



Village of Lombard

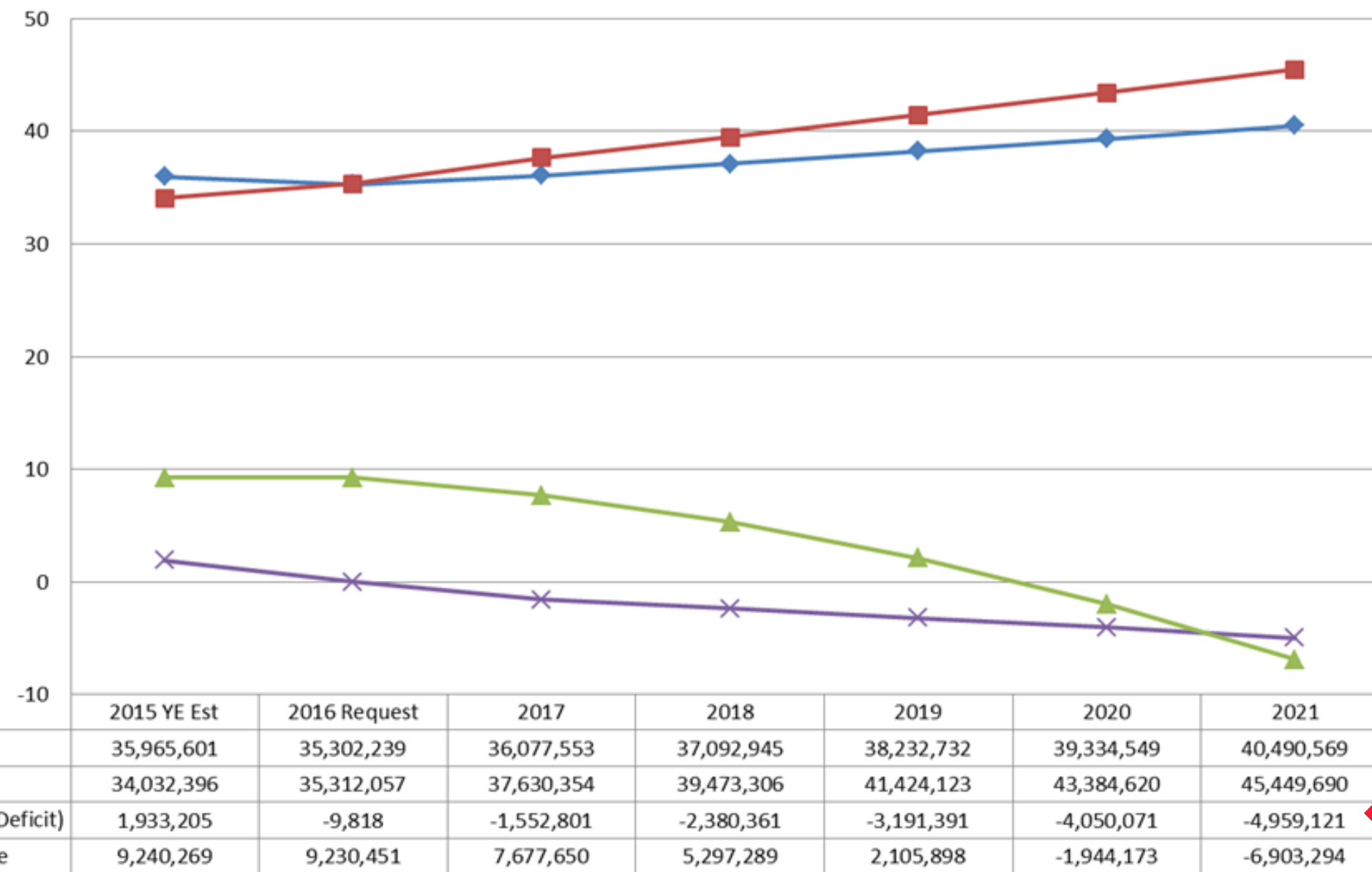
2024 Year End Revenues Over Expenditures

July 28, 2025

Finance & Administration Committee Meeting



Budget History & Core Services



In 2016, The Village Committees and Board of Trustees focused heavily on identifying core vs. enhanced service levels. The Department Heads were tasked to look for “enhanced services” that could be cut from the budget.

“Core services” are those services that are generally considered by staff to be critical to essential functions of municipal operations.

“Enhanced services” are those services that, which while still important, are more discretionary in nature and may be the product of historical service delivery, local policy and/or preference.

Prior to Any Changes for 2017: The 5-Year Multi-Year Financial Forecast projects an estimated deficit of \$1.6M for FY 2017 and \$4.96M for FY 2021.

Long Range Plan Year Over Year Savings \$1,702,478

(Eliminated 9 FT and 12 PT Vacant Positions & Enhanced Programs/Equipment)



2016 - 2019 EXAMPLES OF ELIMINATED/REDUCED FUNDING OF ENHANCED SERVICES, PROGRAMS, EQUIPMENT

REDUCTION	AMOUNT	REDUCTION	AMOUNT
ELIMINATED TAXI SUBSIDY PROGRAM	\$20,000	ELIMINATED 2 POLICE VEHICLES	\$28,800
REDUCED LOBBYIST CONTRACT BY HALF	\$24,000	ELIMINATED ONE BATTALION CHIEF VEHICLE	\$5,450
REDUCED JANITORIAL SERVICES AT VILLAGE FACILITIES	\$21,600	ELIMINATED LOBBYIST CONTRACT	\$24,000
REDUCED PRIDE NEWSLETTERS FROM BI-MONTHLY TO QUARTERLY	\$14,610	ELIMINATED FREE CURBSIDE BRUSH COLLECTION	\$83,610
EXTENDED LIVES OF STARCOM RADIOS FOR POLICE AND FIRE	\$138,520	STOPPED WAIVING BUILDING PERMIT FEES FOR OTHER GOVERNMENTAL ENTITIES	TBD
ELIMINATED CODE RED EMERGENCY NOTIFICATION SYSTEM	\$20,000	REDUCED FIRE PUBLIC EDUCATION BY ELIMINATING THE PRESCHOOL PROGRAM	\$4,000
REDUCED MEALS ON WHEELS CONTRIBUTION	\$15,000	REDUCED THE NUMBER OF PAGES IN THE PRIDE NEWSLETTER FROM 12 TO 8 AND PUBLISH ONLY 3 NEWSLETTERS ANNUALLY INSTEAD OF 4	\$8,614
CLOSED POLICE DEPARTMENT LOBBY OVERNIGHT	\$113,206		

Multi-Year Financial Forecast General Fund Revenue & Expenditure Assumptions

Multi-Year Financial Forecast Assumptions

Revenue Assumptions

3.0% Annual Growth

Property Tax (assumed max levy per statute)

Income Tax

Amusement Tax

Fees, fines, licenses, and permits

0.0% Annual Growth (subject to change based on trend analysis)

Sales, Use, & Places for Eating Tax

Utility Tax: Gas, Electric, Telecommunications

Expense Assumptions

Salary Progressions 4.0%

Health Insurance 7.5%

Retirement Benefits:

Illinois Municipal Retirement Fund 4.0%

Police & Fire Pension Funds 7.5%-9.0%

Technology Reserve 1.5%

Fleet Services 3.0% (includes fuel, labor costs, and parts)

All other costs 3.0%

**Conservative Budgeting
Policy adopted July 21,
2016, to provide stability
for long-term trends.
Individual years may vary.**

2024 Revenues over Expenditures: \$4,944,699

2024 Actual Revenues/Expenses Compared to Budget

Source	Difference
Sales Tax	\$528,711
State Income Tax	\$1,870,387
Places for Eating Tax	\$313,561
Interest on Investments	\$653,636
All Other Revenue Combined	\$493,689
Expenditures Under Budget	\$1,084,714
	\$4,944,699

BOARD POLICY DECISION FEBRUARY 2025

Board approved suspending the Waterfall to the Pension & Economic Development Fund Reserves for three years (2024-2026) to prioritize funding of the Building Reserve Fund for construction of a new Public Safety Building.

Sales Tax and Income Tax

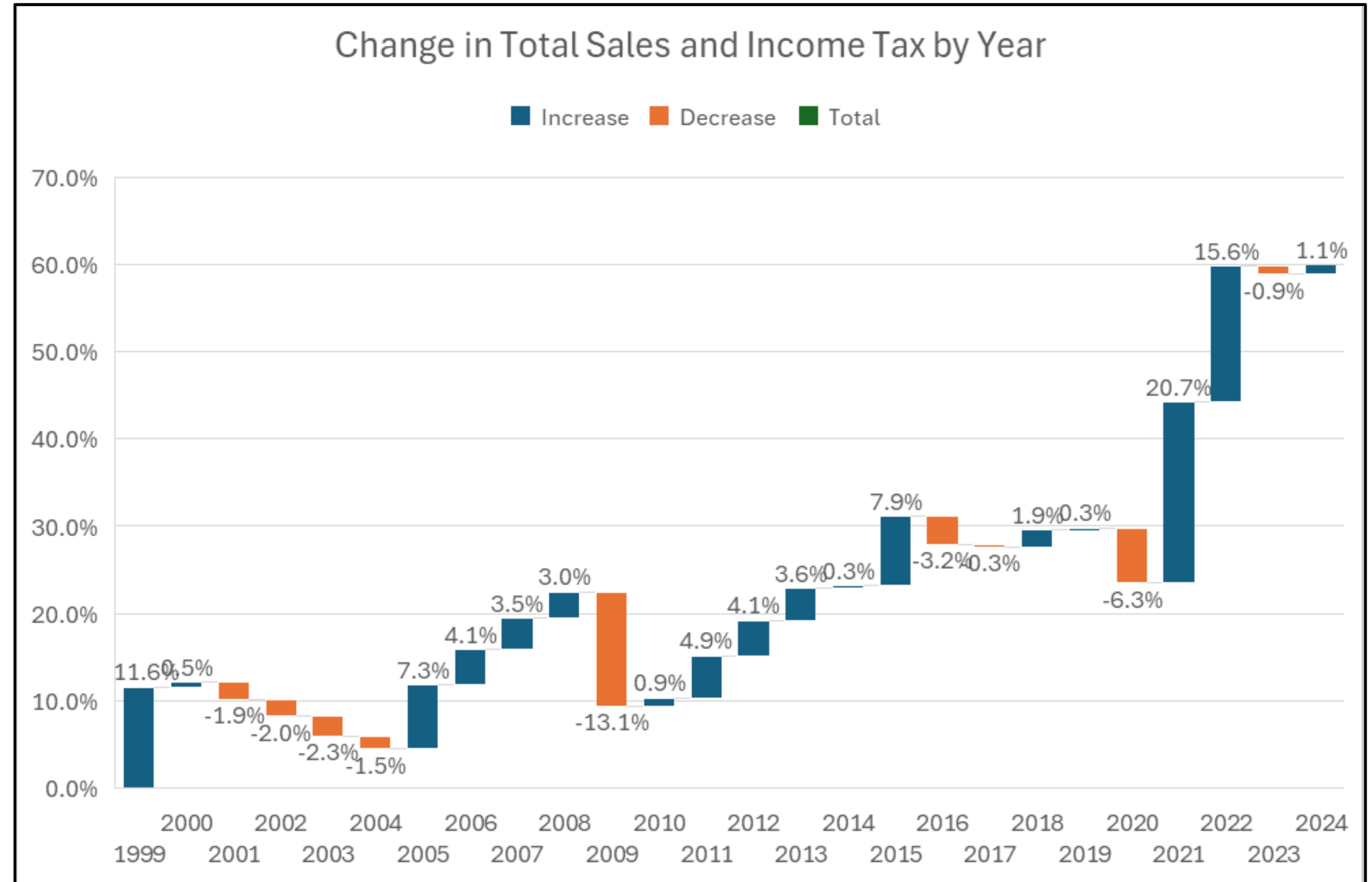


- The average annual increase for Sales Tax and Income Tax combined over the last 26 years is 2.3%
- Total combined Sales Tax and Income Tax increased \$8.9M (71.7%) from 1998 to 2024 of which \$6.0M (67.7%) of the total increase occurred between 2021-2022.
- In 2009, Sales Tax and Income Tax combined reset back to 1998 revenue levels

- There are 2 significant increases since 1999 primarily due to inflation and a low unemployment rate.

- 2021 = 20.7%
- 2022 = 15.6%

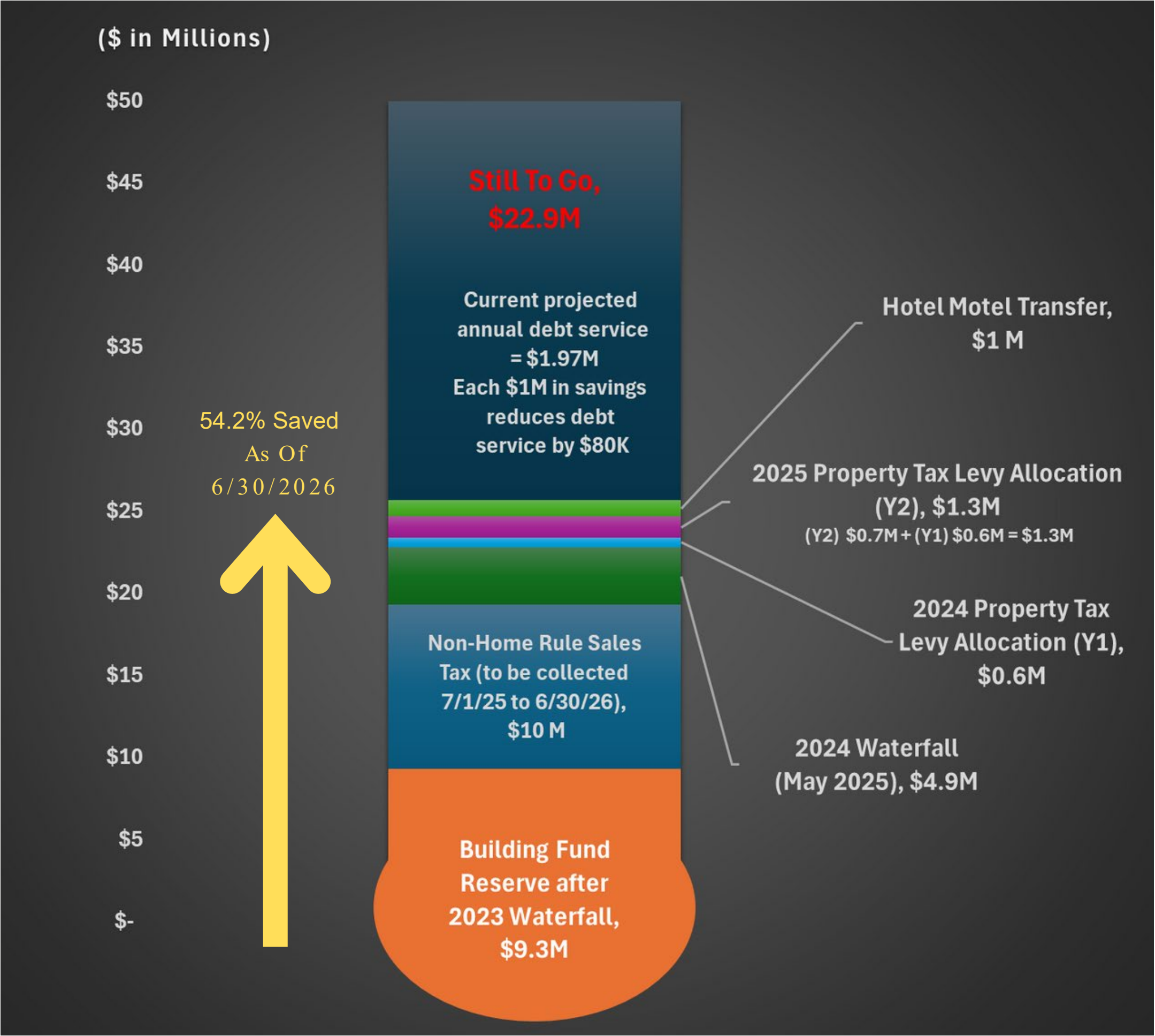
- The total increase from 1999 to 2020 (22 years) = \$1.4M (11.3%)



Public Safety Building Project Savings: \$27.1 M

Estimated project cost
(in 2024 dollars):
\$50 million*

*Does not include land
acquisition



Budget Process Calendar

•8/25/2025 F&A Committee - Preliminary 2026 Budget and 2025 Tax Levy on Village Board Budget Workshop 9/04/2025

- During September and October, communicate the upcoming public hearings for the Tax Levy and Budget
- 10/2/2025 Public Hearing on Tax Levy and 1st Reading of Tax Levy Ordinance
- 10/16/2025 Public Hearing on Budget and 1st Reading of Budget Ordinance and 2nd Reading of Tax Levy
- 11/6/2025 2nd Reading of Budget Ordinance
- December 2025, share information on the 1/1/26 water rate changes
- April 2026, share information on the tax levy and the Village's overall share of the levy

