MINUTES OF THE SPECIAL WORKSHOP MEETING
OF THE PRESIDENT AND BOARD OF TRUSTEES
VILLAGE OF WHEELING
BOARD ROOM - 2 COMMUNITY BOULEVARD
COOK and LAKE COUNTIES, WHEELING, IL
SATURDAY, NOVEMBER 1, 2025

1. Call to Order

President Horcher called the meeting to order at 8:30 AM.

2. Pledge of Allegiance led by President Horcher

3. Roll Call

Village Clerk Kathryn M. Brady called the roll, and the following Board members were present:

Present: Pat Horcher, Mary Krueger, Ray Lang, Mary Papantos, Jim Ruffatto, Joe Vito, Dave Vogel

Assistant Village Manager/HR Director Marisol Leyva, Deputy Village Manager/PW Director Dan Kaup, Department Heads, Deputy Finance Director Joanna Skupien, Accounting Manager Michael Weidner, and Accountant Kelly Smith were also present.

4. Citizen Concerns and Comments - None

5. New Business - All Listed Items for Discussion and Possible Action

A. DISCUSSION RE: FY 2026 Proposed Annual Budget

Village Manager Jon Sfondilis began by thanking all Village staff for their hard work, not only in budget preparation but also throughout the year. Manager Sfondilis thanked staff and the Board for their dedication and leadership. Manager Sfondilis spoke about the liaison program and outlined the meeting agenda, noting that we finished the year with a surplus. Manager Sfondilis stated that the Village's financial health remains strong, grounded in discipline, fiscal management, conservative budgeting, and strategic reinvestment. We are most likely heading into more challenging times again; therefore, this year's theme is consistency in policy and practice. He noted that we have maintained this stability without raising property taxes, and that this is the 9th of the 10 balanced budgets.

Finance Director Brian Smith reminded everyone that the Wheeling Special Census is currently paused due to the government shutdown and that mailings will begin once the shutdown ends. Director Smith introduced the Finance staff present. He stated that the Village will have a large surplus in 2025 because of outstanding sales tax, ambulance fees, and income taxes, but this surplus will not continue into 2026 due to significant reductions in Ambulance Revenue from GEMT and a larger than normal increase in expenditures caused by salaries, health insurance increases, rising pension actuarial requirements, and six (6) expanded level requests. Additional budget components were also reviewed, including treasury rates, consumer spending, unemployment, gross domestic product, and the Chicago home price index.

Director Smith reviewed the FY 2025 General Fund results, reviewing surplus vs. deficit data. Manager Sfondilis commented that the State is considering a Bill on pension reform to enhance the Tier 2 pension system, and, should that happen, we have not accounted for any increases in those contributions. Manager Sfondilis stated that he, the Northwest Municipal Conference, and President Horcher are petitioning to keep the Tier 2 pension enhancement from becoming a burden for the Village. Director Smith stated that a property tax levy may be needed; however, other sources of revenue will also be discussed.

[BREAK]

President Horcher asked for a motion to recess for a short break. Motion by Jim Ruffatto, seconded by Mary Krueger. Motion carried by voice vote, all ayes; the meeting recessed at 9:45 AM.

[RECONVENE INTO OPEN SESSION]

President Horcher asked for a motion to reconvene the open session. Motion by Mary Krueger, seconded by Jim Ruffatto. Motion carried by roll call vote; all ayes; the meeting reconvened at 9:55 AM.

Director Smith continued the budget review, noting the following: The Village's balloon payments in 2028 and 2029 will create significant deficits in those years that cannot be compensated for with one-year property tax increases. Staff recommends a 2% property tax increase, increasing the Village ambulance rate to match the Ground Emergency Medical Transport (GEMT) Rate, and implementing a streaming tax. Staff explained to the board that if all three measures are adopted for 2026, the Village may not need further property tax increases until after 2029 and would be prepared if a recession occurs in the next two years. All those statements depend on how the economy performs over that time. It was noted that liability claims have been larger than usual, staff is working on reducing this, and that pension fund payments are beginning to increase as we approach 2040; Water & Sewer Fund's 6.5% rise last year was successful in creating space for more CIP projects, and we return to 3.5% increases in FY2026. The Stormwater Fund needs to continue supporting additional projects moving forward and will raise its rate by another .25¢ in 2026.

Manager Sfondilis presented the expanded level sheets, also known as "pink sheets." Descriptions for each of the following requests were provided; board discussion followed.

- Digital Budget Book Software (Finance)
- Axon Taser 10 CEW Upgrade (Police)requests were
- Cellebrite Forensic Digital Data Extracting Software (Police)
- Social Services Case Management System (Police-Social Services)
- Three (3) Additional Firefighters/Paramedics (Fire)
- Full-Time Clerical Position (Public Works)

There was a unanimous consensus among the board to approve all expanded-level requests.

Friendship Park Fountain

Manager Sfondilis discussed infrastructure issues at the Friendship Park fountain, stating that expert analysis produced three options: raze the fountain, attempt to fix the problems at a cost of $3 million, or raze and replace the fountain at a cost of $5 million. Should the board vote to replace the fountain, the design phase will begin in 2026, and construction will start in 2027. President Horcher asked for board consensus.

Raze: Joe Vito
Repair:
Replace: Pat Horcher, Mary Krueger, Ray Lang, Mary Papantos, Jim Ruffatto, Dave Vogel

Board consensus was reached to replace the fountain. Manager Sfondilis noted that this money is already allocated in the CIP, so there are no changes to the current plan as presented.

Revenue Generation

President Horcher polled the board on the following items:

Ambulance Rate Increase (GEMT)

Yes: President Horcher, Mary Krueger, Ray Lang, Mary Papantos, Jim Ruffatto, Joe Vito, Dave Vogel
No:

Streaming Tax of 4%
Yes: President Horcher, Mary Krueger, Ray Lang, Mary Papantos, Jim Ruffatto, Joe Vito, Dave Vogel
No:

Property Tax Levy of 2%

Yes: President Horcher, Mary Krueger, Ray Lang, Mary Papantos, Jim Ruffatto, Dave Vogel
No: Joe Vito

6. Official Communications

Trustee Krueger welcomed Clerk Brady back.

Trustee Papantos urged residents in the Special Census district to take part.

7. Executive Session - None

8. Action on Executive Session Items - N/A

9. Adjournment

President Horcher asked for a motion to adjourn.

Motion by Jim Ruffatto, seconded by Mary Krueger.

Motion carried by voice vote, all ayes; the meeting adjourned at 11:37 AM.

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Kathryn M. Brady, Village Clerk
Approved this 1st day of December 2025, by the President and Board of Trustees