Minutes of Budget Review Meeting #1 of the Village Board of Trustees
March 22, 2022, held at 31 S Main Street

Trustees Present:
Julie Domaratz, Mayor
Matthew Brown, Deputy Mayor
Tim Slisz
Emily Mischler
Mike Folino

Also, Present:
Bryan White, Village Manager
Megan A. Cook, Clerk-Treasurer
Paul Feely, Highway Superintendent
Matthew Hegarty, Superintendent of Electric
Plus 3 others

Mayor Domaratz opened the meeting at 6:13 pm. Attendance was taken by roll call.

2022-2023 Proposed Budget

Village Manager White informed the Board that they have had the opportunity to review the Proposed 2022-2023 Budget after the presentation on March 14, 2022. He informed the Board it is their decision whether they want to review each line item tonight or ask questions after their review.

The Board first reviewed the General Fund Revenues. The Board asked the following questions:

- Trustee Slisz confirmed his understanding that LiDestri is not under a PILOT agreement. Village Manager White stated that if they are not listed as a PILOT then they are full tax.

- Trustee Slisz asked how much longer Cable Franchises will continue (A1170). Village Manager White indicated that they are only with franchisees with agreements, but as people start cutting services and switching to other options such as Greenlight this will be reduced.

- Mayor Domaratz asked Village Manager White to give a high-level overview of the Revenues and Expenditures. Village Manager reviewed the following related to revenues:

    - Real Property Taxes – amount of revenue raised by taxes alone. The Levy in the proposed budget is staying the same.
    - Sales Tax – this is the next largest revenue stream. There is a 3% budget increase over projection. This is due to a rebounding market as well as the State reinstating AIM through State Funding rather than a distribution from Sales Tax. The Village was still conservative with the increase in Sales Tax, noting this current fiscal year experienced a significant increase and it is difficult to determine if this is due to inflation or if this is the new normal.
    - Workers Comp Refund – this has been eliminated from the operating budget. This is not a "revenue stream", it is a return of premiums paid based on experience. Over the last couple years there has been so much fluctuation with this refund. In this budget, Village Management has proposed to remove the $100,000 and instead invest any refund received each year into a Workers Comp reserve to fund future significant increases in premiums paid.
    - Mortgage Taxes – the Village saw a 100% increase in the current year due to the current housing market. The market is settling down, but the Village did feel that there needed to be an increase from $50,000 to $75,000 in the line item based on the sales prices of homes.
    - Interest – continues to be minimal and will stay that way throughout 2022 based on conversations with investment advisors.
    - Rental of Real Property – this continues to include the Cell Tower Revenue. There is one Sprint contract that is terminating 12/31/2022, but there will be a new contract with DISH this year.
    - Appropriated Fund Balance – this is back to the levels the Village used prior to COVID. However, the Village never appropriates more fund balance than the expected surplus for the year. Therefore, the balance of unassigned fund balanced is never eroded.
- Hearing no more questions from the Board, Village Manager White gave a high-level overview of the Expenditures:
    - The total budgeted appropriations are proposed to increase $91,623. However, even though the Village is spending more, there is no increase in taxes noting other revenue streams are funding the gap.
    - Public Works and Police continue to be the highest departments in the Village.
    - Health Insurance – We can expect a 10% increase in rates based on conversations with the

    - Village's Health Insurance Brokers. The group will be going out to bid this fall for the 2023 Calendar year.
    - Retirement – the rates for ERS decreased significantly and PFRS decreases slightly.
- Trustee Brown asked for explanation regarding the fluctuations in account A.5010.11 DPW Admin OT. Superintendent Feeley indicated this is related to Call-Ins for certain emergency situations. The prior years included higher anomalies.
- Trustee Brown asked for explanation regarding the fluctuations in A.1641.45. Village Manager White indicated there was an open purchase order from the prior year, carried over to the current year through a budget amendment causing the fluctuation. The proposed budget is comparable to past budgets exclusive of the carryover.
- Trustee Brown asked for detail regarding the purchases in A1680.2 IT equipment. Village Manager indicated that this line includes the normal computer replacements each year as well as iPad updates for the Fire departments and cameras for the underground garage and the junction.
- Trustee Brown inquired amount the slight decrease in A3120.4. Village Manager White indicated that the Vehicle Maintenance line was moved to the central fleet budget.
- Trustee Mischler asked if the Vehicle Fuel costs were sufficient given the current environment. Village Manager responded that there has been so much fluctuation that it is difficult to budget for it. However, the current budget can handle fluctuations.
- Trustee Brown asked Superintendent Feeley if the proposed budget was sufficient to meet the needs of his department. Superintendent Feeley responded the budget will meet the needs of his department, but he continues to struggle in the recruitment process.
- Trustee Mischler asked about the Sanitary Sewer Personnel line in the General Fund Budget A 8120.1. The increase is due to personnel increases.
- Trustee Slisz asked about the calculation under A.5010.1 for public restroom cleaning. Village Manager White indicated that it was calculated based on the number of days and holidays, weekend and average hourly rate needed to clean the new restroom. While the restroom won't be functional for the entire current fiscal year, the Village needed to build this cost into the operating budget. The budget is a place holder. The Village will adapt based on the actual need once the restroom is in operation.
- Trustee Slisz asked about the code revisions under A.8010.4. He asked if the is the normal updates to the code each year or the code re-write. Village Manager White indicated that this is the cost for the code re-write.
- Trustee Slisz asked about the effectiveness of Slurry Seal on the Village Roads. Village Manager White responded that it is a balancing act of maintaining these streets because some roads are not good candidates for Slurry Seal for long term maintenance, but it is the best option financially at the time to extend longevity. Additionally, Village Manager White indicated that the management team is trying to move to a model where streets are on a rotation to be repaired and the best method for the road (slurry seal. oil & stone, mill & fill).
- Trustee Sliz confirmed that the tipping fees under A.8160.4 is the amount above and beyond the compensation from Waste Management.
- The Board discussed the continued need for Ash Tree treatment and removals. The proposed budget continues to include funding for both.
- The Board discussed the Fire Department wish list that was presented, and Village Manager White confirmed that all the requests were included in either the operating budget or capital plan.
- The Board discussed the legislation that will be introduced at the April 11, 2022, Village Board meeting to reduce the taxes paid by volunteer firefighters.

Upcoming Meetings

- Budget Review Meeting #2 & Public Hearing: Thursday March 24, 2022, at 7 pm.
- Budget Review Meeting #3: Tuesday March 29, 2022, at 6 pm. ***(if required)***
- Regular Village Board Meeting and Proposed Budget Adoption: Monday April 11, 2022, at 6pm.

Adjourn

On the motion of Trustee Mischler seconded by Trustee Brown, it was unanimously resolved to adjourn the work session at 8:04 pm.

Respectfully submitted,

Mgn A Cook

Megan A. Cook
Clerk-Treasurer