

Minutes, 11/29/2011 Meeting

1. Adoption of 11/3 minutes. The reference in the draft minutes of the Nov 3 meeting to committee roles vis-a-vis personnel compensation was modified to indicate that "the Budget Committee will provide data applicable to an appropriate cost of living adjustment for Village staff and the estimated cost of step increases. Over the coming year the Personnel Commission will be looking at Village pay schedules and compensation policies." With this modification, the draft minutes were approved.

2. Income tax and safe speed data. The staff estimate that the Village should receive approximately \$1,920,000 as its income tax allocation during FY 2012 was endorsed with the caveat that the actual amount may well vary by some \$40 thousand.plus or minus.

The Committee also endorsed using reported 2010 taxable incomes as the best gauge of what taxable incomes may be in 2011 and the consequent \$1,840,000 estimate of FY 2013 Village allocation - with the caveat that this figure is essentially unknowable and may be several hundred thousand more or less (some members thinking probably a bit more; others, probably less.)

The Safe Speed citation and payment experience, the costs of administering the program, contract arrangements with ACS, the practices of other jurisdictions deploying cameras, and strategies for reducing costs should the program be terminated or citation issuances fall off were all discussed, but any committee conclusions deferred until data recently received from ACS can be digested and brought back to the Committee.

3. Guidance re initial 2013 budget preparation. The table at page 9 of the agenda package was reviewed. Having in mind the relatively more favorable outlook for Village finances which increased revenues together with significant cost reduction, the committee tentatively concluded that its recommendations relating to the initial preparation of the FY 2013 budget would be:

- the overall goal is to continue efforts to assure efficient and effective Village processes and services.
- the budget should assume present staffing and cost reduction measures will be continued. The Board, along with its various advisory committees, will be continuing its review of selective issues and may in its February Work Sessions be instructing the Village manager to adjust this initial budget draft.
- although the overall assumption will be a "no inflation" environment, an appropriate cost-of-living adjustment should be budgeted for staff salaries and a 5% cost increase recognized in health benefit and utility costs.
- In the initial draft budget, real property tax revenues will be entered at the constant yield level and Income taxes at the \$1,840K level noted above. Other revenue lines will be based on 2012 experience, subject to adjustment to reflect any known change factors.
- the data shown in the table will be used as the "current year, current estimate" amounts.

A spread sheet showing FY 2011 actual, FY 2012 initial/amended budget and current estimate, and FY 2013 proposed will be prepared in the full level of detail established in the 2012 approved budget. Individual sheets showing each of these data will also be provided along with a summary along the lines of the present page 9 table.

4. Estimates beyond 2013. A pro forma projection along the lines of that distributed to the committee can, if desired, also be provided but emphasis is more appropriately focused on the variety of uncertainties the Village faces, the scale of their potential impact, and the Village's capacity to effect any adjustments which might be necessitated by adverse developments. If desired, the spread sheet reflecting the 2012 adopted budget format can also be extended out into these future years - though with the caveat that the more details one undertakes to specify, the less confidence one can have in the detail.