

**VILLAGE OF CHERRY VALLEY, IL  
“SPECIAL” FINANCE COMMITTEE MINUTES  
APRIL 11, 2013**

**Chairman Gary Maitland called the meeting to order 7:17 PM.** A Roll Call was taken.

Stephen Appell	ABSENT
JoAnn Hudson	PRESENT
Gary Maitland	PRESENT

Also present: Village President Jim Claeysen, Chief of Police Todd Houde, Village Administrator David Nord, Village Treasurer Karen Melloch, Village Trustees Sally Hollembeak, Scott Kramer and David Schroeder, Director of Public Works Chuck Freeman and Village Clerk Dana Ward.

**ADOPT THE AGENDA:** Gary Maitland moved to adopt the amended Agenda with a correction under New Business: Number 8 should be item 7. JoAnn Hudson seconded. All “Aye”; none opposed. Motion carried by majority vote.

**APPROVE THE MINUTES:** Gary Maitland entertained a motion to approve the Minutes for March 12, 2013. JoAnn Hudson seconded. All “Aye”; none opposed. Motioned carried by majority vote.

**TREASURER’S REPORT:** Karen Melloch draws the attention of the Committee to a print out with an overview of the current estimates for the current fiscal year. The good news is that Revenues are still coming in over budget estimates. Expenses will be down by approximately \$350,000 and the estimated cash balance is projected to be close to \$400,000. Ms. Melloch will be back later to discuss the transfer budget. Chairman Maitland noted that later there will be a review of the 2013-2104 budget.

**PUBLIC COMMENT:** None.

**UNFINISHED BUSINESS:**

1. Proposed 457 Plan for Employees. Brandon Erbe from IPPFA is here to answer any questions from the Committee regarding the secondary 457 Plan for employees. The plan has the ability for employees to take a loan from this plan. David Schroeder asked how the village takes repayment of loans. This can be set up through payroll deductions. IPPFA can work with the employee directly through ACH withdrawals as an option for repayment of the loan. Gary Maitland asked what the cost would be to the Village for set up of this plan or to administer this plan. Mr. Erbe stated that there is no cost to the Village. Again, IPPFA can work with the employee directly. Money can be held in multiple plans but employees can only contribute to one plan at a time. The Village could think about how often they will allow changes to contributions. President Jim E. Claeysen reiterated that if the Board chooses to go with an alternate 457 plan, this contract would spell out a time period for enrollment,

**VILLAGE OF CHERRY VALLEY, IL**  
**“SPECIAL” FINANCE COMMITTEE MINUTES**  
**APRIL 11, 2013**

**UNFINISHED BUSINESS:** (Continued).

on a yearly basis, to go from one plan to the other, and that it would also spell out in this contract that any loan activity would be exclusively done between the employee and the 457 plan holder. The Village would not be involved with repayment of loans. Chairman Maitland noted that Mr. Erbe is a full time Cherry Valley Firefighter and is working with the Fire Department as their 457 Plan representative. He lives in Cherry Valley and can be available to meet with employees on short notice. Gary Maitland motioned to send to the Village Board 4/16/13 a request to allow IPPFA benefits to establish a second 457 Plan for Village employees with the understanding that Village employees can only contribute to one plan in a calendar year, and that employees will be given a two month window to decide if they want to switch from Nationwide to IPPFA, and the Village will not participate in repayment of loans, pending legal review by the Village Attorney of said contract. A Resolution will be prepared by the Attorney. JoAnn Hudson seconded. All “Aye”; none opposed. Motion carried by majority vote.

**NEW BUSINESS:**

1. Gary Maitland asked that all Members review the bills.
2. Gary Maitland moved to pay the bills in the amount of \$146,143.02 and forward to the Village Board 4/16/13 for payment. JoAnn Hudson seconded. All “Aye”; none opposed. Motion carried by majority vote.
3. Budget Calendar.
  - A. Public Budget Hearing. Chairman Maitland noted the first reading has been completed. The Capital Improvement Plan has been prepared and is going to Ordinance next week for second and final reading.
  - B. Budget First Reading. Gary Maitland stated that the First reading has been done.
  - C. Capital Improvement Ordinance: The Capital Improvement Ordinance has been prepared and is going to the Ordinance Committee meeting next week for second and final reading. (Version 4 attachment, 2011-2016).
  - D. Review of Tentative Budget. We will be doing this shortly.
  - E. Pass and approve the Annual Budget & Capital Improvements Ordinance. These are on the schedule next week.
  - F. Close Out Books to Prepare for Audit. Karen Melloch will be doing that when all final bills are paid.
  - G. Set Up New Budget. Karen Melloch is preparing this at this time.
4. Review of Fiscal Year 2013-2014 Budget. President Jim E. Claeysen asked that the Trustees review the cover sheet of the estimated revenues (\$4,208,340 million) and estimated expenditures (\$4,206,385) which includes the contribution request of the Police Pension Fund (\$443,000) and also the anticipate reduction of the state income tax (\$60,000) discussed in Finance last month.

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VILLAGE OF CHERRY VALLEY, IL  
"SPECIAL" FINANCE COMMITTEE MINUTES  
APRIL 11, 2013

**NEW BUSINESS:** (Continued).

The Police Department Budget is reviewed. Chief Houde presents his information via power point display. Each line item is discussed. Each category/object class is discussed at length. The Committee asked questions and adjustments were made as necessary. The Committee discussed the Citizen Alert system. President Jim E. Claeysen commented on the CALEA rating. The benefit is that there are a second set of eyes looking at what law enforcement is doing in regard to their procedures meet current laws. Secondly, when applications are made for equipment, you move to the top spot as a CALEA recognized agency. Gary Maitland also noted that having as good CALEA rating decreases IRM premiums. Much more discussion ensued. JoAnn Hudson noted that expenses are up approximately 25% over the 2011-2012 budget largely due to the Police Pension plan and wages. Sally Hollembeak also noted that expenses were up due to negotiations. Chairman Maitland asked the Committee to move on and the salaries will be discussed later in Executive Session.

The Administration Budget is reviewed. Village Administrator David Nord presented his budget. Again, the Committee looks at all Line Items and the major concern is wages. Insurance claim history is way up this year. The Administration Budget is in good order.

The Public Works Budget is reviewed. Public Works Director Chuck Freeman presents is information via power point display. Each line item is discussed. Each category/object class is discussed. The Committee asked questions and adjustments were made. Also, details of the fire were discussed in relation to this budget. Storage of equipment is an issue and will be resolved soon. President Jim E. Claeysen agreed with Trustee Hudson dropping the Baumann Park drainage project at this time to save money. President Claeysen agreed and also recommended the skid steer to \$40,000. Scott Kramer asked questions regarding rental of equipment. JoAnn Hudson questioned the Streetscape. Mr. Freeman said that there are deteriorating sidewalks. Scott Kramer noted the trees are getting too big and feels that the plan for this project stay in the budget. David Schroeder feels it is necessary to leave this in the Budget. Gary Maitland asked for a Consensus of the Committee and this is left in the Budget. There are adjustments made to the satisfaction of the Committee. JoAnn Hudson would like the Public Works department to consider a stop sign at Rolling Hedge and Trainer Road. Mr. Freeman said that would be under 5415 - Traffic control. President Claeysen noted that MFT money is

**VILLAGE OF CHERRY VALLEY, IL**  
**“SPECIAL” FINANCE COMMITTEE MINUTES**  
**APRIL 11, 2012**

**UNFINISHED BUSINESS:** (Continued).

slated for the Bell School Road project. Many suggestions and changes are made to this budget. Ms. Melloch presented information regarding this Ordinance to the satisfaction of the Committee. Also, Ms. Melloch stated that there is \$8,000 of SSA money available which Attorney Jim Stevens recommends using as payment to C.E.S. for the Regional Detention project. Chairman Maitland asked that the department heads check all their social security calculations and pension calculations for accuracy.

5. Village Clerk Attendance to NIMCA meeting in Sterling, IL. Gary Maitland motioned to send to the Village Board 4/16/13 an approval for the Village Clerk, Dana Ward, to attend the NIMCA meeting in Sterling, IL on April 24, 2013, at a cost not to exceed \$100, Line Item 5195. JoAnn Hudson seconded. All “Aye”; none opposed. Motion carried by majority vote.
  
6. Ordinance to Amend the Fiscal Year 2012-2013 Budget. President Jim E. Claeysen stated that this is the Transfer Ordinance. Karen Melloch presented the Committee with a copy of the Ordinance. She also submitted an updated page 18 and asked the members to replace this in their packet. There have been changes made due to the Fire and Water Fund issues. There was a reimbursement for water that came in. Transfers show on page nine, where the Village paid off a water bond early. Gary Maitland motioned to send the Amended Budget Ordinance for Fiscal Year 2012-2013, as submitted by the Village Treasurer, to the Ordinance Committee 4/16/13. JoAnn Hudson seconded. All “Aye”; none opposed. Motion carried by majority vote.

Chairman Gary Maitland moved to adjourn at 9:54 for Closed Executive Session under:

**CLOSED SESSION:** under 5ILCS 120/2(c)(2)–(COLLECTIVE BARGAINING). Collective negotiating matters between the public body and its employees or their representatives, or deliberations concerning salary schedules for one or more classes of employees. (Administration and Police Salaries). JoAnn Hudson seconded. A Roll Call was taken:

Stephen Appell	ABSENT
JoAnn Hudson	AYE
Gary Maitland	AYE

Chairman Gary Maitland reconvened the “Special” Finance Meeting at 11:22PM. A Roll Call was taken:

Stephen Appell	ABSENT
JoAnn Hudson	PRESENT
Gary Maitland	PRESENT

**VILLAGE OF CHERRY VALLEY, IL  
“SPECIAL” FINANCE COMMITTEE MINUTES  
APRIL 11, 2013**

**NEW BUSINESS:** (Continued).

7. Send FY 2013-2014 Budget to the Village Board. Gary Maitland motioned to approve and send to the Ordinance Committee and the Village Board 4/16/13 the request to adopt the Fiscal Year 2013-2014 Budget. JoAnn Hudson seconded. All “Aye”; none opposed. Motion carried by majority vote.

**PRESIDENT’S REPORT:** No report.

**ADMINISTRATOR’S REPORT:** No report.

**ADJOURNMENT:** Gary Maitland moved to adjournment at 11:29PM. JoAnn Hudson seconded. All “aye”; none opposed. Motion carried by majority vote.

Recorded by Village Clerk Dana Ward.  
Chairman Gary Maitland approved the Minutes on April 12, 2013.

**AGENDA  
VILLAGE OF CHERRY VALLEY, IL  
“SPECIAL” FINANCE COMMITTEE MEETING  
THURSDAY APRIL 11, 2013  
TIME: 7:00 P.M.**

**CHAIRMAN:** GARY MAITLAND  
**MEMBERS:** STEPHEN APPELL  
JOANN HUDSON

**ADOPT THE AGENDA:**

**APPROVE THE MINUTES:** March 12, 2013.

**TREASURER’S REPORT:** Monthly Report by Treasurer Karen Melloch.

**PUBLIC COMMENT:**

**UNFINISHED BUSINESS:**

1. Secondary 457 Plan for Employees.

**NEW BUSINESS:**

1. Review Bills.
2. Authorize Bills for Payment.
3. Budget Calendar.
  - a. Public Budget Hearing.
  - b. Budget First Reading.
  - c. Capital Improvement Ordinance.
  - d. Review Tentative Budget.
  - e. Pass and Approve the Annual Budget & Capital Improvement Ordinance.
  - f. Close Out Books to Prepare for Audit.
  - g. Set Up New Budget.
4. Review of FY2013-2014 Budget.
5. Village Clerk Attendance at NIMCA Meeting in Sterling, IL.
6. Ordinance to Amend the FY2012-2013 Budget.

**CLOSED SESSION:** under 5ILCS 120/2(c)(2)–(COLLECTIVE BARGAINING). Collective negotiating matters between the public body and its employees or their representatives, or deliberations concerning salary schedules for one or more classes of employees. (Administration and Police Salaries).

**NEW BUSINESS: (CONTINUED)**

8. Send FY2013-2014 Budget to Village Board.

**PRESIDENTS REPORT:**

**ADMINISTRATOR’S REPORT:**

**CHAIRMAN’S REPORT:**

**ADJOURNMENT**

GLM 4/8/2013