

**MINUTES**  
**CONTINUED FY 2015-16 BUDGET WORKSHOP**  
**March 23, 2015**

**CALL TO ORDER**

A motion was made to re-open the continued meeting from March 9 by Trustee Al Paveza. The motion was seconded by Trustee Guy Franzese and approved by a vote of 5-0.

**ROLL CALL**

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

Absent: Trustees John Manieri and Diane Bolos

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

**CAPITAL PROJECTS FUNDS**

Village Administrator Steve Stricker presented the Board with the four Capital Projects Funds.

**Capital Improvements Fund**

He stated that the Village's largest Capital Projects Funds is the Capital Improvements Fund, in which the projects such as the Road Program is expenses. He stated that there is no dedicated source of revenue for this fund other than the transfer of Motor Fuel Tax dollars, which this year is in the amount of \$256,580. He stated that, although there are no other transfers this year from the General Fund, in order to balance the Capital Improvements Fund in future years beginning in 2017, a substantial transfer will have to be made from the General Fund to balance the budget. He stated that the Capital Improvements Fund budget this year includes \$690,500 for the Road Program, \$198,565 in improvements, \$173,565 which is the Village's share of the grants the Village received in past years for the Madison Street traffic signal and the Madison Street LAPP, along with \$25,000 for engineering associated with the resurfacing of Garfield Street, which will occur in FY 16-17.

Trustee Janet Ryan Grasso asked if there was any money to improve the siding on the Village Hall and Police Department buildings. In response, Public works Director Paul May stated that there was no money budgeted, but that Public Works could handle many of the repairs themselves this year. Administrator Stricker stated that the siding had been re-stained at least once, if not twice, during his tenure as Village Administrator and that eventually that work will have to be performed again.

### **Sidewalk/Pathway Improvement Fund**

Administrator Stricker presented the Sidewalk/Pathway Fund, stating that the current year projection shows equity in the fund of \$537,766, with expenditures this year in the amount of \$470,800. He stated that, in order to fully fund the three pathway projects that the Village Board had approved previously, \$118,000 had to be transferred from the General Fund to the Sidewalk/Pathway Fund at the end of FY 14-15 and an additional \$82,000 will have to be transferred in FY 15-16. He stated that two sidewalk projects would occur in FY 15-16, including the German Church Road sidewalk and the sidewalk on 79<sup>th</sup> Street east of County Line Road. He stated once again that when the third project, which is County Line Road north of Longwood Drive, is completed at the end of FY 16-17, there will be no dollars left in the fund. He stated that, although there will be a trickle of pathway revenues that may come into the fund from time to time, in the future, all pathway projects will have to compete for limited dollars with the Road Program.

### **Equipment Replacement Fund**

Administrator Stricker stated that the projected available reserves in the Equipment Replacement Fund in FY 15-16 amounts to \$797,765 and that there were transfers into the Fund this year in the amount of \$166,730 and expenditures in the amount of \$341,200 for the replacement of four pieces of equipment includes the aerial lift van and the 3-ton dump truck in the Public Works Department, and an Investigator vehicle and Administrative vehicle in the Police Department. He stated that, since the Water Department was not involved in these pieces of equipment, there were no other sources of revenue associated with the purchase of this equipment. He stated that several pieces of equipment have been once again been deferred and the equipment to be purchased this year had been deferred from several past years and it has been determined that it is necessary to replace the vehicles at this time.

### **Stormwater Management Fund**

Administrator Stricker stated that the Stormwater Management Fund was created a few years ago to segregate stormwater fees, which are restricted for stormwater related purposes. He stated that the projected available reserves in the Stormwater Management Fund beginning in FY 15-16 amounts to \$81,011 and that the Staff contemplates approximately \$16,250 in expenditures, \$12,000 of which are for miscellaneous/emergency maintenance.

### **DEBT SERVICE FUND**

Administrator Stricker presented the Board with a summary of the Debt Service Fund, stating that there are three current bond issues, including the installment loan for the County Line Road Beautification Project, which expires in FY 18-19; the refunding of the debt certificate issue for the Police facility, which expires in FY 17-18; and the GO Bond Issue for Lake Michigan water, which expires in FY 16-17. He stated that the final payment on the GO Bond Issue in FY 16-17 will amount to \$520,655. He stated that this is the

amount the Village could seek in a referendum to ask the voters to continue the same tax levy without raising taxes and use these dollars for Capital Improvement purposes.

## **ENTERPRISE FUNDS**

Administrator Stricker presented the Water Fund and Sewer Fund budgets.

### **Water Fund**

Administrator Stricker stated that the Water Fund budget is in the amount of \$5,037,440 and that there was a slight surplus in the Water Fund this year, with future year deficits due to draw down of equity to pay for Capital Projects, such as water main extensions and FY 14-15 painting of the water towers. He stated that water revenues came in higher than anticipated and expenditures were lower than anticipated.

### **Sewer Fund**

Administrator Stricker stated that the Sewer Fund has projected beginning reserves in the amount of \$1,776,713, with an expenditure budget of \$279,880, representing a surplus of \$57,010. He stated that the Village received a grant over 25 years ago to repair the sewers on the Cook County side of the Village and that the Village is required to build up a fund in the Sewer Fund to cover the future replacement of the system.

## **REMAINING FUNDS**

### **Information Technology Fund**

Administrator Stricker stated that the Information Technology Fund was created several years ago to account for all computer related costs throughout all of the Funds. He stated that projected available reserves in this fund beginning May 1 is \$316,830, with total expenditures of \$245,850. Expenditures relate to consulting costs, data processing fees and new equipment, including \$69,010 for wireless networking, \$3,000 for laptop computers for Police Detectives, \$4,000 for a new projector in the Police Training Room, and \$4,495 to replace the Public Works plotter.

### **Police Pension Fund**

Administrator Stricker presented the Police Pension Fund, in which he stated there are available reserves in the amount of \$15,080,161. He stated that the revenue budget this year is \$1,167,135, including \$593,000 in employer contributions, which is approximately \$50,000 more than the previous year, along with interest income in the amount of \$340,095 and employee contributions in the amount of \$234,040. He stated that pension and disability payments in FY 15-16 is \$889,410.

Trustee Franzese asked if the Village had been contributing the amount that the Police Pension Board has requested. In response, Administrator Stricker stated that, with the exception of one year during the recession, the Village has always levied a tax based on the

actuarial report, which was at the recommendation of the Pension Board. However, he stated that, in the past three years, the Pension Board has requested more than the actuarial requirement and the Village Board has not agreed to fund at that higher level.

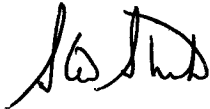
Administrator Stricker asked if there were any questions or changes that the Village Board would like to make to the proposed Budget. Hearing none, the Administrator stated that the next step would be to conduct a public hearing on the FY 15-16 Budget on April 13 and that an Ordinance will be prepared for Board approval at that meeting.

## **ADJOURNMENT**

There being no further business, a **motion** was made by Trustee Janet Ryan Grasso to adjourn the Continued Budget Workshop. The motion was **seconded** by Trustee Len Ruzak and **approved** by a vote of 5-0.

The meeting was adjourned at 8:25 p.m.

Respectively submitted,



Steve Stricker  
Village Administrator