



Meeting Minutes

Village of Downers Grove - Council Meeting

Council Chambers

June 11, 2024

07:00 PM

1. Call to Order

Pledge of Allegiance to the Flag

2. Roll Call

Council Attendance (Present): Mayor Barnett, Commissioner Sadowski-Fugitt, Commissioner Tully, Commissioner Gilmartin, Commissioner Tully, Commissioner Glover, Commissioner Davenport

Council Attendance (Not Present): Commissioner Hosé

Non-Voting: Village Manager Dave Fieldman, Village Attorney Enza Petrarca, and Village Clerk Rosa Berardi

3. Minutes of Council Meetings

MIN 2024-10207 — A. Minutes: Village Council Meeting Minutes – June 4, 2024

MOTION: To adopt The Meeting Minutes of the June 4, 2024, Village Council Meeting, as presented.

RESULT: Motion carried unanimously by voice vote.

MOTIONED TO APPROVE: Commissioner Sadowski-Fugitt

SECONDED BY: Commissioner Gilmartin

AYES: Sadowski-Fugitt, Gilmartin, Davenport, Tully, Glover, Mayor Barnett

NAYES: None

MIN 2024-10395 — A. Minutes: Executive Session Meeting Minutes for Approval Only – June 4, 2024

MOTION: To adopt The Executive Session Meeting Minutes of the June 4, 2024, Village Council Meeting, as presented.

RESULT: Motion carried unanimously by voice vote.

MOTIONED TO APPROVE: Commissioner Hosé

SECONDED BY: Commissioner Sadowski-Fugitt

AYES: Commissioners Hosé, Sadowski-Fugitt, Davenport, Tully, Glover, Gilmartin, Mayor Barnett

NAYES: None

4. Public Comments

This is the opportunity for the public to comment on non-agenda items.

5. Consent Agenda

BIL 2024-10229 — A. Bills Payable: No. 6806 - June 11, 2024

MOT 2024-10388 — B. Motion: Approve a Contract with Davis Concrete Construction Company of Monee, Illinois, for the 2024 Downtown Business District Crosswalk Accessibility Improvements

Summary: This motion awards a contract for the 2024 Downtown Business District Crosswalk Accessibility Improvements to Davis Concrete Construction Company of Monee, Illinois, in an amount not to exceed \$304,687.93, which includes a 10% contingency.

RES 2024-10390 — C. Resolution: Approve the Third Amendment to an Integrated Supply Agreement between the Village of Downers Grove and Genuine Parts Company

Summary: A resolution has been prepared to authorize an amendment to the contract with Genuine Parts Company/National Auto Parts Association (NAPA) for fleet parts and inventory program services. The contract amendment will extend the term of this contract to December 29, 2025.

MOTION: To adopt **the Consent Agenda of the June 11, 2024, as presented.**

RESULT: Motion carried unanimously by voice vote.

MOTIONED TO APPROVE: Commissioner Sadowski-Fugitt

SECONDED BY: Commissioner Gilmartin

AYES: Sadowski-Fugitt, Gilmartin, Davenport, Tully, Glover, Mayor Barnett

NAYES: None

6. Active Agenda

RES 2024-10385 — A. Resolution: To Accept the Annual Comprehensive Financial Report for the Village of Downers Grove for the Fiscal Year January 1, 2023 through December 31, 2023

Summary: This resolution accepts the Annual Comprehensive Financial Report for the Village of Downers Grove for the Fiscal Year January 1, 2023 through December 31, 2023.

MOTION: To adopt **A RESOLUTION TO ACCEPT THE ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE VILLAGE OF DOWNERS GROVE FOR THE FISCAL YEAR JANUARY 1, 2023 THROUGH DECEMBER 31, 2023, as presented. RESOLUTION 2024-47**

RESULT: Motion carried unanimously by 6-0 roll call vote.

MOTIONED TO APPROVE: Commissioner Sadowski-Fugitt

SECONDED BY: Commissioner Gilmartin

AYES: Sadowski-Fugitt, Gilmartin, Davenport, Tully, Glover, Mayor Barnett

NAYES: None

ORD 2024-10370 — B. Ordinance: Approving Certain Amendments to Planned Unit Development #57, Located at 3300 Finley Road

Summary: The ordinance approves certain amendments to Planned Unit Development #57, located at 3300 Finley Road.

MOTION: To adopt **AN ORDINANCE APPROVING CERTAIN AMENDMENTS TO PLANNED UNIT DEVELOPMENT #57 LOCATED AT 3300 FINLEY ROAD, as presented. ORDINANCE 6053**

RESULT: Motion carried unanimously by 6-0 roll call vote.

MOTIONED TO APPROVE: Commissioner Sadowski-Fugitt

SECONDED BY: Commissioner Gilmartin

AYES: Sadowski-Fugitt, Gilmartin, Davenport, Tully, Glover, Mayor Barnett

NAYES: None

ORD 2024-10371 — C. Ordinance: Authorizing a Special Use for 5230 Walnut Avenue to Permit a Vehicle Body and Paint Shop

Summary: This ordinance authorizes a special use for 5230 Walnut Avenue to permit a vehicle body and paint shop.

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MOTION: To adopt **AN ORDINANCE AUTHORIZING A SPECIAL USE FOR 5230 WALNUT AVENUE TO PERMIT A VEHICLE BODY AND PAINT FINISHING SHOP**, as presented. **ORDINANCE 6054**

RESULT: Motion carried unanimously by 6-0 roll call vote..

MOTIONED TO APPROVE: Commissioner Sadowski-Fugitt

SECONDED BY: Commissioner Gilmartin

AYES: Sadowski-Fugitt, Gilmartin, Davenport, Tully, Glover, Mayor Barnett

NAYES: None

Village Council Comments/Questions

Mayor Barnett explained that public conversations have happened at previous meetings regarding the items on the Active Agenda.

7. Mayor's Report

There was no Mayor's Report.

8. Council Member Reports

Commissioner Tully thanked the Mayor for pointing out that the Active Agenda items voted on at this meeting had been discussed at earlier meetings. He further stated that they represent both current organizations or businesses in the community that have decided to reinvest, or further invest in Downers Grove. He expressed the Council's gratitude for this. The Commissioner then thanked Midwest University for their continued investment in the Village and wished them luck. Lastly, he announced that there were 9 days left until Rotary Grove Fest.

Commissioner Gilmartin wished his oldest daughter a happy birthday.

Commissioner Davenport wished Commissioner Tully a happy birthday, and shared that it was the day before the meeting.

Commissioner Sadowski-Fugitt thanked all that attended Pride Fest. She suggested anyone interested in attending additional events visit EQDG.org .

The Mayor called for a 5 minute recess at 7:07 p.m., before reconvening in the Committee Room for the Manager's Report. He invited all in attendance to join.

9. Manager's Report

INF 2024-10396 — A. Information: Long Range Planning: General Fund Sustainability

The meeting reconvened at 7:12 p.m. in the Committee Room.

Village Manager Fieldman explained that Long Range Planning (LRP) is done, in a more robust fashion, in line with the Village Council election cycle. He explained that a lot of the heavy lifting for the current LRP was completed last summer and at this time there would be a quick update that would be completed over the span of three meetings to include:

- June (this meeting) – General Fund Sustainability
- July – Property Tax Levy, Public Safety Pension, and Water Fund Sustainability
- August – Priority Action Item Review

He explained that the goals in the LRP include:

- Steward of Financial, Environmental and Neighborhood Sustainability
- Exceptional Services, Top Quality Infrastructure
- Strong and Diverse Local Economy.

He shared that there are details on each of these goals included in the LRP document that is linked with the meeting's agenda materials on the Village Website. Manager Fieldman said that the Guiding DG process hits on all of the issues as well – the results of which will conform next year's round of goal setting.

Manager Fieldman then went into details about the General Fund sustainability, explaining that most Village services are accounted for in this fund. He shared a graph that showed Village revenues and expenses, in the main operating fund, from 2019 through 2026. The graph reflected that revenues exceeded expenses from 2020-2023. Manager Fieldman explained that per the direction of the Council, staff shifted several millions of dollars out of the General Fund and into areas of demonstrated need. These areas included: the Civic Center, Village vehicles, and Health and Risk Funds. He explained that because of those transfers, the Village was put into a more robust position moving forward. Manager Fieldman also shared that this eased pressure on property taxes, allowing for no increase to the Property Tax Levy.

Next, Manager Fieldman explained that over last four years, the General Fund has performed tremendously, allowing identified needs to be addressed. He said that looking at the current year, and forward to 2025 and 2026, it is projected that revenues will remain higher than expenses, with the gap closing a bit. He said it is believed that revenues during that timeframe will probably go up at a rate of 1-3% a year – the report included online details how major revenue sources in the General Fund performed in the last couple of years, with a look forward. It also includes staff's opinion on what is going to happen and why revenue growth is not expected to be maintained at the same pace in the near future (but is estimated to be continue to grow at 1-3%). With regard to expenses, he shared that since the Village is experiencing the same kind of expenses as households and businesses are, expenses are anticipated to increase at a rate of 3-5% a year moving forward. Manager Fieldman said that it is expected that revenues will continue to be higher than expenses, so there will not necessarily need to be any particular policy adjustments during this timeframe. He indicated that here is one potentially significant issue that may need to be addressed in the future. This involves an action by the State's General Assembly, that is not signed into law yet, it is expected to be soon. It eliminates the 1% sales tax on grocery related items that has been going to municipalities (across the board for the whole State). He further explained that this amounts to approximately \$1.3 million a year in revenue that the Village has collected. He said this law is expected to go into affect on January 1, 2026. Manager Fieldman shared that because of this, the State included in their action, the authority for municipalities to enact a local 1% Grocery Sales Tax to replace it. He explained he is highlighting this now, but that it is something to revisit and address next summer, once the law is in place.

Lastly, Manager Fieldman outlined the strategies and solutions that will be used in for this plan, sharing that the following have served the Village well for previous plans:

- Continue to manage expenses within budgets.
- Continue to maintain recommended fund balances.
- If revenues continue to be higher than expenses, continue to transfer funds to those with identified needs.
- In 2025, review the possibility of adopting a 1% sales tax on groceries to replace that \$1.3 million revenue stream.

Village Council Comments/Questions

Commissioner Gilmartin said that it is good to see that revenues exceed expenses, but shared that he thinks that will eventually slow down. He said most expenses are related to staffing and that 3-5% seemed in line with increases in salary. He asked if the 1% the Village is receiving in Grocery Sales Tax is from what is sold only in Downers Grove.

Manager Fieldman confirmed that is correct. He informed all that where the Village sits, in the marketplace and in location, not only attract patrons that reside in town, but also those from the surrounding areas.

Commissioner Gilmartin then spoke of cell tower rentals by providers decreasing, which creating a decrease in revenue. This is because providers have consolidated and are not in need of as many transmitters anymore.

Commissioner Glover questioned why police pensions were not noted in the discussion and if they are part of the transfers to address as an area of identified need.

Manager Fieldman said that pension transfers will be discussed in some detail at the next meeting. He also reminded all that that staff has been through an assignment of collecting dollars now for future pension needs.

Mayor Barnett said this is an important strategy that the Village has been employing because there is not as much flexibility in that area.

Commissioner Sadowski-Fugitt said, building off the comments made about the 3-5% yearly increase in expenses, the Village is a service organization that employs many people. She noted that the costs of goods, and other things, have also risen well beyond 3-5%. She explained that because of contracts, the Village has a plan for its union employee increases and asked how that could be mirrored for non-union employees. She said a 4-5% yearly raise was great in years past, but it is not adequate with inflation rates up to 8-10%. Commissioner Sadowski-Fugitt said that the Village is a service organization and she wants to be sure that the Village is doing right by the staff that provides said services.

Manager Fieldman concurred with Commissioner Sadowski-Fugitt, further stating that Village staff makes decisions in those areas based on Council direction. He stated that the Village wants to make sure that employee compensation is commensurate with the market. He explained that sometimes raises are not reflected in the budget due to things like retirements and turnover – i.e. the budget may show a 3% raise and employees may have received a 4% raise. Manager Fieldman shared that for non-personnel related expenses, there have been significant increases in expenses due to inflationary effects. He said those expenses typically come out of the Equipment Replacement Fund and those expenses have been increasing faster than the numbers in the General Fund. He explained that this is why money was transferred into the Equipment Replacement Fund.

Commissioner Sadowski-Fugitt explained that the comment she made about staff compensation was her way of saying that though she understands the Village needs to be mindful of tax payer dollars, she wants to be sure that as a service organization, staff is paid adequately for their services. She asked if one of the reasons the Village will start to see a decrease in revenue is because the Village has gotten through the honeymoon period of sales tax from the State and now it is expected to level off.

Manager Fieldman confirmed and said that since the economy is not as inflationary as it used to be, the Village needs to be more conservative with those numbers.

Commissioner Davenport asked for confirmation that the \$1.3 million from the Grocery Sales Tax is revenue that the Village is currently receiving. Manager Fieldman confirmed. Commissioner Davenport then inquired about additional expenses incurred by the Village if it enacts the 1% sales Tax.

Village Attorney, Enza Petrarca said she is not sure because the State has not signed it into law yet.

Manager Fieldman said there could be an admin expense. He expanded by stating that if the State keeps administering it, there will be lower administrative fees for the Village that are not as transparent. He continued and said if the Village has the sales tax on its side, there will be more administrative fees and costs – providing for more transparency.

Commissioner Davenport spoke of CPI being at 1% only a few years ago –accounting for no interest on money in accounts. He said knowing this can change quickly, the condition of the Village Budget (having the cushion that it has today) is a great reflection on past Councils and staff, because there is volatility ahead.

Manager Fieldman said throughout his career there was no interest income and now interest income has moved the needle on some of the numbers.

Commissioner Tully asked, with respect to the compensation of non-union employees, when the last compensation study was completed.

Manager Fieldman shared that this is monitored continuously. He said the Village's partnership with the DuPage Mayors and Managers Conference (DMMC) helps to keep an eye on this topic.

Commissioner Tully asked if the expected 3-5% increase in expenses, with respect to payroll, is exclusively for payroll or if it also includes pension increases.

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Manager Fieldman confirmed that all personnel expenses, including salaries, benefits, pensions, etc are included as expenses in the General Fund,. He reminded the Commissioner that a more meaningful discussion will be held at a later date about pensions.

Commissioner Tully said that he wanted all to understand that a big chunk of those expenses the Village has control over, but there are others it does not. With regard to Grocery Sales Tax, he said that as a Home Rule Community, the Village can address some things with regard to collection. He asked if the Village is limited in what it can include within the definition of groceries.

Attorney Petrarca said she thinks so, but cannot confirm because it is all part of the new law that has not been finalized.

Mayor Barnett said that he interprets it as the State allowing the Village to charge the same tax it was charging before, except now the Village is on the hook for it and not the State.

Commissioner Tully said since a portion of the sales tax revenue comes from people outside of Downers Grove, the Village needs to be mindful of what neighboring communities are doing. This is so that revenue is not lost by people that visit from outside the Village.

Manager Fieldman said the DMMC recognizes this issue and they are making sure that this is addressed locally.

Commissioner Gilmartin spoke of interest rates going up and the amount of interest income increasing, asking how the Village will factor that into projections.

Manager Fieldman said he will find that out.

Commissioner Gilmartin asked if Manager Fieldman thinks that is in the 1-3% of revenue or outside it.

Manager Fieldman said he will find out and added that he is not sure if 3% is enough to move the needle.

Commissioner Gilmartin asked for confirmation that the Village is holding 38%. Manager Fieldman confirmed. Commissioner Gilmartin said that could be significant.

Manager Fieldman said he will check on the interest earnings outlook and that the report will be updated with the information discussed.

Public Comment

Janet Whittingham, resident, expressed concern with budget projections not being as good as communicated. She also expressed concerns with Grocery Sales Tax.

Scott Richard, resident, expressed his concerns with Grocery Sales Tax and asked how the consumers will benefit from it.

Mayor Barnett explained there are a lot of pieces to it. He said it was important to remember that for the past four years the Village has had revenues that have exceeded its expenses. This has allowed for the transfer of money to other places in the budget that it would be well used, as opposed to not collecting it at all – reminding all that Property Taxes have not been raised for three years. He explained that there are 35 communities in DuPage County there and Downers Grove is a part of the bottom five on the list to charge the lowest in property taxes. He explained that taxes on groceries, or vehicles, are a part of the package that has to do with the cost of living in Downers Grove. He reminded all that Downers Grove has been a real value across the County of DuPage for as long as he can remember. The Mayor explained that Grocery Sales Tax is a tax that every community in the State has depended on for the last 25 years. He expanded by stating that 76% of the Village expenses are payroll related, and looking back historically, there are less people working for the Village today then there were dating back to 2000. The Mayor explained it is not a good feeling to raise taxes on anyone, but there has been a strong commitment over the last 25 years of people that are managing the Village to make one of value, while still providing high quality services. He explained there is some uncertainty moving forward, but he cautioned anyone from focusing on any on aspect of this. He said this is why the Council has a series of meetings, spanning over a long period of time, that ends up with a budget. Mayor Barnett said this is because everything has been discussed. He stressed that this is an ongoing conversation.

Manager Fieldman explained that since revenues are increasing at a rate of 1-3% a year and expenses are increasing at a rate of 3-5%, though the graph shared shows a large gap at this time, the lines will eventually cross during this planning period. He said that staff will continue to manage expenses by identifying efficiencies, changes, etc., further explaining that as staff sees the gap starting to close, they will work hard to make sure the lines do not cross. He noted that the last time expenses exceeded revenues was in 2009, further explaining that because of exercises like this, staff can see it coming. Manager Fieldman said that is when Village staff and the Council work as a team to making the changes necessary to be sure the lines do not cross.

Commissioner Davenport explained that since revenue currently exceeds expenses, the percentages moving forward does not need to be equal for both revenues and expenses to have an impact. He said it is better to focus on the numbers than the percentages. He said he likes that fact that predictions are being shared, but that nothing is guaranteed to happen.

Commissioner Tully reminded all about the years 2021 and 2022.

Mayor Barnett then spoke of only 3-4 operational tax increases since approximately 2007, further explaining that the for many years the Village only increased taxes by the amount the State required for pension contributions. He said that was done because staff really focuses on the expense side of things. He shared that over the last 15 plus years, the Village's portion of each household Property Tax bill has remained at approximately 9%.

Warner Kiunte, resident, commended Manager Fieldman, the Council and Village staff for their work on this. He said it was an excellent overview. He then expressed that he will continuing conversations with the Village about what can be done to continue to make Downers Grove a safe and welcoming community.

10. Adjournment

Mayor Barnett asked for a motion to adjourn the meeting.

MOTION: *To convene into closed session pursuant to Section 2(C)(3) of the Illinois Open Meetings Act, to consider the selection of a person to fill a public office as defined in the Act, including a vacancy in a public office, when the public body is given power to appoint under law or ordinance, or the discipline, performance or removal of the occupant of a public office, when the public body is given power to remove the occupant under law or ordinance.*

RESULT: *Motion carried unanimously by voice vote.*

MOTIONED TO APPROVE: *Commissioner Sadowski-Fugitt*

SECONDED BY: *Commissioner Gilmartin*

AYES: *Sadowski-Fugitt, Gilmartin, Davenport, Tully, Glover, Mayor Barnett*

NAYES: *None*

Mayor Barnett declared the motion carried by voice vote and the meeting adjourned at 7:48 pm.

Respectfully Submitted,

Rosa Berardi
Village Clerk