

A joint meeting of the Sleepy Hollow Finance Committee and Village Board was called to order at 7:30 p.m. by Village President Stephen Pickett. In attendance were Scott Finney, Dennis Fudala, Russell Getz, Jeff Seiler, Donald Ziemba, and Michael Tennis. Trustee Joe Nemec and FC member Lee Brotcke were absent. Also in attendance was Finance Director Ellen Volkening. Mr. Pickett noted the purpose of the joint meeting was to review the proposed budget for fiscal year 2013 and that there would be no voting tonight. He then turned the meeting over to Finance Chairman Ziemba.

Seiler moved with a second from Tennis to approve the Finance Committee Meeting Minutes of April 9, 2012. Aye: Seiler, Tennis, Ziemba. Motion passed.

The packet for the fiscal year 2013 budget was discussed. The budget highlights memo prepared by Mrs. Volkening was reviewed by Mr. Ziemba. Sales tax is projected to decrease as 3 Vines remains closed, utility taxes remain flat, and state income tax has increased slightly. Court fines have decreased, but towing fines are increasing. The FC recommends the sale of two squad cars. Finney questioned the savings in reducing the fleet, which will be minimal. Overall, FY2013 revenues are estimated to increase about 1.4%, and the general fund should have a surplus of about \$875.

Possible cash receipts from the wetland mitigation bank were reviewed. There has been no response to a letter sent to John Ryan at Land and Water Resources. He claims the Village will "owe" money for the construction of the path through the wetland area. The Village should still see a substantial payment from the property "sold." Money should be added to the budget for weed control (\$750) every year and burning every two years.

There will no longer be an impact fees fund since the funds have been transferred to other accounts.

The five year capital improvement fund was reviewed. The purchase of a generator for power outages for the village hall, police department and public works must be added to the budget. The estimated cost is \$10,000. It has been estimated that there are about 40 dead ash trees on village property that will need to be removed. The estimated cost of \$30,000 can be spread over a few years though. Although there is \$40,000 budgeted for a cold storage building, this does not have to be done this year.

Although water shows a \$90,000 deficit next year, that is because of the transfer to reserves and because of depreciation. Trustee Tennis noted that our ending cash balance for this year and next year show the village \$20,000 below our minimum fund balance policy parameters, which were recommended by the auditors. Although we cannot change the 2012 figures, we should reduce the transfer reserve by \$25,000, to \$100,000, and we will meet the minimum fund balance requirements for the 2013 budget.

The water main improvements for the entire length of Beau Brummel will be completed this year. President Pickett was advised by the village attorney that the board does not have to go out to bid for the other 1/2 of the water main project and can use the vendor who had the low bid for the initial project with 2/3 approval of the board. Mrs. Volkening noted that we have received \$50,000 as partial payment for the \$200,000 grant that will show as cash received. Future water main improvement projects were briefly reviewed.

The sewer fund shows a deficit in the budget because of a \$50,000 transfer to reserves. The meters will be depreciated for 7 years, although they should last longer than that.

Mr. Tennis said the budget included a 10% increase in the BCBS health insurance, but the actual increases are 17-22%, depending on the plan. He does not believe the Village should be absorbing these premium increases and that the employee contribution to premiums should be increased. Mr. Tennis noted that with the village paying the premium increases, the employees are receiving a much larger "raise" than the 3% in the budget. He suggested we also change the next union contract to ensure that union employees also pay a higher contribution to premiums. There was general consensus that the village should start increasing the amount of employee contribution to health premiums, and continue to do so over the next few years. The average government employee premium contribution is 20-25%. Mr. Tennis said the average employee premium is increasing about \$250/month for the Village and suggested the employee contribution be increased by about \$50 this year. He suggested the 6 non-union employees pay about 20% of the premium increase. The union negotiations should include increased employee premium contributions based on the actual increases to the village, or flat increased percentages each year. Mr. Seiler suggested we could have employees contribute the premiums based on a percentage of their salary. Rough calculations will be prepared based on increased contributions by employees of about \$50 per month.

Mrs. Volkening noted the life and long term disability insurance must be approved at the next board meeting and is based on next year's salary schedule. The Board agreed that they anticipate passage of the proposed salary increases at the next meeting.

Mr. Tennis discussed the recent theft by the Dixon treasurer of millions from Dixon. He noted several things that contributed to allowing this to happen.

Finney moved with a second from Getz to adjourn the meeting at 8:43 p.m. Motion passed unanimously.

Respectfully submitted,



Norine Olson  
Village Clerk