

VILLAGE OF ORLAND PARK

14700 Ravinia Avenue
Orland Park, IL 60462
www.orland-park.il.us



Meeting Minutes

Wednesday, October 15, 2014

6:00 PM

****SPECIAL MEETING - 2015 BUDGET****

Village Hall

Board of Trustees

*Village President Daniel J. McLaughlin
Village Clerk John C. Mehalek*

*Trustees, Kathleen M. Fenton, James V. Dodge, Jr., Edward G. Schussler,
Patricia Gira, Carole Griffin Ruzich, and Daniel T. Calandriello*

CALL TO ORDER/ROLL CALL

The meeting was called to order at 6:45 PM.

Trustee Dodge was present via audio conference - He stated he was traveling for businesses. He would only be in attendance for 45 minutes in this meeting due to a business appointment.

Staff Present: Village Manager Paul Grimes, Assistant Village Manager Ellen Baer, Finance Director Annmarie Mampe, Assistant Finance Director Sarah Schueler, Public Information Officer and Deputy Clerk Joseph La Margo, Park's Division Director Frank Stec, and Recreation Division Director Nancy Flores.

Present: 7 - Trustee Fenton, Trustee Dodge, Trustee Schussler, Trustee Gira, Trustee Griffin Ruzich, Trustee Calandriello and President McLaughlin

SPECIAL MEETING

2014-0461 2015 Budget - Departmental Budget Hearing

Village Manager Grimes reviewed the different stages of the budget process.

In June and early July - He met along with staff with all the Village Trustees to have a series of budget planning meetings. That was a communication tool that was put in place a year ago and worked so well it was once again used this year. By having these planning meetings with the Board, it gave staff objectives and ideas of each Trustee's thoughts, along with their priorities in contents of the strategic plan, which was adopted in 2013.

On August 11, 2014 – Revenue Hearing: At that meeting the Board established the revenue baseline which is incumbent in order to know what funding amounts are available.

On August 25, 2014 - Target Allocation and Capital Budget Preview: At that meeting it was identified (all subject to final adoption by the Village Board) how much would be available for variable costs after establishing the fixed costs.

The meeting tonight is the first departmental budget meeting of four. At this meeting the following departments will present and discuss their proposed budgets.

- Building Maintenance
- Recreation – Administration
- Recreation – Centennial Pool
- Recreation – Special Recreation
- Recreation – Parks
- Recreation – Programs

- Recreation – Sportsplex
- Special Events

The Department Director will review with the Board their department's significant FY2014 accomplishments as they relate to the Boards strategic goals and outline how the departments FY2015 budget, as proposed, will allow them to continue to meet these goals.

A power point presentation began (**EXHIBIT A**).

Finance Director Annmarie Mampe reported that the Total Revenue as of today is just under \$46 Million, this number will continue to change as the expenditures are finalized from the various departments and funds of the Village. A final revenue amount will be available at the last budget meeting and that will be adopted and brought to the Board for final approval.

Director Mampe reviewed all of the following:

TOTAL REVENUE – \$145,990,003

Revenue Assumptions:

--\$21.3 million in bond proceeds for funding of capital projects

--Flat property tax levy

--Sales and Home Rule Sales Tax exceeding prerecession levels

---Sales tax increase – 4.31% over FY2014 budget

---Home Rule Sales Tax increase – 1.0% over FY2014 budget

--No fee increases for memberships, rentals, and daily admissions and minimal fee increases for recreation programs

--Projected development activity includes 40 single family homes, 51 townhomes, 8 row homes, 1 apartment building w/42 units, and 3 commercial properties

TOTAL EXPENDITURES – \$159,321,924

Expenditure Assumptions:

--Capital Spending - \$42.48 million

--GO Principal payments - \$7.8 million

--Salaries & Benefits - \$38.81 million

----COLA adjustment for full-time employees – 2%
----Employee health insurance cost decrease – 7.6%
----Increase in number of FTEs – 2

--Property Tax Rebate - \$2.2 million

VILLAGE GENERAL FUND BALANCE POLICY – 20% minimum, 25% goal

--Proposed budget as presented meets the 20% minimum fund balance requirement

--Amount available in excess of 20% minimum = \$2,557,334 allocated as follows:

----Capital Project funding = \$1,227,691

----Recommended personnel requests - \$270,573

----Recommended technology requests - \$205,008 (\$148,800 of this amount reflected as fixed cost)

----Recommended discretionary requests - \$702,862

--One-time transfers included in General Fund:

----Capital Project transfer - \$1,227,691

----Vehicle Sticker revenue - \$1,146,000

--After subtracting one-time transfers, the General Fund budget (with recommended personnel, technology, and discretionary requests included) has increased 3.13% compared to the FY2014 adopted budget.

Trustee Dodge was no longer present at meeting via telephone conference.

President McLaughlin questioned in what account and/or department are the funds/fees collected from OYA or other organizations for the use of Village fields (baseball).

Director Mampe stated that those fees are placed in Recreation Programs as part of the fees.

Trustee Fenton questioned why are those placed in that account of the budget and not placed in the Parks budget.

Director Mampe stated that historically that is where these fees were placed, not to say this cannot be changed. The thought is this is a Recreation function, because those fields are booked and managed through the Recreation Department so that is where the revenue is recorded.

Director Mampe stated that she will research this question and will report back to the Board.

Trustee Fenton asked if the Sportsplex revenues and Centennial Pool revenues are listed separately for 2013 and 2014.

Director Mampe stated that this information can be found in the revenue area of the budget, but they are not separate.

Part-time personnel requests were discussed along with how the revenues change at the pool year from year, due to weather issues.

Sportsplex revenues were discussed.

BUILDING MAINTENANCE & PARKS

Park's Division Director Frank Stec highlighted with the Board items within the Building Maintenance and Parks budget.

He explained improvements that were made at the Cultural Center, Franklin Loebe Center and Sportsplex Offices.

Director Stec reviewed with the Board Building Maintenance and Parks goals and objectives; expenditures details; Parks staffing;

Director Stec explained his personnel reclassifications requests to the Board.

Trustee Schussler stated that these increases are part of the Quality of Life and he has no problem with these requests because this will be beneficial to the Village residents.

Trustee Gira asked if the Village was in partnership with Carl Sandburg regarding the \$10,000 stocking of the Lake.

Director Stec states that was correct, students along with the Bass Coach from Sandburg have been out to Lake Sedgewick. The Lake was shocked so studies could be done on what types of fish should be restocked in the Lake. It is a great partnership with Sandburg.

Village Manager Grimes noted that any suggestions that the Trustees may have in terms of amending the proposed budget, those requests will be gathered together and presented to the Board at the final budget meeting. The Board would then motion/vote on those amendments.

President McLaughlin asked Director Stec if there is anything major that the Board should be aware of in the future that would be a large budget item.

Director Stec stated that currently all the parks within the Village are in good shape, but they are aging. In the future, park replacements will need to be done.

He believes within the next two years there will be a need to begin budgeting for this.

Trustee Fenton asked how fiscally responsibility is the Village being by keeping the Old Village Hall building.

President McLaughlin stated that there needs to be discussion on several building that the Village owns that may need to be sold.

CENTENNIAL PARK AQUATIC CENTER (CPAC) & SPORTSPLEX

Recreation Division Director Nancy Flores and Park's Division Director Frank Stec reported to the Board CPAC & Sportsplex accomplishments.

The Quality of Life was reviewed with the Board for both facilities.

CENTENNIAL POOL

Trustee Fenton asked what the ratio was for residents and nonresidents using the pool and what are the price difference for resident and nonresident daily fees as well as membership fees.

Director Flores reported that member fees for residents were a total of \$172,175 and member fees nonresident received were \$37,116.

Daily admission fees for residents were \$78,582; and nonresident were \$285,406.

Trustee Fenton requested that Director Flores get that information to her of the ratio of residents and nonresidents usage of the pool and also the price difference for daily and memberships fees.

SPORTSPLEX

Sportsplex' s goals and accomplishments were discussed.

Trustee Ruzich asked Director Flores of how many memberships are there at the Sportsplex for residents and nonresidents.

Director Flores reported that for resident there was 2,162 memberships plus 312 employees, for a total of 2,474 memberships, in 2013. For 2013 there were 317 total nonresident memberships.

Trustee Ruzich asked if the Sportsplex is on an upward trend or downward trend.

Director Flores reported for 2014 (to date) for residents the Sportsplex is at 2,912

memberships compared to 2,474 in 2013. Nonresident members are (to date) 378 memberships.

Finance Director Mampe stated that they will add this to the list of data that needs to be given to the Trustees.

Trustee Schussler asked why there was such a large decrease in expenditures from the 2014 Budget of \$1,774,372 to 2015 Budget of \$1,538,344.

Finance Director Mampe stated that the equipment line item went down approximately \$30,000, which is part of it. The Buildings line item also went down from \$129,010 in 2014 to only \$31,000 for 2015.

Trustee Calandriello asked if any nontraditional type of memberships has been looked into. For example, for patrons to buying a 10 pack of passes to the Sportsplex, instead of the basic 1 year membership pass.

Director Flores stated that in the summer they offer a 3 month membership for the college students returning for just the summer.

Director Flores stated that a nontraditional type of membership is something that can be looked into.

Trustee Gira stated that there is a holiday membership for kids that are home from school during the holidays and also free membership for our active service residents while they are home.

Trustee Schussler stated that this is the 14th year for the Sportsplex and some of the equipment he has noticed is looking its age. He asked is there some type of program in place for replacing this equipment, so it isn't done all at once.

Trustee Gira stated that the purchase of replacement equipment was budgeted for in this year's budget. Staff is preparing the proposals and this information will be coming before the Committee in the next month.

Director Mampe stated that there are items included in the 2015 budgeted for new weight room equipment as well as new cardio equipment.

Pool staffing and expenditure details were discussed.

Sportsplex staffing and expenditure details were discussed

Director Mampe noted that with the budget as it is being proposed in the booklet as well as the discretionary personnel requests that are listed will be presented in the final proposed budget. Modifications that are made by the Board will be included in the final budget.

RECREATION ADMINISTRATION, RECREATION PROGRAMS, AND SPECIAL RECREATION

Director Flores reported that the Recreation Department offers a wide variety of programs that range from sports, cultural arts, health and fitness, enrichment, and special recreation.

This year the enrichment program was consolidated from the Old Village Hall and the program was relocated to the Franklin Loebe Center. This created a pre-school campus for early childhood that has been well received by all patrons.

Recreation Programs are at capacity with waiting lists. These programs include Preschool, Day Care, and After School Pals.

Special Recreation has 240 Special Olympic participants. The Village had the honor of two Special Olympians competing at the National Special Olympic in New Jersey. Both participants took gold and silver medals.

Staff has seen a 49 percent increase from 2013 in sponsorship revenues. To date there are 73 sponsors for a total of \$69,675.

Sponsorships were discussed regarding local businesses being constantly asked for funding.

Trustee Fenton asked if it was fiscally responsible for the Village to still own the Robert Davidson Building.

Director Stec stated that this building needs a lot of improvements, approximately \$1 Million worth. These improvements will be presented to the Board, along with other costs for Village owned buildings for the Board to decide which building should be kept.

Trustee Schussler asked how much it would be to improve the Old Village Hall.

Director Stec stated approximately \$75,000.

Trustee Fenton suggested more events, for example the Great Pumpkin event, fees should be changed for nonresidents and free for residents. She believes anything for Village residents should be free.

Goals and Objectives and staffing for Recreation Administration, Recreation Programs, and Recreation Special Recreation were discussed.

Trustee Calandriello questioned the Recreation Department having a Senior Graphic Designer. He asked if the Recreation Department has its own publicity wing.

After reviewing the budget he saw that the Public Information Office also has a need for a graphic designer. He believes that this is an overlap where there can be some cut backs and there should be one uniformed department doing the entire Village's publicity.

Village Manager Grimes stated that historically most of the recreational programing and most of the graphic design work has been done for recreation programing. The work load for the graphic designer is driven out of recreation or Special Events functions. So this position has been placed in the department for which it serves (recreation).

The Public Information Office has its own workload and has a contracted graphic designer (freelance) and works on only the workload designed for the Public Information functions.

If it is the Board's decision that the graphic designer should be centralized that is an organizational change and this can certainly be researched for the Board.

Village Manager Grimes stated that from his standpoint it is what needs to be done to get the work done and the job is getting done. He has not seen the need to make this change from his judgment.

The seasonal part-time Special Events Coordinator position was explained that it would only be during the summer when Special Events are at their peak.

Director Flores reviewed with the Board Recreation Administration, Recreation Programs, and Recreation Special Recreation funding budget line items.

The Board discussed some of these line items with Director Flores, Director Mampe and Village Manager Grimes.

President McLaughlin asked if there are any Grants available for Special Recreation that could help offset some of the programs that the Village offers.

Recreation Operations Manager Irene Buikema stated that this is something that can be researched.

Trustee Fenton asked if the Village receives any funds from the Southwest Coop and has anyone researched what programs the Southwest Coop offers for the summer for Special Recreation.

Ms. Buikema stated that the Village does not receive any funds from the Southwest Coop. The Coop has been reevaluating their programs and there was a meeting a few months ago with staff from the Village and the Coop regarding this.

Discretionary personnel requests were discussed for Administration Recreation and Special Recreation with the Board.

President McLaughlin asked if there will be enough revenue to cover the Special Recreation personnel requests of approximately \$17,000.

Director Mampe stated that along with Director Flores they will review other Special Recreation revenues that were being budgeted for 2015.

President McLaughlin asked when the last time was that the fees were raised for Special Recreation programs.

Director Flores stated that quarterly the programs are reviewed to make sure they are at market value.

Trustee Fenton stated that there is another program called South Suburban Special Recreation (SRA). She asked how the Village's prices on Special Recreation Programs compares to SRA. She stated that there are many people who come from Crestwood to Orland Park because the programs are cheaper here in the Village.

Assistant Village Manager Ellen Baer stated that the Village compares its prices with SRA's. She stated that possibly a listing of the more popular programs for Special Recreation can be created for the Board to review that would show examples of what the costs are to the Village and what is being charged in fees.

Trustee Gira suggested seeing last year's Special Recreations revenues, so there can be a basis of comparison to see how well the Village is doing against the costs.

Village Manager Grimes stated that it is being requested to authorize an extra \$17,000 for Special Recreation part time help. However, it does not mean that will be spent. If the signups are not there, then the hours will not be there for a part time person.

President McLaughlin stated to Director Flores that for some of the events that the Village is sponsoring and/or hosting, they should be held at local Orland Park businesses. For example, there is an event "Dinner at Georgios" and "Christmas at Georgios" those events are sponsored by the Village and should be at a banquet facility in the Village.

SPECIAL EVENTS

Director Flores reported that the Taste of Orland Park has successfully increased

the number of sponsorships to 17. Community groups were up to 16 and one additional restaurant was added for a total of 19 Orland Park Restaurants.

For Special Events these many events appeal to all ages and are throughout the year. A lot of the Villages events are very successful and sell out immediately.

Goals and objectives along with expenditures for both the Taste of Orland and Special Events were discussed.

Discretionary requests for personnel for the Taste of Orland and Special Events were discussed.

Trustee Schussler asked the revenue amount that the Taste of Orland received.

Director Mampe stated \$88,950 was the revenue with expenditures of \$161,000.

Trustee Schussler stated that he is not suggesting that the Board stop the Taste of Orland; it is popular and well attended event. However, it is costing the Village \$73,000, which is a lot of money.

Trustee Ruzich stated that over 30,000 attended this event, which comes to approximately \$2.50 per person. She believes that is a very good subsidy for the Village to spend.

Employee overtime expenses for the Taste were discussed.

Village Manager Grimes explained that an ongoing challenge for all Special Events is the overtime that needs to be paid. Special Events are labor intensive. There needs to be a plan to bring these labor costs down and discussion is taking place on how to achieve this.

It was suggested that an entry fee could be implemented.

President McLaughlin stated that he is opposed to charging an entry fee for the Taste of Orland; this is a great community event. He is also against raising the tent rental, because it may scare some vendors away due to the uncertainty of the weather because they have to commit so early. He is in favor of raising the cup fees for drinks.

Director Flores stated that for any special event entertainment and supplies are the predominated expenditures. Staffing for the events is also expensive.

Trustee Fenton asked if Dance Chicago was profitable.

Director Mampe reported that the revenue for 2013 was \$4.085 and the expenditures for this event were \$9,890.

Village Manager Grimes stated that this event is different from the typically special event because that is part of the Grant to the Arts Commission.

Director Mampe stated that the total revenue that is being budgeted for 2015 for all Special Events, not including the Taste of Orland is \$114,000. The actual from 2013 was \$94,000.

The total subsidy from the Village for Special Events is approximately \$116,000 that is being budgeted for 2015. The Taste of Orland is separate.

Trustee Ruzich stated that the Special Events discussed are a lot of quality events for the community to participate in for that amount of money. She believes that is good use of Village funds.

Trustee Fenton thanked Director Flores and her staff for the great success of the Farmers Market this year.

Discretionary requests for personnel (overtime) were discussed for Special Events.

The next Budget meeting is scheduled for October 22, 2014 and Public Works (including Water and Sewer expenditures will be discussed.

This was an informational meeting NO ACTION was required at this time.

ADJOURNMENT – 9:20 PM

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

Aye: 6 - Trustee Fenton, Trustee Schussler, Trustee Gira, Trustee Griffin Ruzich, Trustee Calandriello, and President McLaughlin

Nay: 0

Abstain: 1 - Trustee Dodge

/nm

APPROVED:

Respectfully Submitted,

John C. Mehalek, Village Clerk

Joseph S. La Margo, Deputy Clerk