

Village of Carol Stream

Special Workshop Meeting of the Village Board

AV Requirements for the Temporary Board Room at Fire Station 28 FY 18 Budget Workshop-General Fund

Gregory J. Bielawski Municipal Center
500 N. Gary Avenue, Carol Stream, IL 60188
February 6, 2017
6:00 p.m. – 7:24 p.m.

Meeting Notes

ATTENDANCE:

Mayor Frank Saverino, Sr.
Trustee Rick Gieser
Trustee John LaRocca
Trustee Mary Frusolone
Trustee David Hennessey
Trustee Matt McCarthy
Trustee Greg Schwarze
Village Clerk Laura Czarnecki

Joseph E. Breinig, Village Manager
Bob Mellor, Assistant Village Manager
Mark Talavera, Information Tech. Dir.
Ed Sailer, Police Chief
Jon Batek, Finance Director
Phil Modaff, Public Works Director
Jim Knudsen, Engineering Services Dir.
Caryl Rebholz, Employee Relations Dir.
Jeff Degnan, Deputy Police Chief
Tia Messino, Assist. to the Village Manager

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

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

Absent:

AV Requirements for Temporary Board Room at Fire Station 28

Information Technology Director Marc Talavera presented alternative technologies for setting up the temporary Board Room at Fire Station 28 for A/V recording and playback.

- Single still camera on tripod option-limited panning and point of view shots
- Character generation would be limited. Alternatively a screen roll could be inserted at the beginning of each video showing names of the elected officials and key staff.
- PC Video Display of presentations could be done cost effectively by focusing camera on the PC Video screen.
- Estimated costs for option A current would cost \$30,000. Option B is basic service at a cost of \$5,000.
- Character generation – Village Board concurred that it is not needed.
- Audio generation – Village Board concurred 16 or 8 if we cannot reuse our existing audio mixer.

- Mayor Saverino would like to put a hold on Shape of Carol Stream for 2 years and do not spend \$30,000.
- Consensus was to not spend money on purchasing equipment to tape Board meetings at temporary facility.
- Trustee Hennessey and Village Board's preference to shoot video of Board Action Report using iphone or other less expensive equipment and maintain audio recordings.

FY 18 Budget Workshop-General Fund

Finance Director Jon Batek presented the General Corporate Fund revenues and expenditures to the Village Board as follows:

GENERAL FUND

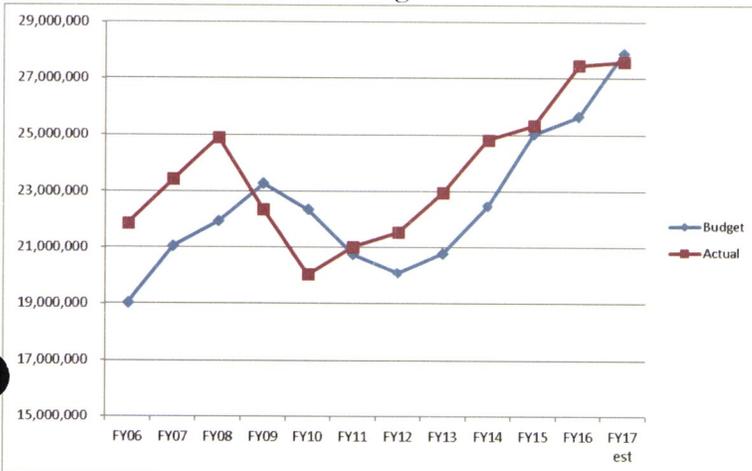
- Historical Revenue Performance
- Current Year FY17 Revenues
 - Year-To-Date Performance
 - Year-End Projections
 - Summary of Major Revenue Variances
- FY18 GF Revenue Projections
- GF Expenditure Summary
- GF Department Summaries

General Fund Historical Revenue Performance

Our emergence from the Great Recession has been accompanied by positive and sustained growth in overall revenues. This has predominantly been achieved through natural growth/economic development activities rather than through general tax or fee increases.

FY11	+4.9%
FY12	+2.4%
FY13	+6.7%
FY14	+8.1%
FY15	+2.1%
FY16	+8.4%

General Fund Revenues – Budget vs Actual



Current Year FY17 Revenues

Through December 31, 2016, (2/3rds of the fiscal year) total General Fund Revenues have showed modest growth over the prior year FY16

- \$345,000 or 2.0% ahead of May – Dec 2015 actual revenues.
- Tracking behind original budget projections by about 3.0% year to date.

Through 12/31/2016:

- Largest gains came from our top revenue source.
 - Sales tax + \$815,000 or 11.0%
- Largest declines in:
 - State Income Tax - \$366,000 or 13.2%
 - Telecommunications Tax - \$61,000 or 7.3%
 - Real Estate Transfer Tax - \$132,000 or 21.0%
 - Building Permits - \$68,000 or 14.0%
 - Fine Revenues - \$156,000 or 14.6%
- We are projecting by the end of FY17 at 4/30/2017, total revenue growth will be 0.4% above FY16 actual revenues and final revenues will be 1.1% below the FY17 budget projection.

*General Fund Revenues
FY17 Year-End Projections*

	<u>FY16</u> <u>Actual</u>	<u>FY17</u> <u>Budget</u>	<u>FY17</u> <u>Estimate</u>	Over/ (Under) <u>FY16</u>	Over/ (Under) <u>Budget</u>
Sales Tax	\$ 7,342,518	\$ 7,750,000	\$ 7,815,000	\$ 472,482	65,000
State Income Tax	4,232,099	4,050,000	3,720,000	(512,099)	(330,000)
Home Rule Sales Tax	4,250,987	4,415,000	4,563,000	312,013	148,000
Utility Tax - Telecomm.	1,242,895	1,190,000	1,166,000	(76,895)	(24,000)
Utility Tax - Electricity	1,840,929	1,870,000	1,900,000	59,071	30,000
Natural Gas Use Tax	523,582	570,000	550,000	26,418	(20,000)
Real Estate Transfer Tax	777,695	810,000	700,000	(77,695)	(110,000)
Hotel Tax Receipts	346,546	365,000	330,000	(16,546)	(35,000)
Other Taxes	<u>1,408,246</u>	<u>1,441,300</u>	<u>1,474,700</u>	<u>66,454</u>	<u>33,400</u>
Total Taxes	21,965,497	22,461,300	22,218,700	253,203	(242,600)
Licenses and Permits	1,396,866	1,318,900	1,304,700	(92,166)	(14,200)
Grants	127,298	105,000	112,900	(14,398)	7,900
Charges for Services	1,736,823	1,709,800	1,749,000	12,177	39,200
Fines and Forfeitures	1,586,602	1,737,000	1,391,000	(195,602)	(346,000)
Interest Income	15,479	15,000	30,000	14,521	15,000
Miscellaneous Revenue	<u>639,406</u>	<u>553,000</u>	<u>783,700</u>	<u>144,294</u>	<u>230,700</u>
Total Revenues	\$ 27,467,971	\$ 27,900,000	\$ 27,590,000	\$ 122,029	\$ (310,000)
	8.4%		0.4%	0.4%	-1.1%

FY18 General Fund Revenue Projections

- Despite comparatively modest overall revenue growth in FY17, we believe sales taxes will continue to experience positive growth in FY18:
 - General 1% sales tax up 10.2% first 8 mo. of FY17
 - Home Rule sales tax up 12.4% in first 8 mo. of FY17
 - Top 85 sales tax companies make up 85% of total revenues.
 - Average base growth = 5.6% Jan-Aug 2016 vs 2015 (most current data)
 - New businesses adequately covering revenue lost from closed businesses.
 - Assumed base growth of 7.25% for FY18.
 - Does not include potential for additional growth through new development initiatives or annexation.
- Vehicle Sticker:
 - New 2 year sticker will result in additional projected cash flow of \$395,000 in FY18 compared to FY17 estimate.
 - Compare to minimal cash flow in FY19 “off-year”.
 - Note: Accounting treatment (accrual) different than budget treatment (cash flow).
- Many FY17 “down” revenues budgeted more conservatively moving into FY18:
 - Income Tax: We adopted Illinois Municipal League (IML) projected 3.9% growth rate for FY18, but from a much reduced FY17 end of year base. We are budgeting nearly \$150,000 less than IML projection for FY18.
 - Telecommunications Tax: Continuing to reduce annual revenue estimate based on historical downward trend and continued elimination of land-line based telephone service.
 - Fines & Forfeits: Some recovery anticipated into FY18.
 - Miscellaneous Revenue: Down from FY17 estimate due to some one-time revenues in FY17:
 - Close of Geneva Crossing TIF (\$65,000)
 - Reimbursement of Village Improvements to temp. Village Hall at 505 North Avenue (\$100,000)

*General Fund
FY18 Revenue Projections*

	FY17	FY17	FY18	FY18	FY18
	<u>Budget</u>	<u>Estimate</u>	<u>Projected</u>	Over/ (Under)	Over/ (Under)
				<u>FY17 Budget</u>	<u>FY17 Est.</u>
Sales Tax	\$ 7,750,000	\$ 7,815,000	\$ 8,400,000	\$ 650,000	\$ 585,000
State Income Tax	4,050,000	3,720,000	3,865,000	(185,000)	145,000
Home Rule Sales Tax	4,415,000	4,563,000	4,872,000	457,000	309,000
Utility Tax - Telecomm.	1,190,000	1,166,000	1,085,000	(105,000)	(81,000)
Utility Tax - Electricity	1,870,000	1,900,000	1,870,000	-	(30,000)
Natural Gas Use Tax	570,000	550,000	570,000	-	20,000
Real Estate Transfer Tax	810,000	700,000	825,000	15,000	125,000
Hotel Tax Receipts	365,000	330,000	346,000	(19,000)	16,000

Other Taxes	<u>1,441,300</u>	<u>1,474,700</u>	<u>1,544,500</u>	<u>103,200</u>	<u>69,800</u>
Total Taxes	22,461,300	22,218,700	23,377,500	916,200	1,158,800
Licenses and Permits	1,318,900	1,304,700	1,704,200	385,300	399,500
Grants	105,000	112,900	122,600	17,600	9,700
Charges for Services	1,709,800	1,749,000	1,699,700	(10,100)	(49,300)
Fines and Forfeitures	1,737,000	1,391,000	1,457,000	(280,000)	66,000
Interest Income	15,000	30,000	45,000	30,000	15,000
Miscellaneous Revenue	<u>553,000</u>	<u>783,700</u>	<u>612,000</u>	<u>59,000</u>	<u>(171,700)</u>
 Total Revenues	 \$ 27,900,000	 \$ 27,590,000	 \$ 29,018,000	 \$ 1,118,000	 \$ 1,428,000
				4.0%	5.2%

- Total GF revenues for FY18 projected to increase by 5.2% over the FY17 estimated actual revenues (\$1,428,000).
- No new revenues or increases in current revenues are projected to be needed to fund operations for FY18 or to provide needed surpluses for future transfer to Capital Projects Fund.
- This does not incorporate any potential adverse actions from Springfield that would impair or diminish General Fund revenues.

***General Fund Budget
FY18 BUDGET SUMMARY***

I Current Year FY17 Projected Surplus

Estimated Revenues	\$ 27,590,000	0.4% growth over FY16 act.
Estimated Expenditures*	<u>25,570,723</u>	0.6% below budget
Projected Surplus	<u>\$ 2,019,277</u>	(transfer to capital per policy)

* Budgeted expenditures Included a \$2.18 M surplus.

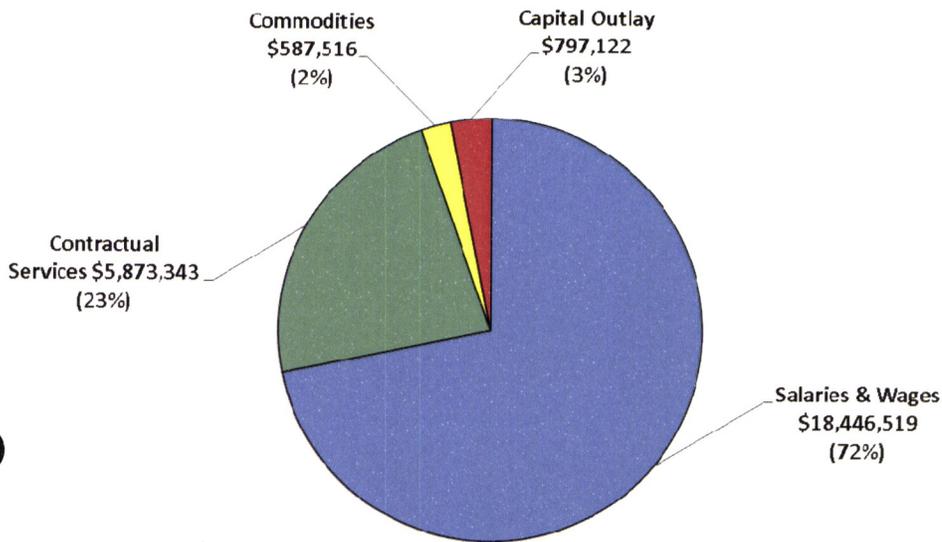
I FY18 Budget is Balanced as Proposed

Projected Revenues	\$ 29,018,000	5.2% growth over FY17 est.
Proposed Expenditures	<u>27,513,211</u>	7.6% growth over FY17 est.
Budgeted Surplus	<u>\$ 1,504,789</u>	(transfer to capital per policy)

13 Year Financial Plan shows sustainability.

- FY18 \$1.5 M Surplus
- FY19 \$1.6 M Surplus
- FY20 \$3.0 M Surplus

**Proposed General Corporate Fund Expenditures by Type
Fiscal Year 18 Beginning May 1, 2017**

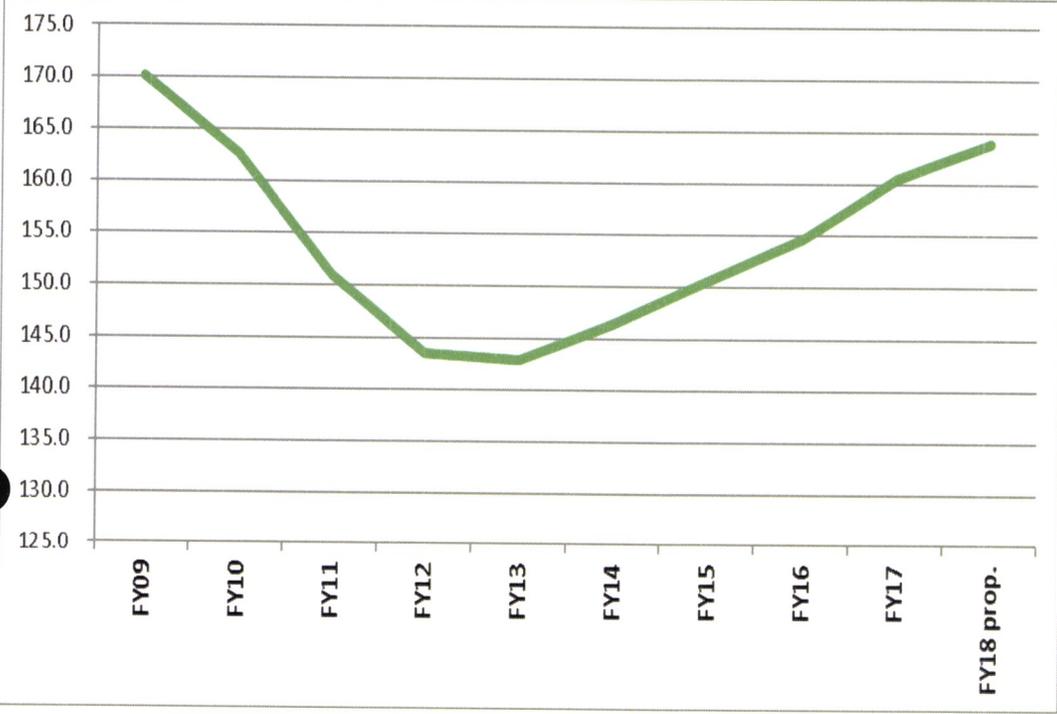


**Draft General Corporate Fund Budget Expenditures
FY18 Proposed Compared to FY17 Estimated**

	Actual FY16	Adopted Budget FY17	Estimated FY17	Proposed Budget FY18	FY18 proposed to FY17 Estimate	
Salaries & Wages						
Personal Services	\$ 10,752,230	\$ 11,812,942	\$ 11,865,807	\$ 12,884,598	1,018,791	8.6%
Overtime	776,399	889,650	931,095	931,585	490	0.1%
Group Insurance	1,470,201	1,840,602	1,500,443	1,795,414	294,971	16.0%
IMRF	712,472	852,063	881,539	907,174	25,635	3.0%
FICA	835,570	894,995	895,149	977,798	82,649	9.2%
WC/Unemp. Ins.	334,153	323,132	321,007	322,132	1,125	0.3%
Police Pension	1,705,946	1,833,135	1,833,135	2,072,751	239,616	13.1%
Total Salaries & Wages	16,586,971	18,446,519	18,228,175	19,891,452	1,663,277	9.0%

Contractual Services	4,632,259	5,884,343	5,544,465	6,094,298	549,833	9.3%
Commodities	466,293	587,516	351,647	421,599	69,952	11.9%
Capital Outlay	870,105	797,122	1,446,436	1,105,862	(340,574)	-42.7%
Total	\$ 22,555,628	\$ 25,715,500	\$ 25,570,723	\$ 27,513,211	\$ 1,942,488	7.6%
Other - Transfer to Capital	\$ 10,000,000	\$ 2,184,500	\$ 2,019,277	\$ 1,504,789		

**History of Budgeted Regular Village Staffing
FY09 though FY18 Proposed**



**Changes in Proposed Village Staffing
FY18**

FY17 Authorized Positions 160.40

Public Works

+ PWE (Facilities Technician) 1.00

Police Department

+ Secretary (PT to FT VB authorized in FY17) 0.50

+ Police Officer 1.00

+ Police Sergeant 1.00

Proposed FY18 Authorized Staffing

163.90

Net Change from FY17

3.50

% Change from FY17

2.2%

Administration

- Legislative Board
 - Goal Setting Workshop scheduled for FY18.
 - External Audit contract renewed in FY17.
 - Contribution to DuPage Senior Citizen's Council.
 - CATV/PEG Expense (\$32,000) to account for use of PEG fees. Board Room and Camera Upgrades.
- Legal Services
 - General Counsel – Village Attorney
 - Labor Counsel
 - Village Prosecutor (DUI and Ord. Violations)
- Village Clerk
 - Additional \$10,000 budgeted for codification of Sign Code and Zoning Code updates.
- Administration
 - Main Village Telephone service moved to IT Budget.
 - Administrative copier lease moved to IT Budget with other multi-function devices.
 - Funds included for additional video promotional activities.
- Municipal Building
 - Town Center
 - Gazebo, Bridge and Restroom paint/stain/wood replacement (\$23,400)
 - Fountain LED upgrades (fountain outer trough, flagpole, parking lot) (\$12,000)
 - Village Hall general maintenance and repair line items will show a general decrease reflecting expenses assumed by the landlord of the temporary Village Hall space at 505 E. North Avenue.
 - 505 E. North Avenue - Temporary Village Hall
 - Costs associated with the temporary Village Hall will be charged to the General Fund Municipal Building Budget rather than the Capital Projects Fund.
 - Full cost of rent budgeted at \$645,750 (25 months) over 3 year budget plan. FY18 cost = \$315,000.
 - Moving and Construction costs at 505 E. North will be incurred in FY17, estimated at \$706,357 (\$100,000 rent credit against these improvements will be included as Miscellaneous Revenue.
 - Budget for 505 E. North = \$1.184M based on 22 months rent paid, spread between FY17 and FY19. Remainder of \$19M project shown in Capital Projects Fund.
 - Continue to show a GF surplus in FY17 and all 3 years of Financial Plan.

Information Technology

- Comcast Metro-E (Pending Board approval \$46,635)
 - Building data connectivity
 - Voice services
- Consultant (Database Services) (\$90,000)
 - Assists in DB maintenance plans and infrastructure consolidation
 - Create a data warehouse
 - Enterprise application integration (MUNIS, LAMA, SharePoint, Laserfiche etc.)
- Website Redesign – Implementation (35,000)
- Agenda Management and Paperless Agenda (10,000)
 - Moved to FY20 to synch with move to the rehabilitated Village Hall
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 - Assists in DB maintenance plans and infrastructure consolidation
 - Create a data warehouse
 - Enterprise application integration (MUNIS, LAMA, SharePoint, Laserfiche etc.)
- Website Redesign – Implementation (35,000)
- Agenda Management and Paperless Agenda (10,000)
 - Moved to FY20 to synch with move to the rehabilitated Village Hall
- GIS Program (\$195,850)
 - Centrally located under Information Technology. Cost-shared with Water and Sewer Fund
- Security Camera Upgrades
 - Town Center (\$15,000)
- New Phone System (\$75,000) FY19 (year 2)

Employee Relations

- Consultant – Continuation of leadership development/ training.
- Continuation of Wellness Program initiatives.
- Personnel Hiring – Planning for future executive recruitments.

Financial Management

Contract clerical assistance for 1 FT Accounts Clerk and 1 PT Accounts Clerk (May-July) (\$87,500)

Engineering Services

- Complete purchase of new Asset and Operations Management (A&OM) software in FY17 and maintenance costs to begin in FY18 (costs shared 50/50 with Water and Sewer Fund).
- Consultant condition assessments to be imported into new A&OM software (\$44,000).
- Increase of \$61,000 in stormwater plan reviews (100% reimbursed in GF revenues).
- Consultant stormwater plan update (\$20,000)

Community Development

- Year 2 of 2 of digitizing old microfiche/film files and importing into document imaging product (\$20,000).
- Eliminated overhead sewer program (minimal funding \$2,500) for lack of interest.
- Sign Code review/update, To be completed internally w/ assistance of Village Attorney. Funds budgeted in Legal.
- Consultant assistance with Zoning Code review/update (\$50,000).
- Bringing back part-time contract Code Enforcement Consultant during summer months (\$13,000)
- Economic Development initiatives.

Police Department

- 1 additional Police Officer and 1 Sergeant.
- Continued significant focus on training.
- Report writing software replacement (\$165,000).
- Body Cameras included in years 2 and 3 (\$80,000 per yr.)
- What's not included:
 - DuComm Second Facility Costs

Public Works Department

- Overall net budget reduction of 2.1%
 - Reduced PWC building related projects.
 - Reduced tree maintenance following end of EAB program.
 - Reduced Street Light Electricity (LED replacement program)
- 1 additional Public Works Employee (Facilities Technician).
- Increased OT for supervisor planning/crew prep. and snow and ice operations.
- Village Entry-way Signage re-budgeted (\$50,000).
- Fueling system change-over completed in FY17.
- Major Vehicle Replacement
Truck #63 Aerial Lift Truck. Replace with multi-purpose vehicle that can serve both forestry and sign/light functions and eliminate Truck #89 (Sign & Light Truck) when it is no longer serviceable.
Cost: \$225,000

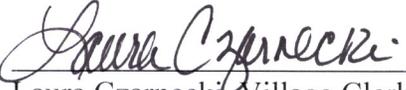
There being no further business, Trustee McCarthy moved and Trustee LaRocca made the second to adjourn the Special Workshop meeting. The meeting was adjourned unanimously at 7:24 p.m.

FOR THE BOARD OF TRUSTEES



 Frank Saverino, Sr., Mayor

ATTEST:



 Laura Czarnecki, Village Clerk

Minutes approved by the President and Board of Trustees on this

21st day of FEBRUARY, 2017.

Paula Czarniecki
Village Clerk