



2018 Proposed Budget

November 28, 2017

Budget Development Timeline

Budget development is an ongoing process to ensure a plan and policy that meets the needs of the community:

- March- Development of Capital Improvement Plan
- May – Quarterly Financial Review
- August – Mid-Year Financial Review
- August- 2018 Budget/CIP Preview
- September – Proposed Budget Introduced
- October – Budget Workshops
- November – Public Hearing & Adoption of Budget
- December – Public Hearing & Adoption of Tax Levy

Budget Development

- As the budget is developed, Staff solicits feedback from the Village Board to ensure the proposed budget meets the community's expectations
 - At the August Committee of the Whole meeting, the Board collectively challenged staff to reduce the projected tax levy from 4.59% to less than 4.0%
 - To that end, Staff proposed a budget which deferred more than \$300,000 in important but not critical capital projects
 - The Board also requested the use of reserves to fund important projects which were not included in the proposed budget (such as the Master Bike & Active Transportation Plan) thereby limiting the rate of the tax levy increase

General Fund Overview

- The General Fund Budget enhances Village services and provides for the use of reserves to limit the property tax increase
- \$1.4 million in critical vehicle replacements, primarily funded through the CERF
 - Fire Engine
 - Public Works Large Dump Truck
 - Police Squad Cars (2)
 - Catch Basin Cleaner
- The Proposed Budget includes more than \$4 million for core engineering projects

General Fund Overview

- The Proposed Budget enhances our investment in core engineering functions:
 - \$2 million+ for the annual road program
 - Repair of 4 failed alleys
 - Renovation of 1 brick street
 - Maintains enhanced funding for sidewalks, curbs, brick street maintenance, pavement marking, crack sealing
 - Street light pole painting and replacement
 - Installation of new street lighting on Lawler Avenue
 - Funding for the Village's share of Phase I Engineering for the Skokie Valley Trail
 - Master Bike and Active Transportation Plan

Personnel

- Staffing remains at the lowest levels in decades, with no increase proposed in the total number of full-time staff
- General Fund wages are increasing by \$260,000 (2.2%), this is offset by more than \$300,000 in corresponding contractual expense decreases



2018 Fee Schedule

- The 2018 Budget includes a 2.5% increase in the solid waste collection fee due to increasing contractual expenses and landfill fees
 - This is an annual \$7 increase per home
- There are no other recommended fee increases in the General Fund for FY 2018
 - Base building permit fees have not increased since 2014
 - Vehicle license fees have not increase since 2009
 - Ambulance fees have not increased since 2008
 - General business license fees have not increased since 2007

General Fund Reserve

| | 2017 Estimate | 2018 Budget |
|--------------------------------|---------------------|--------------------|
| Operating Reserve | \$8,774,251 | \$8,638,741 |
| CERF | \$1,492,558 | \$1,002,758 |
| Total | \$10,266,809 | \$9,641,499 |
| Recommended Minimum | \$4,568,000 | \$4,773,600 |

A projected \$625,000 of reserves will be utilized in 2018 for equipment replacements through CERF and one-time LGDF backfill (\$135,510)

Where your property tax dollars go...



**School District
#203
\$0.25**

**School District
#39
\$0.38**

**Cook Cty.
& Other
\$0.16**

**Park
District
\$0.06**

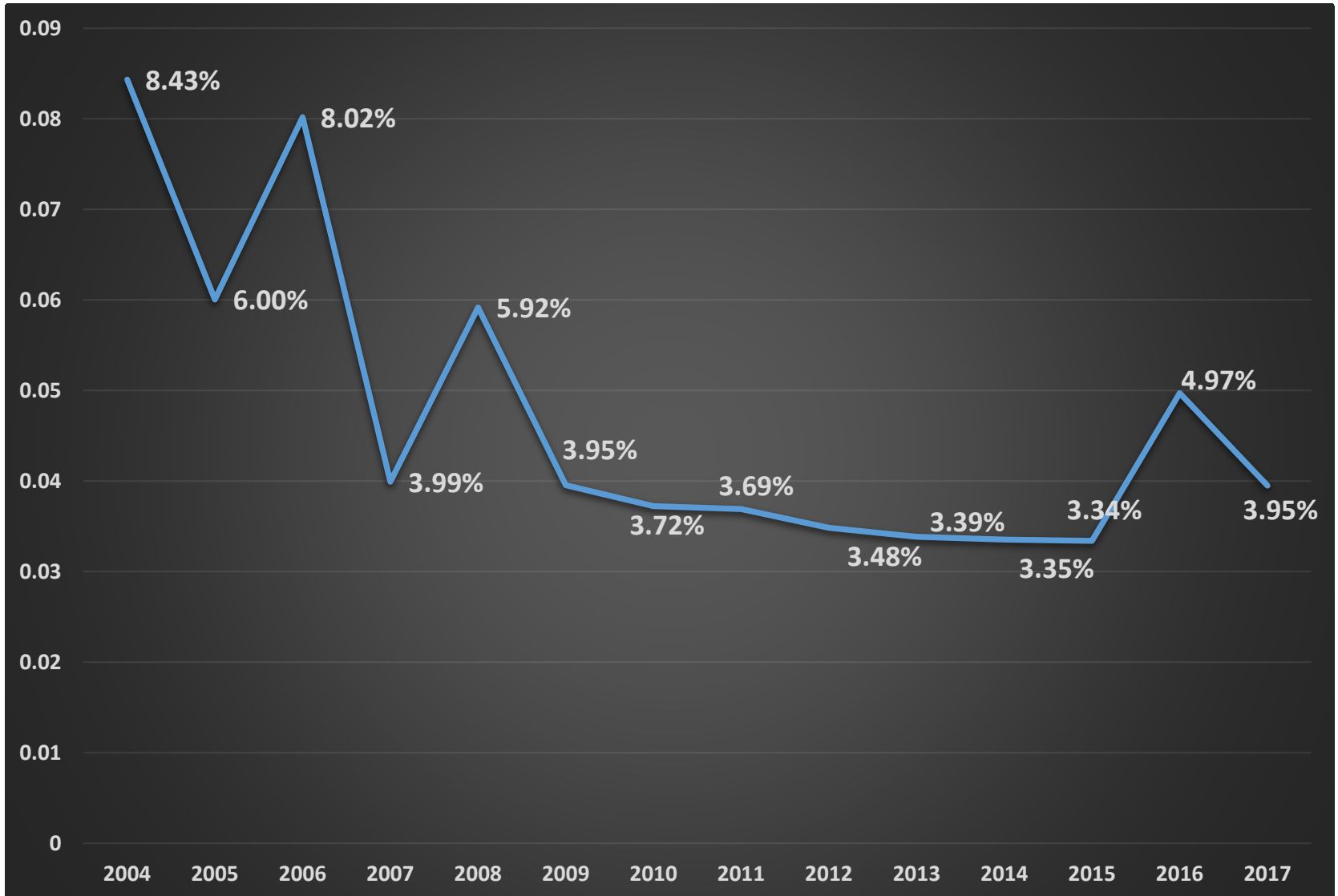
**Library
\$0.04**

**Village of
Wilmette
\$0.11**

Property Tax Levy

| Levy Component | Approved FY 2017 Budget | Projected FY 2018 (Mid-Year) | Proposed FY 2018 (Current) |
|-------------------------|-------------------------|------------------------------|----------------------------|
| Operations | 1.27% | 1.74% | 1.05% (\$182,290) |
| Pensions | 2.41% | 1.32% | 1.40% (\$245,000) |
| Debt Service | 0.39% | 1.52% | 1.50% (\$261,142) |
| Road Program | 0.90% | - | - |
| Total % Increase | 4.97% | 4.58% | 3.95% |
| \$ Increase | \$825,841 | \$798,171 | \$688,432 |

Tax Levy History



Water Fund

Water Fund Overview

- The Water Fund Budget will continue to be self-supporting and reduces the Village's reliance on property taxes with a \$1 million transfer to the General Fund
- The Proposed Budget includes \$5.0 million for continuation of the Water Plant Electrical Improvements (total project cost of \$8.9 million)
- After no water rate increases in 6 of the last 7 years, the budget includes a modest 2.7% adjustment to reflect increasing personnel, contractual and commodity costs over time

Sewer Fund

Sewer Fund Overview

- For the third consecutive year, no increase in the sewer rate is proposed
- The Proposed Budget includes:
 - \$2,000,000 for sewer lining
 - \$420,000 for sewer main repairs
 - \$130,000 for smoke testing
 - \$35,000 to clean out the pump station sump

2018 Budget Overview

| Fund | 2017 Budget | 2017 Est. Actual | 2018 Budget |
|---------------------|---------------------|---------------------|---------------------|
| General Fund* | \$43,520,855 | \$40,225,660 | \$36,262,445 |
| Sewer Fund | 7,366,760 | 5,671,415 | 7,712,070 |
| Water Fund | 9,429,970 | 8,969,365 | 14,081,450 |
| Parking Meter Funds | 400,140 | 321,435 | 386,210 |
| Other Funds** | 11,970,920 | 11,639,710 | 12,812,890 |
| Total | \$72,688,645 | \$66,827,585 | \$71,255,065 |

* includes capital projects funded through debt proceeds and the CERF

** includes general debt service, MFT, Police and Fire Pensions, and Section 105 funds

Next Steps

- Budget Public Hearing & Final Adoption – Today's Village Board Meeting
- Tax Levy Public Hearing & Adoption – December 12, 2017