

CITY OF WEST CHICAGO

WHERE HISTORY & PROGRESS MEET

FINANCE COMMITTEE

THURSDAY, NOVEMBER 17, 2022¹
6:00 P.M. – CITY COUNCIL CHAMBERS

AGENDA

1. Call to Order, Roll Call, and Establishment of a Quorum
2. Approval of Minutes
 - A. Finance Committee Meeting Minutes of October 27, 2022
3. Public Participation / Presentations
4. Items for Consent
 - A. Ordinance No. 22-O-0036 – Adopting Fiscal Year 2023 Budget
5. Items for Discussion
6. Unfinished Business
7. New Business
8. Reports from Staff
9. Executive Session (if needed)
10. Adjournment

¹ Rescheduled from November 24, 2022

ORDINANCE NO. 22-O-0036

**AN ORDINANCE ADOPTING THE ANNUAL BUDGET FOR
THE CITY OF WEST CHICAGO, DUPAGE COUNTY, ILLINOIS
FOR THE FISCAL YEAR COMMENCING JANUARY 1, 2023
AND ENDING DECEMBER 31, 2023**

WHEREAS, the City of West Chicago has heretofore adopted the annual budget procedure provided for in 65 ILCS 5/8-2-9.1 through 5/8-2-9.10; and,

WHEREAS, the tentative annual budget for fiscal year commencing on January 1, 2023 and ending December 31, 2023, was made conveniently available for public inspection pursuant to notice of public hearing published in the *Daily Herald*, being a newspaper having a general circulation within the City; and,

WHEREAS, on December 5, 2022, the corporate authorities of the City conducted a public hearing on said tentative annual budget.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of West Chicago, Illinois, in regular session assembled as follows:

Section 1. That the annual budget of the City of West Chicago, DuPage County, Illinois, for the fiscal year commencing January 1, 2023, and ending December 31, 2023, entitled "Proposed 2023 Budget", a copy of which is attached hereto as Exhibit "A" and by this reference made a part hereof be, and the same is hereby passed and adopted.

Section 2. That the staffing levels and associated pay ranges contained within the budget are hereby approved, such approval shall be deemed to comport with the requirement of adopting the Table of Organization and the Pay Ranges for the City as detailed in the Personnel Manual.

Section 3. That the City Council authorizes the City Administrator and his staff to continue to contract with Third Millennium Associates Inc. (not to exceed \$50,000) for utility bill mailings, within the maximum amount as included in the proposed Budget and with 7 Layer Solutions, Inc. (not to exceed \$222,200) for information technology services/support.

Section 4. In light of the reserves in the General Fund significantly exceeding those required by the City's Reserve Policy:

- (a) that the City Administrator is hereby directed to, prior to December 31, 2022, to reduce the amount of the Interfund Balances to a total of \$5,000,000 in any manner he deems best by forgiving the amounts due to the General and Capital Projects Funds from the Waterworks and Sewerage Funds;

(b) and that in future years, should the Reserves in either the General and/or Capital Projects funds be sufficient to further reduce the Interfund Balances, the City Administrator shall so direct and such will be reflected in the Audits.

Section 5. That Chapter 18, Sections 18-37(a)(1) of the Code of Ordinances of the City of West Chicago is hereby amended by deleting the following words: “the first three hundred thirty-three (333) cubic feet or” and to delete the column labeled 8/1/2019 in the chart following this language.

Section 6. That Chapter 18, Sections 18-37(a)(2) of the Code of Ordinances of the City of West Chicago is hereby deleted in its entirety and the following language shall be substituted:

“(2) Additional water usage in excess of two thousand four hundred ninety-one (2,491) gallons shall be billed at nine dollars and no cents (\$9.00) per one thousand (1,000) gallons effective for bills issued on or after July 1, 2023.”

Section 7. That Section 18-68.3 of the Code of Ordinances of the City of West Chicago is hereby deleted in its entirety and the following language shall be substituted:

“Sec. 18-68.3. Basic sewer charge.

A basic sewer charge shall be applied based upon metered consumption of water in the amount of ten dollars and no cents (\$10.00) per one thousand (1,000) gallons effective for bills issued on or after July 1, 2023.”

Section 8. That the City Council approved a Pre-Annexation Agreement (20-R-0045) for the Trillium Farms Subdivision on August 3, 2020, whereby households were to pay double the residents’ water and sewer rates until annexation. Many of these homeowners are using substantial amounts of water to tend to newly installed sod and landscaping, leading to increased bills beyond what the City would have expected when it traded this provision for the waiving of certain water and sewer impact fees and before the 2022 and anticipated 2023 rate increases. Therefore, the City Council hereby directs staff to charge double water and sewer rates for twelve months (six bills), and then beginning with the next bill following twelve months of occupancy, those households will pay rates similar to incorporated customers and those having a Pre-Annexation Agreement in place prior to occupying their houses in unincorporated areas.

Section 9. That all ordinances and resolutions, or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, expressly repealed.

Section 10. This Ordinance shall be in full force and effect from and after its passage, approval, and publication in pamphlet form as provided by law.

PASSED this 5th day of December 2022.

Alderman L. Chassee

Alderman A. Hallett

Alderman M. Birch-Ferguson

Alderman C. Swiatek

Alderman C. Dettmann

Alderman J. Morano

Alderman J. Sheahan

Alderman J. Beifuss

Alderman J. Jakabcsin

Alderman S. Dimas

Alderman R. Stout

Alderman J. Short

Alderman M Garling

Alderman H. Brown

APPROVED as to form:

City Attorney

APPROVED this 5th day of December 2022.

Mayor Ruben Pineda

ATTEST:

Valeria Perez, Executive Office Assistant

PUBLISHED: _____

MINUTES

FINANCE COMMITTEE

October 27, 2022

1. Call to Order, Roll Call, and Establishment of a Quorum.

Alderman Dimas called the meeting to order at 6:00 p.m. Roll call found Aldermen Dimas, Chassee, Sheahan, Swiatek, Dettmann, Stout and Morano present. Absent: None.

Staff in attendance: City Administrator Michael Guttman and Interim Finance Director Nikki Giles.

2. Approval of Minutes

A. Finance Committee Meeting minutes of April 28, 2022

Alderman Swiatek moved and Alderman Morano seconded a motion to approve the minutes. Voice Vote: All Ayes. Motion Carried

3. Public Participation / Presentations – None.

4. Items for Consent

A. Ordinance No. 22-O-0035 – Fourth Quarter Budget Amendment

B. Resolution No. 22-R-0066 – Selection of a Financial Advisor for Debt Issuances

City Administrator (CA), Michael Guttman, introduced Anthony Miceli from Speer Financial, Inc. and spoke on how the City issued a Request for Proposal for a financial advisor for debt issuances in September. He said three responses were received and reviewed and it was recommended that the City hire Speer Financial, Inc. CA Guttman explained that an advisor is needed to offer the City guidance on funding larger capital projects and some potential economic development initiatives.

Anthony Miceli, Senior Vice President, introduced himself and spoke on his 15 years of experience working with municipalities and how Speer Financial, Inc. has been around for over 60 years. He explained that Speer Financial, Inc. does not sell bonds and is not a broker, they only offer advice and will only execute bonds that are convenient to the City.

CA Guttman, said that the team had questioned if there was an hourly consulting fee and the answer is no, whether there is a debt issuance or not, there are no hourly consulting fees. Mr. Miceli said their firm does not rely on one or two clients to survive so they prefer its business model.

In response to a question from Alderman Chassee, Mr. Miceli responded that there are various 'players' and that bonds are sold three different ways. There are public sales where they are sold to various investors, either competitively or via a negotiated sale where an offer is prepared and put out on the market and underwriters bid on it. The underwriter with the best rate is selected. For a negotiated sale, an underwriter is selected ahead of time, and a plan of finance and official statement are worked on with the underwriter. The underwriter then markets the bonds to investors and they are considered the broker/dealer in this case. A private placement sale is sold directly to an investor or bank.

Mr. Miceli spoke on the Municipal Advisor Rules from 2012 and explained that a municipal advisor that does not have a fiduciary duty to the client can only provide advice on sale or investment of bonds.

Alderman Chassee moved and Alderman Stout seconded a motion to approve the items. Voting Aye: Alderman Chassee, Dimas, Dettmann, Sheahan, Swiatek, Stout and Morano. Voting Nay: 0. Motion Carried

5. Items for Discussion

A. DuPage Senior Citizens Council – Request for Additional Funding

City Administrator (CA), Michael Guttman, said that at the April Finance Committee meeting there was a conversation about the \$10,000 contribution made to the DuPage Senior Citizens Council (DSCC) and provided history on how that decision had previously been made. CA Guttman said in April the Committee had additional questions and requested staff from DSCC attend a meeting for further discussion.

DSCC Executive Director, Marilyn Krolak, introduced herself and said she has been with the Council for over 25 years. She stated that since 2000 the Council has asked cities and townships for assistance. She said West Chicago has always funded \$10,000. She noted that since 2018 they have shown that there is a yearly shortfall of around \$23,000, which leads to ask if the \$10,000 is enough. She said costs have gone up and the senior populations continues to increase. She said some communities give the cost gap, others give the cost gap and a little more, others like West Chicago have a budget line item, and others give less or nothing. She said the DSCC would like to expand some services in West Chicago such as open dining and community meals. She appreciates the \$10,000 and encourages additional funding be considered.

Alderman Chassee noted that some of the questions the Committee had were answered in the documents previously provided. Alderman Chassee would like to discuss the possibility that the City provide \$24,000 in funding if the DSCC comes back in one year to show the Committee what the money is being used for.

Alderman Dimas asked if other communities increased their funding. Ms. Krolak stated funding is now steadily increasing but there was a decline during COVID. She said there is

also a percentage of families that are under the poverty level and a group right above the poverty level that is hard to determine.

Alderman Dettmann commented that it is an extremely vital task to reach out to the homebound seniors that don't have anyone to provide nutritious meals.

Alderman Dimas asked for a show of hands of members in favor. It was determined that Alderman Chassee's suggestion is recommended to increase funding to \$24,000 and for DCSS to come back to the Committee in a year to show where the money was used.

6. Unfinished Business – None

7. New Business - None

8. Reports from Staff

City Administrator, Michael Guttman, said there is a budget meeting in November and there should be no surprises. He noted that there will be a rate increase in the water and sewer rates of anywhere between 40 to 43 percent in 2023.

9. Executive Session (if needed) – None

10. Adjournment

Alderman Chassee moved and Alderman Stout seconded a motion to adjourn at 6:19 p.m. Voice Vote: All Ayes.

Respectfully submitted,
Josie Avilez