

VILLAGE OF ALSIP  
MINUTES OF  
BOARD OF TRUSTEES  
PUBLIC HEARING  
BUDGET & APPROPRIATION MEETING  
July 25, 2011

Mayor Kitching called the meeting to order at 7:00 p.m. Clerk Venhuizen called the roll with the following in attendance: Trustees Shapiro, McGreal, Daddona, Dalzell, Ryan and Mayor Kitching. Absent: Trustee Quinn.

Mayor Kitching reported all legal requirements have been met for this Public Hearing and called on Greg Palumbo, Finance Director for a report.

Greg Palumbo, Finance Director, presented the following report:  
Transmitted, herewith, for Board consideration are the proposed Annual Appropriation Ordinance and the Ordinance approving the estimate of revenues for the Fiscal Year beginning May 1, 2011 and ending April 30, 2012.

The Village of Alsip operates under the appropriation ordinance as outlined in the current Revised Illinois Compiled Statutes. The act requires the Board to adopt these ordinances no later than the first quarter of the applicable fiscal year to which it applies.

Adopting and monitoring these appropriations, to ensure the financial stability of the Village, is one of the major functions of the Board. This process affords the Board the opportunity to balance the needs of the community against available resources. The appropriation ordinance does not constitute a mandate to spend; but rather the authority to do so.

The appropriation ordinance and estimate of revenues proposed for the General Fund for fiscal year 2012, which began on May 1 2011, are extremely conservative and include only essential expenditures needed to maintain current services. The budget calls for no new positions and no new equipment.

The Village updates its pavement management program annually to deal with an aging infrastructure. This multi year program establishes guidelines, with the Board's approval, for street maintenance and repair. In August 2009 the Board approved the issuance of \$3,500,000 in Build America Bonds for roadway improvements. This appropriation ordinance includes the final projects of a three year program which addresses both commercial and residential streets. The program for Fiscal Year 2012 includes the resurfacing of 128<sup>th</sup> Place, and various other streets. It is anticipated that this program will have a significant impact on the roadways currently rated as inferior and poor. Gas Tax dollars have been allocated to this program, however, Motor Fuel Tax dollars remains the predominant funding source of the pavement management program. In 2010 the State approved a capital spending bill however funding for this program has not been designated by the legislature. Last year additional Motor Fuel Tax revenue was allocated to municipalities and it is anticipated that the same amount of additional funding, approximately \$85,000, will be received this year. This funding would be available for infrastructure improvements for the Village.

In the area of economic development, it is anticipated that the Planned Unit Development, approved for the 123<sup>rd</sup> Place and Cicero TIF District, will begin demolition and infrastructure improvements. This development, which includes commercial space, a new hotel and restaurant facilities, is projected to be completed in two phases. Phase I, which includes 20,000 square feet of commercial space and several restaurant sites, is anticipated to be completed during fiscal year 2012. In Fiscal Year 2011, the Pulaski Road Corridor TIF Redevelopment Plan and Project was established. As noted in the plan the primary goals of this program are to provide for the implementation of economic development and redevelopment strategies that benefit the Village and its residents, protect the character and stability of the commercial areas by creating new jobs and retaining existing jobs for Village and area residents and to strengthen the property tax base of the Village and overlapping tax districts. It is anticipated that certain public improvements, street lighting and plazas, would begin in fiscal year 2012.

In the area of community amenities and enhancements, the 2011/2012 appropriation ordinance allocates resources for clean-up and improvements throughout the community. Also included in the 2011/2012 appropriation are resources for the National Night Out.

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70 Additionally, the Village is a member of a multi-jurisdictional project to enhance the Cicero  
71 Avenue Corridor from 127<sup>th</sup> Street to Midway Airport. This study, which will be completed in 12  
72 to 18 months, will address transportation planning, land use planning, economic development  
73 options and streetscape improvements to enhance this corridor.

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75 In March, 2007, the Board approved the issuance of water and sewer system improvement  
76 bonds. This will be the final year of that three year program designed to upgrade the Village's  
77 system. To date the painting of the West water tower, including structural repairs, replacement of  
78 some existing water mains, new lift station, new underground line to serve Crestwood and Palos  
79 Heights, repairs to the underground storage tank and installation of new water mains, and the  
80 replacement of certain existing water mains has been completed or are substantially complete.  
81 Projects expected to be accomplished this year include continued upgrades of the system, which  
82 includes the installation of new water mains, and the replacement of certain existing water mains.  
83 The Village was also approved for a low interest loan from the IEPA for the construction of a  
84 new pump station to include upgraded equipment. This new facility will allow the water  
85 department to better serve the residents.

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87 The Senior Housing appropriation continues the projects approved as part of the \$3,500,000 in  
88 Build America Bonds issued for capital improvements. Those include new roofs, new boilers,  
89 new generators, new patio doors, a new pool and parking lot improvements. The corresponding  
90 debt will be retired through current rents.

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92 On the revenue side this budget reflects modest increases in sales tax, real estate replacement tax,  
93 State income tax, State local use tax, building permits and real estate transfer tax receipts. These  
94 projections are based on a slight improvement to the overall economy and the anticipated  
95 development of the 123<sup>rd</sup> and Cicero TIF. It is worth noting that while slight increases are  
96 budgeted in some line items, total revenues received from the State, which represents 43% of  
97 general fund revenues; correspond to FY 2007 funding levels and current Village reserves are  
98 being used to balance the FY 2012 budget.

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100 The combined funds have budgeted revenues of \$35,012,014, which represents a 2.0% increase  
101 over 2010/2011, and budgeted expenditures of \$35,872,943, which represents a 5.1% increase  
102 over 2010/2011.

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104 The appropriation ordinance and projection of revenues serves two purposes: one, as a planning  
105 tool and also as an instrument of control over expenditures. Control is exerted through an on-line  
106 accounting system. Finance reports, which compare actual performance with budgeted  
107 appropriations, are examined monthly.

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109 The 2011/2012 appropriations and revenues plans for a 3.2% increase in Corporate Fund  
110 revenues. The Corporate Fund reflects a 3.5% increase in expenses. Revenue and expenditures  
111 are budgeted at \$16,371,969.

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113 Again, the appropriations and revenues are designed to provide the resources necessary for the  
114 Board to achieve its goals so that programs can be provided to meet the needs of the community.  
115 The 2011/2012 appropriations and revenues currently do not anticipate any cuts in existing  
116 programs. However, we anticipate continued attempts by the State to reduce allocations to  
117 municipalities as they try to get their house in order. Should there be any reductions in current  
118 State funding this will almost certainly require cuts to existing programs.

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120 Budgeting during the current economic climate remains demanding. All of the issues affecting  
121 our budgets of the last few years, a sluggish economy, uncertainty related to the State of Illinois  
122 budget, high unemployment and a continued housing slump are prevalent today with no  
123 meaningful change in sight. Balancing the needs of the community with the current available  
124 resources will continue to be challenging. Those challenges will need to be addressed  
125 cooperatively and creatively with input from all stakeholders.

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131 Public Hearing  
132 Annual Appropriation Ordinance/Estimate of Revenues  
133 July 25, 2011

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136 I would like to thank the employees of the Village of Alsip for their cooperation and dedication. I  
137 would especially like to thank the Department Heads for their efforts during these unprecedented  
138 times and for the exemplary services they and their staff continue to provide to the residents of  
139 Alsip. Thanks to the Finance Committee and the Board for their input and assistance.

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141 In conclusion, I am pleased to transmit to the Mayor and the Trustees the 2011/2012  
142 Appropriation Ordinance and Estimate of Revenues for the Village of Alsip.

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144 Trustee Shapiro thanked Greg Palumbo, Finance Director and Department Heads for their  
145 assistance.

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147 Mayor Kitching asked for input or questions from the public; there were none.

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149 Motion by Trustee McGreal to adjourn; seconded by Trustee Shapiro. Motion carried.

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152 Respectfully submitted,

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157 Deborah Venhuizen  
158 Village Clerk, Alsip, Illinois

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