

MINUTES OF THE SPECIAL MEETING BUDGET WORKSHOP #2 OF THE MAYOR AND BOARD OF TRUSTEES OF THE VILLAGE OF WILLOWBROOK TO BE HELD ON THURSDAY, FEBRUARY 17, 2022, AT 6:30 P.M. AT THE WILLOWBROOK POLICE DEPARTMENT TRAINING ROOM, 7760 QUINCY STREET, WILLOWBROOK, DUPAGE COUNTY, ILLINOIS.

DUE TO THE COVID 19 PANDEMIC, THE VILLAGE WILL BE UTILIZING A ZOOM CONFERENCE CALL FOR THIS MEETING.

1. CALL TO ORDER

The meeting was called to order at 6:30 p.m. by Mayor Frank Trilla.

2. ROLL CALL

Those physically present at roll call were Village Clerk Deborah Hahn, Village Trustees Mark Astrella, Sue Berglund, Umberto Davi, Michael Mistele, and Gayle Neal, Assistant Village Administrator Sean Halloran, Chief Robert Schaller, Deputy Chief Lauren Kaspar, Deputy Clerk Christine Mardegan, Director of Municipal Services Foreman AJ Passero, Interim Chief Financial Officer Nathan Gaskill, Chief Financial Officer Michael Rock, Director of Community Development Michael Krol, and Recreation Services Coordinator Carrie Navins.

Present via conference call, due to the COVID-19 pandemic, were Mayor Frank A. Trilla, Trustee Greg Ruffolo, Chief Robert Schaller and Parks and Recreation Manager John Fenske.

Absent: Village Administrator Pabst

A QUORUM WAS DECLARED

3. MOTION - Motion to Allow Mayor Trilla and Trustee Ruffolo to Attend the Meeting Remotely.

Trustee Neal asked the Board to Allow Mayor Trilla and Trustee Ruffolo to attend the meeting remotely.

MOTION: Made by Trustee Neal and seconded by Trustee Astrella to allow Mayor Trilla and Trustee Ruffolo to attend the meeting remotely.

ROLL CALL VOTE: AYES: Trustees Astrella, Berglund, Davi, Mistele, Neal, and Ruffolo. NAYS: None. ABSENT: None.

4. VISITOR'S BUSINESS

None presented and no written comments were received.

5. DISCUSSION BUDGET WORKSHOP #2

a. 2021-2022 General Fund Update

b. 5 Year Capital Improvement Program Update

c. 2022-2023 General Fund

The Mayor asked Assistant Administrator Halloran to present the budget update.

Assistant Administrator Halloran identified three areas to be covered in tonight's meeting:

- 2021-2022 General Fund Update
- 5 Year Capital Improvement Program Update
- 2022/2023 Proposed General Fund

As a side note, Assistant Administrator Halloran indicated that the Water Rate Study is not completed, that staff is not satisfied with the information received or the contractor's methodology and is not yet ready to present the study to the Board.

Trustee Mistele shared from the Finance Committee, after switching from the DuPage Water Commission to the City of Chicago, the rates have been increasing precipitously. The idea was to create a fund reserve to maintain the water system. He is disappointed in the delay by Christopher Burke, who was awarded the contract for the study in last June.

Assistant Administrator Halloran reviewed the changes to the expenditures from Budget Workshop #1. There were minor changes. The difference between the budget and the estimate was reduced to \$4781 mainly due to the hiring of the Director of Community Development and staffing changes within the Village Hall.

Interim Finance Director Gaskill indicated that since the last meeting, revenue is appearing better than projected and the Village is still on trend for that increase. Per Assistant Administrator Halloran the surplus appears to be about \$3.5 million.

5 YEAR CAPITAL IMPROVEMENT PROGRAM UPDATE

After a review of the proposed projects from Budget Workshop #1, staff has reviewed the projects and made several updates based on costs and priorities. Below is a summary of projects that have been changed in costs or timeline:

Timeline

- Ridgemoor Park Project has been rescheduled from 21-22 to 22-23.
- Farmingdale Park Project has been rescheduled from 22-23 to 23-24.
- Pickleball Court Project and Lighting updates at Midway Park have been rescheduled from 22-23 to 23-24.

- Knolls Water Main Project has been temporarily pushed back from 25-26 to 27-28.

Cost Changes

- Increased the Community Resource Center costs from \$2,000,000 to \$2,250,000
- Increased the 67th Street Resurfacing projects costs from \$250,000 to \$565,000
- Decreased Rogers Farm Resurfacing project costs from \$450,000 to \$435,000
- Decreased the Police Department Remodeling costs from \$100,000 to \$45,000
- Decreased the Borse Park Lighting Project costs from \$981,000 to \$645,000
- Added the 67th Street Traffic Signal project with the City of Darien

Assistant Administrator Halloran indicated that the new budget format consists of four main changes:

1. Consolidates expenses and revenues into top-level categories
2. Creates a Summary level (30,000-foot view)
3. Creates a Line-Item Detail level (10,000-foot view)
4. Creates a Description level (Ground floor)

Another change to this year budget is the methodology for fund allocation used by the Finance Team, Assistant Administrator Halloran, Administrator Pabst, and Mayor Trilla. This will update the appropriation of funds throughout the different funds, i.e., General Fund and Water Fund. The Mayor clarified that this change allows the Village to make better and more accurate decisions, particularly when allocating the Water Fund.

In the General Fund overview, Assistant Administrator Halloran stated that in total operating cost, we're seeing a decrease in overall expenditures for the 22-23 budget due to the fund allocation method, the outsourcing of Financing and additional staffing changes reducing costs. The large increase in overall fund expenditures is related to the Capital Improvement Program (CIP).

The largest percentage of the operating expenses is the expenditures for the Police at 86%, and the second highest for the Village Administration Office (VAO) which comprises Administration, Finance and Parks and Recreation. There is a new allocation for the CIP which accounts for 35-40% of overall funding, although these costs are one-time expenses.

Interim Finance Director Gaskill presented the information on General Fund revenue, indicating the methodology used tried to remain conservative. The projected surplus is #3,588,394. Highlights of the revenue include:

- Sales Tax and Home Rule Sales Tax are projected to grow slightly from the 2021-2022 estimate
- Intergovernmental will see one-time increases from ARPA and DECO grants.

- Charges for Services is related to the projected revenue for the Active Adults Program

Trustee Neal wondered why and or how the interest projections could go from \$800 to \$8000. Interim Finance Director Gaskill clarified that these figures are tied to interest rates, and although we are expecting increases, we don't know what they will be. He also indicated that historically these figures are adjusted in May or June as the interest rate trend appears.

Assistant Administrator Halloran continued with the information on Tax revenue. The largest revenue generators are the Home Rule sales tax and the places of eating tax and, using a conservative estimate, are expected to increase by 1.5% for the next year.

The Miscellaneous section shows a large decrease due to the Water Fund no longer supporting the General Fund and the receipt of a one-time payment from IRMA in the prior fiscal year for the cybersecurity incident.

The increase in the Services revenue is due primarily to the projections in the Active Adults program, estimated around \$202,000.

Overall, in the General fund, a surplus of around \$570,000 is expected. The fund balance is expected to be around 95% for next year which is likely to go down over the next few years as we are currently receiving grants, ARPA & DECO grants, and Rebuild Illinois bond money. However, we're confident that we'll stay above the 60% fund balance.

Interim Finance Director Gaskill discussed the revenue breakdown. He indicated that in calculating the information the trend was followed rather than be overly conservative. He stated the trajectory of the sales tax numbers was good and healthy. Overall, there is a small, one-half percent increase reflected in the graph, but the numbers for the red light fines were scaled back.

Assistant Administrator Halloran added that the budget included projections of \$850,000 in red light fines this year; previous fiscal years have been around \$600,000.

Mayor Trilla suggested estimating a decrease in the utility tax of 5-6%. He also asked if the hotel/motel tax was included in the sales tax.

Assistant Administrator Halloran indicated that that tax is separate category and that the chart indicates only the top revenue generating sectors only and did not include the hotel/motel tax sector. He shared the figures for the past fiscal year and upcoming estimations (hotel/motel tax FY 21/22 \$239,000, FY 22/23 \$208,000, storage tax FY 21/22 \$184,000 and FY 22/23 \$175,000)

Interim Finance Director Gaskill provided information on the Police Pension fund:

- Current Funded ratio is 73.8%
- Two possible funding amounts calculated for FY 22/23:
 1. Statutory minimum (projected unit credit method) assumes 90% funding by 2040: \$744,761 contribution amount (31.4% of payroll)
 2. Recommended contribution (entry age normal method) assumes 100% funding by 2040: \$1,208,511 (51.0% of payroll)
 - o 1.5% increase = \$17,517
 - o Historical rates of payroll:
- 19 beneficiaries as of 4/30/2021 (annual benefit cost \$1.6 million FY 20/21)

IMRF's Actuarial Valuation performed as of 12/31/2020:

- Current Funded ratio is 84.08%
- Contribution rate decreased by 3.89% (24.65 % to 20.76%)
- FY 22/23 annual contribution approx. \$260,000 or about \$85,000 decrease
- Historical rates of payroll:

CY 2016: 17.45%	CY 2018: 14.74%	CY 2020: 13.41%
CY 2017: 15.43%	CY 2019: 12.23%	CY 2021: 24.65%

Interim Finance Director Gaskill showed the information on the Village's debt:

- Series 2015 GO ARS [Alternative Revenue Source] Bonds (final payment 12/30/2034)
 - Current balance: \$3,367,000 (original amount \$4,930,000)
 - Pledged to be repaid with income tax revenues (police station portion) and water user fees (water tank portion)
 - If pledged revenues are insufficient, a general obligation property tax would be levied
 - Village Board will abate the property tax each year as long as alternate revenues remain sufficient
 - FY 2022/23 payment (year 8 of 20): \$342,750
 - General Fund contribution: \$275,937
 - Water Fund contribution: \$66,813

The GO ARS bond is backed by sales tax and income tax payments.

- IEPA Loan (final payment 7/31/2036)
 - Current balance: \$689,206 (original amount \$887,089)
 - Pledged to be repaid with water user fees (water standpipe painting)
 - FY 2022/23 payment (year 6 of 20): \$54,448
 - Principal: \$41,823
 - Interest: \$12,626

Both the GO ARS Bond and the IEPA Loan are considered Village debt.

- Business District Sales Tax Incentive - Harlem-Irving
 - Developer Note issued 5/1/2019 for \$2,000,000 (max)
 - Pledged to be repaid with Business District sales taxes on specific retailers
 - Limited to 20-year term (5/1/2039)
 - First payment made FY 2019/20 - \$50,383
 - FY 2020/21 payment of \$62,725
 - FY 2021/22 payment estimated at \$72,500 (15% incr.); FY 2022/23 est. \$72,500
- Business District Sales Tax Incentive - PFM [Pete's Fresh Market]
 - Developer Note not yet issued
 - Pledged to be repaid with Business District sales taxes on specific retailers
 - Maximum would be \$5,000,000
 - FY 2021/22 & FY 2022/23 payment placeholder at \$110,000
 - Limited to 20-year term or expiration of business district (7/11/2039)

Both the Mayor and Assistant Administrator Halloran clarified that the Sales Tax Incentives are not a loan or debt in fact, but rather a sales tax sharing agreement that is only paid once sales tax is collected. Trustee Mistele asked the amount of Pete's Fresh Market fund balance. Assistant Administrator Halloran that although he didn't have the data for Pete's, the balance for the total business district is projected to be \$3.2 million, and that \$850,000 has been paid out in the last 3-4 years to Harlem Irving. Trustee Neal wanted to know what the term is for Harlem Irving's note. Assistant Administrator Halloran indicated that it is payable until 2039.

Interim Finance Director Gaskill continued to a discussion of the Special Service Area (SSA) Bonds. He clarified that although these are shown as debt on the Village's financial statement, it is not actually a debt, but

rather a loan initiated by the Village and guaranteed on the debt of the specific group of homeowners in the SSA.

- Series 2007 Special Service Area (SSA) Bonds
(final payment 1/1/2029)
 - Current balance: \$1,735,000 (original amount \$3,540,000)
 - No-commitment debt of the Village, secured by property tax revenues levied on the benefitted properties
 - FY 22/23 payment of \$323,425 budgeted in the Special Service Area Fund

Assistant Administrator Halloran presented the information on the Village Administrator's Office (VAO) in the Administration department:

- **2021-2022 Accomplishments/Highlights**
 - Successfully managed the transition to a hybrid staffing model.
 - Implemented the new Burr Ridge Park District IGA.
 - Received the Pavement Assessment Grant from CMAP.
 - Completed the Citizen Survey.
 - Completion of the Gateway Signage project.
 - Oversaw the update to the Zoning Code.
- **2022-2023 Budget Highlights**
 - True Fund Allocation for Personnel and IRMA.
 - Moved CIP projects out of Operating Expenses.
 - Completion of the Community Resource Center.
 - Completion of the Zoning Code Update.
 - Transition of the Health Insurance Project.
 - Oversee the rewrite of the Personnel Manual.
 - Manage the document scanning/storage project.

Trustee Mistele updated the Board regarding the status of the Community Resource Center now taking bids and tentatively waiting for a \$500,000 grant.

Assistant Administrator Halloran continued with the VAO Finance department information:

- **2021-2022 Accomplishments/Highlights**
 - Successfully managed the transition to an outsourced Finance model.
 - Received two GFOA awards.
- **2022-2023 Budget Highlights**
 - Apply for the triple GFOA award.
 - Assist with the TIF implementation.
 - Streamline the invoicing and payroll process.

- Oversee the development of the five-year Capital Improvement Program.

He also indicated that being awarded a third GFAO award would be a major accomplishment as only 26 communities in Illinois have that honor.

Recreation Services Coordinator Navins presented the information on the VAO Parks and Recreation department:

- **2021-2022 Accomplishments/Highlights**
 - Evaluated Parks and Recreation services.
 - Successfully managed the Light up the Night event in November 2021.
- **2022-2023 Budget Highlights**
 - Implementation of the Active Adults Program.
 - Oversee the construction project of Ridgemoor Park.
 - Manage the Parks and Recreation Master Plan procurement, discussion, and implementation process.
 - Evaluation of Parks and Recreation programs.
 - Integrate programs and events within the Community Resource Center.

Trustee Mistele asked about the anticipated completion date for Ridgemoor Park. Assistant Administrator Halloran indicated that the bids had been received last week and that a completion date in September was expected.

Assistant Administrator Halloran asked for additional questions considering the recent changes in the Parks and Recreation department. A discussion followed regarding the expected revenues and expenditures of the reorganized department.

Information on the Community Development Department included the following:

- **2021-2022 Accomplishments/Highlights**
 - Consolidated the Building and Zoning and Planning and Economic Development divisions.
 - Hiring of a new Director of Community Development.
 - Successfully transitioned from TPI to SAFEbuilt for building plan review and inspectional services.
- **2022-2023 Budget Highlights**
 - True Fund Allocation for Personnel.
 - Comprehensive Plan Update.
 - Building Permit Fee Analysis.
 - Service Level Improvements (over counter permits, minor building remodel, etc.).

Trustee Neal wanted to know how violations would be addressed and indicated that the Plan Commission would like to see a more cohesive enforcement policy. She indicated this would also help with the Title 6 revisions in defining nuisances.

Chief Schaller presented the information on the Police department:

2021-2022 Accomplishments

- Implementation of the Body Worn Camera Program.
- Implementation of WBPD Tactical Officer Team.
- Implementation of High-Speed Fiber Internet.
- Increased compliance ticket payment rates by implementing electronic ticketing.
- Implementation of Flock ALPR System.

2022-2023 Budget Highlights

- DEA Task Force Officer.
- Decrease operational costs by adding more in-house training - i.e. phlebotomist.
- Re-organizing the organizational structure of police administration.

Trustee Neal wanted to know, with the departure of Nancy Turville, the plan for the continuance of the CALEA program. Chief Schaller identified that currently the Chief and Deputy Chief are handling the process and that they were looking for a grant writer to assist. Trustee Neal also wanted how some of Ms. Turville's additional duties, such as the website, Facebook, working with senior citizens and other public safety duties would be handled. She feels the position is not one that can be eliminated. Chief Schaller agreed and indicated it would be difficult to find a candidate to fulfill all of those aspects of the job. For the CALEA accreditation, there is currently no one that can step in to that position without additional certification.

Trustee Neal also raised the question of additional red-light cameras. The Chief indicated that six additional were included in the budget. The question was raised as to whether the cameras could be relocated based on trouble areas. Chief Schaller said that the models used by the Village are stationery.

Trustee Berglund wondered if the Cadet program would be reinstated. Chief Schaller stated that the program would continue, but that it has become more difficult to locate candidates.

Municipal Services Foreman AJ Passero presented the Public Works information:

2021-2022 Accomplishments/Highlights

- Resurfacing of the Farmingdale subdivision
- Multiple hydrant replacements.
- Purchase of new snow fighter F450.
- Eleanor Place speed tables.

2022-2023 Budget Highlights

- True Fund Allocation for Personnel.
- Rogers Farm subdivision resurfacing.
- 67th street resurfacing.
- 75th street water main extension.
- Begin design work for:
 - 79th Street sidewalks from Eleanor to Clarendon Hills Road.
 - Public Works Building Expansion

Mayor Trilla wanted to ensure that the 67th Street resurfacing would not interfere with any work being done at the Clarendon Hills intersection. Foreman Passero replied that that area had been done a few years ago and that the 67th Street work would stop just before Snug Harbor Drive.

Assistant Village Administrator Halloran reviewed additional programs in the Public Works department:

- Grants for the Safe Rout to School program to include sidewalks in the western part of Gower, on the backside of Cherry Tree
- Sidewalks on 79th, Eleanor to Clarendon Hills Road - before the Board in Winter 2022
- Project planning in March and April to come before the Board with design work plans completed to be able to begin projects in May, rather than wait and overload the schedule in fall and early winter

Foreman Passero provided further information on the Public Works expansion program. He explained that it's not an expansion of the physical building but rather taking over the lot currently part of the Public Work's property on 73rd Court, west of the existing building, the dead end at 75th Court. Some of the improvements planned for September 2022 would include:

Equipment storage
Facilities for mixing and segregating treated road salt
Gated PD impound lot storage

The Mayor expressed concern that this is zoned as a residential area. Foreman Passero indicated that, with the rezoning planned this year, the area should be a governmental district.

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Assistant Village Administrator Halloran asked if there were any additional questions. There being none, the Mayor thanked everyone for the time, especially on a snowy night.

6. ADJOURNMENT

MOTION: Made by Trustee Mistele and seconded by Trustee Berglund to adjourn the Special Meeting at the hour of 7:55 p.m.

ROLL CALL VOTE: AYES: Trustees Astrella, Berglund, Davi, Mistele, Neal and Ruffolo. NAYS: None. ABSENT: None.

MOTION DECLARED CARRIED

PRESENTED, READ, and APPROVED.

_____, 2022.

Frank A. Trilla, Mayor

Minutes transcribed by Deputy Clerk Christine Mardegan.