



CITY OF PARK RIDGE

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APPROVED

BUDGET WORKSHOP MEETING

**CITY HALL COUNCIL CHAMBERS
505 BUTLER PLACE
PARK RIDGE, IL 60068**

TUESDAY, MARCH 4, 2014, 7:00 P.M.

I. Roll Call

The meeting was called to order at 7:05 p.m. The following elected officials indicated their presence: Alderman Sweeney, Smith, Knight, Mazzuca, and Mayor Schmidt. (Aldermen Shubert and Milissis arrived later). There was a quorum.

II. Budget Update

Finance Director Oliven spoke about the fund balance scorecard which now reflects the air conditioner replacement at one of the fire stations. Director Oliven stated that the updated fund balance scorecard now reflected a previously requested FUND TOTALS column on the right side. Ald. Knight requested the schedule that bridges the \$1.4 million. There is an item on the 3/11/14 agenda for aldermanic prerogatives which are ins and outs to the budget. He stated that if an alderman had any issues, items, or programs that they want to have discussed on this date, they should have it added to the agenda as an agenda item.

Director Oliven noted one small error listed under I.T.; the figure reads zero but should reflect \$3900 for training.

Ald. Sweeney questioned membership to the Illinois Municipal League (IML) and dues for \$21,500. City Manager Hamilton explained advantages of membership to the IML. Hamilton believes the return on investment is greater than the amount spent to be a member. Finance Director Oliven concurred explaining that the IML is beneficial to municipalities. Ald. Sweeney stated that City Council members and staff should be attending if the City is paying these fees.

Ald. Mazzuca questioned the increase for tactical training, up \$20K. Chief Kaminski explained there are going to be new hires due to retirement; funds may not be used.

III.

Library Capital Goals

Library Director Jan Van De Carr stated that most of the items have been on previous budgets. Some projects have been put out another year or two. The most critical project, replacing windows, is planned for March. Ald. Knight questioned the rationality of prioritization, referring to windows and the lights. When questioned by Ald. Knight, Director Van De Carr is confident with the assessment that was done to determine the prioritization.

IV. Department Goals, Projects and Initiatives

There were no questions presented by the Aldermen for the department about the stated goals.

V. Personnel (Staffing Changes FY15)

City Manager Hamilton reviewed the organizational charts and the regular salary FY15 budget information. Salaries for seven Sergeants have not been included due to an open contract. He spoke about having an on call inspectors budgeted as a full time person.

Ald. Mazzuca asked reasoning for the HR Generalist described as a part-time person and why are they entitled to retirement benefits. Hamilton explained that it is anyone above 20 hours that can receive these benefits. Ald. Knight asked if the HR dept. would be retained as it was last year. City Manager Hamilton stated that they are now two part-time positions. However, the amount of work generated was underestimated. The HR generalist is now classified as a part-time with 30 plus hours. Ald. Mazzuca asked if this position would graduate to full time and Hamilton said that this will be decided after the ADP project is completed. City Manager Hamilton believed it would, but was not certain at this time.

Ald. Sweeney asked if the City still had a Police officer assigned to the Park District. Chief Frank Kaminski stated that is no longer the case.

Ald. Mazzuca questioned the shifts for police and fire personnel and why the City has two versus three shifts. Chief Kaminski indicated this was part of their contract.

Ald. Mazzuca spoke about the 2.5 FTE's Administrative Assistants. City Manager Hamilton stated that these employees schedule inspections, process permits, etc. City Manager Hamilton indicated that these are not what people would typically think of as Administrative Assistants and they are part of ICOPS.

Ald. Knight questioned the employee staffing in the Finance Department. Director Oliven stated that he feels after the Finance catches up on work buildup that the current staffing level would hopefully be sufficient. Ald. Mazzuca asked about the procurement position and Director Oliven stated that the resumes that have come in look good and interviews need to be arranged.

City Manager requested \$68,300 to support non-union merit increases. He explained that there are four non-union employees this year for which he is suggesting merit adjustments. City Manager Hamilton stated that last year the department heads took a freeze. Ald. Mazzuca requested the distribution of performance reviews. According to Hamilton, he presented an instrument of performance reviews last year and Ald. Mazzuca stated that he believed it was decided that they should see the review results to demonstrate that this is regularly being done. Hamilton indicated that a merit review is done for every employee. Ald. Mazzuca also stated that a compensation study should be done for all employees and asked what we have in terms of that study. City Manager Hamilton stated that this is in process. Finance Director Oliven stated that if this is done, the Park Ridge average is likely to come in a lot lower and, therefore, such a report would likely cause some unhappiness among employees and upward wage pressure.

Merit increases for the Building Administrator, Zoning Coordinator, Civil and City Engineer were discussed.

Hamilton went through the historical sheets for employee pay and insurance increases for FY15; numbers are still being analyzed.

City Manager Hamilton went through a memo explaining the only new position that is presented in this year's budget. City Manager Hamilton explained that someone is needed that would be the PR marketing person as the primary focus. Ald. Knight feels that the Economic

Development Position could be beneficial but would like some rationalization. Ald. Mazzuca asked if this person would also need a marketing budget for Economic Development. Ald. Mazzuca asked if the position brought up a lot of business what would it present in incremental sales tax. Per Finance Director Oliven, that could not be tracked until the new business was actually brought in. Ald. Mazzuca suggested starting out with a part time position and seeing how it goes. Ald. Sweeney stated that if we focus things other than business it could work. A job description is needed. Ald. Smith stated that an economic development strategy is what is needed.

City Manager Hamilton explained information regarding the SAFER grant award that is supplied by FEMA for adequate emergency response. The award gets the fire department back to the previous staffing level and provides funding for two years. The grant has a two year period of performance and after two years these positions do not need to be retained by the department. Chief Zywanski explained that the pros are the salary and benefits provided for the two year period and there would be one additional staff assigned to each shift, reducing overtime.

The grant funds do not cover the cost of Fire Academy training, uniforms, or protective gear or the City Pension contribution to the Fire Pension Fund for the new hires. There are only eight names for the current eligibility list, three of which may be ineligible. Per Chief Zywanski, they will only provide the funding for what can be hired. FEMA only allows ninety days from the time they are notified for us to find candidates.

Ald. Sweeney asked if there is any room in the existing budget (FY13) to come up with the funds to go with this plan. City Manager Hamilton stated that there has been a recent resignation from the Fire Department that has not been filled.

Ald. Shubert asked if the pension number has been factored into the budget detail. According to Deputy Chief Sorenson, it was not factored in. Emergency Preparedness Coordinator Paul Lisowski explained this cannot be factored in due to the fact that the pension cannot have a real number put on it. If they are gone in two years, there is no way to put a number on it. Ald. Milissis asked if there would be any union issues if these individuals were let go in two year. HR Director Suppan stated that there are no grounds if the City does not have the funds after the Grant is gone. The individuals would be put on a list recalls.

Ald. Shubert asked if it needs to be disclosed that there is a two year position. HR Director Suppan stated that this would definitely be disclosed to the individuals.

Per Chief Zywanski, there are also some potential retirements happening in the next two years which would mean that we could hire these individuals.

CONSENSUS: move this forward and include in the scorecard.

VI. Contingency

City Manager Hamilton discussed a contingency line item of \$500K to placeholder for funding for workers compensation, general liability, and open labor agreements. These contingency funds would require a budget transfer. The contingency is large due to the open labor contracts. Ald. Knight asked that City Manager Hamilton provide information regarding the open contracts confidentially and provide the information for the prior year also in regard to the contingency. Ald. Knight asked to also provide the actual information. Ald. Sweeney asked about an update on open liability claims and City Manager Hamilton stated that there would be an update in a couple of months.

VII. Adjournment

The meeting was adjourned at 9:30 p.m.