

***VILLAGE OF LAKEWOOD***  
**VILLAGE BOARD BUDGET WORKSHOP**  
**MEETING NOTICE AND AGENDA**  
**Workshop #2**

Tuesday, March 28, 2017  
6:00 p.m.

Turnberry Country Club  
9600 Turnberry Trail  
Lakewood, Illinois

1. Roll Call - Establish Quorum
2. Review of Proposed FY 2017-2018 Budgets and Anticipated Revenues for the following:

**Lakewood Utilities O & M Fund**  
**Lakewood Utilities Capital Improvement Fund**  
**East Sewer Fund**  
**Refuse Fund**  
**Impact Fee**

3. Update on Other Finance Issues
4. Adjournment

# Memo

**To:** Honorable President and Board of Trustees  
**From:** Shannon Andrews, Interim Village Manager  
**CC:** Michael Smoron, Village Attorney  
**Date:** March 24, 2017  
**Re:** Fiscal Year 2017 – 2018 Budget Workshop #2, Lakewood Utilities  
Operating and Maintenance (O & M) Fund

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Lakewood Utilities O & M is an enterprise fund of the Village of Lakewood. It provides drinking water and sanitary sewer services to residents living on the west side of the village. With the completion of the East Sewer Project this year, Lakewood Utilities O & M has also began to provide sanitary sewer services to residents living on the east side of the community. Fiscal Year 2017 – 2018 is the first year that the East Sewer and Lakewood Utilities O & M Enterprise Funds are being presented as one combined fund.

While the proposed budget does not currently include a rate increase, staff is recommending a rate study be conducted at the end of the first full year of operation with Lakewood Utilities fully processing the effluent of the community. This will assist the Village in determining a fair allocation of operating costs and capital expense, which will be used to establish appropriate rates for both metered and unmetered residents. The rate study is expected to be conducted beginning October, 2017.

Included in the rate study will be an analysis of existing debt service, which includes the IEPA loan for the East Sewer (currently \$2.12M), as well as the outstanding bonds for construction of the wastewater treatment plant (currently \$5.98M). The Board will need to have an open discussion regarding the appropriate allocation for the distribution of debt service costs.

Options include the following:

1. Distribute all debt equally across all households (1,354 households); or
2. Distribute by allocating wastewater treatment plant debt to West side residents (1,029 households) and East Sewer debt to East side residents (325 households); or
3. Distribute a percentage of wastewater treatment plant debt to both sides of the Village based on percent to total number of users (approximately 76%

west side and 24% east side) and distribute all of East Sewer debt to East side residents.

With East Sewer now being combined into Lakewood Utilities O & M, you will notice increases in revenues and expenditures throughout the fund that are attributable simply to the combination of the two funds. The summary below attempts to outline those line items with fluctuations that are above and beyond the combination of the funds.

Following is a summary of changes:

- **60-00-3840 Meter Fees** – Consistent with other line items throughout the budget, meter fees are based on sixteen (16) new single family homes on the west side and nine (9) town home units.
- **60-00-8103 Wages Full Time** – Upon hiring the general utility worker in the water/wastewater division, the Village offered the employee an increase of \$1.00/hour to encourage the individual to pursue additional certification. While he was unsuccessful in his first attempt at the certification test, the proposed budget includes this rate increase in anticipation of his successful completion of his certification test. In addition, the proposed budget includes an equivalent \$1.00 increase for our other general utility worker, bringing his salary to \$22.35/hr. After 10 years with the Village, his salary will mirror the starting salary for a General Utility Worker in Lake in the Hills. This line item reflects each of these proposed increases, which are above and beyond the 3% identified for the remainder of the staff.
- **60-00-8225 Gas, Oil & Antifreeze** – This line item reflects an increase due to regular exercising of the generator at the wastewater treatment plant.
- **60-00-8251 Wearing Apparel** – An increase is being requested due to the increased cost of PPE equipment.
- **60-00-8415 Vehicle Maintenance & Repair** – The increase in the budget request is to cover the expense of new tires and the repair of rust on the 2007 Dodge pickup.
- **60-00-8417 Grounds O/M/R** – The Well 2 abandonment that is scheduled for Fiscal Year 2017-2018 will require approximately \$1,500 in replacement landscaping for the shrubbery that was removed.
- **60-00-8430 Computer Services** – This line item includes the software maintenance required for the new meter reading software.
- **60-00-8433 Janitorial Services** – An increased is expected due to a rate increase from the janitorial contractor.
- **60-00-8435 Engineering Services** – As previously discussed, \$20,000 has been included to cover the costs of conducting a rate study in October, 2017.

- **60-00-8440 Telephone** – This line item has increased due to the addition of the East sewer lift station.

### *Water Division*

- **60-25-8218 Water System O/M/R Supplies** – This line item was over budget in Fiscal Year 2016 – 2017 due to the unanticipated purchase of water main repair supplies necessary for Inverway.
- **60-25-8223 Chemicals** – Increases in this line item are attributed to the increase in construction, full year of East Sewer connections, and total population of the Village. As the effluent increases, more chemicals are required.
- **60-25-8419 Water System O/M/R** – The Fiscal Year 2017-2018 budget includes \$16,810 in funds for the abandonment of Well 2, which is a deep well (over 800 ft.) that crosses two aquifers. The abandonment of this well will prevent any possible future contamination of those aquifers.
- **60-25-8620 Equipment** – This line item includes \$8,500 for a trench box, which is considered essential safety equipment for water main breaks repaired in-house. An additional \$5,000 has been budgeted for Well 1 & 4 transducers.

### *Sewer Division*

- **60-28-8216 Equipment O/M/R Supplies** – Fiscal Year 2016-2017 includes the purchase of replacement jetter parts. The proposed budget includes \$2,500 for confined space equipment necessary to perform manhole repairs.
- **60-28-8416 Sanitary Sewer System O/M/R** – The largest expense in this line item is \$26,250 to begin the process of resolving inflow and infiltration (I & I) issues throughout our network of manholes. The Village currently has 168 manholes in Turnberry that are taking on stormwater, which is an estimated average of 100,000 gallons/day. I & I within the system can cause increases in costs for electricity; can cause a greater mechanical burden due to additional wear and tear; and finally, it affects the treatment process by diminishing the necessary BODs to treat the wastewater, requiring more staff attention to bring the system under control.

**Village of Lakewood**  
**FY 2017/2018 PROPOSED BUDGET**

Account Code		Fiscal Year Ending	Fiscal Year Ending	Fiscal Year Ending	Fiscal Year Ending	Ending	Ending	Comments
		April 30, 2014	April 30, 2015	April 30, 2016	April 30, 2017	April 30, 2017	April 30, 2018	
		Actual	Actual	Actual	Amended Budget	Estimated	Proposed Budget	
<b>LAKEWOOD UTILITIES (60)</b>								
<b>REVENUE</b>								
3520	Water Sales	502,103	491,984	515,090	503,400	516,849	516,900	
3580	Sewer Charges	646,654	649,190	667,408	650,000	680,127	1,002,960	
	<i>LWU User Fees</i>	646,654	649,190	667,408	650,000	680,127	680,130	
	<i>East Sewer User Fees</i>						322,830	
	<i>LWU Capital Surcharge</i>							
	<i>East Sewer Capital Surcharge</i>							
3589	Penalties	20,226	20,599	19,992	20,500	19,709	27,613	
3600	Power Pay PJM Energy Program	-	-	1,756	1,756	2,452	2,450	
3702	Interest Income	1,796	1,910	2,168	1,300	2,154	2,100	
3713	Interfund Loan Receivable		-	-	-	5,754	8,485	
	<i>Record reimbursable expenditures by TIF</i>							
3801	Rent - Water Tower	3,600	3,600	3,720	3,780	3,938	4,134	
3840	Meter Fees	2,280	12,980	18,395	18,125	17,500	15,625	
	<i>25 housing start @ \$625 per meter</i>							
3899.08	Build America Bond Int Rebate	36,130	35,666	35,003	34,700	34,298	33,612	
3899	Other Revenue	1,987	1,468	120	100	394	100	
	<b>Total Operating Revenue</b>	<b>1,214,776</b>	<b>1,217,397</b>	<b>1,263,652</b>	<b>1,233,661</b>	<b>1,283,174</b>	<b>1,613,980</b>	
	<b>Total Lakewood Utilities Revenue</b>	<b>1,214,776</b>	<b>1,217,397</b>	<b>1,263,652</b>	<b>1,233,661</b>	<b>1,283,174</b>	<b>1,613,980</b>	

**EXPENDITURES**

<i>Personnel Services</i>								
8101	Salaries - Regular	133,161	143,514	146,692	73,250	53,902	84,250	
8103	Wages - Full Time	75,623	77,014	79,794	153,125	150,996	188,485	Increase in base salary for Mike & Scott
	<i>Barry 2080hrs x 41.68/hr x 20% = \$17,339</i>				12,630		17,340	
	<i>Gary 2080hrs x 39.02/hr x 90% = \$73,045</i>				59,095		73,045	
	<i>Scott 2080hrs x 23.10/hr x 20% = \$9,610</i>				6,470		9,610	
	<i>Mike 2080hrs x 19.91/hr x 90% = \$37,272</i>				30,480		37,275	
	<i>Sue 2080hrs x 31.66/hr x 20% = \$13,171</i>				12,790		13,170	
	<i>Susan 2080 hrs x 26.13/hr x 70% = \$38,045</i>				31,660		38,045	

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		Actual	Actual	Actual	Amended Budget	Estimated	Proposed Budget	
8104	Wages - Part Time	6,506	5,973	9,970	5,920	6,390	8,950	
	<i>Summer 40hrs x 16wk x 2 Emp x 10/hr x 60% = 5,120</i>				5,120	5,120	7,680	
	<i>Weekends</i>				800	1,270	1,270	<i>Includes 4 holidays at dbl time rate</i>
8105	Overtime	3,020	3,207	3,903	5,740	5,255	5,385	
	<i>Weekends 112 x 32.26/hr =3,613</i>				3,926	3,258	3,620	
	<i>General OT 50hrs x 46.00/hr = 2,300</i>				1,812	1,997	2,300	
8161	FICA	15,925	16,873	17,534	18,210	15,914	21,961	
8162	IMRF	24,419	25,493	26,079	25,675	22,705	29,203	
8163	Health/Life Insurance	37,562	40,819	38,745	44,750	39,772	57,666	
8170	Physicals/Drug Testing	186	69	241	-	-	90	
8180	Worker's Comp. Insurance	3,923	5,413	3,821	3,500	3,450	4,800	est small increase for 2018 payment
8181	Unemployment Insurance	1,067	603	482	455	370	485	
	<b>Total Personnel Services</b>	<b>301,393</b>	<b>318,978</b>	<b>327,261</b>	<b>330,625</b>	<b>298,754</b>	<b>401,275</b>	

Commodities								
8201	Printing & Printed Materials	1,039	1,274	1,217	1,260	1,052	1,700	
	<i>check stock, letterhead, envelopes, utility bills, ccr</i>							
8202	Office Supplies	813	838	508	900	900	1,050	
	<i>paper, ink, toner &amp; cleaning supplies</i>							
8215	Vehicle O/M/R Supplies	526	564	642	500	500	800	
	<i>repair parts, filters</i>							
8217	Grounds M/R Supplies	727	722	310	725	717	1,000	
	<i>soil, seed, blanket, fertilizer</i>							
8225	Gas, Oil & Antifreeze	1,120	3,086	4,922	4,910	5,410	5,750	Regular exercising of generator at WWTP
	<i>for vehicle &amp; equipment, generator</i>		3,086	4,922	4,910	4,610	4,950	
	<i>generator @ WWTP</i>		-	-	-	800	800	
8226	Small Tools	477	381	366	400	400	500	
8251	Wearing Apparel	685	944	1,108	950	950	1,050	Increasing costs of PPE
	<i>Part-time/Summer help = T-shirts</i>						50	
	<i>T-shirts, Pants, boots, outerwear &amp; Safety \$500 x 2</i>						1,000	
8272	Bank Service Charges	293	345	275	300	401	420	
	<i>Deposit slips</i>				100	53	60	
	<i>Lock box</i>				70	206	210	
	<i>Bank Processing fee</i>				125	142	150	

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		Actual	Actual	Actual	Amended Budget	Estimated	Proposed Budget	
8299	Commodities - NEC	-	-	-	100	-	100	
	<b>Total Commodities</b>	<b>5,679</b>	<b>11,240</b>	<b>14,270</b>	<b>15,250</b>	<b>10,331</b>	<b>12,370</b>	

Contractual Service								
8401	Rental, Equipment Facilities	725	255	-	750	-	750	Rental for skid loader/mower for wet lands
	<i>pump, mini-excavator, trencher</i>							
8403	Postage	3,388	3,950	3,495	3,765	3,525	5,300	
	<i>bills, late notices, AP, ccr</i>							
8415	Vehicle Maintenance & Repair	-	325	227	2,450	2,380	5,070	
	<i>Repair parts and labor, replacement tires</i>						650	
	<i>New Tires on the 2007 Dodge pickup</i>						920	
	<i>Repair rust on the 2007 Dodge pickup</i>						3,500	
8416	Equipment O/M/R	5,763	6,180	665	760	821	1,180	
	<i>Fire extinguisher service \$170</i>			164	170	235	170	
	<i>Postage Meter Rental \$840</i>			416	420	416	840	
	<i>Backflow Recert \$170</i>			85	170	170	170	
8417	Grounds O/M/R	1,760	1,072	4,959	2,000	975	2,500	
	<i>wm break restoration, manhole pavement adj</i>			500	2,000		1,000	
	<i>Sealcoat WWTP, tower 1 &amp; WTP driveways, lift stations</i>			4,959	-	-	-	
	<i>1</i>			-	-	-	1,500	
8430	Computer Services	7,940	5,085	6,015	5,450	5,657	8,105	
	<i>Comcast \$109.85/mo</i>		-	1,224	1,295	1,447	1,320	
	<i>IT Support</i>		-	2,304	702	2,466	2,790	January inc. to \$232.50/mo., includes backups
	<i>Software License Renewal - Specter</i>		-	395	395	395	395	
	<i>Software License Renewal - FundBalance</i>		-	1,866	2,484	1,349	1,350	
	<i>Software Maintenance - Neptune</i>		-	-	-	-	2,250	new meter reading software maintenance
	<i>Backups</i>		-	-	574	-	-	
8433	Janitorial Services	715	790	800	800	831	1,800	Rate increase
	<i>weekly cleaning (shared w/ GF &amp; ES)</i>							
8434	Accounting & Auditing Services	13,265	13,225	12,927	15,600	12,796	10,000	
	<i>Annual audit</i>						5,000	
	<i>Contract accounting</i>						5,000	
8435	Engineering Services	-	3,087	9,610	8,500	8,500	21,000	
	<i>water &amp; sewer atlas maintenance</i>		-	9,610	8,500	8,500	1,000	GPS Manhole location in wetlands/Golf course
	<i>rate study</i>						20,000	

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		Actual	Actual	Actual	Amended Budget	Estimated	Proposed Budget	
8440	Telephone	6,242	4,961	5,217	5,400	6,881	7,410	
	Call One			4,019	4,020	5,527	6,060	Addition of Broadway Lift and large Call One rate increase. Staff researching alternatives
	Verizon			1,320	1,320	1,354	1,350	
8450	Legal Fees	569	-	961	960	560	1,500	
8471	General Liability Insurance	16,838	14,598	18,103	19,360	19,250	19,750	
8490	Contractual Services - NEC	510	362	1,051	1,060	1,209	1,920	
	JULIE			941	941	1,103	1,680	More JULIE calls than anticipated in 2016-17
	water			120	120	106	240	
8495	Dues & Subscriptions	48	62	98	155	165	165	Addition of Kish Rock Operators
	AWWA \$50		-	-	-	-	-	
	Kish Rock Operators		-	-	-	10	10	
	NSWWA \$70		-	35	70	70	70	
	FVOA \$40		-	20	40	40	40	
	ILCMA \$45		-	43	45	45	45	
8496	Professional Development & Training	255	281	220	500	275	600	
	continuing education credits						300	
	certification short course						300	
8497	Travel Expense	-	-	28	50	-	50	
	lodging, tolls, mileage, meal reimburse							
8498	Community Affairs	177	38	34	100	100	100	
8499	Contingency	-	-	100	100	100	200	
	<b>Total Contractual Services</b>	<b>58,194</b>	<b>54,271</b>	<b>64,510</b>	<b>67,760</b>	<b>64,024</b>	<b>87,400</b>	

Debt Service								
8700	Bond Fees (Paying Agent)	1,545	1,545	1,425	1,425	1,425	3,000	
8702.08	Principal & Interest Payments - Series 2010A	177,145	174,870	107,595	105,145	105,144	101,700	
	tower #1 replacement (BAB's) payment, last payment in 2035							
8701	Principal Payments East Sewer	5,307	5,306	5,307	5,307	5,307	152,910	
	IEPA loan, last payment in 2030						5,310	
	IEPA loan, last payment in 2037						147,600	Annual interest estimated at \$47,600, Principal \$10
8701.08	Principal Payments Series 2010A		-	70,000	70,000	70,000	70,000	



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**FY 2017/2018 PROPOSED BUDGET**

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	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Amended Budget</i>	<i>Estimated</i>	<i>Proposed Budget</i>	
8702.085 Principal & Interest Payments - Series 2010B	263,869	263,869	263,869	313,870	313,869	312,570	
<i>refunding of WWTP, last payment in 2035</i>							
<b>Total Debt Service</b>	<b>447,865</b>	<b>445,590</b>	<b>448,196</b>	<b>495,747</b>	<b>495,745</b>	<b>793,090</b>	
<i>Capital Outlay</i>							
8615 Computer Equipment	688	1,850	-	-	-	-	
<b>Total Capital Outlay</b>	<b>1,685</b>	<b>1,850</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total Unallocated Expenditures</b>	<b>814,816</b>	<b>831,929</b>	<b>854,237</b>	<b>909,382</b>	<b>868,854</b>	<b>1,294,135</b>	

**Village of Lakewood**  
**FY 2017/2018 PROPOSED BUDGET**

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	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Amended Budget</i>	<i>Estimated</i>	<i>Proposed Budget</i>		
<b>LAKEWOOD UTILITIES - WATER DIVISION (60-25)</b>								
<i>Commodities</i>								
8214	Building O/M/R Supplies	1,616	854	208	750	456	500	
	<i>misc. hardware, filters &amp; supplies, and small repairs</i>							
8216	Equipment O/M/R Supplies	2,975	605	1,681	3,000	3,825	4,000	
	<i>Pump parts, tubing, hardware, injectors</i>			2,000	1,500	3,010	3,000	
	<i>Chlorine Equipment</i>			-	1,000	815	1,000	
8218	Water System O/M/R Supplies	9,155	5,834	7,198	6,500	6,622	6,500	Water Main Repair Supplies for Inverway
	<i>valve &amp; hydrant parts, clamps, paint</i>							
8220	Water Plant Lab O/M/R Supplies	2,892	1,025	883	1,500	1,468	1,500	
	<i>lab supplies, reagents and glassware</i>							
8223	Chemicals	5,795	6,754	7,102	7,500	8,200	8,500	Increases with increase in construction/population
8299	Commodities - NEC	-	-	-	100	-	100	
	<b>Total Commodities</b>	<b>22,434</b>	<b>15,072</b>	<b>17,072</b>	<b>19,350</b>	<b>20,570</b>	<b>21,100</b>	

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		Actual	Actual	Actual	Amended Budget	Estimated	Proposed Budget	
<b>Contractual Service</b>								
8419	Water System O/M/R	23,018	28,227	62,722	18,500	16,555	38,060	
	SCADA maint \$3,000			5,640	3,000	-	3,000	
	Watermain break \$5,000			1,840	5,000	1,765	5,000	February Main break 7215 Inverway
	HVAC repairs \$2,000			400	1,500	10,584	750	condensor
	Generator Annual Service & Repairs \$1,000			677	1,000	1,457	1,500	
	Well 4 repair & replace motor \$25,000			19,095	-	-	-	
	Well 2 - Turnberry Lake Well - Seal & Abandonment			-	3,000	2,750	16,810	
	Tower 1 Wash				-	-	6,000	
	Misc O/M/R (Inc Well 1 repair in FY 15/16)			39,622	5,000	-	5,000	
8439	Electricity	33,466	33,719	32,913	34,000	33,675	34,000	
	WTP - Com Ed Account 2079103005		-	-	-	15,268	15,530	
	Well # 5 - Com Ed Account 5229084025		-	-	-	1,106	1,120	
	Tower 1 - Com Ed Account 2135169016		-	-	-	16,185	16,350	
	Tower 2 - Com Ed Account 0579054014		-	-	-	993	1,000	
8444	Water Testing Service	5,433	7,463	4,737	4,700	3,451	4,000	Remove SOC or IOC testing in 17-18, add Lead/Cc
	IEPA testing requirements							
8445	Natural Gas	5,659	7,116	5,126	6,000	5,091	6,000	
	heating for treatment plant, fuel for generator							
8499	Contingency	-	-	-	100	55	100	
	<b>Total Contractual Services</b>	<b>67,576</b>	<b>76,525</b>	<b>105,498</b>	<b>63,300</b>	<b>58,827</b>	<b>82,160</b>	
<b>Capital Outlay</b>								
8620	Equipment	-	-	-	-	-	14,500	
	Trench Box (\$8,500) & Trailer (\$1,000)						9,500	
	Well 1 & 4 Transducers						5,000	
8621	Water Meters	5,666	13,954	16,626	19,230	15,562	17,570	
	(36) register heads @ \$200.32/ea				7,212		7,200	
	(25) 1" meters @ \$414.42/ea				12,818		10,370	
	<b>Total Capital Outlay</b>	<b>5,666</b>	<b>13,954</b>	<b>16,626</b>	<b>19,230</b>	<b>15,562</b>	<b>32,070</b>	
	<b>Total Water Division</b>	<b>95,676</b>	<b>105,551</b>	<b>139,196</b>	<b>101,880</b>	<b>94,959</b>	<b>135,330</b>	

**Village of Lakewood**  
FY 2017/2018 PROPOSED BUDGET

Account Code		Fiscal Year Ending April 30, 2014	Fiscal Year Ending April 30, 2015	Fiscal Year Ending April 30, 2016	Fiscal Year Ending April 30, 2017	Ending April 30, 2017	Ending April 30, 2018	Comments
		Actual	Actual	Actual	Amended Budget	Estimated	Proposed Budget	
<b>LAKEWOOD UTILITIES - SEWER DIVISION (60-28)</b>								
<i>Commodities</i>								
8214	Building O/M/R Supplies	1,492	92	367	1,000	376	500	Light bulbs and filters
	<i>misc. hardware, filters, light bulbs and small repairs</i>							
8216	Equipment O/M/R Supplies	4,052	2,836	7,606	4,000	14,441	5,000	
	<i>Pump parts/Tubing/Hardware, Injectors, Roto meters</i>		-	1,623	2,000	2,008	2,000	
	<i>Confined Space Equipment</i>		-	-	-	-	2,500	For Manhole rehab - inflow & infiltration
	<i>Misc.</i>		-	2,754	-	-	500	
	<i>Lab Equipment</i>		-	2,263	2,000	1,922	-	
	<i>Jetter</i>		-	-	-	10,511	-	
8219	Sanitary Sewer O/M/R Supplies	4,993	2,047	1,684	5,000	5,000	5,250	
	<i>pump parts, fuses, fittings, pipe</i>		-	-	-	5,000	5,250	
8220	Sewer Plant Lab O/M/R Supplies	3,322	993	1,312	1,000	1,000	1,000	
	<i>lab supplies, distilled water</i>							
8223	Chemicals	10,436	14,900	14,843	14,870	15,633	17,110	Increase also based on increase in population
	<i>process chemicals</i>			2,473	2,500	2,673	2,760	
	<i>Solenis Annual (Polymer) \$2,295</i>			2,295	2,295	3,060	3,150	
	<i>Martelle (Alum) 6900 gal @ .15 per/lb, 11.1 lb/gal = \$11,488.5</i>			10,075	10,075	9,900	11,200	
8299	Commodities - NEC	-	-	-	200	-	100	
	<b>Total Commodities</b>	<b>24,296</b>	<b>20,868</b>	<b>25,812</b>	<b>26,070</b>	<b>36,450</b>	<b>28,960</b>	
							21,300	
<i>Contractual Service</i>								
8420	Sanitary Sewer System O/M/R	30,667	30,247	24,904	35,410	32,562	65,000	
	<i>Ditch/Pump station cleaning \$3,300</i>			3,235	3,300	785	3,500	
	<i>Lift Station Cleaning</i>			997	1,500	1,500	2,000	East Sewer added
	<i>Haul biosolids \$3,000</i>			3,315	3,400	4,449	5,750	Hauling further away & add'l biosolids from ES
	<i>SCADA \$3,000</i>			3,420	3,000	2,566	3,000	
	<i>Hach Annual Service (DO Probes) \$1,148</i>			1,148	1,200	1,160	1,200	
	<i>Generator Service &amp; Repair \$1,800</i>			-	1,800	1,757	1,800	
	<i>Equip &amp; pump repair</i>			7,421	9,210	17,015	16,200	East Sewer added
	<i>Annual Lab Equipment Certification</i>				-	709	800	
	<i>HVAC Repair &amp; Maintenance</i>				-	2,536	2,500	
	<i>Grout and Supplies for I &amp; I Sanitary Collection System \$750 x 35 manholes</i>		-	-	-	-	26,250	168 manholes in Turnberry are taking in storm water, estimated on average 100,000 gal/day
	<i>Misc</i>			2,554	2,000	86	2,000	

**Village of Lakewood**  
FY 2017/2018 PROPOSED BUDGET

Account Code		Fiscal Year Ending	Fiscal Year Ending	Fiscal Year Ending	Fiscal Year Ending	Ending	Ending	Comments
		April 30, 2014	April 30, 2015	April 30, 2016	April 30, 2017	April 30, 2017	April 30, 2018	
		Actual	Actual	Actual	Amended Budget	Estimated	Proposed Budget	
8439	Electricity	48,393	55,285	55,505	57,000	55,200	57,530	Addition of the Broadway Lift Station
	<i>WWTP - 861133048</i>					52,820	52,820	
	<i>Stonecastle - 0180149017</i>					727	727	
	<i>Dunhill - 5827011026</i>					742	742	
	<i>Lakewood - 94080029</i>					911	911	
	<i>lake/huntley</i>						550	
	<i>sunset</i>						320	
	<i>broadway lift station</i>						1,460	
8444	Water Testing Service	-	5,780	4,440	4,570	4,330	4,930	
	<i>IEPA testing requirements NPDES \$3,360</i>				3,360	2,895	3,360	
	<i>sludge 503 \$1,210</i>				1,210	1,210	1,210	
	<i>Carrier charge \$15 x 24 pickups = \$360</i>					225	360	<i>Carrier fee was not budgeted for, went into effect in August 2016</i>
8445	Natural Gas	5,162	4,776	2,505	4,500	2,866	3,500	
	<i>heating for WWTP</i>							
8492	Licenses & Permits	10,000	10,000	10,000	10,000	10,000	10,000	
	<i>annual IEPA fees</i>							
8499	Contingency	-	-	-	100	100	100	
	<b>Total Contractual Services</b>	<b>94,222</b>	<b>106,088</b>	<b>97,354</b>	<b>111,580</b>	<b>105,058</b>	<b>141,060</b>	
	<b>Total Sewer Division</b>	<b>118,517</b>	<b>126,956</b>	<b>123,166</b>	<b>137,650</b>	<b>141,508</b>	<b>170,020</b>	

**Fund Summary**

Carry Over from Prior Year	540,953	1,009,605	1,663,274	1,911,965	1,911,965	2,189,818	
Total Fund Revenue	1,214,776	1,117,397	1,263,652	1,233,661	1,283,174	1,613,980	
Equity Transfer in	-	100,000	250,000	100,000	100,000	100,000	
Total Fund Expenditures	1,029,009	1,064,436	1,116,599	1,148,912	1,105,321	1,599,485	
Audit Adjustments -- Cash to Accrual	282,885	500,708	(148,362)	-	-	-	
Restricted Funds - Utility Truck Replacement	-	-	-	-	-	-	
Restricted Funds - Debt Service Reserve	300,000	400,000	650,000	900,000	1,000,000	1,100,000	
Fund Carry Over or (Deficit) - Unrestricted Fund Equity	709,605	1,263,274	1,261,965	1,196,714	1,189,818	1,204,313	

# Memo

**To:** Honorable President and Board of Trustees  
**From:** Shannon Andrews, Interim Village Manager  
**CC:** Michael Smoron, Village Attorney  
**Date:** March 24, 2017  
**Re:** Fiscal Year 2017 – 2018 Budget Workshop #2, Lakewood Utilities  
Capital Improvement Fund

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The sole purpose of the Lakewood Utilities Capital Improvement Fund is to collect one time revenues (i.e. bond proceeds or connection fees) for capital expenditures in Lakewood Utilities and to fund debt service payments. This fund has no staff or operating expenses.

As has previously been discussed, the bond payments for the wastewater treatment plant begin to increase significantly in December of 2019 and are fully paid in December of 2034. Officials have been acutely aware of this situation and have diligently been setting aside revenues to pay down the principal in December of 2019 (the first opportunity to do so) in order to reduce the annual payments. Internally, our goal has been to set aside between \$1.5M and \$2.0M for this initial prepayment.

The following is a summary of highlights within this fund:

- Consistent with other line items throughout the budget, Sewer and Water Tap On fees are based on a total of sixteen (16) new single family homes on the west side of the Village. Tap on fees are not assessed for town home units built at The Highlands at RedTail since the costs were prepaid by a previous builder. The fees assume no rate increase in June.
- **Line Item 62-00-8435 Engineering Services** – In Fiscal Year 2016-2017, this line item included the final costs associated with the phase II engineering for the extension of utilities to the intersection of Route 47 and Route 176. These expenses are being presented to the Board as TIF eligible expenditures. If approved at the March 28, 2017 Board of Trustees meeting, the TIF fund would begin to reimburse for these expenditures as TIF funds are made available.

Fiscal Year 2017-2018 includes \$29,800 for engineering services associated with the painting of Water Tower 2 that was bid out and awarded to Jetco, Ltd. earlier this year.

- **Line Item 62-00-8660.064 Capital Improvements** – The budget includes \$212,500 for the painting of Water Tower 2. The project was bid and awarded to Jetco, Ltd. earlier this year. This tower was built in 2001 and was recently cleaned in 2014. A conditions report received upon completion of the cleaning confirmed that there are areas on the tower showing signs of corrosion that require attention. The painting of the tower would stall the natural corrosion process and ultimately extend the life of the tower. The project would include an exterior overcoat, interior (wet) coating system, and interior (dry) coating system.
- **Line Item 62-00-8991, Transfer to Lakewood Utilities O & M** – We are proposing to continue setting aside Restricted Funds for Debt Service Reserve in an amount of \$100,000. As previously discussed, the principal payments for the Series 2010 Bonds escalate beginning in 2019, which is the first year that additional principal can be paid.

**Village of Lakewood**  
FY 2017/2018 PROPOSED BUDGET

Account Code		Fiscal Year Ending April 30, 2014	Fiscal Year Ending April 30, 2015	Fiscal Year Ending April 30, 2016	Fiscal Year Ending April 30, 2017	Ending April 30, 2017	Ending April 30, 2018	Comments
		<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Amended Budget</i>	<i>Estimated</i>	<i>Proposed Budget</i>	
<b>LWU CAPITAL IMPROVEMENTS (62)</b>								
<b>REVENUE</b>								
3452	Sewer Tap On Fees	44,615	110,088	93,151	127,030	160,897	135,492	Assumes no rate increase in June
	<i>16 applicable housing starts</i>							
3453	Water Tap On Fees	32,297	119,610	101,309	138,020	167,064	148,013	Assumes no rate increase in June
	<i>16 applicable housing starts</i>							
3702	Interest Income	155	120	232	120	565	560	
	<b>Total LWU Capital Improvement Revenue</b>	<b>77,067</b>	<b>229,818</b>	<b>194,692</b>	<b>265,170</b>	<b>328,526</b>	<b>284,065</b>	
<b>EXPENDITURES</b>								
<i>Contractual Service</i>								
8435	Engineering Services	-	-	40,823	54,000	53,471	29,800	
	<i>Water Tower Painting</i>		-	-	30,000	-	29,800	
	<i>Well 1 Repair Review</i>		-	225	-	-	-	
	<i>Extension of Utilities - Phase I</i>		32,009	15,751	-	-	-	
	<i>Extension of Utilities - Phase II</i>		-	27,049	24,000	-	-	
	<b>Total Contractual Services</b>	<b>-</b>	<b>-</b>	<b>40,823</b>	<b>54,000</b>	<b>53,471</b>	<b>29,800</b>	
<i>Capital Outlay</i>								
8660.064	Capital Improvements	-	-	-	350,000	-	212,510	
	<i>water tower 2 painting</i>							
	<b>Total Capital Outlay</b>	<b>35,851</b>	<b>-</b>	<b>-</b>	<b>350,000</b>	<b>-</b>	<b>212,510</b>	
<i>Debt Service</i>								
8991	Transfer to Lakewood Utilities O & M	-	100,000	250,000	100,000	100,000	100,000	
	<i>transfer tap on fees for WWTP bond payment</i>							
8991	Transfer to TIF	-	-	-	-	53,471	-	
	<i>Extension of Utilities - Phase II</i>							
	<b>Total Debt Service</b>	<b>-</b>	<b>100,000</b>	<b>250,000</b>	<b>100,000</b>	<b>153,471</b>	<b>100,000</b>	
	<b>Total LWU Capital Improvement Expenditures</b>	<b>35,851</b>	<b>100,000</b>	<b>290,823</b>	<b>504,000</b>	<b>206,943</b>	<b>342,310</b>	



**Village of Lakewood**  
**FY 2017/2018 PROPOSED BUDGET**

Account Code	Fiscal Year Ending April 30, 2014	Fiscal Year Ending April 30, 2015	Fiscal Year Ending April 30, 2016	Fiscal Year Ending April 30, 2017	Ending April 30, 2017	Ending April 30, 2018	<i>Comments</i>
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Amended Budget</i>	<i>Estimated</i>	<i>Proposed Budget</i>	
<b><i>Fund Summary</i></b>							
Carry Over from Prior Year	66,080	73,774	203,592	143,058	143,058	264,641	
Total Fund Revenue	77,067	229,818	194,692	265,170	328,526	284,065	
Equity Transfer Out to O&M	-	100,000	250,000	100,000	100,000	100,000	
Total Fund Expenditures	35,851	-	40,823	404,000	106,943	242,310	
Audit Adjustments -- Cash to Accrual	(33,521)	-	35,597	-	-	-	
Fund Carry Over or (Deficit)	73,774	203,592	143,058	(95,772)	264,641	206,396	

# Memo

**To:** Honorable President and Board of Trustees  
**From:** Shannon Andrews, Interim Village Manager  
**CC:** Michael Smoron, Village Attorney  
**Date:** March 24, 2017  
**Re:** Fiscal Year 2017 – 2018 Budget Workshop #2, East Sewer Fund

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The East Sewer Fund is an enterprise fund of the Village of Lakewood. It provides sanitary sewer service to three hundred and twenty-nine (329) residents living in the original section (east side) of the community. With the completion of the East Sewer Project in October of 2016, the effluent from these homes is now being treated at the Village of Lakewood's wastewater treatment plant on Haligus Road. As such, Fiscal Year 2017-2018 will be the first year the operation and maintenance associated with the East Sewer has been combined into Lakewood Utilities Operating & Maintenance Fund. As a reminder, there are seven (7) homes on Meridian Street that currently receive water and sewage services from the City of Crystal Lake and will continue to do so.

Notable items from Fiscal Year 2016-2017 in the East Sewer Fund include:

- **80-00-8216 Equipment O/M/R Supplies** – Padlocks, bearing seals and a water pump kit were unbudgeted items purchased for the new lift station.
- **80-00-8219 Sewer System O/M/R Supplies** – Contractual Services line item 8420 was under budget due to staff performing repairs to manholes in-house. However, this required additional supplies to be purchased, which increased the expenditures within this line item. Overall savings was \$345.
- **80-00-8219 Chemicals** – This line item had not been previously budgeted for, but accounts for the chemicals necessary once the effluent was routed to Lakewood Utilities.
- **80-00-8433 Janitorial Services** – This line item has increased due to a rate increase from the janitorial contractor.
- **80-00-8490 Contractual Services NEC** – This line item includes the expenses related to mosquito abatement within the Wedgewood subdivision associated with the construction project.

## *Sewer Fund – IEPA Sanitary Sewer Improvement Project (80-21)*

Fiscal Year 2017-2018 is expected to be the final year with activity in this fund, as the final distribution will have been received from the IEPA and the associated project expenses will be paid in full. Repayment of the IEPA loan will now be included within Lakewood Utilities as the two funds are now combined.

- **80-21-3911 Bond Proceeds** – It should be noted that \$3,000,000 had been budgeted in Fiscal Year 2015-2016; however, funds did not begin to be distributed until Fiscal Year 2016-2017. As such, there is currently no revenue budgeted within this line item and will be need to be adjusted when the Village finalizes the budget amendments for Fiscal Year 2016-2017. To date, the Village has received \$1,951,752 in bond proceeds related to the IEPA loan for the East Sewer Project. The Village anticipates a final distribution of \$105,889 in Fiscal Year 2017-2018.

**Village of Lakewood**  
FY 2017/2018 PROPOSED BUDGET

Account Code	Fiscal Year Ending April 30, 2014	Fiscal Year Ending April 30, 2015	Fiscal Year Ending April 30, 2016	Fiscal Year Ending April 30, 2017	Ending April 30, 2017	Ending April 30, 2018	Comments
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Amended Budget</i>	<i>Estimated</i>	<i>Proposed Budget</i>	
<b>EAST SEWER (80)</b>							
<b>REVENUE</b>							
3580 Sewer Charges <i>city of crystal lake usage charges &amp; infrastructure support</i>	315,516	325,631	332,096	329,500	322,240	-	
3598 Penalties <i>late fees</i>	9,465	5,882	7,641	6,350	6,940	-	
3899 Miscellaneous Revenue <i>lien fees</i>	480	-	240	-	160	-	
<b>Total Sewer Revenue</b>	<b>325,462</b>	<b>331,513</b>	<b>339,977</b>	<b>335,850</b>	<b>329,339</b>	-	
<b>EXPENDITURES</b>							
<i>Personnel Services</i>							
8101 Salaries - Regular	28,575	36,160	36,982	24,425	17,967	-	
8103 Wages - Full Time	3,332	3,601	3,603	29,560	29,018	-	
8104 Wages - Part Time	2,343	6,718	4,490	2,560	2,202	-	
8161 FICA	2,417	3,386	3,262	4,325	3,666	-	
8162 IMRF	3,680	4,530	4,735	5,970	5,126	-	
8163 Health/Life Insurance	4,709	6,436	6,037	9,850	5,796	-	
8180 Worker's Comp. Insurance	796	766	1,251	1,150	1,130	-	
8181 Unemployment Insurance	197	151	99	170	80	-	
<b>Total Personnel Services</b>	<b>46,049</b>	<b>61,748</b>	<b>60,459</b>	<b>78,010</b>	<b>64,985</b>	-	
<i>Commodities</i>							
8201 Printing & Printed Material <i>check stock, letterhead, envelopes, utility bills</i>	448	503	423	500	417	-	
8202 Office Supplies <i>paper, ink &amp; cleaning supplies</i>	139	143	116	150	150	-	
8215 Vehicle O/M/R Supplies <i>repair parts</i>	-	-	342	300	216	-	
8216 Equipment O/M/R Supplies <i>pump, panel, jetter maint</i>	-	-	-	300	566	-	Padlocks, Bearing seals & Water pump kit

**Village of Lakewood**  
**FY 2017/2018 PROPOSED BUDGET**

Account Code	Fiscal Year Ending	Fiscal Year Ending	Fiscal Year Ending	Fiscal Year Ending	Ending	Ending	Comments	
	April 30, 2014	April 30, 2015	April 30, 2016	April 30, 2017	April 30, 2017	April 30, 2018		
	Actual	Actual	Actual	Amended Budget	Estimated	Proposed Budget		
8217	Grounds M/R Supplies				1,100	1,016	-	
	<i>dry well supplies on Broadway</i>							
8219	Sewer System O/M/R Supplies	96	-	56	500	555	-	Completed work inhouse - savings in 8420
	<i>manhole supplies, lift station maint</i>							
8223	Chemicals	10,436	-	-	-	970	-	East Sewer lift station not previously budgeted for
8225	Gas, Oil & Antifreeze	-	-	-	300	300	-	
	<i>for vehicle, equipment, generator</i>							
8226	Small Tools	-	-	82	100	100	-	
8251	Wearing Apparel	-	35	91	150	150	-	
	<b>Total Commodities</b>	<b>11,118</b>	<b>681</b>	<b>1,110</b>	<b>3,400</b>	<b>3,471</b>	-	

Contractual Service								
8401	Rental Equipment	-	-	-	200	-	-	
	<i>pump hoist, excavator</i>							
8403	Postage	1,550	1,600	1,764	1,600	1,565	-	
	<i>bills, late notices, AP</i>							
8415	Vehicle Maintenance & Repair	-	-	-	100	-	-	
	<i>repair parts and labor</i>							
8416	Equipment O/M/R	416	416	416	750	416	-	
	<i>repairs, postage meter rental</i>							
8420	Sewer System O/M/R	-	-	948	2,600	500	-	
	<i>grouting and adjusting manholes \$400</i>			-	400	-		Completed repairs in-house
	<i>lift station cleaning \$500</i>			428	500	500		
	<i>lift station repairs \$1200</i>			-	1,200	-		
	<i>misc repairs \$500</i>			520	500	-		
8433	Janitorial Services	715	790	800	800	831	-	Rate increase
	<i>weekly cleaning (shared w/ GF &amp; LU)</i>							
8434	Accounting & Auditing Services	2,909	2,903	2,853	3,000	3,000	-	
	<i>annual audit and contract accounting</i>							
8435	Engineering Services	149,660	10,925	-	-	-	-	
	<i>engineering assistance</i>							

**Village of Lakewood**  
FY 2017/2018 PROPOSED BUDGET

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	April 30, 2014	April 30, 2015	April 30, 2016	April 30, 2017	April 30, 2017	April 30, 2018		
	Actual	Actual	Actual	Amended Budget	Estimated	Proposed Budget		
8439	Electricity	917	731	849	1,000	969	-	Addition of the Broadway Lift Station
	lake/huntley			639	650	550		
	sunset			341	350	318		
	broadway lift station				-	874		
8440	Telephone	9,760			400	323	-	
8444	Water Testing Service	9,760	6,240	9,605	8,800	8,772	-	
	city of crystal lake wastewater discharge permit requirement final year							
8450	Legal Services	6,996	5,086	1,046	2,500	938	-	
	lien filing fees, general legal assist							
8455	Legal Notices & Advertisements	-	4,414	-	-	-	-	
8471	Liability Insurance	193	713	252	250	240	-	
8489	Sewer System Contract Pay	134,515	147,320	152,681	88,980	85,897	-	
	(7) months w/ anticipated 0% increase by CL							
8490	Contractual Services - NEC	510	362	1,051	2,000	2,308	-	
	JULIE			941	941	1,103	-	
	water			120	120	105	-	
	Misc					1,100	-	Subdivision
8499	Contingency	-	-	1,399	200	55	-	Water Bill Drop Box & Post
	<b>Total Contractual Services</b>	<b>317,901</b>	<b>181,500</b>	<b>173,664</b>	<b>113,180</b>	<b>105,814</b>	-	
<b>Debt Service</b>								
8700	Paying Agent Fees	-	2,250	-	2,250	1,500	-	
8701	Principal Payments	5,307	5,306	5,307	5,307	5,307	-	
	IEPA loan, last payment in 2030	5,307	5,306	5,307	5,307	5,307	-	
	IEPA loan, last payment in 2037	-	-	-	-	-	-	Have not yet received amortization schedule estimating payment for 4/21/17
	<b>Total Debt Service</b>	<b>5,307</b>	<b>7,556</b>	<b>5,307</b>	<b>7,557</b>	<b>6,807</b>	-	
	<b>Total East Sewer Expenditures</b>	<b>-</b>	<b>251,485</b>	<b>240,540</b>	<b>202,147</b>	<b>179,586</b>	<b>-</b>	

**Village of Lakewood**  
FY 2017/2018 PROPOSED BUDGET

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	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Amended Budget</i>	<i>Estimated</i>	<i>Proposed Budget</i>	
<b>SEWER FUND-IEPA Sanitary Sewer Improvement Project (80-21)</b>							
<b>REVENUE</b>							
3911 Bond Proceeds	-	-	-	-	1,951,752	105,889	\$3M had been budgeted in 2016
<b>Total Sanitary Sewer Revenue</b>	-	-	-	-	<b>1,951,752</b>	<b>105,889</b>	
<b>EXPENDITURES</b>							
<i>Contractual Services</i>							
8435 Engineering Services	-	15,070	75,094	190,643	216,116	17,680	
8455 Legal Notices & Newspaper Ads	-	-	4,414	-	-	-	
<b>Total Contractual Services</b>	-	<b>15,070</b>	<b>79,508</b>	<b>190,643</b>	<b>216,116</b>	<b>17,680</b>	
<i>Capital Outlay</i>							
8624 System Improvements	-	-	91,823	-	-	-	
<i>Meridian water main replacement per interim CL agreement \$90,585</i>							
8625 Sanitary Sewer Improvements	-	-	-	2,117,800	2,011,911	105,889	
<b>Total Capital Outlay</b>	<b>19,591</b>	-	<b>91,823</b>	<b>2,117,800</b>	<b>2,011,911</b>	<b>105,889</b>	
<b>Total Sanitary Sewer Expenditures</b>	<b>399,967</b>	<b>15,070</b>	<b>171,331</b>	<b>2,308,443</b>	<b>2,228,027</b>	<b>123,569</b>	
<b>Total Sewer Expenditures</b>	-	<b>266,555</b>	<b>411,871</b>	<b>2,510,590</b>	<b>2,407,613</b>	<b>123,569</b>	
<b>Fund Summary</b>							
Carry Over from Prior Year Plus Restricted Funds	158,972	102,961	272,556	201,205	201,205	74,683	
Total Fund Revenue	325,462	331,513	339,977	335,850	2,281,091	105,889	
Total Fund Expenditures	399,967	266,555	411,871	2,510,590	2,407,613	123,569	
Audit Adjustments -- Cash to Accrual	18,494	104,637	543	-	-	-	
Fund Carry Over or (Deficit) -	102,961	272,556	201,205	(1,973,535)	74,683	57,003	

# Memo

**To:** Honorable President and Board of Trustees  
**From:** Shannon Andrews, Interim Village Manager  
**CC:** Michael Smoron, Village Attorney  
**Date:** March 24, 2017  
**Re:** Fiscal Year 2017 – 2018 Budget Workshop #2, Refuse Fund

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The Refuse Fund is an enterprise fund that was established to account for residential refuse collection services and client billing, which is handled internally by staff and helps to reduce the overall costs for residents. The Village contracts for all residential collection services with a single carrier - MDC Environmental Services (MDC). The Village invoices residential clients for refuse services as a portion of their bi monthly utility bill. Commercial clients contract directly with a variety of refuse collection carriers.

In June of 2012, a six (6) year agreement was renegotiated with MDC. Per this agreement, there is an annual adjustment to the cost based on the Consumer Price Index (Midwest Urban Consumers). This figure has not yet been finalized, so a conservative increase of one percent (1.0%) is being added to the rate charged in the coming year. This figure may change for the final budget approval in April if a definitive figure is provided to the Village of Lakewood by MDC prior to that time.

Fiscal Year 2017-2018 is projected to end with a fund balance of \$31,401. This will provide a small reserve as the Village enters Fiscal Year 2018-2019, when the refuse contract will go out to bid.



**Village of Lakewood**  
FY 2017/2018 PROPOSED BUDGET

Account Code	Fiscal Year Ending April 30, 2014	Fiscal Year Ending April 30, 2015	Fiscal Year Ending April 30, 2016	Fiscal Year Ending April 30, 2017	Ending April 30, 2017	Ending April 30, 2018	Comments
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Amended Budget</i>	<i>Estimated</i>	<i>Proposed Budget</i>	
<b>REFUSE FUND (85)</b>							
<b>REVENUE</b>							
3590 Refuse Revenue	282,680	285,106	300,004	303,230	309,500	312,595	
<i>1,444 homes assumes 1% cpi increase</i>							
<b>Total Refuse Revenue</b>	<b>282,680</b>	<b>285,106</b>	<b>300,004</b>	<b>303,230</b>	<b>309,500</b>	<b>312,595</b>	
<b>EXPENDITURES</b>							
<i>Personnel Services</i>							
8101 Salaries - Regular	4,874	5,019	5,120	5,280	5,271	-	
8103 Wages - Full Time		-	-	-	-	5,450	
8161 FICA	436	367	370	405	387	417	
8162 IMRF	562	572	570	585	574	572	
8163 Health/Life Insurance	1,056	1,326	1,030	1,100	1,108	1,200	
8180 Worker's Comp. Insurance	62	188	163	115	110	120	
8181 Unemployment Insurance	45	11	12	50	15	10	
<b>Total Personnel Services</b>	<b>7,034</b>	<b>7,483</b>	<b>7,265</b>	<b>7,535</b>	<b>7,465</b>	<b>7,769</b>	
<i>Contractual Service</i>							
8450 Legal Fees	-	-	-	350	330	-	
8491 Refuse Removal	273,927	279,637	283,861	291,110	289,623	292,520	
<i>6 of 6 year contracted service for 1,444 homes, assumes 1% cpi adjustment</i>							
<b>Total Contractual Service</b>	<b>273,927</b>	<b>279,637</b>	<b>283,861</b>	<b>291,460</b>	<b>289,953</b>	<b>292,520</b>	
<i>Capital Outlay</i>							
8615 Computer Equipment & Software	-	2,408	-	-	-	-	
8620 Equipment	-	-	-	750	693	-	
<i>printer</i>							
<b>Total Capiital Outlay</b>	<b>-</b>	<b>2,408</b>	<b>-</b>	<b>750</b>	<b>693</b>	<b>-</b>	
<b>Total Refuse Expenditures</b>	<b>280,962</b>	<b>289,528</b>	<b>291,126</b>	<b>299,745</b>	<b>298,111</b>	<b>300,289</b>	

**Village of Lakewood**  
 FY 2017/2018 PROPOSED BUDGET

Account Code	Fiscal Year Ending April 30, 2014	Fiscal Year Ending April 30, 2015	Fiscal Year Ending April 30, 2016	Fiscal Year Ending April 30, 2017	Ending April 30, 2017	Ending April 30, 2018	<i>Comments</i>
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Amended Budget</i>	<i>Estimated</i>	<i>Proposed Budget</i>	

**Fund Summary**

Carry Over from Prior Year	(4,704)	1,507	(3,483)	7,706	7,706	19,095	
Total Fund Revenue	282,680	285,106	300,004	303,230	309,500	312,595	
Total Fund Expenditures	280,962	289,528	291,126	299,745	298,111	300,289	
Audit Adjustments -- Cash to Accrual	3,925	(568)	2,311	-	-	-	
Fund Carry Over or (Deficit)	939	(3,483)	7,706	11,191	19,095	31,401	

# Memo

**To:** Honorable President and Board of Trustees  
**From:** Shannon Andrews, Interim Village Manager  
**CC:** Michael Smoron, Village Attorney  
**Date:** March 24, 2017  
**Re:** Fiscal Year 2017 - 2018 Budget Workshop #2, Impact Fee Fund

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As was discussed at the March 14, 2017 Budget Workshop, the Village has seen a significant increase in building through the current year, largely due to interest in development on the west side and the Falcon Green townhomes. In the next fiscal year, the Village is planning conservatively for an additional sixteen (16) single family residences and nine (9) townhome units.

When the building permits are issued, the Village collects the following impact fees per Chapter 18, Section 13: School Impact Fee, Fire Impact Fee, Park Impact Fee and Municipal Facility Fee. Both the School Impact Fee and Fire Impact Fee are routed directly to the appropriate governmental units. The Village simply functions as a collecting and disbursing agent for those funds.

The Impact Fee Fund grows as repayments are made for internal loans. In terms of these internal loan repayments, please note the following:

- **Line Item 24-00-3710 Interfund Loan Receivable (Silt Project)** – Fiscal Year 2015 – 2016 was the final year of repayment of \$33,940 from Special Service Area (SSA) #1 for the silt removal project. However, RedTail Golf Club will continue to make payments of \$9,538 through 2026.
- **Line Item 24-00-3712 Interfund Loan Receivable (General Fund Annexation)** - Fiscal Year 2015 – 2016 is the final payment of \$21,740 from Planning and Zoning (General Fund) to the Impact Fee Fund for extraordinary expenses related to the 2010 annexation.
- **Line Item 24-00-3713 Interfund Loan Receivable (Splash Pad)** – Fiscal Year 2015 – 2016 was the final payment of \$17,500 from SSA #1 for repairs to the splash pad.
- **Line Item 24-00-3714 Interfund Loan Receivable (General Fund Litigation Settlement)** – Fiscal Year 2017 – 2018 will be payment 6 of 10 for \$34,555 for the fire litigation settlement.

The final repayments of these internal loans have significantly decreased the growth in the Impact Fee Fund. In addition, Taylor Morrison expects to have sold and built on the remainder of their lots by the end of this fiscal year. As such, growth in this fund will be significantly limited in future budget years.

**Village of Lakewood**  
**FY 2017/2018 PROPOSED BUDGET**

Account Code	Fiscal Year Ending April 30, 2014	Fiscal Year Ending April 30, 2015	Fiscal Year Ending April 30, 2016	Fiscal Year Ending April 30, 2017	Ending April 30, 2017	Ending April 30, 2018	Comments
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Budget</i>	<i>Estimated</i>	<i>Proposed Budget</i>	
<b>IMPACT FEE FUND (24)</b>							
<b>REVENUE</b>							
3441	Park/Open Space Fee	-	7,962	15,849	16,000	7,637	8,563
	<i>Falcon Greens - 9 units @ \$567</i>				5,161	5,103	
	<i>Misc. 4 @ \$865</i>				2,476	3,460	
3445	Municipal Facilities Fee	819	2,617	1,547	1,500	7,250	6,250
	<i>Falcon Greens - 9 units @ \$250</i>				2,250	2,250	
	<i>Taylor Morrison - 12 SFR @ \$250</i>				4,250	3,000	
	<i>Misc. 4 @ \$250</i>				750	1,000	
3702	Interest Income	1,425	1,460	778	4,500	4,500	4,500
3710	Interfund Loan Receivable - Silt Project	15,898	43,478	45,928	9,538	9,538	9,538
	<i>last payment for RedTail in 2026</i>						
3712	Interfund Loan Receivable - General Fund Annexation	21,740	20,692	21,210	-	-	-
	<i>payment 5 of 5</i>						
3713	Interfund Loan Receivable - SSA 1 Splashpad	17,750	17,750	17,500	-	-	-
	<i>payment 4 of 4</i>						
3714	Interfund Loan Receivable - General Fund Litigation Settlement	34,335	34,355	34,355	34,355	34,355	34,555
	<i>payment 6 of 10</i>						
3800	Annual Fee - Ozinga Gravel	4,817	4,877	4,895	4,900	4,900	4,900
3899	Miscellaneous Income	2,902	5,138	7,071	-	-	-
	<b>Total Impact Fee Revenue</b>	<b>103,464</b>	<b>138,329</b>	<b>149,133</b>	<b>70,793</b>	<b>83,067</b>	<b>83,119</b>

**Village of Lakewood**  
**FY 2017/2018 PROPOSED BUDGET**

Account Code	Fiscal Year Ending April 30, 2014	Fiscal Year Ending April 30, 2015	Fiscal Year Ending April 30, 2016	Fiscal Year Ending April 30, 2017	Ending April 30, 2017	Ending April 30, 2018	Comments
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Budget</i>	<i>Estimated</i>	<i>Proposed Budget</i>	
<b>EXPENDITURES</b>							
8990.01 Transfer to General Fund		-	42,660	16,000	7,637	8,563	To be applied to park/open space expenditures w/in GF
<b>Total Expenditures</b>	-	-	<b>42,660</b>	<b>16,000</b>	<b>7,637</b>	<b>8,563</b>	
<b>Total Impact Fee Expenditures</b>	-	-	<b>42,660</b>	<b>16,000</b>	<b>7,637</b>	<b>8,563</b>	

**Fund Summary**

Carry Over from Prior Year (Cash & Equiv.)	1,276,356	1,111,906	1,271,741	1,268,125	1,322,918	1,398,348	
Total Fund Revenue	103,464	138,329	149,133	70,793	83,067	83,119	
Total Fund Expenditures	-	-	42,660	16,000	7,637	8,563	
Audit Adjustments -- Cash to Accrual	(267,914)	21,506	(110,089)	-	-	-	
Fund Carry Over or (Deficit)	1,111,906	1,271,741	1,268,125	1,322,918	1,398,348	1,472,904	