



FY 2021-2022 Budget Workshop

April 12, 2021



Year-End Review

FY 2020-2021

FY 2020-2021 Budget Projections

General Fund

- Primary areas of concern were economically sensitive revenues
- No diversion of income or sales tax to Community Capital
 - Reduced Sales Tax - 26%
 - Reduced Income Tax – 16%
 - Reduced Building Permits – 30%



General Fund Revenues

Budget versus Year-End Estimate

FY 2021 Budget

Revenue Account	Total
Real Estate Tax	\$559,618
Simplified Municipal Tax	\$300,000
Income Tax	\$1,316,967
Sales Tax	\$1,018,589
Cable TV Franchise Fees	\$249,958
Building Permits	\$100,000
Interest	\$62,384
Other Revenues	\$229,520
Total General Fund	\$3,837,036

FY 2021 Year-End Estimate

Revenue Account	Total
Real Estate Tax	\$502,470
Simplified Municipal Tax	\$158,377
Income Tax	\$1,477,354
Sales Tax	\$1,519,584
Cable TV Franchise Fees	\$224,498
Building Permits	\$137,290
Interest	\$35,751
Other Revenues	\$121,776
Total General Fund (before transfers)	\$4,177,100

So, what happened?

FY 2021 Year-End Estimate

Revenue Account	Total
Real Estate Tax	\$502,470
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Property Tax

- Property tax collection rates were normal
- Police Pension was shorted in previous fiscal year which resulted in lower current year receipts

So, what happened?

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Simplified Municipal Tax (Telecommunications Tax)

- Revenue source has been decreasing slightly historically, yet not to this degree
 - Decreased 27% versus FY 19-20
- Account will be monitored and investigated to ensure all revenues received

So, what happened?

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Income Tax (LGDF)

- Not all sectors of employment equally affected
 - Loss of lower wage earners has less impact on tax collections
 - Increased unemployment benefits buoyed income tax collections through CARES Act, etc.
 - Digital economy jobs have paid more income taxes
- State eliminated 5% discount for LGDF
- Recreational cannabis sales

So, what happened?

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Sales and Use Tax

- Online retail sales taxed
 - Beginning January 1, 2020 online sales were taxed at 6.25% and distributed to municipalities on a per capita basis
 - Beginning January 1, 2021 online sales will be based upon geographic location and all local sales taxes applied



So, what happened?

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Building Permits

- Greater than expected commercial permits
- Briargate (15 homes permitted since January)

FY 2020-2021 Budget Projections

Water/Sewer Fund

- Continued to predict decrease in water demand year over year
- No Increase to Water/Sewer Rates until July 1st (3%)
- Senior Discount amendment deferred to July 1st
- Capital Fee increased to \$9.00/billing cycle
- Waiver of late fees for bills issued through June 1st



Water/Sewer Fund Revenues

Budget versus Year-End Estimate

FY 2021 Budget

Revenue Account	Total
Sewer Penalty	\$26,500
Sewer Usage	\$2,015,460
Water Penalty	\$26,500
Water Usage	\$2,134,631
Meter Sales	\$5,000
Capital Fee	\$258,660
Interest	\$45,000
Miscellaneous Revenues	\$2,000
Total Water/Sewer Fund	\$4,513,751

FY 2021 Year-End Estimate

Revenue Account	Total
Sewer Penalty	\$17,750
Sewer Usage	\$2,184,992
Water Penalty	\$16,550
Water Usage	\$2,212,356
Meter Sales	\$10,281
Capital Fee	\$251,000
Interest	\$22,174
Miscellaneous Revenues	\$1,267
Total Water/Sewer Fund	\$4,716,370

FY 2020-2021 Budget Projections

Garbage Fund

- Increase on refuse and recycling charges by 2% began May 1, 2020
 - Equivalent to increased cost of service charged by Groot



Garbage Fund Revenues

Budget versus Year-End Estimate

FY 2021 Budget

Revenue Account	Total
Garbage Collections	\$1,424,260
SWALCO Recycling	\$2,500
Total Garbage Fund	\$1,426,760

FY 2021 Year-End Estimate

Revenue Account	Total
Garbage Collections	\$1,380,950
SWALCO Recycling	\$1,129
Total Garbage Fund	\$1,382,079

FY 2020-2021 Budget Projections

Motor Fuel Tax Fund

- Decrease in overall MFT revenues
 - \$24.03 per capita – lowest in 10 years
- Transportation Renewal Fund (New State Gas Tax)
 - \$14 per capita
- Rebuild Illinois Bond Fund Proceeds
 - Received three payments of \$158,850.45 (Three More Expected Total)



Motor Fuel Tax Fund Revenues

Budget versus Year-End Estimate

FY 2021 Budget

Revenue Account	Total
Motor Fuel Tax Collections	\$549,990
High Growth Cities (Special Allocation)	\$7,000
Interested	\$3,643
Total Motor Fuel Tax Fund	\$560,633

FY 2021 Year-End Estimate

Revenue Account	Total
Motor Fuel Tax Collections	\$999,371
High Growth Cities (Special Allocation)	\$33,712
Interested	\$695
Total Motor Fuel Tax Fund	\$1,033,778



Budget Performance

FY 2020-2021

Revenues Versus Expenses – FY 2021

	General Fund	Water/Sewer Fund	Garbage Fund	Motor Fuel Tax Fund
Revenues	\$4,177,100	\$4,716,370	\$1,382,079	\$1,033,778
Expenses	\$3,435,050	\$4,606,379	\$1,495,112	\$901,861
Surplus/(Loss)	\$742,050	\$109,991	(\$113,033)	\$131,917

	Community Capital Fund	Water/Sewer Capital Fund	Retirement Fund	Insurance Fund
Revenues	\$455,027	\$119,304	\$192,575	\$70,794
Expenses	\$1,154,400	\$295,776	\$179,742	\$111,056
Surplus/(Loss)	(\$699,373)	(\$176,472)	\$12,833	(\$40,262)

Budget Utilization – FY 2021

	General Fund	Water/Sewer Fund	Garbage Fund	Motor Fuel Tax Fund
Revenues	122%	104%	97%	184%
Expenses	90%	101%	99%	93%

	Community Capital Fund	Water/Sewer Capital Fund	Retirement Fund	Insurance Fund
Revenues	88%	398%	105%	66%
Expenses	58%	101%	100%	103%



FY 2021-2022 Draft Budget

FY 22 General Fund Overview

Revenues *(After Transfers)*

Revenue Account	Gross Receipts	VS. FY 21
Real Estate Tax	\$490,532	-14.1%
Simplified Municipal Tax	\$300,000	0.0%
Income Tax	\$1,299,107	-1.37%
Sales Tax	\$1,085,000	6.1%
Cable TV Franchise Fees	\$255,357	2.1%
Building Permits	\$156,956	36.3%
Interest	\$44,966	-38.7%
Other Revenues	\$244,119	50.1%
Total General Fund	\$3,876,037	1.0%

Expenses

Budget Program	Gross Expenses	VS. FY 21
Administration	\$404,533	-0.9%
Building & Engineering	\$127,578	3.6%
Buildings & Grounds	\$27,546	0.0%
Police	\$2,358,771	1.6%
Streets	\$939,605	2.5%
Total General Fund	\$3,875,611	1.6%

Difference: \$426

General Fund Revenue Impacts

- 0% Inflationary Increase to Property Tax Levy
- 10% Reduction in Income Tax via Governor Pritzker's proposed budget
- Online Sales Taxes based upon location
- CARES Act Reimbursement
 - Property Taxes
 - Business Licenses
- Briargate
- Uncertain Economy
- American Recovery Act Funds?

Briargate Fiscal Projection



	Remaining Units to Permit	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	2027/2028
Single Family Permit								
Briargate (Phase 1)	62	25	20	12	5	0	0	0
Briargate (Phase 2)	60	0	8	25	20	7	0	0
Briargate (Phase 3)	85	0	0	0	0	10	10	10
Total (Detached)		25	28	37	25	7	0	0
Total (Attached)		0	0	0	0	10	10	10
Total	207	25	28	37	25	17	10	10
Revenue								
Building Permit Fees (per unit)		\$ 2,459	\$ 2,508	\$ 2,558	\$ 2,610	\$ 2,662	\$ 2,715	\$ 2,769
Water Tap On Fee		\$ 2,829	\$ 2,829	\$ 2,829	\$ 2,829	\$ 2,829	\$ 2,829	\$ 2,829
Sewer Tap On Fee		\$ 2,964	\$ 2,964	\$ 2,964	\$ 2,964	\$ 2,964	\$ 2,964	\$ 2,964
Sanitary District Tap On Fee		\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800
Meter Sales		\$ 448	\$ 448	\$ 448	\$ 448	\$ 448	\$ 448	\$ 448
Construction Water		\$ 101	\$ 101	\$ 101	\$ 101	\$ 101	\$ 101	\$ 101
Public Facilities Fee		\$ 1,500	\$ 1,750	\$ 2,000	\$ 2,250	\$ 2,500	\$ 2,500	\$ 2,500
Average Permit Fee		\$ 12,101	\$ 12,401	\$ 12,701	\$ 13,002	\$ 13,304	\$ 13,357	\$ 13,412
Total General Fund Revenue		\$61,475	\$70,229	\$94,659	\$65,238	\$45,249	\$27,149	\$27,692
Total Water/Sewer Fund Revenue		\$13,736	\$15,385	\$20,330	\$13,736	\$9,341	\$5,495	\$5,495
Total Water/Sewer Capital Fund Revenue		\$144,825	\$162,204	\$214,341	\$144,825	\$98,481	\$57,930	\$57,930
Total Community Capital Revenues		\$37,500	\$49,000	\$74,000	\$56,250	\$42,500	\$25,000	\$25,000
Revenue - Non-residential		\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000
Revenue - Miscellaneous Residential		\$60,481	\$63,345	\$66,296	\$69,335	\$72,465	\$72,465	\$72,465
Sanitary District Tap-On		\$74,100	\$82,992	\$109,668	\$74,100	\$50,388	\$29,640	\$29,640

FY 22 Water/Sewer Fund Overview

Revenues

Revenue Account	Gross Receipts	VS. FY 21
Sewer Penalty	\$30,490	13.1%
Sewer Usage	\$1,991,144	-1.2%
Water Penalty	\$29,134	9.0%
Water Usage	\$2,109,500	-1.2%
Meter Sales	\$10,772	53.6%
Capital Fee	\$387,990	33.3%
Interest	\$30,000	-50.0%
Miscellaneous Revenue	\$3,536	76.8%
Total Water/Sewer Fund	\$4,592,566	1.72%

Expenses

Budget Program	Gross Expenses	VS. FY 21
W/S Administration	\$1,016,069	12.0%
Water Operating	\$1,397,860	-3.7%
Sewer Operating	\$778,788	1.9%
W/S Debt Service	\$1,242,026	-17.2%
Total Water/Sewer Fund	\$4,434,743	-2.9%

Difference: \$157,823

Water/Sewer Fund Revenue Impacts

- Continued Downward Demand Projection
 - -0.5% Compared to FY 21
- Water and Sewer Rates Frozen
- Increase to Capital Fee
 - \$13.50 per Billing Cycle
- Briargate
- American Recovery Act Funds?

FY 22 Garbage Fund Overview

Revenues

Revenue Account	Gross Receipts	VS. FY 21
Refuse Collection	\$1,452,745	1.9%
SWALCO Recycling	\$2,500	0%
Total Garbage Fund	\$1,455,245	1.9%

Expenses

Budget Account	Gross Expenses	VS. FY 21
Groot Contract	\$1,150,424	-0.3%
All Other Expenses	\$152,164	-56.4%
Total Garbage Fund	\$1,302,588	-15.4%

Difference: \$152,657

Garbage Fund Revenue Impacts

- No Increase to Customers in FY 22
- Final Year of Current Contract

FY 22 Motor Fuel Tax Fund Overview

Revenues

Revenue Account	Gross Receipts	VS. FY 21
MFT Collection	\$569,080	3.4%
Special Allocation	\$11,000	36.4%
Interest	\$18,789	80.6%
Total MFT Fund	\$598,869	6.4%

Expenses

Budget Program	Gross Expenses	VS. FY 21
Road Resurfacing	\$0	-
All Other Expenses	\$138,200	0.0%
Total Garbage Fund	\$138,200	0.0%

Difference: \$460,669

Motor Fuel Tax Fund Revenue Impacts

- COVID-19 Pandemic Impacts
 - How many people will be commuting?
- Rebuild Illinois Bond Proceeds
 - Payments of \$158,850.45
 - Unsure of Timing, But Three Remain

FY 22 Retirement and Insurance Funds Overview

Retirement Fund

Revenues

Revenue Account	Gross Receipts	VS. FY 21
Property Tax	\$178,940	.01%
Replacement Tax	\$4,800	0.0%
Total Retirement Fund	\$183,740	0.2%

Insurance Fund

Revenues

Revenue Account	Gross Receipts	VS. FY 21
Property Tax	\$115,236	6.4%
Total Insurance Fund	\$115,236	6.4%

Expenses

Budget Account	Gross Expenses	VS. FY 21
FICA	\$77,947	2.3%
IMRF	\$100,993	-56.4%
Total Retirement Fund	\$178,940	-0.5%

Difference: \$4,800

Expenses

Budget Account	Gross Expenses	VS. FY 21
Risk Management	\$110,673	5.3%
Compensable Claims	\$3,000	0.0%
Total Insurance Fund	\$113,673	5.1%

Difference: \$1,563

FY 22 Capital Funds Overview

Revenues

Fund	Gross Receipts	VS. FY 21
Community Capital	\$1,193,112	56.6%
W/S Capital	\$162,825	442.8%
Vehicle Replacement	\$213,000	55.4%
Total Capital	\$1,568,937	129.0%

Expenses

Fund	Gross Expenses	VS. FY 21
Community Capital	\$1,253,862	-8.9%
W/S Capital	\$29,127	-90.1%
Vehicle Replacement	\$291,433	0.6%
Total Capital	\$1,574,422	-63.4%

Community Capital Projects

- IDOT Route 132 Contribution - \$330,000
- IDOT Route 45 Contribution - \$13,000
- Replacement of Village Entry Signs - \$25,875
- Lake Shore Drive Design - \$15,000
- Grand Avenue Sidewalk Construction (Carry-Over) - \$97,033
- Lindenhurst Drive Improvements - \$30,000
- Village Facility Roof Repairs - \$22,000
- Security Fencing at Water Reservoir - \$35,000
- Munn Road Retaining Wall Repair - \$8,000
- Public Works Service Road Replacement - \$35,000

Community Capital Projects (Continued)

- PW & PD HVAC Replacement - \$12,500
- Grass Lake Road Underpass Local Match (Final) - \$33,454
- Sand Lake Road Pedestrian Crosswalk Beacons - \$35,000
- Grand Avenue Streetscaping Design and Amenities - \$150,000

Vehicle Replacement Fund Projects

- Two Low-Profile 5-Ton Trucks - \$129,892 Each (Public Works)
- All-Terrain Vehicle for WWTF - \$21,649 (Public Works)
- Police Squad Upfitting - \$10,000 (Police)



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