

**JOINT MEETING OF THE VILLAGE BOARD & FINANCE COMMITTEE & PUBLIC
WORKS COMMITTEE**

2010-2011 OPERATING BUDGET WORKSHOP MINUTES

NOVEMBER 2, 2009

1. CALL TO ORDER

2. ROLL CALL

Chairperson Barbara Ermeling called the Finance Committee to order at 6:45 p.m. Members present were Dick Yaeger, Bob Bender and Sharon Jaeger. Scott Cattanach was absent and excused. President Fred Schuster called the Village Board meeting to order at 6:45 p.m. Trustees present were White, Schmutzler, Jaeger, Maloney and Ermeling. Ziegler was absent and excused. Administrator Zuleger, Director of Public Works Donner, Community Development Director Higgins, Park Superintendent Osterbrink, Director of Information Systems Crowe, Finance Director Jacobs, Deputy Finance Director Trautman and Chief Sparks were also present.

3. OVERVIEW 2010 OPERATING BUDGET (and 2011 FINANCIAL PLAN)

Jacobs gave an overview of 2010 operating budget.

4. OVERVIEW OF GENERAL FUND BUDGET

- **2009 Revenues**
- **2009 Expenditures**
- **Tax Rate Impact (for both Budget Years 2010 and 2011)**

Jacobs said the proposed tax rate is \$5.08 for 2010. The combined proposed rate is \$20.39. Jacobs reviewed the property tax rates for all direct and overlapping governments and calculation of tax levy needed for the 2010 operating budget and distribution of tax levy between funds. He reviewed the revenue for the 2010 and 2011 budget. Schuster asked if the Village is to bare bones. Zuleger said we cannot go any lower. He also said we are relying on a grant from the Department of Justice. There will be no capital projects that would require an engineer position. Schuster asked about the increase in funds from the power plant. Zuleger said based on legal counsel it is a for sure thing. White asked about recapturing the unused portion of the tax levy allowed by the State. Jacobs and Zuleger said we can recapture that portion this year only. Zuleger said the public fire protection shift, debt service exemption and rainy day fund are still available options for the budget. Jacobs reviewed the history of the general fund balances 1996 to 2010. The projected fund balance for next year's budget is 27.84%. Jacobs reviewed an expenditures summary, including increases and decreases. The 2010 operating budget total expenditures are \$7,581,150 a .56% increase. Zuleger said in terms of public input the only thing he has heard, more than once, is whether or not the Village should have bus service. Zuleger said Weston's route is considered to be one of the more successful routes. Jacobs reviewed the revenue summary for 2010, including increases and decreases. The 2010 operating budget revenues are \$7,581,150 a .56 increase. Jacobs also reviewed the computation of the 2010 garbage/recycling fees for the 2009 tax bills. The increase on the garbage fee is \$10.52. Zuleger said he is still negotiating that.

Schuster asked if all salary increases are being covered. Zuleger said yes, with the exception of the Administrator.

5. REVIEW OF OTHER FUND BUDGETS

- **Debt Service Fund**
- **Special Revenue Funds**
- **Internal Service Fund**
- **Enterprise Funds**

Jacobs said there is a \$50,000 contingency in the 2010 budget. He reviewed the Special Revenue Funds. He reviewed the fund balances for TIF District #1 and #2. Zuleger said the TIF's are now cash flowing. Jacobs reviewed the Debt Service Fund. He also reviewed the debt limit. He said the net percentage of the Village's legal debt limit is 32.13%. The total outstanding debt for the Village at the end of 2009 is \$73,472,639. Jacobs reviewed the Water Utility Fund. The projected net income for 2010 is \$55,783 with a projected loss of \$150,796 for 2011. Donner said this loss is for the Everest Tower repainting and can be taken from the contingency fund. Trautman reviewed the Sewer Utility Fund. The projected net income loss for 2010 is \$88,371. Donner said there will not be any major sewer maintenance projects in 2010. There was a short discussion on depreciation. Jacobs reviewed the Storm Water Utility Fund. There is no collection for depreciation in this fund. He reviewed the options for a rate increase. The Finance Committee discussed option 2, which is an increase to the rate (\$53 to \$60 range). This would fully fund all debt service. There would be no depreciation. Zuleger said the Finance Committee needs to discuss rates and timing at an upcoming meeting. Ermeling asked how long before there would have to be another increase if we proceed. Zuleger said a few years. Jacobs reviewed the annual debt service payments for the storm water utility. Ermeling is concerned with increasing the rate, but understands it has to be done. She is concerned with having another increase in three years. She would like to see a rate that will remain the same for awhile. Bender suggested borrowing from the general fund on a short term basis. Jacobs reviewed the Fringe Benefit Fund.

6. SUPPLEMENTAL INFORMATION

No comments

7. SET BUDGET PUBLIC HEARING DATE - Monday, November 30, 2009, 6:00 p.m.
**M/S/P Bender/Yaeger: to send to the 2010 Operating budget to hearing on November 30, 2009.*

**M/S/P Maloney/Schmutzler: to send to the 2010 Operating budget to hearing on November 30, 2009.*

8. ADJOURN

Ermeling adjourned the Finance Committee meeting at 7:42 p.m.

**M/S/P Maloney/Jaeger: to adjourn the Village Board meeting at 7:42 p.m.*

Respectfully,

Sherry Weinkauff

Village Clerk