

**MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL
OF THE UNITED CITY OF YORKVILLE, KENDALL COUNTY, ILLINOIS,
HELD IN THE CITY COUNCIL CHAMBERS,
800 GAME FARM ROAD ON
TUESDAY, MARCH 14, 2023**

Mayor Purcell called the meeting to order at 7:00 p.m. and led the Council in the Pledge of Allegiance.

Mayor Purcell stated that he has determined that under the Governor's orders the meeting can be held with electronic attendance for the safety of the council members and the public and to help prevent the spread of the coronavirus.

ROLL CALL

City Clerk Behland called the roll.

Ward I	Koch	Present
	Transier	Present
Ward II	Plocher	Present
	Soling	Present
Ward III	Funkhouser	Present
	Marek	Present
Ward IV	Tarulis	Present
	Vacant	

Staff in attendance at City Hall: City Clerk Behland, City Administrator Olson, Chief of Police Jensen, Attorney Orr, Public Works Director Dhuse, Community Development Director Barksdale-Noble, Finance Director Fredrickson, Parks and Recreation Director Evans, Assistant City Administrator Willrett, and EEI Engineer Sanderson.

Clerk's Note: Due to COVID-19, in accordance with Public Act 101-0640 and Gubernatorial Disaster Proclamation issued by Governor Pritzker pursuant to the powers vested in the Governor under the Illinois Emergency Management Act, the United City of Yorkville encouraged social distancing by allowing remote attendance to the City Council meeting.

Members of the public were able to attend this meeting in person while practicing social distancing as well as being able to access the meeting remotely via Zoom which allowed for video, audio, and telephonic participation.

A meeting notice was posted on the City's website on the agenda, minutes, and packets webpage with instructions regarding remote meeting access and a link was included for the public to participate in the meeting remotely:

<https://us02web.zoom.us/j/88161847693?pwd=c3h3OWNxTGswQzFqa3cwaGhEd1RaUT09>.

The Zoom meeting ID was 881 6184 7693.

QUORUM

A quorum was established.

AMENDMENTS TO THE AGENDA

None.

PRESENTATIONS

None.

PUBLIC HEARINGS

None.

CITIZEN COMMENTS ON AGENDA ITEMS

None.

CONSENT AGENDA

1. Minutes of the Regular City Council – February 14, 2023
2. Minutes of the Regular City Council – February 28, 2023

- 3. Bill Payments for Approval
 - \$ 304,012.46 (vendors)
 - \$ 147,046.45 (wire payments)
 - \$ 347,492.27 (payroll period ending 03/03/23)
 - \$ 798,551.18 (total)

Mayor Pro Tem Plocher entertained a motion to approve the consent agenda. So moved by Alderman Koch; seconded by Alderman Marek.

Motion approved by a roll call vote. Ayes-7 Nays-0
Koch-aye, Plocher-aye, Funkhouser-aye, Tarulis-aye,
Transier-aye, Soling-aye, Marek-aye

REPORTS

MAYOR’S REPORT

**Assignment of Development Agreement for Old Jail
Project at 111 W. Madison Street
(CC 2023-11)**

Mayor Pro Tem Plocher entertained a motion to approve the Assignment of Development Agreement for the Old Jail Project at 111 W. Madison Street. So moved by Alderman Tarulis; seconded by Alderman Soling.

Motion approved by a roll call vote. Ayes-7 Nays-0
Plocher-aye, Funkhouser-aye, Tarulis-aye, Transier-aye,
Soling-aye, Marek-aye, Koch-aye

PUBLIC WORKS COMMITTEE REPORT

**EEI Rate Increase Request
(PW 2023-23)**

Alderman Marek made a motion to approve Engineering Enterprises, Inc. Hourly Rates as specified in the 2023 Standard Schedule of Charges; seconded by Alderman Transier.

Motion approved by a roll call vote. Ayes-7 Nays-0
Funkhouser-aye, Tarulis-aye, Transier-aye, Soling-aye,
Marek-aye, Koch-aye, Plocher-aye

ECONOMIC DEVELOPMENT COMMITTEE REPORT

**Ordinance Approving an Economic Incentive Agreement Between the United
City of Yorkville and Marker, Inc., McCue Development, Inc.,
Scott and Lisa Sleezer, and John Rohlfling
(Heartland Circle Subdivision)
(EDC 2023-17)**

Alderman Koch made a motion to approve an Ordinance Approving an Economic Incentive Agreement Between the United City of Yorkville and Marker, Inc., McCue Development, Inc., Scott and Lisa Sleezer, and John Rohlfling (Heartland Circle Subdivision) and authorize the Mayor and City Clerk to execute; seconded by Alderman Plocher.

Mayor Pro Tem Plocher stated this is coming out of committee with a negative recommendation. They did amend the agreement from five years to one year. Alderman Soling asked if they had considered prepaying to the developer in the past. City Administrator Olson stated it was communicated to them, but they declined. Alderman Transier asked if this was their first extension. Community Development Director Barksdale-Noble replied yes. Alderman Transier asked if we have ever approved any in the past. City Administrator Olson stated yes, once before that is similar.

Motion fails by a roll call vote. Ayes-3 Nays-4
Tarulis-aye, Transier-nay, Soling-nay, Marek-aye,
Koch-nay, Plocher-aye, Funkhouser-nay

PUBLIC SAFETY COMMITTEE REPORT

No report.

ADMINISTRATION COMMITTEE REPORT

No report.

PARK BOARD

St. Patrick's Day Celebration

Parks and Recreation Director Evans reported the Lucky Leprechaun Hunt starts at 9:00 am on Saturday, March 18th. Followed by the Irish parade that will begin at 11:00 am and runs down the west end of Hydraulic Avenue, ending once they reach Route 47. Live music and St. Patrick's Day specials will be at Yorkville bars and restaurants. A firework show at Route 47 and Countryside Parkway will start at dusk.

PLANNING AND ZONING COMMISSION

No report.

CITY COUNCIL REPORT

No report.

CITY CLERK'S REPORT

No report.

COMMUNITY & LIAISON REPORT

Yorkville Bristol Sanitary District

Alderman Soling reported that the tree removal has begun along River Road. The construction will begin soon.

Yorkville Public Library

Alderman Soling reported that the Yorkville Public Library has many amazing programs coming up. They have a Military Healthcare 101 on March 21st at 11:00 am. The program is designed for veterans to learn how military healthcare benefits can be combined with Medicare benefits. There are also many programs scheduled for the upcoming spring break.

STAFF REPORT

No report.

MAYOR'S REPORT (cont'd)

City Building Updates

(CC 2021-04)

City Administrator Olson reported that staff did receive confirmation of the IT shipment. We have a tentative move-in date of April 21st. We will have dates soon for ribbon cuttings and open houses.

Water Study Update

(CC 2021-38)

No update.

Fiscal Year 2024 Budget Presentation

(CC 2023-10)

City Administrator Olson gave a PowerPoint presentation on the fiscal year 2024 budget (*see attached*).

ADDITIONAL BUSINESS

None.

CITIZEN COMMENTS

None.

EXECUTIVE SESSION

None.

ADJOURNMENT

Mayor Pro Tem Plocher entertained a motion to adjourn the City Council meeting. So moved by Alderman Koch; seconded by Alderman Soling.

Motion approved by a roll call vote. Ayes-7 Nays-0
Transier-aye, Soling-aye, Marek-aye, Koch-aye,
Plocher-aye, Funkhouser-aye, Tarulis-aye

Meeting adjourned at 7:51 p.m.

Minutes submitted by:


Jori Behland,
City Clerk, City of Yorkville, Illinois

FY 24 BUDGET
PRESENTATION

CITY COUNCIL

3-14-23

United City of Yorkville

Budget Schedule

- Policy decisions presentation
 - February 28, 2023

- Full budget presentation
 - March 14, 2023

- One mandated public hearing
 - March 28, 2023

- City Council must approve budget before April 30, 2023

Tonight's outline

- Big Picture
- Year-by-year overview
- Select Items to note
- The small picture
 - General Fund overview
 - Line-items of interest in other funds

Tonight's outline

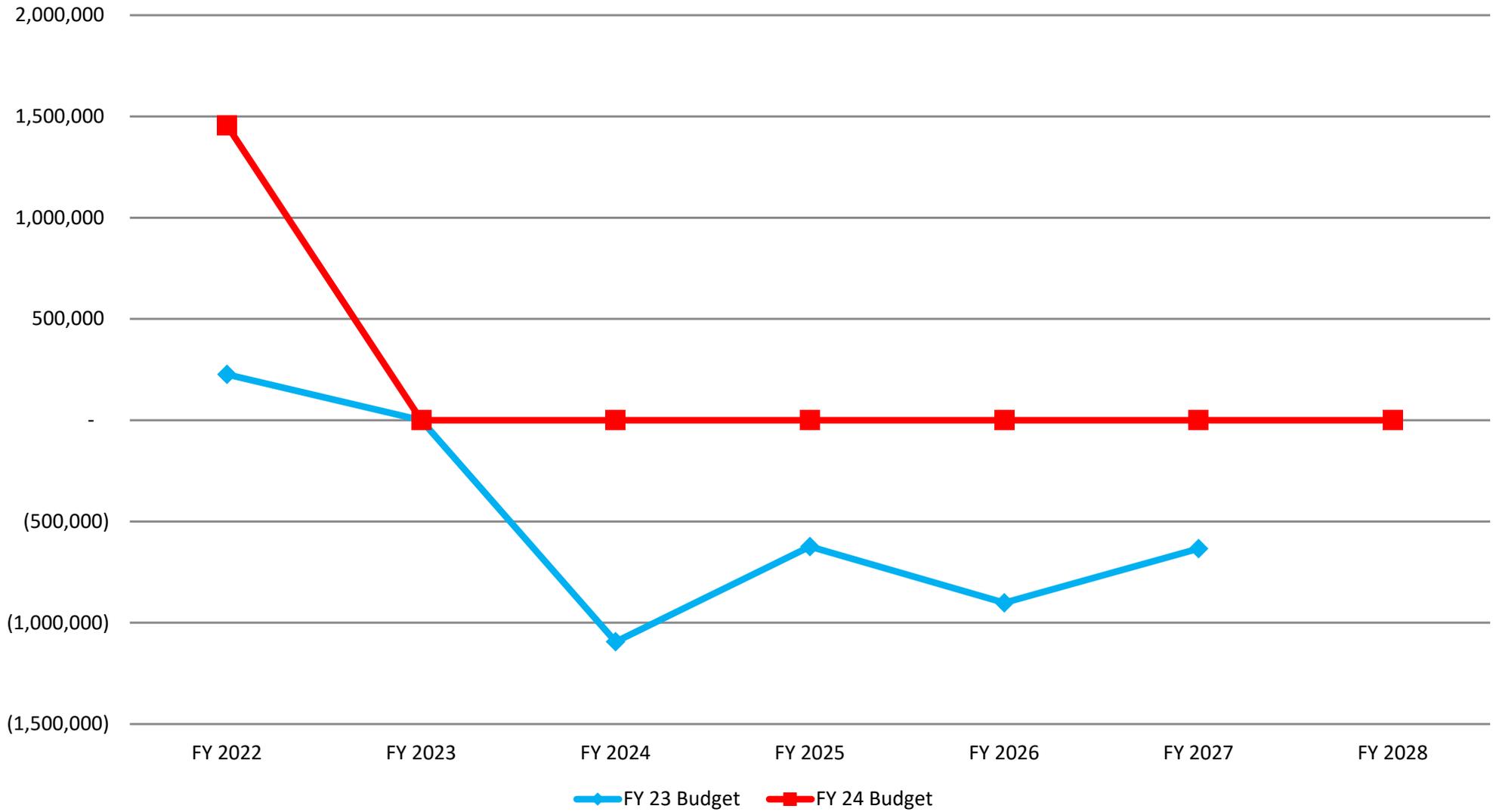
- Not covered in tonight's powerpoint
 - Fox Hill SSA
 - Sunflower SSA
 - Debt Service Fund
 - Sewer Fund
 - Land Cash Fund
 - Parks and Recreation Fund
 - Items to Note sections
 - City Council goals
 - Sales tax projections
 - Staffing requests
 - Countryside TIF
 - Capital Projects
 - Bond ratings and refinancing
 - Building Inspection Load

Reminder

- City Council approves the FY 24 budget proposal only
- FY 25 and beyond are planning tools

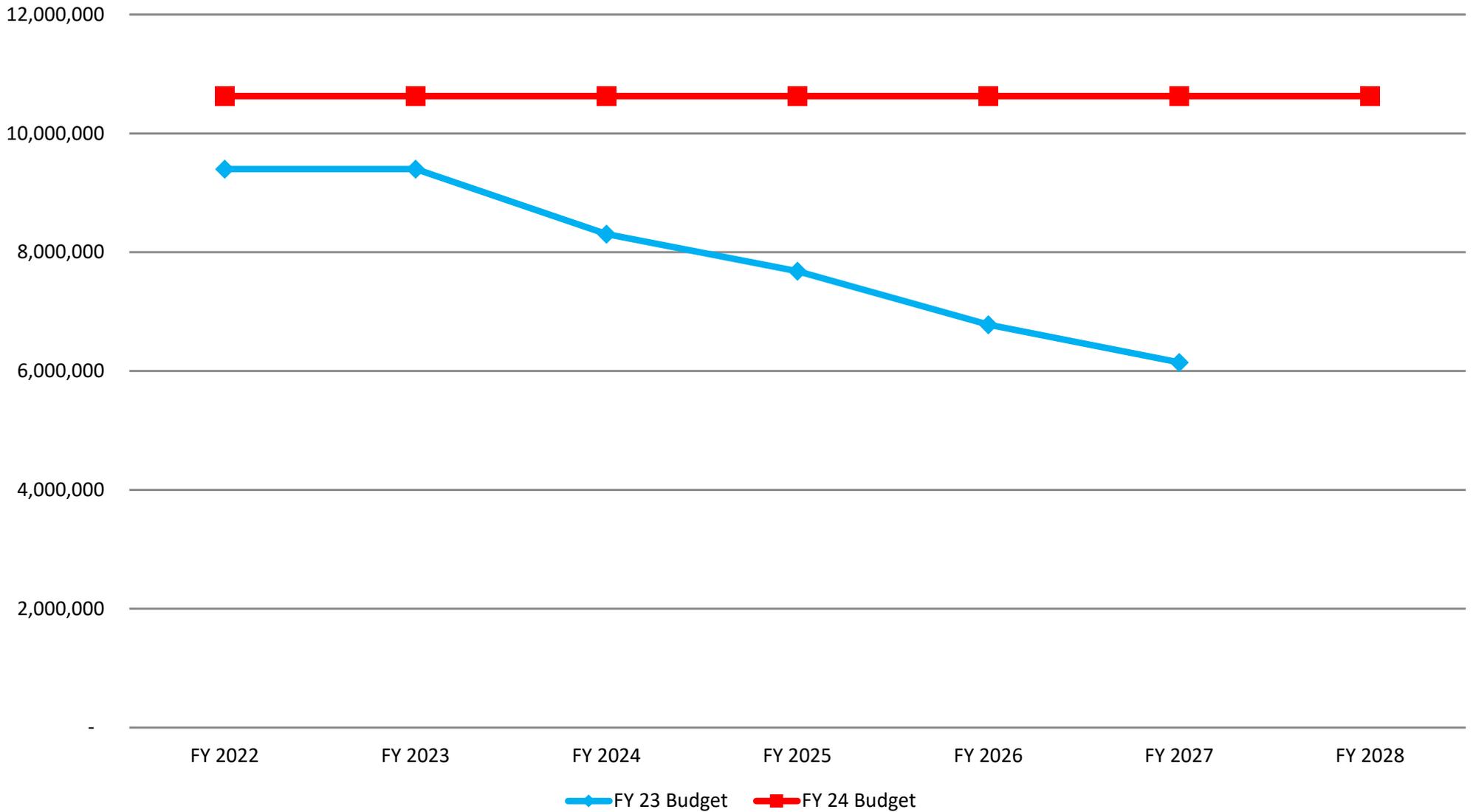
How do things look?

General Fund - Surplus(Deficit) Comparison



How do things look?

General Fund - Fund Balance



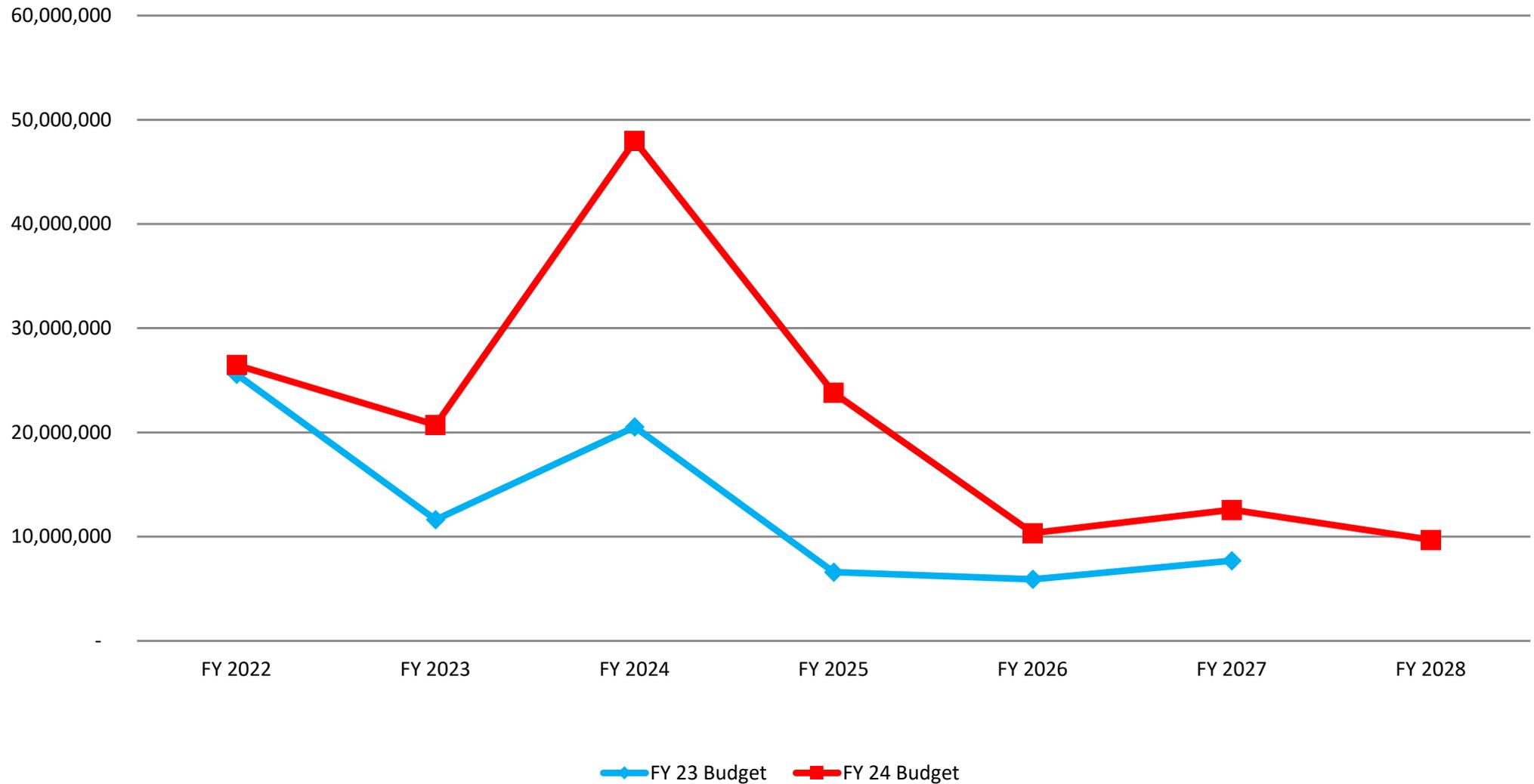
How do things look?

Aggregate City Budget - Surplus(Deficit) Comparison



How do things look?

Aggregate City Budget - Fund Balance Comparison



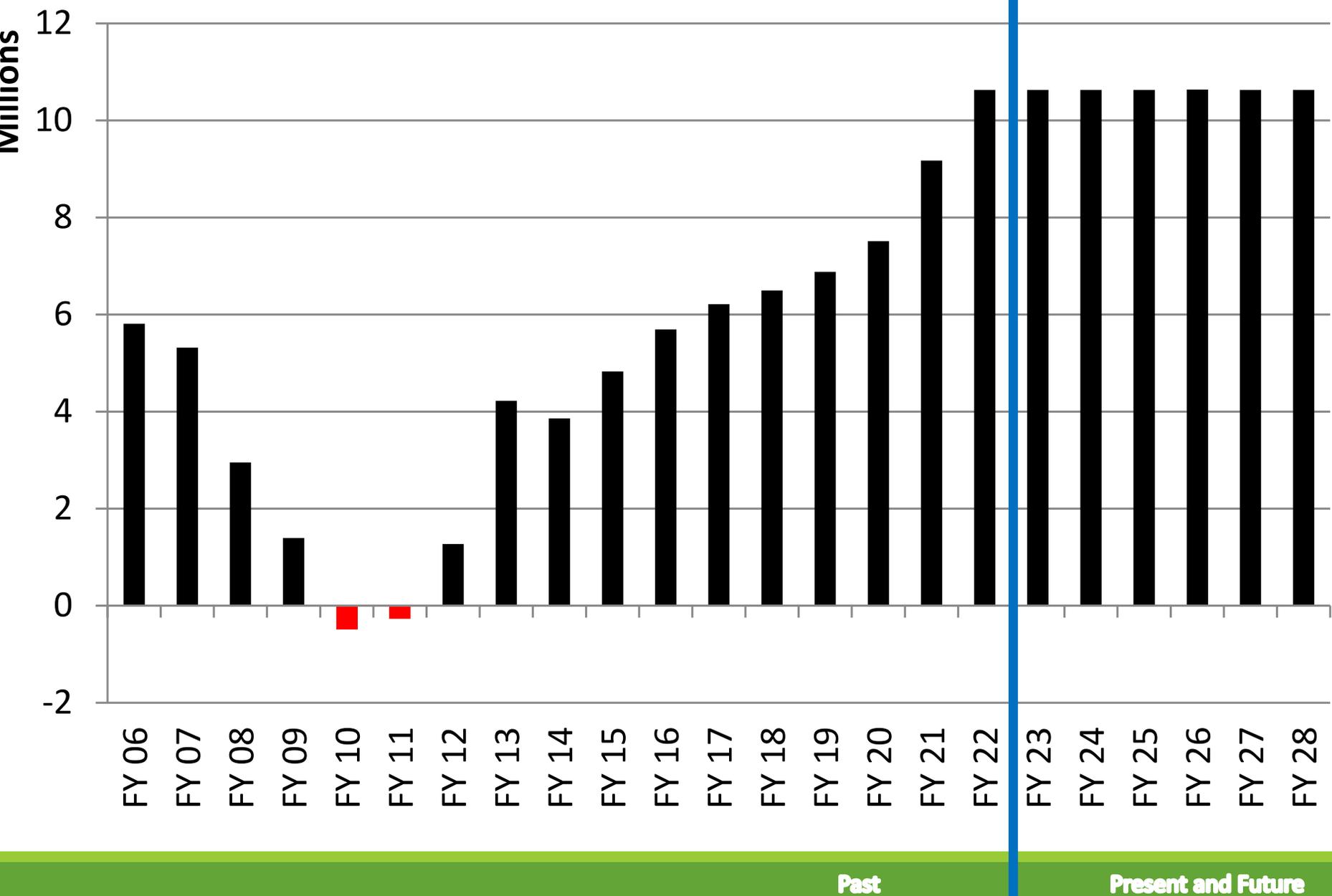
BIG PICTURE

- Fund Balance of General Fund at 46% in FYE 24
 - Above 40% in FY 25 and beyond
 - Offset by TIF fund negative fund balances
- Fund Balance in Water Fund at ~26% in FY 24, but relies on policy decision and Lake Michigan project in FY 25 and beyond
 - Policy decision of places of eating tax vs. staggered water rate increase
- Aggregate budget outlook is best in years, but relies on policy decisions and capital project review in the future

BIG PICTURE

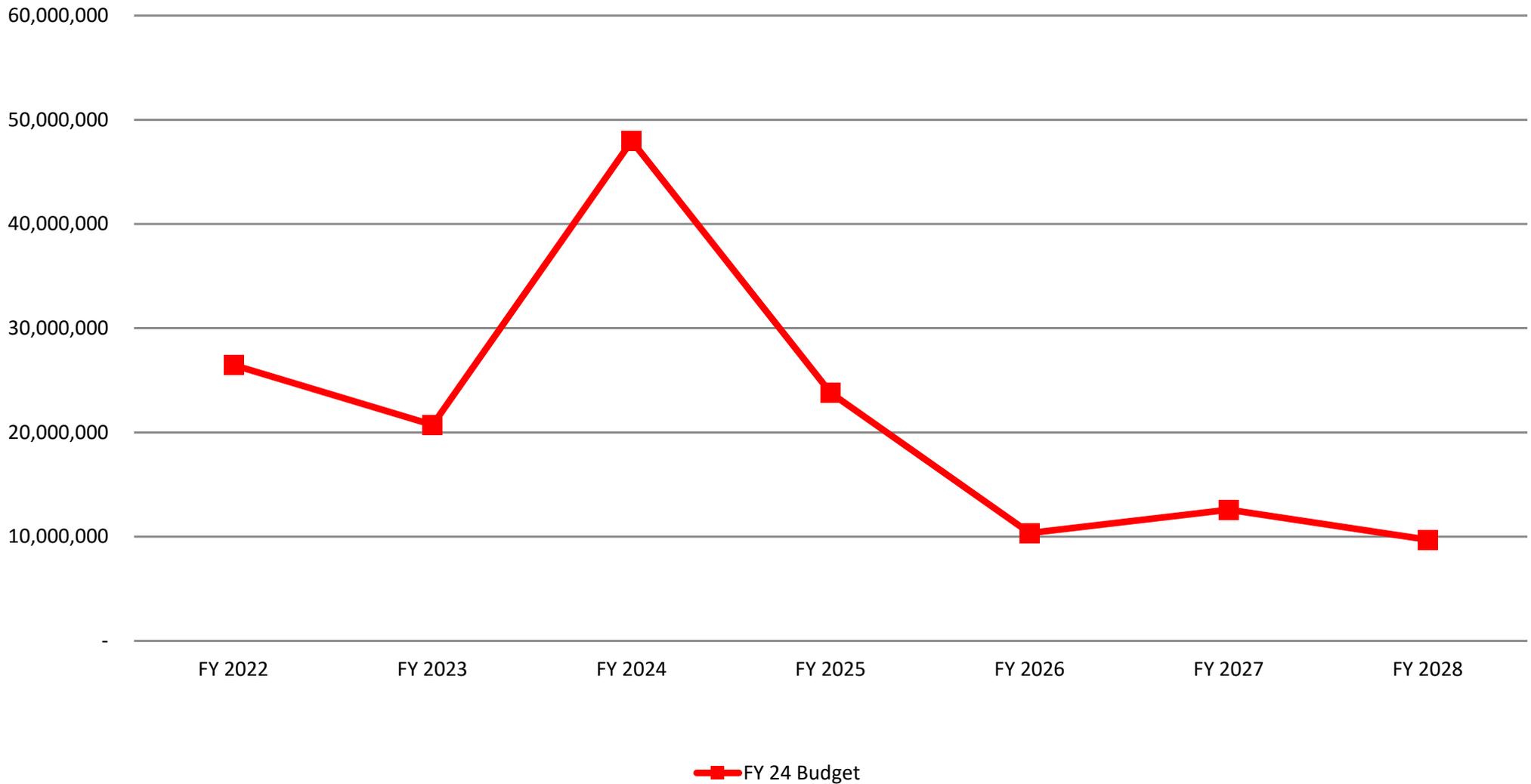
- Revenue growth projections are conservative, even if recent performance has been extremely strong
- Funding of Public Infrastructure (PW/Parks) facility without any revenue increases
- Funds major water/sewer infrastructure projects, but subdivision cluster unaddressed
- New police officers, police civilian staff, utility billing clerk, planner I, and a mechanic to keep up with population growth

Fund Balance History – General Fund



How do things look?

Aggregate City Budget - Fund Balance



Major initiatives

- FY 24
 - Lake Michigan studies and early costs
 - Major Road to Better Roads program
 - Potential Kennedy Road intersection improvements and/or resurfacing
 - Van Emmon LAFO grant, if awarded
 - Full water and sewer CIP, including watermain replacements and Well #6 design
 - Expanded/new programs for building maintenance, sidewalks, and playgrounds
 - Planning for PW building construction
 - New playgrounds at Rice and Prestwick Parks
 - New accountant (utility billing) and Planner 1
 - Shared police training coordinator

Major initiatives

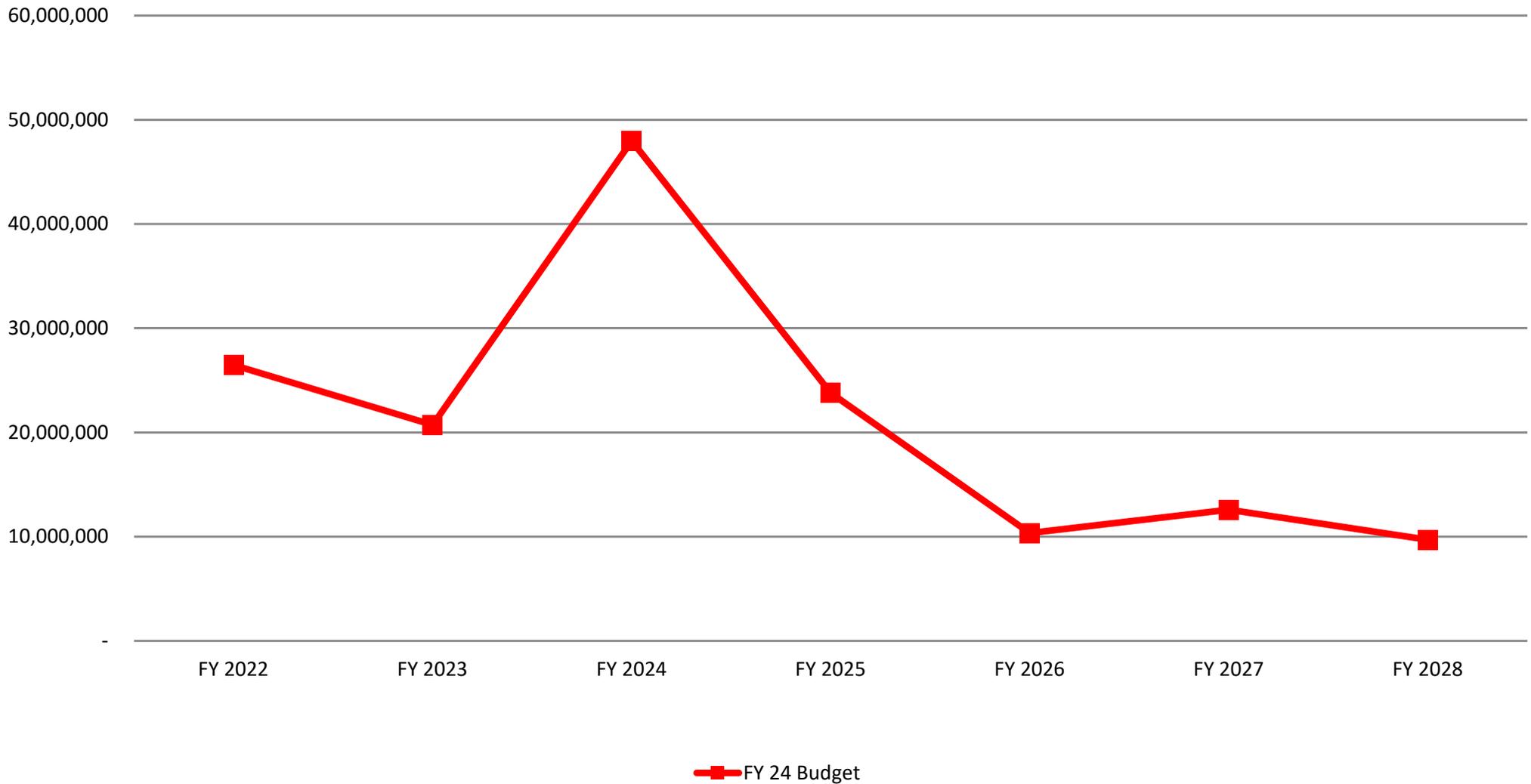
- FY 25
 - Lake Michigan water source project, funding TBD
 - Expanded Road to Better Roads program
 - Public Infrastructure Facility (PW/Parks) construction
 - Potential Kennedy Road intersection improvements and/or resurfacing
 - Route 47 northern expansion!
 - Comprehensive Plan Update
 - Full water and sewer CIP
 - Expanded/new programs for building maintenance, sidewalks, paths, parking lots and playgrounds
 - Land Acquisition for a new Parks and Rec. property
 - Playgrounds at Cannonball and Rotary parks
 - New patrol officer hired

Major initiatives

- FY 26, FY 27, and FY 28
 - Lake Michigan water source project must be planned
 - Expanded Road to Better Roads program
 - Subdivision cluster needs a policy decision
 - New Police Records Clerk and Evidence Custodian in FY 26
 - New Police Officers in FY 27 and FY 28
 - Full water and sewer CIP
 - Expanded/new programs for building maintenance, sidewalks, paths, parking lots and playgrounds

How do things look?

Aggregate City Budget - Fund Balance



Items to Note

- Lake Michigan water source project
 - Capital improvement plan (CIP) to be reviewed by Public Works Committee
- FY 24
 - \$2.6 million in expenditures
 - IDNR permits, preliminary engineering, annual water audit, leak detection, water meter retrofits, corrosion control study (tentatively planned to do with DWC, offset by federal grant from Rep. Underwood), early payments to DWC for engineering and construction, ground storage tank design, watermain replacements
 - Needs a policy decision on places of eating tax vs. staggered water rate increase to keep fund above fund balance policy limits

Items to Note

- Lake Michigan water source project
 - FY 25
 - \$112 million in expenditures
 - Annual water audit, leak detection, water meter retrofits, corrosion control study (tentatively planned to do with DWC, offset by federal grant from Rep. Underwood), lump sum payments to DWC for construction, receiving stations, ground storage tank design, watermain replacements

Items to Note

- Lake Michigan water source project
 - FY 26, FY 27, FY 28 and beyond
 - \$27 million in expenditures
 - Everything previously mentioned plus flow meters, a Montgomery interconnection for security and emergency use, and a decommissioning of our existing water treatment plants

Items to Note

- Lake Michigan water source project
 - CIP below will be reviewed by Public Works Committee
 - Numbers are extremely conservative, to be used for WIFIA loan coverage

UNITED CITY OF YORKVILLE
CAPITAL IMPROVEMENT PROGRAM FY2024-2028
PROJECT COST SUMMARY

2/22/2023

PROJECT FUNDING

Project Code	Project Title	FY24	FY25	FY26	FY27	FY28	Future Years	Total Cost	PROJECT FUNDING		
									City	Grants / Developer	Unfunded
LM01	AWSS - IDNR Allocation	50,000	-	-	-	-	-	50,000	50,000	-	50,000
LM02	AWSS - Preliminary Engineering	150,000	-	-	-	-	-	150,000	150,000	-	150,000
LM03	Annual Water Audit / Non-Revenue Water Reduction Plan	40,000	42,000	44,000	46,000	48,000	50,000	270,000	270,000	-	270,000
LM04	Annual Leak Detection	40,000	42,000	44,000	46,000	48,000	50,000	270,000	270,000	-	270,000
LM05	Meter Retrofit Program	700,000	500,000	500,000	500,000	-	-	2,200,000	2,200,000	-	2,200,000
LM06	AWSS - Corrosion Control Study / Source Water Transfer Plan	335,000	345,000	178,000	-	-	-	858,000	858,000	-	858,000
LM07	DWC Water Transmission Mains	801,000	106,850,000	-	-	-	-	107,651,000	107,651,000	-	107,651,000
LM08	DWC Buy-In Costs	-	-	-	-	295,200	8,560,800	8,856,000	8,856,000	-	8,856,000
LM09	North Delivery Station and Receiving Station (BPS) and NE EWST Allitude Valve	-	151,000	203,000	2,117,000	2,182,000	-	4,653,000	4,653,000	-	4,653,000
LM10	North Receiving Station Ground Storage Tank (2.0 MG)	200,000	2,183,000	2,058,000	1,058,000	-	-	5,499,000	5,499,000	-	5,499,000
LM11	South Delivery Station and Receiving Station (BPS)	-	142,000	189,000	1,958,000	2,017,000	-	4,306,000	4,306,000	-	4,306,000
LM12	South Receiving Station Ground Storage Tank (2.0 MG)	300,000	2,182,000	2,058,000	1,058,000	-	-	5,598,000	5,598,000	-	5,598,000
LM13	Blue Stem Drive Water Main Improvements	34,000	413,000	-	-	-	-	447,000	447,000	-	447,000
LM14	Water Treatment Plant Decommissioning	-	-	-	19,000	233,000	453,000	705,000	705,000	-	705,000
LM15	Bi-Directional Flow Meters - BPS's and PRV's	-	-	25,000	115,000	-	-	140,000	140,000	-	140,000
LM16	Montgomery Interconnect	-	-	80,000	825,000	-	-	905,000	905,000	-	905,000
ANNUAL PROGRAM TOTALS		2,650,000	112,850,000	5,379,000	7,742,000	4,823,200	9,113,800	142,558,000	142,558,000	-	142,558,000

Items to Note

- RINF fee increase with pay-as-you-go vs. bonding for upcoming subdivision cluster
 - Reviewed at the Feb 28th CC meeting
 - Unaddressed in FY 24 budget proposal
- ~\$11m in upcoming subdivision pavement obligations, with no current funding source
 1. No change in RINF, issue \$10m in bonds and find revenues for \$900k annual debt service
 2. No change in RINF, complete roads as we can afford them (30+ year repaving timelines)
 3. One time increase in RINF, then tie to inflation. Issue \$7m to \$8m in bonds and find revenues for ~\$675k annual debt service
 4. Inflationary increases to RINF, issue \$8m to \$9m in bonds and find revenues for a ~\$775k annual debt service

Items to Note

- Public Works Building Planning
 - \$30m bond planned for FY 24
 - Debt service covered by each individual fund, with no specific revenue increase
 - Funded out of Streets, Water, and Sewer
 - Will prompt a discussion on in-house Mechanic hire in FY 27

Items to Note

- Home Rule Status and Special Census
 - 2020 decennial census population - 21,533
 - March 2023 population estimate is 24,000
 - ~900 new houses constructed after decennial census, worth an estimated \$250,000
 - Partial special census should cost \$150,000
 - WIFIA loans for Lake Michigan available to Yorkville at 80% of entire project if we are under 25,000 population; falls to 49% if we are above 25,000 population

Small picture

- Fund highlights
- Full descriptions included in the budget memo

General Fund Revenues

- Property taxes, Corporate Levy
 - New construction only
- Property taxes, Police Pension
 - Following actuarial determined contribution
 - Pension fund had poor investment returns in FY 22
 - Funded at 53.6% as of FYE 22
 - 2040 target expected to be 100% funded

General Fund Revenues

- Municipal Sales Tax and Non-Home Rule Sales Tax
 - FY 23 projection right in line with 3% year-over-year estimate
 - Revising future growth projections down to 2% year-over-year
- State Income Tax
 - Budgeting for IML estimate of \$155 per capita in FY 24, but recent state reports have been promising

General Fund Revenues

- Building Permits
 - Still very strong
 - FY 23 figure does not yet include Bright Farms project
 - Continue to budget for operational costs of Community Development Dept, with overages going to City-Wide Capital
- Investment Earnings
 - Interest rates are up, with earnings into the 6-digits annually

General Fund Expenditures

- All Departments
 - COLA and merit/steps budgeted for bargaining units and non-union
 - Health insurance historically budgeted for an 8% increase, came in at ~4%
 - IMRF rates are down from a peak of 11.62% in 2014, to 6.56% in FY 22.
 - Tuition reimbursement for Sergeant and one officer
 - Training and Conferences for employees to state and national conferences
 - Commodity assumptions have conservative increases across the board
 - Office cleaning expenditures expect to increase due to 651 Prairie Pointe, but exact proposal still TBD

General Fund Expenditures

- Finance Dept
 - Utility billing clerk / accountant in FY 24, to cover cross-training and new ERP implementation
- Police Dept
 - Police officers in FY 25, 27, and FY 28
 - Evidence custodian and police records clerk in FY 26
- Community Development Dept
 - New Planner 1 position to backfill from a Great Recession downsizing, and to work on expected new land-use submittals
 - Outsourced inspections decreased in FY 23, since we hired new in-house inspectors
- Streets Dept
 - Two new, part-time seasonal streets department employees (1000 hours each)

General Fund Expenditures

- Admin Services Dept
 - IT services includes ERP system spread over FY 24 and FY 25
 - Contingency set at \$75,000
 - Purchasing Manager shared position ended in FY 23
 - Facilities Manager shared position ended in FY 24, with new Yorkville-only position
 - GIS Consortium proposed
 - Shared services model with Kendall County and Oswego

General Fund in FY 24

Revenues	23,012,965
<u>Expenditures</u>	<u>23,012,965</u>
Surplus (Deficit)	0

Motor Fuel Tax Fund

- Motor fuel taxes, transportation renewal taxes continue to increase
- Salt prices were average in FY 23, but salt usage has been very low
- Route 47 expansion through downtown finally paid off!
 - 10 year payment plan from the State during the Great Recession

City-Wide Capital Fund

- Van Emmon Road repaving, assuming the City gets a grant
- Subdivision cluster and RINF policy decision left unaddressed
- Route 47 northern expansion expected to start in FY 25
 - Bristol Bay road connections funded through IDOT
- Kennedy Road sections done with funds to be collected from Grande Reserve new housing starts placed in escrow

Building and Grounds Fund

- Contains \$30m bond issuance in FY 24 for Public Works building construction
- Yorkville-only Facilities Manager and existing Building and Grounds worker

Vehicle and Equipment Fund

- Chargeback line-items offset difference between impact fees and vehicle purchases
- Developer funds received
 - \$50k from Raintree Village – use TBD
 - \$50k for Grande Reserve – pickleball court
 - FY 25 – Grande Reserve payments, for general park use
 - FY 26 – Bristol Bay for construction of a park site
 - FY 27 – Grande Reserve payments, dependent upon final platting
- Sale of PW Capital
 - Dependent upon City Council purchase of vehicles and approval to trade-in
 - Older dump trucks, backhoes, and mowers
- Vehicle Maintenance Services Dept proposed in FY 27

Vehicle and Equipment Fund

- Police
 - Police response training simulator in FY 25
 - New speed sign and message boards in FY 28
 - Full replacement schedule of police squads plus one critical incident response vehicle
- Public Works
 - Full replacement schedule of dump trucks, bucket truck, street sweeper, leaf vacuum, and general vehicles
- Parks
 - Full replacement schedule of mowers, backhoe, skid steer, gator, and lightning detectors

Vehicle and Equipment Fund

- Playgrounds
 - Rice, Prestwick, Riverfront Park concrete repair, Kiwanis, Countryside, Sleezer, Cannonball, Rotary, Sunflower, Gilbert, Bristol Bay (new), Bridge Park, Raintree Park A, Stepping Stones, Bristol Station
- Land Acquisition
 - Parks Department has funds from multiple developers and sale of property to put towards land acquisition of a new park/facility

Water Fund

- Water policy decision
 - Needed to keep fund balance above policy in FY 24
 - Places of eating tax vs. staggered water rate increase
- Lake Michigan project costs as previously discussed
 - WIFIA loans, IEPA loans, municipal bonds
- ERP costs, full CIP costs including watermain replacements (including accelerated mains), Well #6 and treatment plant, Well #7 standby generator, and Public Works building costs all included

Countryside TIF

- Upside down again, long-term financial position is negative
 - City's general fund could absorb deficit if necessary
- One of final lots being developed for Station One Smokehouse
- Opal Banquet Facility outcome unknown

Downtown TIF 1 and TIF 2

- No major projects proposed, but this could change depending on development proposals
- TIF 2 has seen some stable TIF increment figures

Budget Schedule

- Budget policy decision presentation
 - February 28, 2023
- City Council presentation
 - March 14, 2023
- Public hearing
 - March 28, 2023
- City Council discussion, debate and potential approval
 - April 13 and 27

Online

- Full budget proposal, including excel spreadsheet available at:

<https://www.yorkville.il.us/Archive.aspx?AMID=44>