

2020 Proposed Budget FAQ

How is the Village's budget created?

The Village Board will review the proposed 2020 Budget at a public hearing and first reading on November 7th and on second/final reading November 21st. The proposed balanced budget reflects the culmination of an extensive planning process that began in 2018. The process included a Public Works and Environmental Committee meeting to review the 2020-2029 Capital Improvement Program, a joint meeting of the Finance and Administration Committee and the Public Works and Environmental Committee to review and provide recommendations based on the 2019 Water and Sewer Rate Study, review and recommendation of Hotel/Motel Tax revenues and expenditures by the Community Promotion and Tourism Committee, three meetings with the Finance and Administration Committee to discuss the Fiscal Year 2020 budget and provide recommendation to the Board of Trustees, and a Village Board of Trustees budget workshop to review the proposed 2020 Budget. All committees consist of Lombard resident volunteers.

What is the Village's Proposed 2020 Budget?

The overall proposed 2020 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.

Overall Proposed 2020 Budget

- The Village's entire proposed 2020 Budget is \$95.1 million, an increase of \$2.5 million (2.7%) compared to the 2019 year-end estimated expenditures of \$92.6 million.
- The 2020 projected revenues from taxes, fees, and other sources total \$101.5 million, an increase of \$5.2 million (5.4%) when compared to the 2019 year-end estimated revenue of \$96.3 million.
- The primary reason for the increase is capital projects, budgeted in 2020 for \$16.2 million, an increase of \$8.3 million compared to the 2019 capital project budget of \$7.9 million.
- The Proposed 2020 Budget and 2020-2029 Capital Improvement Plan are available at www.villageoflombard.org/budget.

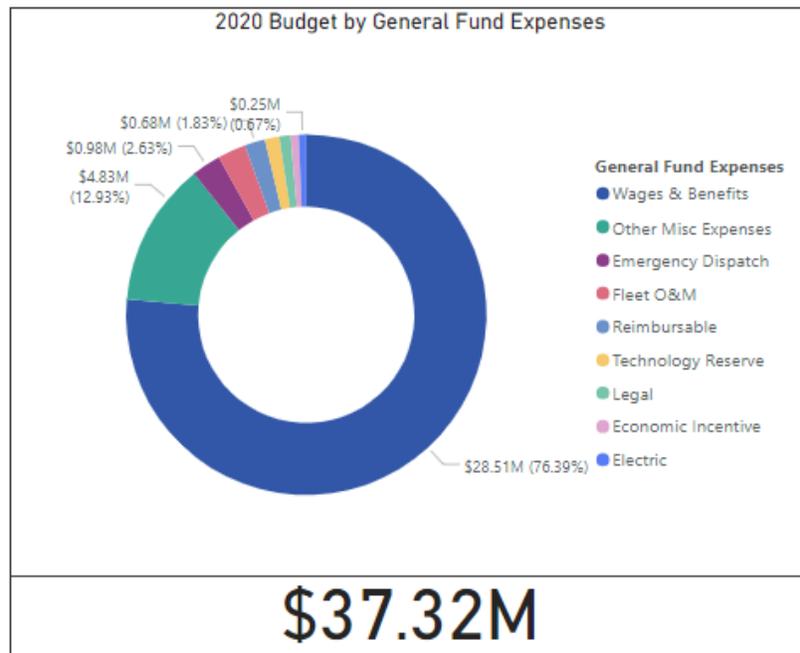
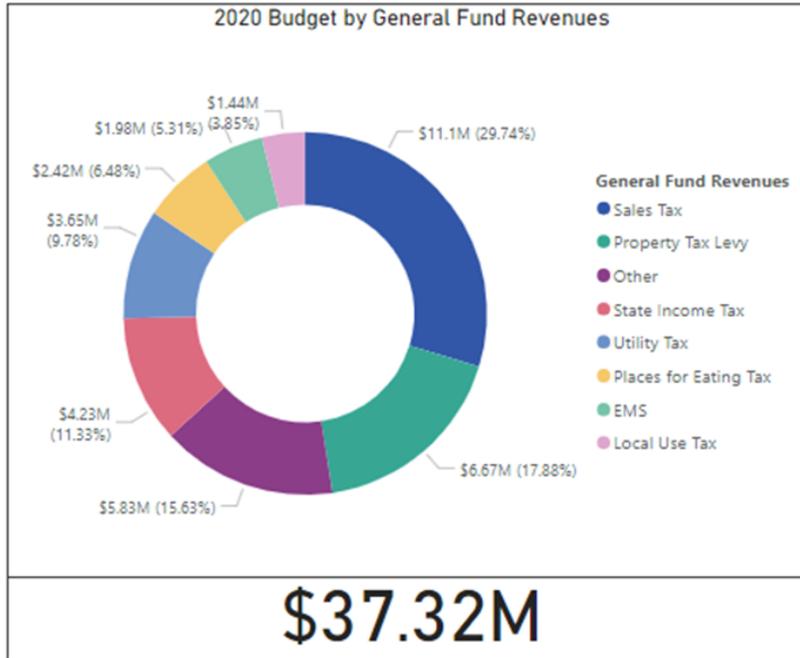
2020 General Fund Budget

The 2020 General Fund Budget totals \$37.3 million, which represents 39.22% of the overall proposed 2020 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.

- Moving forward, the Village will continue to face budget challenges head on and will remain focused on providing residents with a balanced budget while maintaining excellent core services. 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.

- The charts below provide an overview of both the 2020 Proposed General Fund Expenses and Projected Revenues.



Why can't the Village operate within its means like my family?

The financial challenges faced by the Village are associated with maintaining excellent core service levels for residents and business owners, while expenses continue to increase faster than revenues, due to a challenging retail sales environment, decreases in State funding, inflationary increases, and State mandates beyond the Village's control.

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In 2015, the Village was on the path to having a budget deficit of more than \$3 million by 2019. Due to the Village's ongoing focus on fiscal responsibility, the Village's 2020 budget is balanced. Moving forward, the Village will continue to face budget challenges head on and will remain focused on providing residents with a balanced budget while maintaining excellent core services.

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."

The IML has compiled a 2019 report of unfunded State mandates. Please visit www.villageoflombard.org/unfunded-state-mandates to view the report.

Why can't the Village use funds raised from the Library tax increase?

It's important to remember that the Village, the Library, and the Park District are completely separate entities, with separate boards, and separate budgets. Similar to separate businesses, the Village does not control, and does not have access to, the revenues owned by a separate agency.

Where can I find more information or provide my feedback?

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