



**VILLAGE OF WAUCONDA
SPECIAL VILLAGE BOARD MEETING MINUTES
101 N. MAIN STREET, WAUCONDA, IL
SATURDAY, APRIL 6, 2019**

1. CALL TO ORDER

Mayor Knight called the Special Village Board Meeting to order in the Village Hall at 8:30 AM.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Knight.

3. ROLL CALL

Upon roll call by Clerk Falk-Novak, the following Trustees were present:
Trustees, Arnswald, Howe, Morino (Arrived at 8:32 AM), Schlick.

Absent: Trustee Starkey, Trustee Black

QUORUM PRESENT

Also present: Kevin Timony (Village Administrator), Brad Fink (Director of Public Works),
Tom Lyons (Finance Director), Police Chief Wermes

4. PUBLIC COMMENT:

No public comment:

5. APPROVAL OF AGENDA

(Last Ordinance No. was 2019-O-05) (Last Resolution No. was 2019-R-03)

Motion to Approve the Agenda made by Trustee Schlick, second Trustee Howe.

Ayes 4 Nays 0

MOTION DECLARED CARRIED

6. NEW BUSINESS

A. Presentation of DRAFT Fiscal Year 2019/2020 Budget

Kevin Timony (Village Administrator) and Tom Lyons (Finance Director) presented the
Draft FY 2018/19 Budget.

VILLAGE FISCAL CALENDAR

APRIL 2019:

- ▶ Presentation of DRAFT FY 2019/20 Budget (Today)
- ▶ Approval of FINAL FY 2019/20 Budget (April 16th VB Meeting)

MAY 2019:

- ▶ Fiscal Year begins on May 1, 2019

JULY 2019:

- ▶ Approval of Annual Appropriation Ordinance (by last meeting in July)

NOVEMBER 2019 (NEW):

- ▶ Capital Improvement Plan / Financial Workshop
- ▶ 2019 Tax Levy Preparation

DECEMBER 2019:

- ▶ Approval of 2019 Tax Levy

MARCH 2020:

- ▶ Presentation of DRAFT FY 2020/21 Budget (Budget Workshop)

APRIL 2020:

- ▶ Approval of FINAL FY 2020/21 Budget (Second April VB Meeting)

BUDGET OBJECTIVES

- ▶ Simple, easy to follow layout
- ▶ More individual line item accounts:
 - ▶ Highlight specific programs (e.g. Mosquito Abatement, Payroll Services, NE Crime Lab)
 - ▶ Improve operational transparency for management
- ▶ Separate Capital spending / Isolate operations for year-over-year tracking
- ▶ Begin repair/replacement funding for future years / “True” operating costs

GENERAL FUND REVENUE HIGHLIGHTS

- ▶ Overall Revenues UP 3.4% (\$259,232) from FY 18/19 budget
- ▶ State Shared Revenues and Property Taxes account for 84% of General Fund Revenues
- ▶ New population driving higher per capita revenues (e.g. Income Tax, Use Tax)
- ▶ All other revenue categories are DOWN 14% (-\$233,082) from FY 18/19 budget. \$125,000 = one-time SRO payment.

GENERAL FUND EXPENSES HIGHLIGHTS

- ▶ Total General Fund expenditures UP 0.92% (+\$77,031) when removing new fixed-asset and vehicle replacements and FY 18/19 non-capital projects
- ▶ UP 5.09% (\$426,031) with these expenses

DEPARTMENT HIGHLIGHTS

Administration:

- ▶ Overall expenses in the Administration Department are DOWN \$76,545 (13.9%):
 - ❑ Shifting of a portion of some full-time salaries and benefit costs for two Administrative Assistants to the Community Development Department (11)
 - ❑ The Change from Human Resources Contract to a part-time, hourly employee.
 - ❑ The Reduction of Legal Services line item account

Community Development:

- ▶ Overall expenses in the Community Development Department are UP \$33,042 (7.6%):

- Shifting portion of some full-time salaries and benefit costs for two Administrative Assistants from the Administration Department (10) and small portion of Utility Billing Clerk's salary and benefit costs
- Increase in base salary for new Director of Community Development position
- Sales Tax Agreement Payments with Monster Powersports and Tractor Supply Co.

Police:

- ▶ Overall expenses in the Police Department are UP \$270,791 (6%):
 - Addition of new Squad Car Replacement Contribution (10-12-9931) and Fixed-Asset Replacement Contribution (10-12-9930) line item accounts (total of \$135,000).
 - Reduction in Dispatch Services (10-12-5180) line item account of \$20,741 as a result of lower call volumes in 2018.
 - Split of previous Legal Services line item account into three new separate accounts:
 - ❖ Legal Services – Prosecution (10-12-5110)
 - ❖ Legal Services – Non-Prosecution (10-12-5118)
 - ❖ Adjudication Services (10-12-5111)

Public Works – Streets:

- ▶ Overall expenses in the Public Works Streets Division are UP \$195,932 (15.8%):
 - Addition of new PW Fleet Replacement Contribution (10-13-9931) and Fixed-Asset Replacement Contribution (10-13-9930) line item accounts (total of \$240,000).
 - Addition of new line item accounts for greater operational transparency:
 - ❖ Landscaping Services (10-13-5311)
 - ❖ Brush Collection Program (10-13-5312)
 - ❖ Mosquito Abatement (10-13-5313)
 - ❖ Sidewalk Repairs (10-13-5343)
 - ❖ Pavement Patching (10-13-5344)

Emergency Management Agency (EMA):

- ▶ Overall expenses in the Emergency Management Agency are UP \$31,621 (74.9%):
 - Shifting portion of some full-time salaries and benefit costs for the Village Administrator, Chief of Police, Deputy Chief of Police, and elected officials
 - Increase in annual salary for the EMA Coordinator position from \$15,000 per year to \$30,000 per year as a place holder

Lake Management:

- ▶ Overall expenses in Lake Management are UP \$11,795 (11.4%):
 - Increase in full-time salaries and benefits that are spread to this department.
 - Addition of elected official salaries to account for time spent throughout the operating year on Lake Management items.
 - Addition of a new line item account for the Milfoil Cost Sharing Program (10-50-5690) for greater operational transparency.

Police Pension Fund

CONTRIBUTIONS

Fiscal Year Collected	Tax Year	Actuary Required Contributions	Village Contributions
FY 2015	2013	656,562	656,839
FY 2016	2014	681,106	724,641
FY 2017	2015	850,373	847,281
FY 2018	2016	919,462	919,462
FY 2019*	2017	994,801	993,976
		<u>4,102,304</u>	<u>4,142,199</u>
FY 2020**	2018	1,058,249	1,058,249

* Year to Date

** Village Contributions will be made during FY 2020 and are included in the budget presented

CONTRIBUTIONS / COVERED PAYROLL

FY End	Annual Covered Payroll	Village Contributions as a Percentage of Covered Payroll	Member Contribution Percentage	Village Contributions
FY 2015	2,303,706	28.5%	9.91%	656,839
FY 2016	2,281,658	31.8%	9.91%	724,641
FY 2017	2,456,906	34.5%	9.91%	847,281
FY 2018	2,542,898	36.2%	9.91%	919,462
FY 2019*	2,499,902	39.8%	9.91%	993,976
FY 2020*	2,574,899	41.1%	9.91%	1,058,249

* Annual Covered Payroll and Village Contributions as a percentage of Covered Payroll are estimates.

Risk Management /Tort:

- ▶ Risk Management / Tort revenues are lower than expenses (-\$33,191).
- ▶ CY 2019 Workers Compensation and Property/Auto/Liability premiums lower by \$78,000
- ▶ Premium costs shared with Water/Sewer Fund

Motor Fuel Tax (MFT) Fund:

- ▶ **Revenues** use new Wauconda population of **14,125** and Illinois Municipal League estimate (**\$25.45 per capita**)
- ▶ **Expenses** include annual debt service and portion of 2019 Street Maintenance Program
- ▶ Budget deficit is made-up using existing cash balance from prior MFT revenues

Waterworks & Sewerage Fund:

Revenues

- ▶ Operating revenues are projected to INCREASE 8.3% (+\$439,064) in FY 19/20
- ▶ Operating revenues are based on multi-year rate plan adopted in 2018
- ▶ \$2,185,133 of total W/S Fund revenues are for Lake Michigan Water Capital:
 - ❑ \$700,000 – IEPA Loan Proceeds
 - ❑ \$1,460,133 – Property Tax (via 2012 referendum)

Expenses

- ▶ Includes new line item for Lake Michigan Water purchase from CLCJAWA (\$795,425 – assumes delivery August 1st)
- ▶ Begins repayment of IEPA loans for West Group extension (\$474,488)
- ▶ TOTAL DEBT SERVICE PAYMENTS = \$4,079,796

Capital Projects Funds:

Discussion (Proposed General Capital Projects)

PW FLEET REPLACEMENT:

- ▶ Truck #14 – 5 Ton Dump

SQUAD CAR REPLACEMENT:

- ▶ Squad #100

- ▶ Squad #111

FIXED-ASSET REPAIR / REPLACE:

- ▶ PD – Digital Repeater

- ▶ PD – Copier

FIXED-ASSET REPAIR / REPLACE:

- ▶ PW – Garage Door Replace

- ▶ PW – Snow Plow Blade Upgrade

STREET MAINTENANCE PROGRAM:

- ▶ 2019 Program Contrib.

- ▶ Crack Filling

- ▶ Main Street FAU Engineering

GENERAL CAPITAL PROJECTS:

- ▶ Village Strategic Planning

- ▶ IPRF Safety Grant

- ▶ Village Hall Renovation Planning

- ▶ Phil’s Beach Parking Lot Contribution

- ▶ Downtown Waste/Recycle Cans

- ▶ Larkdale Storm Sewer Rehab (partial grant funding)

- ▶ Jackson Avenue Spillway Rehab

- ▶ Osage Storm Sewer Improvement

Discussion (Proposed Water/Sewer Capital Projects):

PW FLEET REPLACEMENT:

- ▶ Truck #10 – F150 Pickup

FIXED-ASSET REPAIR / REPLACE:

- ▶ Water – Backflow Prevention Survey

- ▶ Water – Large Meter Testing/Repair

- ▶ Water – Hydrant Repair/Replace

- ▶ Water – Garage Door Replace

- ▶ Water – Meter Replacement Program

FIXED-ASSET REPAIR / REPLACE:

- ▶ WWTP – Crack Filling

- ▶ WWTP – Dehumidifiers

- ▶ Collections – Sealcoating Lift Stations

- ▶ Collections – Manhole Restore

- ▶ Collections – Garage Door Replace
- GENERAL CAPITAL PROJECTS:**
- ▶ Waste Water Treatment Plant Clarifier No. 2 Rehab
- ▶ Aerobic Digester 1 & 2 Rehab
- ▶ Lift Station Electrical Improvement (2A & 7)
- ▶ Lift Station SCADA Upgrades

Tax Increment Finance (TIF) Fund:

TIF NO. 1 FUND - REVENUE

		ACTUAL	BUDGET	YTD (FEB.)	BUDGET
		2017/2018	2018/2019	2018/2019	2019/2020
REVENUES					
32-32-3110	PROPERTY TAXES - TIF	157,769	145,000	204,212	232,525
32-32-3810	INTEREST	16	-	27	40
32-32-3990	MISCELLANEOUS	-	-	-	500
TOTAL REVENUES		157,785	145,000	204,239	233,065

TIF NO. 1 FUND - EXPENSE

		ACTUAL	BUDGET	YTD (FEB.)	BUDGET
		2017/2018	2018/2019	2018/2019	2019/2020
EXPENSES					
32-32-5110	LEGAL SERVICES	2,882	3,000	3,617	5,000
32-32-5150	ENGINEERING SERVICES	28,718	5,000	2,297	7,500
32-32-5160	PLANNING FEES	24,300	20,000	16,210	25,000
32-32-5190	ADMINISTRATIVE	-	2,500	-	2,500
32-32-8500	TIF PROJECTS				
	THOMAS CT. RESURFACING (19/20)				62,840
TOTAL EXPENSES		55,900	30,500	22,123	102,840

Debt Service Fund:

DEBT SERVICE FUND - REVENUE

		ACTUAL	BUDGET	YTD (FEB.)	BUDGET
		2017/2018	2018/2019	2018/2019	2019/2020
REVENUES					
80-80-3110	PROPERTY TAX - DEBT SERVICE	1,131,736	679,769	684,317	705,990
80-80-3810	INTEREST	-	-	-	200
TOTAL REVENUES		1,131,736	679,769	684,317	706,190

DEBT SERVICE FUND - EXPENSE

		ACTUAL	BUDGET	YTD (FEB.)	BUDGET
		2017/2018	2018/2019	2018/2019	2019/2020
EXPENSES					
80-80-7100	2015 GO REFUNDING BOND - PRINCIPAL	530,000	565,000	565,000	600,000
80-80-7200	2015 GO REFUNDING BOND - INTEREST	123,725	113,125	113,125	99,000
80-80-5630	SERVICE FEES - BANKING	-	-	750	750
TOTAL EXPENSES		653,725	678,125	678,875	699,750

Motion to prepare the Final FY 2019/20 budget to be placed before the Village Board for final approval and adoption at the April 16, 2019 Regular Village Board Meeting made by Trustee Howe, second Trustee Arnswald.

Ayes 4 Nays 0

MOTION DECLARED CARRIED

7. EXECUTIVE SESSION

A. (5 ILCS 120/2(C)(1)) The appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body or legal counsel for the public body.

Motion to move into Executive Session made by Trustee Arnswald, second Trustee Morino at 10:00 AM.

Ayes 4 Nays 0

MOTION DECLARED CARRIED

8. RETURN TO SESSION

Motion to reconvene from Executive Session at 10:26 AM.

Ayes 4 Nays 0

MOTION DECLARED CARRIED

9. ADJOURNMENT

Motion to adjourn made by Trustee Schlick, second Trustee Howe.

Ayes 4 Nays 0

MOTION DECLARED CARRIED

Adjourn Time 10:26 AM

Cheryl Falk-Novak, Village Clerk