

Finance Committee
January 13, 2016
Minutes

Meeting was called to order at 5:06pm.

Roll Call was taken

Present:

Chairman Michael Armato
Committeeperson Jan Kraus
Committeeperson Mike Reid
Village President Jeffery Magnussen
Finance Director Lori Lyons

Absent: None

A quorum was established

Public Comments: None

The minutes of the April 15, 2015 meeting were reviewed. Committeeperson Kraus made a motion to approve the minutes as is. Committeeperson Reid seconded the motion. Hearing no further discussion a voice vote was called. Ayes 3, Neys 0. The motion passed.

Chairman Armato had questions as to the past proceedings in creating the budget. Upon understanding the past proceedings, Armato suggested a slightly different approach for having the department heads list their line items. Past procedure was to list the line item dollars at the level that they would like to have available. Then, if the line item dollars were in excess of anticipated revenues, items would be struck from the budget. Armato suggested that each department head would list the line item dollar amount that they felt was necessary to function for the upcoming year. They then would create a priority list of additional dollars that they felt would improve their ability to function more efficiently and provide better service for the Village. Then the cost of the necessities would be compared to the projected revenues. If there were excess revenues, a determination as to which of the additional expenses, if any, would be added to the budget. I believe that it is important to know what is needed for the Village to function. I believe that the past procedure encourages the Village to spend all available revenues.

President Magnussen expressed his opinion that the past procedure has worked well and he didn't see any reason to alter that procedure. After some further discussion by the committee, it was decided, at this time, to follow the current procedure.

Chairman Armato then asked Director Lyons what would be the date that she would have all necessary information available to enable each department head to start preparing their budgets. Director Lyons stated that the department heads were already working on their budgets. She said that all information would be ready by February 15th. It was then decided that Director Lyons would set forth the timeline for the completion of the budgetary process. It is anticipated that the next meeting of the Finance Committee will occur on April 5, 2016.

The discussion then turned towards not only the need to continue to find ways to trim expenses but explore possible ways to increase revenues. A couple of ideas were increasing the motor fuel tax, increasing the sales tax and increasing the real estate tax. It was decided that an increase in the real estate tax was off of the table. We would, however, look into the possibility and what the procedure would be to adjust the motor fuel and sales taxes. Director Lyons suggested that we might consider adding a referendum to the 2016 election process that would provide a mechanism to raise funds for the police pension fund. She said that she would research the process. It was then decided that this discussion might better be continued at the February meeting of the Economic Development Committee.

Chairman Armato then began a discussion about the subject of Salaried and Hourly pay rates. The question came up as to whether certain Pay Rates might need to be adjusted irrespective of the annual 3% yearly increases. President Magnussen said that he would have Village Clerk Linda Vasquez survey the surrounding communities to determine the market rate of pay for similar Village positions.

Chairman Armato then handed out a list of employee related topics that are to be reviewed and discussed as time permits. Armato also handed out a copy of the "Village of Hampshire Personnel Policies" adopted January, 2001 and a working copy of the new "Village of Hampshire Employee Handbook" that Director Lyons has partially prepared. It was noted that a new handbook is long overdue. Armato stated that the new handbook will be completed and presented, by the summer of 2016, to the Village Trustees, for their consideration.

Having no other items to discuss, Chairman Armato said that he would entertain a motion to adjourn. Committeeperson Reid made a motion to adjourn, seconded by Committeeperson Kraus. A voice vote called. Ayes 3, Neys 0. The motion passed. Meeting was adjourned at 6:35pm.