

**MINUTES OF THE SPECIAL BOARD MEETING  
OF THE VILLAGE PRESIDENT AND BOARD OF TRUSTEES  
ON THE FY 2014-2015 BUDGET  
OF THE VILLAGE OF WESTCHESTER  
01 APRIL 2014**

**CALL TO ORDER:**

The meeting was called to order at 7:01 PM and present / responding to roll call were Trustees Calcagno, Gattuso, Perry, Reda, Yurkovich and President Pulia, Trustee Steker was absent. Also present were Village Manager Matthys, Finance Director Potempa and Deputy Village Clerk Keane.

**BUDGET DISCUSSION:**

Finance Director Potempa provided an overview of the documents pertaining to the meeting.

**4.A.i (General Fund-Fire and Police Commission):** She then began an overview of the Fire and Police Commission budget which is increased due to the testing that will be done in fiscal year 2015 as well as legal fees. Ms. Matthys noted that legal services so high because BFPC did not have a legal counsel prior to this year, now they have engaged Klein Thorp & Jenkins. Fire and Police Commissioner McCarthy commented they just finalized entry level fire fighter list and in the process of fire Captain and Police Sergeant that will be completed within the current fiscal year. Commission McCarthy also commented that since state statute changed, we therefore had to revise our BFPC Rules and Regulations.

Pulia asked about conference McCarthy commented they have not yet participated in these trainings. Pulia noted they should plan on having an amount budgeted to provide for one commissioner to attend. Matthys agreed and McCarthy noted they will amend the budget to reflect this change and commissioners will try to attend this year.

**4.A.ii (General Fund-Community Development):** Ms. Potempa provided an overview of the revenues and expenditures for the budget. Ms. Headley then went into further detail of the accounts noting an increase in permit revenue and higher budgeted amount for the St. Joseph High School Development. She noted the difference in the part-time plan reviewer that they are looking to rehire as the previous hire did not stay on very long. In addition, the department is requesting a new fleet vehicle since they currently do not have one. They would give the Building Commissioner the new vehicle and the other staff would share current inspector vehicle.

Ms. Headley also noted that the home flood-proofing program is budget the same as last year and the board requested that be increase by reducing the amount budgeted for the façade grant program. The board then concluded to move forward with the part time plan reviewer at 24 hours per week on Monday's, Wednesday's and Friday's and to keep B & F as a backup for large projects. Pulia commented that he feels the code enforcement officer could do additional simple inspections and the Board concurred.

**4.A.iii (General Fund-Administration and Finance):** Ms. Potempa introduced the budget as being relatively flat. One main difference is they would like to combine two part time positions into one full time position. Have not been able to find a qualified candidate for fill the second part time position and she feels that Katy Finn is the best employee she has right now. The other additional costs relate to the new general ledger system and the remodel of the Board room to include new chairs, carpet and paint.

Staff then clarified this is a different position then the part time clerk for Community Development. The Board and staff then had a lengthy discussion on the part time positions and full time positions in the front office. The Board then requested additional information regarding various line items and staff responded.

**4.B (Hotel Motel Tax Fund):** Ms. Keane provided an overview of the budget for the Hotel Motel Tax Fund included a review of last year and projected changes to this year. President Pulia asked when we are doing fireworks and Ms. Keane responded the Special Events Team is suggesting to do them after the August 16 Music Festival. The Board agreed they should do them after the music festival and had a lengthy discussion regarding the setup of the event in conjunction with the Park.

President Pulia also asked that there be funding in the budget for brick pavers at the fountain area and to build a gazebo. Staff clarified there was money budgeted for the fountain area which could be used to fund the aforementioned fountain projects.

Ms. Headley then explained the costs budgeted in this fund for the Economic Development Committee's way finding signage and historical markers.

Trustee Yurkovich then asked for clarification regarding the plumbing inspection costs and Ms. Headley responded there is no change in the rates charged to the Village, but there is an increase in inspections actually being performed.

At 8:47 pm, Trustee Gattuso left the meeting.

The Board then asked about the health inspection costs and if there is another vendor that could be utilized for a lower rate? President Pulia asked what is the process used for health inspections? Ms. Headley explained the process and Ms. Matthys responded they are going to review the fee structure of health inspections on the COW.

After this discussion the Board then reconvened the discussion regarding the clerical personnel proposed changes from part time to full time positions.

**4.B (Debt Service Fund):** Ms. Matthys explained that the only item budgeted in the debt service fund is the series 2013 Bonds. The expenditure is transferred from the capital improvement fund.

VM-Only item budgeted is the series 2013 bonds that expenditure is transferred from the capital improvement fund

**4.B (Capital Improvement Fund):** Staff then provided the Board with an overview of the Capital Improvement Fund. Village Manager Matthys explained the fund includes the sales tax revenue and the bond revenue left over from 2013. A portion of this revenue is transferred out from this fund to the debt service fund. President Pulia then asked about the fund balance and Ms. Potempa clarified the current projects bring us to a 42% fund balance at the conclusion of FY 14 which is approximately 1.5 million over in the fund balance. Ms. Matthys commented that last year's budget reflected an operating deficit but we now will actually end the year with a surplus. The Board and Staff then discussed where the additional revenues are coming from and in the general fund. Potempa noted that if we accepted budget as it is presented right now, we would have 42% fund balance and a deficit and next year we would end with a 35% fund balance.

Ms. Matthys then elaborated on the breakdown of the capital improvements fund and the cost of the bonds, how that was broken out, and how the sales tax has been coming in as a revenue stream. She further explained the revenue projection for the non-home rule sales tax is different since the new Marianos will only provide for 6 months of revenue.

To accommodate additional capital improvement projects, the Board discussed various items that could be cut or postponed to free up additional funds. The Board and Staff discussed the water meter project and the Board decided to postpone the budgeting of this project until next fiscal year in anticipation of the receipt of the IEPA loan. The Board then decided to remove the funding of the Green Alley

President Pulia then asked if it would be worthwhile to change to a calendar year budget and Ms. Matthys and Ms. Potempa said they could work towards that for fiscal year 2016. It would require two budgets and two audits.

Trustee Perry asked where they could trim to reduce the deficit. Ms. Potempa noted one of the issues is too high of a fund balance which can provide the Village with problems and tax objections. Trustee Perry commented that he feels the Village should pay cash for items rather than take on debt. Ms. Potempa commented she feels we should borrow money while it is cheap. The Board and Staff then had a lengthy discussion regarding paying down equipment that has been financed to reduce the debt and fund balance.

Ms. Matthys clarified if they should pay cash for the vector truck from the Utility Fund and the board

VM asked if they should factor in full payment of vector truck in utility fund.

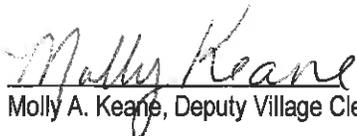
Trustee Calcagno then asked if we could pay off the cars for police and community development from the General Fund. Village Manager Matthys responded they could. The Board and Staff then discussed the options of purchasing vehicles and costs.

**PUBLIC COMMENTS:**

There were no public comments.

**ADJOURN:**

With no further business to discuss, Trustee Calcagno made a motion seconded by Trustee Perry to adjourn the meeting and the Board unanimously agreed (AYE 5), and the meeting was adjourned at 10:13 PM.

  
Molly A. Keane, Deputy Village Clerk