

MINUTES
CONTINUED FY 2013-14 BUDGET WORKSHOP
March 20, 2013

CALL TO ORDER

The meeting was called to order at 7:00 p.m. by Acting Village President Bob Sodikoff.

ROLL CALL

Present: Acting Village President Bob Sodikoff, Trustees Al Paveza, Len Ruzak, Guy Franzese, John Manieri and Maureen Wott

Absent: Trustee Bob Grela

Also Present: Village Administrator Steve Stricker, Assistant Village Administrator Lisa Scheiner, Community Development Director Doug Pollock, Finance Director Jerry Sapp, Police Chief John Madden and Public Works Director Paul May

GENERAL FUND BUDGET

Administrator Stricker began the meeting by stating that the health insurance cost increase was reduced from 6% down to 2.9% and that the General Fund would save a net total of \$11,779.42.

Village Administrator Steve Stricker continued with his presentation of the FY 13-14 Budget, starting with the General Fund. The Administrator went through each Department Budget within the General Fund and specific issues were discussed.

Board & Commissions

Administrator Stricker indicated the need for the Board to decide whether or not to move forward with the hiring of a part-time Assistant Events Planning Coordinator. He indicated that the Economic Development Committee had approved the FY 13-14 Hotel/Motel Tax Fund Budget, which included \$15,000 for the Hotel Marketing Committee to become a title sponsor and that these dollars could be used to offset the \$20,000 cost of the part-time assistant. He also indicated that an increase in dollars projected to come in from the Restaurant Place-of-Eating Tax would cover the balance of the cost. Trustee Manieri stated that the Economic Development Committee was pleased that the Hotel Marketing Committee was on-board with this change and recommended that the Village Board commit to the 13-week concert series and hire the additional part-time employee. Trustee Paveza stated that he would remove his objection to the hiring of this employee, due to the fact that the cost will be covered by the business community. The consensus of the Board was to move forward with the hiring of the part-time employee.

Trustee Manieri questioned the need for the Strategic Planning Workshop in the amount of \$7,500. Administrator Stricker reminded the Board that any item in the Budget over \$5,000

would need Board approval and suggested that this issue be discussed and approved by the new Board.

Finance Department

In the Finance Department Budget, Trustee Al Paveza questioned why we have not changed auditors. In response, Administrator Stricker stated that we just recently re-hired the existing auditor for a four-year engagement, but that, after each audit, the Village could end the engagement and hire another auditor. Trustee Paveza suggested that this issue be discussed in October, after the current audit is complete, to determine if the new Board would like to pursue hiring a new audit firm.

Central Services

In reviewing the Central Services Budget, Trustee Maureen Wott stated her concern for the high cost of bank fees. She stated that she also sees this line item in all funds. After some discussion, it was agreed to direct the Finance Director to obtain alternative quotes from area banks to see if the bank fees could be reduced.

Police Department

In the Police Department Budget, Trustee Manieri noted the higher cost this year for Police Pension contribution and stated that the Board needed to be cognizant of these Pension contributions and the need to fund the Pension Fund in future years as dollars become available.

Public Works Department

In the Public Works Budget, Trustee Manieri stated that he would like to see a better breakout of the cost of the Emerald Ash Borer program. Administrator Stricker stated that a new line item could be added to the Budget that would separate the EAB costs from the other tree maintenance costs.

SPECIAL REVENUE FUNDS/CAPITAL PROJECTS FUNDS/ENTERPRISE FUNDS/DEBT SERVICE FUND

Administrator Stricker continued his review of the Budget, outlining the highlights of the Special Revenue Funds, Capital Projects Funds, Enterprise Funds and Debt Service Fund.

In response to a question from Acting Village President Sodikoff, Administrator Stricker agreed that a note would be added to the Budget to include all of the escrow accounts and that a separate report would be provided to the Board listing these dollars.

During discussion of the Pathway Fund Budget, Trustee Wott asked how future Pathway Projects would be funded, once the Pathway Fund ran out of money. In response, Administrator Stricker stated that it would be a matter of future Boards setting priorities in terms of funding pathways vs. streets vs. other Capital related projects. Trustee Wott asked

how much money had been transferred from the Pathway Fund to the General Fund over the past few years during the recession. In response, Administrator Stricker stated that he would provide the Board with a report prior to the public hearing.

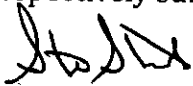
During discussion regarding Equipment Replacement, Trustee Manieri asked to ensure that the Village would be purchasing the larger Case 590 back hoe, as opposed to the Case 580 back hoe that was originally proposed. Administrator Stricker stated that this issue was brought up at the Water Committee meeting and that, in order for the Water Department to begin repairing water main breaks in-house, this larger piece of equipment would be required.

In closing, Administrator Stricker stated that, although the next two fiscal years are balanced in the General Fund, future year Budgets still show deficits. He stated that the main reason was due to the transfer from the General Fund to the Capital Projects Fund for the Road Program. He stated that, although it is too early to discuss at this point, the Village should eventually consider placing a referendum question on the ballot in FY 16-17 to extend the debt amount currently paid by property owners for the Bedford Park Lake Michigan Water Main Project, which will end at that time. This action could generate an additional \$528,000 per year to be used to help pay for the annual Road Program, future sidewalk projects and relieve the burden on the General Fund without raising the current property tax amount.

Administrator Stricker stated that, if there were no other questions or concerns, the Budget would be amended based on what had been discussed and a final draft would be presented to the Board at a public hearing to be held on April 8, 2013.

There being no further business, a **motion** was made by Trustee Maureen Wott to adjourn the meeting. The motion was **seconded** by Trustee Al Paveza and **approved** by a vote of 5-0. The meeting was adjourned at 9:10 p.m.

Respectively submitted,



Steve Stricker
Village Administrator

SS:bp