

**Work Session to Discuss and Develop Draft FY 2011 Budget and Tax Rate  
March 30, 2010  
Village Office**

**Present:**

**Council Members:** Richard Krajeck, Noell Sottile, Mike Zielinski, Chris Mueller  
**Village Manager** Jean Sperling.

The meeting was called to order at 7:30 pm. The work session was scheduled so that the Council could continue its work on the development of the FY 2011 Budget that was begun at the March 18, 2010 Council meeting.

As discussed at the Council meeting, examination of projected revenues for the current and future fiscal year revealed that anticipated FY 2010 revenues were significantly lower than expected, with income tax revenues \$150,000 less than a previously reduced estimate. The almost complete elimination of Highway User revenues adds significant damage to the financial picture. Other revenue sources are also significantly lower, such as interest and permitting fees.

The Council and Manager worked through a draft budget document to examine current year spending to date and identify areas where spending might be reduced by service reductions and general belt tightening. Even with numerous austerity measures and the postponement of capital improvement projects the budget will still need to rely on almost \$300,000 in reserve draw-downs to balance the current year budget.

Opportunities to reduce services included the reduction of the costs for leaf bags, elimination of snow shoveling services except for Brookville Road, reduced social events, reduced street cleanings, lower general street maintenance and lower spending for tree care and maintenance.

After the development of a projected current year spending plan, potential costs were projected for next year's budget (FY 2011). After carefully examining the numbers the Council felt that the reserves should be left for emergencies only, and that the FY 2011 budget should be fully funded and balanced with operating revenues. In order to accomplish that it was determined that the real property tax rate should be increased to 4¢ per \$100. Personal property rates are currently set at 50¢; it was decided that rate would remain unchanged. The amount of additional revenue generated by a higher real property tax rate would be sufficient to balance the budget, allowing for no Capital improvements.

The Council agreed that this information would be prepared and presented to the Community at a special meeting where public comment would be taken, prior to the next full Council meeting.

Councilmember Sottile made a motion to adjourn the work session. Council member Mueller seconded the motion. All voted in favor. The meeting adjourned at 10:35 pm.