



MEDIA RELEASE

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FOR IMMEDIATE RELEASE

Date: November 16, 2018
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VILLAGE BOARD REVIEWS DRAFT FISCAL YEAR 2020 BUDGET

(Glencoe, Illinois)—Following multiple months of reviewing updates to the Village of Glencoe’s financial policies, 10-Year Community Improvement Program (CIP), fee and fine schedule and long range financial forecast, the Village Board met in budget workshops on November 13 and November 15 to discuss the Draft Fiscal Year 2020 Budget. Staff will incorporate feedback from the workshops into a recommended budget which will be presented at the December 20, 2018 Village Board meeting, and may be formally considered for approval at the January 17, 2019 Village Board meeting. Once approved, the budget will go into effect March 1, 2019 and continue through February 29, 2020.

The Draft Fiscal Year 2020 Budget includes \$24,436,197 in expenditures across all funds and departments (excluding the statutorily controlled Police and Fire Pension Funds), representing a 3.2% decrease in proposed spending compared to Fiscal Year 2019. These same operational fund revenues are projected to increase by 1.9%, growing to \$23,105,600. The difference between expenditures and revenues is offset with a planned use of General Fund reserves (resources saved from prior fiscal years) to fund major capital and infrastructure projects, accounting for a balanced budget.

Notably, a number of new reports and documents were prepared this year as part of the budget development process including a proposed financing plan for planned infrastructure spending over the next decade. The financing plan includes bond financing along with the use of fund revenues, user fees and other resources in order to provide approximately \$46,792,000 to improve Glencoe’s physical plant over the next 10 years. This includes investment of over approximately \$4 million in mandated rehabilitation of the Village’s sanitary sewer system, continued planned reinvestment in the Village’s water distribution system and necessary enhancements to the Village’s sidewalk and roadway network. The Draft Fiscal Year 2020 Budget accounts for approximately \$2.6 million in capital and infrastructure projects including continued investment in a new enterprise resource planning software, sanitary sewer rehabilitation, downtown and residential sidewalk restoration and water main replacements at Euclid Avenue, Lincoln Drive and Longwood Avenue.

Other highlights from the Draft Fiscal Year 2020 Budget include:

- Resources for projects related to the Village’s new Strategic Plan, including funds for the fielding of a community-wide survey and a comprehensive ordinance and regulation review.
- Resources for the Village’s 150th anniversary celebration, which will be supplemented by sponsorships and several fundraising efforts, including a commemorative vehicle license.

- A proposed 2.1% increase in the property tax levy, in line with the limitations imposed by the Property Tax Extension Limitation Law (PTELL). However, due to the completion of payments on a portion of the Village's outstanding debt, the overall impact to residents is anticipated to provide for a slight decrease in taxes. This change will have a limited impact to Glencoe residents' property tax bills, as illustrated in the Financial Forecast section. The Village Board will be reviewing the proposed tax levy at its December 20, 2018 meeting.
- Cost of living adjustments (COLA) of 2.5% for Public Safety union employees (contractual requirement) and a 2.5% for all non-union employees.
- An increase in funding for the Glencoe Police Pension Fund, in line with actuarial funding requirements.
- A reduction in contributions to the Illinois Municipal Retirement Fund (IMRF). The decrease in rate is primarily due to IMRF's favorable investment returns in the last year, a portion of which has been credited to employer accounts (back to the Village).
- Various changes to fees for service to better account for the cost of service delivery and provide funding for essential infrastructure improvements, including the second year of increases to the Village's water and sewer rates. The increased water rate (an overall increase of 9%) is in line with the rate structure change recommendations that were made following the comprehensive Water Rate Analysis conducted in 2017. Sewer rates are recommended to increase by 7.1% to provide necessary resources to fund rehabilitation of the Village's sanitary sewer system.

Further adjustments to the Fee and Fine Schedule and the Fiscal Year 2020 CIP may be made following the presentation of the Building Permit Analysis and the Tudor Court Streetscape Improvement project proposal, both of which are anticipated to come to the Village Board in December.

The Draft Fiscal Year 2020 Budget can be viewed online at www.villageofglencoe.org/transparency. Contact Finance Director Nikki Larson at nlarson@villageofglencoe.org / (847) 461-1108 with any budget related questions.

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