

**MINUTES**  
**FY 2015-16 BUDGET WORKSHOP**  
**March 9, 2015**

**CALL TO ORDER**

The meeting was called to order at 7:23 p.m. by Mayor Mickey Straub.

**ROLL CALL**

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

Absent: Trustee John Manieri

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

**PRESENTATION OF FY 15-16 BUDGET HIGHLIGHTS**

Village Administrator Steve Stricker directed the Board to his Budget Message found in Section I of the Budget and reminded the Board that what they would be approving is the Budget for FY 15-16, but in order to gain an insight into what may lie ahead, Staff does provide projections for FY 16-17 through FY 19-20. He indicated that the total Expenditure Budget for all funds, when added together, equals \$18,140,265, which is 4% more than the FY 14-15 Budget of \$17,438,230. He reminded the Board that, when all funds are put together, there are transfers that occur from one fund to another that inflates the total budget by about \$782,850 or 4.3% of the total Expenditure Budget.

Administrator Stricker stated that the General Fund appears to be in good shape at this time. He stated that, for the 5<sup>th</sup> year in a row, he anticipates a surplus in the General Fund, due to better than expected building permit revenues, lower than expected personnel costs in the Police Department, lower fuel costs and lower legal costs, among other things. He stated that, in light of these savings, he is recommending that \$142,000 be transferred from the General Fund to the Capital Projects Fund and \$118,000 be transferred to the Pathway Fund at the end of the fiscal year. He stated that these transfers will help ensure that the FY 16-17 General Fund Budget will be balanced and will also provide the necessary funding to pay for all the previously approved pathway projects. He stated that the FY 15-16 General Fund Budget is balanced, however, revenue growth remains relatively flat, with an increase of only 1.8%.

Administrator Stricker stated that FY 15-16 Budget includes \$2,220,915 in Capital Projects, including the Road Program, Sidewalk/Pathway Fund, Equipment Replacement Fund, Water Fund and General Fund, and that this represents 12.2% of the total Budget.

Administrator Stricker stated that there are four major pieces of equipment that will be replaced in the Equipment Replacement Fund this year, including the aerial lift van in the amount of \$135,000, a 3-ton dump truck in the amount of \$155,000, replacement of the Investigation vehicle in the amount of \$24,100 and replacement of Police Department Administrative vehicle in the amount of \$26,100, for a total of \$340,200.

Administrator Stricker presented a list of all major equipment requests over \$1,000. He specifically mentioned the mobile speed monitoring trailer for \$40,185, drive-by AMR meter reading system in the Water Fund for \$20,000, the brine storage system in the Public Works Department for \$8,000.

Administrator Stricker stated that there are no new personnel requests included in the FY 15-16 Budget and that salary increases include a 2% COLA adjustment, along with Step increases for all employees. He also stated that there will be no increase in health insurance rates for FY 15-16.

Administrator Stricker highlighted several new operating programs, including the transfer of all landscaping costs to the Hotel/Motel Tax Fund, an additional \$10,000 for trees lost as a result of the EAB program, \$6,000 for the Village Hall sign replacement (originally budgeted at \$20,000 at the Goals meeting), and indicated that the bi-annual employee/volunteer Recognition Dinner is budgeted this year in the amount of \$8,000.

Trustee Diane Bolos commented on the Administrator's wording in his Budget Message indicating that, after these three projects are completed, the Pathway Fund will be out of money and asked what the plan would be for additional funds. In response, Administrator Stricker stated that he expected that there would be some funds that would trickle in from developers over time, but that any new projects would be in competition for funding with the Road Program. He stated once again his recommendation that a separate funding source is needed to pay for the cost of future Capital Improvements and that the way to achieve this additional revenue is to place a referendum on the 2016 ballot requesting that residents continue to pay the same amount in taxes that they are currently paying for the Lake Michigan water bond issue. He stated that these funds could be used for not only the Road Program, but for pathways, stormwater improvements and other capital expenditures.

Trustee Guy Franzese defended the Street Policy Committee's action to recommend approval of resurfacing of streets in industrial areas by showing a chart indicating that the

Tower Drive and High Grove areas provide both property tax and sales tax revenue to the Village. He stated that, in the last fiscal year, they paid the Village over \$240,625.

In response to the Administrator's comments regarding health insurance, Trustee Franzese asked how the Village's co-pays compare to the private sector. In response, Administrator Stricker stated that he has never done a private sector study and that the Village compares itself to other municipalities when it comes to health insurance co-pays. Trustee Franzese asked if Staff could prepare a survey of private sector businesses in Burr Ridge of comparable size to the Village.

### **DISCUSSION REGARDING GENERAL FUND BUDGET**

Administrator Stricker presented the Village Board with the highlights of the General Fund Budget. He stated that the expected reserves for the General Fund beginning in FY 15-16 would be \$4,670,965, with an Expenditure Budget of \$8,367,545, which would include a \$54,475 surplus. He stated that the Expenditure Budget is 1.4% more than the previous year's budget. The Administrator presented highlights of the General Fund Revenue Budget, including the fact that the municipal sales tax has reached its target for the first time in many, many years. He also highlighted building permits as coming in much higher than anticipated and mentioned the importance of the State Income Tax, which represents approximately 12% of the Budget. He stated that the Governor's proposed budget would take 50% of this revenue, which would equate to \$520,000 for the Village of Burr Ridge. He stated that it would be at least a few months before the State makes any final decisions on their budget, which starts on July 1, and suggested that the Village Board approve the FY 15-16 Budget, with the understanding that no large capital items would be spent until we know exactly what the State will do in regard to taking any revenue away from the Village.

Administrator Stricker presented the highlights of each of the budgets contained within the General Fund. During the discussion of the Building and Grounds Budget, Trustee Franzese presented a rendering of a proposed sign to be located in front of the Village Hall. Administrator Stricker also presented a rendering of a sign proposed by a sign company that uses the same branding, materials, colors and logos used throughout the Village and which was the basis for the \$6,000 budget amount. Trustee Franzese asked Staff to prepare a cost estimate for his rendering as well.

### **SPECIAL REVENUE FUNDS**

Administrator Stricker presented the highlights of the four Special Revenue Funds in the Village, including the E-9-1-1 Fund, MFT Fund, Hotel/Motel Tax Fund and Restaurant Marketing Fund.

Administrator Stricker suggested that the review of the Budget stop here at this point and that the meeting be continued to after the conclusion of the Board meeting on March 23.

### **AUDIENCE COMMENTS**

Dolores Cizek raised concerns about training costs and voiced her desire to see the Village use its credit card more in order to use the cash back savings to fund training.

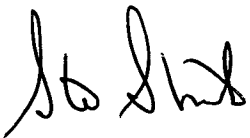
Resident John Bitner suggested that the Village work with the Village of Willow Springs on finding them space and share our space with them. After some discussion, it was clear that he meant Willowbrook. Trustee Paveza explained that this issue had been discussed in the past.

Trustee Bolos asked if Staff placed any money in the budget to solve the HVAC problems in the Police Department. In response, Public Works Director Paul May stated that there are funds available in the budget for normal repairs, but that he did not have specific prices in the budget to solve the heating problem in the foyer of the Police Department at this time.

There being no further business, a **motion** was made by Trustee Janet Ryan Grasso to continue the Budget Workshop to Monday, March 23, after the regular Board meeting. The motion was **seconded** by Trustee Len Ruzak and **approved** by a vote of 5-0.

The meeting was so continued at 9:00 p.m.

Respectively submitted,



Steve Stricker  
Village Administrator