

MINUTES
WINNETKA VILLAGE COUNCIL
Budget Review Meeting
November 1, 2024

(Approved: December 3, 2024)

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 1, 2024, 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 Andy MacArthur, Fire Analyst Stephanie Wells, Chief of Police Brian O'Connell, Public Works Tom Powers, Director of Water & Electric Nick Narhi, Assistant Director of Water & Electric Sam Carrasco, and 1 persons in the audience.
- 2) Public Comment.
 - a) Marc Hecht expresses concerns regarding the tax levy and urges Council to continue working on decreasing the 2025 budget.

- 3) Budget Review Topic:

- a) Budget/CIP Overview/2023 Tax Levy.

Village Manager Rob Bahan provides Council with the FY 2025 budget goals and objectives including providing high levels of service, commitment to planning, enhancing public safety, continue reinvesting in aging infrastructure across all funds, and maintaining a vibrant business community and the Winnetka way.

Additionally, Mr. Bahan advises Council of the FY 2025 challenges related to inflation, identifying sustained funding sources, relieving expenditure pressure on the General Fund, addressing unfunded mandates, sustaining the Business District Revitalization Fund, and meeting the community expectations.

Mr. Bahan provides information regarding the Village's proven historic track record regarding long-term strategic investments including various major plans, projects, implementation of programs, investments, grant revenue, and tax levy.

The proposed FY 2025 budget maintains a highly desirable and appealing community, identifies funding sources, supports the business community, invests in critical infrastructure and vision for improvements, implements the 2040 Comprehensive Plan, and retains talented public employees. Mr. Bahan confirms the FY 2025 budget achieves a fiscally responsible balanced budget.

Finance Director Finance Director Tim Sloth presents Council with the current economic environment regarding Village employment, various budget threats such as inflation, recession, unfunded mandates, and geopolitical tensions. The FY 2025 budget is balanced

and Mr. Sloth provides information regarding the property tax levy, Capital, budget amendments, and fund balance policy.

Council is advised that the Village ensures commitment to making 100% of the actuarial recommended contributions for public safety pensions. Additionally, Council is advised of the proposed property tax that adheres to PTELL tax cap limits and a 1% proposed home rule sales tax to provide for enhanced public safety presence and increase funding toward Downtown revitalization.

Mr. Sloth provides information related to utility funding, capital budgets for the stormwater, business district revitalization fund, electric fund, and addresses aging and improved infrastructure.

Council is advised of the 2025 general fund revenues budgeting process utilizing the Illinois Municipal League analysis and estimates for revenue sources, property tax, permit revenue, interest income, various revenues, personnel, various operating expenditures, and capital.

Mr. Sloth provides information related to the proposed 2025 budget is compared with various other taxing bodies since 2000 comparing home value, comparison in tax levy, CPI increases, Cook County tax levy comparison, total proposed tax levy, confirming the increase of 3.4% providing additional revenue to the general fund, and information related to the proposed 1% home rule sales tax.

Council is informed of key initiatives in the Capital Improvement Plan.

Council discusses matters pertaining to the property tax levy increase, various budget and fund matters, sales tax, grants, and various Village projects.

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, human resources, and a new sustainability coordinator position.

Ms. Kazenas reviews the 2024 accomplishments including the success of the Winnetka Music Festival, Farmer's Market, and support provided for local businesses.

Additionally, Council is informed of the accomplishments related to recruitment through Human Resources, ongoing website redesigns by Communications, and successful implementation of a new portal for Freedom of Information Act requests.

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

Council discusses Freedom of Information Act process, recent implementation of the NextRequest portal, matters related to legal services, and Human Resources.

c) Finance Department.

Assistant Finance Director Dell Duckworth 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.

Ms. Duckworth states the Finance Department accomplishments including the recently 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, implementation of automated timekeeping project and the Advanced Metering Infrastructure project, Village grants, comprehensive rate analysis and financial planning, and continued support for bidding related services.

Ms. Duckworth informs Council of the various 2025 goals and objectives include seeking grant opportunities, safeguarding the Village's financials, preparing and managing the 2026 annual budget and 2024 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.

Additionally, Council is informed of the 2025 new budget initiatives including Advanced Metering Infrastructure, environmentally-friendly green initiative, and provides information regarding the advanced metering infrastructure cost estimates.

Council discusses matters related to the Advanced Metering Infrastructure project, grants and funding, and finance cost operations.

d) Police Department.

Police Chief Brian O'Connell reviews the departments organizational chart and staffing levels in addition to their roles.

Chief O'Connell presents the 2024 accomplishments including the HVAC system replacement, implementation of the landscaper licensing program, body-worn camera pilot program, and automated license plate readers, and upgrades to squad car camera systems.

Additionally, Council is advised of the accomplishments related to wellness program initiatives, partnerships with private security companies, and accomplishments related to personnel.

Chief O'Connell provides information related to the Police Department 2025 key budget items including an agreement for contractual security company services related to community safety, replacement of police vehicles, building renovations, and crossing guard services.

Council is advised of the 2025 Police Department budget including salaries and benefits, services and supplies, capital outlay, and budget increases.

Council discusses budget matters related to NORTAF, staffing and expectations of roles, departmental initiatives and priorities, parking and traffic enforcement, police operations, and matters related to budgeting and expenses.

e) Fire Department.

Fire Chief John Ripka reviews staffing within the Fire Department, congratulating Deputy Chief MacArthur on his promotion. Chief Ripka confirms that emergency responses have been slightly higher in 2024 as compared to emergency responses in the past few years. Chief Ripka provides information regarding fire prevention and bureau activities.

Chief Ripka reviews the 2024 accomplishments consisting of the recertifying the Cook County Multi-Jurisdictional Hazard Mitigation Plan, creating regional training officer positions, implementation of GEMT reimbursement, negotiated fee increases for Fire Inspectional Services, fire engine replacement, update to Village building and fire codes, and replacement of apparatus bay overhead doors.

Chief Ripka indicates the 2025 goals and objectives including Pediatric Advanced Cardiac Life Support training, placing the new ambulance in service, replacement of hydraulic extrication equipment with battery operated, and continue PFAS free gear replacement.

Chief Ripka informs Council of the 2025 Fire Department budget consisting of salaries and benefits, services and supplies, capital outlay, revenue estimates, capital projects, and the 20-year Fire Apparatus replacement plan.

Council discusses matters related to budgeting, grants, financial health, and matters related to equipment replacement.

f) Community Development.

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

Mr. Schoon informs Council of the 2024 accomplishments including continued development of streetscape concept plans, final plan approvals for One Winnetka and the Chase Bank development, adoption of steep slope regulations, adoption of the name change for the Historic Preservation Commission, and updates to model building codes.

Council is presented the 2025 Goals and Objectives including the development of Hubbard Woods Streetscape improvements, consideration of the future of the Post Office site, updating the Zoning Code, continued progress for One Winnetka and various construction projects, facilitation of redevelopment, assistance with economic development activities, and providing assistance with building permits and board and commission support.

Mr. Schoon briefs Council on the 2025 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 estimated revenue regarding building permits and its analytics.

Council discusses budget increases, matters related to revenue, building permits, and departmental budgeted amounts for various services.

i) Business District Revitalization Fund.

Projects for 2025 include: Streetscape (Hubbard Woods and Post Office); EV charging stations in municipal lots, Hubbard Woods parking deck repairs and improvements, and PW sidewalk, grates, pavers and various other repairs.

Mr. Schoon reviews the proposed five-year capital improvement plan, costs and expenses regarding various projects and construction, funding, and proposed general fund transfer, and grants.

Council discusses Village funds, financial matters related to ongoing Village projects, development, and grant funding.

g) 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, execution and management of 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 2024 accomplishments include the completion of the Hibbard Preserve Stormwater Management Wetland project, construction of Crow Island Storage and Conveyance Project, completion of the 2024 Street Rehabilitation Project, completion of the annual sidewalk replacement program, annual sewer relining program, awarding a contract for the Village's final sewer evaluation study, completion of plan views and inspections, and accomplishments related to maintenance, removal, and replacement of Village-owed trees.

Key 2025 goals and objectives include the continued completion of the 2025 Street Rehabilitation Program, finalization of design for future phases of proposed stormwater improvements, continued progress regarding landscaping restoration work for the Hibbard Preserve Wetland Project, finalizing the master program for East Side Stormwater improvements, and completion of investigation for the remaining sanitary sewer system.

Furthermore, Engineering goals and objectives includes reconstruction of Willow Road and finalizing a jurisdictional transfer agreement, obtaining grant funding for Stormwater projects, improving Village roadway and pedestrian infrastructure, Engineering assistance regarding permitting, design, and code enforcement, Elm Street bridge repairs, advancing the Hubbard Woods Streetscape project, and continue enhancements related to Forestry and landscape initiatives.

Mr. Bernahl briefs Council regarding the 2025 budget, cost projections pertaining to the Street Rehabilitation program, evaluation of roadways, project complications, and estimate of costs.

Additionally, Mr. Bernahl provides the Engineering Departmental financial summary consisting of salaries and benefits, services and supplies, insurance, total operating expenses, and capital outlay.

Council discusses funding and grants related to the Green Bay Trail project, cost estimates related to the Street Rehab program, and FEMA's community rating system.

Mr. Bernahl provides a brief overview of the proposed Stormwater Capital project for FY25, specifically Western Winnetka. Project overview includes the Village's \$30 million grant, stormwater vision program including roadway improvements, and commencement of the conveyance project. Council is advised of the cost estimates and funding related to the five-year stormwater program.

Council discusses funding related to ongoing Village projects, cost estimates related to the stormwater projects, and various scopes of projects.

h) Public Works Department.

Regarding the Stormwater system, Public Works is responsible for operating 347,676 lineal feet of storm main, basins and inlets, outfalls, and pump stations.

The 2024 accomplishments include maintenance repairs on two pump stations, responding to multiple emergency call outs, responding to service calls, and deep cleaning of Green Bay Road sewer.

Public Works Director Tom Powers briefs Council on stormwater sewer fund consisting of operating expenses; revenue and expenses, operating expense detail; salaries and benefits, services and supplies, debt service, capital outlay, total fund expenses, and net fund income.

Regarding the Public Works Department, Mr. Powers reviews the departments organizational chart and staffing.

The Public Works Department overview consists 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.

The 2024 accomplishments include the completion of facility projects, joining the Illinois Public Works Mutual Aid Network, deployment of road weather information system, completion of critical expense analysis and reallocation of funds, implementation of new on-boarding ceremony for new employees, and improved patching operations.

The Public Works Department 2025 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. Powers informs Council of the 2025 key budget items such as replacement of Public Works vehicles, reduction of snow and ice control, and the Spruce Street Outlet concept study and design. Council is advised of the Public Works budget consisting of salaries and benefits, services and supplies, total operating expenses, and capital outlay.

i) Refuse Fund.

Public Works Director Tom Powers provides an overview of the refuse fund overview consisting of residential and commercial services, special refuse collections, and annual Spring clean-up.

Key 2024 accomplishments include continued back-door and curbside pick-up services, recycling collection programs, completion of spring clean-up, implementation of a composting program, refuse scooter purchase under budget, monthly reduction in missed pick-ups, successful testing of new network tools to increase functionality of technology in vehicles.

Key 2025 goals and objectives consist of transitioning to new data management system, continuing to educate residents about refuse and recycling, partnering with SWANCC, and focus on cross-training opportunities for refuse collectors.

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

ii) Fleet Services Fund.

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

Key 2024 accomplishments include ongoing maintenance of Village's fleet, transition to new fleet management software system, and improved shop's operational capabilities by purchasing column lifts.

Key 2025 goals and objectives include the continued implementation of new software program, implementation of new Fleetmatics program, preparation of bidding specifications and replacement of equipment, mechanic development with Automotive Service Excellence and Emergency Vehicle Technician certifications, focus on cross-training.

Mr. Powers discusses the fleet services fund financial summary consisting of revenue, expenses, operating income and expense detail, and overall fund expenses.

iii) Facilities Fund.

Public Works Director Tom Powers states the 2024 accomplishments including caulking of exterior steps at Village Hall, refurbishment of Village Hall breakroom, elevator modernization, lighting projects, FOB system expansion, Hubbard Woods garage repairs, HVAC replacement at the Yards, security gate modernization, and public facility maintenance.

The 2025 budget initiatives include the combining majority of facilities capital projects under one fund, utilization of the facilities assessment master plan report, mural refinishing, ADA improvements, updates to the Yards facility regarding door replacement and HVAC services, and seating replacement at Village Hall.

Mr. Powers advises Council of future initiatives including the assignment of staff to management of facilities, review of facilities assessment with Council, implementation of repairs per the final facilities assessment.

Mr. Powers discusses the facilities fund financial summary consisting of revenue, expenses, operating income and expense detail, and overall fund expenses.

Council discusses timeline of various projects, staffing, and project funding.

iv) Sanitary Sewer Fund.

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

Key 2024 accomplishments include implementation of automated Julie ticketing system, installation of 10,637 lineal feet of trenchless structural liner, root foamed 4,000 lineal feet of sanitary sewer main, televised 38,953 ft. of sewer, cleaned manholes, and performed sanitary repairs.

Key 2025 goals and objectives include the continuation of the annual sewer relining program, complete sanitary sewer infiltration/inflow study, complete the Ravines sanitary sewer force main rehabilitation, perform annual cleaning and video inspection maintenance program, perform root intrusion foaming program, replacement of combination machine, elimination of cross-contaminations that allow sanitary sewer contaminations to storm sewers, and provide assistance to property owners to reduce infiltration/inflow and basement backups.

Mr. Powers 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 briefly discusses the upcoming Metropolitan Water Reclamation District project.

i) Water & Electric.

i) Electric Fund.

Water & Electric Director Nick Narhi presents the department overview indicating that key responsibilities consist of providing residents and businesses with reliable and economical service including adequate power supplies, improving infrastructure, and providing uninterrupted service. In addition, Mr. Narhi provides Council with a staffing overview.

The 2024 department accomplishments include preventative maintenance on the distribution system, installation of a new service connections for Hubbard Woods, Greeley Elementary Schools, and North Shore Country Day School, installation/upgrades to service connections supporting the stormwater system, installation of electric service connections, replacement of underground cables to maintain system reliability, and responding to dispatch requests and electrical interruptions.

2025 key budget items include deployment of the Automated Metering Infrastructure project, replacement of aging cable infrastructure, generation feasibility study, infrastructure projects, budgeting for new service installations and preventative maintenance programs.

Council is informed of electric sales, historically from 2005 to current, indicating a downward trend as community members increase energy efficiency resulting in less electric sales. Mr. Narhi confirms the sale of the number of kilowatt hours, projection of upcoming sales, and budgeting matters.

Council is provided the electric fund financial summary consisting of revenue, expenses, operating income and expense detail consisting of salaries and benefits, contingency, service and supplies, purchased power, payment in lieu of taxes, as well as overall fund expenses.

Additionally, Mr. Narhi provides the capital plan budget information and 2025 estimates, information related to unrestricted net assets (fund balance), and the 2025 proposed rate increase.

Council is advised of residential electric rate changes, rate comparisons to investor-owned utilities, operating expenses related to purchase power, various consulting services, maintenance programs, operating expenses related to the electric plant, Village buildings, and substation maintenance.

Mr. Narhi provides information related to the capital plan for the electric fund, projected spendings, costs, and revenue.

Council discusses matters regarding replacement of generators, residential electric rates and capacity credits, various projects, energy efficiency rates, and electric sales.

ii) Water Fund.

Water & Electric 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.

The 2024 accomplishments include preventative maintenance on the water distribution system, completing preventative maintenance work at the Water Plant, completing water service connections, responding to water main breaks, and completing water main replacement projects.

The key goals for 2025 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.

2025 key budget items include launching automated metering infrastructure project, water main projects, performing a water rate study, continue planned and emergent replacement of lead service lines, budget for service installations, preventative maintenance programs, and repairs to the water distribution system.

Mr. Narhi states that there has been a decrease in water sales due to increases in energy efficiency. Additionally, Council is provided with the budgeted amount of water sales per cubic feet and projected estimates of sales.

Council is provided the water fund financial summary consisting of revenue, expenses, operating income and expense detail consisting of salaries and benefits, contingency, service and supplies, purchased power, payment in lieu of taxes, as well as overall fund expenses.

Additionally, Mr. Narhi provides the capital plan budget information, 2025 estimates, and information related to unrestricted net assets (fund balance).

Council is advised of the FY 2025 rates based on water rate increases, water main replacement study, and lead service line replacement. Mr. Narhi provides information related to residential rates.

The water fund operating expenses include expenses related to distribution maintenance and repair programs, expenses related to the water plant, Village buildings, and consulting services.

Additionally, Mr. Narhi provides the capital plan fund information, confirming expenses related to various projects and budgeting matters.

Mr. Narhi provides information related to water main replacement and lead service line replacement. Council is advised of project effects due to inflation, matters related to budgeting, and project scopes.

Council discusses the Village's liability regarding the lead service line replacement, project scope regarding the replacement, and costs of replacement. Additionally, Council discusses requirement of disclosure information related to the lead service line replacement.

Council discussed and suggested further analysis of the home rule sales tax, suggested a reduction to the property tax levy, discussed various taxing bodies, and Village funding.

4) Public Comment. None.

5) Adjournment. Trustee Dearborn, seconded by Trustee Apatoff, moved to adjourn the meeting. By voice vote, the motion carried. The meeting adjourned at 4:00 p.m.

/s/ Berina Gradjan, Deputy Village Clerk
Recording Secretary