

MINUTES OF THE SPECIAL MEETING BUDGET WORKSHOP OF THE MAYOR AND BOARD OF TRUSTEES OF THE VILLAGE OF WILLOWBROOK HELD ON MONDAY, MARCH 17, 2014, AT THE VILLAGE HALL, 7760 QUINCY STREET, WILLOWBROOK, DUPAGE COUNTY, ILLINOIS

1. CALL TO ORDER

The meeting was called to order at the hour of 5:42 p.m. by Mayor Frank Trilla.

2. ROLL CALL

Those present at roll call were Mayor Frank Trilla, Trustees Terrence Kelly, Michael Mistele, Sue Berglund, and Paul Oggerino.

ABSENT: Village Clerk Leroy Hansen and Trustee Dennis Baker. At time of Roll Call - Trustee Umberto Davi.

Also present were Village Administrator Tim Halik, Interim Finance Director Carrie Dittman, Chief of Police Mark Shelton, Superintendent of Parks & Recreation Kristin Violante, and Management Analyst Garrett Hummel.

A QUORUM WAS DECLARED

***NOTE: Trustee Davi arrived at 5:45 p.m.

3. PLEDGE OF ALLEGIANCE

Mayor Trilla asked Chief Shelton to lead everyone in saying the Pledge of Allegiance.

4. PUBLIC HEARING - APPROPRIATION ORDINANCE

Mayor Trilla opened the public hearing relative to the proposed Appropriation Ordinance for Fiscal Year 2014-2015.

Mayor Trilla asked if there were any questions or comments. Being there were no questions or comments, Mayor Trilla asked for a motion to close the public hearing.

MOTION: Made by Trustee Kelly, seconded by Trustee Oggerino, to close the public hearing with regard to the Appropriation Ordinance.

ROLL CALL VOTE: AYES: Trustees Berglund, Davi, Kelly, Mistele, and Oggerino. NAYS: None. ABSENT: Trustee Baker.

MOTION DECLARED CARRIED

5. DISCUSSION - FISCAL YEAR 2014-15 DRAFT BUDGET

Administrator Halik presented to the Village Board a general overview of the budget. Administrator Halik advised that the majority of the summary highlights were discussed at the Joint Committee Review meeting held on February 12, 2014. He noted the following:

- The final budget for fiscal year 2014/15 should be approved no later than the April 28, 2014 Board meeting.
- All existing services and programs will be maintained.
- Proposed days of operating expense is 202 days at \$21,125 p/day.
- The Five Year Plan is to include spending on identified projects and programs.

Administrator Halik reviewed the General Fund highlights. Attributes include:

- Proposed budget includes a drawdown of reserves of approximately \$312,580.
- Does not include any salary increases for non-union employees.
- Includes a 2.5% wage increase for Unionized patrol officers.
- Health insurance costs increase placeholder 4.5%.
- Police Pension contributions went down .97%.
- IMRF Pension contributions went down 1.19%.

Interim Director Dittman advised the biggest increase in the budget is under Parks and Recreation as a result of the Willow Pond Park project which will be funded by an OSLAD grant.

Administrator Halik reviewed the status of grant funding the village has obtained. It includes:

- \$400,000 - Illinois Department of Natural Resources OSLAD grant. The Village should hear in early May if awarded for the Willow Pond Park project.

- \$60,000 - Illinois DCEO - Illinois Capital Bill - Knolls Lake Drainage Improvement Project. Work cannot be completed due to the depth of the lake. These funds will be transferred to another eligible project.
- \$92,000 - Illinois DCEO - Illinois Capital Bill - Phase I - LED Streetlight Replacement Project. RFP's will go out this summer.
- \$542,000 - Federal STP - Road Maintenance Project for Clarendon Hills Road (north) will be used in 2016 Road Maintenance Program. (Funding was approved in FY2011/12)

Trustee Berglund questioned why the money for the OSLAD grant has to be budgeted prior to the award being issued. Management Analyst Hummel stated that the OSLAD grant is a reimbursable grant and the money needs to be spent prior to reimbursement.

Village Staff will also apply for additional grant funding as follows:

- ComEd Green Region Program
 - Open Space Improvements - Passive Recreational
 - 50% local match, up to \$10,000 grant
 - Lake Hinsdale Park Walking Path
- Illinois DCEO/Illinois Clean Energy - Energy Efficiency Lighting grant for the new Village Hall

Administrator Halik again related that there are no wage increases for non-union employees included in these budget numbers. There are 35 full-time employees. Administrator Halik stated that the proposed budget includes funding for one (1) additional patrol officer.

Interim Director of Finance Carrie Dittman provided a financial overview of the Fiscal Year 2014-2015 budget.

- FY 2014-15 budgeted revenues are anticipated to be an increase of \$637,116.

Ms. Dittman advised the Board that the major components of the general fund revenues are sales tax, no substantial change planned as the new Chick-fil-A offsets the K-Mart closing, and Pete's Fresh Market is not included as it is not scheduled to open until Spring of 2015; and places of eating tax has no substantial changes. Utility tax is down \$85,000 based on trends. Income tax for budget purposes is up \$61,000 based on Illinois Municipal League projections and historical trends of the Village. Amusement taxes are up \$57,500. Permit fees are

budgeted to be up \$26,000 based on trends. Red light camera fines will have no budgeted changes. A new revenue source is Rental Income for the next three (3) years. Video gaming began in January of 2014. Revenue was not included due to no historical data to support it. FY 2014-15 General Fund Revenues from major sources is estimated at \$6,911,581. Total FY 2014-15 General Fund Revenues is estimated at \$8,082,851.

Trustee Mistele questioned the impact of losing sales tax from the closing of Dominick's. Administrator Halik stated once Whole Foods relocates to the Dominick's location, the sales tax revenue will be even.

The FY 2014-15 General Fund Expenditures is estimated at \$8,395,431 with the police department accounting for 55% of the budget.

Ms. Dittman presented the General Fund's projected balances for each of the next five (5) years, and revenue and expenditure summaries for each Village fund.

Ms. Dittman reviewed outstanding debt:

- 50% sales tax sharing with Harlem Irving. Maximum principal - \$1,670,000. Projected end date is 12/31/2015. Maximum balance remaining is \$534,247.
- Series 2008 GO ARS Bonds - Issued to complete the 75th Street extension and building the Public Works facility. Last payment is due 2027. Current balance is \$1,635,000. Administrator Halik advised that this is the only outstanding debt that the Village owes.
- Series 2007 Special Service Area (SSA Bonds) - Town Center infrastructure improvements. Last payment - 01/01/2029. Current balance is \$2,985,000. No commitment debt of the Village.

Ms. Dittman stated that in earlier budget presentations, the health insurance costs were estimated at a 3% increase. The most current information from IPBC states that the actual increase will be 4.5%, to be determined by IPBC in late March 2014.

Ms. Dittman reviewed the Water Fund and MFT Fund:

- The working capital balance for the Water Fund at the end of the current year is an estimated 43 days. The goal is 90 days, which is projected for the FY 2014/15 budget.
- The MFT Fund Balance is higher than budgeted estimates due to less spending on roadway resurfacing projects. For FY 2014/15, the fund balance is projected to be \$388,575.

Administrator Halik reviewed a summary of the Water Capital Projects for FY2014/15:

- Replacement of 1,700 MTS's - Due to dying batteries. Budget estimate is \$285,000.
- Year 1 of the Water Tank Coating Project - Compilation of project specifications and bid documents - \$20,000.
- ½ the Cost of PW Replacement Vehicle - \$15,000.

Administrator Halik advised that the DuPage Water Commission has raised their rates five times since May 1, 2010, with an additional increase scheduled for January 1, 2015.

Administrator Halik advised that the MFT Fund projects include:

- Scheduled roadway maintenance program in the Waterford Subdivision.

Staff presented the highlights of the departmental budgets:

Village Board & Clerk

An overall increase of 3.71%.

Board of Police Commissioners

An overall decrease of 7.38%.

Administration

An overall decrease of 10.02%:

- Continuation of Electronic Archive Storage Project (carry-over from FY2013/14) - \$26,000

Planning & Economic Development

An overall increase of 31.08%:

- Comprehensive Land Use Plan Update - \$31,500

Parks & Recreation

An overall increase of 132%:

- OSLAD Grant/Willow Pond Park Renovation - \$400,000

Finance

An overall increase of 2.53%:

- ERP Analysis Project - is not included in these figures.

Police

An overall increase of 3.30%:

- Replacement of Chief's vehicle - \$29,365
- Replacement of two (2) squads with SUV's - \$74,735
- One (1) additional patrol officer - \$74,635

Municipal Services/Public Works

An overall decrease of 10.37%:

- Year 2 - EAB Abatement Program - \$168,000
- Replacement of PW vehicle (1/2 of the expense) - \$15,000
(remainder from Water Fund)
- Village Hall Fuel Tank Repair - \$14,950

Building and Zoning

An overall increase of 11.16%.

Water Fund

- Replacement of PW vehicle (1/2 of the expense) - \$15,000
(remainder from Public Works)
- Continuation of Fire Hydrant Replacement Program - \$15,000
- Transfer into Water Capital Improvements Fund for FY 2014/15 - \$70,000

Hotel/Motel Tax Fund

- DuPage Convention and Visitors Bureau - \$12,005
- Hotel Marketing/Promotion Program - \$37,967

Motor Fuel Tax Fund

- Road Maintenance Program - \$210,000

Tax Increment Financing (TIF) Fund

- Eligible redevelopment costs to close out fund - \$638,834

CASH FLOW/FINANCING ANALYSIS

Ms. Dittman reviewed the Cash Flow/Financing Analysis that was completed by Sikich. The analysis was to determine the best options for financing expected capital projects.

The basic goals were to keep a minimum 120 days of operating reserve in the General Fund, minimum of 90 days reserve in the

Water Fund, use existing LAFER funds, apply Water Capital Funds, and consider future revenue sources.

There are three (3) scenarios in the analysis:

1. Effect on Village finances if no debt is issued.
2. Effect on Village finances if relying on newly issued debt.
3. Effect on Village finances if relying on combination of newly issued debt and General Fund/Water Fund revenues.

Administrator Halik advised that final scenario models will be brought before the Board at a future Board meeting.

Discretionary Budget Items Requiring Board Direction

There are five (5) discretionary budget items identified. These have not been included in the budget, as of yet.

I. Enterprise Resource Planning (ERP) Project

Ms. Dittman advised that this project involves the Village financial software. The current system has been used for over 20 years. Sikich performed an ERP assessment. Preliminary estimates are approximately \$200,000. Trustee Mistele questioned what does that pay for. Ms. Dittman stated that it pays for all the modules that are currently in use and additional that has been requested, plus training. This project would be compatible with existing hardware systems.

The Board's consensus was to include funding in the FY 2014/15 budget for this item.

II. Village Hall Fuel Tank Repair Project

Administrator Halik stated that there currently are two underground fuel tanks on the Village property. Both tanks are protected by a cathodic protection system. Work was completed in October to repair this system. During the repairs, it was discovered that the tops of the tanks are extremely deteriorated. Repairs are estimated at \$15,000.

Administrator Halik also advised that he received a letter from the Illinois EPA stating that a Stage II Vapor Recovery System need to be removed by December 31, 2016.

Administrator Halik advised that there is also a discrepancy between how much fuel is delivered and how much is pumped. Presumed cause is that the pump calibration is off.

One option is to discontinue the use of the Village Hall fuel pumps, remove the tanks, purchase gas from a local gas station, and obtain an above grade diesel tank.

Money has already been placed in the FY 2014/15 budget for repairs. Administrator Halik stated that he needs guidance on whether to repair or remove the tanks.

The Board's consensus was to remove the tanks.

III. Park Department 5K Fun Run

Superintendent Violante stated that this Fun Run was suggested by one of the Park Commissioners. The goal of the event would be to enrich the programming of the Parks and Recreation Department, would increase the awareness of the Village of Willowbrook and attract non-citizens, would offer local businesses the opportunity to promote their products and services, partner with Gower School District to promote health awareness, and benefit a local charity with proceeds being donated.

Anticipated expenses for this event would be approximately \$20,482. Potential revenues would be \$6,000 depending on amount of runners. Local businesses and organizations would be contacted for donations and sponsorships. Expenses do include a race director.

The Race Committee does believe that this 5K will attract people. The race would be held in September and tied into the start of the school year.

Trustee Mistele stated that additional research needs to be completed to determine experience from other

Villages' experiences with traffic, police, and everything involved. Administrator Halik stated that the money can be budgeted at this time and continue to research if this project will continue.

The Board's consensus was to approve this suggestion and include funding in the budget.

IV. ComEd Green Region Grant - Lake Hinsdale Park

Management Analyst Hummel stated that ComEd has made grant money available for passive recreation projects. The maximum grant award is \$10,000 with a 50/50 local match requirement. After reviewing the Park and Recreation Master Plan, installing a walking path at Lake Hinsdale Park was submitted for grant consideration. The estimated total cost was \$22,000. The Village's share would be \$12,000.

The Board's consensus was to approve this suggestion.

V. Economic Development - Willowbrook Mobile App

Management Analyst Hummel stated that a mobile app can be downloaded onto a Smart phone. This would be a Willowbrook specific app that will provide a new avenue for communications with residents.

Management Analyst Hummel stated that he had spoken with the Village's website provider, CivicPlus, who has a mobile app feature. By using this feature, the app would be automatically updated when the website gets updated.

Trustee Mistele questioned if this is necessary. Administrator Halik stated that it would be another economic development tool.

The Board's consensus was to approve this suggestion.

VI. Impact of All Discretionary Items

Administrator Halik reviewed the Budget Workshop discretionary items with the Board. If all discretionary items were accepted, it would cost a

total of approximately \$238,182, which equates to about eleven (11) operating days.

VII. Future Budget Considerations

Administrator Halik stated that there are several items that have been identified for future budget consideration. These items included:

- Village Master Facility Plan
Phase II - Police department addition/renovation
- approximately \$1.5 million.
- Willow Pond Park Project
Phase II - \$400,000
- Year 3 - EAB Abatement Program
Approximately \$173,000. This is based on a four-year program and can be extended to five years if needed.
- Year 2 - Water Tank Painting Project - \$468,000
- Electric Aggregation

6. EXECUTIVE SESSION

- a. Consideration of employee compensation pursuant to Chapter 5 ILCS 120/2(c)(1)

ADJOURN INTO EXECUTIVE SESSION

MOTION: Made by Trustee Kelly, seconded by Trustee Mistele, to adjourn into Executive Session at the hour of 7:40 p.m.

ROLL CALL VOTE: AYES: Trustees Berglund, Davi, Kelly, Mistele, and Oggerino. NAYS: None. ABSENT: Trustee Baker.

MOTION DECLARED CARRIED

7. ADJOURNMENT

MOTION: Made by Trustee Davi, seconded by Trustee Mistele, to adjourn the meeting at the hour of 8:18 p.m.

PREVIOUS ROLL CALL VOTE: AYES: Trustees Berglund, Davi, Kelly, Mistele, and Oggerino. NAYS: None. ABSENT: Trustee Baker.

MOTION DECLARED CARRIED

PRESENTED, READ and APPROVED,

March 24, 2014

Mayor

Minutes transcribed by Deputy Clerk Cindy Stuchl.