

VILLAGE OF BURR RIDGE BUDGET IN BRIEF FISCAL YEAR 2023


Village of Burr Ridge Fiscal Year 2023 Budget

WE ARE PLEASED TO PRESENT the Fiscal Year 2023 Budget, effective May 1, 2022, through April 30, 2023. The Board has established a commitment to exceptional service delivery for its resident and business community; this budget preserves and enhances that commitment. The budget reflects an improving local economy, modernizing organization, and a strong financial footing, using the village's resources prudently to address a broad spectrum of services and important investments. Zero-based budgeting techniques are employed to drive priority, value, and accuracy throughout all budget elements.


In summary, the village's financial position and architecture are strong. Each budget tells a story; the story of this budget is one of return on investment: investment in our business community throughout the pandemic, investment in the thoughtful implementation of alternative service delivery models, and investment in core infrastructure which staff, residents, and businesses use every day to improve the lives of themselves and others. Our business community continues to thrive while the local real estate market surges in property values. Revenues are trending upward, while reorganization, consolidation, and alternative service delivery have resulted in some of the lowest operating costs by percentage in many years.

BUDGET SUMMARY

 **\$33,610,509**
PROJECTED FY 2022
FUND BALANCE

 **\$22,649,904**
FY 2023
BUDGETED REVENUE

 **\$10,180,765**
FY 2023 GENERAL FUND
EXPENDITURES

 **\$33,540,821**
ESTIMATED FY 2023
FUND BALANCE

No Property Tax Increase

At the December 13th Board meeting, the Board of Trustees passed the annual property tax without any rate increase for Village property owners. Any increases in property taxes would be due to increased or reassessed property values, which local assessors control and are not under the jurisdiction of the Village. The Village's share of the average property tax bill represents about 1.5% of the total bill.

Debt Free Community






Utilizing reserves available in the Village's Debt Service Fund and General Fund, the Village retired \$6 million in outstanding bond debt (originating from the construction of the Police Station in 2010) in December 2021. As of Fiscal Year 2023, the Village is entirely debt-free, making us one of few Illinois municipalities without outstanding debt.

BUDGET FAST FACTS

 **\$22.7M** Total Budget

 Won 2 Government Finance Officers Association (GFOA) Awards for Budget Presentation

MAJOR FY 2022 ACCOMPLISHMENTS

-  Retired Police Station Debt
-  Downtown Business Development District
-  Father's Day Tornado Response
-  Police Camera and Safety Technology
-  Completed Hydraulic and Rate Water Model Studies

THE VILLAGE'S STRATEGIC PRIORITIES

THE FY2023 BUDGET IS BASED on the following strategic priority areas previously defined by the Village Board of Trustees. These strategic areas focus on prudent financial management, effective communications, contributing to prosperous economic development, promoting intergovernmental relations and public safety, maintaining quality infrastructure, delivering high quality Village services, and maximizing human resources. Based on the strategic priority areas approved by the Village Board of Trustees, village staff compiled specific goals and objectives that will assist the Board in adhering to these priorities.

 PROMOTE PUBLIC HEALTH AND SAFETY

 MAINTAIN QUALITY INFRASTRUCTURE

 MAXIMIZE HUMAN RESOURCES

 EFFECTIVE COMMUNICATIONS

 PRUDENT FINANCIAL MANAGEMENT

 DELIVER HIGH QUALITY VILLAGE SERVICES

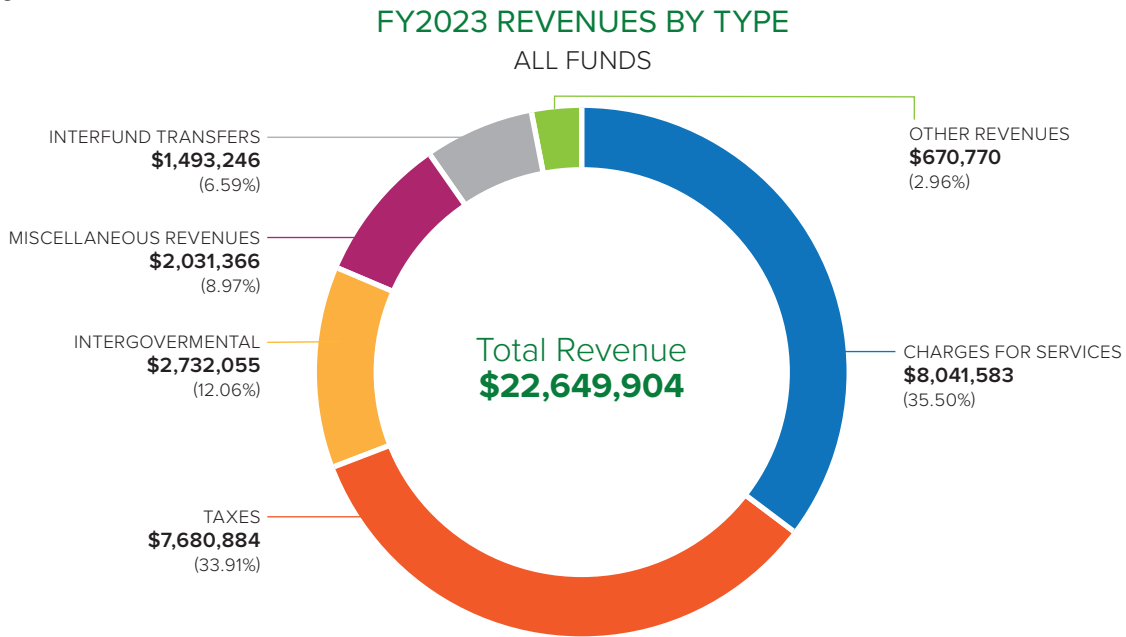
 CONTRIBUTE TO PROSPEROUS ECONOMIC DEVELOPMENT

 PROMOTE INTERGOVERNMENTAL RELATIONS AND OPPORTUNITIES

Fiscal Year 2023 Budgeted Revenue

REVENUE AT A GLANCE

REVENUES ARE TRENDING UPWARD, while reorganization, consolidation, and alternative service delivery has resulted in some of the lowest operating costs by overall percentage in many years. Based upon combined projected FY2022 and proposed FY2023 revenues and expenditures, the General Fund is projected to generate a combined surplus. In addition, despite an FY2022 draw on fund balance in the General Fund to retire the Village’s police facility debt in full, the fund balance within the General Fund increases by approximately \$350,000 when comparing FY2022 to FY2023.



REVENUE HIGHLIGHTS

Sales Tax

Sales tax is the largest General Fund revenue source for the Village, representing approximately 24% of total FY2023 General Fund revenues. The Village’s sales tax revenue consists of a 1% sales tax received from the State of Illinois, as well as a .25% sales tax imposed through the Village’s non-home rule status. Sales and non-home rule sales tax distributions are received each month, generally lagging two months behind the State’s collection month. While the Village receives a significant amount of sales tax from downtown retail establishments, many businesses at our industrial parks also contribute heavily to this revenue source.

Property Tax

The Village’s total property tax levy was approved with no rate increase for FY2023. The property tax primarily pays for the Village’s Police Pension contribution. While the statutorily required contribution to the Police Pension Fund decreased by approximately \$11,000 as compared to the prior year due to position investment gains, the Village increased its contribution for FY2023 by approximately \$24,000 due to naturally increasing property values. Even with this additional contribution, the Village’s share of the average property tax bill is expected to drop to approximately 1.5% of the resident’s total property tax bill.

Places of Eating Tax

As part of its overall revenue structure, the Village imposes a 1% Places of Eating Tax (POET) at all businesses where food is prepared and eaten on site (restaurants, etc.). The Village is projecting to generate a record amount of POET revenue due to its thriving restaurant scene: Several new restaurants have opened or will open soon (Yolk, Jonny Cab’s, Olive Tree); many have expanded (Are We Live, Patti’s, Topaz), and a new restaurant has been annexed (Edgewood Valley Country Club). While other sources of revenue may generate more income for the Village, this particular revenue source is a good indicator of the positive small business climate present in Burr Ridge.

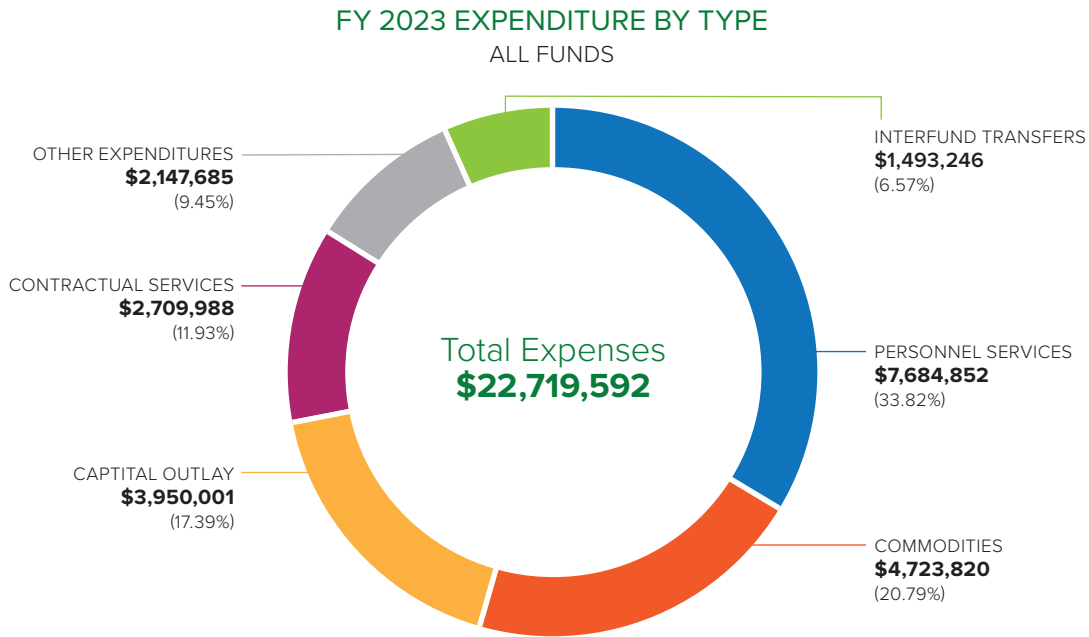
State Income Tax

The State levies income taxes on all persons living in Illinois. A portion of these taxes are remitted to local municipalities, such as Burr Ridge, on a per capita basis. As a result of responsible growth over the past ten years and a highly successful 2020 Census, the Village’s population increased by over 600 people from 2010. Because of this increase, the Village will receive an additional \$240,000 per year from the State over the next ten years. In total, the Village now receives over \$1.4 million per year in State Income Tax. This additional revenue comes at no direct cost to any local taxpayer.

Fiscal Year 2023 Budgeted Expenses

SPENDING AT A GLANCE

THE VILLAGE ALWAYS MAKES an effort to anticipate expenses and plan for them within the budget document. Overall, the Village’s expenses can be broken down into the categories defined below.



EXPENDITURE HIGHLIGHTS

Personnel

Personnel costs are the most significant cost driver within the Village, exceeding 65% of total General Fund spending. Despite its majority share of total expenditures, personnel costs are projected to be the lowest since the Great Recession; conversely, the organization continues to deepen and broaden its talent pool and experience through new organizational models and service delivery options. For example, when two vacancies occurred in the Finance Department, the Village outsourced these positions, saving over \$150,000 per year with no loss of service to the organization or our constituents.

Capital

Nearly \$4 million in capital spending is planned for FY2023, including \$1 million in water system improvements (repainting of the South Water Tower and establishing several new transmission main connections to other communities), \$950,000 in street and pathway maintenance, and \$775,000 in fleet, technology, and machinery upgrades. The Village takes great care in understanding how its capital investments provide services to the community. The Village has over \$20 million in capital investments planned over the next five years – get in touch to learn more about some of the great upgrades planned for your area of town!

Public Safety

Protection of persons and property is the first priority of any government; in FY2023, the Village plans to make several critical investments to ensure that priority remains upheld. The Village will hire a second Deputy Chief in the Police Department to assist with the growing number of State laws and programs to which we must comply while procuring new body cameras to keep our officers accountable and the public safe. The Village also plans to install more cameras in major traffic corridors and downtown to enhance Police responsiveness. We are proud of the tangible benefits that our Police Department provides the community.

American Rescue Plan Act

In September 2021, the Village received the first of two installments from the American Rescue Plan Act (ARPA) in the amount of \$731,999. The second installment is estimated to be received in September 2022. Projects funded with these grant revenues include sidewalk improvements along 79th Street and Kraml Drive, investments in the Police Station and Police Department designed to create more pro-active public safety programs, several new Public Works vehicles, as well as the Village’s local share of the Elm Street Culvert construction project.

Capital Expenditures

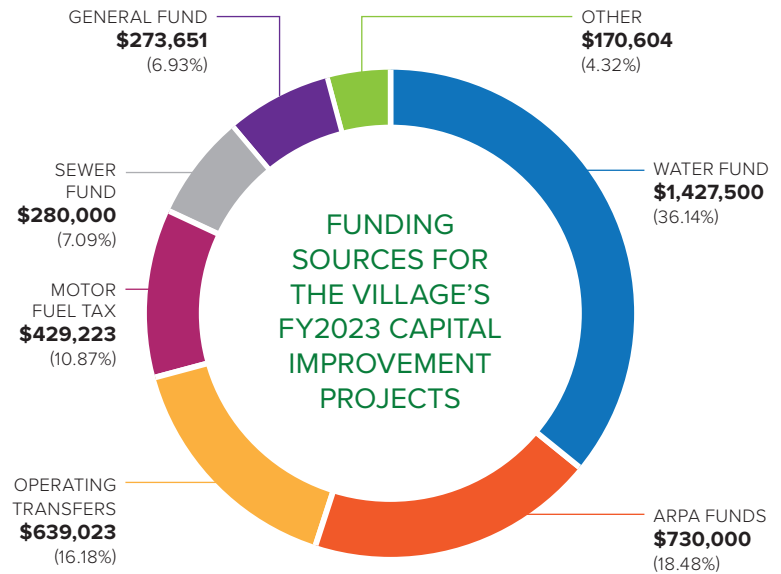
MAJOR INITIATIVES

Major capital investments are planned.

- \$768,300 – Road Program
- \$655,000 – South Water Tower Recoating
- \$211,510 – Vehicle Leasing and Upfitting
- \$200,000 – AMI Water Billing Technology
- \$172,500 – Pipehunter, Jetter & Trailer
- \$150,000 – Village-wide IT System Upgrades
- \$150,000 – Public Safety Camera System
- \$135,000 – Police Station Security/Access Upgrades
- \$125,000 – Kraml Drive Pathway Replacement

The Village's five-year Capital Improvement Plan (CIP) identifies capital projects that support the Village's strategic goals and includes projects such as the purchase, construction, and improvement of land, buildings, streets, water and sewer infrastructure, vehicles, machinery, and equipment. The Village's Capital Asset Policy provides a framework for capital planning and financial reporting in conformance with best practices.

Foundation Burr Ridge is a standalone Capital Improvement Plan (CIP) that will be created by the start of the FY2024 budget process. This plan will specify all Village capital needs on a rolling 20-year basis. A growing percentage of the Village's overall expenditures are capital-related, and it is critical to have a keen understanding of our needs over the long term.



FY 2022 HIGHLIGHTS & ACCOMPLISHMENTS

COVID-19 Response: Managed continued operational oversight of the Village's ongoing COVID-19 pandemic response and risk management.

New Community Events: In partnership with the Village Center, staff created and executed a new combined Car Show / Taste of Burr Ridge as well as a reimagined holiday event called Deck the Green, with both attracting thousands of residents and visitors.

New Village Website: A new Village website will go live in 2022, migrating many Village services to this modern platform and providing a clear and effective communication tool for both the Village and community members.

Established the Innovation Committee: Established a new staff working group to design and implement new Village technologies and other concepts which will ultimately deliver both external and internal business process benefits.

Downtown Economic Development: Staff assisted in the creation of the Downtown Business Development District, a first-of-its-kind Village tool which will spur new development and redevelopment in the community's core.

Created New Communications Portfolio: A new partnership was established with Kaleidoscope Management Group leading to a twice-monthly Village e-newsletter called The Oak Leaf, a significantly increased social media presence, and new internal communications such as Inner Workings.

FY 2023 DEPARTMENT GOALS

- Expand Village special event offerings
- Create long-term Village facilities plan
- Implement Downtown Business Development District
- Oversee expansion of the Village's CIP documentation and planning
- Revise the Village's communications policy

LEARN MORE about Village finances by visiting the Finance tab on our website homepage.
burr-ridge.gov

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