



City of Naperville

400 S. Eagle Street
Naperville, IL 60540

Meeting Minutes

City Council

Monday, November 21, 2022

6:30 PM

Council Chambers

Budget Workshop III

A. CALL TO ORDER:

Chirico called the meeting to order at 6:30 p.m.

Present: 9 - Mayor Steve Chirico
Councilwoman Jennifer Bruzan Taylor
Councilwoman Patty Gustin
Councilman Paul Hinterlong
Councilman Ian Holzhauer
Councilman Patrick Kelly
Councilman Paul Leong
Councilwoman Theresa Sullivan
Councilman Benjamin White

Also Present

City Manager, Doug Krieger; Deputy City Manager, Marcie Schatz; City Attorney, Mike DiSanto; Director of Community Services/City Clerk, Pam Gallahue; Fire Chief, Mark Puknaitis; Police Chief, Jason Arres; Director of Finance, Rachel Mayer; Director of Human Resources, James Sheehan; Director of IT, Jacqueline Nguyen; Director of TED, Bill Novack; Deputy Director of TED, Jennifer Loudon; Deputy Director of TED, Allison Laff; Director of Public Utilities - Electric, Brian Groth; Director of Public Utilities - Water, Darrell Blenniss, Jr.; Director of Public Works, Dick Dublinski, Director of Communications, Linda LaCloche; Budget Manager, Ray Munch

Daily Herald, Naperville Sun, NCTV-17

B. INTRODUCTION:

C. PUBLIC FORUM:

Amy Phillips (The Conservation Foundation) voiced support for the plan to replace turf with native vegetation given the sustainability and maintenance benefits.

Chirico asked Dublinski to clarify the pricing difference between native vegetation and turf.

Dublinski noted that staff does not have a firm grasp on the maintenance and implementation pricing difference yet and that the proposed three-four year pilot program will provide information on what it will take to build and maintain native vegetation.

D. PRESENTATION:

1. [2023 Annual Operating Budget and Capital Improvement Program Workshop #3](#)

Munch discussed major funds, a revenue and expense summary, and noted the budget is balanced without any new taxes or fees for the residences. Mayor Chirico noted that the budget being presented is \$14.8M over budget and questioned how that would be resolved. Munch explained the current cash balance as well as delayed payments on CIPs will resolve that issue.

Munch discussed the Maintenance and Operating Funds revenues and expenses. Discussion around the Commuter Parking Fund began with Councilman White asking staff what the future of that fund looked like. Munch and Rachel Mayer noted that staff continues to monitor the fund and will suggest changes to the parking rates if needed. Bill Novack also mentioned we have blocked certain lots to cut the cost on plowing and maintenance with revenues being down. From there Councilman Kelly asked what makes up the Commuter Parking Fund expenses to which Mayer explained the expenses come from maintenance, labor to maintain the parking lots, and collection fees.

General Fund revenues and expenses were also discussed. Mayor Chirico asked why interfund transfers are considered an expense if they are balanced out by other fund transfers. Munch noted this was listed as an expense from an accounting perspective. Mayor Chirico also inquired about the removal of the vacancy factor. Mayer explained it makes sense to keep it out for now given the number of retirements that are happening and are coming in the near future, but it is something staff continues to monitor. Councilwoman Sullivan asked about union vs non-union wage increase. Mayer explained that unions will see a 2.5% increase on average in 2023 but there are other factors that go into this and lead to higher annual union wage increases. Council discussed collective bargaining and Jim Sheehan noted there is not currently a way to directly compare union vs non-union wages.

Following this discussion, the presentation on utilities revenues and expenses began. Electric Utility revenues are being budgeted with \$9.12M of potential federal grant money for capital projects. It was noted that we do not currently believe we will qualify for any federal funding for water capital projects, but this is something we continue to monitor.

This portion of the presentation finished up with an outline of the Capital & Debt Service Fund, Capital & Bond Projects Fund, and Special Funds. Councilman White asked if the City was getting any money from electric vehicle registrations to make up for loss revenues in the Motor Fuel Tax. Munch explained the City does not see any vehicle registration money but noted IDOT is currently looking into ways revenue can be made up from the increase in electric vehicles. Mayor

Chirico confirmed that revenues from the Library and Naper Settlement go directly to their funds, this was confirmed by staff.

Mayer discussed how the City has exceeded the financial principles. Councilman Holzhauer asked if staff recommends keeping a cash balance of 35% or go back toward the principal of at least 25%. Mayer noted that some of the cash balance will be used to support capital projects, but will stay around 30%. The topic of the Community Risk Reduction program was discussed and lead into a discussion of how recruiting levels for both the Fire Department and the Police Department are down. Both departments are looking at different ways to address this but acknowledge it will take time to do so.

Krieger recommended increasing the beautification budget \$250K. Council agreed and would like to see a plan for how this money will be spent and encouraged resident input.

Krieger recommended keeping the \$450,000 in the budget for Fredenhagen Park Fountain repair. Council concurred and asked staff to continue to look for ways to reduce expenses.

Krieger recommended a non-union merit of increase of 4% which totals \$300,000 and results in no increased taxes to residents.

There was a lack of consensus to approve the merit pool as recommended as well as a lack of consensus as to how much to reduce the merit pool. Councilman Kelly offered a compromise of a 3% merit pool increase and a 1% one-time bonus for non-union staff.

Chirico noted that Council must agree on a percentage in order to pass the budget on December 6 because Councilwoman Gustin is vacating her seat and being sworn in at DuPage County on December 5.

Council concurred with a 3% merit pool increase and a 1% one-time bonus for non-union staff.

Q. ADJOURNMENT:

Council adjourned the 2023 Annual Operating Budget and Capital Improvement Program Workshop #3 of November 21, 2022 at 9:10 p.m.

/S/ Sherrian Kelly
Budget Analyst

/S/ Nick Krueger
Budget Analyst