

**VILLAGE BOARD OF TRUSTEES WORK SESSION**  
**11004 Carpenter Street, Mokena, Illinois 60448**  
**Monday, May 13, 2024**

**CALL TO ORDER**

Mayor Pro Tem Metanias called the Village Board of Trustees work session to order at 7:49 p.m.

**ROLL CALL**

The following Trustees were present:

Rob Dauphinais  
Debbie Engler  
Melissa Fedora  
Terry G. Germany  
George J. Metanias (Mayor Pro Tem)  
Terence Smith

Absent: Mayor Frank A. Fleischer

Also present were the following: Village Clerk Melissa Martini; Village Administrator John Tomaso; Finance Director Nathan Pasbrig; Village Attorney/Human Resources Director Carl Buck; Chief of Police Brian Benton; Director of Public Works Jim Kulesa; and Community Development Director Brent Cann

**Fiscal Year 2025 Budget Overview**

Village Administrator John Tomaso presented the following item:



**May 13, 2024  
Work Session**

- Review General Fund
  - Current Year Status
  - Proposed FY 25 Budget
  - Overall Financial Health
  - Review FY 24 Surplus
- Overview of Capital Improvement Fund Balances
- Proposed FY 24 Budget Amendments
- Preliminary Draft
  - Overall Budget
  - Status .....
  - Budget Categories
  - Operating and Capital Fund Balances
  - Annual Transfers
- Capital Expenses
- Follow-up on Christmas Decorations
- Tourism Fund
- TIF Fund
- Parking Lot Fund
- Questions or Comments

## FY 24 (Current Year)

	Budgeted	Anticipated	Difference	
FY 24 Revenues	\$ 15,925,622	\$ 17,243,516	\$ 1,317,894	
FY 24 Expenditures	16,648,951	15,768,475	880,476	
Ending FY 23			1,130,015	
FY 24 Net Positive Operating Results			3,328,385	
Adjust Fund Balance			(638,858)	*
Total Transfer			\$ 2,689,527	**

\* Surplus left in General Fund to keep 33% ending fund balance  
 \*\* Surplus is proposed to be transferred to Municipal Facilities

### Police Station Promissory Note


- In June 2022, the Board authorized an ordinance to issue a \$4.75M Promissory Note for the remainder of the Police Station funding
- Eight-year note with a call date of July 30, 2024



#### Police Station Promissory Note Upcoming Payments

Fiscal Year	Principal	Interest	Total Payment	Interest Rate
2025	\$ 550,000	\$ 123,307	\$ 673,307	2.85%
2026	565,000	107,164	672,164	2.94%
2027	580,000	90,071	670,071	3.03%
2028	600,000	71,984	671,984	3.10%
2029	620,000	52,795	672,795	3.19%
2030	640,000	32,442	672,442	3.27%
2031	66,000	10,989	76,989	3.33%
<b>Total</b>	<b>\$ 3,621,000</b>	<b>\$ 488,752</b>	<b>\$ 4,109,752</b>	

### Strategy for Police Station Promissory Note



Old Plank Trail Bank interest income rate at 4/30/2024 5.4%

FY23 Surplus transferred to Municipal Facility	\$ 3,000,102
Proposed FY24 Surplus transferred to Municipal Facility	2,689,527
<b>Total surplus transferred to Municipal Facility</b>	<b><u>\$ 5,689,629</u></b>

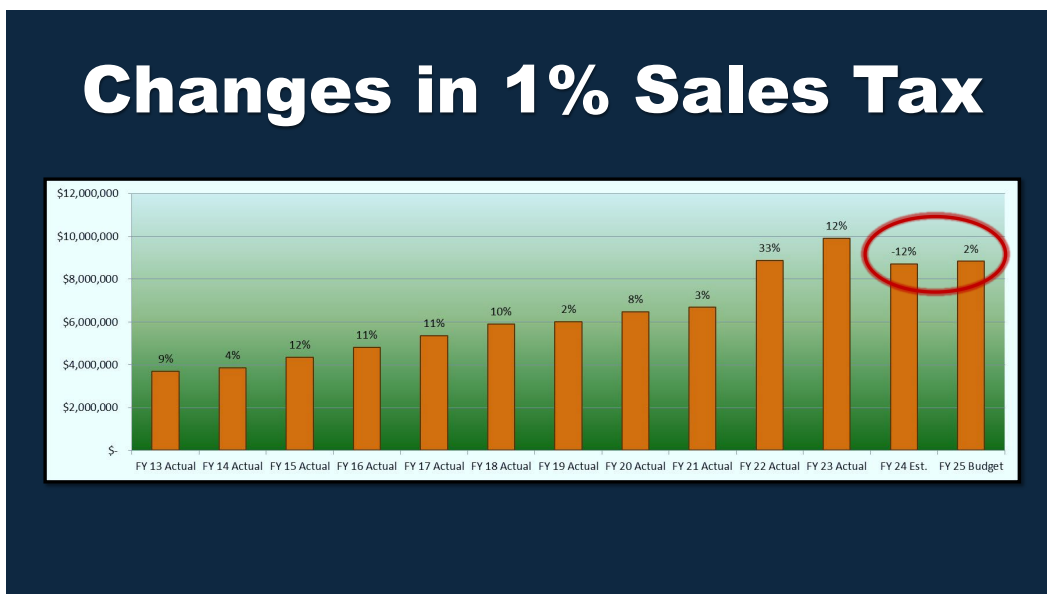
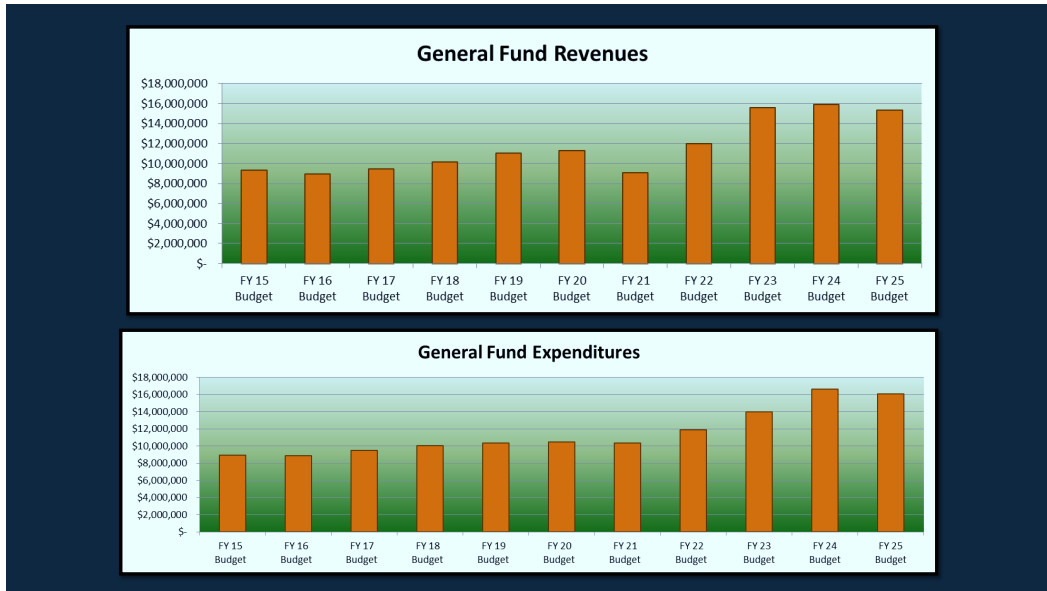
## General Fund Revenue Summary

- Tax revenue decreased by \$597k or 3.75%.
- Sales tax decrease \$1.1MM or 11.02%.
- Income tax increased \$155K or 10.03% (includes budgeting for only 50% of LGDF).
- Building permits increased based on new rates approved at January 8, 2024 Board of Trustee Meeting


Revenues:	Actual Fiscal '22	Actual Fiscal '23	Budget Fiscal '24	Anticipated Fiscal '24	Dept. Req. Fiscal '25	Amount Change	% of Change
Taxes	\$ 14,771,625	\$ 15,801,216	\$ 14,121,357	\$ 14,665,320	\$ 13,357,452	\$ (763,905)	-5.41%
Licenses	707,059	723,147	684,625	680,726	676,244	(8,381)	-1.22%
Permits	188,549	118,843	127,100	173,672	239,625	112,525	88.53%
Intergovernmental Revenue - State	1,371,665	1,371,665	-	-	60,000	60,000	100.00%
Intergovernmental Revenue - Local	205,659	205,659	205,659	205,659	205,659	-	0.00%
Exaction Fees	7,601	8,196	48,149	12,984	27,000	(21,149)	-43.92%
Fines	110,172	184,102	122,900	125,374	122,900	-	0.00%
Other Revenue	486,968	946,062	615,832	1,379,781	639,613	23,781	3.86%
<b>Total Revenue</b>	<b>\$ 17,849,298</b>	<b>\$ 19,358,890</b>	<b>\$ 15,925,622</b>	<b>\$ 17,243,516</b>	<b>\$ 15,328,493</b>	<b>\$ (597,129)</b>	<b>-3.75%</b>

## General Fund Expenditure Summary

Appropriations	Actual Fiscal '22	Actual Fiscal '23	Budget Fiscal '24	Anticipated Fiscal '24	Dept. Req. Fiscal '25	Amount Change	% of Change
Legislative	\$ 107,924	\$ 85,756	\$ 118,957	\$ 99,573	\$ 145,400	\$ 26,443	22.23%
Administrative	9,172,910	8,222,851	5,495,941	8,036,081	4,410,167	(1,085,774)	-19.76%
Fire & Police Commission	33,047	23,198	43,350	18,692	45,400	2,050	4.73%
Police Department	5,228,192	5,889,063	6,270,632	6,316,842	6,979,177	708,545	11.30%
Community Development	741,715	720,923	1,155,913	935,105	1,068,580	(87,333)	-7.56%
Village Clerk	8,587	9,014	13,352	11,278	15,105	1,753	13.13%
Street Department	1,640,554	2,132,626	2,814,175	2,363,858	2,729,730	(84,445)	-3.00%
Buildings & Grounds Department	359,886	451,024	626,769	597,205	540,040	(86,729)	-13.84%
Cable TV Commission	13,044	13,529	17,814	11,131	17,639	(175)	-0.98%
E.S.D.A. Department	45,590	46,212	92,048	68,238	99,751	7,703	8.37%
<b>Total Appropriations</b>	<b>\$ 17,351,449</b>	<b>\$ 17,594,196</b>	<b>\$ 16,648,951</b>	<b>\$ 18,458,003</b>	<b>\$ 16,050,989</b>	<b>\$ (597,962)</b>	<b>-3.59%</b>



## Mokena Marketplace



- Started in July 2008
- Board approved final payment of \$557,496 at the November 13, 2024 Board Meeting.
- No further payments will be made.

## Altorfer Industries, Inc.



- Started in January 2020.
- Expires in December 2035 or when total payments reach \$2M.
- Total payments made to date is \$733,490.
- Based on current trends, total payments will reach \$2M in the next 3-4 years.

## Corporate Corridors North



- Board approved two agreements.
- First agreement started in December 2007 and expired in November 2022.
- Second agreement started in March 2019 and will expire in April 2034.
- Last payment on the first agreement was in April 2023 for \$360,110.
- The first payment on the second agreement will be made in July 2024.

## Municipal Parking Capital Improvements

	<b>Cost</b>
Therafin (work completed in June & July 2023)	\$ 156,523
Hickory Creek - Phase 1 (work completed in August & September 2023)	413,391
Hickory Creek - Phase 2 (work completed in April & May 2024)	575,000 *
<b>Total</b>	<b>\$ 1,144,914 **</b>

\* Budgeted amount. All invoices have not been received.

\*\* 100% of this amount was transferred from General Fund.

FUND BALANCES IN ESCROW ACCOUNTS				
Accounts	Begin FY '24	Begin FY '25	Ending FY '25	Purpose
Municipal Parking Facilities (Restricted)	\$ 688,455	\$ 309,366	\$ 272,366	improvements to the municipal parking facilities. Funds escrowed through transferred parking lot fees and transfers from General Fund.
Water Improvements (General Restrictions for Water Related Issues)				Funds escrowed through connection fees, operating transfers, contributions and interest. The fund is established specifically to be utilized for water related expenditures which include, Oak Lawn debt and lake water joint system maintenance (Mokena and New Lenox).
(1) Regional Water System	3,301,562	4,363,050	4,182,709	
(2) Joint System	326,720	340,909	306,684	
Total Water Improvement	3,628,282	4,703,959	4,489,393	
Municipal Facilities	16,611,717	9,101,024	7,260,774	Facility improvements / major upkeep can be funded through this account. This account has also been utilized to fund land acquisitions and facility expansions.
General Infrastructure (Transportation Projects)	7,768,322	7,741,886	5,511,082	This account is available for road and other infrastructure projects and costs based on pending needs of the Village. The ½% sales tax provides revenue for this fund.
<b>Total</b>	<b>\$ 28,696,776</b>	<b>\$ 21,856,235</b>	<b>\$ 17,533,615</b>	

## SUMMARY Fiscal 2024 Budget Amendments

Fund Name	Budgeted Amount	Proposed Amendment	Reason / Funding Source
General Fund	\$ 16,648,951	\$ 18,608,003 \$ 1,959,052	Additional Costs / Additional Revenue
Crossing Guard	\$ 31,332	\$ 32,439 \$ 1,107	Additional Costs / Additional Revenue
Motor Fuel Tax	\$ 1,370,820	\$ 2,224,344 \$ 853,524	Additional Costs / Rebuild Illinois Funds
Refuse Fund	\$ 1,757,453	\$ 1,827,239 \$ 69,786	Additional Costs / Additional Revenue
Water / Sewer Fund	\$ 8,679,789	\$ 8,745,467 \$ 65,678	Additional Costs / Additional Revenue
Water Capital	\$ 463,850	\$ 758,965 \$ 295,115	Additional Costs

## Proposed FY 2025 Budget Summary

	Fund Name	Opening Fund Balance	Revenue	Expenses	Ending Fund Balance
1	General	\$ 6,019,323	\$ 15,328,493	\$ 16,050,988	\$ 5,296,828
2	Audit	17,503	11,750	11,600	17,653
4	Performance Bond	919,296	88,000	613,000	394,296
5	Tourism	654,206	183,000	179,037	658,169
6	Special Tax Allocation	506,921	85,493	159,120	433,294
7	School Crossing Guard	37,413	25,800	37,140	26,072
8	IMRF/FICA/MC Contribution	794,489	976,684	1,036,037	735,136
9	Police Pension	30,192,710	3,101,138	1,466,492	31,827,356
11	Motor Fuel Tax	3,450,163	941,073	1,967,560	2,423,676
15	Refuse	252,955	1,851,740	1,858,932	245,763
16	Water & Sewer	3,071,772	8,377,058	9,186,534	2,262,297
17	Municipal Parking Lot	344,198	184,840	173,497	355,542
19	Sewer System Capital Improv.	1,865,984	88,040	835,844	1,118,180
20	Water System Capital Improv.	1,973,888	233,620	1,399,850	807,658
21	Sewer Plant Replacement	1,248,813	160,000	1,406,000	2,813
22	Plant Expansion	990,447	9,904	700,000	300,351
23	Capital Improvement, Repair and Replacement	21,856,235	5,403,669	9,726,289	17,533,615
	<b>Totals</b>	<b>\$ 74,196,316</b>	<b>\$ 37,050,301</b>	<b>\$ 46,807,920</b>	<b>\$ 64,438,697</b>

**Budget  
 Summary By  
 Category**

	FY 24 Budget	FY 25 Budget	\$ Increase/ (Decrease)	% Change
<b>Revenues:</b>				
Taxes	\$ 21,404,792	\$ 20,235,398	\$ (1,169,394)	-5.46%
Fines	\$ 122,900	\$ 122,900	-	0.00%
License / Permits	\$ 811,725	\$ 915,869	104,144	12.83%
Service Charge	\$ 10,234,442	\$ 10,540,606	306,164	2.99%
Grants / Transfers	\$ 205,659	\$ 265,659	60,000	29.17%
Development	\$ 952,264	\$ 732,735	(219,529)	-23.05%
Other	\$ 4,791,351	\$ 4,237,135	(554,216)	-11.57%
<b>Total Revenues</b>	<b>\$ 38,523,133</b>	<b>\$ 37,050,302</b>	<b>\$ (1,472,831)</b>	<b>-3.82%</b>
<b>Expenditures:</b>				
Personal Service	\$ 13,415,229	\$ 14,619,138	\$ 1,203,909	8.97%
Commodities	\$ 2,504,772	\$ 2,627,767	122,995	4.91%
Contractual Service	\$ 14,228,460	\$ 14,191,692	(36,768)	-0.26%
Capital Outlay	\$ 21,687,230	\$ 13,081,031	(8,606,199)	-39.68%
Other Expenditures	\$ 800,000	\$ 800,000	-	0.00%
Transfers	\$ 2,129,986	\$ 1,463,292	(666,694)	-31.30%
<b>Total Expenditures</b>	<b>\$ 54,765,677</b>	<b>\$ 46,782,920</b>	<b>\$ (7,982,757)</b>	<b>-14.58%</b>

**OPERATING FUND BALANCES**

Fund	Beginning FY 2024	Beginning FY 2025	Ending FY 2025	Recommended Amount	Variance	Actual %
General	\$ 7,233,808	\$ 6,019,323	\$ 5,296,828	\$ 5,296,826	\$ 2	33%
Water	\$ 2,317,216	\$ 2,152,005	\$ 1,645,601	\$ 1,636,529	\$ 9,072	25%
Sewer	\$ 1,069,795	\$ 919,768	\$ 616,695	\$ 660,105	\$ (43,410)	23%
Parking Lot	\$ 241,779	\$ 344,198	\$ 355,542	\$ 43,374	\$ 312,168	205%

**CAPITAL RESERVE FUND BALANCE**

Fund	Beginning FY 2024	Beginning FY 2025	Ending FY 2025
Water System Capital	\$ 2,292,902	\$ 1,973,888	\$ 807,658
Sewer System Capital	\$ 1,931,730	\$ 1,865,984	\$ 1,118,180
Sewer Plant Replacement	\$ 1,275,482	\$ 1,248,813	\$ 2,813
Sewer Plant Expansion	\$ 1,686,494	\$ 990,447	\$ 300,351
Capital Impr., Repair, Replacement	\$ 28,696,776	\$ 19,277,708	\$ 14,955,088
<b>Total</b>	<b>\$ 35,883,384</b>	<b>\$ 25,356,839</b>	<b>\$ 17,184,089</b>
<b>Change</b>			<b>\$ (8,172,750)</b>

**FISCAL 2024 TRANSFERS**

Fund From	Fund To	Purpose	Budgeted	Proposed
General	Capital Improvement	Transfer for Municipal Facilities	\$ -	\$ 2,689,527
General	Capital Improvement	Transfer for Municipal Parking	575,000	575,000
General	Capital Improvement	Transfer to Municipal Parking	725,001	725,001
Performance Bond	General	Transfer Interest Earnings	13,000	57,719
Refuse	General	Interfund Service Charge	44,989	44,989
Water	General	Interfund Service Charge	80,335	80,335
Water	Capital Improvement	Lake Water Joint System Costs	50,000	50,000
Water	Capital Improvement	Regional Water System Debt	596,985	596,985
Sewer	General	Interfund Service Charge	80,335	80,335
Water System Capital	Capital Improvement	Water Improvements	150,000	150,000
<b>Total</b>			<b>\$ 2,315,645</b>	<b>\$ 5,049,891</b>

FISCAL 2025 TRANSFERS			
Fund From	Fund To	Purpose	Amount
General	Capital Improvement	Transfer to Municipal Facilities	\$ 673,307
Performance Bond	General	Transfer Interest Earnings	13,000
Refuse	General	Interfund Service Charge	44,989
Water	General	Interfund Service Charge	80,335
Water	Capital Improvement	Lake Water Joint System Costs	50,000
Water	Capital Improvement	Regional Water System Debt	596,985
Sewer	General	Interfund Service Charge	80,335
<b>Total</b>			<b>\$ 1,538,951</b>

### Additional Items Budgeted in FY 25 General Fund

- Comprehensive Plan - \$135K
- Sign & Façade Program - \$55K
  - Façade Grants - \$10K
  - Sign Grants - \$1K
- Village-Wide Software - \$275K
- State of the Village - \$17,500 \*

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### 911 Dispatch 3/4

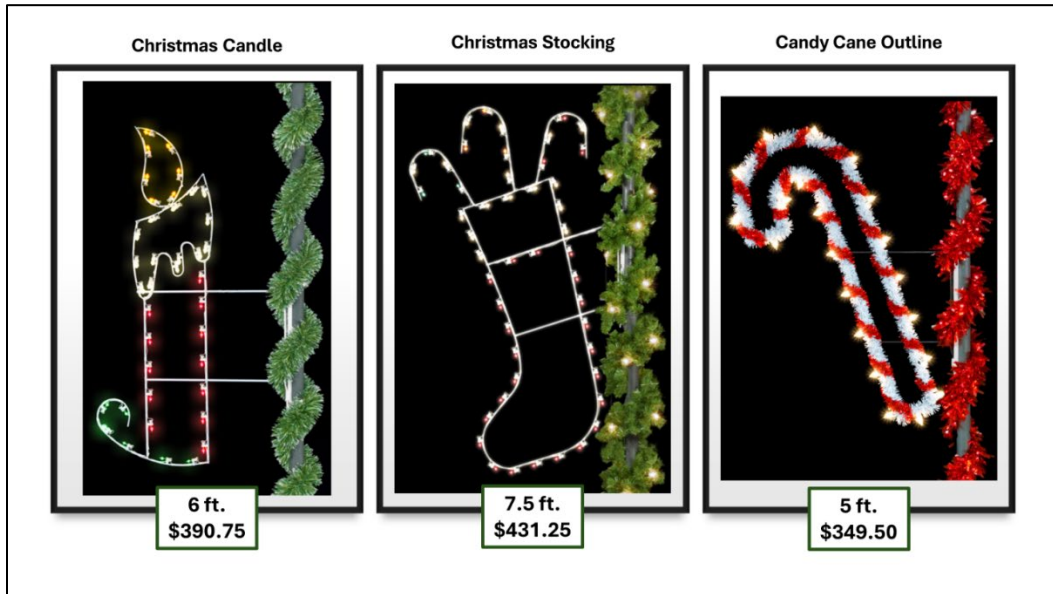
Equipment	Department	Fund	Proposed
Board Tablets	Legislative	General	\$ 10,500
Village Hall Security Cameras	All Departments	General	30,000
Speed Trailer	Police	General	15,000
Drones	Police	General	25,000
Zero Turn Mower	Building & Grounds	General	15,000
Front Street LED Lights	Tourism	Tourism	25,000
Francis Tower Station Doors	Water	Water	5,000
Door Replacements at WWTP, lift, pump stations	Sewer	Sewer	60,000
Sewer line inspection cameras	Sewer	Sewer Capital	20,544
<b>Total</b>			<b>\$ 206,044</b>


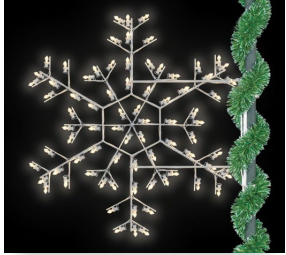


<p>Lighted Stocking</p>  <p>8ft. \$570.00</p>	<p>Lighted Bell with Garland</p>  <p>6 ft. x 4.5 ft. \$371.25</p>	<p>Santa</p>  <p>5 ft. x 8 ft. \$1,020.00</p>
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<p>Garland Top Hat Snowman</p>  <p>6ft. \$817.50</p>	<p>Stocking with Candy Canes</p>  <p>5 ft. \$349.50</p>	<p>Candle</p>  <p>5 ft. \$375.75</p>
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<p>Christmas Tree with Bow</p>  <p>\$408.75 (6ft.) - \$621.00 (8 ft.)</p>	<p>Double Candle Scroll</p>  <p>4 ft. x 6 ft. \$547.50</p>	<p>Sparkle Tree</p>  <p>4.5 ft. x 8 ft. \$487.50</p>
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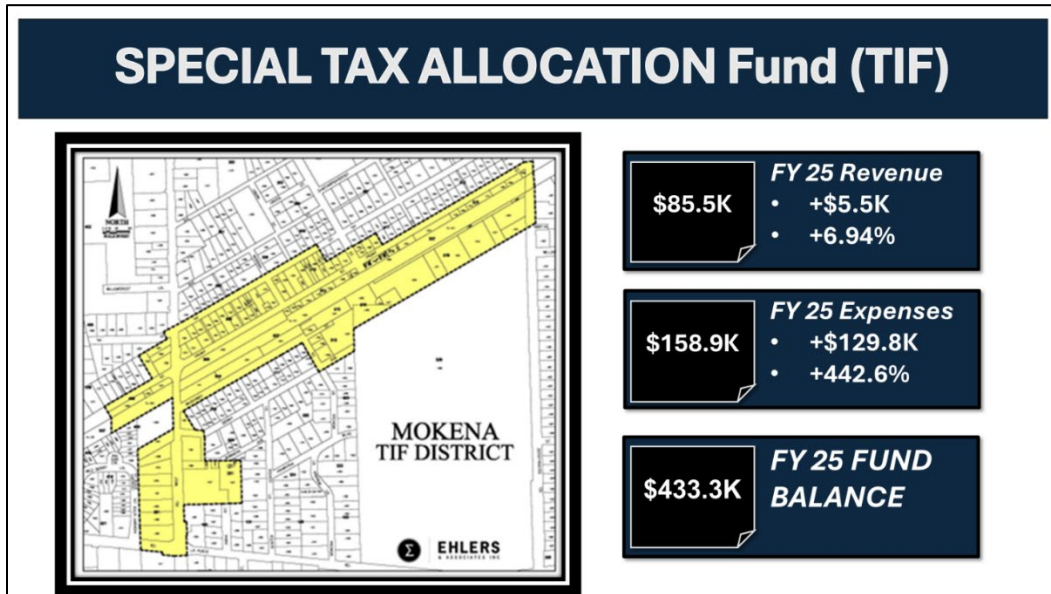
<p data-bbox="337 962 456 983">Snowboy Face</p>  <p data-bbox="342 1338 451 1387">5 ft. x. 6 ft. \$720.00</p>	<p data-bbox="610 1002 816 1024">Prairie Crystal Snowflake</p>  <p data-bbox="675 1338 756 1387">5 ft. \$581.25</p>	<p data-bbox="938 1002 1122 1037"><b>ELECTRICITY</b></p> <p data-bbox="906 1077 1154 1137">Cost to convert poles: ≈ \$1,400</p> <p data-bbox="906 1171 1154 1231">Total cost for 11 poles: ≈ \$23,000</p>
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### Plant Replacement Fund Update

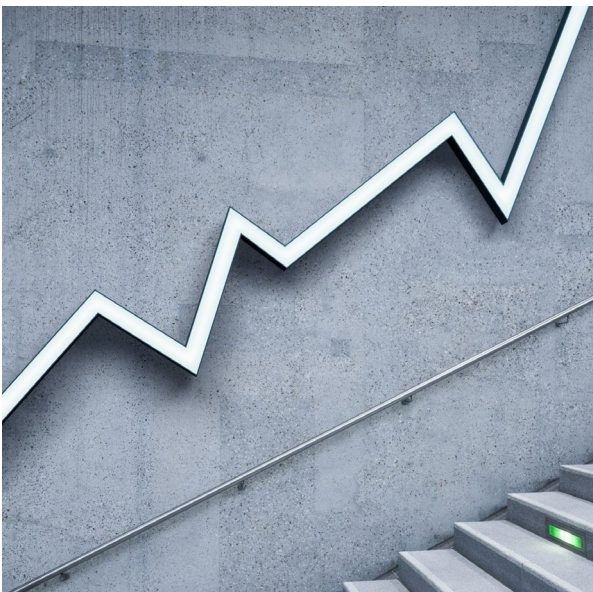
- Originally shown with an ending fund balance of -\$102,922 at March 11<sup>th</sup> Work Session
- Propose to fund negative balance with transfer from Capital Improvement Infrastructure Fund of \$130k
- With expenditure changes, this will provide the fund with a balance of \$2,813





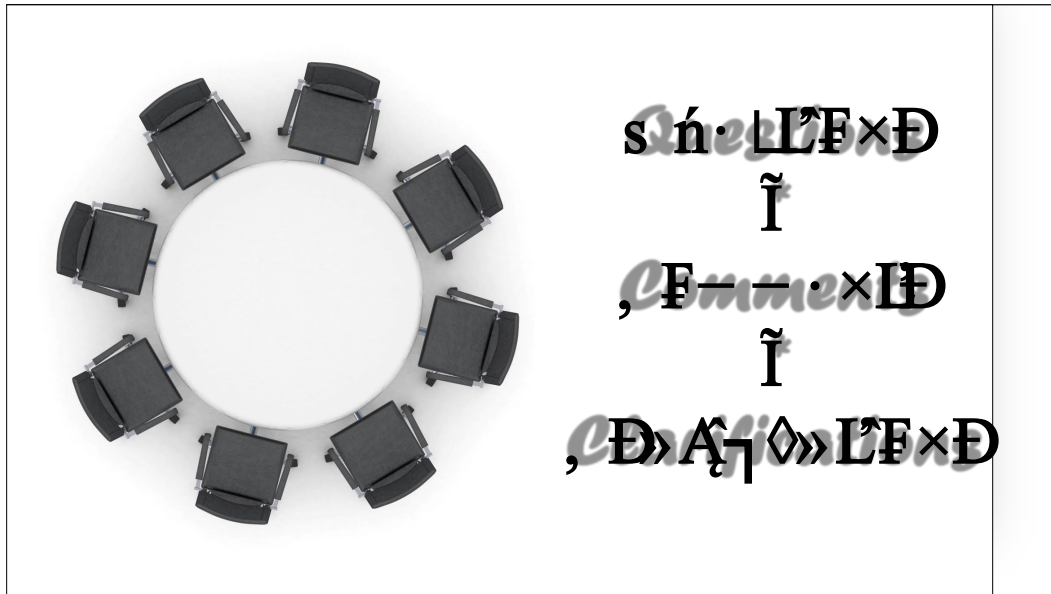
## Policy Decisions

- \$2.69M transfer for Municipal Facilities?
- Concur with capital and facility improvements?
- Agree with the strategy for Police Station Promissory Note?
- Questions or comments on any budget items?



## Next Steps:

- June 10, 2024 Board of Trustees meeting
  - Public Hearing and approval of final FY25 budget
  - Approve the water and sewer ordinances
  - Approve tap-on fees
- June 24, 2024 Board of Trustees meeting
  - Approve final FY24 budget amendments



Discussion:

Mayor Pro Tem Metanias agreed with the transfer of \$2.69M to the Municipal Facilities. He asked if Food Trucks expenses could be taken from the Tourism Fund. Village Administrator Tomasoski indicated Trustee Engler and Finance Director Nathan Pasbrig are working together to have entertainment expenses come from this fund along with Public Works overtime. Mayor Pro Tem Metanias asked why the Village is doing a State of the Village as this hasn't been done in the past twelve years and believes the Village should wait until after the Comprehensive Plan is completed.

Trustee Engler agreed with the recommended transfer of \$2.69M to the Municipal Facilities. She agreed with Mayor Pro Tem Metanias regarding the State of the Village. Regarding Christmas decorations, she indicated no fluffy white-stuff and recommended the Christmas Tree with Bow. In addition, the Christmas Trees and Snowflakes should alternate on the poles.

Trustee Dauphinais agreed with the Christmas Tree with Bow and with the recommended transfer to the Municipal Facilities. He asked why the Village's overall expenses are greater than revenue. Village Administrator Tomasoski indicated there are two factors: 1) the Village's conservative approach to the budget where Village staff estimated revenues a little low and the expenses a little high, and 2) completing large capital projects in Fiscal Year (FY) 25. Trustee Dauphinais thought the State of the Village could be done for less than \$17,500 and suggested the Village could have a virtual State of the Village.

Trustee Germany agreed with the fund transfer and with new security cameras for Village Hall. He asked why the sales tax decreased so much. Village Administrator Tomasoski indicated the Village sales tax revenue is heavily based on the construction industry, and this fluctuates as construction fluctuates. In addition, the Village lost one of its top ten sales tax producers in calendar year 2023. Trustee Germany asked if Village staff can look into new cameras for the Board meetings. Village Administrator Tomasoski said to upgrade the Board Room could be more than the Board is willing to spend especially if the Village Hall will only be occupied for the next 5-8 years, but Village staff can look into some options. Trustee Germany also agreed the State of the Village should wait until the Comprehensive Plan is completed.

Trustee Smith had no issues with the transfer, Christmas Tree or cameras. Trustee Smith stated maybe there are better ways to have the State of the Village.

Trustee Fedora agreed with the transfer of \$2.69M to the Municipal Facilities. She supported the purchase of Village Hall cameras. Trustee Fedora stated she is in agreement with the Christmas decorations. The Chamber's banners are up year-round and asked if the Village can place the decorations on the other side of Chamber's banner. Village staff state they would work with the Chamber on this matter. Trustee Fedora had no strong opinion regarding the State of the Village and that the Chamber is okay with giving up the event as she wants to see this event grow.

The Board directed staff to transfer \$2.69M to Municipal Facilities, approved the proposed capital and facility improvements, and agreed with the strategy for the Police Station promissory note.

Village Administrator Tomasoski asked the Trustees if the overall concession of the Board is to eliminate having the State of the Village in the budget. Mayor Pro Tem Metanias indicated this was the first-time hearing about it and would like to have further information before a final decision is made. Trustees agreed with him. Village Administrator Tomasoski indicated the best thing would be to have a Work Session regarding this item. The Board agreed.

There being no further business to bring before the Mayor and Village Board of Trustees, Mayor Pro Tem Metanias adjourned the work session at 8:49 p.m.