

**MINUTES
CITY OF DEKALB
COMMITTEE OF THE WHOLE MEETING
MAY 11, 2020**

The City Council of DeKalb, Illinois held a Committee of the Whole meeting on May 11, 2020, in the City Council Chambers of the DeKalb Municipal Building, 200 South Fourth Street, DeKalb, Illinois.

A. CALL TO ORDER AND ROLL CALL

Mayor Smith called the meeting to order at 5:00 p.m.

Mayor Smith identified the elected officers participating remotely. They were Alderman Tracy Smith and City Clerk Lynn Fazekas.

City Clerk Fazekas called the roll, and the following members of the City Council were present (or attending remotely, as noted above): Alderman Carolyn Morris, Alderman Bill Finucane, Alderman Tracy Smith, Alderman Greg Perkins, Alderman Scott McAdams, Alderman Mike Verbic, and Alderman Tony Faivre.

Staff present included City Manager Bill Nicklas.

B. APPROVAL OF THE AGENDA

Mayor Smith asked for additions or deletions to the agenda. None were offered.

MOTION

Alderman Faivre moved to approve the agenda. Alderman Verbic seconded.

VOTE

Motion carried 8-0 on roll call vote. Aye: Morris, Finucane, Smith, Perkins, McAdams, Verbic, Faivre, Mayor Smith. Nay: none.

C. PUBLIC PARTICIPATION

Mayor Smith read a comment submitted by resident Mark Charvat, who said he is glad the City is addressing the COVID-19 budget impacts, but sad it took so long and that Finance Advisory Committee (FAC) has not been consulted. Mr. Charvat said he feels revenue projections are overestimated. He called for cutting expenses more, including travel expenses and salaries of non-bargaining employees.

Mayor Smith read a comment submitted by resident Bessie Chronopoulos, who said she would like to see Council discuss the budget on a regular basis and for Finance Advisory Committee (FAC) to be utilized, which she called a best practice for sharing complex

issues with the public. Ms. Chronopoulos suggested several items involving tax increment financing and suggestions for what to cut from the budget. She said discussions of the budget shared with FAC members should have taken place in public.

D. CONSIDERATIONS

1. Consideration of City Budget Impacts Related to the COVID-19 Crisis.

City Manager Nicklas said the City ended 2019 well, but the picture has changed due to COVID-19 impacts to sales and use tax revenues, and new actuarial assumptions will add more than \$1.3 million to the City's annual pension obligations for next year.

The city manager also reported the City currently is anticipating declines of 15% in state and local sales tax revenues this year, and a 30% decline in video gaming, hotel/motel, and restaurant and bar taxes, assuming the community is transitioning out of the stay-at-home order in June. He noted the restaurant/bar tax numbers include steps to mitigate impacts to these businesses by suspending restaurant/bar tax collections. Impact to income tax revenues is estimated at a 10% decline, he said.

Additionally, the city manager said the proposal includes reductions in budgeted personnel and across-the-board cuts in the commodities and contractual categories. Along with savings achieved through a leasing program for vehicles and equipment, the measures will help offset a possible \$4 million in lost general revenues.

Council talked about maintaining level of services, how cutting reserves might impact the City's bond rating, and the possibility of declaring a surplus of TIF funds.

E. EXECUTIVE SESSION PURSUANT TO 5 ILCS (120/2)

No executive session was authorized during this meeting.

F. ADJOURNMENT

MOTION

Alderman Morris moved to adjourn at 5:57 p.m. Alderman McAdams seconded.

VOTE

Motion carried on majority voice vote. Mayor Smith declared adjournment at 5:57 p.m.

LYNN A. FAZEKAS, City Clerk

Approved by City Council: May 26, 2020.