



**AMENDED**

**DEKALB CITY COUNCIL AGENDA  
REGULAR MEETING  
JULY 12, 2021  
6:00 P.M.**

DeKalb Public Library  
Yusunas Meeting Room  
309 Oak Street  
DeKalb, Illinois 60115

**A. CALL TO ORDER AND ROLL CALL**

**B. PLEDGE OF ALLEGIANCE**

**C. APPROVAL OF THE AGENDA**

**D. PUBLIC PARTICIPATION**

**E. PRESENTATIONS**

1. [Proclamation: Declaring Juneteenth \(June Nineteenth\) a Day to Commemorate the End of Slavery in the United States, and a Day of Racial Reconciliation and Healing in the City of DeKalb.](#)

**F. APPOINTMENTS**

1. Appointment of Joe Gastiger as Chair of the Human Relations Commission for the Completion of a Two-Year Term through December 31, 2023.
2. [Appointment of J.J. Wett to the Human Relations Commission for the Completion of a Three-Year Term through December 31, 2024.](#)
3. [Appointment of Shannon Stoker to the Planning and Zoning Commission for the Completion of a Five-Year Term through December 31, 2026.](#)

**G. CONSENT AGENDA**

1. [Accounts Payable and Payroll through July 12, 2021, in the Amount of \\$2,110,371.](#)

**H. PUBLIC HEARINGS**

1. Community Development Block Grant (CDBG) Consolidated Annual Performance and Evaluation Report ("CAPER") for Program Year 2020 (April 1, 2020 - March 31, 2021).

City Manager’s Summary: The City is required to complete a Consolidated Annual Performance and Evaluation Report (“CAPER”) and an Annual Action Plan (budget) for each grant year under the federal Community Development Block Grant (CDBG) program. Citizen participation is required during both processes and this public hearing is a part of the mandatory public review period. Adoption of the Annual Action Plan requires a formal action by City Council. The CAPER is an informational document that does not require action by Council. However, the Council is required to respond to any citizen comments and the City must include the comments in the final document submitted to the federal Housing and Urban Development (HUD) department. The City has complied with all HUD requirements including the public notice and 15-day public review period for the CAPER. All projects funded through CDBG during the program year were HUD eligible activities and in compliance with applicable regulations.

The CAPER provides information pertaining to actual program expenditures and accomplishments for CDBG Program Year 2020 (April 1, 2020, through March 31, 2021). Available resources included the annual CDBG allocation, carry-over funds, and CDBG CARES Act funds. Program Year 2021, which started April 1, 2021, will include the current year’s regular CDBG allocation plus the 2020 carry-over funds from the CDBG Entitlement Funding. CDBG CARES Act Funds will remain open as Program Year 2020 funds are expended for the targeted uses.

A copy of the City’s Community Development Block Grant (CDBG) CAPER Executive Summary for Program Year 2020 and the CAPER Report is attached. The full CAPER document was made available to the public for a 15-day review period starting June 25, 2021, in advance of this public hearing. Comments received during the public review period or at this public hearing will be recorded in the CAPER before it is submitted to HUD.

The following tables summarize the 2020 expenditures:

**A. Summary of Expenditures: CDBG Regular Entitlement Funds**

	<b>Amount Available</b>	<b>Total Expenditure</b>	<b>Remaining Balance</b>
2020 Payout of Committed Funds for 2019 Public Services and 2019 Administration	\$24,979.52	\$24,979.52	\$0.00
2020 Owner Occupied Housing Rehabilitation (Includes program delivery)	\$111,029.07	\$22,142.45	\$88,886.62
2018 Public Facilities Project for Fiber Optic Broadband Access	\$210,000.00	\$115,000.00	\$95,000.00
2019 Public Facilities Project for AGN Street Lights	\$200,204.00	\$153,614.71	\$46,589.29
2018 Residential Demolitions	\$4,000.00	\$4,000.00	\$0.00
2020 Demolition – 912 Edgebrook Drive	\$250,379.00	\$175,280.00	\$75,099.00
2020 Public Services	\$69,000.00	\$55,250.00	\$13,750.00
2020 Public Facilities/Improvements – Twombly Road Sidewalks	\$110,000.00	\$0.00	\$110,000.00
2020 Optional Relocation Assistance	\$25,000.00	\$0.00	\$25,000.00
2020 Administration	\$92,440.00	\$75,150.38	\$17,289.62
2020 HUD Adjustment to Grant	-\$71.00		-\$71.00
<b>TOTAL</b>	<b>\$1,096,960.59</b>	<b>\$625,417.06</b>	<b>\$471,543.53</b>

**B. Summary of Expenditures: CDBG Coronavirus (CV) Funds)**

	<b>Amount Available</b>	<b>Total Expenditure</b>	<b>Remaining Balance</b>
2020 CV-Public Services	\$539,324.00	\$152,628.94	\$386,695.06
2020 Administration	\$5,000.00	\$0.00	\$5,000.00
<b>TOTAL</b>	\$544,324.00	\$152,628.94	\$391,695.06

The total CDBG revenues and expenditures for Program Year 2020 are shown below:

Annual CDBG Allocation:	\$462,204.00
HUD Adjustment to 2020 Grant	(\$71.00)
Carry-Over Funds from Previous Years:	<u>\$634,827.59</u>
CDBG Funds Available:	\$1,096,960.59
2020 CDBG-CV Allocation:	<u>\$544,324.00</u>
Total Available:	\$1,641,284.59

Amount Expended during PY 2020:	
CDBG Funds:	\$625,417.06
CDBG-CV Fund:	<u>\$152,628.94</u>
Total Expenditures:	\$778,046.00

Remaining Balances:	
CDBG Funds Available:	\$1,096,960.59
CDBG Total Expend for PY 2020	<u>\$ 625,417.06</u>
Remaining CDBG Funds:	\$ 471,543.53

2020 CDBG-CV Allocation:	\$544,324.00
CDBG-CV Expenditures for PY 2020	<u>\$152,628.94</u>
Remaining CDBG-CV Funds:	\$391,695.06

Ending Balance March 31, 2021	\$863,238.59
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As the background memorandum from Community Services Coordinator Joanne Rouse explains, an inaccuracy in a report dating to 2012 was discovered and remedied in each year's subsequent reporting, including 2020, with the cooperation of the regional HUD administration. [\(click here for additional information\)](#)

**I. CONSIDERATIONS**

**1. Consideration of the City's Public Transit Fares.**

City Manager's Summary: On March 18, 2020, the City of DeKalb Public Transit System suspended fares on all fixed route and paratransit services due to the COVID-19 pandemic. This Agenda topic asks the Council to consider whether it is fair and prudent to restore charges for transit services on the City's fixed routes.

**Background**

As Transit Manager Marcus Cox explains in his background memorandum, the suspension of fares removed the physical handling of money for the safety of both

passengers and transit service employees during the height of the pandemic. In addition, the suspension of fares eased financial burdens for frontline workers and community members reliant upon public transit to get to jobs, grocery stores, and health care facilities. Fare-free public transportation was commonplace across the nation while transit agencies developed plans to maintain the safety of all public transit users during the novel coronavirus crisis.

In the summer of 2020, as state restrictions temporarily eased, some agencies began reimplementing fares while most others maintained a fare-free program. With the vaccination rollout in place and widely administered in 2021, most urban systems within the state have returned to fare collection. The table that follows shows nine other comparable urban transit systems in the state and when or if they have returned to collecting public transit fares on fixed route and paratransit services:

Transit Agency	Fares Suspended	Fares Reinstated
Champaign, IL	March 2020	Still Fare Free
Decatur, IL	March 2020	Still Fare Free
Moline, IL	March 2020	7/6/2020
Peoria, IL	March 2020	1/4/2021
Danville, IL	March 2020	1/4/2021
Springfield, IL	March 2020	3/15/2021
Rockford, IL	March 2020	5/30/2021
Bloomington, IL	March 2020	6/1/2021
Kankakee, IL	March 2020	7/1/2021

Some systems have investigated the potential of maintaining a fare-free system. Others have opted to utilize additional federal grant funding to subsidize future operating or capitals costs and extend fare-free status through 2021 or 2022 to entice passengers to return to public transit. Research data suggest that pre-pandemic public transit ridership levels may not return until as early as 2023.

The City of DeKalb Public Transit System operates 11 fixed routes, 1 deviated fixed route, and 1 commuter shuttle throughout and beyond the DeKalb Urbanized Area. The 11 fixed routes operate on the campus of Northern Illinois University (NIU) and throughout the DeKalb area including along Sycamore Road and around southern DeKalb. The deviated fixed route operates in and around Sycamore while the one commuter shuttle travels to and from the Metra Station in Elburn. Of the 13 routes noted above, 6 of them do not collect or require fares for any members of the public. These 6 routes are the routes that operate primarily on the NIU campus and are short, express-style routes. The remaining 7 buses would normally require fares, and are the routes that operate to southern DeKalb, Sycamore Road, Elburn Metra Station, Sycamore, etc.

The City's fixed route bus fare is one of the cheapest in the state with one-way trips for general public passengers costing only fifty cents. Senior citizens, individuals with disabilities, and K – 12 students pay a reduced fare of twenty-five cents while NIU students and children under the age of 5 ride all fixed route buses free of charge. A portion of NIU student tuition is devoted to public transportation, and the university uses that portion of the tuition to fund NIU's annual transit contribution to the City.

Historically, the general public, senior citizens, and individuals with disabilities that utilize the bus service have paid a cash fare upon entering the bus. While most urban transit systems across the country utilize electronic fare box collection methods, the City's transit system has not yet procured electronic fare boxes and instead offers cylindrical glass and steel fareboxes that allow passengers to place coins and bills within them. Bus operators are not able to make change, so passengers must provide exact change when paying their fare. Passengers are also able to request transfer tickets in instances where multiple buses are needed to reach a destination. Transfer tickets aid in reducing the cost for the passenger as they only need to pay on their first bus ride and then can ride on the second bus for no additional charge. NIU students are not required to pay a fare and instead must provide evidence of being an active NIU OneCard holder to confirm their status as an NIU student. OneCard holders do not need transfers as they can access any route for free with their ID. The only route for which NIU students must provide a cash fare is Route 12 to the Elburn Metra Station.

Based on historical ridership data, City transit staff estimate that approximately 70% of fixed route passengers are NIU students while the remaining 30% are residents or guests of the DeKalb Urbanized Area. Since NIU students with active NIU OneCards ride all local fixed route buses for free, the fares collected from the fixed route system are primarily fares gathered from residents and visitors.

In 2019, the City collected \$55,437 in fare revenue from the fixed route system. The paratransit system fares remained with the City's contracted transit service provider at the time, Voluntary Action Center of Northern Illinois. Fare revenue obtained from the paratransit and deviated fixed route service to Sycamore was used by VAC to support the transit system. Since January 1, 2021, the City has retained the fares collected by the contracted transit service provider, Transdev Services Inc.

In 2020, the City collected \$19,881 in fare revenue from the fixed route system with \$14,324 collected between January 1, 2020, and April 30, 2020. The remaining \$5,556 was retrieved from fare collected on the Route 12 commuter shuttle to the Elburn Metra Station that maintained fare collection throughout 2020. But for the pandemic and the suspension of fares, it is conservatively estimated that the FY2020 fare revenue might have totaled approximately \$80,000.

When considering the City's current transit service levels, including both the fixed route and paratransit services, a return to fare collection might yield approximately \$100,000 in annual fare revenue in 2021. These funds could be used to assist with various aspects of the transit system including vehicle purchases, capital enhancements for bus shelters, and technology upgrades for customer service improvements.

The revenue collected from fares represents approximately 2% of the total annual revenues. Most of the system's revenue comes from state and federal grants and the transit contribution received annually from NIU according to the City/NIU intergovernmental agreement for consolidated transit services.

Fare revenue is not an allowable form of local match for the State's Downstate Operating Assistance Program (DOAP) grant or the Federal Transit Administration Urbanized Area Formula – 5307 grant. Fare revenues have historically been used for "one-off" expenses. This has included the new transit staff car purchased in February

2020 along with minor purchases for advertising, auditing, and public outreach purposes. The City's transit system currently has access to \$24,734 in unused fare revenue that could be used to fund future operating or capital projects, as necessary.

In April 2020, the Coronavirus Aid, Relief, and Economic Security (CARES) Act economic stimulus bill was released. About \$25 billion of the CARES Act was set aside to support public transportation, \$22.7 billion of which was devoted to large and small urban areas and their transit systems. These funds were used to assist agencies in covering unanticipated operating expenses as well as paying for administrative leave for transit personnel due to reduced operations during the emergency. A second round of funding - \$14 billion – was released to transit agencies in January 2021 through the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA) while a third funding opportunity, the largest yet at \$30.5 billion, came shortly after in the form of the American Rescue Plan (ARP) Act of 2021. The City of DeKalb has received approximately \$3.5 million in CARES Act funding and \$750,000 in ARP funding.

**Recommendation: The City Manager and Transit Manager recommend continuing the suspension of fares through December 31, 2021.** Prior to the winter holidays, the staff can effectively communicate with passengers regarding the return to fare collection. For the balance of this fiscal year, the City can use CARES Act funding to assist with expenses, if necessary. ([click here for additional information](#))

## J. RESOLUTIONS

### 1. **Resolution 2021-052 Authorizing a Restaurant/Bar Liquor License for Jerk Fuzion Sports Bar & Grill, 930 Pappas Drive.**

City Manager's Summary: Jerk Fuzion Bar & Grill, d/b/a Jerk Fuzion Sports Bar & Grill, located at 930 Pappas Drive has submitted an application for a restaurant/bar liquor license, along with a supplemental annual caterer's permit and live entertainment permit. The application has been reviewed and the owner has successfully completed her background investigation.

Upon approval of the liquor license, the City will receive an initial issuance fee of \$10,766 and \$377 each for the annual caterer and live entertainment permits.

Note that the license term for a restaurant/bar liquor license begins on January 1 and ends on December 31. Typically, this type of liquor license carries a \$2,692 annual renewal fee. However, Jerk Fuzion's 2022 annual renewal fee will be reduced by 50% since the initial liquor license will be issued six months into the current licensing term.

**Council approval of the license and permits is recommended, subject to the conditions described in the resolution.** ([click here for additional information](#))

### 2. **Resolution 2021-053 Authorizing a Contract with ICMA-TV in the Amount of \$22,500 to Produce a Film About the City of DeKalb for a Nationwide Audience.**

City Manager's Summary: Details regarding this item will be provided at the July 12, 2021, City Council meeting.

**K. ORDINANCES – SECOND READING**

None.

**L. ORDINANCES – FIRST READING**

**1. Ordinance 2021-023 Amending the Fiscal Year-End December 31, 2021, Budget.**

City Manager’s Summary: The City closed the second quarter of its FY2021 fiscal year on June 30. At this point in the fiscal year, it is useful to “true up” some funds to reflect current trends in revenues and expenditures.

**a) Creation of a New Fund: Fund 110**

As reported at the last regular Council meeting of June 28, the City received its first transfer in the amount of \$5,211,477 from the US Treasury under the American Rescue Plan (ARP) on May 19. After consultation with the City’s auditors (Sikich, LLC), the City’s Finance team established a new fund – Fund 110 – in the City’s financial software to provide the shell for tracking future revenues and expenditures under the ARP program. The barebones revenue and expenditure line items are as follows:

<b>Fund 110</b>		
<b>Revenues</b>		<b>2021 Budget</b>
110-00-00-33100	Federal Grants	\$5,211,477
110-00-00-33150	Federal Pass-Through Grants	\$0
110-00-00-33200	State Grants	\$0
110-00-00-37100	Investment Interest	\$30,000
110-00-00-38100	Miscellaneous Revenue	\$0
110-00-00-39100	Transfer from General Fund	\$0
	<b>Total Revenues</b>	<b>\$5,241,477</b>
<b>Expenditures</b>		<b>2021 Budget</b>
110-00-00-41100	Wages--Full-Time	\$0
110-00-00-41200	Wages--Part-Time	\$0
110-00-00-41300	Wages--Overtime	\$0
110-00-00-41400	Longevity Pay	\$0
110-00-00-42100	Employer Portion--FICA	\$0
110-00-00-42200	Employer Portion--IMRF	\$0
110-00-00-42500	Employee Health Insurance	\$0
110-00-00-62100	Financial Services (Audit)	\$5,000
110-00-00-62700	Human & Social Services	\$0
110-00-00-63650	Land Acquisition Services	1,000,000
110-00-00-63700	Developmental Services	\$500,000
110-00-00-63750	Demolition Services	\$0
110-00-00-63800	Contracted Services	\$241,644

110-00-00-83900	Other Capital Improvements	\$0
110-00-00-91100	Transfer to General Fund	\$2,000,000
110-00-00-91620	Transfer to Water Capital Fund	\$1,000,000
110-00-00-91830	Transfer to Police Pension Fund	\$0
110-00-00-91850	Transfer to Fire Pension Fund	\$0
	<b>Total Expenditures</b>	<b>\$4,746,644</b>
<b>Beginning Balance</b>		
	Beginning Balance	\$0
	Revenues	\$5,241,477
	Expenditures	\$4,746,644
	Fund Balance Adjustment	\$0
	Ending Balance	\$494,833
	Filling COVID-related Frozen Positions/Revenue Losses in FY2020	
	KWRD	
	AGN	
	Lead Service Replacement	

The further review and elaboration of expenditures will occur sequentially over the balance of this fiscal year and beyond.

**b) FY2021 General Fund Amendments**

The following tables show the revenue and expenditure amendments by line item. Each amendment is explained in the trailing narrative. **It should be noted that the net of all proposed FY2021 General Fund amendments is an increase of \$2,141,504** excluding the Fund 110 (ARP) revisions noted above.

FY2021 Budget Amendments			
FUND 100: General Fund Revenue			
Line Item	FY2021 Budget	Proposed Revision	Difference
100-00-00-31100 Sales Tax	\$ 4,975,000	\$ 5,613,320	\$ 638,320
100-00-00-31200 Home Rule Sales Tax	\$ 5,190,000	\$ 6,818,432	\$ 1,628,432
100-00-00-31300 Local Use Tax	\$ 1,750,000	\$ 1,750,000	\$ -
100-00-00-31400 Hotel Motel Tax	\$ 139,684	\$ 235,980	\$ 96,296
100-00-00-31500 Restaurant-Bar-Liquor Tax	\$ 1,457,000	\$ 1,639,876	\$ 182,876
100-00-00-39230 Transfer from SSA#30	\$ -	\$ 97,500	\$ 97,500
<b>Total Revenue</b>	<b>\$ 13,511,684</b>	<b>\$ 16,155,108</b>	<b>\$ 2,643,424</b>

<b>Fund 100: General Fund Expenditures</b>			
100-55-00-42600 Workers Compensation Fund Contribution	\$ -	\$ 350,000	\$ 350,000
100-55-00-42500 Health Insurance Fund Contribution	\$ 1,049,876	\$ 1,094,876	\$ 45,000
100-55-00-91420 Capital Equipment Replacement Fund Contribution	\$ -	\$ 25,000	\$ 25,000
100-15-12-63800 Contracted Services - NIU Internship	\$ -	\$ 8,000	\$ 8,000
100-15-16-52000 Office Supply	\$ 250	\$ 1,470	\$ 1,220
100-15-16-63000 Special Events	\$ 1,500	\$ 2,400	\$ 900
100-15-16-62900 Personnel Recruitment Services	\$ 32,710	\$ 53,000	\$ 20,290
100-15-16-62600 Medical Services	\$ 1,500	\$ 5,750	\$ 4,250
100-17-12-41300 Finance Department Overtime	\$ -	\$ 3,000	\$ 3,000
100-17-12-14500 Finance Department Postage	\$ 12,000	\$ 14,500	\$ 2,500
100-19-19-51500 Supply/Parts - Equipment	\$ 2,000	\$ 4,000	\$ 2,000
100-19-19-51600 Supply/Parts - Technology	\$ 12,500	\$ 25,000	\$ 12,500
100-19-19-61800 Maintenance-Software	\$ 341,740	\$ 360,000	\$ 18,260
100-19-19-86100 Technology Equipment	\$ 9,000	\$ 18,000	\$ 9,000
100-20-25-41200 Part-Time Wages - PD Community Support Services	\$ 368,187	\$ 289,913	\$ (78,274)
100-20-25-63800 Contracted Services - PD CSS	\$ 1,000	\$ 79,274	\$ 78,274
<b>Total Expenditures</b>	<b>\$ 1,427,116</b>	<b>\$ 1,869,376</b>	<b>\$ 501,920</b>
<b>Net General Fund Balance Increase/(Decrease)</b>			<b>\$ 2,141,504</b>

- The proposed revenue revisions register the experience of the first two fiscal quarters and project general revenues through 12/31/2021. Staff estimates also took into account the local, state, and national economy as we recover from COVID-19.
- The FY2021 Budget did not reflect the new SSA #30 (Hunter Ridgebrook) transfer of \$97,500 into the General Fund but did recognize the tax revenue in Fund 230 (SSA #30).
- A supplemental contribution of \$350,000 to the Workers Compensation (WC) Fund is proposed. As the FY2021 Budget was prepared in November 2020, the annual WC contribution was reduced by \$200,000 in order to protect the General Fund reserve in the face of uncertain timing for a return to normal business operations. Our FY2020 external audit revealed an ending Fund 700 Balance of \$1,144,700 which is \$302,929 less than the FY2019 ending balance of \$1,447,629. This is still within the City's policy of keeping \$1,000,000 in reserves. The increase in claims is owed in large part to outstanding litigation and medical claims related to the workplace and the effects of COVID-19. However, due to recent litigation settlements and the easing of COVID-19 claim-related expenses, the City should realize a more predictable pace of claims during FY2021.
- \$45,000 is required for an additional contribution to the Health Insurance Fund to cover increased City matches for 457(B) contributions by employees hired after July 1, 2001, in lieu of Employer-provided Health Insurance during an employees' retirement.
- Due to the breakdown of the Airport's deicer in February 2021, the Council approved an emergency purchase of a used de-icing truck. A one-time transfer of \$25,000 to

the Capital Equipment Replacement Fund (Fund 420) will solidify the Fund 420 balance.

- \$8,000 is requested to support an intern assignment associated with the Northern Illinois University’s Master of Public Administration program. The City has historically supported this program but at the time the FY2021 Budget was in process the funding was frozen.
- The City Manager requests Council support in revising the Human Resources expenditure budget to accommodate the City’s growing need to recruit public safety personnel to the City and to recognize multiple, required medical-related expenditures until the end of FY2021.
- \$0 was allocated for Finance Division overtime for FY2021. Realistically, \$3,000 is requested to cover the additional hours that were needed in the City’s FY2020 external audit (Spring 2021) and to shore up the FY2022 Budget production this Fall.
- The City postage balance was positive throughout FY2020 because there were no mass postage charges for utility billing changes or other financial notices. The Finance division is on pace for approximately \$14,500 in postage costs for FY2021 because of additional mailings to inform the public about the restoration of shutoffs as well as the modest recent water user fee increase.
- Anticipating COVID-related general revenue shortfalls, the Information Technology (IT) Department was asked to reduce its allocation for new equipment and parts for the technology infrastructure of the City in 2021. The IT line-item increases are focused on replacing outdated equipment and increasing threat protection. Software vendors have also increased their fees significantly to cover losses from FY2020. The IT revisions are in line with the amounts originally approved by the Council in the FY2020 Budget.
- The City Manager requests Council support to “cost-shift” the renewed Law Enforcement Embedded Social Worker program. The cost is shifted to a contracted expense rather than a personnel line item.

**c) Motor Fuel Tax Fund**

State Motor Fuel Tax Fund revenues are trending upward and should increase by \$114,536 over what was budgeted for the year. The peak summer travel months are just beginning so the revenue estimate in the table below is probably conservative:

Fund 210: Motor Fuel Tax Fund			
210-00-00-33550 Motor Fuel Tax Allotment	\$ 1,375,000	\$ 1,489,536	\$ 114,536
<b>Total Revenue</b>			<b>\$ 114,536</b>
<b>Net Motor Fuel Tax Fund Balance Increase/(Decrease)</b>			<b>\$ 114,536</b>

**d) Capital Equipment Replacement Fund**

The proposed revisions to this fund's budget are as follows:

- The transfer from the General Fund to cover the emergency purchase of the Airport de-icing truck (\$25,000) must be recognized.
- As reported during the audit presentation at the last Council meeting, the classification of leased vehicle assets is now required to be broken down by contract costs, custom upfitting costs (such as police equipment installs), fees, principal, and interest payments. The represented data is what is based upon (a) external audit findings and (b) vehicles ordered and in the City's possession.
- The FY2020 CAFR did not capture the cardiac monitor equipment that was ordered but not received in 2020, pushing \$59,808 into FY2021.

Fund 420: Capital Equipment Replacement Fund (CERF)			
420-00-00-39100 Transfer from General Fund	\$ -	\$ 25,000	\$ 25,000
<b>Total Revenue</b>			<b>\$ 25,000</b>
420-00-00-40002 Lease Purchase Contracts	\$ 205,144	\$ 129,753	\$ (75,391)
420-00-00-79000 Capital Lease Principal	\$ -	\$ 116,780	\$ 116,780
720-00-00-79100 Capital Lease Interest	\$ -	\$ 22,119	\$ 22,119
420-00-00-87000 Vehicles	\$ 141,500	\$ 226,308	\$ 84,808
<b>Total Expenditures</b>			<b>\$ 148,316</b>
<b>Net CERF Balance Increase/(Decrease)</b>			<b>\$ (123,316)</b>

**e) Water Fund (Fund 600) and Water Capital Fund (Fund 620)**

The proposed revisions are as follows:

- The FY2021 Budget did not recognize repayment to the Water Fund from SSA #28 (924 Greenbrier) which is on a repayment schedule based on [Ordinance 2018-049](#).
- The vehicle and lease data were calculated by the City's external auditors who will reclassify expenditures into Fund 600 instead of Fund 620 which is why the funds are presented together.

Fund 600/620: Water Fund & Capital			
600-00-00-39248 Transfer from SSA#28 Fund	\$ -	\$ 8,704	\$ 8,704
<b>Total Revenue</b>			<b>\$ 8,704</b>
600-00-00-87000 Vehicles	\$ -	\$ 22,677	\$ 22,677
600-00-00-79000 Capital Lease Principal	\$ -	\$ 50,958	\$ 50,958
600-00-00-79100 Capital Lease Interest	\$ -	\$ 8,819	\$ 8,819
620-00-00-40002 Lease Purchase Contracts	\$ 82,269	\$ -	\$ (82,269)
620-00-00-86000 Equipment	\$ 63,638	\$ 23,000	\$ (40,638)
<b>Total Expenditures</b>			<b>\$ (40,453)</b>
<b>Net Water &amp; Capital Fund Balance Increase/(Decrease)</b>			<b>\$ 49,157</b>

**f) Workers Compensation and Liability Fund**

The proposed revisions are noted below:

- The proposed \$350,000 transfer from the General Fund is noted.
- When the FY2020 Budget was in preparation, the cost of third-party legal services from CCMSI reflected experience from earlier years. The audit findings of FY2020 revealed \$83,000 in expenditures out of Fund 700 “Legal Services” as opposed to the FY2020 Amended Budget of \$29,600. It is estimated that third party expenses are on pace for an estimated \$90,000 in FY2021.
- The City’s Liability Insurance increased significantly for FY2021. The City employs a broker who shops the market annually to provide the City effective but economical liability insurance. Law enforcement risk trends on the national level have driven much of the large municipal cost increase. The broker did not identify the financial scope of our current risk exposure until late December 2020 after Council approved the FY2021 Budget. The City’s broker proposed a 3-year contract extension, but City management recently notified the brokerage firm of its intention to test the liability market in the Summer of 2021. The results of this market search will be shared with the Council as they are known.

<b>Fund 700: Workers Compensation &amp; Liability Fund</b>			
700-00-00-38500 Employer Contributions	\$ 681,070	\$ 1,031,070	\$ 350,000
<b>Total Revenue</b>			<b>\$ 350,000</b>
700-00-00-62200 Legal Services	\$ 40,000	\$ 90,000	\$ 50,000
700-00-00-63800 Contracted Services	\$ 470,000	\$ 567,500	\$ 97,500
<b>Total Expenditures</b>			<b>\$ 147,500</b>
<b>Net Workers Compensation &amp; Liability Fund Increase/(Decrease)</b>			<b>\$ 202,500</b>

**g) Health Insurance Fund**

The proposed revisions to this Fund are as follows:

- There is a \$45,000 General Fund transfer to the Health Insurance Fund to cover increased City matches for 457(B) contributions by employees hired after July 1, 2001, in lieu of employer-provided health insurance during an employee’s retirement. This General Fund transfer was noted above.
- The City executed a Health Insurance Market Study at a professional services cost of \$7,000. Our current cost-sharing pool, Intergovernmental Personnel Benefit Cooperative (IPBC), hasn't been tested by the City in 13 years. Comparable municipalities have adopted internal market testing policies and the City Manager believed the City was due for such a review in the light of recent health Insurance cost increases.

- The City offered employees an opportunity to collect an enhanced Health Insurance Opt-Out stipend if they are covered legally under an alternative plan. This expense saves the City it's 80% obligation to Employees' Health Insurance which can cost as high as \$33,000 annually if the employee selects a cadillac PPO plan.
- The IAFF Agreement (Res. 2020-132), called for the elimination of PEHP payments.
- The City Manager requests a \$5,000 appropriation to start an Employee Assistance Program (EAP) for City employees. Mental health and well-being are a priority and the City currently lacks an EAP arrangement with a local social services provider.

Fund 710: Health Insurance Fund			
710-00-00-38500 Employer Contributions	\$ 4,957,430	\$ 5,002,430	\$ 45,000
<b>Total Revenue</b>			<b>\$ 45,000</b>
710-00-00-41700 Deferred Compensation	\$ 150,000	\$ 195,000	\$ 45,000
710-00-00-67100 Other Professional Services	\$ -	\$ 7,000	\$ 7,000
710-00-00-41850 Health Insurance Opt-Out Contribution	\$ 27,500	\$ 44,500	\$ 17,000
710-00-00-67400 PEHP Contribution	\$ 32,500	\$ -	\$ (32,500)
710-00-00-62600 Medical Services	\$ -	\$ 5,000	\$ 5,000
<b>Total Expenditures</b>			<b>\$ 41,500</b>
<b>Net Health Insurance Fund Balance Increase/(Decrease)</b>			<b>\$ 3,500</b>

**Recommendation**

Taking all of the enumerated revisions together, the City Manager has proposed FY2021 Budget amendments that show a net excess of revenues over expenditures of \$2,387,881 across multiple funds. This surplus was realized from controlled spending and better-than-projected revenues against very conservative Budget projections in November 2020. It should be remembered that the FY2021 spending to date would have been \$1.8 million higher if the Council had not approved the “scoop and toss” of the FY2021 General Fund debt service to later years in this decade. As a result, most of the proposed revisions promise one-time relief to the General Fund reserve and not a structural revenue increase to be counted upon in FY2022. Additionally, the balance of what appears to be a surfeit of revenues vs. expenses will be partially absorbed by this year’s additional contributions to the state pension funds; the downstate pension crisis is still unresolved. Nevertheless, the City ship has been righted after the violent COVID gale and has resumed a steady fiscal course. The prudent investment of the additional ARP monies will allow for the resumption of program initiatives that have been deferred for a lack of general revenues.

**City Council approval of the proposed FY2021 Budget revisions is recommended.** [\(click here for additional information\)](#)

- 2. Ordinance 2021-024 Authorizing a Zoning Map Amendment from the “RC-1” Residential Conservation District to the “PD-C” Planned Development-Commercial District and Approval of a Preliminary and Final Development Plan for 304 N. Tenth Street (Elias Ramos).**

City Manager’s Summary: The City has received a petition from Elias Ramos to rezone 304 N 10th Street from the “RC-1” Residential Conservation District to the “PD-C” Planned Development Commercial District. The intent of the applicant is to establish

about 1,550 sq. ft. of commercial space on the ground floor (for two offices and a gift shop/convenience store) along with two, 2-bedroom apartment units on the second floor. The applicant is also proposing a small addition to the second story of the building and adding a 10-space parking lot on the north side of the lot.

### **Background**

The lot was purchased by Mr. Ramos in March 2020. The building once contained a bar and, years later, a dance studio. There is currently one apartment unit on the ground floor of the building. The building has fallen into disrepair over the years; however, the new owner has been making improvements to the property including re-siding the building. He has also done some interior demolition work to prepare for the two apartments and commercial space. The applicant is an existing business owner in the City and a licensed contractor, and the proposed improvements to the property will be a benefit to the neighborhood. Mr. Ramos and his wife currently operate La Moreliana Gift Shop at 205 N. 6th Street and will be re-locating the store to the subject site. Mr. Ramos and his wife will be living in one of the apartment units on the upper level.

A 10-space parking lot is proposed to the north of the structure with access from a new N. Tenth Street entrance. The current off-street parking consists of a one-car private garage. Based on the petitioner's proposal for two, 2-bedroom apartment units and about 1,550 sq. ft. of commercial space, there are 11 required parking spaces. The owner/operator of the retail space will be living upstairs so there will be some shared parking. Parking is not allowed on N. 10th Street along the subject site and only allowed on the north side of Oak Street.

A six (6) foot high fence will be provided along the east side of the parking lot along with a five (5) foot setback to the north and east. An existing four (4) foot high open fence will remain along a portion of the 10th Street frontage to allow for some screening. However, the 10-foot parking setback will not be maintained (see waiver discussion below). An engineering plan, landscape plan, and lighting plan for the parking lot will be required and have been added as a condition in the staff recommendation.

Some UDO waivers will be needed:

- Planned Development less than two acres – The subject site is 0.20 acres. With the other waivers regarding setbacks and parking, the Planned Development zoning was the most appropriate. A similar waiver to this requirement has been approved several times, including the Cornerstone DeKalb, Plaza DeKalb, and Pizza Hut projects.
- Reduction of the perimeter buffer requirements next to a residential district. The UDO states that when a PD-C District abuts a residential district, a 50-foot landscape buffer is required. RC-1 zoning exists to the east; however, the lot is not wide enough to accommodate this 50-foot setback and a waiver is justified.
- Off-Street Parking Requirements - There are a total of 11 parking spaces required with 2 two-bedroom units and about 1,550 sq. ft. of commercial floor area (865 sq. ft. of office and 685 sq. ft. of retail space). The owner and operator of the retail space

will be living upstairs so there will be some shared parking. The 10 parking spaces will be adequate for the proposed uses.

- Reduction of the parking setback along N. 10th Street. The UDO requires a 10-foot setback for parking in the front-yard adjoining a street. The width of the lot (60 feet) is not enough to accommodate the parking spaces needed and maintain the front yard (10 feet) and rear yard setbacks (5 feet). The front yard south of the proposed access drive will be five (5) feet from the right-of-way of N. 10th Street; however, the area north of the access drive will not. There is currently a four (4) foot high open fence to the north of the future access point and the owner will be maintaining it to offer some buffering of the parking lot.

The petitioner is agreeable to all of these UDO waivers. The Planning & Zoning Commission considered this re-zoning petition and the related UDO waivers at its regular meeting of July 6. By a vote of 5 to 0 (Commissioner McMahon was absent), the Planning & Zoning Commission voted to recommend the Council's approval of the re-zoning with the waivers noted above.

The petitioner has requested a waiver of second reading to expedite the remodeling, should the Council support the rezoning. City Council approval of the Planning & Zoning Commission's recommendation is requested. [\(click here for additional information\)](#)

**3. Ordinance 2021-025 Amending the City's Holiday Schedule to Recognize June Nineteenth ("Juneteenth") as an Official Paid Employee Holiday.**

City Manager's Summary: The attached ordinance amends the DeKalb Municipal Code to create an additional paid holiday commemorating Juneteenth in the City of DeKalb. By action of the President and the Congress of the United States, June 19 was declared a federal holiday on June 17, 2021, to commemorate the day (June 19, 1865) when Union General Gordon Granger and a contingent of about 2,000 Union troops brought news of emancipation to one of the deepest parts of the former Confederacy in Galveston, Texas.

The creation of holidays is a bargainable and will be discussed with the collective bargaining groups that represent most City employees. However, this ordinance does immediately apply to all exempt employees and will set a tone and establish language that will provide a collegial basis for future changes in the City's collective bargaining agreements. The City will not seek concessions in terms of wages or working conditions when it approaches its constituent labor groups to add this paid holiday to the respective collective bargaining agreements.

The City of DeKalb presently recognizes eleven (11) paid holidays. The estimated cost to the City's General Operating Fund if this holiday had been observed in FY2020 is \$12,686.81. Those public safety employees who work holidays on rotation are not included (e.g., Police patrol officers and detectives, telecommunicators, and Fire operational personnel). If all full-time and part-time employees across all funds are included, the estimated cost in 2020 would have been \$19,546.76.

With respect for the current national conversation focusing on continuing obstacles to racial equity and social justice, and to build hope out of community engagement and action, the local marking of the Juneteenth holiday without institutional reservations is long overdue. At this point in our local history, any resort to economic arguments to oppose this holiday diminishes all of us. By embracing Juneteenth as a holiday when we might honor and commemorate those who have struggled for greater equity and mutual respect, we move toward the culture of belonging that was General Granger's aspiration 156 years ago.

**City Council approval is recommended.** ([click here for additional information](#))

**4. Ordinance 2021-026 Amending Chapter 51 "Traffic", Schedule A "One Way Traffic", as it Pertains to Establishing One Way Traffic on N. Sixth Street from E. Lincoln Highway to Pine Street.**

City Manager's Summary: At the last regular City Council meeting of June 28, the City Council considered an engineering proposal to convert N. Sixth Street from a two-lane section to a one-lane section, northbound, between Oak Street and Pine Street. The purpose of this reconfiguration was to create 10-11 new diagonal, on-street parking spaces to serve the DeKalb Housing Authority and the former Farm Bureau Building.

The Council generally supported this proposal but debated whether or not the one-way reconfiguration should also include that portion of N. Sixth Street between Locust and Oak Streets which is currently a two-way section. City Engineer Zac Gil reported that there was some concern expressed by the businesses in the 200 block of N. Sixth Street about the creation of a one-way configuration in that block. However, it was noted that for customers and visitors moving northbound from E. Lincoln Highway, it would be confusing if Sixth Street – already one-way northbound between Lincoln Highway and Locust Street – would become two-way in the 200 block, and then revert to one-way in the 300 block of N. Sixth Street.

Accordingly, the Council voted down the proposed ordinance (Ordinance 2021-021) that would have created alternating one-way, two-way, and one-way N. Sixth Street sections between Lincoln Highway and Pine Street. Additionally, the Council directed the staff to bring back a new ordinance making N. Sixth Street a one-lane roadway, northbound, from E. Lincoln Highway to Pine Street. The attached ordinance follows that Council guidance.

**City Council approval is recommended.** ([click here for additional information](#))

**M. REPORTS AND COMMUNICATIONS**

**1. Council Member Reports.**

**N. EXECUTIVE SESSION**

**1. Approval to Hold an Executive Session to Discuss the Purchase or Lease of Real Property as Provided for in 5 ILCS 120/2(c)(5).**

**O. ADJOURNMENT**

[July 12, 2021, Regular Meeting Agenda Packet](#)