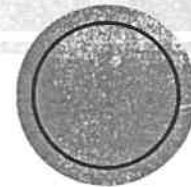


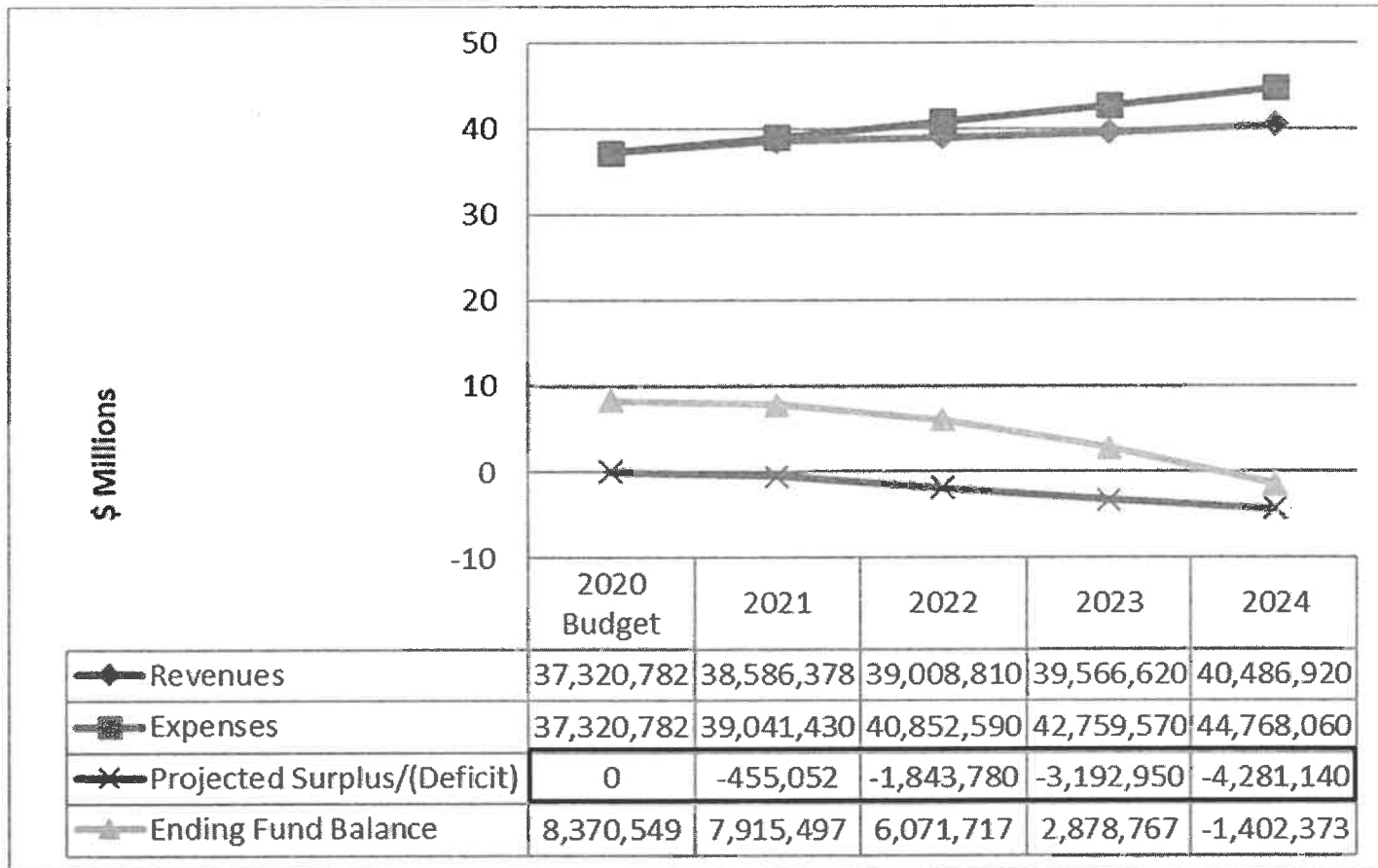
2021 Budget Discussion

Finance & Administration Committee

11/18/2019



General Fund Forecast 2020-2024



Available Revenue Options

- Video Gaming
 - Referendum on March 2020 ballot
 - Sunset June 30, 2020 without further Village Board action
 - Revenue not included in current projection
- Places for Eating Tax – Raised from 1% to 2% in 2017 (0.25% = \$400,000)
- Vehicle Stickers – Eliminated in 2013 – Approx. \$500K
- Home Rule – Requires Referendum

Pending Legislation

- Expand Non-Home Rule Motor Fuel Tax Statewide: A Bill is going to be introduced in the veto session regarding Public Act (P.A.) 101-0032 that authorizes non-home rule municipalities located in Cook County to implement a motor fuel tax (MFT) at a rate not to exceed \$.03 per gallon. If passed, the Bill will expand this authority to all non-home rule municipalities throughout the state (not just those in Cook County). It was determined that if the tax is imposed, the proceeds will have the same restrictions as State MFT funds.

What About New Revenues?

- Video Gaming – Potential revenue estimated at \$80,000-\$150,000
- Recreational Cannabis Tax – Potential revenue estimated at \$400,000-\$600,000
- These new revenues, if ever realized, will likely just replace other lost revenue
 - Carson's closed in August 2018, and resulted in the loss of a significant amount of sales tax.
 - Forever 21 has filed bankruptcy and is leaving the mall. This is a fairly large space which will also result in the loss of sales tax
 - Yorktown's sales tax will continue to struggle, and likely decline, beyond just the two businesses noted above.
 - Telecommunications Tax, Amusement Tax, and Cable Franchise Fees are all declining

Annual Expenditure Growth

- Existing employees for the Village support the Village Board's current level of service
 - The Village has already eliminated 9 full-time and 12 part-time employees over the last 4 years, which represents \$1.2 million in personnel costs
- Total wages for the General Fund are approximately \$19.7 million
- Wage growth alone for the General Fund is approximately \$700,000 per year
- Therefore, there must be equivalent revenue growth to pay for this; otherwise, there must be service level reductions

What is the Village Doing to Reduce Spending?

Since 2017, the Village has made cumulative budget reductions of over \$3.8 million.

- The Village eliminated 9 full time and 12 part-time positions which represented \$1.2 million in reduced personnel costs and eliminated or reduced funding of various enhanced services and programs (examples below).

Eliminated Positions	Full Time	Part Time
(3) Records Clerk	1	2
Accounting Assistant	1	
Civil Engineer	1	
Civil Engineering Technician	1	
Investigative Aide	1	
Police Accreditation Manager	1	
Police Staff Sergeant	1	
(2) Police Officer	2	
(3) Community Service Officers		3
Code Enforcement Officer		1
Customer Service Representative		1
Human Resources Clerk		1
PD Records Clerk		1
Police Administrative Secretary		1
Special Events Coordinator		1
Towing Coordinator		1
Total Positions Eliminated	9	12

Eliminated/Reduced Funding of Enhanced Services, Programs, Equipment
2017
Eliminated Taxi Subsidy Program
Reduced lobbyist contract by half
Reduced janitorial services at Village facilities
Reduced Pride newsletters from bi-monthly to quarterly
Extended lives of Starcom radios for Police and Fire
2018
Eliminated Code Red emergency notification system
Reduced Meals on Wheels contribution
Closed Police Department lobby overnight
2019
Eliminated 2 police vehicles
Eliminated one Battalion Chief vehicle
Eliminated lobbyist contract
Eliminated Free Curbside Brush Collection
Stopped waiving Building Permit fees for other governmental entities
Reduced Fire Public Education by eliminating the preschool program
Reduced the number of pages in the Pride newsletter from 12 to 8 and publish only 3 newsletters annually instead of 4

Potential Future Expenditure Reductions

- Fire Department
 - Reduce firefighter positions from 63 to 60 (not fill 3 firefighter positions as they become vacant)
 - Reduce lieutenant positions from 12 to 9 (convert lieutenant to firefighter through attrition)
- Police Department
 - Close afternoon desk at Police Department
 - Eliminate one part-time clerk position through attrition
 - Eliminate Village funding for crossing guards
- Public Works
 - Eliminate one Forestry Technician position through attrition
 - Eliminate free six-week fall leaf collection
 - Eliminate funding for mosquito abatement program
 - Eliminate full funding for tree planting program or implement 50/50 resident contributions
- Community Development
 - Reduce response to code enforcement cases/reduce staff through attrition
 - Charge for services/consultations related to new businesses and expansion of business existing facilities or on site visits for private property matters
- Village Board
 - Eliminate Meals on Wheels subsidy
 - Reduce Village Hall hours/reduce staff through attrition

Schedule for 2021/2022 Budget Decisions

1. Fall 2019, Finance & Administration Committee discussion on revenue options and expense reductions.
2. Winter 2020, Village Committees will discuss specific options and provide recommendation for further review by the Finance & Administration Committee.
3. Spring 2020, Village Board will have a workshop to review the Finance & Administration Committee's recommendations for budget year's 2021 & 2022.
4. Spring 2020, Possible Village Board Strategic Planning workshop
5. Summer 2020, recommendations will be communicated to residents/businesses.
6. Fall 2020, Village Board approves 2021 budget and necessary ordinance changes.