

CITY OF WARRENVILLE
CITY COUNCIL

FY 2021 Budget Workshop
Saturday, March 14, 2020
City of Warrenville, City Hall
28W701 Stafford Place

MINUTES

A. CALL TO ORDER

Mayor Brummel called the meeting to order at 9:05 a.m.

B. ROLL CALL

Present: Mayor David Brummel, Ald., Clare Barry, Fred Bevier, Kathryn Davolos, Leah Goodman, Mike Hoffmann, Bill Weidner, and Robert Wilson.

Absent: Ald. Stu Aschauer

Also Present: City Administrator John Coakley, Assistant City Administrator Cristina White, Finance Director Kevin Dahlstrand, Senior Accountant Leo Beltran, Community and Economic Development Director Ron Mentzer, Deputy Public Works Director Phil Kuchler, Police Chief Ray Turano, Treasurer Larry Brenner, City Clerk Emily Larson, and Interim Executive Assistant Dawn Grivetti.

C. FISCAL YEAR 2021 BUDGET REVIEW AND DISCUSSION

1. Introductory Comments

Mayor Brummel thanked all those in attendance for coming, and recognized Staff for their extraordinary efforts in planning for, and protecting the health and safety of the public in the wake of the coronavirus (COVID-19) pandemic. He thanked Staff for their hard work in compiling the budget document in a concise and easily understandable format, and for their efforts in setting up the workshop itself.

Mayor Brummell introduced Interim Executive Assistant Dawn Grivetti as a new member of the administrative staff.

City Administrator (CA) Coakley also thanked everyone for coming, and introduced Finance Director (FD) Dahlstrand who commented on recent changes to the FY 2021 Budget, which were authorized by Council on March 9. Replacement pages for the following sections were provided: Budget Message, FY2020 financial activity summary and snapshot, General Fund 01 and various line item pages, and Hotel Tax Fund 14. A few additional accounting errors were noted as well.

2. FY 2021 Budget Major Funds, Expenditures, and Capital Projects Overview

FD Dahlstrand gave a presentation of the projected General Fund revenue and expenditures for FY2021. He stated revenue changes from Fiscal Year 2020 are

projected to level out for FY2021; and the projected budget deficit for FY2020 was greatly reduced by the end of the year due to multiple factors.

Ald. Goodman asked what general effect might there be due to the present COVID-19 statewide quarantine. CA Coakley replied effects are unknown at this time, but anticipated significant, but short-term tax revenue reductions in hotel, sales, amusement, etc. Staff will continually monitor any changes and present them to Council as they appear. He stated Council recently took actions to return funds to the contingency fund for events like this. However, there will be a reduction in revenues for March and April of this fiscal year.

Ald. Goodman asked if the COVID-19 pandemic will slow down construction as well. Community Development Director (CDD) Mentzer replied developers do not anticipate a slowdown. New construction is currently being inspected.

Assistant City Administrator (ACA) White addressed employee compensation of union, non-union, and seasonal workers. Negotiations are currently in progress with all three employee unions, and no figures are available at this time. Although the FY 2021 Budget proposes a 3% compensation increase for non-union employees, Staff is recommending a 2.4% increase equal to the December 2019 Consumer Price Index. Staff also looked at comparable pay rates for seasonal employees, and considering the new State Minimum Wage act and the tight employment market, Staff is proposing increasing the hourly rate from \$11.00 per hour to \$12.50 per hour effective May 1, 2020.

A consensus of the Council was in favor of the 2.4% rate increase for non-union employees, and increasing the hourly rate of seasonal employees to \$12.50 per hour.

FD Dahlstrand continued the budget presentation with discussion of the Capital Maintenance and Replacement Fund (CMRP), focusing on vehicle and equipment replacements, and proposed road projects. Revenue and expense projections of the Hotel Tax Fund and Tax Increment Finance (TIF) No. 3 and No. 4 funds were also discussed. He stated the CMRP needs to be re-worked to include escalators, and better valuations.

TIF fund expenditures and negative balances over the past several years reflect investments in community projects. Discussion centered on payback schedules from future completed projects. As new software is implemented, Staff will present greater details on payback schedules at future Council meetings.

There was a detailed discussion on TIF projections and assumptions, and how budget amounts are adjusted each year based on actual figures following the annual audit. CDD Mentzer stated projections indicate FY 2021 is the peak of the TIF fund deficits. Revenues collected by the City in FY 2022 and beyond will begin to pay off those deficits. Limits exist on TIF fund borrowing, and the City will require significant deficit reductions before investing in additional future projects.

FD Dahlstrand continued to discuss capital projects for FY2021. Page 178 of the FY 2021 Budget lists planned road projects. Deputy Public Works Director (DPWD) Kuchler described reasons that would impact the decay of a road such as Huskie Highway. Repairs are typically performed at 15 years. Huskie Highway is approximately 12 years old, but is currently in need of repair. Concentrated bus traffic, construction traffic, garbage trucks, etc. contribute to the decay of roads. Ald. Goodman questioned the City's review process of road construction during and after to ensure longevity. DPWD Kuchler replied some low bidders require additional supervision.

Ald. Bevier questioned whether the street name Huskie Highway was officially dedicated and not just honorary. Staff will look into it.

FD Dahlstrand continued to discuss capital projects in the Enterprise Fund and TIF Funds. The infiltration and inflow (I/I) reduction program is an ongoing and continuous program that will continue year over year. Proposed building improvements are for public works buildings. There was discussion of a sewer rate increase due to the I/I program. CA Coakley spoke about the large rain events causing increases in infiltration and inflow, and stated the City is obligated to make improvements as agreed upon with the City of Naperville and recommended by the Illinois Environmental Protection Act.

FD Dahlstrand continued to discuss the Water and Sewer Enterprise Fund revenue, expenditures, fund balances, and capital reserve expenditures including I/I reduction expenses, which are expected to produce rate increases. There was further discussion about the proposed 10% water and sewer rate increases to accommodate current operations and maintenance as well as I/I reduction projected to cost approximately \$600,000 per year for the next 11-13 years.

Page 256 of the FY 2021 Budget book includes a calculation error that didn't account for the non-spendable amount. A replacement page is coming.

FD Dahlstrand presented an additional slide of annual water and sewer rates and revenues of neighboring municipalities, surveyed in 2018-2019 as a comparison to Warrenville's more favorable rates. Mayor Brummel added enterprise funds are not profit centers for the City; they pay for themselves.

3. Discussion and Consideration of FY 2021 Decision Packages

Decision Packages Funded in FY 2021 Budget

A. Administration

ACA White discussed the need to upgrade the virtual local area network (VLAN).

B. Community Development

CDD Mentzer discussed the department's need for additional personnel.

C. Police

Chief Turano described the need for the City to hire a trained, certified Emergency Management Agency Coordinator. Staff is looking for a part-time and possibly retired professional to fill this role. This role is currently being performed by volunteers. Mayor Brummel commented the City has been fortunate to have willing volunteers, but in times of emergencies, the City will need more dedicated staff to rely on. CA Coakley added, the current federal and state emergency due to COVID-19 is a good example of the resources and training coordination the City needs from such an individual. This item will be presented to Council at the March 24th Committee of the Whole meeting. Chief Turano spoke more about the duties and responsibilities of the position and how much the City relies on the regular performance of these duties. Ald. Davolos proposed presented the request to Council sooner, and would increase the required hours as well.

D. Public Works

DPWD Kuchler discussed the department's requests for high speed garage doors; east-side streets planning and alternatives to resurfacing; and a water system risk and resilience assessment and emergency response plan as required by the IEPA. There were no objections to these requests.

Decision Packages Not Funded in FY 2021 Budget

FD Dahlstrand presented decision packages that were not funded in the FY 2021 Budget. CA Coakley discussed reasons why these items were deferred. Essentially, there is not enough funding available to cover these requests in the FY 2021 Budget. These are all qualified projects that fit with the City's Strategic Plan and could be readdressed for the next fiscal budget. ACA White stated Council could see most or all of these requests in discussions for FY 2022 Budget.

A. Administration

Ald. Davolos addressed the Administration Department's non-funded request for temporary contractual support services, and voiced concern about the extended time it has taken to complete the ERP project. Can the City afford to defer the completion of the project any longer? ACA White described the amount of staff time required to complete the project, and the qualifications needed of a contractual support services candidate to fill the position. This position could be combined with a position in Finance.

Ald. Goodman discussed the deferral of the communications coordinator position, and asked if it could be classified as a part-time position and filled sooner. ACA White replied the challenge with a part-time position is finding a qualified candidate willing to work on a part-time basis. The City could collaborate with other districts who currently have a communications coordinator, however, with the demands of the position, it doesn't seem feasible to fill it on a temporary part-time basis. There was further discussion as to how the position could be partially funded outside of the General Fund or in association with it, such as through the Hotel Tax Fund.

Ald. Goodman spoke of the urgency to fill this position and discussed possible alternative funding mechanisms like the private property drainage assistance program or the Hotel Tax Fund. CA Coakley requested Council direction to pursue filling the position. Mayor Brummel agreed there is a critical need for this position, but reminded Council the next few years are lean budget years, and expanding staff is contrary to that goal. Ald. Weidner asked staff to consider alternative revenue sources to support a full-time communications position.

Ald. Goodman moved, second by Ald. Davolos to have staff consider ways to fund the communications coordinator position. Voice Vote in favor.

Ald. Krischel asked Staff to quantify the hours currently spent by staff on communications issues and projects.

B. Community Development and Public Works Non-funded Projects

Staff addressed the requests for a Route 59 monument sign, Public Works staffing, and improved indoor air quality. There were no recommendations from Council regarding these requests.

4. Questions and Answers, Comments, Conclusion

Chief Turano updated the Council on the level of service provided by the Police Department during this time of emergency, and stated it will not decline. The Department has the resources needed to respond to emergency calls. The department has also implemented several policy changes in response to COVID-19 that will be presented to the public via the City website and social media.

Any non-emergency calls will be handled over the phone, and an officer will follow-up at a later time. The department is cancelling fingerprinting and station tours to limit person-to-person contact.

CA Coakley reminded Council members to communicate any budget questions with him, or with FD Dahlstrand. Information will continue to be presented at all future Council meetings until the Budget is approved. Any policy changes that occur, as directed by the Council, and technical changes made by Staff will be presented as they occur.

Going forward, Staff will be monitoring outbreak information and communicating regularly with Council to keep everyone up to date. CA Coakley informed Council of the proposed changes to emergency authority that will be presented at the next council meeting. It is very likely the City will also limit or suspend all non-essential meetings in an effort to keep everyone safe and limit the spread of the virus. The City will be in step with other area municipalities with these changing processes.

Mayor Brummel thanked staff for their diligence and for working overtime to consider contingency scenarios.

ACA White reminded Council the Governor has closed all public and private K-12 schools through the end of March. A ripple effect might occur with City staff as employees may have to stay home with school-age children. The City may have to cut back on non-emergency, non-critical services at this time, and consider how to handle essential responsibilities with a reduced staff.

Mayor Brummel recognized the quality of staff and dedication of elected officials engrossed in making good decisions in the best interest of the citizens of Warrentville, and expressed his gratitude to all.

D. PUBLIC COMMENTS

There were no public comments.

E. ADJOURN

ALDERMAN DAVALOS MOVED, second by Ald. Barry to adjourn.

MOTION ADOPTED VIA VOICE VOTE

The budget workshop adjourned at 11:50 a.m.

Approved: April 6, 2020



Dawn Grivetti, Interim Executive Assistant