



MINUTES

BUDGET WORKSHOP
COMMITTEE-OF-THE-WHOLE MEETING

Wednesday, February 8, 2012
City Council Chambers
7:00 p.m.

- ALDERMEN PRESENT:** DiPietro, Smith, Raspanti, Knight, Maloney and Sweeney
- ABSENT:** Bernick
- STAFF PRESENT:** Stutts, Zywanski, Kaminski, Hock, Beil, Doczekalski, Zingsheim, Mitchell, Nelson, Van De Carr, McGrath, Sorensen and Maller
- OTHERS PRESENT:** Mayor Schmidt
Betty Henneman
Press
Citizens

I. Roll Call

Ald. Knight called the meeting to order at 7:00 p.m. On roll call vote the following Aldermen indicated their presence at the meeting: DiPietro, Smith, Raspanti, Knight, Maloney and Sweeney.

Ald. Knight noted that if they do not complete tonight's agenda they would complete it on March 7, 2012

II. Updated Fund Balance Scorecard

Ms. Stutts stated that as of today the General Fund has a projected surplus of \$191,489. The Committee agreed that a water increase should be included in the budget. After the rate study is complete the budget can be adjusted to accommodate the rate study results.

III. Original Budget Topics

a. Capital Plan

General Fund capital projects include City Hall parking lot lighting, City Hall roof replacement, sidewalk program, reforestation, servers for Police security cameras and replacement of furnaces at both fire stations. There are other items in the Capital budget that are funding by grants, if the grants do not come through these items will not be done.

Ald. Knight questioned the need to replace the lighting in the City Hall parking lot. Mr. Zingsheim explained that this has been part of the budget for a number of years and keeps getting pushed back. The lighting is in terrible condition; they have had to string wires from light to light just to keep them working.

The Library has a number of capital projects, the main one being the repair to the roof. Other items include carpeting in the children's department, electronic controls for the air conditioning and new lighting for the second floor.

Sarah Mitchell went over TIF improvements; these are funded by grants. Municipal Waste and E911 are not making contributions to the vehicle replacement funds; it doesn't make sense to transfer money from funds with a negative balance. \$500,000 will come from the Parking Fund to resurface the Summit lot.

The Water Fund includes the radio read meter system; which will be funded over four years. Even without a radio system we still need to have all the meters read at least once a year by someone on staff. This item is in the budget, but a final decision will be made after the rate study is completed.

Sewer lining will be funded this year from the Sewer Fund. All other sewer related capital projects would come from the bond issue. Due to the warm weather Public Works has been able to continue flushing sewers through the winter.

b. Replacement Funds

Public Works had identified what vehicles will need to be replaced over the next few years. Looking at the current vehicles, we are keeping vehicles five to six years past their normal life expectancy. The Motor Equipment Fund and IT Replacement Fund have not been fully funded for a number of years. Money for these two funds is transferred from the General Fund; not funding them was one way we have been balancing the General Fund. Both of these have been underfunded for a number of years.

Ms. Nelson stated that they would be replacing all computers this fiscal year. The Library is in a similar situation. They have extended their computer replacement schedule from three years to five years.

IV. Ad Hoc Budget Topics

a. Police Station Construction

Ald. Raspanti stated that when this was first discussed, no one was in objection to this project. We need to find a way to fund this. The current facility is not a healthy work environment. Ald. Smith reminded the Committee that part of the project is funded by a grant and that if we don't use the grant money we will lose it. Ald. Sweeney would like to see a dollar amount for this project in the budget. Health and safety concerns are driving this project; does phase one address these issues? Chief Kaminski explained that this is a domino effect. Phase one needs to be done in order to do other projects down the road.

Mayor Schmidt feels more work needs to be done on what needs to be done and how we are going to pay for it. Ald. Raspanti disagreed; studies have been done and the recommendation was to build a new station at a cost of \$20,000,000. This is a reasonable alternative. The longer we wait the worse conditions will get and the more it will cost.

This item will be put on a Public Safety Committee meeting for further discussion.

b. Community Groups

Ald. DiPietro feels it's important for the City to support Community Groups where city services are unavailable.

John McNabola, 1513 S. Crescent (Director of the Center of Concern), Myrna Fogarty, 135 Elmore, former Alderman Mary Wynn Ryan, 737 N. Home, Phyllis Vitacca, 1013 N. Knight, former Alderman John Kerin, 328 N. Redfield Ct., Kathy Rolsing, 322 N. Washington, former Alderman and Mayor Mike MaRous 1027 S. Western, former Alderman Rich Whalen, former Alderman Jim Rademacher, 103 N. Grace and Mary Schurder, 435 Leonard all spoke in favor of funding for the Center of Concern. Park Ridge needs the Center of Concern; Human Needs are the business of government. There a large number of seniors in our community that need the help that the center offers. There is no one at City Hall that can provide this service. The audience urged the Committee to continue supporting these services.

The consensus of the Committee is to remove support for Meals on Wheels (Advocate) and to continue support for the Center of Concern and Maine Center for Mental Health.

c. Self Insurance Stabilization Fund

The City Manager is suggesting a self-insurance stabilization fund similar to the motor vehicle and computer replacement fund. At the time, he is suggesting tabling this idea until our other replacement funds are fully funded.

d. Municipal Waste Fund – Contractual and Refuse

Within the Municipal Waste Fund budget there is a line item of \$125,000, Ms. Stutts is suggesting changing that to \$100,000. The consensus of the committee is to make this change.

e. CPD Consulting Services

There is a proposal for the planning and design of the arcade area; which amounts to \$20,000. This area is not included in the streetscape grant. Ald. Sweeney is not in favor of spending money on private property. Ald. Smith thinks it's a terrible plan. Ald. Knight asked if anyone talked to Mr. Gillick about helping with this project. This item will be discussed again at a later date.

f. Membership Dues – Detail

After talking with department heads Mr. Hock said they cut around \$1,600 from the membership dues. He is also recommending reducing our participation in NIPSTA. These changes only amount to 10% of the total membership budget. Mayor Schmidt still doesn't understand why we are still sending both the City Manager and Deputy City Manager to the same conferences and why the both need to belong to the same organizations. He also questioned the \$1,000 membership dues for the Rotary.

g. Training – Detail

Ald. Knight questioned if all the meeting expenses are truly training related. He would like to see more specific information on what training classes will be attended. Most of the items listed appear to be discretionary and he would like to see anything listed a discretionary pulled from the budget. He also questioned the \$10.00 lunch payments for

police when they are at training. Mr. Hock said it was part of the collective bargaining agreement.

Mayor Schmidt wondered why we are paying \$1,000 for honor guard training. Why didn't Mr. Hock see this when he was going over the training and membership expenses? This is the type of item that needs to be looked at and removed.

h. Contingency – Need Decision

This item will be discussed at the next Budget Workshop in March.

i. Revenue Recap

This item will be discussed at the next Budget Workshop in March.

j. TIF Projections

Over the course of the next four years the Uptown TIF will need around \$4,000,000 from the General Fund. The General Fund only has a fund balance of \$3,000,000. We have to address this now before we need to start cutting service or increasing property taxes. The original projection was that the TIF would start paying the General Fund back by 2015; that is not going to happen.

k. City Manager Report

Mr. Hock gave the Committee some idea what it would cost to give raises to non-union employees. Ald. Knight feels this item will die for lack of support and reminded him that there is no money in the budget to pay for non-union raises. May 2012 Police and Fire will be getting a 2% cost of living increase. If in fact you want to give raises to employees you need to reduce personnel costs to cover the raises. That can be done by increase benefit costs, furlough days or lay-offs. Ald. Maloney asked at what point do we discuss lay-offs. Ald. Knight feels this may be done somewhere down the road to pay for the Uptown TIF.

This item will be on the next Budget Workshop in March. The Committee would like more information on how much this increase could cost.

Ald. Sweeney suggested raising the cost of vehicle stickers to pay for the Police Station improvements. Ald. Smith has a suggestion for a new revenue source; it will be discussed at the next Finance and Budget COW meeting.

Mr. Hock suggested charging for solid waste rather than raising taxes.

V. Adjournment

The meeting adjourned at 10:21 p.m.

