

July 16, 2013

State of Illinois
County of Cook
Village of Stickney

A Special Session of the Board of Trustees of the Village of Stickney was called to order by Mayor Deborah Morelli on Tuesday, July 16, 2013 at 6:30 P.M. for the purpose of a Public Hearing in the Stickney Village Hall, 6533 W. Pershing Road, Stickney, Illinois.

Upon the roll call, the following Trustees were present:
Trustees De Lesche, Gomez, Lazansky, Savopoulos, Walik and White

The purpose of the Public Hearing was to present the "Proposed Annual General Appropriation for the Fiscal Year, beginning May 1, 2013 and ending April 30, 2014.

The Clerk read the official notice of the public hearing as published in the *Suburban Life* Publication on Wednesday, July 3, 2013.

The Clerk read the summary of the "Proposed Annual Budget and Appropriations Ordinance 2013-10 for the Fiscal Year, beginning May 1, 2013 and ending April 30, 2014.

COMMENTS FROM THE BOARD OF TRUSTEES: Trustee White questioned if everyone in this Village got a 3% raise this year? Treasurer Kasnicka replied that the police and public works contract received a 3% raise and everyone else was approximately 3% give or take rounding off. No one got a 10% raise. Trustee Walik asked what POLICE REVENUE SHARING is. Kasnicka said that this is a new fund proposed on the relationship based on the police officer that is going into the Drug Enforcement Agency. If any money comes back to the village, it will go into this fund rather than going into the 1505 account. Walik further asked about the figure that is being used. Kasnicka told him that it is purely an estimate. Walik questioned the BADGE Grant transfer to the general fund. And, continued to state that if the police or fire department doesn't use their grant funds, would you transfer them into the general fund. Kasnicka explained that this was not spent from many years ago and not returned. The \$1066, without any new grants in the future, it will be transferred to the general fund. Walik inquired about the tax levy. Kasnicka responded that with the general fund there is no increase, police pension is a slight increase to \$600,000. The police pension fund is funded in the mid 30% range. The state has extended the time in which to pay, but they have not reduced the liability. We were at \$590,213. It will not be until later this year that we will decide what to do about the tax levy.

Treasurer Kasnicka continued by stating that it is nice when we don't have to raise taxes, but by doing so the last four years there are things that have come up where we had to go to the cash reserves. We cannot keep doing that forever. Starting this year the board, as a whole, will have to decide what we are going to do. We can't keep going into our reserves. It could affect our bond rating. We need to have cash on hand to pay our bills. We took a hit this past year with real estate taxes being refunded to Hawthorne Race Course in particular. Trustee White wanted more information on that. Kasnicka elaborated by saying that it is actually for four different prior tax years. They were refunded this fiscal year. We carry on the books one year's worth of taxes, the prior year's taxes, and then all other prior years. When we add them up all together, there were a lot of refunds. Hawthorne was a major one. It was a total of four years. Trustee Savopoulos wanted to know how this will affect our budget and if we do have to pay it back, tell me where and how. Kasnicka said that it will bring our cash balance in the general fund way down. About 70% will stay in the general fund. The other 30% will go into the bond and interest fund. He continued to say, in the general fund one possible solution is to take the hit, but we will have less money in the general fund and we will have to make some changes to bring our cash balance up. Savopoulos questioned if we would have to raise taxes. Kasnicka said that it is something that will have to be discussed. Kasnicka addressed the bond and interest fund, right now when we go to make our payment on December 1st we are going to be short. We will have to do an inter-fund loan from the general fund and because the amounts for the bond and interest fund are fixed, but they add a reserve amount. So, Cook County tax extension division is advising him to do a resolution to increase the resolution to recap the amounts. Kasnicka explained that the bond and interest fund is \$90,000 to \$100,000 short. It is going to have to be addressed with a temporary loan and also increase the reserves so we have enough money. If we don't do it, we default. I will not have enough money to pay the bonds. I do not want to default. We will discuss this in the fall.

It was asked how much we have lost. Kasnicka said we lost in excess of \$300,000 with this property tax appeal. He was asked if this is still going on. The treasurer said that only Hawthorne is with the Property Tax Appeal Board. Hawthorne did two years 2003 and 2004 and skipped one year, and did two following years 2006 and 2007. There is still 2008, 2009, 2010 and 2011. We are only sent a notice if a taxpayer is requesting a reduction in their assessment that is 100,000 or more. Some companies do this every year.

No questions were asked by Trustees Lazansky or Gomez because they had previously gone over the budget with the treasurer.

Trustee De Leshe remarked on the confusion over some of the "part-time salaries" and the different groups it comes out of. The way some of

the budget process is handled. He recommended that the board is included more. He would like the department heads to address the board and explain their budget process for us so we would know what their needs are of our public works, fire or police. All he had was the ability to see what was budgeted last year and this year. He doesn't know if there is a five-year plan of things that are out there. He wants us all to be on the same page. Maybe we should start earlier in the process where department heads talk to the entire board and lay out their budget. Other communities do this. This way we are all on the same page with a better understanding. And, if people ask questions we are able to answer them without hesitation. Treasurer Kasnicka responded, "Ok, It will be taken under consideration." He said that it has been done in a similar manner for many, many years. We have to be open to new ways. We sometimes have to make changes in the budget. Maybe next year we can see what we can do. Trustee De Leshe remarked that the village has done an outstanding job with transparency. . . especially this last year. He would like to continue with this. He wants to keep that going with making this more transparent. Trustee White interjected that he requested that he be involved with this particular budget. He was told by Kasnicka that he would probably not be allowed to sit in. White asked what days they were going to be scheduled because he would like to be involved. So, he said, the day it was going to be scheduled, everybody knew what day's he was to go on vacation, and the meetings were changed to when he was gone. In addition, Trustee White said, that it would be much easier to explain all of this, which could be overwhelming to anyone, if you are involved in this as you go along. Trustee Lazansky now spoke out that years ago the prior president would not let him sit in on the budget meetings. Trustee White asked if he spoke up. Trustee Lazansky said he did. Trustee Lazansky agreed that down the road it is something that we can look into.

Trustee Walik asked where item 17.10 is at on the budget. This is the family day account. Treasurer Kasnicka explained that we use a sequence of numbers and we don't use it, it drops off. There were numerous statements made on this subject. He went on to say that we are not proposing to transfer any amount from the general fund into family day. We have \$35,000 in the Family Day Fund right now. Trustee Walik then asked Trustee Lazansky what Mr. Kasnicka's raise was? It was 8%. Trustee Lazansky stated that in that 8% he deserves every penny. Treasurer Kasnicka told them that his raise was 3%. He explained that it was rounded up to the next thousand. If you figured it out from just the general fund you may have gotten that number.

Trustee Savopoulos questioned the reduction in 9.5 of the disposal services from \$90,000 to \$60,000. Could you explain this? Kasnicka said that this fund hasn't been used in all the time I could remember. So we reduced it. Savopoulos asked why is it there? The treasurer

told him that they had gone on strike and we had to find a place to pay for our fees. It is there as a contingency.

There being no further business, Trustee Lazansky moved, duly seconded by Trustee Gomez, that the meeting be adjourned. Upon which, said Board of Trustees adopted the motion unanimously at 7:00 p.m. and Mayor Morelli declared the motion carried and the meeting adjourned.

Respectfully submitted,

Audrey McAdams
Village Clerk

Approved by me, this 6th day of August, 2013.

Deborah Morelli, Mayor