

VILLAGE OF ORLAND PARK

14700 Ravinia Avenue
Orland Park, IL 60462
www.orlandpark.org



Meeting Minutes

Wednesday, October 10, 2018

6:00 PM

**SPECIAL MEETING
FY2019 BUDGET HEARING**

Village Hall

Board of Trustees

*Village President Keith Pekau
Village Clerk John C. Mehalek
Trustees, Kathleen M. Fenton, James V. Dodge, Jr., Patricia Gira,
Carole Griffin Ruzich, Daniel T. Calandriello, and Michael F. Carroll*

CALL TO ORDER/ROLL CALL

The meeting was called to order at 6:17 PM.

Present: 6 - Trustee Fenton, Trustee Gira, Trustee Griffin Ruzich, Trustee Calandriello, Trustee Carroll and Village President Pekau

Absent: 1 - Trustee Dodge

FY2019 BUDGET HEARING - DISCUSSION

2018-0383 FY2019 Budget Hearing - Department Hearings - Public Works, Development Services and All Administrative Departments

Village Manager La Margo reported on the FY2019 proposed Budget and reviewed what will be presented at tonight’s hearing. (refer to audio file)

Finance Director Annmarie Mampe reviewed a power point presentation on the 2019 proposed budget assumptions, proposed additional revenue sources, proposed expenditure reductions, long term financial forecasting, unfunded requests (discretionary requests) and the Theater Program Exhibit A. (refer to audio file)

The Board discussed/commented and had questions regarding the Theater Program. (refer to audio file)

Staff answered the Board’s questions. (refer to audio file)

A consensus was taken of the Board to continue the Theater Program, as is, for one year. (refer to audio file)

YES - Trustees Ruzich, Calandriello, Dodge (his vote per discussion with Village Manager La Margo earlier in the day), and President Pekau

NO – Trustees Gira and Carroll

NOT SURE – Trustee Fenton
(refer to audio file)

The Board continued to comment on the Theater Program. (refer to audio file)

Trustee Ruzich had a question regarding the PACE Bus service. (refer to audio file)

Village Manager La Margo and Assistant Village Manager Keating answered her questions. (refer to audio file)

Funds allocated for COLA increases and Longevity pay were explained by staff

and discussed by the Board. (refer to audio file)

Human Resources Director Stephana Przybylski answered questions. (refer to audio file)

Director Mampe explained to the Board what will be discussed at the next Budget Hearing on Monday, October 22, 2018 at 6 PM in the Board Room. (refer to audio file)

Trustees Carroll, Fenton, Ruzich and President Pekau had Board comments.

NO ACTION

ADJOURNMENT – 7:45 PM

A motion was made by Trustee Carroll, seconded by Trustee Fenton, that this matter be ADJOURNED. The motion carried by the following vote:

Aye: 6 - Trustee Fenton, Trustee Gira, Trustee Griffin Ruzich, Trustee Calandriello, Trustee Carroll, and Village President Pekau

Nay: 0

Absent: 1 - Trustee Dodge

2018-0725 Audio Recording for October 10, 2018 Special Meeting - 2019 Budget Hearing

NO ACTION

/nm

APPROVED: October 15, 2018

Respectfully Submitted,

/s/ John C. Mehalek

John C. Mehalek, Village Clerk

/s/ Casey Griffin

Casey Griffin, Deputy Clerk

FY2019 Budget Hearing

Presentation of Proposed Annual Budget



ORLAND PARK

October 10, 2018 6:00PM

FY2019 Proposed Budget Assumptions

- Maintain minimum 20% fund balance in General Fund thru FY2023
- Total dollar amount of Village's levy will not increase over prior year
- No additional debt service funded by levy
- Conservative sales tax and home rule sales tax budget based on current trends and store closings – will continue to revise FY2019 based on FY2018 actuals to date
- Implement approximately \$500K in additional revenue sources (detail to follow)

FY2019 Proposed Budget Assumptions

- Implementation of assumptions presented in ERI savings analysis as retirements occur
- General Fund will continue to provide subsidy to Recreation & Parks Fund, Civic Center, Open Lands Fund and History Museum
- Proposed expenditure reductions reflected in proposed budget (detail to follow)

FY2019 Additional Revenue Sources

- Video Gaming Tax @ 105 Terminals - \$280,140
- Hotel Tax Increase from 4% to 5% - \$31,000
- Administrative Booking Fees - \$35,000
- Rental Housing Registration/Inspection Fees - \$62,950
- Miscellaneous Permit Fees - \$12,250
- Sponsorship (CJ Mazda) - \$74,000

Total Additional Revenue Sources - \$495,340

FY2019 Proposed Expenditure Reductions

 FY2019 FY2020

Staffing Reorganization and Reductions thru ERI

Administrative Departments	\$222,889	\$	594,105
Public Works	77,790		450,576
Development Services	37,363		328,692
Recreation	92,774		222,048
Parks	42,257		18,959
Police	<u>260,070</u>		<u>31,185</u>

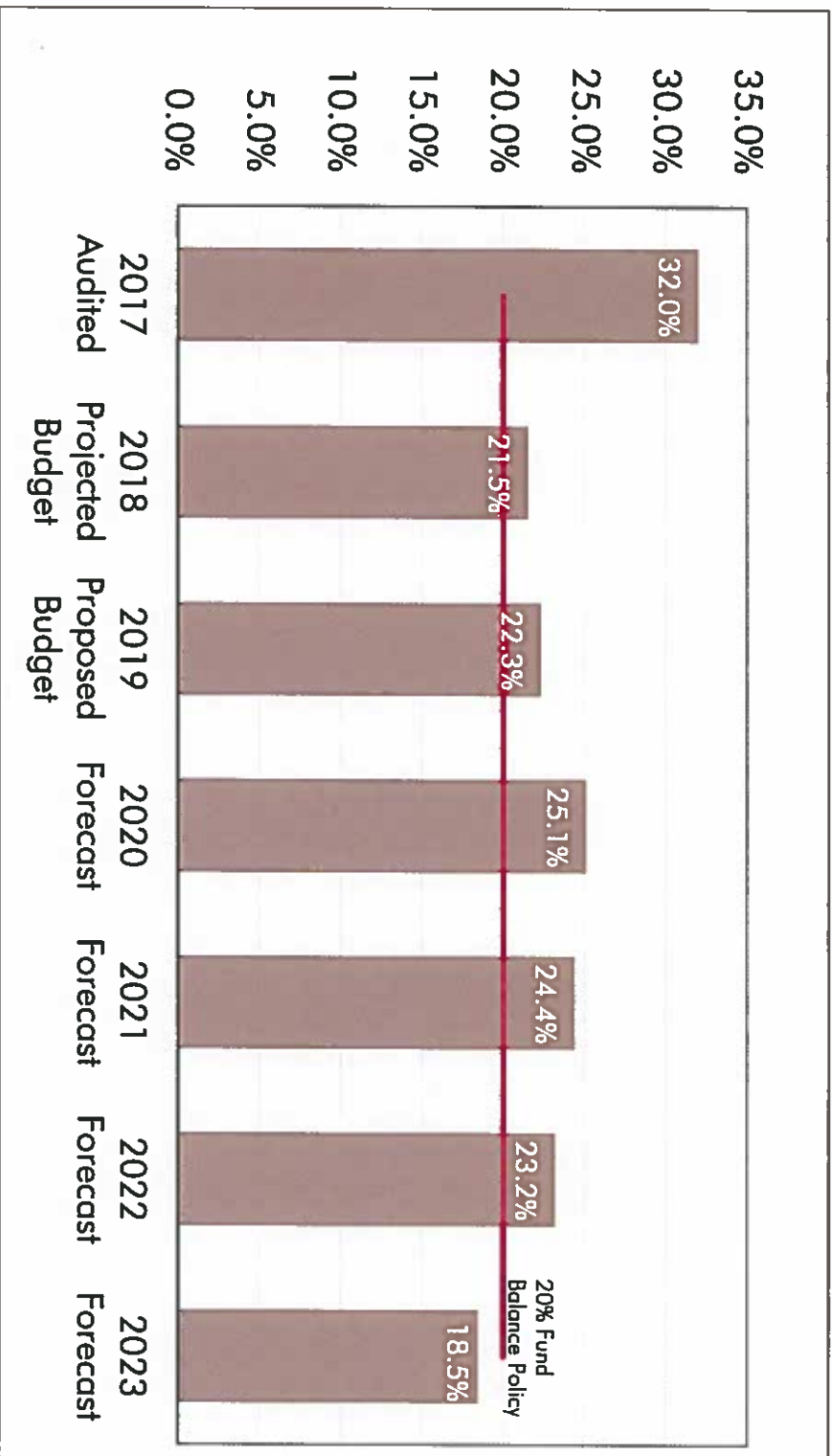
\$733,143 \$1,645,565

Positions retiring under the ERI	
Eliminated	8
Replacing with Lower Step	6
Outsourced	2
Replacing with Part Time Position	3
Replacing with Downgraded Position	1
Outsourcing and replacing with Part Time Position	<u>1</u>
	21

FY2019 Proposed Expenditure Reductions

	FY2019	FY2020
Other Expenditure Reductions		
Discontinue Appearance Improvement Grant Program	\$ 350,000	\$ -
Employee Benefits Cost Sharing Adjustment	304,863	359,758
Discontinue PACE Program	23,453	129,168
Discontinue Theater Program	6,225	6,225
Vehicle Purchases	106,000	-
LED Lighting Efficiencies	77,415	77,415
Part-time Staffing Reductions	66,407	66,407
Parks Materials and Supplies Reductions	29,516	-
Miscellaneous Reductions for PW/BM Operations	27,745	-
Various Equipment	19,044	6,715
Other Miscellaneous Reductions	27,179	18,520
Miscellaneous Employee Related Expenses	22,930	1,800
Dues and Subscriptions	7,881	6,469
	<u>\$ 1,068,658</u>	<u>\$ 672,477</u>

Long Term Financial Forecast



In Millions (\$)	2017	2018	2019	2020	2021	2022	2023
Total Revenues	\$59,440	\$64,608	\$66,325	\$63,612	\$65,032	\$64,988	\$66,254
Total Expenditures	\$63,823	\$69,714	\$66,169	\$62,548	\$64,909	\$65,542	\$68,173

Unfunded Requests

Unfunded VM Recommended Discretionary Requests

\$ 140,440

Unfunded Capital Requests

HVAC Replacement - Sportsplex	507,970
Lighting Upgrades - Sportsplex	420,000
Replace Track Surface - Sportsplex	160,000
Elevated Walkway Repairs - CPAC	120,000
Fencing - CPAC	30,000
HVAC Heating/Boiler Replacement - Civic Center	120,000
Pavilion Roofing Replacement - Various	120,000
Play Unit Replacement - Frontier Park	265,000
Total Unfunded Capital Requests	<u>1,742,970</u>

Unfunded Technology Requests

Legacy Phone Platform Replacement with VoIP Services	240,000
Tyler InCode Case Management	61,368
Tyler InCode Case Management Conversion Services	44,750
Civic Center Audio Upgrade	40,000
AXIS Camera & Maintenance	17,850
Lenel Card Reader Projects	12,000
Tyler Brazos Electronic Citation Software	12,375
Total Unfunded Technology Requests	<u>428,343</u>

Total Unfunded Requests

\$ 2,311,753

Theater Program

Theater Ticket Sales	\$ 33,860
Miscellaneous Revenue	<u>10,045</u>
Total Revenue	<u>\$ 43,905</u>
Direct Costs:	
Salary & Benefits	\$ 15,260
Theater Production Costs	27,761
Miscellaneous Expenses	<u>7,109</u>
Total Direct Costs	<u>\$ 50,130</u>
Indirect Costs:	
Set Construction and Drop Off	\$ 9,849
Administrative	5,643
Graphic Design/Program Book	<u>5,581</u>
Total Indirect Costs	<u>\$ 21,073</u>
Net Loss	<u>\$ (27,298)</u>

Enrollment for last 3 Productions:	
Resident	30
Non-Resident	40