

Village of Glenview

Illinois

A review of THE 1983 MUNICIPAL BUDGET

February, 1983

All year long (and especially when April 15 rolls around) you are keenly aware of your personal finances. We thought you'd also like to know how the Village of Glenview manages your public finances.

Dennis Lauer, Glenview's Finance Director, and Mark Morien, Village Hall Administrative Intern, have prepared the following information explaining the 1983 village budget.

In December of 1982, the Glenview Village President and Board of Trustees adopted the village budget for Fiscal Year 1983. (The village Fiscal Year has recently been changed to coincide with the calendar year.)

The annual budget contains a financial description of the village, and an account of the programs and services to be provided for Glenview residents.

The 1983 budget totals \$16.8 million, a 6% increase over the total for 1982 — the **smallest annual increase in the last five years**. No increase in the 1983 Property Tax levy is anticipated.

Graph I shows constant dollars (i.e., dollars adjusted for the Chicago area Consumer Price Index). The 1983 budget, as adopted, is virtually identical, in constant dollars, to the 1979 budget. Based upon the CPI (Consumer Price Index), it would take \$16,843,000 in 1983 to purchase the same amount of goods and services purchased for \$11,878,000 in 1979.

Q: How does the village create an annual budget?

A: The budget process begins in August, when the operating departments of the village (Police, Fire,

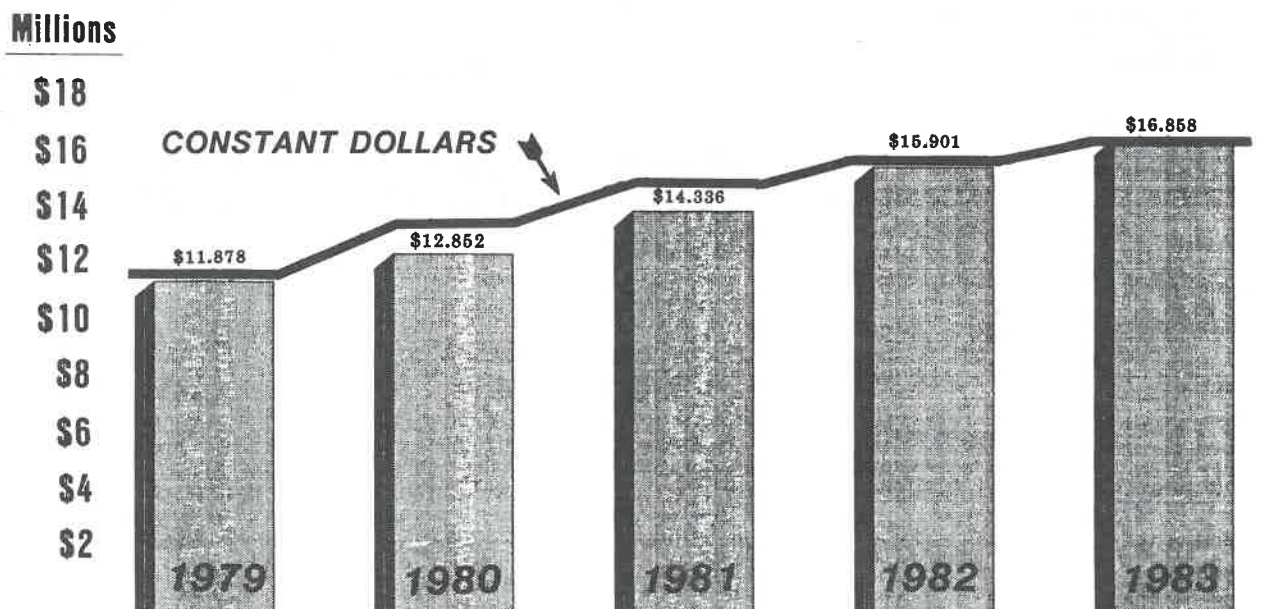
Administration, Development and Public Services) prepare individual budget requests and submit them to the Village Manager.

At the same time, the Finance Director prepares an estimate of the revenues available during the fiscal year ahead.

The Village Manager and the department heads, in a cooperative and collective effort, then review the budget proposals together, making whatever changes are necessary to ensure that the total budget proposal is compatible with available village income.

A proposed budget is then submitted to the Village Board for consideration. The final budget is adopted by the board in December of each year.

Graph I
TOTAL BUDGETS, 1979 - 1983



Q: How much of your Property Tax dollar goes to support the Village of Glenview?

A: Less than 12 cents. Bear in mind that the village is only one of the taxing bodies shown on your Property Tax bill. Sharp increases or decreases in the municipal budget are not necessarily mirrored in a tax bill, due to the needs of the other taxing bodies in Glenview.

See Graph II, which shows how the 1981 Property Tax bill was divided. (The example used for the graph happens to be for a property in Niles Township, but the ratios are similar in the other townships in which Glenview lies -- Maine, Northfield and New Trier.)

Q: Where does the Village of Glenview get its income?

A: From many sources, the largest of which is sale of water (see Graph III). Revenue from water sales, however, merely pays the debts and operating expenses of the water system, and has no direct effect upon other village programs and services. Nevertheless, the law requires that water revenue be included in the annual budget.

The next largest sources of village revenue -- that is, revenue that can be used to support village services other than the water system -- are **the Property Tax, the Motor Fuel Tax, the Sales Tax, and the Utility Tax.**

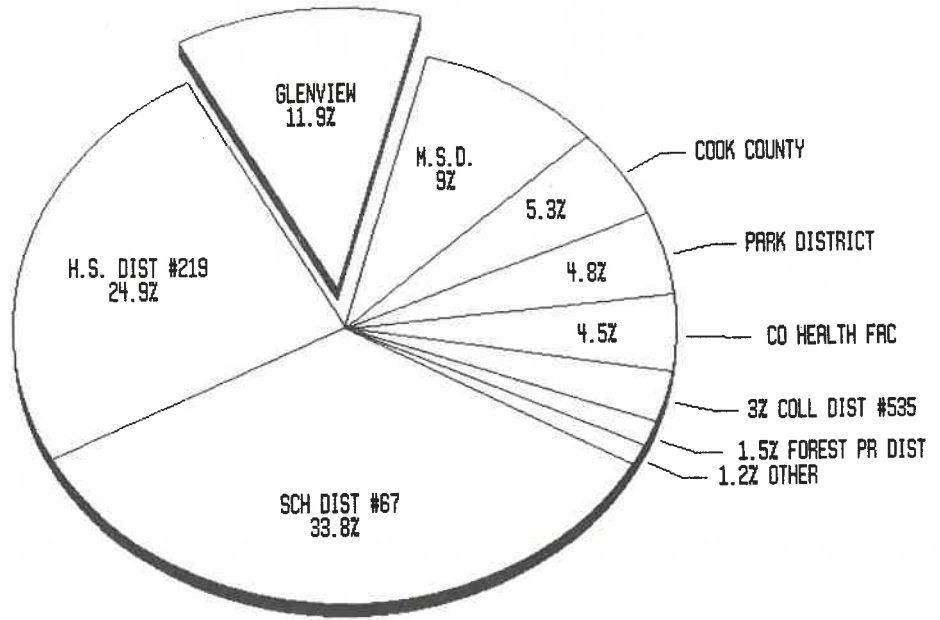
As shown in Graph III, the Property Tax (only 12 cents of your Property Tax dollar, remember) represents 18% of the total village income for 1983.

Motor Fuel Tax revenue, collected when fuel is sold, is delivered to the state, which in turn distributes the money to Illinois municipalities under a formula based upon population, road network and tax effort. **Motor Fuel Tax money may be used only for road construction and maintenance.**

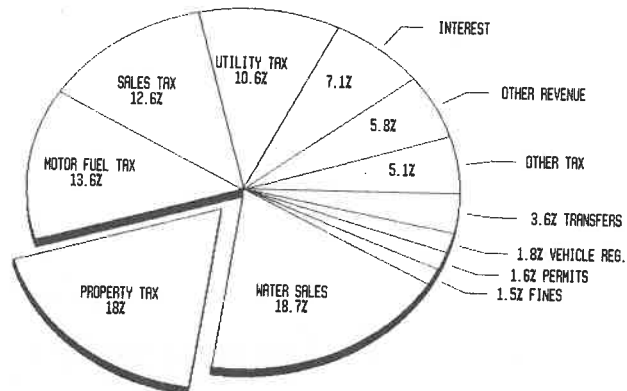
The Sales Tax, collected by merchants and forwarded to the state, is returned to the municipality in which the purchases were made. The Sales Tax represents 12.6% of total village income for 1983. For a five-year comparison of sales-tax collections see Graph IV.

The Sales Tax, though it represents only 12.6% of total village income for 1983 (see Graph III), provides nearly one-third of the village Corporate Fund revenue. The Utility Tax (5% of utility services used by residents) provides 25% of the Corporate Fund revenue. Graph III also shows smaller sources of revenue.

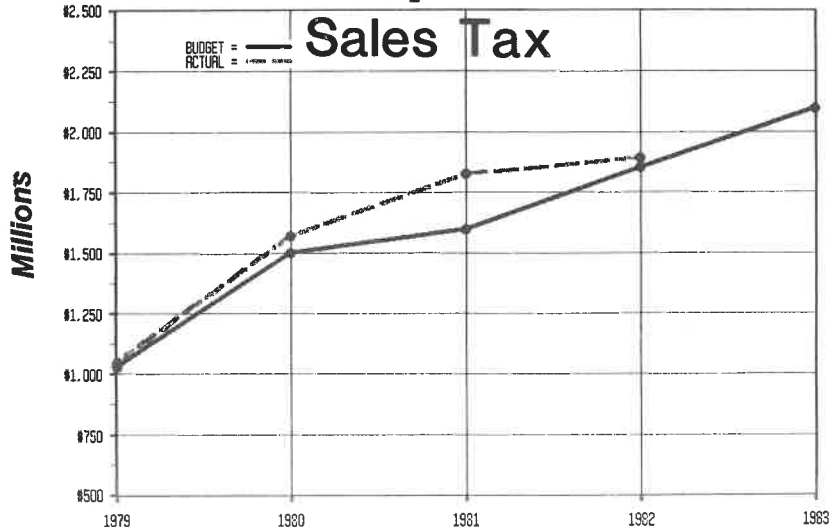
Graph II
1981 Property Tax bill
(for real estate in central Glenview)



Graph III
Total 1983 Village revenue



Graph IV



Q: Where does the money go?

A: For accounting purposes, the village utilizes 20 different funds, each earmarked for particular expenditures. The four largest are the **Corporate Fund, the Capital Projects Fund, the Motor Fuel Tax Fund, and the Water Fund.** (The 16 other funds are much smaller.)

The largest single use of Property Tax funds for 1983 (just over one-third) will go for pensions and Social Security, as required by Illinois law. Other uses: General Services (public safety and public works), 31%; the Glenview Public Library, 24%; and Debt Retirement, 9%.

The Corporate Fund pays for police and fire protection, building inspection, health, engineering, outdoor maintenance, and Administration. The pulled-out pieces of **Graph V** show expenses to be paid from the Corporate Fund, further detailed in **Graph VI**.

Graph V shows that water is the largest single village expense (21% of the total budget), but the water system, as already explained, operates on a break-even basis and is accounted for separately. It appears in the budget only for legal and informational purposes.

Capital Projects (long-term village improvements) may, depending upon their purposes, be paid from one of the following: the Motor Fuel Tax Fund, the Water Fund, the Capital Projects Fund, or the Corporate Fund.

This year the Corporate Fund will pay for a storm-water management study, improvements in the Waukegan Road storm sewer, and a transfer for partial funding of the Public Works Service Center project. These expenses are shown as Public Works in **Graph VI**.

Continuing expenses for Administration shown in Graph VI include grants to Youth Services of Glenview (\$9,000) and the Glenview Area Safety Council (\$2,280).

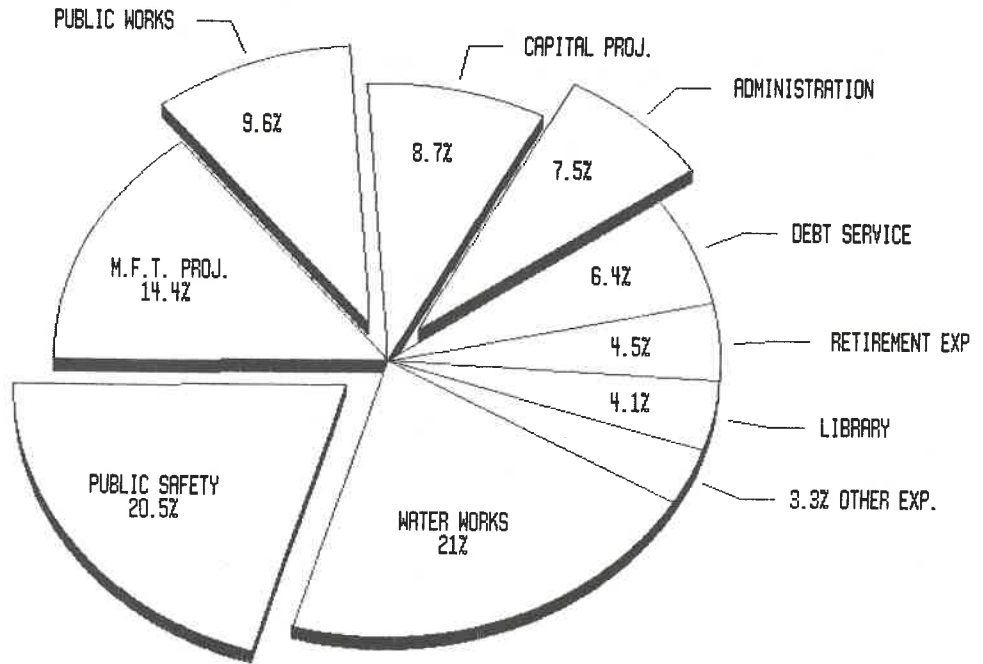
New Administration expenditures authorized by the Village Board include the Fourth of July Commission (\$2,750), the Senior Citizen Housing Subsidy (\$15,000 for a one-year pilot program), and safety vests for police officers (a one-time expenditure of \$12,000). Glenview's 1983 Federal Revenue Funds will be used for partial funding of the Public Works Service Center project.

The Motor Fuel Tax Fund (14.4% of the 1983 budget) will pay for some projects already in progress and some new ones, including partial funding for **Glenview Road improvements** between Waukegan Road and Milwaukee Avenue (\$530,000), and partial funding for **Chestnut Road improvements** between Waukegan Road and Lehigh Avenue, including the railroad crossing and traffic signals on Lehigh (\$300,000).

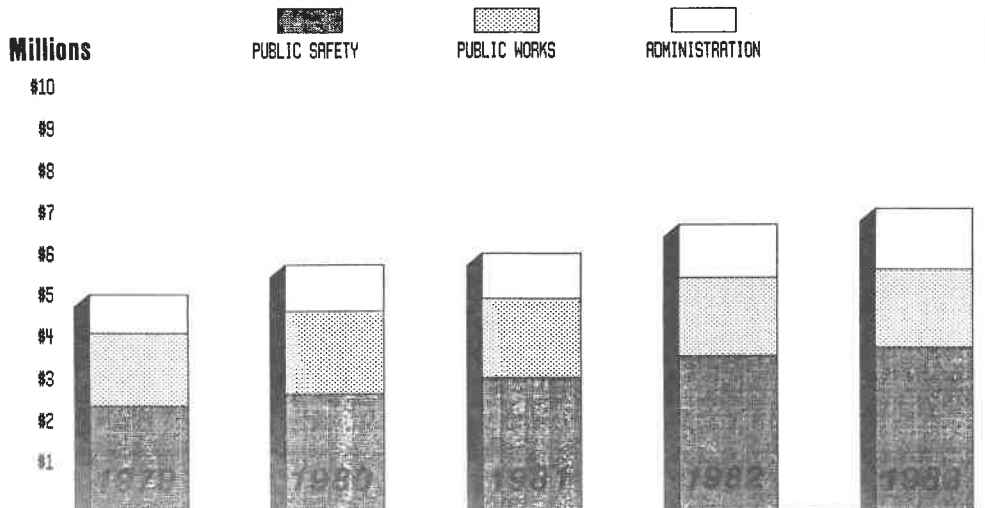
NOTE: While the total cost of the improvements to Glenview and Chestnut Roads must be budgeted, the village will eventually be reimbursed by the state and federal governments for 85% of the total cost of each project.

See the table on the following page, showing the other road improvements to be paid from the Motor Fuel Tax Fund in 1983.

Graph V
Total 1983 Village expenditures



Graph VI
Corporate Fund budgets, 1979 - 1983



A Capital Equipment Replacement Fund was created in 1979 to amortize costs of replacing certain pieces of village equipment, keeping expenses at a constant level. Nineteen pieces of equipment will be replaced in 1983 will be covered by this fund without incurring new debt.

The 1983 budget includes an across-the-board salary increase of 5.25% for the 180 full-time village employees, the lowest in more than seven years, reflecting a moderation of inflation indices for 1982.

The 1983 budget allotment for the Glenview Public Library (included in the village tax levy) is \$792,525, and includes funds for salaries of library employees and for purchase of books and other materials. (Library Board Directors approve both the library budget and the library tax levy.)

The Regional Emergency Dispatch (RED) Center, which receives Glenview's emergency calls and dispatches fire and medical-emergency services, is jointly supported by Glenview, Morton Grove, Niles, and the Fire Protection Districts of Glenbrook, North Maine and Prospect Heights. The RED Center provides superior service to its participants on a shared-cost basis, reducing their communication expenses.

Glenview's share of the total RED budget for 1983 (\$301,946) is only \$60,387 — an estimated \$90,000 less than it would cost to maintain a service for Glenview alone.

MAJOR RESURFACING PROJECTS FOR 1983

(to be paid from the Motor Fuel Tax Fund)

Shermer Road improvements from East Lake Avenue northward	\$200,000
Prairie Street improvements between Elm Street and Roosevelt Avenue	\$150,000
Heatherfield Lane improvements between Hunter Road and Arbor Lane, and Hunter Road improvements between Wilmette Avenue and Ferndale Road	\$321,000
Larkdale Drive improvements from Harlem Avenue to west of Lincoln Street	\$250,000
Club Circle improvements and a storm sewer on Glenview Road between Club Circle and Waukegan Road	\$352,000*

*The village will be reimbursed by the state for the storm-sewer portion.

SMALLER RESURFACING PROJECTS SCHEDULED FOR 1983

(to be paid from the Motor Fuel Tax Fund at a cost of about \$150,000)

Covert Road between Washington Street and Michael Manor
Norwood Terrace from Washington Street to the west end
Bel-Air Drive from Harrison Street to the south cul-de-sac
Woodlawn Road from Waukegan Road to Highland Terrace
Tanglewood Drive from Chestnut Avenue to the cul-de-sac
Glenway Drive from Landwehr to the east end
Leanne Court from Glenway Drive to the south end
Fredric Court from Glenway Drive to the south end
Monroe Street from Chestnut Avenue to the north end
Rogers Avenue from Monroe Street to the end
Jefferson Avenue from Waukegan Road to the west end

PAVEMENT, CURB AND GUTTER RECONSTRUCTION FOR 1983

(to be paid from the Motor Fuel Tax Fund)

Lizette Lane from Pfingsten Road to the west end	\$60,000
Harrison Street between Washington Street and Sheryl Lane	\$75,000
Chester Drive between Landwehr Road and Miller Drive	\$100,000

Extra copies of this budget review are available at the Glenview Village Hall.