

Memo

To: Finance Committee
From: Sharon Eveland, Village Administrator
Date: 05/20/2022
Re: 05/23/2022 Finance Committee Meeting

This memo is intended to provide some information ahead of the meeting and to facilitate some of the conversation that will occur.

1. Bond Recap – The Village has completed both the initial Note and the Bond that refunded the note. Committee members may recall that the Village elected to do a negotiated sale with Baird rather than put the borrowing out to bid on the market. I've attached the closing document for the Bond for anyone interested in seeing that. While the rates for the Bond came in slightly higher than we were initially expecting back in January/February, it was not unsurprising given where the market is headed and the Fed movement in March/April with respect to rates. As part of the negotiated sale process, Sean, Dave, Sam, and I all reviewed pricing documents, had a meeting with the underwriter to get an update on the market, and review comparable sales from other municipalities and school districts with as similar ratings as could be found. We all felt comfortable with the decision to move forward and finalize the Bond. The Note is set to be paid off July 6th.
2. Referendum Update - The following information is copied directly from the memos to the Board for the March 17th and May 16th meeting. I've also attached the information from Baird regarding estimated impact on property owners.
With the recent decision to create a new full-time position and the upcoming Compensation study (assuming approval), the Village needs to strongly consider a referendum in November. This potentiality has been touched on multiple times, even before I started and we are now at that point. In order to continue to fund our personnel needs, the Village needs additional tax levy. With very few options open to it and almost no net new construction to use for additional tax levy, the Village is severely constrained

by the State in its ability to continue to fund necessary and desired services. The referendum process is complicated, lengthy, and tedious but, at its core, is a truly democratic process in that it allows the voters to decide what services they deem important and how much they are willing and able to pay for those services. This is a process that would necessitate the involvement of our Village Attorney and the Board should strongly consider engaging the services of our municipal advisor to assist as well. Baird's services would cost \$5,000 +/- depending on the level of involvement and our legal costs would be based on the hourly rate for services and how often he is engaged in the process. I have included the timeline put together by Baird for a November referendum along with the proposal for their services. Additionally, I have included information from the League (including the required ballot language) on referendums. I do not have the proposed amount of the referendum as that would be part process that Baird would assist with but it would be in excess of \$100,000 and could be much more depending on what all the Board decides it wants to achieve. Additional funding for general operating costs, the conversion of the PT office position to a FT Deputy Clerk, potential results of the compensation study, and a possible additional Police Officer, are all part of the conversation. If the Board votes to proceed at this point, there is still a resolution requirement that will come later that the Board would have to approve in order to actually get the question on the ballot so this vote would, by no means, be the last word on a referendum.

Brad from Baird has prepared some levy/mill rate projections for the current minimum and maximum potential amounts for the referendum as well as some Q&A on which we need some feedback. Additionally, it should be noted that these projections are based on current values. We are undertaking a market revaluation this year which will affect our assessment and our average home value. Based on home sales, I expect our assessment will increase as will the average home value. This means that our mill rate will go down even if we do not increase our levy so the mill rate projections vs what the mill rate would actually be with an approved referendum will likely not be the same but the financial impact on the average property owner would be roughly the same. For this meeting, I'm looking to get feedback on the financial impact and to what degree the Board is comfortable with the increase to assist with narrowing down the referendum projects and amount. We will be holding informational sessions on June 16th and July 14th (both at 630pm) at Village Hall to provide information to the public and solicit feedback. We have scheduled these two meetings far enough apart so that we could have time to get results of the compensation study and adjust the data as needed before the second public information meeting. The intent is to try to broadcast it on Facebook as well. Board members are welcome and encouraged to attend but it will not be a Board meeting so it would not be required.

3. Chart of Accounts Overhaul – Earlier this year, the Village Board approved an overhaul of the Chart of Accounts, which is the listing of account numbers that the Village uses to track revenues and expenses. This was done in order to get the accounts to follow the State Chart of Accounts, which facilitates audit/state reporting and also to allow the Village to breakdown the budget by department and standardize certain account numbers. What this means for the Finance Committee is that the accounts you are accustomed to seeing during the budget process and on reports will look very different. I am in the

process of finalizing a master crosswalk that will list the old accounts matched with the new ones. You will all get copies of that when it is complete. Some accounts are being termed as they are no longer needed and the some are being merged. We will still be able to pull data going back to 2015 but data prior to that has been deleted. (This meets the statutory requirement of maintaining financial records for seven years.) Additionally, I have created a number of new accounts in order breakdown our spending more in an effort to be more transparent with our budgeting. Finally, this change will also facilitate my desire to create a true budget book with summary information on departments, their tasks/responsibilities/outputs, and their respective spending.

4. Establishment of a Small Capital Fund – I would like to create a new fund for small capital purchases. The intent of the small capital fund would be account for items that are less than \$10,000 or that have life cycles less than the life of our capital borrowing loan. Currently these items are in the operating budget (primarily IT-related purchases) and are funded by the tax levy. However, these costs fluctuate from one year to the next, sometimes significantly so, and by moving them to a separate fund, we can use an “average” levy to avoid those fluctuations. What that means is we project what we will need in the account (via CIP process) and then find the average per year and that is what we will levy. Normally, there would be sufficient funding each year but it is possible that the fund may go into the negative but it would not be significantly so. These are also some items that we have used short-term borrowing for to work around the levy limits. I would like to do this in 2022 but it should be noted that doing so will necessitate a transfer from the operating budget to the small capital fund towards the end of the year when we know what the expenditures will be.

Recommended Motion: To recommend to the Board the establishment of the Small Capital Fund effective in 2022.

5. 2023 Budget Process – I would like to discuss the process I traditionally use for budget development. To facilitate that discussion, I have developed a preliminary budget timeline that explains certain steps, expected timelines, calls out any potential special meetings, and sets the date for the budget hearing and approval. This is a rough schedule and it will be finalized with dates after we pick the regular meeting date for the Finance Committee as much revolves around that schedule. I would then provide a final schedule at the next meeting. Please see the packet for the preliminary schedule.
6. 2022 Capital Projects – Last year, the Board preliminarily approved 2022 Capital projects. However, there are significantly more projects than there is available funding. Current estimates puts us short if we want to avoid borrowing again next year. Please review the CIP spreadsheet in the packet. Given we do know we will have funding for some projects, I would like to request authorization from the Committee to proceed with a few of the 2022 items that would not need the Board’s approval as they would not necessitate a contract (such as the line painter). I want to take one more month before committing the Village to any big dollar purchases.
7. 2023-2027 CIP – This is just to start the conversation about the development of the 2023-2027 CIP (see spreadsheet). I also want to discuss the fact that there is nothing under the utilities. I have had preliminary conversations with Brian Berquist (Town & Country) about needing to get a long-term plan in place for street and utility reconstructions. I

would also like to have conversations about sharing costs for some projects across other funds.

8. Regular Meeting Date – I would like to have the Finance Committee set a regular monthly meeting date. We may not always need a meeting but it would be much more efficient to have a set meeting date that everyone can put on their calendar rather than trying to schedule meetings with doodle polls when we need one. My suggestion would be the 4th Monday of every month at 2pm, which would make the next meeting June 27th. Please come prepared with your calendars so we can set a date.

Respectfully,
Sharon Eveland
Village Administrator

**Village of Shorewood Hills
Finance Committee
Draft Meeting Minutes
Monday, December 13, 2021**

Call to Order

Finance Committee Chairperson Mark Lederer called the virtual meeting to order at 12:04 pm.

1. Roll Call Committee

Members present via Zoom were Mr. Lederer, Sean Cote, Dave Ahmann, Karl Wellensiek, Cokie Albrecht and Carl Gulbrandsen. Gard Strother was excused. Also in attendance were Village Administrator Sharon Eveland, Brad Viegut (Village's financial consultant at Baird) and Administrative Services Manager/Deputy Clerk David Sykes.

2. Note Compliance with open meeting laws

Ms. Eveland confirmed the meeting had been properly posted and noticed.

3. Review/approve previous Finance meeting minutes

Mr. Gulbrandsen moved and Mr. Cote seconded a motion to approve the December 13, 2021 minutes as presented.

Vote: 6-0 (Approved).

4. 2023-2027 CIP

Ms. Eveland reviewed a reformatted Capital Improvement Plan (CIP) spreadsheet. She cautioned the Committee that there are more potential projects on the Plan than there is money available even with the planned borrowing in 2022.

Ms. Eveland explained the intent of the spreadsheet is to approve the following year capital projects during budget development so that on January 1 staff can move forward on the projects.

5. R-2021-1 Resolution Authorizing the Issuance of \$6,250,000 General Obligation Promissory Notes and Authorizing the Issuance and Establishing Parameters for the Sale of a Not to Exceed \$6,250,000 Note Anticipation Note in Anticipation Thereof

6. R-2022-02: Resolution Authorizing the Issuance and Establishing Parameters for the Sale of Not to Exceed \$6,250,000 General Obligation Refunding Bonds

Mr. Viegut reviewed the materials packet provided to the Committee. In the last year, the interest rate environment has risen and costs to issue debt are higher. He recommends accelerating the borrowing process rather than waiting until June as previously planned.

He is suggesting a similar process the Village has used in the past. The Village could use Note Anticipation Notes (NANs) as a very short-term loan to pay for the University Avenue construction costs, then take out a longer note to refund the NANs and amortize the costs over 15 years.

Mr. Viegut explained the NANs would be for \$6.25M (\$5.5M for University Avenue Reconstruction, \$500K levy supported debt for University Avenue and \$250K for other capital projects. It would be for a 6 month term at 1.15%, callable after 3 months. The General Obligation Refunding Bonds would be for \$6.02M with a \$230K bid premium.

The Village would pay annual principal payments and interest payments twice a year from 2023-2037 at an estimated 2.55% long-term rate.

The Parameters Resolution establishes a range of terms that allow the Village President and Treasurer to execute the borrowing quickly if the market conditions are favorable.

Mr. Viegut reviewed the Village's debt policies and feels that this borrowing will not adversely affect the Village's AAA bond rating. The Village will be at its self imposed borrowing limit for a couple of years, but a small amount of additional debt could be layered in as principle is paid off.

Mr. Lederer expressed his concern that the signatories of the parameters resolution will be confident that the borrowing rates are favorable when executing the debt issue.

Mr. Wellensiek moved and Mr. Gulbrandsen seconded a motion to recommend the Board approve Resolution R-2022-1 and Resolution R-2022-2.

Vote: 6-0 (approved).

7. **Set next meeting dates** – No action taken.

8. The meeting was **adjourned** at 1:00 pm.

Respectfully submitted,

David Sykes
Administrative Services Manager/Deputy Clerk

BOND PRICING

Village of Shorewood Hills (AAA)
 General Obligation Refunding Bonds (CR) - FINAL
 BQ; Callable 5/1/29 or any date thereafter

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Serial Bond:									
	05/01/2023	165,000	5.000%	1.950%	102.997				4,945.05
	05/01/2024	295,000	5.000%	2.150%	105.542				16,348.90
	05/01/2025	340,000	5.000%	2.250%	107.927				26,951.80
	05/01/2026	360,000	5.000%	2.350%	110.054				36,194.40
	05/01/2027	380,000	5.000%	2.400%	112.175				46,265.00
	05/01/2028	400,000	5.000%	2.450%	114.142				56,568.00
	05/01/2029	420,000	5.000%	2.500%	115.957				67,019.40
	05/01/2030	435,000	3.000%	2.550%	102.867	C 2.601%	05/01/2029	100.000	12,471.45
	05/01/2031	450,000	3.000%	2.650%	102.221	C 2.720%	05/01/2029	100.000	9,994.50
	05/01/2032	470,000	3.000%	2.700%	101.901	C 2.781%	05/01/2029	100.000	8,934.70
	05/01/2033	445,000	3.000%	2.750%	101.581	C 2.832%	05/01/2029	100.000	7,035.45
	05/01/2034	460,000	3.000%	2.800%	101.262	C 2.875%	05/01/2029	100.000	5,805.20
	05/01/2035	470,000	3.000%	2.850%	100.945	C 2.912%	05/01/2029	100.000	4,441.50
	05/01/2036	490,000	3.000%	2.900%	100.629	C 2.945%	05/01/2029	100.000	3,082.10
	05/01/2037	500,000	3.000%	3.000%	100.000				
6,080,000									306,057.45

Dated Date	05/02/2022	
Delivery Date	05/02/2022	
First Coupon	05/01/2023	
Par Amount	6,080,000.00	
Premium	306,057.45	
Production	6,386,057.45	105.033840%
Underwriter's Discount	(60,800.00)	(1.000000%)
Purchase Price	6,325,257.45	104.033840%
Accrued Interest		
Net Proceeds	6,325,257.45	



SOURCES AND USES OF FUNDS

Village of Shorewood Hills (AAA)
General Obligation Refunding Bonds (CR) - FINAL
BQ; Callable 5/1/29 or any date thereafter

Dated Date 05/02/2022
Delivery Date 05/02/2022

Sources:

Bond Proceeds:	
Par Amount	6,080,000.00
Net Premium	306,057.45
	<u>6,386,057.45</u>
Income:	
Estimated Investment Earnings (0.10%)	1,113.92
	<u>6,387,171.37</u>

Uses:

Cost of Issuance:	
Q&B Bond Counsel	28,065.00
Q&B Disclosure Counsel	10,285.00
S&P Rating	16,250.00
Baird Official Statement & Clearing	5,000.00
Associated Trust Paying Agent	325.00
Day Loan Fee	168.89
	<u>60,093.89</u>
Underwriter's Discount:	
Underwriter's Discount	60,800.00
Other Uses of Funds:	
NAN Principal to be Refinanced on 7/6/22	6,250,000.00
NAN Interest to be Refinanced on 7/6/22	15,781.25
Rounding	496.23
	<u>6,266,277.48</u>
	<u>6,387,171.37</u>



BOND DEBT SERVICE

Village of Shorewood Hills (AAA)
General Obligation Refunding Bonds (CR) - FINAL
BQ; Callable 5/1/29 or any date thereafter

Dated Date 05/02/2022
Delivery Date 05/02/2022

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
05/02/2022					
05/01/2023	165,000	5.000%	228,962.22	393,962.22	
11/01/2023			110,675.00	110,675.00	504,637.22
05/01/2024	295,000	5.000%	110,675.00	405,675.00	
11/01/2024			103,300.00	103,300.00	508,975.00
05/01/2025	340,000	5.000%	103,300.00	443,300.00	
11/01/2025			94,800.00	94,800.00	538,100.00
05/01/2026	360,000	5.000%	94,800.00	454,800.00	
11/01/2026			85,800.00	85,800.00	540,600.00
05/01/2027	380,000	5.000%	85,800.00	465,800.00	
11/01/2027			76,300.00	76,300.00	542,100.00
05/01/2028	400,000	5.000%	76,300.00	476,300.00	
11/01/2028			66,300.00	66,300.00	542,600.00
05/01/2029	420,000	5.000%	66,300.00	486,300.00	
11/01/2029			55,800.00	55,800.00	542,100.00
05/01/2030	435,000	3.000%	55,800.00	490,800.00	
11/01/2030			49,275.00	49,275.00	540,075.00
05/01/2031	450,000	3.000%	49,275.00	499,275.00	
11/01/2031			42,525.00	42,525.00	541,800.00
05/01/2032	470,000	3.000%	42,525.00	512,525.00	
11/01/2032			35,475.00	35,475.00	548,000.00
05/01/2033	445,000	3.000%	35,475.00	480,475.00	
11/01/2033			28,800.00	28,800.00	509,275.00
05/01/2034	460,000	3.000%	28,800.00	488,800.00	
11/01/2034			21,900.00	21,900.00	510,700.00
05/01/2035	470,000	3.000%	21,900.00	491,900.00	
11/01/2035			14,850.00	14,850.00	506,750.00
05/01/2036	490,000	3.000%	14,850.00	504,850.00	
11/01/2036			7,500.00	7,500.00	512,350.00
05/01/2037	500,000	3.000%	7,500.00	507,500.00	
11/01/2037					507,500.00
	6,080,000		1,815,562.22	7,895,562.22	7,895,562.22



BOND SUMMARY STATISTICS

Village of Shorewood Hills (AAA)
 General Obligation Refunding Bonds (CR) - FINAL
 BQ; Callable 5/1/29 or any date thereafter

Dated Date	05/02/2022
Delivery Date	05/02/2022
First Coupon	05/01/2023
Last Maturity	05/01/2037
Arbitrage Yield	2.732699%
True Interest Cost (TIC)	2.882102%
Net Interest Cost (NIC)	2.932238%
All-In TIC	3.011571%
Average Coupon	3.390209%
Average Life (years)	8.808
Weighted Average Maturity (years)	8.672
Par Amount	6,080,000.00
Bond Proceeds	6,386,057.45
Total Interest	1,815,562.22
Net Interest	1,570,304.77
Bond Years from Dated Date	53,553,111.11
Bond Years from Delivery Date	53,553,111.11
Total Debt Service	7,895,562.22
Maximum Annual Debt Service	548,000.00
Average Annual Debt Service	526,468.31
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	10.000000
Total Underwriter's Discount	10.000000
Bid Price	104.033840

Bond Component	Par Value	Price	Average Coupon	Average Life
Serial Bond	6,080,000.00	105.034	3.390%	8.808
	6,080,000.00			8.808

	TIC	All-In TIC	Arbitrage Yield
Par Value	6,080,000.00	6,080,000.00	6,080,000.00
+ Accrued Interest			
+ Premium (Discount)	306,057.45	306,057.45	306,057.45
- Underwriter's Discount	(60,800.00)	(60,800.00)	
- Cost of Issuance Expense		(60,093.89)	
- Other Amounts			
Target Value	6,325,257.45	6,265,163.56	6,386,057.45
Target Date	05/02/2022	05/02/2022	05/02/2022
Yield	2.882102%	3.011571%	2.732699%

PROOF OF ARBITRAGE YIELD

Village of Shorewood Hills (AAA)
 General Obligation Refunding Bonds (CR) - FINAL
 BQ; Callable 5/1/29 or any date thereafter

Date	Debt Service	Total	PV Factor	Present Value to 05/02/2022 @ 2.7326985159%
05/01/2023	393,962.22	393,962.22	0.973296434	383,442.02
11/01/2023	110,675.00	110,675.00	0.960177062	106,267.60
05/01/2024	405,675.00	405,675.00	0.947234530	384,269.37
11/01/2024	103,300.00	103,300.00	0.934466455	96,530.38
05/01/2025	443,300.00	443,300.00	0.921870484	408,665.19
11/01/2025	94,800.00	94,800.00	0.909444299	86,215.32
05/01/2026	454,800.00	454,800.00	0.897185610	408,040.02
11/01/2026	85,800.00	85,800.00	0.885092160	75,940.91
05/01/2027	465,800.00	465,800.00	0.873161721	406,718.73
11/01/2027	76,300.00	76,300.00	0.861392096	65,724.22
05/01/2028	476,300.00	476,300.00	0.849781118	404,750.75
11/01/2028	66,300.00	66,300.00	0.838326649	55,581.06
05/01/2029	2,286,300.00	2,286,300.00	0.827026577	1,890,830.86
11/01/2029	28,800.00	28,800.00	0.815878823	23,497.31
05/01/2030	28,800.00	28,800.00	0.804881333	23,180.58
11/01/2030	28,800.00	28,800.00	0.794032081	22,868.12
05/01/2031	28,800.00	28,800.00	0.783329070	22,559.88
11/01/2031	28,800.00	28,800.00	0.772770329	22,255.79
05/01/2032	28,800.00	28,800.00	0.762353912	21,955.79
11/01/2032	28,800.00	28,800.00	0.752077901	21,659.84
05/01/2033	28,800.00	28,800.00	0.741940404	21,367.88
11/01/2033	28,800.00	28,800.00	0.731939553	21,079.86
05/01/2034	488,800.00	488,800.00	0.722073507	352,949.53
11/01/2034	21,900.00	21,900.00	0.712340448	15,600.26
05/01/2035	491,900.00	491,900.00	0.702738585	345,677.11
11/01/2035	14,850.00	14,850.00	0.693266148	10,295.00
05/01/2036	504,850.00	504,850.00	0.683921393	345,277.72
11/01/2036	7,500.00	7,500.00	0.674702599	5,060.27
05/01/2037	507,500.00	507,500.00	0.665608068	337,796.09
	7,759,812.22	7,759,812.22		6,386,057.45

Proceeds Summary

Delivery date	05/02/2022
Par Value	6,080,000.00
Premium (Discount)	306,057.45
Target for yield calculation	6,386,057.45



PROOF OF ARBITRAGE YIELD
 Village of Shorewood Hills (AAA)
 General Obligation Refunding Bonds (CR) - FINAL
 BQ; Callable 5/1/29 or any date thereafter

Assumed Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Yield To Call/Maturity
SERIAL	05/01/2030	3.000%	2.550%	05/01/2029	100.000	2.5471725%
SERIAL	05/01/2031	3.000%	2.650%	05/01/2029	100.000	2.6471738%
SERIAL	05/01/2032	3.000%	2.700%	05/01/2029	100.000	2.6969765%
SERIAL	05/01/2033	3.000%	2.750%	05/01/2029	100.000	2.7469572%

Rejected Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Yield To Call/Maturity	Increase to Yield
SERIAL	05/01/2030	3.000%	2.550%			2.5980308%	0.0508583%
SERIAL	05/01/2031	3.000%	2.650%			2.7175937%	0.0704199%
SERIAL	05/01/2032	3.000%	2.700%			2.7785890%	0.0816125%
SERIAL	05/01/2033	3.000%	2.750%			2.8295261%	0.0825689%



FORM 8038 STATISTICS

Village of Shorewood Hills (AAA)
General Obligation Refunding Bonds (CR) - FINAL
BQ; Callable 5/1/29 or any date thereafter

Dated Date 05/02/2022
Delivery Date 05/02/2022

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Serial Bond:						
	05/01/2023	165,000.00	5.000%	102.997	169,945.05	165,000.00
	05/01/2024	295,000.00	5.000%	105.542	311,348.90	295,000.00
	05/01/2025	340,000.00	5.000%	107.927	366,951.80	340,000.00
	05/01/2026	360,000.00	5.000%	110.054	396,194.40	360,000.00
	05/01/2027	380,000.00	5.000%	112.175	426,265.00	380,000.00
	05/01/2028	400,000.00	5.000%	114.142	456,568.00	400,000.00
	05/01/2029	420,000.00	5.000%	115.957	487,019.40	420,000.00
	05/01/2030	435,000.00	3.000%	102.867	447,471.45	435,000.00
	05/01/2031	450,000.00	3.000%	102.221	459,994.50	450,000.00
	05/01/2032	470,000.00	3.000%	101.901	478,934.70	470,000.00
	05/01/2033	445,000.00	3.000%	101.581	452,035.45	445,000.00
	05/01/2034	460,000.00	3.000%	101.262	465,805.20	460,000.00
	05/01/2035	470,000.00	3.000%	100.945	474,441.50	470,000.00
	05/01/2036	490,000.00	3.000%	100.629	493,082.10	490,000.00
	05/01/2037	500,000.00	3.000%	100.000	500,000.00	500,000.00
		6,080,000.00			6,386,057.45	6,080,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	05/01/2037	3.000%	500,000.00	500,000.00		
Entire Issue			6,386,057.45	6,080,000.00	8.6724	2.7327%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	120,893.89
Proceeds used for credit enhancement	0.00
Proceeds allocated to reasonably required reserve or replacement fund	0.00



BOND DEBT SERVICE

Village of Shorewood Hills (AAA)
General Obligation Refunding Bonds (CR) (University Avenue)

Dated Date 05/02/2022
Delivery Date 05/02/2022

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
05/02/2022					
05/01/2023	165,000	5.000%	219,239.30	384,239.30	
11/01/2023			105,800.00	105,800.00	490,039.30
05/01/2024	295,000	5.000%	105,800.00	400,800.00	
11/01/2024			98,425.00	98,425.00	499,225.00
05/01/2025	320,000	5.000%	98,425.00	418,425.00	
11/01/2025			90,425.00	90,425.00	508,850.00
05/01/2026	335,000	5.000%	90,425.00	425,425.00	
11/01/2026			82,050.00	82,050.00	507,475.00
05/01/2027	350,000	5.000%	82,050.00	432,050.00	
11/01/2027			73,300.00	73,300.00	505,350.00
05/01/2028	370,000	5.000%	73,300.00	443,300.00	
11/01/2028			64,050.00	64,050.00	507,350.00
05/01/2029	390,000	5.000%	64,050.00	454,050.00	
11/01/2029			54,300.00	54,300.00	508,350.00
05/01/2030	405,000	3.000%	54,300.00	459,300.00	
11/01/2030			48,225.00	48,225.00	507,525.00
05/01/2031	415,000	3.000%	48,225.00	463,225.00	
11/01/2031			42,000.00	42,000.00	505,225.00
05/01/2032	435,000	3.000%	42,000.00	477,000.00	
11/01/2032			35,475.00	35,475.00	512,475.00
05/01/2033	445,000	3.000%	35,475.00	480,475.00	
11/01/2033			28,800.00	28,800.00	509,275.00
05/01/2034	460,000	3.000%	28,800.00	488,800.00	
11/01/2034			21,900.00	21,900.00	510,700.00
05/01/2035	470,000	3.000%	21,900.00	491,900.00	
11/01/2035			14,850.00	14,850.00	506,750.00
05/01/2036	490,000	3.000%	14,850.00	504,850.00	
11/01/2036			7,500.00	7,500.00	512,350.00
05/01/2037	500,000	3.000%	7,500.00	507,500.00	
11/01/2037					507,500.00
	5,845,000		1,753,439.30	7,598,439.30	7,598,439.30



BOND SUMMARY STATISTICS

Village of Shorewood Hills (AAA)
General Obligation Refunding Bonds (CR) (University Avenue)

Dated Date	05/02/2022
Delivery Date	05/02/2022
First Coupon	05/01/2023
Last Maturity	05/01/2037
Arbitrage Yield	2.732699%
True Interest Cost (TIC)	2.887102%
Net Interest Cost (NIC)	2.935423%
All-In TIC	3.015704%
Average Coupon	3.375324%
Average Life (years)	8.888
Weighted Average Maturity (years)	8.752
Par Amount	5,845,000.00
Bond Proceeds	6,131,973.55
Total Interest	1,753,439.30
Net Interest	1,524,915.75
Bond Years from Dated Date	51,948,763.89
Bond Years from Delivery Date	51,948,763.89
Total Debt Service	7,598,439.30
Maximum Annual Debt Service	512,475.00
Average Annual Debt Service	506,656.45
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	10.000000
Total Underwriter's Discount	10.000000
Bid Price	103.909727

Bond Component	Par Value	Price	Average Coupon	Average Life
Serial Bond	5,845,000.00	104.910	3.375%	8.888
	5,845,000.00			8.888

	TIC	All-In TIC	Arbitrage Yield
Par Value	5,845,000.00	5,845,000.00	5,845,000.00
+ Accrued Interest			
+ Premium (Discount)	286,973.55	286,973.55	286,973.55
- Underwriter's Discount	(58,450.00)	(58,450.00)	
- Cost of Issuance Expense		(57,771.18)	
- Other Amounts			
Target Value	6,073,523.55	6,015,752.37	6,131,973.55
Target Date	05/02/2022	05/02/2022	05/02/2022
Yield	2.887102%	3.015704%	2.732699%



BOND DEBT SERVICE

Village of Shorewood Hills (AAA)
General Obligation Refunding Bonds (CR) (Levy Supported)

Dated Date 05/02/2022
Delivery Date 05/02/2022

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
05/02/2022					
05/01/2023			9,722.92	9,722.92	
11/01/2023			4,875.00	4,875.00	14,597.92
05/01/2024			4,875.00	4,875.00	
11/01/2024			4,875.00	4,875.00	9,750.00
05/01/2025	20,000	5.000%	4,875.00	24,875.00	
11/01/2025			4,375.00	4,375.00	29,250.00
05/01/2026	25,000	5.000%	4,375.00	29,375.00	
11/01/2026			3,750.00	3,750.00	33,125.00
05/01/2027	30,000	5.000%	3,750.00	33,750.00	
11/01/2027			3,000.00	3,000.00	36,750.00
05/01/2028	30,000	5.000%	3,000.00	33,000.00	
11/01/2028			2,250.00	2,250.00	35,250.00
05/01/2029	30,000	5.000%	2,250.00	32,250.00	
11/01/2029			1,500.00	1,500.00	33,750.00
05/01/2030	30,000	3.000%	1,500.00	31,500.00	
11/01/2030			1,050.00	1,050.00	32,550.00
05/01/2031	35,000	3.000%	1,050.00	36,050.00	
11/01/2031			525.00	525.00	36,575.00
05/01/2032	35,000	3.000%	525.00	35,525.00	
11/01/2032					35,525.00
	235,000		62,122.92	297,122.92	297,122.92



BOND SUMMARY STATISTICS

Village of Shorewood Hills (AAA)
 General Obligation Refunding Bonds (CR) (Levy Supported)

Dated Date	05/02/2022
Delivery Date	05/02/2022
First Coupon	05/01/2023
Last Maturity	05/01/2032
Arbitrage Yield	2.732699%
True Interest Cost (TIC)	2.730056%
Net Interest Cost (NIC)	2.829127%
All-In TIC	2.886225%
Average Coupon	3.872162%
Average Life (years)	6.827
Weighted Average Maturity (years)	6.757
Par Amount	235,000.00
Bond Proceeds	254,083.90
Total Interest	62,122.92
Net Interest	45,389.02
Bond Years from Dated Date	1,604,347.22
Bond Years from Delivery Date	1,604,347.22
Total Debt Service	297,122.92
Maximum Annual Debt Service	36,750.00
Average Annual Debt Service	29,720.55
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	10.000000
Total Underwriter's Discount	10.000000
Bid Price	107.120809

Bond Component	Par Value	Price	Average Coupon	Average Life
Serial Bond	235,000.00	108.121	3.872%	6.827
	235,000.00			6.827

	TIC	All-In TIC	Arbitrage Yield
Par Value	235,000.00	235,000.00	235,000.00
+ Accrued Interest			
+ Premium (Discount)	19,083.90	19,083.90	19,083.90
- Underwriter's Discount	(2,350.00)	(2,350.00)	
- Cost of Issuance Expense		(2,322.71)	
- Other Amounts			
Target Value	251,733.90	249,411.19	254,083.90
Target Date	05/02/2022	05/02/2022	05/02/2022
Yield	2.730056%	2.886225%	2.732699%

Village of Shorewood Hills
 Levy Limit Referendum Impact

Referendum Question Potential Levy Increase		Annual Tax Bill Impact for Homes Valued at		
Total	Mill Rate	\$590,500	\$900,000	\$1,500,000
\$170,000	\$0.3244	\$191.53	\$291.92	\$486.53
\$350,000	\$0.6678	\$394.32	\$601.00	\$1,001.67

*Impact is based on 2021 Assessed Value.
 The average assessed value of a home in Shorewood Hills is
 \$590,500*

Q: What will the additional taxes be used for?

A: Public information sessions are scheduled for June and July. At these session, Village Trustees will gather taxpayer input and seek prioritization. Village officials have identified needs including _____ and _____ but want to hear directly from taxpayers.

Q: When are the public information sessions?

A: Thursday, June 16 at _____ at Village Hall and Thursday, July 14 at _____ at Village Hall.

Q: How will a revaluation impact my tax bill?

A: The revaluation will assess all properties at their current fair market value. Increases in property values are offset by a corresponding decrease in mill rate, and taxes are fairly allocated among all properties.

Q: With inflation and high gas prices, why now?

A: Shorewood Hills, like all Wisconsin municipalities, operates under strict tax levy limits and is also impacted by higher prices. Voter approval of the referendum will provide necessary funds for the needs prioritized by taxpayers.

Q: When is the referendum?

A: If approved by the Village Board subsequent to the public information sessions, the referendum question will be on the General Election ballot on Tuesday, November 8, 2022.

Referendum Items for Consideration

- Operating Expense Deficit - \$100,000
- Additional Admin position - \$55,000 - \$70,000
- Compensation Study - \$20,000 - \$50,000 (this is the wildcard)
- Additional FT Officer - \$55,000 - \$75,000 (offset by elimination of part-time)
- Small Capital Needs - \$25,000 (primarily IT-related items such as computers, server upgrades, remote meeting technology)
- Detective Conversion - \$4,000
- ~~Emerald Ash Borer Treatment - \$15,000~~ removed

Total All-in - \$274,000 - \$339,000

Minimum Investment - \$155,000 - \$170,000

Thoughts/Comments:

- Closing the operating expense deficit is critical but funding the new admin position shouldn't be excluded as we are hiring for that.
- Compensation study could potentially be implemented in phases (depending on results) to avoid including it in the referendum but should not be ignored. It is going to become increasingly difficult to retain employees, especially given the record inflation. There are other, potentially controversial, ways of becoming an employer of choice that may also be worth considering.
- Weighing the need for the FT Officer against the rest of the list is difficult but I felt it belonged after the compensation study because I think it is important that we retain the employees we have before we bring in additional staff. I realize this is counter to my request to convert the PT Admin position to a full-time Deputy C-T but the difference between the two is that PD, while tight, can operate with the existing staffing. It's when vacations, illnesses, etc occur that make it extremely difficult due to the need to rely on PT officers, which is almost impossible now. With the Admin, we simply cannot continue to function the way we have as it is causing extreme burnout amongst the staff.
- Small Capital Needs – I would like to see us create a new capital fund that is for small items costing less than \$10,000 or having a life cycle of less than seven years. Ideally, we would be able to get to the point where we could cash fund these items. This initial boost would allow us to get on a set rotation for all our IT needs, which have been sorely underfunded due to financial constraints.
- Emerald Ash Borer – Understanding the desires of our community and what makes us special, we want to save our Ash Trees. We have relied on donations but, ideally, we should be able to fund this work through levy and use donations to do more. Having this funding would ensure we can set a baseline every year.
- Please review Chief's very thorough memo with regards to PD needs, including information related to increase in wage for Detective position.

Once feedback is received on these items, we will begin working with Baird to evaluate impact on the levy and tax rate. Additionally, we are looking at two public information meetings with one in early July and one in late July/early August. This will allow us sufficient time to put the data together for the public. By early July the only outstanding item would be the compensation study, and thus the purpose behind scheduling a second informational meeting after that review/consideration by the Board so that we can update with final data.

Respectfully,
Sharon Eveland



SHOREWOOD HILLS POLICE DEPARTMENT Staffing Recommendation & Request

Prepared by: Jeffrey Pharo, Chief of Police
April 12, 2022

Summary of Situation and Request

The Shorewood Hills Police Department (SHPD) is a full-time, full-service police department. Historically, SHPD has staffed the department with full-time Officers so that if all full-time personnel are scheduled for their normal shifts, all shifts are covered. If an Officer is on vacation, at training, injured, or otherwise on extra days off, the department has covered those shifts with part-time Officers. That staffing model no longer works, and we are seeking to add an additional full-time Police Officer position to our authorized strength and eliminate our part-time Officer program. Additionally, we need to change the Officer/Investigator position to a promoted Detective position.

As you will see below, it is critical for operations, visibility, service, and safety of Officers and the community that an effective staffing plan be maintained by the SHPD.

Current Staffing

The SHPD sworn personnel consists of the Chief of Police, Lieutenant, Sergeant, a hybrid Officer/Investigator, and 3 full-time Officers. We currently have 7 part-time Officers on our roster, however, only 3 of them can pick up shifts on a consistent basis. Two of those are planning to retire soon.

The SHPD has 3 primary patrol shifts, the "A" shift runs 7:00 a.m. – 3:00 p.m., the "B" is 3:00 p.m. – 11:00 p.m., and the "C" runs 11:00 p.m. – 7:00 a.m. Full-time Officers work on a 6-days-on, 3-days-off rotation. We have a power shift that generally runs 5:00 p.m. – 3:00 a.m. When we can staff the power shift, usually, the Sergeant is assigned. The power shift rotation is a bit different because of the 10-hour shifts. The Lieutenant, Sergeant, and Investigator are built into the patrol rotation, and cover patrol in addition to their position-specific duties. The administrative roles of the SHPD command staff have increased greatly, largely due to technology improvements and demands, reporting requirements, and compliance with standards set by regulations, law, and policies.

Current Situation

The SHPD has seen a large amount of turnover since 2017, including 3 different Chiefs, and the retirements of the long-term Lieutenant and Sergeant. New promotions were made, and during that time, several Patrol Officers left the department for other agencies. For quite some time during 2021, the Chief, Lieutenant, and Sergeant were the only full-time personnel that were working solo patrol for the department, working back-to-back, without days off, on numerous 12-hour shifts. During recruiting efforts, we received very few applications, but were fortunate to find two experienced full-time Officers that were able to move into solo patrol with minimal training. During that same period, we ran two processes in attempts to hire additional part-time Officers and found no qualified candidates. As you will see in the section titled, "Recruiting Part-Time Officers," it is nearly impossible to find candidates that will be effective without substantial training. With Command Staff regularly working patrol shifts, there are no resources to commit to field training new part-time Officers. When we hire a new full-time Officer, our training resources are tied to the full-time Officer. When staffing is critically low, the field training role is added to the Command Staff responsibilities. Training time, administration duties, and patrol functions all compete for time, and each suffers.

Recruiting Part-Time Officers

Although I titled this section "Recruiting Part-Time Officers," the reality is that there are virtually none to recruit. Currently, for us to field a part-time Officer, they need to have completed the Police Academy, and must be certified by the WI Law Enforcement Standards Board (LESB.) Beyond that, they need to be field trained to our

standard and have enough experience to work as competent solo Patrol Officers. Typically, SHPD Officers work alone, with very limited resources, and need to be able to handle any police call that comes their way. That training process can take up to a full year for a new Officer. In three recent attempts to hire part-time Officers, we were unable to find any eligible candidates.

Historically, SHPD relied upon experienced Officers from other agencies that were seeking outside employment. Times have changed in several ways, and that pool of potential Officers no longer exists. Many other police agencies do not allow Officers to work part-time at other agencies. Most area police agencies are experiencing reduced staffing, difficulty in recruiting and hiring, early retirements, and Officers leaving for other career opportunities. Officers can work overtime in their current departments for over three times the pay of working part-time for SHPD, and the extra pay at their primary agency increases retirement and other benefits. There is no representation for part-time Officers, and in the current community climate, most Officers value their time off more than the small amount of pay from working part-time. In all but a very few cases, retired Officers are not interested in returning to policing in any manner.

The current rate of pay for SHPD part-time Officers is \$20.50 per hour. The 2022 entry-level pay rate for SHPD full-time Officers is \$25.86 per hour. Our part-time Officers do the same job that the full-time Officers do, without other benefits or representation. They are required to have the same qualifications as a full-time Officer but are not provided with the equipment an Officer needs (body armor, duty gear, etc.), at a cost of about \$2000. Full-time Officers are provided all needed equipment. The Maple Bluff Police Department is one of the only other local agencies that fields part-time Officers. Their part-time Officer pay rate is \$25 per hour. They are a direct competitor with SHPD for qualified candidates that come from a very limited candidate pool.

Technological changes are a factor for Officers and their desire to work part-time. Each agency has specific software programs related to incident reporting, crash reporting, records, body and squad car cameras, evidence processing, and more. Each agency has specific policies, procedures, and other dynamics that impact an Officer every shift. In years past, forms were consistent, fill-in-the-blank forms, and an Officer didn't need to keep up with login credentials, specific formats, and other perishable details just to "go to work." Some aspects of those make it almost impossible to work an occasional shift, especially during off-hours, because there is no one to fix login or technology problems. Good Officers that can work any situation, are frustrated, and hampered by technical difficulties, and the frustration and angst "just isn't worth it." (Quote from a SHPD part-time Officer that resigned recently.)

The Benefits of Adding a Full-Time Police Officer Position

We are currently short one full-time Officer. Being short that position results in the Sergeant moving out of the power shift to cover our "B" shift, therefore eliminating our supervisory presence and second officer during key hours. Another Officer is on light duty due to an injury, so I am covering patrol on day shift, sometimes for a 6-day rotation. Key administrative duties do not stop, so the patrol function, visibility, and "less important" administrative functions suffer. With very few part-time Officers to fill shifts, Officers have been ordered to work 12-hour shifts, and have been denied time off requests, so they aren't getting the rest they need. Overtime continues with each pay period.

An additional full-time Officer position should bring overtime reductions, consistent & full staffing, increased Officer visibility, increased supervisory presence, better recruitment and retention, better Officer safety, and better employee health & wellness.

- **Overtime Reductions**

Overtime, other than for court or late calls, is typically due to open shifts, and there being no part-time Officers available to cover. Officers, including the Lieutenant and Sergeant, working overtime are paid at time and one half their regular rate of pay. Adding another full-time Officer ensures that we have an Officer

that we can plug into open shifts without relying on part-time Officers. An additional full-time Officer adds over 220 shifts of patrol coverage (minus their time off for vacation, holiday, etc.)

In 2021, the budgeted amount for police overtime was \$9,000. The actual amount spent was \$21,737, an overage of \$12,737. Command staff covered a significant number of patrol shifts when no Officers were available or were already scheduled on back-to-back 12-hour shifts. Command staff coverage greatly reduced the amount of overtime generated, but that is not sustainable or in the best interest of the department or community.

- **Full and Consistent Staffing**

Full staffing allows the department to engage in community outreach and allows us to nurture relationships with the community. With full staffing, the department can fill liaison positions with significant community groups like apartment management, retail stores, the school, and others. Officers can provide increased traffic enforcement and have time available to work traffic grants.

- **Increased Officer Visibility & Service**

The addition of another full-time Officer will allow increased visibility of police. Assigned to patrol, Officers are not off the street for administrative duties. When an officer is assigned to a call, a second Officer can remain visible and available for service when they are not needed on the call. Officers that are not overworked provide better service. Citizens receive the level of service they deserve and expect from SHPD.

- **Increased Supervisory Presence**

With improved staffing, the Sergeant will work the power shift, and will consistently work with our newest Officers. Consistent with the position, the Sergeant's primary responsibilities will be supervision instead of patrol.

- **Better Recruitment and Retention**

We are more likely to recruit Officers for full-time, benefitted positions. Officers that feel overworked and are unable to take time off will look for other options and are more likely to leave the SHPD for better conditions. Officers consistently state that the lack of immediate backup from SHPD Officers is a factor in their decision to leave the department.

- **Better Officer Safety**

Adding another Officer will create more overlapping coverage when we are at full staffing, allowing us to add a second patrol officer during key hours, and keeping the Sergeant on the power shift. When we do not have a second Officer working, we rely on outside agencies to assist, and they are not always available. A second SHPD Officer provides immediate back-up. Officers that are not overworked due to overtime are more alert. With better supervisory coverage, new Officers will learn better tactics, enhancing their safety.

- **Better Employee Health & Wellness**

Officers that can take time off and are not overworked are less likely to burn out, become injured, or suffer other impacts of stress. With adequate time off, Officers are more likely to exercise and engage in healthy activities outside of work. They are less likely to rely on caffeine and other stimulants, while they are more likely to eat well, sleep better, and otherwise better take care of themselves.

Investigator Position Changed to Promoted Detective Position

The SHPD has a current position that is assigned as a hybrid Officer/Investigator. That Officer splits our day shift patrol responsibilities with the Lieutenant. This position is generally assigned as three days of the six-day rotation being patrol, and the other three days assigned as investigations. Although the Officer is assigned to patrol, during

those days, they are not able to “turn off” the investigative function, as cases continue to come in, and there is constant need for follow-up. This Officer needs to have a range of experience and an abundance of training in all aspects of investigation, and they serve as the primary investigator for the SHPD. We have no outside agency to follow-up on our investigations, and as a full-time, full-service agency, we are obligated to follow-up on cases in the same manner as any other police agency. This Officer serves as an investigator on the Dept. of Justice Internet Crimes Against Children (ICAC) Task Force. As technology and community expectations continue to expand, the Detective role will only become more crucial to the department.

In addition to their investigative role, this Officer is also responsible for the SHPD Property Room and evidence storage, recordkeeping, and disposal. That duty is constant, and each time property or evidence is kept or logged, this Officer has work to do to be compliant with standards of storage and evidentiary rules. In many agencies, this duty alone is a separate function, but within SHPD is another specialized task that this Officer brings to the department. Included with this function is ongoing, specialized training and certifications specific to that role. When new Officers are trained, this Officer trains the new Officer on the SHPD evidence processing and recordkeeping procedures.

This Officer is also trained and certified as an Evidence Technician, and in addition to the lead investigator on any major case, is the lead on evidence collection and handling.

Due to the advanced level of training required of this position, the level of service that this Officer brings to the department, and the resources that they have available, it is my recommendation that this position be reclassified as a promotion to “Detective,” and carry the pay consistent with the position. I do believe that this Officer can continue to work patrol shifts, but because there is no clear delineation of duties, their title should be that of Detective. Currently, when this Officer is working the investigative role, they are paid \$1.00 more per hour than their regular rate of pay. The Detective position should remain a WPPA represented position, as it does not carry supervisory responsibilities, and has a patrol component.

SUMMARY OF TOTAL COST OF IMPLEMENTATION

Cost for Additional Full-Time Police Officer Position

The entry level rate of pay for a probationary Police Officer is \$25.86 per hour as set by the 2022 WPPA contract, for an annual salary of \$53,788. That amount may vary somewhat, as candidates with significant experience may be hired at a higher rate. The cost of employer-paid benefits for a full-time Officer depends on if the employee elects family, single, or opts out of health and/or dental insurance. Employer-paid benefits, including Medicare, Social Security, health and dental insurance (family), WRS contribution, and payroll taxes, cost an estimated \$39,115 per year. The cost to equip a new Officer is approximately \$2000 upon hire (\$500 annually after), for an approximate total cost of \$92,903 for an entry-level Officer.

Our current part-time Officer program is budgeted at \$25,000 annually. Our current overtime budget is \$9000. The overtime budget could be reduced to \$5000 but cannot be eliminated due to overtime that will occur due to late calls, court, and other circumstances encountered in policing. Combined, there is a \$29,000 budget savings that can offset the cost of the additional full-time Officer position, reducing that cost to an estimated \$63,903.

Cost for Detective Promotion

The Detective promotion should carry a 5% pay increase (current standard for area agencies) over the Officer’s current base rate. In the current case, that would move the promoted Officer from \$30.87 per hour to \$32.41 per hour, a \$1.54 per hour raise. That position currently is paid an extra \$1.00 per hour when assigned in the Investigator role. With that current extra pay figured into the cost for half of the shifts per year, the total yearly cost

for this promotion, with a 5% pay raise would be \$2163 per year over the current rate of pay, plus an additional estimated \$899 increase in benefits paid by the Village, for a total of \$3062.

The total estimated cost for these changes to SHPD staffing is \$66,965.

Going Forward

Adding one additional full-time Officer is a start. As the Village continues to add apartments and businesses, and as demands for all police agencies continue to grow, the Village should move to always having a minimum of two Officers on duty. As noted above, other agencies are not always able to respond to SHPD requests for assistance, and all calls that require contact with a suspect or are “in-progress,” require a two Officer response. When the SHPD Officer is on a call, arrest, or otherwise out of service, there is no patrol presence in the Village. Some calls can take considerable time, such as an Emergency Detention (ED) related to a mental health emergency, an Operating While Intoxicated (OWI) arrest, or a significant investigation. A routine OWI arrest will take about 3 hours to complete. An ED transport to Winnebago Mental Health in Oshkosh will take a minimum of 6 hours. This staffing model will require additional commitments to department infrastructure, as an additional vehicle and more workspace will be needed.

Beyond these changes to our staffing model, the Village should look at the salary of our full-time Officers, as SHPD pay is currently at the low end of the scale in Dane County. Although determined through collective bargaining, to recruit and retain the quality Officers that SHPD deserves, pay rates need to be competitive with other agencies.

By making the immediate changes to the SHPD staffing model, I believe that we can effectively deploy our personnel and continue to provide exceptional service to the Village of Shorewood Hills. These changes create an additional promoted position, and continues moving the department forward, aids in recruitment and retention, and recognizes the value of our personnel. These changes allow us to have a staffing model that not only ensures basic patrol coverage but enhances that coverage with additional SHPD personnel.

By continuing to progress the SHPD and get ahead of future demands, we will be able to meet the needs of the community and continue to fulfill our mission to deliver quality law enforcement services, build trust, and improve the quality of life for our community.

2023 Budget Process Framework

Mid-June – meeting with mgmt. staff to discuss budget expectations and process

June 30th – 1st draft of CIP due to Administrator

Early July – Budget Spreadsheets made available for management

Late July – CIP recommendations from respective committees

Finance consideration of CIP/potential 2023 borrowing

Early August – Mgmt submission of initial budget request

August Finance Mtg – Presentation of initial budget with EOY projections (a/o June 30th) and CIP review/recommendation to the Board

Early September – Administrator’s Full Review

Mid-September – Special Board Meeting for 2023-2027 CIP projects consent

Mid September – Revised submission of budget request based on Board referendum decision

Late September – Finance Committee review of draft budget

Mid-October – Final draft submission of budget request based on State Aid data

October 17th – Board Approval of 2023-2027 CIP Book

Late October – Finance Committee review of draft budget

EOY Projections (a/o August 30th)

Publication of Budget Notice/Public Hearing

November 14th – Final Finance review of 2023 Budget with recommendation to Board

November 17th – Special Board Meeting for Budget Public Hearing

November 21st – Regular Board Meeting for Budget Adoption

**Village of Shorewood Hills
Capital Projects Detail Overview
For the Years 2023-2027**

DEPARTMENT	PROJECT	2022	2023	2024	2025	2026	2027
Admin	Village Hall - Exterior maintenance (paint, siding repair)	\$ 17,000					
Admin	Civic Software - Budget Module*		\$ 5,000				
Admin	Contingency			\$ 15,000	\$ 16,000	\$ 17,000	\$ 18,000
Admin/Econ Dev	University Avenue Corridor Planning		\$ 30,000				
	TOTAL ADMIN/ECON DEV	<u>\$ 17,000</u>	<u>\$ 35,000</u>	<u>\$ 15,000</u>	<u>\$ 16,000</u>	<u>\$ 17,000</u>	<u>\$ 18,000</u>

cost could be shared by other funds

DEPARTMENT	PROJECT	2022	2023	2024	2025	2026	2027
Police	Portable Radios*	\$ 6,000					
Police	Ballistic Shields*	\$ 5,000					
Police	Fast ID*	\$ 1,800					
Police	Squad Car			\$ 45,000			
Police	Squad Car					\$ 45,000	
	TOTAL POLICE	<u>\$ 12,800</u>	<u>\$ -</u>	<u>\$ 45,000</u>	<u>\$ -</u>	<u>\$ 45,000</u>	<u>\$ -</u>

no surplus value

2017 Ford SUV

2018 Ford Unmarked Sedan

DEPARTMENT	PROJECT	2022	2023	2024	2025	2026	2027
Parks	Heiden Haus Renovations	\$ 212,876					
Parks	McKenna Park Improvements		\$ 100,000				
Parks	Marina Quonset Hut - Painting*		\$ 9,000				
Parks	Dump Truck		\$ 63,500				
Parks							
	TOTAL PARKS	<u>\$ 212,876</u>	<u>\$ 172,500</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

2005 TK#3

DEPARTMENT	PROJECT	2022	2023	2024	2025	2026	2027
Recreation	Pool/Community Center Parking Lot Resurfacing	\$ 300,000					
Recreation							
Recreation							
Recreation							
Recreation							
	TOTAL RECREATION	<u>\$ 300,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Recreation includes Community Center, Pool, and Marina

*items should be funded by levy in a newly established small capital fund

**Village of Shorewood Hills
Capital Projects Detail Overview
For the Years 2023 through 2027**

DEPARTMENT	PROJECT	2022	2023	2024	2025	2026	2027	Surplus Item
Streets	Dump Truck	\$ 65,000						2002 GMC 3500 (TK#2)
Streets	Backhoe Loader	\$ 130,000						2005 John Deere 310SG Backhoe Loader
Streets	Resurface Highbury, Hunter Hill, Harvard		\$ 120,000					
Streets	Pedestrian Path Improvements	\$ 15,000						
Streets	Line Painter*	\$ 12,500						Graco line painter
Streets	University Ave	\$ 4,500,000	\$ 700,000					estimates on project schedule
Streets	Leaf Picker		\$ 60,000					<i>O.D.B. Picker Could Storm pay for part?</i>
Streets	LMD Bridge Reconstruction - Engineering	\$ 5,000						
Streets	LMD Bridge Reconstruction - Construction		\$ 460,564					
Streets	Street Sweeper - half (shared with Storm)			\$ 125,000				07 Elgin Sweeper (TK#7)
Streets	Dump Truck				\$ 70,000			2012 F-350 (TK#7)
Streets	Pick-up				\$ 30,000			2011 Dodge Dakota (TK#9)
Streets	Pick-Up					\$ 31,000		F-250 (TK#1)
Streets	Brush Chipper						\$ 42,000	2017 Vermeer Chipper
	TOTAL Streets	\$ 4,727,500	\$ 1,340,564	\$ 125,000	\$ 100,000	\$ 31,000	\$ 42,000	

DEPARTMENT	PROJECT	2022	2023	2024	2025	2026	2027
Stormwater	Stormwater Modeling	\$ 26,000					
Stormwater	Street Sweeper - half (shared with Streets)			\$ 125,000			
Stormwater							
Stormwater							
Stormwater							
Stormwater							
	Total Stormwater	\$ 26,000	\$ -	\$ 125,000	\$ -	\$ -	\$ -

DEPARTMENT	PROJECT	2022	2023	2024	2025	2026	2027
Wastewater							
Wastewater							
Wastewater							
Wastewater							
Wastewater							
Wastewater							
	TOTAL WASTEWATER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

DEPARTMENT	PROJECT	2022	2023	2024	2025	2026	2027
Water							
Water							
Water							
Water							
Water							
Water							
Water							
Water							
	Total Water	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

*items should be funded by levy in a newly established small capital fund

**Village of Shorewood Hills
Capital Projects Detail Overview
For the Years 2023 through 2027**

DEPARTMENT	PROJECT	2022	2023	2024	2025	2026	2027	
Admin/Econ Dev	Total 2023-2027	\$ 17,000	\$ 35,000	\$ 15,000	\$ 16,000	\$ 17,000	\$ 18,000	
Police	Total 2023-2027	\$ 12,800	\$ -	\$ 45,000	\$ -	\$ 45,000	\$ -	
Parks	Total 2023-2027	\$ 212,876	\$ 172,500	\$ -	\$ -	\$ -	\$ -	
Recreation	Total 2023-2027	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ -	
Streets	Total 2023-2027	\$ 4,727,500	\$ 1,340,564	\$ 125,000	\$ 100,000	\$ 31,000	\$ 42,000	
TOTAL GENERAL FUN		\$ 5,270,176	\$ 1,548,064	\$ 185,000	\$ 116,000	\$ 93,000	\$ 60,000	
Other Grants/Fundraising								
Government Grants		0	(30000)	0	0	0	0	
ARPS			(220000)					
Surplus		(43000)	(1000)	(50000)	(24000)	(12000)	(15000)	
Capital Fund Balance	\$130,000		(130000)					\$0
Borrow	\$6,000,000	(5002176)	(997824)					\$0
Waterfront			(9000)					
Pool		(225000)						
		0	160240	135000	92000	81000	45000	\$ 513,240
Stormwater	Total 2023-2027	\$ 26,000	\$ -	\$ 125,000	\$ -	\$ -	\$ -	
Wastewater	Total 2023-2027	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Water	Total 2023-2027	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTAL UTILITIES		\$ 26,000	\$ -	\$ 125,000	\$ -	\$ -	\$ -	

<u>2022</u> Grants	<u>2023</u> Grants	<u>2024</u> Grants	<u>2025</u> Grants	<u>2026</u> Grants	<u>2027</u> Grants
	LRIP	-30000			
Total	0 Total	-30000	0	0	0
Surplus	Surplus	Surplus	Surplus	Surplus	Surplus
Parks Dump	-5000 O.D.B. Picker	-1000 07 Elgin	-50000 2012 F-350 #7	-12000 2012 F2-50 #1	-12000 17 Vermeer
02 GMC	-8000		2011 Dodge #9	-12000	-15000
05 JD	-28000				
line painter	-2000				
Total	-43000 Total	-1000	-50000	-24000	-12000
Other	Other	Other	Other	Other	Other
2022	2023	2024	2025	2026	2027

**Village of Shorewood Hills
Delayed or Cancelled Projects**

DEPARTMENT	PROJECT	
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