

VILLAGE OF DOWNERS GROVE
REPORT FOR THE VILLAGE COUNCIL MEETING
OCTOBER 19, 2010 AGENDA

| SUBJECT: | TYPE: | SUBMITTED BY: |
|--------------------------------|--|-----------------------------------|
| Proposed FY11 Municipal Budget | Resolution Ordinance Motion ✓ Discussion Only | David Fieldman Village Manager |

SYNOPSIS

Discussion is requested regarding the proposed FY11 Municipal Budget.

STRATEGIC PLAN ALIGNMENT

The Five Year Plan and Goals for include *Exceptional Communication and Services*. A supporting objective of this goal is *Steward of Financial Sustainability*.

FISCAL IMPACT

The FY11 Municipal Budget will provide for all operational revenues and expenditures for the time period from January 1, 2011 through December 31, 2011.

UPDATE & RECOMMENDATION

This item was discussed at the October 12, 2010 Village Council meeting. The Council discussed potential changes to the budget that would provide funding for a contribution to the DuPage Senior Citizen Council and amend the taxi subsidy program. Council members provided specific recommendations for changes to the budget to the Village Manager. The Council member recommendations and impact to the budget are noted in the attached summary sheet.

BACKGROUND

The Long Range Financial Plan was approved by Council on September 7, 2010. This Plan was used as a guiding document in preparation of the proposed 2011 Municipal Budget. On September 24, 2010, the proposed FY11 Municipal Budget was published for the Village Council and the public. A Budget Workshop was held at Fire Station 2 on Saturday October 2, 2010. Staff presented information related to the following funds at the Workshop:

- General Fund
- MFT Fund
- Ogden TIF Fund
- Risk Fund
- Water Fund
- Stormwater Fund
- Equipment Replacement Fund
- Health Insurance Fund
- Capital Fund (Streets & Sidewalks)
- Downtown TIF Fund
- Fleet Services Fund
- Transportation Fund

During the presentation both Village Council and residents asked questions of staff. Copies of those questions and answers are attached. If requested by Council, staff will provide a presentation for any of the remaining funds not discussed at the Saturday Workshop.

Following is the budget schedule for the remainder of the year:

- October 16, 2010 Coffee with the Council
- October 19, 2010 Council Meeting
- November 2, 2010 Budget Public Hearing
- November 9, 2010 Vote to Adopt Budget
- November 16, 2010 Adopt Estimated Tax Levy

- December 7, 2010 Tax Levy Public Hearing
- December 14, 2010 Adoption of Tax Levy

ATTACHMENTS

Council Member Proposed Budget Changes Summary

Council Member Proposed Changes to the FY11 General Fund Budget

| Proposed Change | Offsetting Revenue Enhancement or Service Reduction | Impact |
|---|---|--|
| Provide \$25,000 for a contribution to the DuPage County Senior Citizen Council. | <p>Increase the property tax levy by \$25,000</p> <p>Or</p> <p>Increase the ambulance fees to obtain an additional \$25,000 in annual revenue</p> | <p>The total property tax levy would increase from \$13,376,337 to \$13,401,337. For a typical residential property (EAV of \$95,000) the \$25,000 increase in the total levy would increase the annual property tax payment to the Village by \$1.00 per year from \$524.60 to \$525.60.</p> <p>Transportation fees for residents and non-residents in each category (ALS and BLS) would be increased by \$125, and the mileage fee would be increased to \$10.</p> |
| Amend the Taxi Subsidy Program by increasing the limit on the monthly purchase of coupons from 60 to 100. The proposed change would increase the net cost of operating the program by approximately \$30,000. | <p>Increase the property tax levy by \$30,000</p> <p>Or</p> <p>Increase the ambulance fees to obtain an additional \$30,000 in annual revenue</p> | <p>The total property tax levy would increase from \$13,376,337 to \$13,406,337. For a typical residential property (EAV of \$95,000) the \$30,000 increase in the total levy would increase the annual property tax payment to the Village by \$1.20 per year from \$524.60 to \$525.80.</p> <p>Transportation fees for residents and non-residents in each category (ALS) and (BLS) would be increased by \$150, and the mileage fee would be increased to \$12.</p> |
| Provide \$15,000 for a contribution to the DuPage County Senior Citizen Council. | Reduce the Manager's Contingency from \$100,000 to \$85,000 | The reduction of the Manager's Contingency by \$15,000 would result in a slight increase in the risk of using the fund balance (aka reserves) in the General Fund. |

The following questions were asked in conjunction with the above proposals.

Please provide the funding history for DCSCC

| | | |
|------|----|--------|
| 2009 | \$ | 39,674 |
| 2008 | \$ | 39,674 |
| 2007 | \$ | 38,795 |
| 2006 | \$ | 38,799 |
| 2005 | \$ | 17,000 |
| 2004 | \$ | 15,000 |
| 2003 | \$ | 14,070 |
| 2002 | \$ | 19,767 |
| 2001 | \$ | 22,342 |
| 2000 | \$ | 19,886 |
| 1999 | \$ | 10,000 |

Please provide a history of the use of the manager's contingency

During the past five years, the use of the manager's contingency has ranged from 60% to 100%. Recently, the contingency has covered the sick leave pay-out for employees that have separated from the Village (only employees that were hired prior to 1994 are eligible for the sick leave pay-out). It is likely that the FY11 contingency will be used to pay for sick leave pay-outs for retiring employees. The exact number of retiring employees is not known at this time.