



2020 Proposed Budget

October 7, 2019

Solid Financial Footing

- The FY 2020 Proposed Budget is a reflection of good governance and solid financial planning:
 - Maintenance of Aaa bond rating (upgraded to ‘stable’)
 - Consistently meet actuarially required pension contributions
 - Changing the Village’s public safety pension funding policy to level off future contributions increases
 - Reduced staffing levels while maintaining core services
 - Approving balanced operating budgets and fortifying reserves
 - Creation of the CERF to ensure timely replacement of critical equipment without fluctuations in the tax levy
 - Limiting or avoiding fee and tax increases
 - The sewer fee has a modest 4% increase, the first since 2015
 - The water rate has not increased for 6 of the last 8 years
 - Building Permits, Vehicle Licenses, Ambulance Fees held flat for 6+ years²

General Fund Overview

- The General Fund Operating Budget is balanced, maintains Village services and provides for an additional \$500,000 to the road infrastructure program
- The Proposed Budget enhances our investment in core engineering functions with more dollars dedicated to road resurfacing (\$5.3M) than anytime in at least the last 20 years:
 - \$2.75 million for the annual road program (28 blocks resurfaced)
 - \$1.2 million for reconstruction of Central Avenue and \$1.3 million for road resurfacing associated with Phase 1A of Neighborhood Storage
 - Meets our goal to complete repairs of all ‘Serious’ and ‘Very Poor’ alleys
 - Maintains enhanced funding for sidewalks, curbs, brick street maintenance, pavement marking, crack sealing
 - New annual funding for street patching
 - Skokie Valley Trail & Skokie/Lake intersection improvements to be funded by General Fund reserves

Property Tax Levy

Levy Component	FY 2019 Budget	FY 2020 Proposed
Operations	1.68%	1.43%
Pensions	1.21%	0.75%
Debt Service	-0.14%	0.12%
Total % Increase	2.75%	2.30%
Additional for Road Program	-	2.69%
Total Increase w/ Roads	-	4.99%

The pension levy is offset by \$200,000 in reserves to begin the transition to a 15-year rolling amortization for the public safety pension funds

Water Fund

Water Fund Overview

- There is no increase in the water rate and the Water Fund continues to reduce the Village's reliance on property taxes with a \$1.05 million transfer to the General Fund
 - Transfer increased by \$50,000 in recognition of North Maine Utilities wholesale revenue beginning in mid-July
- The Budget includes \$5.0 million for completion of the Water Plant Electrical Improvements (total cost of \$8.9 million)
- Other improvements include:
 - \$2,920,000 for water main replacements on Central & Lake Avenues
 - \$88,000 for valve installations
 - \$40,000 for rebuild of the Water Plant High-lift pump
 - \$21,000 for transmission main repairs
 - \$12,000 for water main surge suppressors

Sewer Fund

Sewer Fund Overview

- The sewer fee is proposed to increase by 4%; estimated annual impact of \$13 for the average ratepayer
- New stormwater utility fee implemented effective 1/1/20; estimated average annual fee is \$144
- The Proposed Budget includes:
 - \$23,210,000 for Phase 1A and 1 of Neighborhood Storage Imp.
 - \$820,000 for sewer lining
 - \$400,000 for SWPS electrical improvements
 - \$337,000 for sewer main repairs
 - \$322,000 for sewer maintenance
 - \$70,000 for Rain Ready Program
 - \$60,000 for smoke testing

Residential Impact

FY 2020 Budget Impact

The Proposed Budget includes the following tax and fee increases:

	FY 2020 Proposed Budget	FY 2020 Proposed Avg. Annual Increase in 2020
Property Tax	2.3%	\$ 40
Add'l Prop. Tax- Road Program	2.69%	\$ 50
Water Rate	None	None
Sewer Rate	4%	\$ 13
Stormwater Fee	New fee	\$ 144
Total Increase		\$ 247

Next Steps

- Budget Workshop on Thursday, October 17 at 7:00pm
- Budget Workshop (*if necessary*) on Tuesday, October 29 at 7:30pm
- Budget Ordinance adopted in November
- Tax Levy Ordinance adopted in December