SUGGESTIONS FOR WATER AND SEWER FUNDING

SUGGESTION	PROS	CONS
Charter revision to eliminate compensation to Village Council for meeting attendance	Will generate between $2,000 and $3,000 annually in cost savings; savings to General Fund could be used toward debt payment	Requires vote of electors; cost to draft proposal and place on ballot; cannot be accomplished this year; current pay hardly covers Council Members' cost to attend meetings; will need LTGO or UTGO bonds that count toward debt limit; revenue bonds would not be an option; property owners pay for water and sewer services based on value of their property rather than their relative level of use of the systems
Operate cemeteries at cost neutral vs. operating at a loss - $70,000 cost in current year budget	Potential cost savings or revenue enhancement to close cemetery funding gap; savings to General Fund could be used toward debt payment	No clear and stable solution on how to accomplish this other than levying cemetery millage or increasing cemetery fees; increased fees will not guarantee elimination of funding gap; cost savings will most likely fluctuate from year to year; funding gap is $27,000 rather than $70,000; will need LTGO or UTGO bonds that count toward debt limit; revenue bonds would not be an option; property owners pay for water and sewer services based on value of their property rather than their relative level of use of the systems
Lifeguards at Green's Park eliminated	Potential cost savings; savings to General Fund could be used toward debt payment	Will need LTGO or UTGO bonds that count toward debt limit; revenue bonds would not be an option; property owners pay for water and sewer services based on value of their property rather than their relative level of use of the systems
Redundant costs/expenditures between Village & DDA eliminated (office location, support staff, maintenance & repairs)	Potential cost savings; savings to General Fund could be used toward debt payment	Cost savings unknown and unstable; Village hall is outside DDA district; staffing redundancies unknown; maintenance and repair savings unknown; will need LTGO or UTGO bonds that count toward debt limit; revenue bonds would not be an option; property owners pay for water and sewer services based on value of their property rather than their relative level of use of the systems

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Analyze cost of employee health care	Potential cost savings; savings to General Fund could be used toward debt payment; estimated cost savings for 2026-27 could be up to $60,000 annually depending on hard cap or 80/20 option	Cost savings fluctuates annually, making it an unstable and unreliable funding source; potential negative impact on staffing morale and ability to attract and retain employees; will need LTGO or UTGO bonds that count toward debt limit; revenue bonds would not be an option; property owners pay for water and sewer services based on value of their property rather than their relative level of use of the systems
Village contributions to staff retirement plans currently at 10-25% of base salary annually with no required employee contribution	Potential cost savings; savings to General Fund could be used toward debt payment	Changes would require renegotiation of existing employment agreements if employees are willing; most employees are required to contribute 5% of base wages toward retirement plan; potential negative impact on staff morale and ability to attract and retain employees; will need LTGO or UTGO bonds that count toward debt limit; revenue bonds would not be an option; property owners pay for water and sewer services based on value of their property rather than their relative level of use of the systems
Reimbursement for staff use of personal vehicles for village business	Potential cost savings; savings to General Fund could be used toward debt payment; estimated savings of $8,600 for 2026-27	Changes would require renegotiation of existing employment agreements if employees are willing; potential negative impact on staff morale and ability to attract and retain employees; will need LTGO or UTGO blods that count toward debt limit; revenue bonds would not be an option; property owners pay for water and sewer services based on value of their property rather than their relative level of use of the systems
Establish paid parking downtown	Potential revenue generation	Savings to General Fund uncertain, as General Fund currently has little or no expense for parking; uncertain as to whether parking revenue could be used for water and sewer systems and could potentially divert revenue from parking improvements and parking enforcement to unrelated uses; will need LTGO or UTGO bonds that count toward debt limit; revenue bonds would not be an option

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Leveraging investments	Potential revenue enhancement; additional revenue from General Fund could be used toward debt payment	$5 million investment figure includes monies belonging to other funds of which interest income cannot be diverted to water and sewer systems; ROI fluctuates and is not a stable revenue source; will need LTGO or UTGO bonds that count toward debt limit; revenue bonds would not be an option
Critical look at DDA funding	Can use DDA's 75/25 funding for infrastructure projects within DDA district	Most likely cannot use DDA funds for projects outside the DDA district; DDA funding fluctuates based on TV and, more importantly, millage rates levied within the district, creating an unstable funding source; will require LTGO or UTGO bonds that count toward debt limit; revenue bonds are not an option; property owners pay for water and sewer services based on value of their property rather than their relative level of use of the systems
Increase water and sewer rates annually as necessary	Provides sufficient and sustainable revenue on an annual basis to fully fund operations, improvements, and debt retirement; customers pay for what they use with the systems rather than based on the value of their property; revenue bonds that do not count toward village's debt limit are an option	Water and sewer rates are high and some customers struggle to pay; many customers are dissatisfied with the high rates