

MINUTES
FY 2015-16 BUDGET WORKSHOP
GOALS & OBJECTIVES
February 9, 2015

CALL TO ORDER

The meeting was called to order at 7:35 p.m. by Mayor Mickey Straub.

ROLL CALL

Present: Mayor Mickey Straub, Trustees Al Paveza, Len Ruzak, Janet Ryan Grasso, Diane Bolos and Guy Franzese

Absent: Trustee John Manieri

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

REVIEW OF GENERAL FUND FINANCIAL STATUS - JANUARY 2015

Village Administrator Steve Stricker presented the Village Board with a snapshot of where he said he thought the Village would end up at the end of the fiscal year, as well as what the General Fund would look like for FY 15-16. He stated that, at the moment, preliminary estimates show an end-of-the-year 14-15 surplus of \$322,770 and a surplus in the preliminary FY 15-16 Budget of over \$116,000. He stated that his recommendation to the Village Board will be to transfer \$100,000 of the FY 14-15 surplus to Capital Projects and \$160,000 to the Sidewalk/Pathway Fund to help balance the General Fund Budget, not only for FY 15-16, but also for FY 16-17 and to ensure that the current sidewalk projects that have already been approved by the Board are funded.

Administrator Stricker stated that the primary reasons for the surplus in FY 14-15 was due to the strong permit activity, meeting our projections in regard to sales tax and lower expenditures associated with the Police Department not at full staff, lower gas prices and legal services, among other things.

Administrator Stricker stated that the FY 15-16 Budget is projected at this time to increase in revenues by 1.7% and expenditures by only 1.6%.

Administrator Stricker stated that the snapshot of the Water Fund shows a surplus at the end of FY 14-15 in the amount of over \$437,000 and a surplus budget for FY 15-16, with the understanding that several large Capital Projects that were not done in FY 14-15 will be deferred until FY 16-17.

Trustee Franzese thanked the Village Administrator and Department Heads for their efforts to reduce costs and save money.

STATUS OF GOALS AND OBJECTIVES FOR FY 14-15

Administrator Stricker presented an update on the Goals and Objectives accomplished in FY 14-15. He stated that Village Hall landscaping was deferred this year and will be deferred again next year, that the computer tablets for the Village Board and Department Heads were purchased, but that the Village has not yet been saving the money that it had hoped, that the Pathway Map is currently being printed and that \$20,000 designated for website design will not be spent, as the redesign project is being handled in-house. He also stated that the two employees budgeted in the Water Department were hired and that several pieces of equipment associated with doing water main breaks repairs in-house have been purchased.

PROPOSED GOALS AND OBJECTIVES FOR FY 15-16

Administrator Stricker reviewed the list of new expenditures and programs that have been requested for the FY 15-16 Budget by the Department Heads. He stated that, although no final determination has been made concerning these goals, the numbers found in this report are included in the budget estimates mentioned earlier. He stated that the annual Road Program in the amount of \$690,500 was already approved by the Village Board. He indicated that several water main projects, which were deferred in FY 14-15, will be deferred again to FY 16-17. He stated that, in the Equipment Replacement Fund, there was a need to replace a 2003 Navistar snow plow truck in the amount of \$155,000 and the replacement of a 2001 aerial lift truck in the amount of \$135,000. He stated that the purchase of a floor cleaner for the Public Works garage will be deferred once again and that there is a need to replace the Police Department Administrative vehicle and Detective vehicle, which are 15 years old and 10 years old respectively.

Administrator Stricker stated that one of the main initiatives in this year's budget would be the purchase of a Mobile Speed Monitoring Trailer with license plate recognition. Chief John Madden presented a brief report outlining the uses of this piece of equipment and his intent to use the Mobile LPR solution to assist in residential burglary investigations, as well as traffic safety efforts. In response to a question from Trustee Diane Bolos, Administrator Stricker stated that it was not the Staff's intent to use this device to issue tickets.

Administrator Stricker stated that another major initiative this year will be the purchase of a brine storage system in the amount of \$8,000. Public Works Director Paul May explained the need for a brine storage system, due to the fact that brine is being used more and more often by the Public Works Department.

Administrator Stricker stated that \$20,000 has been budgeted for the purchase of a drive-by AMR meter reading system in the Water Fund, which will allow the Public Works Department to read water meters remotely by driving through the neighborhoods. In response to a question from Trustee Janet Grasso, Administrator Stricker stated that eventually the two meter reader positions will be eliminated, once all of the water meters are replaced with the new meters.

Administrator Stricker stated that funds to purchase three Microsoft Surface tablets in the amount of \$3,000 was actually budgeted in the Information Technology Fund and not in the Police Department, as shown in the list provided to the Board.

Administrator Stricker stated that \$10,000 will be added this year for the replacement of trees lost as a result of our EAB removal program and that the cost would be offset by a \$10,000 annual contribution for several years to come from the Stafford Woods escrow account.

Administrator Stricker stated that there is a need to replace the Burr Ridge Village Hall sign and that \$20,000 would be needed if the Board wanted to put a wall-mounted sign on the building similar to what was constructed on the Police Department building. He stated that the cost could be substantially less, if the Board simply wanted to replace the old, rotted out wood sign with another wood sign. Trustee Franzese stated that he felt that there was no need to spend a large sum of money on a Village Hall sign and that he could help design a wooden sign. Trustee Al Paveza suggested that the Village Board consider a digital sign that would provide messages to motorists as they pass by. In response, both Trustees Franzese and Bolos stated that they would be opposed to a sign of this type. After some discussion, it was agreed that Public Works Director Paul May should attempt to develop a cost estimate for a wood sign.

Trustee Franzese asked if \$4,000 budgeted in the Hotel/Motel Tax Fund for County Line Road turf repair would be needed on an annual basis. In response, Public Works Director May stated that he would like to add this amount to the budget on an annual basis, with the understanding that, if it was not needed, it would not be spent. He stated that, in the past, if there was damage and there was no money budgeted, there would be no way repair the turf grass.

Administrator Stricker stated that \$4,500 was added to the Hotel/Motel Tax Fund Budget for holiday decorations to be installed on the bridge monuments. He also stated that the Economic Development Committee has been discussing the possibility of another Business Breakfast in the amount of \$2,500 and the possibility of a Realtors Luncheon in the amount of \$2,000. He also stated that the Recognition Dinner is scheduled for the beginning the FY 15-16 in the amount of \$8,000 and that, although he would hope that the Board would conduct a Goal Setting Session after the election, based on prior discussions he was not anticipating placing any money in the budget to hire a consultant to lead the discussion regarding goal setting.

Administrator Stricker stated that there are several new items included in the Hotel/Motel Tax Fund this year, including all landscaping associated with the beautification areas along County Line Road, the grass cutting on County Line Road south of 79th Street, the landscaping for the bridge and for the Village Hall. He also stated that 50% of the salary for the Communication and Public Relations Coordinator in the amount of \$25,000 was placed in the Hotel/Motel Tax Fund, along with \$3,400 for a sound technician for the concert series and \$2,250 to reimburse the Village for Police and Public Works Departments overtime costs associated with the two Village-sponsored 5k races.

Finally, Administrator Stricker stated that, although the Personnel Committee had made a recommendation regarding non-union salaries, the Village Board would discuss this matter at a later date.

AUDIENCE COMMENTS

Dolores Cizek stated her objections to the Village Administrator taking money from the Pathway Fund. Administrator Stricker corrected Ms. Cizek by stating that it was the other way around and that he was recommending that money be transferred from the General Fund to the Pathway Fund to help fund the existing projects.

Resident Tom White presented the Board with his concerns that the Village should fund the Police Pension Fund over and above the State minimum requirement. Mr. White suggested that the Village reduce expenditures in other areas in order to provide additional funding for the Pension Fund, or to raise additional revenue through increasing taxes, levying a special bond issue to retire some of the pension debt and/or the implementation of vehicle stickers.

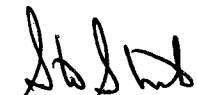
In response, Administrator Stricker stated that he did not believe that there is a need to fund the Police Pension Fund over and above the State requirement. He stated that, this year, the Village is actually providing the Pension Fund with \$50,000 more than the previous year, for a total of \$593,000. He stated that the Fund is currently 71% funded and is projected to be over 72% funded by the end of the year. He stated that, in comparison to surrounding communities, the Village's Pension Fund is much better funded than most. He stated that, if the Finance Director and he thought that there was a problem in the Pension Fund, he would immediately bring it to the attention of the Village Board and that they would recommend that an actuary be hired to develop a plan to bring the Fund back into compliance. In the meantime, he stated that there is a plan in place to meet the State objective for the fund to be 90% funded by 2040.

Trustee Franzese asked if what the Village provides the Pension Fund under State law is just the minimum requirement. In response, Administrator Stricker stated that the Village provides the Pension Fund with what the State law requires and that it could provide it with more if the Village Board chose to do so.

ADJOURNMENT

There being no further business, a **motion** was made by Trustee Len Ruzak to adjourn the meeting. The motion was **seconded** by Trustee Janet Ryan Grasso and **approved** by a vote of 5-0. The meeting was adjourned at 8:45 p.m.

Respectively submitted,



Steve Stricker
Village Administrator

SS:bp