

**MINUTES**  
**CONTINUED FY 2016-17 BUDGET WORKSHOP**  
**March 10, 2016**

**CALL TO ORDER**

The meeting was called to order at 7:00 p.m. by Mayor Mickey Straub.

**ROLL CALL**

Present: Mayor Mickey Straub, Trustees Al Paveza, Paula Murphy, Janet Ryan Grasso, Tony Schiappa, Guy Franzese and Diane Bolos

Absent: None

Also Present: Village Administrator Steve Stricker, Community Development Director Doug Pollock, Finance Director Jerry Sapp, Public Works Director David Preissig

A **motion** was made by Trustee Guy Franzese to re-open the Workshop. The motion was **seconded** by Trustee Al Paveza and **approved** by a vote of 6-0.

Village Administrator Steve Stricker started the meeting by providing the Board with information on three subjects that were discussed at the March 7 Workshop. First, he presented the Board with a report on health insurance co-pays. He stated that he had provided a report from the Kaiser Foundation that indicated that the average co-pay for health plans showed a contribution from employers of 82% for single coverage and 71% for family coverage, which is lower than the 90% for single coverage and 75% for family coverage that the Village currently pays. However, he indicated that, in a survey of IPBC communities, the norm is for municipalities to pay 90% or more for single coverage and 85% or more for family coverage. He stated that there are only two communities that pay less than the Village of Burr Ridge for family coverage.

Second, Administrator Stricker provided a report to the Board providing a cost to conduct a Strategic Goal Setting Session. He stated that he was able to contact two consultants to provide rough costs for three options:

1. An evening Strategic Goal Setting Session, approximately 3-3.5 hours.
2. An all-day Saturday Strategic Planning Session.
3. A full-blown Friday evening and all-day Saturday Strategic Planning Program.

He stated that the cost for Option #1 ranged from \$1,500 to \$2,500, Option #2 ranged from \$4,000-\$5,000 to \$12,000-\$14,000 and Option #3 ranged from \$5,000-\$6,000 to \$14,000-\$16,000.

The Board discussed whether or not to conduct a Strategic Planning Session, what type of program should be conducted and whether the program should be conducted now or after the election next April. After considerable discussion, it was agreed that a one-evening Strategic Goal Setting Session should be conducted at the beginning of the fiscal year in May.

With this in mind, Administrator Stricker stated that he would budget \$2,500 for this expenditure and would solicit additional cost proposals from various consultants.

Third, Administrator Stricker passed out the tabulation of a survey that he had conducted of municipal waste haulers that work in the Village of Burr Ridge. He stated that he had considerable difficulty getting the haulers to complete the survey and stated that they seemed evasive in wanting to answer questions regarding costs. Mayor Straub stated that the numbers that he pays for garbage pickup are different than what is shown on the survey. Administrator Stricker stated that that was a good example of why the haulers did not want to give him a set cost and that it was clear that they are charging different customers different rates. He stated that it is quite possible that newer customers are paying a different rate than older customers.

After some discussion, Administrator Stricker recommended that, if the Board is interested in pursuing a franchise agreement with one waste hauler, a sub-committee of the Village Board be formed to prepare a set of specifications that would ultimately go out to the waste haulers in a formal bidding process. Trustee Guy Franzese agreed to volunteer for the sub-committee. Trustees Schiappa and Murphy also agreed to be on the sub-committee. Mayor Straub suggested that Trustee Franzese act as Chairperson of the sub-committee.

In response to a question regarding how public input would be provided, Administrator Stricker stated that the sub-committee would need to hold meetings with residents and/or representatives of Homeowners' Associations to gather input. He stated that he would begin the process by contacting other municipalities to obtain copies of their franchise agreements for the Committee's initial review.

### **SPECIAL REVENUE FUNDS**

Administrator Stricker continued with the review of the FY 16-17 Budget by covering the four Special Revenue Funds of the Village. He stated that, due to a change in the State law, the Village's ETSB will merge with the DuPage County ETSB and, therefore, the E-9-1-1 Fund will terminate at the end of the fiscal year. He stated that remaining funds earmarked for the Village of Burr Ridge Police Department will be spent on the purchase of a StarCom base station, as well as pre-paying the cost for dispatching. He stated that the Burr Ridge ETSB will meet at least one more time to recommend these payments and the Village Board will ultimately approve them before the end of the fiscal year.

Administrator Stricker presented the Board with the Motor Fuel Tax Fund Budget, which showed a transfer of \$275,000 to the Capital Projects Fund.

Administrator Stricker reviewed the Hotel/Motel Tax Fund with the Board. He indicated that there will be additional revenues that will come in this year in the Fund, due to the renovation of the existing Oaks Hotel into a Crowne Plaza Hotel. He stated that additional funds will be spent this year on gateway landscaping and contractual mowing, special event activities including a 60<sup>th</sup> Anniversary event, and the hiring of a Sound Supply technician. He indicated an increase in the Hotel Marketing budget from \$250,000 to \$300,000, with the understanding that \$25,000 of that increase would be earmarked for restaurant marketing.

He stated that he continues to utilize as much of the Hotel/Motel Tax Fund as possible for Village-related events and projects that can be justified under the State law and based on negotiations with the hotel operators.

### **CAPITAL PROJECTS FUND**

Administrator Stricker reviewed the four Capital Improvements Funds with the Village Board. He stated that the Capital Improvements Fund included payments for the annual Road Program and grant programs associated with Garfield Street resurfacing that will be conducted in FY 16-17 and engineering for the 79<sup>th</sup> Street resurfacing project that will be constructed in FY 17-18. He stated that, looking at future years, there may be a need to transfer significant dollars from the General Fund to the Capital Improvements Fund in order to pay for future year Road Programs and that was the cause for the future-year deficits in the General Fund.

Next, Administrator Stricker presented the Sidewalk/Pathway Fund. He indicated that there are two major projects earmarked in the Sidewalk/Pathway Fund in FY 16-17, including the construction of the German Church Road sidewalk and engineering for the County Line Road sidewalk from Longwood to Katherine Legge Park. He stated that the Village would seek grant funding for this project once again in the fall and, if successful, it is hoped that this project could be constructed as early as FY 18-19. He stated that, once that occurs, all of the existing funds in the Sidewalk/Pathway Fund would be exhausted.

### **EQUIPMENT REPLACEMENT FUND**

Administrator Stricker stated that there are two pieces of equipment that were deferred from FY 15-16 and placed again in the FY 16-17 Budget, including replacement of the 2001 Chevy 3500 aerial lift van and the 2003 3-ton dump truck. All other pieces of equipment have been deferred to future years. He also stated that the Fund is only 41% funded.

### **STORMWATER MANAGEMENT FUND**

Administrator Stricker presented the Board with an overview of the Stormwater Management Fund. He stated that this Fund was created a few years ago to keep track of stormwater management permits, which are restricted to stormwater management related projects. He stated that the estimated available reserves in the FY 16-17 Budget will be over \$107,000, which is not enough to construct any major type of stormwater project. He stated that expenditures this year include \$13,450 in miscellaneous stormwater repairs.

### **DEBT SERVICE FUND**

Administrator Stricker reviewed the Debt Service Fund, indicating that there are three Debt Service instruments, including the installment loan for the beautification project, which will be paid off after FY 18-19; the G O Bond issue for the Lake Michigan Water Project, which will expire at the end of 2016; and the refunding Debt Certificate for the Police Department facility, which will come due in December 2017.

## **ENTERPRISE FUNDS**

Administrator Stricker presented an overview of the Village's two Enterprise Funds, the Water Fund and the Sewer Fund. The water revenues for FY 16-17 show an increase in the rates of 2%, which is what the Water Committee expects the increase to be this year from the City of Chicago, but will not be known until June. He stated that the Water Fund this year showed a deficit of \$98,165 and that was due to the cost of purchasing the necessary water meters to complete the water meter replacement program in the amount of \$355,000. He also stated that another major Capital Improvement expenditure in the Water Fund was the replacement of Pump No. 4 in the amount of \$60,000.

Administrator Stricker stated that the Sewer Fund has estimated beginning reserves of \$1.8 million and that there is no increase contemplated once again this year in sewer rates. He stated that the Sewer Fund expenditure budget is comprised of salary and personnel costs, as contractual costs associated with operating the sanitary sewer system on the Cook County side of the Village.

In response to a question from Trustee Schiappa, Administrator Stricker stated that the Village has one full-time employee dedicated to the Sewer Fund, with parts of other employees' salaries allocated to the Sewer Fund as well.

## **INFORMATION TECHNOLOGY FUND**

Administrator Stricker stated that there was \$391,000 in estimated reserves in the Information Technology Fund and that there would be a drawdown of these revenues to help pay for the replacement of computer equipment, with a deficit showing in the amount of \$26,935. He stated that the purpose of this Fund is to better account for the computer equipment and other technology that the Village spends throughout the entire Village. He stated that revenues that are transferred into this Fund come from the General Fund, Water Fund and Sewer Fund. He stated that major expenditures this year include \$73,915 for the cost of various software licenses, \$74,010 for wireless networking, \$60,000 for the first of a two-year program to upgrade and replace servers and backup systems, and \$15,000 to replace a piece of cable TV equipment to broadcast our Board meetings.

## **POLICE PENSION FUND**

Administrator Stricker presented the Board with an overview of the Police Pension Fund. He stated that the Pension Fund has over \$16,000,000 in reserves, with revenues coming in from employee contributions, employer contributions and interest in the amount of \$1,438,765, with pension and disability payments in FY 16-17 amounting to \$962,400. In response to a question from Trustee Franzese regarding the annual filing fee, Finance Director Jerry Sapp stated that the Village budgets \$3,000 every year for the cost of filing the report with the State. In response to a question from Mayor Straub regarding the oldest retiree, Administrator Stricker stated that the oldest retiree is former Police Chief Don DeYoung. Trustee Franzese asked about what "Trustee Training Requirements" meant under Training and Travel Expense. In response, Finance Director Sapp indicated that that is required State

training for Pension Board members. Trustee Franzese suggested that the wording be changed to make it clearer.

Administrator Stricker indicated that he had completed the review of the FY 16-17 Budget and asked if there were any more questions. Hearing none, he stated that he would make the few changes that were discussed throughout the review process and Staff would prepare the necessary notice to hold a public hearing on the Budget set for the April 11 Board meeting, with the understanding that the Board would approve the Budget at that time.

Trustee Franzese thanked Village Staff for doing a great job on the Budget preparation.

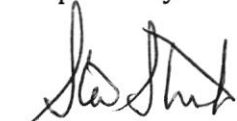
### **AUDIENCE COMMENTS**

Resident Alice Krampits stated that she agreed with Trustee Franzese that the Village should skip a year and wait to do a more extensive Strategic Planning exercise after the election.

### **ADJOURNMENT**

There being no further business, a **motion** was made by Trustee Tony Schiappa to adjourn the Budget Workshop. The motion was **seconded** by Trustee Paula Murphy and **approved** by a vote of 6-0. The meeting was **adjourned** at 8:25 p.m.

Respectively submitted,



Steve Stricker  
Village Administrator

SS:bp