

CITY OF WARRENVILLE

FINANCE AND PERSONNEL COMMITTEE/  
COMMITTEE OF THE WHOLE

**Minutes of Special Meeting Held on Monday,  
February 22, 2010, at City Hall**

A. CALL TO ORDER

Alderman Dan Leonard called the meeting to order at 7:00 p.m.

B. ROLL CALL

Present: Mayor David Brummel, Aldermen Stu Aschauer, Clare Barry, Fred Bevier, Christopher Halley (arrived at 7:06 p.m.), Dan Leonard, Bill Weidner, and Matt Wiesbrock

Absent: Alderman Dave Schultz

Also Present: City Administrator John Coakley, Finance Director Kevin Dahlstrand, City Clerk Emily Larson, and Deputy City Clerk Ana Vainisi

Absent: None

C. PLEDGE OF ALLEGIANCE

D. CITIZENS COMMENTS

Rocky Falco, Willow Court, reported on the benefit art sale for the Bovio family. He thanked the artists from Clay Space that donated their time and artwork, especially those from out-of-town. The event garnered approximately \$1,000 for the needy family. He also thanked Minuteman Press, Aubrey Signs, George Safford, Pastor Wendy, and Linda Spicer, and expressed gratitude for living in a community that helps its own.

E. OFFICIALS AND STAFF COMMENTS

Tardiness

Alderman Halley apologized for being late tonight.

Google Test Community

Alderman Wiesbrock asked if there was interest from the Council in pursuing Google's request to become a test community for a new high-speed network. He suggested having Google representatives make a presentation to the City.

Alderman Weidner expressed his interest in this project, stating that it would be a good tool to attract new businesses to Warrenville.

Mayor Brummel reminded Administrator Coakley that he had forwarded a request to staff to consider this proposal already, and thought that a response was forthcoming.

Administrator Coakley reported that staff had been looking into the application process and the amount of staff time involved. He also noted that Governor Quinn is thinking about recommending the entire state as a test area. He will have Assistant City Administrator McMahan make a report at the next meeting or in an upcoming weekly report.

Alderman Weidner cautioned staff to keep track of the deadlines as to not miss this opportunity.

Volunteer Appreciation Dinner

City Clerk Larson announced that the volunteer dinner would be held at the VFW on March 13, at 6:00 p.m. and reminded the Aldermen to respond with their availability.

F. BUSINESS OF MEETING

1. Financial Update for FY2010

Administrator Coakley stated that the purpose of this special meeting was to review revenue projections in advance of the budget workshop on March 6.

Administrator Coakley stated that after the budget workshop, the FY2011 budget would be included in every meeting agenda as an opportunity for the Aldermen to express any questions or concerns throughout the process.

Finance Director Dahlstrand stated that as of January 2010, the overall revenues are projected to be 12.82% below the budgeted amounts at the end of the FY 2010. Causes for this drop in revenues include the national economic recession and its impact on the local region, and a decline in local consumer spending, as reflected in reduced sales taxes and use tax revenues. Statewide, loss of jobs and increased unemployment have reduced the amount of the State's shared income tax revenue to the City. Also, red light photo enforcement fines are lower than budgeted due to a reduction in the number of cameras actually installed and, because of the program's success, more drivers are stopping on red lights and before turning right on red as required by state law.

He also pointed out several corrections to the Financial Update pages: Page 3, under Telecommunications Tax, the 4<sup>th</sup> column should be 50% instead of 33.33%; page 7, under Hotel Motel Taxes, the 4<sup>th</sup> column should be 66.6% rather than 50%; and on page 9, under Transfers Out, in the 5<sup>th</sup> column, the amount should be blank.

Regarding the condition of the Police Pension Fund, Director Dahlstrand stated that the fund did well in 2009 and recouped approximately 65% of its 2008 losses.

Alderman Wiesbrock asked that Director Dahlstrand keep the trend projections updated, especially relative to property tax income.

Alderman Aschauer asked about the difference between state shared sales tax and Home Rule sales tax. Director Dahlstrand stated that Home Rule tax is a better indicator of local conditions.

Alderman Weidner asked if the expected drop in EAV would be reflected in this year's indicator. Director Dahlstrand stated that the 5% decrease in EAV would be reflected next year.

2. Review of Major Revenue Sources

Director Dahlstrand gave a Power Point presentation on the major revenue sources based on the fiscal year to date.

Administrator Coakley stated that the City's general financial condition reflects Cantera's positive effect on the community.

Director Dahlstrand reported that the six year General Fund projections show a -11% in expenditure coverage in 2015 based on today's economic condition. However, these figures are reviewed constantly and the hope is that natural trends will improve prior to 2015.

Alderman Weidner asked for the City to consider taking steps to improve the economic picture for the local hotels as they experience a drop in occupancy. He asked that TAC consider awarding extra points for those events that historically draw people from outside the community. He also mentioned the number of empty storefronts and asked staff to create incentives to attract new retail merchants, and suggested taking pro-active steps now, rather than waiting for the economy to bounce back on its own. Director Dahlstrand said he would discuss these ideas with staff.

Alderman Barry stated that TAC does consider the hotels, especially for those events that bring in tourists, by encouraging the event sponsors to provide information on local hotels, restaurants, and merchants.

Alderman Wiesbrock asked about the Home Rule sales tax. Director Dahlstrand stated that the \$1.4 million indicates the total collected, not an increase.

Regarding the \$1.8 million in new property tax and sales tax revenue expected from Cantera in FY 2012, Alderman Wiesbrock noted that the community has been scrimping and saving over the past 23 years in order to reap the benefits of this successful development.

Alderman Wiesbrock asked whether unfunded mandates were included in the expenditures. Director Dahlstrand stated that unfunded mandates were included insofar as those that staff was aware of, any new ones would have to be absorbed as they turn up.

Alderman Wiesbrock asked that the average amount for unfunded mandates for the past three or four years be incorporated into the projections.

Mayor Brummel stated that he has communicated his expectations with Central DuPage Hospital that they promote Warrenville hotels to their patients who will use the proton center. He also stated that at a recent meeting with an existing hotel manager revealed no concern about the new hotels being built. He asked if this opinion has changed recently. Director Dahlstrand stated that the City would continue to take a conservative approach to reporting hotel revenues.

Administrator Coakley reported that the City has been invited to join a consortium of local governments to look into unfunded mandates, to create a plan to keep the public informed of

unfunded mandates. As the state becomes short on money, they look to local communities to pick up some of the expenses. The local municipalities are getting together to keep the public informed and involved as well.

Alderman Weidner asked where the rental income was derived. Director Dahlstrand stated that this figure mainly reflects the amounts collected from rental of antenna space on City water towers. The income is split between the General Fund and the Water and Sewer fund.

Alderman Weidner asked staff to review the City's fees and charges to be sure they are competitive. Director Dahlstrand stated that staff is already performing this review for all departments.

Alderman Wiesbrock noted that the FY 2010 and FY 2011 do not show the increase of \$1.8 million in property taxes. Director Dahlstrand stated that the increase would not show up until FY 2012.

Alderman Barry noted that the Telecommunications Tax showed an increase of 8.5% in FY 2010, stating that each person with a cell phone, including businesses, are responsible for this increase. She asked whether the two large businesses contemplating leaving Warrenville would affect this amount. Director Dahlstrand stated that the increase for next year is not expected to be as large. Administrator Coakley stated that there are indications of interest from other companies in re-occupying these buildings. Staff is willing to provide any help necessary.

3. FY2011 Budget Process

Alderman Wiesbrock asked that trends and projections for FY 2011 be provided to the Aldermen in advance of making a decision.

Alderman Weidner asked for a report on overtime expenses for all departments, including staff's perspective.

Alderman Wiesbrock encouraged everyone to fill out the Census forms as the City benefits from having every person counted.

G. CLOSED SESSION

None.

H. ADJOURN

ALDERMAN WEIDNER MOVED, second by Alderman Halley, to adjourn.

MOTION ADOPTED VIA VOICE VOTE

The meeting adjourned at 8:04 p.m.

Approved: \_\_\_\_\_

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Ana Vainisi, Deputy City Clerk