MINUTES
CITY OF ST. CHARLES, IL
GOVERNMENT OPERATIONS COMMITTEE
TUESDAY, JANUAY 17, 2012

1. Opening of Meeting

The meeting was convened by Chair. Martin at 8:22 p.m.

2. Roll Call

Members Present: Chair. Martin, Ald. Stellato, Monken, Carrignan, Payleitner, Turner, Rogina, Krieger, Bessner, and Lewis

Members Absent: None

Others Present: Chris Aiston, Mark Koenen, Chris Minick, Peggy Forster, Chief Lamkin, Kathy Livernois, and Rita Tungare

3. Omnibus Vote

Budget Revisions – November 2011

Motion by Krieger, second by Bessner to approve the omnibus vote as presented.

Voice vote: unanimous; Nays: None. Chair. Martin did not vote as Chair. **Motion carried.**

4. Human Resources Department

a. Presentation of Results of 2011 Voluntary Separation Incentive Program - InformationOnly

Kathy Livernois: As you recall, we had a Voluntary Separation Incentive Program that was offered in 2011. This program was part of the SSI and was offered to all full time and regularly scheduled part time employees. It was optional and voluntary. The purpose of it was to reduce our long term cost through deferring replacement, restructuring, and eliminating positions. We offered three options. Those options were listed with money and health insurance for one year, or money and health insurance for two years, and some extra money in lieu of health insurance.

As a result of the VSIP 17 employees left or retired. Four of the 17 left to pursue other options and 13 did retire. Of the three options we offered it was pretty well split even among those options. I think that it goes to show these were good options in term of what people wanted. Six took Option 1, 6 took Option 2, and 5 took Option 3.

There are two ways we looked at this in terms of costs savings. The first spreadsheet is regarding funds with our General fund, Electric fund and Water fund. In the water fund there was not a savings but actually a little more expense due to fact that the replacement shows a higher health insurance coverage that was more expensive. We do have a savings for FY11/12, the year in which we are in, of over $888K in all of our funds. We continue to have a net savings overall once we did the expenses because we had to pay out the severance, health insurance, etc. and so that net savings ended up being $288K. As we go out into the out years for the next four fiscal years, we have savings that are over $700K, $702K, $687K.

Next is a spreadsheet of cost savings by department. There were five departments that were affected by this. I have to say they did a great job of looking at their positions, determining what needed to be done, and how we could best save money in terms of the VSIP.

The departments did it by either having full time go part time, which means we have the savings of benefits as well as some positions were not replaced. We also have some positions being upgraded when the need arises rather than having a person in a crew leader position all the time. Also we have some savings in salaries when the position was replaced in terms of entry level salaries, and then there is also some salary deferral. That means that a position may not have been replaced this year and we might consider it for next year. These costs do have those assumptions built into it if it were done for this next year.

Ald. Carrignan: $2.8M over four years is pretty impressive. Great job!

5. City Administrator's Office

a. Presentation of Results of 2011 Priorities Survey – Information Only

Brian Townsend: I would like to share with you the results of the 2011 Priorities Survey. We conduct this survey regularly. I will talk about the methodology, go over some key findings, hit some highlights, talk about some areas of concern – including some things that the City is presently studying or currently working on to address those concerns, give a quick conclusion, and then open it up for questions/comments.

This survey has been administered since 1996. This used to be conducted on an annual basis up till 2005 and then we went to every other year. The last survey was conducted in 2009. We, as a staff, use this survey to measure satisfaction with things that we are currently working on – initiatives or programs that we currently offer, look at future decision making – things that we should be doing in the future, and also to improve services. This year we sent the survey to 1900 of our utility customers which we picked randomly from our entire database. We sent them a letter with a PIN that they can use to access the website. They enter that PIN, complete the survey, and we entered the data that way. For those that prefer to fill out the survey in paper form or do not have access to the internet or a computer, there is an option where they can contact us and we will send them a paper copy of the survey with a postage paid envelope to send back to us.

This year we had a response rate of 26% (501 surveys) which is typical. We usually vary in the 25 – 27% range, so nothing significant about that in 2011.

In terms of Key Findings, these are very similar to what you saw in 2009. People like living in St. Charles, they like the services they receive, they would like to pay less in taxes for these services, but generally speaking, people think they get good value for the taxes that they do pay. They think we do a pretty good job of communicating with about things going on, they like the way the town looks, and they also like things going on downtown, people's views about downtown improved with the survey. One of the key points to take away from all of this is that there is a strong recognition that we continue to provide a very high level of service given the economic climate and the challenges we have faced over the past few years to try and continue to provide those services.

In terms of St. Charles as a Place to Live, we asked respondents to rate us on a scale of excellent to poor. The "good and excellent" categories, if you combine those two, have always been in 95-97% range and this year that did not change. The one that is significant and worth mentioning is that the excellence category, in terms of ratings, have ranged from a low of 39% in 2001 to 48% in 2007. This year the excellent ratings were 57% which is 11.4% more than we saw in 2009. I think that is clearly the most significant finding of this survey in terms of how people feel about the community.

In terms of the Services Justifying the Taxes Paid, you can see we had about 20% that believe that the services are not worth the taxes they pay, that's a slight increase from 2009 and probably not a surprise giving some of the challenges that some of the people in our community are facing. It does bare mentioning that the majority of the respondents strongly agreed or agreed that the taxes that they pay, they do get good value for the services they received.

Communication, a number of people rated our communication excellent or good. 77% is an increase of 6% from 2009.

In terms of Community Appearance, the number of respondents who believe community appearance has increased is by 1-1/2%. This is another positive finding from this survey and the trend is going in the right direction. It is important to recognize that this question was regarding community appearance for the community as a whole. There is one specific area in the community that there is some concern, but in general people feel good about how their community looks.

In terms of Enhancement to the Downtown, this year we had 70% believe that the downtown has improved which is an increase of 1% from 2009. Still a trend that we are moving in the right direction and something we would like to continue to build on in future years and future surveys.

Other Highlights, people talk about the quality of City services and people continue to believe that downtown is important. The top three sources that people use to get information about the City are they use the Newsletter, they used the City website, and they read the local newspaper. The three sources they use least are public meetings which have consistently been a low performer, Twitter, and Facebook and that is understandable given the relevant newness of those technologies and the fact that people don't turn to those sources for information about St. Charles. I checked today and we do have 957 followers on Twitter so there are a lot of people who are getting information and press releases from that source. We also have 370 likes on Facebook. Those are two sources of information that we should see tremendous growth in between now and 2013 assuming that things haven't change so much that they are not around anymore and with technology continually evolving, that certainly is a possibility.

In terms of Quality of Services there are just two highlights to bring to your attention. Public Safety services, although most of the respondents didn't actually need those services, those that did use them or had interaction with the Police/Fire Departments did give extremely high marks for those services. We also had very strong reviews regarding maintenance and infrastructure of utility systems. People believe the systems are reliable, they get good service, and generally speaking they get good value. They seem to understand that all three of their utility services: water, wastewater, and electric are good value and do benefit from those.

In terms of Downtown St. Charles, more that 91% of the people who responded believe it is important for the City to have a welcoming downtown. That is on par with 2009. You'll see there was some increase in that and it reinforces the significance of our continued investment in downtown St. Charles including the 1st Street Project, River Corridor Improvements, and the Arcada Theatre. That is clearly reinforcement of some of the things we have been working on.

Shifting to Areas of Concern, maybe you noted in looking through the survey results that we didn't fare as well, and in highlighting these five areas, I'll tell you that these concerns are not new. These are not things that we have not seen or heard of before in discussions with constituents or prior surveys. The upside of this is that there are initiatives under way, some things that we have implemented recently, and some things that we have on the radar that could result in significant improvements in all of these areas when we do this survey in 2013.

In terms of Economic Vitality, there are about 40% who believe that there has been some decline at least in economic vitality. That is not a surprise given the economy and the way things are going in our nation today, but I think it is important to recognize that Phase III of the 1st Street Project, things like the proposed east side of the business district, and some other projects that Chris Aiston is working on now that is still in the very preliminary stages and therefore confidential, could provide some improvement in this area. We look forward in discussing those with you in the months ahead.

In terms of Housing Stock, you could probably correlate this to the fact that we really haven't had a lot of new housing stock added to the community in the past couple of years. New residential development will provide new units for people who want that option. New units are generally considered of higher quality and more desirable. Things such as Regency Estates and Reserves of St. Charles which are already fully entitled and have units under construction are opportunities that we may see improvement in that area; even a project like Lexington Club if that is approved by the City Council could provide some benefit there as well.

The second initiative that we have been working on is the Rental Licensing Program. There is no question that part of the purpose of that program is to promote better management and better maintenance of housing units. Hopefully that will provide the desired result and address some of the issues that we are seeing in our community today.

In terms of Desired Types of Development, generally speaking respondents would prefer to see more businesses developed in our community than more residential. The results show that additional businesses of all types are desired by a strong majority of residents. On the other hand, new residential developments are typically not favored. There is some question on how we would support all those additional businesses without new residents to support them. Without new residents or growth in population it is going to rely on the existing population spending more to serve those businesses. Comment made was you got some businesses coming in and you got some going out. Prasino's is a recent example of an establishment that couldn't make enough money given the population here in St. Charles to really succeed. This is something, that we as staff, called the "economic conundrum." People want the new stores and new restaurant options, but they are not necessarily spending more if those places come in, they are just going to transfer their dollars from one to the other. So, the question is how do we build the economy in St. Charles? Chris Aiston will continue to work on this and this is something we need to do with education of the community to make them understand that a little better.

In terms of Community Corridors, we asked people to rate the appearance of certain corridors in our community. East Main Street had the lowest number of ratings of excellent and good. The reconstruction of East Main Street by IDOT in 2012/13 is definitely going to have a negative impact on that in the short term. In long term it should improve access, improve appearance, and provide benefits to both property owners and businesses in that corridor. The East Main Street business district, which we will hear more about in the next 4 to 6 weeks, could also enhance that corridor through redevelopment of older retired property, provide some incentives for people to do some things there that they may not otherwise consider. Those two initiatives should help us in that area in the next couple of years.

In terms of Traffic Circulation, you'll see that poor circulation was identified most with the downtown and East Main Street. We continue to hear that. As I mentioned, the reconstruction, widening of East Main Street should certainly improve that rating when we conduct the 2013 survey. In the downtown area, we don't have any specific improvements in terms of widening, but clearly one of the purposes of the Red Gate Bridge is to give people an alternative to avoid the traffic in downtown St. Charles, if they want to. When you review the open ended comments that were provided in response to suggested improvement for traffic circulation in the community, the intersections of IL Rt. 31 and IL Rt. 64 is mentioned multiple times. That is clearly viewed as a bottleneck and Red Gate

Bridge can clearly improve that situation by providing an alternative for those who live in the northern sections of St. Charles. Clearly an opportunity for some improvement there in the future.

In terms of Quality of Drinking Water, this is also an area that received some low ratings as compared to other facets of the services that we provide. That is not new either and we continue to see that. 20% of the respondents rated the quality of drinking water as very poor and in the open ended comments there were a number of people who said “why can’t the City soften our water?” Most of you were on the Council when this was discussed. The last time we made a decision not to pursue that and to make that an individual choice so people could purchase a water softener for their homes. With that said the construction and operation of the new radium removal facility, just north of us, will help to improve water quality for those on the inner system to some extent and they should see an improvement. Those on the outer system will see no change as a result of that. That is something we will continue to look at in the years ahead.

In conclusion, overall you can take away from this survey that residents are very satisfied with the quality of life in the community and the services that the City provides. The ratings that we received reflect a strong recognition that we are continuing to provide a very high level of service given the economic challenges that we face. People enjoy living in St. Charles, there is no question about that. There are some areas that can be approved and some of these are things that we heard before and its comforting to know that we are already working on many programs and initiatives that can address some of the concerns in this survey. My hope is that over the next couple of years we will be able to implement many of those things and in 2013 we will have some improvement in the rating of those areas.

All: Good job on the survey and good information.

6. Finance Department

a. Monthly Update regarding City’s financial results for November 2011 – Information Only

Chris Minick: Included in the packet are the November 2011 financial results for the four major operating funds of the City. In summary the November 2011 numbers are not surprising. They are in accordance to what we expected when we devised the budget last spring. The revenues and expenditures are all trending in line with budget expectations. It appears as though we have bottom out from the great recession and are starting to see a little uptick in the revenue sources, particularly some of our consumptive taxes, our income tax distributions from the State, and also the hotel taxes throughout town are compared to the November 2010 amounts.

With that I’d be happy to answer any specific questions, but again everything is in line with where we expected to be at this particular point.

Ald. Carrignan: Is sales tax trending up?

Chris: Yes, sales tax is trending up. The consumptive tax is totaling to 3.3% for November 2010 and this is a good sign with that being our largest single revenue source.

Ald. Carrignan: We haven't seen December so that should show an even greater increase?

Chris: I am hoping, but I heard nationwide it is not quite as good as it has been.

7. Additional Items - None

8. Adjournment

Motion by Carrignan second by Stellato to adjourn meeting at 8:47 p.m.

Voice vote: unanimous; Nays: None. Chair. Martin did not vote as Chair. **Motion carried.**

:tn