

COMMITTEE OF THE WHOLE – Meeting Minutes October 13, 2021

The Village Board met as a Committee of the Whole in the Council Chambers of the Village Hall at 3:30 p.m. on Wednesday, October 13, 2021. In attendance were:

PRESENT:

Village Board

Dan Shapiro, Mayor
Bob Benton, Trustee
Rebekah Metts-Childers, Trustee
Tom Jester, Trustee
Elaine Jacoby, Trustee
Mary Oppenheim, Trustee
Bill Seiden, Trustee

Staff

Kent Street, Village Manager
Andrew Lichterman, Assistant Village
Manager/Director Community Development
David Fitzgerald-Sullivan, Comm Coord
Desiree Van Thorre, Admin Services Coord
John Sliozis, Police Chief
Eric Burk, Finance Director
Bob Phillips, Public Works Director
Tyler Dickinson, Assistant Village Engineer
Justin Keenan, Asst. to Public Works Dir.
Brandon Janes, WRF Supervisor
Matt Weiss, IT Systems Coordinator
Chris Fry, Accreditation Commander
Brian Budny, Deputy Police Chief
Nick Hamilton, Water Division Foreman

Public Comment

There were no public comments on non-agenda items.

Business

Finance Director Eric Burk discussed the proposed 2022 budget. The budget is a working document that allows the Village to maintain service levels and move into 2023 with adequate resources. Mr. Burk explained there is a budget hearing planned for November 1, 2021 and a tax levy hearing scheduled for November 15, 2021.

Mr. Burk reported the proposed tax levy would be collected in June and September of 2022 and would fund a portion of the 2022 budget. The General Fund levy will be tied to public safety to provide flexibility in case of a property tax freeze. The library is projecting a flat levy in the general fund.

Mr. Burk explained the general fund, which is the largest operating fund, includes everything not required to be accounted for elsewhere. 2021 revenues are projected above budget due to sales tax and home rule sales tax, regular activity and Walgreens' activity. Building permits performed well. Hotel tax took a hit this year but the last few months have been better. Mr. Burk believes hotel tax will be down in 2022. He noted interest income is below budget.

General Fund expenditures are also projected below budget. Mr. Burk noted the police pension fund is close to 80 percent funded.

Mr. Burk discussed the water and sewer funds. He noted Highland Park is expected to increase the wholesale water purchase rate by 32.2 cents per unit each year 2022 through 2024. The increase drops to \$0.38 for 2025 through 2031. The proposed budget includes passing on the rate increase to water users by \$0.322 (5.7 percent) to keep pace with increased costs. The sewer rate will increase by 5 percent (\$0.18) to keep up with the increased costs and build adequate reserves over the next 5 years. Mr. Street added the Village is also pursuing an emergency connection with Northbrook. The average cost for a Deerfield household will go from \$167 to \$176. Mr., Burk noted the Village entered into a new refuse contract in May with a 3.5 percent recommended increase in 2022.

The commuter parking lot fund has showed a significant decrease because people have not been parking. This has allowed the Village to do a lot of work efficiently, but there is less revenue being generated. The proposed budget shows revenues to come back in 2022, but that may need to be adjusted.

Mr. Burk discussed the major revenues other than property tax. The proposed revenues are based on outside information whenever possible, including local use tax (\$700,000), State income tax (\$2 million), MFT funds (\$700,000) and PPRT (\$150,000). Mr. Burk indicated they also look at trends and seasonal history for other revenues. The sales tax is budgeted at \$5 million, the home rule sales tax at \$3.985 million, the hotel tax at \$1.5 million, the electric tax at \$1.1 million, food and beverage tax at \$500,000, telecommunication tax at \$1.3 million and building permits at \$1.1 million.

Mr. Burk discussed expenditures that affect multiple departments, including personnel costs, which account for 40 percent of the budget, excluding capital and infrastructure and MFT funds. He noted the salary increases are offset by decreases in medical and dental insurance costs as well as IMRF. The projected personnel cost increase is approximately 1.1 percent or \$210,000. Mr. Burk explained the general liability and workers compensation insurance is pooled through the Municipal Insurance Cooperative Agency. The projected budget is \$1.1 million.

Public Works and Engineering

Mr. Phillips discussed the public works and engineering departmental expenditure detail requests. He explained some of his workforce will be shifting in 2022 due to retirement and open positions.

- Engineering Division
 - 3.5 percent COLA increase is recommended
 - Training and Development
 - Get back on track with capital improvement inspections
 - Contractual Services
 - Will increase with the big developments such as Zion Woods

- Building Maintenance and Repair
 - Slight increase is proposed
 - The building was built in 1989 and things are starting to fail
- Street Division
 - 3.5 percent COLA increase is recommended
 - Training and Development
 - Recommended compliance space training, lockout/tagout training, etc.
 - Contractual Services
 - Hire up to 30 part-time laborers
 - Directional drilling, snow shoveling at train station and streetscape, landscaping, brick work, bollards, planting, lighting and larger roadway repairs
 - Building Repair and Maintenance
 - Train station maintenance
 - Bridge, overpass and underpass painting
 - Commodities include concrete, asphalt, rock salt, trees, light fixtures and de-icing liquid
- Water Fund
 - Training
 - Several employees are licensed water operators and the Village needs to maintain those licenses
 - Contractual Services
 - Include SCADA consulting and leak detection
 - Commodities
 - Include asphalt, concrete, fire hydrants, pumps, dirt, wholesale water from Highland Park
 - Capital Outlay
 - Meters and meter heads
 - Costs are passed through
- Sewer Fund
 - Training
 - OSHA and Department of Labor training
 - Contractual Services
 - Televising software, major sewer repairs, WRF pump repairs, SCADA services and sludge hauling
 - Commodities
 - Include pipes, fittings, polymer, concrete, asphalt and pumps
- Garage Division
 - Commodities include oil and fuel
- Refuse Fund
 - Expenses include leaf and garbage collection
- Commuter Parking Lot
 - Expenses for landscaping, parking lot repair, striping, paving, electrical for lighting improvements
- VERF

- Capital outlay for trucks, cars and equipment
- Proposing purchasing several vehicles in 2022
 - Dodge Caravan, pick-up truck, spreader, plow truck
 - Large trucks are hard to come by
 - Sewer televising equipment and software
 - May have difficulty getting some of the equipment

Mr. Phillips discussed the one-time purchase memo which includes larger purchases. Some of these purchases include fuel bay repairs, replacement windows, a work order management system, shoring equipment and Wincan software for sewer televising. The fuel pumps and software are original to the building which was built in 1989. Half of this \$30,000 expenditure will be billed to the Park District. The public works department needs the windows replaced. They need better ventilation. The proposed \$32,000 cost will be split between the engineering department, street department and sewer and water funds. The current work order management system, which was free with the website, is antiquated and not user friendly. If approved, the \$20,000 expenditure would be split between engineering, the WRF, street department and water and sewer funds. The shoring equipment is an OSHA requirement and standard operating procedures for evacuation of water/sewer mains during emergency repairs. It is a \$10,000 expense. The sewer televising software would replace the software from 2013, which is now obsolete. The new software is more streamlined and will integrate with the current televising equipment.

Community Development

Mr. Lichterman reported the building division issued 1200 permits and performed 2400 inspections. The planning division, consisting of the Plan Commission, Appearance Review Commission, Village Center Commission and Board of Zoning Appeals, held 24 meetings. He discussed the proposed budget changes for 2022. The total budget is \$2,356,749 (\$82,701 increase).

- Personnel Services proposed increase of \$102,737
 - 3.45 percent COLA and merit increases
 - Elimination of Village Manager's loan forgiveness
 - Full staffing levels for vacant positions and department reorganization
- Contractual Services
 - \$30,000 is budgeted for an affordable housing contractor
 - \$30,000 is budgeted for a comprehensive review of process efficiencies
 - Including succession planning for senior staff
 - Identifies process efficiency improvements
 - Comprehensive review of building department operations
 - Slight increase in Family Days festivities

Police Department

Chief Sliozis explained the police summary looks similar to last year and the year prior. There are no new programs or additional manpower planned, mostly due to Covid. The overall proposed budget will increase 0.92% overall.

Chief Sliozis reported they hired a second social worker in 2021 and have three open patrol positions to fill. Deputy Chief Keene is retiring on Friday and they have put in a lot of time and effort looking at a replacement and transitions. The crossing guard function was eliminated from the police department. The school has contracted with Andy Frain Usher Services. The department will fund half the cost this year and 25 percent next year. This will save the department about \$80,000 per year once the payment agreement is complete.

Chief Sliozis noted the training costs will increase due to criminal justice legislation. Some of the training will be done in house. He noted body cams will be a large expense in the future. The challenges include FOIA, data storage and maintenance.

Chief Sliozis noted some of the increase percentages appear large, but the dollar amount is not a large increase.

Finance

Mr. Burk reported the finance department has seven employees and do not anticipate any changes for 2022. He noted the economic incentive with Walgreens National was extended for 10 years. The total finance department budget for 2022 shows a 5.4 percent decrease.

Administration - IT

Mr. Lichterman reported the administration department includes the Village Manager's office and the IT division. The proposed budget includes an increase in personnel services by 7.85 percent, training and development will increase by \$300. The contractual services include increases in the maintenance agreements for audio visual, a \$1000 increase in membership dues, increased postage costs, a slight increase in the Family Days budget and a possible increase in the Harvest Fest budget. Other licenses related to IT will be decreased. Mr. Lichterman noted the capital outlay will be reduced and capital improvements related to administration are flat.

Mr. Weiss discussed the proposed IT budget. He explained the IT costs are budgeted by reviewing the inventory of assets and determining what needs to be retained, eliminated or upgraded. Mr. Weiss meets with each department and explores their technology needs as well as all telecommunication needs and accounts. Most of the budgeted expenses are renewing or continuing software subscriptions. Highlights of the 2022 IT budget includes the primary datacenter UPS battery system replacement (\$30,000 VEF) and securities and risk testing consulting services in the amount of \$25,000.

Mr. Lichterman reported the Village sent out a façade improvement survey and received eight responses. The Village budgeted \$200,000 for the facade improvement program.

Committee of the Whole

October 13, 2021

Page 6 of 6

Mayor Shapiro noted the proposed budget showed a lot of hard work.

Public Comment

There were no public comments.

Adjournment

There being no further business or discussion, Trustee Benton moved to adjourn the meeting. Trustee Oppenheim seconded the motion. The motion passed by the following vote:

AYES: Benton, Jacoby, Jester, Metts-Childers, Oppenheim, Seiden (6)

NAYS: None

The meeting was adjourned at 6:05 p.m.

Respectfully submitted,

Jeri Cotton

Secretary