



## CIP SUMMARY

- Projects totaling \$16,251,300 in the eight-month transition year.
- Significant undertaking in a short amount of time

## CIP SUMMARY BY FUND

\$5,109,100	CAPITAL FUND
\$1,500,000	MFT FUND
\$40,000	TIF FUND
\$500,000	ARPA FUND
\$7,691,100	WATER & SEWER CAPITAL FUND
<u>\$1,411,100</u>	<u>FLEET FUND</u>
<b>\$16,251,300</b>	<b>TOTAL CAPITAL INVESTMENT</b>

### Fund Balance Projection

CAPITAL IMPROVEMENT  
FUND

\$13,799,165 Beginning Balance

\$5,367,500 Revenue

\$7,907,496 Less Expenditures

(\$2,539,996) Surplus / (Deficit)

\$11,259,169 Ending Balance

- In addition to \$5.1 million in funding for capital projects, the fund has a transfer of \$1.25 million to the municipal fleet fund, and a transfer of \$1.3 million dollars to the debt service fund for Series 2016 and 2021 which were issued for the Police Facility.
- \$11,259,169 is for future projects

## Capital Improvement Fund FY24 Budget Revenue

\$3,000,000	Home Rule Sales Tax
\$600,000	Local Motor Fuel Tax
\$750,000	Direct Impact Fees
\$270,000	Trans. Development Fees
\$75,000	Federal Grants
\$450,000	State Grants
\$172,500	Reimbursements
\$50,000	Interest Income
<b>\$5,367,500</b>	<b>Total Revenue</b>

- 67% of revenue in this fund comes from local taxes; 20% from development fees; and 10% from grants.
- The grant revenue is all for the Wolfs Crossing project.
- The reimbursement revenue comes from Yorkville and Montgomery for our shared lobbyists.

## CIP FUND PROPOSED PROJECTS

- \$1,500,000 Annual Road Program
- \$45,000 Bike Path Seal Coating
- \$305,000 Minkler Bridge Reconstruction
- \$155,000 Path: IL 31, Parkers Mill to River Run
- \$21,000 Public Works Space Needs Study
- \$10,000 Public Works Parking Expansion
- \$18,500 Public Works HVAC Work
- \$3,500 Public Works Roof Replacement
- \$25,200 Village Hall Parking Lot Maintenance
- \$18,900 Village Hall Sidewalk and Curb Replacement
- \$17,000 Village Hall Wider Annex Door
- \$405,000 Wolfs Crossing – Douglas Road
- \$2,150,000 Wolfs Crossing – Harvey Road
- \$435,000 Wolfs Crossing – Roth Road

- Project sheets for each individual project are included in the packet.
- Grant revenue is included in the Minkler Bridge reconstruction and IL 31 Path.
  - \$75,000 grant from the County
- Public Works roof replacement project is for the survey of the roof
  - Space needs study will decide what to do moving forward
- Public Works parking expansion- won't spend any money until after receiving space needs study; construction in Summer 2025; received a \$65,000 grant; project would be more an improvement versus an expansion; better access to vehicles; whether to do the project if not expanding the building
- Village Hall parking lot maintenance- 70% from CIP; remaining from water and sewer CIP Fund
- Village Hall sidewalk and curb- 1,300 sq. ft.; majority on the west side
- Annex door- no ability to bring in large items; would lower the sidewalk to accommodate the door

- Wolfs Crossing, Douglas Rd- November 2024 letting for construction next summer before the federal funds expire; clearing right-of-way for utilities; water main part of this project
- Wolfs Crossing projects- \$905,000 in this year's budget; will discuss at a future Committee of the Whole
  - Continuation of the Wolfs Crossing/Harvey Rd project- need to close the road, but it won't be until after school is out
  - Wolfs Crossing/Roth project- part of Sonoma Trails agreement; design done by us; due by July 1<sup>st</sup>; developer needs sufficient funds; project moved up several years

## TRUSTEE DISCUSSION

A proposal was made by Trustee Kuhrt to construct a path and sidewalk connection to link neighborhoods with regional trails. The path would also connect residential neighborhoods from the north and west to Oswego East High School.

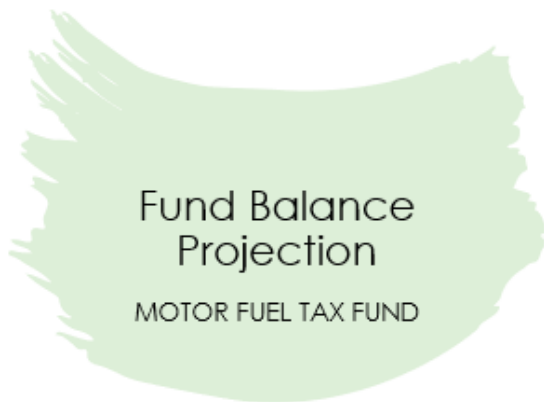
Right of way acquisition, or easements, would be required as the property owners own to the centerline of the roadway. There would be operational costs related to pavement maintenance. Estimated cost is \$360,000.

The Oswego Township Highway Department has committed to fund 1/3 of the cost, as 1/3 of the project is currently in Township ROW.



Board and staff discussion focused on no safe way for kids to get to the high school; acquisition issues; what do we know about the parcel; whether there is a developer for the parcel; staff is contacted every 6-8 months from the landowner; have not had developers interested in the parcel; could do a claw back and recapture for ourselves; would not require a recapture from a developer; annexation agreement; no provision for path; need duplicate easement; need right-of-way from future developer; whether there are grants; would need to wait a couple years before construction; not going north of Treasure Drive or continuing down Harvey Road; Township has money now; not sure if Township can budget this in the future; whether the school district has been approached; Village would be doing this project for the school district; great concept but is a quarter of a million dollars; wanted a path on Route 34, but was told it was too expensive; not sure we should be doing a project for the schools; whether SD308 will contribute to the project; we will not get anything from SD308; what gets bumped to do this project; project will

reduce the reserve fund; could affect future projects; tax revenue going up; revenue outlook is bright; Village is deferring fleet in this budget; replacing fleet would deplete the CIP Fund; can go through engineering, seek grants, and build the path next year; Township may not have the funds next year; staff will need to talk to the Township; can make a decision when we vote on the budget; SD308 didn't like the foot traffic through the bus route which is where the proposed path would be; it is a benefit of walking from neighborhoods; connections to the school; safety of children; Village would not do snow removal on the path; path has nothing to do with Wolfs Crossing; as the Wolfs Crossing projects finish, paths will start to connect; developers along Wolfs Crossing are putting in other paths; could possible use impact fees to build.



\$2,937,246	Beginning Balance
\$980,000	Revenue
<u>\$1,500,000</u>	<u>Less Expenditures</u>
(\$520,000)	Surplus / (Deficit)
\$2,453,246	Ending Balance

*The Village will strive to maintain a minimum assigned fund balance equal to 50% of the estimated subsequent year's annual expenditures.*

- This fund balance ensures adequate cash reserves to pay for expenses as they come in each year because the entire program is completed early in the fiscal year.
- Due to the short year, this budget dips into reserves, while still meeting the fund balance target.
- Just over \$1 million of the fund balance is from remaining proceeds of the Rebuild Illinois grant. These grants funds were dedicated to Wolfs Crossing land acquisition. The funds for this grant have already been received and the Village recognizes the revenue as the funds are spent on land acquisition.

### Motor Fuel Tax Fund FY24 Budget Revenue

\$530,000	Motor Fuel Tax Allotments
\$400,000	Transportation Allotments
<u>\$50,000</u>	<u>Interest Income</u>
<b>\$980,000</b>	<b>Total Revenue</b>

- Annual revenue totals \$1.5 million and is received in monthly per capita allotments from the state.
- The Village will only receive 8 of the monthly allotments in the transition year budget.


### MFT FUND PROPOSED PROJECT

- \$1,500,000 Annual Road Program\*

\*In addition to the \$1,500,000 that the Motor Fuel Tax funds towards the annual road program, the CIP provides additional funding. The annual road program budget is going to increase an additional \$100,000 every year, and this year we propose to spend \$1,500,000.

- This year the annual road program has a budget of \$3 million with \$1.5 million coming from the MFT fund and the other \$1.5 million coming from the CIP Funds.
- Next year the proposed program budget will be \$3.1 million with \$1.5 million coming from the MFT fund and \$1.6 million coming from the CIP fund.

Board and staff discussion focused on no decrease in funding from MFT; electronic vehicles not impacting it yet; have seen decrease in last 20 years, but we have been off-setting the decrease with population growth; overall budget able to be maintained; gas tax increases annually due to new law; tax source for electronic vehicles is only through the State; need replacement revenue source for MFT; bringing back road program in April; concrete road in better shape than asphalt; will determine what roads need to be done.

 <p><b>Fund Balance Projection</b>  TAX INCREMENT FINANCING FUND</p>	(\$11,052,179)	Beginning Balance
	\$1,365,000	Revenue
	<u>\$1,235,062</u>	Less Expenditures
	\$129,938	Surplus / (Deficit)
	(\$10,922,241)	Ending Balance
	<i>The Village will strive to maintain a cash reserve level to timely meet all expenditures incurred during the fiscal year.</i>	

- The TIF Fund has a negative cash balance and maintains cash reserves through loans from other funds.
- As of the end of Fiscal Year 2023, the TIF has loans from other funds totaling \$10.7 million. That figure will increase in FY24, based on the spending the TIF fund does during Fiscal Year 24 which is estimated to be \$3.6 million dollars.
- \$578K from the purchase of 6 and 12 Van Buren
- \$1.3 million from the Van Buren and Adams watermain
- \$1.2 million from the new downtown traffic signals
- The new senior living development is expected to generate an additional \$500,000 of increment revenue annually.
- Includes a transfer of \$1,141,561 to the debt fund.

### Tax Increment Financing Fund FY24 Budget Revenue

\$1,250,000	Property Tax Increment
\$80,000	Reimbursements
<u>\$35,000</u>	Interest Income
<b>\$1,365,000</b>	<b>Total Revenue</b>

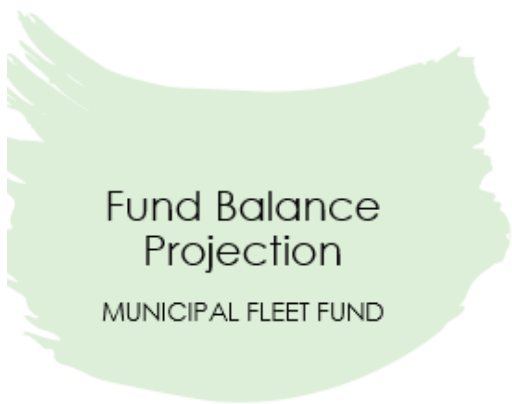
- The property tax increment for the transition year is estimated to be \$1,250,000. Assuming the senior center is operational in 2024, we can expect to see partial year revenue in 2025, and the full amount in 2026.

- The reimbursement revenue is the estimated amount the Reserve at Hudson Crossing Developer will pay the Village to make up the difference between the debt payment for the development and the property tax increment the building produces.
- There is no Village money that goes to the bonds.

## TIF FUND PROPOSED PROJECT

- \$40,000 Parking Deck Striping
- The proposed project is to re-stripe the white parking lot lines to yellow to improve visibility.

Board and staff discussion focused on plan for paying back; TIF will end with a surplus by 2040; will include information in the Friday report to factor in senior living development; including projects in TIF instead of CIP in hopes of paying ourselves back.



\$466,697	Beginning Balance
\$1,601,000	Revenue
\$1,534,745	Less Expenditures
\$66,255	Surplus / (Deficit)
\$532,952	Ending Balance

The Village shall plan for future vehicular equipment replacements to be paid from cash reserves by maintaining a reserve level based on the accumulated depreciation of the current fleet and the scheduled year of replacement.

- Will use cash reserves from transfers to pay for purchases.
- Small increase to the fund balance.
- Contributions have not been adequate to keep the fleet maintained at optimal levels so the transfers into the fund have been increased.
- A long-term funding plan is in progress; expect to have the results of the funding plan in time to use it for the 2025 budget proposal.

## Municipal Fleet Fund FY24 Budget Revenue

\$1,000	Interest Income
\$120,000	Transfer from Water & Sewer CIP
\$1,250,000	Transfer from CIP Fund
\$225,000	Transfer from Municipal Waste Fund
\$5,000	Asset Sales
<b>\$1,601,000</b>	<b>Total Revenue</b>

- Water and sewer fund transfer is for the outfitting of utility vehicle used by the water fund.
- CIP is transferring \$1.25 million which is an increase from previous years. In recent years the transfer was \$600,000.
- \$225,000 transfer from the Municipal Waste Fund.
- \$75,000 received from Groot to go towards purchase of swap loader; will continue to transfer \$75,000 each year until the swap loader is paid off.

## FLEET FUND PROPOSED PROJECT

- \$121,100 - Outfit Police Squads 2, 4, 5, 30 and 33
  - \$25,000 - PW Fuel Tanks Engineering
  - \$515,000 - PW18 Swap Loader
  - \$300,000 - PW19 5 Yard Dump Truck – Daily Operations/Snow
  - \$90,000 - PW106 1 Ton Pick Up – Daily Operations/Snow
  - \$120,000 - PW108 Outfit Utility Truck
  - \$90,000 - PW121 ¾ Ton Pick Up – Utilities Locate Truck
  - \$150,000 - PW127 ½ Ton Pick Up – Sign Truck
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- Proposal includes purchasing 10 vehicles as well as engineering costs for new fuel tanks.
  - March 18, 2024 agenda has a proposal to purchase five vehicles for the Police Department.
    - There is a supply chain issue and staff is concerned if we do not pursue the available vehicles there may not be available vehicles for an extended period of time.
    - Includes two command vehicles, two interceptors for traffic officers, and one vehicle for an investigator.
    - The \$121,100 in this transition year budget is to outfit the five vehicles.
  - \$25,000 is for the engineering to replace aging fuel tanks that need to be replaced due to corrosion.
  - Swap Loader has already been ordered but not received. Funds are being re-budgeted for the potential receipt of the vehicle in 2024.
  - PW19 is essential to day-to-day operations and will be capable of moving large amounts of snow during the winter months.
  - PW106 is essential to day-to-day operations and can be used for snow removal and special events.
  - PW108 spending is to outfit the vehicle that was purchased this year.
  - PW121 is assigned to the utilities division and is used for day-to-day operations as well as utility locates.
  - PW127 is used as the Village’s sign truck.

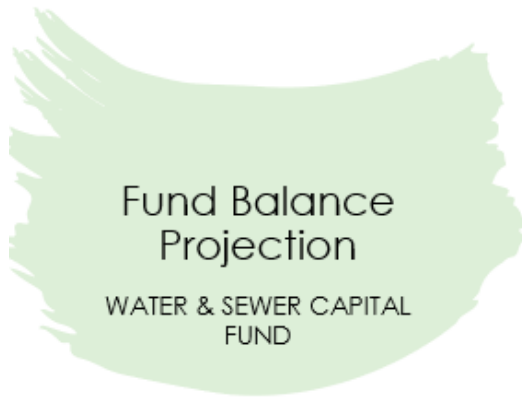
Board and staff discussion focused on whether the PD could go to an electric vehicle option; hybrids are unreliable; amount of equipment added to the vehicles depletes the battery; propane vehicles didn’t work either; Public Works is a couple years out from electronic vehicles; need to have generators available and infrastructure to keep vehicles charged; California is mandating electronic vehicles in 2030; squads are now running 24/7; would need to increase the fleet and go back to a day/night shift if looking at purchasing electronic vehicles; electronic vehicles not conducive for the police and Public Works.

## TRUSTEE DISCUSSION

Police Squad 33 is assigned to the traffic unit. A proposal was made by Trustee Kuhrt to use an F-150 instead of the historical Interceptor so a truck scale can be transported using the vehicle. The vehicle could then be used for truck enforcement.



Board and staff discussion focused on few agencies have an F-150; test drove the vehicle; \$24,000 difference in cost; no trucks, Explorers or squads are available in Illinois; not sure what we can get in 2024 or 2025; two squads on hold in Iowa; recommend foregoing the truck because we can't get it; automotive workers may go on strike; trucks are very rare right now; cannot wait until May to purchase vehicles; vehicle purchases are already on the bill list with a check being cut on Tuesday; ordering vehicles next week.



\$7,369,863	Beginning Balance
\$5,633,500	Revenue
<u>\$8,005,700</u>	<u>Less Expenditures</u>
(\$2,372,200)	Surplus / (Deficit)
\$4,997,663	Ending Balance

*Fund Balance Policy is for the Village to plan for future capital improvements to be paid from cash reserves by maintaining a reserve level based on capital projects scheduled for the next year.*

- This is a unique year in the fund due to the upcoming “Mega” project- Lake Michigan water source.
  - Updated costs have recently come in and we are working with a consultant to prepare funding options which will likely include a WIFIA loan, a loan from the DuPage Water Commission, and issuing bonds.
- Adequate reserves for this year’s projects
- Real estate transfer tax revenue has exceeded estimated; FY24 year to date revenue is \$555,000.

## Water & Sewer Capital Fund FY24 Budget Revenue

\$350,000	Real Estate Transfer Tax
\$1,353,300	Federal Grants
\$100	Water Line Contributions
\$100	Sewer Line Contributions
\$480,000	Water Tap on Fees
\$100,000	MXU Fees
\$50,000	Interest Income
\$3,000,000	Transfer from Water & Sewer Operations
<u>\$300,000</u>	<u>Reimbursements</u>
<b>\$5,633,500</b>	<b>Total Revenue</b>

- Grants include \$1.8 million for a Lake Michigan corrosion analysis.
  - \$1.1 million this transition year and the remainder in 2025.
- Already received \$225,000 in Kendall County ARPA funds for the Brookside Watermain Project.
- \$500,000 in Kendall County ARPA funds have been received for the Wolfs Crossing watermain.
  - Can’t recognize this revenue until the related work is done; expected to occur in 2025.
- \$725,000 has been invested and is earning interest income.
- \$300,000 in reimbursements are Yorkville and Montgomery’s portion of the Lake Michigan corrosion analysis.

# WATER & SEWER CAPITAL PROPOSED PROJECTS

- \$10,800 Parking Lot Maintenance
- \$1,210,700 Lake Michigan Corrosion Analysis
- \$436,000 Lake Michigan Receiving Stations
- \$1,597,000 Lake Michigan Water Connection
- \$374,000 PRV Booster Station
- \$18,500 Public Works HVAC Work
- \$10,000 Public Works Parking Expansion
- \$3,500 Public Works Roof Replacement
- \$300,000 Sanitary Cleaning and Televising
- \$8,100 Village Hall Sidewalk and Curb
- \$8,000 Village Hall Wider Annex Door
- \$3,654,500 Watermain – Brookside
- \$10,000 Watermain – Wolfs Crossing

- This fund is budgeted to contribute \$7.6 million towards capital projects in the transition year.
- Lake Michigan corrosion analysis- project out for bid currently; \$436,000 is for engineering only; another \$1 million next year; \$1.8 million federal grant.
- Lake Michigan receiving stations- total project= \$6.8 million
- Lake Michigan water connection- \$20 million in 2025
- PRV booster station- at river crossing for better movement; \$25 million in 2026; delaying need for a new well.
- Watermain- Brookside- have grant from County= \$225,000.
- Watermain- Wolfs Crossing- \$10,000 for engineering; \$2.4 million for construction in next budget year.

Board and staff discussion focused on requesting grants for receiving stations; DuPage delivering water at a constant rate; taking in water and storing it; water tower used to control pressure; receiving station before the tower; air gap between DuPage and us; auto controlled through SCADA; will need to modify SCADA; will need to add mixers to the towers; item on the March 18<sup>th</sup> agenda regarding a DWC agreement; will get updated numbers; booster station; if Lake Michigan water is delayed 3-5 years, then we will need a well; takes two years to get a well up and running; development is increasing; have enough water now for a couple years; water increased in certain areas; trying to avoid a well; Brookside is north of Rt. 71 and south of Washington & Main St.; several water main breaks in this area; Main St. water main project is next year; water main dates back to 1895; a lot of staff work to maintain; whether to consider bumping the Main St. project ahead of Brookside; have a grant for the Brookside project; Main St. project is \$7 million and will be done as part of Lake Michigan water; whether there is an obligation to start the process for Main St.; 4" line versus 6" line; fire department has other mean for getting water; age of infrastructure issue; soil reactions; pipes cracking; pipes in bad condition; time and chemical reactions; what the pipes are made of; Main St. is cast iron, but it is too small for water suppression needs; want accurate data for us and the fire department; pipes identified and have a plan in place; working on the roads in Brookside as part of the water main project; Lake Michigan water main route is approved, but in draft mode; not releasing the route now in order to minimize the cost of land acquisition; close to securing one parcel; will be constantly analyzing. There was no further discussion.

Meeting was recessed, for a brief break, at 11:06 a.m.

Meeting resumed at 11:15 a.m.

## F.2 Review Transition Year 2024 Operating Budgets

Director Lamberg addressed the Board regarding TY24 budget. The Village Board approved an ordinance to migrate the Village from a May 1 to April 30 Fiscal Year to a January 1 to December 31 Fiscal Year. This budget is the 8-month budget that will transition the Village to a calendar year cycle. Staff prepared both a “status quo” twelve-month budget and an 8-month budget. The twelve-month budget is to give the board context of changes in the budget. Many of the slides will have a similar layout: actual history, FY24 budget, FY24 forecast, and FY25 budget. This is what the budget would have looked like had we not changed our fiscal year. It will allow you to compare “apples to apples”. The percentage column to see the percentage of the hypothetical 12-month budget. The 8-month budget is 67% of a 12-month budget. Due to seasonality many items are not exactly 67% of a 12-month budget.

# Transition Year 2024 Draft Budget All Funds – Revenue by Fund

Fund	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25	% Change	TY24 Budget	% of CY25
General Fund	\$24,840,024	\$27,105,540	\$24,983,811	\$26,901,637	\$26,072,703	4.36%	\$18,197,761	69.80%
Motor Fuel Tax Fund	\$2,240,850	\$2,091,128	\$1,415,000	\$1,775,000	\$1,500,000	6.01%	\$980,000	65.33%
Special Events Fund	\$505,525	\$326,600	\$0	\$285,325	\$285,325	0.00%	\$263,350	92.30%
TIF Fund	\$327,042	\$1,064,368	\$6,356,562	\$1,358,134	\$1,365,000	-78.53%	\$1,365,000	100.00%
Capital Imp. Fund	\$6,482,768	\$7,160,183	\$14,138,667	\$13,741,700	\$16,275,516	15.11%	\$5,367,500	32.98%
ARPA Fund	\$980,593	\$2,503,938	\$0	\$550,000	\$500,000	0.00%	\$500,000	100.00%
Debt Service Fund	\$2,828,342	\$3,182,443	\$2,944,438	\$2,953,678	\$3,640,082	23.63%	\$3,640,082	100.00%
Water & Sewer Operations	\$8,718,250	\$11,268,057	\$8,032,100	\$8,660,181	\$9,000,050	12.05%	\$6,012,767	66.81%
Water & Sewer Capital	\$3,561,720	\$4,640,241	\$4,395,200	\$4,975,000	\$6,278,500	42.85%	\$5,633,500	89.73%
Municipal Waste Fund	\$2,901,006	\$3,046,709	\$3,157,500	\$3,204,500	\$3,382,500	7.13%	\$2,330,500	68.90%
Municipal Fleet Fund	\$805,204	\$1,065,065	\$850,500	\$862,050	\$1,601,000	88.24%	\$1,601,000	100.00%
Municipal Parking Fund	\$133,440	\$101,964	\$117,800	\$120,400	\$115,325	-2.10%	\$96,100	83.33%
Police Pension Fund	-\$856,348	\$3,162,056	\$2,407,934	\$2,374,600	\$2,376,020	-1.33%	\$2,183,917	91.91%
<b>Total Revenue</b>	<b>\$53,468,418</b>	<b>\$66,718,292</b>	<b>\$68,799,512</b>	<b>\$67,762,205</b>	<b>\$72,392,021</b>	<b>5.22%</b>	<b>\$48,171,477</b>	<b>66.54%</b>

- FY24 budget is \$24,983,811. The hypothetical FY25 12-month budget is \$26,072,703 which is a 4.36% increase over the current FY24 General Fund revenue budget.
- The transition year budget is \$19,197,761 which is 69.8% of the hypothetical 12-month budget.
- An example of a seasonal impact is property tax revenue. The entire allotment of property tax revenue is received within the 8-month budget, which is one of the contributors to the general fund revenue percentage being greater than 67% of the 12-month budget.
- 5.2% increase in revenue across all funds and the 8-month budget is 66.54% of the 12-month budget.

# Fiscal Year 2024 Draft Budget All Funds – Expenses by Fund

Fund	FY22 Actual	FY23 Actual	FY24 Budget	FY24 Forecast	FY25	% Change	TY24 Budget	% of CY25
General Fund	\$20,584,833	\$21,475,122	\$24,973,525	\$22,898,373	\$26,026,512	4.22%	\$18,151,566	69.74%
Motor Fuel Tax Fund	\$1,860,355	\$1,350,336	\$1,809,300	\$3,432,500	\$1,500,000	-17.10%	\$1,500,000	100.00%
Special Events Fund	\$140,886	\$284,765	\$281,717	\$251,409	\$272,360	0.00%	\$272,360	100.00%
TIF Fund	\$924,150	\$201,503	\$6,419,462	\$3,588,692	\$1,235,062	-80.76%	\$1,235,062	100.00%
Capital Imp. Fund	\$4,777,666	\$4,813,723	\$16,308,769	\$14,947,046	\$7,907,496	-51.51%	\$7,907,496	100.00%
ARPA Fund	\$978,268	\$2,470,768	\$0	\$550,000	\$500,000	0.00%	\$500,000	100.00%
Debt Service Fund	\$3,463,817	\$3,637,256	\$2,944,438	\$2,944,528	\$3,639,582	23.61%	\$3,639,582	100.00%
Water & Sewer Operations	\$8,534,130	\$9,322,594	\$8,371,622	\$7,222,654	\$8,361,806	-0.12%	\$7,147,909	85.48%
Water & Sewer Capital	\$939,927	\$4,101,006	\$8,112,300	\$3,719,384	\$8,005,700	-1.31%	\$8,005,700	100.00%
Municipal Waste Fund	\$2,821,512	\$2,932,439	\$3,080,000	\$3,100,000	\$3,501,000	13.67%	\$2,409,000	68.81%
Municipal Fleet Fund	\$491,846	\$506,498	\$1,668,836	\$606,821	\$1,534,745	-8.04%	\$1,534,745	100.00%
Municipal Parking Fund	\$8,253	\$57,157	\$68,590	\$40,120	\$68,590	0.00%	\$50,800	74.06%
Police Pension Fund	\$1,386,460	\$1,707,524	\$1,761,600	\$1,775,614	\$1,871,600	6.24%	\$1,279,450	68.36%
<b>Total Revenue</b>	<b>\$46,912,104</b>	<b>\$52,860,692</b>	<b>\$75,800,159</b>	<b>\$65,077,141</b>	<b>\$64,424,453</b>	<b>-15.01%</b>	<b>\$53,633,670</b>	<b>83.25%</b>

- The 8-month transition year budget expenditures across all funds are greater than revenues across all funds.
- The main contributor to this is capital projects, which are almost exclusively performed during the 8-month time period.
- Many funds have an 8-month expenditure budget that is exactly the same as a 12-month budget.

## Police Pension Fund

	FY23 Actual	FY24 Budget	FY24 Forecast	FY25	% Change	TY24 Budget	% of CY25
Revenue	\$316,256	\$2,407,934	\$2,374,600	\$2,376,020	-1.33%	\$2,183,917	91.91%
Expenditures	\$1,707,524	\$1,761,600	\$1,775,614	\$1,871,600	6.24%	\$1,279,450	68.36%
<b>Surplus / (Deficit)</b>	<b>-\$1,391,268</b>	<b>\$646,334</b>	<b>\$598,986</b>	<b>\$504,420</b>		<b>\$904,467</b>	

- Main revenue is the property tax.
- Pension fund revenue is relatively flat; very good funding level.
- Retiree number is going up; hefty increase this year.
- Expenditures are increasing because more retirements result in an increase in monthly payments to pensioners; even with this increase, revenues exceed expenditures by design; This is to continue chipping away at the unfunded pension balance.

# Municipal Parking Fund

	FY23 Actual	FY24 Budget	FY24 Forecast	FY25	% Change	FY24 Budget	% of FY25
Revenue	\$101,964	\$117,800	\$120,400	\$115,325	-2.10%	\$96,100	83.33%
Expenditures	\$57,157	\$68,590	\$40,120	\$68,590	0.00%	\$50,800	74.06%
<b>Surplus / (Deficit)</b>	<b>\$44,807</b>	<b>\$49,210</b>	<b>\$80,280</b>	<b>\$46,735</b>		<b>\$45,300</b>	
Fund Balance	\$169,878	\$219,088	\$250,158	\$296,893		\$342,193	

- Revenue in the fund consists mainly of parking permit revenue for the parking garage.
- Parking ordinance violation revenue is new in this budget; it was previously recognized in the General Fund.
- Expenditures include general maintenance and software costs for the parking permit software; prior to the implementation of this software, parking permits were manually administered in finance; police now manages the permits.
- Fund needs to build up a fund balance which will be used to maintain the parking structure when there are larger capital maintenance costs.

# Municipal Waste Fund

	FY23 Actual	FY24 Budget	FY24 Forecast	FY25	% Change	FY24 Budget	% of FY25
Revenue	\$3,046,709	\$3,157,500	\$3,204,500	\$3,382,500	7.13%	\$2,330,500	68.90%
Expenditures	\$2,932,439	\$3,080,000	\$3,100,000	\$3,501,000	13.67%	\$2,409,000	68.81%
<b>Surplus / (Deficit)</b>	<b>\$114,270</b>	<b>\$77,500</b>	<b>\$104,500</b>	<b>-\$118,500</b>		<b>-\$78,500</b>	
Fund Balance	\$815,866	\$893,366	\$920,366	\$801,866		\$723,366	

- Pass-through fund where the Village pays Groot for services and collects funds for the service from property owners on their water bill.
- Revenue includes an annual community contribution from Groot in the amount of \$75,000; contribution gets transferred to the vehicle fund to offset the cost of the swap loader; Village received \$75,000 in FY23 and FY24 and will receive another \$75,00 in the transition year; funds haven't been transferred to the Fleet Fund because the Swap Loader hasn't been received yet.
- Budget includes a transfer of \$225,000 to the vehicle fund, which is the total community contribution received to date; future budgets will transfer \$75,000 to the Fleet Fund until the fund is fully repaid for the Swap Loader. After that occurs, staff will come back to the board with a proposal on how to use future community contribution revenue from Groot.
- Per the Groot contract (through 2030), garbage rates increase by the CPI with a max of 5.0%; CPI was 3.4% so the rate increase, going into effect May 1<sup>st</sup>, will reflect the increase.

# Debt Service Fund

	FY23 Actual	FY24 Budget	FY24 Forecast	FY25	% Change	TY24 Budget	% of CY25
Revenue	\$3,182,443	\$3,944,438	\$2,953,678	\$3,640,082	-7.72%	\$3,640,082	100.00%
Expenditures	\$3,637,256	\$2,944,438	\$2,944,528	\$3,639,582	23.61%	\$3,639,582	100.00%
<b>Surplus / (Deficit)</b>	<b>-\$454,813</b>	<b>\$1,000,000</b>	<b>\$9,150</b>	<b>\$500</b>		<b>\$500</b>	

- Fund accounts for semi-annual interest payments which occur in June and December, and an annual principal payment which is due in December.
- The full amount of activity occurs in the eight-month time frame.
- Village has 4 outstanding debt issues:
  - Series 2013, Douglas Road- General Fund transfers money into the debt fund; last payment will occur in 2027.
  - Series 2016 and 2021, Police Facility- Capital Improvement Fund transfers money into the debt fund; last payment will occur in 2037 and the last payment on Series 2021 will occur in 2035.
  - Series 2019, parking garage- increment revenue from the Reserve at Hudson is transferred from the TIF fund; in the event that revenue doesn't cover the full payment, the developer has the option to pay the Village directly for the shortfall, or the Village can establish an SSA and the shortfall will be added to their tax bill; this year, the shortfall was \$82,841 and the developer paid the Village directly; last payment will be in 2040.
- Total outstanding principal is \$49,155,000.

# Water & Sewer Operations Fund Summary

	FY23 Actual	FY24 Budget	FY24 Forecast	FY25	% Change	TY24 Budget	% of CY25
Revenue	\$11,268,057	\$8,032,100	\$8,660,181	\$9,000,050	12.05%	\$6,012,767	66.81%
Expenditures	\$9,322,594	\$8,371,622	\$7,222,654	\$8,361,806	-0.12%	\$7,147,909	85.48%
<b>Surplus / (Deficit)</b>	<b>\$1,945,463</b>	<b>-\$339,522</b>	<b>\$1,437,527</b>	<b>\$638,244</b>		<b>-\$1,135,142</b>	
Fund Balance	\$4,533,072	\$4,193,551	\$5,970,599	\$6,608,843		\$4,835,457	
Target	\$3,330,649	\$3,092,905	\$2,805,664	\$3,090,452		\$3,090,452	

- Fund balance target is 30% of the estimated subsequent years operating expenditures.
- Village reserves \$1,000,000 for unplanned repairs.
- Budget results in a fund balance that exceeds the target.
- “Apples to Apples” revenue is increasing 12%; increase is due to an expected increase in volume and rate increases.
- “Apples to apples” expenditures are flat, which is deceiving because the FY24 budget includes a one-time expense of \$675,000; if you exclude the one-time item, expenditures are increasing 8.6% year over year.

- Wages and electricity are the main contributors to the increase; radium removal costs are also up, and the primary production months of the year occur during the 8-month transition year.
- Water fund transfers \$3 million to the water and sewer capital fund each year; transfer accounts for almost 40% of the expenditure budget.
- Wages and fringe are another 20% of the budget.
- There is one bond issue for the Water Fund, Series 2017- payment will be \$527,750 in 2024; last payment will occur in 2029.
- Village used General Fund excess reserves to pay off other Water debt early last year.
- New in this budget is \$35,000 towards a solution for the remaining 250 water accounts that the current three collectors do not get automatic reads from.
  - Public Works staff has to drive around to collect these reads each billing cycle;
- \$40,000 in the budget for SCADA upgrades and \$39,000 for routine SCADA maintenance.

## Monthly Billing

During discussions on water rates, migrating from bi-monthly billing to monthly billing was discussed. Staff analyzed cost and workload for this change. If the board wishes to pursue this change **staff could implement the change effective January 1, 2026**, or later. Factors that led to this decision include:

- Existing Workload
  - Migrating to a calendar year
  - ERP work already in progress
    - Munis Upgrade
    - Munis Fiscal Year Change
    - Munis Migration from “Tyler Cashiering” to “Tyler Payments”
    - Municipal Justice > Ener Gov Integration
  - Lake Michigan Water Financing
  - Wolf’s Crossing Financing
  - New GASB mandates
- Staffing – finance is currently understaffed by at least 1.0 FTE and the work involved and related to utility billing would double
  - Issuing bills
  - Late notices and shut off notices
  - PW posting of shut off notices on properties
  - PW water shut off
  - PW water turn on
  - Processing of payments
  - Phone call volume
- Cost needs to be factored into upcoming water rate study refresh
- Change will impact Fox Metro – a new IGA will be needed.

- A lot of programming in the existing workload.
- New GASB mandates are putting pressure on staff.

Board and staff discussion focused on standard for frequency of water billing; monthly billing is easier to budget and customers can see the bill more regularly; whether there is a potential in cost savings; all disadvantages to Finance; upcoming retirement in utility billing; will cost \$40,000-\$50,000 per year to go monthly; incentive to move to paperless could be an option; auto payments; percentage of people doing paperless is small; can’t do monthly now; consider for 2026; whether new customers can be defaulted to paperless; paperless should be the standard; did quarterly billing in the past; hard to budget; real-time use payment; Neptune 360 program; people can log-in and see

their usage; can get an alert for high usage; social media posting; will keep researching and bring back in eight months.

## Staffing Analysis Update

### Background

#### Overview Staffing Analysis

- Yearly update for the Budget Workshops
- Exponential growth demands responsible staffing plans
- Current Full Time Equivalents (FTEs) 132.75, prior to 2009 our peak FTE level was 134 FTE
- Following the recession, our low was 110 FTE



- Less staff now than in 2009
- Want to stay above 3.5 FTE

#### Employee to Resident Ratio

- Another Metric used is a ratio of FTE per 1,000 residents
- FY09 FTE/1,000 was 4.62
- Today the ratio is 3.6 FTE/1000
  - The goal is to remain above 3.5, equating to ~3 new hires/year
- Our Comparable Communities have an average of 3.73

## Internal Staffing Comparison

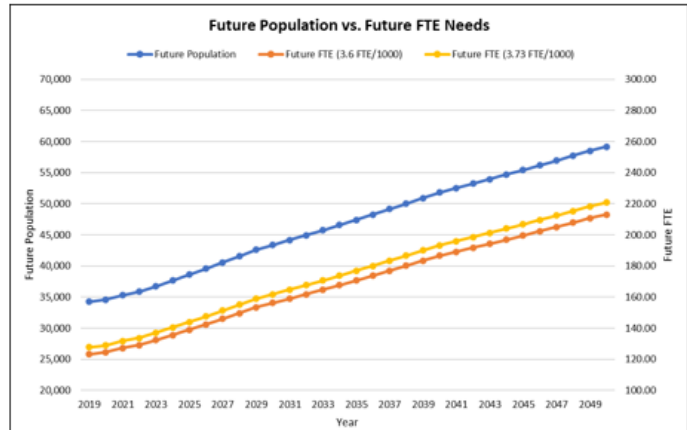
Department	2009 (Highest Staff Count)	2024 (Current)	Difference since 2009
<b>Population</b>	<b>30,355</b>	<b>36,832 (est)</b>	<b>+21%</b>
Administration	9	7	(-2.0)
Building & Permits	12	9.5	(-2.5)
Community Development	8.5	5	(-3.5)
Community Relations	1.5	4	(+2.5)
Economic Development	0	1.5	(+1.5)
Finance	6	6	-
IT	1	3	(+2.0)
Police	68	69.5	(+1.5)
Public Works	28	27.5	(-0.5)
<b>Total</b>	<b>134</b>	<b>132.75</b>	<b>(-1.25)</b>



# Growth and Strategic Planning

- As the Village population continues to grow, more staff will be necessary to keep up with demand. Satisfaction is imperative.

FTE Ratio	2024	2030	2040	2050
Population estimate	36,832	43,380	51,833	59,188
3.6/1,000	133	156	187	213
3.73/1,000	137	162	193	221



- Population is CMAP projections; numbers updated every year

## Comparable Communities

### Methodology

- Staff selected 11 similarly sized communities in the Chicagoland area to compare with Oswego's staff.
- Staff information was made comparable to Oswego by eliminating services not provided by Oswego such as in-house Fire, Legal, Sanitary, and Parks Departments
- This metric is limited since it does not take into account Oswego-specific priorities, growth, technology, outsourcing, and many other factors that have an impact on staff size.

Community	2023 Population	FTE Total	FTE/Pop
Plainfield	44,760	132.5	2.96
Glenview	48,710	165.5	3.15
Bartlett	41,110	136.5	3.49
Lombard	44,480	164	3.57
<b>Oswego</b>	<b>36,338</b>	<b>132.75</b>	<b>3.60</b>
New Lenox	27,210	103	3.71
Huntley	27,740	114.5	3.88
Elmhurst	45,790	185.5	3.94
West Chicago	25,610	112	4.30
Batavia	26,100	126	4.43
Glen Ellyn	28,850	131.5	4.56
Geneva	21,393	117.5	4.63

- Oswego is different than other communities because of our growth and being a younger community

# Priorities

## Strategic Plan 2022-2025

- Create an accountable and Effective workforce
- Ensure organizational capacity can meet service demands
- Prepare for an evolving workforce

## Community Survey

- Overall value for your tax dollars and fees
- Overall flow of traffic and congestions management
- Overall management of Village Finances
- Overall maintenance of Village streets

## Employee Survey

- Fair Compensation
- Competitive benefits and compensation
- Staff cannot keep up with current demand

Key:  
 High(1-2 years)  
 Medium(2-4 years)  
 Low(4-6 Years)

# Administration

	FTE
Oswego Admin	7.00
Comparable Communities	7.14

## Summary

- Village Administrator's Office (3.5)
  - Village Administrator (1)
  - Executive Assistant (0.5)
  - Management Analyst (1)
  - Intern (0.5)
  - Assistant Village Administrator(0.5)
- Village Clerk's Office (2)
  - Village Clerk (1)
  - Deputy Village Clerk (1)
- Human Resources (1.5)
  - Human Resources Director (0.5)
  - HR Generalist (1)

## Overview

- Noted Differences in Comparable Communities:
  - HR Manager/Director (+1)
  - Village Clerk/Deputy (-1)
- **Positions Requested with Priority Rating**
  - Human Resources Generalist – M
  - Clerk Assistant – M
  - Human Resources Manager/Director – L

# Building and Permits

	FTE
Oswego B&P	9.50
Comparable Communities	8.68

## Summary

- Building and Zoning Manager (1)
- Inspectors/Plan Reviewers (4)
- Code Enforcement Officer (1)
- Administrative Staff (2.5)
- Seasonal Intern (1)

## Overview

- Noted Differences in Comparable Communities:
  - Total number is greater than comparable communities.
    - Administrative Position (1)
    - Inspector (-1)
  - Comparables are not experiencing the same growth as Oswego
- **Positions Requested with Priority Rating:**
  - Combination Inspector(Plumbing/Electrical) – H
  - Administrative Assistant - H
  - Plan Reviewer- M
  - Fire Plan Reviewer - L
  - Code Enforcement Officer – L



# Development Services

	FTE
Oswego Development Services	5.00
Comparable Communities	4.41

## Summary

- Development Services Director (1)
- Planner (1)
- Chief Infrastructure Inspector (1)
- Office Manager (1)
- Project Manager (1)

## Overview

- Noted Differences in Comparable Communities:
  - Most communities have 1 additional Planner and far less development
  - Sheer amount of Projects stands out in Oswego
- **Positions Requested with Priority Rating**
  - Planner – H



# Community Relations

	FTE
Oswego Community Relations	4.00
Comparable Communities	1.23

## Summary

- Communications Manager (1)
- Events Manager (1)
- Community Relations Specialist (1)
- Administrative Assistant (0.25)
- Intern (0.25)
- Special Events PTE (0.5)

## Overview

- Comparable Community Differences
  - Not all comparable communities have a Venue 1012 nor host the same number of special events.
  - Positive feedback in the Community Survey on the improvement of Village Communications thanks to the efforts of this team
- **Positions Requested with Priority Rating**
  - None

- More employees than others because of priority for the Village

# Economic Development

	FTE
Oswego Economic Development	1.5
Comparable Communities	1.00

## Summary

- Economic Development Director (1)
- Administrative Assistant (0.5)

## Overview

- Comparable Community Differences
  - Executive Assistant (+0.5)
- **Positions Requested with Priority Rating**
  - Economic Development Assistant - L

# Finance

	FTE
Oswego Finance	6.00
Comparable Communities	7.27

## Summary

- Finance Director (1)
- Assistant Finance Director (1)
- Staff Accountant (1)
- Utility Billing Coordinator (1)
- Finance Assistant (1)
- Administrative Assistant (1)

## Overview

- Comparable Community Differences
  - Other communities have 1 additional professional or administrative position
- **Positions Requested with Priority Rating**
  - Senior Accountant – M
  - Utility Billing Assistant - L

# IT

## Summary

- IT Director (1)
- Systems Administrator (1)
- GIS Specialist (1)

	FTE
Oswego IT	3.00
Comparable Communities	3.36

## Overview

- Comparable Communities
  - Some communities have an additional IT position
  - Technology is an evolving market
- **Positions Requested with Priority Rating**
  - ERP/Data Analyst –M
  - Helpdesk - L

# Police

## Summary

- Sworn (54)
  - Command Staff (5)
  - Sergeants (8)
  - Officers (41)
- Non-Sworn (5.5)
- Administrative (10)

	FTE
Oswego Police Department	69.50
Comparable Communities	65.32

## Overview

- Comparable Community Notable Differences
  - Higher than the comparable average
  - More communities are hiring Social Workers
- **Positions Requested with Priority Rating**
  - Patrol Sergeants (2) – H
  - Patrol Officer – H
  - COP Officer/Therapy K9 – H
  - Traffic Officer - M
  - Detective - M
  - Intelligence Analyst (shared) - M
  - Emergency Management Coordinator (shared) - M
  - Patrol Officer – L
  - Social Worker - L

- Patrol Sergeants- per shift

# Public Works

	FTE
Oswego Public Works	27.50
Comparable Communities	37.23

## Summary

- Director (1)
- Assistant Director (2)
- Facilities Manager (1)
- Project Engineer (1)
- Administrative Assistant (1)
- Superintendents (2)
- Supervisors (2)
- Technicians (16)
- Seasonal (1.5)

25 Annual Review

- 10 positions shy
- Admin Asst.- part-time

## Overview

- Comparable Community noted differences
  - Very low
  - 2 less Engineers than comparables
  - 1 less administrative position
  - 2 less supervisors
  - 4 less technicians
- **Positions Requested with Priority Rating**
  - Engineer – H
  - Management Analyst - H
  - Administrative Assistant (0.5) - H
  - Technician (2) - H
  - Engineer – M
  - Technician (2) - M

# Priority Positions

## High

### 1-2 years

- Patrol Sergeants (2)
- Engineer
- PW Management Analyst
- PW Admin. Assistant (PT)
- PW Technicians (2)
- Patrol Officer
- COP Officer/Therapy K9
- Combination Inspector
- B&P Administrative Assistant
- Planner

## Medium

### 2-4 Years

- Senior Accountant
- ERP/Data Analyst
- HR Generalist
- Clerk Assistant
- Plan Reviewer
- Traffic Officer
- Detective
- Intelligence Analyst (shared)
- Engineer
- PW Technicians (2)
- Emergency Management Coordinator (shared)

## Low

### 4-6 years

- HR Manager
- Fire Plan Reviewer
- Code Enforcement Officer
- Economic Development Assistant
- Utility Billing Assistant
- IT Helpdesk
- Patrol Officer
- Social Worker

# Recommended Additions



## Patrol Sergeant

- Advances towards goal of 2 Sergeants per shift
- Would raise our strength to 55 sworn staff
- Cost w/ Benefits: \$171,218

## PW Management Analyst

- PW is understaffed and lacks professional positions
- Critical position needed to analyze data, asset management, budgeting, identify efficiencies
- Cost w/ Benefits: \$133,486

## PW Forestry Technician

- PW is understaffed; 4 less technicians than comparables and 3.5 less than we had in 2009
- Cost w/ Benefits: \$111,359

## PW Administrative Assistant (PT)

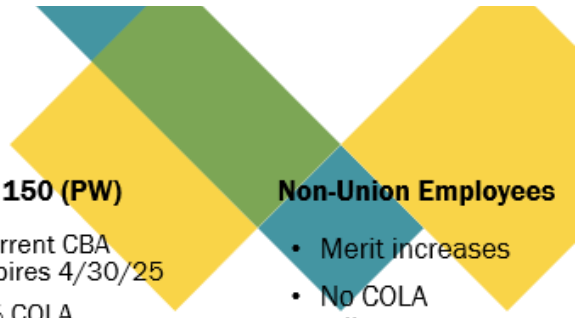
- Additional assistance is needed for phones, backup, invoicing, and administrative tasks
- This part-time position was eliminated in FY20; comparable communities have 2 fulltime positions
- Cost w/ Benefits: \$26,913

- TOTAL BUDGET IMPACT: \$442,976 (costs already included in the TY24 Budget as presented)

- Includes pension and insurance
- All additions are included in the budget for this year
- Village is behind on tree trimming and brush pick-up

Board and staff discussion focused on ERP troubleshooting, implementation, upgrades, integration, and training; every department utilizes ERP; 46 hours per week for an EP&L (EnerGov) person; no social workers currently on staff; Kendall County Health Department received a grant, and works several days per week, out of the police department for social work; no detriment with the transition of the front lobby being closed; officers still have access and meet individuals and bring them into the conference room; shifting the executive assistant over to Public Works; hard for her to take calls and not be in the Public Works building; she has been taking calls for the past year; project engineer position still vacant; six years out from where we should be in staffing numbers; still at 3.6; comfortable with hiring 3-4 personnel each year; impact of the elimination of the grocery tax; grocery tax brings in an estimated \$1 million per year; if it's eliminated, we would need to put a hold on hiring the proposed positions; concerns with cutting positions and not cutting somewhere else; not hiring in May and coming back in Summer; need to look deep at all of the expenditures; need to be a compromise; moving ahead with one hire; never a good idea to use the fund balance; general fund has a hefty surplus, but is not a long term solution; 95% would have to be cut from Public Works and Police services.

# Compensation



## MAP (Police Patrol)

- CBA renewed effective 5/1/24
- 5% COLA
- Steps range from 4.4% to 6.3%
- Average increase of at least 10.2%

▶ 41 Employees

## Sergeants Agreement

- Current agreement expires 4/30/24
- Renewal currently under negotiation

8 Employees

## Local 150 (PW)

- Current CBA expires 4/30/25
- 4% COLA
- Step increases are 2.5%
- Average increase of 6.5%

20 Employees

## Non-Union Employees

- Merit increases
- No COLA adjustments

56 Employees

# Compensation Guidelines

The Village of Oswego annually adopts a classification and compensation system to provide a logical, objective and uniform process for making job classification and salary decisions. The goal of the Village is to

- Administer individual salaries within a classification range/pay band based upon experience, qualifications and performance.
  - Recognize individual job responsibilities, performance and contributions to Village objectives.
  - Provide competitive compensation, which considers the value of all pay and benefits.
  - Reward exceptional performance in a meaningful and ongoing way.
- 
- Established in 2016
  - Majority of positions are collectively bargained



# Compensation Guidelines

Conduct a full market analysis every 4 years (Next in 2026)

- Last full market analysis completed in 2022/23 for FY24 salary ranges
- 2021 Strategic Plan includes compensation and benefit benchmarking
- Benchmark against private and public sector competitors
- Goal is to be at market median
- Committee of the Whole planned in 2024 to review employee benefits
- **Outcome: Salary ranges have generally kept up with market, however individual salaries show vulnerability against peer positions**

Wage ranges are annually adjusted by CPI-U, maxed at 3%

- December 2023 12-month CPI-U: 3.4% (Bureau of Labor Statistics)
  - Target wage budget increase based on national averages
- 
- More competitive than five years ago
  - Internal equity reviews
  - Adjust at 3%

## Wage Benchmarks

Source	Increase
Korn Ferry	4.59%
World at Work	4.10%
Mercer	3.50%
<u>Empsight</u>	3.69%
Willis Towers Watson	4.00%
Aon Hewitt	3.70%
<u>Payscale</u>	3.80%
The Conference Board	4.10%
<b>AVERAGE</b>	<b>3.94%</b>

## TY24 Compensation Recommendation

- Merit Pool of 4% (\$149,977)
  - Maintain Bonus Pool of 1% (\$37,494)
  - Continued focus on high performers; employee retention
  - Current recommendation is already incorporated into the TY24 draft budget
- 
- Merit pool and bonus pool same as last year



# Recommended Grade Changes

- **Police:** Records Clerk (Grade III) → Accreditation and Compliance Coordinator (Grade VI)
- **IT:** GIS Analyst (Grade VI) → GIS Specialist (Grade VII)
- **Police:** Accreditation Manager (Grade VI) → Management Analyst (Grade VII)
- **CR:** Communications Manager (Grade VIII) → Community Relations Manager (Grade IX)
- **PW:** PW Ops Superintendent (Local 150) → Assistant PW Director for Ops (Grade X)
- **PW:** Assistant PW Director (Grade X) → Deputy PW Director/Village Engineer (Grade XII)



All recommended changes are already incorporated into the TY24 Budget

- Significant changes in job description warranted the change

## General Fund Summary

	FY23 Actual	FY24 Budget	FY24 Forecast	FY25	% Change	TY24 Budget	% of CY25
Revenue	\$27,105,539	\$24,983,811	\$26,901,637	\$26,072,703	4.36%	\$18,197,761	69.80%
Expenditures	\$21,475,122	\$24,973,525	\$22,898,373	\$26,026,512	4.22%	\$18,151,556	69.74%
<b>Surplus / (Deficit)</b>	<b>\$5,630,416</b>	<b>\$10,286</b>	<b>\$4,003,264</b>	<b>\$46,191</b>		<b>\$46,205</b>	
Fund Balance	\$24,343,285	\$24,353,571	\$28,346,549	\$28,392,740		\$28,392,754	
FB Target	\$7,158,374	\$8,324,508	\$7,632,791	\$8,675,504		\$6,050,519	

- Year over year the General Fund budget has a just over 4% increase on revenues and expenditures.
- Both revenues and expenditures in the 8-month transition budget are 70% of the 12-month budget.
- The fund balance target is 30% of the subsequent year’s estimated expenses.
- The Village’s fund balance is far above this level.

# Grocery Tax

Governor Pritzker's proposed State Fiscal Year 2025 budget includes a proposal to eliminate the 1% sales tax on groceries, which is dedicated to local governments in Illinois. This proposed elimination would cut approximately \$1 million dollars in revenue to the Village.

If the elimination is passed, the Village could incur a revenue s

Shortfall of almost \$500,000 in Transition Year 2024.

The outcome of the State budget should be known in May. Staff will continue to monitor the state budget and is prepared to defer new hiring to balance the Transition Year 2024 budget if the elimination is included in the approved state budget.

The proposed elimination would result in a full \$1 million loss of revenue in the Calendar Year 2025 budget. If this occurs, staff will prepare a long-term solution to account for the revenue loss. That solution would be presented in the Calendar Year 2025 budget proposal .

## General Fund Administration

FY23 Actual	FY24 Budget	FY24 Forecast	CY25 Projection	% Change	TY24 Budget	% of CY25
\$17,789,563	\$1,587,238	\$1,623,922	\$1,585,572	-0.10%	\$1,070,952	67.54%

- Flat budget
- Increase in wages was offset by the removal of a one-time expense for the Police Chief recruitment and the Community Survey
- Senior utility rebate is expensed to this budget
- Due to increased volume and rates, fund increases 14% each year, or \$7,000 year over year

## General Fund Community Relations

FY23 Actual	FY24 Budget	FY24 Forecast	FY25	% Change	TY24 Budget	% of FY25
\$371,791	\$479,110	\$463,254	\$518,443	8.21%	\$327,260	63.12%

- Increases attributed to wages and insurance
- \$3,000 in the budget for drone photography
- Prairie fest Sponsorship and contribution for the Community Arts Commission included in this budget

## Cultural Arts Commission Budget Request

\$9,000 Banners

\$10,300 Murals

\$19,300 Total

### Downtown Banner Display

- 24" x 24" 51 Light Poles
  - 25 displays – Top 5 Artists x 5 Jr High Schools – 8<sup>th</sup> graders
  - 26 displays – Top 2 Artists x 13 Elementary Schools – 5<sup>th</sup> graders
  
- 30" x 60" 31 poles
  - Top 15/16 Artists x 2 High Schools – 12<sup>th</sup> graders
  
- 11 light poles tentatively reserved for Oswego Area Chamber of Commerce banners

### Mural

- Brick wall: 57 S Main Street >OR<
- Mobile: Mural on 8' MDO Fiber Board affixed to posts in the ground
  - Possible collaboration with Oswegoland Park District near retention ponds at Prairie Point Park or Bluegrass East or along 2<sup>nd</sup> Avenue at Rt. 35
  - Location Approval will be sought prior to final installation.

### Notes

- Additional locations/collaborations will continue to be explored.
  - CAC will seek donated materials and supplies and search for grant opportunities to reduce costs.
- 
- “Look of Oswego”
  - Banners are the priority
    - Still determining which poles; no exact count yet
    - Smaller poles and pictures will work better
    - Can't move brackets higher
    - Budget could go lower to \$6,000
  - Will come back to the Board with an update on the murals

Board and staff discussion focused on Cultural Arts Commission is asking for an additional \$4,300, but possibly as low as \$1,300; exploring options for the commission request; funding for banners and defer the murals; commission would need to re-budget for next year; great plan, but budget is \$15,000; concerns with mural project; keep as is and monitor; asking around about costs; costs could come down.

# General Fund Building & Permits

<b>FY23 Actual</b>	<b>FY24 Budget</b>	<b>FY24 Forecast</b>	<b>FY25</b>	<b>% Change</b>	<b>TY24 Budget</b>	<b>% of FY25</b>
\$787,183	\$911,525	\$875,050	\$1,020,360	11.94%	\$749,800	73.48%

- Increase in the budget is due to a staffing increase previously approved by the Board
- Off-set by revenues
- Status quo budget

# General Fund Development Services

<b>FY23 Actual</b>	<b>FY24 Budget</b>	<b>FY24 Forecast</b>	<b>FY25</b>	<b>% Change</b>	<b>TY24 Budget</b>	<b>% of FY25</b>
\$617,258	\$742,019	\$655,139	\$801,114	7.96%	\$628,709	78.48%

- Budget includes \$90,000 for a housing study and \$50,000 for a Water Lands Trail Use Plan
- Has offsetting revenue from the Park District.

# Land Use Plan

- Housing Study
  - Estimated start in June 2024
  - 8-month timeline
  - Estimated cost \$90,000
  - Village is currently a finalist for a grant from Metropolitan Mayors Caucus to conduct the study for the Village

# Land Use Plan

## Option A

### Corridor Plan

Estimated start January 2025

8-12 month timeline

Estimated cost \$90,000

Budget in FY 25

## Option B

### Comprehensive Plan

Estimated start in January 2025

18-24 month timeline

Estimated cost \$200,000

Budget in FY's 25 and 26

Staff recommends option B

Board and staff discussion focused on in favor of comp plan; grant is for housing study and doesn't decrease the comp plan cost; growing community; update every 10 years; not in favor of corridor plan; consultant can give generalized plans; majority agreed with needing a comp plan. Board consensus was in favor of option B.

## General Fund Economic Development

FY23 Actual	FY24 Budget	FY24 Forecast	FY25	% Change	FY24 Budget	% of FY25
\$218,688	\$250,506	\$258,709	\$292,327	16.69%	\$208,576	71.35%

- Increased budget for studies and appraisals as well as funds to advertise downtown sites.
- \$40,000 included in each annual budget for the grant program

Board and staff discussion focused on whether we fund the grant ourselves; \$40,000 is budgeted every year; revolving loan fund grows by 3% interest rate; funds invested when not being used; fund has been around since 1985; \$150,000 has grown to \$400,000 since 1985; not putting taxpayer money into this fund; grant fund is only for the downtown; interest is around \$2,000 per month; amount of tax revenue generated; \$3 million in economic activity per year; \$177,000 will be left in the account after Nash Vegas; borrowing 50% of the project cost; how we will recoup if the loan is defaulted; personal guarantee attached to loan; grant is in the budget every year; if funds not spent, then we let the account build; originally called a façade grant and now it's an economic incentive grant; Oswego Chamber of Commerce received the grant in 2022; better for renovation projects.

# General Fund Finance

<b>FY23 Actual</b>	<b>FY24 Budget</b>	<b>FY24 Forecast</b>	<b>FY25</b>	<b>% Change</b>	<b>FY24 Budget</b>	<b>% of FY25</b>
\$631,366	\$646,839	\$622,099	\$646,917	0.01%	\$453,326	70.07%

- No change year after year
- Wage increase is offset by a decrease in liability insurance
- Decrease in liability insurance due to allocation of expense
- No new programs in this budget

# General Fund Information Technologies & GIS

<b>FY23 Actual</b>	<b>FY24 Budget</b>	<b>FY24 Forecast</b>	<b>FY25</b>	<b>% Change</b>	<b>FY24 Budget</b>	<b>% of FY25</b>
\$1,188,796	\$1,506,775	\$1,422,962	\$1,581,146	4.94%	\$1,066,886	67.48%

- New GIS position
- County publishes the Village's GIS data
- Only need standard user license

# General Fund Police

<b>FY23 Actual</b>	<b>FY24 Budget</b>	<b>FY24 Forecast</b>	<b>FY25</b>	<b>% Change</b>	<b>FY24 Budget</b>	<b>% of FY25</b>
\$10,890,573	\$11,830,725	\$11,403,093	\$12,533,491	5.94%	\$8,966,453	71.54%

- Includes wage increases from the recently approved MAP contract
- Other increases include the contribution to a Section 115 plan for command staff
  - Plan allows for the value of certain sick hours to be contributed
  - FY24 was the first year of the program and the original estimate was low so the budget was increased this year from \$42,000 to \$60,000
- Transfer occurs in December so the full amount is expensed in the transition year
- Full pension contribution also occurs in the transition year; increasing \$15,000 year over year
- Dispatch service increase over 30% year over year
- Crime prevention and juvenile programs are being expanded
  - Tobacco compliance
  - National Night Out

- Summer camp
- Senior bingo

Board and staff discussion focused on 100% of property tax goes to the police pension; keeping property tax level; help with funding personnel; problem with keeping up with the staff levels of service; overall costs still rising; cutting by 3% would not have made a difference; moving the budget year from May 1 to January 1 will help with determining the levy.

## Trustee Discussion

Trustee Kuhrt requested that a Lidar system be considered for the Police budget. Lidar, Light Detection and Ranging, is a remote sensing method that uses light in the form of a pulsed laser to measure ranges.

- Police department researched the equipment

Board and staff discussion focused on citizen requested proof of video; we don't have the system now; increase in costs for adding video; whether other communities use this system; benefits of the system; benefit is hard to tell; judge does not require video; nice to have, but not necessary; cars have cameras; personnel have bodycams; judges still accept the vehicle and bodycam video. Board consensus was to leave this out of the budget.

## General Fund Public Works

FY23 Actual	FY24 Budget	FY24 Forecast	FY25	% Change	TY24 Budget	% of FY25
\$3,332,159	\$4,369,478	\$4,136,645	\$4,973,391	13.82%	\$3,498,979	70.35%

- Budget includes 2.5 new staff and some staff reclassifications
- Street lighting expense is increasing 158% year over year, which is just under \$200,000.

## Trustee Discussion

The United States will celebrate its 250<sup>th</sup> anniversary on July 4, 2026. Staff is seeking direction from the board on allocating general fund surplus toward a project to commemorate this event.

If there is consensus to pursue a project, this topic can be discussed at a future Committee of the Whole.

- Board consensus was to discuss at a future Committee of the Whole meeting



Additional Board and staff discussion focused on construction costs rising; whether to bond out projects; moving up projects; will look at options for the Wolfs Crossing project; estimated costs for Wolfs Crossing is \$75 million; how to cover the costs; if bonding, we would forego federal money and grants; staff looking at grants; some grants would cost \$50,000 to apply for the grant; compete well with the STP grants; how quickly the State would fund Rt. 30; a lot of variables; need to break-up the project over a period of time; incremental adjustments to STP funding, but may not cover construction costs; strategic thinking when applying; how to demonstrate need for RISE grant; all costs have gone up; need to update project design report which could take a couple years and will involve IDOT; the quicker we build, the less grant money and less developers who will assist with the project; more right-of way needs to be obtained; get it for free when we can; debt service and payments; rate changes based on market; market volatile right now; 3-4 years in starting construction; a lot of potential debt coming with Lake Michigan water and Public Works building; Village has a grant writer; she has been invaluable. There was no further discussion.

**CLOSED SESSION**

There was no closed session.

**ADJOURNMENT**

The meeting adjourned at 1:08 p.m.

Tina Touchette  
Village Clerk