



CITY OF PARK RIDGE

505 BUTLER PLACE
PARK RIDGE, IL 60068
TEL: 847-318-5200
FAX: 847-318-5300
TDD: 847-318-5252
www.parkridge.us

DRAFT MINUTES

BUDGET WORKSHOP MEETING

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

WEDNESDAY, MARCH 08, 2017 AT 6:00 P.M.

I. Roll Call

Ald. Moran called the meeting to order at 6:05 p.m.

Senior Administrative Assistant Zarlenga read the roll call; the following Elected Officials indicated their presence at the meeting: Ald's. Moran, Shubert, Milissis (arrived at 6:17 p.m.), Mazzuca, Van Roeyen, Acting Mayor Maloney, and Ald. Melidosian (via phone).

Also present were Acting City Manager Joe Gilmore, Acting Finance Director Andrea Lamberg, Financial Analyst Jose Ponce, HR Manager Mike Suppan, Public Works Director Wayne Zingsheim, City Engineer Sarah Mitchell, City Forester Brandon Naser, Public Works Supervisor Mike McGrath, Public Works Superintendent Mark Miller, and Senior Administrative Assistant Julie Zarlenga.

II. Citizens Wishing to be Heard

Susan Coleman addressed her concerns over the quality of the streets. She noted that on certain streets the asphalt was crumbling, and there were potholes that could lead to larger problems. She said that on Courtland, which she said was paved only 3 months ago, there were already signs of deterioration. She wanted to know if there was money set aside in the FY18 Budget to address these issues.

Ald. Moran said there was a 20% increase towards street resurfacing in the FY18 Budget.

Public Works Director Zingsheim noted that the Illinois Department of Transportation (IDOT) is planning on doing some street maintenance as well.

III. Scorecard Review/Updates

Acting City Manager Gilmore introduced staff and explained the ground rules of the Budget Workshops.

Acting City Manager Gilmore said that during the strategic planning process, goals were created for each department, and those goals were added into each department's cover sheet. Included in the cover sheet are key metrics, prior year's goals, and proposed goals. Proposed goals are then split into short-term goals (1-2 years), and long-term goals (3-7 years). The short-term and long-term goals are further categorized as either routine, or complex goals.

- **Public Works (General Fund)**

Acting City Manager Gilmore detailed the general expenditures saying that street lighting is the same as last year. He added that this year's forecast is more robust than in prior years.

Street Maintenance

Acting City Manager Gilmore said there is a box plow purchase budgeted for FY18.

March 08, 2017

Director Zingsheim said the plow is pretty old and it is used for parking lot snow removal.

Sidewalk Maintenance

Acting City Manager Gilmore said they are budgeting to replace approximately 1200 sidewalk squares, which would be a slight increase.

City Building Maintenance

Acting City Manager Gilmore said they are budgeting \$25,000 to paint the exterior of City Hall.

Acting Finance Director Lamberg said there is \$12,000 in the budget for a finance cashier workstation re-design. She said they are looking to add a third window to improve customer service and functionality. She added that questions regarding utility bills tend to hold up lines as the Utility Billing person has to talk to the residents by utilizing one of the two workstations. If they had a third workstation, it would remedy that problem and increase traffic flow during vehicle sticker season.

Alley Maintenance

Ald. Mazzuca mentioned alley maintenance, saying that some of the first paved alleys are starting to deteriorate. He wanted to know if there was money in the budget for that.

Director Zingsheim said it would cost around \$300,000-\$400,000 for alley restoration. However, he said that any patchwork could be done in-house.

Acting City Manager Gilmore said one of the short-term goals is to create an overall infrastructure plan, so staff can incorporate alleys into that plan if Council wanted.

Ald. Van Roeyen asked if the alleys that are made of gravel would be part of that program.

Acting City Manager Gilmore said they would, but they would have to decide which alleys got paved first.

City Building Maintenance (cont.)

Acting City Manager Gilmore said there are some building repairs such as Life Safety/Police Space that the approved FY18 Capital Plan did not include, so staff added it to the Capital Plan and noted changes in red.

Forestry

Materials Reforestation

Acting City Manager Gilmore said that although it appears that the planned expenditures have gone down from FY17 to FY18, that FY17 included a carryover. He said they are continuing to build our tree inventory.

Director Zingsheim added that because they don't have as many tree removals, they put that money towards planting more trees.

City Forester Naser said they are looking to plant at least 600 trees per year over the next 5 years.

Bike Task Force

Acting City Manager Gilmore said that the money for the Bike Task Force initiatives presented in December are budgeted under General Contractual and Materials.

Council decided to remove the placeholder for the Bike Task Force and revisit it at a later date and amend the budget if necessary.

Vehicle Maintenance

Supervisor Mike McGrath said that the ladder truck needs to be maintained as it has some rust and corrosion on it. He said it would cost over \$1 million to replace it, so they are looking to make the truck last for as long as they can.

March 08, 2017

Salary

Summer Help

Director Zingsheim said there are 8 extra summer help employees budgeted for water and sewer.

Merit Pool Adjustment

Acting City Manager Gilmore said there is a .5% increase in merit adjustments from last year, which brings the merit pool up to 2.5% for non-union employees.

Ald. Mazzuca asked what the increase was based on.

Acting City Manager Gilmore said they based the increase on salaries from other communities. He said the extra .5% will give them more of a range should they need to adjust salaries.

Ald. Mazzuca asked if 2.5% would cover everything.

Acting City Manager Gilmore said yes, it would cover all merit increases. He said because he doesn't yet know what the salary study will show, the item might have to come back to Council for an amendment.

Ald. Milissis asked if Director Zingsheim needed more positions added to Public Works.

Director Zingsheim said they could always use more positions, however, they are making due with less, which in the past is what Council wanted when there were budget cuts.

- **Water**

Water/Sewer Rate Study

Acting City Manager Gilmore said there will be a 1.25% increase in the water rate. He added the ongoing water/sewer rate study will include automatic meters, but that they would have to look at the cost benefit of automatic meters.

Ald. Mazzuca commented that the total number of hours spent in water meter reading equates to 1 FTE. He said that the City has never had a problem with too much headcount when it comes to reading meters due to the fact that Park Ridge does not have water meter readers. He asked staff to keep that in mind when they do their cost benefit analysis.

Acting City Manager Gilmore said if automatic meters were installed there is still administrative work that needs to be done, however, they could possibly redeploy people to do other things.

Acting Mayor Maloney asked if residents would have an option to opt for ebills.

Acting Finance Director Lamberg said there is a feature in the new system where they can have customization built in to have the possibility of having ebills.

Salaries

Acting Finance Director Lamberg said there is an increase in salaries based on employees who work in Utility Billing. She said they are now paying them out of the water fund, and they would like to formally adopt this particular model.

Chicago Water Purchases

Acting City Manager Gilmore said that Chicago water purchases are down due to people conserving more water.

Water Main Services

Water Surveys

Acting City Manager Gilmore said that the water surveys for FY18 were eliminated since we are conducting comprehensive water loss surveys in FY17 as part of the water loss study.

March 08, 2017

Water Construction

Acting City Manager Gilmore said they are increasing the amount of water mains to be replaced to 1 mile in FY18, an increase of approximately 33%.

Ald. Mazzuca wanted to increase the amount of water main to be replaced.

Acting City Manager Gilmore said they did increase the water main to be replaced in the FY18 Budget.

Ald. Mazzuca asked if there was consensus to increase the water main to be replaced.

There was a consensus.

Director Zingsheim said he would have to look at other projects to see if they can increase the amount of water main to be replaced.

Acting City Manager Gilmore asked if Council wanted to increase it to \$1.5 million.

Ald. Moran asked if there was a consensus to increase water main replacement to \$1.5 million.

There was a consensus.

- **Sewer**

Acting City Manager Gilmore said the target fund balance is approximately \$600,000. He said there is an excess in the Sewer Fund of \$2 million available to be spent on flood relief projects such as those identified from the Baxter Woodman study.

General Contractual

Acting City Manager Gilmore said this fund is going from a \$550,000 budget to a \$250,000 budget, which is due to the inclusion of the Stormwater Master Plan in FY17. He said the forecast is less than the FY17 budget, because the study was less than budgeted.

Sewer Lining Improvement

Acting City Manager Gilmore said they increased the sewer lining by 25%. He said it is difficult to see the increase due to a carryover in FY17. He said they've added \$100,000 to the expenditures.

Director Zingsheim said it equates to 3 miles, with 1 mile added into the FY18 budget.

Ald. Milissis asked if they could increase the amount for sewer lining improvement.

Director Zingsheim said they can increase the amount to \$600,000 or \$700,000.

Ald. Moran pointed out that part of the funding for the MWRD project could possibly come out of the surplus in the Sewer Fund.

There was a consensus to increase the amount to \$600,000 for Sewer Lining Improvement.

(Council took a break at 7:43 p.m.)

(Council came back from break at 7:51 p.m.)

- **Municipal Waste**

Acting City Manager Gilmore said that the projected fund balance with the proposed budget is \$1.1 million. He said that revenues are down from FY17 to FY18 by almost \$1 million, which was a planned reduction based on the savings from the Groot contract.

Scavenger Service

Acting City Manager Gilmore said that there is \$2.7 million in this line item; \$2.1 is from Groot, and the rest is from the Solid Waste Agency of Northern Cook County (SWANCC).

March 08, 2017

- **Motor Fuel**

Acting City Manager Gilmore said the FY18 budgeted revenue is based on Illinois Municipal League (IML) estimates that staff received. He said they increased their spending by \$200,000 for street maintenance. In addition, there is State funded street work of 2.9 miles.

- **MERF**

Acting City Manager Gilmore said that revenues in this fund come from transfers into the fund, and that it doesn't have any other revenue sources. He said the expenditures are based on the Capital budget that was approved in December 2016. He noted staff increased the General Fund transfer by \$1 million. He said in the past they transferred \$125,000 because that was all the General Fund could handle at that time. He said they are planning on doing an analysis on the appropriate amount of transfer into funds based on spending estimates.

Acting City Manager Gilmore said that all of the expenditures were previously presented to Council and approved in the Capital budget.

- **IT Replacement**

Acting City Manager Gilmore said the revenues or inflows to the fund are transfers, and the outflows are approved expenditures from the Capital budget. He said staff increased the transfers-in by \$500,000 for tech upgrades. He said they will also do a full analysis of this fund.

He noted that in FY17 there was \$170,000 budgeted for Energov, which was then carried over to the proposed FY18 Budget because the work would not be start until FY18. Staff went out to bid for the software, and the contract for Energov was approved more quickly than staff had anticipated. In addition to the timing of the contract's approval, the amount of the contract had increased to \$202,000 which was \$32,000 more than staff had estimated it would be. The \$32,000 increase was due to training expenses. The proposed FY18 Budget will have to be amended, and the \$32,000 increase is reflected on the scorecard.

Ald. Moran commented that as a result of the strategic planning done, and although the tax levy was decreased, they are able to increase the budget for certain items. He felt they are still being frugal despite the decrease in the levy and the increase in expenditures for the FY18 budget. He thanked Acting City Manager Gilmore as well as staff.

IV. Adjournment

The meeting was adjourned at 8:10 p.m.