2013

Village of Downers Grove

Municipal Budget

Community Investment Program

801 Burlington Avenue
Downers Grove, IL 60515
www.downers.us

VILLAGE OF DOWNERS GROVE, ILLINOIS

MUNICIPAL BUDGET and COMMUNITY INVESTMENT PROGRAM

FOR THE FISCAL YEAR
JANUARY – DECEMBER 2013

Prepared by Finance Department &
Village Manager's Office

Judy Buttny
Finance Director

Allison Deitch
Management Analyst

FY13 Budget Message

TO: Honorable Mayor and Council
FROM: David Fieldman, Village Manager
RE: Adopted FY13 Municipal Budget
DATE: November 12, 2012

The Village Budget Team and I are pleased to present the **Adopted FY13 Municipal Budget.** The Adopted Budget reflects the Village's continued commitment to achieving the Strategic Plan goal of *Steward of Financial Sustainability* in the face of challenging economic conditions affecting nearly all municipalities in the state, region and nation. The Adopted Budget is consistent with the strategies and recommended actions of the 2013-2015 Long Range Financial Plan (LRFP) that was prepared earlier this year.

The Adopted FY13 Budget implements the Storwmater Utility in a manner consistent with the Village Council's approval of the program earlier this year; includes a reduction in the Village's property tax levy, the second reduction in as many years; presents a balanced General Fund budget (revenues equal to expenses); and allows for the continued investment in needed infrastructure improvements in a sustainable manner.

Key Components of the FY13 Budget

- Implements the Stormwater Utility
- Reduces the Property Tax Levy by $1.98 million (15.2%)
- Includes a Balanced General Fund
- Continues Investment in Infrastructure

The budget review and approval schedule summarized below provided ample opportunities for dialogue among the Village Council, community and staff.

FY13 Budget Review and Approval Schedule

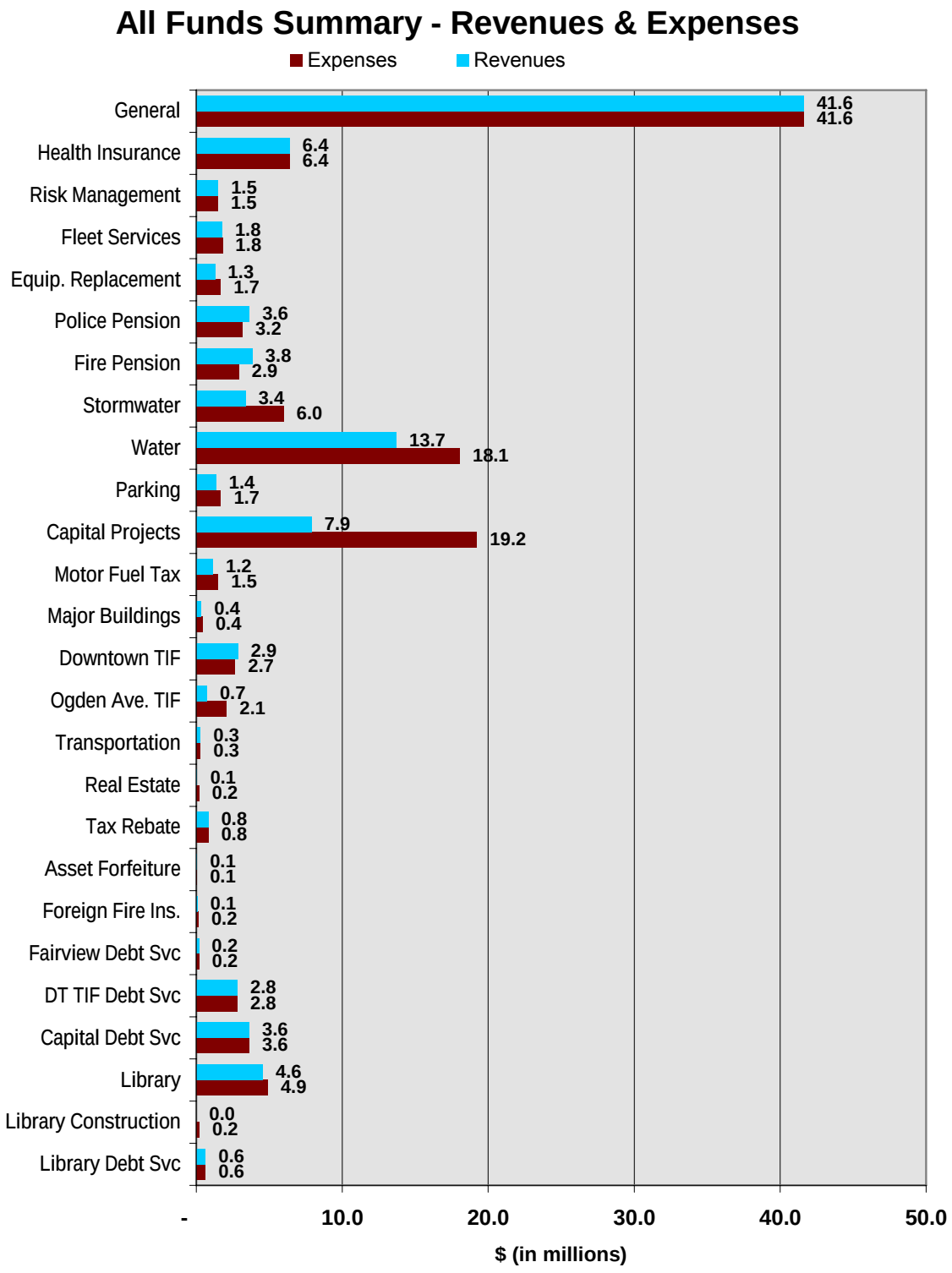
Budget Workshop	Sat. October 6
Budget Discussion at Council Meeting (First Reading)	Tue. October 9
Budget Discussion at Council Meeting (First Reading)	Tue. October 16
Coffee With the Council Budget Discussion	Sat. October 20
Public Hearing, Budget Discussion and Estimated Levy Discussion at Council Meeting	Tue. November 6
Adoption of Budget & Estimated Tax Levy at Council Meeting	Tue. November 13
Public Hearing for Tax Levy at Council Meeting	Tue. December 4
Adoption of Tax Levy and Abatements	Tue. December 11

The Village budget is comprised of 26 active funds. The total municipal budget for all funds consists of approximately $104.6 million in revenues and $124.6 million in expenses. *(Summaries of all funds are presented in the **Fund Summaries** section of the budget.)*

Expenses are budgeted to exceed revenues as the Village continues to invest the proceeds from recent bond issuances in street, water and stormwater infrastructure improvements. The bond proceeds appeared as revenues in recent budgets. As the Village spends the proceeds on the capital projects, the expenses are reflected in the FY13 budget and future budgets. This results in expenses exceeding revenues in the Stormwater, Water and Capital Funds. ***Figure 1*** below summarizes the budgeted

revenues and expenses for each fund within the Budget. Three of the funds are managed by the Library District, an independent component unit of the Village.

Figure 1



IMPLEMENTATION OF THE STORMWATER UTILITY

The Adopted FY13 Budget reflects the implementation of the Stormwater Utility approved by the Village Council on August 21, 2012. In January 2013 the Village will implement a monthly stormwater fee that will be charged to all property owners. Revenues generated by the fee will be allocated to all costs of owning, operating and maintaining the stormwater infrastructure system, which consists of:

- Approximately 7,000 drainage structures
- 315 stormwater detention facilities
- 30 miles of storm sewer pipes
- 12 miles of streams
- 140 miles of roadway ditches
- 47,000 feet of culverts.

Costs for the stormwater system are currently funded primarily through property taxes. Shifting the source of funding to a utility/fee based system will result in a reduction in the property tax levy by approximately $2.47 million. *(see the **Reduction of the Property Tax Levy** section on page 5.)*

What Kind of Water?

All water is not the same...

- **Tap water** comes from a faucet and is used for drinking, bathing, cooking and household purposes. *Customers receive a bill for their tap water use from the Village.*
- **Wastewater** is water that has been used for washing clothes or flushing the toilet. *Customers receive a bill for their wastewater use from the Downers Grove Sanitary District.*
- **Stormwater** originates from rain or melting snow or other activities involving outdoor water use such as car washing or hosing off the driveway. Water that does not soak into the ground becomes run-off. Every property generates run-off and benefits from the Village innfrastructure system that manages stormwater. *Beginning in 2013, customers will receive a bill for stormwater from the Village.*

The Village has invested significant capital to construct and maintain the stormwater infrastructure system. Stormwater originates from rain or melting snow, or other activities involving outdoor water use such as car washing or hosing off the driveway or sidewalk. Water that does not soak into the ground becomes run-off. Every property generates run-off and benefits from the Village infrastructure system that manages stormwater. The utility model represents an equitable method to collect revenue from those properties that place a demand on the system. Revenue is generated by charging all property owners a monthly stormwater fee, based on the property's impact to the stormwater system.

How Will the Stormwater Utility Affect My Property?

Residents and business operators who would like to know how the Stormwater Utility affects their property may email their property address to **swutility@downers.us.** The Village will provide them with the annual stormwater fees and the reduction in their property tax bill.

There are multiple benefits to implementing a fee-based system:

- All properties in the Village share in the cost of operating and maintaining the stormwater system.
- Fees provide a predictable and sustainable funding source.
- A heightened sense of awareness of the stormwater management system is created.
- Property owners are encouraged to reduce the amount of run-off from their property by installing rain barrels, rain gardens and detention basins. These actions may allow property owners to reduce their stormwater fee.

The implementation of the Stormwater Utility affects many portions of the Adopted FY13 Budget as summarized below.

- **Reduces the Village property tax levy by $2.47 million**. All of the revenues for stormwater activities will be generated by the stormwater fees. The Village will no longer levy property taxes for stormwater-related activities. Therefore, the 2013 property tax levy will be reduced by $2.47 million, the amount the Village levied in 2012 for stormwater-related expenses. Two components of the Village tax levy will be reduced, including a portion of the corporate levy and all of the stormwater levy. *(see the **Reduction in the Property Tax Levy** section on page 5.)*

- **Reduces General Fund revenues and expenses by $815,202**. As part of the Stormwater Utility Report, Municipal & Financial Services Group (MFSG), the Village's consultant, analyzed expenses related to stormwater management activities and estimated that the Village would spend $815,202 on these expenses in the General Fund. With the creation of the Stormwater Utility, all stormwater-related revenues and expenses will be included in the Stormwater Fund. Therefore, $815,202 of General Fund revenues (in the form of property tax levy) and expenses will be removed from the General Fund.

- **Provides revenue of $3.3 million by charging a monthly fee.** Stormwater fees, which will be charged to all parcels in the Village, are expected to generate just over $3.5 million in gross revenue. The gross revenue from the fees will be reduced by the granting of credits (ongoing reductions to stormwater fees) and incentives (one-time reduction in the stormwater fee). The budget for credits is $180,000, and the budget for incentives is $20,000. Therefore, the net revenue from the stormwater fees is budgeted to be just over $3.3 million *(see page 4-21, line 7).*

- **Shifts $1.95 million of Home Rule Sales Tax revenue from the Stormwater Fund to the Capital Fund.** Prior to the creation of the Stormwater Utility, the annual debt service payments on the 2008 Stormwater bonds were being made with revenues from property taxes and Home Rule Sales Taxes. These revenues were included in the Stormwater Fund. This portion of the Home Rule Sales Tax revenue is now being used to make the debt service payments on the 2012 bond issued for the reconstruction of streets. Therefore, the Home Rule Sales Tax revenue has been shifted out of the Stormwater Fund and into the Capital Projects Fund *(see page 4-27, line 4).*

- **Changes the Stormwater Fund from a capital fund to an enterprise fund.** All stormwater-related revenues and expenses will be accounted for in the Stormwater Fund. Thus, the fund will become an enterprise fund like the Water Fund and Parking Fund.

These changes will allow the Village to operate and maintain the stormwater system in a financially sustainable manner. The Adopted FY13 Budget includes $3.03 million for improvements to the Village's stormwater infrastructure system *(see pages 6-4 & 6-5, programs 343 & 347).*

Widespread flooding from heavy rains in October of 2006 prompted the Village to comprehensively address deficiencies in the infrastructure and maintenance of the public stormwater system. In 2007 the Village completed the Watershed Infrastructure Improvement Plan (WIIP) projects recommended to primarily address drainage and stormwater issues within the public system. The completion of these projects will create additional capacity within the system and improve drainage as a whole.

In 2008 the Village issued $25 million in bonds with the proceeds earmarked for high priority stormwater improvement projects identified in the WIIP. To date, 13 of the high-priority projects have been completed or are under construction. In FY13 the Village plans to continue working on the remaining high-priority projects and the stormwater budget provides approximately $13 million from the proceeds of the 2008 bond issue for this continued investment *(see page 4- 21, line 2).*

REDUCTION OF THE PROPERTY TAX LEVY

While the total municipal budget relies on a number of sources of revenue, the Property Tax Levy continues to be a focus of judging the fiscal health of a community. Property taxes account for about 24.1% of the General Fund budget. The Village's property tax levy is comprised of five components which support specific services provided by the Village. ***Table 1*** summarizes the adopted real estate tax levy for FY13.

Table 1
Village Property Tax Levy, FY12 & FY13

Levy Component	FY12	FY13	Change
Corporate Levy	$3,812,347	$2,997,145	($815,202)
Fire Protection	$2,850,000	$2,850,000	--
Fire Pension	$2,122,822	$2,244,196	$121,374
Police Pension	$1,567,925	$1,943,836	$375,911
Capital (formerly Stormwater)	$2,630,139	$971,524	($1,658,615)
Total	**$12,983,233**	**$11,006,701**	($1,976,532)

The total adopted Property Tax Levy declined by nearly $1.98 million, compared to the FY12 levy - a reduction of 15.2%. The reduction is due to the shift in funding for the Stormwater Fund from primarily property taxes to stormwater fees. The levy for all stormwater-related activities, including operations, maintenance, capital projects and debt service payments on the 2008 Stormwater bonds, has been removed from the tax levy, reducing the levy by $2.47 million (the combination of the reductions in the Corporate -$815,202- and Capital -$1,658,615- components of the tax bill).

In 2012 the Village levied $2,630,139 for stormwater-related expenses, including $511,565 for maintenance expenses and over $2.1 million for the annual debt service payment on the 2008 stormwater bonds. In 2013 the Village will not levy for stormwater-related expenses and will use revenues from the stormwater fees instead. The capital component of the tax levy, $971,524, will be used to make the annual debt service payment on the 2012 bond issuance *(see page 4-27, lines 4 & 22).* Proceeds from the 2012 bonds are being used to reconstruct streets that have fallen into disrepair.

The adopted levy for police and fire pensions will increase by $497,285, or 13.5%. Pursuant to state law, the Village is required to levy these amounts to make sure the pension funds are funded according to minimum state requirements and per the results of actuarial studies.

Based on conversations with the Township Assessor's Office, the total Equalized Assessed Valuation of all taxable property located within the Village limits is expected to decline by 7% from $2.27 billion to $2.11 billion (additional property valuation and assesment process information).

The application of the Village's adopted levy to the total taxable value of property results in a decrease of the Village's tax rate from .5787 in 2012 to an estimated .5215 in 2013. Because the total property tax levy will decline, the amount paid by the owner of a typical residential property will also decrease.

Table 2 below shows how the Village's levy would affect a residential property with a market value of $300,000 in 2012. The value of the property is expected to decline by 7% and would have a market value of $279,000 in 2013.

In 2012 the example property paid $578.50 to the Village. The same property in 2013 would pay $484.99 ($94.21 less).

Table 2
Village Tax Levy on a $300,000 Residential Property

	FY12	**FY13**	**Difference**
Equalized Assessed Value	$100,000	$93,000	($7,000)
Village Tax Rate	.5787	.5215	(0.05727)
Village Tax Amount	$578.70	$484.49	($94.21)

It is important to note that the Village portion of the tax bill is generally about 10% of the total tax bill.

Understanding Your Property Tax Bill
Property tax bills are comprised of many taxing bodies. The Village's portion accounts for only about 10% of the total tax bill.
Click on **tax bill presentation**
to learn more about your bill.

BALANCED GENERAL FUND

The General Fund is the main operating fund of the Village and includes the majority of Village services. The General Fund Adopted Budget is balanced with revenues and expenses of $41.6 million *(see page 4-3, lines 15 and 25)*.

The Adopted FY13 Budget is the fourth annual budget prepared per the recommendations of the Long Range Financial Plan (LRFP). In the past three years, significant changes to the Village's budget and operations were made to address a substantial structural financial gap in the General Fund of up to $6.0 million by 2012. Changes included reductions and eliminations of Village services and programs; voluntary and involuntary staffing reductions; and revenue enhancements.

Through these changes, the structural gap in the General Fund was eliminated. In fact, during the past few years, the Village has reduced General Fund expenses by approximately $5 million. Because these appropriate actions were taken, the Village is well positioned for the FY13 Budget.

The LRFP includes a specific action plan for the 2013 General Fund Budget. The Adopted Budget is consistent with the recommended action plan below.

Long Range Financial Plan Strategies for the General Fund

- Increase Operating Efficiencies
- Reduce Personnel Expenses
- Partner with Others
- Adjust Fees Regularly
- Enhance the Revenue Base
- Adjust the Tax Levy and Other Revenues as Needed

Consistent with the above plan, the FY13 Adopted Budget is balanced with revenues and expenses of $41.6 million. The ending fund balance is budgeted to be $17.55 million, or 42.2% of budgeted expenses, within the Village's fund balance policy *(see page 4-3, line 27)*.

Table 3
General Fund Revenues and Expenses, FY07 to FY13 (in millions)

	Revenues	Expenses	Difference	Fund Balance	Fund Balance % of Expenses
FY07 (Actual)	$41.14	$42.72	($1.58)	$17.05	39.91%
FY08 (Actual)	$40.98	$42.25	($1.27)	$15.78	37.35%
FY09 (Actual)	$38.95	$39.28	($0.33)	$15.44	39.31%
FY10 (Actual)	$39.44	$39.20	$0.24	$15.68	40.00%
FY11 (Actual)	$41.86	$40.33	$1.52	$17.20	42.65%
FY12 (Estimate)	$41.71	$41.34	$0.37	$17.55	42.45%
FY13 (Budget)	$41.60	$41.60	--	$17.55	42.19%

General Fund Expenses (Table 4)
As noted in Table 3 above, General Fund expenses are budgeted at $41.6 million. The Village is committed to cost containment by implementing the recommendations of the LRFP on a daily basis. This is evident in the fact that the budgeted FY13 expenses are over $1.1 million less than 2007 actual expenses ($815,000 of this is due to the shift of expenses to the Stormwater Fund. FY13 expenses would be $275,000 less than FY07 expenses if expenses were not shifted to the Stormwater Fund.)

Table 4
General Fund Expenses by Category, FY12 and FY13

Category	FY12 Budget	FY13 Budget	Change	% Change
Personnel	$31,727,371	$32,706,054	$978,683	3.1%
Non-Personnel	$9,621,653	$8,924,824	($696,829)	(7.2%)
Total	**$41,349,024**	**$41,630,878**	**$281,854**	**0.7%**

Personnel expenses including salaries, health benefits and post employment benefits, such as pensions, account for over 78% of General Fund expenses *(see page4-3, line 17*). These expenses, which are budgeted to increase by 3.1%, have been controlled using a number of approaches. For example, the contracts with the Public Works Department and Fire Department collective bargaining units approved in 2012 have locked in modest wage increases for 2013 (2% and 1% respectively). In addition, the Village has changed the way planned time off for firefighters is scheduled. This change reduced overtime expenses by approximately $110,000 per year.

Non-personnel expenses are budgeted to decrease by nearly $700,000 or 7.2% *(see page 4-3, lines 18-23)*. This decline is due primarily to the shift of approximately $400,000 of non-personnel stormwater related expenses to the Stormwater Fund. The remaining decrease of approximately $300,000 is due to the Village's ongoing committment to expense reduction by implementing Lean concepts.

As an example, the Adopted FY13 Budget reflects significant cost savings from changes in Fire Department responses that were implemented in 2012. In February the Fire Department revised its guidelines to reduce the number of vehicles that respond to certain calls for service (activated fire alarms not accompanied by a 9-1-1 call or other signs of smoke or fire). The change was made to reduce the number of vehicles responding to calls while sending only the vehicles likely to be used.

With this change, the Village is now sending one engine to respond to certain activated fire alarm calls. Under the previous response guidelines, the Village was sending five Village vehicles and a mutual aid vehicle to these calls. The change is designed to reduce fuel expenses, reduce vehicle maintenance expenses, extend the life of the vehicles, and reduce the number of mutual aid responses from other fire departments. However, the response guidelines still ensure that the appropriate number of vehicles will be ready to respond in the case of a fire.

General Fund Revenues

Total General Fund revenue is budgeted to be $41.6 million, an amount equal to budgeted expenses and down slightly compared to 2012. The decline is due to the elimination of the portion of the property tax levy used for stormwater related expenses. There are a variety of revenue sources that support the General Fund.

Table 5
Top Ten General Fund Revenue Sources

	Source	FY10 Act	FY11 Act	FY12 Bud	FY12 Est	FY13 Bud
1	**Sales Tax**	10,308,322	10,311,333	10,800,000	10,600,000	10,850,000
2	**Property Taxes-** *Operations*	6,246,186	6,720,950	6,662,347	6,662,347	5,847,145
3	**Utility Taxes**	5,395,373	5,571,335	5,430,000	5,670,000	5,505,000
4	**State Income Tax**	3,834,683	3,787,095	3,650,000	3,800,000	3,990,000
5	**Property Taxes -** *Pensions*	3,690,574	4,109,732	3,690,747	3,690,747	4,188,032
6	**Home Rule Sales Tax**	--	971,936	1,950,000	1,900,000	1,950,000
7	**Cellular Equip. Fees**	986,835	1,057,074	1,092,000	1,103,105	1,148,813
8	**Fines**	721,233	732,241	795,590	750,000	760,000
9	**Building Related Permits**	1,029,223	1,089,621	950,000	1,075,000	900,000
10	**Hotel Tax**	728,913	795,531	770,000	780,000	800,000
Sub-Total		**32,941,342**	**35,146,848**	**35,790,684**	**36,031,199**	**35,938,990**
All Other		6,495,988	6,710,765	5,558,628	5,676,217	5,692,158
Total		**39,437,330**	**41,857,613**	**41,349,312**	**41,707,416**	**41,631,148**

In the past several years, many of the General Fund revenue sources have declined or remained flat. As discussed during the LRFP meetings, most revenues are expected to grow slowly over the next few years. Sales Tax, Utility Taxes, Home Rule Sales Tax, State Income Tax, Hotel Tax, and Cellular Equipment lease revenues are budgeted to increase modestly compared to the FY12 budget. Pursuant to LRFP recommendations, most fees for service will be increased by 3%.

Staffing Plan
The 2013 staffing plan includes a total of 332.10 full-time equivalent (FTE) positions, an increase of 3.10 FTE positions from the 2012 staffing plan *(see page 7-2).*

Table 6
Staffing Plan, 2009 to 2013

2009	2010	2011	2012	2013
366.53	340.88	329.15	329.00	332.10

The increase in staffing is due to the addition of the following positions:

- **0.5 FTE for Stormwater Utility Administration** This 0.5 FTE position will assist in the administration of the Stormwater Utility. This position will be responsible for updating the Geographical Information System (GIS) and assisting with billing administration.

- **2.75 Seasonal Employees in Public Works** Beginning in 2010, the Village did not hire seasonal workers in the Public Works Department and Building Services Division. The work traditionally performed by these seasonal employees was performed by full-time Village employees during over-time hours. The elimination of the seasonal positions was budget neutral as the expenses were shifted from seasonal employee expenses to permanent employee expenses.

In 2013 the Village will again hire seasonal employees in Public Works. Changes in the collective bargaining agreement with Local 150 approved by the Village Council in 2012 allow the Village to hire seasonal employees. Just as the elimination of the seasonal positions was budget neutral, the reinstatement of the seasonal employees will be budget neutral as the expenses will shift from permanent employee expenses to seasonal employee expenses.

Minor changes to the staffing plans in the Public Works Department and Fire Department account for the remainder of the change in the staffing plan.

CONTINUED INFRASTRUCTURE INVESTMENT

Sustainable funding for the Village's infrastructure systems was the primary focus of the recent LRFP meetings. The Adopted FY13 Budget provides funding of $27.24 million for continued investment in the Village's infrastructure, including stormwater (discussed in the Stormwater Utility section of the budget message), streets, sidewalks, and water system *(see pages 6-4 & 6-5).*

Streets
The FY13 Budget calls for a $14.2 million investment in the Village's street system *(see page 6-4, program 342).* A total of $5.7 million dollars is budgeted to maintain Village streets and $7.8 million is budgeted for street reconstruction.

In 2010 the Village completed an assessment of the condition of the streets, ranking street segments in seven categories ranging from *Good* to *Failed*. The assessment revealed that approximately 36% of the street segments (569 segments) in the Village are in *Poor* to *Failed* condition. Street segments in these conditions typically require reconstruction to be restored to *Good* condition. Street segments that

are in *Good* to *Fa*ir condition require regular maintenance activities such as resurfacing and crack sealing to be maintained to these conditions. The cost of maintaining streets to these conditions is significantly less than reconstructing streets that have fallen into *Poor* to *Failed* condition. Generally speaking, the cost of reconstructing a street costs four times as much as maintaining a street. In 2011 the Village resurfaced 44 street segments, and in 2012 the Village resurfaced 39 street segments.

Consistent with the Village's practice in recent years, the $5.7 million will be used to maintain street segments that are in *Fair* condition in an effort to prevent them from falling into a state that requires the street to be reconstructed. If funding is available after the street maintenance contracts have been completed, the Village will patch portions of streets that are in *Poor* to *Failed* condition.

In 2012 the Village issued $25 million in bonds to reconstruct streets in nine neighborhoods that had fallen into disrepair (rated *Poor* or *Failed*). Since the bond issuance, the Village has spent over $8.5 million of the proceeds and has reconstructed the streets in the Knottingham and Valley View subdivisions, as well as Grove Street.

The FY13 Budget calls for the Village to spend $7.4 million of the bond proceeds to reconstruct streets in three neighborhoods; Concorde Square Unit 2, Oak Grove Unit III, and Brookbank from 59th to 60th Streets. Approximately $400,000 is budgeted to design future reconstruction projects for Chase Road, Maple Avenue and the Esterbrook Subdivision.

Sidewalks

The FY13 Budget calls for a $1.2 million investment in the Village's sidewalk system and includes $950,000 for the construction of new sidewalks and over $240,000 for the maintenance of existing sidewalks *(see page 6-4, program 341)*. This funding will allow the Village to continue to pursue the goal of constructing a sidewalk on at least one side of every street in the Village. If the current funding for new sidewalk construction continues, the Village should complete the sidewalk matrix by 2017.

Water System

The FY13 Budget calls for a $6.4 million investment in the Village's water system *(see page 6-5, program 394)*. The Village provides clean, safe and reliable water service to residents and commercial establishments in and around the Village. The water system serves a residential population of approximately 50,000 with a service area that includes all areas within the Village limits and a limited area outside the Village. The primary source of water supply for the Village is from the DuPage Water Commission. The Water Commission is supplied with water from the City of Chicago, which draws water from Lake Michigan.

- In 2010 the Village Council approved a Water Rate Study Report which recommended changes in the water billing structure and a series of annual fee increases to pay for the rising costs of operating and maintaining the water system.

- In 2011 the Village changed the water billing structure and rates pursuant to the plan.

- In 2012 the Village increased rates pursuant to the plan and to cover unanticipated increases in the cost of purchasing water from the DuPage Water Commission. The Village also issued $10.0 million in bonds to construct replacement watermains throughout the system. The debt service payments on the bond will be funded by the revenue from water rates.

The FY13 Budget reflects the recommended increase in water rates. Revenues from the sale of water are budgeted to be $13.1 million, up from the FY12 estimated revenues of $11.5 million (*see page 4-23, line 7*).

RISKS TO THE ADOPTED BUDGET

The biggest risk to the Adopted FY13 budget is the potential to receive less revenue in the General Fund than is budgeted. While the adopted revenue budget is conservative, there is a chance that economic conditions could worsen, driving revenues lower than budgeted. Further, the state of Illinois may reduce the distribution of state shared revenues such as income tax to municipalities.

Staff will monitor and report revenue performance to the Village Council throughout 2013. If revenues fall short of the budget, the Village should be ready to discuss amendments to the budget at any time during 2013. The amendments, if necessary, could include further expense reduction efforts, strategic use of reserves and additional revenue enhancements.

CONCLUSION

The Adopted FY13 Budget is attached. It is prepared pursuant to the recommendations of the Long Range Financial Plan and furthers the Strategic Plan goal of *Steward of Financial Sustainability* The key components of the budget include:

- Implementation of the Stormwater Utility
- A $1.98 million reduction of the property tax levy – the second reduction in as many years
- A balanced General Fund with revenues and expenses of $41.6 million
- Continued investment in needed infrastructure improvements in a sustainable manner:
    - $27.24 million total investment in infrastructure
    - $14.23 million investment in the street system
    - $6.37 million investment in the water system
    - $2.68 million investment in the stormwater system
    - $1.24 million investement in the sidewalk system