

Village of Peotone FY2026 Budget Workshop

Monday, March 10, 2025

FY2026 Budget Guidelines & Highlights

Maintain fund balance in General Fund by issuing annual budgets that minimize draws on the current fund balance level

- Board approved policy - maintain a fund balance of 30% of the ensuring year's expenditure budget, net of capital spending and one-time significant items.
- FY2026 proposed budget reflects an increase in fund balance of \$4,719 and reflects a transfer from the BDD Fund to repay the General Fund for its contribution to the Downtown Streetscape project.

Revenue are budgeted based on trend and/or other information currently available

- Illinois Municipal League per capita projections are used when calculating Income, Use, Motor Fuel, Cannabis and PPRT taxes reflected in the General and MFT Funds
- Travel Center revenues from fuel, truck parking and anticipated hotel taxes, in the amount of \$89,084, are reflected in the General Fund
- ARPA Grant revenues, in the amount of \$848,372, are reflected in the Capital Improvement Fund
- Incremental tax revenues within the TIF 2 Fund are estimated to increase to approximately \$182,000



FY2026 Budget Guidelines & Highlights (cont'd.)

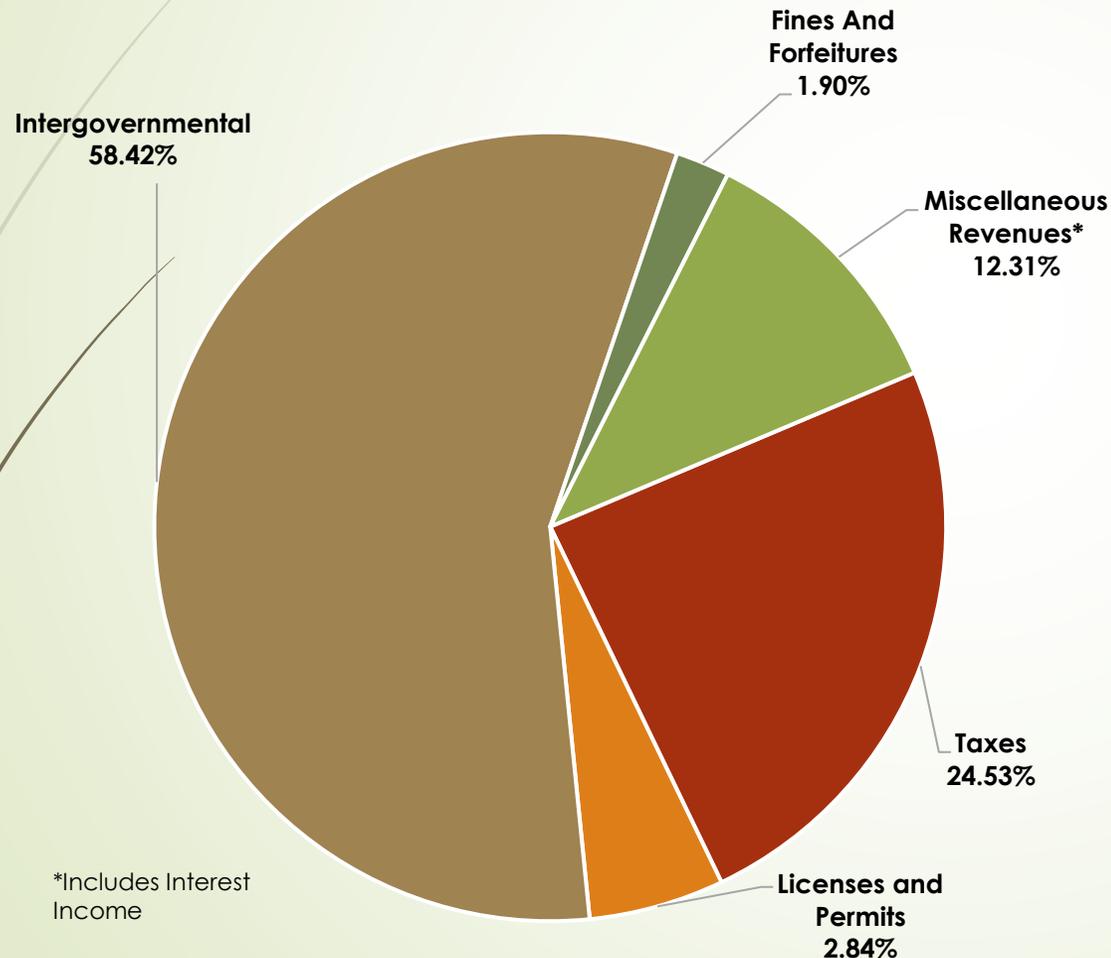
Capital spending that is required to support the Village's operating departments, such as public works vehicles, is reflected in the General Fund; all other capital spending is reflected in the Capital Improvements Fund, unless funded by BDD or TIF revenues

Total capital spending reflected in the FY2026 budget amounts to \$1,263,400; \$880,000 is related to the Conrad Street Storm Sewer project funded by ARPA grant proceeds; \$167,400 is related to the Crawford Street Paving project and funded by MFT receipts

FY2026 budget reflects recommended contribution to the Police Pension Fund in the amount of \$435,589 (prior year contribution was \$372,036); the percent funded has increased from 21.6% as of 3/31/2016 to 52.74% as of 3/31/2024.

FY2026 General Fund Revenues

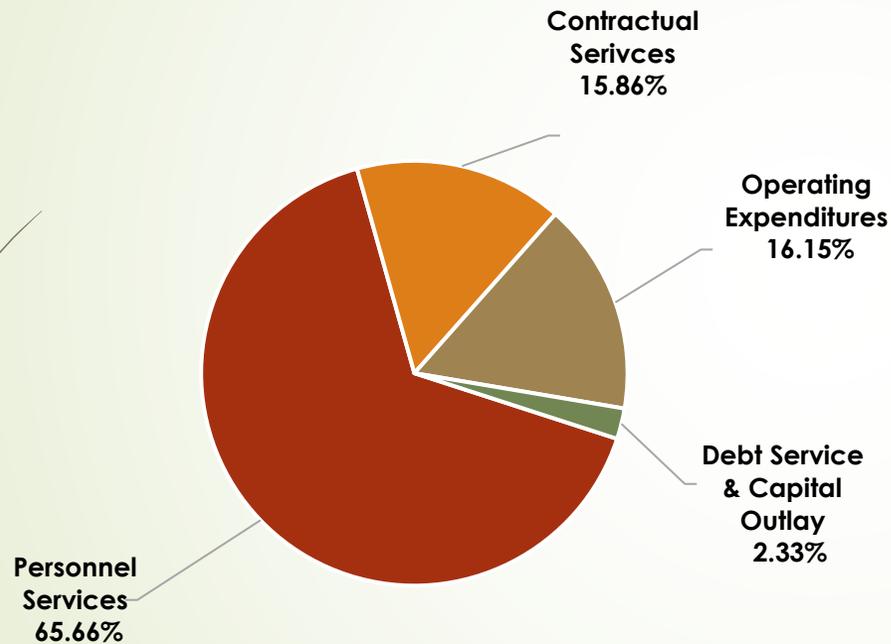
FY2026 Revenues by Source - General Fund
(excluding Interfund Transfers)



- Conservative approach taken when estimating revenues
- Utilized IML estimates for all state shared revenues
- Taxes includes property, road and bridge tax, utility taxes
- Intergovernmental includes personal property replacement, sales, use, cannabis, income and video gaming taxes
- Miscellaneous includes interest income, cable and water franchise fees, and other miscellaneous revenues

FY2026 General Fund Expenditures

FY2026 General Fund Expenditures by Type
(excluding Interfund Transfers)



- ▶ Personnel services includes salaries, overtime, pensions and employee health insurance
 - ▶ FY2026 salary adjustment for union employees per contracts; Non-union salary adjustment of 3%
 - ▶ IMRF contribution rate of 3.43%, Police Pension Contribution of \$435,589
- ▶ Debt service reflects payment on the street sweeper lease to purchase agreement (last payment in FY2026)
- ▶ Capital outlay includes a Public Works pickup truck

FY2026 Budget – Other Funds

- ▶ Capital Improvement Fund includes road and sidewalk projects
 - ▶ East Crawford Paving & Engineering - \$167,400
 - ▶ Conrad Street Storm Sewer Construction & Engineering - \$880,000
 - ▶ Project funded with ARPA Funds
 - ▶ Annual Sidewalk Program - \$50,000
- ▶ Business Development District Fund
 - ▶ Façade Improvement Program - \$25,000
 - ▶ Directional Sign - Downtown - \$15,000
- ▶ TIF 1 Fund
 - ▶ Façade Improvement Program - \$25,000
 - ▶ Village Hall Remodel - \$40,000
- ▶ TIF 2 Fund
 - ▶ Principal and Interest Payments on outstanding GO Bonds - \$187,862

FY2026 Budget Review

- Review distributed budget document
- Comments/questions
- Final FY2026 Proposed Budget presented to Village Board – March 10, 2025
- Board approval of FY2026 Budget – March 24, 2025