



**CITY OF PROSPECT HEIGHTS
CITY COUNCIL BUDGET MEETING MINUTES
February 28, 2015, 8:30 AM
City Hall
8 North Elmhurst Road
Prospect Heights, IL 60070**

CALL TO ORDER- Meeting called to order at 8:34 AM, by Alderman Styler at City Hall, 8 North Elmhurst Road, Prospect Heights, IL 60070.

ROLL CALL – City Clerk Adamson called the Roll.

Present were: Alderman Styler, Williamson, Higgins, Ludvigsen, Treasurer Tibbits and City Clerk Adamson.

Absent (with prior notice) – Alderman Mendez and Mayor Helmer

Also present: Finance Director Hannon, Deputy Clerk Schultheis, Assistant to the City Administrator Kalina, Building and Zoning Director Skiber, Public Works Director Cutaia, Interim City Administrator Balling, and Deputy Police Chief Steffen.

PLEDGE OF ALLEGIANCE - Led by Deputy Police Chief Steffen.

RESIDENT COMMENTS (Agenda matters) - NONE

NEW BUSINESS

A. Discussion of Budget

Finance Director Hannon discussed a possible deficit because of the proposed cuts by Governor Rauner. She warned that these cuts were not reflected in the Budget because it was not known how severe the cuts would be.

There was discussion regarding items that the City was looking into getting for free like a front end loader.

There was discussion regarding reserves, which had \$12 million dollars in the general fund in 2014.

It was noted that there could be some revenue increase from the expanded OTB facility and new gaming license to Hilton. It was noted that the City might see some cannibalization in video gaming venues as customers might go from venue to venue, instead of their being an increase in clientele and profits.

Sales tax was flat.

The planned Public Storage facility was listed as -0- in the Budget in 2015, but would begin bringing in incremental amounts of revenue if built. A conservative figure of \$10,000 was suggested for 2015/16.

It was noted that as the City received its share of the 50% Airport sharing in 2014/15; it would not be receiving the same amount in 2015/16.

The City expected to receive grant money.

Finance Director Hannon noted that 98% of residents were vehicle sticker compliant.

\$17,500 was earned from Business licenses in 2014.

Council offered suggestions regarding animal license collection, as many residents failed to pay for licenses for the pets.

It was noted that due to the Milwaukee-Palatine road construction, there would be two months of lost revenue from red light violators.

There was discussion regarding having all vehicles serviced by Public Works instead of having them serviced by a third party.

There was discussion of items that needed to be in the Budget for reimbursement such as \$45,000 for Old Town Sanitary District costs.

There was discussion regarding interest income. There was consensus on the Board to put the \$3.5 million restricted budget amount in a fully collateralized CD for one year.

There was discussion regarding a July 3rd event in conjunction with the Airport and Wheeling.

It was noted that the City would either breakeven or make money on the event.

Regarding Expenses – There was discussion of salary for an A/V professional. There was discussion whether there should be a person hired or new software should be added.

There was consensus to give the Park District a \$10,000 flat rate for the Carnival event.

Alderman Ludvigsen volunteered to be the City representative regarding the event. It was decided that half of the money would be sent upfront and the remaining half after bills were sent in.

It was decided that any funds given to organizations had to be Prospect Heights organizations.

There was discussion regarding digital signage for City Hall in the lobby. This would help alleviate the visual and actual clutter at the reception desk area.

There was discussion regarding the implementation of a new phone system. Issues regarding current phone system were debated, especially in regard to reasons for the problems. It was noted the Deputy Police Chief Steffen and Police Chief Dunne were working on a new system.

Wages were discussed, as well as the reasoning behind increases. It was noted that Prospect Heights underpaid its employees when compared to the same positions in 20 other municipalities. Finance Director Hannon noted that employees needed to be on staff at least a year before they received a raise.

There was discussion regarding overtime, legal expenses, review of employees for merit increases, website maintenance update.

Council requested that new signs be removed from the budget.

At 10:30 AM, Alderman Higgins left the meeting (as per prior notification)

It was noted by Interim City Administrator Balling that a Communication Branding Professional was not feasible as a separate full-time position. It was suggested that the person be a part-time hire. Aldermen questioned part-time hires, and discussed preference for a contracted person. Other aldermen said that they were not in favor of any type of branding professional.

There was discussion of additional Public Works personnel.

Council wanted the Slough taken out of the Budget. Aldermen suggested freeing PW personnel from car maintenance and just contracting that portion out.

There was discussion regarding the need for better lighting at City hall, and the replacement of current lights with led's. Aldermen discussed removing \$15,000 for lights, as well as nixing Hillside Lake improvements.

Discussion to keep the \$14,000 tree budget (same 2014/15 Budget).

Discussion regarding the replacement of the Crown Vic with the Explorer. The Explorer would be driven by PW Director Cutaia. It was noted that there was a possibility of getting a Tahoe from the Police Department.

There was discussion regarding Road Construction. Budgeting for engineering for the guardrail was suggested for the next summer.

Drainage – The consensus was to keep the budget at \$430,000.

Discussion regarding the need for two new squad cars.

Discussion regarding the \$5.2 million bond, and how much to be paid down. It was noted that the mayor wanted the entire "corpus" to be taken down, and that the debt should be restructured. Finance Director Hannon noted that as a government entity, the City could not simply borrow money to make money. It needed to assign a purpose to borrowing the money. The maximum the City could pay would be \$3.5 million. Finance Director Hannon stated that the City had until December to decide.

*The Consensus was to pay down \$2,000,000.00 and re-bond the rest. If someone buys the land, the money will apply to the debt.

ELIMINATE:

1. Street Lighting
2. Chipper
3. Explorer
4. Paint/Carpet
5. Pavers
6. Lights – City Hall
7. Lake Improvement
8. Website
9. *Bridge – only \$20,000 (engineering only)
10. Brand Professional
11. Sidewalk Program

DISCUSSION OUTCOMES:

1. Leave A/V out, but put in workshop
2. Phone System, but put in workshop
3. New Economic Marketer, but put in workshop
4. Maintenance Worker, but put in workshop
5. Part-time – reduce to 2 (4 total)
6. Tully, but put in workshop
7. Desk Officer, but put in workshop
8. SSA, but put in workshop
9. Drainage, but put in workshop
10. Road Construction, but put in workshop

ADJOURNMENT

**At 1:30 PM, Alderman Styler moved to Adjourn; seconded by Alderman Williamson,
There was unanimous approval.**

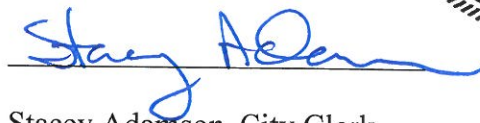
VOICE VOTE: All ayes, no nays.

Motion carried 4 – 1 (Alderman Mendez absent)

Approved by the Prospect Heights City Council on this day, the 30 of March, 2015.



Nicholas J. Helmer, Mayor



Stacey Adamson, City Clerk

