

**Village of Fox Lake
Finance Committee Meeting
February 14, 2006
6:00 p.m.**

I. Call to Order – 5:30 p.m.

II. Roll Call

Present Chairman Ulasz, Trustee Beskow, Trustee Murrey, Trustee Working, Trustee Bender and Trustee Borchers. Mayor Irwin and Treasurer Christensen were also in attendance.

III. Review of Minutes

Chairman Ulasz asked if anyone had any corrections to the minutes of January 24, 2006. There were no corrections, they will stand as presented.

IV. Bills to be Paid

Chairman Ulasz asked if there were any comments or questions regarding the bill list in the amount of \$398,135.99. There were no questions or comments and will be approved at the Board Meeting this evening.

V. Ratification of Manual Check List

Chairman Ulasz asked if everyone has reviewed the Manual Check List and asked if anyone had any questions. There were no questions and will be approved at the Board Meeting this evening.

VI. Old Business

Update on Public Safety Building Renovation

Trustee Working asked Jim Thillen to update the Committee. Jim Thillen stated believe it or not we have Spancrete, and we also have all the necessary items for the cell doors that we were waiting on. Bob Warden has started the block work in the basement, he has started up at the top, he will probably work tomorrow but then it will be getting cold again and he will have to wait for warmer weather. We are moving along. Trustee Murrey stated don't forget about the grading that we have been discussing. Jim Thillen stated we are going to have to address some of the grading here, once we get the floors poured. We will have to direct the water away from the building. I have requested from Clark Dietz if they would do another plan at no charge as he did for the Village Hall when it was being built. It is one of the items that will have to be addressed once we get the grades set up.

Chairman Ulasz stated everyone should have received the projected cost for the Sallyport through the month of January as well as the updated budget to actual. Chairman Ulasz asked if there were any questions and stated that we will be getting these to you until the completion of the sallyport on a monthly basis. It will be the first meeting of every month and they will be placed in your mailbox so you won't have to ask for them in the future.

Census Update

Chairman Ulasz asked Paul Christensen to give us an update. Paul Christensen stated he is distributing a spreadsheet on the Census Estimate that he received the information yesterday. The numbers I have given you are still preliminary, I contacted Atlanta three separate times to get this information, we should be expecting a letter from them with the formal numbers in about two weeks; they stated these

numbers are 95% accurate. Essentially there are two components to this, there is an upfront cost, which we immediately have to pay them when we sign the contract and then there is labor, costs because essentially the employees are our employees. We had sent for a partial estimate and a full estimate, the estimated cost for a partial is \$89,000 and for a full is \$235,000. In the last column I have shown the difference between the two options. The estimate of new residents are is right below that figure and that is using their numbers which is 2 people per household according to the Census Bureau records for Fox Lake. It is 2.09 for Sundial Farms and the other new areas and 1.98 for the rest of the Village. Basically with the building permits and the analysis what we expect to receive is 1484 new residents with the partial, I expect it to be higher due to the time lag on this and the additional permits that have been issued. What you get for the 146,000 is an additional 321 people. You get a lot for the initial 90,000 but not a lot for the 146,000 in the number of additional residents. The additional revenue that we would receive is estimated at \$171,000 that is broken up from Income Tax, Use Tax and Motor Fuel Tax. The payback in a period of years for a partial would be half of one year and the full it would take us over a year to see that money, so it would be the next fiscal year. My conclusion on this that the partial is the way to go, you get a lot for the estimated cost. One of the contentions is that the last count wasn't that good, we get to pick our own workers, one problem is after looking at the process and procedures there is a lot of statistical data behind this and sometimes we don't get the numbers because of residents not home etc. I leave the decision to the Committee and I am willing to answer any questions. Chairman Ulasz asked is it correct that in four years we will have another census. Paul stated yes, the next census is scheduled in 1010 at no charge because it is the Census that is completed every 10 years. Chairman Ulasz stated she reviewed the spreadsheet and in her opinion she feels we should go with the partial, but I want to open it up to the Board for comments and their recommendations.

Trustee Bender stated he had reviewed this with Ted Beskow III and I agree lets do this now as a partial and get the money going by April. Trustee Working stated if we wait for the full census we are looking at losing over a half million dollars in that time period. Trustee Beskow asked how close are the fund revenue that is estimated, Paul Christensen stated they come from the Illinois Municipal League and are very close to actual but could move a little but they are definitely in the ballpark from history and projections. Trustee Beskow stated he was in agreement with the partial. Trustee Murrey stated the partial is his recommendation. Trustee Borchers was in agreement.

Paul Christensen stated he would like to thank Ted Beskow III and the Building Department for assistance in putting this information forward. Chairman Ulasz authorized Paul to go forward with the partial census.

Budget 06-07

Chairman Ulasz stated that in your packets there were some preliminary financial projections for 2006 – 2007. I am trying to provide to you a feel for where we are sitting as a Village. I don't want any surprises that you didn't know about this. We also have been doing cost savings for the Village, Carol Ward and I worked through getting cheaper copy paper we will be saving \$3.99 plus no delivery cost per carton; it is a start of looking at the costs. We have several other items we are looking at as well, we have a new rate plan for the Nextel's and potentially will be saving up to \$10,000 dollars, we are also looking for other possible communicating and an analysis of which is the better way to go on this item.

Sales Tax Revenue

Trustee Murrey asked why was there such a drop in Sales Tax in the last 6 months. Paul Christensen it is very tough to know exactly why since they keep the information so protected and unavailable except

in general terms. He stated in his estimated it is at the time Katrina hit and with the gas prices \$3.00 or more the sales tax revenue would be affected. People were not going out of town and were limiting their spending at that time. Our prime months are in the summer months not at the Christmas time etc.

Chairman Ulasz asked if there was any more old business.

VII. New Business

None

VIII. Committee Comments

IX. Audience Comments

Charles Miles, Exceed Development based in Antioch, Illinois asked to address the Committee. I am requesting to play the advertisement CD that we have for the new development Savanna Grand.

Mayor Irwin stated that during the President Comments at the Village Board Meeting this evening I was planning on stating they you had mailed each of us a letter and it did not arrive to be placed on an Agenda. Trustee Beskow has stated he feels this should be under Building and Zoning Committee Meeting but since he does not have one for a month. We have not had an opportunity to review the information and we will be discussing your request at the Finance Committee Meeting in two weeks on February 28th. Charlie Miles asked if he should give his presentation tonight or wait for two weeks. The Mayor polled the Board.

Trustee Beskow stated he has a problem with items not on the Agenda. He stated he was never contacted regarding this request and the first he heard of it was when yesterday there was a letter placed in my mailbox. It should go through the Building Department and I have heard nothing from anyone.

Trustee Bender stated he wouldn't mind hearing the presentation this evening.

Trustee Murrey asked how long is the presentation. Charles Miles stated he needed 5 minutes. The general consensus was to listen to the presentation as long as it didn't go longer than the 5 minutes. The Mayor stated we could provide 10 minutes for the presentation, but then we will have to cut it off, we have a number of other Committee Meetings this evening.

Chairman Ulasz stated Paul Christensen had prepared a spreadsheet for projections of the Savannah Grand project and has distributed it to the Board, and there are some items that we need to consult with our Attorney on prior to consideration.

Charles Miles, Exceed Development played the tapes of the advertisement of units. I am requesting consideration of the items that were in the letter,

1. A larger Marketing Signage,
2. The vacation of Venice Avenue that is not built but it connects Glen with Keystone,
3. An increase of the Construction hours from 7:00 a.m to 7:00 p.m to expand that to 24/7
4. The Waiver of Government Fees.

That is basically what is being requested, I also wanted to provide an update to the Committee. We have 3 contracts and we are over the 10% so far with very limited marketing at this time we have only put up a sign on the site. We are currently marketing via MLS, our website, the newspaper and the sign on the site. We are going to put the Sales office on the site, hopefully that will begin in the next couple of weeks. The sales office will be 2500 square feet the exact size of one of the units. It will look like the building on the exterior as well as the interior. We have removed all the asbestos; we have started

setting up the Glen School behind as the Construction Office. We have a fairly detailed timetable, we are starting to send the sub-contractors the bid invitations and one great thing is we are seeing the community of Fox Lake come alive. We have a lot of subcontractors providing us with information even though we didn't advertise. They want to get involved in this project and we welcome that we are not going to sending this to only one subcontractor. One of the ways we are trying to save the costs is to having work performed on multiple levels at the same time. We need to get this project up as quickly as possible, we will need to minimize costs so we can deliver the same quality we see downtown or in neighboring suburbs of Chicago. I would go further and say it will be a better quality, no other unit I have gone to has private rooftop gardens, or a workout room and Jacuzzi on the 12th floor, or have a private deck to reserve on the top for viewing of fireworks or a private party for the association or your daughters bridal shower. The features we have are very unique including the appliances that are included are more unique and not typical for these type of units.

Mayor Irwin interrupted Charles Miles and stated we have the beginning information and we will have another presentation in two weeks at the Finance Committee Meeting. If you have any questions regarding the time, please call the Village Hall. Charles Miles asked if there were any questions?

Trustee Bender stated he would like to of heard the rest of the presentation but apparently we are in a hurry.

John Donnellan, Fox Lake Elementary School District 114. John Donnellan thanked the Committee for allowing him to speak once again. As the Board is well aware the District 114 is facing some dire straits with regard to our Finances. I am appealing to the Board regarding Mr. Miles request number 4 in abatement or not accessing the impact fees. These fees are our lifeline in regard to building additions such as safety work and we as a School District cannot allow those fees to go uncollected. We don't see a special circumstance here that would allow for the abatement of those fees. It is an exciting project and I applauded Mr. Miles on the work that he and his team has done. He has communicated with our School Board in the past and we are appreciative that and having said that however that he abide by existing ordinances and they pay their fair share. He asked if there were any questions, none were stated. He thanked the Committee for allowing him to speak regarding this issue.

VIII. Adjournment

There being no other business to discuss the Committee Meeting was adjourned at 6:24 p.m.

Carol Ward
Deputy Clerk