

**VILLAGE OF DOWNERS GROVE
REPORT FOR THE VILLAGE COUNCIL MEETING
DECEMBER 2, 2008 AGENDA**

SUBJECT:	TYPE:	SUBMITTED BY:
Recommended FY09 Municipal Budget	✓ Resolution Ordinance Motion Discussion Only	David Fieldman Village Manager

SYNOPSIS

A budget ordinance has been prepared to adopt the FY 09 Municipal Budget.

STRATEGIC PLAN ALIGNMENT

The Five Year Plan and Goals for 2007-2012 identifies *Exceptional Municipal Organization*. A supporting objective of this goal is *Financially Sound and Sustainable Village Government*.

FISCAL IMPACT

The FY09 Municipal Budget will provide for all operational revenues and expenditures for the time period from January 1, 2009 through December 31, 2009.

RECOMMENDATION

Staff recommends approval on the December 2, 2008 active agenda.

BACKGROUND

On September 30, 2008, the recommended Municipal Budget was provided to the Village Council and a workshop meeting was held on October 11, 2008, and continued on October 14, 2008. The budget was also discussed at workshop meetings on October 28, 2008, November 11, 2008 and November 25, 2008. In addition, the budget was reviewed in conjunction with the November 1, 2008 Coffee with the Council. A Public Hearing was held on November 4, 2008. Several revisions have been made to the FY09 Recommended Budget based on the issues discussed by the Village Council at the various budget workshops. These revisions generally include a variety of cost cutting measures and reductions in funding levels for certain programs in the FY09 Recommended Budget. The attachments list all changes made at the workshop meetings. These measures will reduce the Village's overall expenses and reduce the Village's total Real Estate Tax Levy to an amount less than the FY08 Levy.

ATTACHMENTS

- Draft Ordinance
- General Fund Revenue & Expense Adjustments
- Other Fund Revenue & Expense Adjustments
- Capital Projects Fund Project Revisions

General Fund (001) Revenue & Expense Adjustments

REVENUES		EXPENSES		SURPLUS/ (DEFICIT)
Recommended Budget (9/30)	42,262,007	Recommended Budget (9/30)	42,252,161	9,846
Reduction in Hotel Revenue Projection	(50,000)	Defer Hiring of Vacant Staff Attorney	(20,000)	
Reduction in Sales Tax Revenue Projection	(150,000)	Eliminate Contractual Inspection Services	(15,000)	
Reduction in Permit Revenue	(347,000)	Eliminate Funding for Branding	(100,000)	
Reduction in Pension Levies (per Actuary)	(186,897)	Reduction in Pension Levies (per actuary)	(186,897)	
Reduction in Plan Review & Inspection Fees	(5,000)	Defer Funding for Leaf Collection to 2010	(140,000)	
Reallocate Fines (Court Supervision)	40,000	Reduction in Community Grants (per formula)	(3,519)	
Reduction in Corporate Levy	(37,653) *	Eliminate One Squad Car Replacement	(30,000)	
Increase in Telecommunications Tax Revenue	60,000	Eliminate Strategic Plan Consultant	(30,000)	
		Reduction to Supplies Accounts	(20,000)	
		Eliminate Two Newsletters	(12,500)	
		Eliminate Heritage Festival Fireworks	(7,500)	
		Reduce Budget for Tree Pruning	(50,000) *	
		10% Reduction in Village-wide Travel/Training	(20,000) *	
		In-house Completion of Components of Comp Plan	(5,000) *	
		Reduction in Budget for Recruiting/Hiring	(4,550) *	
		Reduction in Council Training/Travel	(5,000) *	
		Reduction in Budget for Fuel	(40,000) *	
Adj. Recommended Budget (11/25/08)	41,585,457	Adj. Recommended Budget (11/25/08)	41,562,195	23,262

*Denotes additional revenue/expense reduction measures since the 11/11/08 budget workshop

Other Fund Revenue & Expense Adjustments

REVENUES		EXPENSES		SURPLUS/ (DEFICIT)
Motor Fuel Tax Fund (102)				
Recommended Budget (9/30)	1,490,000	Recommended Budget (9/30)	1,490,000	-
Reduce Motor Fuel Tax Revenue Projection	(255,000)	Increase Road Maintenance Expenses	700,000	
Reduce Interest Revenue Projection	(10,000)			
Adj. Recommended Budget (10/28)	1,225,000	Adj. Recommended Budget (10/28)	2,190,000	(965,000)
Downtown TIF Fund (107)				
<i>No Change</i>	2,426,000	Recommended Budget (9/30)	2,526,831	(100,831)
		Rebudget traffic light shroud project	80,000	
Recommended Budget	2,426,000	Adj. Recommended Budget (10/28)	2,606,831	(180,831)
Capital Projects Fund (220)				
Recommended Budget (9/30)	5,621,471	Recommended Budget (9/30)	6,626,991	(1,005,520)
Reduction in HR Sales Tax Revenue Projection	(400,000)	Reallocate Roadway Maint. Exp. to MFT Fund	(700,000)	
		Defer Ogden Avenue Sidewalks	(306,000)	
		Defer/Reduce Lower Priority CIP Projects*	(255,000)	
Adj. Recommended Budget (10/28)	5,221,471	Adj. Recommended Budget (10/28)	5,365,991	(144,520)
Stormwater Fund (243)				
Recommended Budget (9/30)	5,430,139	<i>No Change</i>	14,681,505	(9,251,366)
Reduction in HR Sales Tax Revenue Projection	(200,000)			
Adj. Recommended Budget (10/28)	5,230,139	Recommended Budget	14,681,505	(9,451,366)
Parking Fund (471)				
<i>No Change</i>	1,084,000	Recommended Budget (9/30)	1,345,759	(261,759)
		Include Security System Maintenance Agreement	16,000	
Adj. Recommended Budget (10/28)	1,084,000	Adj. Recommended Budget (10/28)	1,361,759	(277,759)

*See Capital Projects Fund (220) Project Revisions for detailed breakdown

Other Fund Revenue & Expense Adjustments

REVENUES		EXPENSES		SURPLUS/ (DEFICIT)
Equipment Replacement Fund (530)				
Recommended Budget (9/30)	1,198,439	<i>No Change</i>	1,022,250	176,189
Reallocate Fines (Ct. Supervision) to Gen. Fund	(40,000)			
Adj. Recommended Budget (10/28)	1,158,439	Recommended Budget	1,022,250	136,189
Police Pension Fund (651)				
Recommended Budget (9/30)	2,957,000	<i>No Change</i>	2,162,958	794,042
Increase in Levy Requested by Pension Board	2,129			
Adj. Recommended Budget (10/28)	2,959,129	Recommended Budget	2,162,958	796,171
Fire Pension Fund (652)				
Recommended Budget (9/30)	3,417,249	<i>No Change</i>	1,583,378	1,833,871
Reduction in Levy Based on Actuarial Study	(189,026)			
Adj. Recommended Budget (10/28)	3,228,223	Recommended Budget	1,583,378	1,644,845

Capital Projects Fund (220) Project Revisions

Project Number	Project	Amount Reduced from Capital Projects Fund
ST-016	Roadway Improvements, Middaugh Ave, Grant to Herrick MS	\$ (50,000)
ST-017	Corridor Enhancements, Ogden Avenue	\$ (50,000)
ST-007	Roadway Reconstruction, Woodward Avenue	\$ (90,000)
ST-008	Roadway Reconstruction, Valley View Estates	\$ (55,000)
TR-014	Safe Routes to School	\$ (15,000)
BW-003	Bikeway Connections	\$ 5,000
Total		\$ (255,000)

VILLAGE OF DOWNERS GROVE
COUNCIL ACTION SUMMARY

INITIATED: Dir. of Finance **DATE:** December 2, 2008
(Name)

RECOMMENDATION FROM: _____ **FILE REF:** _____
(Board or Department)

NATURE OF ACTION:

STEPS NEEDED TO IMPLEMENT ACTION:

- Ordinance
- Resolution
- Motion
- Other

Motion to Adopt "AN ORDINANCE ADOPTING THE FISCAL YEAR 2009 BUDGET IN LIEU OF PASSAGE OF AN APPROPRIATION ORDINANCE", as presented.

SUMMARY OF ITEM:

This ordinance adopts the fiscal year 2009 Budget in lieu of an appropriation ordinance. As provided by law, proper notice has been given, the budget has been available for inspection for at least ten days, and a public hearing was held on November 4, 2008.

RECORD OF ACTION TAKEN:

ORDINANCE NO. _____

**AN ORDINANCE ADOPTING THE FISCAL YEAR 2009
BUDGET IN LIEU OF PASSAGE OF AN APPROPRIATION ORDINANCE**

WHEREAS, the Village Council of the Village of Downers Grove has provided for the preparation and adoption of an annual budget in lieu of passage of an appropriation ordinance for the fiscal year 2009; and

WHEREAS, a proposed annual budget has been prepared, published by the Village Council and made available for inspection for at least ten days, all as provided by law; and

WHEREAS, notice has been given and a public hearing held on November 4, 2008, as provided by law; and

WHEREAS, the Village Council of the Village of Downers Grove has examined said annual budget and has heard all persons appearing and desiring to be heard concerning said annual budget,

NOW, THEREFORE, BE IT ORDAINED by the Council of the Village of Downers Grove, in DuPage County, Illinois, as follows:

SECTION 1. That the tentative annual budget heretofore prepared by the Budget Officer and placed on file as required by the statutes of the State of Illinois is hereby adopted in lieu of the passage of an appropriation ordinance for the fiscal year 2009 with the following amendments:

FY 2009 BUDGET ORDINANCE

Fund Description	Fiscal Year 2009 Recommended Budget
GENERAL FUND	
GENERAL FUND	41,562,195
SPECIAL REVENUE FUNDS	
102 MOTOR FUEL TAX FUND	2,190,000
107 DOWNTOWN REDEVELOPMENT TIF FUND	2,606,831
109 2% FOREIGN FIRE INSURANCE FUND	69,750
110 OGDEN AVENUE TIF (Tax Increment Financing) FUND	1,927,900
111 SALES TAX REBATES FUND	750,000
112 TRANSPORTATION FUND	478,717
TOTAL SPECIAL REVENUE FUNDS	8,023,198
CAPITAL PROJECTS FUNDS	
220 CAPITAL PROJECTS FUND	5,365,991
223 MAJOR BUILDINGS FUND	1,090,000
226 REAL ESTATE FUND	420,898
243 STORMWATER IMPROVEMENT FUND	14,681,505
TOTAL CAPITAL PROJECTS FUNDS	21,558,394
DEBT SERVICE FUNDS	
337 1998 FAIRVIEW AVENUE DEBT SERVICE FUND	268,968
338 CBD-TIF DEBT SERVICE FUND	2,487,521
339 MUNICIPAL BUILDINGS DEBT SERVICE FUND	1,501,761
TOTAL DEBT SERVICE FUNDS	4,258,250
ENTERPRISE FUNDS	
471 PARKING FUND	1,361,759
481 WATER FUND	11,181,661
TOTAL ENTERPRISE FUNDS	12,543,420

FY 2009 BUDGET ORDINANCE

Fiscal Year 2009
Recommended
Budget

Fund Description

INTERNAL SERVICE FUNDS

530 EQUIPMENT REPLACEMENT FUND	1,022,250
531 FLEET MAINTENANCE FUND	2,103,923
562 RISK MANAGEMENT FUND	1,996,582
563 HEALTH INSURANCE FUND	6,542,601
TOTAL INTERNAL SERVICE FUNDS	11,665,356

TRUST FUNDS

651 POLICE PENSION FUND	2,162,958
652 FIRE PENSION FUND	1,583,378
TOTAL TRUST FUNDS	3,746,336

PUBLIC LIBRARY FUNDS

LIBRARY OPERATIONS FUND	4,131,403
LIBRARY CONSTRUCTION FUND	69,100
LIBRARY DEBT FUND	649,805
TOTAL PUBLIC LIBRARY FUNDS	4,850,308

TOTAL VILLAGE AND LIBRARY BUDGETS	108,207,457
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SECTION 2. That the Budget Officer is hereby authorized and directed to cause to be prepared and published the Fiscal Year 2009 Annual Budget with the aforementioned amendments.

SECTION 3. That all ordinances or resolutions, or parts thereof, in conflict with the provisions of this Ordinance be and are hereby repealed.

SECTION 4. That this Ordinance shall be in full force and effect from and after its adoption and publication as required by law.

Mayor

Passed:

Published:

Attest: _____
Village Clerk