

Finance Committee Meeting – June 11, 2026

The Finance Committee of the Village of South Russell met on June 11, 2026, at Village Hall. Chairman Berger called the meeting to order at 9:08 a.m. with Council Members Canton and Porter, along with Fiscal Officer Romanowski, present. **Porter made a motion to approve the minutes of the May 7, 2026 Finance Committee, seconded by Canton. Voice vote – ayes, all. Motion carried..**

FO provided an update on preparation of the 2027 Tax Budget. She explained that the budget was more challenging this year because the county requires three years of historical data and the Village's new financial software cannot yet fully automate the process. She anticipated completing the budget by the following day and distributing it to Council members with a detailed summary. Several assumptions were incorporated into the preliminary budget, including a 10 percent increase in healthcare costs, a 4 percent salary increase, and continued funding for major capital projects. FO also noted that the current Large Equipment Reserve Fund is nearing the end of its six-year funding schedule and may need to be extended. Significant attention is being given to the Hazelwood and Bell Road East projects because portions of those projects will span multiple budget years.

The committee discussed anticipated gas tax and license tax revenues, including approximately \$40,000 in county-held funds that may be available for eligible roadway projects. FO explained that a portion of state-distributed gasoline and license tax revenues must be placed in the State Highway Fund and can only be used for specific roadway-related purposes. Committee members expressed concern about relying on county-held funds before receiving firm confirmation that the money is available, citing examples of other communities that were told funds existed only to later learn they were unavailable. The committee agreed that the tax budget should clearly identify the source and restrictions associated with these funds.

Berger raised concerns about how the County Budget Commission would view the Village's relatively high cash balances. FO explained that the Village's reserves are justified by several major projects that are either underway or planned, including Hazelwood, Bell Road East, and completion of the salt storage building. She noted that in previous years she has provided explanatory letters to the county detailing upcoming expenditures and attaching supporting legislation. Committee members agreed that reserve funds remain an important financial planning tool and discussed continuing the Large Equipment Reserve Fund beyond its current term because equipment costs continue to increase.

The committee also reviewed the status of the Village's pond monitoring initiative. Members acknowledged that the program has effectively stalled due to the inability to secure access agreements from homeowners' associations. Although several communities have sought Village assistance for pond maintenance and sediment removal, they have generally been unwilling to grant the Village authority to conduct ongoing monitoring. Committee members expressed frustration with this situation and suggested that Public Utilities may need to consider discontinuing further efforts if property owners remain unwilling to participate.

A lengthy discussion focused on rising fire and emergency medical service costs. FO reported that the Village's projected 2027 fire and ambulance obligation will be approximately \$734,000, with dispatch services adding another \$60,000. Committee members acknowledged that public safety costs are increasing rapidly and could approach \$1 million annually by 2029. To improve oversight and communication, a meeting is being scheduled with Fire Chief Zupan and department leadership in July to review operations, finances, and future projections. Committee members also discussed the possibility of meeting quarterly with the fire department rather than only twice per year.

The committee discussed several additional capital projects expected to require funding in future years, including a proposed police department addition estimated at approximately \$150,000, deferred equipment purchases, roadway improvements, and other facility upgrades. Members emphasized the need for a comprehensive long-term planning process rather than evaluating projects individually. This discussion led into a broader conversation about the Village's reserve study and investment strategy. Committee members noted that without a multi-year financial plan it is difficult to determine whether current reserves and investment practices appropriately match future obligations. There was general agreement that the reserve study should become a priority and that the upcoming Council Retreat could help establish clearer long-term goals.

The committee reviewed proposed legislation that would rename the Mayor's Discretionary Fund as the Village Emergency Fund and establish clearer guidelines governing its use. The proposed policy would permit emergency expenditures only after an emergency declaration and would require subsequent review and ratification by Council. Members supported increasing the annual funding level from \$5,000 to \$10,000 to provide immediate resources during emergencies until Council can convene and authorize additional spending if necessary.

FO reported that she had inspected the Village's safety deposit box and confirmed that it was empty. Records believed to have been stored there had already been removed and placed in Village files many years ago. Since the box is no longer needed, the committee agreed it should be closed to eliminate unnecessary costs and administrative liability.

The committee confirmed plans for the July 18th Council Retreat. Topics expected to be covered include budgeting procedures, Sunshine Law requirements, Council operations, long-term planning, and use of the Reserve Study. Members discussed having Council members identify Village priorities in advance to encourage productive discussion during the retreat.

An update was provided regarding sewer drainage repairs at Village Hall. Although repairs had previously been approved, work has not yet begun because the Street Commissioner was unaware of the authorization. The matter has since been communicated, and follow-up action is expected.

The committee then engaged in extensive discussion regarding the proposed Bell Road pedestrian path levy. Members reviewed the process for placing the levy on the ballot and discussed whether Council should proceed with a vote before county deadlines. Committee members acknowledged that public opinion appears divided, although prior surveys showed significant support for continued consideration of the project. Several members stated that if voters approve the levy, the project should proceed, while a voter rejection should effectively end the project. Because additional public comments are expected and not all Council members may be present at the next Council meeting, some members favored delaying final action until July.

Related to future financial planning, the committee discussed the possibility of a future fire and EMS levy. Members noted that escalating public safety costs will likely require an additional revenue source. Preliminary discussion centered around a levy generating approximately \$500,000 annually, although further analysis will be necessary before determining a final amount or timeline. The committee also reviewed future roadway obligations, including Lakeview and Leaview roads, and eventual additional Bell Road improvements. Members emphasized the importance of continuing to pursue grants while planning conservatively and assuming that grant funding may not always be available. Maintaining roadway conditions above the Village's target pavement condition rating remains a priority.

The committee also considered a Parks Committee request to construct a bocce ball court at the Village park. The proposed project is estimated to cost approximately \$8,000 and would be located east of the playground and south of the restroom building. The court would operate on a first-come, first-served basis, and users would generally provide their own equipment. Committee members agreed that sufficient funding exists and supported moving the appropriation request forward for Council consideration.

Finally, FO reported that the Village had received a contractor payment request of approximately \$120,000 related to the salt storage building project. Committee members discussed ensuring that all outstanding construction concerns are addressed before final project acceptance. The engineer reported that approximately \$28,000 remains withheld as retainage pending completion and approval of the work. Members agreed that final project issues should be resolved before any retained funds are released.

With no further business to discuss, the committee approved a motion to adjourn. The meeting concluded at approximately 10:15 a.m.