

**BUDGET FOOTNOTES  
GENERAL FUND REVENUES**

1. **Property Tax: (\$2,888,000)** - In accordance with statutory requirements, each November, the Village Board considers and approves a property tax levy ordinance which directs DuPage County to collect a specified number of dollars from property owners in Glen Ellyn based on the value of their property as determined by the township assessor. Property taxes for 2010 will be collected in calendar 2011 (the Village's fiscal year 2011/12).

Property taxes are calculated annually based on our stated objective of self-imposing the State tax cap rules. For the 2010 levy, a growth factor of 2.7% was permitted, representing the change in the Consumer Price Index (CPI). A 1.5% new growth estimate was added to the levy to account for new building activity and property annexations.

2. **SSA 13 - 17 Tax: (\$184,000)** These Special Service Areas or SSAs are special property tax districts covering all commercially-zoned areas in Glen Ellyn and include the Roosevelt Road Corridor, the Downtown Central Business District, and Five Corners. A separate levy of 12.5¢ per \$100 of assessed value (the Village may charge up to 15¢ per \$100 assessed value per the ordinances establishing the SSAs) is extended on each commercially-zoned property located within the boundaries of the Special Service Areas for the purpose of providing funding for economic development activities and programs in the Village. These commercial SSAs were reestablished in 2009 following a public notice and hearing process as required by State statutes.

This revenue was previously budgeted in the Special Programs Fund and was transferred to the Economic Development Corporation. These funds will continue to be used for Economic Development purposes within the General Fund.

3. **SSA 18 & 19 Tax: (\$197,000)** In 2009, the Village, with the consent of DuPage County, established two special service areas (SSA) in unincorporated areas north and south of the Village limits which are served by the Glen Ellyn Volunteer Fire Company. These SSAs were established to ensure that residents in the unincorporated areas served by the Fire Company paid a proportionate share of total fire and related emergency services costs.

The annual tax levy for these SSAs are based on the proportionate equalized assessed value (EAV) of properties located within the SSAs relative to the total EAV served by the Fire Company, multiplied by the actual fire services costs for the previously completed fiscal year. Proceeds of this SSA tax are will be used to

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fund future apparatus purchases for the Fire Company. There are approximately 1,400 properties situated within SSA 18. Approximately 800 properties are located within the boundaries of SSA 19.

4. **State Personal Property Replacement Tax: (\$125,000)** - These taxes resulted when the new Illinois Constitution directed the legislature to abolish business personal property taxes and replace the revenue lost by local government units and school districts. In 1979, a law was enacted to provide for statewide taxes to replace the monies lost to local governments. Glen Ellyn receives a pro-rata share of current "replacement" tax revenues collected based on its share of personal property taxes collected for the 1977 tax year.

We are further required to share 18.9% of our receipts received with the Glen Ellyn Library based on the original 1977 distribution formula. Beginning in FY08/09, our payments to the Library were netted against gross revenues received as the Village has no legal claim to this portion of PPRT receipts. Previously, gross revenues were recorded, and an expense representing the Library's allocation was shown in the General Services budget.

Estimated receipts for FY10/11 are anticipated to be flat compared to FY09/10, which is better than anticipated. For FY11/12, the Illinois Municipal League is projecting a 4.8% increase for this revenue source compared to our estimate for FY10/11.

5. **Sales Tax:**

**(FY010/11 Estimate \$3,130,000)** - The Village's receipt of sales tax has increased by approximately 5.0% compared to the previous year for the first nine months of FY10/11. Assuming this continues for the remainder of FY08/09, our year-end total receipts on April 30, 2010 will be about \$130,000 above our original budget projection of \$3,000,000.

**(FY11/12 Budget \$3,190,000)** - For FY11/12, we are assuming a 2% increase in sales tax collections over our 2010/11 budget.

6. **Home Rule Sales Tax:**

On July 1, 2009, the Village implemented an additional 1% home rule sales tax to compensate for wide-spread revenue losses stemming from significant downturns in the national and local economy as well as to prepare for future

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funding problems looming on the horizon, primarily relating to mandatory pension contributions.

In addition to the ordinance adopting the home rule sales tax, on March 30, 2009, the Village Board adopted ***Ordinance No. 5741, An Ordinance Providing for an Annual Review and Specific Uses of Home Rule Retailers' Occupation Tax and Service Occupation Tax***. Among the provisions in this ordinance included a statement identifying the principal uses of funds raised from the sales tax as follows:

*(D) Use of Funds: Revenues generated from the home rule municipal retailers' occupation tax and home rule service occupation tax are intended to maintain funding requirements of Glen Ellyn's police pension fund and Illinois municipal retirement fund obligations as mandated by the State of Illinois; to maintain adequate cash reserves as determined by adopted financial policies; and to provide a dedicated funding source for downtown revitalization efforts through the designation of up to fifteen percent (15% ) of the revenues to fund improvements to the central business district.*

**(FY10/11 Estimate \$1,690,000)** - Revenues generated for the first full year are estimated to be slightly below budget.

**(FY11/12 Budget \$1,720,000)** - Our FY11/12 projection is based upon the ratio of the home rule sales tax to the general sales tax for the past 12 months, or about 54%.

7. **State Income Tax:**

**(FY10/11 Estimate \$2,100,000)** Collections of State income taxes began a precipitous decline late in FY08/09 and continued thru all of FY09/10. Collections recovered mid FY10/11 and we will likely conclude the fiscal year very near our budgeted amount.

**(FY11/12 Budget \$2,160,000)** State income taxes are distributed to municipalities on a per capita basis from the State of Illinois. For FY11/12 the Illinois Municipal League is estimating \$80 per capita which would result in about \$2,160,000 for Glen Ellyn, a 2.9% increase over FY10/11. This amount would still be well below the peak of \$2.5 million in FY08/09.

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8. **Demolition Tax: (\$11,000)** A tax of \$550 is payable to the Village for the demolition of residential or commercial property (in addition to the demolition permit fee). This tax was initiated in 1999 to help ensure some annual Village financial assistance to the Glen Ellyn Historical Society, which keeps the Village-owned Stacy Tavern Museum open to the public. This tax was previously allocated within the Special Programs Fund.
9. **Hotel/Motel Tax: (\$105,000)** A tax of 5% on room charges is assessed on hotels/motels operating within Glen Ellyn. This tax was previously allocated within the Special Programs Fund.
10. **Vehicle Licenses: (\$380,000)** Beginning in March, 2005, a new 3-year vehicle sticker was offered as an additional convenience to residents. About 20%-25% of residents have opted to purchase a multi-year vehicle sticker since the program began. Due to the various renewal cycles for multi-year sticker holders, annual revenues fluctuate accordingly.
11. **Liquor Licenses: (\$115,000)** These fees reimburse the Village for costs associated with regulating the sale of alcohol including all aspects of licensing, insurance, background checks and Police compliance reviews.
12. **Building Permits: (\$550,000)** After several years of declines during the economic downturn, the Village is experiencing a rebound in building permits.
13. **Federal and State Grant Revenue: (\$43,000)** The Village will receive two grants that were previously been allocated to the Special Programs Fund.

As a part of its participation in the Ride DuPage regional transportation program, the Village will receive a 50% RTA grant on the Ride to Work portion of the overall program. This will be paid through the City of Naperville as the administrative agency for the grant. Beginning in FY11/12, the gross transportation charges will be recorded in the Senior Services portion of the General Fund expenditure budget (projected at \$65,000) and will be offset by projected reimbursements of \$25,000 for a projected net program cost of \$40,000.

Since the Village has been named a "Certified Local Government" by the National Park Service, our Historic Preservation Commission has been working with the Illinois Historic Preservation Agency to apply for grant assistance in completing a community-wide historic structures survey. Budgeted revenue for FY11/12

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includes a 70% federal share of the approximate cost of \$20,000 of completing the next phase of the survey.

14. **Ambulance Service Fees: (\$675,000)** The Village expanded its paramedic services in 2009/10 by adding an additional 12 hour shift, resulting in two 24 hour per day units. Under the new vendor contract, the Village assumed responsibility for billing services provided by its contract paramedics. Previously, the service provider handled the billing and collection of accounts and charged the Village service fees net of collections. Our collections are currently running about 10% below budget for FY11/12.

15. **Police Service Reimbursements: (\$120,000)**

	<b>FY10/11</b>	<b>FY11/12</b>
	<b><u>Estimated</u></b>	<b><u>Proposed</u></b>
Glenbard West School Liaison Officer	\$99,000	\$102,000
Overtime Billed to requesting "users"	<u>18,000</u>	<u>18,000</u>
	<b><u>\$117,000</u></b>	<b><u>\$120,000</u></b>

16. **Accounting Services: (\$129,500)** The Village provides certain administrative and financial services to the Glenbard Wastewater Authority (GWA) which is jointly owned by the Villages of Glen Ellyn and Lombard. Additionally, the Village provides some accounting support services to the Glen Ellyn Library.

The reduction in fees beginning in FY10/11 relates to a renegotiation of the intergovernmental agreement between the Villages of Glen Ellyn and Lombard which sets forth the manner in which Glen Ellyn is compensated in their role of lead agency for the GWA.

17. **Cable Franchise Fees: (\$460,000)** A franchise fee of 6% of billings for cable service is paid to the Village from current, competing service providers within the Village limits: WOW (Wide Open West), Comcast and AT&T. Revenues increased over the past year by about 8% following the introduction of AT&T as a new provider. This revenue source was previously allocated within the Special Programs Fund.
18. **Police Ordinance Fines: (\$200,000)** FY10/11 revenue is under budget due to a delay in procuring the software required to manage the new administrative

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adjudication process. FY11/12 revenue is expected to increase as new towing fees are assessed.

19. **Traffic Court Fines: (\$300,000)** Fine revenue from the Circuit Court has significantly lagged historical levels during FY10/11. The Police Department is currently researching possible reasons for the reduction.
20. **Interest Income: (\$20,000)** Projected interest earnings on Village cash balances will continue to be flat as short-term interest rates remain at historic lows.
21. **Rental Income: (\$135,000)** The Village receives rental payments for the leasing of space on the Cottage Avenue water tower (AT&T, Verizon and T-Mobile) and the Civic Center attic (Nextel and U.S. Cellular).
22. **IFT / Motor Fuel Tax Fund: (\$400,000)** A transfer is made each year from the Motor Fuel Tax Fund to reimburse the General Fund for various MFT-qualified expenses such as street sweeping and snow and ice removal.
23. **Accounting Services / Other Funds: (\$446,900)** This revenue represents a reimbursement from other Funds for costs and services paid for by the General Fund, particularly those related to Village administration and finance.
24. **Public Works Service Charge: (\$309,400)** These charges represent a reimbursement to the General Fund for services provided by and paid for by the Public Works Administration and Operation Divisions of the General Fund. Beginning in FY08/09, the cost of two administrative positions in the Water and Sanitary Sewer Fund are being directly charged to the General Fund, the cost of which will now be reimbursed through this service charge/interfund transfer.