



Agenda Item Summary

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Submitted By

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Agenda Item Title

Village Board Review of the Recommended FY20 Budget

Overview

Annually the Village Board begins the budget preparation process in the summer for the following fiscal year. This work began with the Village Board's official receipt, review and acceptance of the Comprehensive Annual Financial Report (CAFR) for the year ending December 31, 2018 on June 17, 2019. The Village Board then held a Special Meeting on July 29, 2019 to review the Police and Fire Pensions and on August 26, 2019, the Village Board additionally held a special meeting to hear from Village Departments regarding their anticipated priorities for FY20. The Finance Committee of the Village Board held three (3) meetings in October to review the recommended FY20 budget and the five year Capital Improvement Plan (CIP). A public hearing for Truth in Taxation was held on November 4, 2019 and the Public Hearing on the recommended FY20 budget is scheduled for November 18, 2019.

This meeting is the first meeting of the full Village Board, after the Finance Committee's review, to review the recommended budget for FY20. Staff will review the recommended budget in the following order:

- 1) General Fund
- 2) Special Revenue Funds
- 3) Capital Improvement Funds
- 4) Enterprise Funds
- 5) Internal Service Funds
- 6) Fiduciary Funds

Review Anticipated Future Budget Meetings & Meeting Calendar

Additional meetings are set-aside on the Board's calendar in November and December, if required, to review and discuss the FY20 budget recommendations. An updated recommended FY20 budget document will be issued by staff for the November 18, 2019 Public Hearing on the budget as part of the Regular Village Board meeting to incorporate updated information as reported during Finance Committee meetings. In addition,

the document will contain two years (FY20 and FY21) revenues and expenditures.

It is anticipated that the FY20 Budget will be presented for adoption on Monday, December 2, 2019.

Report

Chapter 2 of the Municipal Code establishes the foundation for the Municipal Budget and provides:

- The Village fiscal year is January 1 - December 31 annually.
- The Board of Trustees must adopt the annual budget prior to the start of the Fiscal Year and passage of the annual budget shall be in lieu of passage of the appropriation ordinance.
- On or before the Village Board of Trustees' first regular meeting in November of each year, the Village Manager shall submit to the Board of Trustees an annual Municipal budget which contains estimates of revenues together with recommended expenditures in conformity with good fiscal management practice.

To date the Village Board has held a series of meetings specifically related to Village finance's and preparations for the FY18 budget recommendations, including:

- June 10, 2019 and June 17, 2019 as part of a Special and then a Regular meeting of the Village Board, the Annual Village Audit and Comprehensive Annual Financial Report (CAFR) was presented and accepted for the year ending December 31, 2018.
- July 29, 2019, the Village Board held a Special Meeting on July 29, 2019 to review the Police and Fire Pension Funds
- August 26, 2019, the Village Board reviewed priorities from all of the Village Departments.
- In addition there were three (3) Finance Committees on October 14, 2019, October 24, 2019 and October 28, 2019 to review the 2020-2024 Capital Improvement Plan (CIP) was reviewed.
- On November 4, 2019, as part of the Regular Village Board meeting a Public Hearing was held regarding Truth in Taxation for the Recommended FY20 budget. First Readings were also held regarding fee ordinances proposed for FY20.
- On November 18, 2019, a Public Hearing on the Recommended FY20 budget is scheduled.

On November 14, 2019 and November 25, 2019, additional Special Meetings of the Village Board are tentatively scheduled for additional budget review if needed. Additional meetings in December can also be scheduled if necessary.

The FY20 Budget is proposed to be adopted Monday, December 2, 2019 at 7:30 p.m. as part of the Village Board Regular meeting.