



## AGENDA

Finance Committee

Meeting Thursday January 14, 2016

6:00 PM Meeting

Meeting will be at Highwood City Hall – City Council Chambers  
17 Highwood Ave – Highwood, Illinois

- I. CALL TO ORDER
- II. ROLL CALL
- III. APPROVAL OF MINUTES
  - A. February 2, 2015
  - B. March 3, 2015
- IV. ITEMS FOR DISCUSSION
  - A. FY 2017 Draft budget
  - B. Capital Improvement Plan - 2016 Road Catalogue
  - C. A Discussion on a Draft Procurement Policy
- V. OTHER COMMITTEE BUSINESS
- IX. ADJOURNMENT

### **CITY OF HIGHWOOD – FINANCE COMMITTEE**

Alderman Mike Fiore  
Alderman Andy Peterson  
Alderman Christopher Grice

**City of Highwood**  
Minutes of the Finance Committee  
January 23, 2015

The Meeting was called to order by Alderman Chris Grice at 4:38 pm. Committee members Alderman Chris Grice and Mike Fiore were present. Alderman Andy Peterson was absent. Also present were City Manager Scott Coren, Assistant to the City Manager Adrian Marquez and Assistant Molly Keane.

**Discussion on Parking Fines**

Manager Coren mentioned the parking ticket software platform and collections system would be on the February 3<sup>rd</sup> City Council meeting agenda. He said he would also recommend increasing the fine from \$20 to \$30, which would also be on the agenda. The committee agreed with this assessment.

**Draft Budget**

Manager Coren brought the updated draft budget to the committee. The department heads had been asked to cut their budgets by 12%, but most came nowhere near this level of cuts. With few options and a deficit of approximately \$350,000, Coren said the options included increasing revenues through taxes and fees or outsourcing some services to try to save on costs. The committee discussed the financial costs and benefits of outsourcing public works functions and the necessary number of workers for the department. The committee also discussed the Fire Department and the costs and benefits of full time employees vs. part time employees. The committee agreed that all departments must be examined closely and nothing was off the table, including staffing cuts.

**Adjournment**

There being no further business Alderman Fiore made a motion to adjourn, with a second by Alderman Grice. The motion carried 2-0 at 7:30 pm.

Approved:

Mike Fiore, Member \_\_\_\_\_

Chris Grice, Member \_\_\_\_\_

Andy Peterson, Member \_\_\_\_\_

**Finance Committee**  
**January 14, 2016**

**Draft Budget Discussion**

Staff has completed a first draft of the FYE 2017 budget for the Finance Committee's review. While each year presents its own complications and uncertainties, this budget is especially tough to forecast with two unknowns: the resolution of the fire department referendum and the uncertainty with the State of Illinois budget. With these outstanding items in mind, Staff put together the following budget and will offer a recommended contingency for each variable.

The proposed draft budget includes:

- No new loans or debt
- Total operational expenditures anticipated to decrease in each of the next three years
- \$125,000 dedicated annually to street and sidewalk repairs (\$25,000 spent in FYE 2014)
- An additional \$35,000 to replace sewers that collapse in roadways
- \$14,000 in the legal fund and \$25,000 in the building fund to allow the City to comprehensively review and address the residential zoning in the community
- Planned funding of police body cameras
- Funding of strategic assistance for managing and advising on public works projects
- Staff and Command management training for the Police Lieutenant
- \$10,000 for replacement of the carpet in City Hall
- \$10,000 in Parks & Recreation to replace old garbage cans
- \$50,000 for new and replacement signage in the community
- Additional funding of community service officers to enforce codes, inventory housing stock and be more proactive on property maintenance

The draft budget includes a sufficient reserve so that if the fire department referendum does not pass, the City will be able to operate through FYE 2017 with a 90 day reserve. However, if the referendum does not pass and the State of Illinois reduces the Local Government Distributive Fund by 50%, as has been proposed in the past, the City of Highwood would drop below the desired reserve. Additionally, if the referendum passes but the State of Illinois reduces the Local Government Distributive Fund by 50%, the City of Highwood would be approximately at its reserve requirement at the end of FYE 2019.

With this budget discussion, Staff would like to work with the City Council to prioritize additional projects and expenditures in the event the referendum passes and the State of Illinois finds a compromise that does not jeopardize local funding to this great degree. Some projects could include advancing infrastructure projects and maintenance, strategic land purchase, or reducing taxes.

# City of Highwood

## FY17 BUDGET SUMMARY GENERAL FUND

ACCOUNT	FY15 ACTUAL	FY16 BUDGET	FY16 ESTIMATED ACTUAL	FY17 REQUEST	DEPT MAINT BUDGET REQUEST	COUNCIL DISCRETIONARY	FY18 FORECAST	FY19 FORECAST
<b>GENERAL FUND REVENUE</b>	\$ 5,000,512	\$ 4,899,096	\$ 4,869,777	4,793,552	\$ 4,693,552	\$ 100,000	\$ 4,701,832	\$ 4,728,882
<b>TOTAL REVENUE</b>	\$ 5,000,512	\$ 4,899,096	\$ 4,869,777	\$ 4,793,552	\$ 4,693,552	\$ 100,000	\$ 4,701,832	\$ 4,728,882
<b>DEPARTMENT EXPENDITURES</b>								
ADMIN/FINANCE	419,397	475,540	478,544	490,616	490,616	-	524,419	507,916
LEGAL	107,101	194,600	175,600	194,600	180,600	14,000	190,600	190,600
POLICE	1,853,703	1,876,701	1,843,463	1,960,643	1,960,643	-	2,227,477	2,058,399
FIRE	1,292,534	1,282,326	1,265,421	1,059,414	1,059,414	-	723,750	751,063
FIRE ALARM (DEPT. 23)	36,029	54,861	54,861	54,861	54,861	-	54,861	54,861
STREETS	675,467	617,354	643,421	686,614	586,614	100,000	622,210	615,185
BUILDING	45,148	109,750	121,870	134,750	109,750	25,000	109,750	109,750
PARKS & RECREATION	143,790	140,508	128,931	152,143	142,143	10,000	147,793	153,743
NARCOTICS	-	-	-	-	-	-	-	-
DUI	2,206	4,500	2,800	4,500	4,500	-	4,500	4,500
2% FIRE INSURANCE	2,327	10,000	6,500	7,500	7,500	-	7,500	7,500
PARKING	9,982	-	2,139	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	\$ 4,587,684	\$ 4,766,140	\$ 4,723,550	\$ 4,745,640	\$ 4,596,640	\$ 149,000	\$ 4,612,859	\$ 4,453,517
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	412,829	132,956	146,227	47,912	96,912	(49,000)	88,973	275,365
<b>BEGINNING FUND BALANCE</b>	925,991	1,338,820	1,338,820	1,485,047	1,485,047	-	1,532,959	1,621,932
<b>ENDING FUND BALANCE</b>	\$ 1,338,820	1,471,776	\$ 1,485,047	\$ 1,532,959	\$ 1,581,959	\$ (49,000)	\$ 1,621,932	\$ 1,897,297

# City of Highwood

## FY17 BUDGET SUMMARY GENERAL FUND - REVENUE

ACCOUNT	FY15 ACTUAL	FY16 BUDGET	FY16 ESTIMATED ACTUAL	FY17 REQUEST	DEPT MAINT BUDGET REQUEST	COUNCIL DISCRETIONARY	FY18 FORECAST	FY19 FORECAST
<b>REVENUE</b>								
<b>LOCAL TAXES</b>								
REAL ESTATE TAX - CORPORATE	\$ 693,461	\$ 755,000	\$ 755,000	832,452	\$ 832,452		\$ 832,452	\$ 832,452
REAL ESTATE TAX - PD PENSION	249,579	268,154	268,154	268,533	268,533	-	287,330	307,443
REAL ESTATE TAX - FD PENSION	138,721	120,346	120,346	92,615	92,615	-	99,098	106,035
REAL ESTATE TAX - NSSRA	39,515	45,000	45,000	45,000	45,000		45,000	45,000
UTILITY TAX - TELECOM	131,280	130,000	120,000	115,000	115,000	-	110,000	110,000
UTILITY TAX - ELECTRIC	158,155	131,000	130,000	130,000	130,000	-	130,000	130,000
UTILITY TAX - NATURAL GAS	129,990	95,000	95,000	95,000	95,000	-	95,000	95,000
2% FOREIGN FIRE TAX	7,192	7,400	7,400	2,000	2,000	-	-	-
GASOLINE TAX	21,169	112,500	100,000	100,000	100,000		100,000	100,000
<b>SUB-TOTAL</b>	<b>1,569,063</b>	<b>1,664,400</b>	<b>1,640,900</b>	<b>1,680,600</b>	<b>1,680,600</b>	<b>-</b>	<b>1,698,880</b>	<b>1,725,930</b>
<b>LICENSE REVENUE</b>								
LIQUOR LICENSES	128,053	110,000	110,000	110,000	110,000	-	110,000	110,000
VEHICLE LICENSES	142,055	140,000	140,000	140,000	140,000	-	140,000	140,000
BUSINESS LICENSES	7,475	7,500	7,500	7,500	7,500	-	7,500	7,500
GREASE TRAP FEES	1,750	2,500	1,500	1,500	1,500	-	1,500	1,500
OTHER LICENSES	42,801	30,000	30,000	30,000	30,000	-	30,000	30,000
<b>SUB-TOTAL</b>	<b>322,133</b>	<b>290,000</b>	<b>289,000</b>	<b>289,000</b>	<b>289,000</b>	<b>-</b>	<b>289,000</b>	<b>289,000</b>
<b>PERMIT REVENUE</b>								
BUILDING PERMITS	48,967	92,400	110,000	90,000	90,000	-	90,000	90,000
PARKING REVENUES	49,016	45,000	45,000	35,000	35,000	-	35,000	35,000
CABLE FRANCHISE FEES	48,769	46,000	46,000	46,000	46,000	-	46,000	46,000
VALET PARKING PERMITS	3,500	3,000	3,000	3,000	3,000	-	3,000	3,000
MISC PERMITS	5,950	2,000	3,725	2,000	2,000	-	2,000	2,000
<b>SUB-TOTAL</b>	<b>156,201</b>	<b>188,400</b>	<b>207,725</b>	<b>176,000</b>	<b>176,000</b>	<b>-</b>	<b>176,000</b>	<b>176,000</b>
<b>INTERGOVERNMENTAL REVENUE</b>								
STATE INCOME TAX	554,338	535,095	535,095	535,095	535,095	-	535,095	535,095
PERSONAL PROPERTY REPL TAX	5,990	7,000	7,500	7,000	7,000	-	7,000	7,000
GRANTS	-	-	-	-	-	-	-	-
SALES TAX - REGULAR	515,509	518,000	518,000	518,000	518,000	-	518,000	518,000
SALES TAX - HOME RULE	628,755	704,444	660,000	660,000	660,000	-	660,000	660,000
LOCAL USE TAX	117,571	104,857	104,857	104,857	104,857	-	104,857	104,857
<b>SUB-TOTAL</b>	<b>1,822,163</b>	<b>1,869,396</b>	<b>1,825,452</b>	<b>1,824,952</b>	<b>1,824,952</b>	<b>-</b>	<b>1,824,952</b>	<b>1,824,952</b>

Continued reduction in landlines anticipated.

Eliminating the vehicle stickers with the fire department savings?

Includes restaurant licenses, dog licenses, electrical contractor licenses

Reduced permit fees

Garage sale permits, overweight vehicle permits

# City of Highwood

## FY17 BUDGET SUMMARY GENERAL FUND - REVENUE

ACCOUNT	FY15 ACTUAL	FY16 BUDGET	FY16 ESTIMATED ACTUAL	FY17 REQUEST	DEPT MAINT BUDGET REQUEST	COUNCIL DISCRETIONARY	FY18 FORECAST	FY19 FORECAST
<b>FINES &amp; FORFEITURES</b>								
COURT FINES	52,624	75,000	55,000	55,000	55,000	-	55,000	55,000
POLICE FINES	28,226	38,500	30,000	30,000	30,000	-	30,000	30,000
PD BOOT, ADMIN, VEHICLE STORAGE	1,750	2,000	2,000	2,000	2,000	-	2,000	2,000
PD SEIZED VEHICLES	24,750	40,000	25,000	25,000	25,000	-	25,000	25,000
DUI FINES	35	5,300	-	-	-	-	-	-
ZONING/PLANNING FEES	3,900	2,500	2,500	2,500	2,500	-	2,500	2,500
BUILDING FEES & REIMBURSEMENTS	6,808	6,000	7,000	6,000	6,000	-	6,000	6,000
RENTAL INSPECTION FEES	68,240	50,000	60,000	60,000	60,000	-	60,000	60,000
MISC FEES & FINES	9,887	5,000	5,500	5,000	5,000	-	5,000	5,000
NORDSTROM FUND	13,014	-	-	-	-	-	-	-
AMBULANCE SERVICE	59,967	66,000	60,000	10,000	10,000	-	-	-
<b>SUB-TOTAL</b>	<b>269,200</b>	<b>290,300</b>	<b>247,000</b>	<b>195,500</b>	<b>195,500</b>	<b>-</b>	<b>185,500</b>	<b>185,500</b>
<b>CHARGES FOR SERVICES</b>								
TFSC 2H AGREEMENT	-	-	-	-	-	-	-	-
SALE OF PROPERTY	106,310	-	65,000	100,000	-	100,000	-	-
TESTING FEES	920	500	-	-	-	-	-	-
ALARM SYSTEMS & CALLS	115,225	105,600	100,000	100,000	100,000	-	100,000	100,000
FIRE ALARM INSPECTIONS	-	-	-	-	-	-	-	-
RECYCLING REBATE	1,027	7,500	1,500	1,500	1,500	-	1,500	1,500
MISC CHARGES FOR SERVICE	250	-	200	-	-	-	-	-
<b>SUB-TOTAL</b>	<b>223,732</b>	<b>113,600</b>	<b>166,700</b>	<b>201,500</b>	<b>101,500</b>	<b>100,000</b>	<b>101,500</b>	<b>101,500</b>
<b>MISCELLANEOUS INCOME</b>								
INTEREST ON INVESTMENTS	1,485	1,000	1,000	1,000	1,000	-	1,000	1,000
LEASE PROCEEDS	-	-	-	-	-	-	-	-
ANTENNA RENTALS	363,104	316,000	316,000	259,000	259,000	-	259,000	259,000
MISC PROPERTY RENTAL	5,500	6,000	6,000	6,000	6,000	-	6,000	6,000
REFUNDS & REIMBURSEMENTS	58,278	10,000	10,000	10,000	10,000	-	10,000	10,000
PARK/REC RENTALS	176,935	140,000	150,000	140,000	140,000	-	140,000	140,000
SPECIAL RECREATION DONATION	13,472	8,000	8,000	8,000	8,000	-	8,000	8,000
SPECIAL EVENT	1,775	-	-	-	-	-	-	-
MISCELLANEOUS INCOME	17,471	2,000	2,000	2,000	2,000	-	2,000	2,000
<b>SUB-TOTAL</b>	<b>638,021</b>	<b>483,000</b>	<b>493,000</b>	<b>426,000</b>	<b>426,000</b>	<b>-</b>	<b>426,000</b>	<b>426,000</b>
<b>OTHER FINANCING SOURCES/(USES)</b>								
TRANSFERS IN	-	-	-	-	-	-	-	-
PROCEEDS FROM LOAN	-	-	-	-	-	-	-	-
<b>SUB-TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL REVENUE</b>	<b>\$ 5,000,512</b>	<b>\$ 4,899,096</b>	<b>\$ 4,869,777</b>	<b>\$ 4,793,552</b>	<b>\$ 4,693,552</b>	<b>\$ 100,000</b>	<b>\$ 4,701,832</b>	<b>\$ 4,728,882</b>

Sale of Fire Engines, PW Vehicles

Police/Fire Testing Fees ELIMINATE LINE ITEM

Over the past two years this has historically been lower

Bocece Club Lease

The reductions in revenue in the two future years are primarily from antenna rentals and a reduction in ambulance service fees, along with less generated from the sale of equipment used in the fire and PW departments.

# City of Highwood

## FY17 BUDGET SUMMARY GENERAL FUND - ADMINISTRATIVE DEPARTMENT

ACCOUNT	FY15 ACTUAL	FY16 BUDGET	FY16 ESTIMATED ACTUAL	FY17 REQUEST	DEPT MAINT BUDGET REQUEST	COUNCIL DISCRETIONARY EXPENDITURES	FY18 FORECAST	FY19 FORECAST
<b>PERSONNEL</b>								
SALARIES	\$ 151,392	\$ 163,465	\$ 168,000	\$ 171,496	\$ 171,496	\$ -	\$ 177,715	\$ 182,885
OVERTIME	178	5,000	2,000	5,000	5,000	-	5,000	5,000
SUB-TOTAL	151,570	168,465	170,000	176,496	176,496	-	182,715	187,885
<b>BENEFITS</b>								
HEALTH INSURANCE	37,882	25,632	35,000	24,697	24,697	-	28,402	32,662
LIFE INSURANCE	585	510	510	510	510	-	510	510
UNEMPLOYMENT INSURANCE	1,541	3,300	3,300	3,300	3,300	-	3,400	3,500
FICA	9,214	10,135	10,135	10,633	10,633	-	11,018	11,339
MEDICARE	2,387	2,370	2,370	2,487	2,487	-	2,577	2,652
IMRF	18,740	18,252	18,252	20,076	20,076	-	20,678	21,298
WORKERS COMP	407	1,477	1,477	8,017	8,017	-	8,819	9,701
AUTOMOTIVE ALLOWANCE	1,128	500	2,000	2,000	2,000	-	2,000	2,000
SUB-TOTAL	71,886	62,176	73,044	71,719	71,719	-	77,404	83,662
<b>OPERATING COSTS</b>								
BUILDING MAINTENANCE	9,184	12,500	15,000	14,500	14,500	-	14,500	14,500
EQUIPMENT MAINTENANCE	10,000	5,000	2,500	5,000	5,000	-	5,000	5,000
OTHER MAINTENANCE	-	-	-	-	-	-	-	-
ACCOUNTING	39,306	48,300	48,300	48,300	48,300	-	48,300	48,300
AUDITING	28,975	39,000	39,000	39,000	39,000	-	39,000	39,000
PAYROLL SERVICE	4,283	4,300	4,300	4,300	4,300	-	4,300	4,300
COMPUTER SUPPORT	16,576	12,000	15,000	15,000	15,000	-	15,000	15,000
OTHER PROFESSIONAL SERVICES	2,458	4,000	4,000	4,000	4,000	-	4,000	4,000
POSTAGE	1,320	5,000	4,000	5,000	5,000	-	5,000	5,000
TELEPHONE	4,168	5,000	5,000	5,000	5,000	-	5,000	5,000
PUBLISHING/ADV/PROMO	1,384	10,000	4,000	5,000	5,000	-	5,000	5,000
PRINTING	3,593	2,000	2,000	2,000	2,000	-	2,000	2,000
DUES	6,712	14,500	12,000	14,500	14,500	-	14,500	14,500
TRAVEL EXPENSE	116	1,000	1,000	1,000	1,000	-	1,000	1,000
TRAINING	125	6,000	2,000	6,000	6,000	-	6,000	6,000
MEALS	67	300	300	300	300	-	300	300
UTILITIES	2,050	2,200	2,000	2,200	2,200	-	2,400	2,600
MISC SERVICES CONTRACTS	26,826	26,000	23,500	23,500	23,500	-	23,500	23,500
LIABILITY INSURANCE	7,065	17,000	16,000	17,000	17,000	-	18,700	20,570
OFFICE SUPPLIES	2,199	3,000	2,500	3,000	3,000	-	3,000	3,000
OPERATING SUPPLIES	3,112	2,500	2,500	2,500	2,500	-	2,500	2,500
EQUIPMENT LEASE EXPENSE	-	3,000	3,000	3,000	3,000	-	3,000	3,000
AUTOMOTIVE FUEL/OIL	-	-	-	-	-	-	-	-
BANK CHARGES	202	500	500	500	500	-	500	500
CREDIT CARD FEES	1,071	1,500	1,500	1,500	1,500	-	1,500	1,500
SPECIAL EVENT FUND	4,122	4,500	4,500	4,500	4,500	-	4,500	4,500
REIMBURSABLE EXPENSES	163	100	100	100	100	-	100	100
REFUNDS	500	100	100	100	100	-	100	100
MISCELLANEOUS EXPENSE	5,252	5,600	4,600	5,600	5,600	-	5,600	5,600
SUB-TOTAL	180,829	234,900	219,200	232,400	232,400	-	234,300	236,370
<b>CAPITAL</b>								
THREE YEAR CAPITAL PLAN	-	10,000	10,000	10,000	10,000	-	30,000	-
DEBT	-	-	-	-	-	-	-	-
VEHICLE	-	-	-	-	-	-	-	-
EQUIPMENT	15,112	-	6,300	-	-	-	-	-
SUB-TOTAL	15,112	10,000	16,300	10,000	10,000	-	30,000	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 419,397</b>	<b>\$ 475,540</b>	<b>\$ 478,544</b>	<b>\$ 490,616</b>	<b>\$ 490,616</b>	<b>\$ -</b>	<b>\$ 524,419</b>	<b>\$ 507,916</b>

# City of Highwood

## FY17 BUDGET SUMMARY GENERAL FUND - LEGAL DEPARTMENT

ACCOUNT	FY15 ACTUAL	FY16 BUDGET	FY16 ESTIMATED ACTUAL	FY17 REQUEST	DEPT MAINT BUDGET REQUEST	COUNCIL DISCRETIONARY EXPENDITURES	FY18 FORECAST	FY19 FORECAST
LEGAL								
CITY ATTORNEY - GEN CORP MATTERS	\$ 33,671	\$ 144,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ -	\$ 140,000	\$ 140,000
CITY ATTORNEY - RETAINER	-	-	-	-	-	-	-	-
CITY ATTORNEY - PERSONNEL	46,975	-	-	-	-	-	-	-
CITY PROSECUTOR - PROSECUTION	26,455	35,000	30,000	35,000	35,000	-	35,000	35,000
CITY PROSECUTOR - RETAINER	-	9,600	9,600	9,600	9,600	-	9,600	9,600
LEGAL ZONING	-	6,000	6,000	20,000	6,000	14,000	6,000	6,000
LAWSUIT SETTLEMENT	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 107,101	\$ 194,600	\$ 175,600	\$ 194,600	\$ 180,600	\$ 14,000	\$ 190,600	\$ 190,600



# City of Highwood

## FY17 BUDGET SUMMARY GENERAL FUND - POLICE DEPARTMENT

ACCOUNT	FY15 ACTUAL	FY16 BUDGET	FY16 ESTIMATED ACTUAL	FY17 REQUEST	DEPT MAINT BUDGET REQUEST	COUNCIL DISCRETIONARY EXPENDITURES	FY18 FORECAST	FY19 FORECAST
<b>PERSONNEL</b>								
SALARIES - FULL TIME	\$ 776,066	\$ 841,000	\$ 717,794	\$ 881,968	\$ 881,968	\$ -	\$ 907,732	\$ 934,964
SALARIES - PART-TIME	94,747	65,000	150,000	75,000	75,000	-	75,000	75,000
OVERTIME	120,347	75,000	65,000	85,000	85,000	-	85,000	85,000
<b>SUB-TOTAL</b>	<b>991,160</b>	<b>981,000</b>	<b>932,794</b>	<b>1,041,968</b>	<b>1,041,968</b>	<b>-</b>	<b>1,067,732</b>	<b>1,094,964</b>
<b>BENEFITS</b>								
HEALTH INSURANCE	157,576	152,498	170,000	186,702	186,702	-	205,372	225,909
LIFE INSURANCE	3,377	3,000	3,200	3,000	3,000	-	3,000	3,000
UNEMPLOYMENT INSURANCE	6,951	11,500	8,000	11,500	11,500	-	11,500	11,500
FICA - POLICE	9,942	4,195	12,000	12,000	12,000	-	12,000	12,000
POLICE PENSION CONTRIBUTION	249,579	268,154	268,154	268,553	268,553	-	287,352	307,466
MEDICARE - POLICE	13,073	11,847	12,003	12,789	12,789	-	13,162	13,557
IMRF - POLICE	4,782	4,746	4,799	5,094	5,094	-	5,404	5,566
WORKERS COMP - POLICE	24,276	42,524	42,000	45,198	45,198	-	49,718	54,690
<b>SUB-TOTAL</b>	<b>469,556</b>	<b>498,464</b>	<b>520,156</b>	<b>544,835</b>	<b>544,835</b>	<b>-</b>	<b>587,508</b>	<b>633,689</b>
<b>OPERATING COSTS</b>								
BUILDING MAINTENANCE	4,361	5,000	9,000	5,000	5,000	-	5,000	5,000
EQUIPMENT MAINTENANCE	520	1,750	5,600	3,000	3,000	-	3,000	3,000
VEHICLE MAINTENANCE	9,766	10,000	15,000	20,000	20,000	-	5,000	7,000
OTHER MAINTENANCE	-	-	-	-	-	-	-	-
LEGAL SERVICE	3,556	-	-	-	-	-	-	-
ADMINISTRATIVE HEARING SERVICE	-	1,000	1,000	1,000	1,000	-	1,000	1,000
OTHER PROFESSIONAL SERVICES	5,052	7,000	7,000	7,000	7,000	-	7,000	7,000
POSTAGE	193	700	500	500	500	-	500	500
TELEPHONE	7,912	6,000	6,500	6,000	6,000	-	6,000	6,000
PUBLISHING/ADV/PROMO	687	400	400	400	400	-	400	400
PRINTING	633	1,000	700	700	700	-	700	700
DISPATCHING	171,601	143,000	160,000	167,677	167,677	-	174,637	180,397
DUES	17,446	15,000	15,000	15,000	15,000	-	15,000	15,000
TRAVEL	-	500	500	500	500	-	500	500
TRAINING	5,526	14,000	10,000	14,000	14,000	-	10,000	10,000
UTILITIES	1,857	600	1,500	1,500	1,500	-	1,500	1,500
MISC SERVICE CONTRACTS	16,016	14,500	11,000	14,500	14,500	-	14,500	14,500
INSURANCE DEDUCTIBLE	-	-	-	-	-	-	-	-
LIABILITY INSURANCE	13,452	24,374	18,000	25,000	25,000	-	27,500	30,250
OFFICE SUPPLIES	1,492	2,100	2,000	2,000	2,000	-	2,000	2,000
OPERATING SUPPLIES	5,709	5,000	6,500	5,000	5,000	-	5,000	5,000
UNIFORMS	9,029	10,000	10,000	10,000	10,000	-	10,000	10,000
AUTO FUEL/OIL	24,729	30,000	23,000	30,000	30,000	-	30,000	30,000
MISCELLANEOUS	-	-	-	-	-	-	-	-
<b>SUB-TOTAL</b>	<b>299,537</b>	<b>291,924</b>	<b>303,200</b>	<b>328,777</b>	<b>328,777</b>	<b>-</b>	<b>319,237</b>	<b>329,747</b>
<b>CAPITAL</b>								
THREE YEAR CAPITAL PLAN	-	30,000	12,000	5,000	5,000	-	55,000	-
DEBT	75,313	75,313	75,313	40,063	40,063	-	-	-
VEHICLE	-	-	-	-	-	-	198,000	-
EQUIPMENT	18,137	-	-	-	-	-	-	-
<b>SUB-TOTAL</b>	<b>93,450</b>	<b>105,313</b>	<b>87,313</b>	<b>45,063</b>	<b>45,063</b>	<b>-</b>	<b>253,000</b>	<b>-</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,853,703</b>	<b>\$ 1,876,701</b>	<b>\$ 1,843,463</b>	<b>\$ 1,960,643</b>	<b>\$ 1,960,643</b>	<b>\$ -</b>	<b>\$ 2,227,477</b>	<b>\$ 2,058,399</b>

# City of Highwood

## FY17 BUDGET SUMMARY GENERAL FUND - FIRE DEPARTMENT

ACCOUNT	FY15 ACTUAL	FY16 BUDGET	FY16 ESTIMATED ACTUAL	FY17 REQUEST	DEPT MAINT BUDGET REQUEST	COUNCIL DISCRETIONARY EXPENDITURES	FY18 FORECAST	FY19 FORECAST
<b>PERSONNEL</b>								
SALARIES - FULL TIME	\$ 411,488	\$ 278,466	\$ 240,000	\$ 219,000	\$ 219,000	\$ -	\$ -	\$ -
SALARIES - PART-TIME	321,044	186,250	480,000	91,800	91,800	-	-	-
OVERTIME	26,818	20,250	50,000	-	-	-	-	-
<b>SUB-TOTAL</b>	<b>759,350</b>	<b>484,966</b>	<b>770,000</b>	<b>310,800</b>	<b>310,800</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>BENEFITS</b>								
HEALTH INSURANCE	43,274	20,956	16,000	2,000	2,000	-	-	-
LIFE INSURANCE	2,253	2,500	1,200	150	150	-	-	-
UNEMPLOYMENT INSURANCE	7,908	16,055	8,000	16,055	16,055	-	-	-
WORKERS COMP	87,493	116,000	116,000	38,021	38,021	-	-	-
FICA	20,793	12,250	29,760	5,692	5,692	-	-	-
PENSION	138,721	120,346	120,346	92,615	92,615	-	80,000	88,000
MEDICARE	11,288	7,032	11,165	1,331	1,331	-	-	-
<b>SUB-TOTAL</b>	<b>311,731</b>	<b>295,139</b>	<b>302,471</b>	<b>155,864</b>	<b>155,864</b>	<b>-</b>	<b>80,000</b>	<b>88,000</b>
<b>OPERATING COSTS</b>								
BUILDING MAINTENANCE	16,918	15,000	11,000	15,000	15,000	-	-	-
EQUIPMENT MAINTENANCE	915	1,500	2,000	1,500	1,500	-	-	-
VEHICLE MAINTENANCE	15,666	20,000	20,000	1,500	1,500	-	-	-
EMS EQUIPMENT MAINTENANCE	10,368	6,000	6,000	-	-	-	-	-
FIRE EQUIPMENT MAINTENANCE	15,458	15,240	15,000	1,000	1,000	-	-	-
COMPUTER SUPPORT	11,468	4,000	14,000	4,000	4,000	-	-	-
POSTAGE	69	400	200	-	-	-	-	-
TELEPHONE	10,296	8,000	8,000	3,000	3,000	-	-	-
PUBLISHING/PROMO	323	75	75	-	-	-	-	-
PRINTING	60	75	75	-	-	-	-	-
COMMUNICATIONS/OTHER	2,283	2,000	2,000	-	-	-	-	-
DISPATCHING	21,966	20,000	50,000	77,000	77,000	-	-	-
DUES	7,375	13,000	8,000	-	-	-	-	-
TRAVEL	-	-	-	-	-	-	-	-
TRAINING	9,697	8,000	7,000	-	-	-	-	-
UTILITIES	264	100	2,000	-	-	-	-	-
MISC CONTRACTUAL SERVICES	33,600	322,250	5,000	468,750	468,750	-	643,750	663,063
OSHA TESTING	528	3,400	1,500	-	-	-	-	-
LIABILITY INSURANCE	24,431	7,121	17,000	17,000	17,000	-	-	-
OFFICE SUPPLIES	1,823	3,360	2,000	-	-	-	-	-
OPERATING SUPPLIES	1,063	1,100	1,100	-	-	-	-	-
UNIFORMS	21,089	20,000	10,000	-	-	-	-	-
AUTO FUEL/OIL	10,462	12,000	10,000	4,000	4,000	-	-	-
MATERIAL/SUPPLIES/FIRE PREV	2,331	1,000	1,000	-	-	-	-	-
<b>SUB-TOTAL</b>	<b>218,452</b>	<b>483,621</b>	<b>192,950</b>	<b>592,750</b>	<b>592,750</b>	<b>-</b>	<b>643,750</b>	<b>663,063</b>
<b>CAPITAL</b>								
THREE YEAR CAPITAL PLAN	-	18,600	-	-	-	-	-	-
DEBT	-	-	-	-	-	-	-	-
VEHICLE	-	-	-	-	-	-	-	-
EQUIPMENT	3,000	-	-	-	-	-	-	-
<b>SUB-TOTAL</b>	<b>3,000</b>	<b>18,600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,292,534</b>	<b>\$ 1,282,326</b>	<b>\$ 1,265,421</b>	<b>\$ 1,059,414</b>	<b>\$ 1,059,414</b>	<b>\$ -</b>	<b>\$ 723,750</b>	<b>\$ 751,063</b>

# City of Highwood

## FY17 BUDGET SUMMARY GENERAL FUND - FIRE ALARM DEPARTMENT

ACCOUNT	FY15 ACTUAL	FY16 BUDGET	FY16 ESTIMATED ACTUAL	FY17 REQUEST	DEPT MAINT BUDGET REQUEST	COUNCIL DISCRETIONARY EXPENDITURES	FY18 FORECAST	FY19 FORECAST
<b>OPERATING COSTS</b>								
OTHER PROFESSIONAL SVCS	\$ 11,168	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ -	\$ 30,000	\$ 30,000
SUB-TOTAL	11,168	30,000	30,000	30,000	30,000	-	30,000	30,000
<b>CAPITAL</b>								
DEBT	24,861	24,861	24,861	24,861	24,861	-	24,861	24,861
SUB-TOTAL	24,861	24,861	24,861	24,861	24,861	-	24,861	24,861
<b>TOTAL EXPENDITURES</b>	\$ 36,029	\$ 54,861	\$ 54,861	\$ 54,861	\$ 54,861	\$ -	\$ 54,861	\$ 54,861

# City of Highwood

## FY17 BUDGET SUMMARY GENERAL FUND - STREETS DEPARTMENT

ACCOUNT	FY15 ACTUAL	FY16 BUDGET	FY16 ESTIMATED ACTUAL	FY17 REQUEST	DEPT MAINT BUDGET REQUEST	COUNCIL DISCRETIONARY EXPENDITURES	FY18 FORECAST	FY19 FORECAST
<b>PERSONNEL</b>								
SALARIES - FULL TIME	\$ 164,861	\$ 95,593	\$ 95,593	\$ 84,482	\$ 54,482	\$ 30,000	\$ 86,116	\$ 87,800
SALARIES - PART-TIME		10,000	10,000	10,000	10,000		10,000	10,000
OVERTIME	20,887	17,000	25,000	17,000	17,000	-	17,000	17,000
<b>SUB-TOTAL</b>	<b>185,748</b>	<b>122,593</b>	<b>130,593</b>	<b>111,482</b>	<b>81,482</b>	<b>30,000</b>	<b>113,116</b>	<b>114,800</b>
<b>BENEFITS</b>								
HEALTH INSURANCE	32,789	8,667	4,500	2,000	2,000	-	2,000	2,000
LIFE INSURANCE	456	500	500	500	500	-	500	500
UNEMPLOYMENT INSURANCE	1,296	3,058	2,000	3,058	3,058	-	3,058	3,058
FICA	11,260	5,927	8,097	3,378	3,378	-	3,479	3,584
MEDICARE	2,633	1,386	1,894	790	790	-	814	838
IMRF	21,939	10,955	15,671	6,538	6,538	-	6,734	6,936
AUTO ALLOWANCE	-	-	-	-	-	-	-	-
WORKERS COMP	37,637	20,000	55,000	14,407	14,407	-	15,848	17,432
<b>SUB-TOTAL</b>	<b>108,009</b>	<b>50,493</b>	<b>87,662</b>	<b>30,671</b>	<b>30,671</b>	<b>-</b>	<b>32,433</b>	<b>34,348</b>
<b>OPERATING COSTS</b>								
BUILDING MAINTENANCE	11,205	8,000	8,000	8,000	8,000	-	8,000	8,000
EQUIPMENT MAINTENANCE	35,105	10,000	10,000	10,000	10,000	-	10,000	10,000
VEHICLE MAINTENANCE	23,552	10,000	10,000	10,000	10,000	-	10,000	10,000
OTHER MAINTENANCE	10,320	5,000	5,000	5,000	5,000	-	5,000	5,000
STREET & SIDEWALK REPAIR	35,392	125,000	115,000	125,000	125,000	-	125,000	125,000
STORM SEWER REPAIR	25,447	10,000	45,000	45,000	45,000	-	45,000	45,000
STREET LIGHT REPAIRS	7,992	15,000	15,000	15,000	15,000	-	15,000	15,000
ENGINEERING FEES	1,500	5,000	5,000	25,000	5,000	20,000	5,000	5,000
OTHER PROFESSIONAL SERVICES	2,355	4,000	4,000	4,000	4,000	-	4,000	4,000
POSTAGE	-	-	-	-	-	-	-	-
TELEPHONE	1,841	2,250	2,250	2,250	2,250	-	2,250	2,250
PUBLISHING	-	500	500	500	500	-	500	500
PRINTING	-	-	-	-	-	-	-	-
TRAINING	-	2,500	500	500	500	-	500	500
DUES	-	500	500	500	500	-	500	500
UTILITIES	11,625	4,000	4,000	4,000	4,000	-	4,500	4,500
STREET LIGHTING	39,968	-	-	-	-	-	-	-
MISC SERVICE CONTRACTS	22,813	90,000	60,000	90,000	90,000	-	90,000	90,000
MISC HAULING DIRT DUMP	4,966	5,000	5,000	5,000	5,000	-	5,000	5,000
INSURANCE DEDUCTIBLE	-	-	-	-	-	-	-	-
LIABILITY INSURANCE	14,880	4,807	17,000	17,000	17,000	-	18,700	20,570
OFFICE SUPPLIES	246	250	250	250	250	-	250	250
OPERATING SUPPLIES	12,035	15,000	15,000	15,000	15,000	-	15,000	15,000
SUPPLIES - BUILDING & GROUNDS	1,781	2,500	2,500	2,500	2,500	-	2,500	2,500
UNIFORMS	667	700	1,500	700	700	-	700	700
TRAFFIC CONTROL SIGNS	7,522	6,000	8,000	58,000	8,000	50,000	8,000	8,000
AUTO FUEL/OIL	17,517	17,000	10,000	10,000	10,000	-	10,000	10,000
EQUIPMENT RENTAL	2,543	3,000	3,000	3,000	3,000	-	3,000	3,000
FORESTRY	12,500	20,000	22,000	25,000	25,000	-	25,000	25,000
EVERTS PARK	3,928	7,500	6,000	7,500	7,500	-	7,500	7,500
COMMUNITY BEAUTIFICATION	1,585	5,000	5,000	5,000	5,000	-	5,000	5,000
HOLIDAY LIGHTING	4,456	5,000	-	5,000	5,000	-	5,000	5,000
REIMBURSABLE	-	-	-	-	-	-	-	-
MISC EXPENSE	-	1,000	1,000	1,000	1,000	-	1,000	1,000
<b>SUB-TOTAL</b>	<b>313,742</b>	<b>384,507</b>	<b>381,000</b>	<b>499,700</b>	<b>429,700</b>	<b>70,000</b>	<b>431,900</b>	<b>433,770</b>
<b>CAPITAL</b>								
THREE YEAR CAPITAL PLAN	-	15,000	-	-	-	-	-	-
DEBT	67,969	44,761	44,166	44,761	44,761	-	44,761	32,267
VEHICLE	-	-	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-	-	-
<b>SUB-TOTAL</b>	<b>67,969</b>	<b>59,761</b>	<b>44,166</b>	<b>44,761</b>	<b>44,761</b>	<b>-</b>	<b>44,761</b>	<b>32,267</b>

# City of Highwood

## FY17 BUDGET SUMMARY GENERAL FUND - BUILDING DEPARTMENT

ACCOUNT	FY15 ACTUAL	FY16 BUDGET	FY16 ESTIMATED ACTUAL	FY17 REQUEST	DEPT MAINT BUDGET REQUEST	COUNCIL DISCRETIONARY EXPENDITURES	FY18 FORECAST	FY19 FORECAST
<b>PERSONNEL</b>								
PART TIME BUILDING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FULL TIME BUILDING	-	-	-	-	-	-	-	-
OVERTIME	-	-	-	-	-	-	-	-
SUB-TOTAL	-	-	-	-	-	-	-	-
<b>BENEFITS</b>								
HEALTH INSURANCE	-	-	-	-	-	-	-	-
LIFE INSURANCE	-	-	-	-	-	-	-	-
UNEMPLOYMENT INSURANCE	-	-	-	-	-	-	-	-
FICA	-	-	-	-	-	-	-	-
MEDICARE	-	-	-	-	-	-	-	-
IMRF	-	-	-	-	-	-	-	-
WORKERS COMP	-	-	-	-	-	-	-	-
UNIFORM ALLOWANCE	-	-	-	-	-	-	-	-
AUTOMOTIVE ALLOWANCE	-	-	-	-	-	-	-	-
SUB-TOTAL	-	-	-	-	-	-	-	-
<b>OPERATING COSTS</b>								
BUILDING MAINTENANCE	-	-	-	-	-	-	-	-
VEHICLE MAINTENANCE	-	-	1,170	-	-	-	-	-
OTHER MAINTENANCE	-	-	-	-	-	-	-	-
ENGINEERING FEES	-	-	-	-	-	-	-	-
LEGAL SERVICE	-	-	-	-	-	-	-	-
TFS ASSESSMENT	-	-	-	-	-	-	-	-
PLANNING - COM DEV	692	5,000	5,000	5,000	5,000	-	5,000	5,000
OTHER PROFESSIONAL SERVICES	5,070	-	-	-	-	-	-	-
POSTAGE	117	500	500	500	500	-	500	500
TELEPHONE	57	-	-	-	-	-	-	-
PUBLISHING/ADV/PROMO	-	-	-	-	-	-	-	-
PRINTING	-	250	200	250	250	-	250	250
DUES	-	-	-	-	-	-	-	-
TRAVEL EXPENSE	-	-	-	-	-	-	-	-
TRAINING	-	-	-	-	-	-	-	-
UTILITIES	-	-	-	-	-	-	-	-
PART TIME INSPECTION SERVICES	-	20,000	20,000	20,000	20,000	-	20,000	20,000
MISC SERVICES CONTRACTS	38,017	-	-	25,000	-	25,000	-	-
LIABILITY INSURANCE	839	-	-	-	-	-	-	-
OFFICE SUPPLIES	357	-	-	-	-	-	-	-
OPERATING SUPPLIES	-	-	-	-	-	-	-	-
AUTOMOTIVE FUEL/OIL	-	-	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-	-	-
REIMBURSABLE EXPENSES	-	84,000	95,000	84,000	84,000	-	84,000	84,000
REFUNDS	-	-	-	-	-	-	-	-
MISCELLANEOUS EXPENSE	-	-	-	-	-	-	-	-
SUB-TOTAL	45,148	109,750	121,870	134,750	109,750	25,000	109,750	109,750
<b>CAPITAL</b>								
THREE YEAR CAPITAL PLAN	-	-	-	-	-	-	-	-
DEBT	-	-	-	-	-	-	-	-
VEHICLE	-	-	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-	-	-
SUB-TOTAL	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 45,148</b>	<b>\$ 109,750</b>	<b>\$ 121,870</b>	<b>\$ 134,750</b>	<b>\$ 109,750</b>	<b>\$ 25,000</b>	<b>\$ 109,750</b>	<b>\$ 109,750</b>

# City of Highwood

## FY17 BUDGET SUMMARY GENERAL FUND - PARKS AND RECREATION DEPARTMENT

ACCOUNT	FY15 ACTUAL	FY16 BUDGET	FY16 ESTIMATED ACTUAL	FY17 REQUEST	DEPT MAINT BUDGET REQUEST	COUNCIL DISCRETIONARY EXPENDITURES	FY18 FORECAST	FY19 FORECAST
<b>PERSONNEL</b>								
SALARIES - FULL TIME	-	-	-	-	-	-	-	-
SALARIES - PART-TIME	36,901	43,562	43,500	44,482	44,482	-	45,816	47,191
OVERTIME	-	-	-	-	-	-	-	-
<b>SUB-TOTAL</b>	<b>36,901</b>	<b>43,562</b>	<b>43,500</b>	<b>44,482</b>	<b>44,482</b>	<b>-</b>	<b>45,816</b>	<b>47,191</b>
<b>BENEFITS</b>								
HEALTH INSURANCE	5,898	5,962	5,556	6,566	6,566	-	7,551	8,684
LIFE INSURANCE	129	125	125	125	125	-	125	125
UNEMPLOYMENT INSURANCE	1,301	2,200	1,500	2,200	2,200	-	2,300	2,400
FICA	2,264	2,701	2,400	2,758	2,758	-	2,841	2,926
MEDICARE	530	632	500	645	645	-	664	684
IMRF	1,565	1,478	1,400	1,478	1,478	-	1,523	1,568
WORKERS COMP	733	2,732	1,200	2,339	2,339	-	2,573	2,830
TRAVEL ALLOWANCE	600	600	600	600	600	-	600	600
<b>SUB-TOTAL</b>	<b>13,020</b>	<b>16,430</b>	<b>13,281</b>	<b>16,711</b>	<b>16,711</b>	<b>-</b>	<b>18,176</b>	<b>19,817</b>
<b>OPERATING COSTS</b>								
BUILDING MAINTENANCE	15,917	8,000	8,000	8,000	8,000	-	8,000	8,000
EQUIPMENT MAINTENANCE	1,421	1,000	1,000	1,000	1,000	-	1,000	1,000
VEHICLE MAINTENANCE	-	-	-	-	-	-	-	-
OTHER MAINTENANCE	-	-	-	-	-	-	-	-
OTHER MAINTENANCE - SPEC. REC.	-	-	-	-	-	-	-	-
PARK MAINTENANCE	1,787	4,000	4,000	4,000	4,000	-	4,000	4,000
POSTAGE	-	50	50	50	50	-	50	50
TELEPHONE	833	1,000	1,000	1,000	1,000	-	1,000	1,000
PUBLISHING	-	-	-	-	-	-	-	-
UTILITIES	16,706	12,500	12,500	12,500	12,500	-	12,500	12,500
MISC SERVICE CONTRACTS	-	-	-	-	-	-	-	-
LIABILITY INSURANCE	1,500	8,141	3,000	8,500	8,500	-	9,350	10,285
OFFICE SUPPLIES	-	300	-	300	300	-	300	300
UNIFORMS	-	-	-	-	-	-	-	-
AWARDS & TROPHIES	-	-	-	-	-	-	-	-
SUPPLIES - BLDG & GROUNDS	-	-	-	-	-	-	-	-
AUTOMOTIVE FUEL	50	525	600	600	600	-	600	600
EQUIPMENT LEASE	-	-	-	-	-	-	-	-
NSSRA	52,538	45,000	42,000	45,000	45,000	-	47,000	49,000
MISC EXPENSE	-	-	-	-	-	-	-	-
MISC EXPENSE - SPEC. REC.	3,117	-	-	-	-	-	-	-
<b>SUB-TOTAL</b>	<b>93,869</b>	<b>80,516</b>	<b>72,150</b>	<b>80,950</b>	<b>80,950</b>	<b>-</b>	<b>83,800</b>	<b>86,735</b>
<b>CAPITAL</b>								
THREE YEAR CAPITAL PLAN	-	-	-	-	-	10,000	-	-
DEBT	-	-	-	-	-	-	-	-
VEHICLE	-	-	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-	-	-
<b>SUB-TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,000</b>	<b>-</b>	<b>-</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 143,790</b>	<b>\$ 140,508</b>	<b>\$ 128,931</b>	<b>\$ 142,143</b>	<b>\$ 142,143</b>	<b>\$ 10,000</b>	<b>\$ 147,793</b>	<b>\$ 153,743</b>



# City of Highwood

## FY17 BUDGET SUMMARY GENERAL FUND - DUI DEPARTMENT

ACCOUNT	FY15 ACTUAL	FY16 BUDGET	FY16 ESTIMATED ACTUAL	FY17 REQUEST	DEPT MAINT BUDGET REQUEST	COUNCIL DISCRETIONARY EXPENDITURES	FY18 FORECAST	FY19 FORECAST
<b>OPERATING COSTS</b>								
OTHER PROFESSIONAL SVCS	\$ -	\$ 2,000	\$ 500	\$ 2,000	\$ 2,000	\$ -	\$ 2,000	\$ 2,000
<b>SUB-TOTAL</b>	<b>-</b>	<b>2,000</b>	<b>500</b>	<b>2,000</b>	<b>2,000</b>	<b>-</b>	<b>2,000</b>	<b>2,000</b>
<b>CAPITAL</b>								
EQUIPMENT	2,206	2,500	2,300	2,500	2,500	-	2,500	2,500
<b>SUB-TOTAL</b>	<b>2,206</b>	<b>2,500</b>	<b>2,300</b>	<b>2,500</b>	<b>2,500</b>	<b>-</b>	<b>2,500</b>	<b>2,500</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,206</b>	<b>\$ 4,500</b>	<b>\$ 2,800</b>	<b>\$ 4,500</b>	<b>\$ 4,500</b>	<b>\$ -</b>	<b>\$ 4,500</b>	<b>\$ 4,500</b>



# City of Highwood

## FY17 BUDGET SUMMARY GENERAL FUND - 2% FOREIGN FIRE DEPARTMENT

ACCOUNT	FY15 ACTUAL	FY16 BUDGET	FY16 ESTIMATED ACTUAL	FY17 REQUEST	DEPT MAINT BUDGET REQUEST	COUNCIL DISCRETIONARY EXPENDITURES	FY18 FORECAST	FY19 FORECAST
<b>OPERATING COSTS</b>								
MISCELLANEOUS	\$ 2,327	\$ 7,500	\$ 4,000	\$ 5,000	\$ 5,000	\$ -	\$ 5,000	\$ 5,000
SUB-TOTAL	2,327	7,500	4,000	5,000	5,000	-	5,000	5,000
<b>CAPITAL</b>								
EQUIPMENT	-	2,500	2,500	2,500	2,500	-	2,500	2,500
SUB-TOTAL	-	2,500	2,500	2,500	2,500	-	2,500	2,500
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,327</b>	<b>\$ 10,000</b>	<b>\$ 6,500</b>	<b>\$ 7,500</b>	<b>\$ 7,500</b>	<b>\$ -</b>	<b>\$ 7,500</b>	<b>\$ 7,500</b>

# City of Highwood

## FY17 BUDGET SUMMARY GENERAL FUND - PARKING DEPARTMENT

ACCOUNT	FY15 ACTUAL	FY16 BUDGET	FY16 ESTIMATED ACTUAL	FY17 REQUEST	DEPT MAINT BUDGET REQUEST	COUNCIL DISCRETIONARY EXPENDITURES	FY18 FORECAST	FY19 FORECAST
OPERATING COSTS								
MISCELLANEOUS	\$ 9,982	\$ -	\$ 2,139	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL EXPENDITURES</b>	<b>\$ 9,982</b>	<b>\$ -</b>	<b>\$ 2,139</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Administration/Community Development Department

Vehicle No.	Year	Make	Model	Type	Equipment/ Vehicle	Acquired	Anticipated Life	Replace	Do Not Replace	Purchase Price	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
1	2010	Jeep	Wrangler	4WD	Vehicle	2015	3 Years	Yes		seizure vehicle							15,000					

Administration Department Sub Total Replacement Costs by Year

\$	-	\$	-	\$	-	\$	-	\$	-	\$	15,000											
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Water Department

Vehicle No.	Year	Make	Model	Type	Equipment/ Vehicle	Acquired	Anticipated Life	Replace	Do Not Replace	Purchase Price	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
1	2007	Chevy	Impala	Vehicle	Vehicle	2013	4 Years	Yes							18,000					18,000		

Water Department Sub Total Replacement Costs by Year

\$	-	\$	-	\$	-	\$	-	\$	-	\$	18,000										18,000	
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Police Department

Vehicle No.	Year	Make	Model	Type	Equipment/ Vehicle	Acquired	Anticipated Life	Replace	Do Not Replace	Purchase Price	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
1	2014	Dodge	Charger	Police Admin	Vehicle	2014	6 years	Yes		26,000							33,000					
2	2014	Dodge	Charger	Police Admin	Vehicle	2014	6 years	Yes		26,000							33,000					
3	2014	Dodge	Charger	Police	Vehicle	2014	4 years	Yes		26,000							33,000					
4	2013	Dodge	Charger	Police	Vehicle	2013	4 years	Yes		26,000							33,000					
5	2013	Dodge	Charger	Police	Vehicle	2013	4 years	Yes		26,000							33,000					
6	2013	Dodge	Charger	Police	Vehicle	2013	4 years	Yes		26,000							33,000					
7	2012	Dodge	Charger	Police	Vehicle	2012	4 years	Yes		26,000							33,000					
8	2012	Dodge	Charger	Police	Vehicle	2012	4 years	Yes		26,000							33,000					
9	2003	Ford	Crown Victoria	CSO	Vehicle	2013	2 years	Yes	Replace with PD Vehid													

Police Department Sub Total Replacement Costs by Year

\$	-	\$	-	\$	-	\$	-	\$	-	\$	198,000						66,000			198,000		
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Fire Department

Vehicle No.	Year	Make	Model	Type	Equipment/ Vehicle	Acquired	Anticipated Life	Replace	Do Not Replace	Purchase Price	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Rescue 37	1987	Pierce Lance	Custom Rescue Pump	Fire Engine Rescue	Vehicle	2013	7 years	Yes		29,000							750,000					
Ambulance 37	2006	Ford	Ambulance	Ambulance Type 2	Vehicle	2006	10 years	Yes							170,000							
Truck 37	2001	Smeal	Quint	Aerial Ladder	Vehicle	2001	20 years	Yes		Grant								750,000				
	2011	Zoll	Defibrillator	Monitor/Defibrillator	Equipment	2011	7 years	Yes							25,000							
	2000	MAKO		Breathing Air Compress	Equipment	2000	15 years	Yes							42,000							
	2001		"Jaws of Life"	Extrication Equipment	Equipment	2001	10-15 years	Yes		Grant?					60,000							
	2001	Motorola	HTC150	Portable Radios	Equipment	?	?	Yes							18,000	18,000	18,000					

Fire Department Sub Total Replacement Costs by Year

\$	-	\$	-	\$	-	\$	-	\$	-	\$	315,000					18,000	768,000	750,000				
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Public Works Department

Vehicle No.	Year	Make	Model	Type	Equipment/ Vehicle	Acquired	Anticipated Life	Replace	Do Not Replace	Purchase Price	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
	1998	Hyundai	98740	Loader	Equipment	1998	9 years	Yes		86,875											110,000	
	2012	Case	SV250	Skidsteer	Equipment	2012	13 years	Yes		39,685												45,000
	2013	Ford	F350	Pickup & Plow	Vehicle	2013	12 Years	Yes		40,400												45,000
	1997	Ford	F350	Dump Truck & Plow	Vehicle	2000	14 Years		Eliminate - Outsource	27,000												
	1992	Elgin		Street Sweeper	Equipment	1992	12 Years		Eliminate if Outsource	68,000												
	1992	Ford	E350	Box Truck	Vehicle	2005	9 Years		Eliminate - Use Pickup													
	1993	International	4900	Dump Truck & Plow	Vehicle	2007	7 Years			12,500												
	2008	Kubota		Excavator	Equipment	2008	12 Years	Yes		40,485												
	2008	Felling		Trailer	Equipment	2008	17 Years	Yes		6,795												10,000
	2007	Holder		SW Plow/Blower/Salt	Equipment	2007	8 Years	Yes		55,000											74,000	
	2005	Ford	F350	Pickup & Plow	Vehicle	2005	12 Years		Eliminate - Outsource	35,000												
	2015	Ford	F450	Dump Truck/Plow/Salt	Vehicle	2015	10 Years	Yes		71,155												90,000

Public Works Department Sub Total Replacement Costs by Year

\$	-	\$	-	\$	-	\$	-	\$	-	\$							50,000	74,000			184,000	190,000
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Total Department Replacement Costs by Year

\$	-	\$	-	\$	-	\$	-	\$	-	\$	531,000					18,000	899,000	824,000	198,000	18,000	184,000	190,000
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## Draft Capital Improvement Plan

### Introduction

Every community has existing infrastructure and must plan for eventual repair, replacement or abandonment of that asset. Long range planning assists communities in achieving their goals of keeping the infrastructure in a quality condition while paying less by coordinating improvements and making repairs at financially feasible and optimal times. **For a capital improvement plan to be executed successfully, the coordination and financing must be both realistic and flexible.**

### 2016 Road Catalogue

Staff recently completed a road catalogue, which provides information and condition grading of the existing infrastructure. Using this is helpful to assist in providing information to compile a capital improvement program and provoke dialogue on upcoming priorities.

### Financial Position and Debt

For a capital improvement plan to be successful, it must properly understand the financial position and capabilities of the organization. Repairing the lowest graded roads may not be financially feasible in the immediate future.

Currently the City has four large outstanding debt issuances in the general and water funds, with a fifth (IEPA loans for the 2015 Capital Improvement Plan) beginning shortly. These four debt issuances include:

Debt Type	Expiration Year	Final Annual Payment
2002 Capital Bonds	FYE 2022	\$125,000
IEPA Loans	FYE 2023	\$75,000 (meter loan of \$45,000 annually also drops off)
2015 GO Bonds	FYE 2032	\$203,000
2010 GO Bonds A&B	FYE 2035	\$280,000

Coordinating large capital programs in years in which bonds expire is especially useful for local governments, as new bonds may be issued in the place of expiring bonds to limit the impact of the bonds on residents and consumers.

### Draft Capital Project Schedule

Staff put together a capital project schedule which includes all streets in the City of Highwood. This list was assembled keeping in mind that each year the road catalogue would be updated, with streets potentially moving up or down based on road condition, financial viability and changing priorities. Additionally, Staff put this schedule with the intent that all roads would be repaired entirely within one elongated roadway lifetime cycle of 18 years.

2016	Asphalt surface ONLY for Lakeview (45) and Clay (25), grind and resurface Western (half block S of Prairie to its limit), complete reconstruction of Western near Washington)
2017	Michigan Avenue (76), Everts (72), Morgan Place (77)
2018	North Central (48), complete reconstruction and water main required
2019	Bank Lane (62), Mears (77), Oak Ridge (73), S Central (Prairie to Highwood (76))
2020	1st (79), Walker (76), Maple (80), Palmer (75), South Central (Michigan to Prairie, (74))
2021	Lyster (82), Leonard Wood West (96), Webster (79), Green Bay (Washington to N Limit (77)
2022	Prairie (80) & Washington (83) (70% funding available from Fed)
2023	Clay, Lakeview, Evolution, High Street all need water main replacement and complete reconstruction
2024	Wrendale (90), Michigan Avenue (Western to Limit(80))
2025	All Fort Sheridan Cul-De-Sacs (DeRoo Loop (89), Prall's Loop (95), Jane's Loop, Rienzi Lane (94), Stables Court (94), Stables Court Way (95), Endicott (95), Holabird Circle (96))
2026	Sheridan Avenue (86), Summit Avenue (86), Green Bay (Prairie to Washington (76)), Oak Terrace (84)
2027	All Fort Sheridan streets connecting Lyster & Cul-De-Sacs (Carriage Lane (84), Stables Court West (94), Stables Court East (95), Ronan Road (93), Westover (96), Holabird Loop (94))
2028	Ashland (84), Burtis (84), Elm (84), Sard (100)
2029	Euclid Avenue (81), Euclid Court (83), Exmoor Court (82), Funston (100), Grove (96), Burchell (96)
2030	Jeffreys Place (82), Oak (91)
2031	Lockard Lane N (87), Jocelyn Place (92),
2032	Waukegan & Sheridan Road (96), N to S Limit (Bond drops off this year, can be used for financing)
2033	Highwood (100), Pleasant (100), North (100), Lockard Lane S

### **Summary**

Under this schedule, costs and planning would be conducted for the streets on the schedule for repaving or replacement in the next three years. This lead time would allow for the proper identification of potential grants or funds, notification to residents, and engineering for the roadways. This would also allow the City Council time to make funding decisions. Under this plan no new bond would be issued before the expiration of another; if the Council determined an expedited timeframe is desirable a bond could also be issued.

This is a document is a draft meant to spur discussion and debate about road prioritization. The schedule is meant to be a working and living document, changing each year based on funding and Council priorities.

## 2016 Road Catalogue

### Introduction

This year staff worked to compile information to create a comprehensive road catalogue. A road catalogue is a critical document for a community as it identifies infrastructure, assesses the condition and capital needs, and provides information necessary to plan to prioritize improvements that require large capital expenditures.

### Assumptions

Much of the information was obtained from previous reports, specifically the 2009 Pavement Condition Survey, 2011 Capital Improvement Program, and past ordinances and resolutions on capital infrastructure purchases.

While the 2009 Pavement Condition Survey provided helpful information, staff worked to improve on the ranking methods by assigning numerical values for different categories of potential road weaknesses. Assigning numbers based on these criteria help to make a report more objective and provide greater transparency for elected officials and the public on the prioritization of repairs. Staff did use the information in these reports for street length, width, water and sanitary replacement and traffic volume. This was done because updates to these items would require contracted professionals and additional expense.

The estimated resurfacing cost is a calculation based on asphalt costing \$80 per ton, the amount last bid in the 2015 Capital Improvement program, at two inches of thickness, with no base repair.

### Methods

A numerical ranking between 0-100 was provided for each road based on the listed factors. Roadways with a lower score are considered more desirable to repair. The grade was based on the following criteria:

**-Water Main Replacement Need (0-20):** A successful public improvement plan must consider the proper coordination of repairs. Few things (rightly) enrage the public like paving a new road, only to tear it out again to repair the underlying utilities. A low score for roads that require water main replacement properly prioritize projects so they coordinate repair and replacement to reduce costs.

**-Drainage issues (0-15):** Drainage issues are more likely to rapidly reduce the lifespan of a roadway and make the repair more costly. Fixing roadways with drainage issues will save money in the long run and lengthen the overall average lifespan of roadways in a community.

**-Alligator Cracking(0-10)** is associated with loads and is usually limited to areas of repeated traffic loading. They surface initially as longitudinal cracks that progress over time and create a branching pattern. It occasionally occurs in a pattern transverse to the roadway due to poor trench compaction, settlement or frost. These will develop into potholes.

**-Longitudinal Cracks (0-10):** run roughly parallel to the roadway center line. They may be caused by a poorly constructed paving joint, a reflective crack caused by joints and cracks beneath the surface course. These will develop into alligator cracking.

**-Transverse Cracks (0-10):** run roughly perpendicular to the roadway center line. They are caused by surface shrinkage due to low temperatures, hardening of the asphalt, or cracks in the underlying pavement layers.

**-Shrinkage (0-10):** divide the pavement surface into nearly rectangular pieces with cracks that intersect at approximately 90 degrees. They are different than alligator cracking because they are more regularly

shaped. They are also different than alligator cracking because they are associated more with temperature cycling than heavy traffic loads. They indicate the asphalt has hardened through aging.

**-Potholes/Patching (0-10):** is the absence of asphalt or base due to a deteriorated road or the material used to replace the asphalt. Patching is considered a defect no matter how well it is performing because it allows precipitation to gain access and causes further deterioration to the road and base.

**-Rutting (0-5):** is a surface depression within a wheel path, caused by traffic loads.

**-Shoving/Pushing (0-5):** is the lateral displacement of pavement material, caused by consistent braking. These segments will require base repair, normally excavating a minimum of six to nine inches. This is more common on high traffic roads with frequent braking, such as near stop lights or pay tolls.

**-Excess Asphalt (0-5):** presents a shiny, glass-like reflective surface that may become sticky in hot temperatures. This can cause 'chip loss' and leaves the binder exposed.

### **Grading Process**

Staff drove every individual road in Highwood between October and December of 2015, ranking each road on the criteria, using available data and visually inspecting to assign proper grades.

### **Exclusions**

This road catalogue is intended to assist with the planning and replacement of roadways with currently available information. Future reports should be expanded once further information is available. Notable additional infrastructure that exists but has not been compiled at this time includes:

- Sanitary sewers that require lining
- Parking lot base repair and resurfacing
- Alley stormwater structures and resurfacing
- Portions of Sheridan Road that received federal funding
- A small section of Western Avenue between Ashland and Euclid
- Curb and gutter repairs are not included in this catalog. These should be individually assessed and replaced with the concurrent road repair.

Street	Length	Width	Est Resurfacing Cost	Traffic	Water Main?	Date of last resurfacing	Last Crack Seal	Next Crack Seal	Pavement Grade	Estimated Resurfacing Year
First Street		290	49 \$	14,526	4 No				79	2020
Ashland Avenue		900	18 \$	16,560	3 No				84	2028
Bank Lane		1261	22 \$	28,358	3 No				62	2019
Burchell Avenue		1501	18.6 \$	28,539	3 No	2011			96	2029
Burtis Avenue		1287	16 \$	21,050	2 No				84	2028
Carriage Lane		750	23 \$	17,633	2 No				84	2027
Clay Avenue		670	31 \$	21,232	3 Yes				25	2016 asphalt surfacing only, 2023 reconstruction
DeRoo Loop		875	23 \$	20,572	1 No				89	2025
Elm Avenue		500	15.8 \$	8,076	1 No	2001			84	2028
Endicott Road		1053	24 \$	25,834	1 No				95	2025
Euclid Avenue		652	23 \$	15,329	1 No				81	2029
Euclid Court		329	23 \$	7,735	1 No				83	2029
Everts Place		798	18 \$	14,683	2 No				72	2017
Evolution Avenue		790	19.5 \$	15,747	1 Yes	2015			100	**2023
Exmoor Court		395	21 \$	8,479	1 No				82	2029
Funston Avenue		630	30 \$	19,320	3 No	2011			100	2029
Green Bay Road (Washington- N Limit)		948	30 \$	29,072	4 No	2011			77	2021
Green Bay Road (Prairie - Washington)		3541	24.6 \$	89,044	5 No	2008			78	2026
Grove Avenue		540	24 \$	13,248	3 No	2011			96	2029
High Street (Prairie - Highwood)		780	21 \$	16,744	5 Yes				61	**2023
High Street (Michigan - Prairie)		950	17 \$	16,509	4 Yes	2015			100	**2023
Highwood Avenue		2642	20.5 \$	55,365	5 No	2015		2018, 2021, 2024	100	2033
Highwood Avenue		132	34 \$	4,588	5 No	2015		2018, 2021, 2024	76	2033
Holabird Circle		625	17 \$	10,861	1 No				96	2025
Holabird Loop		1020	23 \$	23,981	1 No				94	2027
Janes Loop		605	22 \$	13,606	1 No				90	2025
Jeffreys Place		860	15.9 \$	13,978	2 No				84	2030
Jocelyn Place		500	21 \$	10,733	1 No				92	2031
Lakeview Avenue		940	32 \$	30,748	3 Yes				45	2016 asphalt surfacing only, 2023 reconstruction
Leonard Wood West		670	26 \$	17,807	3 No				96	2021
Llewellyn Avenue		640	14.9 \$	9,748	3 Yes	2011			100	2029 Surface is currently good, water main replacement needs
Lockard Lane (N)		770	13.6 \$	10,705	1 No	2005			87	2031
Lockard Lane (S)		350	13.9 \$	4,973	1 No	2015			100	2033
Lyster Road		2347	28 \$	67,176	4 No				82	2021
Maple Avenue		560	17 \$	9,732	2 No				80	2020
Mears Place		440	16 \$	7,196	1 No				77	2019
Michigan Avenue (GBR to Pleasant)		1800	20 \$	36,800	3 No	2001			76	2017
Michigan Avenue (Western to Limit)		713	20 \$	14,577	2 No	2001			80	2024
Morgan Place (Mears to Prairie)		470	16 \$	7,687	1 No				78	2024
Morgan Place (Prairie to GBR)		452	16 \$	7,393	1 No				77	2024
North Avenue		1992	25 \$	50,907	5 No	2015		2018, 2021, 2024	100	2033
North Central Avenue		1317	18 \$	24,233	4 Yes	1988			48	2018
Oak Avenue		350	15 \$	5,367	1 No				91	2030
Oak Ridge Avenue		650	21 \$	13,953	3 No				73	2019
Oak Terrace Avenue		540	15 \$	8,280	2 No				84	2026
Palmer Avenue		540	22 \$	12,144	3 No				75	2020
Pleasant Avenue		1200	17 \$	20,853	3 No	2015		2018, 2021, 2024	100	2033
Prairie Avenue		2620	30 \$	80,347	5 No				80	2022
Pralls Loop		556	21 \$	11,935	1 No				95	2025
Rienzi Lane		550	21 \$	11,807	1 No				94	2025
Ronan Road		1250	27 \$	34,500	3 No				93	2027
Sard Place		683	15.6 \$	10,892	1 No	2015			100	2030
Sheridan Avenue		640	22 \$	14,393	1 No	2011			86	2026
South Central Ave (Prairie to Highwood)		790	22 \$	17,766	3 No				76	2019
South Central Ave (Michigan to Prairie)		1093	20 \$	22,346	2 No				72	2020
Stables Court		330	23 \$	7,759	1 No				94	2025
Stables Court East		890	23 \$	20,925	1 No				95	2027
Stables Court West		890	23 \$	20,925	1 No				94	2027
Stables Court Way		330	23 \$	7,759	1 No				95	2025
Summitt Avenue		665	18 \$	12,236	1 No				86	2026
Walker Avenue		315	32 \$	10,304	1 No	2004			76	2020
Washington Avenue		1700	22 \$	38,231	4 No				83	2022
Waukegan Avenue		800	40 \$	32,711	2 No	2005			96	2032
Webster Avenue		550	18 \$	10,120	3 No				79	2021
Western Avenue (Prairie to N Limit)		3100	23 \$	72,884	4 No	2013 (Partial)		2015 2018, 2021	68	2016 (Remainder not completed in 2013), 2031
Western Avenue (Prairie to Michigan)		1127	22 \$	25,345	2 No	2013 (Partial)		2015 2018, 2021	68	2016 (Remainder not completed in 2013), 2031



Westover Road	2272	23	\$	53,417	2 No	2015	96	2027
Wrendale Avenue	560	19	\$	10,876	1 No		90	2024
Totals			\$	1,469,159				
Annual Averages			\$	81,620				

ad with next resurfacing

Street	Water Main Replacement 0-20	Drainage Issues 0-15	Alligator Cracking 0-10	Longitudinal Cracking 0-10	Transverse Cracking 0-10	Shinkage 0-10	Pot Holes/ Patching 0-10	Rutting 0-5	Shoving/ Pushing 0-5	Excess Asphalt 0-5	Total Grade	Additional Observations
1st Street	20	13	5	5	4	10	9	5	4	4	79	
Ashland Avenue	20	13	7	9	4	10	9	4	3	5	84	
Bank Lane	20	10	4	6	5	7	2	5	2	1	62	
Burchell Avenue	20	15	9	8	10	10	10	4	5	5	96	
Burtis Avenue	20	13	5	7	9	10	5	5	5	5	84	
Carriage Lane	20	15	9	7	7	10	10	5	5	4	92	
Clay Avenue	0	4	1	1	1	7	1	3	4	3	25	
De Roo Loop	20	15	6	9	8	10	9	5	3	4	89	
Elm Avenue	20	12	8	8	7	10	4	5	5	5	84	
Endicott Road	20	15	9	9	8	10	10	5	5	4	95	
Euclid Avenue	20	15	5	6	5	10	5	5	5	5	81	
Euclid Court	20	15	6	6	6	10	5	5	5	5	83	
Everts Place	20	14	4	6	4	10	4	3	3	4	72	
Evolution Avenue	20	15	10	10	10	10	10	5	5	5	100	Asphalt overlay in 2015. no needed base repairs completed
Exmoor Court	20	15	4	8	9	10	1	5	5	5	82	
Funston Avenue	20	15	10	10	10	10	10	5	5	5	100	
Green Bay (Prairie to Washington)	20	12	9	7	8	10	10	4	3	5	78	
Green Bay (Washington to No Limit)	20	9	6	6	6	10	10	3	2	5	77	
Grove Avenue	20	14	10	10	9	10	8	5	5	5	96	
High Street (Michigan to Prairie)	20	15	10	10	10	10	10	5	5	5	100	Asphalt overlay in 2015. no needed base repairs completed
High Street (Prairie to Highwood)	0	9	7	7	5	10	8	5	5	5	61	
Highwood (Sheridan - Greenbay)	20	15	7	7	5	8	5	4	3	2	76	
Highwood Avenue	20	15	10	10	10	10	10	5	5	5	100	
Holabird Circle	20	15	8	9	9	10	10	5	5	5	96	
Holabird Loop	20	15	8	8	8	10	10	5	5	5	94	
Janes Loop	20	15	8	8	6	10	10	3	5	5	90	
Jeffreys Place	20	13	7	7	9	10	4	5	5	4	84	
Jocelyn Place	20	15	8	7	7	10	10	5	5	5	92	
Lakeview Avenue	8	8	4	3	3	5	3	3	4	4	45	
Leonardwood West	20	15	9	8	9	10	10	5	5	5	96	
Llewellyn Ave	20	15	10	10	10	10	10	5	5	5	100	
Lockard (North Side)	20	10	6	10	8	10	8	5	5	5	87	
Lockard (South Side)	20	15	10	10	10	10	10	5	5	5	100	
Lyster Road	20	13	7	6	4	7	10	5	5	5	82	Recent Crack Sealing Observed
Maple Avenue	20	15	7	7	7	9	5	5	3	2	80	
Mears Place	20	15	4	3	5	10	7	3	5	5	77	
Michigan (GBR to Pleasant)	20	10	2	7	8	10	6	4	4	5	76	
Michigan (S. Central -Western)	20	9	7	6	8	9	7	4	5	5	80	
Morgan (N of Prairie)	20	10	6	7	6	10	5	5	4	5	78	
Morgan (S. of Prairie)	20	12	5	7	7	10	5	5	3	3	77	
North Avenue	20	15	10	10	10	10	10	5	5	5	100	
North Central Avenue	0	10	3	4	3	10	7	2	4	5	48	
Oak Avenue	20	15	8	8	8	10	7	5	5	5	91	
Oak Ridge Avenue	20	12	4	6	5	10	3	4	5	4	73	
Oak Terrace Avenue	20	13	6	7	4	10	9	5	5	5	84	
Palmer Avenue	20	7	8	6	6	10	7	5	3	3	75	
Pleasant Avenue	20	15	10	10	10	10	10	5	5	5	100	
Prairie Avenue	20	15	8	7	7	10	4	3	2	4	80	
Pralls Loop	20	15	8	9	8	10	10	5	5	5	95	
Rienzi Lane	20	15	9	10	8	10	8	5	4	5	94	
Ronan Road	20	15	8	9	8	10	10	4	5	4	93	
Sard	20	15	10	10	10	10	10	5	5	5	100	Asphalt overlay in 2015. no needed base repairs completed
Sheridan (N of Washington to Limit)	20	12	8	8	7	10	9	3	5	4	86	Candidate for crack sealing
South (Prairie to Highwood)	20	11	5	6	4	10	8	4	3	5	76	
South Central (Michigan to Prairie)	20	7	6	5	4	10	5	5	5	5	72	
Stables Ct.	20	15	6	10	9	10	9	5	5	5	94	
Stables Ct. East	20	15	8	10	8	10	10	5	4	5	95	
Stables Ct. West	20	15	9	9	8	10	9	5	5	4	94	
Stables Way	20	15	9	9	9	10	8	5	5	5	95	
Summit Avenue	20	15	5	7	7	10	7	5	5	5	86	
Walker Avenue	20	15	5	5	4	8	4	5	5	5	76	
Washington (Western to Sheridan)	20	13	7	6	8	9	8	2	5	5	83	
Waukegan Avenue (Highwood Washington)	20	15	10	8	10	10	10	3	5	5	96	Good candidate for crack sealing
Webster	20	15	8	8	4	9	4	4	5	2	79	
Western	20	15	10	8	10	10	10	5	5	5	98	Crack sealing done in Fall 2015
Western (Ashland to Washington)	20	2	1	5	2	2	2	4	5	5	46	
Western (Half Block South Prairie to Limit)	20	9	4	4	6	8	5	4	4	4	68	
Westover Road	20	15	8	10	9	10	10	5	5	4	96	
Wrendale Avenue	20	15	6	7	7	10	10	5	5	5	90	

**AGENDA MEMO**  
**Finance Committee**  
**January 14, 2016**

**ISSUE STATEMENT**

A discussion on a draft procurement policy.

**BACKGROUND/HISTORY**

Currently the City of Highwood purchases from vendors based on past practice, spending limits and State of Illinois law. As an example, department heads are authorized to spend up to \$1,000, the City Manager is authorized to spend up to \$10,000, the City Council must approve expenditures over \$10,000, and bidding on public works projects is required over \$20,000.

Staff is looking to bid multiple services along with many other regional municipalities this year. As there is no formal authority to do so and because it is useful to have a policy on purchasing and procurement, Staff put together a draft policy. Any input from the City Council will be added and a final policy brought back for formal approval.

**STAFF/COMMITTEE RECOMMENDATION**

For discussion only

**ALTERNATE CONSIDERATION**

For discussion only

**ATTACHMENTS**

-Draft Procurement Policy

# City of Highwood, Illinois

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## Purchasing Policies & Procedures

2/16/2016

## **1. Introduction**

The purpose of this purchasing manual is to provide the City of Highwood staff with guidelines and direction for the acquisition of goods and services. When used along with good judgment and common sense, these policies and procedures will allow the City to obtain needed supplies and services efficiently and economically.

This manual is intended to be a general guideline for purchasing activities and these policies must be adhered to by City Employees. Employees as well as non-employees who carry out the functions of the City are expected to read and acknowledge understanding of the policy manual. Employees with questions or who need help dealing with specific situations not covered by the manual should contact the Finance Director or City Manager for assistance.

The City Manager shall be responsible for the day-to-day adherence to these policies; however, the City Council will be the final authority regarding interpretation and enforcement of any of the provisions of this manual. Failure to follow the procedures outlined in this manual may lead to disciplinary action in accordance with the provisions of the City of Highwood Personnel Policy Manual.

## **2. Purchasing Policies**

### **2.1. Code of Ethics**

Transactions relating to the expenditure of public funds require the highest degree of public trust to protect the interests of the City and the residents of City. Because of this, City of Highwood employees must strive to:

1. Ensure public money is spent efficiently and effectively in accordance with applicable state statutes, regulations and City policies.
2. Refuse gifts or favors from current or potential suppliers (see City of Highwood Personnel Manual Section 15.6).
3. Purchase generic goods over brand names when pricing is more favorable.
4. Never allow purchase orders for identical goods or services to be split to avoid City Council required approval which circumvents the established policy.
5. Purchase without favor or prejudice
6. Ensure all potential suppliers are provided with identical adequate information to provide their quote or offer and equally distribute any subsequent information to all bidders.
7. Establish and follow procedures to ensure fair and equal consideration is given to each potential supplier of goods or services and that selection is based on the lowest total cost or responsible bid.
8. Provide prompt and courteous responses to all inquiries from potential or existing suppliers.

It will be the responsibility of the City Manager to determine if a violation of the Code of Ethics has occurred. If disciplinary action is necessary, it shall be performed in accordance with the provisions of the Personnel Manual.

### **2.2. Conflict of Interest**

It will be a breach of ethical standards for an employee to participate directly or indirectly in the purchasing process when the employee knows that:

1. The employee is employed by or otherwise has a financial interest in a bidder, vendor or contractor involved in the procurement transaction; or

2. The employee, the employee's partner, or any member of the employee's immediate family has a financial interest in or holds a position with a bidder, or contractor such as an officer, director, trustee, partner or the like, or is employed in a capacity involving personal and substantial participation in the procurement transaction; or
3. The employee, the employee's partner, or any member of the employee's immediate family has a financial interest arising from the procurement transaction; or
4. The employee, the employee's partner, or any member of the employee's immediate family is negotiating, or has an arrangement concerning, prospective employment with a bidder, vendor or contractor.

The employee's immediate family is defined as a spouse, children, parents, brothers and sisters, and any other person living in the same household as the employee.

A financial interest includes any ownership or investment interest including stock, partnership shares and limited liability company memberships, as well as loans, bonds or other financial instruments that are secured by an entity's property of revenue.

It will be the responsibility of the City Manager to determine if a violation of this Conflict of Interest policy has occurred and if disciplinary action is necessary in accordance with the City's Personnel Manual.

### **2.3. Gifts & Gratuities**

No employee will permit any influence by vendors which could conflict with the best interest of the City or prejudice the City's reputation. Expenditures of City funds to vendors will not by intention personally benefit any person employed by or holding an official capacity with the City. As such gifts and gratuities may only be accepted in accordance with Section 15.6 of the City of Highwood Personnel Manual. If there is any doubt about the propriety of accepting a gift, the matter should be referred to the Department Head who will, if necessary, discuss the matter with the City Manager.

### **2.4. Approval of City Purchases**

No employee shall purchase goods or services on behalf of the City without first obtaining approval as required by this policy. All purchases require advanced approval from the appropriate Department Head. Purchases over \$1,000 require a purchase order and must be approved by the Department Head and City Manager prior to purchase. Any purchases over \$10,000 require City Council approval.

Department Heads are responsible for operating within their annual budgets approved by the City Council. Items which would exceed the appropriated amount may not be ordered, except with prior approval by the City Council or through additional appropriations.

Department Heads are also responsible for all expenditures charged to their individual operations, and must document their approval of all disbursements before payment can be made.

## **3. Competitive Quotes & Policy Exceptions**

Employees are responsible for obtaining quotes for purchases in the instances outlined below. Purchase requisitions expecting expenditures of \$1,000 and above should be submitted through the appropriate channels.

Requisitions submitted without the required quotes or a satisfactory explanation of why quotes were not obtained (e.g. sole source, emergency, standardized vendor etc.) will be rejected to the originator without approval.

- Up to \$999 - Two verbal quotes are required; however, employees are encouraged to seek additional quotes when possible.
- \$1,000 - \$9,999 - Three written quotes must be obtained and submitted along with a purchase order. The quotes must be listed in the notes of the purchase requisition. Written records regarding the dates, contacts and quotes received will be retained in the department's files for auditing purposes.
- \$10,000 & Above - City Council approval is required for all contracts or purchases equal to or above this dollar amount.
- \$20,000 & Above - Must be competitively bid in accordance with State law.

Items purchased more than once during a fiscal year (e.g. forms, copier supplies, etc.) do not need quotes every time a purchase is made.

### **3.1. Joint Purchasing**

Employees are encouraged to obtain goods and services that have already been competitively bid through the State of Illinois, Lake County, or other joint purchasing/bidding arrangements with governmental units. Department Heads should review the items offered through these programs before seeking other vendors whenever possible as well as ensure quality goods or services are sufficient to meet the City's needs and that pricing is competitive. Employees are encouraged to make known other opportunities for joint purchasing, such as those with other units of local government, as they become available.

Items obtained through the above joint purchasing agreements are not subject to requirements for seeking competitive quotes or bids, though the joint purchasing or bid over \$20,000 must comply with State law. However, purchases \$10,000 or more must be approved by the City Council as described above.

### **3.2. Sole Source Purchases**

Contracts for parts, supplies or equipment that are available only from a single source are referred to as sole source purchases. Sole source procurements may arise from the following circumstances:

- Equipment for which there is no comparable competitive product or which is available only from one supplier
- Public utility services from natural or regulated monopolies
- A component or replacement part for which there is no commercially available substitute, and which can be obtained only from the manufacturer
- An item where compatibility is the overriding consideration, such as computer software
- A used item that becomes immediately available for which no other comparable items are available at such a comparable price.

Sole source purchase items are not subject to requirements for seeking competitive quotes or bids. However, purchases \$10,000 or more will be presented to the City Council for approval prior to acquisition.

### **3.3. Emergency Purchasing**



Emergencies are defined as events that could not have been foreseen where immediate action is necessary to safeguard the public's health and safety. In case of an emergency which require the immediate purchase of commodities or contractual services, the City Manager may secure in the open market at the lowest obtainable price any commodities or contractual services, including those costing more than \$10,000 without council approval. In the absence of the City Manager or his/her designee, the Chief of Police or the Finance Director may secure in the open market at the lowest obtainable price any commodities or contractual services costing no more than twenty five thousand dollars (\$25,000) without City Council approval. Documentation of the emergency and the need for immediate action will be presented to the City Council in a reasonable period of time following resolution of the crisis.

#### **4. Competitive Bidding & Requests for Professional Services**

##### **4.1. Formal Bid Required**

All purchase orders or contracts for supplies, materials, equipment or contractual services, and all public improvement contracts involving the expenditure of more than twenty thousand dollars (\$20,000.00), will be left to the lowest responsible and responsive bidder. Sealed bids will be sought when a good or service is anticipated to cost more than \$20,000 either individually or in aggregate purchases made over the course of one fiscal year.

##### **4.2. Bid Documents**

It is the responsibility of the respective departments to prepare the bid documents Questions relating to the preparation of bid documents should be directed to the City Manager.

All bid documents must contain the following information:

1. Contract period, bid deposit, bond requirements, drawing requirements, and date, time and location of bid opening.
2. Bid Notice
3. General Terms, Conditions and Instructions
4. All contractor certification forms (e.g., certification that bidder has not been banned from bidding on contract as a result of a violation of either 720 ILCS 5/33E 3 or 5/33E 4.)
5. Bid Proposal

After the document has been prepared, it must be reviewed and approved by the applicable department head before it is sent to the City Manager or their designee for review. After approval of the completed bid document by the City Manager or designee, the City Manager's office will be responsible for forwarding the legal notice to a newspaper of local circulation for publication. Such advertisement must be published once. The publication cannot be less than ten calendar days prior to the day fixed for opening the bids.

Where the advertisement is for a public improvement, the published notice only requires a general description of the work to be done or the materials to be furnished, but detailed drawings, plans, profiles and specifications must be made available and placed on file in the office of the City Manager or their designee prior to the first publication of such advertisement and must at all times be open to public inspection. In such advertisement, the right to reject any or all bids will be expressly reserved.

##### **4.3. Additional Requirements**

Additional requirements may be held on a bid-to-bid basis. Such requirements could include but is not limited to bid deposits and pre-bid meetings

#### **4.3.1. Sealed Bids**

All companies or individuals who wish to bid on a good or service must submit their bids in a sealed envelope with the following information on the face: bidder's name, address, subject matter of bid, designated date of bid opening and hour designated for bid opening.

#### **4.3.2. Surety Bonds**

Surety bonds will be required for construction services or significant building improvements. A surety bond, issued by a surety company, stipulates a legal, written obligation to guarantee 100% payment for any financial loss caused by default of the contractor. It grants an assurance as to the performance and successful completion of the terms of the contract and assures payment of the taxes, licenses or assessments associated with the contract to the City of Highwood.

#### **4.4. Bid Opening Procedures**

All bids must be received before the deadline on the day of the bid. No bids are to be accepted after the deadline for accepting bids.

Sealed bids will be opened publicly by the responsible City employee at the time published in the legal notice with at least one other employee present to serve as a witness and tabulate the bid results. A bid tabulation form must be completed. All opened bids will be open to public inspection.

#### **4.5. Post Bid Opening Requirements**

After the bid opening has taken place, the responsible employee must draft a report which includes the bid tabulation and recommends which company should be awarded the bid. The recommendation should be supported by responsive and responsibility measures outlined below.

##### **Responsive Measures**

1. Bidder compliance with previous and existing laws and ordinances related to the contract or service.
2. Response to the exact requirements of the bidding invitation.
3. Ability to work cooperatively with the City and its administration.
4. Past experience between the bidder and the City or other entities which evidences the bidders responsibility, character, integrity, reputation, judgment, experience, efficiency & cooperation.

##### **Responsibility Measures**

1. Ability and skill of the bidder to perform the requirements/services within the contract and within the specified time, promptly and without delay.
2. Character, integrity, reputation, judgment, experience and efficiency of the bidder.
3. Performance quality of previous contracts for services.
4. Financial resources and ability of the bidder to perform the contract or provide the service.
5. Quality, availability, and adaptability of the supplies.

6. Ability of the bidder to provide future maintenance and service.
7. The number and scope of conditions attached to the bid.

All bid files must be maintained by the respective department issuing the proposal. The bids should be filed and available for access when necessary. Following City Council approval of the contract, the applicable department will notify all bidders of the bid results and will contact the successful bidder to have the City's contract signed and to obtain surety bonds and certificates of insurance when required.

Signed contracts, certificates of insurance and surety bonds must be obtained from the contractor before work begins. It is the responsibility of the applicable department to ensure that the City's contract has been signed, and certificate of insurance and surety bonds are obtained before work begins.

#### **4.6. Waiver of Competitive Bidding**

The City Council, by a two-thirds vote of all the Alderman holding office, may waive the bidding procedures and enter into a contract or agreement. A statement justifying the need for a bid waiver must be included in the agenda memo sheet for review by the City Council.

#### **4.7. Requests for Professional Services**

Some contracts, by their nature, are not adapted to award by competitive bidding. Examples include, but are not limited to, contracts for the services of individuals possessing a high degree of professional skill where the education, experience or character of the individual is a significant factor in determining their ability to meet the City's needs. These contracts generally result from a request for proposal (RFP) solicited from consultants for "Professional Services."

The City is required by the Local Government Professional Services Selection Act (50 ILCS 510) to follow specific procedures when hiring an architect, engineer or land surveyor. The procedures must be followed unless

1. The City has a satisfactory relationship for services with one or more firms, or
2. An emergency situation exists and an architect, engineer or land surveyor must be selected in an expeditious manner, or
3. The cost of such services "is expected to be less than \$25,000." If none of these conditions apply, the City must solicit proposals and adhere to the following requirements:

##### **4.7.1. Public Notice**

The City must place an advertisement in a newspaper of general circulation throughout the City, requesting a statement of interest in the specific project and further requesting statements of qualifications and performance data from those firms. Such advertisement must state the day, hour and place the statement of interest and the statements of qualifications and performance data will be due.

##### **4.7.2. Selection Procedure**

Selection shall be performed and measured on the same basis as described above in Chapter 4, Section 5. The City may conduct discussions with and require public presentations by firms deemed to be the most qualified regarding their qualifications, approach to the project and ability to furnish the required services.

If a price has not already been specified, the City will attempt to negotiate a contract at a fair and reasonable compensation, taking into account the estimated value, scope, complexity, and professional nature of the services to be rendered. If fewer than three (3) firms submit letters of interest and the City determines that one or both of those firms are so qualified, the City may proceed to negotiate a contract.

#### **4.7.3.Contract Negotiation**

The City will prepare a written description of the scope of the proposed services to be used as a basis for negotiations and will negotiate a contract with the highest qualified firm at compensation the City determines in writing to be fair and reasonable.

### **5. Payment Processing**

#### **5.1. Purchase Orders**

##### **5.1.1.Regular Purchase Orders**

Purchase orders will be required for all items estimated to cost \$1,000 or more individually or in aggregate. Employees will be responsible for planning for purchases exceeding \$1,000 in advance, and should allow sufficient time to have a purchase order issued. All qualifying purchases will require the issuance of a regular purchase order to the vendor before an order for goods or services is filled. No employee will have the authority to purchase items on the City's behalf without first obtaining the required approvals from supervisory staff or the City Council where applicable.

##### **5.1.2.Blanket Purchase Orders**

Blanket Purchase Orders may be issued for regularly recurring purchases of like-kind commodities from a single approved vendor or utility bills.

In instances where a blanket purchase order has been issued to a vendor, it is not necessary to process a regular purchase order in advance of obtaining the goods or services. Utility bills under blanket purchase orders do not undergo the traditional invoice processing and are instead processed directly by the account payable clerk.

After the purchase has been approved within the department, the invoice must be sent to the accounts payable clerk referencing the blanket purchase order for processing.

##### **5.1.3.Change Orders to Purchase Orders**

After an existing purchase order is issued to the vendor, it may become necessary to change it to include additional quantities, or other unforeseen circumstances not known when the purchase order was originated. When this occurs, the employee who completed the original requisition will process another requisition for the change order. The new requisition shall note the original purchase order number for which the change is being made and briefly explain the need for the change. After the requisition is received and approved by the Department Head and City Manager it will be added to the original purchase order and a change order will be issued to the vendor.

Any changes above \$1,000 require employees to follow the guidelines established in Chapter 3 of this manual to ensure that the purchase is still competitive. Also any change orders to original contracts of \$10,000 or more require the prior approval of the City Manager and City Council. For more information, please refer to the financial policy on change orders included in this manual.

#### **5.2. Prepayments**

The City does not pay for goods and services until the goods are received or the service is rendered except in the following situations:

1. Deposits on certain jobs or activities when approved by the Department Head and City Manager.
2. Memberships, training, and books or periodicals.

3. Payments to local, State, and Federal government entities.
4. Service and maintenance contracts where necessary.
5. Approval by the Finance Director or City Manager.
6. Approval by the City Council.

### **5.3. Manual Checks**

Manual checks are interim checks issued to vendors as payments for goods delivered or services performed. The checks are issued between normal accounts payable cycles when an emergency or other extenuating circumstance as determined by the Finance Director makes it impractical or unreasonable to process the payment following normal payment methods. Utility bills under blanket purchase orders may also be issued manual checks to avoid late fees. As the name implies, manual checks are labor intensive and time consuming to issue, therefore, their use as a method of payment must be restricted to unique or special circumstances. Other reasons to issue manual checks includes;

1. Checks less than \$10,000 which have been approved by the City Manager and which meets the criteria of being necessary and in the best interest of the City to do so to prevent interruption in business operations which could be counterproductive or have negative consequences to the City.
2. Checks greater than \$10,000 whereby the Board has previously approved the vendor and contract amount.
3. An emergency which could affect the health and welfare of the City whereby quick action is needed to protect the public interest.

All requests for manual checks must be processed by submitting requests in writing with proper documentation including invoice or contract, purchase order is required, account number against which it is being charged and an explanation for the need of the check. The form must also include the signature of the applicable Department Head and City Manager.

### **5.4. Petty Cash**

This policy sets forth procedures for the handling of petty cash monies at the City Hall. It further establishes the procedures for reporting petty cash disbursements by department to the Department of Finance as well as reimbursements to each petty cash box.

The following policy and procedural guidelines have been established to promote a more efficient and accountable petty cash operation. All departments within the City are responsible for abiding by this policy. There are no exceptions.

#### **5.4.1. Petty Cash Disbursements to Employees**

No one is allowed to take money from petty cash without a petty cash request form and a receipt which must be signed in advance by the appropriate supervisor. The petty cash request form must also be signed by the employee who will receive the money.

If a petty cash request form is submitted without a receipt (e.g. money is requested before a receipt has been obtained), the person disbursing the money must mark "HOLD" on the receipt form and the employee must bring back a receipt no later than the next business day after the money is spent, along with the change (if applicable). At this time, the "HOLD" is crossed off the receipt form, it is marked paid, the proper dollar amount is written down and the receipt is put in the petty cash box.

If a receipt is submitted with the petty cash request form, the employee is reimbursed and no further action by the employee is needed. At this time, the petty cash request form is marked "PAID" with the date on it and put in the petty cash box.

All receipts must be original. If desired, copies may be made and kept by each individual employee, but the original must be given to the respective person responsible for petty cash.

If for some reason the employee did not obtain a receipt for submittal with the petty cash request form, supervisory approval MUST be noted on the petty cash receipt form.

#### **5.4.2.Reimbursing the Petty Cash Box**

The person responsible for the petty cash box not only disburses petty cash to various employees but they also must reconcile the petty cash box and request petty cash reimbursements by the payables deadline. It is recommended that this be done on an as needed basis but not less than bi-annually.

The maximum amount of petty cash allocated shall be established by the City Manager.

To seek Petty Cash Reimbursement a summary listing of all petty cash transactions for the applicable period of time must be attached to the individual receipts and signed by the respective department head and given to the accounts payable clerk for processing.

Upon receipt of the above information, the accountant will forward the form to the Finance City Manager and then Accounts Payable Clerk for payment.

The envelope with the petty cash request forms and receipts is then attached to the file copy of the check that was cut for reimbursement and is stored with the accounts payable files.

Any questions regarding these procedures may be directed to the Finance Director.

#### **5.5. House Accounts**

The City has established House Accounts at certain local vendors for making purchases. An authorized list of employees will be provided to each vendor. Individual and monthly purchase limits will be established with the vendors and amended as necessary. Authorized employees making purchases on house accounts will be required to sign as an authorized purchaser.

As with all purchases made on the City's behalf, goods purchased on house accounts are exempt from sales tax. This should be pointed out to the sales clerk to prevent sales tax from being charged on all purchases made with the card. If necessary, employees may still obtain copies of the City's tax exempt number to provide to any requesting vendors.

Detailed receipts for goods or services purchased with a commercial card must be submitted to accounts payable immediately following the date of purchase along with the account for which the items should be charged.

Credit memos for returned items must be submitted to accounts payable immediately following the date of return along with the account for which the items should be credited to.

#### **5.6. Accounts Payable Vouchers**

All requests for payment must be submitted in writing to the accounts payable, preferably through a formal invoice from the vendor. Invoices must be coded with the account from which they will be paid and signed off on by the department head or their designee prior to being processed for payment.

Reimbursements to City employees for expenses incurred (requires approval of Department Head and Finance Director or City Manager). All reimbursement requests must be made by completing the Employee Reimbursement Form.

#### **5.7. Regular & Recurring Expenditures**

Regular purchase orders will not be required for those expenditures deemed as regular and recurring such as payment of monthly charges for utilities and water purchases. Annual blanket purchase orders will be prepared for such expenditures.

### **6. Financial Policies Change Order Policy**

#### **6.1. Change Orders increasing or reducing Original Contract Price by less than \$10,000:**

Change orders which increase or reduce the original contract price by less than \$10,000 must be approved by the City Manager or his/her designee. The City Manager may at his/her discretion require change orders less than \$10,000 to be approved by the City Council.

A change order (and all subsequent change orders) must be submitted to the City Council for approval if it increases an original contract amount by \$10,000 or more when combined with all other change orders previously approved. In these instances, departments will be responsible for following the procedures described below in section 6.2 for submitting change orders to the City Council.

#### **6.2. Change Orders increasing the Original Contract Price by \$10,000 or more:**

Change orders which increase an original contract by \$10,000 or more require the approval of the City Manager and City Council. In instances where it is impractical to delay a project waiting for City Council approval, the City Manager may at his/her discretion approve change orders up to \$25,000 with City Council approval to follow. This is necessary to prevent holding up the progress of a project. In these instances, departments should follow the procedures for submitting change orders to the City Council as outlined below.

Change orders requiring City Council approval will be placed on the City Council's agenda and will be accompanied by the following:

1. An agenda memo sheet explaining the original project cost and explanation as to the reason for the change in project cost. The account number to be charged should be identified as well as any resulting budget overages or shortages and necessary budget amendments.
2. A memorandum explaining the need for the contract revision.

Change orders must be numbered sequentially and must bear the signature of the Department Head.