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Village of Elm Grove
Finance and Licensing
Capital Budget Workshop
September 19, 2019

Present: George Haas, Martha Kendler, Kim Irwin, and Glenn Schrubbe. Jeff Behring participated by phone.

Also Present: Monica Hughes, Dave De Angelis, Bill Selzer, Jim Gage, Sarah Muench, Richard Paul Jr., Jerod Mikkelsen, Tom Harrigan, Brian Naylor, Mary Stredni, and Bonnie Klamik of the Library Board.

Mr. Haas called the meeting to order at 7:30 am.

Discussion of Proposed Capital Budget

There was a brief summary of the current budget by Village Manager, Dave De Angelis, noting that the budget is at a level similar to last year. He referred committee members to the memo that was included noting more detail on the process and review that has been done. He noted that the original proposals in the years recommended, created a tax levy of almost \$1 million. After reviewing with department personnel, a number of changes have been made and levy is similar to last year. He noted that the overall budget has increased from past years as more infrastructure projects are included such as parking lots and pathways. Increasing paving costs, road conditions and limits to the operating budgets have made it harder to maintain the road repaving schedule and conditions of the past. He also noted that he is recommending not using \$150,000 of funds transferred from the operating budget in 2018 to fund the current capital levy. He is recommending holding these funds for future paving projects and to move the annual paving to the capital budget which will allow more flexibility to address roads.

Mr. De Angelis also brought to the committee members' attention 2 items that have been supported by the board and are new in this budget. The cost of the North Avenue sidewalk of \$111,000 in 2023 and our share of the police Bearcat vehicle. The actual cost and financing method for the Bearcat have not been finalized but should be by the end of October.

Departments have prepared their requests and were present to discuss and answer questions. The budget can again be discussed in conjunction with the operating budget in October.

Fire

Fire Chief, Bill Selzer, discussed his budget noting the only item currently budgeted is the annual appropriation for equipment and turnout gear. This budget allows the department to annually replace equipment and turnout gear as needed for its members. The committee discussed fire trucks and it was noted that there are currently no plans to replace any truck within the 5 year period. All trucks recently completed inspections with no problems noted. A schedule included in the budget included an anticipated year of replacement using a useful life of 30 years. Under this schedule the secondary tanker would have been replaced in 2016. This tanker is a backup and is operating sufficiently. In 2017 the village purchased the Rapid Response Vehicle instead of replacing the secondary engine. The decision was made not to sell the engine but keep it as long as it was operational. The primary purpose is to transport hose to scenes as needed.

Library

Library Director, Sarah Muench, presented her budget. She noted that the computer replacement included represents the current equipment on the cycled life with the addition of a print release station in 2020. This would allow the library to centralize the printing and payment for items printed

through the library computers. The only new request included is \$5000 for a library space needs assessment, which is one half of the \$10,000 cost. The library board will use donation money to support the other \$5,000.

Police

Police Chief Jim Gage presented his budget. The committee discussed the squad replacement schedule as Ford will no longer produce the same Explorer model that the department is using. The new Explorer is expected to cost approximately \$7,000 more and will also require new equipment at a cost of \$8000. New costs are reflected in this budget. He reviewed the other items included. He noted that the radios costs have been updated and reflect a savings of approximately \$25,000 from last year's budget. The committee discussed the history of the radios and our dependence on the county for this program. Building upgrades and furniture replacement scheduled for 2019 is being postponed until 2020 to allow completion of other village building projects such as the HVAC and more time for the department to address specific needs.

Recreation

Recreation director, Jerod Mikkelsen, was present to discuss the budget. It was noted that he is new to the position since last budget year and a number of the items were included in previous years and are moving forward in the 5 year cycle. After the first summer season, he discussed the recommended new items. New to the budget, is the pool circulation pump motor recommended by our pool maintenance company, shade structures/roof over the changing area and diving board bases. Covering of the changing areas was considered in conjunction with the splash pad but removed after the first bidding to try and reduce the overall project cost. The department also is requesting 2 items under new equipment. The department would like to change to new recreation software at a cost of \$3000. The software would be a substantial upgrade to our current software both for the village and users. The upgrade comes with an annual cost of \$4500, which includes upgrades and modules, compared to our current software cost of \$1500. This would be an ongoing cost included in the operating budget. It has also been recommended that a camera be installed in the general area of the poolhouse which would record entrance areas and concessions. A camera cost of \$750 was included but an estimated cost including installation has now been received for \$3200. Village staff will be looking into this further to determine the best way to proceed.

General Government

Monica Hughes discussed the budget noting the change in the parking lot repaving moving from 2021-2022 to 2022-2023. She also noted that the overall project cost was increased by \$40,000 to include the sidewalks around the building and the building front entrances. The replacement of the street lights in the parking areas was reduced from \$120,000 to \$80,000 to reflect pricing we received from Tower Energy last year when the interior lights were replaced. Computer replacement has been divided over a 2 year period to allow the extensive network and servers to be addressed first and final equipment replacement the following year. Election laptops were going to be replaced in 2019 but are now moved until 2021 upon the recommendation of the village clerk.

Public Works

Richard Paul Jr., public works director, presented the budget. He discussed his review of equipment and proposed changes within the schedule. He is recommending replacing the excavator and postponing the front end loader and street sweeper. It was noted that the cost for the excavator is included with the model of financing it over a 5 year period. Committee members discussed the large number and cost of equipment and if there are other ways to be budgeting for replacement. The public works budget represents more than one half of the capital budget. As was noted in the opening remarks this budget contains a number of infrastructure project which staff feels will continue in

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future years. The committee discussed the Marcella Bridge which continues to be included in the capital budget but moved to the final year which does not allow any additional funding. Also there was discussion on the \$500,000 pathways, what this includes or is designated for, and if the North Avenue sidewalk should be a separate item or funded through the \$500,000. The committee expressed the difficulty of reviewing this budget compared to other departments because of the infrastructure items and large number and cost of equipment.

Due to the time, it was requested that the discussion should continue at a future meeting. It was determined that next Monday's finance meeting should begin at 6:30pm to allow more discussion and at that time another meeting added if needed. It was also suggested that the infrastructure projects be taken out of public works and a new category be set up. Staff will work on making this change.

Other Business

No other business was discussed.

Adjournment

Martha Kendler and Glenn Schrubbe moved and seconded to adjourn at 9:30am and continue the discussion at the finance meeting. Motion carried.

Respectfully,
Monica L. Hughes