

**VILLAGE OF RIVER FOREST
SPECIAL COMMUNITY OF THE WHOLE MEETING MINUTES
Monday, April 11, 2022**

A special Committee of the Whole meeting was held on Monday, April 11, 2022, at 6:00 p.m. in the Community Room of Village Hall, 400 Park Avenue – River Forest, IL.

1. CALL TO ORDER/ROLL CALL

The meeting was called to order at 6:02p.m. Upon roll call, the following persons were:

- Present: President Adduci, Trustees Bachner, Brennan, Gillis, Johnson, Vazquez, O’Connell, Village Clerk Keller
- Absent: None
- Also, Present: Village Administrator Brian Murphy, Assistant Village Administrator Lisa Scheiner, Management Analyst Sara Phyfer, Management Analyst/Deputy Clerk Elijah Bebora, Fire Chief Thomas Gaertner, Police Chief James O’Shea, Finance Director Rosemary McAdams, Director of Public Works and Development Services Jeff Loster, Village Attorney Greg Smith

2. CITIZEN COMMENT

None.

3. DISCUSSION: FY 2023 VILLAGE OPERATING BUDGET

Finance Director Rosemary McAdams stated that The Fiscal Year 2022 Budget received the GFOA Distinguished Budget Award, and the Fiscal Year 2023 document as presented is designed to continue receiving this prestigious award. She remarked that the goals & accomplishments in the budget are tied directly to the Village Board’s goals and focused on our three guiding principles: Ensure that the Village provides a safe and welcoming community for its residents, business owners, and institutional partners, enhance property values through strengthening quality of life, and implement strategies to stabilize property taxes. She remarked that The General Fund operating budget, as presented, is balanced for Fiscal Year 2023. She commented that the surplus in the Fiscal Year 2022 budget was due to a budget amendment to account for the first tranche payment from the American Rescue Plan Act of 2021 (ARPA). She remarked that Fiscal Year 2023 non-recurring expenditures include \$25,000 for a Permit Rate Structure Study, \$262,000 for the annual contribution to IRMA for liability insurance, and \$246,818 for Police pre-hires. She remarked that these expenditures are intended to be funded with reserves.

General Fund - Revenues

Finance Director McAdams stated that property, sales, and income taxes make up approximately 63.09% of General Fund revenues. She remarked that sales tax revenues show an increase from the Fiscal Year 2022 budget and are slightly below Fiscal Year 2022 projections. She commented that Fiscal Year 2022 projections are high due to the passage of the Leveling the Playing Field for Illinois Retailers’ Occupational tax (ROT) and Use Tax (UT) in early 2021. She stated that the law

requires many remote sellers to charge state and local ROT instead of UT. She commented that property taxes increased \$375,018 from the Fiscal Year 2022 budget. She stated that the increase is due to the 1.4% CPI increase and new property, and projections are based on the 2021 extended levy. She stated that The budget includes a 4.75%, or \$70,274, increase over the Fiscal Year 2022 projections in income tax revenues based on the Illinois Municipal League projections. She commented that the Governor's proposed 2023 budget that is being proposed could also affect these estimates. She remarked that building permit revenues are down 3.07%. she commented that projected Fiscal Year 2022 revenues include building permits for the Lake & Lathrop mixed-use project. She remarked that residential and commercial construction activity continues throughout the Village and is expected to keep building, plumbing, and electrical permit revenues steady. She remarked that refuse revenues will increase over projected Fiscal Year 2022 revenues. She stated that A new contract has been negotiated and will be considered for approval by the Village Board tonight. She stated that The Fiscal Year 2023 budget includes no increase in solid waste collection fees and a new tiered rate option for composting fees. She remarked that the cost of waste tags will not be increased. She commented that no other fee increases are proposed in the General Fund for Fiscal Year 2023; however, Village Staff continues to evaluate and review any possible fee adjustments for future Village Board consideration.

General Fund - Expenditures

She commented that the Village and the International Union of Operating Engineers, Local 150 contract is valid through April 30, 2022. She remarked that the Village and the Fraternal Order of Police ratified a contract in September 2021, expiring on April 30, 2023. She stated that the Fire union contracts will be executed pending an arbitrator's ruling; the Village and IAFF reached an agreement on wages before arbitration. She stated that Future salary increases for all employees range from 2.00% to 2.75%, depending on the labor contract. She remarked that the budget includes a 2.50% adjustment proposed for all non-union employees to contribute to the Village's position as a desirable employer. She commented that The FY 2023 budget includes an additional part-time Community Service Officer in the Police Department and a full-time Human Resources Generalist in the Finance Department.

General Fund - Benefits

Ms. McAdams stated that Police pension contributions to increase by \$24,961 or 1.29%. She remarked that Fire pension contributions to increase by \$20,218 or 1.18%. She commented that the Village continues to beat industry trends with health insurance premiums through its membership in Intergovernmental Personnel Benefit Cooperative (IPBC). She stated that the budget includes decreases in HMO and Dental premiums, and a very modest increase in the PPO premiums for FY 2023.

General Fund - Contractual

Ms. McAdams stated that contractual expenses include Refuse collection of \$1,176,068 based on actual projections for FY 2022. There is no increase in FY 2023. She remarked that the 9-1-1 dispatch contribution to WSCDC \$224,144, a 23.02% increase from last fiscal year due to communities leaving the center. She commented that IT Support will be \$204,585 (Includes consultant fees, subscriptions, website, licenses, etc.). She commented that the liability insurance & deductible \$261,353 (fiscal year reserves will be used to fund this expense). She remarked that Consulting services will be \$324,000 (including consultants for the following Boards and

Commissions: DEI, Age-friendly, Traffic and Safety, and Sustainability. She commented that other consulting projects include a professional land-use study, permit fees structure, and miscellaneous consulting for Village operations).

General Fund- Administration, Finance, Boards & Commissions

She stated that in Fiscal Year 2023, the Village will Continue implementing recommendations of the Comprehensive Plan and Affordable Housing Plan, which includes a review of the Village's Zoning Ordinance. She commented that the Village will pursue development of key properties in the TIF District and commercial corridors. She remarked that the Village will continue to Support the mission and goals of the Village's advisory boards, commissions, and committees including the Economic Development Commission, Historic Preservation Commission, Age-Friendly Committee, DEI Advisory Group, and Collaboration Committee. She commented that there will be a continuation of collaborative efforts for the possible expansion/improvement of the River Forest Civic Center Authority Building.

General Fund - Police

She remarked that the Police Department will continue to Improve Police Officer Candidate training and evaluation process to ensure quality candidates are attracted and retained. She stated the Police Department will continue the expansion of the use of smart city technology to act as a force multiplier. She commented that the Department will Continue to examine police revenue by evaluating police fines and applying for grant funds. She commented that the Department will continue using Community/Problem Policing Oriented Strategies through attending block parties and expand the Police Department's presence at community events and functions, and continue public education and community outreach initiatives.

General Fund - Fire

Ms. McAdams stated that in Fiscal Year 2023 there will be an update to the rules and regulations for the Fire Department. She remarked that there will be an improved Firefighter Candidate training and evaluation process to attract and retain quality candidates. She commented that there will be a continuation of public outreach and educational programs, attending community events and providing classes and training on various topics.

Water/Sewer Fund

Ms. McAdams commented that the Village sources Lake Michigan water from the City of Chicago. She stated that annual water rate increases from the City of Chicago are typically passed on directly to Village residents. The FY 2023 budget includes a water rate increase on 6/1/22 to offset the cost of water purchased from the City of Chicago. She remarked that the City of Chicago's code provides for an increase in the water rate on June 1 of each year by 5% or the January to January increase in the CPI, whichever is lower. She commented that The City announced a rate increase of 5.00% effective June 1, 2022. She remarked that following the water rate increase from the City of Chicago and the water and sewer rate study results that provides funding for ongoing capital improvements and promotes new programs, the FY 2023 budget includes a 6.02% increase in water and sewer rates. Without these increases, the Village would not satisfy its policy that requires a minimum fund balance of 25%.

Pension Funds

Finance Director McAdams stated that The Police and Firefighters Pension Funding Policies were amended in FY 2019. She commented that the contributions included in the FY 2023 Budget align with those changes to the policies. She commented that some adjustments to projections were made to account for actual results. She stated that the recommended interest rate assumption for both funds is 7.0%. Both funds are assuming 7.0%. She commented that the FY 2023 budget represents the expected amount of the 2022 property tax levy. She stated that the FY 2022 budget was based on actuarially required contributions determined by the Village's actuary. She remarked that the projected future levy amounts are using the actuarial assumptions. She stated that Pension fund contributions are projected to increase by 1.24% in FY 2023.

Motor Fuel Tax

She stated that the Motor Fuel Tax (MFT) Fund is used to fund the following Street Improvement Programs: \$350,000 for road resurfacing of Iowa Street (Dead End east of Park Ave to Harlem Ave), Monroe Ave (Augusta to Chicago), and William St (Augusta to Chicago). 54,766 for Snow and ice control expenditures, \$50,000 for Crack sealing, and \$90,000 for Street patching.

Capital Equipment Replacement Fund

Director McAdams stated that although the Village temporarily suspended transfers from the General Fund, the Village continued to make substantive investments, with General Fund items funded at 84.26% and Water and Sewer Fund items funded at 59.81%. She commented that overall, the Capital Equipment Replacement Fund is 80.58% funded. She remarked that the expected amount of interest revenue reduces the required annual transfer to the fund during the fiscal year. She stated that Water and Sewer Fund contributions are steady to account for future replacements. She stated that the General Fund contributions are slightly increased to account for the two-year suspension and future replacements of new purchases.

Capital Improvement Fund

Finance Director McAdams stated that the fund was created in FY 2014 and is funded by automated traffic control enforcement system revenue (considered non-recurring for budgetary purposes), grants, and the portion of parking lot fees that are to be included in the parking fund reserve. She remarked that it accounts for various capital improvements, including computer systems, alleys, commuter parking lots, streetscape, Village Hall, and Public Works Garage Improvements. She commented that projects that are included in the FY 2023 budget include: Village Hall improvements at a cost of \$43,000, Public Works Garage improvements \$35,000, information technology improvements \$386,720, alley improvements \$2,522,582, bicycle plan implementation \$46,000, street Camera system strategic plan \$105,144, parking lot improvements \$150,000, evaluation of electric vehicle charging stations \$25,000.

Future Years - General Fund

Finance Director McAdams stated that FY 2023 budget includes \$533,818 in one-time expenditures in the General Fund including consulting services, payment of the annual liability insurance premium and salary items. She remarked that all will be financed using available reserves. She remarked that the General Fund operating budget, as presented, is balanced for FY 2023. She commented that as discussed previously, deficits are projected in FY 2024 and FY 2025.

She stated that the Village continues to beat industry trends for health insurance premiums & property/casualty/WC. She remarked that the Village continues to budget conservatively and strategically draw down on fund balance for non-reoccurring expenditures in lieu of revenue enhancements. She stated that to maintain nominal salary growth to remain competitive as an employer, and evaluate pension contributions. She commented that the Village is a service organization striving to achieve the goals set by our Village President and Board of Trustees with over 93% of the General Fund budget allocated for Salaries and Benefits (72.6%) and Contractual Services (21.15%). She remarked that the 2022 Property Tax Levy can include up to a 5.00% increase or the increase in the Consumer Price Index (CPI), whichever is less as permitted per the Property Tax Extension Limitation Law (PTELL). She stated that the increase in the CPI from December 2020 – December 2021 was 7.0%.

Director McAdams stated that despite challenges, the Village’s finances are in strong position. Departments remain focused on critical items and limiting non-essential spending. Shared & state-reported revenues are on a three-month delay (April sales tax from sales incurred in January). Staff will evaluate other fee and fine charges for future Board discussion. She remarked that the Village will continue to aggressively pursue grant funding for eligible Village projects.

4. AJOURNMENT

Motion to adjourn by Trustee Vazquez, seconded by Trustee O’Connell. The Village Board of Trustees Special Committee of the Whole Meeting concluded at 6:55 p.m.

- Roll call:
- Ayes: Trustees Bachner, Brennan, Gillis, Johnson, O’Connell, Vazquez
- Absent: None
- Nays: None
- Motion Passes.

Jonathan Keller, Village Clerk