

Maine Township General Town and General Assistance Fund Budget Hearing
May 28, 2019

Maine Township Budget Hearing has been videotaped.

For more detailed reports and discussions please refer to the recorded meeting at:
<http://mainetown.com/government/meetings.shtml>

Indexed agenda at:

https://mainetown.com/wp-content/uploads/2019/05/agenda_19-05-28_TFGA.pdf

Board Members Present and other Elected Officials: Trustees: Jones, Carrabotta, McKenzie and Sweeney, Supervisor Morask, Clerk Gialamas, Assessor Moylan Krey and Highway Commissioner Kazmierczak

Others in Attendance: Kurt Asprooth, Dayna Berman, Denise Jajko, Doriene Prorak, Elizabeth Coy, Richard Lyon, Michael Samaan, Ryan McKenzie, Marie Dachniwsky, Robert Hoban, Diane Carrabotta, Melis Bircan, Carl Carrabotta, Austin Kelso, Dick Barton, Donna Adam, and Wiesia Tytko

Supervisor Morask called the hearing to order at 7:05 p.m.

Supervisor Morask stated that on May 14th the Board held a Budget Workshop. Both, General Town Fund & General Assistance and Road District budgets were discussed and all the suggestions were taken under the consideration for the approval of the proposed budgets.

Supervisor Morask asked for public comments.

Agenda Item: Public comment

Donna Adam, Des Plaines resident commented on the salary survey and salary study for Maine Township employees.

See video at 3:09.

Agenda Item: Presentation and Approval of General Town and General Assistance Fund Budget, Ordinance 2019-4

Trustee Sweeney read out loud and submitted Maine Township Budget Evaluation. (See attached).
See video at 9:20.

Trustee Sweeney	Motion to amend Budget Ordinance 2019-4 to reflect the budget as presented with a reduction in the employee salary increases.
Trustee Carrabotta	Second.

Trustee Carrabotta commented on Township employees' contribution for the health insurance and gave some examples for this matter.

There were many other comments from the Trustees and Supervisor Morask on this issue as well on decrease the line item for employees salary increases.

Supervisor Morask strongly recommended not to withhold raises but to decrease the percentage of said raises.

There was a lengthy discussion.

See video at 19:08.

Supervisor Morask	Motion to approve the Maine Township Ordinance 2019-4, Budget & Appropriation Ordinance for 2019-2020 with amendment to decrease line item for salary increases from 3% to 2.5%.
Trustee Jones	Second.

Trustee Sweeney Motion to amend the proposed budget by reducing the salary increases from 3% to 0% in the total amount of \$57,233.00 and keep the rest of the budget same.

Trustee Carrabotta Second.

Motion on a roll call vote as follows:

Supervisor Morask No

Trustee Jones No

Trustee McKenzie No

Trustee Carrabotta Yes

Trustee Sweeney Yes

Motion failed.

Trustee McKenzie Motion to amend the previous motion to decrease budget by reducing salary by \$57,233.00 and to reduce Contingencies in General Town Fund from \$10,000.00 to \$0.00 and in General Assistance Fund from \$30,000.00 to \$0.00, a total reduction of \$40,000.00.

Trustee Carrabotta Second.

Motion carried on a roll call vote as follows:

Supervisor Morask No

Trustee Jones No

Trustee McKenzie Yes

Trustee Carrabotta Yes

Trustee Sweeney Yes

Motion carried.

Discussion.

After the vote was taken, Assessor Moylan Krey brought to our attention that her budget factored a 2% increase (not a 3%) in salaries and Supervisor Morask noted that there was no salary increase in OEM department.

Administrator Berman offered to make the appropriate adjustments and present a revised draft for us to approve prior to budget submission.

See video at 11:16:20.

Agenda Item: Adjournment

Supervisor Morask Motion to adjourn.

Trustee Jones Second.

All in favor.

Motion carried on a voice vote.

The hearing adjourned at 8:29 p.m.

Town Clerk

Maine Township Budget Evaluation- submitted by Trustee Susan Sweeney

The requested budget for approval at the May 28th board meeting is for \$319,447 over last year's actual expenditure. This a 6.4% increase.

Below is the Town Fund increase and the General Assistance decrease from the actual expenditures of 2019/20:

Town Fund- Expend/2019 \$4,185,356 Budget 2019-20 \$4,670,090 = +\$484,754
GA - Expend 2019 \$ 808,059 Budget 2019-20 \$ 642,752 = -\$165,307
Total 2019 Expenditure \$4,993,395 Total 2020 budget \$5,312,842 = \$319,447 incr.

Thus, the increase in the budget over last year's expenditures is \$319,447.

How can we reduce the budget if we elect to keep the grandfathered plan in order to be closer to flat over last years expenditures?

The grandfathered plan is included in these numbers and is over \$93,000 increase and there is no provision to be able to have the employees share some of the burden of that very rich plan. See plan below*.

So one answer to this is to hold the raises for this year. The raises have been factored into the plan as a place holder of 3%. Though the salary study recommended the increase in salaries, we have yet to determine exactly what that means for each of the underpaid positions per market study.

Deduct the amount factored in for salary increases of 3%.

The amount of salary increases in all the departments is \$57,233 calculating 3% of the total of the salaries presented in the budget for review on May 28th.

Salary categories as follows:

Admin	\$639,558
Assessor	\$196,228
Clerk	\$137,000
OEM	\$ 6,000
MaineStay	\$356,000
Sr. & Adult	\$282,000
GA	\$291,000

Total \$1,907,786 x3%= \$57,233. \$319,447 subtract \$57,233 = \$262,214

Another adjustment:

The Capital Fund Account Expenditures were only \$17,650 last year, though the Fund was set at \$250,000.

The Budget reflects the Capital Fund as \$250,000. Since the expenditures do not reflect the \$250,000 we have to compare apples to apples. $\$250,000$ less $\$17,650 = 232,350$.

We don't intend to spend the full \$250,000 in this fiscal year.

If we deduct what is left in the Capital Fund budget of \$232,350 (from the \$250,000) and deduct it from the difference in this years budget ask from last years actual, there is a difference of \$20,891. $\$262,214$ (this years budget ask increase over last years actual) less $\$232,350$ is a difference of \$20,891).

\$20,891 represents the amount of the increase in the budget ask vs. last years actual expenditure if we reduce the salary increase presumption.

Conclusion:

If the grandfathered plan is retained for next year and if the budget is reduced by \$57,233, It is nearly a flat budget from last years actual. (Excluding what we spend out of the Capital Fund).

*The Blue Cross Blue Shield Premium increase from last year in this same grandfathered plan this year is \$93,546. The plan will increase from \$1,052,895 to \$1,146,441, an 8.8% increase. The township as the employer pays 95% and the employee pays 5%. As it was explained to us, history has shown that pulling out of grandfather plan now is of great risk. Our township claims are extremely high and the township premiums could go up as much as double while it would be a double whammy that the benefits could also dramatically change.
