



## **Finance Report to Village Council August 26, 2019**

Attached are the summary and balance sheets for the Operating funds (General and Water) and Primary Government (Operating funds, VIP, TIFs, and Special Revenue Governmental funds) as of July 31, 2019. These reports compare FY2020 budget and current period activity to FY2019 budget, equivalent period, and year-end.

FY2019 preliminary audit balances present the Operating funds with a loss in General fund of (\$147,027), compared to the budgeted loss of (\$1,891,662), and a gain in Water fund activities of \$315,100, compared to the budgeted gain of \$453,805. With the exception of grants ending at 10% of expectation, and fines/penalties at 81%, all other revenue categories within the General fund reached over 97% of budget. Local share of sales tax, use tax, and income tax revenues ended with a combined \$436,050 over budget, and permit fees associated with construction related activity ended \$403,440 over budget. The majority of grant revenue not recognized in FY2019 is from a State of Illinois capital grant that has been suspended since June 2015, and a CDBG grant application that was not awarded. The capital grant from the state, along with additional capital grant funding, have been included in the FY2020 budget. General fund expenditures reached 89% of budget. Legal services, equipment, wages, insurance premiums, assets, and the deferred state grant, comprise the variance from budget to actual. As has been the result for consecutive years, departments remained under budget, with the exception of Streets and Public Improvements due to salt and overtime from the winter storm season. Water fund revenues reached 99% of budget expectation, and expenditures ended at 101%. The costs of maintaining the pumping stations and infrastructure repairs contributed to the Water fund expenditure overage.

Overall Primary Government activities for FY2019 present a gain of \$2,384,191 compared to the budgeted loss of (\$982,846). Village-wide revenues reached 98% of expectation, with the three active TIF funds showing gains in incremental property tax disbursements. Overall expenditures reached 88% of budget expectation. Outside of the General fund, reductions from budget to actual occurred in the Motor Fuel Tax fund, TIF funds, and VIP fund for infrastructure related expenditures. As the audit remains in progress, all revenues, expenditures, and fund balances are subject to adjustments.

FY2020 budgeted revenues for the Operating funds reflect a 20% gain from prior year-end. General fund revenue categories of grants and fines/penalties are budgeted to reflect improvements due to state capital grant applications and the engagement of a collection agency. All other categories are budgeted similar to prior year-end. Water fund is budgeted with a reduction in revenues related to purchased water as the Village will no longer supply water to Brookfield-North Riverside; revenue gains are from operating transfers from TIF funds for the budgeted MWRD sewer project. Year to date General fund revenues reflect an (8%) reduction from this period prior year with all categories reporting less except for state taxes. Local share of sales tax, use tax, and income tax revenues continue to show advances. Water fund revenues currently show a (24%) reduction from prior year; in addition to the absence of Brookfield North-Riverside fees, all fees for purchased water are reduced in comparison. FY2020 Operating fund expenditures are budgeted with a 27% increase from prior year-end. General fund additions are grant expenditures, anticipated retirements in Police and Fire Departments, and replacement vehicles and equipment. Water fund budgeted expenditures include infrastructure improvements, another State of Illinois capital grant that has been suspended since June 2015, and the MWRD project for the south area sewer separation. Year to date General fund expenditures reflect a (10%) decrease from this period prior year, the base of the decrease is

fewer property tax funds disbursed from the County to the pension funds as of July 31. Current Water fund expenditures are (24%) less than prior year from purchased water and infrastructure projects completed to date.

In Primary government, FY2020 Special Revenue funds are budgeted in line with FY2019 budget, with the exception of the Federal Customs fund due to the Village entering an intergovernmental agreement with the Department of Justice DEA Chicago Field Division Task Force. This agreement will increase fund availability for training costs, security enhancements, and additional Police Department assets. TIF fund revenues are also budgeted in line with FY2019 budget. Per the Cook County TIF Distribution report that was published in July 2019, the Roosevelt TIFs will see a collective increase of \$389,374 from 2017 to 2018 tax levy, and the Brown Street Station TIF has a reduction of (\$10,243) to incremental revenues. TIF expenditures include an extensive infrastructure project in the Brown Street district, and operating transfers from the Roosevelt TIFs for the MWRD sewer project. Each of these projects will use current year revenues and fund reserves. VIP fund revenues are budgeted to include grant funds and operating transfers, and expenditures for infrastructure projects, grants, and intergovernmental agreements.

There are many challenges for the current fiscal year and future, however FY2019 year-end has provided some optimism. Staff continues to review other revenue options as costs for services and maintenance increase annually, and will continue to negotiate contracts to reduce expenses for the future. Property taxes and state shared taxes comprise approximately 50% of the General fund revenues. For property tax, the annual new revenue is limited to Consumer Price Index or 5.0%, whichever is less. CPI has ranged from 0.7% to 2.1% for the past six levy years. For the 2018 tax levy, \$5,616,301 was extended from the County, an additional \$120,184 in funds for the FY2020 budget year. Of this, \$41,200 is committed to Police and Fire Pension funds, leaving \$78,984 for General fund operations. From the overall levy, 51% is pledged to Police, Fire, IMRF, and Social Security pensions. With little growth in CPI, and shared revenues annually subjected to the State's budget, new sources of revenue and an annual review of all rates currently in place is essential. Expense line items are continually under review, and for successive years expenditures have remained under budget. Maintaining the current level of safety and services that our residents expect remains the priority of the Village; funding these services remains the challenge.

Respectfully submitted,  
Letitia Olmsted  
Village of Forest Park Finance Director

# FY2020 Village of Forest Park Operating Funds

as of July 31, 2019

*Preliminary Audit balances*

## General Fund Summary

	Fiscal Year ending April 30, 2020			Fiscal Year Ending April 30, 2019			
	Budget	FY to Date	% Budget	Budget	FY to Date	Year End	% End Bal
<b>Revenues</b>							
Property Taxes	4,917,710	1,177,007	23.9%	4,943,285	1,343,912	4,826,267	27.8%
State Taxes	5,345,083	556,226	10.4%	5,037,290	528,205	5,439,722	9.7%
Franchise/Utility Taxes	1,441,250	192,477	13.4%	1,453,365	215,489	1,465,067	14.7%
Licenses, Permits, Fees	1,394,425	520,966	37.4%	1,544,855	623,790	1,870,972	33.3%
Grants	2,252,929	-	0.0%	1,092,747	1,881	109,384	1.7%
Fees for Services	2,736,444	569,789	20.8%	2,726,606	571,113	2,645,024	21.6%
Fines & Penalties	1,245,310	216,115	17.4%	1,362,405	242,451	1,104,317	22.0%
Leases / Transfers / Misc	1,696,023	311,662	18.4%	1,541,807	319,897	1,664,320	19.2%
<b>Total General Fund</b>	<b>21,029,174</b>	<b>3,544,242</b>	<b>16.9%</b>	<b>19,702,360</b>	<b>3,846,738</b>	<b>19,125,073</b>	<b>20.1%</b>
<b>Expenditures</b>							
Total General Public Affairs	1,288,563	225,326	17.5%	1,531,409	293,589	1,140,330	25.7%
Total Police Department	5,226,451	1,180,766	22.6%	5,280,636	1,202,753	4,938,794	24.4%
Total Community Center	661,315	161,365	24.4%	675,305	170,019	592,679	28.7%
<b>Total Office of Public Affairs</b>	<b>7,176,329</b>	<b>1,567,457</b>	<b>21.8%</b>	<b>7,487,350</b>	<b>1,666,362</b>	<b>6,671,803</b>	<b>25.0%</b>
Total Village Clerk	6,121,153	1,243,944	20.3%	6,039,137	1,568,434	5,811,813	27.0%
Total Grants	2,263,119	8,273	0.4%	1,147,747	5,008	111,278	4.5%
Total Fire Department	3,300,945	742,652	22.5%	3,240,034	792,855	3,017,133	26.3%
<b>Total Accounts and Finance</b>	<b>11,685,217</b>	<b>1,994,870</b>	<b>17.1%</b>	<b>10,426,918</b>	<b>2,366,297</b>	<b>8,940,224</b>	<b>26.5%</b>
<b>Total Public Health &amp; Safety</b>	<b>410,470</b>	<b>91,265</b>	<b>22.2%</b>	<b>375,759</b>	<b>85,852</b>	<b>353,979</b>	<b>24.3%</b>
Total Streets & Public Improvements	1,719,529	264,114	15.4%	1,515,551	267,038	1,537,498	17.4%
Total Public Property	1,800,202	341,607	19.0%	1,788,444	352,256	1,768,595	19.9%
<b>Total Public Works</b>	<b>3,519,731</b>	<b>605,721</b>	<b>17.2%</b>	<b>3,303,995</b>	<b>619,294</b>	<b>3,306,093</b>	<b>18.7%</b>
<b>Total General Fund</b>	<b>22,791,747</b>	<b>4,259,313</b>	<b>18.7%</b>	<b>21,594,022</b>	<b>4,737,805</b>	<b>19,272,100</b>	<b>24.6%</b>
<b>Net income / (loss)</b>	<b>(1,762,573)</b>	<b>(715,071)</b>		<b>(1,891,662)</b>	<b>(891,067)</b>	<b>(147,027)</b>	

## Water Fund Summary

	Fiscal Year ending April 30, 2020			Fiscal Year Ending April 30, 2019			
	Budget	FY to Date	% Budget	Budget	FY to Date	Year End	% End Bal
Water Fund Revenues	9,002,935	1,165,886	13.0%	5,891,793	1,540,811	5,820,282	26.5%
Water Fund Expenditures	8,701,845	1,121,906	12.9%	5,437,988	1,479,760	5,505,182	26.9%
<b>Net income / (loss)</b>	<b>301,090</b>	<b>43,980</b>		<b>453,805</b>	<b>61,051</b>	<b>315,100</b>	

## Combined Operating Funds Summary

	Fiscal Year ending April 30, 2020			Fiscal Year Ending April 30, 2019			
	Budget	FY to Date	% Budget	Budget	FY to Date	Year End	% End Bal
Combined Revenues	30,032,109	4,710,128	15.7%	25,594,153	5,387,549	24,945,354	21.6%
Combined Expenditures	31,493,592	5,381,219	17.1%	27,032,010	6,217,565	24,777,282	25.1%
<b>Net income / (loss)</b>	<b>(1,461,483)</b>	<b>(671,091)</b>		<b>(1,437,857)</b>	<b>(830,016)</b>	<b>168,072</b>	

**Village of Forest Park**  
**FY2020 Operating Funds Balance Sheet**  
as of July 31, 2019

*Preliminary Audit*

	<u>Fiscal Year Ending April 30, 2020</u>			<u>FY2019</u>
<u>Assets</u>	<u>General</u>	<u>Water</u>	<u>Total</u>	<u>7/31/2018</u>
<b><u>Current</u></b>				
Cash and Cash Equivalents	156,805	2,383,122	2,539,926	2,167,722
Accounts Receivable	133,541	1,045,287	1,178,827	1,338,932
Other Receivables	2,565,567	-	2,565,567	2,580,824
Prepaid Costs	270,072	-	270,072	271,040
<b><u>Non-Current</u></b>				
Infrastructure & Equipment	-	9,894,715	9,894,715	10,065,474
Deferred Pension Outflow	-	46,567	46,567	46,567
<b>Total Assets</b>	<u>3,125,984</u>	<u>13,369,690</u>	<u>16,495,674</u>	<u>16,470,559</u>
<b><u>Liabilities</u></b>				
<b><u>Current</u></b>				
Payables	92,666	26,920	119,586	190,399
Due To/(Due From) Other Funds	882,973	(1,355,363)	(472,389)	(587,619)
<b><u>Non-Current</u></b>				
Long-term Debt	-	1,362,107	1,362,107	1,701,011
Deferred Revenue	3,287,286	53,121	3,340,406	3,347,800
Deferred Pension Inflow	-	98,305	98,305	98,305
<b>Total Liabilities</b>	<u>4,262,925</u>	<u>185,090</u>	<u>4,448,015</u>	<u>4,749,897</u>
<b>Unrestricted Fund Balances</b>	(1,679,776)	10,318,314	8,638,538	8,472,667
<b>Reserved Fund Balances</b>	1,257,907	-	1,257,907	1,255,705
<b>Invested in Capital Assets, net of related debt</b>		2,822,306	2,822,306	2,822,306
<b>Net Income/(Loss) from Income Statement</b>	(715,071)	43,980	(671,091)	(830,016)
<b>Total Liabilities, Fund Balances</b>	<u>3,125,984</u>	<u>13,369,690</u>	<u>16,495,674</u>	<u>16,470,559</u>

**Village of Forest Park**  
**FY2020 Primary Government Summary**  
as of July 31, 2019

*Preliminary Audit balances*

	Fiscal Year ending April 30, 2020			Fiscal Year Ending April 30, 2019			
Revenues	Budget	FY to Date	% Budget	Budget	FY to Date	Year End	% End Bal
Special Revenue Governmental Funds							
Foreign Fire Insurance	31,550	82	0.3%	32,280	5	30,970	0.0%
IMRF Pension	313,854	72,505	23.1%	287,580	84,706	304,311	27.8%
Social Security / Medicare	369,519	84,735	22.9%	358,205	99,405	357,769	27.8%
Motor Fuel Tax	372,235	32,085	8.6%	371,487	31,169	379,438	8.2%
1505 State Seizure	101,500	27,459	27.1%	101,100	12,952	95,989	13.5%
U. S. Customs	101,100	33,967	33.6%	3,845	11,460	164,267	7.0%
	1,289,758	250,834	19.4%	1,154,497	239,697	1,332,743	18.0%
Major Governmental Funds							
TIF Funds	1,611,474	717,457	44.5%	1,262,730	443,106	2,059,901	21.5%
VIP Fund	3,518,391	163,778	4.7%	3,030,805	151,418	2,168,967	7.0%
General Fund	21,029,174	3,544,242	16.9%	19,702,360	3,846,738	19,125,073	20.1%
Proprietary Fund							
Water Fund	9,002,935	1,165,886	13.0%	5,891,793	1,540,811	5,820,282	26.5%
Total Revenues	36,451,732	5,842,196	16.0%	31,042,185	6,221,770	30,506,965	20.4%
Expenditures							
Special Revenue Governmental Funds							
Foreign Fire Insurance	27,635	3,518	12.7%	29,370	4,726	20,209	23.4%
IMRF Pension	230,985	35,955	15.6%	255,641	59,908	217,905	27.5%
Social Security / Medicare	328,870	82,152	25.0%	332,676	79,495	317,749	25.0%
Motor Fuel Tax	726,428	-	0.0%	764,548	-	231,677	0.0%
1505 State Seizure	151,250	7,691	5.1%	196,052	17,476	133,628	13.1%
U. S. Customs	154,946	17,903	11.6%	60,240	4,599	74,720	6.2%
	1,620,114	147,220	9.1%	1,638,527	166,205	995,888	16.7%
Major Governmental Funds							
TIF Funds	6,884,070	34,856	0.5%	1,166,544	40,276	358,859	11.2%
VIP Fund	2,582,177	307,347	11.9%	2,187,950	195,951	1,990,745	9.8%
General Fund	22,791,747	4,259,313	18.7%	21,594,022	4,737,805	19,272,100	24.6%
Proprietary Fund							
Water Fund	8,701,845	1,121,906	12.9%	5,437,988	1,479,760	5,505,182	26.9%
Total Expenditures	42,579,953	5,870,642	13.8%	32,025,031	6,619,996	28,122,774	23.5%
Net income / (loss)	(6,128,221)	(28,446)		(982,846)	(398,227)	2,384,191	

*Expenditures in MFT and TIF funds denotes use of reserves for infrastructure improvement projects*

**Village of Forest Park**  
**FY2020 Primary Government Balance Sheet**  
as of July 31, 2019

*Preliminary Audit*

**Fiscal Year Ending April 30, 2020**

**FY2019**

	Special Revenue Governmental Funds	TIF Funds	VIP Fund	General Fund	Water Fund	Total	7/31/2018
<b><u>Assets</u></b>							
<b><u>Current</u></b>							
Cash and Cash Equivalents	1,856,695	12,118,057	1,723,770	156,805	2,383,122	18,238,449	15,486,102
Accounts Receivable	306,379	-	146,347	133,541	1,045,287	1,631,553	1,796,303
Other Receivables	-	-	-	2,565,567	-	2,565,567	2,580,824
Prepaid Costs	-	-	-	270,072	-	270,072	271,040
<b><u>Non-Current</u></b>							
Infrastructure & Equipment	-	-	-	-	9,894,715	9,894,715	10,065,474
Deferred Pension Outflow	-	-	-	-	46,567	46,567	46,567
<b>Total Assets</b>	<b>2,163,074</b>	<b>12,118,057</b>	<b>1,870,117</b>	<b>3,125,984</b>	<b>13,369,690</b>	<b>32,646,922</b>	<b>30,246,310</b>
<b><u>Liabilities</u></b>							
<b><u>Current</u></b>							
Payables	328	901,377	145,293	92,666	26,920	1,166,583	1,173,645
Due To/(Due From) Other Funds	472,389	-	-	882,973	(1,355,363)	-	-
<b><u>Non-Current</u></b>							
Long-term Debt	-	-	-	-	1,362,107	1,362,107	1,701,011
Deferred Revenue	306,379	-	146,347	3,287,286	53,121	3,793,132	3,800,526
Deferred Pension Inflow	-	-	-	-	98,305	98,305	98,305
<b>Total Liabilities</b>	<b>779,096</b>	<b>901,377</b>	<b>291,640</b>	<b>4,262,925</b>	<b>185,090</b>	<b>6,420,128</b>	<b>6,773,488</b>
<b>Unrestricted Fund Balances</b>	-	-	-	(1,679,776)	10,318,314	8,638,538	8,472,667
<b>Reserved Fund Balances</b>	1,280,363	10,534,080	1,722,046	1,257,907	-	14,794,397	12,576,076
<b>Invested in Capital Assets, net of related debt</b>	-	-	-	-	2,822,306	2,822,306	2,822,306
<b>Net Income/(Loss) from Income Statement</b>	103,614	682,600	(143,569)	(715,071)	43,980	(28,446)	(398,227)
<b>Total Liabilities, Fund Balances</b>	<b>2,163,074</b>	<b>12,118,057</b>	<b>1,870,117</b>	<b>3,125,984</b>	<b>13,369,690</b>	<b>32,646,922</b>	<b>30,246,310</b>