

MINUTES OF A PUBLIC BUDGET HEARING
OF THE GURNEE VILLAGE BOARD
GURNEE VILLAGE HALL
APRIL 8, 1999

The Budget Hearing was called to order at 6:30 p.m. by Mayor Welton.

Roll Call, Present: Amaden, Chamberlain, Narusis, Rocheleau, O'Brien
Absent: Ratfelders

Other officials present: James T. Hayner, Village Administrator
Patricia Wesolowski, Village Finance Director
Bud Reed, Village Engineer
Brad Burke, Village Information Officer

Mayor Welton announced that this public budget hearing is being held to continue consideration of the proposed fiscal year 1999/2000 budget as published on the budget schedule and that the hearing is being held as published.

Mayor Welton announced that he had to leave the meeting in order to attend to another committee meeting. Thereupon, Amaden moved, seconded by Rocheleau, to appoint Trustee O'Brien as President Pro Tem.

All Aye.

Motion Carried.

Trustee O'Brien assumed the chair at 6:34 p.m.

The Village Administrator explained the proposed items for consideration in the budget concern the miscellaneous funds for the Village. Those funds for debt service have required payment schedules. He began with the General Obligation Bond Fund with the revenues on page 227. He explained that this fund had built the Fire Station No. 1 and that the fire station had been paid off in 1998. There is the amount of \$18,800.00 left in this fund, which is to be transferred to other accounts. There is no revenue for this particular fund. After discussion, it was decided to transfer the amount of \$18,800.00 to the Alternate Bond Fund. In reference to expenditures for this fund found on page 228, it is anticipated there will be fees in the amount of \$1,000.00.

The Village Administrator explained the next item for consideration was the Alternate Bond Fund which has been used to construct the Village Hall and the water facilities on Cemetery Road. The revenues were explained on page 229, with a total revenue in the amount of \$615,000.00. On page 230 was the total debt service expenditure in the amount of \$558,525.00.

The Village Administrator explained the next item for consideration is the Utility Reserve Fund found on page 257. The fund balance as of this date is in the amount of \$2.1 million. This fund has been used for the construction of the Village water system at Route 41 to the north side of the Village. He explained that interest, transferring of funds, and depreciation funds are needed in this account in the amount of \$1.3 million. The remainder of the revenues are sitting as a reserve for future use. These funds could be used to develop a reserve fund for future repairs of the Village system. On page 258 is the proposed expenditure for this fund in the amount of \$231,780.00.

The Village Administrator explained the next item for consideration is the 911 Fund. He began by explaining the fund balance as of present is projected to be approximately \$300,000.00. The revenue and interest earned will add the total revenue in the amount of \$192,000.00. He continued by explaining the expenditures beginning on page 207. These expenditures include items for salary and wages, personnel expenses, professional services, contractual services, commodities, maintenance, capital, fixed assets, and debt service for a total expenditure in the amount of \$373,455.00. After reviewing the fund, discussion ensued about the 911 tax, including the mobile 911 tax and possible towers in the Village.

The Village Administrator explained the next item for consideration is the DARE Fund found on page 217. The revenues for this fund come from forfeiture after drug arrests. The anticipated revenue for this fund is in the amount of \$900.00 from interest. On page 218, the expenditures were explained in the amount of \$2,100.00. These expenditures are used to support the anti-drug efforts and educational programs at the local schools of Woodland grade schools, Gurnee grade schools, St. Patrick's school and the Laremont School.

The next item for consideration is the Police Pension Fund, starting on page 259. The revenues are determined by State mandate. The contributions and interest earnings are anticipated to provide a revenue in the amount of \$1,101,525.00. The expenditures for the Police Pension Fund begin on page 262 with total expenditures in the amount of \$140,000.00. The Village Administrator reviewed the various categories of expenditures.

The Village Administrator reported the next item for consideration was the Fire Pension Fund beginning on page 264. The revenue is anticipated to be in the amount of 4787,970.00 from investments, contributions, interest earned, and taxes. The expenditures for the Fire Pension Fund are anticipated to be in the amount of \$160,250.00, as explained on page 267. He noted that both the Police Pension Fund and the Fire Pension Fund are in excellent shape. The Police Pension Fund has a funding level of 99%, while the Fire Pension Fund has a funding level of 92%.

The next item for consideration is the Golf Course Fund found on page 231. The revenue for this fund is from interest and from developer donations with the anticipated development of the Bailey property. The Village Administrator explained that since the Bailey property will probably be annexed to the Village, he wants to add a line under developer donations in the amount of \$35,000.00. The total revenue for this fund would then be in the amount of \$40,500.00. In reference to expenditures, as noted on page 232, the Village Administrator explained the need to change the developer payback line to the amount of \$35,000.00. Discussion then ensued on the request by the developers for refinancing and the various options. As a result of the discussions, it was the consensus that the Village hire a golf course professional consultant in order to help the Village consider the request for refinancing. It also was the consensus to have an audit of last year's numbers of the Bittersweet Golf Course operations. Thereupon, a line item will be added for golf course professional consultants in the amount of \$40,000.00. The total expenditure for the Golf Course Fund would then be changed to the total of \$85,000.00.

The next fund for consideration was the Impact Fee Fund beginning on page 213 in reference to revenue. This fund concerns the impact fees for traffic, fire protection, sidewalk, stormwater, and the pedestrian/bike trail. A discussion was held in reference to the route of the bike path through the Grand/Tri-State Business Park. The Village Administrator then explained these impact fees have been collected from the developers for use by both the Village and Lake County. However, Lake County has been paid all of its fees. It is therefore necessary to change or adjust the line item for county fees to revert back to the Village. The present fund balance is in the amount of \$2.7 million. The total fee revenue is based upon housing permits. The anticipated total revenue for the proposed fiscal year is in the amount of \$378,450.00. Most of this revenue will be for traffic impact fees. The expenditure for the Impact Fee Fund is listed on page 216 in the total amount of \$348,450.00.

The Village Administrator explained the next item for consideration is the MFT Fund beginning on page 211. He then had the Village Engineer review this fund.

The Village Engineer began by reviewing the draft capital improvements document, dated April 7, 1999. He noted the proposed MFT street maintenance program will be in the amount of \$550,000.00. The proposed MFT street repair program will be in the amount of \$950,000.00. The funding for some of the street repairs will come from several funds. He continued with his explanation of the draft capital improvement document by reviewing the TCI evaluation of the Village streets. He added that the capital street projects will be brought back to the Village Board for consideration in the future. He also explained the various maps in the document which displayed the areas for

street repair. He added that a recommendation for a reserve fund for future repair and maintenance of Village streets will be forthcoming. The expenditures for the MFT Fund are found on page 212 with a total expenditure anticipated to be in the amount of \$665,000.00.

The Village Administrator reported the next item for consideration is the General Operating Fund for cable television beginning on page 51. The anticipated expenditures are in the amount of \$10,000.00 for possible purchase of equipment and \$40,000.00 for payment for professional services of videotaping the Village Board meetings. The Village Board can make a decision as to which route it wishes to take in the future. The total expenditure proposed is in the amount of \$64,900.00.

He explained the next item concerns the General Fund for building and grounds, beginning on page 105. The proposed expenditures concern custodial services, property taxes for the house on Emerald Avenue, insurance, commodities, and utilities. The latter are for the Mother Rudd property, the house on Emerald Avenue, and some items for the Village Hall. In reference to repairs and capital items, there is the need to change some duct work at the Village Hall. Also discussed were some changes possibly to be made in the Village Hall council chambers in reference to microphones and lights. He then said the line item for building maintenance should be changed from the amount of \$18,000.00 to the amount of \$25,000.00. Also discussed was changing the lights in the employee parking lot. Other building improvements can be researched and determined in the near future. The total expenditure for the municipal building maintenance of the General Operating Fund is tentatively in the total amount of \$76,760.00.

There being no further items for discussion, Amaden moved, seconded by Rocheleau, to adjourn the Public Hearing.

All Aye.

Motion Carried.

The Public Hearing was adjourned at 9:32 p.m. by President Pro Tem O'Brien.

Norman C. Balliet
Village Clerk