



Office of the Mayor

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August 9, 2022

To: The Citizens of the Village of Rantoul

To: Village Board Members

To: Village Administrator Scott Eisenhauer and Staff

Reason for the July 12, 2022 VETO by Mayor Smith.

On July 12, 2022, the Village of Rantoul Board approved a motion to allow for the expenditure from the American Rescue Plan Act (ARPA) funding. One million, seven hundred eight thousand, nine hundred fifty dollars (\$1,708,950.00) will be used towards a one-time payment of utility bills in our community. By approving this motion, the Village Board has committed twenty-two percent of the total allotted ARPA funding, with no return on investment or sustainable addition to our community's infrastructure.

Below are my remarks supporting the decision to Veto.

The Village of Rantoul leadership has considerable responsibility with an expenditure of this magnitude. One of the primary reasons igniting the Veto was the lack of planning to obligate these funds. The guidelines established by the Federal Government clearly state, and I quote, "There is time to plan and implement an open and thorough process that ensures the funding is being used in a way that provides **the best short-term stimulus** that has **long-term positive impacts** in each community." The Board did not evaluate other options or compare cost of different projects, they failed to explore other projects to prioritize the importance of this expenditure. During this process, I did not witness any proposal other than the utility payment proposal, nor comparative analysis completed to recognize other needs in the Village. The Board has failed to determine if these monies were being used in the best interest of the community.

Elected Officials have a fiduciary relationship with the citizens of their community. The Village of Rantoul Board needs to uphold those responsibilities to protect the assets of this organization, and to place that relationship above their own interest when making decisions that directly impact the Village of Rantoul.

For a point of clarification, the word fiduciary means, "Involving trust, especially with regard to the relationship between a Trustee and a beneficiary." There are primary fiduciary duties: (1) Duty of Care, which describes the level of competence and business judgement expected of a board member; and (2) Duty of Loyalty, revolves primarily around a board member's financial self-interest, and the potential conflict this can create.

I believe that the Board failed to adhere to the basic principle of working for the common good and protecting community assets. The \$1,708,950.00 provided in the ARPA funding was given interest free to the Village of Rantoul with an opportunity to improve failing infrastructure. If the corporate authority allows this motion to be enacted, we would need to issue a General Obligation Bond to finance infrastructure repair and upgrades, in part, supplanting the monies that were given away.

Your action, of gifting \$1,708,950.00 has the potential to cost the Village of Rantoul additional debit service charges. Assuming a General Obligation Bond will be required to complete the repairs and upgrades to

infrastructure projects, the cost of those bonds, termed over a twenty-year period at today's projected rates, would cost those same residential utility customers who benefited from the \$300.00 "gift" a total of \$460.00 for repayment of the bond. This equates to a total financial impact on the Village of Rantoul of \$905,600.00 in additional debt service charges that were unnecessary. Total cost of this action to the Village of Rantoul will be \$2,614,550.00, this figure includes both principal and interest. These financial estimates were provided by Bernardi Securities, Inc. In addition, the ARPA guidelines state, "Use other dedicated grants and programs first whenever possible, and save ARPA funds for priorities not eligible for other federal and state assistance programs."

The ARPA guidelines are specific. I quote, "ARPA provides a unique opportunity for state and local governments to make **strategic investments in long-lived assets**, rebuild reserves to enhance financial stability, and cover temporary operating shortfalls until economic conditions and operations normalize."

As I stated before, the veto was given due to the lack of planning. The Board's motion on this expenditure is premature. There is no rush involved, and we need to consider all the other projects before making a financial commitment to the proposed utility bill credit. After, the selected projects are prioritized, and the dollar amounts assigned to each project, we can assess the total cost, and compare that assessment to the available funding. This process is called responsible financial management. Right now, the Board has not made any decisions on what the next funding project will be, or how much it will cost. If the Board fails to correct this situation, they may not be able to complete other projects because the **financial advantage was lost by approving the utility bill credit**. This process will ensure that we as a Board can address the community issues knowing that we have enough financial backing to complete each project. All this impact can be avoided by the Board reconsidering its vote or upholding the Veto, and then plan together how the total sum of \$8.05 Million dollars should be spent.

I ask my fellow Board Members to reconsider their position. As stated before, no financial harm has resulted from your decision. The responsibilities of a Trustee do not include making a utility payment for our customers. Your responsibility does however include an obligation to maintain essential services of water, waste water, street constructions, and electrical service. A Trustee has the responsibility of overseeing the financial integrity of these services. A Trustee's oversight also includes the responsibility to provide reliable infrastructure that will support the needs of their community. Your proposal to gift three hundred dollars (\$300.00) per household will have less effect on our citizens than a \$1,708,950.00 investment that will provide ongoing viability for the Village of Rantoul for the next twenty years.

I have provided below a list of services available to Rantoul citizens. This list and all pertinent information came directly from Dalitso Sulamoyo, PhD, Chief Executive Officer of the Champaign County Regional Planning Commission, and Christopher Milliken, Urban Planning Manager of the Village of Rantoul. **These programs provide financial assistance and are funded with both Federal and State funds**, and they save ARPA funds for priorities not eligible for other federal and state assistance programs.

Sincerely,



Charles R. Smith
Mayor

Services currently offered to the Village of Rantoul residents:

Community Development

The Community Development Department provides for a variety of programs and initiatives to advance the health and viability of Village residents. Programs include Housing Rehabilitation, Public Infrastructure Improvements, Building Demolition, and various Public Services.

- (1) Expenditures were \$450,236.12 for Fiscal Year 2021-2022.
- (2) The Amount Allocated under the Annual Action Plan for Fiscal Year 2022-2023 is \$335,317.00.

C-CARTS

C-CARTS (Champaign County Area Rural Transit System) provides safe, reliable, and affordable public transportation to the residents and visitors of Champaign County. Fixed route and demand response services are offered to meet transportation needs.

Developmental Disabilities Services

Independent Service Coordination (ISC) helps individuals with intellectual/developmental disabilities, and their families/guardians access individualized services and supports. The program aims to ensure that the variety of services and supports it provides are responsive to the unique needs and desires of each individual, while effectively promoting independence, community inclusion, and self-determination. ISC staff serve as an advocate, resource, and partner for the individual, their family, and others who are important in their lives, including service providers.

Early Childhood Education Center

The Rantoul Head Start program promotes kindergarten readiness to income-eligible families. Champaign County Head Start/Early Head Start (CCHS) partners with parents to assist children in developing the knowledge and skills necessary for school success and lifelong well-being.

- Full-day, school-day, and part-day classes available for children three- to five-years-old
- Full-day and six-hour sessions available for children under three-years-old
- Meals provided three times a day (cooked on-site)
- Transportation provided for children three- to five-years-old enrolled in six-hour and part-day classrooms
- Head Start collaborates with Rantoul City Schools to provide dual enrollment for children with a diagnosed disability
- Children with a disability who are not also enrolled with Rantoul City Schools can receive on-site therapy through an individual therapist contracted with CCHS
- CCHS coordinates with Child and Family Connections to bring therapy services on-site to children younger than three-years-old who have a delay or disability

Homeless Prevention Rental Assistance

This program provides rent assistance to households at risk for homelessness due to a temporary hardship. Additional services provided include information and referral to community resources, assistance with landlord negotiations, and housing counseling. The amount of the assistance is based on household need, but it is generally the equivalent of one month of rent.

- (3) Since February 2021, approximately \$1,162,253.00 in COVID Emergency Housing Assistance
- (4) In 2021, nearly \$25,000.00 in "traditional" rent assistance

Homeless Services

Homeless Services offer a variety of programs designed to assist homeless households in attaining housing stability. The services provided are client-centered, addressing the unique needs of each individual and family served and focused on increasing self-sufficiency.

Homeowner Housing Assistance

Champaign County's COVID-Relief Homeowner Housing Assistance is for homeowners in Champaign County who have been impacted by COVID-19, and are behind on mortgage payments. This one-time assistance will help with overdue expenses.

LIHEAP

The Low-Income Home Energy Assistance Program (LIHEAP) is a federal- and state-funded utility assistance program in Champaign County. LIHEAP helps low-income families pay their energy costs and helps to educate them to conserve energy, lower their costs, and work toward financial self-sufficiency. The LIHEAP intake office will open on September 1, 2022 in the Rantoul Business Center, and a mobile outreach vehicle will also be utilized to enhance services to the Village of Rantoul.

- (1) Regional Planning Commission provides LIHEAP assistance to 1818 households in Rantoul.
- (2) Total amount of benefits awarded to Rantoul residents was \$957,170.00.
- (3) Average amount of LIHEAP awarded to Rantoul residents was \$511.48.
- (4) Average amount for reconnection assistance to our residents who were disconnected was \$567.99.
- (5) Utility Disconnection Avoidance Program (UDAP) assisted 970 households in Rantoul.
- (6) UDAP spent \$198,500.48 serving Rantoul Households.
- (7) Rantoul residents who were on the verge of disconnection received a benefit of \$250.00 under the UDAP.
- (8) The State LIHEAP Statute was amended in 2021 with provisions to allow for funding increases. It is anticipated that state funding will double.

No Limits Case Management

No Limits helps qualifying members of the Champaign County community improve their quality of life. Program participants can achieve a higher level of self-sufficiency by partnering with a Case Manager to establish a relationship based on mutual respect, trust, responsibility, and hope. Goals include everything from employment and education, to housing and budgeting.

Senior Services

This program connects seniors to a wide variety of community programs by providing Case Management and referral services. Senior Services staff collaborate with partner agencies to foster healthy aging, safety, and financial, legal, and housing support. Services are available for Rantoul seniors aged 60 and older, families, and those interested in senior issues, with a Case Manager available each Thursday at the Community Services Center.

Vehicle Repair

The Vehicle Repair program aids with repairs to their vehicle to maintain employment, and/or support full-time students to maintain the ability to pursue education to support career pathways.

Water/Sewer Assistance

Income-eligible households and families in Champaign County faced with past-due water / wastewater bills, or facing disconnection from water / wastewater services due to non-payment, can now find assistance with water and wastewater bills, helping avoid shutoffs. Temporary emergency assistance provides a one-time payment to be used toward water / wastewater services, helping renters and homeowners avoid shutoffs, while supporting household water system reconnections.

Weatherization

Weatherization services are comprehensive and include insulating walls, floors, perimeters, and attics; furnace work, including replacing existing low-efficiency furnaces or cleaning and tuning higher-efficiency furnaces; and air sealing. Light-emitting diode (LED) lights are installed and primary refrigerators can be replaced if our testing shows the replacement to be cost effective. All gas combustion appliances are tested for safety of operation and emissions from flue gasses. The Champaign County Weatherization Specialists ensure that all homes weatherized meet ASHRAE (American Society of Heating, Refrigerating, and Air-Conditioning Engineers) whole-house ventilation standards.

Workforce Development

This program helps individuals looking for a job with access to career counseling, and help with paying for industry recognized credentials.

Youth Assessment Center

The Youth Assessment Center serves as the primary center for intake, screening, and service connection for Champaign County youth and families. Case managers screen at-risk juveniles and link them and their families with the community's support and restorative services. Law enforcement personnel typically make referrals to the YAC as an alternative to prosecution and to prevent further delinquent activities.