

MINUTES OF THE SPECIAL MEETING OF THE MAYOR AND BOARD OF TRUSTEES OF THE VILLAGE OF WILLOWBROOK FOR MONDAY, DECEMBER 12, 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, Mayor Frank Trilla, Village Clerk Deborah Hahn, Village Trustees Mark Astrella, Sue Berglund, Umberto Davi, Michael Mistele, Gayle Neal, and Greg Ruffolo, Village Attorney Melissa Wolf, Village Administrator Sean Halloran, Assistant to the Village Administrator Alex Arteaga, Director of Community Development Michael Krol, Director of Parks and Recreation Dustin Kleefisch, Chief Robert Schaller, Deputy Clerk Christine Mardegan and Public Works Foreman AJ Passero.

Present via conference call were: None.

ABSENT: Chief Financial Officer Michael Rock, Deputy Chief Lauren Kaspar, Deputy Chief Benjamin Kadolph.

A QUORUM WAS DECLARED

3. PLEDGE OF ALLEGIANCE

Mayor Trilla asked Foreman Passero to lead everyone in saying the Pledge of Allegiance.

4. VISITORS' BUSINESS

The Mayor recognized resident Carol Lazarski on the zoom call for comments. Ms. Lazarski commented that she had attended the Light up the Night event at Borse Park on Saturday (December 10) and it was fabulous. She was glad that she and her cousin were able to attend and appreciated all the work that went into the event. The Mayor thanked her for her comments.

5. PRESENTATION - VILLAGE AUDIT PRESENTATION

Administrator Halloran introduced the speaker from Sikich to present the 2021/2022 fiscal year audit, which staff has been working on since June/July of 2022 with the help of Lauterbach, Amen and Sikich.

Brian LeFevre from Sikich began by thanking the Mayor and Board for the opportunity to present the audit data.

The annual comprehensive financial report is comprised of three sections: Introductory, Financial and Statistical. What is required by Illinois state audit standards is also contained in the Financial section.

In the Introductory section, he noted that the Village of Willowbrook received the Certificate of Achievement for Excellence in Financial Reporting for the fiscal year 2020/2021 Annual Comprehensive Financial Report from the Government Finance Officers Association. This is the highest level of financial reporting within the government industry. This is the 33rd consecutive year the award had been received by the Village. With the acceptance of the 2021/2022 audit, it will be submitted once again for consideration of the award.

The financial section begins with a letter from Sikich in which their opinion is given on the financial statements and the conditions of the audit. Two sets of standards were followed, the auditing standards of the AICPA (American Institute of Certified Public Accountants) and the financial reporting standards from GASB (Governmental Accounting Standards Board) in accordance with the standards generally accepted in the United States (GAAS) to present an unmodified opinion of the Village's financial statement.

The next section contains the Management's Discussion and Analysis (MD&A), the executive summary of the report. This section of the audit is prepared by the Village and is the one area where an explanation of the financial statements can be provided. Mr. LeFevre recommends reading this section of the report. This document, along with the annual budget, can be a resource for the constituency and residents who may have questions regarding the finances of the Village.

After the MD&A, is the Village's Basic Financial Statement. The first couple of statements are global statements only prepared for the annual audit to receive the unmodified opinion. Of more pertinence to the Board may be the fund statements. The General Fund finished the year with an \$11.2 million balance which is an increase of just over \$2.7 million from the prior fiscal year. This indicates the general operating fund is structurally in balance and you can afford to provide the required services to the Village.

The other main operating fund is the Water Fund which had a slight loss when depreciation is taken into consideration. There is nothing alarming in this from a cash flow standpoint. Cash flow was down slightly in the Water Fund, but all managed in accordance with the budget.

The Police Pension Fund was also down slightly due to the reporting of the investments at market value. The Village did contribute exactly what was required for funding of the pension fund recommended by the actuary.

Mr. LeFevre also pointed out the updates to the other pension plans, besides the Police Pension fund. The audit contains mandatory reports filed by the actuary. These are in a section on Required Supplementary Information. The budgetary impact of the IMRF (Illinois Municipal Retirement Fund) was \$308,000 in contributions matching the recommendation of the actuary. The contribution to the Police Pension Fund was just over \$1.19 million, again on par with the recommendations of the actuary.

In terms of percent funded, in the pension funds, for the IMRF, the percentage rose from 91% funded to 103% funded. The Village also maintains a liability in the Sheriff's Law Enforcement Personnel Fund, although with no active employees, which is 147% funded. In the Police Pension Plan, actuarily assumed return for this fund was lowered which increased the liability of the fund. That combined with lower results of the market through April 30th (2022) resulted in a decreased funding level on a market value basis from 83% to 68%. Mr. LeFevre indicated that although it sounds like a large decrease, 68% is still a well-funded plan and well ahead of the average of all plans of this type in Illinois.

Mr. LeFevre concluded his presentation by indicating that, although 2022 was a year of transition in the Finance department, the staff worked diligently to provide the auditors with the information needed. He then opened the floor to questions.

The Mayor thanked him for providing a great report. Trustee Mistele commented that he got the impression that the Village was financially quite strong. Mr. LeFevre indicated it was a tough question to answer given that accountants are not required to make the tough financial decisions made by the Mayor and Board and that they are unable to foresee 3 to 5 years into the future. He did note though that based on April 30, 2022, the Village did appear to be in a good financial position.

6. OMNIBUS VOTE AGENDA

Mayor Trilla read over each item of the Omnibus Vote Agenda for the record.

- a. Waive Reading of Minutes (Approve)

- b. Minutes - Board of Trustees Regular Meeting November 28, 2022 (APPROVE)
- c. Minutes - Board of Trustees Committee of the Whole Meeting November 28, 2022 (APPROVE)
- d. Minutes - Board of Trustees & Plan Commission Joint Meeting - Zoning Code Update - November 21, 2022 (APPROVE)
- e. Warrants \$968,840.92
- f. RESOLUTION NO. 22-R-67 - A RESOLUTION OF THE VILLAGE OF WILLOWBROOK SETTING THE 2023 CALENDAR YEAR SCHEDULE OF REGULAR MEETINGS OF THE MAYOR AND BOARD OF TRUSTEES AND THE SCHEDULE OF REGULAR MEETINGS OF COMMISSIONS AND COMMITTEES OF THE VILLAGE OF WILLOWBROOK, DUPAGE COUNTY, ILLINOIS (ADOPT)
- g. ORDINANCE NO. 22-O-45 - AN ORDINANCE OF THE VILLAGE OF WILLOWBROOK DECLARING AND AUTHORIZING THE SALE, DISPOSAL OR TRADE-IN OF SURPLUS PERSONAL PROPERTY OWNED BY THE VILLAGE OF WILLOWBROOK (PASS)
- h. ORDINANCE NO. 22-O-46 - AN ORDINANCE PROVIDING FOR THE LEVY OF TAXES FOR THE FISCAL YEAR COMMENCING ON MAY 1, 2022 AND ENDING APRIL 30, 2023, OF THE VILLAGE OF WILLOWBROOK, DUPAGE COUNTY, ILLINOIS (PASS)

Mayor asked the Board if there were any items to be removed from Omnibus Vote Agenda.

MOTION: Made by Trustee Davi and seconded by Trustee Berglund to approve the Omnibus Vote Agenda as presented.

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

MOTION DECLARED CARRIED

NEW BUSINESS

7. FINANCIAL FUNDING ITEMS

- a. MOTION - MOTION to approve a change in the fund balance reserve policy for the General Fund. (PASS)

Village Administrator Halloran added a few comments to the audit presentation. He feels it is important to show where staff may have missed the mark and how they've improved.

In the fiscal year 2020/2021, the surplus was \$1.8 million on a fund balance of \$8.4 million which accounted for 86% of the General Fund

operating expenditures. In the 2021/2022 fiscal year, General Fund balance grew to \$11.2 million which equates to a 104% funding balance.

In February and March of 2022, during the Budget workshops, the issue of a large funding balance was discussed and indicated that only Willowbrook and Oak Brook operate with this large a surplus.

Administrator Halloran referred to an article in the *Daily Herald* which discussed Oak Brook's reserve fund of around \$31 million. Obviously, Oak Brook is in a league of their own, but it's important to look at Willowbrook's projected 2021/2022 surplus compared to the actual figures. Our goal is to be within a 5% variance between estimates and actual revenues.

Administrator Halloran reviewed the estimates versus actual figures for the revenue sources in 2021/2022:

Revenue Category	2021-2022 Estimate	2021-2022 Actual	% Difference
Hotel/Motel Tax	\$239,633	\$326,539	36%
Self Storage Tax	\$184,191	\$219,910	19%
Home Rule Sales Tax	\$2,750,000	\$2,820,612	3%
Sales Tax	\$5,071,000	\$5,119,363	1%
Income Tax	\$1,237,434	\$1,285,866	4%
Utility Tax	\$794,453	\$870,877	10%
Places of Eating Tax	\$641,362	\$619,882	-3%
Local Gas Tax	\$302,376	\$274,413	-9%

The biggest variance in the estimate versus actual, was in the revenue category Federal/State Grants. Although we received the additional grants monies, it does not count in the calculations of an audit until the monies are expensed.

Revenue Category	2021-2022 Estimate	2021-2022 Actual	% Difference
Federal/State Grants	\$645,408	\$140,053	-78%
Red Light Fines	\$915,000	\$879,985	-4%

For expenditures, these were the differences in estimates and actuals:

Expenditure	2021-2022 Estimate	2021-2022 Actual	% Difference
Village Administrator's Office	\$3,150,639	\$2,585,170	-18%
Community Development	\$656,945	\$460,346	-30%
Police	\$6,296,023	\$6,211,413	-1%
Public Works	\$1,615,968	\$1,962,358	21%
TOTAL	\$11,719,576	\$11,219,287	-4%

The largest variance was felt in Public Works expenditures. Public Works Foreman Passero and Mr. Arteaga have been working diligently to address this issue over the past several months. The issues experienced by Public Works are not central to Willowbrook; they happen everywhere. Catastrophic events like microbursts, tornadoes or flooding rains can't be controlled. With those issues, costs will go over budget; it is expected. What can be controlled is the contracts we negotiate and controlling costs, by increasing the number of RFPs (Request for Proposals) to attract new and/or additional suppliers.

As an added benefit of soliciting proposals, some of the Village's current providers have also adjusted their rates in our favor. For example, the recent snow plowing proposal, adopted by the Board, has the current supplier offering a rate of \$95.00 per hour in the first year. Although the rate increases annually over the life of the three-year contract, it never reaches the previous \$135.00 per hour rate.

Although the actual cost calculations are not yet finalized for the 2021/2022 budget year, Administrator Halloran expects the actual expenditures for Public Works to improve to \$1.1 to \$1.2 million for next year with the current contract revision negotiations. The goal is to use different strategies and opportunities to streamline those services without actually reducing services to the residents.

The first recommendation is to approve a change in the fund balance reserve policy for the General Fund as discussed in the March (2022) budget workshop. At that time, it was agreed to set the fund balance goal at 33%, or 120 days of reserves. The new recommendation is to raise that reserve level to a range between 40% and 50%.

Currently the existing General Fund balance is \$11.2 million equating to a surplus of 104%. We can take that \$11.2 million and increase it to a range between 40% and 50%. This level of reserves would be the second highest in DuPage county. Only Oak Brook would be higher at approximately a 50% reserve funding level.

MOTION: Made by Trustee Ruffolo and seconded by Trustee Davi to pass the motion as presented.

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

MOTION DECLARED CARRIED

b. MOTION - MOTION to create an Opportunity Reserve Fund with surplus from the General Fund. (PASS)

The second item open for a motion is something which was very briefly discussed in last year's budget workshops, to create a separate fund, an Opportunity Reserve Fund.

This fund would be similar to the LAFER and totally separate from the General Fund, Water Fund, Business District Fund and TIF. This fund could be used for catastrophic events, e.g., financial depression or natural disaster, to pay down debt or buy property, all at the Board's discretion. Staff cannot use any funds from this account, for any reason, unless approved by the Board.

As all are aware, we do not receive any revenue from property taxes which could be used for operating expenditures. Staff's recommendation is to lower the General Fund balance of a 104% reserve to a 45% reserve, equaling an operating reserve of \$5 million. This would provide a \$6.1 million transfer to the Opportunity Reserve Fund.

Trustee Mistele expressed his desire to consider eliminating any kind of property tax, for any reason, for as long as feasible. The Mayor indicated there are a couple issues why that can't be done. Trustee Mistele said he understood but wanted it brought up during budgeting discussions. Mayor Trilla indicated that the current property tax levy is about \$80.00 per home.

Administrator Halloran added that, after speaking with the TIF attorneys, because of the TIF, the property tax levy cannot be reduced to zero. It is clear in TIF law, if the Village does not levy a tax, the Village must pay 10% of what the other taxing districts are putting into the TIF fund.

MOTION: Made by Trustee Davi and seconded by Trustee Astrella to pass the motion as presented.

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

MOTION DECLARED CARRIED

c. MOTION - MOTION to transfer surplus funds from the

General Fund to the Opportunity Reserve Fund. (PASS)

Staff is recommending the transfer of \$6.1 million from the \$11.2 million General Fund to the Opportunity Reserve Fund. The remaining balance in the General Fund would be lowered to 45% reserves of \$5,064,289.

MOTION: Made by Trustee Davi and seconded by Trustee Mistele to pass the motion as presented.

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

MOTION DECLARED CARRIED

8. RESOLUTION NO. 22-R-68- A RESOLUTION OF THE VILLAGE OF WILLOWBROOK AUTHORIZING THE EXECUTION OF REQUEST TO BECOME A MEMBER OF THE SOUTHEAST ASSOCIATION FOR SPECIAL PARKS AND RECREATION FOR THE VILLAGE OF WILLOWBROOK, DUPAGE COUNTY, ILLINOIS (ADOPT)

Director Kleefisch recapped the information from the last meeting extolling the virtues of SEASPAR (Southeast Association for Special Parks and Recreation). This resolution will allow the Village to approach the SEASPAR board for a vote on Willowbrook's membership. With this application, this will also allow the Village to withdraw from Gateway SRA membership.

The Mayor asked if there is an advance notice requirement for withdrawal from Gateway. Director Kleefisch indicated it was a 15-month period.

Trustee Neal asked if we have the necessary steps prepared to begin the Gateway withdrawal procedures. Director Kleefisch explained that the process for withdrawal cannot begin until approval from the SEASPAR board is received, an overall 18-month process. Trustee Neal asked if there would be a time when we would not be a member of either association. Director Kleefisch explained that, no, we would continue to be a member of one or the other program. This is the reason behind the lengthy process, to maintain a connection with a special recreation association.

MOTION: Made by Trustee Mistele and seconded by Trustee Berglund to adopt Resolution 22-R-68 as presented.

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

MOTION DECLARED CARRIED

PRIOR BUSINESS

9. TRUSTEE REPORTS

Trustee Neal had no report.

Trustee Ruffolo had no report.

Trustee Mistele had no report but wished all a Merry Christmas and Happy New Year.

Trustee Berglund had no report.

Trustee Davi had an opportunity to meet with numerous residents over the last few days. In more than one household, an unsolicited comment was made that they were very happy with the things the Village is doing.

Trustee Astrella had no report.

10. ATTORNEY'S REPORT

Attorney Wolf had no report.

11. CLERK'S REPORT

Clerk Hahn mentioned that today (Monday, December 12, 2022) had been the opening day to receive nominating petitions for elected official vacancies.

12. ADMINISTRATOR'S REPORT

Administrator Halloran wanted to thank Chief Schaller, Director Kleefisch, Foreman Passero and others for their work on the Light up the Night event; it was awesome with about 300-400 people attending. These individuals have been working on the project since July. There were a couple of hiccups that were smoothed out. He gave them a lot of credit for their hard work.

He also congratulated the Board for their hard work since July 2021 in encouraging the staff to initiate an HMO and PPO health insurance program. He also offered his thanks to Mr. Arteaga for carrying the program over the goal line during open enrollment. He let the Board know it is a big accomplishment.

Administrator Halloran turned the floor over to Chief Schaller for his comments. Chief Schaller stated, as the Board knows, the police department is very active and pushing social media in finding other ways to reach residents. With this in mind, Willowbrook Police has started a Twitter page. Most recently it has been used to inform the public on ruse burglaries and for road closure information for the Light up the Night event. He indicated that if any of the Board members are interested in joining Twitter and following the police department, you can scan the QR code on the Facebook page linked to the Twitter page.

13. MAYOR'S REPORT

The Mayor wanted to congratulate Administrator Halloran and departmental staff for the excitement being generated in the Village. The sky's the limit. If you can dream it, we can build it. He's excited and proud of the staff. It's a great team that's been put together.

The events last weekend (Elf Tryouts and Light up the Night) were great. We have to get the word out about the first elf graduates. Every elf who tried out succeeded.

There's also an upcoming event for parents of young children; New Year's Eve at noon. That's a great idea. And Santa's Sleigh (Visit) - call the Village and have Santa come visit.

14. EXECUTIVE SESSION

The Appointment, Employment, Compensation, Discipline, Performance or Dismissal of Specific Employees Authorized by 5ILCS 120/2(c) (1)

MOTION: Made by Trustee Ruffolo and seconded by Trustee Astrella to adjourn the Regular Meeting and recess to closed session at the hour of 7:06 p.m.

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

MOTION DECLARED CARRIED

15. ADJOURNMENT

Regular meeting adjourned and the Board moved into Closed Session.

PRESENTED, READ, and APPROVED.

_____, 2022.

Frank A. Trilla, Mayor