



City of Naperville

400 S. Eagle Street
Naperville, IL 60540
<http://www.naperville.il.us/>

Meeting Minutes - Draft

City Council

Tuesday, October 28, 2025

6:00 PM

Council Chambers

Budget Workshop II

TO WATCH OR LISTEN TO THE CITY COUNCIL MEETING LIVE: • Watch on WCNC GOVERNMENT ACCESS TELEVISION (Ch. 6-Astound, Ch. 10 - Comcast, Ch. 99 – AT&T U-verse) • Watch online at <https://naperville.legistar.com>

TO PROVIDE PUBLIC COMMENT:

The public may choose to provide public comment in any of the following ways:

1. Address the City Council live during the City Council meeting in-person in City Council Chambers. Individuals wishing to address the City Council during the meeting must sign up online at www.naperville.il.us/speakersignup by 5:30 p.m. on October 28.
2. Individuals can also have their name added to the speaker list by calling the Community Services Department at (630) 305-5300 by 5:30 p.m. on October 28.
3. Submit a written comment to the City in advance of the City Council meeting by 3 p.m. on October 28. Written comments will be compiled and posted with the electronic meeting agenda on the City's website prior to the start of the meeting. The cumulative number of comments will be announced during the City Council meeting.
4. Submit a one-word statement of "SUPPORT" or "OPPOSITION" regarding a specific agenda item by 3 p.m. on October 28. The names of participants who submitted position statements will be compiled and posted with the electronic meeting agenda on the City's website prior to the start of the meeting. The cumulative number of position statements will be announced during the City Council meeting.

There will be no on-site speaker sign up permitted.

A. CALL TO ORDER:

Mayor Wehrli called the meeting to order at 6:00 p.m.

Present: 9 - Mayor Scott Wehrli
Councilwoman Mary Gibson
Councilman Ian Holzhauer
Councilwoman Supna Jain
Councilman Patrick Kelly
Councilman Josh McBroom
Councilman Ashfaq Syed
Councilman Benjamin White
Councilman Nathan Wilson

Also Present

City Manager Doug Krieger; Deputy City Manager Pam Gallahue; City Attorney Mike DiSanto; Assistant to the City Manager Marcie Schatz; Police Chief Jason Arres; Director of Finance Raymond Munch; Director of TED Jennifer Loudon; Director of Community Services Melanie Marcordes; Director of Human Resources Helga Oles; Deputy Director of Finance Traci Marrocco, Budget Analyst Nick Krueger; Budget Analyst Braeden Smith; Sr. Communications Specialist Kelley Munch

B. INTRODUCTION:

City Manager Doug Krieger began the workshop by outlining the evenings agenda.

C. PUBLIC FORUM:

SPEAKER

Marilyn Schweizer (Naperville) - thanked staff and Council for publicly presenting budget. Presented four points to Council: dollars should not be programmed if staff lacks capacity, the city website should include an open data portal and help center, staff should commit to 5th Avenue for the special area study, and the SECA cap should not be raised until the program is reviewed.

D. PRESENTATION:

1. Annual Budget Workshop #2: 2026 Annual Operating Budget

Finance Director Raymond Munch provided a broad overview of the General Fund budget; the City focused on maintaining a balanced General Fund while navigating financial challenges such as moderating revenues and the state's grocery tax change. The City continues to invest in core services and infrastructure while preserving its strong financial position and stability for residents. Munch went on to highlight the importance of revenue diversification in maintaining financial stability, ensuring Naperville isn't overly dependent on any single revenue source. Furthermore, the City's property tax levy request has steadily been funding city services at a greater amount over time as less goes into debt service.

Council inquired about the magnitude of the City's electric use tax error that was corrected during the 2026 Budget development process. Commercial customers were charged the ComEd rate rather than 5% of gross receipts as intended. Munch stated losses are significant but unknown at this time.

Deputy Finance Director Traci Marrocco began her portion of the presentation by covering General Fund revenues, which are projected at nearly \$174 million, driven largely by utility taxes, higher natural gas prices, and the new local grocery tax. On the expense side, total costs are rising 4.5%, primarily due to increases in employee compensation and health insurance. 2026 will be the first year of the City's new compensation structure with modest cost-of-living and performance-based adjustments, while public safety employees see continued wage increases before returning to normal levels in 2027. Pension funding remains steady, with slight adjustments across the Fire, Police, and IMRF contribution plans to support long-term sustainability. Lower growth compared to prior years can be attributed to no new positions and departments' continued efforts to limit operating spending.

Council asked if the City is successfully funding the fire and police pensions. Doug Krieger stated the City's pensions are among the best funded in the State and the City has been very disciplined in that respect. Council then asked about the nature of the health insurance increase and whether the City had any options to mitigate that. Munch elaborated by stating that Naperville was under the average rate of increase for years and pharmaceutical costs and health conditions have been driving costs recently. Ultimately the trend is impossible to predict. As it relates to alternatives, Munch stated health insurance pools with other municipalities would be another option, which comes with its own advantages and disadvantages.

Deputy City Manager Pam Gallahue began to discuss the three new budget requests for 2026. First, the Police Department's Drones as First Responders program, expanding the city's current drone operations to allow drones to respond to 9-1-1 calls within minutes. The program aims to improve response times and provide real-time intelligence to officers while maintaining strict privacy and security standards. Next was a redesign for the City's website, implementing a new hosting solution and content management system that meets upcoming federal accessibility standards, strengthens cyber security, and improves user experience. Finally, a special area study focused on strategic redevelopment, with the two options being the I-88 Corridor or 5th Avenue. Staff will be seeking Council direction on which project to prioritize in the future. Gallahue proceeded to briefly cover the declining cash balance in the Commuter Parking Fund, which will require restructuring to remain self-sustaining moving forward.

Council asked whether a 5th Avenue study would affect commuter parking. Doug Krieger stated adjustments would still need to be made to the fund. Council then asked if the cost for the City website redesign was all inclusive. Senior Communication Specialist Kelley Munch stated content management and hosting/security is included in the cost, and the City is in middle of RFP

process so the cost is an estimate. Council proceeded to discuss the Drone as First Responder program, mainly surrounding privacy and how it compares to the current drone program. Police Chief Jason Arres stated privacy is dictated by state law and FOIA, and the program will align with that. Furthermore, Arres stated more pilots would be available under this program and the Police Department would be able to triple its count of missions utilizing the drone. Arres noted the cost of \$150K would be reoccurring and covered the entirety of the program, and similar programs could be seen in Oak Brook and Rockford

Next, Doug Krieger outlined budgetary requests from community partners DNA, NDP, and NCTV17. Krieger briefly described what each organization does and then outlined major components of their 2026 request. Notably, NCTV17 requested \$200K in perpetuity for operating support, which the City recommended to be part of a SECA City Obligation. Funding in such a way would require a revision of the SECA cap and municipal code, which was also discussed. Council spoke favorably of NCTV17. Six members of Council voiced support in favor of raising the cap to accommodate the additional spending. Three members voiced a desire to limit the amount the SECA cap would be raised by, given the impact it would have on grant dollars going out. Council proceeded to discuss NDP's operations. First, whether the \$150K shifted from I-88 Corridor Marketing to the Economic Development Grant was set aside for I-88 and if that would affect the City. Doug Krieger stated it was not specifically set aside for I-88 and that it would not disrupt the special area study. Second, Council held a discussion on the viability of print guides and the amount of money spent on them under the Restaurant Marketing Grant. Council suggested focusing on digital alternatives.

The presentation was then turned over to Dave Della Terza from Naperville Public Library. Della Terza provided highlights of some of the library's 2025 accomplishments and their goals for 2026. Della Terza concluded his portion of the presentation by discussing the proposed 2026 budget for the library. Council wanted to know the digital vs. physical breakout of circulation. Digital is at 25% and gaining and is seeing more investment on the library's part. Council asked if the library is receiving less money with the property tax rate going down. Since EAV has been increasing, the library does not lose money.

Naper Settlement was covered next, with Rena Tamayo-Calabrese similarly outlining accomplishments from 2025 and goals for 2026. Tamayo-Calabrese then provided an overview of the proposed 2026 budget for Naper Settlement. There were no additional questions. Doug Krieger then outlined the rest of the budget process.

E. ADJOURNMENT:

Budget Workshop #2 adjourned at 8:37 p.m.

/s/ Braeden Smith
Braeden Smith, Budget Analyst