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Contact: Megan Hoffman
Management Analyst
(847) 461-1104
mhoffman@villageofglencoe.org

GLENCOE VILLAGE BOARD APPROVES FISCAL YEAR 2019 BUDGET, WATER RATE INCREASE

(Glencoe, Illinois)—Following a discussion of the Preliminary Fiscal Year 2019 Budget at the December 19 Finance Committee meeting, a formal presentation of the recommended Fiscal Year 2019 Budget (March 1, 2018-February 28, 2019) was made by Village staff at the January 18 Village Board meeting. Following discussion, Trustees unanimously voted to approve the budget as proposed.

“The budget really is the single most important policy document that the Village Board reviews and approves each year,” said Village Manager Philip Kiraly. “The projects and programs we have planned for the coming year underscore the Village’s long-standing commitment to providing excellent services with a great emphasis on effective and efficient delivery of those services. It also provides resources to fund necessary infrastructure improvements and front-line equipment planned in the Village’s Community Improvement Program (CIP).”

The approved Fiscal Year 2019 Budget includes $25,018,611 in expenditures across all funds and departments. A budget-to-budget comparison from projected Fiscal Year 2018 expenditures to those planned in Fiscal Year 2019 includes a decrease in operating expenditures of approximately $551,000 and an overall 17.8% decrease in total expenditures. Significant long- and short-term savings are related to three major outsourcing efforts that took place this year: residential garbage collection, building permit plan review and inspection services as well as 911 emergency dispatching, the latter in response to State mandate.

With the adoption of the new budget, residents will see changes to the water rate structure. The changes were approved as part of an ongoing review of the Water Fund’s operating and critical infrastructure investment needs, which was aided by a comprehensive rate analysis conducted in fall 2017 and an equally comprehensive distribution system analysis completed in 2016. Following extensive discussion with the Village Board this fall, a new fixed charge and an increased volumetric rate were approved and incorporated into the budget in order to develop resources necessary to complete improvements throughout the Village’s aging water distribution system network. Volumetric rates will increase approximately 26%, and each user will have a fixed charge on the quarterly water bill, depending on the size of the customer’s water meter. Even with these increases, Glencoe water rates are still among the lowest of its neighboring communities.
Other highlights from the Adopted Fiscal Year 2019 Budget, which can be viewed online at www.villageofglencoe.org, include:

- $3.45 million in recommended Community Improvement Program (CIP) projects, including:
  - The final year of infrastructure improvements paid for with the remaining $1.275 million in bond funds approved by voters in April 2015. This includes lining of sanitary storm sewers (extending the useful life of the sewers by over 50 years), storm sewer outfall improvements at South Avenue, Apsen Lane, Longwood Avenue and Sylvan Road and over 30,000 square feet of residential sidewalk replacements;
  - An investment in a new enterprise resource planning software that will improve and simplify the Village’s internal and customer-facing business processes (i.e. payments to the Village, permits, business licenses);
  - Other major projects include the first phase of light pole replacements in the commuter parking lots, restoration of sidewalk pavers in the downtown area and replacement of front-line equipment for the Public Safety and Public Works departments.
- A proposed $1.36 million General Fund Balance reserve draw-down (spending down revenue that was in excess of expenditures from prior fiscal years) to off-set select one-time expenses, primarily capital purchases as outlined above;
- A reduction of one full-time administrative position in the Public Works Department;
- Retaining and reassigning Public Works employees that previously collected garbage to other areas of the Village’s operations;
- Cost of living adjustments (COLA) for non-union Village employees of 2.5%, a 2.5% COLA for Public Works bargaining unit employees as required by contract and a 2.75% COLA for Public Safety bargaining unit employees as required by contract;
- Contractual services for 911 emergency dispatch, garbage/recycling collection and building permit plan review and inspections have been fully integrated into the budget for a full fiscal year; and
- Adjustment of certain fees for service, including a 2.5% increase in the Village’s sanitary sewer charge. The increase in the sewer charge will help to off-set the cost of sanitary sewer linings which extend the useful life of the system.

The budget process begins in late spring of each year and involves Village staff working closely with the Finance Committee to review capital and infrastructure needs, circulate and evaluate a fee survey, develop a long-range revenue and expense projections and create a tax levy structure for the coming year. This year’s budget development process also included conducting a comprehensive Water Rate Analysis, from which the recommendation to change the Village’s water rate structure was made.

Contact Megan Hoffman at mhoffman@villageofglencoe.org / (847) 461-1104 for more information.