

# FY23 Proposed Budget

## *November 1, 2022*

7:00 p.m.  
Village Council Chambers



# Agenda

1. Budget Schedule
2. Long Range Plan Recap
3. Budget Approvals
4. Key Points of the Budget
5. Comments & Questions



# Budget Schedule

<b>Tuesday, November 1</b>	Budget Discussion
<b>Saturday, November 12</b>	Budget Discussion at Coffee with the Council (Fire Station 2)
<b>Tuesday, November 15</b>	Budget Public Hearing Motion to Estimate Levy
<b>Tuesday, December 6</b>	Budget Discussion Tax Levy Public Hearing
<b>Tuesday, December 13</b>	Adopt Budget and Tax Levy



# 2022 Long Range Plan Update Recap

TOPICS	DATE
<ul style="list-style-type: none"><li data-bbox="233 459 823 514">● General Fund Update</li><li data-bbox="233 530 687 585">● Pension Update</li></ul>	June 21
<ul style="list-style-type: none"><li data-bbox="233 641 929 695">● Water Fund Sustainability</li><li data-bbox="233 711 973 766">● Parking Fund Sustainability</li></ul>	August 2
<ul style="list-style-type: none"><li data-bbox="233 822 813 876">● Priority Action Items</li></ul>	August 16 October 4



# Budget Approvals

ORDINANCE NO. \_\_\_\_\_

## AN ORDINANCE ADOPTING THE FISCAL YEAR 2022 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 2022; 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 the proposed 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 2022 with the following amendments:

ORDINANCE NO. \_\_\_\_\_  
**2021 AGGREGATE TAX LEVY ORDINANCE**

An ordinance levying taxes for corporate purposes of the Village of Downers Grove, DuPage County Illinois for the fiscal year commencing on the first day of January, 2021 and ending on the thirty-first day of December, 2021.  
BE IT ORDAINED by the Council of the Village of Downers Grove, DuPage County, Illinois, as follows:

**SECTION 1.** That a tax for the following sums of money, as listed below and detailed on the following pages, or as much thereof as may be authorized by law, to defray all expenses and liabilities of the Village, be and the same is hereby levied for the purpose specified against all taxable property in the Village of Downers Grove, DuPage County, Illinois, for the fiscal year commencing on the first day of January, 2021, and ending on the thirty-first day of December, 2021.

TAX LEVY FOR FISCAL YEAR 2021 BY FUNDS	
CORPORATE	
FIRE PROTECTION	\$4,058,169.00
POLICE PENSION	\$2,935,500.00
FIRE PENSION	\$4,990,064.00
REFUNDING BOND SERIES 2015	\$403,000.00
REFUNDING BOND SERIES 2015	\$790,000.00
STORMWATER BOND SERIES 2016	\$518,550.00
REFUNDING BOND SERIES 2019	\$745,000.00
TOTAL VILLAGE PERMITIONS	\$1,829,218.50
PUBLIC LIBRARY-OPERATING	\$21,260,124.50
TOTAL ALL FUNDS	\$5,862,439.00
	\$27,122,563.50

**SECTION 2.** That the Clerk of the Village of Downers Grove, DuPage County, Illinois is hereby directed to file with the County Clerk of DuPage County, Illinois, on or before the last Tuesday of December, A.D. 2021, a copy of this ordinance duly certified by said Village Clerk.

**SECTION 3.** That this ordinance shall be in full force and effect from and after its passage and approval as required by law.

**Budget Ordinance**

**Tax Levy Ordinances**



# Key Points in FY23 Budget

1. Balanced General Fund
2. Decrease in the Property Tax Levy (Flat Levy Alternative)
3. Funding for the Civic Center Project
4. \$19.4 Million Investment in Infrastructure
5. Creation of Two New Full-Time Positions
6. Increase in Funding for Vehicle Purchases
7. \$940,000 of Funding for EDC and DMC



# FY23 Proposed Budget

## General Fund



# Balanced General Fund

<b>Fiscal Year</b>	<b>Rev</b>	<b>Exp</b>	<b>Diff</b>	<b>Balance</b>	<b>Percent</b>
<b>FY23 Prop. Budget</b>	<b>\$57.97</b>	<b>\$57.97</b>	<b>–</b>	<b>\$22.21</b>	<b>38.31%</b>
<b>FY22 Estimate</b>	<b>\$58.87</b>	<b>\$58.24*</b>	<b>\$0.63</b>	<b>\$22.21</b>	<b>40.80%</b>
<b>FY21 Actual</b>	<b>\$57.15</b>	<b>\$56.18</b>	<b>\$0.97</b>	<b>\$21.57</b>	<b>38.39%</b>

\*NOTE: These expenses include \$3.8 million in transfers to the Equipment Replacement Fund and Risk Fund





# Balanced General Fund

Fiscal Year	Rev	Exp	Diff	Balance	Percent
FY23 Proposed Budget	\$57.97	\$57.97	-	\$22.21	38.31%
FY22 Estimate	\$58.87	\$58.24	\$0.63	\$22.21	40.80%

- Ambulance Fees +\$200,000
- Home Rule Sales Tax +\$50,000
- Property Tax Levy -\$415,000
- Building Permits -\$400,000
- Income Tax -\$183,000
- Sales Tax -\$145,000
- Utility Taxes -\$142,000



# Balanced General Fund

## Expenses

Category	FY23 Proposed Budget	FY22 Estimate	Change	% Change
Personnel	\$42,448,245	\$41,211,888	\$1,236,357	3.00%
Non-Personnel	\$15,520,744	\$17,030,124	(\$1,509,380)	(8.86%)
<b>Total</b>	<b>\$57,968,989</b>	<b>\$58,242,012</b>	<b>(\$273,023)</b>	<b>(0.47%)</b>



# FY23 Proposed Budget

## Property Tax Levy



# Property Tax Levy

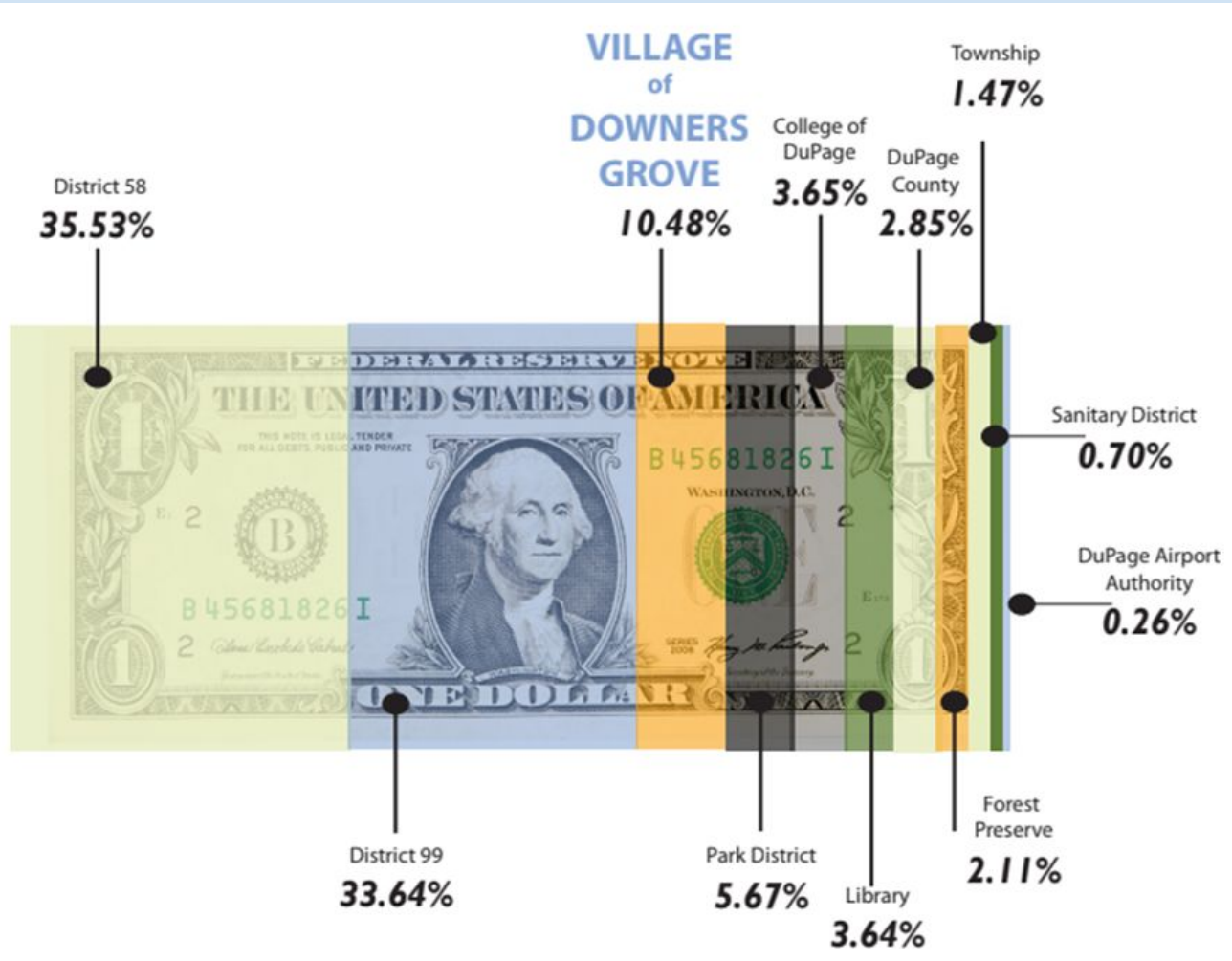
- VoDG Levies an Amount, Not a Rate
- Amount a Property Pays is Based on Its Value
- Levy has Three Components
  - Operations
  - Capital
  - Public Safety Pension
- Many Taxing Bodies on a Tax Bill



# Property Tax Levy

Typical Residential Property in 2022

Market Value	\$397,353
Taxable Value	\$132,451
VoDG Taxes	\$774.18



# Property Tax Levy

- Public Safety Pension Contribution
  - Required by State Law
  - Based on Actuarial Study
  - Contribution Increases from Now until 2040
- FY23 Contribution Decreased Unexpectedly
- FY24 Contribution Expected to Increase Significantly
- Two Options for Levy
  - Proposed: Levy = Required Contribution
  - Alternative: Flat Levy to Smooth Impact of Expected FY24 Increase



# Property Tax Levy - Proposed

Component	FY23 Proposed	FY22 Actual	Change	Percent Change
Operations	\$6,022,145	\$6,022,145	–	–
Public Safety Pensions	\$9,479,057	\$9,894,162	(\$415,106)	(4.20%)
Capital	\$971,524	\$971,524	–	–
<b>Total</b>	<b>\$16,472,725</b>	<b>\$16,887,831</b>	<b>(\$415,106)</b>	<b>(2.46%)</b>



# Property Tax Levy - Proposed

Component	FY23 Proposed	FY22 Actual	Change	Percent Change
Operations	\$6,022,145	\$6,022,145	–	–
Public Safety Pensions	\$9,479,057	\$9,894,162	(\$415,106)	(4.20%)
Capital	\$971,524	\$971,524	–	–
<b>Total</b>	<b>\$16,472,725</b>	<b>\$16,887,831</b>	<b>(\$415,106)</b>	<b>(2.46%)</b>



2022 Taxes = \$774.18

2023 Taxes = \$755.14

\$19.04 Decrease



# Property Tax Levy - Alternative

Component	FY23 Proposed	FY22 Actual	Change	Percent Change
Operations	\$6,437,251	\$6,022,145	\$415,106	6.89%
Public Safety Pensions	\$9,479,057	\$9,894,162	(\$415,106)	(4.20%)
Capital	\$971,524	\$971,524	—	—
<b>Total</b>	<b>\$16,887,831</b>	<b>\$16,887,831</b>	<b>—</b>	<b>—</b>



# Property Tax Levy - Alternative

Component	FY23 Proposed	FY22 Actual	Change	Percent Change
Operations	\$6,437,251	\$6,022,145	\$415,106	6.89%
Public Safety Pensions	\$9,479,057	\$9,894,162	(\$415,106)	(4.20%)
Capital	\$971,524	\$971,524	—	—
<b>Total</b>	<b>\$16,887,831</b>	<b>\$16,887,831</b>	<b>—</b>	<b>—</b>



2022 Taxes = \$774.18

2023 Taxes = \$774.18

No Change

# FY23 Proposed Budget

## *November 1, 2022*

**Questions and Comments  
General Fund & Property Tax Levy**

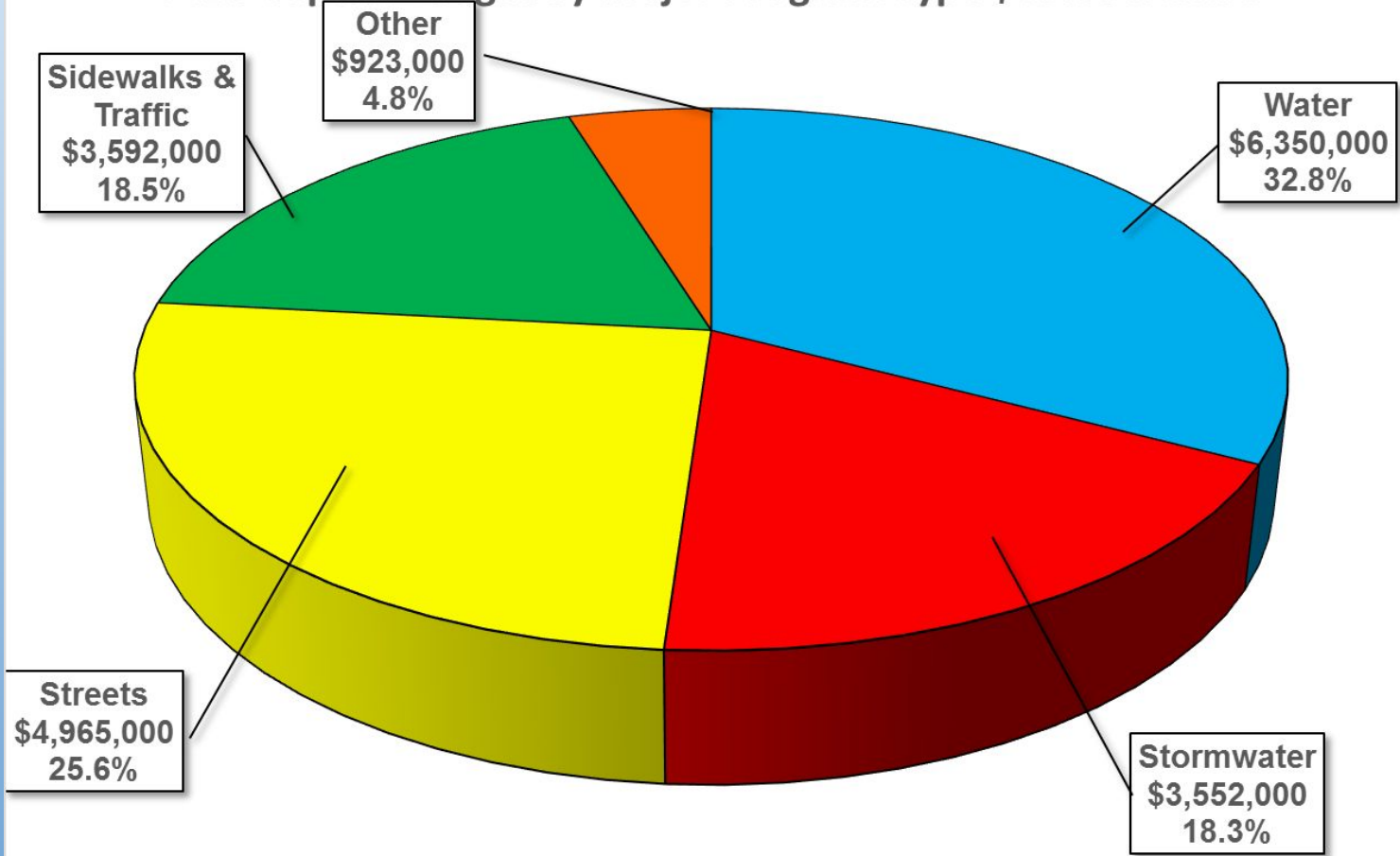


# Funding for the Civic Center Project

- Construct New Combined Facility:  
Police Station, Village Hall & District  
58 Admin. Offices
- Total Project Budget of \$60.4 million
- Expenses in 2022, 2023 and 2024
- FY23 budgeted expenses of \$43.7  
million in the Major Buildings Fund



# FY23 Capital Budget by Major Program Type \$19.38 Million



# Creation of Two Full-Time Positions

- ERP System Administrator
- Public Works Management Analyst
- School Crossing Guards Privatized in FY22



# Increase in Funding for Vehicle Purchases

- \$4.6 Million for Vehicle & Equipment Purchases
- Some vehicles ordered in 2022 will arrive in 2023 due to supply chain issues



# \$940,000 of Funding for Partner Organizations

- \$540,000 in funding for the Economic Development Corporation
- \$400,000 in Funding for the Downtown Management Corporation





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## *November 1, 2021*

7:00 p.m.  
Village Council Chambers

