

These minutes were accepted by the Board of Trustees at its November 10, 2008 Committee of the Whole Meeting with the following change: Page 4, Tab O, First Line, "...Village Manager Irvin did not **make** transfers out..."

2.1

**MINUTES**  
**SPECIAL COMMITTEE OF THE WHOLE BUDGET MEETING**  
**Wednesday, October 29, 2008**

Present:

Trustee Brandt (Arrived 7:10 pm)	Trustee McDonough	Trustee Saltiel
Trustee Servi	Trustee Walder	Trustee Walrath
Mayor Blomberg	<del>Village Clerk Mastandrea</del>	Village Manager Irvin
Dep. Village Clerk Marshall	Dev. Manager McNellis	Dir. of P.W. Hughes
Chief of Police Melvin	Village Treasurer Curtis	Director of Fin. Systems Roelker

Location: Village Hall, Community Room, One Olde Half Day Road, Lincolnshire, Illinois 60069.

**ROLL CALL**

Mayor Blomberg called the meeting to order a 7:05 p.m. and Deputy Clerk Marshall called the roll.

**ITEMS OF GENERAL BUSINESS**

Finance & Administration

**2.11 Workshop concerning the FY 2009 Budget (Village of Lincolnshire)**

Village Manager Irvin advised that the Board was provided with a budget with a similar format as in previous years.

Tab A This section contains summary numbers and a few of the broader changes followed by a number of requests and some proposed policy changes. We received three requests from the Lincolnshire Chamber of Commerce, LCA and the Lake County Convention Bureau.

There is a memo from Director of Financial Systems Roelker detailing requests for three potential changes that are in the Village Code and require an Ordinance to change them. It deals with petty cash, purchase orders and sealed bid dollar levels. They have not been changed in many years. The Board agreed with these changes.

**Financial Summary**

The section under Financial Summary pulls together all the funds by revenues and

expenditures.

## **General Fund**

### Tab B Taxes

Each year the staff provides the Village Board with other tax revenue options. There is a cover sheet that provides the Board with changes that have occurred and provided some history and alternative revenue sources. The changes from last year include adding municipalities that have adopted Home Rule/Non-Home Rule Sales Taxes, Telecommunication Tax, and Municipal Food Beverage Tax which is a fairly new tax. He was not suggesting that we add any of these.

Information regarding a reconstruction loan for Schelter Road, and use of General Fund reserves was discussed.

Staff recommends utilizing \$1,153,600 in General Fund reserves which are split between a one year loan of \$750,000 to the TIF Fund at 4% interest and \$403,600 used to fund General Fund Capital Improvements in 2009.

Trustee Saltiel said in the General Fund we projected real estate transfer taxes at 50% of a normal year. Village Manager Irvin said he projected \$15,000 more than this year. Trustee Saltiel said that he would budget what we get this year. Treasurer Curtis said he would do the same with sales tax. Trustee Walder said the hotels are "in the tank", and he felt that number was high. Trustee Saltiel felt we should budget with '08 estimates and the best thing that can happen is we wind up with more money. Village Manager Irvin said that on any of these tax revenues we can make them match the revenues from 2008.

There was a question raised that the '06-'07 actual in the 2008 budget is not matching with the '06-'07 actual in this 2009 budget. Village Manager Irvin said that the number in the 2009 budget should be correct, but he will check this out.

There was a discussion regarding the automated red light traffic enforcement program and monies that may come in from that program.

The cost of the Shelter Road project was discussed and how to finance it.

### Tab C Executive Services.

No significant changes.

### Tab D Finance

\_\_\_\_\_ No significant changes.

### Tab E Legal

Prosecution services increased by \$4,000. Trustee Saltiel felt that this amount could be dropped. Village Manager Irvin said it is a difficult fund to estimate what it will cost.

Tab F Police

\_\_\_\_\_ There is a reduction due to the crossing Guard Services now being handled by #103.

Tab G Community Development

There are two changes - 1) is a request for a consultant to amend the Zoning Code, and 2) reflects \$5,000 increase to the Lake County Convention and Visitors Bureau.

There was a discussion regarding the donation to the Lake County Convention and Visitor's Bureau. It was decided that the Board will come back to this later in the process.

There was a discussion that some residents are concerned regarding the length of time it takes to get plans reviewed. It was suggested that an article be put in the newsletter describing how the process works and what is to be expected. Village Manager Irvin said that Trustee Walder suggested giving a satisfaction survey to the residents and the contractors. Village Manager Irvin felt it would be better to give it to the residents. Trustee Brandt suggested that the process be reviewed. Perhaps a packet should be given to the residents as to what they should expect. We need to give more details to the homeowners. She also suggested having the homeowners email address on applications.

Tab H Forestry

\_\_\_\_\_ There are two requests - 1) a request for a summer intern, and 2) increasing the scope of Gypsy Moth Spraying. There was a discussion regarding educating the residents regarding the gypsy moth. Forester Gliot will be having a meeting with residents to educate them regarding these concerns.

Tab I Insurance/Common Expenses

This account reflects a decrease due to a new four tier health and dental insurance pool and General Insurance decrease due to a better insurance market.

Tab J Public Works - Administration

The increase covers overtime salaries due to the reorganization of the Department in 2008 which increased the fund by 4.1% higher for total salaries and increase to Director of Public Works and Engineering Supervisor's car allowance by \$75/month to \$375.

Tab K Public Works - Streets

There is a memo regarding the fact that in 2008 we are over budget by \$52,000 due to a significant price increase in rock salt. Staff is recommending increasing the 2009 budget by \$47,000. Staff is recommending an increase of \$14,000 to fully fund the Fall Brush Pick-up program; an increase of \$40,000 for contractual street sweeping, and an increase of \$6,000 for pavement repairs.

Tab L Public Works - Parks and Grounds

Maintenance will be higher (about \$20,000) next year due to increased landscaped areas. Village Manager Irvin said the Public Works staff is about two-thirds of the way along regarding the replacement of street lights, and they came up with a new bracketing system to hold the wood off the concrete, which should make them last longer.

Director of Public Works Hughes advised that there is a deer problem toward the south end of town near Ryerson. Staff will meet with the DNR and they will recommend culling the deer in that area.

Tab M Recreation

The biggest item is Outside Services. We will continue to increase our Recreation revenues for programming since the programs are contracted out. This also covers the LCA 4<sup>th</sup> of July Event, the Chamber, and the Memorial Day Ceremony. The Board received a copy of the Financial Report from the Chamber regarding the Taste of Lincolnshire.

Tab N Buildings

\_\_\_\_\_ There are some outside services changes. There is a decrease in minor equipment as the "space study" will be completed.

Tab O Capital Debt

Because it was a leaner year, Village Manager Irvin did not **make** transfers out to the E-911 or the Police Pension Funds. We have paid the utility debt in the Water & Sewer Fund. There is also that one year loan. Added here is the Schelster Road reconstruction loan. He said the land line dollars continue to shrink. The wireless has gone up but it is staying steady, but our expenses aren't going down. There was a discussion to increase the Telecommunication tax as a way to fund the E-911 on an annual basis.

**Water & Sanitary Sewer Funds**

Tab P Water & Sewer Operating Fund

\_\_\_\_\_ Village Manager Irvin advised that the water rate increase will be fairly small - 2.6%. Lake County will increase the water rate by 26% on March 1, 2009, and the Village cannot absorb it. Residential bills will increase. There should be a newsletter article in advance so that residents know about it.

Tab Q Water & Sewer Operating-Administration

Insurance costs, Vehicle Maintenance and E-911. Those expenses are percentages.

Tab R Water & Sewer Operating-Operations

The increases are specified. There is a memo from Village Manager Irvin recommending we transfer \$700,000 to the Water & Sewer Improvement Fund for capital projects. The estimated reserve of \$1,189,000 at the end of FY 2009 would still exceed the 25% or \$1 million.

Tab S Water and Sewer Improvement Fund

The Board discussed the connection fees.

**Other Funds**

Tab T Motor Fuel Tax

The revenues are up due to the Special Census projecting three months at old MFT rates and nine at new rates.

Tab U Police Pension Fund

\_\_\_\_\_ Village Manager Irvin said the recommendation from the actuary shows a substantial increase of 36%. The good news is that the funded ratio is to 80%, but to maintain that, the actuaries are recommending a sizeable increase in the funding level. He distributed the attached chart to the Board. The reasons why there is such a big difference is that IMRF is a multi-billion dollar fund as opposed to the local police pension which has 25 members and five retirees. Police officers can retire after twenty years. Their pay is based on their salary the year they retire. The IMRF employee's salary is based on the average of their last four years. The money comes from the tax levy. This is the Village's contribution, not the employees. Trustee Saltiel asked to find out what this will cost the homeowners.

Tab V IMRF Fund

\_\_\_\_\_ There is a 10% increase in IMRF.

Tab W Vehicle Maintenance Fund

The biggest change in this fund is the change in fuel costs.

Tab X Tax Incremental Finance District

An updated Proforma was provided. The only change is on line 5. That penalty fee is now \$160,000.

Tab Y E-911 Fund

The biggest change in expenses is our phone system warranty is over.

Tab Z Park Development Fund

Bike paths were discussed.

**New Business/Old Business**

Village Manager Irvin advised that there is an Executive Session that has to be held prior to the approval of the budget.

**ADJOURNMENT**

Trustee McDonough moved and Trustee Brandt seconded the motion to adjourn. The voice vote was unanimous and Mayor Blomberg declared the meeting adjourned at 9:15 p.m.

Respectfully submitted,

**VILLAGE OF LINCOLNSHIRE**

Carol S. Marshall  
Deputy Village Clerk