



**Administrative Office  
Village of River Grove**

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**DATE:** April 25, 2017

**TO:** Acting Village President Bjorvik  
Board of Trustees Aller; Obaya; Sewell; Thomas and Weiner  
Village Clerk Manchen

**FROM:** Gregory J Peters, Interim Comptroller

**SUBJECT: ORDINANCE NO. 2017-06.** An Ordinance Making an Appropriation for General Corporate Purposes; for Police Pension Fund; for Illinois Municipal Retirement Fund, Social Security, Medicare and Unemployment Insurance; for Debt Service; for Emergency Telephone System; for Tax Increment Finance and for Motor Fuel Tax for the Fiscal Year May 1, 2017 to December 31, 2017, for the Village of River Grove, Cook County, Illinois.

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On the Village Board agenda for first reading on April 27<sup>th</sup> is an ordinance that authorizes the appropriations for the shortened fiscal year that begins on May 1, 2017 and goes through December 31, 2017.

Prior to the consideration for passage of the first reading of the ordinance, the Village Board of Trustees will have conducted a public hearing on the proposed budget. Having the ordinance on first reading will allow for any modifications that may have been discussed at the public hearing to be included into the final ordinance form that would be on a future board agenda.

As was stated in the transmittal letter that accompanied the document and is part of the public record, the budget and related 2017B appropriation up for consideration should be more viewed as a "status quo" budget. Please keep in mind that the financial resources set forth by the passage of last year's 2016 property tax levy (collected in 2017), are really the only significant revenues the Village can control at the present time and it had already been set for 2017.

It is the intention of the time remaining in 2017 to view options and alternatives that will positively impact the Village's operations in the future. Several mentioned in the budget are listed here again:

- A systematic and thorough rate analysis of the Water and Sewer funds. Currently, the revenues generated from the water and sewer rates are just providing sufficient resources to maintain the current system. There is no provision for the ability for the fund to finance any major infrastructure improvement that are or will be necessary in

the future. It only makes for good public policy for the Village to recognize and begin to set-aside funds for these required improvements.

- The Village will be reviewing the current benefit plans being offered to employees to determine whether comparable options are available for less cost.
- Refuse collection services, currently accounted for in the Village's general operating fund, will be moved to its own enterprise fund.
- As with the recent issuance of a Request for Proposal that resulted in significantly less fees for auditing services, the staff will continue to review other areas of operations to determine where savings may exist. One current project underway is a thorough review of telecommunication costs that should eliminate some redundancies in equipment thereby reducing the Village's costs in that area. It is anticipated that those savings will be reflected in the 2018 budget.
- The Village Board last week made a decision to expand its capabilities in the Village's Information Technology by authorizing two companies to provide both I.T. support and web design services. The costs for those services have been incorporated into the current budget document. Other related I.T. costs that are currently in place are still also in the 2017B budget.
- Working Cash bonds of \$3,000,000 and a refunding/refinancing of the Village's 2006 and 2008 bonds are being considered for issuance in June of 2017 that will provide the Village more flexibility in cash flow management and result in reducing the amounts the Village is paying on the current debt service of those two issues.

After the first reading, any subsequent modifications to the ordinance and budget will be made available to you and upon final passage of the ordinance in May a final bound budget document will be prepared for the Board and department directors for their use in the coming fiscal cycle.

If you have any questions, please do not hesitate to contact me.