

Hillsboro City Council Budget Hearing
July 14, 2009

Mayor Pro-tem Geoff Trost called the budget hearing to order at 6:45 pm.

Roll call was taken and those present were Commissioners Trost, Hill, McCammack and Sherer. Mayor Baran was absent for medical reasons.

The "Pledge of Allegiance" was recited.

Commissioner Trost announced the proposed budget appropriation would be in the amount of \$9,743,488.00. The general fund budget would be better than in years past due to early retirements, insurance rates and energy purchases. Commissioner Trost stated he felt very comfortable with this year's budget numbers.

Commissioner Trost recognized Richard Small who had a few questions concerning the proposed budget. Mr. Small asked what percentage of the past fiscal year '09 budget was left. Commissioner Trost responded that general fund expenses were 1% under budget.

Mr. Small next addressed the fact that the appropriation amount is 25% above the budgeted amount and asked how much of the appropriated amount do the City annually collects.

Commissioner Trost responded that the appropriation was mostly there for expenditures to keep from having to have a special budget ordinance if expenses are exceeded.

Mr. Small next asked what percent of the current budget was allowed for wage benefits and if that is a contractually negotiated item.

Commissioner Trost responded that these are primarily contracted items with increases ranging nearly 4 percent.

Mr. Small next asked how the City would cope with State or Federal grant funds that may not be received such as the \$170,000 owed by the State of Illinois.

Commissioner Trost informed everyone that the \$170,000 owed by the State was for water and sewer and we would eventually receive that money.

Next, Mr. Small asked about the EPA grants that could be cancelled such as the one for cleanup of the Eagle Zinc site.

Commissioner Trost stated he thought that was built into the current or next State and Federal budgets, but either way the City would not be affected by these as we have no financial obligations.

Mr. Small next asked Commissioner Trost how much money he expected to save by switching health insurance programs.

Commissioner Trost stated he kept the health insurance budget the same, to build up the City's portion of the fund. The real savings will show up in next year's budget.

Mr. Small asked if getting the property tax bills out on time this year would help the City budget.

Commissioner Trost responded stating this would help, but reminded everyone that this money has to last until the end of the fiscal year.

Mr. Small next stated the City might look at a program that could show you the percentages of budget line items used or unencumbered.

Commissioner Trost stated that our current program does this and these reports are available monthly.

Another question from the audience was if training for the Chief of Police was included in the new budget.

Commissioner Trost stated there was money budgeted for training as there was in past years.

With no further questions Commissioner Trost asked for a motion to adjourn.

Motion was made by Commissioner Hill and seconded by Commissioner Sherer to adjourn the budget hearing at 6:55 pm. Motion carried 4-0.

Respectfully Submitted,
Dave Booher, City Clerk