



Agenda Item Summary

File #: MOT 17-231, **Version:** 1

Submitted By

Steven Drazner, Chief Financial Officer

Reviewed By

CLP

Agenda Item Title

Motion to Defer until the Regular Meeting of October 16, 2017 Acceptance of the Five Year Capital Improvement Plan (2018-2022) as Reviewed by the Finance Committee of the Village Board on September 11th, September 12th, and September 19th and at a Special Meeting of the Village Board on September 25th.

Overview

The Finance Committee of the Village Board met on September 11, 12, and 19 to review the detailed Capital Improvement Plan for fiscal years 2018 through 2022. In addition, the CIP was reviewed and discussed at a special meeting on September 25th. At that meeting, staff was asked to further reduce capital projects by an additional \$1 million. Although these reductions have not yet been incorporated into the document, attached is a memo summarizing the projects identified by staff for reduction in fiscal year 2018. The first year of the CIP will be incorporated into the FY18 operating budget which, when adopted by the Board, will become the legal appropriations for the Village next fiscal year.

Staff Recommendation

As requested by the Village Board at the September 25, 2017 discussion, staff is preparing a list of possible cuts to the FY18 capital, fleet, building maintenance and equipment replacement funds budget of \$1 million. Therefore, staff recommends the Village Board defer consideration of the CIP until October 16, 2017.

Budget Impact

The first year of the plan (2018) will serve as the foundation for all capital expenditures in the FY18 budget which will be reviewed during October and November with anticipated formal budget adoption on December 4, 2017.

It is also noted that in order to improve the Village's position when bidding capital projects and when scheduling construction of capital improvements, the adoption of a five year capital plan in advance of the annual budget will allow for staff to begin engineer design work and develop bid documents over the winter and be prepared for an early spring bid letting. Subject to approval of the five year CIP, staff will bring forward any contracts necessary for bid.

Background

While the CIP document by itself is not a formal, legal appropriation document, formal Village Board approval

of this document will allow staff to include such capital expenditure amounts budgeted in FY18 to be incorporated into the Proposed Budget which will be provided to the Village Board and public as required under the budget public hearing scheduled for November 20, 2016.

Chapter 2 of the Municipal Code establishes the foundation for the Municipal Budget and provides:

- The Village fiscal year is January 1 - December 31 annually.
- The Board of Trustees must adopt the annual budget prior to the start of the Fiscal Year and passage of the annual budget shall be in lieu of passage of the appropriation ordinance.
- On or before the Village Board of Trustees' first regular meeting in November of each year, the Village Manager shall submit to the Board of Trustees an annual Municipal budget which contains estimates of revenues together with recommended expenditures in conformity with good fiscal management practice.

Alternatives

The Board could ask for more information before approval.

Previous Board Action

N/A

Citizen Advisory Commission Action

N/A.

Anticipated Future Actions/Commitments

N/A.

Intergovernmental Cooperation Opportunities

N/A.

Performance Management (MAP) Alignment

N/A.