

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda

 X Resolution or Ordinance (Blue) X Waiver of First
 Recommendations of Boards, Commissions & Committees (Green)
 Other Business (Pink)

TO: PRESIDENT AND BOARD OF TRUSTEES

FROM: David A. Hulseberg, Village Manager *DAH*

DATE: November 28, 2012 (COW)(B of T) Date: December 6, 2012

TITLE: Budget Ordinance For Fiscal Year 2013

SUBMITTED BY: Timothy Sexton, Director of Finance

BACKGROUND/POLICY IMPLICATIONS:

Attached is an ordinance adopting the FY 2013 Annual Budget for the Village of Lombard. The proposed budget is summarized as follows:

General Fund	\$40,532,610
Debt Service Fund	826,190
Capital Projects Fund	13,218,815
Enterprise Funds	24,648,010
Internal Service Funds	1,708,840
Pension Trust Funds	<u>5,880,320</u>
Total	<u>\$86,814,785</u>

All legal requirements have been met for passage of the attached ordinance. The Finance Committee reviewed the budget and recommended approval at their February 21, 2012 meeting. The changes to the budget since the Finance Committee approval are outlined in the attached memo.

Fiscal Impact/Funding Source:

FY 2013 Annual Budget (January 1, 2013 through December 31, 2013): \$86,814,785

Review (as necessary):

Village Attorney	<u> X </u>	Date	<u> </u>
Finance Director	<u> X </u>	Date	<u> </u>
Village Manager	<u> X </u> <i>David A. Hulseberg</i>	Date	<u>11/28/12</u>

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.



To: Village Board of Trustees

From: David A. Hulseberg Village Manager Timothy Sexton Director of Finance

Date: November 28, 2012

Subject: Budget Ordinance for Fiscal Year 2013

In February 2012, as part of the conversion to a calendar year fiscal year, staff presented the Fiscal Year 2013 Proposed Budget to the Finance Committee and the Village Board. At that time, the decision was made to hold off on formal approval of the 2013 budget until later in the year, in case the economy significantly changed and required adjustments to the budget.

Over the last month and a half, staff has been working with the Village Board on relooking at the 2013 budget, and is proposing several changes to the Fiscal Year 2013 budget which are detailed below. These changes include the elimination of vehicle stickers.

- Elimination of vehicle stickers – Reduction in revenue of \$541,200
- Elimination of the costs associated with vehicle stickers – Reduction in expenses of \$65,800
- Position/payroll changes made since the 2013 budget was originally done back in February 2012 – Reduction in expenses of \$349,200 (Further detail provided on this below)
- Reduction to the Street Maintenance Supplies account in the Street Maintenance cost center in Public Works – Reduction in expenses of \$15,000

Total revenue reductions: \$541,200
Total expenditure reductions: \$430,000

The reason there are less expenditure reductions than there are revenue reductions is that as expenditures fall, less fund balance is needed to maintain the 25% fund balance. This is the opposite of what has been discussed with the Village Board in the past, which is the situation of as expenditures are increasing, the fund balance also needs to increase since the fund balance policy is 25% of expenditures.

The position/payroll changes of \$349,200 that were included in the expenditure reductions are the result of two factors: 1) the replacement of employees who left employment, at a lower salary, and 2) the restructuring of positions as they became vacant. Below is a table summarizing these changes:

<u>Police</u>	<u>Savings</u>
1 full-time and 1 part-time (IMRF eligible) Records Clerks that became vacant replaced with 4 part-time Records Clerks	35,862
Replacement of 3 full-time positions at lower salaries	<u>85,010</u>
Total Police	120,872
<u>Fire</u>	
Replacement of 11 full-time and 2 part-time positions at lower salaries (Fire Chief, 3 Battalion Chiefs, 4 Lieutenants, and 3 Firefighters)	<u>179,279</u>
Total Fire	179,279
<u>Community Development</u>	
1 full-time Building Rep that became vacant replaced with 2 part-time Building Reps	33,676
Replacement of Private Development Engineer position that became vacant at lower salary	<u>13,466</u>
Total Community Development	47,142
Miscellaneous Changes	1,907
TOTAL SAVINGS	<u>349,200</u>

ORDINANCE _____

BUDGET ORDINANCE FOR FISCAL YEAR 2013

WHEREAS, the Corporate Authorities of the Village of Lombard have heretofore deemed it to be in the best interest of the Village of Lombard to require a budget ordinance rather than an appropriation ordinance be passed pursuant to State Statute, 65 ILCS 5/8-2-9.1 et seq.; and

WHEREAS, the Corporate Authorities of the Village of Lombard has made the proposed annual budget available for public inspection at the Village Hall and at the Helen M. Plum Memorial Library for a period in excess of three weeks prior to final consideration of the proposed budget; and

WHEREAS, the Corporate Authorities of the Village of Lombard held a public hearing for the purpose of obtaining public comment on the proposed budget on October 18, 2012 and

WHEREAS, the Corporate Authorities have complied with all of the requirements of our local ordinances and State Statutes regarding compilation and contents of the budget.

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF LOMBARD, DU PAGE COUNTY, ILLINOIS as follows:

Section 1: That the proposed budget for the Village of Lombard for the fiscal year 2013, a copy of which is on file with the Village Clerk, in the total amount of EIGHTY SIX MILLION EIGHT HUNDRED FOURTEEN THOUSAND SEVEN HUNDRED EIGHTY FIVE DOLLARS (\$86,814,785) of which FORTY MILLION FIVE HUNDRED THIRTY TWO THOUSAND SIX HUNDRED AND TEN DOLLARS (\$40,532,610) is for the General Fund, EIGHT HUNDRED TWENTY SIX THOUSAND ONE HUNDRED NINETY DOLLARS (\$826,190) is for Debt Service Fund, THIRTEEN MILLION TWO HUNDRED EIGHTEEN THOUSAND EIGHT HUNDRED AND FIFTEEN DOLLARS (\$13,218,815) is for Capital Projects Funds; TWENTY FOUR MILLION SIX HUNDRED FORTY EIGHT THOUSAND TEN DOLLARS (\$24,648,010) is for Enterprise Funds, ONE MILLION SEVEN HUNDRED EIGHT THOUSAND EIGHT HUNDRED AND FORTY DOLLARS (\$1,708,840) is for Internal Service Funds, and FIVE MILLION EIGHT HUNDRED EIGHTY THOUSAND THREE HUNDRED AND TWENTY DOLLARS (\$5,880,320) is for Pension Trust Funds, a summary of which is attached hereto and marked as Exhibit "A", is hereby adopted and approved.

Section 2: That this ordinance shall be in full force and effect after the passage and publication pursuant to the laws of the State of Illinois and the Village of Lombard.

Ordinance No. _____
Budget Ordinance For Fiscal Year 2013
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Passed on first reading this ____ day of _____, 2012.

First reading waived by action of the Board of Trustees this ____ day of _____, 2012.

Passed on second reading this ____ day of _____, 2012.

Ayes: _____

Nays: _____

Absent: _____

Approved this ____ day of _____, 2012.

Peter Breen
Acting Village President

ATTEST:

Brigitte O'Brien
Village Clerk

APPROVED AS TO FORM:

Thomas P. Bayer
Village Attorney

**VILLAGE OF LOMBARD
SUMMARY OF EXPENDITURES BY FUNCTION - ALL FUNDS
FYE 2013**

Description	Personal Services	Commodities	Contract Services	Other Expenses	Debt Service	Capital Outlay	Other Financing Uses	FYE 2013 Proposed Total
1010 General Fund	24,548,400	1,074,150	14,724,130	-	-	-	185,930	40,532,610
3800 Debt Service Fund	-	-	-	-	826,190	-	-	826,190
4100 Capital Projects Fund	-	-	-	-	1,166,810	8,090,450	-	9,257,260
4270 Motor Fuel Tax	60,000	300,000	-	-	167,630	790,000	-	1,317,630
4400 TIF Capital Projects	58,110	-	2,585,815	-	-	-	-	2,643,925
Total Capital Projects Funds	118,110	300,000	2,585,815	-	1,334,440	8,880,450	-	13,218,815
5100 W/S Operation & Maintenance	3,497,380	302,190	6,340,530	5,161,730	-	-	461,380	15,763,210
5200 W/S Capital Reserve Fund	-	-	-	-	1,670,090	7,154,350	-	8,824,440
5300 Parking System Fund	51,490	3,880	1,270	-	-	-	3,720	60,360
Total Enterprise Funds	3,548,870	306,070	6,341,800	5,161,730	1,670,090	7,154,350	465,100	24,648,010
6100 Fleet Services Fund	472,010	643,070	91,340	-	-	-	-	1,206,420
6150 Fleet Services Reserve Fund	-	202,420	-	-	-	300,000	-	502,420
Total Internal Service Funds	472,010	845,490	91,340	-	-	300,000	-	1,708,840
7100 Police Pension Fund	3,375,760	143,330	-	-	-	-	-	3,519,090
7200 Firefighters' Pension Fund	2,261,480	99,750	-	-	-	-	-	2,361,230
Total Pension Trust Funds	5,637,240	243,080	-	-	-	-	-	5,880,320
All Funds	34,324,630	2,768,790	23,743,085	5,161,730	3,830,720	16,334,800	651,030	86,814,785