



COMMITTEE OF THE WHOLE MEETING
Monday, April 20, 2020
(Immediately following the Village Board Meeting)

AGENDA

CALL TO ORDER

ROLL CALL

AUDIENCE COMMENTS

TRUSTEE COMMENTS

DISCUSSION

- FY 2020-21 Budget Follow-Up

EXECUTIVE SESSION

ADJOURN

Initials SB

Village of North Aurora Memorandum



To: President and Village Board of Trustees

From: Bill Hannah, Finance Director

Date: April 14, 2020

CC: Steven Bosco, Village Administrator

RE: Updates to FY 2020-21 Budget

On March 10th the Village completed the Draft Budget for FY 2020-21 which will serve as the annual financial plan for the time period of June 1, 2020 through May 31, 2021. Since that time, the COVID-19 pandemic has resulted in a number of CDC recommendations and Executive Orders issued by the State of Illinois in order to reduce the transmission of COVID-19, most significantly Executive Order 2020-10 which issues a stay at home order, closes non-essential businesses, permitting only essential businesses to function and allowing only essential activities to carry on. The current order is effective through April 30, 2020 and it is unknown at this time if it will be extended.

Given the current situation's effect on the local and state economy, staff has made adjustments to the Draft Budget, with revised projections for both revenues and expenditures. These changes will be discussed at the April 20th COW meeting. Attached is a list of the changes made to the Draft Budget for FY 2020-21 along with a comparison of what was in the Original Draft Budget.

Although not listed in the attached changes, staff has made revised projections for the current fiscal year ending May 31, 2020. These changes have resulted in a reduction of the projected transfer of funds from the General Fund to the Capital Projects Fund for the current year from \$750,000 to \$250,000. For the current FY 2019-20, revenues are projected to exceed expenditures and transfers out in the General Fund by \$154,519.

Given the significant degree of uncertainty surrounding the local, state and national economic outlook going forward, staff intends to present the Budget for FY 2020-21 as scheduled at the May 4th Village Board meeting, with the understanding that additional adjustments may need to be made in the coming months as additional information on the economic effects of the COVID-19 situation become available.

Summary of Changes to the Draft Budget for FY 2020-21

	Original FY 2020-21 Draft Budget	Revised FY 2020-21 Budget	Dollar Change	Percent Change	Reason
<u>General Fund</u>					
<u>Revenues</u>					
Property Taxes	2,235,000	2,249,237	14,237	0.6%	Received Actual Extension Notification in March
Property Taxes - R&B	160,000	166,155	6,155	3.8%	Received Actual Extension Notification in March
Sales Taxes - 1%	5,175,000	4,650,000	(525,000)	-10.1%	Adjusted for Economic Downturn and Reduced Receipts
State Income Tax Share	1,920,000	1,600,000	(320,000)	-16.7%	Adjusted for Economic Downturn and Reduced Receipts
State Cannabis Excise Tax Share	-	14,000	14,000		New State Shared Revenue not in Original Draft Budget
Telecommunications Tax	45,000	180,000	135,000	300.0%	4% Tax No Longer Partially Allocated in Capital Fund
Video Gaming Dist Fund Tax	110,000	65,000	(45,000)	-40.9%	Projected Decrease Due to Business Restrictions / Activity
OTB Handle Tax	55,000	35,000	(20,000)	-36.4%	Projected Decrease Due to Business Restrictions / Activity
Amusement Tax	68,000	50,000	(18,000)	-26.5%	Projected Decrease Due to Business Restrictions / Activity
Building Permits	325,000	300,000	(25,000)	-7.7%	Projected Decrease in Permit Applications
Cable Franchise Fees	270,000	250,000	(20,000)	-7.4%	Decrease in Fees Due to Increase in Subscriber Choices
Insurance Claim Reimb.	15,000	50,000	35,000	233.3%	Projected Receipt On-Going Claim Issues
TOTAL GENERAL FUND BUDGETED REVENUE ADJUSTMENTS:			(768,608)		
TOTAL ORIGINAL DRAFT BUDGET REVENUES:			12,550,780	-6.1%	Percent Change Updated Draft Budget
<u>Expenditures</u>					
Admin Finance Contractual	8,000	-	(8,000)	-100.0%	Eliminate Contractual Video Recording Meetings
Admin Finance Vehicle Transfer	12,340	6,173	(6,167)	-50.0%	Reduce Recommend Transfers to Vehicle and Equipment Fund by 50%
Police Salaries Regular	3,312,914	3,292,954	(19,960)	-0.6%	Adjust Estimated Comp Holiday Payout Ccontingencies
Police Pension Expense	1,400,000	1,385,904	(14,096)	-1.0%	Reduce Extra Amount Allocated for Police Pension
Police Vehicle Transfer	172,981	86,492	(86,489)	-50.0%	Reduce Recommend Transfers to Vehicle and Equipment Fund by 50%
Comm Development Inspections	170,000	125,000	(45,000)	-26.5%	Reduce to Revised Estimated Needed for Contractual Inspections
Comm Dev Consulting Fees	25,000	21,000	(4,000)	-16.0%	Reduce Amount for Comp Plan Update
Comm Dev Vehicle Transfer	12,005	6,003	(6,002)	-50.0%	Reduce Recommend Transfers to Vehicle and Equipment Fund by 50%
Public Works Salaries	926,270	899,706	(26,564)	-2.9%	Delay Hiring of Village Engineer Position
Public Works Pt salaries	16,000	8,000	(8,000)	-50.0%	Eliminate Temp Seasonal Labor for Tree Inventory
Public Works Health Ins	159,950	154,754	(5,196)	-3.2%	Reduce Projected Health Ins Costs
Public Works Tree Service	136,000	116,000	(20,000)	-14.7%	Reduce Contracted Tree Trimmng to More In-house
Public Works Veh Transfer	163,938	81,975	(81,963)	-50.0%	Reduce Recommend Transfers to Vehicle and Equipment Fund by 50%
Non-Dept Sales Tax Rebates	175,000	150,000	(25,000)	-14.3%	Reduce Rebates Due to Projected Reduction Sales Taxes
Reduce Transfer to Capital Fund	600,000	200,000	(400,000)	-66.7%	Reduce Projected Transfer of Funds to Capital Projects Fund
TOTAL GENERAL FUND BUDGETED EXPENDITURES ADJUSTMENTS:			(756,437)		
TOTAL ORIGINAL DRAFT BUDGET EXPENDITURES/TRANSFERS OUT			12,514,604	-6.0%	Percent Change Updated Draft Budget

Summary of Changes to the Draft Budget for FY 2020-21

	Original FY 2020-21 Draft Budget	Revised FY 2020-21 Budget	Dollar Change	Percent Change	Reason
<u>Motor Fuel Tax Fund</u>					
<u>Revenues</u>					
Motor Fuel Tax Allotments	700,000	375,000	(325,000)	-46.4%	Separate and Reduce MFT Receipts Less Gas/Diseal Usage
MFT - TRF Fund Allotments	-	180,000	180,000		Separate and Reduce MFT Receipts Less Gas/Diseal Usage
TOTAL MFT BUDGETED REVENUE ADJUSTMENTS			<u>(145,000)</u>		
<u>Route 31 TIF Fund</u>					
<u>Revenues</u>					
Rt. 31 TIF Property Taxes	545,000	521,840	(23,160)	-4.2%	Adjust Estimated to Actual 2019 Extension
TOTAL Rt 31 BUDGETED REVENUE ADJUSTMENTS			<u>(23,160)</u>		
<u>Expenditures</u>					
Capital Improvements	950,000	1,000,000	50,000	5.3%	Adjust Silo Project to Revised Estimate
TOTAL Rt 31 BUDGETED EXP ADJUSTMENTS					
<u>Sperry TIF Fund</u>					
<u>Revenues</u>					
TIF Property Taxes	8,000	7,414	(586)	-7.3%	Adjust Estimated to Actual 2019 Extension
TOTAL SPERRY BUDGETED REVENUE ADJUSTMENTS			<u>(586)</u>		
<u>N. Lincolnway TIF Fund</u>					
<u>Revenues</u>					
TIF Property Taxes	35,000	33,988	(1,012)	-2.9%	Adjust Estimated to Actual 2019 Extension
TOTAL N. LINCOLNWAY BUDGETED REVENUE ADJUSTMENTS			<u>(1,012)</u>		
<u>Tourism Fund</u>					
<u>Revenues</u>					
Hotel Taxes	110,000	60,000	(50,000)	-45.5%	Revised Estimate Projected Hotel Taxes
TOTAL TOURISM BUDGETED REVENUE ADJUSTMENTS			<u>(50,000)</u>		
<u>Expenditures</u>					
90% Payment Tourism Council	99,000	54,000	(45,000)	-45.5%	Revised Budget Payments to Tourism Council
TOTAL TOURISM BUDGETED EXPENDITURE ADJUSTMENTS			<u>(45,000)</u>		

Summary of Changes to the Draft Budget for FY 2020-21

	<u>Original FY 2020-21 Draft Budget</u>	<u>Revised FY 2020-21 Budget</u>	<u>Dollar Change</u>	<u>Percent Change</u>	<u>Reason</u>
<u>Sanitary Sewer Fund</u>					
<u>Revenues</u>					
Sanitary Sewer Connectins Fees	65,000	45,000	(20,000)	-30.8%	Revised Estimate Projected Connection Fees
TOTAL SAN SEWER BUDGETED REVENUE ADJUSTMENTS			(20,000)		
<u>Expenditures</u>					
Vehicle Transfers	16,875	8,438	(8,437)	-50.0%	Reduce Recommend Transfers to Vehicle and Equipment Fund by 50%
TOTAL SAN SEWER BUDGETED EXPENDITURE ADJUSTMENTS			(8,437)		
<u>Capital Projects Fund</u>					
<u>Revenues</u>					
Sales Tax 0.50% Non Home Rule	1,090,000	900,000	(190,000)	-17.4%	Revised projections on sales subject to tax
Utility Tax Electricity	410,000	375,000	(35,000)	-8.5%	Revised projections on taxes due to decreased usage
Utility Tax Gas	135,000	100,000	(35,000)	-25.9%	Revised projections on taxes due to decreased usage and nat gas pricing
Telecommunications Tax	135,000	-	(135,000)	-100.0%	Reallocation of revenue source to the General Fund
Transfer from General Fund	600,000	200,000	(400,000)	-66.7%	Reduce Proposed Transfer from General Fund to Capital Projects Fund
TOTAL CAPITAL PROJECT BUDGETED REVENUE ADJUSTMENTS			(795,000)		
<u>Expenditures</u>					
Village Facilities - Contractual	200,000	100,000	(100,000)	-50.0%	Reduce Allocation for Continued Arch Services PW Facility
TOTAL CAPITAL PROJECT BUDGETED EXPENDITURE ADJUSTMENTS					
<u>Waterworks Fund</u>					
<u>Revenues</u>					
Water Connection Fees	300,000	250,000	(50,000)	-16.7%	Reduction in anticipated connections fees new connections
TOTAL WATER BUDGETED REVENUE ADJUSTMENTS			(50,000)		
<u>Vehicle and Equipment Fund</u>					
<u>Revenues</u>					
Vehicle Replacement Charges	386,410	193,231	(193,179)	-50.0%	Reduced vehicle and equipment charges by 50%
			(193,179)		
<u>Expenditures</u>					
Equipment	255,630	205,630	(50,000)	-19.6%	Eliminate document management initiative
			(50,000)		

Village of North Aurora
 FY 2020-2021 Budget Summary
 Summary of All Funds

Fund	Projected Fund Balance As of 5/31/20	FY 20-21 Budgeted Revenues	FY 20-21 Budgeted Expenditures	Revenues Over/(Under) Expenditures	Projected Fund Balance As of 5/31/21
General	7,577,043	11,782,172	11,758,167	24,005	7,601,048
Motor Fuel Tax	1,047,434	564,000	966,898	(402,898)	644,536
Route 31 TIF	1,857,810	531,840	1,295,450	(763,610)	1,094,200
Speery TIF	20,523	7,414	28,000	(20,586)	(63)
N. Lincolnway TIF	31,889	34,038	65,000	(30,962)	927
Insurance	366,183	341,000	349,500	(8,500)	357,683
Tourism	59,642	175,400	180,000	(4,600)	55,042
Special Service Areas	137,788	59,700	57,430	2,270	140,058
Sanitary Sewer	1,400,766	137,000	133,438	3,562	1,404,328
Capital Projects	3,161,343	1,620,000	1,929,000	(309,000)	2,852,343
Library Debt Service	110,460	300,011	410,464	(110,453)	8
Police Station Debt Service	281,212	637,767	630,300	7,467	288,679
Waterworks	6,369,932	3,123,000	5,774,313	(2,651,313)	3,718,619
Vehicle and Equipment Fund	1,854,125	220,231	651,630	(431,399)	1,422,726
Police Pension Trust	19,432,400	2,846,974	1,007,350	1,839,624	21,272,024
TOTAL ALL FUNDS:	43,708,550	22,380,547	25,236,940	(2,856,393)	40,852,157
Less					
Police Pension Trust	(19,432,400)	(2,846,974)	(1,007,350)	(1,839,624)	(21,272,024)
REVISED TOTAL:	24,276,150	19,533,573	24,229,590	(4,696,017)	19,580,133

