

MINUTES – Alfred Village Board of Trustees Budget Meeting

February 17, 2011

Members Present: Mayor Clark; Trustees Bowden, Dosch, Prophet, Rasmussen (left 7:04);
Clerk-Treasurer Koegel

Guests Present: Tim O’Grady

1. Meeting Opening – Mayor Clark called the meeting to order at 5:45 P.M. in the Village Hall.
2. Tentative Budget – Clerk-Treasurer Koegel presented the Tentative 2011-12 Budget to the Board.
3. Opening Notes – Clerk-Treasurer Koegel reviewed the following statistics:
 - a. Assessed Value decreased by \$1.2 million, primarily due to an inflated figure in 2010 because of an exemption omission. This caused our tax rate to be lower last year than it would have otherwise been, something that we have to doubly make up for this year.
 - b. The Tax Levy will have to include an additional non-current tax amount of \$17,450 to repay the county for the 2010 reduction in collectible taxes after our tax levy was filed (due to this exemption omission).
 - c. State Aid was cut 2%
 - d. Retirement Costs increased 33%, only 25% of which can be amortized.
4. Discussion By Fund –
 - a. General Fund –
 - i. Fund Balance – The Fund Balance is targeted to be used for:
 1. Retirement – The Board discussed the use of Fund Balance to cover the cost of increased retirement rather than amortizing the cost at 5% interest. It was agreed that this would be a good use of the balance due to the fluctuations in retirement costs and resulting lower than anticipated expenditures in prior years. It was also agreed that that village shall maintain a reserve for these retirement costs when the costs become reduced again, to prepare for future cost increases. (\$23,370)
 2. South Main paving (\$67,000). A substantial portion of this amount may be reimbursed over the next three years through the CHIPS program.
 3. Photocopier/Scanner – 60% (\$3,000)
 4. Streets/Water Truck – 50% (\$3,750)
 5. Tax exemption omission (\$17,450)
 - ii. Operating Expenditures – Cut 10% except in areas of contractual obligation
 - iii. Fire Protection – **A motion was made** and seconded by Trustees Rasmussen/Dosch to approve the contract with A.E. Crandall for fire and ambulance protection at no increase. Motion carried 4-0 with 1 abstention.
 - iv. Streets Equipment – The purchase of a dump truck is not presently scheduled for inclusion in the 2011-12 budget.
 - v. Capital Reserves
 1. Sustainability – The sustainability of our General Fund was discussed in the framework of our long-term ability to buffer ourselves from further state aid cuts or to continue to build our General Fund reserves for equipment and infrastructure needs without increased funding from the colleges or making changes in how we provide services.

