

**CITY OF OAKBROOK TERRACE  
BUDGET MEETING OF THE CITY COUNCIL MINUTES  
WEDNESDAY, MARCH 8, 2017**

**I. CALL TO ORDER**

The Mayor called the March 8, 2017, Budget Meeting of the City Council to order at 6:11P.M.

**II. ROLL CALL**

The following Aldermen were in attendance:

Present: Esposito, Greco, Przychodni, Swartz, Thomas, Vlach, and Mayor Ragucci  
Absent: None

Also in attendance were City Administrator A. Marrero, Police Chief C. Calvello, Assistant to the Mayor and Administrator M. Sarallo, and Finance Consultant A. Haslett.

**III. PROPOSED FY 2018 BUDGET DISCUSSIONS**

City Administrator Marrero welcomed everyone to the first FY 2018 Budget meeting and displayed a PowerPoint presentation. City Administrator Marrero noted the figures shown in the FY 2018 budget books and in tonight's slides do not represent any traffic light enforcement revenues or expenditure figures. City Administrator Marrero stated during tonight's meeting the impact of the Traffic Light Enforcement cameras will be discussed in a separate handout.

**General Fund Revenues**

City Administrator Marrero said the FY 2018 General Fund revenues are projected at \$7.4 million, reflecting an increase of about 4% from the current fiscal year estimate of \$7.2 million. City Administrator Marrero went on to discuss several key revenues. City Administrator Marrero stated sales taxes are estimated at approximately \$1.9 million and are the City's number one (1) revenue source representing 26% of total revenues. City Administrator Marrero said sales taxes have consistently exceeded the \$1.6 million mark since 2009 and for FY 2018 the City estimates that sales taxes will be 8.9% more than the current year estimate.

City Administrator Marrero reported that hotel taxes are the City's second largest revenue source at 22% and are slightly down from last year due to the temporary closure of the La Quinta hotel. City Administrator Marrero noted in FY 2016 the City received the first collections from the online hotel companies amounting to \$9,000 and explained that these revenues are expected to be double in FY 2017 and FY 2018. Alderman Esposito asked about the LaQuinta hotel tax returns. City Administrator Marrero said she will report back to the Council with this information.

City Administrator Marrero stated property taxes represent the third largest revenue source at 13%, while utility taxes are the City's fourth largest revenue source at 10%, and license and permits represent the City's fifth largest revenue source at 9% of total revenues.

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**General Fund Expenditures**

City Administrator Marrero reported that FY 2018 General Fund expenditures are expected at \$7.4 million, which is 3.5% higher than the FY 2017 estimate, and 6% higher than FY 2016 actuals. City Administrator Marrero noted approximately 74% of the total expenditures are related to salaries and benefits. City Administrator Marrero said FY 2018, salaries increased by approximately 4%, while benefits essentially remain flat. City Administrator Marrero noted the FY 2018 budget does not include any COLA or proposed personnel changes, which will be discussed in more detail at a future meeting in Executive Session. City Administrator Marrero noted the Police Department however does have a personnel request that will be discussed this evening.

City Administrator Marrero reported contractual services comprise 23% of the total budget at \$1.7 million, while commodities represent 2% of the total budget. City Administrator Marrero said the only major capital item in the General Fund is the scheduled replacement of police vehicles at \$75,222.

City Administrator Marrero displayed a chart comparing the City's revenues and expenditures over a 10 year period. City Administrator Marrero commented General Fund revenues outpaced expenditures starting in FY 2011 through FY 2016, and the gap starts to close and then the two line graphs becoming completely equal for the FY 17 and FY 18 budgets. Alderman Esposito said it would be nice to get back to a surplus.

**General Fund Balance**

City Administrator Marrero noted the City has been fortunate over the last several years to show a budget surplus in the General Fund and in FY 2016 the budget ended with a \$527,618 surplus. City Administrator Marrero said even though there is no projected surplus in FY 17 and FY 18, the year ending balance of \$6.1 is still a very healthy amount.

**Executive Management & Special Events**

Finance Consultant Haslett stated the Executive Management budget for FY 2018 is \$952,005, representing a 9.7% increase over the FY 2017 estimate. Haslett noted that contractual services represent about 45% of this budget. Haslett discussed some of this year's highlights including:

1. welcoming eight (8) new business to town;
2. hosting the first fall festival back in October with about 50 attendees;
3. the receipt of \$16,750 in July 4<sup>th</sup> sponsorships; and,
4. the installation of three (3) new welcome signs.

Haslett reported that special event programming increased by 40% over the current year budget because of the addition of the fall festival costs, while fireworks will be

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\$3,000 more than the current year due to the new contracted rate. Haslett noted that labor relations line item increased due to the upcoming FOP negotiations because the current contract expires April 30, 2017. Haslett said there were no major changes for the FY 2018 budget.

**Police**

Chief Calvello stated the Police Department budget for FY 2018 is \$4,708,289, representing an increase of \$151,811 or 3% from the FY 2017 estimate. Chief Calvello noted salaries increased by 3% or \$70,243 over the FY 2017 estimate due to mandatory police union contract increases. Chief Calvello reported benefits increased by \$55,674 or 3% from the current year. Chief Calvello added the FY 2017 estimate is actually \$167,909 less than the original budget due to the elimination of the Deputy Police Chief position. Chief Calvello said the City still has the Deputy Police Chief on the books, but we do not know if the position will be filled at this time. Mayor Ragucci said if he is re-elected he does not foresee filling the Deputy Police Chief position saving the City approximately \$118,000 in salary costs. Przychodni noted that the vehicle maintenance and repair was higher this year and asked if the squad change over costs were included in this amount. City Administrator Marrero said the change-over costs are included in this line item.

Chief Calvello discussed the FY 2018 goals for the Police Department as detailed below.

1. Establish a strong presence in the community and serve as a deterrent of crimes.
2. To work closely with other local law enforcement agencies, while promoting cooperation and coordination with county, state, and federal officials on multi-jurisdictional matters.
3. To take advantage of technological innovations.
4. To prepare the Department to respond to possible terrorist threats and natural disasters. Chief Calvello noted the Police Department conducts drills at the local schools. Chief Calvello said there is an officer present every day at both schools at the beginning and end of the day.

Chief Calvello discussed the current year accomplishments as detailed below.

1. Hosted first National Night Out at the new Police facility and are planning the next one.
2. Promoted Officer DeMario to the Investigations unit. Chief Calvello said every year two (2) officers will be trained in the detective unit. Chief Calvello said about seven (7) officers put in for the additional training.
3. Officer Lekki completed the Certified Accident Investigator training.
4. All the squads have been re-marked for high visibility.
5. Apprehended two (2) offenders suspected in a rash of car burglaries. Chief Calvello noted since this apprehension there have been no additional burglaries.
6. Chief Calvello said anytime there is a residential incident, the Police Department sends a survey to the household. Chief Calvello noted the Police Department continues to receive positive feedback from the Citizen Survey Program.
7. Made procedural changes to adapt to the cannabis law.

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8. The School Resource Officer continues to work closely with local schools.
9. Continued with the Child Safety Restraint and lockbox programs.

Chief Calvello discussed the FY 2018 objectives as detailed below.

1. Implement a video camera surveillance program by installing cameras at the entrance and exits of the City to promote additional safety.

Chief Calvello noted the City is still waiting for ComEd to provide the costs of placing the cameras on the poles. Chief Calvello said once this information becomes available then the City will inform the residents of the costs of the program.

2. Continue to provide high visibility throughout the City with a focus on the schools.
3. Continue to work closely with local schools with lock-down drills that are done twice a year.
4. Hire a full-time Records Clerk on the midnight shift.

Chief Calvello said he is hoping to staff the midnight shift with a full-time staff member rather than the current part-timers. Chief Calvello explained that currently part-time staff covers midnight and weekend shifts. Chief Calvello said the Records division will be losing two (2) part-time staff members in the near future. Chief Calvello said most part-time staffers eventually look for full-time work. Mayor Ragucci noted the Records Clerk position is a stepping stone to get some experience and then move on to become a police officer. Mayor Ragucci said the request is to create an additional full-time staff member because we are already paying part-time staff.

Chief Calvello said the full-time staff member will be a great addition on midnights. Calvello said the total cost of the new position needs to take into consideration the part-time staff that will not be paid anymore Monday through Friday. Calvello estimated the total cost of the additional personnel to be \$37,581. Alderman Thomas asked how the Records Division is staffed. Calvello replied the Records Division has a full time records clerk on days and afternoons, while part time staff covers midnight and weekend shifts.

Alderman Greco asked if there would be any interest by the police officers to hold an open forum where residents can learn about different topics such as credit card theft. Discussion ensued regarding possibly holding an informational class four (4) times a year discussing topics of interest for residents. Mayor Ragucci said this is something that the City can look into and see what the response is.

**Tourism**

Haslett stated the FY 2018 proposed Tourism budget is \$165,283, representing a 2.3% decrease from the FY 2017 estimate. Haslett explained the FY 2018 budget

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decreased by \$3,833 due to lower DCVB membership fees resulting from the temporary closure of the LaQuinta hotel.

Haslett reported that about four (4) years ago back in 2015; the Council lowered the Hotel Commission marketing line item to \$100,000. Haslett explained even with this reduction, the City's hotels have done really well with revenue increases of 10.5% in FY 2015 and 6% in FY 2016.

**Police Commission**

Haslett stated the FY 2018 proposed Police Commission budget is \$16,135 and is based upon the Commission's recommendations. Haslett noted that this year's budget is standard with last year's. Haslett reported that new applicant testing took place on February 4, 2017. Police Chief Calvello noted interviews will take place on March 22 and 23 for the new police list.

**Finance**

City Administrator Marrero said the Finance Department budget decreased almost 24% from the FY 2017, due to the restructuring of the Finance Department with the elimination of the Assistant Finance Director position and replacing it with the Finance Coordinator position at a lower salary. City Administrator Marrero said all the other budget items remain the same. City Administrator Marrero highlighted some of the FY 2017 accomplishments as detailed below.

1. Successful receipt of the Certificate of Achievement for Excellence in Financial Reporting for the FY 2016 CAFR.
2. Successful receipt of the Certificate of the Distinguished Budget Presentation Award for the FY 2017 Budget.

City Administrator Marrero said these awards show the proficiency and transparency of the City's financial and budget documents. Mayor Ragucci said the Finance Department does a good job with this.

**Economic Development**

City Administrator Marrero said the Economic Development budget for FY 2018 is \$189,000, which is almost 2% lower than the current budget because the Redbox agreement was terminated. City Administrator Marrero explained the Redbox agreement was terminated because Redbox was no longer in compliance with the terms of the agreement. City Administrator Marrero said the agreement called for Redbox to occupy a certain amount of square feet and they downsized at the Oakbrook Terrace Tower.

**Traffic Light Enforcement Impact on the FY 2018 Budget**

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City Administrator Marrero said due to the pending litigation, the Traffic Light Enforcement division was not included in the FY 2018 budget. City Administrator Marrero stated now that the cameras will be operational by the end of March, the cameras impact on the FY 2018 budget should be discussed and distributed an informational packet.

City Administrator Marrero estimated the FY 2018 revenues from the traffic enforcement lights at \$1.8 million, which increases total General Fund revenues to \$9.2 million as opposed to the original \$7.4 million originally projected. City Administrator Marrero estimated the total cost of the Traffic Light Enforcement division for FY 2018 at \$869,000. City Administrator Marrero explained that Safespeed's fees comprise 40% of the traffic enforcement fines. City Administrator Marrero said the FY 2018 Traffic Light Enforcement budget includes almost \$40,000 for a hearing officer and the wages for two (2) part-time reviewing officers at \$78,000.

City Administrator Marrero said when adding the Traffic Light Enforcement budget, the General Fund FY 2018 expenditures increase to \$8.3 million and with revenues estimated at \$9.2 million; a surplus of \$931,269 is projected. City Administrator Marrero projected the adjusted FY 2018 fund balance to be \$7.1 million as opposed to the \$6.1 million originally expected. City Administrator Marrero noted all of these adjusted budgeted figures will be included in the final FY 2018 budget in April.

Mayor Ragucci said in order to get a red light ticket, you have to disobey the law and if one fatal accident can be eliminated, we did our job. Mayor Ragucci estimated the revenues included in the FY 2018 budget for the traffic enforcement cameras are on the low side and the revenues could be higher. Alderman Vlach said with the surplus he would like to see the City's outstanding bonds be paid if they are callable. Alderman Vlach also said he would like to see the City's portion of the real estate tax decrease. Alderman Esposito said he would like to look into the surplus helping the Business District Debt Service funds. Alderman Esposito said the Oakbrook Terrace Park District also needs a lot of help. Alderman Esposito said Terrace View Park needs a lot of work as well. Alderman Esposito said this would be a big undertaking and he does not even know if it is possible.

Alderman Greco said he would like to see some of the money used to do something with the Oakbrook Terrace Park District. Discussion ensued regarding the Oakbrook Terrace Park District. Alderman Greco said enough of the City's residents would be supportive of removing the Park District from the property tax rolls through a referendum. Mayor Ragucci said the Oakbrook Terrace Park district receives a lot of money from Oakbrook Terrace businesses.

Mayor Ragucci said he is very proud that the City has a balanced budget and a healthy fund balance. Chief Calvello recommended that some of the traffic light enforcement fines be used to make a donation to Mothers Against Drunk Drivers (MADD) and purchase some child safety seats to give back to the community.

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Alderman Swartz suggested offering a scholarship to the College of DuPage with some of the revenues. Mayor Ragucci said we can look into this.

**ADJOURN**

**The meeting was adjourned at 7:43P.M.**

Submitted by,

Aileen Haslett  
Recording Secretary