

# City Council

## Agenda Cover Memorandum

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Meeting Date: December 1, 2008

Item Title: Ald. Schmidt / Adoption of a Resolution for an advisory referendum question to be placed on the City's April 7, 2009 Consolidated Election ballot

Action Requested:

- ☒ Approval
- ☐ For discussion
- ☐ Feedback requested
- ☐ For your information

Staff Contact: Ald. Schmidt  
Phone Number: 847/430-3165  
Email Address: dschmidt@cmn-law.com

Background:  
16 pages attached, as provided by Ald. Schmidt

Recommendation:

Budget Implications:

Does Action Require an Expenditure of Funds: ☐ Yes ☒ No  
If Yes, Total Cost:  
If Yes, is this a Budgeted Item: ☐ Yes ☐ No

Attachments:

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To the Mayor and the Aldermen:

I am asking the City Council to approve a resolution which places on the April 2009 consolidated election ballot a referendum question asking the residents whether the City Council should issue bonds for the purpose of building a new police facility with a minimum cost of \$16.5 million plus debt service expense.

You are already aware that the City is in a difficult financial position, because revenues for the fiscal year are far below the expected level while certain expenditures are higher than anticipated. In his September 5, 2008 memo to the mayor and the City Council (see pp. 1-3 of the attached exhibit), City Manager Jim Hock stated the City ran up a \$1.7 million deficit for the prior fiscal year and that he "must recommend some dramatic cost cutting measures to create an amended balanced budget for this fiscal year." Mr. Hock's September 5 memo also noted that the tax increment financing ("TIF") fund showed a deficit of more than a half million dollars, and that the fund was borrowing money from the City's general fund to pay for projects which had been approved by this Council. At the November 25, 2008 Finance and Budget Committee meeting, Mr. Hock reported to the aldermen that the City is running a \$1.2 million budget deficit after six months of this fiscal year, and that the City has now loaned the TIF fund \$3.8 million which the Budget and Finance Director stated "is putting a strain on the general fund." Mr. Hock concluded in his November 25 report that the City "cannot financially support any unbudgeted capital projects or physical improvements the rest of this [fiscal] year." (see pp. 4-5)

As you can see from another one of the attached reports, the City's total debt is currently over \$59 million. (see p. 6) The money spent by the City to service that debt represents funds which cannot be used for infrastructure, salaries or any other necessary expenses. Meanwhile, the City budgeted \$300,000 less in this fiscal year than the previous year for its infrastructure programs. (see pp. 7-8)

Even a "scaled down" police facility costing \$16.5 million, paid for with a bond issue, would increase the City's debt to over \$75 million, and the annual expenditure for servicing that debt would be \$1.35 million per year, money which cannot be used to lower property taxes or bolster the sagging infrastructure program. Moreover, the total cost for a new facility would not be \$16.5 million, it would be \$28.5 million including debt service payments. (see pp. 9-10)

I have attached excerpts from the recent National Citizen Survey for the City of Park Ridge. Figure 7 on page 12 of the attached exhibit shows that the City receives unsatisfactory marks from its citizens in the areas of street repair, street cleaning, street lighting, snow removal, and public parking, and only slightly better marks regarding sidewalk maintenance. On the next page (p.13), the citizens give the City low marks for storm drainage and sewer services. Some aldermen argue that these are not low marks because they are near the national average. However, that is a misguided approach. Park Ridge residents have a right to expect the very best in city services in light of the amount of property taxes they are paying. We should be at or near the top of every single chart in that survey.

Most importantly, the last page of the survey exhibit reflects the citizens' dissatisfaction in the areas of receiving good value for taxes paid, the overall direction that the City is taking and, most significantly, welcoming citizen involvement and listening to the citizens. (see p. 14)

These survey results correspond directly to comments I have received from dozens, if not hundreds, of citizens who are opposed to the City going further into debt to finance a new police facility while the City's infrastructure needs are being ignored. This Council should take heed of the citizens' feelings, expressed in the survey, that their city government does not welcome their involvement and does not listen to them. The best way to rectify that problem is to give the citizens the opportunity at the ballot box to voice their opinions regarding going deeper into debt to build a new police facility. If this Council rejects the proposed resolution, it will be confirming to the citizens the fact that their government does not welcome their involvement and does not care to listen to their views or concerns.

I urge the Council to adopt this resolution.

David Schmidt  
Alderman -- First Ward

I propose that the City Council adopt a resolution to place the following referendum on the ballot for the April 2009 consolidated election:

"Shall the City of Park Ridge replace its current police facility with a new, larger structure at a cost of at least \$16.5 million plus additional, but currently unknown, costs for land acquisition and bond interest?"

A supporting background memo is attached.

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I urge the Council to adopt this resolution.

David Schmidt  
Alderman – First Ward

TO: Mayor and City Council  
FR: Jim Hock, City Manager  
RE: City of Park Ridge  
2007/08 Year End Financial Report and 2008/09 First Quarter Report  
DATE: September 5, 2008

Attached is a report for fiscal year 2007-2008 year end on April 30, 2008.

This report encompasses all of the major funds of the City, with the exception of the Library fund, which is reviewed by the Library Board. These include the General Fund, Uptown Tax Increment Financing fund, Water fund and Municipal Waste fund. Listed are the actual expenditures, the budgeted amount and the difference between the two. This difference is also expressed as a percentage of the budgeted amount. Details by Departments funded by the General Fund are also provided in the same manner.

Expenses exceeded General Operating Fund revenues by \$1.7 million. This was due primarily because revenues did not reach our estimated or budgeted numbers. This reduces our General Fund balance to \$13,763,800 for FY 2007/08.

Significant variances between the budgeted and actual revenue existed in the following categories:

- Building permits*; due to the fall off of housing construction projects, we only received 57% of our anticipated budget resulting in a shortfall of \$820,473.
- Interest Earned*; we are restricted by law to very safe investments which provide lower returns but as we all know even those rates have fallen.
- Parking Garage Tax*; the parking garage tax at Lutheran General only reached 70%, not anticipated amounts.
- Property Transfer Tax*; again, the slowed sales of homes has resulted in less transactions of property transfers.
- Sales & Use Tax*; the economic downturn resulted in less retail purchases.

Difficulties in expenditures were experienced not due to overspending on payroll or purchases, but on areas where the City had limited ability to control. These include:

- Finance Administration*; \$100,635 additional settlements in insurance claims.
- Street Lighting*; increased cost of electricity.
- Snow & Storm Control*; an abnormally high amount of snow resulting in total depletion of our salt.
- Street Maintenance*; the cost of oil increased the cost to produce asphalt.
- Sewers*; the sewer fund had to return a \$193,000 grant that was never undertaken for water detention at Lutheran General Hospital because it was insufficient and we decided not to dedicate further capital funding and, we have had lawsuit expenses on the Levee 50 project with Des Plaines.
- City Building Maintenance*; there was a power surge at the Public Works building that caused damage.
- Vehicle Maintenance*; we spent \$145,507 more on fuel costs.

The Tax Increment Financing Fund shows a deficit of \$531,466.21. You must remember, that the TIF Fund is borrowing money from the General Fund, to pay for projects within the district (such as the reconstruction of Summit Ave. you just approved). Thus, this deficit amount reflects that the TIF Fund has borrowed more money than budgeted from the General Fund. As more properties are finished within the district, they will pay the increased property tax payments to the City TIF fund, and it will reimburse the General Fund.

The Water Fund has also seen a decrease in revenue while our expenses for payment to Chicago for water has increased.

The Municipal Waste Fund that accounts for all our operations and maintenance for waste collection, transportation and disposal of solid waste was balanced for the fiscal year.

Included is the first quarter financial report on all funds of the current fiscal year, 2008/09.

The General Fund expenditure side of the equation is within budget due to the delayed hiring of vacant staff positions. However, it is anticipated that we will still exceed our revenues by \$1 million by year-end. This is due to a number of factors that were included in the revenue estimates that we don't see coming to fruition. These include:

- Building Permits*; we anticipated several major projects like 315 S. Northwest Highway, Executive Plaza, the Heinz project and the PRC development of the Napleton property. We are not saying that some of these will not eventually be developed, but probably not this fiscal year.
- Gasoline Tax*; good news-bad news. People are using mass transit and we have all read how people are driving less with the increased cost of gas resulting in less gasoline taxes collected.
- Parking Garage Tax*; we do not know if it is a construction issue or not enough of an increase. We will continue to monitor.
- Sales Tax*; we receive a large percentage of our sales tax from automobile sales and again, those sales are way down.

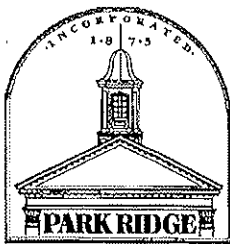
In the Noteworthy Items section of the report, capital projects are mentioned. A number of capital projects around City Hall will be postponed until a decision is made on whether to build a new police station and where that station would be located. Also, on the issue of reforestation for the next few years, we include the costs of Dutch Elm disease and Gypsy Moth treatment. I believe that it will be only a few years when we will be adding the cost to remove and replace most of the 2,500 Elm trees we have around the City.

In this first quarter the TIF fund has spent 60% of its budget because of the \$700,000 Summit rebuilding project. Please note, we anticipate a positive cash flow for next year.

The Water Fund is anticipated to be in a deficit position by the end of the year and at some point I will probably recommend an increase in water rates to correct this deficiency.

The Municipal Waste Fund is in positive condition.

It is obvious that the City cannot proceed with the prior financial plan that we developed and I must recommend some dramatic cost cutting measures to create an amended balanced budget for this fiscal year. I will forward these recommendations as soon as possible.



## CITY OF PARK RIDGE

### MEMORANDUM

OFFICE OF THE CITY MANAGER

**TO:** Finance & Budget Committee  
**FROM:** Jim Hock, City Manager  
**RE:** 2008/09 - 2<sup>nd</sup> Quarter status report  
**DATE:** November 25, 2008

Finance Director Diane Lembesis has prepared the second quarterly report on the City's 2008/09 budgets. It shows that we have received 45% of our General Fund revenues and expended 49% of our budget.

The specific areas where our revenues are falling short of predictions are;

- \*less building permits than anticipated
- \*falling sales taxes (automotive)
- \*low adjudication & court fines
- \*unrealized parking garage tax

Also, the sale of homes is very sluggish, affecting our income from the property transfer tax.

The revenue predictions by the Illinois Municipal League for 2008 were all forecasted with increases. These predictions obviously will not come to fruition with the state of the economy today. Local government economic struggles mirror those of the nation and Park Ridge is no exception.

Rather than take an ax to the expenditure side of the equation, I prefer the scalpel to surgically examine potential cost cutting measures. I have been watching every position vacancy and review the benefits of refilling before authorizing. At this time I will not be filling the position of Human Resource Director. Diane Schroeder is our Human Resource Administrator and she will work to meet our needs. Jeff Sorenson was promoted from Fire Marshal to Deputy Fire Chief and the Fire Inspector was promoted to Fire Marshal. We currently supplement the duties of Fire Inspector with a civilian part-time person. The Firefighters union understands our financial concerns and has agreed to give up the full time union position of Fire Inspector and we will hire another

*Our Mission:*

THE CITY OF PARK RIDGE IS COMMITTED TO PROVIDING EXCELLENCE IN CITY SERVICES IN ORDER TO UPHOLD A HIGH QUALITY OF LIFE,  
SO OUR COMMUNITY REMAINS A WONDERFUL PLACE TO LIVE AND WORK.



part-time person saving us the higher compensation rate of a trained firefighter and benefits. Our City Forester has given notice of her separation effective December. The Urban Forester Plans Examiner will be promoted, but I will wait before backfilling his position. I will continue to review vacancies as they occur and align the need to refill, combine or discontinue the position, with the strategic goals that have been established. Although there was no further discussion during the strategic planning meeting regarding our policy on the General Fund year end fund balance, I believe everyone agreed that we should maintain our conservative policy of 33% to 50% fund balance.

Currently, the Capital projects under construction, which should be completed before winter are:

- \*Columbia/Gillick alley from Harrison to Washington.
- \*Relief sewer on W. Crescent from Chester to Clifton
- \*Relief sewer on Clifton from Stewart to W. Crescent

We already have signed contracts for two more alleys to begin in the spring.

- \*Chester/Greenwood from Gillick south to the dead end with Gillick/Talcott
- \*Crescent/Prairie from Chester to Clifton

The only other capital project that has not been started that we are under contract to complete is the Main Street water main project.

An annual budget is a plan, which includes anticipated expenditures. We do not plan on unknowns, but during the course of the year, unanticipated expenditures will occur. This year so far, includes the rise in the cost of road salt, unreimbursed costs for the flood event, legal fees for levee 50, lawsuit judgments, and pension contributions rising because of legislative improvements and falling market value. We cannot financially support any additional unbudgeted capital projects or physical improvements the rest of this year.

I have informed all Department Directors that discretionary spending must be reviewed and approved by the Finance Director before I sign any purchasing orders. As we continue through the remainder of our fiscal year I will keep a close eye on our revenue stream and postpone budgeted purchases if we cannot support those expenditures.

*# 1.2 million deficit  
for first 6 months of '08-09  
fiscal year per Director of Finance*

City of Park Ridge  
Debt Schedule

| Budget | Tax   | Fiscal | 2004A          | 2004A          | 2004B           | 2004B           |           |            |
|--------|-------|--------|----------------|----------------|-----------------|-----------------|-----------|------------|
| Year   | Levy  | Year   | GO \$4.91 Mill | GO \$4.91 Mill | GO \$11.86 Mill | GO \$11.86 Mill | Total     | Total      |
|        | Year  | Paid   | Interest       | Principal      | Interest        | Principal       | Interest  | Principal  |
| 09/10  | 2009  | 2011   | 114,581        | 925,000        | 430,354         | 455,000         | 544,935   | 1,380,000  |
| 10/11  | 2010  | 2012   | 84,519         | 1,110,000      | 415,566         | 470,000         | 500,085   | 1,580,000  |
| 11/12  | 2011  | 2013   | 45,669         | 1,155,000      | 399,116         | 490,000         | 444,785   | 1,645,000  |
| 12/13  | 2012  | 2014   | 3,800          | 95,000         | 381,354         | 545,000         | 385,154   | 640,000    |
| 13/14  | 2013  | 2015   |                |                | 359,554         | 525,000         | 359,554   | 525,000    |
| 14/15  | 2014  | 2016   |                |                | 338,554         | 550,000         | 338,554   | 550,000    |
| 15/16  | 2015  | 2017   |                |                | 316,554         | 570,000         | 316,554   | 570,000    |
| 16/17  | 2016  | 2018   |                |                | 293,754         | 595,000         | 293,754   | 595,000    |
| 17/18  | 2017  | 2019   |                |                | 269,954         | 625,000         | 269,954   | 625,000    |
| 18/19  | 2018  | 2020   |                |                | 244,173         | 655,000         | 244,173   | 655,000    |
| 19/20  | 2019  | 2021   |                |                | 216,335         | 685,000         | 216,335   | 685,000    |
| 20/21  | 2020  | 2022   |                |                | 186,538         | 715,000         | 186,538   | 715,000    |
| 21/22  | 2021  | 2023   |                |                | 154,363         | 750,000         | 154,363   | 750,000    |
| 22/23  | 2022  | 2024   |                |                | 120,613         | 790,000         | 120,613   | 790,000    |
| 23/24  | 2022  | 2025   |                |                | 84,075          | 825,000         | 84,075    | 825,000    |
| 24/25  | 2023  | 2026   |                |                | 44,888          | 945,000         | 44,888    | 945,000    |
|        | Total |        | 248,569        | 3,285,000      | 4,255,741       | 10,190,000      | 4,504,310 | 13,475,000 |

| Budget | Tax   | Fiscal | 2005A       | 2005A       | 2006A          | 2006A          | 2006B           | 2006B           |
|--------|-------|--------|-------------|-------------|----------------|----------------|-----------------|-----------------|
| Year   | Levy  | Year   | GO \$7 Mill | GO \$7 Mill | GO \$10.5 Mill | GO \$10.5 Mill | GO \$10.05 Mill | GO \$10.05 Mill |
|        | Year  | Paid   | Interest    | Principal   | Interest       | Principal      | Interest        | Principal       |
|        |       |        |             |             | Tax-Exempt     |                | Taxable         |                 |
| 09/10  | 2009  | 2011   | 321,113     |             | 523,500        |                | 579,815         |                 |
| 10/11  | 2010  | 2012   | 321,113     |             | 523,500        |                | 579,815         |                 |
| 11/12  | 2011  | 2013   | 321,113     | 100,000     | 523,500        |                | 579,815         |                 |
| 12/13  | 2012  | 2014   | 317,113     | 100,000     | 523,500        | 100,000        | 579,815         | 785,000         |
| 13/14  | 2013  | 2015   | 313,113     | 100,000     | 519,250        | 100,000        | 535,070         | 1,345,000       |
| 14/15  | 2014  | 2016   | 309,113     | 100,000     | 515,000        | 100,000        | 457,733         | 1,710,000       |
| 15/16  | 2015  | 2017   | 305,113     | 100,000     | 510,750        | 100,000        | 359,408         | 1,815,000       |
| 16/17  | 2016  | 2018   | 300,963     | 100,000     | 506,500        | 100,000        | 255,045         | 2,355,000       |
| 17/18  | 2017  | 2019   | 296,763     | 235,000     | 501,500        | 385,000        | 119,633         | 2,045,000       |
| 18/19  | 2018  | 2020   | 286,775     | 245,000     | 482,250        | 2,990,000      |                 |                 |
| 19/20  | 2019  | 2021   | 275,750     | 705,000     | 332,750        | 3,135,000      |                 |                 |
| 20/21  | 2020  | 2022   | 244,025     | 935,000     | 176,000        | 3,520,000      |                 |                 |
| 21/22  | 2021  | 2023   | 201,950     | 975,000     |                |                |                 |                 |
| 22/23  | 2022  | 2024   | 158,075     | 1,485,000   |                |                |                 |                 |
| 23/24  | 2023  | 2025   | 91,250      | 1,825,000   |                |                |                 |                 |
|        | Total |        | 4,063,341   | 7,005,000   | 5,638,000      | 10,530,000     | 4,046,148       | 10,055,000      |

|                           | Interest   | Principal | Interest  | Principal  | Interest  | Principal  |
|---------------------------|------------|-----------|-----------|------------|-----------|------------|
| Series 2004A & B          | 248,569    | 3,285,000 | 4,255,741 | 10,190,000 |           |            |
| Series 2005A              | 4,063,341  | 7,005,000 |           |            |           |            |
| Series 2006A & B          |            |           | 5,638,000 | 10,530,000 | 4,046,148 | 10,055,000 |
| Total City-wide Debt      | 59,316,799 |           |           |            |           |            |
| Total City-wide Principal | 41,065,000 |           |           |            |           |            |

## CAPITAL PLAN BY CATEGORY

| Page No.                        |                                      | Budget<br>2006-07 | Est. Actual<br>2006-07 | Budget<br>2007-08 | Budget<br>2008-09 | Budget<br>2009-10 | Budget<br>2010-11 | Budget<br>2011-12 | Budget<br>2012-13 |
|---------------------------------|--------------------------------------|-------------------|------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Infrastructure Program:</b>  |                                      |                   |                        |                   |                   |                   |                   |                   |                   |
| 224                             | Reforestation                        | 75,400            | 75,400                 | 83,100            | 85,600            | 88,200            | 90,800            | 93,600            | 96,300            |
| 222                             | Sewer Construction                   | 510,400           | 627,000                | 394,600           | 406,400           | 209,300           |                   |                   |                   |
| 230                             | Sewer Lining                         | 89,700            |                        |                   |                   | 329,400           | 549,300           | 565,800           | 582,800           |
| 220                             | Sidewalk Replacement                 | 107,500           | 107,500                | 110,000           | 113,300           | 116,700           | 120,200           | 123,800           | 127,500           |
| 250                             | Infrastructure Improvements          |                   |                        |                   | 210,000           |                   |                   |                   |                   |
| 256                             | Street Rehabilitation                | 814,800           | 1,423,500              | 1,277,500         | 1,315,800         | 1,355,300         | 1,395,900         | 1,240,800         | 1,278,000         |
| 258                             | Alley Paving                         | 507,000           | 600,000                | 684,200           | 910,700           | 758,900           | 781,700           |                   |                   |
| 260                             | Alley Reconstruction                 |                   |                        |                   |                   |                   |                   | 404,000           | 416,100           |
| 262                             | Watermain Replacement                | 753,600           | 600,000                | 611,200           | 629,500           | 648,400           | 667,800           | 687,900           | 708,500           |
|                                 | <b>Subtotal</b>                      | <b>2,858,400</b>  | <b>3,433,400</b>       | <b>3,360,600</b>  | <b>3,671,300</b>  | <b>3,505,200</b>  | <b>3,605,700</b>  | <b>3,115,900</b>  | <b>3,209,200</b>  |
| 274-275                         | Contrib. to Computer Repl. Funds     | 253,400           | 253,400                | 209,500           | 410,800           | 413,600           | 416,500           | 419,300           | 422,100           |
| 276-277                         | Contrib. to Motor Equip. Repl. Fd.   | 462,900           | 462,900                | 589,100           | 782,400           | 809,700           | 837,500           | 866,700           | 896,700           |
|                                 | <b>Total Infrastructure</b>          | <b>3,574,700</b>  | <b>4,149,700</b>       | <b>4,239,200</b>  | <b>4,864,500</b>  | <b>4,729,500</b>  | <b>4,859,700</b>  | <b>4,401,900</b>  | <b>4,528,000</b>  |
| <b>One Time Projects:</b>       |                                      |                   |                        |                   |                   |                   |                   |                   |                   |
| <b>Building Repairs:</b>        |                                      |                   |                        |                   |                   |                   |                   |                   |                   |
| 204 - 219                       | Library Maintenance                  | 30,000            | 30,000                 | 35,000            | 80,000            | 280,000           | 250,000           | 260,000           |                   |
| 232                             | Remodel City Council Chambers        |                   |                        |                   | 64,800            |                   |                   |                   |                   |
| 240                             | Fire Training Tower Improvement      |                   |                        |                   | 36,500            |                   |                   |                   |                   |
| 242                             | Fire St. 36 Concrete Project         |                   |                        |                   | 164,900           |                   |                   |                   |                   |
| 244                             | Fire Stns Insulation                 |                   |                        |                   |                   | 74,800            |                   |                   |                   |
| 246                             | Fire St. 36 Parking Lot Repair       |                   |                        |                   |                   | 134,000           |                   |                   |                   |
| 248                             | Fire Stns Electrical Repairs         |                   |                        |                   |                   | 76,800            |                   |                   |                   |
|                                 | Fire Stations Fire Suppression Sys   | 39,100            | 84,900                 |                   |                   |                   |                   |                   |                   |
|                                 | <b>Total Building Repairs</b>        | <b>69,100</b>     | <b>114,900</b>         | <b>35,000</b>     | <b>348,200</b>    | <b>565,600</b>    | <b>250,000</b>    | <b>260,000</b>    |                   |
| <b>Other One Time Projects:</b> |                                      |                   |                        |                   |                   |                   |                   |                   |                   |
| 206                             | Library Feasibility Study            |                   |                        |                   | 50,000            |                   |                   |                   |                   |
| 226                             | Dutch Elm Protection                 | 50,000            | 50,000                 | 52,500            | 54,000            | 55,700            | 57,400            | 59,000            | 61,000            |
| 228                             | Traffic Controllers                  | 33,000            |                        | 33,000            | 36,000            | 39,000            | 21,000            |                   |                   |
| 234                             | Police Entrance Landscape            |                   |                        |                   |                   | 26,300            |                   |                   |                   |
| 236                             | Geographic Information System        | 41,000            | 41,000                 | 30,000            | 30,000            | 30,000            | 30,000            | 30,000            | 30,000            |
| 238                             | Technology Implementation            | 200,000           | 120,000                | 138,000           | 196,000           | 196,000           | 196,000           | 196,000           | 196,000           |
| 252                             | Resurface City Hall Parking Lot      |                   |                        |                   | 200,000           |                   |                   |                   |                   |
| 254                             | Replace City Hall Parking Lot Lights |                   |                        |                   |                   | 125,000           |                   |                   |                   |
| 264                             | Clean & Paint Water Tower            | 264,000           | 240,000                |                   |                   | 165,000           |                   |                   |                   |
| 266                             | Uptown Parking Lot Resurfacing       |                   |                        |                   | 700,000           |                   |                   |                   |                   |
| 268                             | Downtown Streetscape                 | 240,000           | 260,000                | 350,000           | 310,000           | 120,000           | 880,000           | 330,000           | 2,400,000         |
| 270                             | Uptown Wayfinding                    | 50,000            | 50,000                 | 100,000           |                   |                   |                   |                   |                   |
| 272                             | Plaza Arcade                         |                   |                        | 50,000            | 300,000           |                   |                   |                   |                   |
|                                 | <b>Total Other One Time Projects</b> | <b>878,000</b>    | <b>761,000</b>         | <b>753,500</b>    | <b>1,876,000</b>  | <b>757,000</b>    | <b>1,184,400</b>  | <b>616,000</b>    | <b>2,719,000</b>  |
|                                 | <b>Total One Time Projects</b>       | <b>947,100</b>    | <b>875,900</b>         | <b>788,500</b>    | <b>2,224,200</b>  | <b>1,322,600</b>  | <b>1,434,400</b>  | <b>876,000</b>    | <b>2,719,000</b>  |
| 270-281                         | Debt Service                         | 3,945,600         | 4,196,600              | 4,914,600         | 5,038,700         | 3,436,400         | 3,588,500         | 3,008,200         | 1,941,000         |
|                                 | <b>Total Capital Budget</b>          | <b>8,467,400</b>  | <b>9,222,200</b>       | <b>9,942,300</b>  | <b>12,127,400</b> | <b>9,488,500</b>  | <b>9,882,600</b>  | <b>8,972,100</b>  | <b>10,707,000</b> |

## CAPITAL PLAN BY CATEGORY

| Page No.                        |                                      | Budget<br>2007-08 | Est. Actual<br>2007-08 | Budget<br>2008-09 | Budget<br>2009-10 | Budget<br>2010-11 | Budget<br>2011-12 | Budget<br>2012-13 | Budget<br>2013-14 |
|---------------------------------|--------------------------------------|-------------------|------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Infrastructure Program:</b>  |                                      |                   |                        |                   |                   |                   |                   |                   |                   |
| 222                             | Reforestation                        | 83,100            | 83,100                 | 90,300            | 93,000            | 95,800            | 98,700            | 101,700           | 104,800           |
| 220                             | Sewer Construction                   | 394,600           | 300,000                | 348,000           | 400,000           |                   |                   |                   |                   |
| 260                             | Sewer Lining                         |                   |                        |                   | 329,400           | 549,300           | 565,800           | 582,800           |                   |
| 218                             | Sidewalk Replacement                 | 110,000           | 102,000                | 121,500           | 127,600           | 134,000           | 140,700           | 147,700           | 155,100           |
| 262                             | Street Rehabilitation                | 1,277,500         | 1,093,600              | 1,305,000         | 1,588,100         | 1,667,500         | 1,511,000         | 1,586,600         | 1,665,900         |
| 264                             | Alley Paving                         | 884,200           | 800,000                | 701,300           | 736,400           | 773,200           |                   |                   |                   |
| 266                             | Alley Reconstruction                 |                   |                        |                   |                   |                   | 344,000           | 476,000           |                   |
| 268                             | Watermain Replacement                | 611,200           | 840,000                | 682,300           | 716,400           | 752,200           | 789,800           | 829,300           | 870,700           |
|                                 | <b>Subtotal</b>                      | <b>3,360,600</b>  | <b>3,218,700</b>       | <b>3,248,400</b>  | <b>3,990,900</b>  | <b>3,972,000</b>  | <b>3,450,000</b>  | <b>3,724,100</b>  | <b>2,796,500</b>  |
| 278, 279                        | Contrib. to Computer Repl. Funds     | 289,500           | 289,500                | 227,500           | 455,900           | 459,100           | 462,500           | 465,700           | 468,900           |
| 280 - 281                       | Contrib. to Motor Equip. Repl. Fd.   | 589,100           | 589,100                | 439,100           | 780,700           | 808,100           | 836,000           | 865,300           | 895,300           |
|                                 | <b>Total Infrastructure</b>          | <b>4,239,200</b>  | <b>4,097,300</b>       | <b>3,915,000</b>  | <b>5,227,500</b>  | <b>5,239,200</b>  | <b>4,748,500</b>  | <b>5,055,100</b>  | <b>4,160,700</b>  |
| <b>One Time Projects:</b>       |                                      |                   |                        |                   |                   |                   |                   |                   |                   |
| <b>Building Repairs:</b>        |                                      |                   |                        |                   |                   |                   |                   |                   |                   |
| 204 - 217                       | Library Maintenance                  | 35,000            | 35,000                 |                   | 280,000           | 250,000           | 255,000           |                   | 100,000           |
| 252                             | Remodel City Council Chambers        |                   |                        |                   | 64,800            |                   |                   |                   |                   |
| 240                             | Fire Training Tower Improvement      |                   |                        |                   | 39,500            |                   |                   |                   |                   |
| 242                             | Fire St. 36 Concrete Project         |                   |                        |                   | 218,500           |                   |                   |                   |                   |
| 244                             | Fire Stns Insulation                 |                   |                        |                   |                   | 80,700            |                   |                   |                   |
| 246                             | Fire St. 35 Parking Lot Repair       |                   |                        |                   |                   | 166,800           |                   |                   |                   |
| 248                             | Fire Stns Electrical Repairs         |                   |                        |                   |                   | 82,900            |                   |                   |                   |
|                                 | <b>Total Building Repairs</b>        | <b>35,000</b>     | <b>35,000</b>          |                   | <b>602,800</b>    | <b>580,400</b>    | <b>255,000</b>    |                   | <b>100,000</b>    |
| <b>Other One Time Projects:</b> |                                      |                   |                        |                   |                   |                   |                   |                   |                   |
| 202                             | Library Feasibility Study            |                   |                        | 50,000            |                   |                   |                   |                   |                   |
| 224                             | Dutch Elm Protection                 | 52,500            | 52,500                 | 43,000            | 44,300            | 45,600            | 47,000            | 48,400            | 49,800            |
| 226                             | Gypsy Moth Aerial Spray Tree Prot.   |                   |                        | 51,000            | 52,500            | 54,100            | 55,700            | 57,400            | 59,100            |
| 228                             | Traffic Controllers                  | 33,000            | 15,000                 |                   | 38,000            | 39,000            | 42,000            |                   |                   |
| 230                             | Western Ave. Turn Lane               |                   |                        | 250,000           |                   |                   |                   |                   |                   |
| 232                             | Geographic Information System        | 30,000            | 30,000                 | 30,000            | 30,000            | 30,000            | 30,000            | 30,000            | 30,000            |
| 234                             | Technology Implementation            | 138,000           | 132,000                | 117,500           | 121,000           | 124,600           | 128,300           | 132,100           | 136,100           |
| 236                             | Police Radio Transmitter Upgrade     |                   |                        | 14,000            |                   |                   |                   |                   |                   |
| 238                             | Police Audio & Video Upgrade         |                   |                        | 30,000            |                   |                   |                   |                   |                   |
| 250                             | PWSC Air Quality                     |                   |                        |                   | 200,000           |                   |                   |                   |                   |
| 254                             | Resurface City Hall Parking Lot      |                   |                        |                   | 240,000           |                   |                   |                   |                   |
| 256                             | Replace City Hall Parking Lot Lights |                   |                        |                   | 125,000           |                   |                   |                   |                   |
| 258                             | Police Entrance Landscape            |                   |                        |                   | 26,300            |                   |                   |                   |                   |
| 270                             | Clean & Paint Water Tower            |                   |                        |                   |                   |                   |                   | 203,500           |                   |
| 272                             | Uptown Parking Lot Resurfacing       |                   |                        | 130,200           |                   |                   |                   |                   |                   |
| 274                             | Downtown Streetscape                 | 350,000           | 350,000                | 495,000           | 305,000           | 2,225,000         | 330,000           | 2,420,000         |                   |
| 276                             | Summit Ave. Beautification           |                   |                        |                   | 30,000            | 175,000           | 25,000            |                   |                   |
|                                 | Uptown Wayfinding                    | 100,000           |                        |                   |                   |                   |                   |                   |                   |
|                                 | Plaza Arcade                         | 50,000            |                        |                   |                   |                   |                   |                   |                   |
|                                 | <b>Total Other One Time Projects</b> | <b>753,500</b>    | <b>579,500</b>         | <b>1,210,700</b>  | <b>1,212,100</b>  | <b>2,693,300</b>  | <b>658,000</b>    | <b>2,891,400</b>  | <b>275,100</b>    |
|                                 | <b>Total One Time Projects</b>       | <b>788,500</b>    | <b>614,500</b>         | <b>1,210,700</b>  | <b>1,814,900</b>  | <b>3,273,700</b>  | <b>913,000</b>    | <b>2,891,400</b>  | <b>375,100</b>    |
| 282 - 285                       | Debt Service                         | 4,914,600         | 4,914,600              | 5,038,700         | 3,436,400         | 3,588,500         | 3,695,200         | 3,521,600         | 3,790,400         |
|                                 | <b>Total Capital Budget</b>          | <b>9,942,300</b>  | <b>9,626,400</b>       | <b>10,164,400</b> | <b>10,478,800</b> | <b>12,101,400</b> | <b>9,356,700</b>  | <b>11,468,100</b> | <b>8,326,200</b>  |

**CITY OF PARK RIDGE, ILLINOIS**  
**PROJECTED DEBT SERVICE TAX RATES**  
**City Police Facility Financing**

| Levy<br>Year | Bonds<br>Due Dec | Projected<br>EAV(1) | \$16.5 Million               |   |
|--------------|------------------|---------------------|------------------------------|---|
|              |                  |                     | Estimated<br>Debt<br>Service | Estimated Debt<br>Service Tax<br>Rate Based on<br>EAV Projections |
| 2000         | 2001             | \$926,519,725       |                              |   |
| 2001         | 2002             | 1,136,792,040       |                              |   |
| 2002         | 2003             | 1,222,627,006       |                              |   |
| 2003         | 2004             | 1,207,973,785       |                              |   |
| 2004         | 2005             | 1,406,982,666       |                              |   |
| 2005         | 2006             | 1,502,128,908       |                              |   |
| 2006         | 2007             | 1,852,758,740       |                              |   |
| 2007         | 2008             | 1,899,077,709       |                              |   |
| 2008         | 2009             | 1,946,554,651       |                              |   |
| 2009         | 2010             | 1,995,218,517       | 866,250                      | \$0.043   |
| 2010         | 2011             | 2,045,098,980       | 1,351,250                    | \$0.066   |
| 2011         | 2012             | 2,096,226,455       | 1,350,788                    | \$0.064   |
| 2012         | 2013             | 2,148,632,116       | 1,354,013                    | \$0.063   |
| 2013         | 2014             | 2,202,347,919       | 1,350,663                    | \$0.061   |
| 2014         | 2015             | 2,257,406,617       | 1,351,000                    | \$0.060   |
| 2015         | 2016             | 2,313,841,783       | 1,354,763                    | \$0.059   |
| 2016         | 2017             | 2,371,687,827       | 1,351,688                    | \$0.057   |
| 2017         | 2018             | 2,430,980,023       | 1,352,038                    | \$0.056   |
| 2018         | 2019             | 2,491,754,523       | 1,350,550                    | \$0.054   |
| 2019         | 2020             | 2,554,048,387       | 1,352,225                    | \$0.053   |
| 2020         | 2021             | 2,617,899,596       | 1,351,800                    | \$0.052   |
| 2021         | 2022             | 2,683,347,086       | 1,354,275                    | \$0.050   |
| 2022         | 2023             | 2,750,430,763       | 1,354,388                    | \$0.049   |
| 2023         | 2024             | 2,819,191,532       | 1,352,138                    | \$0.048   |
| 2024         | 2025             | 2,889,671,321       | 1,352,525                    | \$0.047   |
| 2025         | 2026             | 2,961,913,104       | 1,350,288                    | \$0.046   |
| 2026         | 2027             | 3,035,960,931       | 1,355,425                    | \$0.045   |
| 2027         | 2028             | 3,111,859,955       | 1,352,413                    | \$0.043   |
| 2028         | 2029             | 3,189,656,453       | 1,351,513                    | \$0.042   |
| 2029         | 2030             | 3,269,397,865       | 1,352,463                    | \$0.041   |
| 2030         | 2031             | 3,351,132,811       |                              |   |

Note: (1) Projected EAV is based on actual levy year 2006 EAV of  
and is projected to increase 2.5% annually.

| PROPERTY TAX CALCULATION    |   |  | \$16.5 million |
|-----------------------------|---|--|----------------|
| AV of \$275,000 Home        |   |  | \$44,000       |
| Equalization Factor (2007)  | x |  | 2.8439         |
|                             |   |  | 125,132        |
| Less: Homeowner's Exemption |   |  | (5,000)        |
|                             |   |  | 120,132        |
| 1st Year Tax Rate on Bonds  | x |  | 0.043 %        |
| Property Tax Impact         |   |  | \$52.16        |

**\$16,500,000**

**Park Ridge**

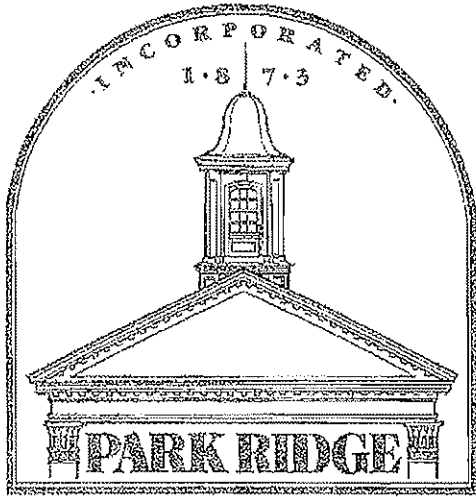
General Obligation Bonds - Police Facility

Series 2009

| Dated<br>4/1/09 | Principal         | Rate   | Interest          | Annual<br>Debt Service |
|-----------------|-------------------|--------|-------------------|------------------------|
| 6/1/09          |                   |        | 144,375           |                        |
| 12/1/09         | -                 | 5.250% | 433,125           | 577,500                |
| 6/1/10          |                   |        | 433,125           |                        |
| 12/1/10         | -                 | 5.250% | 433,125           | 866,250                |
| 6/1/11          |                   |        | 433,125           |                        |
| 12/1/11         | 485,000           | 5.250% | 433,125           | 1,351,250              |
| 6/1/12          |                   |        | 420,394           |                        |
| 12/1/12         | 510,000           | 5.250% | 420,394           | 1,350,788              |
| 6/1/13          |                   |        | 407,006           |                        |
| 12/1/13         | 540,000           | 5.250% | 407,006           | 1,354,013              |
| 6/1/14          |                   |        | 392,831           |                        |
| 12/1/14         | 565,000           | 5.250% | 392,831           | 1,350,663              |
| 6/1/15          |                   |        | 378,000           |                        |
| 12/1/15         | 595,000           | 5.250% | 378,000           | 1,351,000              |
| 6/1/16          |                   |        | 362,381           |                        |
| 12/1/16         | 630,000           | 5.250% | 362,381           | 1,354,763              |
| 6/1/17          |                   |        | 345,844           |                        |
| 12/1/17         | 660,000           | 5.250% | 345,844           | 1,351,688              |
| 6/1/18          |                   |        | 328,519           |                        |
| 12/1/18         | 695,000           | 5.250% | 328,519           | 1,352,038              |
| 6/1/19          |                   |        | 310,275           |                        |
| 12/1/19         | 730,000           | 5.250% | 310,275           | 1,350,550              |
| 6/1/20          |                   |        | 291,113           |                        |
| 12/1/20         | 770,000           | 5.250% | 291,113           | 1,352,225              |
| 6/1/21          |                   |        | 270,900           |                        |
| 12/1/21         | 810,000           | 5.250% | 270,900           | 1,351,800              |
| 6/1/22          |                   |        | 249,638           |                        |
| 12/1/22         | 855,000           | 5.250% | 249,638           | 1,354,275              |
| 6/1/23          |                   |        | 227,194           |                        |
| 12/1/23         | 900,000           | 5.250% | 227,194           | 1,354,388              |
| 6/1/24          |                   |        | 203,569           |                        |
| 12/1/24         | 945,000           | 5.250% | 203,569           | 1,352,138              |
| 6/1/25          |                   |        | 178,763           |                        |
| 12/1/25         | 995,000           | 5.250% | 178,763           | 1,352,525              |
| 6/1/26          |                   |        | 152,644           |                        |
| 12/1/26         | 1,045,000         | 5.250% | 152,644           | 1,350,288              |
| 6/1/27          |                   |        | 125,213           |                        |
| 12/1/27         | 1,105,000         | 5.250% | 125,213           | 1,355,425              |
| 6/1/28          |                   |        | 96,206            |                        |
| 12/1/28         | 1,160,000         | 5.250% | 96,206            | 1,352,413              |
| 6/1/29          |                   |        | 65,756            |                        |
| 12/1/29         | 1,220,000         | 5.250% | 65,756            | 1,351,513              |
| 6/1/30          |                   |        | 33,731            |                        |
| 12/1/30         | 1,285,000         | 5.250% | 33,731            | 1,352,463              |
|                 | <u>16,500,000</u> |        | <u>11,989,950</u> | <u>28,489,950</u>      |

Willamson Blair & Company

11/25/08



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# The City of Park Ridge, Illinois

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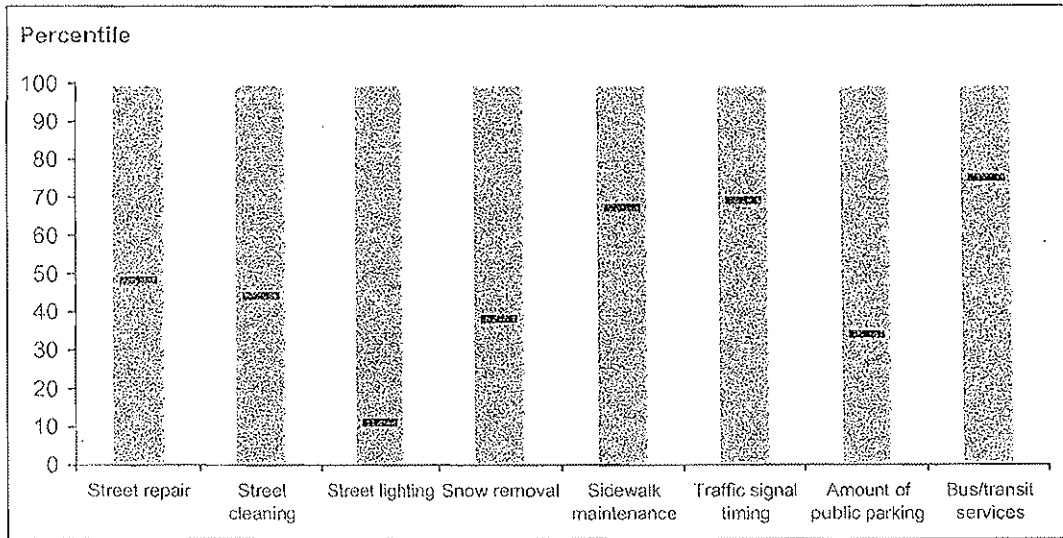
## Report of Normative Comparisons 2008



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The City of Park Ridge Citizen Survey  
Comparisons

Figure 7: Quality of Transportation Services



Quality of Transportation Services

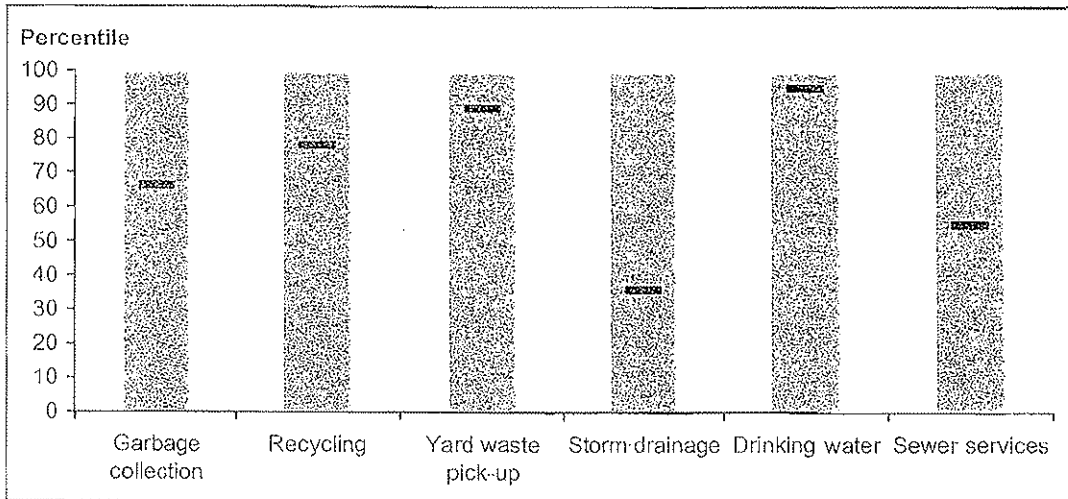
|                             | City of<br>Park<br>Ridge<br>Rating | Rank | Number of<br>Jurisdictions for<br>Comparison | City of Park<br>Ridge<br>Percentile | Comparison of<br>Park Ridge Rating<br>to Norm |
|-----------------------------|------------------------------------|------|--|-------------------------------------|---|
| Street repair               | 45                                 | 145  | 277  | 48%ile                              | Similar to the norm                           |
| Street cleaning             | 54                                 | 110  | 197  | 44%ile                              | Similar to the norm                           |
| Street lighting             | 42                                 | 187  | 211  | 11%ile                              | Below the norm                                |
| Snow removal                | 53                                 | 113  | 182  | 38%ile                              | Similar to the norm                           |
| Sidewalk<br>maintenance     | 53                                 | 58   | 175  | 67%ile                              | Above the norm                                |
| Traffic signal<br>timing    | 48                                 | 40   | 125  | 69%ile                              | Above the norm                                |
| Amount of<br>public parking | 41                                 | 73   | 110  | 34%ile                              | Below the norm                                |
| Bus/transit<br>services     | 60                                 | 33   | 131  | 75%ile                              | Above the norm                                |

The Citizen Survey is owned by the City of Park Ridge, IL.



The City of Park Ridge Citizen Survey  
Comparisons

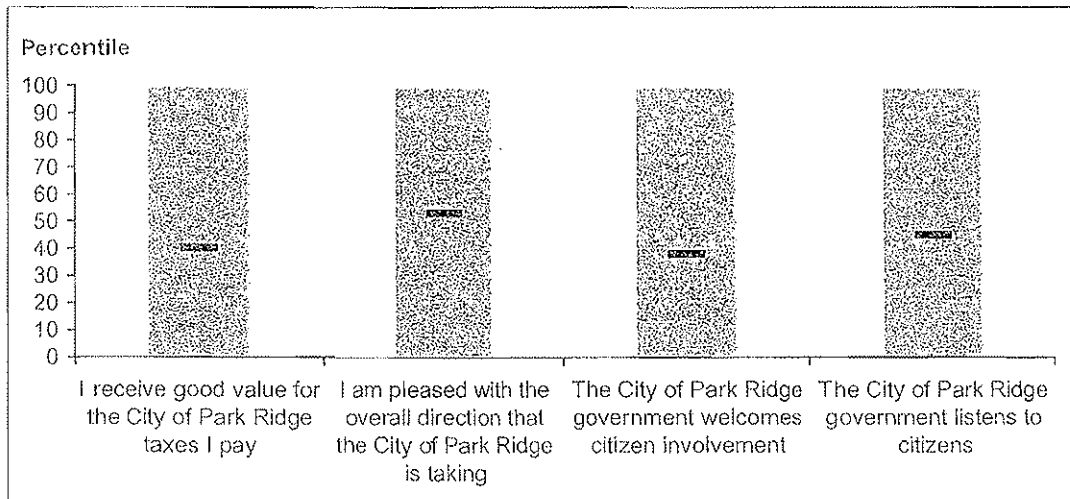
Figure 9: Quality of Utility Services



| Quality of Utility Services |                                 |      |  |                                     |   |
|-----------------------------|---------------------------------|------|--|-------------------------------------|---|
|                             | City of<br>Park Ridge<br>Rating | Rank | Number of<br>Jurisdictions for<br>Comparison | City of Park<br>Ridge<br>Percentile | Comparison of Park<br>Ridge Rating to<br>Norm |
| Garbage<br>collection       | 71                              | 79   | 229  | 66%ile                              | Similar to the norm                           |
| Recycling                   | 72                              | 45   | 199  | 78%ile                              | Above the norm                                |
| Yard waste<br>pick-up       | 72                              | 16   | 137  | 89%ile                              | Above the norm                                |
| Storm<br>drainage           | 47                              | 141  | 219  | 36%ile                              | Below the norm                                |
| Drinking<br>water           | 71                              | 9    | 171  | 95%ile                              | Above the norm                                |
| Sewer<br>services           | 62                              | 78   | 172  | 55%ile                              | Similar to the norm                           |

The City of Park Ridge Citizen Survey  
Comparisons

Figure 14: Ratings of Public Trust



| Ratings of Public Trust  |                                    |      |  |                                     |   |
|--|------------------------------------|------|--|-------------------------------------|---|
|  | City of<br>Park<br>Ridge<br>Rating | Rank | Number of<br>Jurisdictions for<br>Comparison | City of Park<br>Ridge<br>Percentile | Comparison of<br>Park Ridge<br>Rating to Norm |
| I receive good value<br>for the City of Park<br>Ridge taxes I pay                      | 55                                 | 137  | 229  | 40%ile                              | Similar to the<br>norm                        |
| I am pleased with the<br>overall direction that<br>the City of Park Ridge<br>is taking | 60                                 | 87   | 185  | 53%ile                              | Similar to the<br>norm                        |
| The City of Park<br>Ridge government<br>welcomes citizen<br>involvement                | 60                                 | 122  | 197  | 38%ile                              | Similar to the<br>norm                        |
| The City of Park<br>Ridge government<br>listens to citizens                            | 52                                 | 94   | 171  | 45%ile                              | Similar to the<br>norm                        |

The National Citizen Survey by National Research Center, Inc.