

**MINUTES OF BUDGET HEARING
OF THE GURNEE VILLAGE BOARD**

Budget Workshop #1: Fiscal Year 2023/2024 Budget Presentation

**GURNEE VILLAGE HALL
MARCH 6, 2023**

Call to Order

Vice Mayor Hood called Budget Hearing to order at 5:05 p.m.

Other Officials in Attendance

Patrick Muetz, Village Administrator; Austin Pollack, Assistant to the Village Administrator; David Ziegler, Community Development Director; Heather Galan, Public Works Director; Brian Gosnell, Finance Director; Christine Palmieri, Director of Human Resources; John Kavanagh, Fire Chief; Brian Smith, Police Chief; Jeremy Gaughan, Police Commander; Jason Kalinowski, Police Commander; Willie Meyer, Police Commander; Ellen Dean, Economic Development Director; Ryan Nelson, Assistant IS Director; Nick Leach, Village Engineer; Erica Wells, Assistant Finance Director; Jodi Luka, Management Analyst.

Roll Call

PRESENT: 4 - Thorstenson, Woodside, Ross, O'Brien
ABSENT: 2 - Balmes, Garner

Pledge of Allegiance

Administrator Muetz outlined the schedule for the presentation.

Finance Director Gosnell introduced the FY2023/2024 Proposed Budget by reviewing a PowerPoint presentation which covered the following:

Gosnell reviewed the timeline for preparing the Annual Budget and the key dates.

- Budget Timeline
 - Nov-Dec – Multi-Year Financial Forecast (Internal)
 - 1/9/2023 – Multi-Year Capital Plan Presentation
 - Jan-Feb – Department Meetings
 - 2/20/2023 – One on One Meetings
 - 3/6/2023 – Budget Workshop #1
 - 3/20/2023 – Budget Workshop #2 (if needed)
 - 4/10/2023 – Public Hearing & Approval
 - 5/1/2023 – Fiscal Year Begins

Gosnell then reviewed the Planning & Reporting process and sections of the budget document including those to be covered during the workshop.

- Planning & Reporting Process
- Budget Document
 - Budget Message
 - Section 1 – Transmittal
 - Section 2 – Organization & Services
 - Section 3 – Strategic Plan
 - Section 4 – Budget Process & Structure
 - Section 5 – Executive Overview
 - Section 6 – Budget Summary
 - Section 7 – Capital Improvement Budget Summary
 - Section 8 – Line-item Budget
 - Section 9 – Comprehensive Fee Schedule
 - Section 10 – Glossary
 - Section 11 – Appendix

Director Gosnell gave a broad overview of the total budget and the factors that impacted the preparation of the Annual Budget.

- \$92.5m Total Budget / \$49.1m General
- \$17.2m Capital Plan
- No Property Tax
- Low Debt Burden - Gosnell noted the Village has the lowest debt burden of any community over 25 thousand population.

- Water Rates 3.5%/Senior Discount - Gosnell noted the proposed increase to water & sewer rates of 3.5% was the first increase in 3 years.
- Increase of 4.25 FTE's
- Pension Contributions - Gosnell noted the Village is overfunding both pensions based on the required contribution.
- Small Business Capital Grant
- Economic Development Reserve
- General Fund Balance Policy/Surplus - Gosnell noted the proposed change in the General Fund balance policy, and a proposed transfer of FY 2021/2022 surplus reserve balance.
- Strategic Plan
- Planned Drawdowns

Gosnell next reviewed the highlights of FY 2022/2023 anticipated year-end figures by fund.

- FY 2022/2023 Year-End Projections
 - 110 – General Fund - Gosnell noted the projected General Fund surplus of \$3.8 million, and that a recommendation on surplus transfers would be made once FY 2022/2023 audit is complete and the proposed expenditure budget for FY 2024/2025 is known in the fall/winter of calendar year 2023.
 - 122 - Motor Fuel Tax Fund
 - 131 – Capital Improvement Fund
 - \$5.4m Debt Payoff
 - FY23 Budget -\$9.2m - Gosnell noted the fund is projected to finish with a \$7.5m deficit, but was budgeted to have a deficit of \$9.2m.
 - 221/223 – Water & Sewer Funds
 - FY23 Budget -\$2.9m - Gosnell noted the fund is projected to finish with a \$1.1m deficit, but was budgeted to have a deficit of \$2.9m.
 - 231 – Health Insurance Fund - Gosnell noted this is the first year for this fund and it is projected to finish with a deficit of \$92 thousand.
 - 233 – Fleet Services Fund
 - Fuel Costs
 - 411 – NLCC-ETSB - Gosnell noted the deficit is related to the timing of capital expenditures and the Lake County consolidation project.

Gosnell discussed the projected ending surplus or deficit in select funds budgeted for FY 2023/2024.

- 110 – General Fund Balanced - Gosnell noted several funds have a planned drawdown for capital purposes.
- 122 - Motor Fuel Tax Fund
- Road Program, Rebuild IL
- 131 – Capital Improvement Fund
- 221/223 – Water & Sewer
- 411 – NLCC-ETSB
- CAD Replacement Timing

Gosnell reviewed revenues across all funds including transfers and each categories portion of overall revenue.

- \$92.0m +5.6% or \$4.9m
 - 30-Major Revenues +9.5% or \$3.4m - Major revenues makes up 43.2% of all revenues and includes sales, amusement, hotel, food & beverage and income taxes.
 - 31-Taxes -1.3% or \$28k - Taxes makes up 2.3% and includes telecommunications, resort and road & bridge taxes.
 - 32-Licenses & Permits +7.7% or \$100k - License & Permits is 1.5% includes building permits, and business & liquor licenses.
 - 33-Intergovernmental -36.6% or \$2.5m - Intergovernmental makes up 4.8% and includes MFT funds, 911 surcharge, reimbursement from JETSB, and replacement tax.
 - 34-Charges For Service +15.1% or \$2.5m - Charges for service is the 2nd largest category at 20.9% and

includes W&S sales, WWFPD contract, Ambulance and dispatch services.

- 35-Fines & Forfeitures -25.4% or \$461k - Fines & forfeitures 1.5% including red light and W&S penalties.
- 36-Investments & Contributions +20.7% or \$2.7m - Investments & contributions is the 3rd largest category 17.3% and includes interest income in all funds primarily police and fire, and village contributions to the pension funds.
- 39-Other Sources -9.7% or \$848k - Other sources is 8.5% and includes transfers in from other funds.

Gosnell reviewed expenditures across all funds including transfers and each categories portion of overall expenditures.

- \$92.5 -2.1% or \$2.0m
 - 41-Salaries & Wages +9.3% or \$3.0m - Salaries & Wages is the largest category at 37.8% and includes wages and overtime, and pensions.
 - 42-Employee Benefits +10.7% or \$1.4m - Employee benefits is 15.5% and includes health insurance and pension contributions.
 - 43-Prof & Tech +2.6% or \$52k - Professional & Technical services is 2.2% and includes Engineering and financial services for the pension funds, legal and red light collection fees.
 - 44-Contractual Services +1.0% or \$124k - Contractual Services is 13.1% and includes the road resurfacing program and water purchases from CLCJAWA.
 - 45-Other Contractual +6.1% or \$181k - Other Contractual is 3.4% and includes Liability insurance, training and radio system costs in the communications center.
 - 46-Supplies +20.2% or \$452k - Supplies is 2.9% and includes fuel and salt as well as fleet parts and meters for water & sewer.
 - 47-Capital -10.4% or \$1.3m - Capital makes up 12% and includes all the items included in the capital program roads, watermain, vehicles etc.
 - 48-Debt Service -90.5% or \$5.4m - Debt Service is 0.6% and only includes the IEPA Loan with the additional 250k in principal payment.
 - 49-Other Financing Uses -4.4% or \$532k - Other Financing uses makes up 12.4% and includes transfers out to other funds and recapture agreements.

Gosnell reviewed personnel changes included in the draft budget noting the inclusion of unbudgeted positions to allow for on-boarding of new personnel prior to the departure of existing personnel to allow for greater continuity of services.

- Budgeted Personnel +4.25 FTE's
 - Administration +0.50 FTE's
 - -0.5 Administrative Assistant to PT
 - +1.0 Network Administrator
 - Community Development +1.00 FTE's
 - +1.0 Management Analyst Move
 - Police Department +3.00 FTE's
 - +1.0 Public Safety Compliance Officer
 - +2.0 Sergeant (2-year Plan)
 - Fire Department -1.00 FTE's
 - -1.0 Management Analyst Move
 - Public Works +0.75 FTE's
 - +0.75 Part-Time Locates
 - Unbudgeted 7.00 FTE's - Gosnell noted the final budget may include 2 additional unbudgeted Police Officer positions due to available academy slots and pending retirements.

Gosnell reviewed the Village's outstanding debt service. He noted the IEPA loan is the only debt and plan to pay additional principal annually.

- IEPA Loan
 - Principal: \$5,143,453

- Rate: 1.84%
- Term: 20-years (5/29/2039)
- Additional \$500k (5/29/2038)
 - Paid off by 5/29/2030
- Outstanding \$4,178,940
- Lowest Debt Burden of any Community over 25k Population

Gosnell reviewed the projected ending fund balance in all funds as of April 30, 2024, specifically noting the General Fund ending at almost 70% of expenditures, and the Water & Sewer Fund ending at roughly 50% of operating expenditures. Gosnell noted the General Fund balance will be adjusted following a recommended FY23 surplus transfer again in the late fall/winter timeframe.

- General Fund – \$30.5m
 - \$4.5m Proposed FY22 Surplus Transfer
 - \$3.8m FY23 Surplus

Gosnell noted planned drawdowns of restricted or committed funds for capital.

- Planned Drawdowns
 - Motor Fuel Tax
 - Impact Fee
 - PD Restricted
 - Capital Improvement Fund
 - Water & Sewer
 - NLCC-ETSB

Gosnell presented General Fund revenues by category noting the change over the prior year budget in each category.

- \$49.1m Total +6.1% or \$2.8m
 - 30-Major Revenues - Gosnell noted Major Revenues make up 70% of General Fund revenues and are generally elastic in nature.
 - 31-Taxes -1.3% or \$28k
 - Telecom/R&B -\$90k
 - Resort +\$82k
 - 32-Licenses & Permits +13.5% or \$160k
 - Impact +\$155k (Woodlake Apts.) - Gosnell noted the Village anticipates the completion of two buildings in the Woodlake development and has included associated revenue in the proposed budget.
 - 33-Intergovernmental -75.5% or \$1.9m
 - ARPA -\$2.1m
 - 34-Charges for Service +18.8% or \$1.4m
 - GEMT/SROW/WFPD/Amb +\$1.2m - Gosnell noted the GEMT program was new two years ago and the year over year increase is reflective of trends and historical data.
 - 35-Fines & Forfeitures -24.1% or \$352k
 - Red Light -\$345k - Gosnell noted technological and permitting issues that need to be resolved for the system to function normally, and that may not happen in the next fiscal year.
 - 36-Investments & Contributions +262.7% or \$570k
 - Interest Rates
 - 39-Other Sources +233.3% or \$105k
 - Damage to Village Property & Work Comp Reimbursements

Director Gosnell then reviewed Major Revenues in the General Fund in more detail.

- \$34.3m +9.2% or \$2.9m
 - Sales Tax +7.7% or \$1.5m
 - Internet Sales Tax - Gosnell noted the internet sales tax law has contributed to the majority of the year over year increase, although it is difficult to measure with the currently available data, Amazon.com has become one of the Village's top 10 taxpayers.
 - Local Use Tax +6.4% or \$75k

- IML Estimate
- Amusement Tax -2.8% or \$100k - Gosnell noted the cancellation of Holiday in the Park event and uncertainty surrounding season pass sales as reasons for the year over year decline.
- Hotel Tax +25.0% or \$450k
- Food & Beverage +12.7% or \$270k
- Income Tax 18.6% or \$746k
 - IML Estimate

Gosnell reviewed General Fund expenditures by category noting the change over the prior year budget in each category.

- \$49.1m +6.1% or \$2.8m
 - 41-Salaries & Wages +7.7% or \$1.9m
 - Salaries & Overtime +\$1.8m (pg. 105)
 - 42-Employee Benefits +4.3% or \$344k
 - Police & Fire Contributions +\$145k (pg. 107-108)

Gosnell noted the following in regards to the required contribution, and funded percentage for the Police and Fire pension funds.

- Police - decreased 25.7% or \$520,555 from \$2,024,393 to \$1,503,838, contribution of \$2,709,668, overfunding the ARC by \$1,205,830, Funded 89.8%
- Fire - decreased 15.6% or \$304,777 from \$1,951,275 to \$1,646,498, contribution of \$2,267,788, overfunding the ARC by \$621,290, Funded 85.2%
 - 43-Professional Services +7.0% or \$82k
 - Personnel Testing/Redflex +\$79k
 - 44-Contractual Services +6.1% or \$109k
 - Cloud & Network +\$60k
 - Tree Removal +\$45k
 - 45-Other Contractual +10.4% or \$136k
 - Training & Schools +\$91k
 - Damage to Village Property +\$30k
 - 46-Supplies +10.8% or \$10k
 - Computer Hardware +\$66k
 - Ice Control +\$18k
 - 49-Other Financing Uses +2.1% or \$175k
 - Resort Tax Recapture +\$225k
 - Transfer to Health +\$200k
 - Transfer to Fleet +\$107k
 - No Capital Transfer -\$500k

Administrator Muetz presented information related to the proposed General Fund budget for the Administration division.

FY 2022/2023 Results

- -1.7% or \$34k Under Budget
 - Salaries under - Vacancies
 - Contractual over - Bank Fees

FY 2023/2024 Initiatives

- \$1.97m Total: -1.2% or \$23k
 - Personnel Change
 - Munis Disaster Recovery
 - Munis User Conference
 - Popular Annual Financial Report
 - Wage Study

Muetz highlighted the Strategic Plan update, personnel changes, recruitment efforts, Small Business Grant program and upcoming wage study among other activities and accomplishments.

IS Director Velkover and Assistant Director Nelson reviewed the proposed General Fund budget for the Information Systems division

FY 2022/2023 Results

- -2.1% or \$22k Under Budget
 - Staffing & Development - Director Velkover noted the contributions of part-time staff and newly hired staff. He

also recognized staff involved in the 911 consolidation process.

- Managed Security Services - Director Velkover noted the importance of security measures as it related to liability insurance premiums.
- PSAP & Facility Improvements
- CAD/RMS Replacement

FY 2023/2024 Initiatives

- \$1.2m Total +13.1% or \$137k
 - Personnel Changes
 - Network
 - Initiatives
 - Security - Assistant Director Nelson noted the Village's use of the security service Arctic Wolf and the benefits to the Village.
 - Applications
 - Equipment

Trustee Thorstenson asked about the capabilities of remote access in the event of a catastrophic incident. Assistant Director Nelson responded that during COVID the Village implemented many remote access functions, and he was comfortable with the ability to bring up critical systems remotely depending on the severity of the event.

Assistant to the Village Administrator Pollack reviewed the proposed General Fund budget for the Public Information division.

FY 2022/2023 Results

- -7.4% or \$5k Under Budget
 - Purchased alternative software

FY 2023/2024 Initiatives

- \$87k Total +21.5% or \$15k
 - Digital Community Survey
 - Data-Driven Communications Program - Assistant Pollack noted the use of surveys and trend data to be able to target the right information at the right time via the right media.
 - Newsletter Changes - Pollack noted the increase in paper costs and use of higher quality paper for the newsletter.
 - Professional Photography
 - Digital Signage at Village Hall
 - Cloud Services Contractual Increases

Gosnell reviewed information related to the Contractual Obligations division within the General Fund.

FY 2022/2023 Results

- +8.4% or \$273k Over Budget
 - Great Wolf Performance

FY 2023/2024 Initiatives

- \$3.1m Total: -4.4% or \$142k
 - Down due to Capital Transfer
 - Community Events
 - Rebate Agreements
 - Resort & Amusement Recaptures
 - Economic Development Reserve
 - Capital Grant Program
 - Visit Lake County

Community Development Director Ziegler presented information related to the planning and building division of the General Fund.

FY 2022/2023 Results

- -0.4% or \$6k Under Budget
 - Hired Additional Building Inspector/Plan Reviewer

FY 2023/2024 Initiatives

- \$1.6m Total +18.0% or \$248k
 - Personnel Changes
 - Management Analyst

- Large Category Swings +/-10%
 - 49 – Health Insurance Transfer +\$28k
- Initiatives
 - Training – New Roles and New Codes

Director Ziegler noted \$100 million in new value added to the community, and training and code updates needed over the next fiscal year.

Ziegler also presented information on the Engineering division of the General Fund.

FY 2022/2023 Results

- -2.5% or \$25k Under Budget
 - Promoted Assistant Village Engineer to Village Engineer
 - Re-Hired Vacant Engineering Assistant Position
 - Re-Instate Intern program to Assist with Regular Inspections

FY 2023/2024 Initiatives

- \$926k Total -6.5% or \$64k
 - Large Category Swings +/-10%
 - 42 – Tuition +\$10k
 - 45 – Training & Schools +\$6k
 - Managing Capital Project and Overseeing Consulting Services

Police Chief Smith reviewed the proposed budget for the administration division of the Police Department in the General Fund.

FY 2022/2023 Results

- +0.2% or \$27k Over Budget
 - Staffing - Chief Smith noted the department has hired 26 new officers since the second quarter of October of 2021, and 15 since May 2022.
 - Personnel Changes/Testing
 - Wellness - Chief Smith reviewed several wellness initiatives related to mental health.
 - K9/SRO Units

FY 2023/2024 Initiatives

- \$18.7m Total +7.3% or \$1.3m
 - Personnel Changes
 - Sergeants and Public Safety Compliance Officer
 - Training/Career Development
 - Supervision/Leadership Training - Chief Smith reviewed various training needed for new and existing personnel.

Police Chief Smith reviewed the proposed budget for the communications division of the Police Department in the General Fund.

FY 2022/2023 Results

- -4.2% or \$138k Under Budget
 - Staffing
 - Countywide CAD, RMS, JMS, Mobile
 - Phone (Intrado) and Radio upgrades

FY 2023/2024 Initiatives

- \$3.6m Total +10.6% or \$347k
 - Personnel Changes
 - Training/Career Development
 - Countywide CAD, RMS, JMS, Mobile
 - Supervision/Leadership Training

Fire Chief Kavanagh reviewed the proposed General Fund budget for the Fire Department.

FY 2022/2023 Results

- +1.8% or \$224k Over Budget
 - Emergency Responses - Chief Kavanagh noted 2022 was the busiest year ever for the Fire Department running approximately 22 calls per day.
 - Employee Retirements - Chief Kavanagh noted the department expects 4-6 opening next year due to retirements.

- Recruitment Challenges - Chief Kavanagh noted the shortage of paramedics due to COVID.

FY 2023/2024 Initiatives

- \$13.3m Total +6.7% or \$832k
 - Deputy Chief
 - FS 1 Project - Chief Kavanagh reviewed the changes to Fire Station #1 and the benefits of the remodel on employee wellness.
 - New Hire and Promotional Testing
 - Special Rescue Team Training - Chief Kavanagh reviewed the various teams and the needed staffing and training.

Public Works Director Galan presented the proposed budget for the streets division of Public Works.

FY 2022/2023 Results

- +1.0% or \$42k Over Budget
 - Routine Maintenance Programs
 - Snow & Ice Summary

FY 2023/2024 Initiatives

- FY24 \$4.4m Total +6.2% or \$256k
 - Personnel Changes
 - Large Category Swings +/-10%
 - 44 – Tree Removal +\$45k, Building Maintenance +\$19k
 - 49 – Transfer to Fleet Services Allocation +\$119k

Director Velkover presented information about the proposed budget for the 121-911 Fund.

- \$1.5m Total -13.6% or \$236k
 - Lake County Consortium
 - CAD/RMS
 - Starcom
 - Maintenance and Radios
 - CAD/AVL Maintenance
 - Connectivity
 - MDC's
 - Workstation Maintenance
 - ProQA (EMD) Maintenance and Quality Assurance
 - Final +\$62k, Radios, Mobile Generator

Trustee Woodside asked about ProQa and when it was implemented and the capabilities. Director Velkover responded it was a couple years ago and has been well received and beneficial.

Trustee O'Brien asked if the Village is ready for NextGen 911 with the County consolidation. Director Velkover responded that the Village and the County have been on-board since the discussion started and will be ready when it goes live statewide.

Trustee Thorstenson asked when and if the Village will be ready for text to 911. Director Velkover responded the Village is implementing concurrently with the State so when they are ready to make it available the Village will be able to take advantage immediately.

Gosnell presented information about the proposed budget for the 122-Motor Fuel Tax Fund.

- \$2.0m Total -14.7% or \$345k
 - Street Resurfacing
 - Rebuild IL Funding - Gosnell noted the Rebuild Funding expires in FY 2023.
 - High Growth Funding

Gosnell presented information about the proposed budget for the 123-Impact Fee Fund.

- \$150k Total
 - Transfer to 131-Capital Improvement Fund

- Ending Fund Balance \$268k

Gosnell presented information about the proposed budget for the 124-Police Department Restricted Revenue Fund.

- \$326k Total +44.0% or \$99k
 - Vehicles & Equipment
 - Duty Weapons, Plate Carriers
 - Unmarked Car
 - K9 Vehicles (Partially Grant Funded)
 - K9 Program
 - Training
 - Supplies
 - Adjust for Final
 - Flock Cameras

Gosnell presented information about the proposed budget for the 131-Capital Improvement Fund.

- \$9.6m Total -36.1% or \$5.4m
 - Home Rule Sales Tax
 - Debt Service
 - Capital Program
 - Transportation \$5.9m - Gosnell noted recent prices will allow for 6 miles of resurfacing and 0.5 miles of reconstruction next year.
 - Stormwater \$300k
 - Vehicles & Equipment \$555k
 - Technology \$818k
 - Buildings \$1.1m
 - VH HVAC

Gosnell presented information about the proposed budget for the 211-Golf Course Fund.

- \$25k Total -50.0% or \$25k
 - Amusement Tax
 - GolfVisions Contract – 11/5/2028
 - 4/30/2024 Balance \$370k
 - Irrigation System - Gosnell noted the irrigation system will be a discussion in the next couple years and will be a significant investment in the Course.

Director Galan presented information about the proposed budget for the 221/223-Water & Sewer Fund.

FY 2022/2023 Results

- -13.9% or \$1.7m Under Budget
 - Meter Reader Change Out Program
 - Watermain Replacement Projects
 - Sanitary Sewer Televising
 - Water/Sewer Extension

FY 2023/2024 Initiatives

- \$12.4m Total -0.5% or \$62k
 - Personnel Changes
 - Water Usage Trends
 - Rates +3.5%
 - Meter Reading Project +\$350k
 - IEPA Loan Debt Service
 - Capital Plan

Director Gosnell presented information about the proposed budget for the 231-Health Insurance Fund.

- \$5.4m Total +24.5% or \$1.1m
 - Proposed Transfer of FY22 Surplus
 - FY23 -\$92k
 - Centralized Health & Wellness
 - Increased Wellness
 - Layers General Fund
 - Per Full-Time Position Funding

Director Gosnell noted the Fund is expected to finish negative and the

surplus transfer would provide a cushion to the General Fund.

Public Works Director Galan presented information about the proposed budget for the 233-Fleet Service Fund.

FY 2022/2023 Results

- +2.5% or \$90k Over Budget
 - Purchase & Up-fitting 1 Plow Truck
 - 2 CSO Pickups
 - 4 Police Squads
 - 4 Detective Vehicles

FY 2023/2024 Initiatives

- \$3.1m Total -13.6% or \$496k
 - 44 – Auto & Truck Maint. +\$62k/ Building Maintenance +\$19k
 - 45 – UST Insurance +\$4k
 - 46 – Fuel +\$141k
 - Capital Vehicles
 - Capital Equipment

Gosnell presented information about the proposed budget for the 307-Police Pension Fund.

- \$4.3m Total, +14.3% or \$534k
 - Additional Retirements
 - Investment Consolidation
 - Employer Contribution
 - ARC - \$1,503,838
 - Proposed - \$2,709,668
 - Overfunding - \$1,205,830
 - Funded Ratio – 89.8%

Gosnell presented information about the proposed budget for the 308-Fire Pension Fund.

- \$2.8m Total, +15.2% or \$372k
 - Additional Retirements
 - Investment Consolidation
 - Employer Contribution
 - ARC - \$1,646,498
 - Proposed - \$2,267,788
 - Overfunding - \$621,290
 - Funded Ratio - 85.2%

Gosnell presented information about the proposed budget for the 411-NLCC-ETSB Fund.

- \$1.8m Total -14.6% or \$308k
 - Lake County Consortium
 - CAD/RMS
 - Starcom
 - Maintenance and Radios
 - CAD/AVL Maintenance
 - Connectivity
 - MDC's
 - Workstation Maintenance
 - ProQA (EMD) Maintenance and Quality Assurance
 - Final +\$62k, Radios, Mobile Generator

Gosnell presented information about the proposed budget for Capital Improvements.

- Capital Plan \$17.2m
 - Transportation \$7.9m
 - Resurface/Reconstruction
 - Dilley's Ped Path/Sidewalks
 - Buildings & Improvements \$1.4m
 - VH HVAC
 - Fire Station #1
 - PW Flat Roof/Material Bins
 - PD Fire Suppression/HVAC
 - Water & Sewer \$3.6m
 - O'Plaine Watermain

- Hunt Club & Washington
- Vehicles & Equipment \$2.2m
 - Squads (3), Unmarked (3), Specialty K9 (2), ET Vehicles
 - Ambulance, Command Vehicles (2)
 - Plow Trucks (2), Bucket Truck, Pickup, Locate Truck, Mobile Lift, Floor Machine
- Technology \$1.8m
 - Incident Response Services
 - Radios/CAD/RMS
 - VH Audio/Video
- Stormwater \$300k

Director Gosnell reviewed the proposed modification to the General Fund Balance Policy that was previously discussed with the Village Board.

General Fund Balance

- Proposed Policy Change (pg. 273)
 - 60-65% Less Transfers
 - Lower Limit Action Plan
 - Upper Limit Transfer
- Proposed FY22 Surplus Transfer
 - \$2m Capital
 - \$2m Water & Sewer (Rate Relief)
 - \$500k Health Insurance
- Projected \$3.8m FY23 Surplus
- Timing
 - Once FY25 is Known, Determine FY23 Surplus Transfer

Director Gosnell next provided a review of the Senior Water Rate Discount that was presented previously.

Senior Discount - Research

- 8 Communities
- \$133 Avg. Annual Discount
- 1 - Income Limit
- 5 – Capped Percent Discount
- 3 – Capped Flat Amount
- 8 - Application Process
 - ID/Forms, Trip to VH
 - Administrative Overhead

Senior Discount - Proposed Program

- Receive Senior Homestead Exemption (No Income Limit)
 - 65 Years of Age or Older
 - Own and Live in the Property as Principal Residence
- Single Metered Dwelling
- No Application Process
- 1,750 or 18% Eligible Accounts
- 8.7 tgal Bi-Monthly Average
- First 7 tgal at JAWA Cost
 - \$5.34 Village - \$1.80 JAWA = \$3.54 (66%) tgal Discount
- Annual Max \$146.16
- Based on 2021 Usage:
 - \$255k Max Exposure/Total Cost \$205k
 - Avg. Annual Discount \$117.03
 - 31% Max Out

Director Gosnell concluded the Budget hearing by reviewing potential April 10th Village Board agenda items for consideration.

April 10th Public Hearing & Approval

- FY 2023/2024 Annual Budget
- Comprehensive Fee Schedule
 - Water & Sewer Rates
 - Senior Discount
- Surplus Funds Transfer
 - \$2m Capital
 - \$2m W&S
 - \$500k Health Insurance
- Financial Policies
 - Fund Balance Policy
 - 60-65% General Fund

Mayor Hood thanked staff for the summary of each department and all that they do to keep the Village moving forward and expressed pride in the process and outcome.

Administrator Muetz echoed Mayor Hood's comments.

It was moved by Trustee O'Brien, seconded by Trustee Ross to adjourn the meeting.

Voice Vote: ALL AYE: Motion Carried.

**Andrew Harris,
Village Clerk**