

Village of Peoria Heights  
Board of Trustees  
February 24, 2024

The meeting was called to order at 8:00 am.

Everyone stood for a moment of silence and the Pledge to the Flag.

Upon calling roll, the following Trustees were present: Sarah DeVore, Jeff Goett, Elizabeth Khazzam, Jennifer Reichert, Matthew Wigginton, and Brandon Wisenburg. Others present included Mayor Michael Phelan, Village Administrator and Chief of Police Dustin Sutton, Village Clerk Stephanie Turner, and Fire Chief Dan Decker.

Mayor Phelan opened the meeting to public comment. Hearing no public comment, the Board moved on to new business.

Chief Sutton prefaced the fiscal year 2024-2025 budget to explain to the Board the first draft had a deficit of almost \$800,000. He explained he wanted to have a conversation during the meeting about how to close the budget.

Clerk Turner gave an overview of the budget providing details on each of the departments of the General Fund as well as each of the funds. Both the General Fund and Waterworks have budgeted deficits though Clerk Turner noted the Waterworks' is a planned deficit. Clerk Turner cautioned the Board that General Fund revenues were not as conservatively estimated as usual before noting each department's primary expenses. The Waterworks budget includes projects for the second year of the capital spending plan as well as another round of ice pigging. Though it has deficit around \$200,000, Clerk Turner noted the Waterworks Company had been gathering reserves for years in anticipation of increased spending on infrastructure, and it was unlikely to spend the full \$400,000 for lead service line replacements allocated in the capital improvement plan for FY24-25. Finally, Clerk Turner covered the restricted funds of the Village noting that most were balanced. The Water Infrastructure Fund, the sole fund with a deficit, is budgeted like that for accounting reasons, and Clerk Turner assured the Board that the fund would not be spent so low though it was important to have it marked as it was in case of emergencies.

Trustee DeVore asked for clarification of the revenue estimates questioning if the new gas station and dispensary were included in revenue projections. Clerk Turner noted they were not as it was uncertain how much revenue they might provide.

Chief Sutton explained with such a large deficit the Board would either have to increase revenues or entertain personnel cuts as those are the only annualized expense. He noted that as the largest employer of the Village the Board might look to the police department, but he had concerns about public safety. Chief Sutton offered the Board could consider eliminating the Village Administrator position and its stipend to save on personnel costs.

Trustee DeVore asked if the budget included matching grant funds with staff assuring her it was included. She also questioned the replacement of holiday decorations included in Administration. Trustee DeVore expressed she'd like to increase the garbage charges and make cuts to some of the expenses. She was not in favor of a sales tax increase.

Trustee DeVore exited the meeting at 8:28 am.

Trustee DeVore entered the meeting remotely at 8:29 am. She requested remote attendance due to a work commitment.

The Board began reviewing General Fund expenses. Trustee Wisenburg agreed with Trustee DeVore regarding increasing garbage charges. The Board discussed removing holiday decoration replacements as well as removing a digital sign from Administration. Trustee Wisenburg suggested cuts to the Economic Development and Marketing lines in Administration. Clerk Turner explained in detail the source of those expenses, and Trustee Wisenburg withdrew his suggestion. Trustee Wisenburg expressed concern including \$200,000 in the Fire Department for a vehicle grant match. The Board discussed the likelihood of receiving the grant and agreed to removing the expense.

Chief Sutton noted the Village needed a steady stream of revenue to fund expenses. He noted that eliminating one time expenses will only solve the problem for the year. The additional expenses are annual expenses that need to be funded through cuts to annualized costs or increased revenues. Trustee Wigginton agreed with Chief Sutton noting the danger of pushing one time expenses into the future.

The Board spoke to Chief Decker about his vision for the Fire Department noting the increase in salaries, benefits, and volunteer contributions. Chief Decker explained his plan to have three full-time staff manning the station 24/7 with volunteers filling the second seat needed to respond. The Board discussed salaries as well as the policies around hiring firefighters as opposed to other municipal staff. The Board discussed lowering costs with Chief Decker expressing concern finding qualified individuals.

Trustee Khazzam exited at 9:22 am. Trustee Khazzam reentered at 9:23 am.

The Board continued to discuss appropriate salaries with Chief Sutton providing context regarding police officers' and sergeants' salaries. Chief Sutton noted concerns that the firefighters' salaries could increase the police officers' salaries in the next collective bargaining negotiations. Trustee Wisenburg questioned the increase in building maintenance in the Fire Department's budget. Chief Decker explained the majority of the cost was for venting system to remove exhaust from the apparatus in the fire bay.

Mayor Phelan exited at 10:15 am. The Board discussed safety concerns before delaying the expense in interest of budget concerns.

Mayor Phelan reentered at 10:18 am. The Board discussed increasing General Fund revenues through sales tax increases but was reluctant.

The Board reviewed the Street Department's budget noting the cost for entrance signs. Superintendent of Public Works, Mr. Chris Chandler, explained the signs were old and in need of replacement. Trustee Khazzam noted the entrance signs had been discussed during the interviews for engineering firms for the Prospect Road project. The Board discussed integrating new entrance signs with the work done by the engineering firm. The Board decided to delay the replacement of the entrance signs until the completion of the Prospect Road redesign to avoid duplicating work.

Clerk Turner updated the Board that the proposed cuts and increased revenues had lowered the deficit to approximately \$150,000.

Director of Community Development, Mr. Wayne Aldrich, spoke to the Board about grant opportunities and matching funds. Director Aldrich noted the Village is beginning the engineering phase for Prospect Road which has a \$500,000 match of federal funds. Clerk Turner shared that the BDD and TIF Funds were budgeted to provide matching funds for the project. The Village also has proposed projects on Monroe Avenue and Galena Road though costs are being determined. Director Aldrich noted the HUD Healthy Homes Grant Program is underway and the Village's match has been included in the budget. The Board questioned Director Aldrich about consulting services regarding the sale of the water company. Director Aldrich noted the Board had left him unclear after the last discussion. He did note the Village could pursue state and federal grants for infrastructure if it retains ownership. Director Aldrich noted the Board may want to consider purchasing property for economic development in the future once current budget concerns have been addressed. Director Aldrich concluded his remarks noting that the Board needed to consider a secession plan as he was past the age of retirement.

Trustee Reichert suggested the Board could consider raising other fees to offset the deficit. She noted the Village might do an assessment of fees such as building permits, license, registrations, and ticket fines. Chief Sutton noted the Village had reviewed those fairly recently but they could be reviewed again.

The Board returned to discussion of an exhaust system in the fire bay. Trustee Wisenburg expressed concern for the safety of the public and employees. The Board discussed use of capital improvement funds to pay for the cost.

Mayor Phelan thanked the Board for the constructive discussion.

Trustee Goett made a motion to adjourn, and Trustee Wisenburg seconded the motion. The Board of Trustees voted 6-0 to adjourn at 11:09 am.

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Michael Phelan, Mayor

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Stephanie Turner, Village Clerk