

**MINUTES
COMMITTEE-OF-THE-WHOLE
PRESIDENT AND BOARD OF TRUSTEES
VILLAGE OF ARLINGTON HEIGHTS
BOARD ROOM
MONDAY, May 20, 2019 7:00 P.M.**

I. Call to Order

President Hayes called the meeting to order at 7:00 PM.

II. Pledge of Allegiance

The Pledge of Allegiance was recited.

III. Roll Call

President Hayes and the following Trustees responded to roll: Baldino, LaBedz, Padovani, Rosenberg, Scaletta, Canty, Schwingbeck and Tinaglia

Also present were: Randy Recklaus, Mary Ellen Juarez, Assistant Director of Finance; Mary Rath, Human Resources Director, Andrew Larson, Fire Chief; Becky Hume Village Clerk

IV. New Business

A. Swearing in of Battalion Chief Ron Fraider to Deputy Fire Chief

President Hayes administered the Oath of Office to Mr. Fraider.

B. Swearing in of Officer Christopher Sefton.

President Hayes administered the Oath of Office to Mr. Sefton.

C. Finance

Mr. Recklaus explained that the purpose of tonight's meeting was for the Board to hear what is happening in each department. This shared information helps inform the Board in advance of the July 9th Strategic Priorities Meeting. Staff's job is to execute the priorities and goals of the Board. This meeting and the two upcoming COW meetings bring information to the Board about where the Village is going, what the priorities are, and subsequently helps staff to craft a budget in line with the Board's objectives.

Mary Ellen Juarez, Assistant Finance Director, gave the Finance Status Report presentation which is attached to these minutes. She highlighted the upcoming

projects including a 2019 Bond Refunding, researching and implementing a new ERP program, and the Water and Sewer Rate Study. Currently sales taxes are \$200,000 above last year. Income taxes are \$100,000 above last year. There are expected upward pressures on pension losses. The Village tries to keep its debt level service payments level from year to year. In August, there is another bond refund opportunity. Ms. Juarez summarized that the Village provides a high level of service at a reasonable cost. The Finance Department continues to use conservative budgeting practices, looks for ways to reduce cost and continues to look forward.

Trustee Rosenberg asked about the ERP process. Ms. Juarez said the Village is working with a consultant and there will be an RFP. Each department will be evaluated as to their needs. As the system will be intertwined between departments, we will assess and get the best system for us. The consultant will run the process to evaluate needs and help with implementation. Mr. Recklaus said the arrangement is similar to having a construction manager for a construction project. It's anticipated a system will be identified in 2020 and implementation will take a few years. Parallel processing will need to occur for a few months to make sure the new system working. Every employee will need training.

Trustee Rosenberg said the Bond rates were already low, he asked if there was room for refinancing. Ms. Juarez said yes, if the rates hit a certain point, Mr. Kuehne investigates. In this case \$500,000 over life of the bond will be saved in the 2019 refinancing.

Trustee Scaletta asked for a breakdown of use tax versus sales tax from the State. He is curious how much the online sales taxes are contributing. Ms. Juarez said the current State reporting is not detailed, but she will look into getting better information. This year so far, the use tax is \$115,000 above last year. The Village receives a deposit with a report that says 'local sales and use tax'. Trustee Scaletta said it is hard to prepare and forecast without knowing the breakout of internet taxes versus use taxes. Mr. Recklaus said perhaps this information can be collected before the meeting in July. Taxes are outperforming our model. Some increase is from online sales taxes, some is from the improved economy. There are also increased the Food and Beverage taxes collected. Trustee Scaletta asked for a breakdown of sales taxes by source. He is trying to discern if increases are coming from brick and mortar retail sales increases or from increased restaurant business.

Trustee Scaletta asked about the ERP process. Mr. Recklaus said it will cost a couple of million dollars. The current system is impacting day to day work and prevents staff from implementing efficiencies. There will be a fee to get started plus maintenance. Trustee Scaletta suggested suing Reserve Funds as the balance is over the 25% goal.

Trustee LaBedz asked what the difference was between a AA+ and a AAA rating. Ms. Juarez said communities with better balance between businesses and residential have an advantage because they are not dependent on property taxes. She said she would get more information. Mr. Recklaus said the Village's

fundamentals are strong, but we have a high percentage of residential tax base and that counts against us.

Trustee Canty asked about the possibility of the proposed expansion of slots at the Racetrack. Mr. Recklaus said if it came to be, it would be a plus to the budget, there are casino expansion bills out there, but there is no new information today. The Racetrack has said slots are necessary for their continued viability. Most of the talk right now is about sports betting.

Trustee Rosenberg said the State sales tax rate for online sales is 6.25%. It was unclear how much the Village gets of this. Finance will report back.

Trustee Schwingbeck asked how the vehicle sticker program has been going. Ms. Juarez said the majority of residents are paying. Some aren't very happy. In the last 2 weeks, \$151,000 has been collected. About \$75,000 of those dollars are in sticker sales and more is expected. Noncompliance was at 25% so hopefully next year will be better.

Water consumption has dropped because of appliance efficiency and the rainy conditions of the past few years. Trustee Schwingbeck asked if houses on well water pay the sewer fee. The answer was yes, there is a minimum amount charged. A sewer charge is 100% a function of your water bill, they are correlated. Trustee Schwingbeck suggested that if residents leave in the winter, they should still get a minimum water/sewer bill. Perhaps the Village could think about doing something like that in the future. Mr. Recklaus said this suggestion was a great idea to explore. The reduction in water usage is being looked at closely. Another reason water usage is that old meters under report. The infrastructure is aging and we need to improve it.

Trustee Tinaglia asked staff to consider strongly changing the date of when the vehicle stickers are due. The January 1 date is a problem.

D. Human Resources

Mary Rath, Director of Human Resources, presented an overview of the Human Resources Department. The slide presentation is attached to these minutes. Recruitment continues to be a focus as many employees have retired or will retire in the near future. She explained the competitive hiring environment. Flexibility for employees is something they are looking at as well as creating a positive employee experience. A wellbeing initiative focusing on healthy behavior was explained.

President Hayes said he liked the approach of asking if new hires are right for the organization, not just the position. He hoped the Village was not lowering its core values in order to fill vacancies. Ms. Rath said the standards are not lower. She said she looks for core values and the skills for the job they are interviewing for. Mr. Recklaus said the goal is to get people that really give customer service, where it's in their DNA. People who have good communication skills and are team players are being sought. Non team players take a lot of energy out of an organization.

President Hayes asked what the primary complaint in exit interviews was. Ms. Rath said the complaints she receives are based on communication, from the top down.

Trustee LaBedz said it is good to focus on improving communication as it helps employees know what is expected of them. She asked if Ms. Rath had enough staff. Ms. Rath said it is challenging at times. The Department is fortunate that they have an intern. They have started to contract out with consultants to help fill vacancies. As need be, they find ways to fill the gap.

Ms. Rath explained the processes for Police and Fire hiring. An outside firm designs a written test. All potential candidates must pass it with at least a 70%. On the Fire side, these candidates are placed on an eligibility list. They meet with the Fire & Police Commission, go back to Fire department for background checks, then they start the other testing; psychological, polygraph and physical. On the Police side it's based on rank order. Candidates interview with F&P Commission, then get placed on the eligibility list, next they take the written test, and the other scores are after that. New employees are on a probationary period of one year. Trustee LaBedz said she appreciated the attention to on-boarding for new employees.

Trustee Tinaglia restated the goal of hiring the individual as opposed to the experience, he asked if this has been successful. Mr. Recklaus said overall yes, some are still being evaluated. They are finding when you hire that way, you need to rethink how we deal with people coming in the door. If you have more personality and less experience, you must strengthen in-house training.

Mr. Recklaus said when there are so many new employees, they don't have relationships across departmental lines. There are not as many after work networking opportunities these days. The Village needs to find new ways to build relationships. Recently, the HR Department conducted a well-being survey, and asked if people would join a committee. There is also a 'Cookies with the Manager' program every six months which gives some employees an opportunity to ask questions. The Village needs to find ways to get employees together.

Trustee Tinaglia asked how the new culture of service has gone with the older employees. Mr. Recklaus said many have embraced it. There is new life here. Some long term employees are outstanding in customer service and some employees have more distance, they may have been left behind. Some are retiring sooner than they thought. There have been some nice surprises where people have risen to the challenge.

Trustee Canty asked what attempts are made to have a diverse workforce. Mr. Recklaus said he chairs a committee with other Village Managers who are looking for different ways to tap into the community. The Police Department recruitment team goes to Junior Colleges to get students interested. The Village places recruitment ads in diverse websites. Specifically, the Village is trying to increase minority candidates in law enforcement. We also reach out to faith based communities, neighborhood associations and State resources. Last week, group of master students from UIUC presented an idea which recommended leveraging

social media for recruitment. The Village wants to have a workforce that looks like the community.

Trustee Rosenberg asked for an update on accident reports and improvements. Ms. Rath said the number of injuries is similar to last year, but the severity is less. Employees have not missed as many work days. Trustee Rosenberg asked about the new IMRA program. Ms. Rath said the results are positive as IRMA are much more hands on with each claim. With each injury, there is nurse case manager who provides consistent feedback. The employee goes through healing process quicker because they have an advocate. IMRA gives the Village free training for accident investigations and other topics. Trustee Rosenberg asked if there was a Health Care Consortium. Ms. Rath said there is, and the Village has looked at it, but it does not provide the value needed. HR will may at it again in 2020. Bargaining negotiations begin in the fall. There is benefit parity for union and nonunion employees, so asking employees for higher contributions for healthcare is dictated by the Fire and Police contracts.

Trustee Rosenberg asked if the Village could create positions to keep people on, rather than lose them all so as to keep some institutional knowledge. Ms. Rath said to create a new position, it must come to the Village Board as part of the budget process. With the change in demographics, HR will look at any idea if it makes sense and can work for the Village. One challenge is the pension system, it limits how one can come back without diminishing the pension. Trustee Rosenberg suggested if you lose a position, two part-time ones could be created. This has been done in the Fire Dept.

E. Fire Department

Chief Larson presented the Fire Department's report. His presentation is attached. The Village is the busiest and most efficient department in the area. He highlighted a new billing opportunity called ET3 which would allow the Village to bill Medicare for non-transport treatment and have our personnel treat non-emergency conditions in the home. This would be beneficial as many calls do not need transport and the Village does not bill for non-transport calls. He also explained the Mobile Integrated Healthcare initiative where off duty firefighters would visit patients in their homes. Some neighboring communities are piloting this and we are monitoring its effectiveness in reducing calls.

President Hayes asked why the Village's call number is so much higher than comparable communities. Rick Manthy, Division Chief, said the Village has a large amount of senior housing and skilled housing. This kind of housing leads to high call rates. The calls are expected to increase.

Trustee Schwingbeck asked about the high number of false alarms. Chief Larson said the Village enacted life safety codes that require new construction to install fire alarms. False alarm numbers don't always mean the alarm was a false one, but there may not be a true structure fire. Sometimes fines are issued to entice owners to keep their alarms serviced.

Trustee Baldino asked if an ambulance were added, would it be new. Chief Larson said they would prefer a new one and are working on a proposal. It's not anticipated there will be a space issue. The Department is enhancing its computer dispatch and response models. The Department tries to keep calls to 1,500 per ambulance but last year, there were up to 1,800 calls per ambulance. Mr. Recklaus said there are still questions and staff needs to tease out other factors. Adding an ambulance needs to make sense operationally, financially and staff wise. Trustee Baldino said there seems to be a need.

Trustee Rosenberg said a grant paid for most of the initial cost of the 4th ambulance and asked if another grant was possible. He asked if an ambulance was added would 10-12 additional people need to cover it on every shift. Chief Larson said the evaluation hasn't gotten to that. The initial idea was to use current staff with an adjusted schedule, they are not necessarily saying they need 9 additional personnel. Trustee Rosenberg asked if there would be an additional piece of equipment that accompanies the new ambulance. Chief Larson said if ambulance #2 and squad #2 are out, engine #2 would go with ambulance #5.

Trustee Rosenberg asked if the ET3 program was voluntary. Chief Larson said Andres Medical Billing brought it to us and was looking for volunteers to test it. Many communities are interested and the Village's department a viable candidate for the trial. It would not change our response to calls, but if we go to a diabetic's house, we can treat the patient and provide care and they can sign a refusal for transport. Right now, we don't get reimbursed. This program would allow us to bill these calls. 12% of the Department's calls are non-transport calls and don't get reimbursed. ET3 gives a funding mechanism for Medicare patients. Private insurance companies may follow. The goal is to keep patients at home. Mr. Recklaus said it used to be that if a resident fell at a senior care facility, the staff would help them. Now, staff is afraid of law suits, so they call 911. There is no ability to recoup our costs and we need to adapt to the times.

Trustee Rosenberg asked if response times were increasing. Mr. Manthy said no. Staff is looking to evaluate calls to see if each one needs the same response, or whether can we tailor the service. They have newly implemented software to help with this new data.

Trustee Tinaglia said the buck has gotten passed to the Village and its residents from the skilled nursing facilities. Mr. Recklaus said the Village serves each caller and will still respond to every call. This change in behavior by the senior care facilities is a new trend and a red flag. We have to monitor it to make sure our resources are ready and put to their best use. Trustee Tinaglia said the system is broken. Mr. Recklaus said by billing nonresidents, the village recouped about \$1,000,000. There would be several thousand dollars recouped from this trial if the Village is selected.

Trustee LaBedz asked if firefighters typically retire when they are first eligible. The answer was no, most stay past 20 years but they max out pension benefits after 30 years of service.

Trustee Scaletta asked how many reserve ambulances there were. Answer: 2, if the fifth ambulance is activated there would still be one in reserve. Trustee Scaletta asked about the people who take advantage of the Fire Department and use them to provide services. Mr. Manthy said for those repeat callers the Department tries to get them in touch with Catholic Charities or Kenneth Young for services. The Department does not have the choice to not show up. A Chief Officer meets with them and tries to contact family members, get the Health Department involved and find them the resources they need. Mr. Recklaus said the ET3 program won't encourage people to use that versus using traditional healthcare because firefighters would really treat in the house with less transporting. By not transporting the patient, the cost is less and it's better for the patient. Staff is not anticipating an increase in abuse. By not transporting it cuts down on the number of reports, supplies and reduces a call to 30 minutes from 1.5 hours. The unit becomes more available. The goal is to reduce the number of transports.

Mr. Recklaus said the Village did not join the Mobile Integrated Healthcare pilot because we want to see if it really reduces calls. The concept makes sense, but the devil is in the details.

Trustee Padovani said the Memorial Day Helicopter display will not be giving rides.

V. Adjourn

Trustee Scaletta moved to adjourn at 9:37. Trustee LaBedz seconded the motion. The motion carried.



FINANCE DEPARTMENT

2019 REPORT



The Finance Department serves many different internal and external customers.

Arlington Heights Finance Department

Internal Customers

- Village Board
- Village Manager
- Departments
- Employees (P/R)
- Pensioners

External Customers

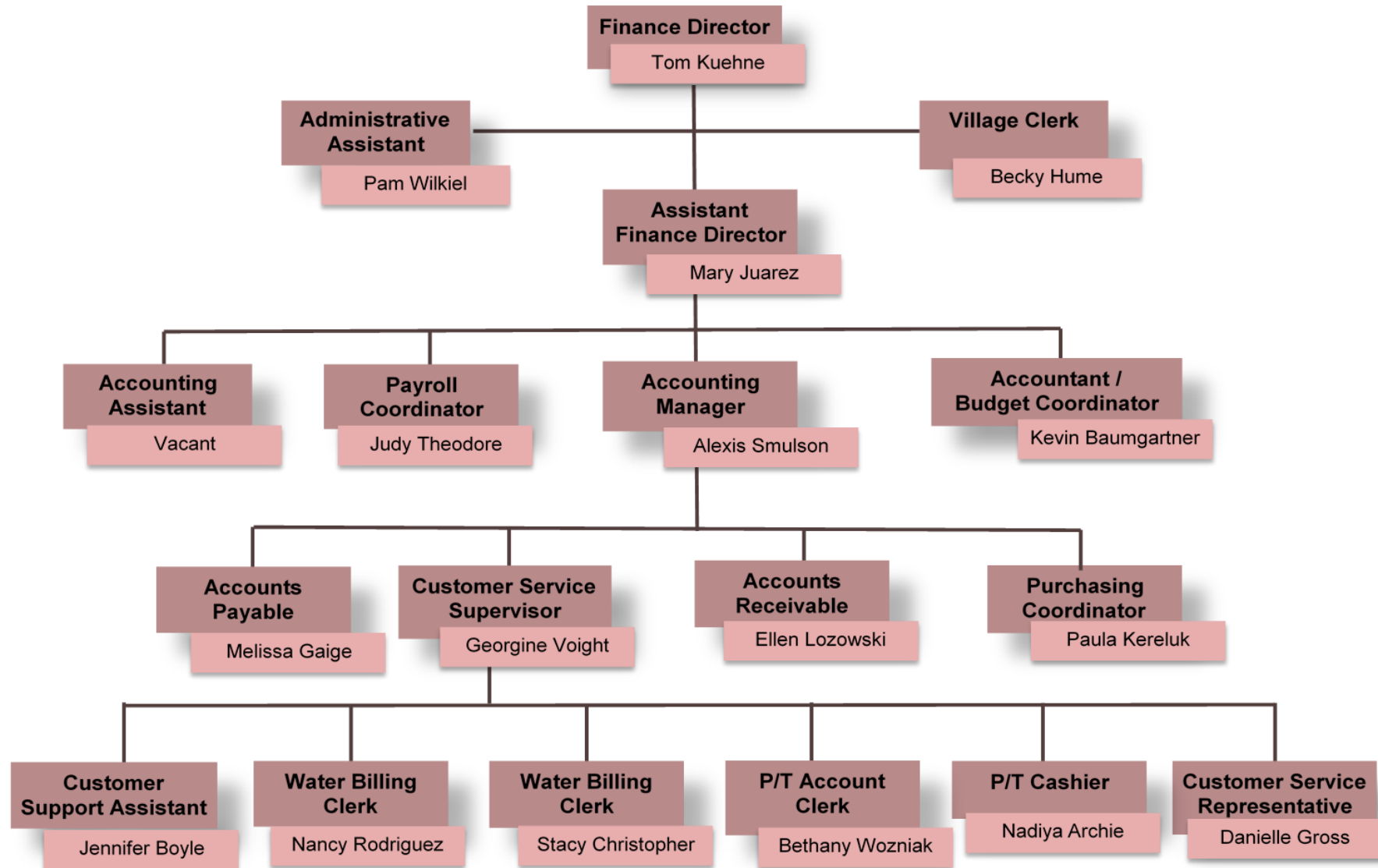
- Residents
- Vendors
- Other Government
- Bond Buyers
- Parking Permits

The Department continually works to improve efficiencies while providing a high level of service to all of our customers. This has been accomplished through technology improvements, reallocating job duties, and hiring quality staff.

FY2002 FTE	2019 FTE	FTE Decrease*	% Decrease
<u>22</u>	<u>17</u>	<u>5</u>	<u>23%</u>



FINANCE DEPARTMENT 2019





SCOPE OF SERVICES: ACTIVITIES AND PROJECTS

Key Required Annual Activities

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Audit												
Actuary												
Treasurer's Report												
CIP (Bi-Annual)												
3-Year Operating Fund Projections/ Budget/Tax Levy												

Daily/Ongoing Activities

Payroll	
Utility Billing	
Purchasing	
Accounts Payable	
Accounts Receivable	
Accounting	
Treasury	
General Liability Insurance	
Front Desk/Collections	
FBT Collections	
Customer Service Representative	
Metropolis Building Management (with Legal & PW)	
Monitor Metropolis Theater Finances	



SCOPE OF SERVICES: ACTIVITIES & PROJECTS

Special Projects

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
New Printing/Mailing Billing Provider												
New Vehicle Sticker Enforcement												
Transfer General Fund Surplus to Pensions												
Review Health Insurance Program (with HR)												
Fee and Fine Plan												
RFP for ERP Consultant (with ISD)												
Proposed Pay Period Change												
Water & Sewer Rate Study (with PW)												
2019 Bond Refunding												
RFP for 5-Year Audit Engagement												
GFOA National Budget Reviewer												
IMRF Board Member												
HELP Board Member												
IRMA Board Member												



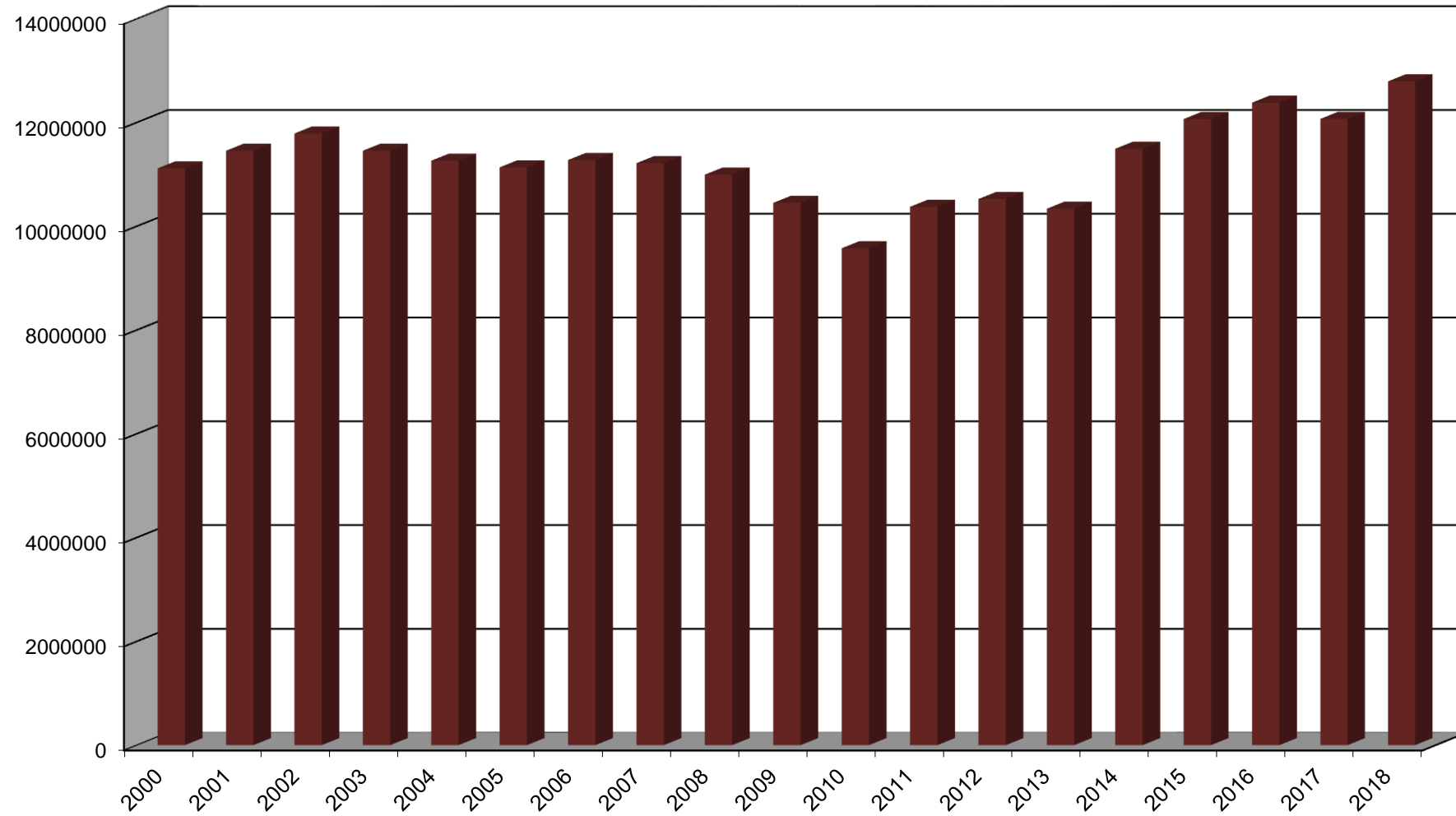
WORKLOAD MEASURES

Finance will pay particular attention to the following workload measures over the next few months:

- Number of vehicle stickers sold:
 - Increased enforcement processes will result in more vehicle stickers sold
 - Will allow for a higher vehicle sticker revenue estimate in the 2020 Budget
- Water consumption billed (1,000's of gallons):
 - There is a direct relation between water usage and Water & Sewer Fund revenues
 - An estimate of long-term water usage will be a key calculation in the 5-Year Water & Sewer Rate Study being completed this summer



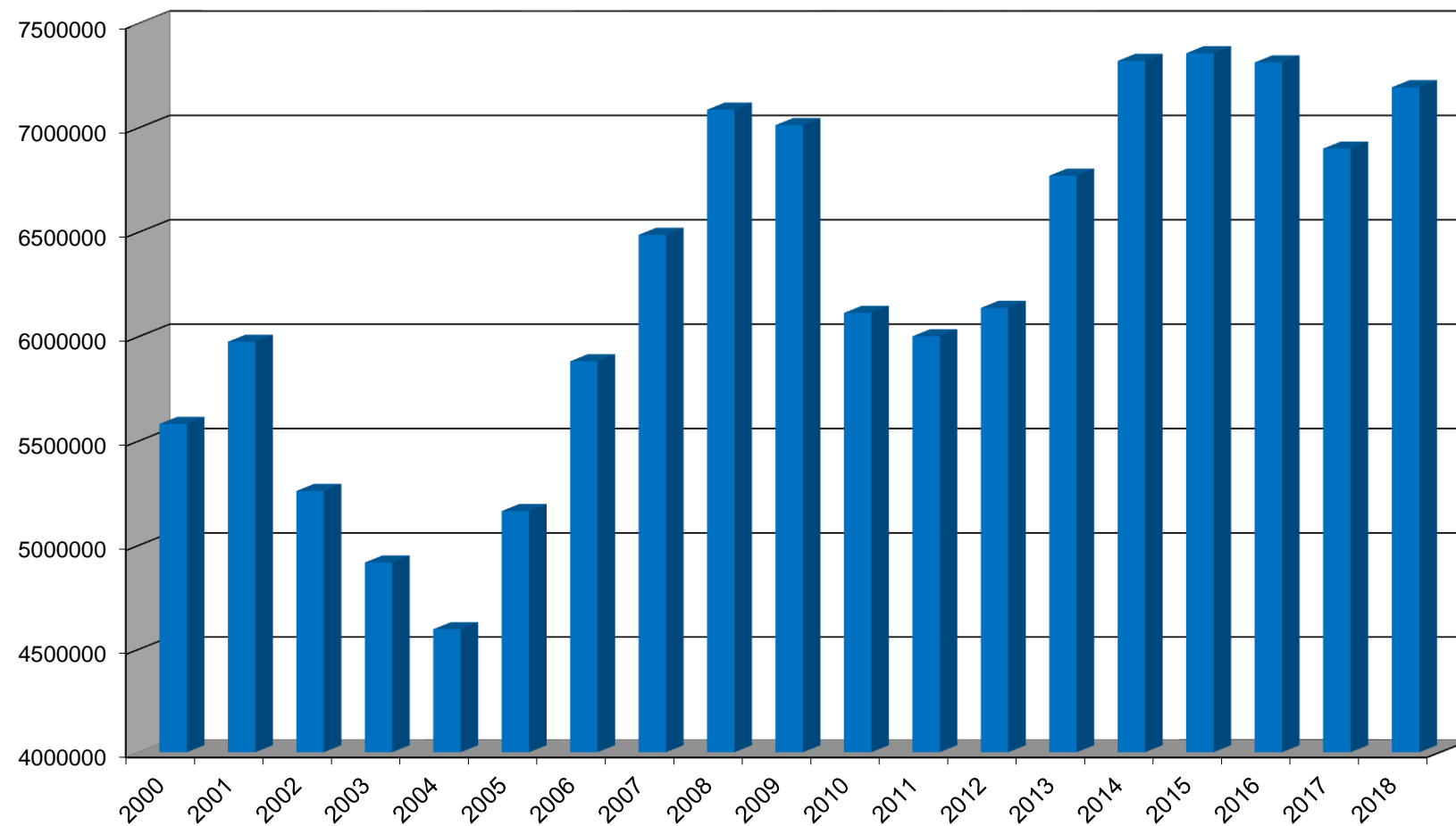
VAH SALES TAX HISTORY



Note: The 8 month year was removed because of lower amount due to short year.



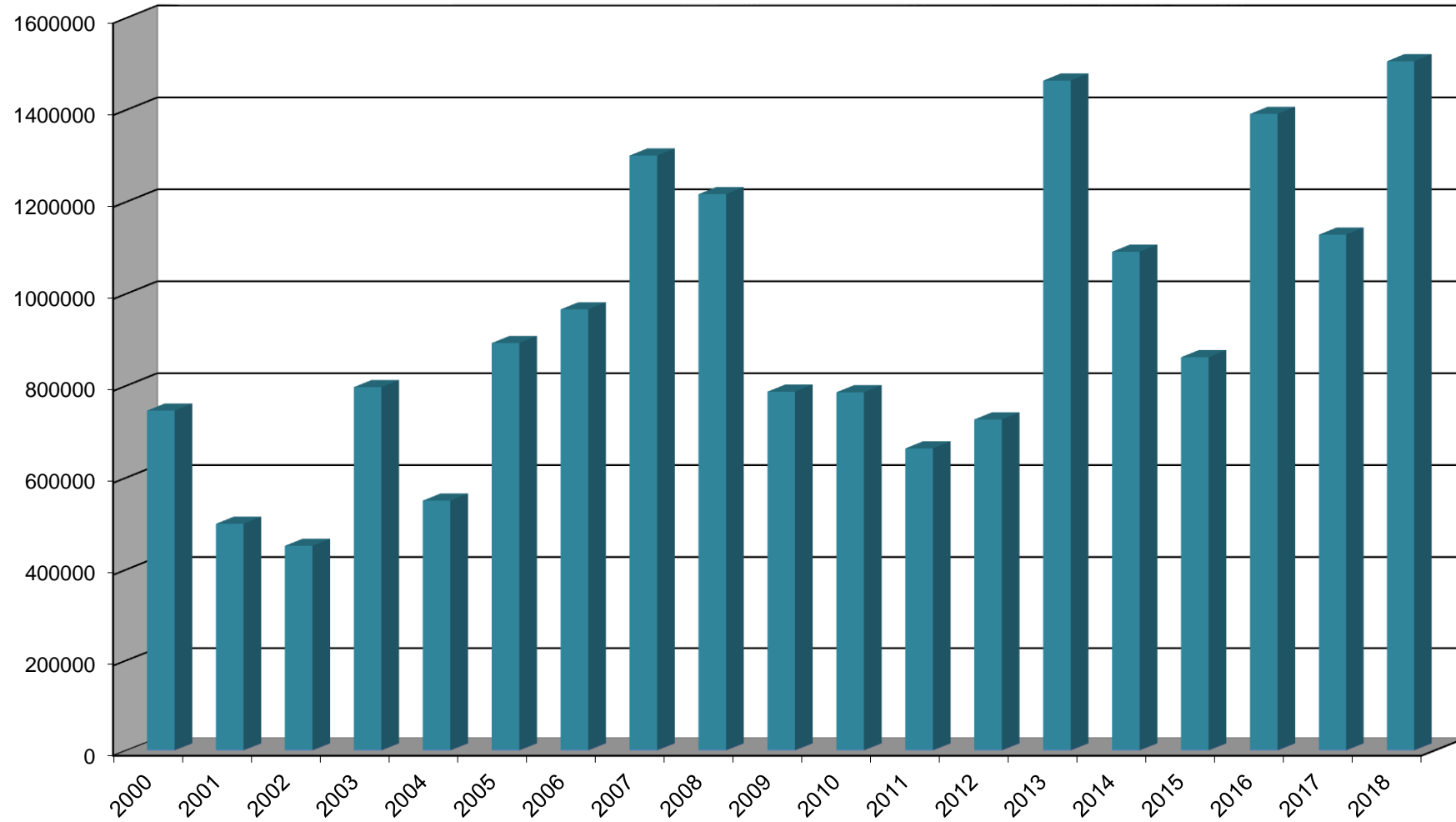
VAH INCOME TAX HISTORY



Note: The 8 month year was removed because of lower amount due to short year.



VAH BUILDING PERMIT HISTORY





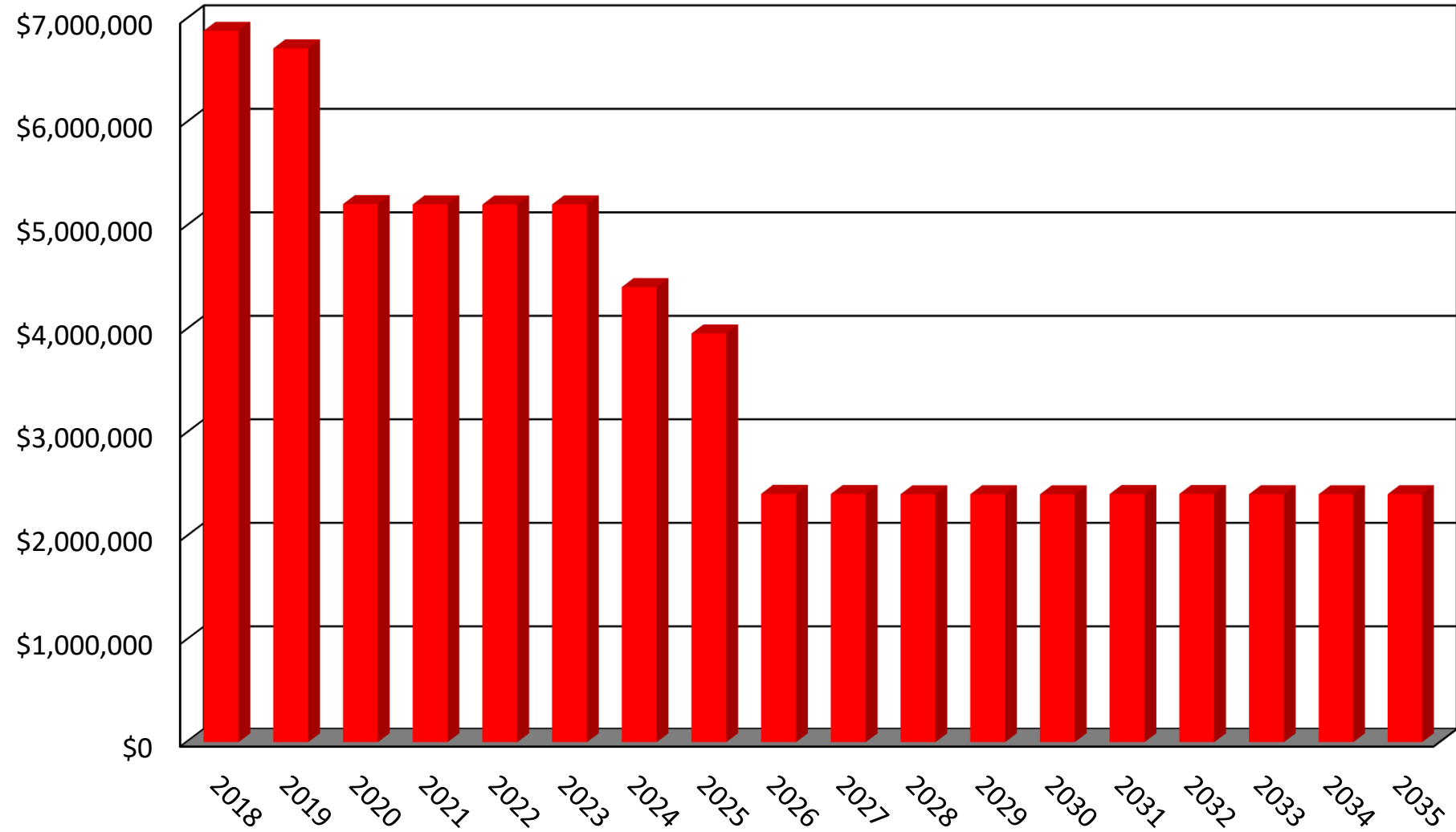
VAH PROPERTY TAX HISTORY: LEVY YEARS 2003 - 2018

- The Village Board's goal is to have modest property tax increases, but they have been willing to increase property taxes when needed.

<u>LEVY YEAR</u>	<u>VILLAGE % INCREASE</u>	<u>LIBRARY % INCREASE</u>	<u>TOTAL % INCREASE</u>	<u>COMMENTS</u>	<u>BUDGET YEAR</u>	<u>All Funds APPROVED</u>
-	-	-	-	-	-	-
2018	1.97	1.00	1.70		2019	176,236,600
2017	3.68	0.00	2.61		2018	183,325,300
2016	1.95	0.00	1.38	Entire increase for street purposes (Phase 2)	2017	180,361,200
2015	3.59	0.00	2.51	Entire increase for street purposes (Phase 1)	2016	164,728,204
2014	0.00	0.00	0.00		8-mo.	119,443,082
2013	2.65	0.00	1.84		FY2015	154,550,004
2012	1.74	0.00	1.20		FY2014	145,374,818
2011	0.00	0.00	0.00		FY2013	137,443,222
2010	4.30	0.00	2.93	Police/Fire Pension Funds - market crash	FY2012	134,885,496
2009	5.74	1.77	4.44	Police/Fire Pension Funds - market crash	FY2011	134,689,318
2008	0.32	0.00	0.21		FY2010	132,053,616
2007	2.48	4.90	3.26		FY2009	136,663,660
2006	11.14	9.20	10.51	Taxing districts captured expiration of TIF #1	FY2008	140,665,900
2005	14.67	4.99	11.32	Fire Pension benefit increase - State legislation	FY2007	158,406,339
				Police/Fire Pension benefit increase - State legislation		
2004	11.98	4.00	9.09		FY2006	140,846,200
2003	2.14	0.99	1.72		FY2005	133,088,500



TAX SUPPORTED DEBT SERVICE PAYMENTS BY LEVY YEAR





COMPARABLE MUNICIPALITIES INFRASTRUCTURE SURVEY

Municipality	# of Miles of Water Mains	Avg Age of Water Mains	Avg # of Water Main Breaks Last Five Years	Annual Breaks/Mile	Average Annual Spending for:				Water Main Replace/Mile	# of Street Miles	Average Annual Spending for:			Total Annual Road Spending	Road Spending/Mile
					Water Main Replace/ Rehab	Storm Sewer Replace/ Rehab	Sanitary Sewer Replace/ Rehab	Combined Sewer Replace/ Rehab			Road Resurfacing	Road Reconstruct	Road Patching and Crack Sealing		
Arlington Heights	260	65	250	0.962	\$2,500,000	\$500,000	\$300,000	\$100,000	\$9,615	241	\$6,100,000	\$1,800,000	\$1,360,000	\$9,260,000	\$38,423
Buffalo Grove	182	38	50	0.275	\$1,000,000	\$200,000	\$1,000,000	N/A	\$5,495	114	\$1,500,000	\$500,000	\$300,000	\$2,300,000	\$20,175
Des Plaines*	225	74	108	0.480	\$5,000,000	\$2,000,000	\$1,000,000	\$500,000	\$22,222	141	\$1,000,000	\$6,000,000	\$400,000	\$7,400,000	\$52,482
Elk Grove Village	153	40	71	0.464	\$600,000	\$3,300,000	\$1,100,000	N/A	\$3,922	136	\$1,100,000	\$150,000	\$100,000	\$1,350,000	\$9,926
Hoffman Estates	255	44	33	0.129	\$750,000	\$160,000	\$500,000	N/A	\$2,941	152	\$4,000,000	\$2,000,000	\$300,000	\$6,300,000	\$41,447
Mount Prospect	160	54	48	0.300	\$2,000,000	\$100,000	\$1,000,000	\$800,000	\$12,500	135	\$4,127,000	N/A	\$135,000	\$4,262,000	\$31,570
Palatine	246	60	80	0.325	\$2,000,000	\$300,000	\$250,000	N/A	\$8,130	160	\$2,100,000	\$1,500,000	\$255,000	\$3,855,000	\$24,094
Park Ridge	139	75	27	0.194	\$850,000	N/A	N/A	\$550,000	\$6,115	128.2	\$1,100,000	N/A	\$300,000	\$1,400,000	\$10,920
Rolling Meadows	90	53	60	0.667	\$600,000	\$450,000	\$700,000	N/A	\$6,667	62	\$600,000	\$900,000	\$75,000	\$1,575,000	\$25,403
Schaumburg	273	40	45	0.165	\$1,000,000	\$110,000	\$550,000	N/A.	\$3,663	205	\$3,700,000	\$2,800,000	\$500,000	\$7,000,000	\$34,146
Wheeling	138	35	30	0.217	\$750,000	\$500,000	\$400,000	N/A.	\$5,435	75	\$2,000,000	\$500,000	\$100,000	\$2,600,000	\$34,667
AVERAGE		53		0.380					\$7,882						\$29,387

*Des Plaines higher due to use of gaming revenues.



CHANGE IN VILLAGE FTE STAFFING LEVEL FY2002 V. 2019

	<u>FY2002</u>	<u>2019</u>	<u>+ (-)</u>	<u>% of Increase (Decrease)</u>
Village Manager	5.00	5.50	0.50	10% *
IT	9.00	5.00	(4.00)	-44% *
Human Resources	4.50	4.00	(0.50)	-11%
Legal	3.50	2.75	(0.75)	-21%
Finance & Village Clerk	22.00	17.00	(5.00)	-23% *
Police	149.00	139.00	(10.00)	-7%
Fire	105.50	110.00	4.50	4%
Planning	12.00	10.00	(2.00)	-17%
Building & Life Safety	19.00	17.50	(1.50)	-8%
Health & Human Services	16.50	13.00	(3.50)	-21%
Youth Services	3.00	0.00	(3.00)	-100% **
Engineering	15.00	0.00	(15.00)	-100% ***
Public Works/Fleet	68.00	61.75	(6.25)	-9%
Water Utilities	40.00	40.75	0.75	2%
	473.00	426.25	(46.75)	-9.88%

* As of FY2015 IT was moved from Finance to the Village Manager's office and the Customer Service Rep moved from Village Manager to Finance. For comparison purposes all of these areas are shown separately.

** The Youth Services division was eliminated FY2011.

*** Engineering was merged into Public Works beginning in 2019.



SURVEY OF COMPARABLE COMMUNITIES

ESTIMATED ANNUAL REVENUES RECEIVED FROM AN AVERAGE HOME AUGUST 2018

ANNUAL ESTIMATED PAYMENTS:														
<u>Municipality</u>	<u>2018 Passenger Veh. Stickers</u>	<u>Garbage Bill*</u>	<u>Yard Waste Bill</u>	<u>Combined** Residential Water & Sewer Bill</u>	<u>Storm Water Fee</u>	<u>Home*** Rule Sales Tax</u>	<u>Food & Beverage Sales Tax</u>	<u>Municipal Motor Fuel Tax</u>	<u>Entertain. Tax</u>	<u>Electric Utility Tax</u> 12,300 kWh/Yr	<u>Gas Utility Tax</u> 1,700 therms/Yr	<u>Telecom Tax</u>	<u>2017**** Municipal Property Tax</u>	<u>Total Estimated Annual Homeowner Costs</u>
Assumptions for Average Family	2 Cars	12 /Yr	48 Bags/Yr	144,000 Gallons/Yr	Estimated Fee/Yr	\$6,000 /Year	\$3,000 /Year	650 Gallons/Yr	\$2,400 /Year	\$1,400 /Year	\$1,650 /Year	\$1,200 /Year	\$78,900 EAV	
1. Rolling Meadows	60.00	\$359.40	\$0.00	2,196.00	54.36	60.00	60.00	26.00	0.00	75.03	85.00	72.00	1409.94	\$4,457.73
2. Hoffman Estates	0.00	\$204.00	\$139.20	1,746.36	24.00	60.00	60.00	162.50	144.00	69.00	85.00	72.00	1159.83	\$3,925.89
3. Mount Prospect	90.00	\$234.96	\$0.00	1,759.20	0.00	60.00	30.00	26.00	0.00	43.17	24.99	72.00	901.83	\$3,242.15
4. Wheeling	0.00	\$248.04	\$0.00	1,287.36	30.00	60.00	30.00	0.00	0.00	75.03	85.00	72.00	1314.47	\$3,201.90
5. Elk Grove Village	50.00	237.12	\$120.00	1,728.00	0.00	60.00	30.00	0.00	0.00	75.03	34.00	72.00	757.44	\$3,163.59
6. Arlington Heights	60.00	\$214.56	\$129.60	1,134.24	75.00	60.00	37.50	0.00	0.00	75.03	85.00	72.00	960.21	\$2,903.14
7. Des Plaines	60.00	\$205.68	\$0.00	1,166.40	109.44	60.00	30.00	26.00	0.00	70.23	42.50	72.00	959.42	\$2,801.68
8. Schaumburg	0.00	\$0.00	\$0.00	1,797.60	0.00	60.00	60.00	19.50	120.00	0.00	0.00	72.00	486.02	\$2,615.12
9. Park Ridge	90.00	\$0.00	\$0.00	1,430.04	0.00	60.00	30.00	26.00	0.00	68.63	34.00	72.00	635.93	\$2,446.61
10. Buffalo Grove	0.00	\$254.40	\$0.00	851.04	60.96	60.00	30.00	0.00	0.00	75.03	85.00	72.00	954.69	\$2,443.12
11. Palatine	60.00	\$240.00	\$0.00	846.48	60.00	60.00	30.00	0.00	0.00	75.03	0.00	72.00	985.46	\$2,428.97

*AH Garbage Bill based on estimated once per week pick-up cost for comparison purposes.
 ** Rate/100 cubic ft. x 1.3367197 = rate/1000 gals.
 ***Home/Rules Sales Taxes are on general merchandise only, not applied against vehicles or qualifying food, drugs, or medical appliances.
 **** Municipal tax only, does not include libraries, schools, special districts, or other taxing authorities.
 Sources: Surveys: Arlington Heights (08/18), / Cook County Clerk website / Municipal websites / Codes



KEY ACCOMPLISHMENTS – PAST YEAR

- Completed a long-term alternative revenue report.
- Continued work with HR on health insurance program options.
- Implemented a new printing/mailing provider for vehicle stickers and water bills.
- Implemented new vehicle sticker enforcement procedures.
- Received Board approval to prepay a portion of the Police and Fire Pension Funds unfunded liability – saving future property tax dollars.
- Prepared the annual CIP, long-term operating fund projections, and budget.



PROJECTS STILL TO BE COMPLETED DURING 2019

- Complete the multi-year fine and fee increase schedule.
- Work with Public Works to complete the five-year Water & Sewer Rate Study.
- Prepare for the 2019 bond refunding issue.
- Work with ISD to develop an RFP for the ERP software consultant.
- Review and revise the capital accounting and budget definition.
- Plan for the proposed change in pay periods from the current to date method, to a pay date one week later.
- RFP for the 5-year municipal audit agreement.



CURRENT AND ANTICIPATED CHALLENGES

- Balancing General Fund revenues and expenditures given:
 - Normal business cycles
 - Status of the State's Budget
 - Proposed expansion of slots at Arlington Park
- Great strides on infrastructure improvements – next key need: additional water main replacement efforts:
 - Lower water revenues due to wet spring weather and improved water efficiency.
 - Older water main system/high number of water main breaks
 - Need to “catch-up” and then maintain a 1% replacement schedule
- Administering the increased enforcement of the vehicle sticker program.
- Partial Finance staff reorganization



CURRENT AND ANTICIPATED CHALLENGES (cont.)

- Work with a ERP consultant on analyzing Department needs and implementing a new ERP software package. The limitations of the old system (Central Square) and benefits of a new system include:
 - Old – credit card payments are difficult to process.
 - Old – separate databases for vehicle stickers and tickets are not integrated with cashiering causing dual data entry.
 - Old – a third-party report writing system is utilized. Difficult to use and downloads to Excel are not always properly converted. Many third-party providers are no longer willing to work with Central Square.
 - New – more integrated: Payroll, HR, Police tickets, Building permits, cahiers, and purchasing will benefit through better module to module integration.
 - New – will likely improve and expedite processes between Departments for permits, building and planning reviews, payroll, and purchasing.

Conversion will require open communication, training, parallel processing, and patience.



POTENTIAL NEW INITIATIVES TO EXPLORE

- The new ERP software system:
 - Exciting multi-year RFP and implementation schedule
 - Will touch all Departments
 - Expected to improve service delivery efficiency and expand capabilities
- Long-Term Debt Financing Plan:
 - Review during Water & Sewer Rate Study and next year's bi-annual CIP
 - Outline potential bonding opportunities due to debt retirement in 1, 5, and 10 years
 - Provide for ongoing bonding opportunities for future unknown or unanticipated infrastructure needs



CONCLUSION

Village's conservative financial practices has allowed the Village to maintain a solid financial position.

As technology and society changes – Finance will need to continue to anticipate, adjust, and improve our services.

Key to ongoing stability – keep looking a number of years ahead and plan accordingly.



VILLAGE OF
ARLINGTON HEIGHTS
City of Good Neighbors **ILLINOIS**

Human Resources Annual Report 2019

May 20, 2019

Who Is HR and What Do They Do?

Who is HR?

- Internal Services
- As one of the Village's smaller Departments – four full time employees
- Any process or programs that effect our employees falls under the umbrella of HR

What Does Human Resources Do?

HR Manages

- Employment-related issues
 - Manage recruiting, benefits, class and compensation, risk management, labor and employee relations, compliance, wellness, staff development and performance management
- Employees interact with the policies and procedures HR develops and oversees
- We manage one of the Village's most important assets...our employees

Workload and Performance Data

Recruitment

- Core of what HR does
 - Recruit for
 - Sworn Fire and Police
 - All other positions
- Through the recruitment process
 - Culture of the Village is created

Workload and Performance Data

Recruitment/Talent Management

Total Village Positions Filled Per Year

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Police (Permanent)	9	13	6	12	2	7
Fire (Permanent)	6	8	3	6	6	6
All Non-Union Positions (Permanent)	24	12	15	33	13	30
Temporary Positions	61	52	50	48	46	43
Total Positions Filled	100	85	74	99	67	86

As of today, 14 vacancies Village wide

Workload and Performance Data

Recruitment Continued

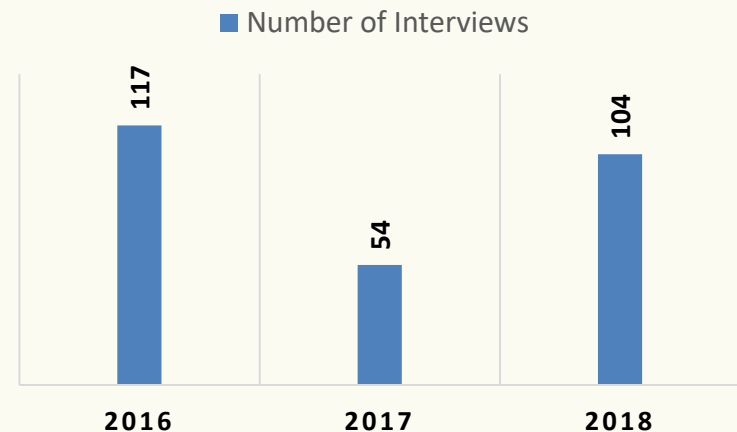
The number of Fire and Police Commission Meetings for the last six years

Fire and Police Commission Meetings Held

	2013	2014	2015	2016	2017	2018
Number of Meetings	17	39	22	29	18	32
Number of Interviews	21	101	54	92	44	95
Hired	13	14	10	22	9	17

Number of interviews conducted for the last three years for non-bargaining unit positions

INTERVIEWS CONDUCTED FOR THE PAST 3 YEARS

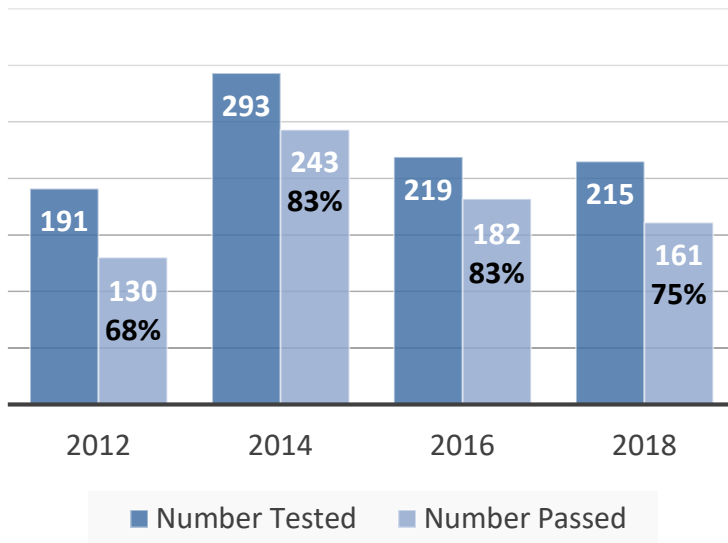


Workload and Performance Data

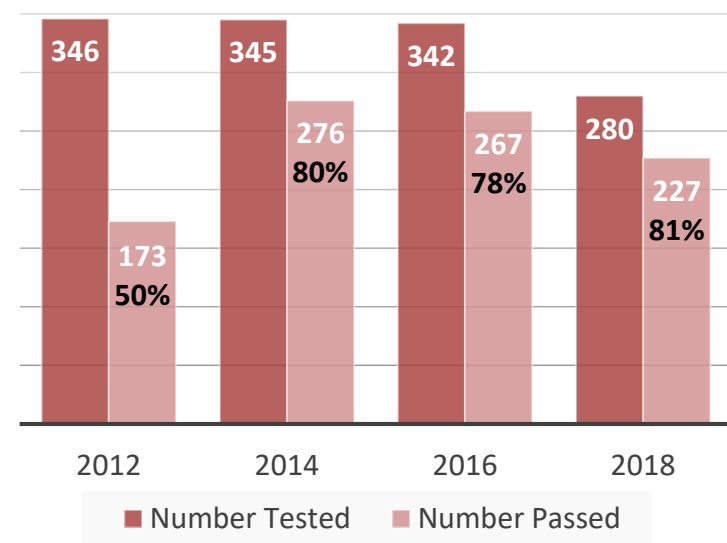
Recruitment Continued

Written Exam Data for Police Officers and Firefighters

Police Officer Written Exams



Firefighter Written Exams



Workload and Performance Data

Recruitment Continued

Chart below illustrates the Attrition Rates for the next four years

Attrition Rates				
	<u>2019 Pension Eligible</u>	<u>2020 Pension Eligible</u>	<u>2021 Pension Eligible</u>	<u>2022 Pension Eligible</u>
Non-Union	22%	24%	25%	30%
Union	7%	11%	15%	15%
Total Eligible	29%	35%	40%	45%

Workload and Performance Data

Ongoing Risk Management

- Risk management
 - Is a cycle
 - It is not something that gets checked off a “to do” list but it is a continuous activity
- Human Resource Management (HRM)
 - Is staffing, training, development, motivation, and maintenance of employees to attain Village goals
 - Proactive approach

Key Accomplishments

Key Accomplishments in HR This Past Year

- Anticipate and Responding to the ever changing needs of employees
- Recruiting most-qualified
 - Shapes Village culture
 - Updated onboarding program
- Employee development
 - Training
- Maintaining positive relationships
 - Interact with all levels, builds trust

Key Accomplishments

Key Accomplishments in HR This Past Year

- Expand use of technical resources
 - Electronic application process
 - Candidates can self administer pre-employment tests
 - Electronic notification regarding upcoming meetings, physicals
- Software for electronic dissemination and file storage for HR related materials
- Continual monitoring of the Village's benefit coverages
- Review and revision of non-bargaining performance evaluations
- Ongoing labor management

Review of Current and Anticipated Challenges

Challenges

- Forecasted succession rates
 - Skill shortages
- Re-evaluate the concept of retirement
- Consistently review the benefits offered
- Current enterprise resource planning system

Review of Current and Anticipated Challenges

Challenges

- Worker compensation – unfunded mandate
- Distinguish ourselves from competing with other organizations for candidates
- Prepare for potential changes in law

Potential New Initiatives to Explore

Initiatives

- Recruitment trends
 - Emerging workforce
 - Culture of learning
 - Work life balance
- Issue of civility both internal and external

Potential New Initiatives to Explore

Resolving financial concerns

- Economic Security
 - 3 defined pension plans
 - 1 defined contribution plan
 - 457 plan – currently 65% contribution
 - Payroll Roth
 - An additional voluntary program for eligible IMRF contributors
 - Continued financial fitness education

Potential New Initiatives to Explore

Creating a Culture of Health

- Well-being
 - Leading healthier lives
 - Wellness
 - Traditionally focuses on behavior
- Wellness to Well-being
 - More inclusive, integral approach

Initiatives to Maintain

HR's Focus in 2019 and Beyond

- Maintaining the Village's competitive edge as an employer
 - Creative strategies for recruitment
- Understanding and improving the employee experience
 - For the entire employee life cycle
- Managing benefit costs

In Conclusion

Human Resources will continue to:

- Promote the non-monetary benefits of working for the Village
- Build and foster relationships
- Develop creative strategies for recruitment and retention
- Balance the needs of our employees while enforcing Village policies and procedures

The HR Department has a talented staff who continually embrace new initiatives.

We must remember that our most valuable resource is our employees. When we give our employees opportunities to do and be their best, we in turn get the best from our employees.



VILLAGE OF ARLINGTON HEIGHTS *City of Good Neighbors* ILLINOIS

Thank you!

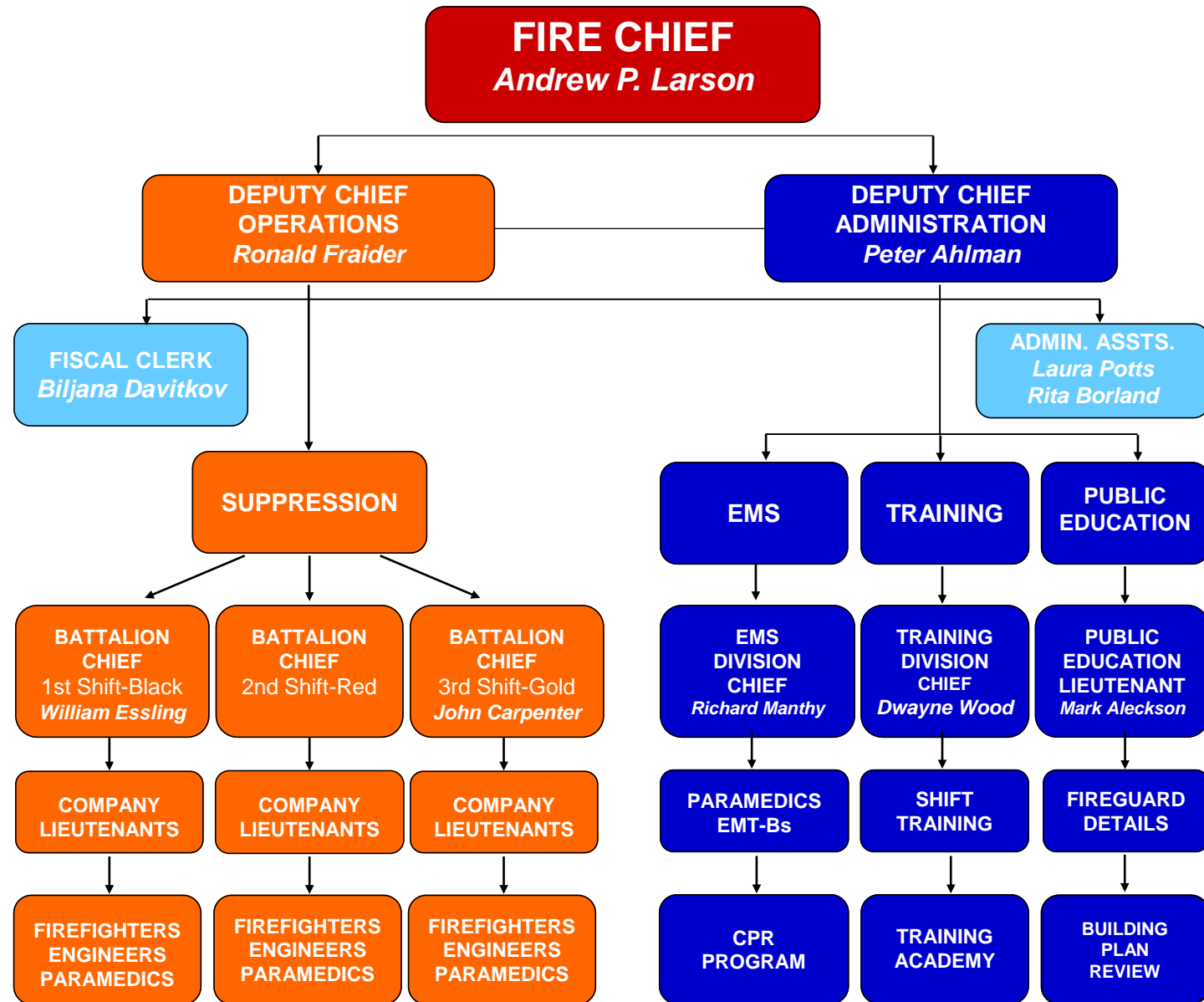
What questions do you have?



ARLINGTON HEIGHTS FIRE DEPARTMENT



2019 DEPARTMENT REPORT





The Fire Department provides

- Fire suppression
- Emergency medical service
- Specialty rescue
- Educational services







2018 Incidents

FIRE CALLS		EMS CALLS	
Structure fires—Arlington Heights	26	EMS calls, excluding vehicle accidents	7,066
Other fires	127	Vehicle accidents with injuries	281
Service calls	361	Motor vehicle/pedestrian accidents	16
Hazardous conditions	448	Medical assist, assist EMS crew	18
Good intent	572	Other	134
False alarms	1,165		
Other	115		
FIRE CALLS TOTAL	2,814	EMS CALLS TOTAL	7,515
COMBINED TOTAL – 10,329 CALLS			

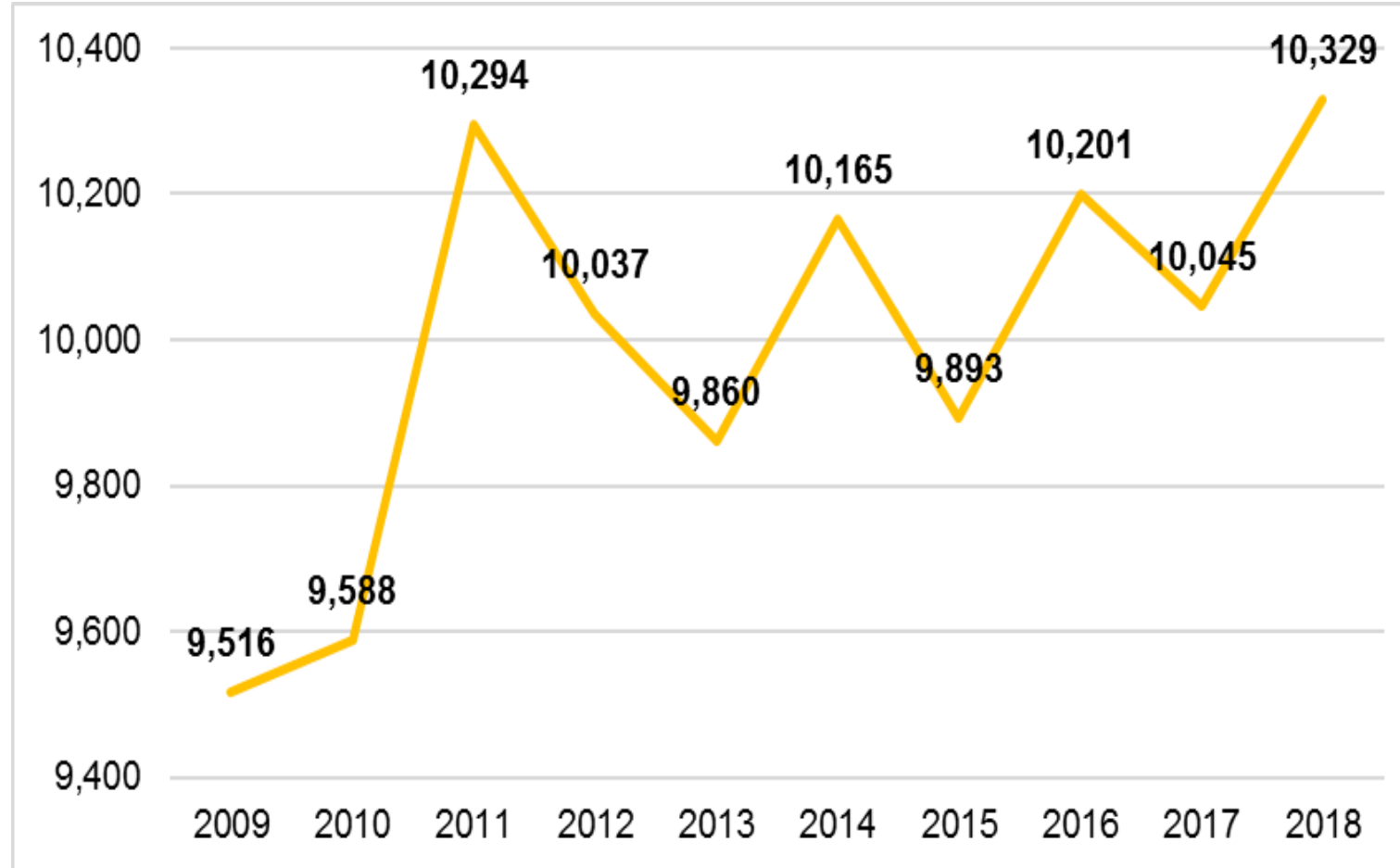


Ratio of Personnel to Calls

Town	Population	# of Shift Personnel	Total 2018 Calls	No. of Calls divided by No. of Firefighters
Arlington Heights	75,101	102	10,329	101
Rolling Meadows	24,021	42	4,027	96
Palatine	68,766	87	8,080	93
Mt. Prospect	54,171	69	6,079	88
Buffalo Grove	41,346	54	4,704	87
Schaumburg	74,446	120	9,428	79
Streamwood	40,166	48	3,730	78
Elk Grove Village	32,931	84	6,035	72
Hoffman Estates	51,738	90	5,790	64



Total Calls – 10-Year Trend





Accomplishments during 2018-2019

- Rescue Task Force
- Balanced automatic/mutual aid
- Firefighter fitness
- Rescue squads
- New fire engine design/purchase



Accomplishments during 2018-2019

Rescue Task Force

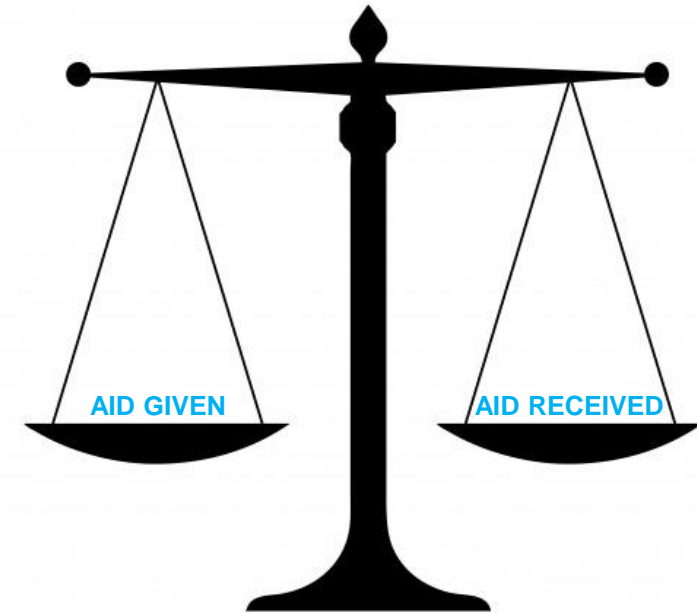




Accomplishments during 2018-2019

Balanced automatic/mutual aid

2018	AUTOMATIC OR MUTUAL AID GIVEN	AUTOMATIC OR MUTUAL AID RECEIVED
EMS	688	617
FIRE	413	462
TOTAL	1,101	1,079





Accomplishments during 2018-2019

Firefighter fitness programs

- Fit Responder
- Functional Movement Screening

Injury Free University

- **Patient Handling & Safety**
- **Pre-Hospital Ergonomics**
- **Fire-EMS Fitness & Wellness**
- **Risk Management**

A Hire to Retire System of web-Based & Live Training



Resiliency

Sleep Hygiene

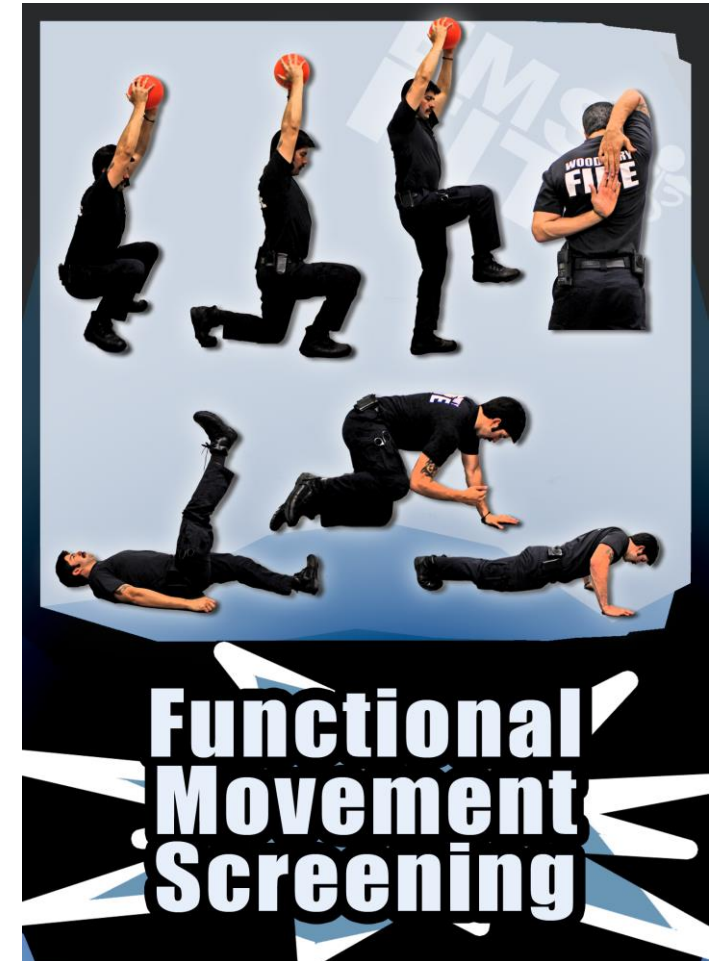
Nutrition

Mobility

New Hire Training

Train the Trainer

FitResponder.com





Current and Anticipated Challenges

ERP – Enterprise Resource Planning

Possible applications in the Fire Department:

- Inventory management (tools and equipment)
- Purchase order management
- Project management (new apparatus)
- Payroll
- Information sharing with other VAH departments



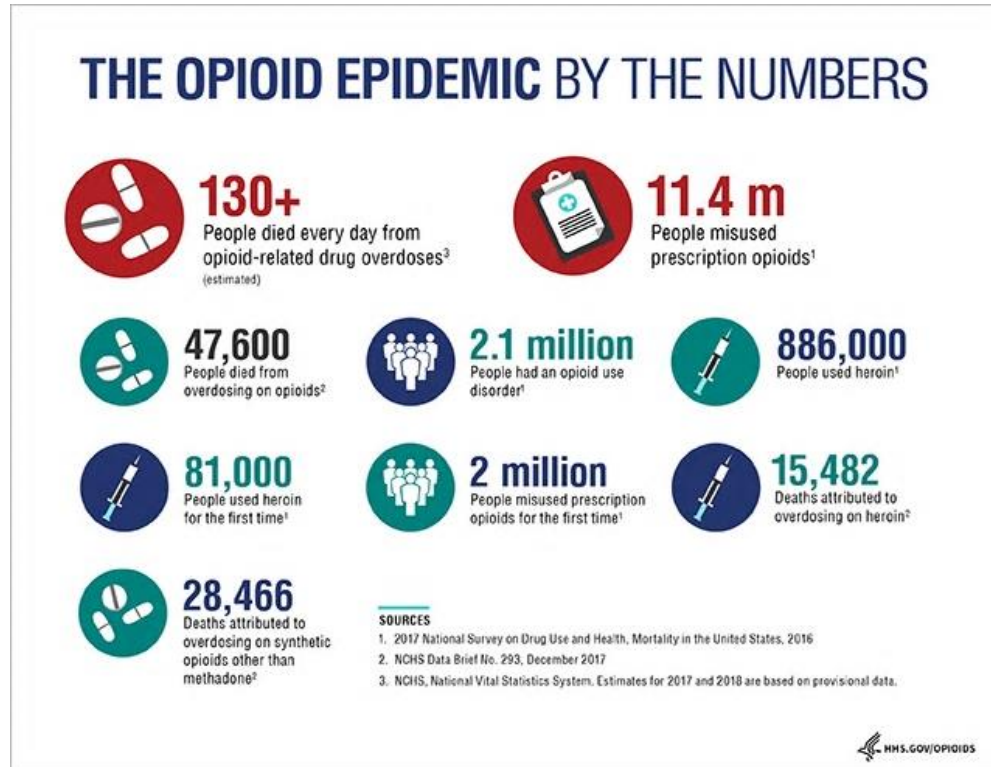
Current and Anticipated Challenges

- Opioid epidemic
- Succession planning
- Standard Operating Guidelines and General Orders - rewrite
- Firefighter mental health
- Strategic Plan
- Putting a fifth ambulance in service
- Mobile Integrated Healthcare
- Emergency Triage, Treat and Transport Model (ET3)



Current and Anticipated Challenges

Opioid Epidemic



AHFD Narcan (naloxone) Administration Number of Incidents

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019 to date</u>
January	1	4	5	0	4
February	0	2	3	2	7
March	1	6	1	3	2
April	3	2	8	4	5
May	1	2	3	3	
June	1	5	7	1	
July	2	3	2	3	
August	0	5	3	1	
September	0	5	2	4	
October	1	5	4	5	
November	0	3	3	1	
December	1	3	4	3	
Totals	11	45	45	30	



Current and Anticipated Challenges

Succession Planning

Fire Department Personnel by Age Group

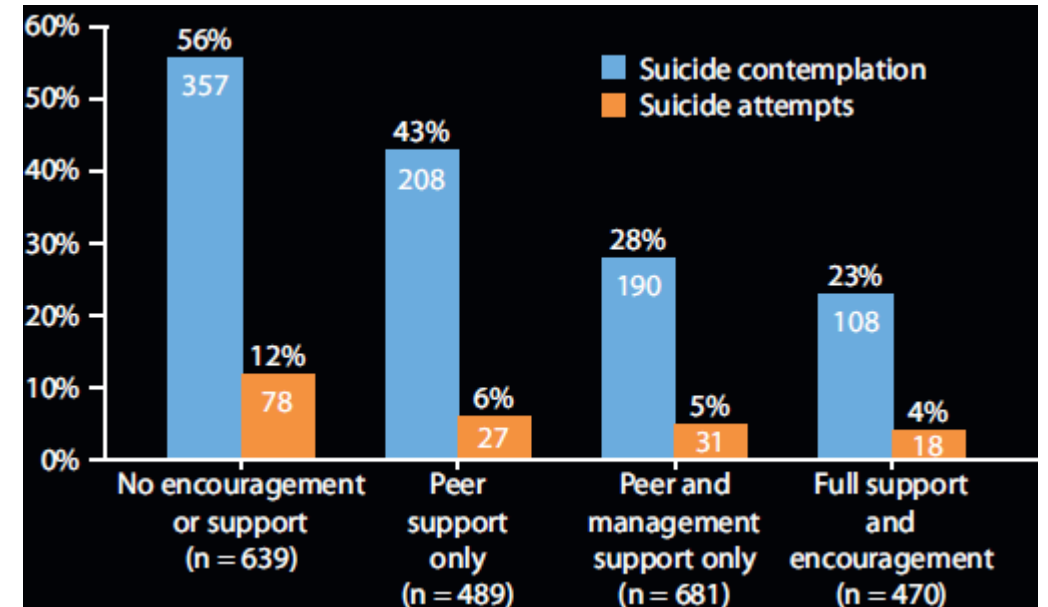
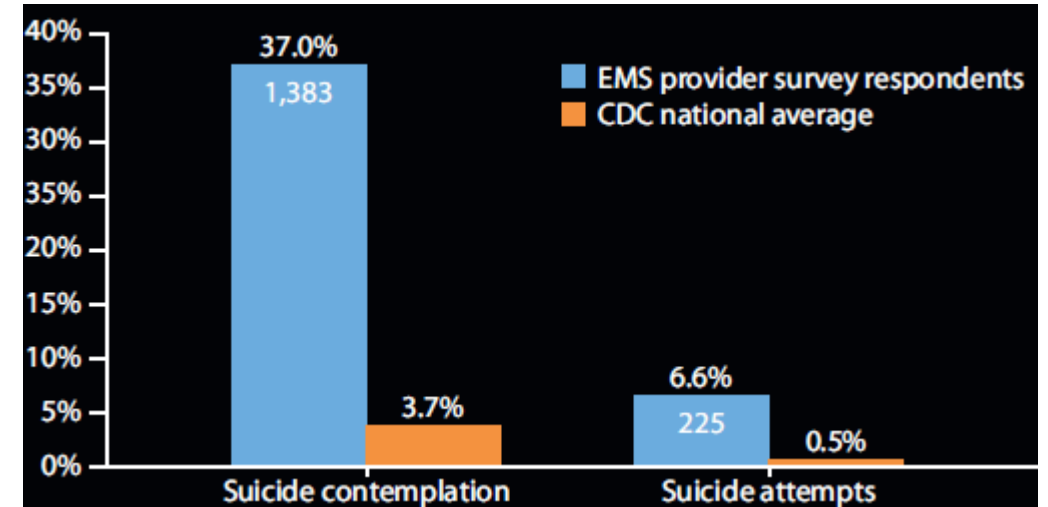
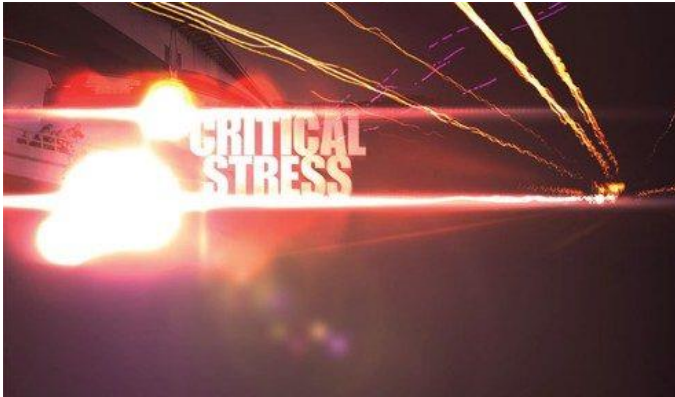




Current and Anticipated Challenges

Firefighter Mental Health

AHFD Peer Support Program



Source, Journal of Emergency Medical Services, 2017



Current and Anticipated Challenges

Strategic Plan

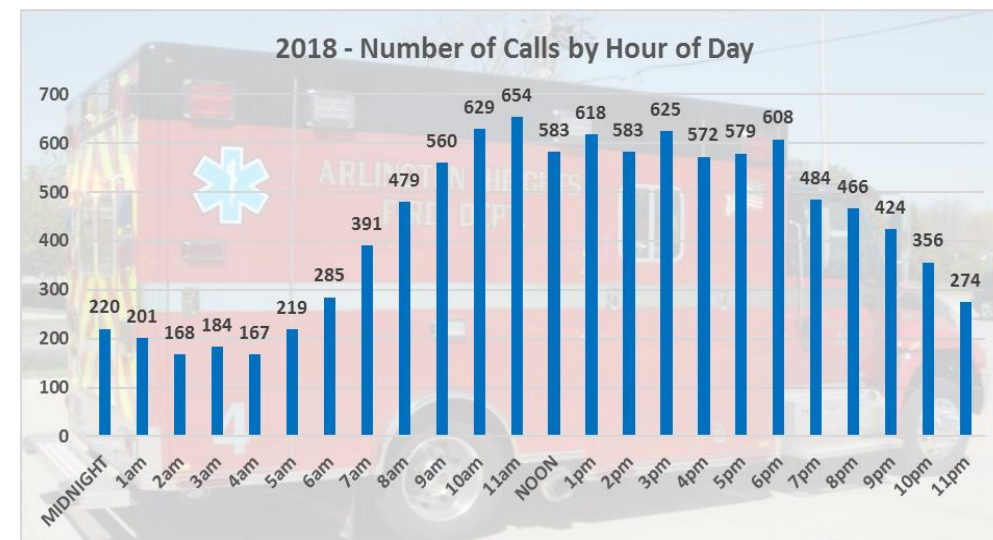
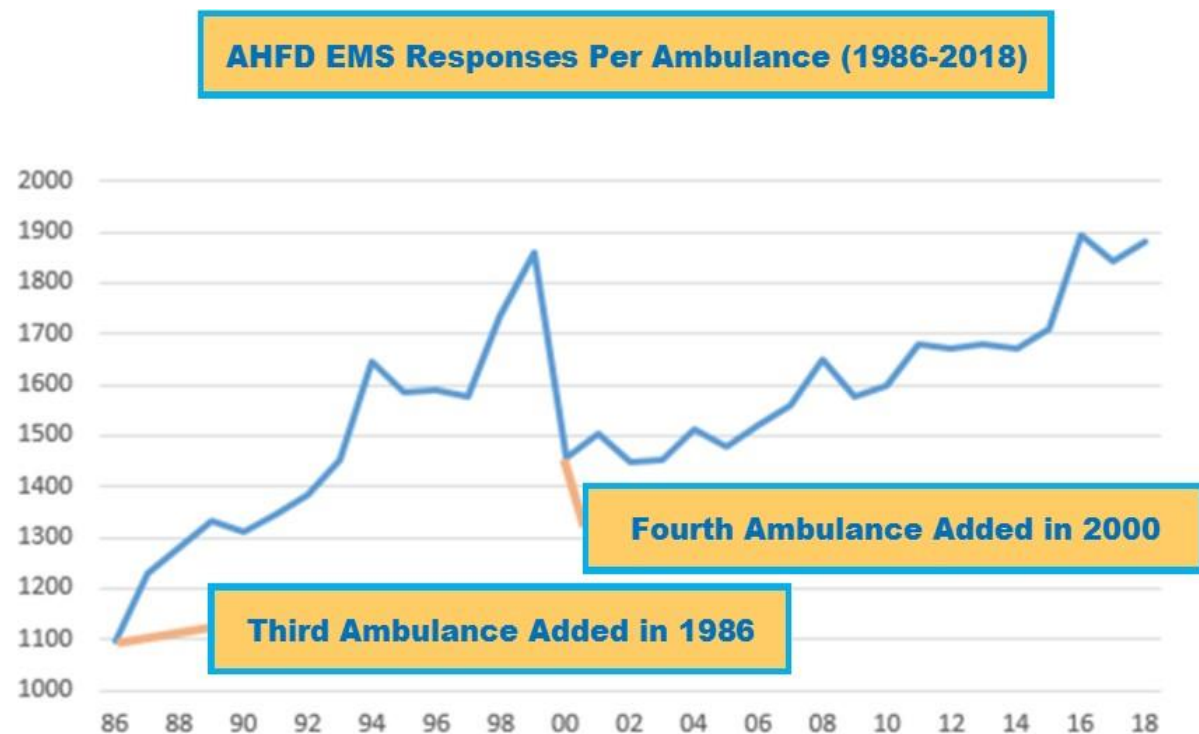
Strategic Planning Cycle





Current and Anticipated Challenges

Putting a fifth ambulance in service





Current and Anticipated Challenges

Mobile Integrated Healthcare



Mobile Integrated Healthcare Practice



COMMUNITY
PARAMEDIC



Current and Anticipated Challenges

Emergency Triage, Treat and Transport Model (ET3)

Medicare initiative

- Benefits Medicare - reduces avoidable transports to hospital emergency rooms and subsequent hospitalizations
- Benefits VAH - ability to bill Medicare for treating patients we do not transport
- Anticipated start date is January 2020