

VILLAGE OF ORLAND PARK

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



Meeting Minutes

Tuesday, October 10, 2017

7:30 AM

SPECIAL MEETING - 2018 BUDGET

Orland Park Police Department - Training Room

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 7:43 AM.

Present: 5 - Trustee Fenton, Trustee Dodge, Trustee Gira, Trustee Griffin Ruzich and Village President Pekau

Absent: 2 - Trustee Calandriello and Trustee Carroll

SPECIAL MEETING - 2018 BUDGET**2017-0393 FY2018 Budget Hearing - Capital Budget and Departmental Budgets**

Village Manager Joseph La Margo stated that staff is proud to present to the Board for review the Fiscal Year 2018 balanced budget. This is the seventh consequence year that a budget has been presented without an increase to the Levy or any new revenue sources.

Finance Director Annmarie Mampe welcomed everyone to this meeting and began her power point presentation (EXHIBIT A) page by page.

The decline in Home Rule Taxes and projections were discussed.

The Board questioned reasons why there was the decline in sales taxes for fuel, merchandise, etc. EXHIBIT B was presented and reviewed showing other towns decreases.

Director Mampe continued with the budget assumptions. (EXHIBIT A)

Director Mampe reviewed the General Fund along with budget assumptions and reviewed the Capital Improvement Plan (CIP).

Trustee Fenton questioned if cuts were made in the day to day operations by each department in the Village to balance this budget or were services to the resident's cut.

Village Manager La Margo and Director Mampe stated that departments did make major cuts in their day to day operations. However, some services will also be cut as we will discuss.

Director Mampe explained the operating funds unrestricted fund balance page (charts) and why revenues and expenditures change. She also discussed the summary of Operating Expenditures, by type and by function. (EXHIBIT A)

Trustee Dodge questioned if everything has been done to squeeze any excess funds from the day to day operations before the Board has to turn to the residents.

The trend with on-line purchasing (Amazon) which is reducing the Village's sales tax is not going to change anytime soon.

Village Manager La Margo stated that staff has reviewed every line item in their budgets and reduced their budgets trying not to impact the residents until it is absolutely needed or implementing other taxing bodies (entertainment taxes, food and beverage tax, etc.).

Trustee Fenton questioned when the study will be available that shows the impact of implementing these other taxes.

Director Mampe stated she did receive a very rough draft of this report last week; a better report should be available next week.

Discussion took place on how Home Rule Sales tax should be used in the operating and in the capital budget.

A short five minute break was taken.

FY2018 Proposed Capital Improvement Plan (CIP)

Director Mampe reviewed the assumptions, focus and priorities of the CIP along with funding sources of the Home Rule Sales Tax and projects.

Total available Home Rule Sales Tax is \$19.39 Million. \$7.3 Million is available due to the 9750 takeout.

President Pekau stated that there will be no real estate tax rebates from the Home Rule Sales tax this budget, correct.

Director Mampe stated that is correct, no real estate tax rebate was factored into these figures being presented.

Trustee Ruzich questioned regarding the I-80 and Wolf Road interchange is there a sense that Mokena is willing to agree to this project?

Trustee Ruzich stated that she has spoken with a veteran Mokena board member who stated that this will never happen and their board opposes this interchange.

President Pekau commented that he has spoken to the Mayor of Mokena and he is completely behind this interchange. He will speak with the Mayor of Mokena regarding sharing funding for this project and report back to the Board.

Maintenance Related and Capitals Related were discussed.

Trustee Fenton questioned what does the Orland Park Health and Fitness Center cost for the Village to run.

Director Mampe stated approximately \$4 Million per year and that includes all the operations of the Building, it does not include the actual maintenance of the building. Looking toward to next year, the Village maybe on top of Capital costs on the Fitness Center.

Trustee Fenton asked if it would be to the Village's advantage to sell the Orland Park Health Fitness Center.

Discussion took place with Public Works Director John Ingram and the Board on the different expenses for the Sportsplex and the Orland Park Health and Fitness Center.

President Pekau stated that there are other Village owned builds that the Board needs to evaluate if they should be sold. Buildings discussed were the Cultural Center and Robert Davidson Center, questions were how much are these building used.

Increase of fees was discussed to offset some of the maintenance expenses. Incentives were discussed to increase membership at both Sportsplex and the Fitness Center.

The Board requested evaluations be done on these buildings.

Trustee Dodge asked which buildings would cause the least disruption if the Village no longer owned them.

Recreation Division Director Nancy Flores stated the Robert Davidson Center because all the programs can be moved to the FLC building.

A consensus was taken to no longer have any programs at the Robert Davidson Center as of January 1, 2018.

The entire Board agreed.

Village Manager La Margo stated that an evaluated will be prepared and presented to the Board in the near future and the Robert Davidson Center will be the first building to be either sold or demolished.

Director Mampe stated that as of January 1, 2018 the Robert Davidson Center will no longer be used by the Village.

Trustee Gira suggested evaluating vacant property that the Village owns to be included in this evaluation.

President Pekau questioned several capital projects and Parks Director Gary Couch explained what these projects were for.

Trustee Ruzich questioned what is being spent this year on the Nature Center and what will be spent for 2018 and 2019.

Assistant Village Manager Karie Friling stated that \$1.2 Million for Phase I (which is referendum funds); for Phase II in 2018 \$125,000 and for Phase III in 2019 \$1.68 Million. Grants will be applied for as well as fundraising efforts and sponsorships so that the Village is not paying for this entire project.

President Pekau stated that there are hard decisions that need to be made. There is a very nice nature center only 5 miles away. He questioned if there are other alternatives that will not cost all of this capital. He questioned if the Forest Preserve would be interested in purchasing or swapping this land that connects to McGinnis Slough. Would this be better use of the Village's funds rather than spending \$3 Million on a Nature Center given everything that the Village will be facing in the future of decreasing revenue and increasing costs?

Discussion continued on the Nature Center.

President Pekau questioned if the Board had any issues with him speaking to the Forest Preserve District.

Trustee Fenton stated that she believes it is too soon for President Pekau to have this conversation with the Forest Preserve. It was never the Open Lands Foundations intention for the Village to fund this project. They have some very good ideas in getting sponsorships to move forward on this project.

Trustee Dodge questioned if the Village spends \$1 Million on the parking lots and a year from now the Forest Preserve takes this Nature Center over, will the Village get their \$1 Million back. There are hard decisions to be made and if there is not a definitive plan going forward, putting \$1 Million into this property is not a good idea.

Trustee Dodge believes a separate conversations needs to be had in the very near future with the Board, Open Lands, and staff - a joint meeting.

Assistant Village Manager Friling stated that she first needs to check with the Village Attorney to see what can be done with Open Lands that were purchased via the referendum. It is very restrictive on what can be done with this property. As of 2018 the entire referendum monies has been spent – it is done and the Open Lands Foundation knows that.

Trustee Fenton questioned what the expenses at the Boley Farm are and what the revenue is.

Director Mampe stated that the revenue is for the lease agreement to farm the property and it is approximately \$2,500. The operating expenditures are approximately \$2,000.

The Stellwagen Farm was discussed.

President Pekau questioned the construction of a public plaza that will be placed in the Triangle before the Board knows what will be built in that area.

Assistant Village Manager Friling stated that this plaza will not be built until it is known what else will be built in that area in the private sector.

Updates on the roundabouts, Harlem Avenue light poles, and bike paths, were discussed along with holiday lights.

A short five minute break was taken.

Proposed Technology Projects

Director Mampe reviewed the proposed Technology Projects.

Chief Technology Officer Frank Florentine reviewed the time-frame of the implementation of a Village-wide management system and the integration of new and existing systems.

Trustee Ruzich stated that she noticed that one technology item that was not approved was the video taping of the Board and Committee meetings. She understood that this was not a priority. She suggested reaching out to the High Schools in District 230 to their Video Clubs and possible they can video tape the meetings as service hours.

President Pekau and Trustee Gira stated that they will reach out to the High Schools.

Discussion took place on Technology rollout estimates and prioritizing different systems to implement in order to modernize and have the Village run more efficiently.

Discussion took place on Electronic Document Management Service for back file conversions. This is something that was removed from the 2018 budget. It was discussed to place this \$75,000 back in the budget.

Village Manager La Margo stated that the \$75,000 will be added back into the 2018 budget to begin digital conversion of hard copy documents for Development Services.

It was discussed to begin requiring documents that are submitted to Development Services to be submitted electronically rather than paper copies. Discussed were to possibly have two different fees if documents are submitted electronically or paper copies.

Trustee Gira requested that the Audio Visual at the Civic Center be reviewed.

Vehicles & Equipment Replacements

Director Mampe reviewed the proposed Vehicles & Equipment replacements.

Director Ingram explained what trucks needed replacement and the reasons why.

Alternative fuel was discussed and conversion of some of the equipment along with Hybrid vehicles.

A short five minute break was taken.

FY 2018 Proposed Operating Budget

Director Mampe reviewed the overall expenditure reductions of \$1,184,955 and explained these reductions. She reviewed the expenditure reductions by departments.

Discussion took place for the elimination of the leaf pickup and tree trimming program in 2018. The savings to eliminate just the leaf pickup program is approximately \$45,000 per year.

Village Manager La Margo stated that there will be alternative programs offered if these are eliminated.

Trustee Fenton stated that residents in the older sections of Orland Park may come before the Board requesting to burn leaves, if the pickup leaf program is eliminated. The reason is the expense these residents will have in purchasing leaf bags to accommodate the large amounts of leaves the mature trees have in these areas.

It was suggested for Director Ingram to contact Waste Management to see what their costs would be for them to take over the leaf pickup program.

Trustee Gira stated that the leaf program should be offered to all the subdivisions in the Village or this program should be eliminated completely.

Discussion took place on other options for residents to receive the Orland Park Public. It was decided that the Orland Park Public will no longer be mailed to the residents in the Village. This will generate a substantial savings in printing and postage costs.

The Public will be placed on the Village Website for viewing, hard copies of the Public will be available in the Village Hall and residents can request to continue to receive the Public by mail if they wish.

Discussion took place on staff and staff hour's reduction in Development Services, Police, Public Works and other various departments. Included in the reduction were consultants and miscellaneous supplies.

Director Flores discussed the possible cancellation of some special events. Suggestions being considered to help keep other events are charging fees for the wrist-bands or adding an extra fee for the cups at the Taste of Orland to help offset the cost. Also, charge a fee for the children's event and for the concerts at Centennial Park West.

Expenses for Market in the Park at Crescent Park were discussed. It was suggested to take one year off (due to the construction in that area) and reintroducing the Market in the Park in 2019.

Trustee Fenton commented that the momentum has started for this event and if it is canceled for a year or two, you will lose that momentum and it may not recover.

Trustee Ruzich suggested seeing if construction will be going on in that area, if so then the Market in the Park should not take place and be postponed till the construction is over.

President Pekau requested a complete cost report for each of the different events and what the total revenue is collected. By receiving this information then a decision could be made if fees should be increased or events should be cancelled.

Trustee Fenton stated that events for Village residence should remain free. However, for non-residents there has to be a fee charged.

Village Manager La Margo stated that staff will continue to evaluate these events.

A short break was taken so that lunch could be served. The meeting continued while the Board and staff ate.

FY2018 Departmental Budgets

The revenue summary by fund in the general fund was reviewed.

Trustee Gira stated that new software is needed for the Dog Park. This would save staff time so that they do not have to go to the Dog Park each time to

program a new user's card to enter the Dog Park area. She would like to speak with the Township because this is a joint effort and request funds from them to help with this upgrade of the software.

The Board asked questions regarding Revenue Details by Funds.

Budget summaries were reviewed and questions were asked on Development Services, Officials, Civic Center, Recreation and Parks budget details.

Personnel Requests were reviewed and discussed for Parks, Public Works, and Recreation along with Administration and MIS.

Director Flores explained why the Special Recreation job program will no longer be offered and wanted the Board's approval to eliminate this program.

The Board agreed.

Director Mampe questioned with the personnel requests that have been presented today, is the Board in agreement with these requests.

The Board commented on these requests and agreed.

Discretionary requests were reviewed and discussed and will be added to the FY2018 Budget.

Director Mampe stated that staff will continue to put together the final proposed budget for public inspection no later than Friday, November 17th. The final budget will be approved at the December 4th Board of Trustees meeting. At that meeting the levy ordinance as well as each of the required levy abatement ordinances will be presented for passage by the Board.

Discussion took place on all the costs involved with the tax rebate refund program.

The Board agreed that they want the messaging to the residents that the property tax rebate is being discontinued to go out sooner rather than later.

ADJOURNMENT - 2:07 PM

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

Aye: 5 - Trustee Fenton, Trustee Dodge, Trustee Gira, Trustee Griffin Ruzich, and Village President Pekau

Nay: 0

Absent: 2 - Trustee Calandriello and Trustee Carroll

2017-0773 Audio Recording for October 10, 2017 Special Meeting - 2018 Budget Hearing

NO ACTION

/nm

APPROVED:

Respectfully Submitted,

John C. Mehalek, Village Clerk

Casey Griffin, Deputy Clerk