



Committee of the Whole Meeting – April 21, 2025 Staff Responses to Council Questions

Before each Committee of the Whole, questions that have been posed by the City Council relating to the agenda for that evening will be posted to the City's website. Below are the responses to this week's questions.

3. Items of Business

e. Consider Draft Resolution Authorizing Implementation of a Destination Geneva Grant Program.

Q: When did the idea/concept of the grant program first arise amongst the City Council?

A: Conversations regarding the Hotel Operators Occupations Tax Fund (aka "Tourism Fund") began at the strategic planning workshop in November 2020. This included a discussion regarding various funding mechanisms. Conversations continued in subsequent strategic planning workshops held in 2021, 2022, and 2023. Specifically, during the November 2022 strategic planning workshop, there was a presentation by City staff and discussion with the City Council (and Strategic Planning Advisory Committee Chair) regarding implementing a policy ("grant program") for the funding of outside agencies.

Q: Was the Geneva Chamber of Commerce advised of this idea/concept shortly after it was discussed with the City Council?

A: Yes, the Geneva Chamber of Commerce was sent a letter in March 2021 setting forth timelines for budget submittals and financial reporting. In the letter, there was reference made to previous discussions in January 2020 with a goal of creating a tourism grant program in the future.

Q: How many times has the City & Chamber met about the grant program since idea/concept was broached?

A: There were several information meetings/discussions with the Chamber prior to the current Chamber Board Chair taking office. Since February 2024, there have been eight meetings with current Chamber Board Chair Michael Olesen and Chamber President Paula Schmidt.

Q: Who represented the City? Who represented the Chamber?

A: Mayor Kevin Burns, City Administrator Stephanie Dawkins, and Economic Development Director Cathleen Tymoszenko have represented the City in most meetings. At the most recent meeting in March 2025, the City was also represented by Alderperson Brad Kosirog. The Chamber has been represented by Chair Michael

Olesen and President Paula Schmidt. Chamber Board Member Mike Simon also attended a meeting in May 2024.

Q: During a briefing with the City Council, it was revealed that the Chamber could not account for approximately \$100,000. Has that money been accounted for?

A: Yes. The Chamber acknowledged (after a review by the City of all bank statements from 2019) that when two bank accounts were closed by the Chamber, the balance from those accounts (\$29,255.17) was deposited into one of the Chamber's regular accounts and therefore, no longer reported to the City. In addition, a savings account that was dedicated to the receipt of City funds was inadvertently no longer being reported in the Chamber's monthly submittal to the City of how funds were being expensed (\$72,951.78). Based on the last bank statements received (February 2025), the remaining City funds deposited with the Chamber total \$376.82.

Q: According to the grant program guidelines any grant offered to an outside agency, the grantee must attest that there is no action, suit, or proceeding at law or in equity pending, or threatened, against or affecting grantee, before any court or before any governmental or administrative agency, which would have a material adverse effect on grantee's ability to conduct the project; and that grantee, is not currently operating under or subject to any cease-and-desist order, subject to any informal or formal regulatory action, or currently the subject of any investigation by any local, state, or federal regulatory, law enforcement, or legal authority, that would have a material adverse effect on grantee's ability to conduct the project. Are there any such issues we are aware of that would preclude a grant being made to the Chamber?

A: The City is not aware of any specific matter or issue that would preclude a grant award to the Chamber. During meetings with the City, the Chamber did disclose that there was an audit underway by the Illinois Attorney General; however, the City has few details on the origin or the status of this review.

Q: Does the Chamber have an approved budget? Have we seen it? Can we see it?

A: During a recent meeting between the City and the Chamber, the Chamber advised the City they would be discussing and passing a balanced budget for 2025 in the amount of \$1.1 million. A copy of the budget was not provided to the City.

Q: Do the festivals the Chamber holds – Swedish Days, Festival of the Vine, Geneva Arts Fair, and Christmas Walk, turn a profit? Do any experience a financial loss?

A: The Chamber does not provide financial disclosure, a profit loss statement or any other type of summary about the festival finances to the City. City staff and elected officials have been told various statements regarding festival losses without details provided.

Q: How much money does the City "absorb" in terms of value-in-kind services to the Chamber for the festival events listed above in terms of police, fire, Geneva Emergency Management Agency (GEMA), public works, etc.?

A: In the current fiscal year, approximately \$25,000 in overtime and associated payroll benefits were provided for Chamber festival support. This dollar amount, however,

does not include on-duty hours of police, fire, public works, or GEMA personnel who did not have overtime because of a shift change to accommodate the festival. In these instances, City employees are paid to perform work at festivals and are not available to deliver other services citywide. Additionally, this dollar amount does not include the use of City vehicles and equipment. Altogether, the City absorbs costs in excess of \$150,000 annually in support of Chamber festivals for services referenced as "in kind."

Further, the City "absorbs" the cost of garbage removal for the festivals since it is calculated as part of the overall City's garbage contract.

Q: Are there posted hours of operation for the Geneva Chamber Visitors Center (the downstairs portion of their building)?

A: Hours of operation are not posted, and we are not aware of any hours of operation. We are aware the area is closed during festivals as well as the month of December to accommodate Santa reservations.

Q: Do Chamber Board members have terms? Are all Chamber members allowed to "run for a seat on the Chamber Board?" How are Chamber Board members selected?

A: Chamber Board members do have terms, but the terms appear to renew automatically as several Board members have served multiple consecutive terms. The selection process is not transparent and does not include an annual membership election or any type of visible selection process. As such, Board members appear to be selected, not elected.

Q: How many Geneva-based businesses are members of the Chamber?

A: Based upon the Chamber's website listing of members compared to the City's list of *brick and mortar* (emphasis added) businesses (1,073), 30.8% of Geneva's brick and mortar businesses are members of the Geneva Chamber of Commerce.

Q: Is the City's representative on the Chamber Board a full voting member or non-officio member?

A: In December 2023, the Chamber changed its bylaws to remove the City liaison from the Board of Directors and instead list it as a liaison to the Chamber Board.

Q: Are Chamber Board meeting minutes available for review by Chamber members?

A: Chamber Board meeting minutes are not published on the Chamber website, and we are not aware that they are available to the public.

Q: For perspective, how much money do our comparative communities grant /give their respective Chambers annually?

A: Based upon a brief survey with nine respondents, most are dues-paying members of their respective chambers. Beyond membership, chamber support varies significantly from community to community, with some providing no additional support and others sponsoring specific events or programs (the average contribution ~\$12,800/annually). Of the nine respondents, eight were home rule municipalities, and one was non-home rule.

Q: Where can I find the most current Geneva Chamber of Commerce IRS 990 Statements?

A: The City does not have a current Geneva Chamber of Commerce IRS 990 statement. Illinois Attorney General monitors non-profit activities in Illinois and maintains a [Charitable Trust Database](#) as well as listings of several resources available to the public on its website, including a link to the [Guidestar](#) National database of U.S. Charities. The website also indicates that federal law requires each charitable organization to send a copy of its federal form 990 for a reasonable charge.

Q: What was the previous outlay to the Geneva Chamber compared to the \$50,000 specified in the draft grant program?

A: The Chamber previously received 3/5 of the hotel operators occupation tax:

- Fiscal Year 2020 - \$153,320.96
- Fiscal Year 2021 - \$74,387.97
- Fiscal Year 2022 - \$151,505.87
- Fiscal Year 2023 - \$220,382.37
- Fiscal Year 2024 - \$0
- Fiscal Year 2025 - \$0

Based upon reports received by the Chamber, funds were used solely for advertising of festivals and the downtown in general.

Q: The program rules stipulate that supported events must be free to the public, but the application has a space for "admission fee," does that mean that exceptions could be made?

A: The "admission fee" box was included so there is not an assumption that there is no admission fee. Should an applicant check the box, there would be further discussion to determine if in fact it is an admission fee, which would disqualify the applicant from consideration for a grant.

Q: For the festival grant program, is the maximum grant amount of \$50,000 from the hotel operators occupation tax fund or another source?

A: It is anticipated that the grant is funded from the hotel operators' occupation tax fund.

Q: Does the \$50,000 grant program include in-kind services (police, staff time)?

A: No. It is anticipated the City will continue to provide in-kind services for the festivals as directed by the City Council.

Q: How much money is budgeted for fiscal year 2026 for each grant program?

A: As stated in the [Executive Summary](#) (Page 65), the fiscal year 2026 budget included \$76,000 in funding for this purpose. The program as contemplated includes two funding categories: 1) Geneva Chamber Festival Support at \$50,000 and 2) Special Event Support grant with a maximum grant of \$2,500 per event (about 10 grants).

Q: Where is this indicated in the budget?

A: This line item is in the hotel operators' occupation tax fund and can be found [in the online budget](#). Scroll down a couple of pages to the line item detail, and it is found under Other Expenditures – Grant Expense.