



VILLAGE OF FOX LAKE VILLAGE BOARD BUDGET HEARING MEETING MINUTES

STATE OF ILLINOIS, }
Lake and McHenry Counties, } ss.
Village of Fox Lake

This meeting is held in accordance with State of Illinois Executive Order 2020-07 Section 6, held in said Village and County in the State of Illinois at 6:00 p.m. on April 14th, 2020, held via phone conference. The meeting was called to order by Mayor Schmit. The following official business was transacted:

1. Call to Order

Roll Call

Present Mayor Schmit; Trustees: Jensen, Stochl, Konwent, Koske, Marr and Moore.

Staff also in attendance via call in: Anne Marrin, Laura Linehan, Ryan Kelly, Jimmy Lee Jr., Donovan Day, Nazar Uddin and Kealan Noonan.

2. Staff Comments – FY 2020-2021 Proposed Budget

Mayor Schmit said the budget will have to be amended several times through the course of the year. Revenues are very unstable right now and he is unsure if there will be assistance from the Federal Government.

Anne Marrin said this is a tentative budget and there will be changes before the final budget is presented on April 28th. Staff has been instructed there are a hiring freeze and a purchasing freeze. The budget on the 28th will be tentative again as there will be no video gaming tax, red light camera sales tax, gaming sales tax, or places for eating tax. The BDD will be cut by more than half. In addition, income tax is impacted with so few people working and property tax due dates may get extended out. This is all revenue the Village won't be getting. Because there is no way of knowing, at this time, where the Village will be in terms of revenues, the budget will be cut by about 50%. Water bill late fees are being waived and rebating the Metra parking passes for people who are not taking the train. Anne said this will be a lot worse than the hit the Village took in 2008. The budget will budget will continue to get updated as new information is available and changes will occur right up until the meeting on April 28th.

Trustee Jensen asked about the \$5M in grants in the General Fund. Anne said those are Federal funds, mainly for Nippersink, and those funds have already been assigned. Those grant monies are not tied to day to day operating revenues. Trustee Stochl said that, realistically, it will take about two months to see the

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financial impact of our current situation and Anne agreed. There will be initial, proactive budget cuts right now, and the rest will be predicated on sale taxes which is about 1/3 of the budget (video gaming, car sales, grocery sales, etc...). The police pension fund, however, is dictated by law and that is a lot of money. This situation is very fluid but the budget presented on April 28th will be based on the most accurate information that is available at that time.

Trustee Jensen asked if the police pension is fully funded and Anne said it is about 72% funded. Mayor Schmit said that state income tax payments were extended from April 15th to July or August. This will greatly reduce the funds in the budget. Storm Water Management already reduced their budget by \$750K. There is a lot of chatter about property tax due dates being extended and Mayor Schmit said he is against that because the Village relies on those funds. Lake County has a finance hearing on Thursday where the extension decision will be made. Mayor said the Village has a great staff and they will navigate through this difficult situation. He doesn't foresee any major road construction projects this year; only emergency repairs and maintenance. There may be some assistance from the Federal Government, so the Village will continue looking into that.

Trustee Stochl said both of his businesses were shut down months ago and there is no money coming in. He doesn't know how to handle late fees and payments. An SBA Loan offers \$12K to take care of payroll, utilities and rent. Mayor said that everyone on unemployment is getting \$600 a week and the stimulus payments for most will be \$1,200. He doesn't want the Village to end up borrowing money to pay bills in the future. Anything the Village gives back now will result in increased fees at a later date. Trustee Marr said the demographics of this town are in difficult straits; both residents and businesses. Mayor said he wants to explore all the Federal stimulus money to make sure our businesses are being assisted. Most of the mayors he speaks with agree that anything that is given back now, will hurt us in the long run. He wants to see what happens in the next week or two. Trustee Stochl said he has three employees that have tried to get on unemployment and haven't received anything yet. Mayor said there will be some hard discussions over the upcoming weeks. Trustee Jensen thinks the late fees are way too high to begin with.

3. Public Comments – FY 2020-2021 Proposed Budget

The Mayor asked for public comments and there were none.

4. Adjournment

Trustee Stochl made a motion to adjourn the meeting at 6:18p.m., seconded by Trustee Marr. All were in favor. Motion Carried.

Meeting was adjourned at 6:18P.M.



Amy Driscoll, Village Clerk