

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

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

TO: PRESIDENT AND BOARD OF TRUSTEES

FROM: Timothy Sexton, Director of Finance

DATE: October 26, 2021      (COW)(B of T) Date: November 4, 2021

TITLE: Budget Ordinance For Fiscal Year 2022

BACKGROUND/POLICY IMPLICATIONS:

Attached is an ordinance adopting the FY 2022 Annual Budget for the Village of Lombard. The proposed budget is summarized as follows:

General Fund	\$50,697,697
Debt Service Fund	405,000
Capital Projects Fund	7,781,420
Enterprise Funds	25,775,155
Internal Service Funds	1,961,370
Pension Trust Funds	<u>11,764,000</u>
Total	<u>\$98,384,642</u>

All legal requirements have been met for passage of the attached ordinance. The budget was reviewed and unanimously recommended for approval by the Finance and Administration Committee on October 25, 2021.

Fiscal Impact/Funding Source:

FY 2022 Annual Budget (January 1, 2022 through December 31, 2022): \$98,384,642

Review (as necessary):

Village Attorney X	_____	Date _____
Finance Director X <i>T. Sexton</i>	_____	Date <u>10/27/21</u>
Village Manager X	_____	Date _____

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.

ORDINANCE \_\_\_\_\_

BUDGET ORDINANCE FOR FISCAL YEAR 2022

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 on the Village of Lombard's website for a period in excess of two 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 November 4, 2021 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 2022, a copy of which is on file with the Village Clerk, in the total amount of NINETY EIGHT MILLION THREE HUNDRED EIGHTY FOUR THOUSAND SIX HUNDRED FORTY TWO DOLLARS (\$98,384,642) of which FIFTY MILLION SIX HUNDRED NINETY SEVEN THOUSAND SIX HUNDRED NINETY SEVEN DOLLARS (\$50,697,697) is for the General Fund, FOUR HUNDRED FIVE THOUSAND DOLLARS (\$405,000) is for Debt Service Fund, SEVEN MILLION SEVEN HUNDRED EIGHTY ONE THOUSAND FOUR HUNDRED TWENTY DOLLARS (\$7,781,420) is for Capital Projects Funds; TWENTY FIVE MILLION SEVEN HUNDRED SEVENTY FIVE THOUSAND ONE HUNDRED FIFTY FIVE DOLLARS (\$25,775,155) is for Enterprise Funds, ONE MILLION NINE HUNDRED SIXTY ONE THOUSAND THREE HUNDRED SEVENTY DOLLARS (\$1,961,370) is for Internal Service Funds, and ELEVEN MILLION SEVEN HUNDRED SIXTY FOUR THOUSAND DOLLARS (\$11,764,000) 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 2022  
Page 2

Passed on first reading this \_\_\_\_ day of \_\_\_\_\_, 2021.

First reading waived by action of the Board of Trustees this \_\_\_\_ day of \_\_\_\_\_, 2021.

Passed on second reading this \_\_\_\_ day of \_\_\_\_\_, 2021.

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_

Absent: \_\_\_\_\_

Approved this \_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Keith Giagnorio  
Village President

ATTEST:

\_\_\_\_\_  
Elizabeth Brezinski  
Village Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Thomas P. Bayer  
Village Attorney

# Attachment A

**VILLAGE OF LOMBARD  
SUMMARY OF EXPENDITURES BY FUNCTION - ALL FUNDS  
FYE 2022**

Description	Personal Services	Commodities	Contract Services	Other Expenses	Debt Service	Property	Other Financing Uses	FYE 2022 Proposed Total	FYE 2021 YE Estimate Total	FYE 2020 Actual Total
<b>101 General Fund</b>	<b>25,995,965</b>	<b>7,890,557</b>	<b>16,808,175</b>	<b>3,000</b>	-	-	-	<b>50,697,697</b>	<b>47,495,388</b>	<b>40,253,770</b>
<b>310 Debt Service Fund</b>	-	-	-	-	<b>405,000</b>	-	-	<b>405,000</b>	<b>5,000</b>	-
410 Construction Fund	-	-	1,712,600	-	-	-	-	1,712,600	1,821,306	3,077,106
415 Grant Fund - Rebuild IL Bonds	-	-	700,000	-	-	-	-	700,000	1,000,000	29,839
420 Motor Fuel Tax Fund	120,000	230,000	2,438,500	-	-	-	-	2,788,500	2,996,450	1,624,767
430 Facilities Fund	-	-	275,000	-	-	-	-	275,000	153,000	47,487
432 Building Reserve Fund	-	-	135,260	-	-	-	-	135,260	35,420	26,505
440 TIF Downtown Fund	-	-	2,006,710	-	-	-	-	2,006,710	2,025,610	2,191,142
441 TIF 1 - West of Grace St	-	-	1,290	-	-	-	-	1,290	1,290	90,962
442 TIF2 - East of Grace St	-	-	870	-	-	-	-	870	870	943
443 TIF4 - Butterfield/Yorktown	-	-	161,190	-	-	-	-	161,190	163,190	2,744,692
<b>Total Capital Projects Funds</b>	<b>120,000</b>	<b>230,000</b>	<b>7,431,420</b>	-	-	-	-	<b>7,781,420</b>	<b>8,197,136</b>	<b>9,833,443</b>
510 W/S Operation and Maintenance	3,599,940	7,349,355	6,483,410	-	-	-	399,130	17,831,835	17,465,559	18,491,601
520 W/S Capital Reserve Fund	-	-	6,263,000	-	1,566,140	-	-	7,829,140	6,865,490	3,001,492
530 Parking System Fund	26,930	2,500	81,030	-	-	-	3,720	114,180	118,440	164,195
<b>Total Enterprise Funds</b>	<b>3,626,870</b>	<b>7,351,855</b>	<b>12,827,440</b>	-	<b>1,566,140</b>	-	<b>402,850</b>	<b>25,775,155</b>	<b>24,449,489</b>	<b>21,657,288</b>
610 Fleet Services Fund	516,730	546,650	124,990	-	-	-	-	1,188,370	1,130,870	1,088,589
615 Fleet Services Reserve Fund	-	73,000	-	-	-	700,000	-	773,000	1,463,000	2,393,968
<b>Total Internal Service Funds</b>	<b>516,730</b>	<b>619,650</b>	<b>124,990</b>	-	-	<b>700,000</b>	-	<b>1,961,370</b>	<b>2,593,870</b>	<b>3,482,557</b>
710 Police Pension Fund	6,300,000	-	252,000	-	-	-	-	6,552,000	6,324,030	5,805,082
720 Firefighters' Pension Fund	5,005,500	-	206,500	-	-	-	-	5,212,000	5,066,500	4,231,878
<b>Total Pension Trust Funds</b>	<b>11,305,500</b>	-	<b>458,500</b>	-	-	-	-	<b>11,764,000</b>	<b>11,390,530</b>	<b>10,036,960</b>
<b>All Funds</b>	<b>41,565,065</b>	<b>16,092,062</b>	<b>37,650,525</b>	<b>3,000</b>	<b>1,971,140</b>	<b>700,000</b>	<b>402,850</b>	<b>98,384,642</b>	<b>94,131,413</b>	<b>85,264,018</b>

**VILLAGE OF LOMBARD  
SUMMARY OF REVENUES BY SOURCE - ALL FUNDS  
FYE 2022**

Description	Taxes	Licenses and Permits	Inter-Government Revenues	Charges for Services	Fines and Forfeits	Misc Revenues	FYE 2022 Proposed Total	FYE 2021 YE Estimate Total	FYE 2020 Actual Total
<b>101 General Fund</b>	<b>37,738,870</b>	<b>1,136,450</b>	<b>3,206,410</b>	<b>5,078,900</b>	<b>978,480</b>	<b>841,790</b>	<b>48,980,900</b>	<b>49,696,410</b>	<b>46,121,409</b>
<b>310 Debt Service Fund</b>	<b>5,000</b>	-	-	-	-	<b>5,000</b>	<b>10,000</b>	<b>10,200</b>	<b>9,960</b>
410 Construction Fund	4,963,870	-	-	13,000	-	40,000	5,016,870	3,652,500	3,666,075
415 Grant Fund - Rebuild IL Bonds	-	-	953,310	-	-	-	953,310	953,310	953,300
420 Motor Fuel Tax Fund	1,500,000	-	-	-	-	30,000	1,530,000	1,550,000	1,648,886
430 Facilities Fund	494,600	-	-	2,000	-	5,000	501,600	488,950	493,405
432 Building Reserve Fund	-	-	-	-	-	-	-	1,509,750	-
440 TIF Downtown Fund	2,649,120	-	-	-	-	10,000	2,659,120	2,613,610	2,427,107
441 TIF 1 - West of Grace St	219,980	-	-	-	-	-	219,980	213,570	150,784
442 TIF2 - East of Grace St	353,520	-	-	-	-	4,000	357,520	366,410	350,198
443 TIF4 - Butterfield/Yorktown	383,810	-	-	-	-	-	383,810	384,410	373,203
<b>Total Capital Projects Funds</b>	<b>10,564,900</b>	-	<b>953,310</b>	<b>15,000</b>	-	<b>89,000</b>	<b>11,622,210</b>	<b>11,732,510</b>	<b>10,062,960</b>
510 W/S Operation and Maintenance	-	-	-	17,660,640	-	183,250	17,843,890	17,494,490	18,289,748
520 W/S Capital Reserve Fund	3,300,000	-	-	2,743,000	-	251,000	6,294,000	6,588,120	6,371,036
530 Parking System Fund	-	173,140	-	-	20,200	5,000	198,340	76,260	90,018
<b>Total Enterprise Funds</b>	<b>3,300,000</b>	<b>173,140</b>	-	<b>20,403,640</b>	<b>20,200</b>	<b>439,250</b>	<b>24,336,230</b>	<b>24,158,870</b>	<b>24,750,802</b>
610 Fleet Services Fund	-	-	-	1,140,920	-	54,010	1,194,930	1,172,570	1,046,972
615 Fleet Services Reserve Fund	-	-	-	1,212,900	5,000	231,180	1,449,080	1,481,150	2,084,386
<b>Total Internal Service Funds</b>	-	-	-	<b>2,353,820</b>	<b>5,000</b>	<b>285,190</b>	<b>2,644,010</b>	<b>2,653,720</b>	<b>3,131,358</b>
710 Police Pension Fund	-	-	-	3,299,960	-	5,775,500	9,075,460	9,637,560	13,628,332
720 Firefighter Pension Fund	-	-	-	2,462,380	-	5,432,060	7,894,440	8,556,670	11,530,797
<b>Total Pension Trust Funds</b>	-	-	-	<b>5,762,340</b>	-	<b>11,207,560</b>	<b>16,969,900</b>	<b>18,194,230</b>	<b>25,159,129</b>
<b>All Funds</b>	<b>51,608,770</b>	<b>1,309,590</b>	<b>4,159,720</b>	<b>33,613,700</b>	<b>1,003,680</b>	<b>12,867,790</b>	<b>104,563,250</b>	<b>106,445,940</b>	<b>109,235,617</b>



**Village of Lombard  
Communications Plan  
FY 2022 Budget, Water & Sewer Rates, 2021 Tax Levy**

**Purpose**

The Lombard Village Board recently approved the FY 2022 Budget and 2021 Tax Levy. In 2019, the Village Board approved a 5-Year (2020-2024) water & sewer rate increase based on results from the Water & Sewer Rate Study. While the COVID-19 pandemic has created many challenges, the Village continues to provide consistent and excellent core services.

**Goal**

The goals of this plan:

1. Educate the community and businesses to understand the Village's long-term budget challenges
2. Communicate the budget impacts caused by the COVID-19 pandemic
3. Provide residents with confidence in the Village's financial standing and commitment to fiscal responsibility
4. Support a transparent reputation to residents, business owners, and stake holders
5. Educate community on the responsibility of the Village to provide core services vs. enhanced services

The objectives of this plan:

- Communicate to the majority of residents and business owners about the factors that contribute to a long-term budget deficit and how COVID-19 has impacted the Village's budget.
- Prepare public adequately for potential impacts and challenges
  - Village's past and ongoing expenditure reductions
  - Impact of decreased sales tax base
  - Potential residential tax implications as detailed by Township and Assessor's Office
- Communicate the monthly and annual impact of the tax levy and water rate increase to the average homeowner.

**Audiences**

The audience this communications plan is directed toward includes:

1. All residents
2. All businesses
  - a. Restaurant owners and associations
    - i. Chamber of Commerce
    - ii. Lombard Town Centre
    - iii. Yorktown Shopping Center
3. Village employees

## **Media:**

1. External Media: (Lombardian, Suburban Life, Daily Herald, Tribune, etc.)
2. Village Media: Facebook, Twitter, Website
  - a. Website: [www.villageoflombard.org/budget](http://www.villageoflombard.org/budget)
    - i. Include press releases and FAQ for easy reference point
3. Radio/TV
4. Internal
  - a. Memo to Departments
  - b. FAQ distributed to Village employees
  - c. Village Manager Coffee

## **Community Leaders:**

1. Mayor/Board of Trustees/Village Board Committees
2. Chamber of Commerce
3. Community Service Groups (Rotary, Kiwanis, Lions, etc.)
4. Lombard Town Centre

## **Key Messages**

### **2022 Budget and Beyond**

- The Village remains focused on providing excellent core services including public safety provided by Police and Fire Departments; road, sewer, and water maintenance from Public Works; building and code enforcement from Community Development, and responsible long-term financial planning from the Finance Department.
- It is a common misconception that the majority of property taxes go to the Village. The Village of Lombard receives 7.50% percent of property tax dollars, or 7.50 cents of each property tax dollar paid.
- The Village is able to raise property taxes by up to 5% each year or Consumer Price Index plus new growth (whichever is lesser) without a referendum. The annual increase funds public services from police, fire, community development, public works, finance and governance. Despite facing serious financial challenges, the Village does not wish to cause undue burden on tax payers and will be opting for a 3.74% increase, which translates to an increase of approximately \$7.30 for the owner of a \$300,000 home.
- The Village receives 33% of its budget from food, beverage, and sales tax combined.
- Combined wages and benefits (pensions, health insurance, Social Security/Medicare and life insurance) make up 77% of all General Fund operating expenses.
- The Village has been taking significant steps to help close a long-term budget deficit for several years. This deficit is caused by increased costs related to unfunded State mandates, rising costs of pensions, worker's compensation costs, and general inflationary increases, all of which are beyond the Village's control.
- The projected General Fund revenues over expenses for 2022 is \$895,793. This is the first time since 2009 that the Village has a positive projection.
  - Investments for the pension funds have done well for the past few years. However, a decrease in investment earnings will cause a spike in the required

funding for Pensions and/or Liabilities, which will reduce funding available for the Corporate property tax levy.

- The Village will save approximately \$455,213 in the General Fund in 2022 due to 3 full-time (2 police officers/1 firefighter) and 5 part-time vacated positions that have been frozen since the beginning of 2020 or earlier.

### **Village Action to Face COVID-19 Impacts:**

The Lombard Village Board and staff remains committed to facing budget challenges head on. Some of the action taken to help offset Lombard's long-term budget deficit and additional deficits caused by COVID-19 include the following:

- The FY 2022 Hotel/Motel (H/M) Fund expenses total \$1,618,460 compared to the projected revenues of \$951,620. Due to the slow rebound of business and personal travel, the projected FY 2022 H/M Fund balance is -\$378K and falls to -\$1.1M in 2023.
- The Village received \$3,011,368.16 on 8/17/2021 in American Rescue Plan Act (ARPA) funding and is expected to receive an additional \$3,011,368.16 in 2022. The Board provided direction to staff to report the \$6,022,736.31 allocated to the Village of Lombard as lost revenue and to submit eligible expenses related to public safety salaries. This approach meets the U.S. Treasury Department reporting requirements.
- Staff presented various options to the Board for the allocation of a projected \$5,311,368 of funds available from the following:
  - Sale of 101 S Main - \$1M
  - Savings from public safety salaries - \$3,011,368.16
  - Anticipated YE 2021 Revenues over Expenses - \$1.3M

The consensus of the Village Board is to allocate \$700,000 to both the Building Fund and Pension Stabilization Fund; \$1,000,000 to the Hotel/Motel Fund for reserve stabilization; \$300,000 for Hotel Tourism Grants/Support; and \$2,611,368 to the proposed Economic Development Reserve Fund.

### **Water Rate Increase for 2022:**

Effective January 1, 2022, the Water and Sewer Rate will increase \$0.40 per 1,000 gallons of water used. At that time, the cost of 1,000 gallons of water used will be \$16.10. Overall, for the average residential customer that uses 5,000 gallons/month (73% of Lombard water customers), the increase will cost an extra \$2 per month. Staff will continue to review the Water & Sewer rate annually and recommend adjustments as needed.

### **Resident Property Tax Implications from York Township**

The Village has been notified by York Township of potential residential property tax implications, resulting from a reduced commercial tax base due to COVID-19 impacts.

- As a result of COVID-19 and prolonged economic impacts, the overall commercial tax base has declined. The York Township Assessor has identified that this may result in



higher tax rates for individual homeowners and property owners.

- The York Township Assessor's Office determines the tax burden for most Lombard residential properties (not the Village of Lombard). In response to a negatively impacted tax base, the Assessor's Office has shared that they anticipate the potential of increased property tax impacts upon residential properties.
- Tax bills are based on two factors including:
  1. The equalized assessed value (EAV) of your property, and;
  2. The amount of money your local taxing districts require to operate during the coming year.
- This potential decline in the commercial tax base could mean higher tax amounts for residential property owners.

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## 2022 Budget FAQ

### How was the Village's 2022 Budget created?

The 2022 Budget planning process began in January 2021 and included extensive work by staff and committees before being considered by the Village Board. The process included a Public Works and Environmental Concerns Committee meeting to review the 2022-2031 Capital Improvement Program, five meetings with the Finance and Administration Committee to discuss the Fiscal Year 2022 budget and provide recommendation to the Board of Trustees, and a Village Board of Trustees budget workshop to review the 2022 proposed budget.

### What is the Village's 2022 Budget?

The 2022 budget projects Village revenues in all funds to total \$104,563,250 with overall expenditures to total \$98,384,642. The overall proposed 2022 Budget provides funding for day-to-day operations and maintenance, grants, insurance, pensions, legal obligations, fleet, water and sewer operations, facilities and infrastructure (capital improvement program budget). The portion of the Village of Lombard's budget for day-to-day operating and maintenance costs is called the General Fund Budget.

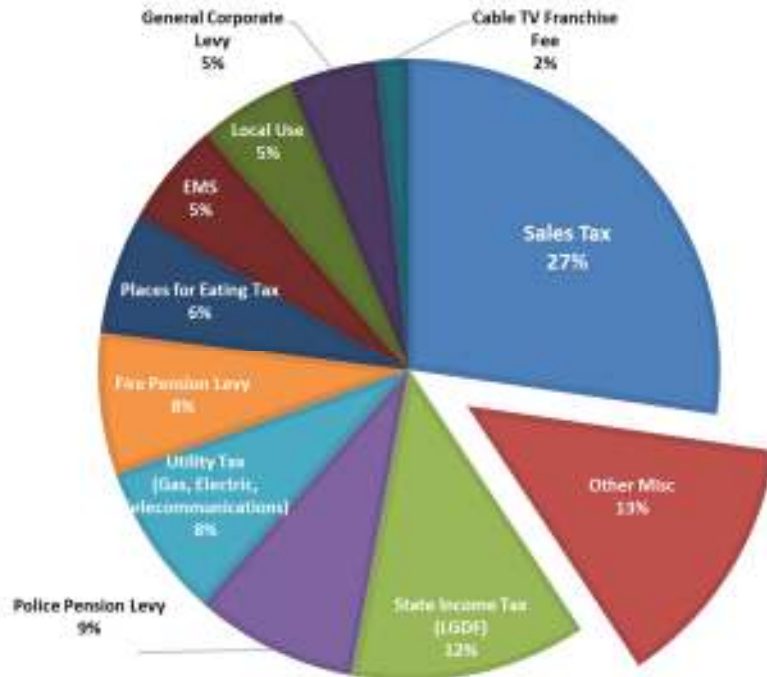
Both the Proposed 2022 Budget and 2022-2031 Capital Improvement Plan are available at [www.villageoflombard.org/budget](http://www.villageoflombard.org/budget).

### 2022 General Fund Budget

The General Fund dollars are used to support core services that include public safety provided by Police and Fire Departments; building and code enforcement from Community Development; responsible administrative oversight; and roads, forestry and infrastructure maintenance from Public Works.

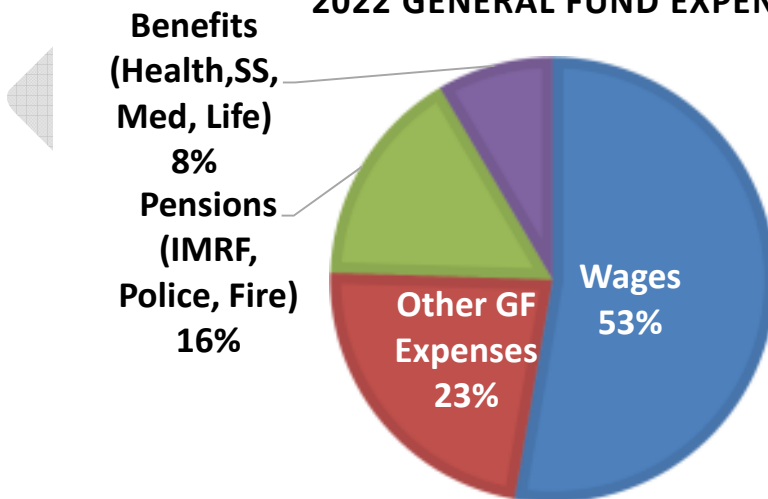
- Revenues of \$38,928,410 are projected to increase \$2,592,680 (7.14%) compared to the 2021 approved budget of \$36,335,730. The 2022 revenue growth is skewed in comparison to the 2021 Amended Budget which was impacted by the pandemic.
- Expenses of \$38,032,617 are projected to increase \$1,158,080 (3.14%) compared to the 2021 approved budget of \$36,874,537.
- The projected revenues over expenses for 2022 is \$895,793. This is the first time since 2009 that the Village has a positive projection.
- The Village will save approximately \$455,213 in the General Fund in 2022 due to 3 full-time (2 police officers/1 firefighter) and 5 part-time vacated positions that have been frozen since the beginning of 2020 or earlier.
- The charts on the following page provide an overview of both the 2022 General Fund Expenses and Projected Revenues.

Top 10 General Fund 2022 Revenues & Expenses



The Top 10 General Fund revenues account for 86.61% of all General Fund revenue sources.

**2022 GENERAL FUND EXPENSES**



Combined wages and benefits (pensions, health insurance, Social Security/Medicare and life insurance) make up 77% of all General Fund operating expenses.

### **What are the major budget concerns for the future?**

The Village remains cautiously pessimistic about the future due to retail trends, the potential exit of large sales tax producers, and large state mandated pension obligations.

- Sales Tax, which is 27% of the revenue for the General Fund, has not kept pace with inflation. The dollar had an average inflation rate of 2.28% per year between 1999 and today, producing a cumulative price increase of 64.21%.
- In 1999, Sales Tax revenue totaled \$10,904,272 which is equivalent in purchasing power to about \$17,905,456.05 today, an increase of \$7,001,184.05 over 22 years. **The FY 2022 Sales Tax is projected to be \$10,955,840 an increase of \$51,568 or 0%.**
- The Village was notified that three large sales tax producers are considering moving their business to other municipalities. Therefore, staff may project a negative Sales Tax revenue projection (compared to 0%) for future budgets.
- Finally, investments for the pension funds have done well for the past few years. However, a decrease in investment earnings will cause a spike in the actuarial required funding for Pensions and/or Liabilities, which will reduce funding available for the Corporate property tax levy.

### **What is the Village going to do with the \$6,022,736.31 of Federal Stimulus funds?**

The Village received \$3,011,368.16 on 8/17/2021 in American Rescue Plan Act (ARPA) funding and is expected to receive an additional \$3,011,368.16 in 2022. The Village Board held a Budget Workshop on September 27, 2021 and discussed the need to allocate additional funds in order to stabilize the Hotel/ Motel Fund due to COVID which caused a reduction in travel and large events at hotel properties.

The Board provided direction to staff to report the \$6,022,736.31 allocated to the Village of Lombard as lost revenue and to submit eligible expenses related to public safety salaries. This approach meets the U.S. Treasury Department reporting requirements.

### **How does the Village plan to allocate 2021 anticipated savings and the remaining funds from the sale of 101 S. Main?**

Finally, staff presented various options to the Board for the allocation of a projected \$5,311,368 of funds available from the following:

- Sale of 101 S Main - \$1M
- Savings from public safety salaries - \$3,011,368.16
- Anticipated YE 2021 Revenues over Expenses - \$1.3M

The consensus of the Village Board is to allocate \$700,000 to both the Building Fund and Pension Stabilization Fund; \$1,000,000 to the Hotel/Motel Fund for reserve stabilization; \$300,000 for Hotel Tourism Grants/Support; and \$2,611,368 to the proposed Economic Development Reserve Fund.

## **Are My Property Taxes Going to Increase?**

The Village is able to raise property taxes by up to 5% each year or Consumer Price Index plus new growth (whichever is lesser) without a referendum. The annual increase funds public services from police, fire, community development, public works, finance and governance. Despite facing serious financial challenges, the Village does not wish to cause undue burden on tax payers and will be opting for a 3.74% increase, which translates to an increase of approximately \$7.30 for the owner of a \$300,000 home. It is a common misconception that the majority of property taxes go to the Village. The Village of Lombard receives 7.50% percent of property tax dollars, or 7.50 cents of each property tax dollar paid.

In addition, The Village has been notified by York Township of potential residential property tax implications, resulting from a reduced commercial tax base due to COVID-19 impacts.

### Reduced Tax Base due to COVID-19 Impacts

- As a result of COVID-19 and prolonged economic impacts, the overall commercial tax base has declined. The York Township Assessor has identified that this may result in higher tax rates for individual homeowners and property owners.
- The York Township Assessor's Office determines the tax burden for most Lombard residential properties (not the Village of Lombard). In response to a negatively impacted tax base, the Assessor's Office has shared that they anticipate the potential of increased property tax impacts upon residential properties.
- Tax bills are based on two factors including:
  1. The equalized assessed value (EAV) of your property, and;
  2. The amount of money your local taxing districts require to operate during the coming year.
- This potential decline in the commercial tax base could mean higher tax amounts for residential property owners.

## **What is the Water Rate Increase for 2022?**

Effective January 1, 2022, the Water and Sewer Rate will increase \$0.40 per 1,000 gallons of water used. At that time, the cost of 1,000 gallons of water used will be \$16.10. Overall, for the average residential customer that uses 5,000 gallons/month (73% of Lombard water customers), the increase will cost an extra \$2 per month.

## **You said that increases are required due to unfunded State mandates. What are those mandates?**

According to the Illinois Municipal League (IML), "Members of the General Assembly consider dozens of proposals each year that would impose new unfunded state mandates on cities, villages and towns in Illinois. These mandates are passed and enacted as a matter of routine. This report compiles a list of mandates that affect municipal governments."

Please visit the village's website to view the report on unfunded state mandates that the Illinois Municipal League compiled, [2019 report of unfunded State mandates](#).

**Where can I find more information or provide my feedback?**

If you would like more information, please contact [finance@villageoflombard.org](mailto:finance@villageoflombard.org) or call (630)620-5910.

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