

Finance Committee Meeting of Village Board
Tuesday, May 29, 2012

APPROVED MINUTES

Call to order 7:05 p.m.

Village President David Pope, Trustee Robert Tucker, and Trustee John Hedges present. Trustee Glenn Brewer absent.

Also in attendance were Interim Village Manager Pavlicek, CFO Lesner, Budget and Finance Manager Harris, Interim Parking and Mobility Services Manager Velan, Public Works Director Wielebnicki and Village Engineer Budrick.

A motion to approve the minutes of May 3, 2012 was made by Trustee Tucker. Seconded by Trustee Hedges. Discussion: President Pope provided some minor grammatical changes that were acceptable to the group. Ayes: all. Nays: none. Motion approved.

President Pope asked Interim Village Manager Pavlicek to present the next items on Performance Management. Pavlicek gave a brief overview and requested that the Finance Committee make a formal recommendation to the Village Board for re-establishment of a performance management program.

Trustee Glenn Brewer arrives at 7:10 p.m.

Trustee Hedges stated that it may be good for a partial phased-in implementation, and allow for the Village Manager to have input in to the overall development. Also, Trustee Hedges wanted the Board to direct this program's re-establishment and assign staff this task versus having the Board be involved with the actual implementation. Trustee Tucker stated he concurred.

President Pope noted that he wants to ensure that the Village Board has substantive conversation about how it will evaluate the organization and discuss what those metrics are. Trustee Hedges noted the distinction between the role of policy makers and village management in determining how to evaluate employee/department services/perform and identification of the performance measures.

President Pope noted it would be important that as staff goes through the process and metrics are established and presented to the Board, the Board would retain the policy authority to state that the final metrics are valuable in evaluating quality of services.

Trustee Brewer recommends that the staff presentation begin with a discussion by staff that this is the operational side of a performance management program and what that staff is looking for from the Board is the policy discussion side of implementing the plan.

There was some concern expressed that the Board has not sufficiently developed policy level goals.

President Pope proposed the inclusion of business services and community planning and development in this first phase since in the February 2012 presentation to the Board, staff and OPDC indicated that they are working on performance measurement. Trustee Tucker concurred.

President Pope asked if everyone agreed with the rest of the list of departments to include. Trustee Hedges noted that Public Works may include the broadest grouping of services of the representative departments on the list and questioned how many of the numbers should the Village Board consider. The example of Forestry measurements was highlighted by President Pope, for example; total canopy, health of urban forest, species diversity. It was then suggestions that these measurements are presented in a single chart for Board review and consideration.

President Pope and Trustee Hedges discussed how the Board reviews the score of roads overall versus which specific streets are to be resurfaced in the annual budget discussion.

Trustee Tucker asked Budget and Finance Manager Harris if there is anything else that he needs at this time. Mr. Harris said he would like to hear from the Board about their vision of what Oak Park would like when the program is in place in comparison to what it does not have today.

President Pope asked if the request is for a full Board conversation. Mr. Harris clarified that it is a request for a dialogue with the full Board. Interim Manager Pavlicek noted that the only documents currently available to staff are the Village Manager form of evaluation provided at the last Finance Committee meeting to the staff and the Board goals. There was discussion that a review and update of these should be done. Trustee Hedges asked if the performance management program will be used to determine resource allocation and discussion about how the tool will be used as well as the frequency of reporting to Board by the Departments.

Trustee Tucker made a motion to approve moving forward with program based on the Interim Village Manager's recommendation, with the addition of Business Services and Community Planning. Trustee Brewer seconded the motion. Ayes: all. Nays: none. Motion carried.

The next item on the agenda was the continuation of the Capital Improvement Program (CIP), with focus on the Enterprise Funds beginning with the Parking Fund.

Interim Parking and Mobility Manager Velan handed out draft sheet of the Parking Fund capital requested and began with a review of 2012. A pay-by-phone program and the option for installation of credit card mechanisms in meters was reviewed. Ms. Velan also reviewed the Parker App for directed enforcement and parking finder. There was additional discussion of the value of charging any hourly parking fees in the OPRF High School Garage. It was noted that the annual budget includes \$100,000 for lot resurfacing. Discussion also included the ongoing expansion of car sharing services with I-Go and Zip Car in Oak Park and the resulting reduction in parking demand.

It was reviewed that in 2012 limited funds were appropriated to update parking signage and that work with the Transportation Commission on this topic is beginning.

The discussion concluded with a brief review of the inclusion of the Lake & Forest costs of development and identified that the operating budget would be the area where more of the daily impact of parking will be addressed.

At 8:35 p.m. a five minute break was taken and then the meeting reconvened with ???

Public Works Director Wielebnicki and Village Engineer Budrick presented the next portions of CIP highlighting building, fleet, sewer and water funds.

As follow up to the last meeting, Mr. Wielebnicki reviewed 2010 Emergency Repair Program and presented a map to show funding from the two congressional districts and noted that 95% of funds (\$690K +) have been received with about \$36K owed.

Related to Buildings, the following points were discussed:

- Recent Board approval of HVAC replacement in Council Chambers with a geothermal system.
- The remainder of Village Hall is served by a second HVAC system which has been identified for replacement and it is under design currently. It is an older system that has been in place from the 1970s. Considerations include replacement with similar system, geothermal, or chiller replacement only. It is expected that a recommendation will be presented to the Board in July. Remaining useful life of chiller is less than one year. Currently, the Village spends \$20,000 a year on maintenance of the system and would expect to reduce this cost to \$5,000 after system replacement which is projected for winter 2012-13 depending upon what type of system the Village Board approves.
- Future need for land acquisition for Public Works storage in the event of consolidation of maintenance services with D97 and/or the Park District into the existing Public Works facility. Director Wielebnicki noted there are challenges to moving in other entities to the currently facility, noted his willingness to make such a use arrangement work, it will have a negative impact potentially on some current efficiencies. Space needs that would be impacted would be equipment storage off site for example. Trustees asked for a review and report regarding this issue.

- Updates to the Gun Range in the Police Station was noted as being delayed to 2013.
- Public Works facility structure continues to be evaluated with WJE consulting engineers and will bid design repairs in the near future. Future discussion with Village Attorney and Board of Trustees will be needed.
- Discussed current use of Dole Center.
- Water Building Historical Façade was briefly raised and the status of the Historical Society agreement was requested.

Related to Fleet, the following points were discussed:

- Reviewed hand-out Fleet Size Mid-Year Summary
- Reviewed ten year replacement schedule
- The Trustees requested information on the current RICO Fund balances and annual income

Related to the Water Fund, the following points were discussed:

- Identified current model is that 1 mile of water main is a \$1 million expense.
- In 2013 the Village will face a 15% water rate increase from Chicago and will need to pass along a 10% increase to our customers in order to maintain revenues sufficient to cover the costs of buying water from Chicago.
- Determining costs of water main associated with Park District water main impact to site redevelopment on the 1909 water main.
- Water meter replacement program continues and in the out years there will continue to be costs for replacement of meter and meter register heads (the Water Fund covers ½ of this cost as the other ½ is charged to the Sewer Fund). Out of 12,000 accounts approx ½ to 1/3 of the meters and register heads continue to be replaced.
- Pump station improvements currently reflect normal repairs but it was noted in that in future years the Village will be required to undertake more substantive reservoir work to reline roof (the water proof membrane.). Staff is currently planning to coordinate with Park District on the timing of this work relative to their fields.
- A request was made of staff to look at 2014 expenditure spike and determine if there is a rate impact.

Related to Sewer Fund, the following points were discussed:

- Discussed sewer grant program and noted that \$200,000 is identified for the out years as a place holder until there is a Board discussion and direction about the future of the program.
- Sewer modeling program is shown again as an expenditure.
- It was noted that the IKE grant is in process and may help defray some of the expenditures identified in the Sewer Fund.

General discussion was held and Trustee Hedges requested that the Finance Committee for 9/27 be re-scheduled as he will be out of town.

President Pope asked for status of current audit work. CFO Lesner advised that we are on-time at this point based upon input from the auditor.

A motion was made by Trustee Brewer to adjourn the meeting. Seconded by Trustee Hedges. Ayes: all. Nays: none. Motion approved.

The meeting was adjourned at 10:05 p.m.