressure on rates so that fixed costs are covered.
- Billed water consumption has declined in each of the past 4 years.
- Sewer billings tied to water consumption, which are also negatively impacted by lower water consumption (although the Village does promote water conservation).
- Annual decrease in billed water consumption for last 4 fiscal years and projected next 3 years averages -3%/year.
- Water & Sewer Fund Proposed Expenses by Category FY 2012-13 are broken down as follows:
 - Capital = 34%
 - DuPage Water Commission = 32%
 - Water Reclamation Center Operations Contract = 14%
 - Salaries & Wages = 10%
 - Other Contractual = 8%
 - Commodities = 2%
- **Water & Sewer Capital Summary FY2012-13 (Grand Total = \$3,928,401)**
 - Water System (Total = \$2,304,751)
 - SW Water Main Extension = \$2,006,000
 - Vehicle Replacements = \$215,000
 - Other Equipment = \$71,000
 - DWC Loan Interest - Riviera/Judith Water Main = \$12,751
 - Sewer System (Total = \$1,623,650)
 - WRC Headworks Improvements = \$750,000
 - Sewer Vacuum/Flusher (VB authorized 9-19-11) = \$335,000
 - Sanitary Sewer Evaluation Study (SSES) = \$100,000
 - IEPA Loan P&I (2002 WRC Rehab) = \$428,650
 - Other Equipment = \$10,000
- **Water & Sewer Rates FY 2012/13**
 - Water rates increases influenced by the following factors:
 - City of Chicago rate increases on January 1, 2012 of 25% and increases of 15%/year from 2013 through 2015.
 - DWC sales tax of 0.25% going away by 2016.
 - Carol Stream rate focus now calendar year based.

- FY12/13 and 3 year plan reflects Chicago and DWC rate schedules.
- Thus far, only cost pass-through added cost of water purchases.
 - Jan 1, 2012 increase = +\$0.69 = +\$4.83/mo. (7,000 gal. usage)
 - May need to begin looking at tweaking to fund future capital.
- No increase in sewer rate reflected in 3 year plan (currently \$2.62/1,000).
 - May need to begin looking at tweaking to fund future capital projects and studies.
- **Motor Fuel Tax Fund (MFT)**
 - Decline in MFT revenue due to population decline in last census. The Financial Plan projects a decline of 1%/year.
- **Capital Projects Fund Summary of Projected Expenditures FY 2012-13**
 - Roadway System (Total = \$4,477,000)
 - Flexible Pavement Program = \$2,653,000
 - Pavement Preventative Maintenance Program = \$410,000
 - Fair Oaks Road Project* = \$263,000
 - Indianwood Drive Project = \$280,000
 - Kuhn Road Trail* = \$212,000
 - West Branch Trail* = \$139,000
 - Gary Avenue Multi-Use Path* = \$100,000
 - Streetlight Replacement Program* = \$350,000
 - GIS Utility System Update = \$70,000
 - Storm Water System (Total = \$393,000)
 - Klein Creek Floodplain Buy-Out (4th Home) = \$309,000
 - Southeast Storm Water Study = \$84,000
- * **partially or fully grant funded**
- **TIF FUNDS**
 - Geneva Crossing TIF – This TIF is healthy and generating a \$380,000 increment over the frozen property tax rate.
 - North Ave / Schmale Road TIF – This is the new TIF with minimal activity to date.
- **Police Pension Fund**
 - The estimated revenue for FY 2011-12 is higher than the revised budget amount because of higher than anticipated gains in equity markets.

Update on Village Goals

Assistant Village Manager Mellor provided an update on Village goals. The list of 58 goals was established at the strategic planning workshop in 2011. Realizing there were staffing and funding limitations on accomplishing all the goals, the Village Board asked staff to further refine the list into the top 10 or so goals. Staff was able to prioritize the goals based on the status of their completion.

- A list of the 58 goals ranked by the Village Board from greatest to least importance was presented to the Village Board and provides an update on each goal and further breaks the goals down into 3 levels or tiers.
 - First Tier Goals have been included in the proposed budget or are currently in the process of being completed.
 - Second Tier Goals are ongoing and/or have been completed.


- Third Tier Goals are recommended for elimination or have been deferred beyond 1 year due to staffing or funding constraints.
- Some of the lower priority goals (**such as Completion of the trail @ Kuhn & Fair Oaks Rd. & Gary Ave.**) maybe farther along in the completion process due to funding availability or the opportunity for the Village to partner with another organization to complete the goal.
- Some of the goals were identified for elimination or reconsideration at a later time, not because they were not important, but because of the unavailability of adequate staffing or funding.
- A total of 34 or 59% of the original 58 goals (highlighted in yellow & blue) have either been completed or are in the process of being completed. The remaining 24 goals (highlighted in gray) have not been formally programmed for completion.
- Staff will continue to work on completing the prioritized goals and feels it has made good progress toward completion of most of them.
- The final list of Village goals will be included in the proposed FY 2013 budget document.

The Village Board concurred with staff's assessment of goal priorities and progress on their completion.

There being no further business, a motion was made by Trustee Schwarze and seconded by Trustee Manzzullo to adjourn the Special Board meeting. The meeting was adjourned unanimously at 6:55 p.m.


FOR THE BOARD OF TRUSTEES


 Frank Saverino, Sr., Mayor


 Beth Melody, Village Clerk

Minutes approved by the President and Board of Trustees on this

5th day of March, 2012.


 Village Clerk