

MINUTES OF THE SPECIAL MEETING OF THE NEW LENOX
VILLAGE BOARD OF TRUSTEES

New Lenox Village Hall, 1 Veterans Parkway

Thursday, March 29, 2012 6:30 P.M.

SP # 12-01

CALL TO ORDER

The Special Meeting of the New Lenox Village Board of Trustees was called to order by Mayor Baldermann at 7:00 p.m. for the purpose of discussion of the proposed Comprehensive Annual Budget for the Fiscal Year 2012-2013.

ROLL CALL

Upon Roll Call by the Village Clerk, the following members of the corporate authorities answered "Present" or "Here":

Trustees Bowden, Dye, Tuminello, Butterfield, Madsen and Mayor Baldermann

Those absent were:

Trustee Smith (arrived at 6:42 p.m.)

QUORUM

There being a sufficient number of members of the corporate authorities in attendance to constitute a quorum, the meeting was declared in order.

OTHER OFFICIALS IN ATTENDANCE

Village Engineer Will Nash, Building & Zoning Administrator Warren Rendleman, Police Chief Bob Sterba, Village Clerk Laura Ruhl, Public Works Superintendent Ken Brozovich, Assistant to the Administrator Carol Hennessy, Finance Director Kim Auchstetter; Planning & Development Administrator Robin Ellis, Village Administrator Kurt Carroll and Director of Operations Ron Sly. Also in attendance was Deputy Chief Robert Pawlisz

BUDGET DISCUSSION

Finance Director Kim Auchstetter provided a PowerPoint presentation of the proposed budget for the Village Board and department heads.

Finance Director Kim Auchstetter reviewed the proposed budget for the upcoming fiscal year with the Village Board, highlighting the tables and statistical information found within. She reported that the April 30, 2012 fund balance is projected to be \$24,375,704. Total expenditures

in FY 2012-2013 is \$95,600,283 of which \$7,609,973 is fund to fund transfers, \$30,000,000 is related to Cedar Crossings public improvements and \$24,000,000 is for the new Police Station, Public Works building and Nelson Road extension. The projected April 30, 2013 fund balance is \$22,632,689. The Village is living within its means. Ms. Auchstetter briefly explained the various revenue sources. She stated the new utility tax and sales tax goes towards funding our capital projects, which the new revenue is projected to be \$3.6 million. Mr. Carroll added of the new revenue sources \$800,000 will go to road projects. This money will supplement our current MFT Program; therefore the Village is able to begin our new road program a full year ahead of schedule. Mr. Carroll reported that new equipment is also included in this year's budget; \$70,000 is budgeted for the New Lenox Town Center Master Plan, this plan looks at the area between Nelson Road and the Commons south of Route 30. Mr. Carroll reported that these new revenue sources will be paying back the general fund for vehicle stickers. He noted that \$1.85 million of the new revenue is budgeted for the engineering, attorney's fees, furniture, phones and equipment for the new Police Station and Public Works facility, along with engineering and right-of-way for the Nelson Road extension, which will all begin this year. And 675,000 of this will include replacing a number of outdated Public Works trucks. Trustee Bowden raised the question about a rolling stock program in which Mr Carroll reported the Village will be restarting its rolling stock program.

Mayor Baldermann noted that the Board made a promise to the residents that it would use the new revenue sources for an enhanced street program which was projected to begin in 2013, adding, we can now move ahead with that program in 2012. The second goal of the Board was to bond as little as possible for the new Police and Public Works facilities, and by using these new revenues for many of those soft costs we are able to achieve that. Trustee Bowden noted that this proves that we are not cutting down on services even though we eliminated vehicle stickers. Mayor Baldermann stated that the Village collects only the money needed to provide the best services to our residents; whatever we don't need we give back to our residents in the form of the property tax rebates. In addition, Mayor Baldermann reported that the Village will still have its three month reserve. Trustee Butterfield noted that it is a municipality's goal to have a three month reserve. There are other towns surrounding us that don't.

Mr. Carroll noted that the Village will also be buying new equipment. Two leaf vacuums which will provide a new service for our residents and a mud-jacker for leveling sidewalks. The Board briefly discussed the proposed new leaf collection program. Mr Carroll reported that he has run successful leaf collection programs in other communities. He added there are methods of disposing of the collected leaves that do not present a hardship to the Village. Mayor Baldermann noted that leaf programs are some the most popular programs in other municipalities.

Ms. Auchstetter reviewed the major projects in the capital program. She reported that \$24 million will fund three construction projects; the Police Department at 10.5 million, the construction of the Public Works facility at 9.5 million, and the Nelson Road extension at 4.0 million. Additional FY 2013-2013 projects included in the budget are WWTP #1 nutrient removal, WWTP #2 anti-degradation assessment, completion of the water main extension from Cedar Road to Route 6, Prairie Road water main replacement, and Cedar Crossing Mall

infrastructure improvement's. Ms. Auchstetter reiterated that the Village reached its goal of maintaining a 3½ month operating reserve in its general fund.

Trustee Dye questioned the projected State and Income Use and Tax receipts. She asked how is it that we are projected to receive \$75 thousand dollars more. Ms. Auchstetter answered that it's just a matter of timing. Trustee Dye also questioned why our telecommunications tax is projected to decrease. Ms. Auchstetter reported that unlike the prior two taxes we receive, this tax is monthly and is based on our resident's telecommunications bills.

Ms. Auchstetter reported the expenditures and the general fund are increasing due to new personnel. The Village will hire three new Street Department Laborers (one at mid year), convert one front window Clerical from part-time to full-time and budget for the Human Resource Director for the entire year.

Ms. Auchstetter reported that she will continue to monitor our revenue and expense assumptions. She said projection for this budget year will be 65 single family home permits, the medical building to be built out and continued Route 30 commercial projects. She said she assumes that our property tax rebate will be at a 75% participation rate and that there will be one commercial development this year. Ms. Auchstetter reported that the Village will continue to monitor very closely its sales tax income and use tax which makes up 55% of the general fund revenues. Ms. Auchstetter reported that the Village is getting more diversified in its revenue sources, which is good because if the State decides to decrease its share of State income tax the Village will not be as severely impacted as in other towns. She stated the expenditures include the property tax rebate, the personnel additions, equipment replacements (23 office computers), salaries are 2½%, employee education and training and the wellness program included in the general fund.

Trustee Dye questioned staff on the how our insurance rates can be tied to the proposed budgeted Wellness Program

Mr. Carroll reported that this historically happens when a municipality implements a wellness program. He added it will see a decrease in its health related expenditures.

Ms. Auchstetter reported the Triple Play Concert Series and the County in the Commons along with all Commons event revenues are expected to cover all their expenses, in addition we are seeking additional sponsors.

Ms. Auchstetter reported the budget for this year's MFT Program is just under \$1.5 million of which \$1.1 million is for resurfacing, the balance is commodities such as salt.

Ms. Auchstetter stated we requested that Metra allow the Village to increase the daily parking fee from \$1.00 to \$1.25 and at this time have not yet heard a commitment from them. Mr. Carroll reported that he had gotten a verbal accepting for the increase. He stated that Metra understands that the cost of maintaining the commuter lots have gone up. Ms. Auchstetter went on to say that the increase will cover the expenses annually and the fees will be reviewed throughout the year to see if another increase is necessary. She said the goal is to set aside \$57,500 annually for future resurfacing. She added that an increase may not be necessary if the ridership increases.

Ms. Auchstetter next went on to discuss the sewer and water funds. Regarding the sewer funds the operating revenues are covering our expenses. She stated we are proposing a water rate study to be completed in this fiscal year. The purposes of the rate study are to cover the Oak Lawn and Chicago future water rates as well as future infrastructure to both our water and sewer systems. She noted the rate study will also look at proposed conservation rates.

Trustee Tuminello asked if the Village has ever considered other sources of Lake Michigan water besides going through Chicago, to which Trustee Bowden replied the Village had an extended study on that matter.

Ms. Auchstetter reported that there are two major WWTP projects in this year's budget. Trustee Smith requested that we put in some landscaping along WWTP #3, screening the plant from I355. Ms. Auchstetter also reported that there are two major water projects in the proposed budget.

New programs in this year's budget include the new leaf collection program, major equipment replacement and the 50% property tax rebate.

Mayor Baldermann noted that in this year's budget the Village will have a three month fund balance. Saying, compared to what the cushion was in prior year's budget and what is found in other communities, we are doing very well.

Staff answered some general questions from the Board.

Adjournment

A motion was made by Trustee Smith and seconded by Trustee Dye to adjourn the meeting. The Special Meeting of the Village of New Lenox Board of Trustees was adjourned at 7:23 p.m.

Laura Ruhl, Village Clerk