



VILLAGE OF

LA GRANGE PARK

EST. 1892

BUDGET HEARING

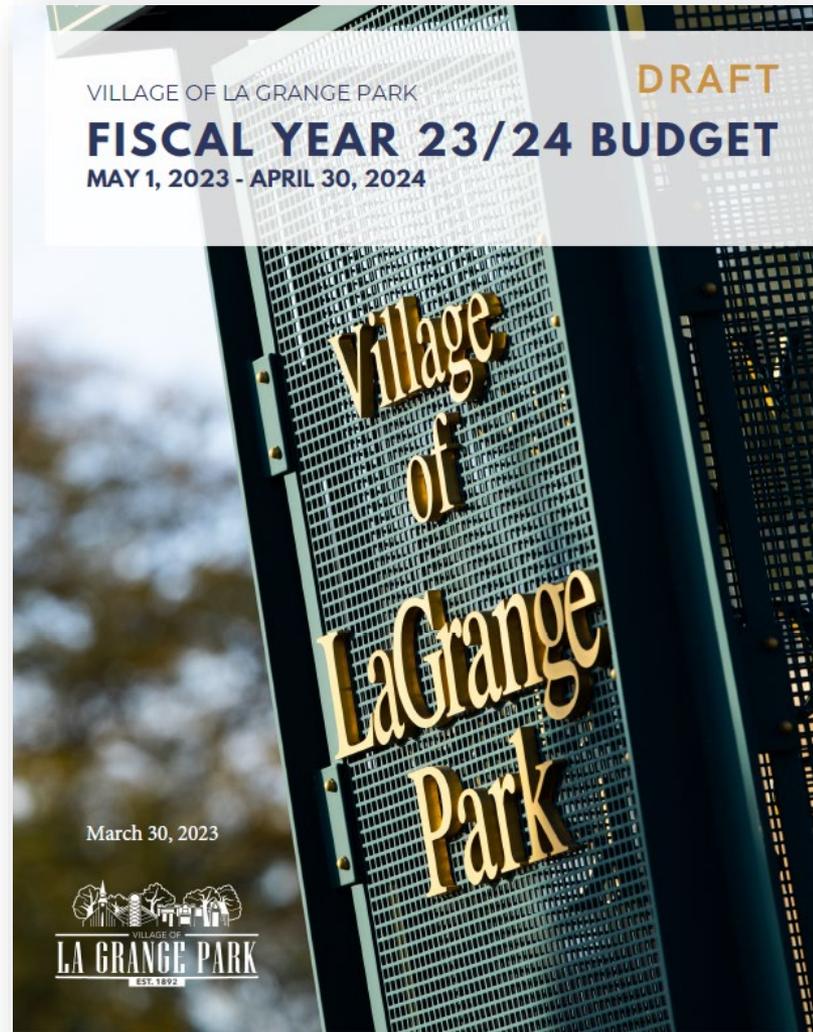
FY 2023-24

April 12, 2022



OVERVIEW

- Budget Goal, Objectives & Themes
- Finance Committee Review
- Revenues
- Expenditures
- Fund condition (disposition)
- Summary



BUDGET GOAL

- Previous budgets focused on careful proactive planning in response to Covid-19.
- FY 22/23 GOAL: To balance continued financial sustainability and growth while building capacity for effectively meeting future plans and challenges.
- FY 23/24 GOAL: Continued financial sustainability and *making it happen!* with an emphasis on working towards results.



GOAL



BUDGET OBJECTIVES

1. Leverage resources (expertise, plans, and people/input) to execute existing plans and develop necessary future plans.
2. Adhere to the Village Board's priorities for the Village.
3. Maintain our focus on financial sustainability.
4. Provide structure for the accountability of the Village's resources, including the ARPA relief funds and TIF and Business Development District funds.
5. Seek greater capacity for infrastructure needs from: (1) the Tax Increment Financing (TIF) and Business Development Districts (BDDs), (2) the American Rescue Plan Act (ARPA) funding allows the Village to dedicate other resources for a substantial stormwater project, and (3) the Motor Fuel Tax (MFT) Fund continues to support annual maintenance for necessary street maintenance.
6. Better achieve planning goals with enhanced staff support for departments.
7. Achieve or exceed compliance with the Village's Fund Balance Policy where the unassigned fund balance for the General Fund, Water Fund and Sewer Fund will be maintained at a minimum level equal to 25% of annual expenditures.



BUDGET THEMES

In this year's budget, people replaces technology with four prominent themes:

1. People: Prioritize people to get the job done.
2. Proactive Planning: Develop a working plan to guide our efforts and address challenges.
3. High Priority Needs: Fund high priority needs.



FY 22/23 BUDGET THEMES WITHIN THE LAST FIVE YEARS

LTACC 911

- State of the art technology
- Emergency Medical Dispatch
- New records management system & CAD
- Emergency notification systems
- Starcomm interoperable radios for Police & Fire Departments

Police Department

- New Lexipol policies and training
- Leads Online – database tracking
- Beast software to track evidence
- Mobile data terminals
- Mobile electronic ticketing and printers
- In car video cameras
- Body worn cameras
- 2 license plate readers
- Several new video cameras in the community and at village facilities
- Implement Power DMS in Police

Information Technology

- New VOIP phone system
- New dedicated fiber and fiber internet
- Server room improvements
- CIJIS Compliance (mandate for police)

Fire Department

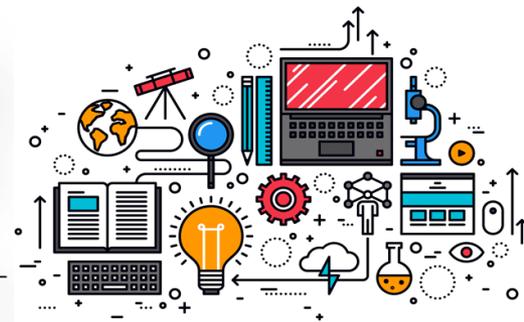
- 2 automated compression devices for the ambulances
- 2 new thermal imaging cameras
- New mobile data terminals
- Starcomm radios

Village Wide

- New Enterprise Software System (BS&A)
- The Building Department transitioned permits to BS&A & portable printer
- Enhanced data security
- Water billing to an online platform
- Paperless billing and pay by text
- Know B4 Data Security Training
- New vehicle license management system

Public Works

- Addition of GIS (Geographical Information System), to collect and store data, utilities, zoning, and public safety boundaries.
- GIS data collection and dashboards to tell stories, communicate updates and streamline workflows in each department
- GIS consortium membership with onsite analyst
- New PAVER software for street condition prioritization
- New Village-wide (online) Tree Inventory



BUDGET THEME #1

People: Prioritize people to get the job done

1. Build Capacity
2. Retention
3. Community Planning & Engagement
4. Accreditation Planning



BUDGET THEME #2

Proactive Planning: Develop a working plan to guide our efforts and address challenges

1. Lead Service Line Replacement & Notification Act
2. Streetscape Improvement Plans
3. Water and Sewer Infrastructure and Rate Study



BUDGET THEME #3

High Priority Needs: Fund high priority needs!

1. Central Area Sewer Separation Project
2. Maintaining Building & Fleet Needs



FY 2023-2024 BUDGET

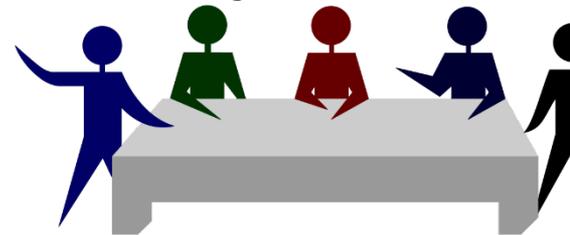
Finance Committee's Recommended Changes:

Budget

- Update the Transmittal Memo with various text changes.
- Reformat Table 1.
- Make various clarifications in the introductory text of departmental budgets and the Capital Projects Fund budget.
- Include additional background information regarding fleet purchases in the Capital Projects Fund narrative.
- Update Table 5 with clarifications.
- Reformat the FY 23/24 columns for the General Fund, Sewer Fund, Police Pension Fund, ARPA Fund and Table 6 - Authorized Positions Table.
- Add \$11,000 total (\$8,580 in Capital Projects Fund, \$1,320 in the Water Fund, and \$1,100 in the Sewer Fund) for the purchase of a new firewall appliance for enhanced cyber security.

Five Year Plan

- Update fund titles for the business development funds.
- Reformat all six economic development funds, providing consistency in the account categories.

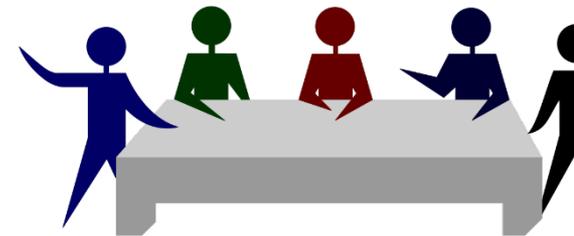


FY 2022-2023 BUDGET

Staff Recommends One (1) Additional Changes:

Accounting Services in the Budget

- The draft FY 23/24 Budget includes \$35,000 (split in 3 funds) for additional accounting services provided by a consultant, outside of the organization.
- Accounting services are necessary to implement the GASB Statement 87 for lease accounting along with providing supplemental assistance due to increased reporting and project work in the Finance Department.
- Following multiple discussions with three accounting firms, it appears that the initial budget amount is not substantial enough for the services we are seeking.
- *The estimated cost is now \$80,000 for the cost of 90 hours for audit preparation, 30 hours for GASB 87 implementation, and 32 hours a month for monthly reconciliation.*
- The Finance Committee discussed this item at an earlier April 11th Meeting.



VILLAGE BUDGET

- General Fund
- Water Fund
- Sewer Fund
- Motor Fuel Tax Fund
- Capital Projects Fund
- Debt Service Fund
- Risk Management Fund
- ARPA Fund
- TIF Funds (2)
- Business District Funds (4)
- Foreign Fire Insurance Fund
- Police Pension Fund
- *Next Year*: Opioid Settlement Fund

16 Funds 

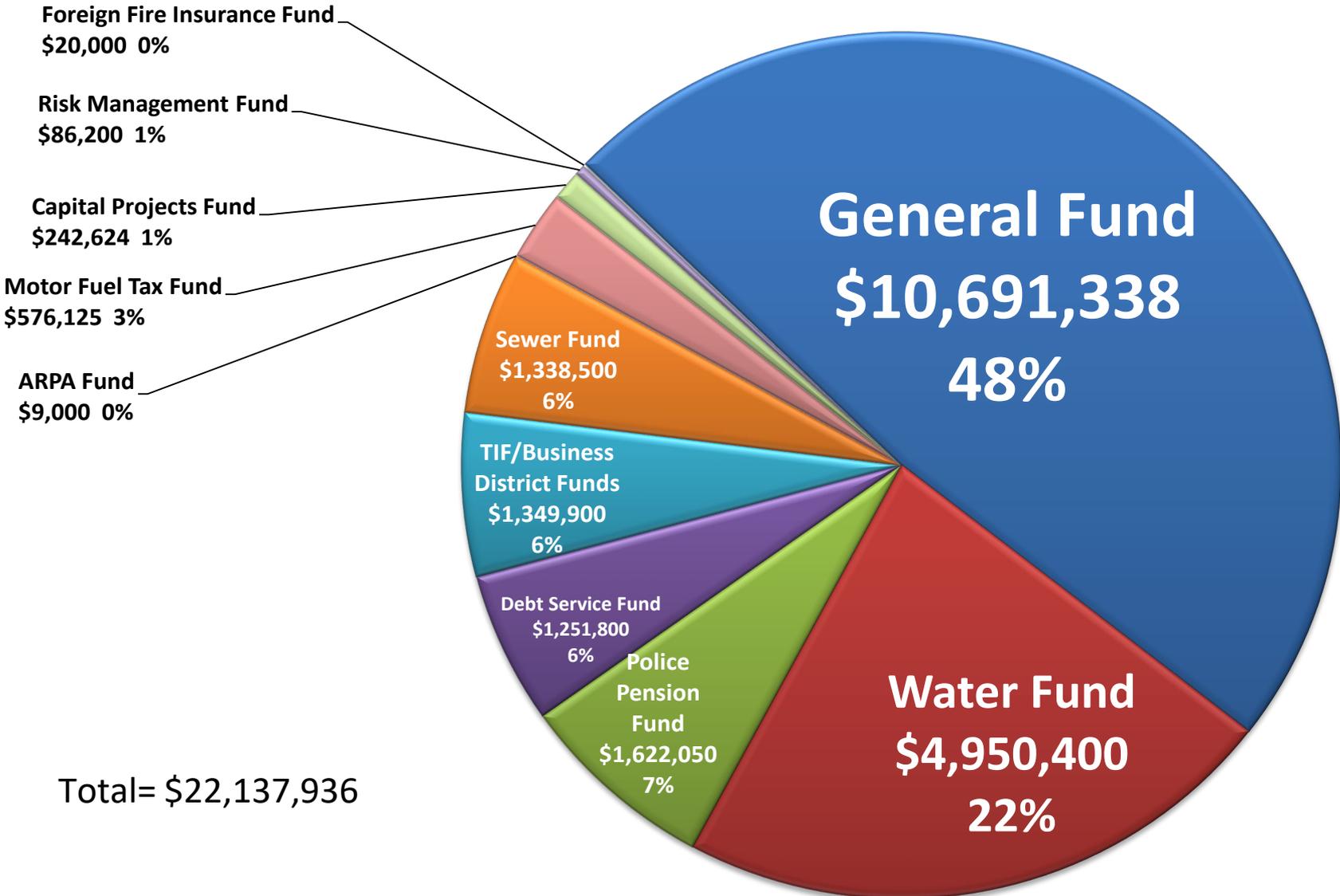
ALL FUNDS AT-A GLANCE

- **Revenues** **\$ 22,137,936**
 - *Up from FY 23/23 Budget at \$21,665,560*
 - *We anticipate FY 22/23 at \$23,257,096*

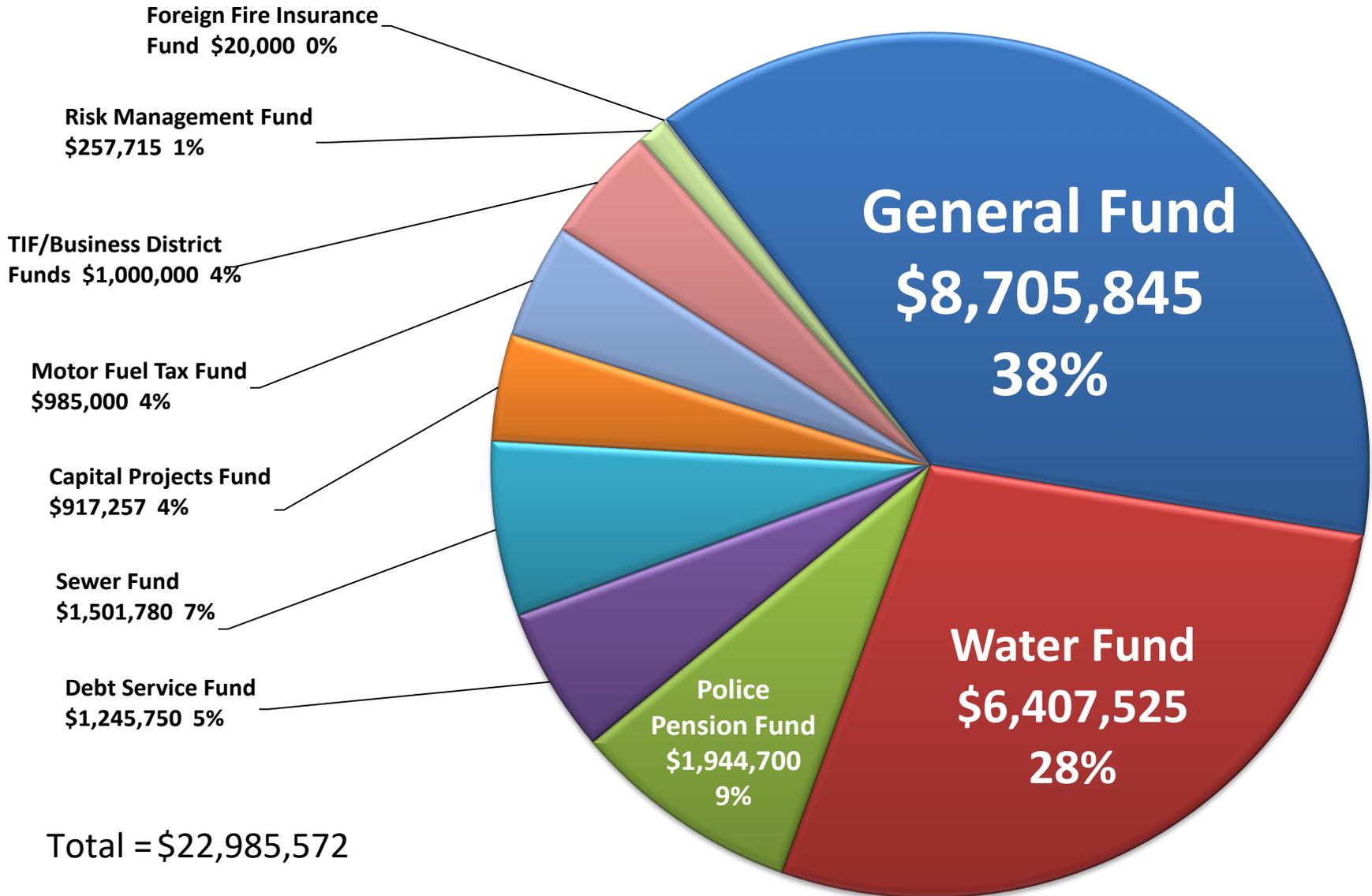
- **Expenditures** **\$ 22,985,572**
 - *Up from FY 23/23 Budget at \$19,052,415*
 - *We anticipate FY 22/23 at \$18,958,061*



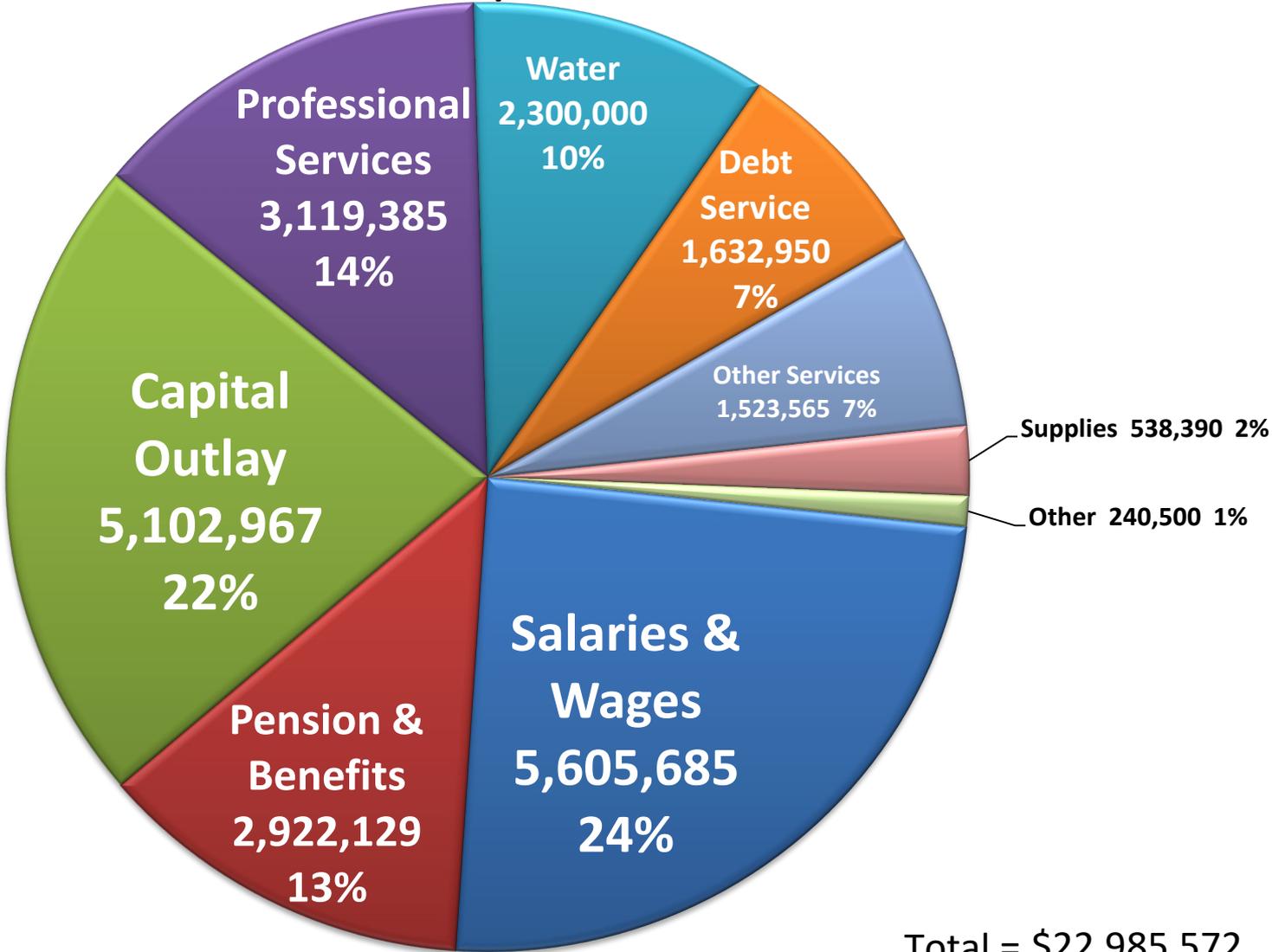
Village of La Grange Park
Revenues by Fund (Net of Interfund Transfers)
FY 2023/24



Village of La Grange Park
Expenditures by Fund (Net of Interfund Transfers)
FY 2023/24



**Village of La Grange Park
Expenditures by Classification - All Funds (Net of Interfund Transfers)
FY 2023/24**



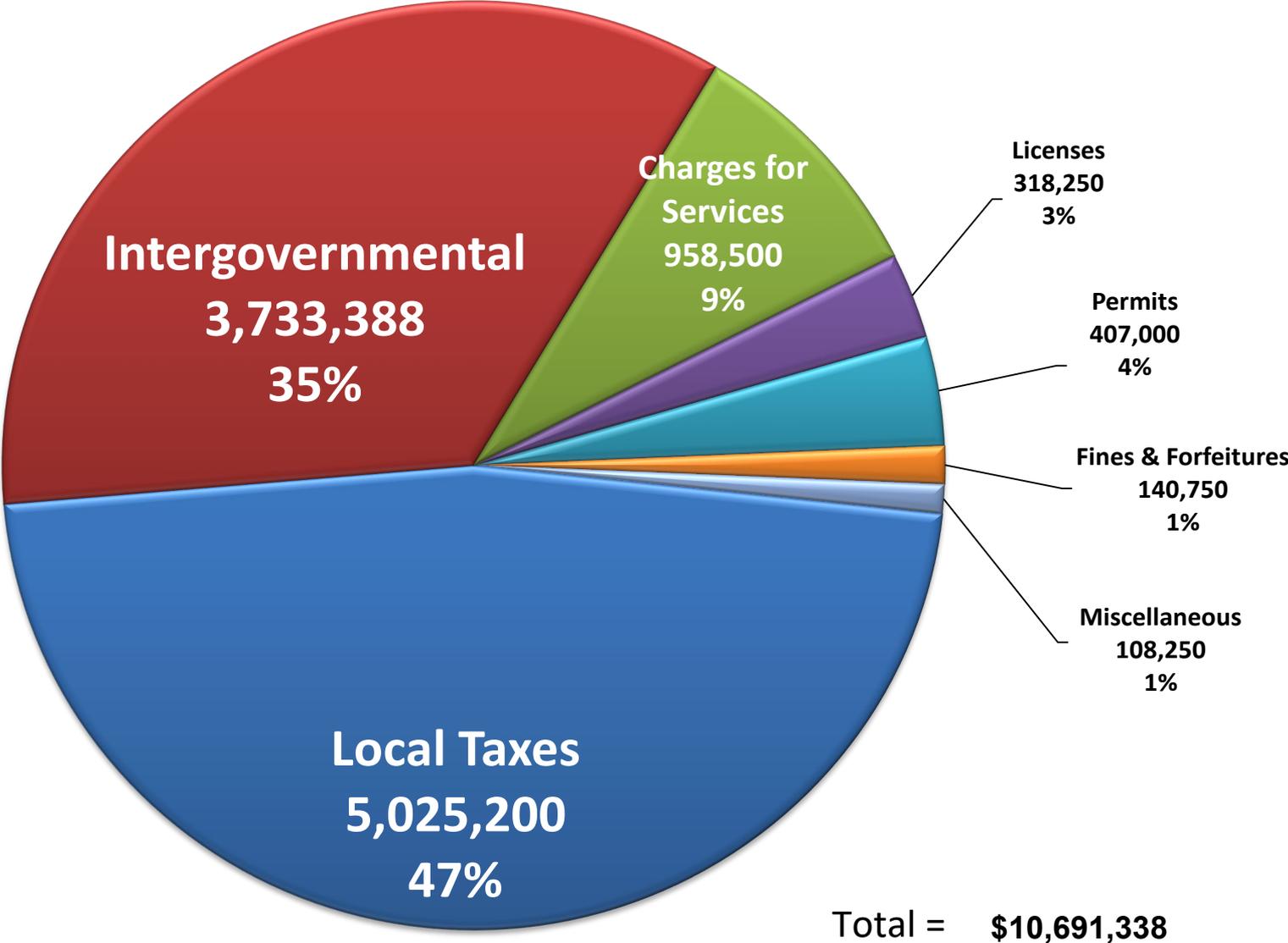
Total = \$22,985,572

GENERAL FUND

- Revenues \$ 10,691,338
 - Up 7.5% from prior year budget
- Expenditures \$ 10,174,195
 - Up 4.1% from prior year budget.
- \$500,000 budgeted transfer to Capital Projects Fund.
- \$600,000 budgeted transfer from ARPA Fund
- 110,200 budgeted transfers from TIFS & BD Funds



**General Fund Chart 3
Village of La Grange Park
Revenues by Classification
FY 2023/24**



GENERAL FUND REVENUES

9.6% total increase in budgeted revenues for FY 23/24.



Property Tax ▲

Sales Tax ▲

Income Tax ▲

Ambulance Fees ▲

Interest ▲

Parking & Compliance ▼

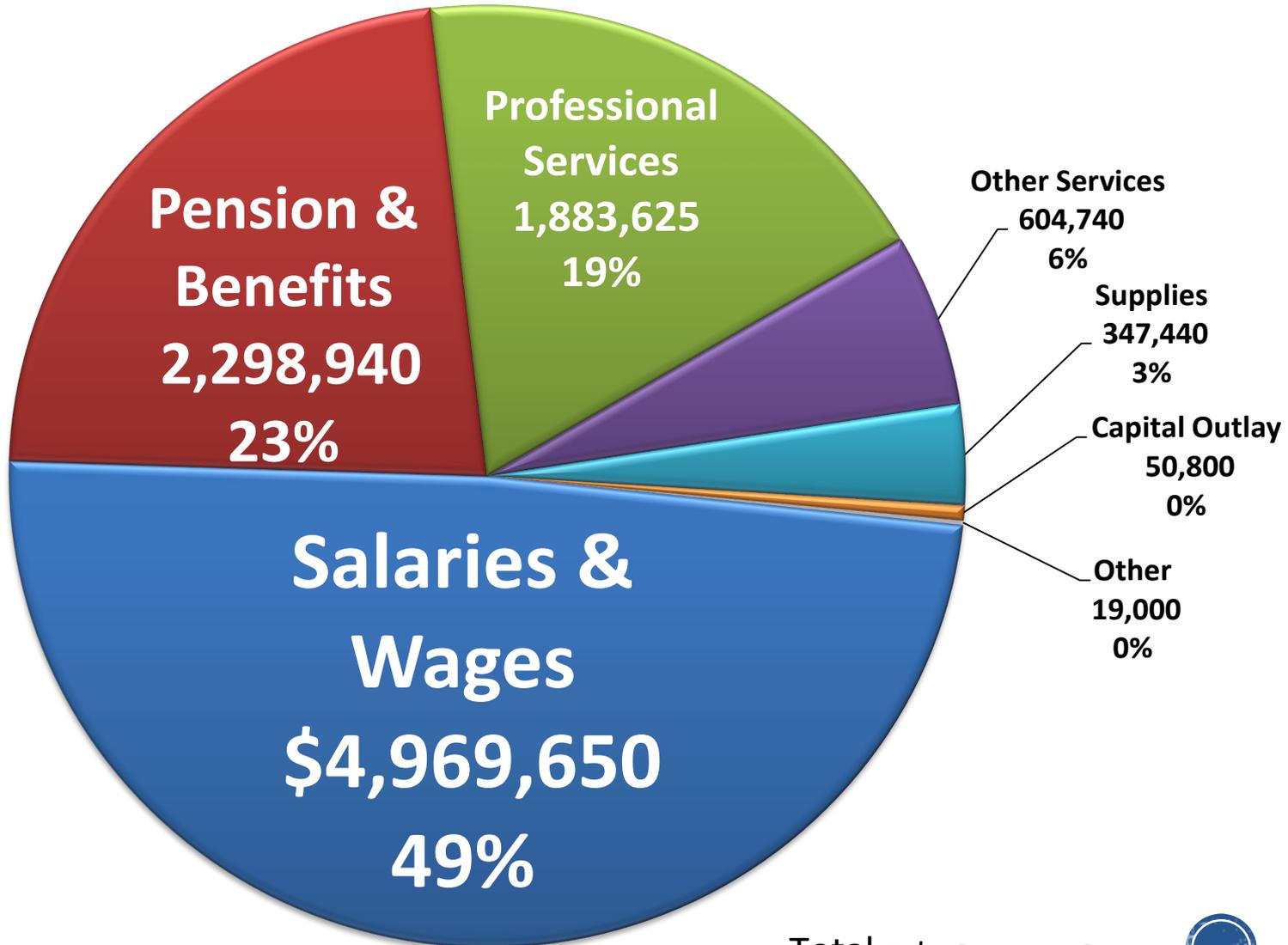
Tickets

Vehicle Licenses ▼



General Fund

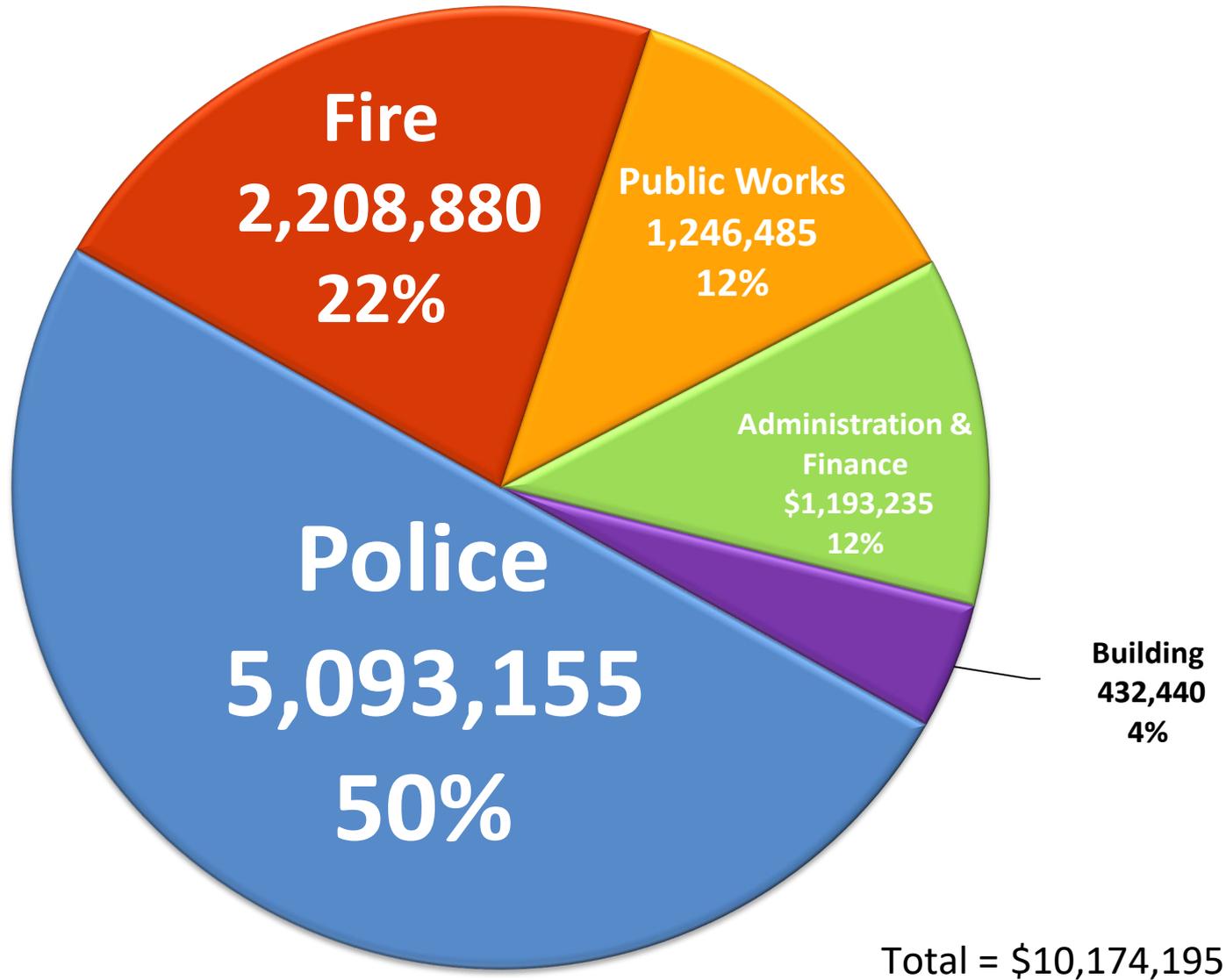
Village of La Grange Park
Expenditures by Classification
FY 2023/24



Total = \$10,174,195



**General Fund Chart 1
Village of La Grange Park
Expenditures by Department
FY 2023/24**



GENERAL FUND EXPENDITURES

- **Building staff capacity**
 - Director of Fire & Emergency Management
 - Director of Building & Inspectional Services
 - Part time Admin Communications support
 - Part time Senior Planner/Planner II
 - 4% COLA for non-union, CPI range adjustment
 - 8.6% overall increase in salaries and wages



GENERAL FUND EXPENDITURES

- **Professional Services**
 - \$706,000 for paramedic contract
 - \$144,600 for plan review and inspections
 - \$35,000 presently for accounting services, on agenda to discuss amount up to 80,000.
- **Supplies and equipment**
 - \$18,000 for Fire Department turnout gear
- **Urban Forest**
 - \$67,000 for tree maintenance



WATER FUND



- Revenue budget up 7%.
- 7.8 % rate increase based off of Hancock Engineering's 2022/23 Update to the 2017 Water & Sewer Rate Study.
- Water utilization up over past two years due to more people at home during pandemic, but starting to see decrease.
- Expenditure budget up about 77% due to Park Road water main replacement and Kemman and Newberry Extension.
- This FY (previous budget): Expenditure budget down about 21% due to hold on water main projects as Village prepared for lead service line replacement mandate.



SEWER FUND



- Revenue budget up 13%.
- 10.1 % rate Increase based off of Hancock Engineering's 2022/23 Update to the 2017 Water & Sewer Rate Study.
- \$50,000 for backup prevention program
- \$300,000 for lining and repairs



MOTOR FUEL TAX FUND

- Accounts for Village's share of State fuel taxes.
- Uses limited by state statute related to construction, repair and maintenance of the road system.
- \$550,000 for resurfacing Harrison & Morgan Street.
- \$100,000 for pavement patching.
- \$75,000 for sidewalk maintenance.



RISK MANAGEMENT FUND

- Accounts for risk management activities.
- Provide a dedicated reserve balance to pay claim deductibles and other risk expenses.
- Funded by department budgets based on risk factors and claims experience.
- \$201,115 budgeted for contribution to Village's insurance pool.



CAPITAL PROJECTS FUND

- Established to budget and track major capital improvements and equipment replacements.
- Generally includes any capital expenditure over \$10,000, other than water and sewer projects.
- Funded primarily by General Fund Cash Reserves.
- \$500,000 budgeted transfer from General Fund.



CAPITAL PROJECTS FUND

- \$40,000 for Fire Department Fire Prevention Vehicle
- \$62,587 for Fire Department Starcomm Radios
- \$148,200 for Village Hall improvements
- \$29,600 for security cameras
- \$95,000 for two Police Department patrol vehicle
- \$30,000 for a Public Works Director Vehicle
- \$39,000 for a Public Works Pickup
- \$40,590 for a Skid Steer for Public Works
- \$33,600 for information technology equipment
- \$35,000 for Fire Station 2 new heating system
- \$45,000 for Walk of Life Permeable Project
- \$45,000 for Village Dump Facility Fencing



DEBT SERVICE FUND

- Services the debt incurred with the issuance of bonds for street improvements and fire equipment.
- Paid with property tax collected over a ten year period, beginning with the 2016 levy (paid in 2017).



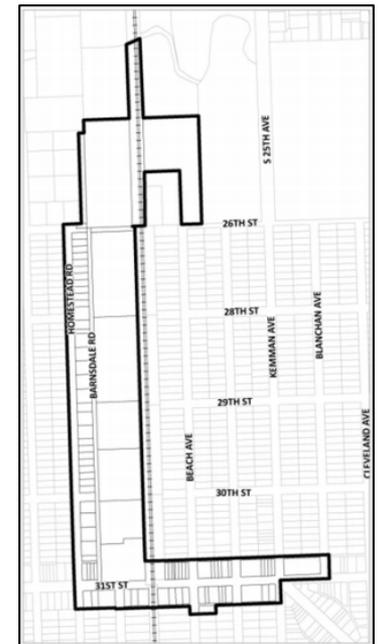
ARPA FUND

- **The Coronavirus State and Local Fiscal Recovery Funds (SLFRF), a part of the American Rescue Plan Act (ARPA), provides \$350 billion to state, local, and Tribal governments across the country to support the response to and recovery from the COVID-19 public health emergency.**
- **ARPA funds must be used for costs incurred on or after March 3, 2021, must be obligated by December 31, 2024, and expended by December 31, 2026.**
- **\$600,000 transfer to General Fund planned for each of next two fiscal years for public safety.**



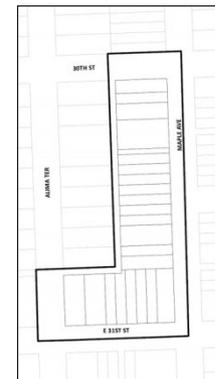
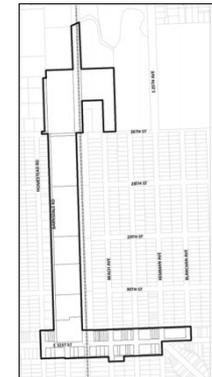
TIF FUNDS (2)

- Established to budget and track the revenues and project costs within the two TIF Districts, established January 2017.
 - Village Market TIF District
 - 31st Street / Barnsdale Road TIF District
- \$100,000 for Village Market streetscape engineering.
- \$300,000 for streetscape implementation.
- \$25,000 for development agreements.
- \$125,000 for 31st Streetscape Improvement plan.



BDD FUNDS (4)

- Established to budget and track the revenues and project costs within the 4 Business Development Districts, established March 2017.
 - Village Market BDD
 - 31st Street / N. La Grange Road BDD
 - 31st Street / Maple Ave BDD
 - 31st Street / Barnsdale Road BDD
- Funded by 1% dedicated sales tax.
- \$75,000 for development agreements.
- \$120,000 for Streetscape Improvement plan.



FOREIGN FIRE INSURANCE FUND

- Accounts for taxes the Village receives from out of state insurance companies.
- \$20,000 in annual revenue.
- Foreign Fire Insurance Board determines the use of the funds for the benefit of the Fire Department.



POLICE PENSION FUND

- Organized under State statute to provide pension benefits to full-time sworn police officers.
- Administered by a five-member Pension Board as defined by State statutes.
- Funded from three sources.
 1. Active Police Officers – Current police officers contribute 9.91% of base salary towards the pension plan.
 2. Interest and Investment Income – Income generated by the Fund's investments.
 3. Village Contribution – The employer contribution based on actuarial calculations.
- Village Contribution budgeted at \$1,350,000.



VILLAGE OF LA GRANGE PARK
PROJECTED FUND BALANCE SUMMARY
FISCAL YEAR 2023/24

	Beginning		Other		Increase/	Ending	Cash Reserves		
	<u>Fund Balance</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Inflows/(Outflows)</u>	<u>(Decrease)</u>	<u>Fund Balance</u>	<u>Cash¹</u>	<u>Minimum Standard²</u>	<u>Over/(Under)</u>
General Fund	\$ 8,785,064	\$ 10,691,338	\$ 10,174,195	\$ 210,200	\$ 727,343	\$ 9,512,407	\$ 8,015,221	\$ 2,654,084	\$ 5,361,136
Water Fund	14,298,665	4,950,400	6,428,575	-	(1,478,175)	12,820,490	3,312,573	1,237,600	2,074,973
Sewer Fund	9,183,108	1,338,500	1,508,830	-	(170,330)	9,012,778	1,097,813	322,125	775,688
Motor Fuel Tax Fund	1,854,627	576,125	985,000	-	(408,875)	1,445,752	1,401,019	144,031	1,256,988
Risk Management Fund	1,424,188	232,650	257,715	-	(25,065)	1,399,123	140,995	50,000	90,995
Debt Service Fund	772,081	1,251,800	1,245,750	-	6,050	778,131	-	-	-
Capital Projects Fund	363,205	242,624	917,257	500,000	(174,633)	188,572	188,572	-	-
ARPA Fund	1,200,311	9,000	-	(600,000)	(591,000)	609,311	609,311	-	-
Village Market TIF Fund	1,421,457	410,000	507,500	(52,755)	(150,255)	1,271,202	1,271,203	-	-
31St/Barnsdale TIF Fund	1,546,001	462,000	222,500	(9,740)	229,760	1,775,761	1,771,845	-	-
Village Market BD Fund	703,748	144,900	50,000	(20,085)	74,815	778,563	727,357	-	-
31St / N La Grange BD Fund	284,629	72,500	110,000	(7,690)	(45,190)	239,439	216,512	-	-
31St / Maple BD Fund	124,771	25,900	55,000	(7,690)	(36,790)	87,981	78,768	-	-
31St / Barnsdale BD Fund	687,695	234,600	55,000	(12,240)	167,360	855,055	781,440	-	-
Foreign Fire Insurance Fund	45,810	20,000	20,000	-	-	45,810	-	-	-
Police Pension Fund	18,746,859	620,050	1,944,700	2,352,000	1,027,350	19,774,209	-	-	-



THE VILLAGE'S PRIORITIES

1. Maintain Fiscal Responsibility with Sound Budget Practices
2. Improve and Maintain Infrastructure and Roads
3. Attract, Retain and Expand Business
4. Broaden Communication Practices, Methods & Outreach
5. Proactively Plan While Honoring our Community History, Character & Quality
6. Leverage Staff, Equipment & Technology Resources to Maintenance & Enhanced Services



FY 2023-2024 BUDGET

SUMMARY...

- The overall goal of the budget is to “Continued financial sustainability and making it happen!”
- The Budget continues with conservative revenue projections and considers two new personnel positions to ensure that we continue to support the provision of core services while moving forward with high priority projects and necessary planning *and implementation*.
- The Water and Sewer Funds remain in stable condition and on the revenue side, proposes a rate increase after holding the line for three years. On the expenditure side, we are preparing for a large water project and we are currently replacing some lead service lines.
- We will continue to monitor grant opportunities, revenue recovery, and changes to state shared revenues, to ensure future financial sustainability.
- The proposed Budget allows us to be diligent in tracking ARPA, TIF, BDD, and Risk Management funds.
- The Budget adheres to the Village Board’s 6 Priorities.
- The Budget projects to grow the General Fund.



LONGER TERM PLANNING

Looking Forward...



- Working on the next steps for commercial revitalization with the prioritization of the Village Market Streetscape elements and the start of the 31st Street Plan.
- Continue our work on the Central Area Storm Sewer Separation Project.
- Complete our work for the state mandated Lead Service Line Replacement Act.
- Invest in public building maintenance.
- Update our Capital Projects Prioritization and Strategy (SP).





QUESTIONS?

VILLAGE OF

LA GRANGE PARK

EST. 1892

