

MINUTES
WINNETKA VILLAGE COUNCIL
Budget Review Meeting
November 3, 2023

(Approved: December 19, 2023)

A record of a legally convened regular meeting of the Council of the Village of Winnetka, which was held in the Council Chambers at Village Hall on Friday, November 3, 2023, at 8:30 AM.

1) Call to Order. President Rintz called the meeting to order at 8:30 AM. Manager Bahan called the roll. Present: Trustees Kirk Albinson, Robert Apatoff, Tina Dalman, Robert Dearborn, Kim Handler and Bridget Orsic. Absent: None. Also present: Village Manager Robert Bahan, Assistant Village Manager Kristin Kazenas, Community Development Director David Schoon, Assistant Community Development Director Ann Klaassen, Village Engineer Jim Bernahl, Finance Director Tim Sloth, Assistant Finance Director Dell Duckworth, Fire Chief John Ripka, Deputy Fire Chief Tom Hutchison, Chief of Police Brian O'Connell, Interim Director of Public Works Mark Janeck, Assistant Public Works Director Erik Jensen, Director of Water & Electric Brian Keys, Assistant Director of Water & Electric Nick Narhi and 1 persons in the audience.

2) Budget Review Topic:

a) Budget/CIP Overview/2023 Tax Levy.

Village Manager Rob Bahan provides Council with an overview of the FY 2024 challenges due to inflation, unfunded mandates, identified budget goals to maintain high levels of success and progress, overall considerations for the presented budget, and the history of Council's long-term strategic investments.

Finance Director Finance Director Tim Sloth presents Council with the current economic environment regarding Village revenues, employment, funding/grants, inflation, matters related to financial initiatives and policies, and property taxes.

Prior to developing the budget, staff had to take into account the current economic environment that has since significantly improved after pandemic-related downturns in 2020. When considering the 2024 budget, Mr. Sloth states the considerations that were needed to be attentive towards included the continued uncertainty, inflation, unfunded mandates, ensuring that the budget assumes realistic revenue estimates, and continued monitoring of the economic landscape and that if the economy does falter, the Finance Department will be ready to implement revised financial plans.

Mr. Sloth reviews a summary of the budget/financial policies including the operating expenditures, home rule, utility rates, operating expenses, and ensures commitment to making 100% of statutory contributions for public safety pensions. Mr. Sloth informs Council of the 2024 proposed budget key initiatives and policy issues related to the proposed property tax indicating that it is under PTELL tax cap limits, transition of construction value, utility funding, capital budgets for the stormwater, business district revitalization fund, electric fund, and addresses aging and improved infrastructure.

Mr. Sloth informs Council of the 2024 general fund revenues and key revenue changes in comparison to last years 2023 budget, providing information pertaining to the property tax extension limitation law indicating the existing taxpayer increase at 3.00% - \$97 per year, and indicates the 5-year capital improvement plan and spendings, and capital initiatives.

Trustee Dearborn discusses matters pertaining to the property tax levy increase and commends the work of staff.

b) Public Affairs/Village Manager's Office.

Assistant Village Manager Kristin Kazenas thanks Council for the opportunity to present the Public Affairs and VMO budget. With the Public Affairs Department primarily focusing on Village wide support and Village Council initiatives, the VMO also provides departmental specific operations specific to administration, communications, economic development, and human resources.

Ms. Kazenas reviews the 2023 accomplishments including the success of the Winnetka Music Festival, Farmer's Market, and support provided for local businesses.

Ms. Kazenas reviews the department's goals and objectives and the various key budget items for public affairs, communications, economic development, and human resources.

c) Finance Department.

Finance Director Tim Sloth reviews the consistency of the Finance Departments staffing and informs Council of the departmental functions including financial management practices, safeguarding Village financial and technological assets, IT practices and cybersecurity, continuous improvements on financial strength, maintaining maximum transparency, and providing financial direction and support to other departments.

Mr. Sloth states the Finance Department accomplishments including Affirmed Moody's Aaa (Stable) Rating, GFOA Awards, completed audit with an unqualified audit opinion and a clean management letter, oversight of Village Grant Program, completion of the first-ever cybersecurity tabletop exercise, comprehensive rate analysis and financial planning, and continued support for bidding related services.

Mr. Sloth informs Council of the various 2024 goals and objectives include seeking grant opportunities, safeguarding the Village's financials, preparing and managing the 2025 annual budget and 2023 annual audit, winning the Popular Annual Financial Report award, providing financial analysis to utility funding, and striving to continue winning GFOA budget and audit awards.

Mr. Sloth indicates the 2024 new budget initiatives including the advanced meter reading project, environmentally-friendly green initiative, and provides information regarding the advanced metering infrastructure cost estimates.

Council discusses matters related to the grants and funding, and finance cost operations.

d) Police Department.

Police Chief Brian O'Connell reviews the departments organizational chart and staffing levels.

Chief O’Connell presents the 2023 accomplishments including the HVAC system replacement progress, a negotiated dispatch services agreement with the Village of Glenview, continued progress with the gasoline powered leaf blower ordinance, and the implementation of body-worn cameras.

The Police Department 2024 goals include the continuation of installation of the automated license plate readers, upgrade existing squad car camera systems, establishment of a peer support program, and matters related to staffing and onboarding.

Chief O’Connell provides information related to the Police Department budget consisting of salaries and benefits, operating expenses, capital expenses. In addition, Council is informed of the 2024 key budget items including vehicle replacement, equipment and squad car camera system purchases.

Council discusses budget matters related to training, police operation expenses, community needs, grants/funding, and matters related to the peer support program and ongoing projects.

e) Fire Department.

Fire Chief John Ripka reviews staffing within the Fire Department, congratulating Deputy Chief Hutchison on 35 years of service. Chief Ripka confirms that emergency responses have been consistent ranging from 2,200-2,400 calls per year and provides information regarding fire prevention.

Chief Ripka reviews the 2023 accomplishments consisting of the replacement of an incident command vehicle, advanced cardiac life support training, completion of the training tower repair/maintenance, initiating Village staff and government partners in CPR and Stop the Bleed programs, negotiation of a new collective bargaining agreement with the Winnetka Firefighters Union, boat operations, NIMS ICS certification, Fire Engine purchase, and the establishment of a rate for Fire Inspection Services for Northfield and Glencoe.

Chief Ripka indicates the 2024 goals and objectives including replacement of apparatus bay overhead doors, staffing positions, implementation of GEMT funding reimbursement, and updating the Village EOP and certify plan with Cook County Emergency Management.

Chief Ripka informs Council of the 2024 Fire Department budget consisting of salaries and benefits, operating expenses, capital expenses, revenue estimates, capital projects, and the 20-year Fire Apparatus replacement plan.

Council discusses matters related to budgeting, financial health, staffing and operational changes, budget reserves, and future initiatives.

f) Community Development.

Community Development Director David Schoon briefs Council on the department’s functions, staffing, and outside contractors aiding in services provided.

Mr. Schoon informs Council of the 2023 accomplishments including continued completion of phases for streetscape, comprehensive plan adoption, establishing lakefront regulations,

assisting the Landmark Preservation Commission with its approval of the Villages first 20% Historic Density Bonus, and establishing Tala Coffee Roasters at 93 Green Bay Road.

Council is presented the 2024 Goals and Objectives including the implementation of the Comprehensive Plan and Downtown Master Plan, redevelopment of the One Winnetka site, adoption of updated International Building & Fire Code Series, and the continuation of successful departmental functions.

Mr. Schoon briefs Council on the 2024 budgeted expenditures consisting of various costs towards salaries and benefits, legal services, third party services, and expenses relating to other services and supplies. In addition, Council is presented matters related to building permits and its revenues and the 2024 Key Budget items.

Council discusses outside vendors contracted by the Village, budgeting, costs and expenses, Village provided services, staffing, and departmental operations and functions.

i) Business District Revitalization Fund.

Projects for 2024 include: Streetscape (Indian Hill, Hubbard Woods, and Post Office); 93 Green Bay Road site and streetscape improvements, EV charging stations in municipal lots, and PW sidewalk, grates, pavers and various other repairs.

Mr. Schoon reviews the proposed five-year capital improvement plan, funding, and proposed general fund transfer, and grants.

Council discusses Village funds, reimbursements, financial matters related to ongoing Village projects, development, EV charging stations, and cost related matters for Village projects.

g) Public Works Department.

Interim Public Works Director Mark Janeck indicates the primary responsibilities of the Public Works Department consisting of operational needs of refuse collection and disposal, roadway and right-of-way maintenance including snow removal, operation maintenance of the stormwater drainage system and sewer drainage system, public facilities maintenance, and fleet services.

Mr. Janeck briefs Council regarding the 2023 accomplishments consisting of maintenance of the Village's infrastructure, completion of Local 150 Union contract negotiations, equipment purchases, holiday lighting and janitorial contracts, security access system upgrades, implementation of road striping and marking maintenance program, and the initiation of the sign replacement program.

In addition to department accomplishments, the departments 2024 goals and objectives include the maintenance of Village streets, sidewalks and alleys, maintaining the public facilities and landscaping, and the implementation of a customer relationship management system for service request.

Mr. Janeck briefs Council on the capital equipment replacement and the Public Works financial summary consisting of salaries and benefits, services and supplies, total operating expenses, capital outlay, and total department expenses.

Council discusses equipment and maintenance expenses, matters related to budgeting, cost, and expenses, and departmental operations.

i) Refuse Fund.

Assistant Public Works Director Erik Jensen states that refuse is a utility fund, confirming that it is entirely funded through user fees.

Mr. Jensen briefs Council on the refuse fund overview consisting of residential and commercial services, special refuse collections, and annual Spring clean-up.

Key 2023 accomplishments include the transition to 5-day residential service program, continued back-door and curbside pick-up services, recycling collection programs, completion of Spring clean-up, implementation of a composting program, and a refuse truck and scooter purchase under budget.

Key 2024 goals and objectives consist of transitioning the commercial refuse collection program to private haulers, continuing to educate residents about refuse and recycling, and partnering with SWANCC.

Erik Jensen discusses the refuse fund financial summary consisting of revenue, expenses, operating income and expense detail, and overall fund expenses.

Mr. Jensen indicates the current residential and commercial refuse fees.

ii) Fleet Services Fund.

Assistant Public Works Director Erik Jensen states the responsibility for maintaining motorized equipment owned by the Village, including all routine preventative maintenance and repairs.

Key 2023 accomplishments include the completion of 2,099 vehicle service tickets, purchase of a new leaf vacuum, two dump trucks, and a refuse scooter.

Key 2024 goals and objectives consist of continued equipment and vehicle repair and preventative maintenance, preparing bidding specifications and replacement of a dump truck, sidewalk machine, and refuse scooter, staff training related to Automotive Service Excellence and Emergency Vehicle Technician certifications, and consideration, and the transition to new fleet management software and evaluation options.

Erik Jensen discusses the fleet internal services fund financial summary consisting of revenue, expenses, operating income and expense detail, and overall fund expenses.

Council discusses replacement vehicle processes, repair and maintenance expenses, and Village provided services including utilizing SWANCC services.

iii) Sanitary Sewer Fund.

Public Works Director Mark Janeck indicates that the Public Works Department is responsible for the operation and maintenance of the Village's sanitary sewer system.

Key 2023 accomplishments include continued annual video and cleaning maintenance programs, locating and eliminating cross connections that allow cross-contamination to storm sewers, and providing assistance and guidance to property owners.

Key 2024 goals and objectives include the continuation of the annual sewer relining program, award contracts for remaining sanitary sewer infiltration/inflow study and investigation of the Ravines sanitary sewer force main, perform annual cleaning and video inspection maintenance program, perform root intrusion foaming program, and continue providing assistance and guidance to property owners regarding infiltration/inflow and basement backups.

Mr. Janeck briefs Council on the sanitary sewer fund financial summary consisting of revenue, expenses, operating income and expense detail, as well as overall fund expenses.

Council discusses studies, matters related to sewer lineage, maintenance, and funding.

iv) Stormwater Fund.

Public Works Director Mark Janeck indicates the Public Works Department is responsible for the operation and maintenance of the Village's stormwater system.

Key 2023 accomplishments include continued annual cleaning and video inspection, storm sewer repairs and maintenance, and deployment of auxiliary equipment,

Key 2024 goals and objectives include repairs and maintenance operations of the stormwater system, maintenance of ditches, and continue to support the Engineering Department with the Stormwater Master Plan objective.

Engineering Director Jim Bernahl reviews the 2024 goals and objectives consisting of the completion of the Hibbard Stormwater Storage Project, continued completion of the Crow Island Storage Project, advancing the final design and permitting for the West and Southwest Winnetka Stormwater Management Conveyance projects, awarding professional engineering contract for East Side Stormwater Evaluation study, implementation of landfill configuration, and the advancement of the Willow Road reconstruction project.

Mr. Bernahl briefs Council regarding the five-year stormwater program overview, ongoing projects, funding, costs and expenses, and ongoing projects and objectives.

Finance Director Tim Sloth briefs Council regarding the stormwater projects funding plan, cash balance, and cash flow.

Council discusses ongoing projects related to stormwater, concerns related to flooding, funding and expenses.

h) Engineering Department.

Engineering Director Jim Bernahl reviews the department's organizational chart and staffing levels.

Mr. Bernahl briefs Council on the department overviews consisting of project management oversight, preparation of engineering plans and specifications, supervising inspection of public improvements and private construction projects, execute and manage annual construction programs, seeking grant funding, obtaining State and regulatory permits,

oversee the Village's participation in the Community Rating System through FEMA, responding to resident inquiries, managing the Village's GIS program, and overseeing the Village Forestry Division.

Key 2023 accomplishments include the completion of the Elm Street Streetscape Project, parking lot and site improvements at 93 Green Bay Road, construction of the North of Willow Stormwater Storage Project, 2023 Street Rehabilitation Project, replacement of 10,300 SF of the public sidewalk as part of the annual sidewalk replacement program, annual sewer relining program, completion of plan views and inspections, pruned 2,200 Village-owned trees, removal and replacement of Village-owned trees, and completion of landscaping plantings and enhancements at Moffat Mall.

Key 2024 goals and objectives include the continued completion of the 2024 Street Rehabilitation Program, begin construction on Crow Island Storage Project, complete construction on the Hibbard Preserve Wetland Project, award a contract for Professional Engineering assistance and begin developing master plan for East Side Stormwater Improvements, award contract for the next phase of infiltration/inflow investigation for remaining sanitary sewer system. In addition, Mr. Bernahl states the goals and objectives related to grant funding, future stormwater improvements, improvement of Village roadway and pedestrian infrastructure, continue work on the Green Bay Trail, and continue enhancements related to Forestry and landscape initiatives.

Jim Bernahl briefs Council regarding the 2024 budget total, cost projections pertaining to the street rehabilitation program in conjunction with the Water & Electric Department, and the overall financial summary consisting of operating expenses and capital outlay.

i) Water & Electric.

Water & Electric Director Brian Keys presents the department overview indicating that key responsibilities consist of providing residents and businesses within Winnetka with various services including adequate power supplies, improving infrastructure, and providing uninterrupted service. In addition, Mr. Keys provides Council with a staffing overview.

The 2023 department accomplishments include preventative maintenance on the distribution system, installation of a clean agent fire protection system, completion of circuit reconfiguration for the New Trier gymnasium expansion, installation of electric service connections, replacement of underground cables, servicing dispatch requests, and responding to electrical disruptions.

Mr. Keys informs Council of the 2024 goals and objectives regarding upcoming projects such launching the Automated Metering Infrastructure project, installation of new service connections, performing preventative maintenance programs to maintain reliability of the electric distribution system and to minimize frequency and duration of forced outages of generating units at the Electric Plant, and completion of generating equipment projects.

i) Electric Fund.

Mr. Keys provides information pertaining to the 2024 electric fund related to proposed residential electric rate changes, rate comparison to investor-owned utility, operating expense highlights, and various costs and expenses related to consulting services; wholesale power contract renewal, CAAPP Permit renewal, legal services,

arc flash study, AMI consulting, engineering and system protection/relaying, and environmental permitting and regulatory submittals.

Additionally, Mr. Keys reviews the operating expenses related to the maintenance programs; line clearance, underground utility locating, boiler related expenses, thermography, dry ice cleaning, and substation maintenance expenses and the Electric Plant operating expenses; pond dredging, boiler refractory repair, maintenance of intake pond valve, boiler tube repairs, valve replacement/repairs, replacement of boiler feed pump motor, security improvements, and rebuilding of boiler feed pump.

Council is briefed on the Capital Plan expenses relating to various projects, departmental equipment, repairs and replacement costs.

Council discusses budget components pertaining to costs regarding repairs and replacement of equipment, matters relating to the Illinois Municipal Electric Agency and generators, and budget components for future expenses.

ii) Water Fund.

Water & Electric Assistant Director Nick Narhi states that primary functions of the Water & Electric Department consist of supplying potable water for the health and safety of the Winnetka and Northfield residents and is responsible for the installation and repair of the water distribution system.

Mr. Narhi lists the major 2023 accomplishments including preventative maintenance on the water distribution system, completing preventative maintenance work at the Water Plant, completing water service connections, responding to water main breaks, completing water main replacement projects.

The key goals for 2024 include adhering to regulatory requirements, installations of new service connections, continuation of removing lead service lines as part of the planned and emergent work, preventative maintenance programs for water system reliability, adhering to long-term capital plan, and investing in maintenance and improvements of the Water Plant.

Council is briefed on the summary of the Water Fund and the revenue, expenses, operating income, operating expense details, capital outlay, fund expenses, and fund income. Additionally, Mr. Narhi reviews the capital plan, budgeting, fund balance, proposed rates regarding the Fiscal Year 2024 financials, monthly service charges, and water rate comparisons.

Mr. Narhi provides information regarding operating expenses related to distribution maintenance & repair programs, Water Plant expenses, building expenses, and costs related to consulting services.

Council is briefed on the capital plan; Automated Metering Infrastructure, vehicle replacement, bulk water filling stations, water main replacement, professional services, and lead service line replacement.

Council discusses lead service line replacement matters, water main replacements, Village water rates, water supply, and fund transfers.

- 3) Public Comment.
 - a) Ted Wynnychenko addresses Council regarding Village service and concerns related to the lakefront.
- 4) Adjournment. Trustee Dearborn, seconded by Trustee Apatoff, moved to adjourn the meeting. By voice vote, the motion carried. The meeting adjourned at 4:18 p.m.

/s/ Berina Gradjan, Deputy Village Clerk

Recording Secretary