



# WHEATON CITY COUNCIL PLANNING SESSION MINUTES

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MAYOR PHILIP J. SUESS

COUNCILMAN MICHAEL BARBIER | COUNCILWOMAN ERICA BRAY-PARKER | COUNCILMAN SCOTT BROWN  
COUNCILWOMAN SUZANNE FITCH | COUNCILWOMAN LYNN ROBBINS | COUNCILMAN SCOTT WELLER

WHEATON CITY HALL, COUNCIL CHAMBERS, 303 W WESLEY STREET, WHEATON, ILLINOIS 60187

Monday, March 28, 2022

## 1. Call to Order

The Wheaton City Council Planning Session was called to order at 7:24 p.m. by Mayor Suess following the conclusion of a public hearing. The following were:

Physically Present: Councilman Barbier  
Mayor Suess  
Councilwoman Fitch  
Councilwoman Robbins  
Councilman Weller

Absent: Councilwoman Bray-Parker  
Councilman Brown

City Staff Present: Michael Dzugan, City Manager  
John Duguay, Assistant City Manager  
Betsy Adamowski, Library Executive Director  
James Kozik, Director of Planning & Economic Development  
Robert Lehnhardt, Director of Finance  
Holly Schulz, Director of Human Resources  
Susan Bishel, Public Information Officer  
Sean Walsh, Sewer Superintendent

## 2. Public Comment

There were no public comments.

## 3. Approval of Planning Session Minutes – February 28, 2022

The Council approved the February 28, 2022 Planning Session minutes.

## 4. Resolution to Allow Conversion of Military Service to IMRF Service Credit

Director of Human Resources Schulz presented a request the City received from several employees that would allow IMRF-eligible military veterans to buy back military service time for IMRF service credit. Illinois pension code allows for municipalities to pass a resolution allowing veterans to purchase up to four years of service credit from before the employee began working for an IMRF employer. Wheaton's Police and Fire pension plans allow military veterans to buy up to two years of service credit. Director of Human Resources Schulz stated if the City Council would like to pass a resolution allowing military veterans to buy back service time for IMRF service credit, the City would now be required for the resolution to be for four years; two years is no longer an option under Illinois pension code.

In reviewing the program costs, Director of Human Resources Schulz stated if all eligible employees opted to purchase four years of service credit, the cost to the City would be \$180,279. However, the cost to the

employee would be an average of \$50,000 to \$60,000, so Director of Human Resources Schulz stated it is unlikely that all eligible employees would participate and elect to buy back the maximum amount of years. In response to Council questions, Director of Human Resources Schulz stated the City would pay an additional 0.12% in its IMRF costs in future years.

Director of Human Resources Schulz confirmed that eligible employees would be able to buy back their choice of between 0 months and four years of service credit. In response to a Council question, Director of Human Resources Schulz confirmed that this opportunity would also be available to incoming employees who have military service.

To answer a Council question, the Police and Fire pension codes only allow for 2 years of military service credit to be bought back.

Director of Human Resources Schulz answered a question about whether a supermajority vote would be required to pass a resolution related to IMRF by stating she will find out what type of vote would be required.

The Council directed staff to prepare a resolution for their consideration at the April 4 City Council meeting.

## **5. Financial Picture/Library Funding Goals**

City Manager Dzugan presented to the Council a 5-year report on the Library's finances and funding goals, mainly focusing on building renewal and capital funding. The Library receives 90% of its funding from property taxes, and during the 2022 levy discussion, the City Council requested information on whether additional annual funding is needed for the Library. City Manager Dzugan stated additional funding will be needed over the long term.

As part of this report, capital improvement projects were classified as either building renewal (attaining the structure's useful life) or alterations (staying relevant or fulfilling the Library's vision). The Library budgets for building renewal projects but not alterations.

City Manager Dzugan reviewed the formula the City uses to calculate annual funding needed for building renewal purposes, which is the Sherman-Dergis formula. The City selected a 75-year useful life formula, which equates to an annual funding amount of \$82,527 for the Library. If the City was using a 50-year useful life formula, this would require \$184,472 annually for the Library.

To fund alterations projects, City Manager Dzugan stated that the City has typically used fund balances exceeding targets.

City Manager Dzugan reviewed the roof replacement project, and a 2021 evaluation identified the roof's life may be able to be extended beyond the 2026 expected date with regular maintenance.

City Manager Dzugan reviewed projected finances at the end of 2026 in several scenarios, including with no capital improvements made, ending with approximately \$200,000 over policy target fund balance. With renewal improvements only, the total in 2026 with replacing the roof in 2026 would be \$2.2 million below target fund balance policy. However, if the roof replacement is deferred to 2031, the fund balance would be approximately \$1 million below target balance. The final scenario was completing all of the projects in both categories, resulting in approximately \$4 million below target fund balance.

Following a City staff presentation of this report, the Library Board met and suggested making temporary fixes to the West Plaza to buy time for more analysis; moving from a 75-year to a 50-year useful life formula; seeking additional funding for the 50-year useful life formula; and presenting alteration projects on an annual basis to the Council.

In a response to Council questions, City Manager Dzugan stated other City-owned buildings use a 75-year model, however in the past, the City has needed to divert additional funds because the fund balance was too low under the 75-year model. City Manager Dzugan clarified that the formula is a tool to use to guide funding levels, but it must still be regularly monitored.

As the City begins to prepare for the 2023 budget process, City staff is seeking to develop a funding approach for future projects. City staff suggested draft goals of funding renewal projects on an annual basis using the 50-year useful life formula, dedicating additional funding for renewal projects, presenting alteration projects to the Council on an annual basis, having no increase in property tax paid by property owners, and having the Library continue to review annual operating expenditures.

City Manager Dzugan further reviewed the effect of the 75-year vs 50-year renewal formula for the roof replacement, which would provide an additional \$500,000 for replacing the roof in 2026 at the 50-year formula, but the City would still be approximately \$1 million below the target fund level. If the roof lasted until 2031, under a 75-year formula, the fund balance would be about \$1.2 million under the target fund balance, vs a surplus of approximately \$36,000 at the 50-year formula.

In response to questions, City Manager Dzugan stated the study done on the roof condition identified maintenance repairs of \$100,000-\$200,000 over the next 5 years.

City Manager Dzugan reviewed over the next 5 years movement in various elements related to the City's tax levy, including the timing of bonds, pension fund obligations, and debt service. Despite this movement, City Manager Dzugan showed how the City plans to achieve a flat property tax levy. City staff sought feedback from the Council regarding the proposed draft goals and whether the Council should be funding some projects on an annual basis.

In response to Council questions, Library Executive Director Adamowski stated she would need to further review the engineering reports on the roof as to the recommended repair timing and whether this could be altered. City staff said they could provide the engineering reports on the roof to the Council.

City staff discussed the possibility of adding Library vision projects into the City's capital improvement planning process so the Council can evaluate these projects alongside other City projects. The Council spoke in favor of the goals and process as presented.

## **6. City Council/City Staff Comments**

There were no City Council/City Staff comments.

## **7. Adjournment**

The meeting was adjourned at 8:16 p.m.

Respectfully submitted,  
Susan Bishel