

**GENEVA COMMITTEE OF THE WHOLE MEETING MINUTES**

**Tuesday, January 17, 2023**

City Hall Council Chambers  
109 James St., Geneva, IL 60134

Elected Officials Present: Mayor Burns, Ald. Burghart, Ald. Bruno, Ald. Kaven, Ald. Kilburg, Ald. Kosirog, Ald. Maladra, Ald. Marks, Ald. Mayer, Ald. Swanson, Clerk Kellick.

Elected Officials Attending by Teleconference: None.

Elected Officials Absent: None.

Others Present: City Admin. Dawkins, Asst. City Admin. McCreedy, City Attny. Sandack, Supt. Holton, Supt. Van Gyseghem, Supt. Landers, Dir. Babica, Dir. DeGroot, Dir. Tymoszenko, Dir. Kruse, Eng. Davids, Chief Passarelli, and Chief Antenore.

Others attending by video or teleconference: None.

**Call to Order**

Council member Craig Maladra, serving as chair, called the meeting to order at 8:15 PM noting all council members were present.

**Recommend Suspending the Rules to Permit Council Member Maladra to Chair this Meeting and to Vote on All Action Items on this Agenda.**

Moved by Ald. Marks, seconded by Ald. Bruno.

Voice Vote: 9-0 (Maladra abstaining).

MOTION CARRIED

**Approve Regular Committee of the Whole Minutes from December 19, 2022.**

Moved by Ald. Marks, seconded by Ald. Mayer.

MOTION CARRIED unanimously by voice vote of those present 10-0.

**Items of Business****Presentation and Discussion Regarding FY 2024 Budget and FY 2025 Budget Projections**

Admin. Dawkins presented the annual overview of the FY 2024 recommended budget and the FY 2025 forecasted budget. She noted that there would be time before the adoption of the budget for discussion. A line-item detail of each fund in the budget is contained in the budget packet.

This budget's theme is "Building Our Future." Admin. Dawkins' presentation began with an overview of the budget process which began in November 2022 with the Strategic Planning Workshop. City Council members voted at that workshop for their strategic plan priorities. City departments then submitted draft budgets to the City Administrator and the Finance Director for review. The public hearing on and final adoption of the budget will occur at the February 6 City Council meeting.

A review of FY 2023 highlighted a low unemployment rate, inflationary pressures, increased fuel cost, supply chain issues, and COVID-19 recovery. Admin. Dawkins noted that the budget is a planning document and not a forecast of the amount that the City expects to spend. By design, therefore, there may be expenses at the end of the FY that are below the budgeted amount. She then presented the guiding principles of the FY 2024 budget: recruiting and retaining an exemplary workforce; absorbing inflation, expenses associated with unfunded mandates, and future budgets' annual maintenance and operational needs within the proposed budget while maintaining a high level of service; using municipal resources efficiently; and investing in our future through an aggressive capital program to include facilities, equipment, and infrastructure.

Admin. Dawkins then presented the City Council's priorities that came out of the Strategic Planning Workshop. These priorities were grouped into two tiers. Tier I were items that received the most votes and included those contained in Excellent Municipal Services II, Economic Vitality II, and Environmental Stewardship II. Tier II priorities included those under the banners of Economic Vitality III, Quality of Life III, and Quality of Life I. Admin Dawkins noted that these are the items that the City will consider priorities and that those other strategic planning objectives that were not included in these tiers will be considered when resources allow. While the City Council adopts the annual budget with a majority vote, they can amend the budget by a 2/3 vote if changes occur.

Admin. Dawkins then presented an overview of the General Fund which accounts for most governmental operations. Revenues are projected at 17% more than that budgeted for FY 2023 but only 5% more than the projected revenues. Admin. Dawkins noted that the General Fund derives more than 75% of its revenue from sales, property, and state income taxes. Regarding property tax rates, based on the 2022 estimated tax rate of 0.5123 (a 1.8% increase over the previous year), a house worth \$350,000 would result in \$570 in property taxes annually to be paid by the owner to the City.

Admin. Dawkins noted that there are 36 funds other than the General Fund comprising the City's budget. One is the American Rescue Plan Act fund which provided additional funding for state and local governments. Funds received by Geneva must be obligated by December 31, 2024 and spent by December 31, 2026. The identified uses for the funds in the FY 2024 budget include lead line replacement, facility improvements, stormwater projects, and downtown reinvestment and infrastructure improvements.

The City's three main Capital Funds other than those contained in Enterprise Funds include General Capital Projects, Infrastructure Capital Projects, and Capital Equipment. The Electric Fund derives most of its revenue from the sale of electricity. Similarly, the Water/Wastewater Fund, the majority of revenue is related to water and sewer sales. Admin. Dawkins then discussed unfunded mandates, comprised of both capital projects which are one-time expenditures, while others are ongoing.

The FY 2024 budget includes operating expenses (contractual and commodities) which comprise 38.5% of all expenses. Capital projects comprise 36.8% of the expenses, and personnel expenses (wages and benefits) make up 24.7% of the budget. The FY 2024 total expenditures are expected to total \$128,290,940. FY 2025 expenditures are forecast to be \$112,879,160 which is comparable to the FY 2023 amended budget due to a slight reduction in capital expenditures in that FY. Admin. Dawkins stated that the projected budget is balanced where all expenditures are less than or equal to anticipated revenues.

On a question from Ald. Marks, Admin. Dawkins noted that the public hearing date for the budget cannot be moved. However, the final adoption of the budget could be moved. She reminded the Council that it does have the ability to amend the budget in the future if necessary.

On a question from Ald. Hruby, Admin. Dawkins stated that specific funds are not earmarked for the Geneva History Museum. However, funds have been allocated for an Economic Development/Tourism Grant Program, the parameters of which are being finalized. A request for funding has also been received from the Foundation for the Arts. The grant program will help them to be judicious in funding. The History Museum is budgeted to receive funding this FY. Admin. Dawkins recommended that the Chamber of Commerce agreement not be used as a template because it is from 1987. Ald. Hruby noted that she would like to see the History Museum specifically noted in the budget.

On a question from Ald. Bruno, Admin. Dawkins stated that it was decided that the History Museum was a one-time funding. She noted that there is a way to implement a grant program in FY 2024 without detrimentally impacting certain organizations.

On a question from Ald. Burghart, Admin. Dawkins noted that this is a fiscally sound budget and alderpersons should look to see if the budget addresses the priorities set by the City Council and addresses policies that are in place. She noted that if the City does not invest in the infrastructure and capital, the rest won't matter. Ald. Burghart noted that she also would like permanent funding for the History Museum.

On a question from Ald. Kilburg, Admin. Dawkins stated that there are currently two positions for which the City is actively recruiting. The City currently has 146 full time employees and should have 151. The vacancies occur across several departments, and this does not account for any upcoming or unforeseen vacancies.

Ald. Kilburg noted that he would like to hear from the department heads at the meeting on January 23 so that each could provide a 5–8-minute presentation on their departments. These presentations could provide information regarding major expenditures or potential challenges to give the City Council insights for each department.

Ald. Mayer acknowledged that such a presentation would be helpful. On a question from Ald. Mayer, Admin. Dawkins noted that non-public safety pensions are determined by IMRF, the amount of which has been reduced for FY 2024. Public safety pensions are also set.

Ald. Mayer stated that the sidewalks project was delayed last year with an intent to include last years' budget in the current budget. She noted that she would prefer that

the City look at critical needs and repair those that need fixing instead of limiting repairs to a fixed amount of work each year.

On another question from Ald. Mayer, Chief Antenore addressed the disposal of banned foam. Some foams contain forever chemicals, and the State of Illinois has banned the foam as of January 1 but provided no provisions on how to dispose of this. This is an example of an unfunded mandate that will need to be used for the disposal.

On another question from Ald. Mayer, Admin. Dawkins noted that the motor fuel tax is based on a per capita share.

On a question from Ald. Kaven, Admin. Dawkins stated that the reserve fund is approximately \$13-\$15 million. Dir. Kruse confirmed that at the end of FY 2023, the City has \$14.4 million. This reserve fund is based only on the General Fund. The three funds with a reserve policy are General with a 25% fund balance, and electric and water with a 25% cash balance.

On a question from Ald. Swanson, Admin. Dawkins noted that between now and an actual expenditure, the City has time to plan for the space for a designed police facility which is a line item in the Capital Fund.

On a question from Ald. Kosirog, Dir. Babica stated that the \$80,000 budgeted for a bike path classification plan is for a consultant. The consultant will ensure that the routes are fully vetted and reviewed and done in accordance with state and federal guidelines. Each route will have to be considered individually with different criteria to be evaluated by the consultant. Dir. Babica noted that the direction received by SPAC and the City Council was clear and that moving forward, they want the bike plan to be implemented. Ald. Kosirog thanked Dir. Babica for having it listed as a separate line item in the budget.

**Public Comment / New Business**

None.

**Adjournment**

On a motion by Ald. Marks, the meeting was adjourned by unanimous voice vote at 9:15 PM.

*- Submitted by Clerk Kellick*