

**Public Works Committee
Minutes and Report to Council
4:00 p.m., March 8, 2019**

Roll Call: Alan Shoemaker
 Troy Rund
 Drew Hoel
 Alta Long
 Denny Cruzan

- CMOM Report. Hoel provided copies of the Annual Summary Report for the Capacity, Management, Operations and Maintenance (CMOM) Program Management Plan for the Sewer Department. This is a required report to the Illinois EPA which tracks several performance measures and maintenance items. Committee members reviewed the plan and summary report. After discussion, committee members approved the CY2018 Summary Report.

- FY2020 Budget. Long reviewed the prepared draft budgets for several departments. It was noted that the department heads had each reviewed the budget draft with Long and provided input to proposed changes over last year's budget. Long noted that, throughout the draft budget, salary lines have been increased by 3% as a "placeholder" until a specific wage and salary proposal is made. Long also reviewed her analysis of historic revenue and expense trends in water and sewer, revenue and cash flow projections, and capital spending projections. Based on this analysis, Long recommended that no rate adjustments were necessary during the coming fiscal year, assuming no significant increase in our cost of water purchased from Illinois-American. Specific comments, by department, are as follows:
 - Water Department.
 - Metered water sales continue to decline, and revenues have been adjusted down accordingly.
 - Allocation to the Reserve Fund is increased from \$90,000 to \$150,000 to accommodate future capital spending.
 - Interest income is increased to reflect higher interest rates on a higher fund balance.
 - Bad Debt is increased from \$1,000 to \$1,500 to accommodate planned write-offs.
 - Capital Outlay is increased from \$5,000 to \$10,000 for required interior inspection of the water tower.
 - Purchased Water Expense is increased to reflect recent experience and the QIP charge from Illinois-American.

 - Sewer Department.
 - Revenues are decreased as noted in metered water sales.
 - Allocation to the Reserve Fund is increased from \$120,000 to \$150,000 to accommodate future capital spending.
 - Farm Expense and Farm Revenue are both increased to reflect planned re-seeding at the spray field.
 - Capital Outlay is reduced from \$40,000 to \$12,800. Roof and gutter repairs at the south plant are the only planned capital expenditures.

- Municipal Buildings.
 - Vending is increased to \$300.
 - Real Estate/drainage tax is increased from \$1,000 to \$1,100
- Streets & Alleys.
 - Salary lines in Streets is increased to reflect a current staffing level of six employees.
 - Capital Outlay is reduced to \$0.
 - Vehicle Fuel is increased \$16,000 to \$17,000.
- Park Department.
 - Grant Income and Capital Outlay reflect the planned improvements at the Park from the OSLAD grant.
 - Utilities are increased by \$500.
 - Landscape Maintenance is increased from \$7,500 to \$10,000 for additional tree plantings. Many ash trees are planned for removal due to the Emerald Ash Borer infestation.
 - Repairs and Maintenance is decreased from \$16,000 to \$10,000. This was increased last year for light pole inspections, which have been completed.
 - It was noted that one of the Toro ZTR mowers will likely be replaced before the end of the current budget year.
- Pool Department.
 - Concessions income is increased by \$200 and Lessons income is reduced by \$700.
 - Training is increased from \$1,800 to \$2,200 to reflect the increased cost of lifeguard certifications.
 - Chemicals are increased from \$7,500 to \$9,000 to reflect actual experience.
- Motor Fuel Tax Fund. Existing debt service obligations are the only planned expenditures for FY2019. Annual oil & chip maintenance will continue to be funded in General Fund.
- Capital Replacement Plan. There are no planned equipment replacements in the Public Works departments.

Meeting adjourned 5:08 p.m.