

VILLAGE OF DOWNERS GROVE
Report for the Village Council Meeting
12/2/2025

SUBJECT:	SUBMITTED BY:
Proposed FY26 Budget	Robin Lahey Finance Director

SYNOPSIS

A discussion of the FY26 Municipal Budget.

STRATEGIC PLAN ALIGNMENT

The goals for 2025-2027 include *Steward of Financial, Environmental and Neighborhood Sustainability*.

FISCAL IMPACT

The FY26 Municipal Budget will provide for all operational revenues and expenditures for the time period from January 1, 2026 through December 31, 2026.

UPDATE & RECOMMENDATION

This item was discussed at the November 4, 11 & 18, 2025 Village Council meetings. Staff recommends approval on the December 2, 2025 Active Agenda.

The Village Council requested information about recent discussions of strategies to address the future costs of public safety pension contributions. In 2020 and 2025, the Village explored the issuance of pension obligation bonds. In both cases the Village decided not to issue the bonds determining that the risks were greater than the potential benefits. In 2023, the Village explored making contributions in excess of the required annual contributions. The Village did not implement this strategy because nearly all of the reduction in the future contributions would be realized in the final years of the amortization schedule (2038 to 2040) while the annual required contributions in the preceding years would remain largely unchanged (not sufficient savings to the current tax payers). In 2023 the Village established the Public Safety Pension Stabilization to smooth the impact to property tax payers and lessen the total tax levy.

BACKGROUND

On October 24, 2025, the proposed FY26 Municipal Budget was published for the Village Council and the public. The proposed budget is available at <https://www.downers.us/pressroom-preview&prrid=318>. Budget Workshops will be held during Village Council meetings in November.

During the presentations both Village Council and residents will have the opportunity to ask questions.

ORDINANCE NO. _____

**AN ORDINANCE ADOPTING THE FISCAL YEAR 2026
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 2026; 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, 2025, 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 Village Manager 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 2026 with the following amendments:

		FY 2026 Proposed Budget
Fund	Description	Expenses Total
100	General Fund	66,499,358
102	Motor Fuel Tax	2,900,000
109	Foreign Fire Insurance	300,000
110	Ogden TIF	7,101,560
111	Tax Rebate	1,000,000
112	Washington & Curtiss TIF	-
114	Asset Forfeiture	415,000
115	Fairview TIF	30,000
	SPECIAL REVENUE FUNDS	11,746,560
220	Capital Projects	21,586,000
223	Major Buildings	1,185,000
	CAPITAL PROJECTS FUNDS	22,771,000
339	Capital Debt Service Fund	3,808,950
443	Stormwater Utility	10,718,907
471	Parking	1,644,202
481	Water	26,492,940
	ENTERPRISE FUNDS	38,856,049
530	Equipment Replacement	5,255,490
531	Fleet Services	2,980,716
562	Risk Management	3,168,308
563	Health Insurance	11,544,585
	INTERNAL SERVICE FUNDS	22,949,099
651	Police Pension	8,170,857
652	Fire Pension	8,034,426
653	OPEB Trust	-
	TRUST FUNDS	16,205,283
805	Library	7,690,493
821	Library Bldg & Equip Replacement	605,684
	PUBLIC LIBRARY FUNDS	8,296,177
	Total	191,132,476

SECTION 2. That the Village Manager is hereby authorized and directed to cause to be prepared and published the Fiscal Year 2026 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