



Village of Lombard

Draft 2026 Budget Workshop

Theme: Taste Test

A Look at Comparable Municipalities

A, B, C, and D

PRESENTED BY

Trustee Dan Miletello, Village Manager Scott Niehaus,
Finance Director Tim Sexton



Discussion Topics

1. Municipal Taste Test
2. Village of Lombard Property Tax Receipt
3. Budget History - Core Services
4. Multi-Year Forecast Assumptions
5. Proposed 2026 General Fund Budget
6. Annual Policy Discussion
7. Budget Calendar
8. Department Head Presentations
9. Proposed 2026 Water & Sewer Operating Budget
10. Capital Improvement Projects



Municipal Flavor Profiles

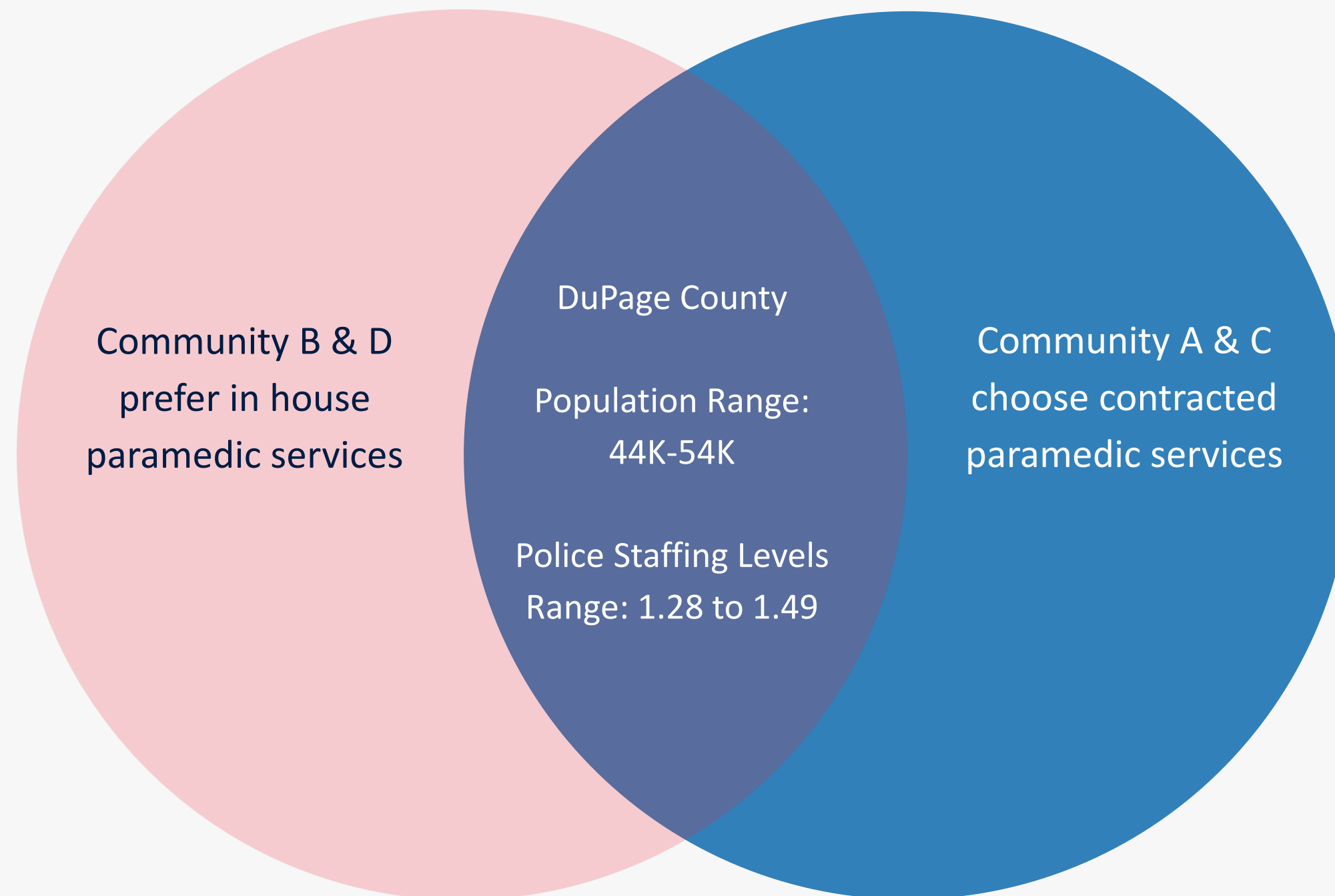
This comparative analysis provides insight into fiscal priorities, public safety investments, and service delivery models among peer municipalities.



MUNICIPALITIES: COMPARISONS PER 1,000 RESIDENTS

MUNI	A	B	C	D
PROPERTY TAX	\$383,317	\$477,660	\$308,550	\$278,061
SALES TAX	\$247,047	\$499,096	\$542,464	\$533,380
TOTAL GF REV	\$967,102	\$1,271,905	\$1,481,544	\$1,087,879
POLICE BUDGET	\$399,126	\$423,729	\$511,466	\$380,888
POLICE OFFICERS	1.28	1.43	1.49	1.44
FIRE BUDGET	\$239,768	\$372,322	\$312,919	\$342,461
FIREFIGHTERS (*CONTRACTED PARAMEDICS)	.72*	1.53	.96*	1.48

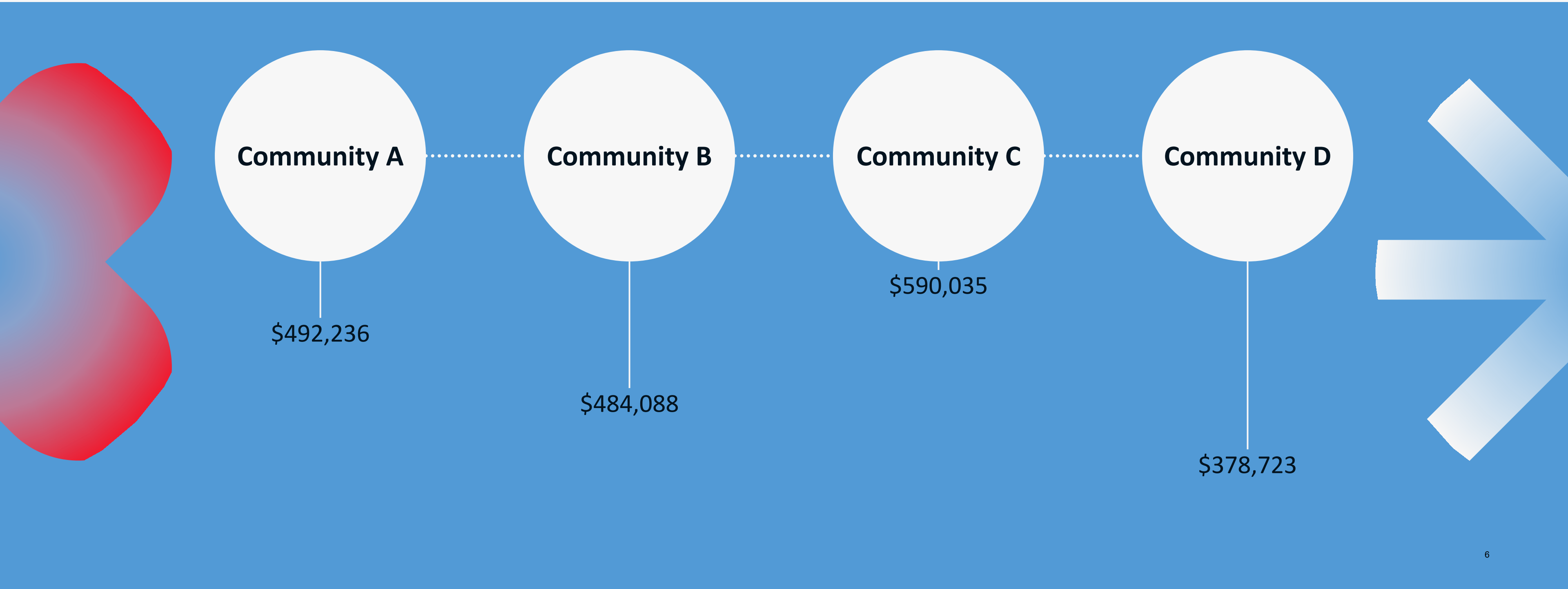
Commonalities in Flavor Choices



In-house paramedic models are associated with higher staffing and spending levels.

Taste Test: Median Home Value

Based on Zillow data, here's a snapshot of the typical home values as of late May 2025:



Note: Summary of data
generated by AI



Muni Showdown What's Your Flavor?

COMMUNITY A

Community A has lean operations with the lowest overall per capita expenditures.

COMMUNITY B

Community B shows strong property tax reliance and high investment in fire services.

COMMUNITY C

Community C leads in revenue generation and per capita public safety spending.

COMMUNITY D

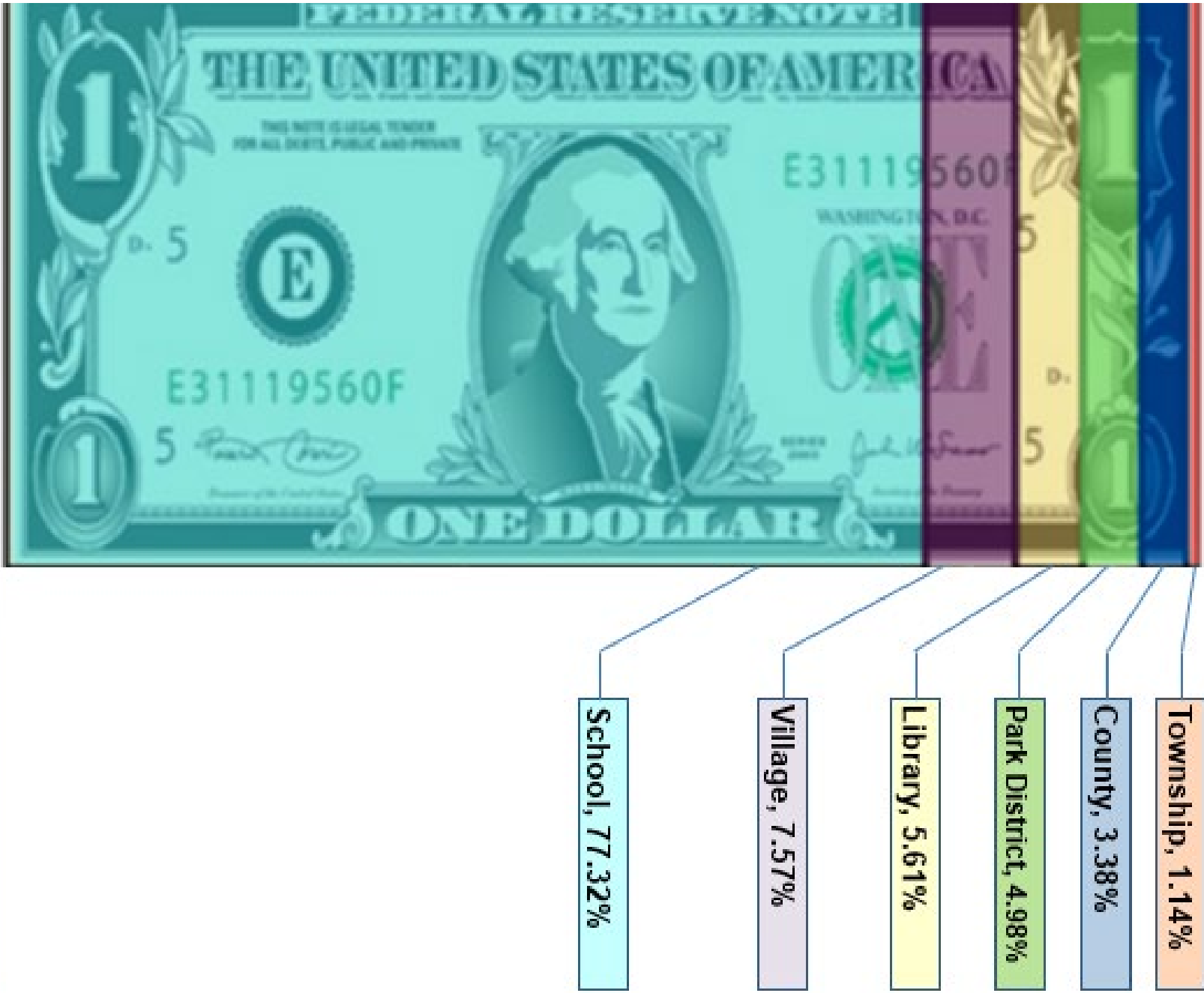
Community D operates with lower per capita spending, reflecting a more cost-conscious or efficient service delivery.

Village of Lombard

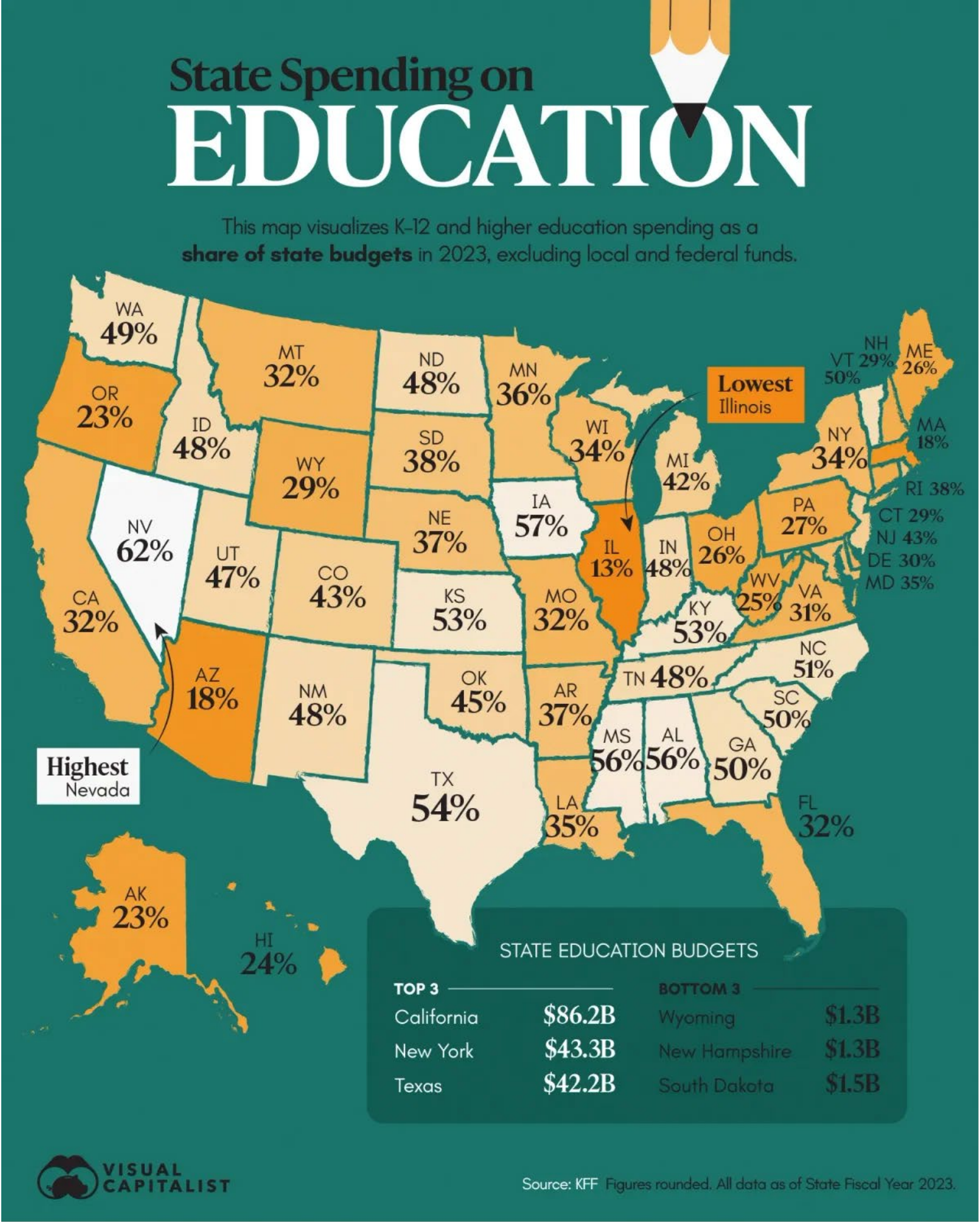
Property Tax Receipt



2023 Property Tax Allocation



We broke down your property tax dollar to show the real value of Village services in everyday numbers.





**Based on the average 2025 assessment
of a single-family home
\$378,000**

S	M	T	W	T	F	S

\$56.63



VILLAGE OF LOMBARD

Description: Breakdown of Monthly Services for Average Single-Family Home in 2025

Service Description	Amount
General Government (Legislative & Executive, Human Resources, Finance)	\$ 3.25
Community Development	\$ 2.99
Public Works	\$ 5.96
Police	\$ 23.39
Fire	\$ 21.03
TOTAL:	\$ 56.63

Just \$56.63 per month helps support essential services.



PRICE: \$6.25

For less than a Starbucks Frappuccino, **you benefit from a dedicated team of Village Administrative staff working behind the scenes to drive positive change.**



PRICE: \$7.99+

For less than a standard Netflix subscription, **you have access to dedicated Community Development staff.**



PRICE: \$8.99

For less than a 6-pack of LED light bulbs, **your public streets and rights-of-way are maintained by the Public Works Department.**



PRICE: \$25.00+

For less than private security monitoring, **you have access to 24/7 police services.**



PRICE: \$25.47

For less than a 6-pack of 9V batteries, **our Fire Department responds to over 8,000 calls each year.**



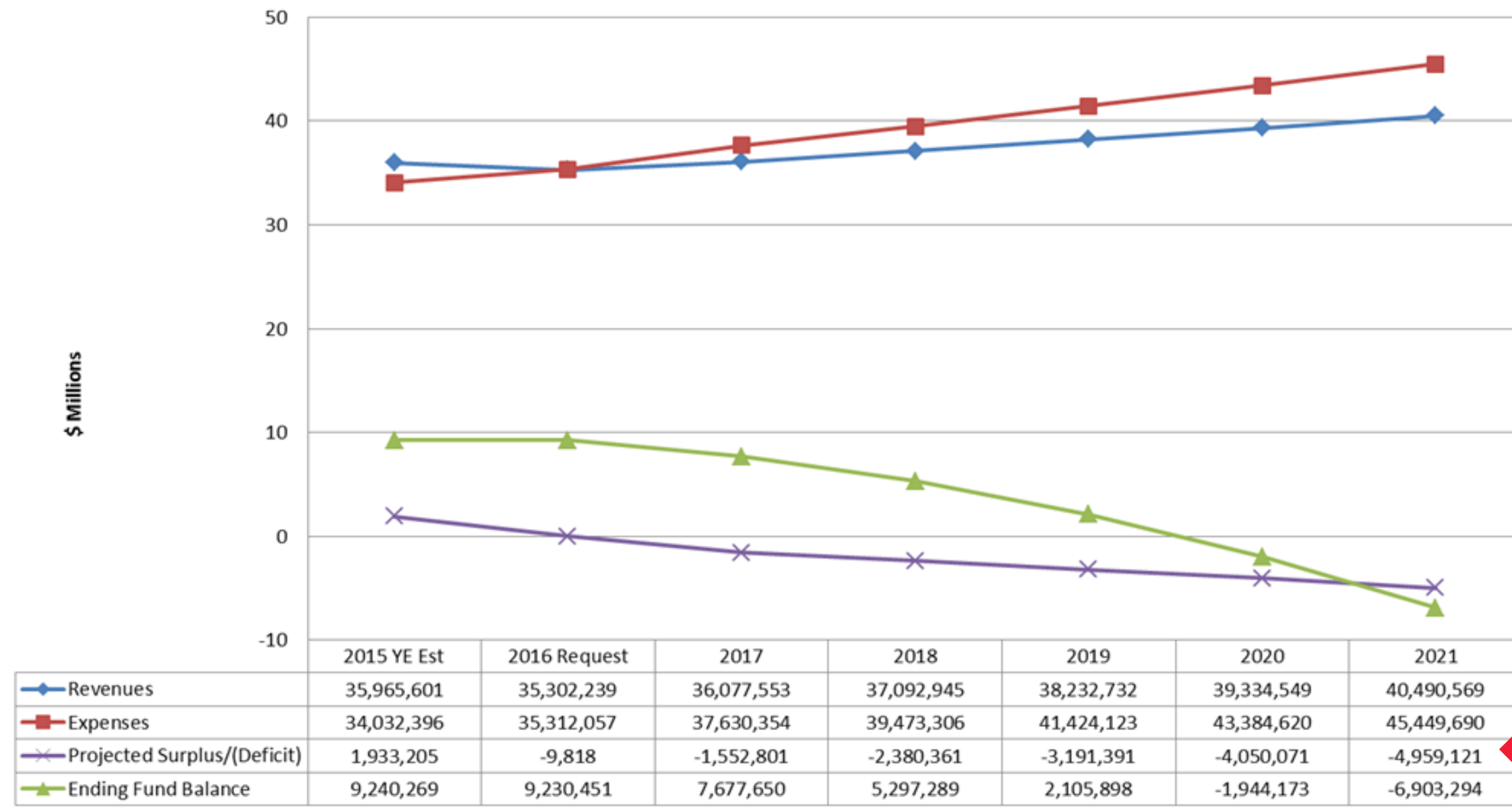
VILLAGE OF LOMBARD

Description: Breakdown of Monthly Services for Average Single-Family Home in 2025

Service Description	Amount
General Government (Legislative & Executive, Human Resources, Finance)	\$ 3.25
Community Development	\$ 2.99
Public Works	\$ 5.96
Police	\$ 23.39
Fire	\$ 21.03
TOTAL:	\$ 56.63

**Your Village of Lombard Property Tax \$’s
Ensuring safety, security, and peace of mind
for our community!**

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.

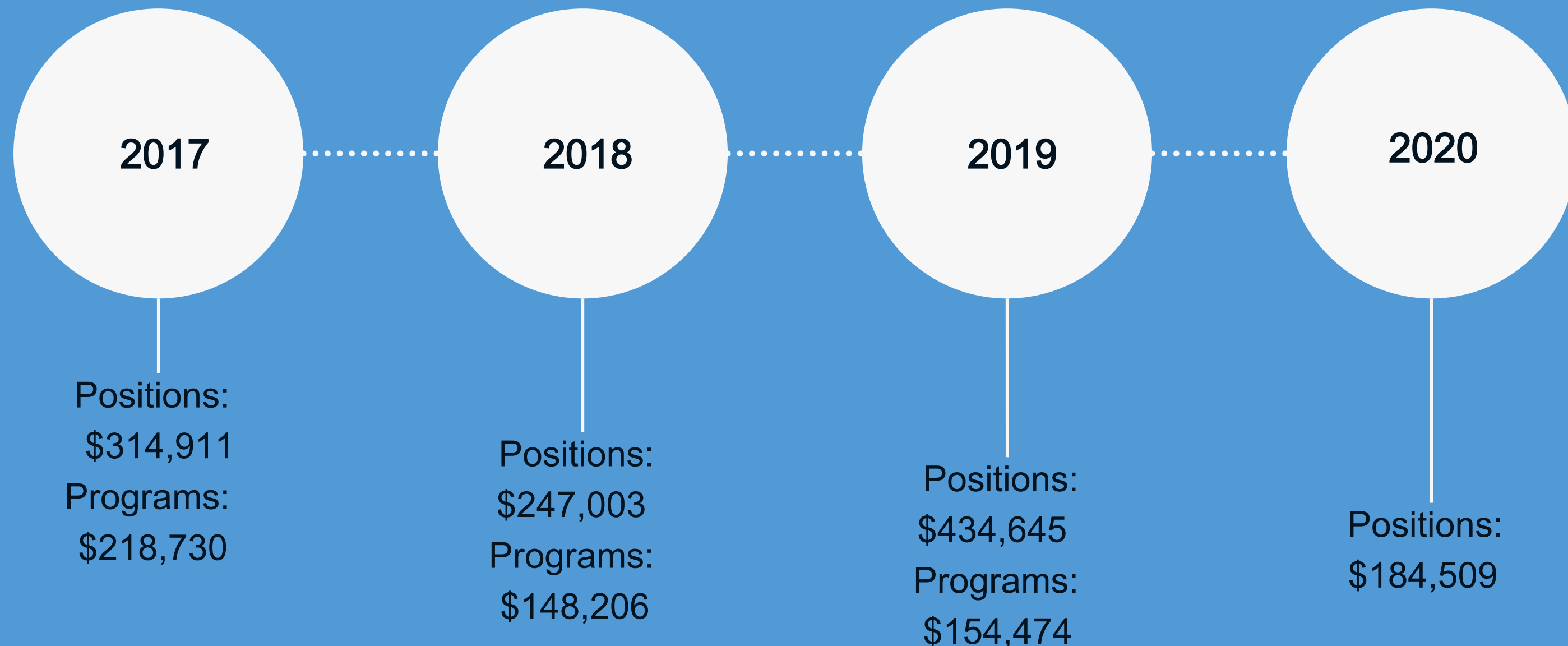
“Enhanced services” are those services that, which while still important, are more discretionary in nature and may be the product of historical service delivery, local policy and/or preference.

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

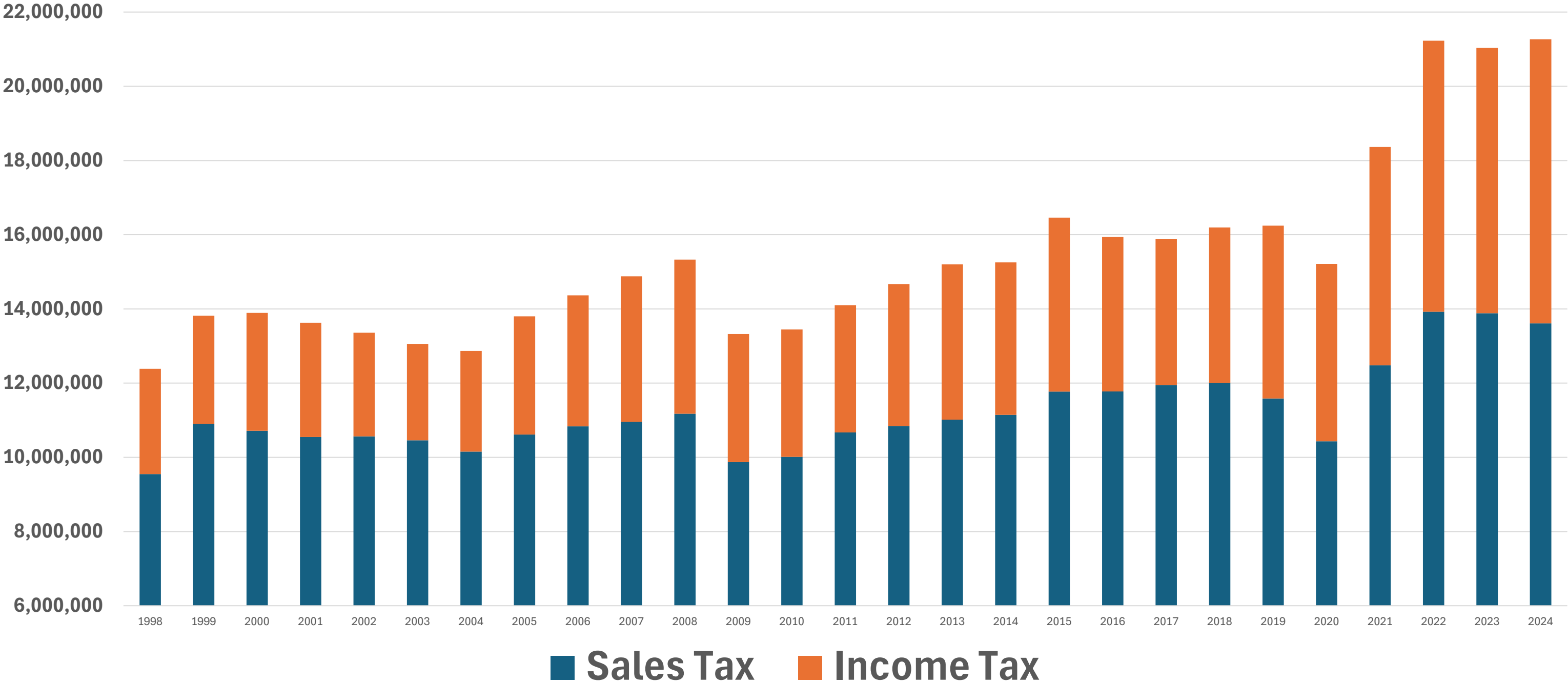
Source	Difference
Sales Tax	\$528,711
State Income Tax	\$1,870,387
Places for Eating Tax	\$313,561
Interest on Investments	\$653,636
All Other Revenue Combined	\$493,689
Expenditures Under Budget	\$1,084,714
	\$4,944,699

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 new Public Safety Buildings.

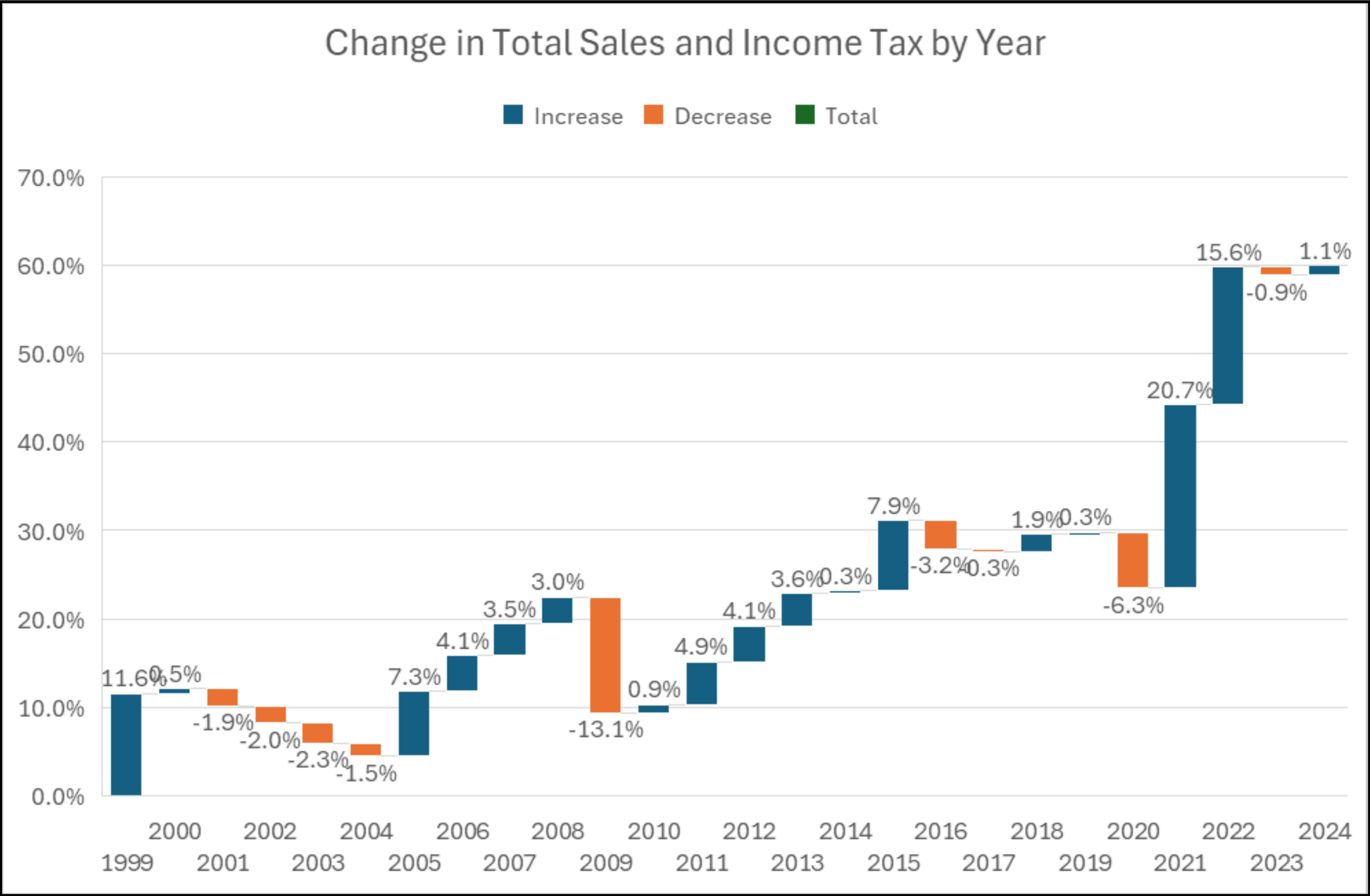


Sales Tax and Income Tax



- 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%)



Funding Future Building Needs

At present, the Village is still pursuing options for purchase of land that meets necessary criteria.



Original Potential Timeline (presented 9/21/23 at 2024 Budget Workshop/Up-Front Costs – PRELIMINARY ESTIMATE

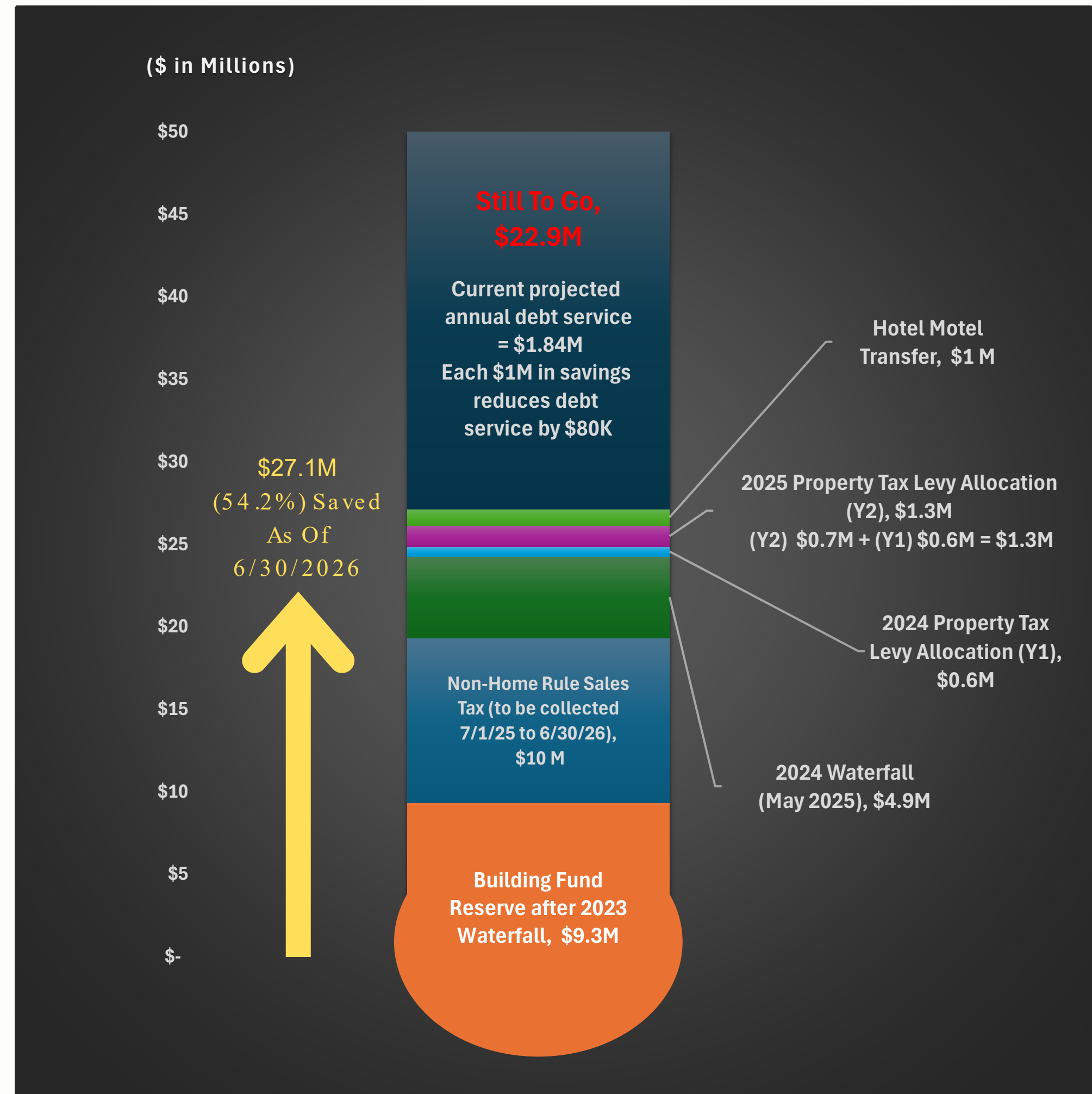
- Land Acquisition during 2024 – 2025 – Land acquisition costs are not currently in the budget as presented by the architects. These costs are estimated at \$2 million to \$3 million.
- Design costs during 2024 – 2025 – Approximately \$3.5 million
- Bids for projects in 2026 – This will depend on the financing options that are pursued by the Village, the timing of any potential referendum and the results of that referendum (next slide)
- Construction of projects during 2026 – 2027 – This will depend on the financing options that are pursued by the Village, the timing of any potential referendum and the results of that referendum

Public Safety Building

Project Savings: \$27.1 M

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

*Does not include land
acquisition



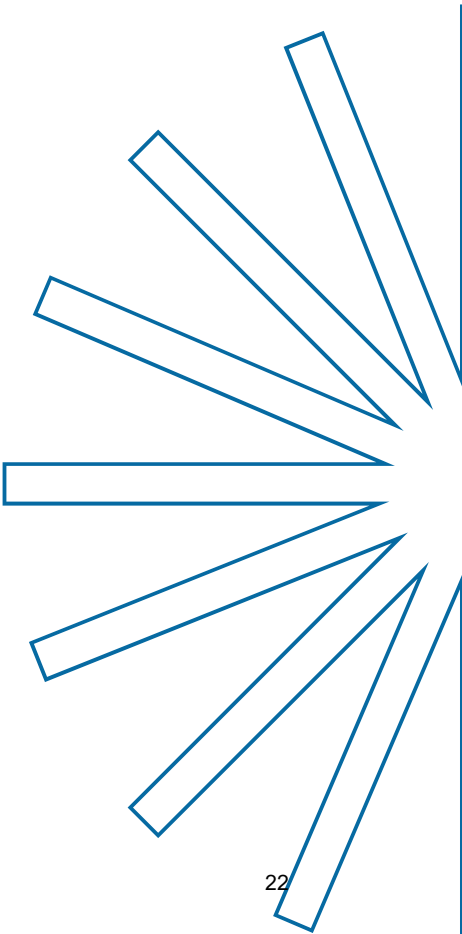
Proposed 2026 General Fund Budget Summary

General Fund Only <u>with Statutorily Permissible</u> Property Tax Levy Increase: \$522,591	2024 Actual	2025 Budget	2025 Estimated Amount	2026 Budgeted Amount	\$ Over/Under 2025 Budget	% Over/Under 2025 Budget	\$ Over/Under 2025 YE Estimate	% Over/Under 2025 YE Estimate
Revenues*	\$48,690,745	\$46,535,770	\$49,299,040	\$48,817,760	\$2,281,990	4.90%	(\$481,280)	-0.99%
Expenses**	\$44,209,579	\$46,464,310	\$46,475,163	\$48,817,760	\$2,353,450	5.07%	\$2,342,597	4.80%
Projected Revenues less Expenses		\$71,460	\$2,823,877	\$0	Property Tax Levy transfer to Building Fund = \$1,493,912			

* Revenues include Permissible Property Tax Levy Increase

**Expenses: Include Corporate Levy Transfer to Building Reserve. Does not include Annual Waterfall.

	2024 Actual	2025 Budget	2025 Estimated Amount	2026 Budgeted Expenses	2026 Budgeted Corporate Levy Increase to Trfr to Building Reserve
Waterfall Contributions	\$ 10,863,459	\$ -	\$ 4,944,699	\$ -	
Corp Levy Transfer to Bldg Fund Reserve	\$ 585,742	\$ 1,063,190	\$ 1,284,501	\$ 1,493,912	\$ 430,722

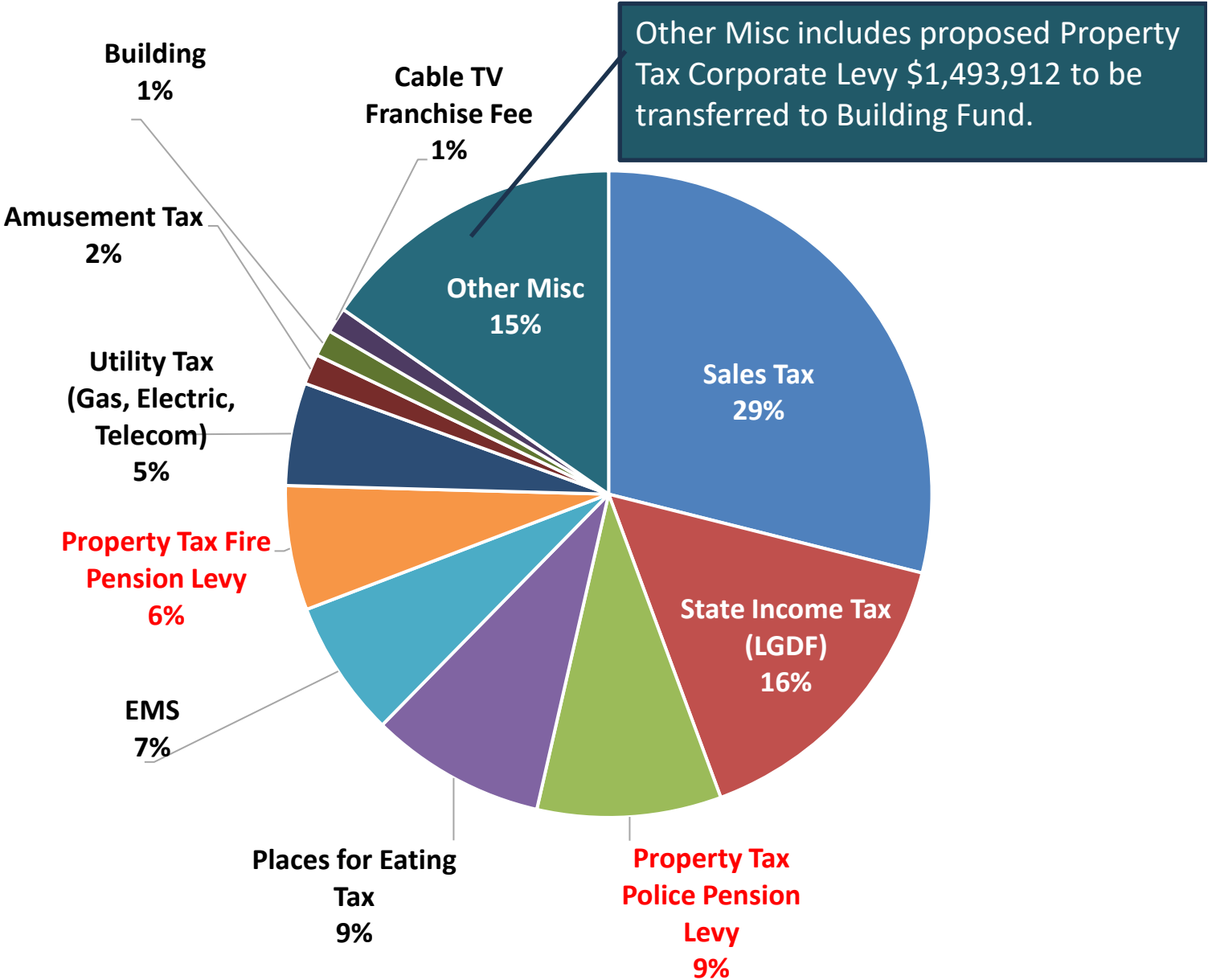


2026 General Fund Budget Property Tax Levy – Other Options

General Fund Only with Property Tax Levy Increase for <u>Just New Growth</u> : \$106,999	2024 Actual	2025 Budget	2025 Estimated Amount	2026 Budgeted Amount	\$ Over/Under 2025 Budget	% Over/Under 2025 Budget	\$ Over/Under 2025 YE Estimate	% Over/Under 2025 YE Estimate
Revenues*	\$48,690,745	\$46,535,770	\$49,299,040	\$48,402,168	\$1,866,398	4.01%	(\$896,872)	-1.85%
Expenses**	\$44,209,579	\$46,464,310	\$46,475,163	\$48,402,168	\$1,937,858	4.17%	\$1,927,005	3.98%
Projected Revenues less Expenses		\$71,460	\$2,823,877	\$0	Property Tax Levy Trfr to Building Fund = \$1,078320			
General Fund Only <u>without a</u> Property Tax Levy Increase: \$0	2024 Actual	2025 Budget	2025 Estimated Amount	2026 Budgeted Amount	\$ Over/Under 2025 Budget	% Over/Under 2025 Budget	\$ Over/Under 2025 YE Estimate	% Over/Under 2025 YE Estimate
Revenues*	\$48,690,745	\$46,535,770	\$49,299,040	\$48,295,169	\$1,759,399	3.78%	(\$1,003,871)	-2.08%
Expenses**	\$44,209,579	\$46,464,310	\$46,475,163	\$48,295,169	\$1,830,859	3.94%	\$1,820,006	3.77%
Projected Revenues less Expenses		\$71,460	\$2,823,877	\$0	Property Tax Levy Trfr to Building Fund = \$971,321			

Top 10 - FY 2026 General Fund Revenues

*85% of all General Fund
Revenue Sources*



	2024 Actual	2025 Amended Budget	2025 Estimated Amount	2026 Budgeted Revenues	\$ Over/Under 2025 Budget	% Over/Under 2025 Budget
Total Top 10 Revenues	\$39,437,303	\$38,391,660	\$41,691,490	\$41,337,000	\$2,945,340	7.67%
Total All GF Revenues	\$48,690,745	\$46,535,770	\$49,299,040	\$48,817,760	\$2,281,990	4.90%
Top 10 vs Total GF Rev	81.00%	82.50%	84.57%	84.68%	N/A	N/A
This chart shows that the Top 10 General Fund revenues make up 85% of all General Fund revenue sources.						

Top 10 - FY 2026 General Fund Revenues

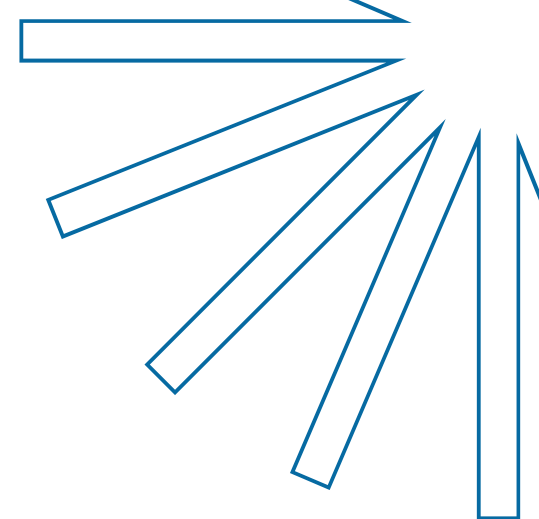
Revenue Source	2024 Actual	2025 Amended Budget	2025 Estimated Amount	2026 Budgeted Revenues	\$ Over/Under 2025 Budget	% Over/Under 2025 Budget
Sales Tax	\$13,270,001	\$13,676,440	\$14,118,310	\$14,118,310	\$441,870	3.23%
State Income Tax (LGDF)	\$7,656,317	\$6,589,200	\$7,872,250	\$7,537,500	\$948,300	14.39%
Police Pension Levy	\$4,190,333	\$4,516,150	\$4,516,260	\$4,495,040	(\$21,110)	-0.47%
Places for Eating Tax	\$4,055,731	\$3,906,540	\$4,286,210	\$4,286,210	\$379,670	9.72%
EMS	\$3,006,999	\$2,682,040	\$3,344,430	\$3,344,430	\$662,390	24.70%
Fire Pension Levy	\$3,131,165	\$2,983,040	\$2,985,360	\$3,039,780	\$56,740	1.90%

Note: Per Financial Policy, 3% of Sales Tax revenue is allocated to the facility fund for repairs to existing Village Buildings.
The revenue shown above is the portion allocated to the General Fund.

Top 10 - FY 2026 General Fund Revenues

Revenue Source	2024 Actual	2025 Amended Budget	2025 Estimated Amount	2026 Budgeted Revenues	\$ Over/Under 2025 Budget	% Over/Under 2025 Budget
Utility Tax (Gas, Electric, Telecommunications)	\$2,423,429	\$2,462,000	\$2,512,920	\$2,509,980	\$47,980	1.95%
Amusement Tax	\$514,983	\$436,490	\$737,490	\$737,490	\$301,000	68.96%
Building	\$615,371	\$521,500	\$700,000	\$650,000	\$128,500	24.64%
Cable TV Franchise Fee	\$572,972	\$618,260	\$618,260	\$618,260	\$0	0.00%

Top 10 FY 2026 General Fund Expenses



	2024 Actual	2025 Amended Budget	2025 Estimated Amount	2026 Budgeted Expenses	\$ Over/Under 2025 Budget	% Over/Under 2025 Budget	% of Total General GF
Non-Discretionary Exp	\$ 35,850,988	\$ 38,256,200	\$ 38,089,540	\$ 39,419,630	\$ 1,163,430	3.04%	80.75%
Discretionary Exp	\$ 7,090,134	\$ 7,187,500	\$ 7,446,730	\$ 8,427,450	\$ 1,239,950	17.25%	17.26%
Economic Incentive	\$ 224,188	\$ 285,000	\$ 320,000	\$ 305,000	\$ 20,000	7.02%	0.62%
Reimbursable Expenses (COBRA, Retiree Health, misc.)	\$ 1,044,268	\$ 735,610	\$ 618,890	\$ 665,680	\$ (69,930)	-9.51%	1.36%
Total General GF Expense	\$ 44,209,579	\$ 46,464,310	\$ 46,475,160	\$ 48,817,760	\$ 2,353,450	5.07%	100.00%
Annual Waterfall Transfers	\$ 10,863,459		\$ 4,944,699		\$ -	0.00%	0.00%

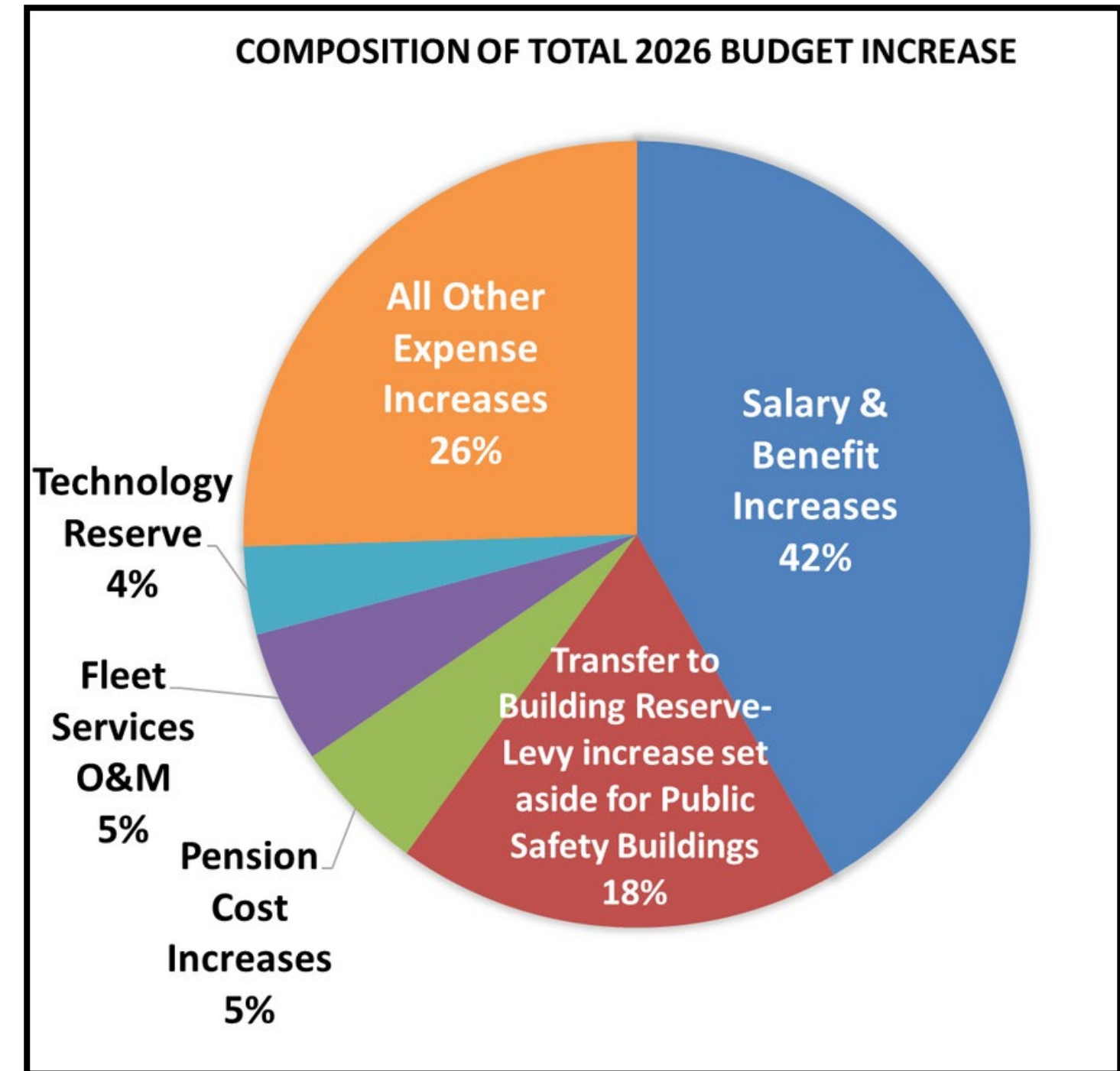
Note: Discretionary expenses includes the transfer to Building Reserve from the Corporate Levy: 2026 Proposed = \$1,493,912

Primary Reasons for Major Budget Increases in 2026 General Fund

- Salary and Benefit increases = \$980,320
- Proposed Transfer to Building Reserve: Set-aside 2025 Corporate Levy for Public Safety Buildings = \$430,720
- Pension Cost Increases = \$129,140
- Fleet Services O&M = \$128,300
- Technology Reserve = \$85,050
- All other Expense Increases = \$599,920

Salary and Benefit Increase + Transfer to Building Reserve make up 60% of overall \$2,353,450 General Fund Increase.

If you remove the Corporate Levy transfer to building reserve of \$1,493,912, the actual budget increase is \$859,538 or 1.85% compared to the 2025 Budget.



Top 10 - FY 2026 General Fund Expenditures

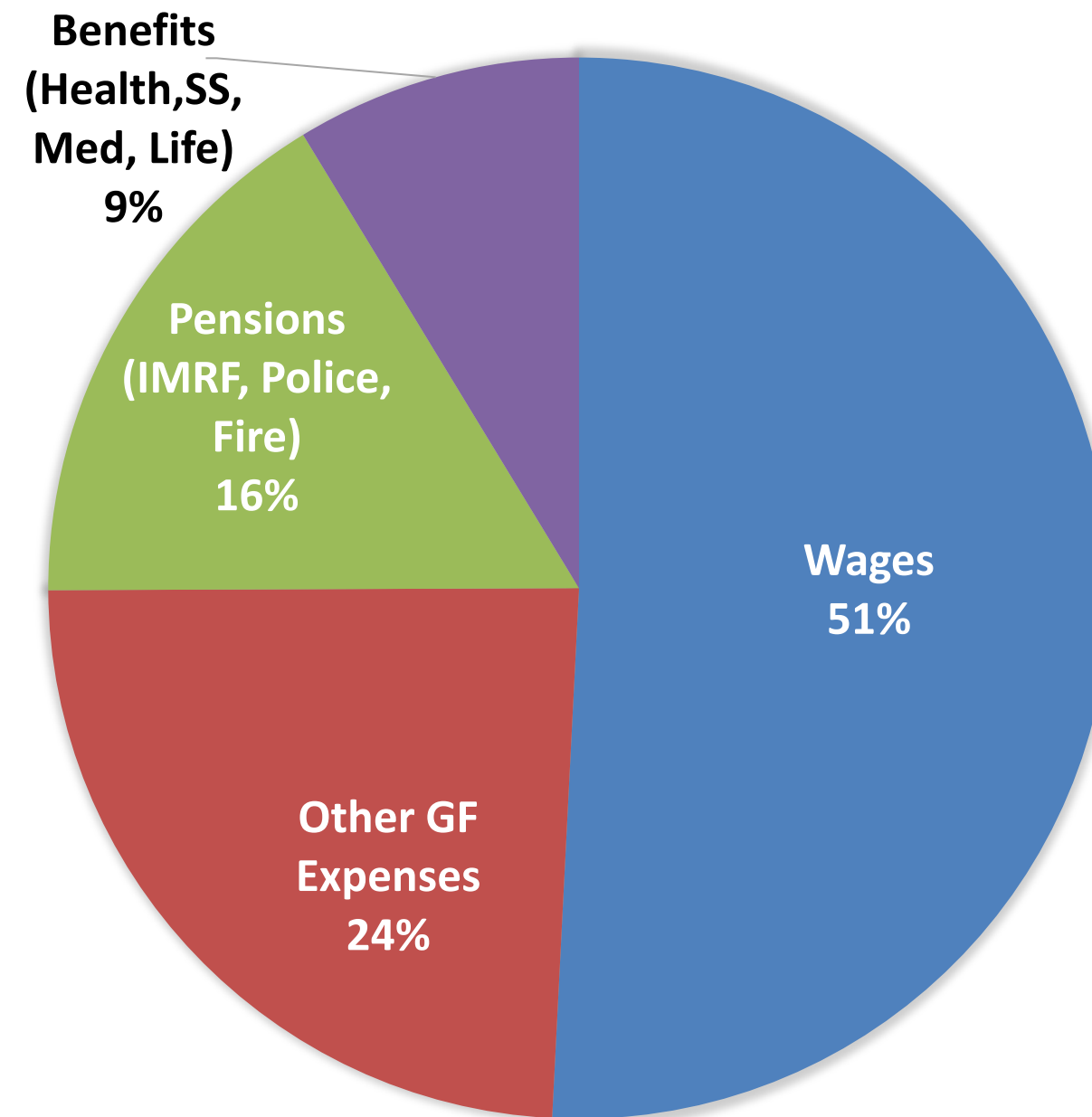
<u>Non Discretionary Expense</u>	2024 Actual	2025 Amended Budget	2025 Estimated Amount	2026 Budgeted Expenses	\$ Over/Under 2025 Budget	% Over/Under 2025 Budget
Wages	\$ 22,495,811	\$ 24,208,150	\$ 23,940,130	\$ 24,802,930	\$ 594,780	2.46%
Police Pension	\$ 4,190,333	\$ 4,516,150	\$ 4,516,260	\$ 4,495,040	(\$21,110)	-0.47%
Health Insurance	\$ 2,933,238	\$ 3,097,620	\$ 3,141,700	\$ 3,469,650	\$372,030	12.01%
Fire Pension	\$ 3,131,165	\$ 2,983,040	\$ 2,985,360	\$ 3,039,780	\$56,740	1.90%
Emergency Dispatch	\$ 1,176,094	\$ 1,286,550	\$ 1,321,660	\$ 1,220,680	(\$65,870)	-5.12%

Top 10 - FY 2026 General Fund Expenditures

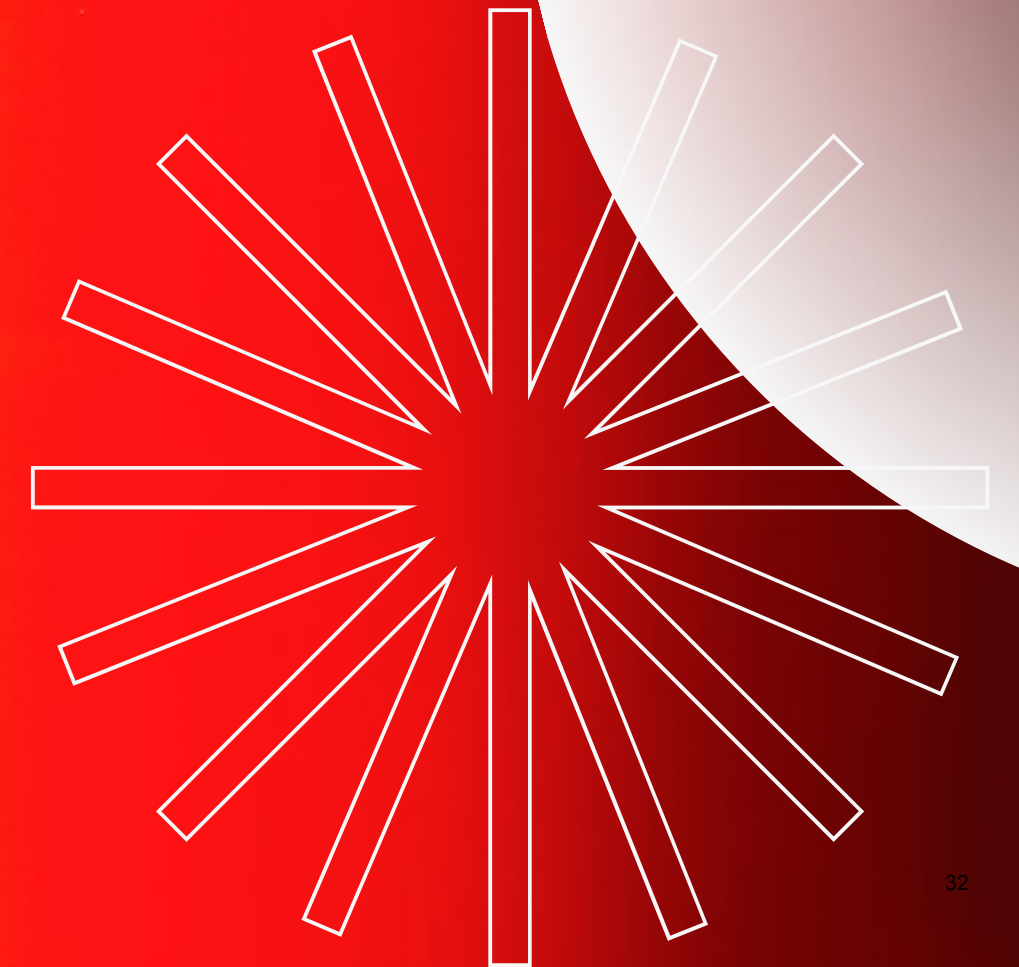
<u>Non Discretionary Expense</u>	2024 Actual	2025 Amended Budget	2025 Estimated Amount	2026 Budgeted Expenses	\$ Over/Under 2025 Budget	% Over/Under 2025 Budget
Fleet Services O&M	\$ 789,922	\$ 922,890	\$ 927,410	\$ 1,051,190	\$ 128,300	13.90%
Legal Services	\$ 405,744	\$ 462,000	\$ 462,000	\$ 462,000	\$0	0.00%
Technology Reserve	\$ 261,570	\$ 264,540	\$ 264,540	\$ 349,590	\$85,050	32.15%
Electric	\$ 273,917	\$ 306,000	\$ 306,000	\$ 306,000	\$0	0.00%
Benefits*	\$ 193,194	\$ 209,260	\$ 224,480	\$ 222,770	\$13,510	6.46%

FY 2026 General Fund Wages, Pensions, Benefits

Wages, Employer Pension Contributions, and Benefits total 75% of all 2025 General Fund expenses.



Annual Policy Discussion



2025 Statutorily Permissible Levy

2025 Statutorily Permissible Levy	\$12,889,629	
2024 Extended Levy	-	\$12,367,038
Total 2025 Permissible Increase	\$522,591	4.23% *
*Breakdown of 2025 Permissible Increase		
CPI	\$358,644	2.90%
Fire Pension (Exempt)	\$56,948	0.46%
Total for Existing Properties	\$415,592	3.36%
New Growth/Construction	\$106,999	0.87%
	\$522,591	4.23%

	New Growth	\$ New Growth	Impact of New Growth on \$378,000 Home	CPI/Fire Pension Exempt Increase	\$ of CPI/Fire Pension Exempt	Impact of CPI on \$378,000 Home	Total New Levy \$
\$378K Home							
New Growth + Statutory CPI (4.23%)	0.87%	\$106,999	\$0	3.36%	\$415,592	\$23.73	\$522,591

	New Growth	\$ New Growth	Impact of New Growth on \$500,000 Home	CPI/Fire Pension Exempt Increase	\$ of CPI/Fire Pension Exempt	Impact of CPI on \$500,000 Home	Total New Levy \$
\$500K Home							
New Growth + Statutory CPI (4.23%)	0.87%	\$106,999	\$0	3.36%	\$415,592	\$31.91	\$522,591

Impact of Not Taking Full Stutorily Permissible Tax Levy		
	3% Annual Increase	
Year 1	415,592	522,591
Year 2	428,060	538,269
Year 3	440,902	554,417
Year 4	454,129	571,049
Year 5	467,752	588,181
Year 6	481,785	605,826
Year 7	496,239	624,001
Year 8	511,126	642,721
Year 9	526,460	662,003
Year 10	542,253	681,863
10 Year Impact	4,764,297	5,990,920

Pension Unfunded Liabilities	
	1/1/2025
IMRF	2,098,155
Police	41,258,808
Fire	21,226,252
Total	64,583,215

Based on the average 2025 assessment of a single-family home = \$378,000

Current 2025



VILLAGE OF LOMBARD

Description: Breakdown of Monthly Services for Average Single-Family Home in 2025

Service Description	Amount
General Government (Legislative & Executive, Human Resources, Finance)	\$ 3.25
Community Development	\$ 2.99
Public Works	\$ 5.96
Police	\$ 23.39
Fire	\$ 21.03
TOTAL:	\$ 56.63

Proposed Monthly Increase 2026 = \$1.98



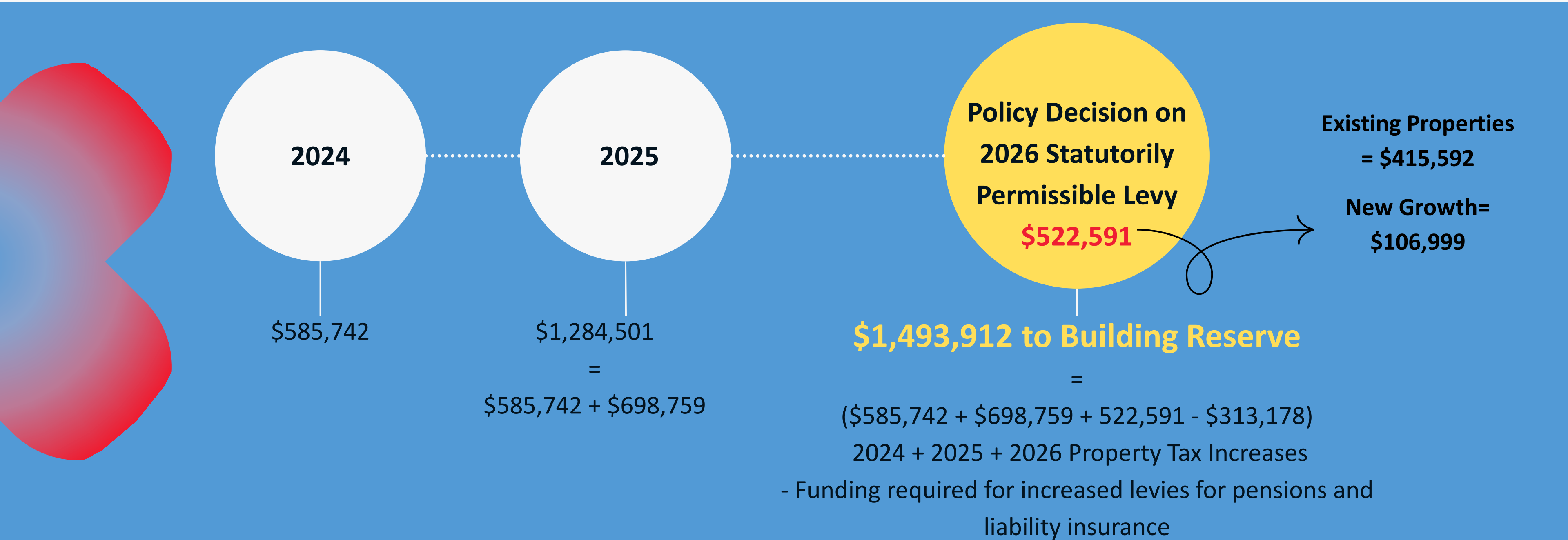
VILLAGE OF LOMBARD

Description: Breakdown of Monthly Services for Average Single-Family Home in 2025

Service Description	Amount
General Government (Legislative & Executive, Human Resources, Finance)	\$ 3.36
Community Development	\$ 3.09
Public Works	\$ 6.17
Police	\$ 24.21
Fire	\$ 21.77
TOTAL:	\$ 58.61

Property Tax Transfers to Building Reserve Fund

The Village Board's policy decision regarding the property tax levy increases received in 2024 and 2025 was to allocate those additional funds to the Building Reserve Fund for the construction of new public safety buildings. Below is a history of the property tax increases allocated to the Building Reserve Fund.





What's Your Flavor?

NON-HOME RULE (NHR)

STATUTORILY PERMISSIBLE PROPERTY TAX LEVY

Take it now or lose it forever approach. Limited to the lesser of 5% or the increase in the CPI + New Growth.

HOME RULE (HR)

Levy for what you need approach. Home rule communities may adjust the levy amount to what is necessary for budget needs. HR communities may also use alternative revenue streams, such as home rule sales tax, to reduce reliance on property taxes.

WATER RATE INCREASES

Currently the water rates are lower due to the allocation of NHR Sales Tax. Now that NHR Sales Tax is more flexible the funds may be used for buildings, debt service, or other infrastructure needs.

REDUCED CAPITAL IMPROVEMENT PROGRAM

Capital projects may need to be delayed or canceled if funding isn't available.

Budget Process Calendar

•9/3/2025 F&A Committee - Preliminary 2026 Budget and 2025 Tax Levy on Village Board Budget Workshop (dated TBD)

•During September and October, communicate the upcoming public hearings for the Tax Levy and Budget

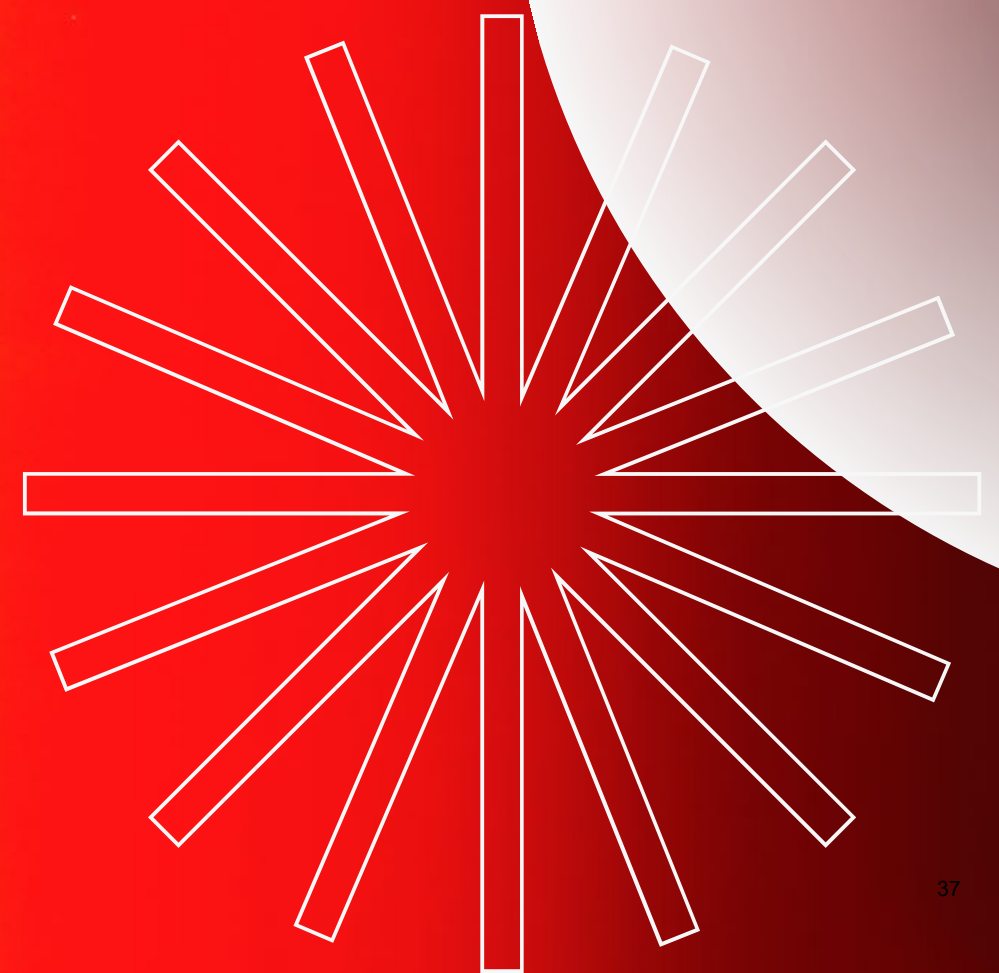
•10/2/2025 Public Hearing on Tax Levy and 1st Reading of Tax Levy Ordinance

•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

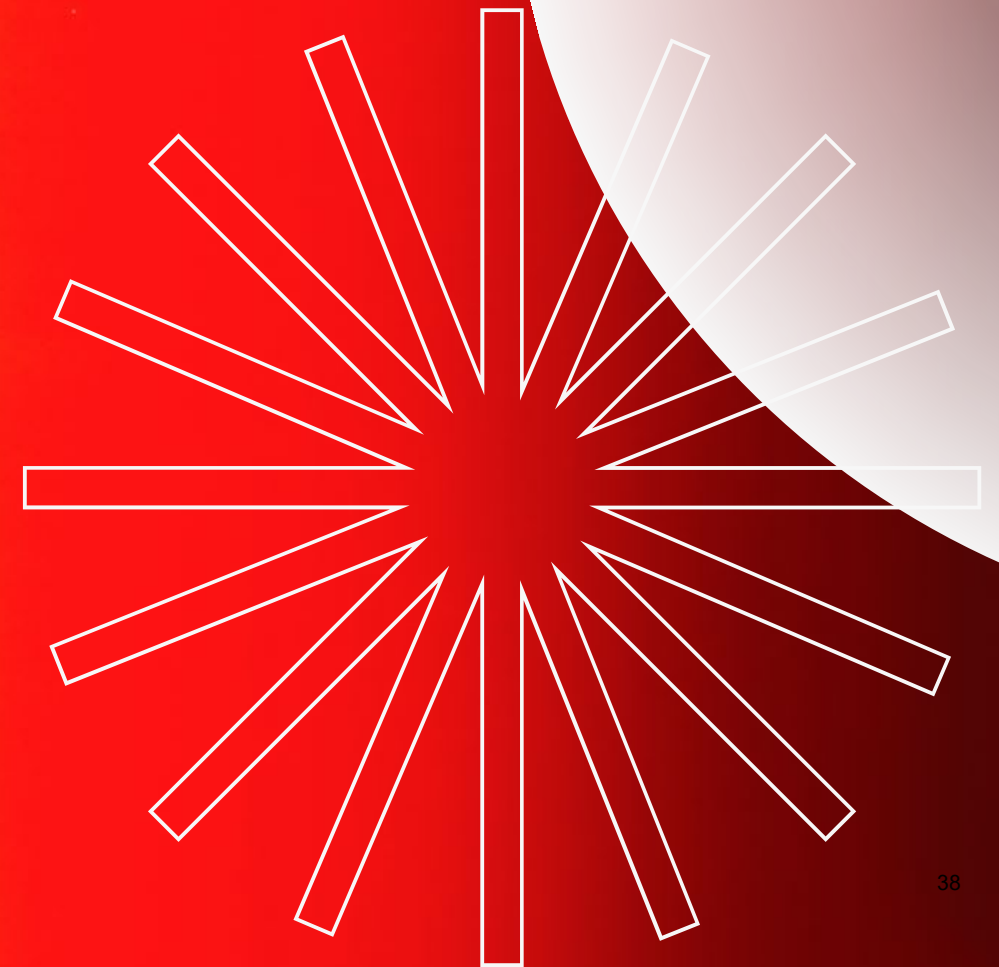
•December 2025, share information on the 1/1/26 water rate changes

•April 2026, share information on the tax levy and the Village's overall share of the levy

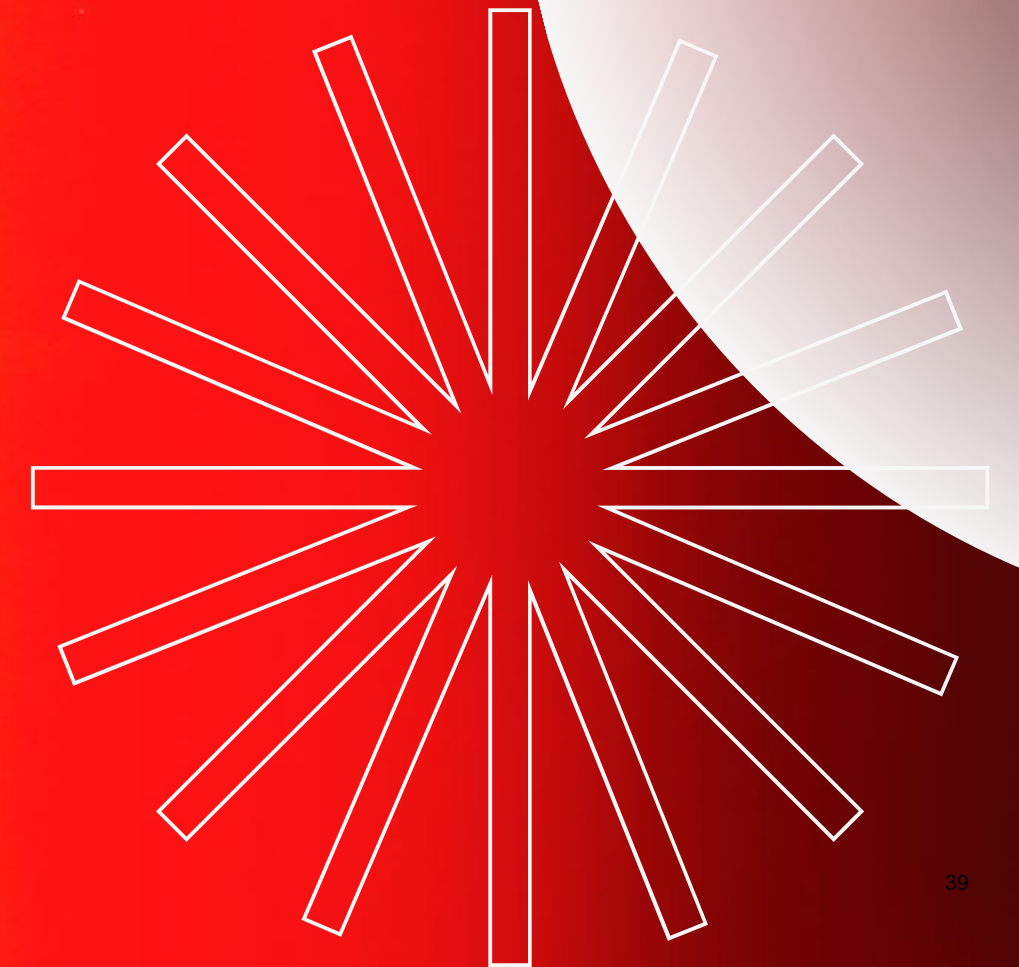


Department Head Presentations

1. Legislative & Executive
2. Police
3. Finance
4. Community Development
5. Fire
6. Public Works



Proposed 2026 Water & Sewer Operating Budget

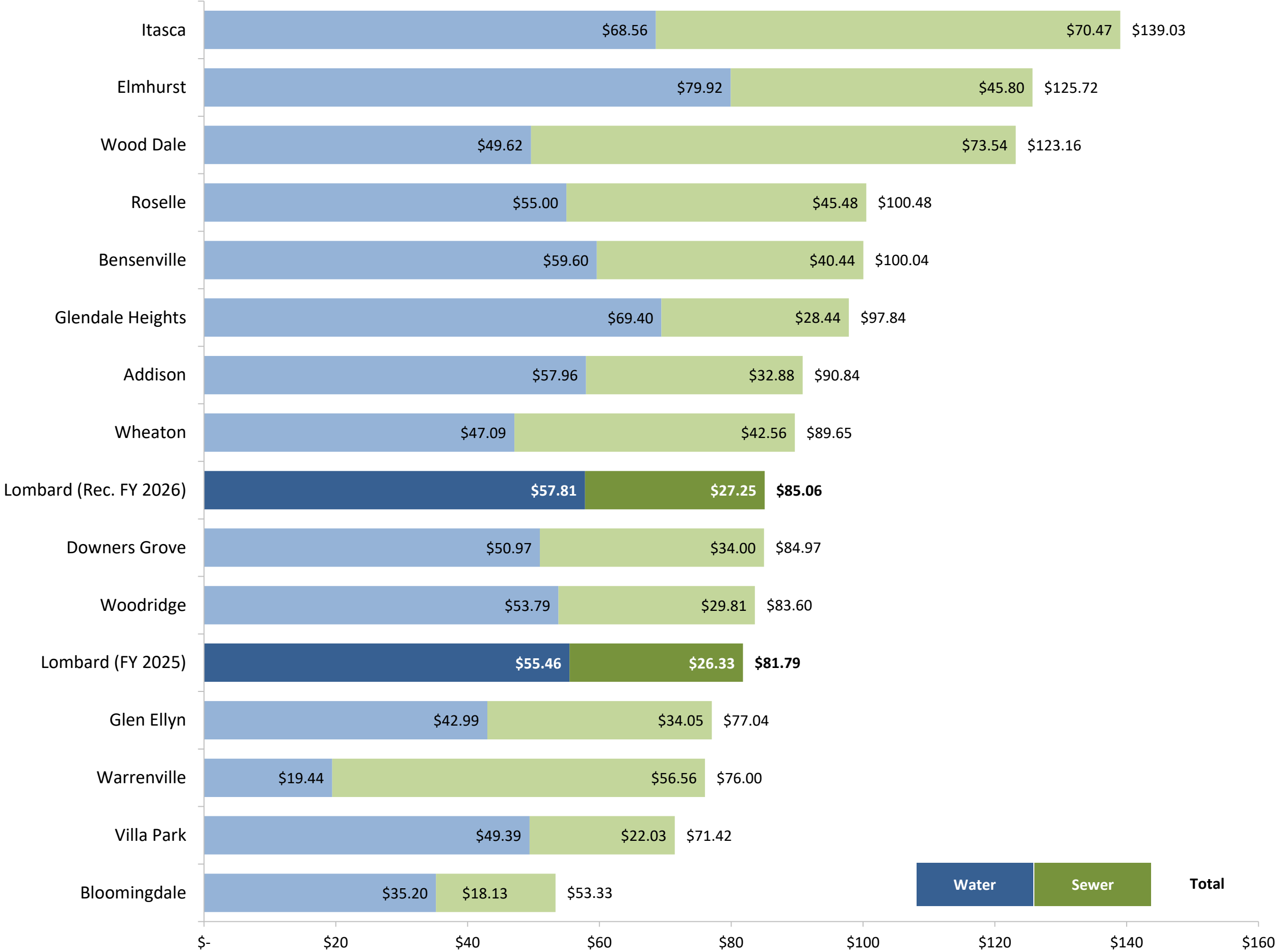


2025-2029 (5 Year) Water and Sewer Board Approved Rate Increases

Proposed Annual Water & Sewer Rate Increases	FYE 2025 YE Est	FYE 2026 Budget	FYE 2027 Projection	FYE 2028 Projection	FYE 2029 Projection
for Operations	\$0.53	\$0.55	\$0.57	\$0.59	\$0.61
for Capital	\$0.11	\$0.12	\$0.12	\$0.14	\$0.14
Amount/1000 gallons	\$0.64	\$0.67	\$0.69	\$0.73	\$0.75
Variable Rates					
Water O&M	\$9.15	\$9.47	\$9.80	\$10.14	\$10.50
Sewer O&M	\$6.58	\$6.81	\$7.05	\$7.30	\$7.55
Capital	\$1.81	\$1.93	\$2.05	\$2.19	\$2.33
Total Water & Sewer Variable Rate	\$17.54	\$18.21	\$18.90	\$19.63	\$20.38
Percentage Increase	3.79%	3.82%	3.79%	3.86%	3.82%
Fixed Rates					
Service Charge (per bill)*	\$5.23	\$5.41	\$5.60	\$5.79	\$6.00
Capital Charge (per bill)*	\$6.39	\$6.81	\$7.25	\$7.72	\$8.22
Total Water & Sewer Fixed Rate	\$11.62	\$12.22	\$12.85	\$13.51	\$14.22
Percentage Increase	5.16%	5.16%	5.16%	5.14%	5.26%
Cross Connection Charge (per bill)*	\$5.10	\$5.10	\$5.10	\$5.10	\$5.10
Percentage Increase	0.00%	0.00%	0.00%	0.00%	0.00%

- Based on results from the 2024 Water & Sewer Rate Study. Staff will continue to review annually and recommend rate adjustments as needed.
- The average Village residential customer uses 4,000 gallons of water per month. The average increase is 4.0% per year for the next 5 years.
- This increase per bill beginning January 1, 2026, is \$3.28 per bill.

AVERAGE
INSIDE
RESIDENTIAL
BILL
COMPARISON
5/8" METER
4,000 GAL/MO.

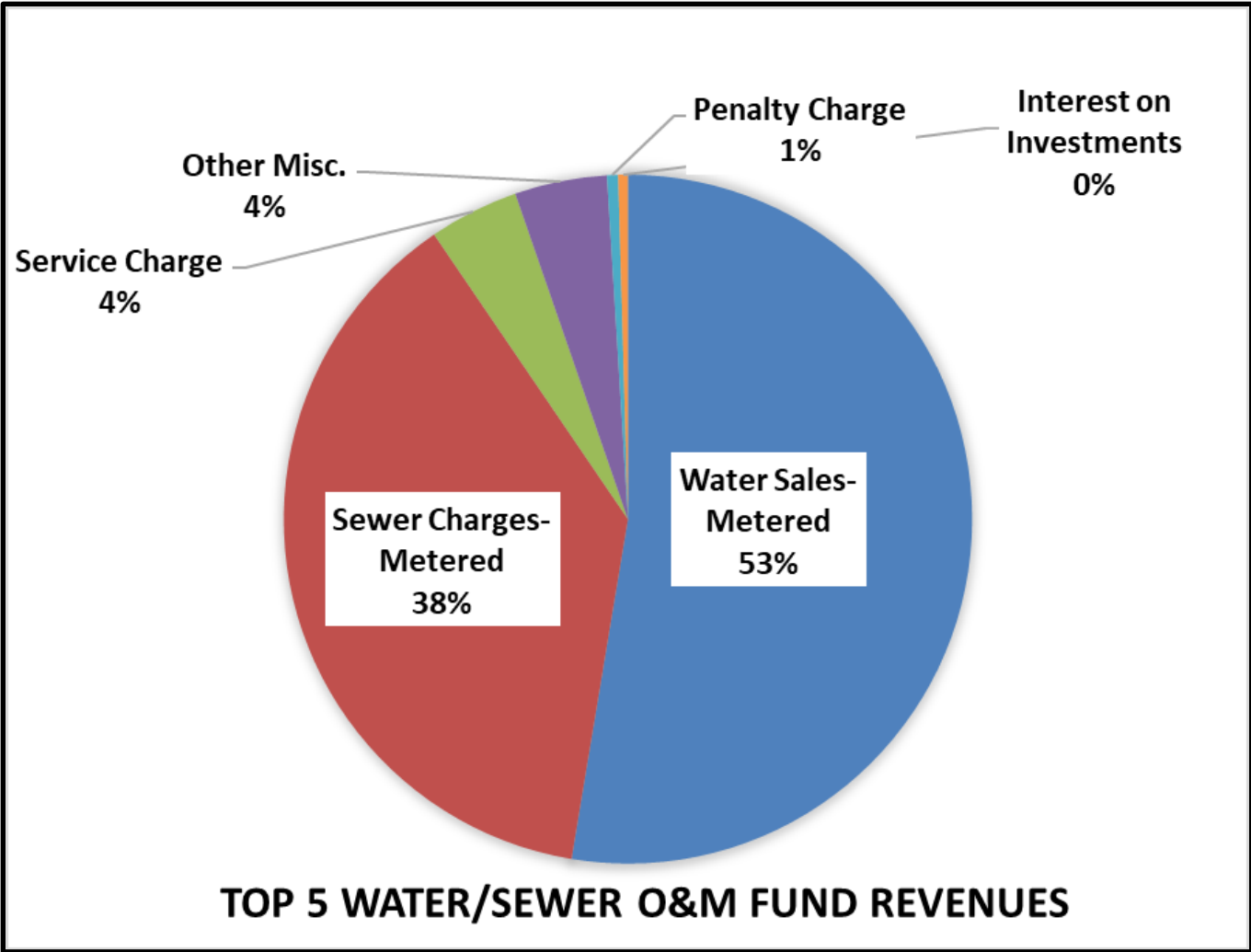


2025 W&S O&M Revenue Assumptions

Description	2024 Actual Amount	2025 Amended Budget	2025 Estimated Amount	2026 Proposed Budget	\$ Over/Under 25 Budget	% Over/Under 25 Budget	Assumptions/Comments
Water Sales-Metered	\$9,669,904	\$9,857,180	\$10,088,220	\$10,650,130	\$792,950	8.04%	Revenue for FY26 is based upon selling 1.171 bgal of water @ \$9.47/kgal. Based on the Water Rate Study a \$0.32 per 1,000 gals increase on January 1, 2026 is recommended.
Sewer Charges-Metered	\$6,657,116	\$7,063,720	\$7,258,040	\$7,662,310	\$598,590	8.47%	Revenue for FY26 is based upon billing 1.156 bgal of sewer @ \$6.81/kgal. Based on the Water Rate Study, \$0.23 per 1,000 gals increase on January 1, 2026 is recommended.
Service Charge	\$785,485	\$785,620	\$823,620	\$852,440	\$66,820	8.51%	Based on the Water Rate Study, \$0.18 per bill increase on January 1, 2026 is recommended. Therefore, the monthly service charge per bill is \$5.41.
Penalty Charge	\$106,079	\$104,700	\$104,700	\$104,700	\$0	0.00%	The FY25 budget is based on FY24 actual. Collections can vary from year to year if a few large bills are not paid on time.
Interest on Investments	\$167,808	\$92,000	\$92,000	\$92,000	\$0	0.00%	The expectation is the Fed will start cutting interest rates in the fall of 2025.
Top 5 W/S O&M Revenues	\$17,386,392	\$17,903,220	\$18,366,580	\$19,361,580	\$1,458,360	8.15%	
Total W/S O&M Revenue	\$18,114,018	\$19,532,750	\$19,558,950	\$20,239,120	\$706,370	3.62%	
Top 5 vs. Total W/S O&M Revenue	95.98%	91.66%	93.90%	95.66%	N/A	N/A	

Top 5 Water/Sewer O&M Fund Revenues

The Top 5 revenue sources make up 95.66% of the total revenues in W&S O&M Fund



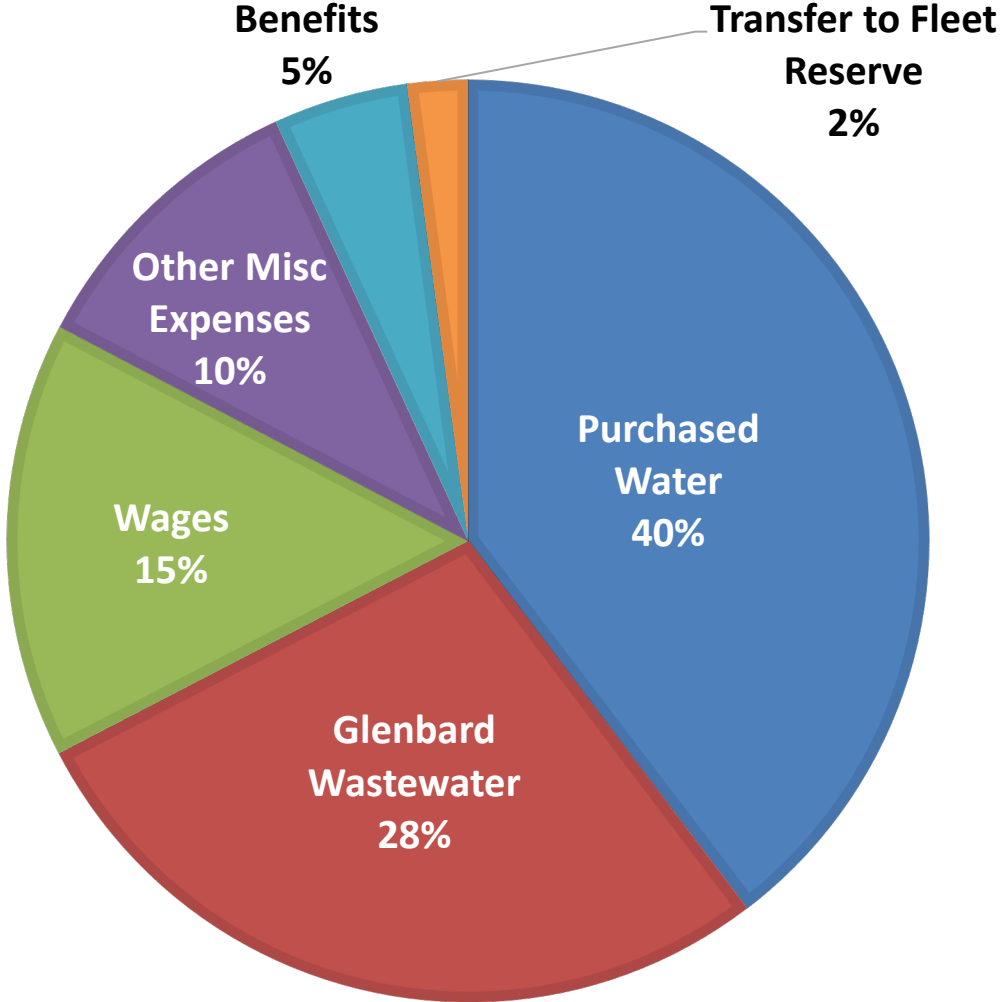
Description	2024 Actual Amount	2025 Amended Budget	2025 Estimated Amount	2026 Proposed Budget	\$ Over/Under 25 Budget	% Over/Under 25 Budget
Top 5 W/S O&M Revenues	\$17,386,392	\$17,903,220	\$18,366,580	\$19,361,580	\$1,458,360	8.15%
Total W/S O&M Revenue	\$18,114,018	\$19,532,750	\$19,558,950	\$20,239,120	\$706,370	3.62%
Top 5 vs. Total W/S O&M Revenue	95.98%	91.66%	93.90%	95.66%	N/A	N/A

2026 W&S O&M Expense Assumptions

Description	2024 Actual Amount	2025 Amended Budget	2025 Estimated Amount	2026 Proposed Budget	\$ Over/Under 25 Budget	% Over/Under 25 Budget	Assumptions/Comments
Purchased Water	\$7,260,200	\$7,488,120	\$7,580,170	\$7,933,170	\$445,050	5.94%	Based on FY24 Actual expense. DWC increased their rate \$0.22 (4.0%) in May 2025. We anticipate a 5% increase in May 2026 and account for addional consumption.
Glenbard Wastewater	\$5,745,132	\$5,350,000	\$5,335,480	\$5,548,900	\$198,900	3.72%	Increase is based on FY24 Actual Expense, projected flow estimates, and the 2026 GWA Budget.
Wages	\$2,928,312	\$2,957,480	\$2,916,980	\$3,062,800	\$105,320	3.56%	Wages include salaries and estimated increases. Increases will be in accordance with the AFSCME contract.
Benefits	\$852,120	\$827,190	\$872,990	\$947,460	\$120,270	14.54%	The IMRF rate increased from 6.94% in 2025 to 7.64% in 2026.
Transfer to Fleet Reserve	\$424,890	\$396,010	\$396,010	\$423,370	\$27,360	6.91%	Projection is based on anticipated vehicle purchases.

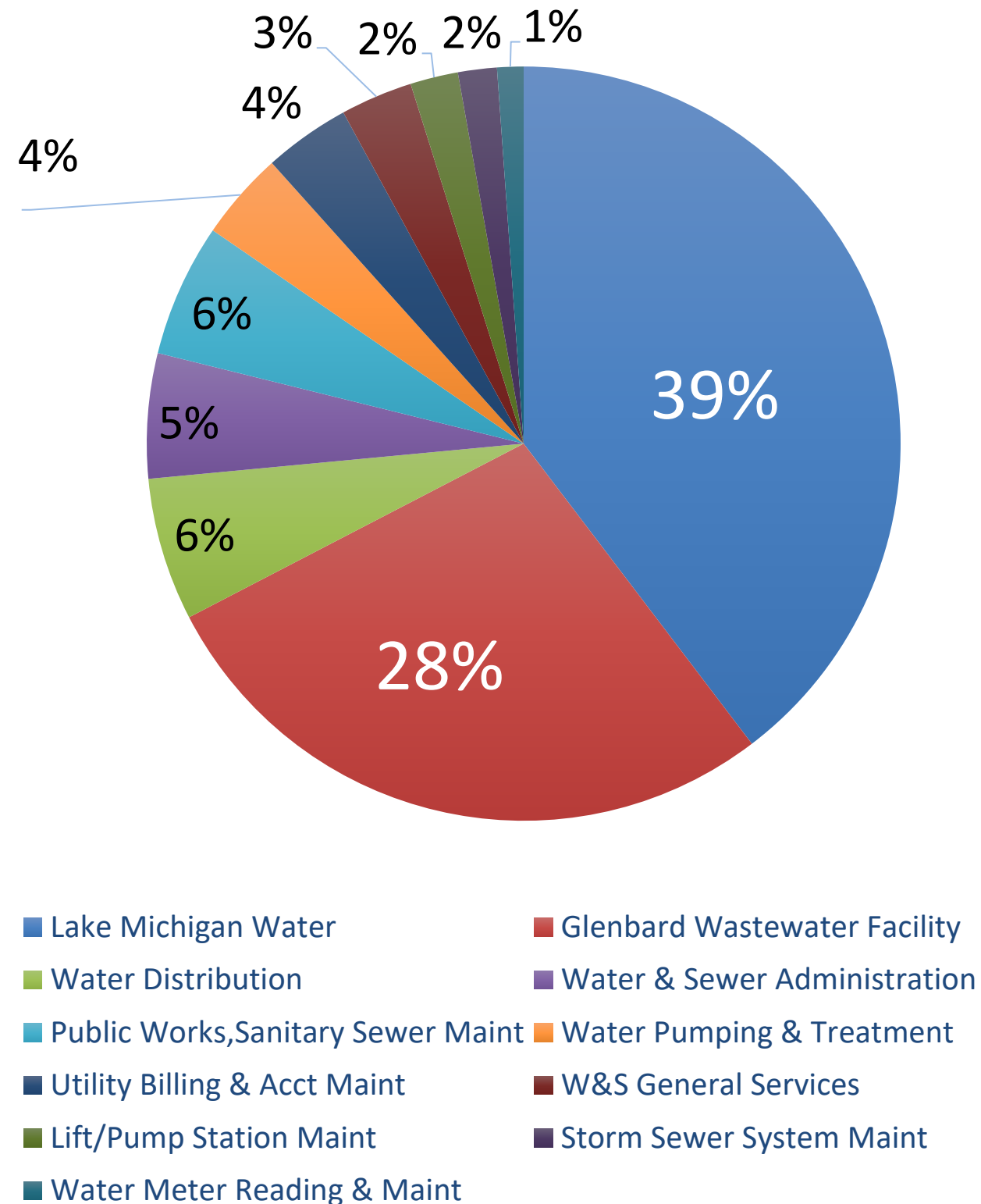
Top 5 Water/Sewer O&M Fund Expenses

The Top 5 expenses make up 89.54% of the total expenses in W&S O&M Fund



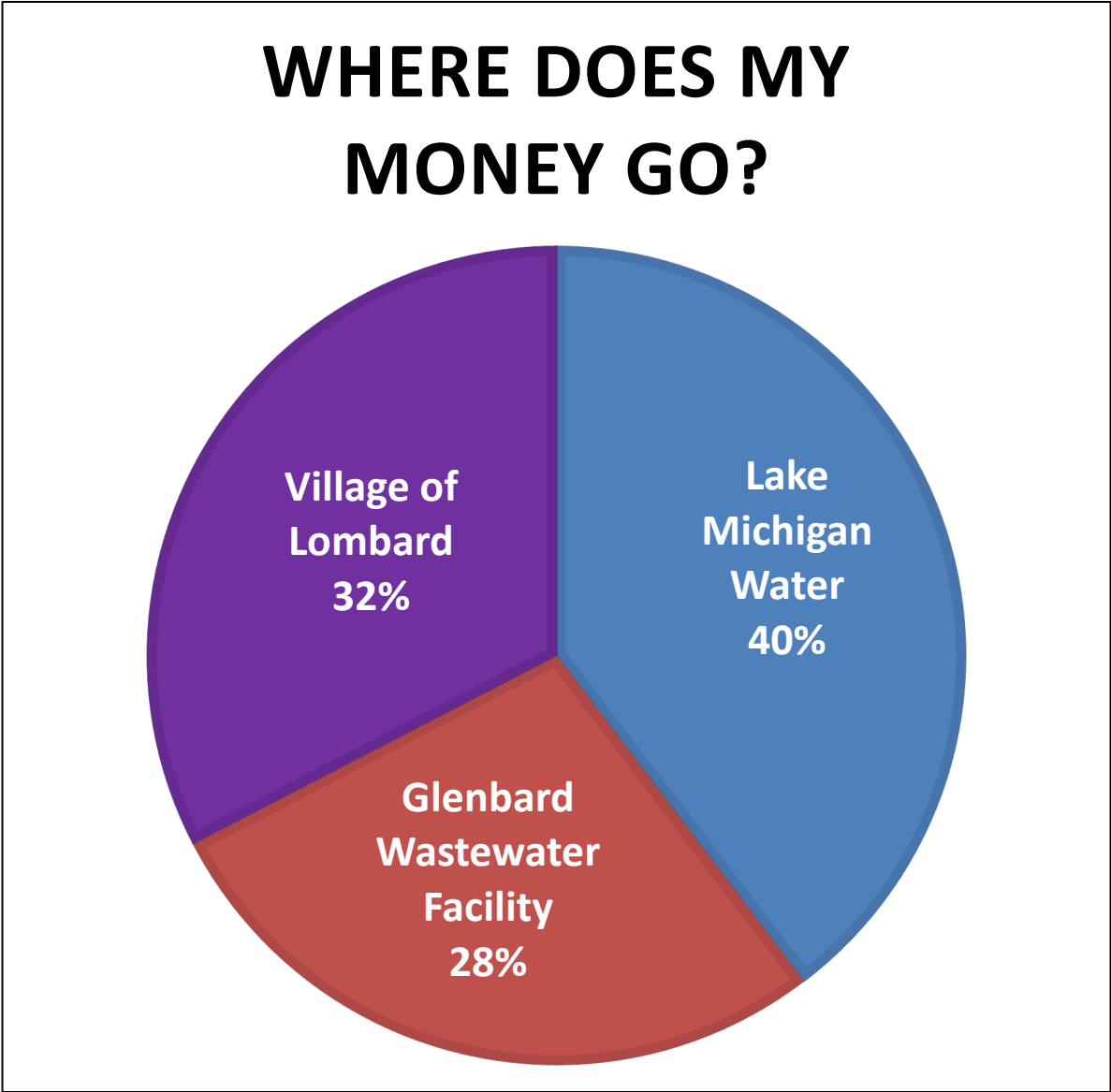
Description	2024 Actual Amount	2025 Amended Budget	2025 Estimated Amount	2026 Proposed Budget	\$ Over/Under 25 Budget	% Over/Under 25 Budget
Top 5 Expenses	\$17,210,653	\$17,018,800	\$17,101,630	\$17,915,700	\$896,900	5.27%
Total W&S Maint Fund	\$19,216,733	\$19,063,010	\$19,291,065	\$20,008,195	\$945,185	4.96%
Top 5 vs. Total W/S O&M Exp	89.56%	89.28%	88.65%	89.54%	N/A	N/A

Water/Sewer O&M Fund Proposed 2026 Budget by Cost Center



67% of the FY 2026 proposed expenses in the W&S Fund are payments to DuPage Water Commission and Glenbard Wastewater Facility for the purchase and delivery of Chicago water and the processing of wastewater.

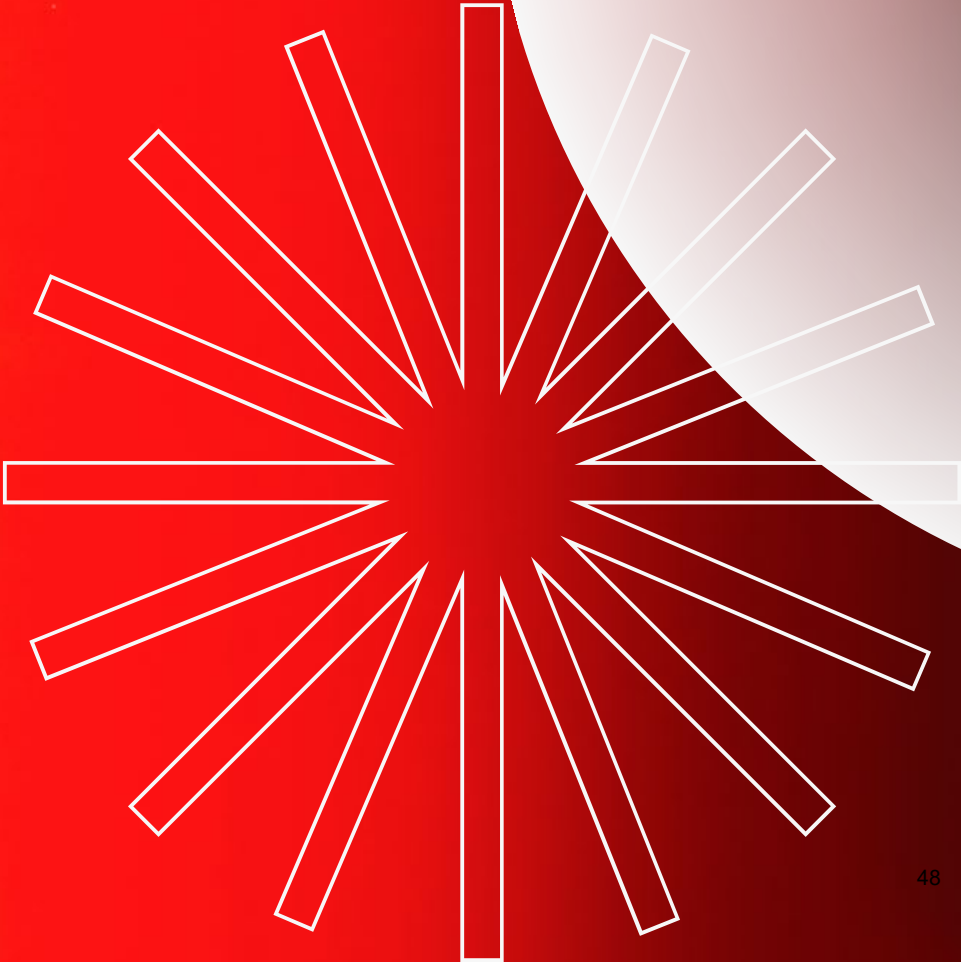
2026 W&S Revenue Allocation per 1,000/gals



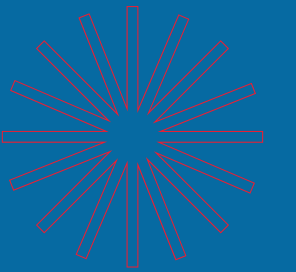
Distribution of the Water & Sewer Revenue	
\$18.21/per 1,000 gals	
Lake Michigan Water	\$ 7.22
Glenbard Wastewater Facility	\$ 5.05
Village of Lombard	\$ 5.94
Total	\$ 18.21

- The FY 2026 Water & Sewer Variable Rate is \$18.21 per 1,000 gallons
- The Village of Lombard would receive \$5.94 per 1,000 gallons for operating and maintenance activities and capital improvements
- Note: This does not include the monthly fixed capital fee and service charge per bill.

Capital Improvement Plan



STAY CONNECTED WITH US!



WEBSITE

<https://www.villageoflombard.org/Budget>

EMAIL: ASSISTANT FINANCE DIRECTOR JAMIE CUNNINGHAM

cunninghamj@villageoflombard.org