

Village of North Riverside
Budget Workshop
Meeting Dates: June 29, 2020

Trustee Mengoni, Chairman
Trustee Flores
Trustee Sarro

Others in attendance were Mayor Hermanek, Trustees Czajka, Demopoulos & Mandel, Administrator Scarpiniti, and Department Heads Kutt, Garcia, Mrozik & Kiser.

The meeting was called to order at 6:18 pm and the following is a summary of the workshop:

Item #1: Budget Presentation: Trustee Mengoni turned the meeting over to Administrator Scarpiniti to present the staff's budget recommendations. Administrator Scarpiniti started with an overview of the financial impact caused by the COVID-19 pandemic and continued with an in-depth presentation of the recommended budget objections and requests for all Village funds. Due to the fluidity of the current pandemic, Department Heads were asked to revisit their budget submissions and provide purely operational only requests, thus negating the need for formal presentations by individual Department.

Item #2: Discussion of Expenses: The Committee started by reviewing the expenses.

- Trustee Sarro asked Director Kutt to explain the french drain flood control system that was being recommended within public works' budget. To help address residential flooding directly adjacent to public easements, Director Kutt reviewed the recommended guidelines created to determine the qualifications of residential properties benefiting from this program. Qualifying properties were put on a project list which was given to the Trustees for review. The anticipated cost to administer this program was estimated to be approximately \$20,000.
- Administrator Scarpiniti discussed options available to the Village to fund a flood control assistance program for North Riverside residents. After much discussion, the Board authorized Administrator Scarpiniti to create internal documents and guidelines as well as conduct a survey to determine how many residents are interested in participating in such a program. Once staff has more information concerning the interest from residents, a committee meeting will be scheduled to determine funding options.
- Administrator Scarpiniti and Public Works Director Kutt recommended suspending Phase 4 of the Cermak Road water main project until the Village received the status of its pending grant application. A detailed discussion followed to identify all needed capital improvements outlined in the Water Fund and projects were prioritized for funding. Public Works Director Kutt placed the highest importance on the repainting and cathodic repair of the Village's standpipe at an estimated cost of \$1.3 million.

Meeting was adjourned at 10:38PM

Village of North Riverside
Budget Workshop
Meeting Date: June 30, 2020

Trustee Mengoni, Chairman
Trustee Flores
Trustee Sarro

Others in attendance were Mayor Hermanek, Trustees Czajka, Demopoulos & Mandel, Administrator Scarpiniti, and Department Heads Kutt, Garcia, Mrozik & Kiser.

The meeting was called to order at 6:07 pm and the following is a summary of the workshop:

Item #1: Discussion of Expenses: The workshop resumed with a continuation of the Water Fund discussion.

- Trustee Mandel expressed interest in waiving the Water Operation Fees for a period of one year to give residents some Covid-19 relief. Administrator Scarpiniti discussed the financial impact of the 16¢ water rate increase imposed by both the City of Chicago and the BNRWC on June 1, 2020. She further explained that staff was not recommending the Village pass this additional cost on to residents or business users this year due to the current pandemic. The anticipated impact of this June 1st water rate increase is approximate \$330,000. By absorbing this additional cost within our operations budget, the village board is indirectly providing financial relief to its end users. A detailed discussion between Trustees followed. After much debate, the consensus of the Board by vote of 5-1 with Trustee Mandel being the lone dissenting vote was to not waive the Water Operations Fees and agree with staff recommendations to absorb the June 1st water rate increase within the Water Fund.
- Discussion resumed on the funding of the two major projects within the Water Fund - Phase 4 of the Cermak Road water main project and the repainting with sandblasting/cathodic protection repairs to the standpipe. After additional discussion, the consensus of the Board by vote of 4-2, with dissenting votes from Trustees Demopoulos & Mandel, was to agree with the PW Director's recommendation to prioritize the standpipe project over Cermak Road.
- Fire Chief Kiser was called on to discuss the requested ambulance cardiac monitor. He explained that while the current monitors are working properly, they are no longer FDA compliant and will not qualify for certification. Chief Kiser went on to say that after the budget was prepared, the FDA gave a 12 month extension to bring the equipment into compliance. The Village had until the end of calendar year 2022 to replace the monitors to avoid loss of certification. After much discussion, the board unanimously agreed to defer for the replacement of the monitors until the 2021-22 budget. Chief Kiser explained the long lead time for orders and the Board gave staff the approval to order them in May 2021.
- Police Chief Garcia was asked about the replacement of three squad cars. Chief Garcia explained that traditionally three squad cars are replaced every year, but last year the replacements were deferred. He explained that the cars are used 24 hours a day, seven days a week and not replacing the squads could be a safety issue for the

officers. There was a 4-2 consensus of the Board, with Trustees Sarro and Flores dissenting, to defer the squad car replacements for an additional year.

- Trustee Mengoni asked Administrator Scarpiniti about the increase in personnel costs within the Legislative Department since the Trustees did not receive a stipend increase. Administrator Scarpiniti explained that the increase was due to an increase in number of Trustees and dependents opting to participate in the Village's health insurance.
- After much discussion about how to utilize the MFT funds, the Board voted to put all of the funds into the Southside sidewalk program with any remaining funds to be used for the sidewalk square program. The Trustees unanimously agreed to move the Southside sidewalk program out of the General Fund and into the MFT fund.
- The Mayor suggested increasing the number of video gaming licenses as a way to increase revenues, explaining that each license brings in approximately \$50,000 per year in additional revenue to the Village.
 - *The Board vote 1-4-1 against the increase with Trustee Flores voting yes and Trustee Demopoulos undecided*
- The following cuts were discussed and approved::
 - \$20,000 for public education material
 - *All Trustees voted to remove from budget*
 - \$5,000 for an economic development brochure
 - *All Trustees voted to remove from budget*
 - \$35,000 for a new Village website
 - *All Trustees voted to remove from budget*
 - Removal of contingency funds from each department for pumps, with the agreement that staff will come back to the Board if a pump needs repair
 - *All Trustees voted to remove from budget*
 - \$20,000 mobile data system for squad cars
 - *All Trustees voted to leave in budget*
 - \$4,000 to remodel the Fire Department's training room
 - *All Trustees voted to remove from budget*
 - Remove mobile data terminal (suggested by Chief Kiser)
 - *All Trustees voted to remove from budget*
 - \$2,500 Golden Agers allocation
 - *All Trustees voted to remove from budget*
 - \$40,000 playground equipment, repair and replacement, staff will come back to Board for any repairs
 - *All Trustees voted to remove from budget*
 - Village Christmas Party and Tree Lighting Ceremony
 - *All Trustees voted to remove from budget*
 - \$35,000 of contingency funds for the pond fountain and gazebos
 - *All Trustees voted to remove from budget*
 - \$12,000 for Veteran's Park tree clearing
 - *All Trustees voted to remove from budget*
 - \$20,000 french drain flood easements
 - *All Trustees voted to keep in budget*
 - \$90,000 village campus camera security system
 - *Vote was 5-1 to keep in budget with Trustee Mandel voting no*
 - \$40,000 to replace 15-year-old Village phone system

- *All Trustees voted to remove from budget*
- Administrator Scarpiniti stated that she will continue to work with Department Heads to look for further line item reductions.

Item #2: Pension Contributions: At the conclusion of the expense review, Administrator Scarpiniti broached the topic of funding the public pension funds. She reminded the Board of the Village's Pension Funding Policy required the Village to contribute 100% of the actuarially determined amount each year and discussed the alternative funding options available to the Village due the approved transitional funding plan adopted by the Village Board in January 2020 and the State's statutory minimum. When asked what the dollar difference was per funding plan, Administrator Scarpiniti calculated a reduction of \$460,000 for the statutory minimum and a pension payment reduction of \$336,000 with the transition plan. She recommended that the Board follow the transitional funding plan adopted in January 2020 and revisit this issue later into the fiscal year when the known impact of the pandemic and other economic factors have been determined.

- *The Board voted to fund at the transitional funding plan by vote of 4-2 with Trustee Mandel voting to fund at the maximum level and Trustee Demopoulos voting to fund at the statutory minimum.*

•

Item #1: Discussion of Remaining Deficit: Administrator Scarpiniti asked how the Board wanted to handle the remaining \$1.4M deficit, explaining that if the Board adopted the budget as is, the deficit would have to come out of current reserves. After much discussion, the Board agreed to take the remaining \$1.4M out of the reserves and asked that Administrator Scarpiniti present a "State of the Village" report quarterly so they could continue to monitor the impact of the pandemic.

Meeting adjourned at 11:48PM