

**VILLAGE OF LAKEWOOD  
BUDGET WORKSHOP #2 MINUTES  
MARCH 22, 2016**

The Budget Workshop #2 was called to order by President Smith at 6:05 p.m. at RedTail Golf Club. Present were Trustees Davis, Furey, Iden, Santowski, and Serwatka. Trustee Thomas was absent. Also present were Village Manager Catherine Peterson; Village Clerk Janice Hansen; Village Treasurer George Roach; Deputy Village Manager Shannon Andrews; Chief of Police Leigh Rawson; and a member of the public.

Village Manager Catherine Peterson gave an overview of the proposed budget. The funds for this Workshop rely primarily on property taxes, state pass through revenues and utility taxes. Licenses, fees, and fines are secondary sources of revenue for these funds.

**GENERAL FUND:** The primary sources of revenue for departments within this Fund include property taxes, state pass through revenues, licenses, and utility taxes/fees/fines/other. Property taxes are the most stable source of Village revenues. Property taxes are expected to increase by approximately 2% for Fiscal Year 2016/2017 due to new home construction. Projections show a surplus at year end of approximately \$80,000 in the General Fund. Also noted was an increase in property taxes collected for *Public Safety* which more accurately reflects the cost of providing these services to the Village.

FINANCE AND ADMINISTRATION/ELECTED OFFICIALS: Notable highlights include: *Printing/Printed Meter* is over budgets due to unanticipated communications mailed to residents. *Computer Services* allocation for IT Support, licensing for Fund Balance software, and internet service has been adjusted for all departments and funds. Also, the use of cloud based on backup services provided by Leading IT. *Copier Service* is over budget due to the elimination of the copier in the Police Department which increased demand on the Village Hall copier. *Telephone* reflects a decrease due to lower rates. *Legal Services* is over budget as the result of a number of large projects and issues requiring legal input. This will be increased in the coming year. *Private Property Maintenance* will be moved to Public Properties which is responsible for processing property maintenance violations. *Contractual Services NEC* is under budget due to the unanticipated need to change the location of Board meeting during winter months. *Marketing/Business Development* which captured expenses related to Celebrate Lakewood will be transferred to *Community Affairs*. *Community Affairs* include \$2,400 in expenses related to Celebrate Lakewood and funds for employee recognition and business meetings. *Computer Replacement & Software* includes \$6,500 for the replacement of the Village's server and \$550 for a replacement workstation.

Approved as submitted.

PUBLIC SAFETY: The Department experienced significant changes this year; including the retirement of two Police Officers and the transition of fire protection and rescue services. Notable highlights include: *Patrol Revenue* during 2016 the Village was advised by the CCAPOA that it would not require Police Department enforcement. *Court Fines* is estimated to be about \$1,200 under budget due to the focus on traffic safety, directed patrols and emphasis on truck enforcement. *DUI Fines* IDOT DUI grant was approved and staff could not justify paying overtime without reimbursement assurance. Staff will pursue a grant in the future if conditions at the State level warrant. *Sale of Assets* a police squad was sold as part of the fleet rotation. The fleet will remain four marked squads and one unmarked. The increase of Sale of Assets for this fiscal year is a result of Fire Department equipment sales and additional equipment sales in FY 2016/17. *Wages Full Time* will be decreased due to two senior officers retirement and two new officers' wages at entry level pay. *Wages Part Time* show a reduction in part time wages due to the reduction of hours from administrative assistant with an increase in part time wages for next fiscal year to

Budget Workshop #2 Minutes

March 22, 2016

Page Two of Four

cover 8 hours per week for part time patrol to allow two officers working during peak hours. *Overtime* is over budget by \$5,260 due to the illness and retirement of one officer and working short handed for six months. *Radio O/M/R* shows an increase for the purchase of new batteries for portable radios. *Wearing Apparel* will increase with the hiring of two new officers. *Investigation Supplies* increased for the purchase of two new digital cameras for evidence and booking procedures. *Equipment O/M/R* is over budget due to the purchase of a set of used portable scales for use in truck overweight enforcement. *Telephone* is over budget and reflects an increase due to the reallocation of Police Chief's phone line from Lakewood Utilities to the Police Department. *Dispatch Services* SEBCOM anticipates an increase of 4.7%. *Communication Services* due to the installation of Comcast at no charge, there will no longer be a fee for the DISH Network. *Fire Protection Services* is decreased due to the expiration of the contract with Woodstock Fire Protection District and entering into a new agreement with the City of Crystal Lake. *Professional Development/Training* is over budget due to advertising for two law enforcement positions. Staff is in the process of creating a consortium with local police departments in lieu of paying for NEMRT which will increase the level and consistency of training which reducing costs. *Equipment* includes the cost of transferring equipment from the old squad to the new squad and replacing the 25 year old radar. *Vehicle* shows the purchase of a new squad and the retirement of an old squad. *Principal and Interest Payments* reflects the payment for fire equipment (\$42,120) which will be completed in December of 2017.

Approved as submitted.

PLANNING AND ZONING: Notable highlights include: *TIF Tax Receipts* revenues will not be realized until Fiscal Year 2016/2017. *Impact Fund Repayment* includes the fifth and final repayment for extraordinary expenses related to the annexation in 2010 was made to the Impact Fee Fund in the current fiscal year.

Approved as submitted.

PUBLIC PROPERTIES: Notable highlights include: *Part Time Wages* is under budget due to the elimination of the public works administrative assistant position. *Over Time* is under budget due to a mild winter. *Physicals/Drug Testing* is reduced due to securing a provider with lower rates. *Street M/R Supplies* has increased to cover paint needed for roadways with thermoplastic striping that requires maintenance. *Street Lights M/R Supplies* includes \$1,600 for the replacement of ten aging street light globes. *Vehicle O/M/R* has increased by \$3,000 to cover the cost of new hydraulic hoses for each of the three plow vehicles. *Equipment O/M/R* includes an increase in cost of maintaining aging equipment. *Snow & Ice Control Supplies* includes funds for the purchase of an additional 360 tons of salt. *Street M/R* include the cost for the Lake Ave/Lakewood Road construction project of approximately \$250,000. The Village is working with City of Crystal Lake and Grafton Township to repair two roadways at a reduced cost which include \$14,520 to repair the southern portion of Meridian; the northern portion of Meridian at \$24,240 and repairs to Chicago Avenue at approximately \$10,000. Also included in this line item is \$100,000 for Fiscal Year 2017/2018 for Pheasant and portions of Wiltshire, Warwick, Cumberland, Oxford and Essex. *Building Maintenance and Repair* is over budget due to \$2,859 in emergency repairs to the Village's aging phone system. *Vehicle Maintenance and Repair* includes \$2,700 for engine repairs to the 2006 Ford pickup. \$50,000 is being set aside for the future replacement. *Equipment O/M/R* includes \$1,000 for new bushings on plow trucks. *Grounds Maintenance & Repair* includes \$14,500 for controlled burns of wetlands. *Computer Services* includes allocation costs for IT Support, licensing for Fund Balance software, and internet service. *Engineering Services* includes approximately \$162,400 for

Budget Workshop #2 Minutes  
March 22, 2016  
Page Three of Four

the Federal portion of the engineering expenses on the Lake Ave./Lakewood Road construction project. *Legal Services* is over budget due to attorney review of stormwater management ordinance and right-of-way dispute. *Property/Liability Insurance* has increased due to a change in the allocations by department. *Private Property Maintenance* has been relocated to Public Properties as they manage enforcement of private property maintenance. *Contractual Services NEC* increased due to the cost of JULIE notifications. There has been an adjustment with the expected cost decreases. *Equipment* includes \$6,800 to replace the aging phone system at Village Hall. \$7,500 is included for the purchase of a replacement mower. *Vehicles* include \$50,000 which is being set aside to assist in offsetting the future cost of a truck.

Approved as submitted.

**BUILDING DEPARTMENT:** Staff is anticipating fifteen single family residences, fourteen townhome units and one hundred and seventy miscellaneous building permits with an anticipated \$82,395 in building permit revenue. Notable highlights include: *Stormwater Management Permits* include fifteen single family residences, four townhome buildings and two swimming pool permits for a net of \$630. *Architectural Review Fees and Costs* include reviews for five single family residences and six small projects for a net of \$740. *Wages Part Time* reflects increase of hours of the building inspector from 20 to 25 hours per week. *Printing/Printed Materials* includes the purchase of 2015 International Code Council Code Books. *Vehicle Maintenance & Repair* includes funds for oil changes, new battery/alternator and stabilizers for the building inspector vehicle. *Computer Services* include allocation costs for IT Support, licensing for Fund Balance software, and internet service. *Legal Fees* have been relocated to Public Properties. *Dues & Subscriptions* include \$180 in dues for ICC. *Professional Development/Training* includes \$1,110 to cover the cost of required Continuing Education Units provided by the ICC.

Approved as submitted.

**TAX INCREMENT FINANCING DISTRICT (TIF):** State statute requires that a separate fund be created to track the source and use of TIF funds.

Approved as submitted.

**MOTOR FUEL TAX (MFT):** Notable highlights include: \$40,000 for Phase II engineering for the Lake Avenue construction project which is another STP grant project planned for Fiscal Year 2017/2018. \$34,500 for design engineering on Pheasant, Wiltshire, Warwick, Cumberland, Oxford and Essex for Fiscal Year 2017/2018.

Approved as submitted.

**SPECIAL SERVICE AREA FUNDS:** All Funds approved as submitted.

**SPECIAL SERVICE AREA #1 (TURNBERRY):** Fiscal Year 2015/2016 was the final year for SSA#1. SSA#8 was created for the maintenance of the Turnberry Lakes. With the creation of SSA#8, approximately \$31,000 of unbudgeted legal expenses were incurred. The following are highlights to SSA#1: *Miscellaneous Income* is under budget because the revenues from the sale of surplus equipment were realized in Fiscal Year 2014/2015 and not the current fiscal year. Final payments to the Impact Fee

Budget Workshop #2 Minutes  
March 22, 2016  
Page Four of Four

Fund for silt removal and repairs to the splash pad have been made. Current budget contemplates an unexpected expenditure of \$9,000 to purchase the aeration system.

SPECIAL SERVICE AREA #2 (BRIGHTON OAKS): \$1,000 will cover the cost of electricity for streetlights within the subdivision.

SPECIAL SERVICE AREA #3 (WESTLAKE WOODS): \$12,500 has been budgeted for maintenance of public areas and contract mowing of the detention ponds and the remainder reserved in Restricted Funds for sanitary sewer replacement.

SPECIAL SERVICE AREA #4 (HIDDEN LAKES): \$5,060 has been budgeted for the eventual replacement of the "V" curb within the subdivision.

SPECIAL SERVICE AREA #5 (THE RESERVES): \$1,500 has been budgeted for public improvements. A nominal amount has been set aside for *Legal and Contractual Services*.

SPECIAL SERVICE AREA #6 (CAMBRIA): \$500 has been budgeted for public improvements.

SPECIAL SERVICE AREA #7 (WOODLAND HILLS/AUTUMN RIDGE): \$200 has been budgeted for public improvements and a nominal amount has been set aside for *Legal and Contractual Services*.

SPECIAL SERVICE AREA #8 (TURNBERRY LAKES): Notable highlights include: *Lake Treatment* \$30,000 for a three year agreement with Environmental Aquatic Management for lake treatments. *Ground Maintenance* pays for the mowing of the public access areas on Turnberry Lakes. *Electricity* covers the cost to run the aeration system through all lakes. *Contractual Services* pays for the installation and removal of the pier.

President Smith commented that this was not an easy budget and thanked all staff for their efforts.

With nothing further to discuss, Trustee Furey, seconded by Trustee Iden, moved to adjourn the Budget Workshop #2 Meeting. Voice Vote: All Ayes. Motion declared carried. The Workshop adjourned at 6:56 p.m.

Janice S. Hansen  
Village Clerk

Approved: \_\_\_\_\_ Dated: April 12, 2016