



VILLAGE OF LIBERTYVILLE  
SPECIAL MEETING

Tuesday, March 6, 2018  
Village Hall  
118 W. Cook Avenue  
Libertyville, IL 60048  
6:00 p.m.

- 1) Roll Call
- 2) Continued Discussion of Draft 2018/2019 Budget
- 3) Executive Session
  - a. Personnel: Appointment, employment, compensation, discipline, performance or dismissal of specific employees [5 ILCS 120/2(c)(1)]
- 4) Adjournment

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*Any individual who would like to attend this meeting, but because of a disability needs some accommodation to participate, should contact the ADA Coordinator at 118 West Cook Avenue, Libertyville, Illinois 60048 (847) 362-2430. Assistive listening devices are available.*

# VILLAGE OF LIBERTYVILLE FISCAL YEAR 2018-2019 BUDGET

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Committee of the Whole  
March 6, 2018



# Fiscal Year 2018 – 2019 Budget



- Agenda
  - General Fund Revisions
  - Enterprise Funds
  - Other Funds
  - Other Discussion Items

# GENERAL FUND REVISIONS

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# General Fund Revisions



Budget Edits Since February 24 Meeting			
Fund 01	General Fund	Revenue	Expense
	Budget as proposed	\$ 29,915,689	\$ 33,181,982
01-0000-5-643	Ambulance Fees	\$ 20,000	
01-0000-5-670	Fire Services (ladder truck)	\$ 14,000	
01-0100-1-709	Merit Pool		\$ 11,171
01-0100-2-720	Insurance		\$ 1,437
01-0100-5-799	Miscellaneous (Contingency)		\$ (135,000)
01-0100-6-790	Capital Outlay (Office Furniture)		\$ (5,000)
01-0201-2-720	Insurance		\$ 749
01-0201-3-728	Annual Grease Trap Inspection Program		\$ (25,000)
01-0203-2-720	Insurance		\$ 166
01-0205-2-720	Insurance		\$ 116
01-0205-3-726	SWALCO Fee		\$ 225
01-0301-2-720	Insurance		\$ 715
01-0302-2-720	Insurance		\$ 884
01-0303-2-720	Insurance		\$ 239
01-0303-3-729	Economic Development Incentives		\$ (45,200)
01-0501-1-702	Salaries - Civilian		\$ 16,000
01-0501-1-720	Insurance		\$ 39,388
01-0501-2-794	Employer Contribution - FICA/Medicare		\$ 1,200
01-0601-6-790	Capital Outlay		\$ (5,000)
01-0603-2-720	Insurance		\$ 9,593
01-0701-2-720	Insurance		\$ 733
01-0701-5-729	Nursery Stock and Trees (50/50 Program)		\$ (20,000)
01-0702-2-720	Insurance		\$ (845)
01-0702-8-788	Transfer to Sports Complex Fund		\$ (66,364)
01-1000-6-790	Capital Outlay		\$ (5,000)
01-2100-3-728	Consulting Services		\$ (7,500)
	Revised Proposed Budget	\$ 29,949,689	\$ 32,949,689

# General Fund Personnel



- Salary and Wages
  - 2.1% COLA for all non-union personnel
  - \$118,671 merit pool for non-union staff (increased from \$107,000)
- Employee Benefits
  - Health Insurance increases 7.3% for PPO; 3.4% for HMO
  - Employee share increases from 12% to 13% on PPO
  - Employee share decreases from 12% to 10% on HMO
  - Impact of premium increases and employee share changes:
    - PPO Family: \$47.57 increase per month (16.2% increase)
    - PPO Single +1: \$31.72 increase per month (16.2% increase)
    - PPO Single: \$16.46 increase per month (16.2% increase)
    - HMO Family: \$29.46 decrease per month (13.8% decrease)
    - HMO Single: \$10.05 decrease per month (13.8% decrease)

# General Fund Revision Highlights



- Reduction in Contingency
- Elimination of outsourced Grease Trap Inspection contract
- Reduction in Economic Incentive budget
- Addition of PT Police Records Clerk
- Reduction in the 50/50 Tree Replacement Program
- Reduction in Transfer to the Libertyville Sports Complex Fund through reductions in capital projects



# General Fund

- Revenues \$29,949,689
  
- Operating Expenses \$29,949,689
  
- Use of Reserves \$ 3,000,000
  - Transfer to Vehicle Replacement Fund \$2,000,000
  - Transfer to Building Fund \$ 700,000
  - Transfer to Building Improvement Fund \$ 300,000



# Vehicle Replacement Fund Transfer



- Vehicle Fund Analysis results in a recommended \$991,341 transfer for FY2018-2019
- No transfer was budgeted in FY2017-2018
- \$2,000,000 transfer from reserves roughly offsets these recommended annual contributions
- Future annual transfers to the Vehicle and Equipment Replacement Fund (VERF) will need to be formulated as operational transfers from the General Fund departmental budgets to the VERF

# General Fund Fund Balance



- FY2018 – 2019 Fund Balance Requirement

- 17% of General Fund Expenditures \$5,091,447
- 60% of 3-year Sales Tax Totals \$4,548,904
- **Minimum Required Fund Balance \$9,640,351**

- Estimated Ending Fund Balance \$10,441,338  
(34.8% of Expenditures)

- Assumes \$3 million in transfers to Vehicle Fund and Building and Public Building Improvement funds out of General Fund Reserves
- Reallocated funds are still available for General Fund use, if necessary

# Optional Revenue Enhancement



- Ambulance Fee Increase
  - Raise each transport category for Residents and Non-Residents by \$100 and raise mileage \$1 per mile
  - Estimated to generate \$47,000 in additional revenue
- Resulting fees are comparable to surrounding communities
- Resident fees would still be below the average of the Annual Naperville study while two out of three non-resident fees would be below the average

# Optional Revenue Enhancement



- Municipal Utility Tax on Electric Use\*
  - 5%\* effective 1/1/2010
  - Reduced to 4%\* effective 5/1/2014
  - Revenue peaked at \$1.7 million in FY12-13
  - Budgeted Revenue in FY17-18 Budget: \$1,285,000
  - Budgeted Revenue in the Proposed FY18-19 Budget: \$1,175,000
  - Estimated Additional Revenue Generated with increase:
    - 0.5%      \$146,875
    - 1.0%      \$293,750

\* Electric tax is a per kilowatt hour tax that equates to an approximate % as listed

# Optional Revenue Enhancement



- Natural Gas Utility Tax
  - 5% effective 1/1/2010
  - Reduced to 4% effective 2/1/2012
  - Reduced to 2% effective 5/1/2012
  - Allowed to sunset on 4/30/2013
  - Revenue peaked at \$702,549 in FY10-11
  - Estimated Additional Revenue Generated with increase:

• 0.5%	\$ 45,426
• 1.0%	\$ 90,851
• 2.0%	\$181,702
• 3.0%	\$272,553
• 4.0%	\$363,405
• 5.0%	\$454,256

# GENERAL FUND

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Questions and Discussion



# UTILITY ENTERPRISE FUND

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# Water & Sewer Fund



- 2017-2018 Estimated Statistics
  - Water supplied: 2.400 mgd
  - Water main breaks: 20
  - Service Calls: 4,000
  - Water Main Replacements: 10,000 linear feet
  - Sewer Cleaned: 120,000 linear feet
  - Manholes repaired: 20
  - Lift Station Maintenance: 1,350 hours
  - Wastewater Treated: 1.49 Billion Gallons/Year
  - WWTP Work Orders Completed: 1,450



# Water and Sewer Fund



- 2017-2018 Accomplishments
  - WWTP Screw Pump #3 Replaced
  - WWTP Clarifiers Rehabilitated
  - WWTP Sludge Storage Tank Point and Seam Repairs
  - Dawes Lift Station Design
  - WWTP Facility Wide Improvements (influent sewer and diversion chambers)
  - Water main Improvement Project completed
  - Basin #9 Final Report and Smoke Testing

# Water and Sewer Fund



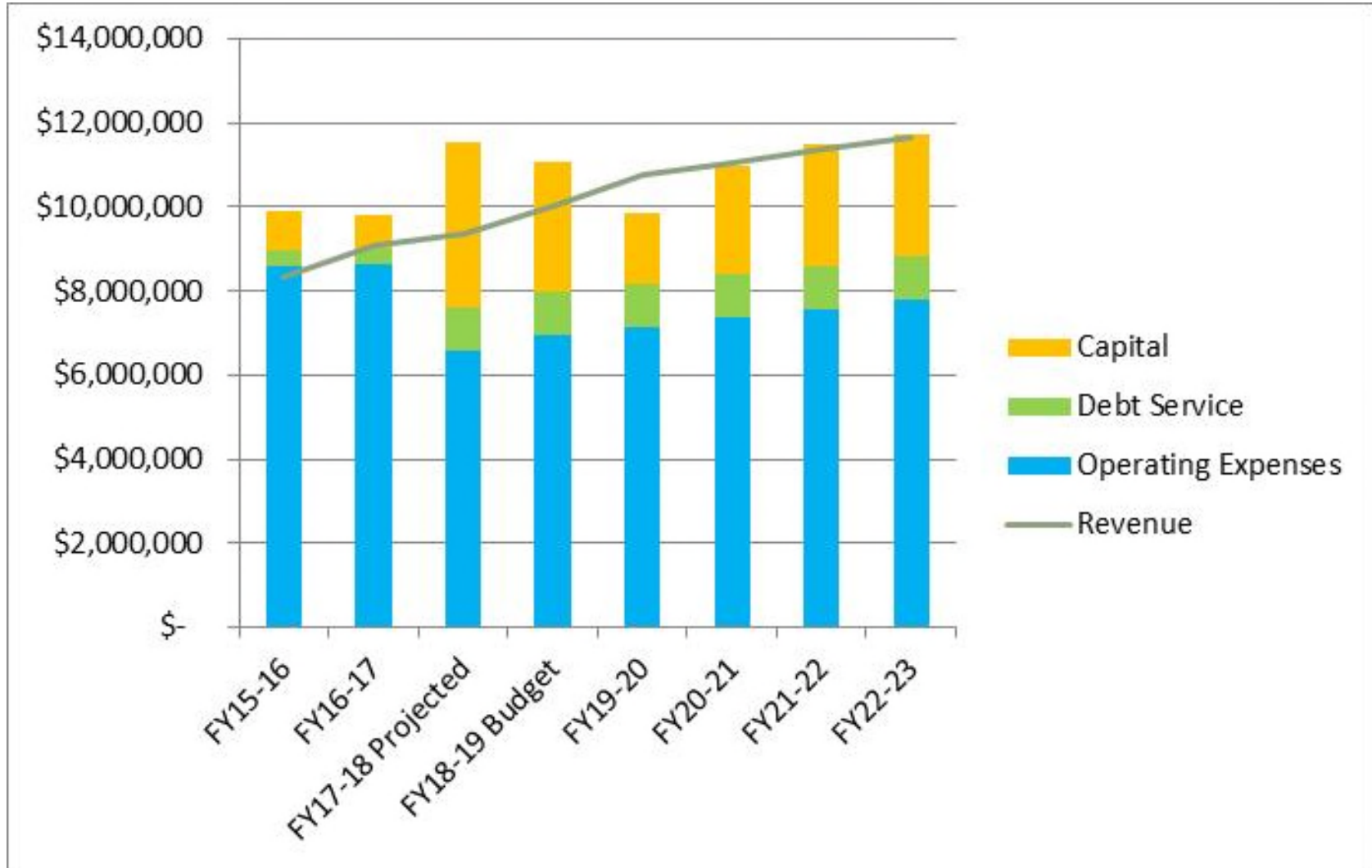
- 2017-2018 Accomplishments
  - Red Top Water Storage Reservoir Internal Liner
  - Route 45 Sanitary Lift Station
  - Master Stormwater Management Plan data collection complete; began field survey work

# Water and Sewer Fund



- 2018/19 Goals
  - Basin 11 Sanitary Sewer Inflow & Infiltration Program
  - Master Stormwater Management Plan completion
  - WWTP Consolidation Study with Village of Mundelein
  - WWTP Screw Pump Brickwork Repairs
  - Dawes Lift Station Improvements

# Water & Sewer Fund Multi-Year Plan



# Water and Sewer Fund



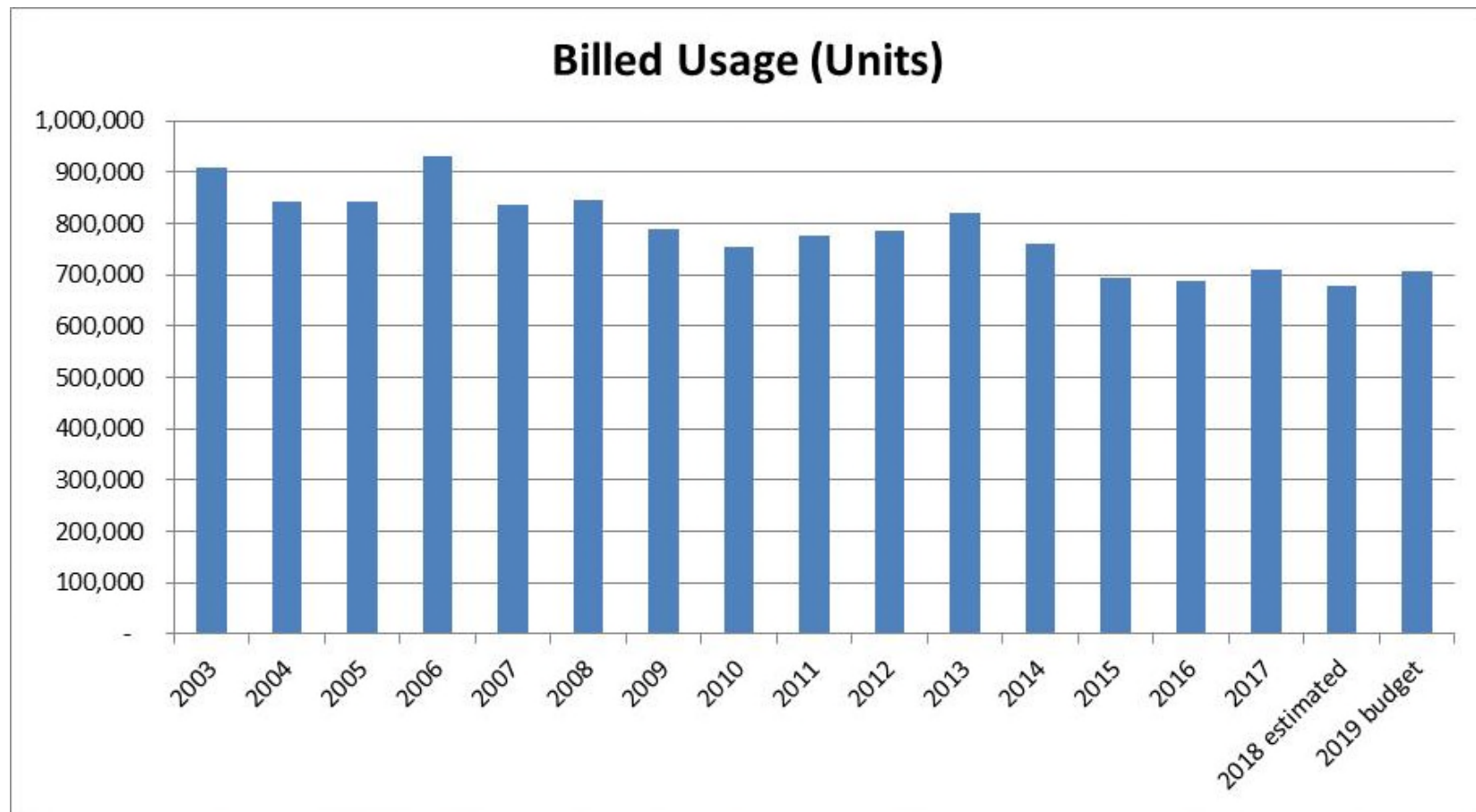
- Revenues

- Rate Study completed in 2016 anticipated 5% increase in water rates and 12% increase in sewer rates for FY2018-19 to appropriately fund anticipated operations and capital improvements
- Water Sales \$5,117,889
- Sewer Charges \$4,041,558
- County Sewer Charge \$560,000
- Connection Fees \$182,000
- Total Revenues \$10,025,447
  - 2.8% increase compared to last fiscal year

# Water Billing History



- Consumption is declining while costs continue to increase



# Proposed Rate Increases



Water Rates			Sewer Rates		
	FY2017-18	Proposed FY2018-19		FY2017-18	Proposed FY2018-19
Bi-Monthly Fee	\$23.74	\$24.93	Bi-Monthly Fee	\$8.49	\$9.51
Tier 1	\$2.53	\$2.66	Unit rate	\$5.27	\$5.87
Tier 2	\$5.08	\$5.31			
Tier 3	\$7.59	\$7.97			
Senior Discount	\$4.45	\$4.95	Senior Discount	\$7.50	\$8.05

# Impact of Rate Increase



- Customer with 11 units of usage (average usage for family of 4):

	FY2017-18	Proposed FY2018-19	
Water Bi-Monthly Fee	\$23.74	\$24.93	
Water Tier 1 Usage	\$10.12	\$10.64	
Water Tier 2 Usage	\$20.32	\$21.24	
Water Tier 3 Usage	\$22.77	\$23.91	
Sewer Bi-Monthly Fee	8.49	9.51	
Sewer Usage	\$57.97	\$64.57	
<b>Total</b>	<b>\$143.41</b>	<b>\$154.80</b>	<b>7.9% increase</b>

- Senior Customer with 4 units of usage:

	FY2017-18	Proposed FY2018-19	
Water Bi-Monthly Fee	\$23.74	\$24.93	
Water Tier 1 Usage	\$10.12	\$10.64	
Water Sr. Discount	-\$4.45	-\$4.95	
Sewer Bi-Monthly Fee	8.49	9.51	
Sewer Usage	\$21.08	\$23.48	
Sewer Sr. Discount	-\$7.50	-\$8.05	
<b>Total</b>	<b>\$51.48</b>	<b>\$55.56</b>	<b>7.9% increase</b>

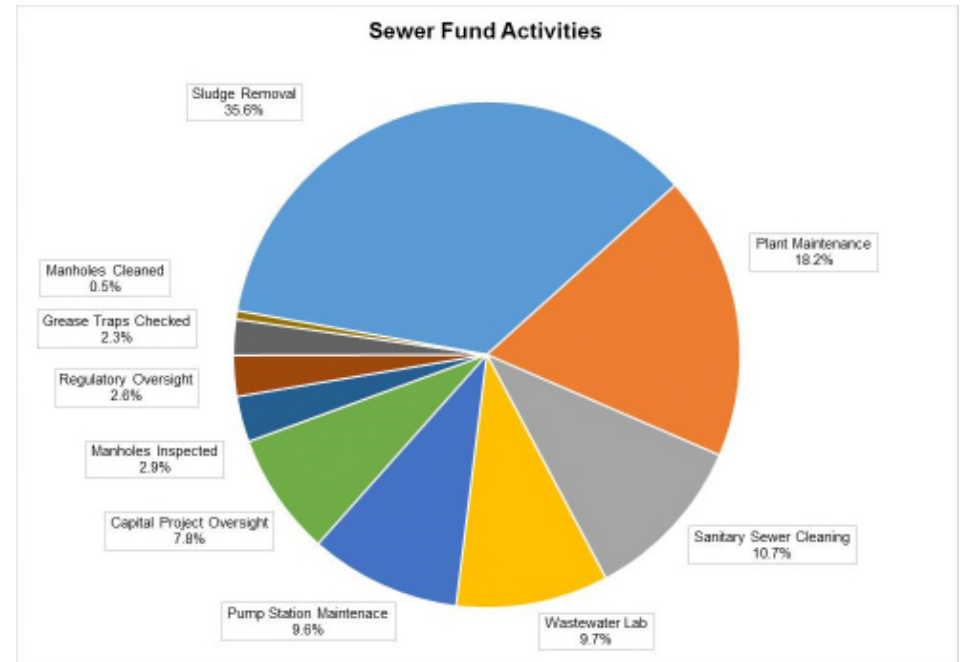
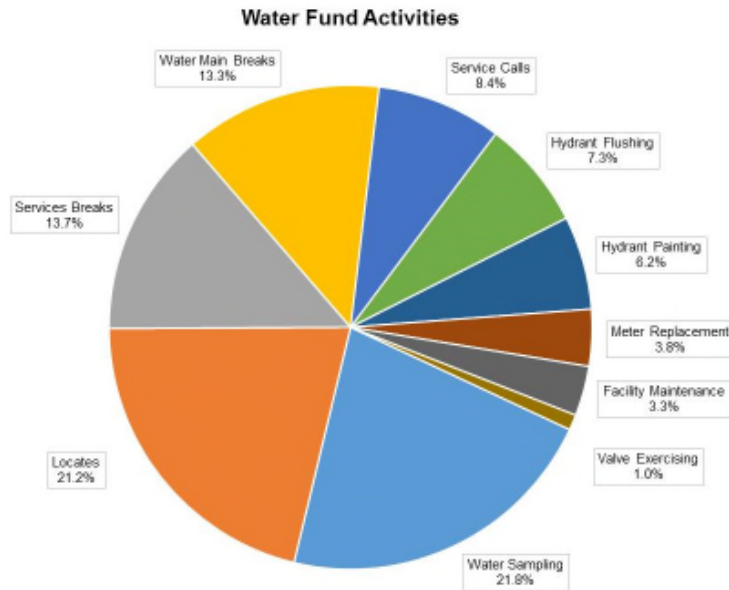


# Water and Sewer Fund



- Expenses
  - Water Department \$3,985,766
  - Sewer Department \$1,608,826
  - Waste Water Treatment Plant \$1,341,064
  - Debt Service \$1,040,188
  - Capital Improvements \$3,078,530
  - Total \$11,054,374
    - 18% decrease compared to last year

# Water and Sewer Fund



# Water and Sewer Fund



- Capital Improvements
  - Wastewater Treatment Plant Improvements
    - Chlorine Pumps \$30,000
    - Dechlorination Line Reroute \$45,000
    - Dechlorination Storage Tank \$6,500
    - Screw Pump Building Brick \$198,000



# Water and Sewer Fund



- Capital Improvements
  - Underground Improvements \$1,052,730
  - Sanitary Sewer Repairs \$425,000
  - Lift Station Improvements \$540,000



# Libertyville Sports Complex Fund



# Sports Complex Fund



- 2017-2018 Estimated Statistics
  - Adult Softball Teams: 87
  - Adult Soccer Teams: 53
  - Youth Soccer Teams: 79
  - Fitness Center Memberships: 800
  - Birthday Parties Booked: 170



# Sports Complex Fund



- 2017-2018 Accomplishments
  - Transition to contracted Facility Maintenance service
  - Implemented increased custodial service
  - New tournament clients added; expanded Pickleball offerings
  - New wireless scoreboard operating units and portable score tables
  - Concession area improvements

# Sports Complex Fund



- 2018/19 Goals
  - Facility Infrastructure Analysis
  - Staffing and Training
  - Driving Range Strategy
  - Security improvements
  - Washroom renovations
  - Motor Replacements



# Sports Complex Fund



- Revenues \$3,868,971
  - 4% decrease compared to prior year despite \$202,778 increase in transfer from General Fund
  - Discounting the transfer from the General Fund, revenue is down \$367,726 (13.3%) to better reflect actual receipts
- Expenses
  - Indoor Sports Center \$2,139,707
  - Golf Learning Center \$270,071
  - Family Entertainment Center \$1,250
  - Debt Service \$1,457,943
  - Total \$3,868,971

# Sports Complex Fund



- **Indoor Sports Complex**
  - Revenues \$2,142,220
  - Expenses \$2,139,707
  - Surplus \$2,513
- **Golf Learning Center**
  - Revenues \$200,525
  - Expenses \$270,071
  - Deficit (\$69,546)
- **Family Entertainment Center**
  - Revenues \$50,955
  - Expenses \$ 1,250
  - Surplus \$49,705
- **Debt**
  - General Fund Transfer \$1,475,271
  - Debt Service \$1,457,943
  - Surplus \$ 17,328

# Sports Complex Fund



- Capital Improvements
  - Fitness Center Flooring \$32,000
  - Building Security Video Surveillance System \$65,000
  - Motor Replacements (hoops, curtains, batting cages) \$58,750
  - Fitness Equipment \$11,000

# ENTERPRISE FUNDS

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Questions and Discussion



# OTHER FUNDS

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# Special Revenue Funds



- Special Service Areas
  - Concord SSA
  - Timber Creek SSA
- Fire Fund
- Foreign Fire Fund
- Motor Fuel Tax Fund
- Hotel/Motel Tax Fund
- Commuter Parking Fund

# Other Funds



- Debt Service Fund
  - General Bond & Interest
- Capital/Project Funds
  - TIF Fund
    - East Side Parking Lot
  - Impact Fee Fund
  - Project Fund
  - Road Bond Fund
  - Building Fund
  - Park Improvement Fund
    - No playground funding included
  - Public Building Improvement Fund
    - Village Hall HVAC

# Internal Service Funds



- Vehicle Maintenance and Replacement Fund
  - Replacing 15 vehicles or pieces of equipment \$1,597,546
- Technology Equipment and Replacement Fund
  - Funds budgeted for analysis (\$42,500) and future Software Replacements (\$300,000)
  - \$50,000 for Emergency Services Equipment previously funded out of the ETSB Fund
  - Remainder of fund balance is transferred to General Fund to offset capital investment



# Pension Funds

- Police Pension Fund
- Firefighters Pension Fund



# DISCUSSION ITEMS

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# Discussion Items



- Playground Funding
- New Water/Sewer Rate Study
- Stormwater-related Funding
- County 9-1-1 Study
- GLC Seasonal Closure Options
- Annual Report/Communications Staffing
- Other