



COMMITTEE OF THE WHOLE MEETING
MONDAY, APRIL 3, 2023
(Immediately following the Village Board Meeting)

AGENDA

CALL TO ORDER

ROLL CALL

AUDIENCE COMMENTS

TRUSTEE COMMENTS

DISCUSSION

1. FY 2023-24 Draft Budget Follow-Up
2. American Rescue Plan Act (ARPA) Update

EXECUTIVE SESSION

1. Personnel

ADJOURN

Initials: SB

Village of North Aurora Memorandum



To: President and Village Board of Trustees
From: Jason Paprocki, Finance Director
CC: Steven Bosco, Village Administrator
Date: April 3, 2023
RE: FY 2023-24 Draft Budget Follow-Up

The FY 2023-24 Draft Budget was presented to the Village Board at the March 20, 2023 Committee of the Whole meeting. Staff is seeking follow-up from the Board to see if there are any questions or particular items in the budget to discuss further. In addition, a few changes have been made to the Draft Budget since the March 20th presentation. The changes include:

General Fund:

- Updating the pay grade for the new Business and Administrative Services Manager due to the identification of an internal candidate.
- Removing \$10,000 for contracted Strategic Plan professional services. This will be done in-house again.
- Added \$2,500 for meals and supplies related to the in-house Strategic Plan sessions.
- Reducing Village Hall office improvements from \$10,000 to \$5,000. This was previously included to create a new office in Village Hall.

Route 31 TIF Fund:

- Updating property tax revenue from \$343,500 to \$335,000 based on the 2022 tax extension confirmation.

United TIF Fund:

- Updating property tax revenue from \$116,500 to \$385,000 based on the 2022 tax extension confirmation.

Waterworks Fund:

- Adding \$25,000 for West Treatment Plant exterior wall tuckpointing and waterproofing.
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As a result of the changes listed budgeted fund increases/(decreases) have changed to:

- The General Fund budgeted increase has gone from \$1,345 to \$2,490. The updated net increase of \$2,490 still assumes a transfer to the Capital Projects Fund up to \$600,000 for FY 2023-24.
- The Waterworks Fund budgeted decrease has gone from (\$588,825) to (\$638,825).

- The Route 31 Tif Fund budgeted decrease has gone from (\$643,500) to (\$652,000).
- The United TIF Fund budgeted increase has gone from \$4,000 to \$272,500.

The Village's FY 2023-24 Budget is scheduled for the public hearing on April 17, 2023 and approval at the May 1, 2023 Village Board meeting.

Village of North Aurora Memorandum



To: President and Village Board of Trustees

From: Jason Paprocki, Finance Director

CC: Steven Bosco, Village Administrator

Date: April 3, 2023

RE: American Rescue Plan Act (ARPA) Update

At the November 1, 2021 Committee of the Whole meeting, staff presented a plan to utilize the Village's ARPA award for lead service line replacements. At that time, it was estimated there were approximately 300 to 800 lead service lines at an estimated cost of \$1.2 million to \$6.4 million. We are still in the process of determining the lead service line inventory and developing a replacement plan. Due to the overall timeline of this project, and the time restraints of ARPA, staff is presenting an alternative plan to utilize the ARPA funds.

In total, the Village has received \$2,457,280.53 in funding. These funds must be obligated by December 31, 2024 and spent by December 31, 2026. As a reminder, funds must be spent in one of four eligible categories:

1. To respond to the public health emergency or its negative impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
2. To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers;
3. For the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and
4. To make necessary investments in water, sewer, or broadband infrastructure.

For item three (3) listed above, recipients receiving \$10 million or less can elect a "standard allowance" to spend the entire grant award on government services. Government services is the most flexible category and have streamlined reporting and compliance requirements. The US Department of Treasury lists eligible government services as:

- Maintenance or pay-go funded building of infrastructure.
- Modernization of cybersecurity, including hardware, software, and protection of critical infrastructure.

- Health services
- Environmental remediation.
- School or education services.
- Police, fire, and other public safety services.

During the water rate presentations at the January 16, 2023 and February 6, 2023 Committee of the Whole meetings, we discussed using ARPA money to assist with future Water Fund capital projects. Staff has identified projects either currently underway or in the next budget year that would qualify. These projects include:

- Well #5 Improvements, which include demolition of the existing well house and relocation of the remaining infrastructure underground through a pitless adapter. This project also includes pump and motor rehabilitation (currently in progress)
- Chestnut, Locust, Spruce Watermain Replacements (currently in progress)
- Well #6 Improvements, which include pump and motor rehabilitation (budgeted for FY 2023-24)
- Clearwater, Lovedale, Offutt, Fox River Crossing Watermain Replacements (budgeted for FY 2023-24)
- Or other ARPA eligible water related projects if projects noted above are delayed

Staff is looking for the Board's consensus to obligate ARPA funding to Water Fund capital projects listed above. These projects are projected at cost of \$2,604,100, which slightly exceeds the total ARPA award. Utilizing the \$2,457,280.53 of ARPA funds now will allow the Water Fund to maintain a healthy reserve balance for when the lead service line inventory is completed, and we are ready to begin the project. We will present a resolution at the next Village Board meeting to obligate these projects.