

VILLAGE OF HOMEWOOD



BOARD AGENDA MEMORANDUM

DATE OF MEETING: April 26, 2022

To: Village President and Board of Trustees

Through: Napoleon Haney, Village Manager

From: Dennis Bubenik, Director of Finance

Topic: 2022-23 Budget Public Hearing

PURPOSE

The Budget process each year includes a Public Hearing. That hearing for the 2022-23 Budget is scheduled for the Village Board's April 26 meeting.

PROCESS

The Draft Budget for 2022-23 was presented to the Village Board at their April 12 meeting. Staff was directed to bring the required Budget ordinance for 2022-23 to the Board's April 26 meeting, and to hold the required yearly Public Hearing. The notice of the Public Hearing was in the April 14 newspaper.

OUTCOME

The general fund gets the most attention during the yearly budget discussions as that is the fund that most defines local government. The general fund revenue streams are dominated by taxes on sales, real estate, places for eating, utilities, and State-shared income tax. These taxes go up and down each year in large part depending on how the economy is going. Village general fund expenses are dominated by public safety (police & fire) and public works.

The COVID-19 economic shut down had a major effect on our 2020-21 budget. Our long-term plan was to overcome those COVID-19 issues in future budgets. The 2021-22 and this 2022-23 Final Budget moves us down that path. We keep an eye on events globally and in the US as that could have major effects on future budgets.

The Draft 2022-23 budget as presented on April 12 had a surplus of \$76,289. Adjustments made since the April 12 meeting includes a surplus of \$147,359 in the Final 2022-23 Budget. A listing of these adjustments is found as part of the Attachments section. This surplus of \$147,359 represent 0.6% of the total budgeted general fund expenditures for 2022-23. Our fund balance policy is four months of fund balance on hand. We are at 3.7 months as of the 4/30/2021 audit.

VILLAGE OF HOMEWOOD



In closing I wish to thank:

- The citizens and businesses for choosing Homewood as a place to live and work. Through the budget process, the citizens and businesses in Homewood can gain a better understanding of how the Village operates.
- The Village Board for its ongoing direction for our Village provided services. The budget process is how the Village Board decides each year how we will allocate our resources (revenues) to the services (expenses) that we provide to the residents and businesses in Homewood.
- The departments for their ongoing efforts to provide these services while working within the restraints of revenue sources that the Village has at its disposal. The Budget process provides the departments the opportunity to present, discuss, and refine those services to the Board and Public each year.
- Village Manager Napoleon Haney and Assistant Village Manager Justine Bruno for their day-to-day efforts of directing our Village operations. The budget process shows them a “road map” to where we have been, where we are currently, and where we are headed.
- Assistant Finance Director Amy Zukowski for untold hours of revising the budget document, researching budget questions and alternatives, answering budget questions, developing budget alternatives, calculating countless operating and capital budget worksheets, and summarizing all of that into budget documents that we will reference the coming year.
- Finance Assistant Tyhani Hill who joined us in April 2021 and provided input into this 2022-23 budget as her first budget. Many more years of budget input will be in store for her.

FINANCIAL IMPACT

- **Funding Source:** General, Special Revenue, Water/Sewer, Capital Projects, Debt Service
- **Budgeted Amount:** Operating \$39,886,442 & Capital \$3,548,927

LEGAL REVIEW

Not Required

VILLAGE OF HOMEWOOD



RECOMMENDED BOARD ACTION

Staff recommends passage of the Final 2022-23 Budget including an ordinance on the Board's April 26 Consent Agenda.

ATTACHMENT(S)

- List of adjustments since April 12 discussion with the Board on the 2022-23 Budget
- General Fund summary of expenditures by program
- Capital Improvement Budget worksheets