

VILLAGE OF BARTLETT

COMMITTEE AGENDA

FEBRUARY 21, 2023

FINANCE & GOLF COMMITTEE, CHAIRMAN DEYNE

Proposed Operating Budget Review Presentation

EXECUTIVE SESSION

To Discuss Appointment of Legal Council
Pursuant to Section 2(c)1 of the Open Meetings Act



WELCOME

**2023/2024
PROPOSED BUDGET
PRESENTATION**

Village of Bartlett Budget “More Than Just The Numbers”

- **The Budget is a Policy Document**
 - Village Wide - Long Term Financial Policies
 - Village Wide - Non-Financial Goals and Objectives (Strategic Plan)
 - Clearly Stated Goals and Objectives (Departments)

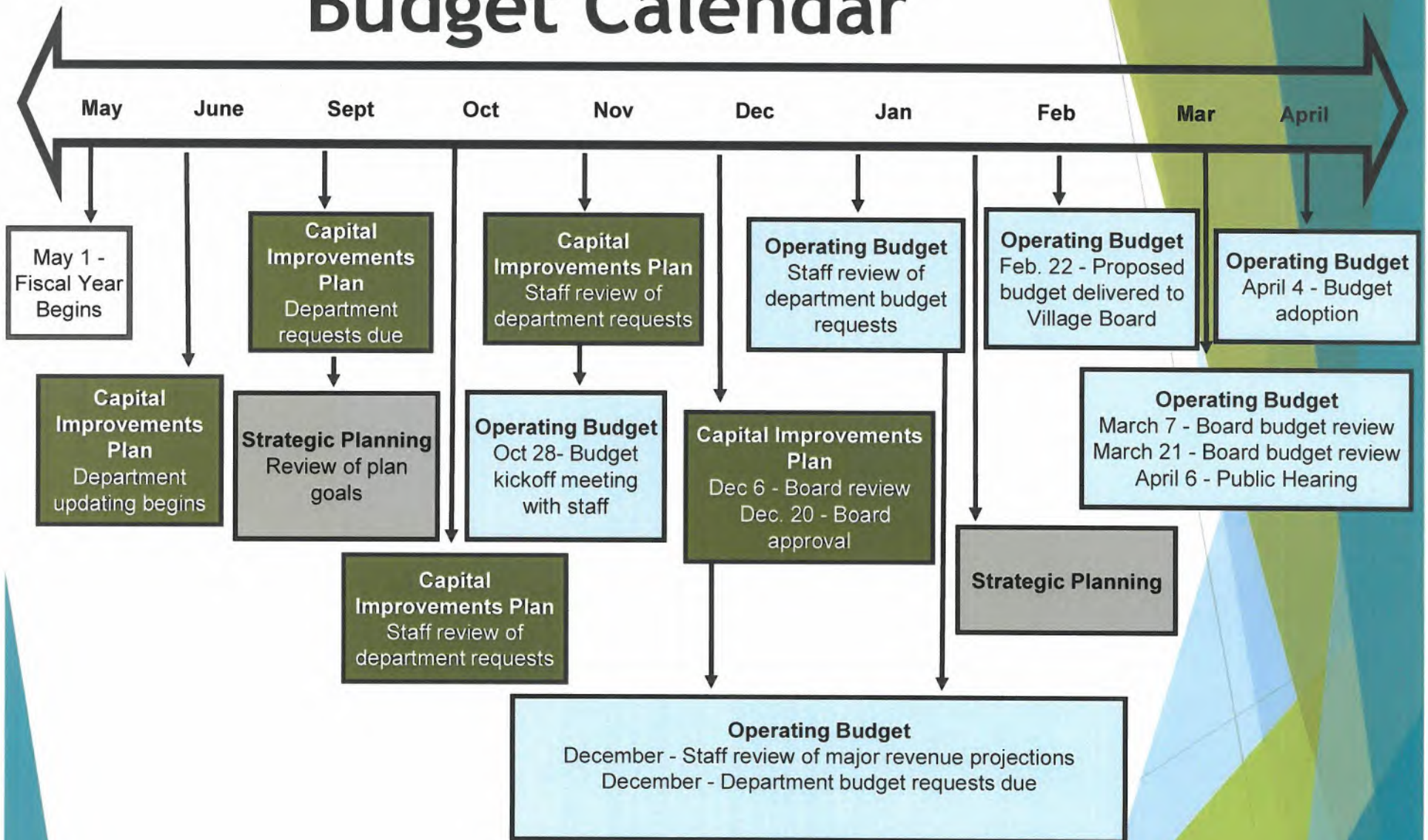
- **The Budget is a Financial Plan**
 - Summarizes Major Revenues and Expenditures
 - Describes Major Revenues
 - Projects Major Changes in Fund Balance

Village of Bartlett Budget

“More Than Just The Numbers”

- **The budget is an operation guide**
 - The budget describes activities, services and function of the village
 - Budget includes an organizational chart
 - Budget includes a personnel summary
- **The budget is a communication device**
 - Defines who develops, prepares, reviews and adopts budget
 - Provides a detailed budget message to board of trustees
 - Defines financial polices (Fund Balance) and long term capital planning (Capital Improvement Plan)
 - Budget includes statistical data to convey long term information to the public

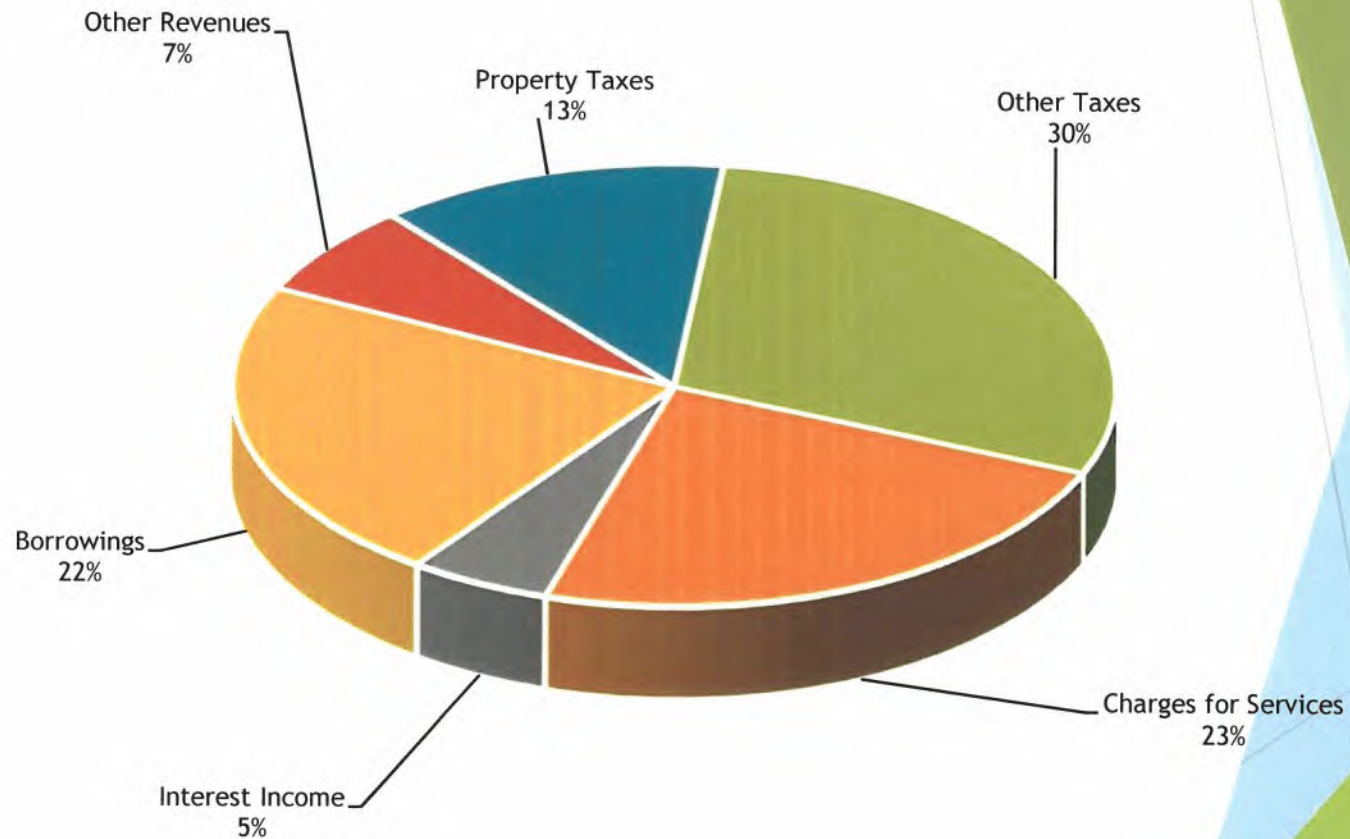
Budget Calendar



- Strategic Planning process
- Operating Budget process
- Capital Budget process

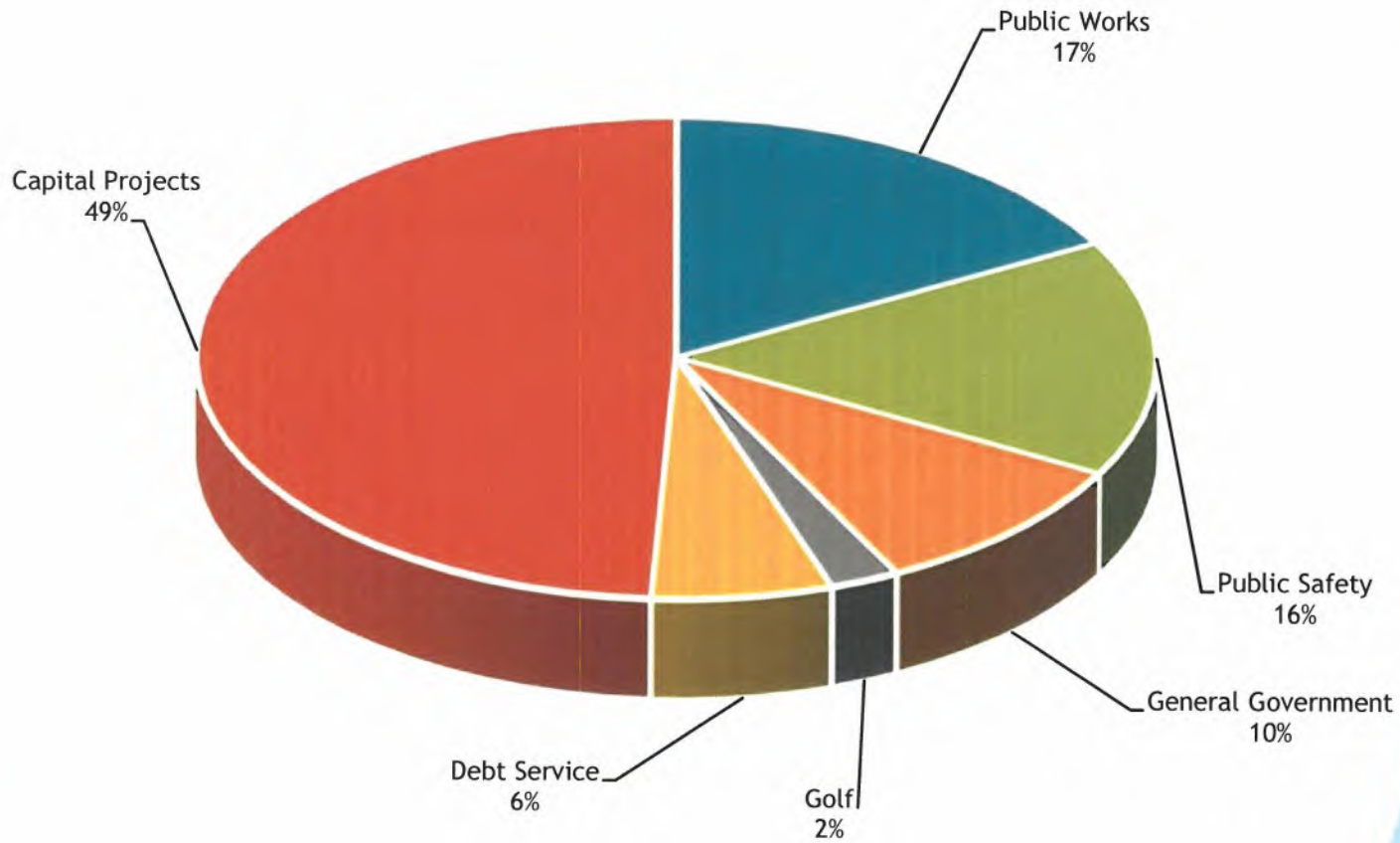
“Where the Money Comes From”

Total Revenue: \$96,248,964

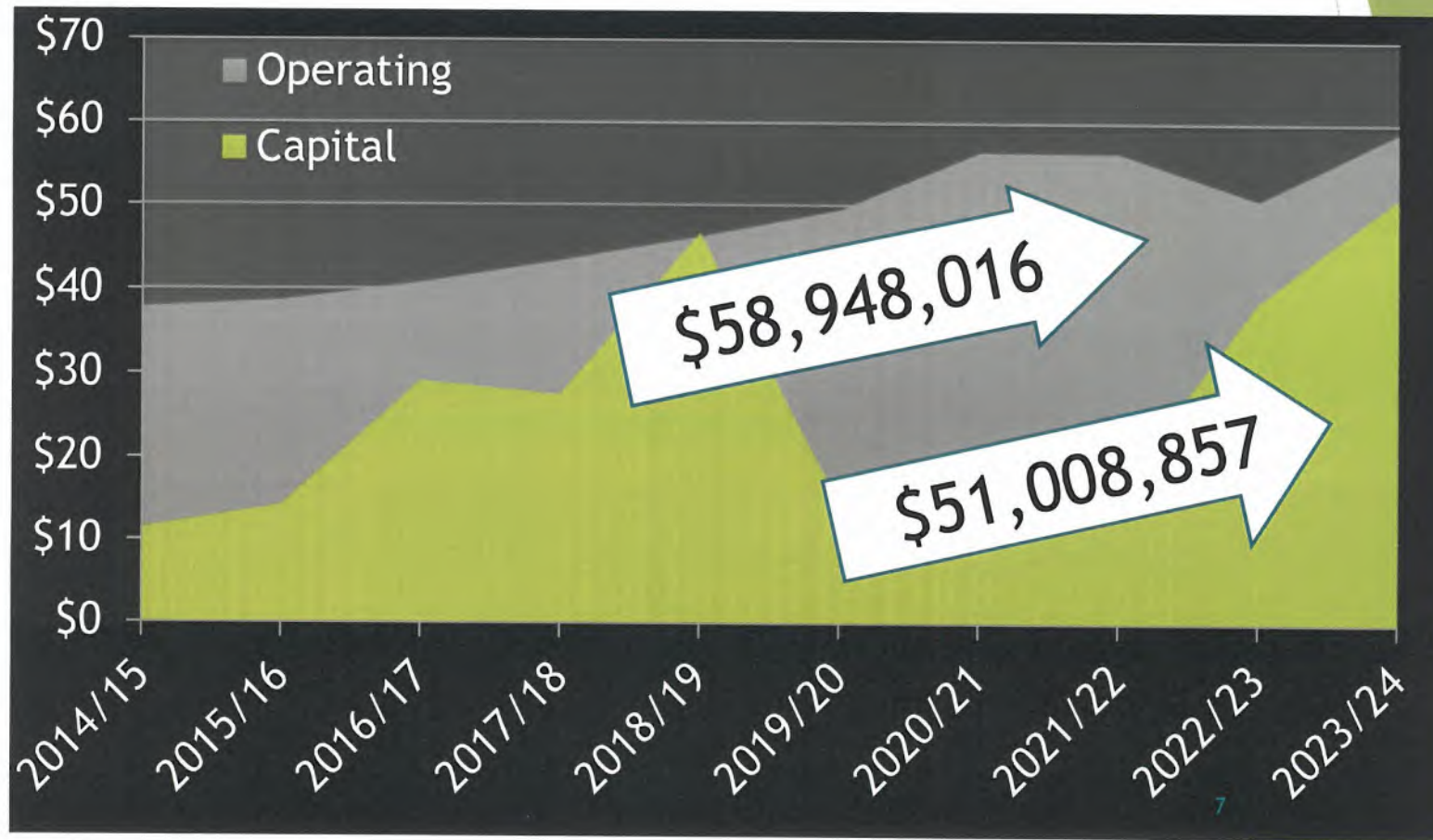


“Where the Money Goes”

Total Expenditures: \$109,956,873



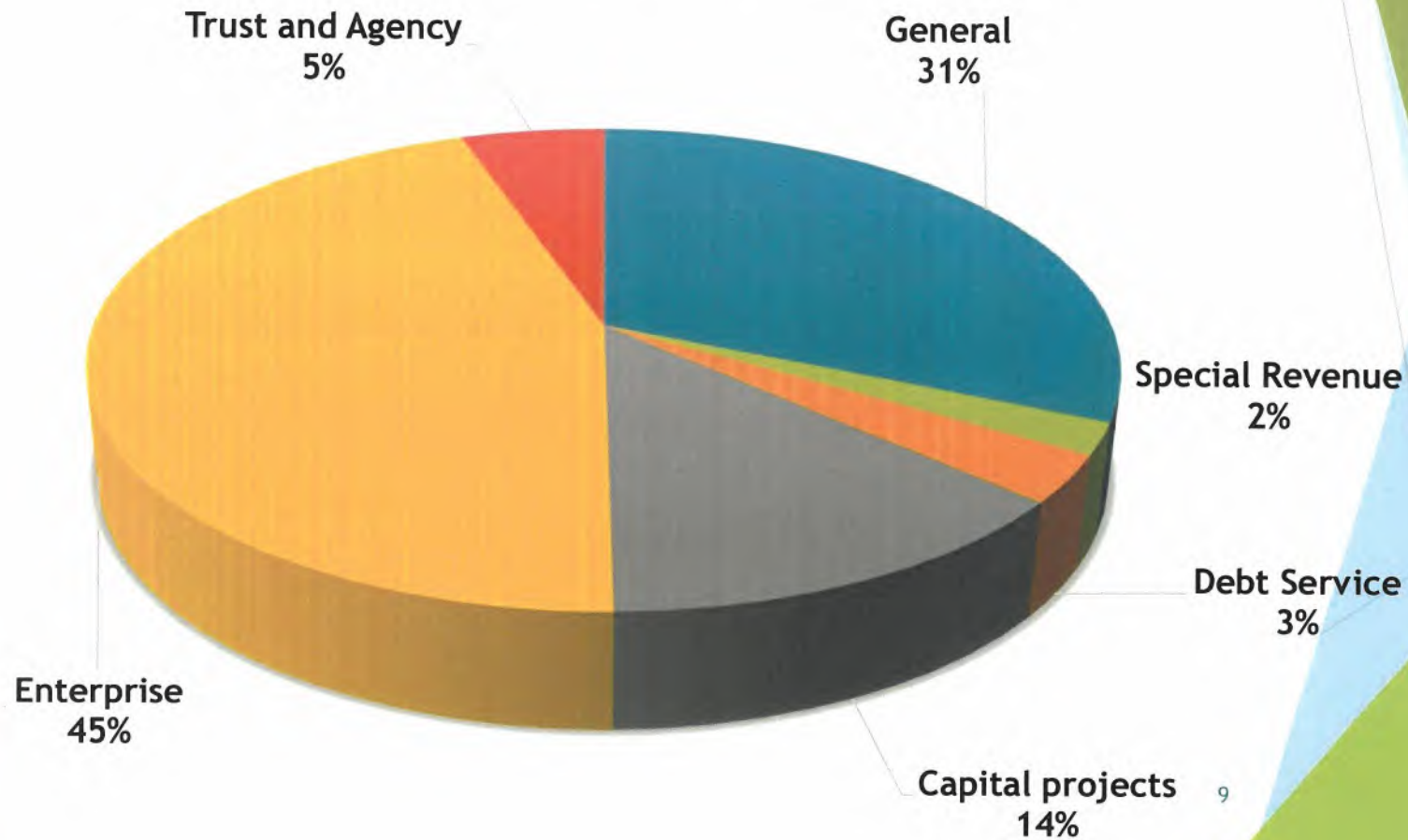
Operating vs. Capital Expenditures



Village of Bartlett FY 2023/24 Revenue Review

Revenue by Fund

Proposed = \$96,248,964 (net of transfers)
7% Increase from 22/23 Budget

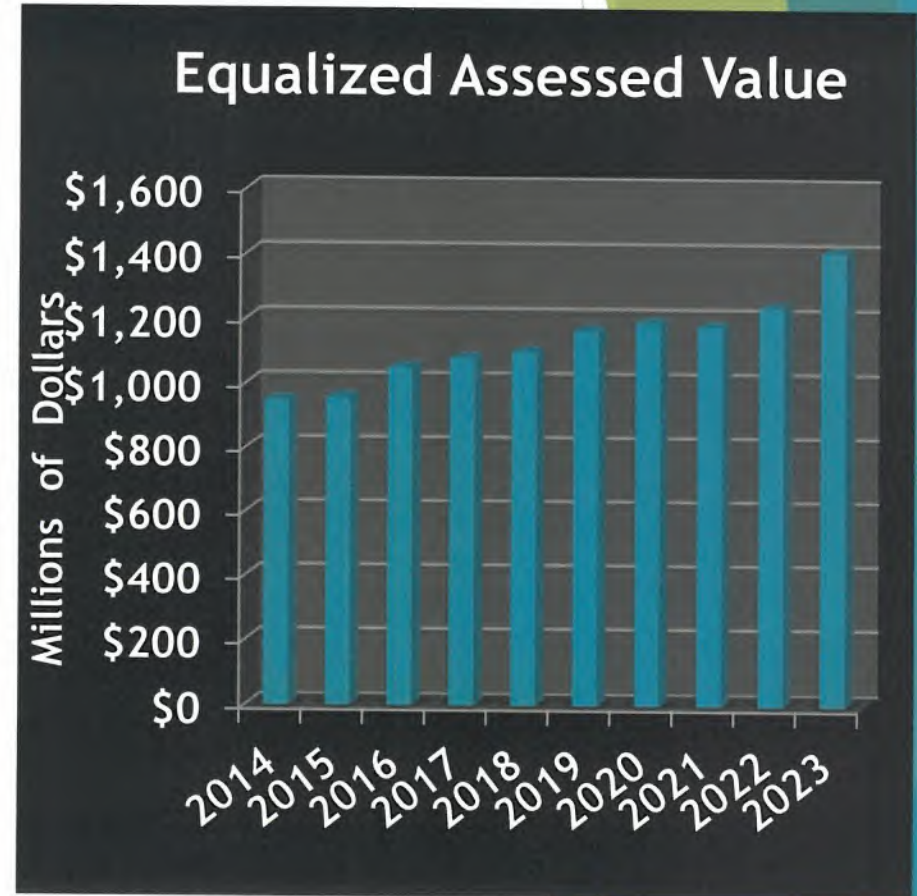
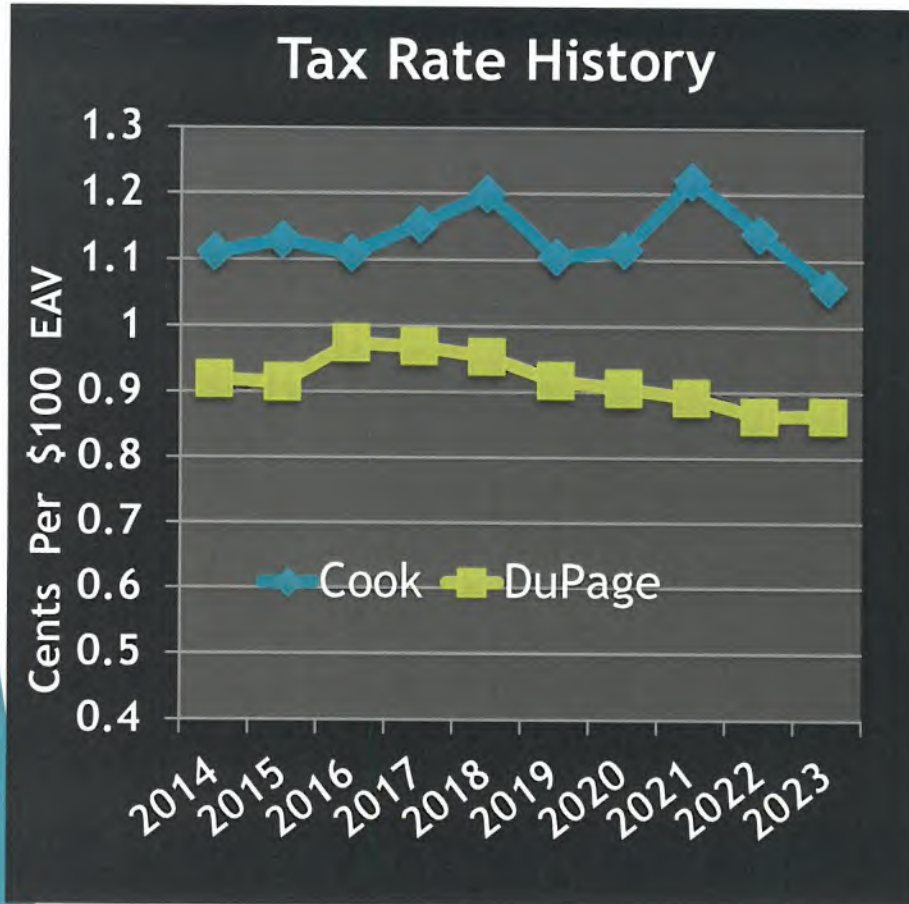


FY 2024 Revenue Review

‡ Property Taxes

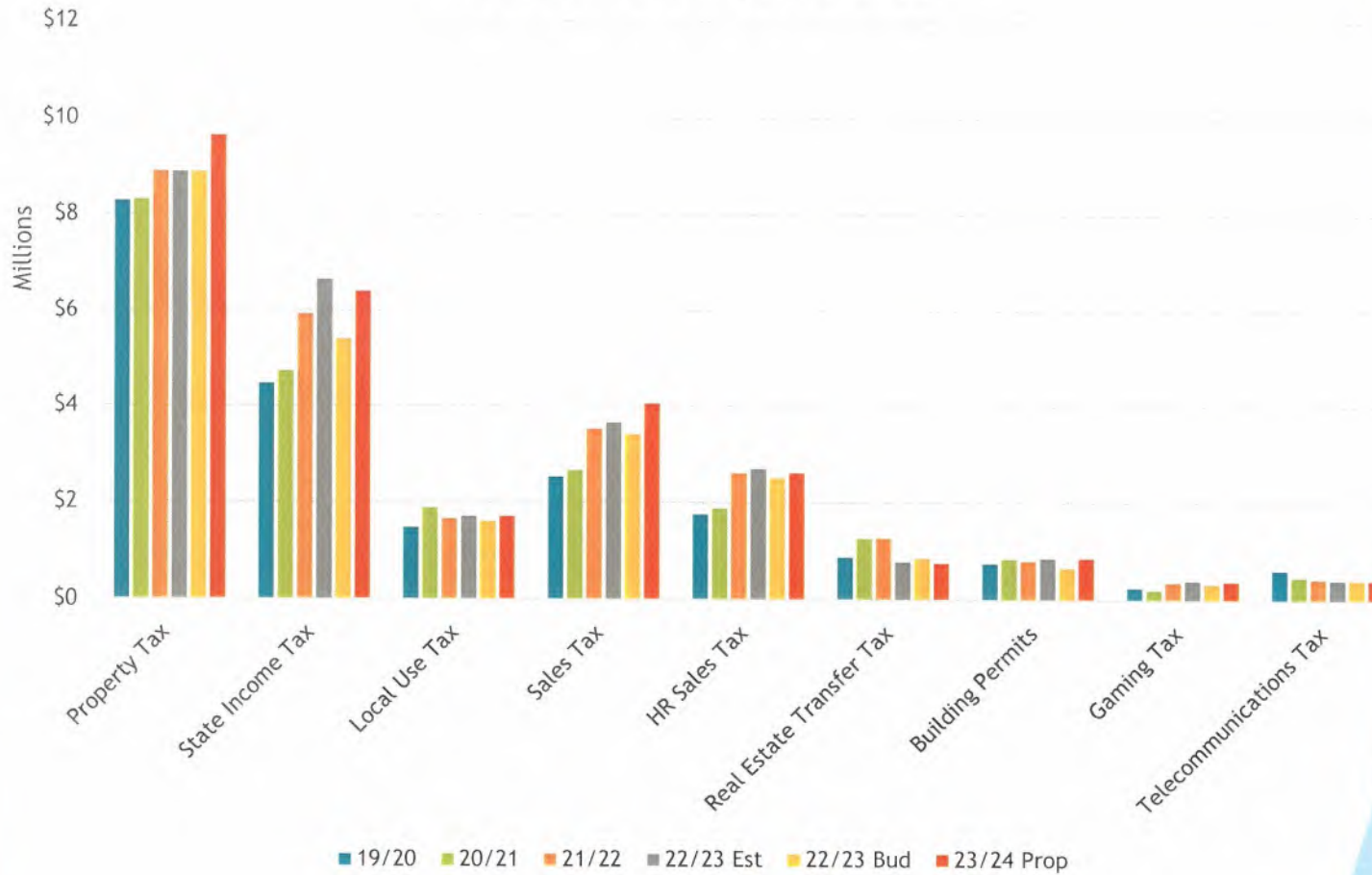
- \$12,396,362
 - 13% of total revenue, 31% of General Fund
 - \$750,000 increase from FY22/23 Budget
 - 9% increase from FY22/23 Budget
1. General levy increase is to capture added taxable value from Brewster Creek TIF closing
 2. Village's share of total property tax will remain about 10% as all districts will gain from the TIF closing
 3. EAV is projected to increase about 14%
 4. Estimated Cook rate = 1.06/\$100 - Estimated DuPage rate = .87/\$100.

Property Tax Rates and EAV



FY 2024 Revenue Review

General Fund Major Revenue



FY 2024 Revenue Review

‡ Other Taxes - Income Tax

- \$6,400,000
- 7% of total revenue, 21% of General Fund
- \$1,000,000 increase from FY22/23 Budget
- 19% increase from FY22/23 Budget

1. Village receives revenue based on per capita rate and population of 41,105. IML's latest estimate for FY 2023 = \$155.40 per capita
2. The IML is assuming the state doesn't change the LGDF rate.
3. State of Illinois rate is 4.95% and municipalities receive just about 6% of this

FY 2024 Revenue Review

‡ Other Taxes - Local Use Tax

- \$1,700,000
- 2% of total revenue, 6% of General Fund
- \$100,000 increase from FY22/23 Budget
- 6% increase from FY22/23 Budget

1. Village receives revenue based on per capita rate and population of 41,105. IML latest update = \$42.79
2. Online tax collections are distributed as sales tax starting with January 2021 activity.
3. About 50% of use tax activity was moved to the sales tax budget in 21/22. It was down only about 10% due to the changes

FY 2024 Revenue Review

‡ Other Taxes - Sales Tax

- \$4,050,000
 - 4% of total revenue, 13% of General Fund
 - \$650,000 increase from FY22/23 Budget
 - 19% increase from FY22/23 Budget
1. Village receives 1% tax of the 6.25% state rate on purchases made within the village
 2. Sales tax sharing agreements are reflected as expenditures in Administration department's budget entitled "Economic Incentives"
 3. Ace Hardware and Culver's have sales tax incentives. Car dealership agreement approved. Two more agreements planned

FY 2024 Revenue Review

‡ Other Taxes - Home Rule Sales Tax

- \$2,600,000
 - 3% of total revenue, 9% of General Fund
 - \$100,000 increase from FY22/23 Budget
 - 4% increase from FY22/23 Budget
1. Village receives 1% tax on general merchandise purchases made within the village and starting January 2021 on some online purchases delivered to Bartlett
 2. Tax is collected by the state and distributed to the municipalities
 3. The Home Rule tax began July 2018
 4. Replaced natural gas and electric utility taxes which peaked in FY13/14 at about \$1,700,000

FY 2024 Revenue Review

‡ Other Taxes - Real Estate Transfer Tax

- \$750,000
 - 1% of total revenue, 2.5% of General Fund
 - \$100,000 decrease from FY22/23 Budget
 - 12% decrease from FY22/23 Budget
1. Commercial property sales have slowed over the past year. Down more than 50% from the prior year.
 2. Average sale price of a residential home was up over 8% to \$367,000, but has been declining the last four months.

FY 2024 Revenue Review

‡ Other Revenue - Development/Building Permits

- \$850,000
 - 0.8% of total revenue, 3% of General Fund
 - \$200,000 increase from FY22/23 Budget
 - 31% increase from FY22/23 Budget
1. Projected number of new residential permits is 30 up from 9 this year and 7 new commercial permits
 2. Commercial and industrial permits have been waived or reduced to serve as an economic development incentive tool in the past
 3. 3,050 miscellaneous permits are projected and are estimated to account for about 50% of the permit revenue

FY 2024 Revenue Review

‡ Other Taxes - Gaming Tax

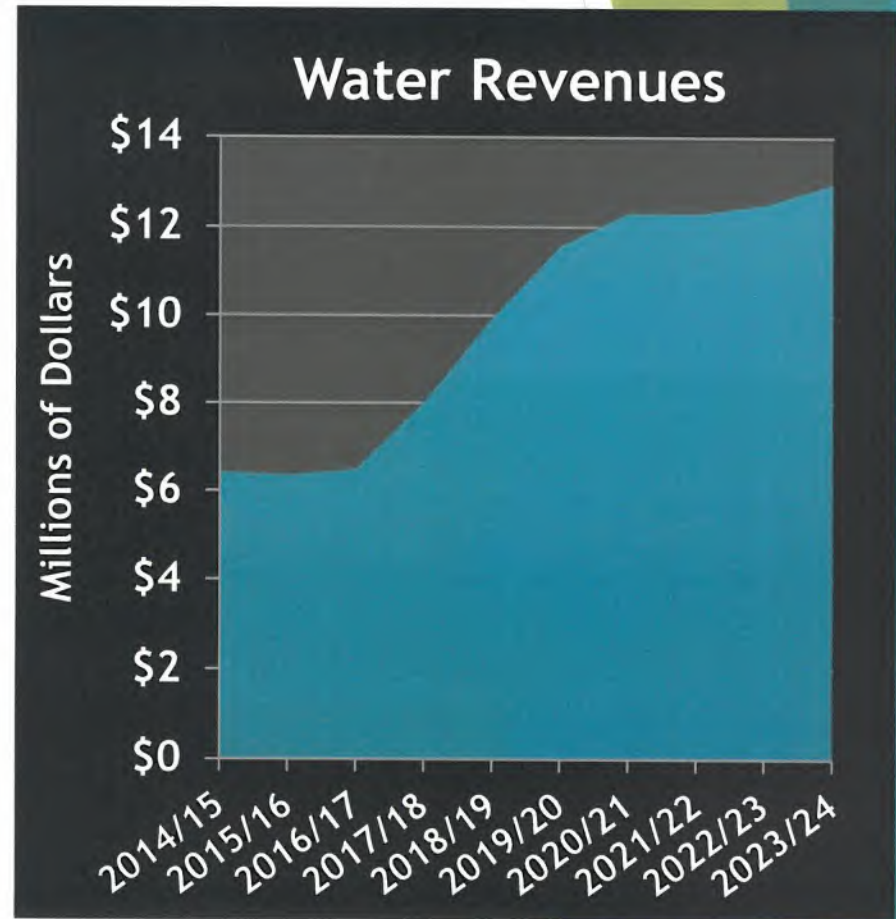
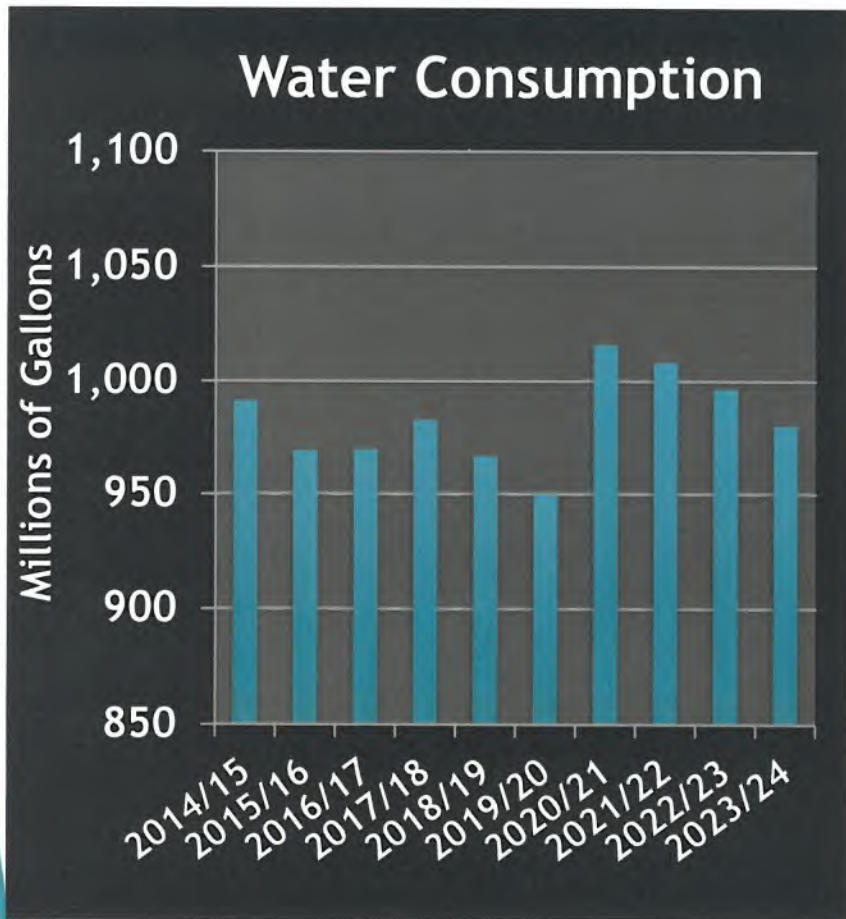
- \$375,000
 - 0.4% of total revenue, 1% of General Fund
 - \$50,000 increase from FY22/23 Budget
 - 15% increase from FY22/23 Budget
1. Revenue is used to fund economic incentives
 2. Estimate for FY22/23 is \$397,000

FY 2024 Revenue Review

‡ Service Charges - Water Sales

- \$12,960,000
 - 13% of total revenue
 - \$360,000 increase from FY22/23 Budget
 - 3% increase from FY22/23 Budget
1. Revenue is based upon consumption average with a proposed 4% rate increase for capital improvement projects
 2. Average residential monthly water bill in proposed budget is \$76.32 based upon 6,000 gallons of usage per month
 3. The last rate increase was effective May 1, 2022
 4. Rates will continue to be reviewed as capital improvements are completed and consumption changes

Water Revenue and Consumption History



FY 2024 Revenue Review

‡ Service Charges - Sewer Sales

- \$6,550,000
- 7% of total revenue
- No increase from FY22/23 Budget

1. Debt service on WWTP loans expected to be delayed until the fall of 2024 due to construction delays
2. Commercial surcharge fees increased
3. Average residential monthly sewer bill by county based on 6,000 gallons:
 - a) Cook = \$25.78/month
 - b) DuPage = \$46.96/month
 - c) Kane = \$19.19/month

FY 2024 Revenue Review

‡ Service Charges - Golf

- \$1,544,500
 - 1.5 % of total revenue
 - \$189,900 increase from FY22/23 Budget
 - 14% increase from FY22/23 Budget
1. Proposed budget projects 33,500 rounds of golf, a 1,000 round increase from the FY 2022/23 budget. Projection is up 1,000 rounds from the current year estimate
 2. Proposed revenue budget is 7% above 22/23 estimate
 3. Pro shop sales are budgeted at \$92,000, up 14%

FY 2024 Revenue Review

‡ Service Charges - Food and Beverage

- \$1,159,000
- 1.2% of total revenue
- \$82,000 increase from FY22/23 Budget
- 8% increase from FY22/23 Budget

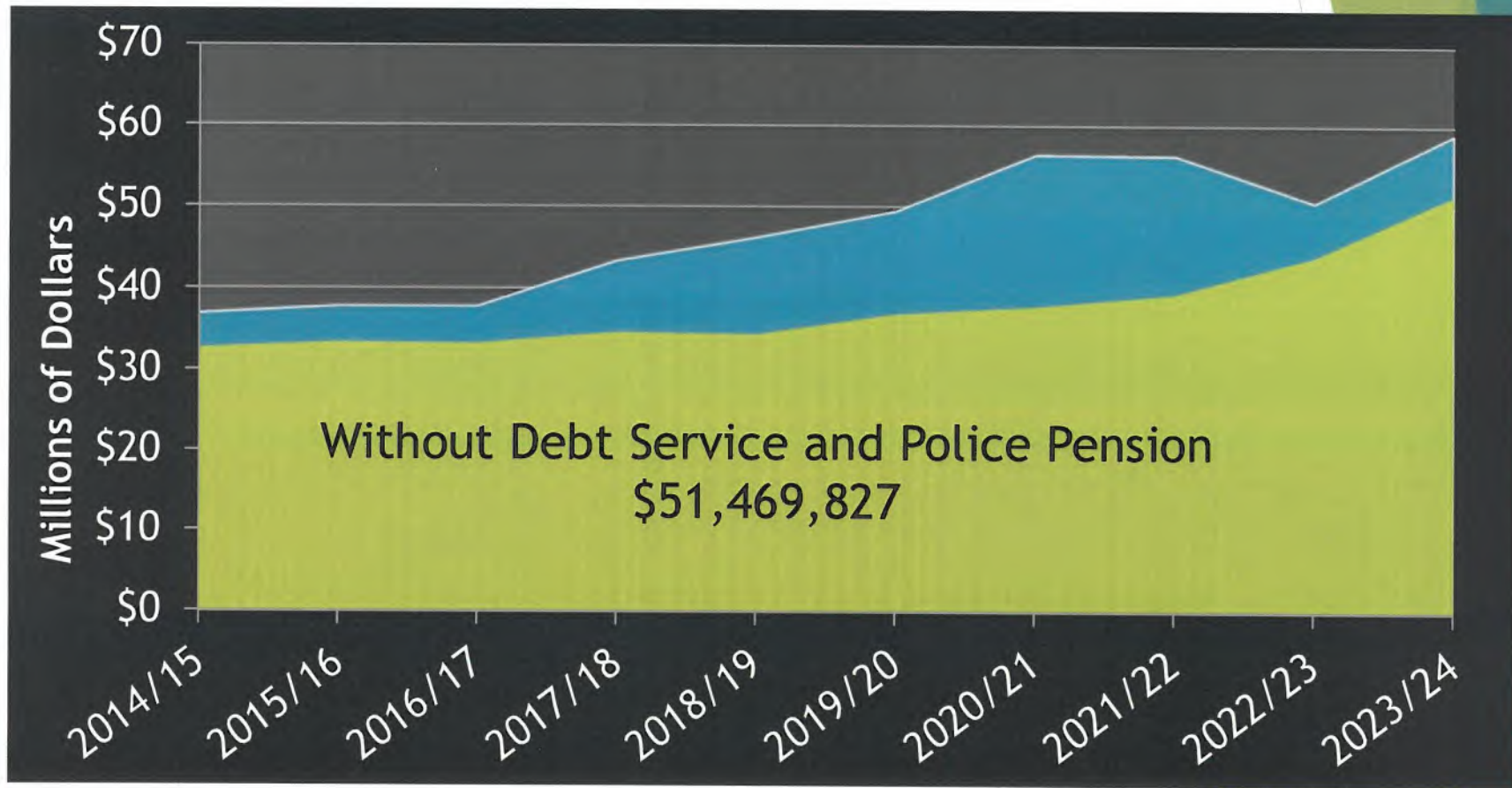
1. Actual revenue for 22/23 is projected to be \$1,073,000.
2. The budget reflects an increase due to events already booked for next year

Village of Bartlett FY 2023/24 Expenditure Review

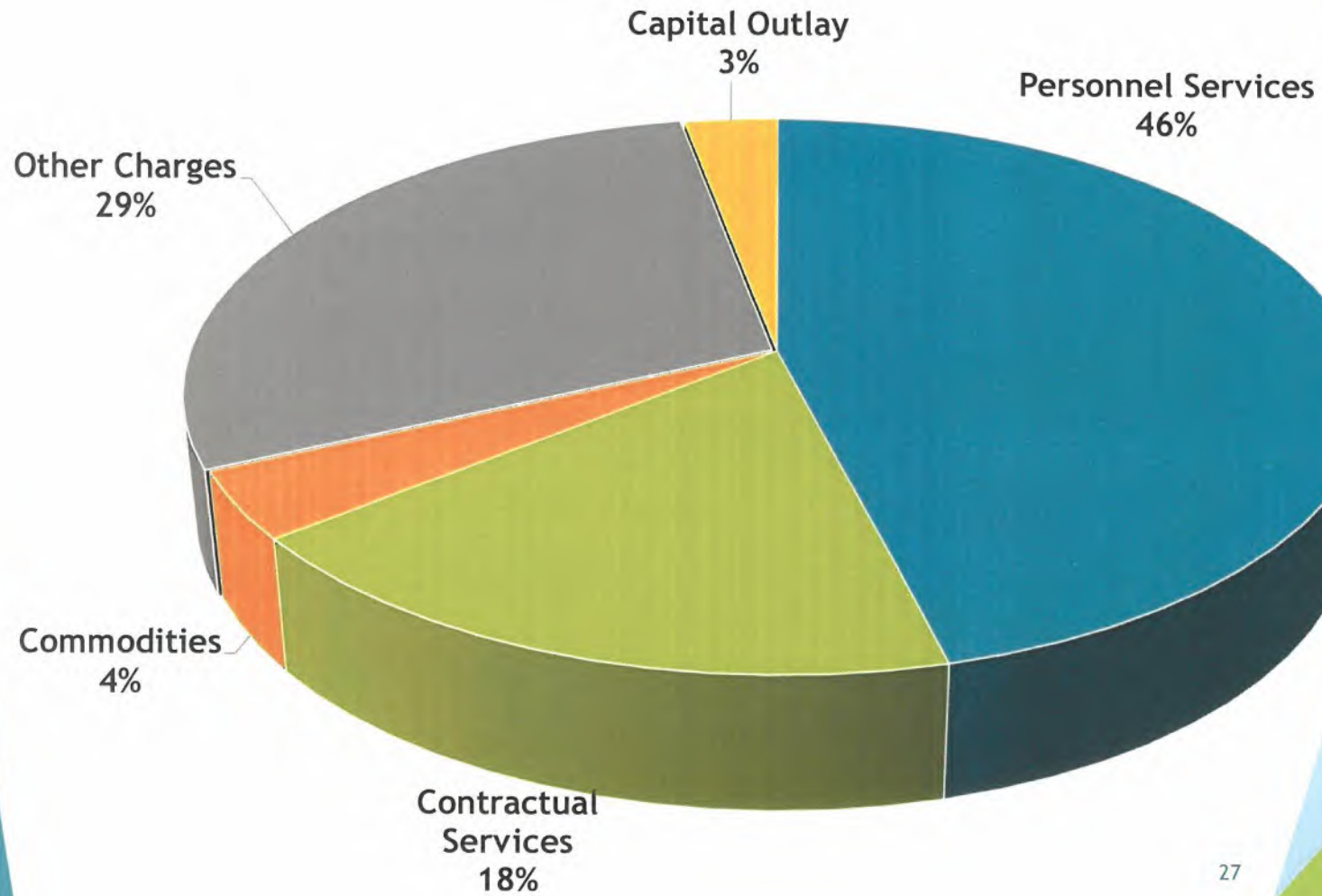
Operating Expenditures Total

Proposed Operating Expenditures = \$58,948,016

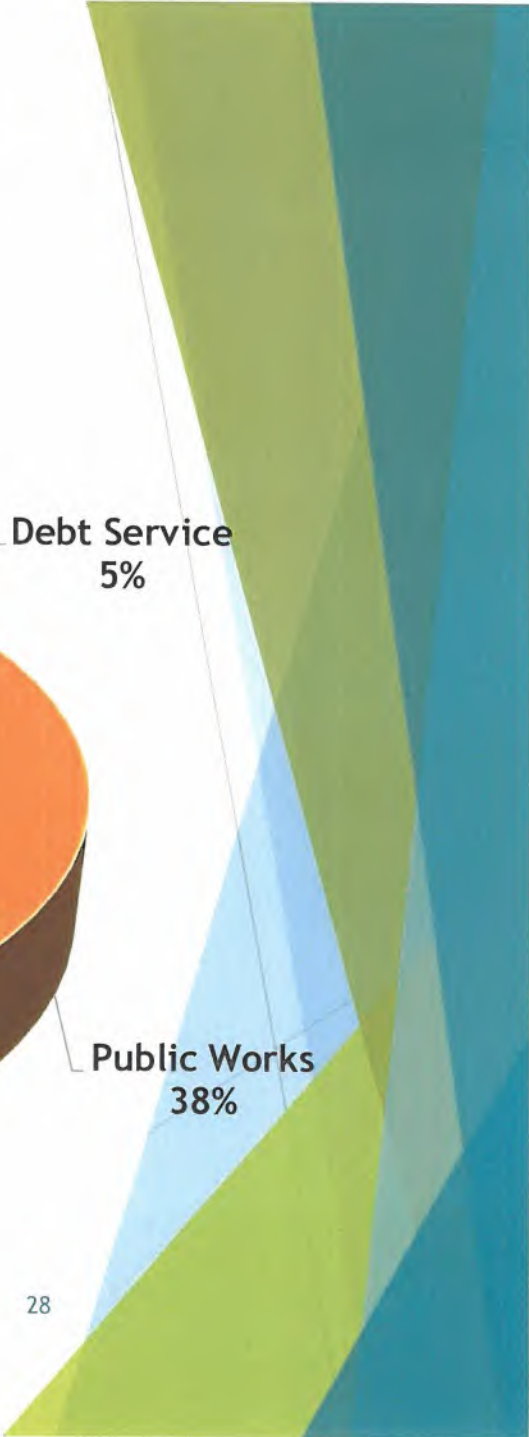
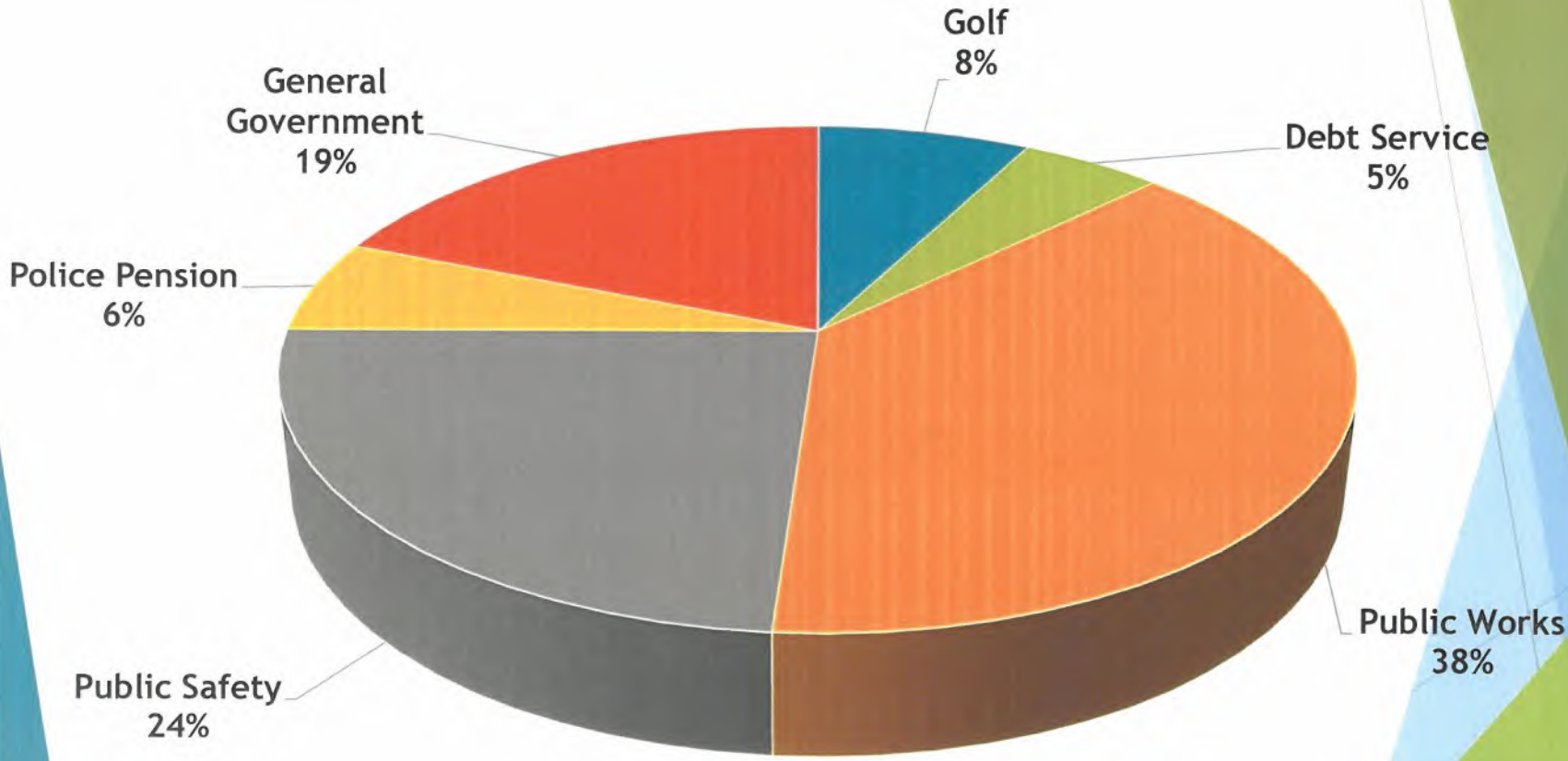
Up from prior year for final year of BC TIF and golf project



Operating Expenditures By Type



Operating Expenditures by Department



FY 2024 General Fund

- Estimated beginning cash balance \$17,896,867
- Budgeted revenues \$29,818,965
- Budgeted expenditures \$26,075,992
- Net transfers (\$3,823,797)
- Ending balance \$17,816,043

1. Budgeted use of available fund balance is \$80,824
2. TR to Central Services \$1,126,877, increased 5% from prior year
3. TR to Vehicle Replacement \$617,374, unchanged from prior year
4. TR to Police Pension Fund \$2,522,796, equal to 2022 required contribution
5. TR in from MFT/Water/Sewer/Parking/Golf \$593,250, no change
6. TR to 59 & Lake TIF Fund \$150,000 of auto sales tax

FY 2024 Central Services

- Estimated beginning balance \$819,800
- Annual transfer from departments \$1,516,151
- Proposed budget for FY23/24 \$1,727,781
- Ending balance \$618,170

1. Operating expenses for FY23/24 \$1,584,481
2. Includes \$46,000 for Office 365 and Enterprise Mobility & Security
3. Machinery & Equipment for FY 23/24 is \$194,300, with \$51,000 for conference room improvements being funded from Capital Projects funds

FY 2024 Vehicle Replacement

- Estimated beginning balance \$1,909,269
- Annual transfer from departments \$694,242
- Proposed budget for FY23/24 \$1,400,000
- Ending balance \$694,242
- Estimated expenses FY22/23 \$961,070

1. A total of 11 vehicles, 1 utility vehicle and 1 debris blower are scheduled to be replaced in this budget
2. Two large dump trucks and one brush truck are still on order from the current year and won't be delivered until the 23/24 fiscal year
3. Transfer amounts will be increased with the increased cost of vehicles

FY 2024 Capital Projects Fund

- Estimated beginning balance \$5,189,789
- Proposed budget for FY23/24 \$1,551,000
- Ending balance \$3,788,789
- Planned Water and Sewer projects FY24/25 \$1,000,000

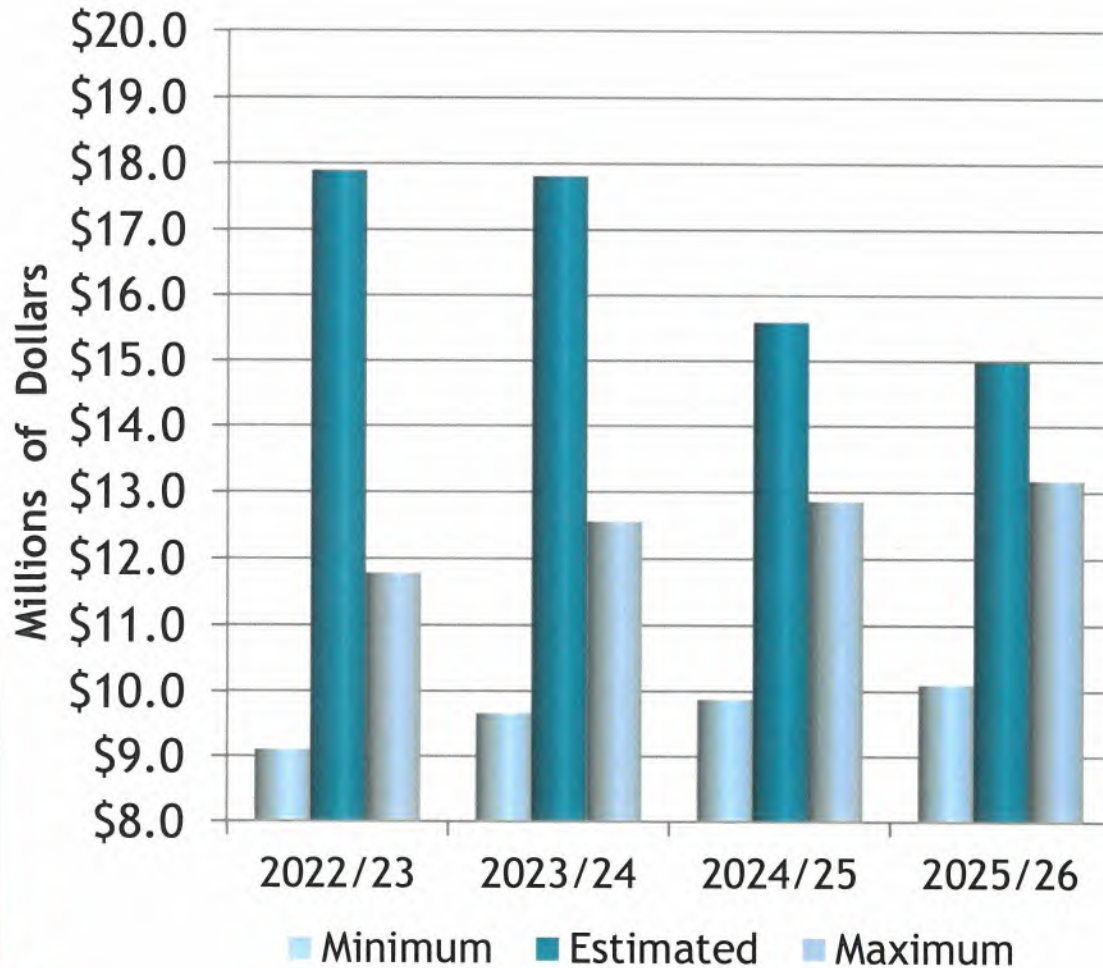
1. American Rescue Plan Act deposits totaled \$5,531,433
2. FY23/24 projects include the water meter program, sanitary sewer rehabilitation program, and conference room improvements
3. FY24/25 projects include the water meter program and the sanitary sewer rehabilitation program

Budget Snapshot

- No new taxes or fees
- General property tax levy to be increased to capture taxable EAV increase from TIF closing
- Non-union wage increase of 3.0% factored in
- Net of one half employee being added
- Proposed water rate increase, no sewer rate increase
- Capital improvement projects totaling \$40 million

Village of Bartlett FY 2023/24 Fund Balance Review

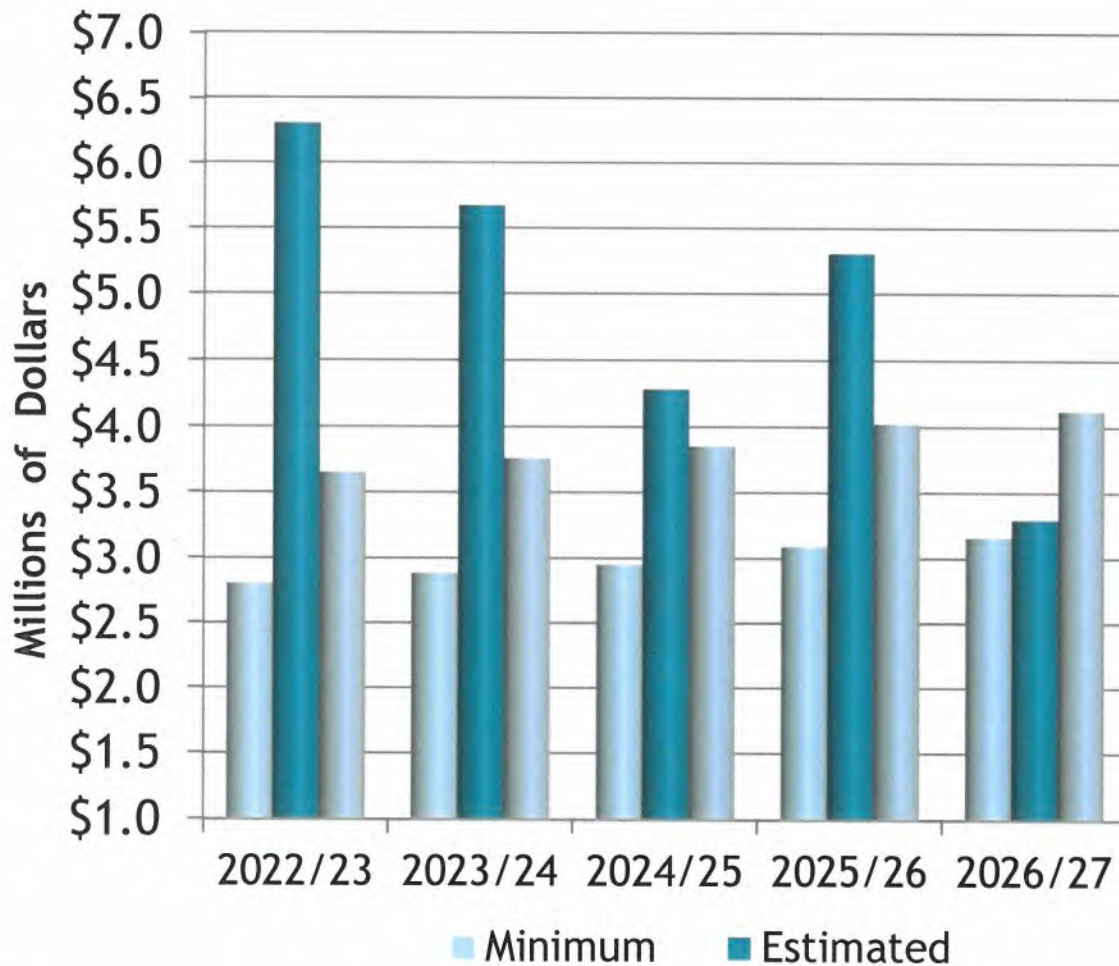
Fund Balance - General Fund



Policy

- 25 - 35% of operating expenditures
- Avg. increase in property tax levy and liabilities
- Designated reserves
 - Restricted Funds

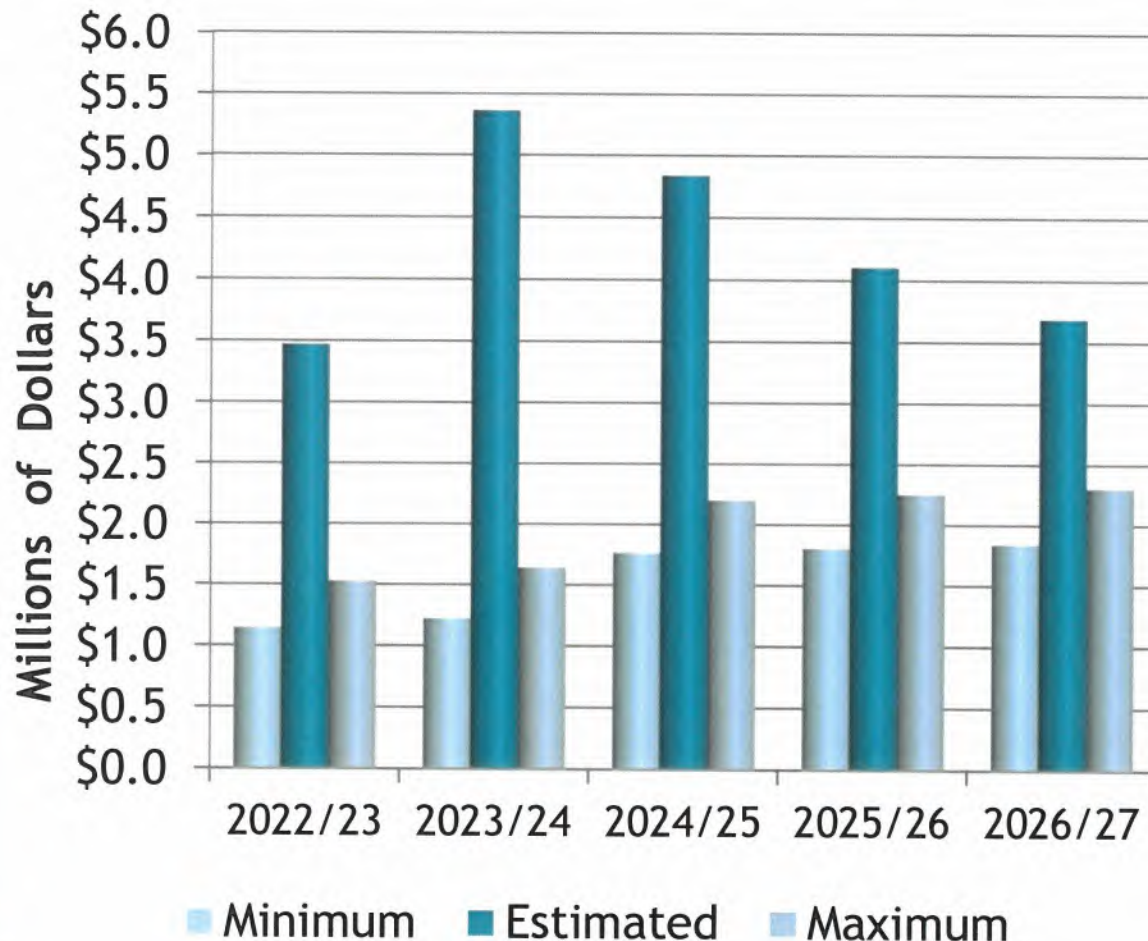
Fund Balance - Water Fund



Policy

- 25 - 35% of operating expenditures
- Designated reserves:
 - Radium Removal
 - Loan Payments
 - Capital Improvement

Fund Balance - Sewer Fund



Policy

- 25 - 35% of operating expenditures
- Designated reserves:
 - Debt Service
 - Capital Improvement Reserve

Thanks