

FUND BALANCE REPORT

First Quarter Ending March 31, 2020

This report itemizes all funds and their beginning and ending fund balances, revenues, expenses and net income or loss for the year-to-date. It also lists the cash balance in each fund. The beginning balance amounts have been revised, if necessary, to reflect adjustments as a result of the annual audit.

The cash balance in the General Fund is \$28.9 million. Through the first quarter, General Fund revenues came in 10% over budget. Telecommunications taxes came in over budget as did tax receipts. General Fund expenditures came in 3% under budget. Over the next months, the Village will start to experience the financial effects of the Covid-19 Pandemic. We are currently projecting significant decreases in General Fund revenues throughout the balance of 2020. As of the date of this report, the Village does not have definitive data on the extent of this financial downturn. Future quarterly reports will include actual sales, income, and food & beverage tax data from the start of this projected economic downturn.

Special Revenue Funds came in as expected. The CDBG Fund shows a deficit due to the timing of the receipt of grant revenues.

The Debt Service Fund is accumulating cash to pay debt service installments that are due on December 1st and June 1st every year.

There are four active capital project funds. The Capital Project Fund is an on-going fund for miscellaneous capital equipment and for capital projects not normally funded by a bond issue. This Fund has a fund balance of \$12.3 million, which is sufficient to pay for project costs budgeted over the next five years. The Storm Water Control Fund has a fund balance of \$9.8 million due to the recent bond issue for storm water infrastructure projects. The Public Building Fund has been used to account for the bond proceeds issued for the construction of the new Police Station. This fund currently has a fund balance of \$3.4 million.

The Water & Sewer Fund has a cash balance of \$662,000. In October 2019, the Village Board approved rate increases over five years to ensure the long-term financial stability of this fund. Recent years have been wetter than normal which has caused less water to be sold. As a result, water and sewer revenues have previously not reached budget levels.

The SWANCC Fund has accumulated enough cash to make the monthly payments to SWANCC in advance. The waste hauler remits their payments to the Village after they have been billed and subsequently collected from the residents so there is a three-month lag in cash flow.

All of the Insurance Funds have money set aside to pay future claims. Based on current reserve requirements the General Liability and Workers' Compensation insurance funds are adequately funded. The Health and Retiree Insurance Funds carry a fund balance to help cover the difference between expected claims and the "worst case" scenario. The Village self-insures its PPO claims and also offers HMO insurance coverage.

The Fleet Fund has a cash balance of \$7.9 million, which represents funds being accumulated to replace vehicles and equipment as they reach the end of their useful lives.

VILLAGE OF ARLINGTON HEIGHTS
FUND BALANCE REPORT CALENDAR YEAR 2020
For the 1st Quarter ending March 31, 2020

Fund	Beginning Balance	Revenue	Expenditures & Encumbrances	Net Income (LOSS)	Ending Balance	Cash and Investments
General Fund (101)	30,878,733	24,507,027	23,181,469	1,325,558	32,204,291	28,930,827
Special Revenue Funds						
Motor Fuel Tax (211)	2,905,807	798,808	18,187	780,621	3,686,428	3,357,865
CDBG (215)	0	10,700	140,650	(129,950)	(129,950)	(27,738)
Affordable Housing (217)	314,524	1,510	0	1,510	316,034	315,045
Zero Interest Loan (225)	409,390	24,994	112	24,882	434,272	433,018
Foreign Fire Ins Tax (227)	425,104	6,251	41,749	(35,498)	389,606	400,400
Criminal Invest (231)	1,703,274	18,284	158,099	(139,815)	1,563,459	1,591,755
Municipal Parking (235)	4,635,880	322,528	743,307	(420,779)	4,215,101	4,754,851
TIF IV (263)	2,821,419	339,727	16,141	323,586	3,145,005	3,138,329
TIF V (264)	2,162,842	410,244	11,207	399,037	2,561,879	2,566,172
Hickory/Kensington TIF (266)	1,677,432	268,074	13,400	254,674	1,932,106	1,932,726
TIF Tax Reserve Fund (271)	150,000	0	0	0	150,000	150,000
Debt Service Funds						
Debt Service (301)	2,182,035	2,765,292	428	2,764,864	4,946,899	4,941,505
Capital Project Funds						
Capital Imp/Replacement (401)	11,100,698	2,761,857	1,601,395	1,160,462	12,261,160	12,301,273
Storm water Control (426)	9,438,178	545,245	3,101,946	(2,556,701)	6,881,477	9,797,235
Public Building (431)	3,085,368	16,958	455,379	(438,421)	2,646,947	3,413,173
Other Funds						
Water & Sewer (505)	4,119,180	4,264,044	6,092,786	(1,828,742)	2,290,438	661,803
SWANCC (511)	3,898,974	498,584	481,379	17,205	3,916,179	3,621,322
Arts, Entertainment & Events 515	231,642	192,478	103,953	88,525	320,167	479,510
Health Insurance (605)	3,486,372	3,341,290	2,834,723	506,567	3,992,939	5,186,252
General Liability (611)	3,725,791	228,048	385,795	(157,747)	3,568,044	3,623,651
Workers Comp (615)	4,281,162	694,330	1,032,925	(338,595)	3,942,567	4,250,112
Fleet Operations (621)	7,614,521	973,617	2,552,740	(1,579,123)	6,035,398	7,910,347
Information Technology (625)	2,675,062	484,778	849,713	(364,935)	2,310,127	2,875,844
Police Pension (705)	148,346,308	(17,443,963)	2,298,928	(19,742,891)	128,603,417	128,313,870
Fire Pension (711)	123,883,697	(10,610,016)	1,963,838	(12,573,854)	111,309,843	111,064,354

RESULTS OF OPERATIONS

Through March 31, 2020

The Budget Comparison Reports as of March 31, 2020 for the Village's two key operating funds, the General Fund and the Water & Sewer Fund are attached. Year-to-date revenue in the General Fund is \$24,507,027, which is 10% over budget for the year-to-date.

Telecommunications tax is \$645,134 for the year-to-date, 1% over budget and 8% over last year. This revenue is collected by the State and remitted to municipalities. This revenue is decreasing due to residents and business cutting their landlines.

Hotel tax is \$201,327 for the year-to-date, which is 26% under budget and 15% over last year.

Food and beverage tax is \$459,023 for the year-to-date, which is 14% under budget and 4% under last year.

Electric and natural gas utility taxes are \$1,725,307 for year-to-date, which is 9% under budget and 8% under last year.

Regular sales tax is \$3,705,088, which is 15% over budget for the year-to-date and 10% over last year.

Home rule sales tax is \$1,409,239, which is 2% over budget for the year-to-date and 2% under last year.

Income tax is \$1,921,891 for the year-to-date, which is 4% under budget and 5% over last year.

Total revenue from **permits** is \$308,431, which is 21% under budget for the year-to-date. **Fees and Fines** combined are \$1,447,033, which is 1% under budget for the year-to-date. These revenues are dependent on the local economy and construction activity.

Total General Fund expenditures amount to \$21,880,736, which is 3% under budget for the year-to-date.

Cash and investments in the General Fund as of March 31, 2020, were \$28,710,282.

Total revenues in the Water & Sewer Fund are \$4,264,044, which is 21% under budget.

Total Water & Sewer Fund expenses are \$4,207,067, which are over 32% under budget for the year-to-date.

Cash and investments in the Water & Sewer Fund as of March 31, 2020 total \$661,803.

VILLAGE OF ARLINGTON HEIGHTS
BUDGET COMPARISON REPORT CALENDAR YEAR 2020
GENERAL FUND

March 31, 2020

25% of the Fiscal Year

REVENUES	2020 BUDGET	MTD BUDGET	MTD ACTUAL	YTD BUDGET	YTD ACTUAL	UNREALIZED DOLLARS	PERCENT RECEIVED
Real Estate Tax - IMRF	1,819,000	600,300	543,209	927,700	699,632	1,119,368	38%
Real Estate Tax - FICA	1,480,000	488,400	441,973	754,800	569,243	910,757	38%
Real Estate Tax - Police Pen	4,209,000	1,557,300	1,606,299	2,357,000	2,067,611	2,141,389	49%
Real Estate Tax - Fire Pen	5,130,000	1,898,100	1,976,586	2,872,800	2,544,258	2,585,742	50%
Real Estate Tax - Police Prot	6,047,800	1,995,800	1,806,059	3,084,400	2,326,133	3,721,667	38%
Real Estate Tax - Fire Prot	6,047,800	1,995,800	1,806,059	3,084,400	2,326,133	3,721,667	38%
Hotel Tax	1,075,000	89,583	69,489	268,749	201,327	873,673	19%
Food/Beverage Tax	2,116,000	176,333	113,808	528,999	459,023	1,656,977	22%
Electric Utility Tax	3,100,000	279,500	241,328	838,900	743,045	2,356,955	24%
Natural Gas Utility Tax	2,200,000	347,000	369,087	1,053,100	982,262	1,217,738	45%
Sales Tax - Home Rule	5,487,000	457,250	514,974	1,371,750	1,409,239	4,077,761	26%
Other Taxes	270,000	129,700	97,505	134,700	132,429	137,571	49%
Auto Rental Tax	28,000	2,333	2,428	6,999	7,037	20,963	25%
Sales Tax	12,693,000	1,247,300	1,573,140	3,210,700	3,705,088	8,987,912	29%
Telecommunications Tax	2,156,000	179,666	200,907	538,998	645,134	1,510,866	30%
State Income Tax	7,974,800	664,566	526,530	1,993,698	1,921,891	6,052,909	24%
Replacement Tax	450,000	99,000	25,628	148,500	101,001	349,000	22%
Other Intergov't Rev	243,000	18,332	22,593	54,996	69,093	173,907	28%
Local Use Tax	2,600,000	216,666	0	649,998	467,434	2,132,566	18%
Licenses	2,708,000	128,216	165,564	560,548	575,528	2,132,472	21%
Permits	1,554,500	129,538	139,419	388,614	308,431	1,246,069	20%
Fees and Fines	5,797,900	358,151	371,372	1,449,453	1,447,033	4,350,867	25%
Service Charges	2,145,700	178,806	183,965	536,418	547,052	1,598,648	25%
Interest	411,000	34,249	88,496	102,747	131,842	279,158	32%
Property Damage	53,000	4,416	9,067	13,248	23,962	29,038	45%
Sales and Rents	90,000	7,497	3,910	22,491	21,514	68,486	24%
Special Operations	310,000	25,831	1,955	77,493	12,366	297,634	4%
Other Income	40,000	3,333	4,923	9,999	12,284	27,716	31%
Operating Transfers-In	200,000	16,666	16,667	49,998	50,000	150,000	25%
TOTAL	78,436,500	13,329,632	12,922,941	27,092,196	24,507,027	53,929,473	31%

EXPENDITURES	2020 BUDGET	MTD BUDGET	MTD ACTUAL	YTD BUDGET	YTD ACTUAL	AVAILABLE DOLLARS	PERCENT SPENT
Board of Trustees	173,300	14,438	6,432	43,314	23,497	149,803	14%
Village Manager	1,039,000	86,578	76,902	259,734	272,494	766,506	26%
Human Resources	426,300	35,533	30,945	106,399	104,431	321,869	24%
Legal	779,500	64,951	58,269	194,853	194,688	584,812	25%
Finance	1,781,100	148,415	140,822	445,245	444,837	1,336,263	25%
Boards & Commissions	210,500	10,330	11,654	117,290	119,215	91,285	57%
Police	27,258,405	3,478,072	3,310,197	8,119,316	7,817,481	19,440,924	29%
Fire	23,840,388	3,457,286	3,389,161	7,550,358	7,358,968	16,481,420	31%
Planning/Com Dev	1,926,406	160,525	145,647	481,575	457,251	1,469,155	24%
Building	2,844,700	237,050	228,299	711,150	720,972	2,123,728	25%
Health Services	1,789,600	149,122	137,617	447,366	439,683	1,349,917	25%
Senior Services	621,760	51,807	47,372	155,421	150,739	471,021	24%
Public Works	15,367,319	1,280,596	1,015,237	3,841,788	3,491,351	11,875,968	23%
Other Non-Operating	640,200	15,833	0	47,699	285,129	355,071	45%
TOTAL	78,698,478	9,190,536	8,598,554	22,521,508	21,880,736	56,817,742	28%

**EXCESS/(DEFICIENCY)
OF REVENUES
OVER EXPENDITURES**

(261,978) 4,139,096 4,324,388 4,570,688 2,626,291 N/A N/A

**ENDING
CASH BALANCE**

28,710,282

**VILLAGE OF ARLINGTON HEIGHTS
BUDGET COMPARISON REPORT CALENDAR YEAR 2020**

March 31, 2020

WATER FUND

25% of the Fiscal Year

REVENUES	2020	MTD	MTD	YTD	YTD	UNREALIZED	PERCENT
	BUDGET	BUDGET	ACTUAL	BUDGET	ACTUAL	DOLLARS	RECEIVED
Taxes	0	0	0	0	0	0	N/A
EE&C Block Grant	0	0	0	0	0	0	N/A
Water Sales	16,119,600	1,343,300	1,064,427	4,029,900	3,183,120	12,936,480	20%
Sewer Charge	4,162,400	346,866	271,311	1,040,598	822,078	3,340,322	20%
Construction Use Sales	0	0	0	0	0	0	N/A
Service Charge	780,000	65,000	65,525	195,000	181,399	598,601	23%
Water Connection Fees	100,000	8,333	1,549	24,999	11,957	88,043	12%
Sewer Connection Fees	3,200	266	50	798	250	2,950	8%
Water Capital Fees	40,000	3,333	320	9,999	2,560	37,440	6%
Testing Fees	90,000	7,500	7,501	22,500	19,944	70,056	22%
Penalties	110,000	9,166	3,809	27,498	22,196	87,804	20%
Interest	20,000	1,666	2,040	4,998	2,807	17,193	14%
Other Income	118,000	9,831	2,122	29,493	17,732	100,269	15%
Operating Transfer	0	0	0	0	0	0	N/A
Bond Proceeds	8,500,000	0	0	0	0	8,500,000	0%
TOTAL	30,043,200	1,795,261	1,418,653	5,385,783	4,264,044	25,779,156	14%

EXPENDITURES By Department	2020	MTD	MTD	YTD	YTD	AVAILABLE	PERCENT
	BUDGET	BUDGET	ACTUAL	BUDGET	ACTUAL	DOLLARS	SPENT
Finance Department	1,088,100	90,670	90,052	272,010	274,746	813,354	25%
Water Department	16,338,132	1,025,952	976,334	4,086,210	3,438,007	12,900,125	21%
Capital	6,392,657	531,555	250,543	1,608,655	369,314	6,023,343	6%
Other Expenditures	725,000	60,416	41,667	181,248	125,000	600,000	17%
TOTAL	24,543,889	1,708,593	1,358,595	6,148,123	4,207,067	20,336,822	17%

**EXCESS/(DEFICIENCY)
OF REVENUES**

OVER EXPENDITURES style="text-align: right;">5,499,311 style="text-align: right;">86,668 style="text-align: right;">60,058 style="text-align: right;">(762,340) style="text-align: right;">56,977 style="text-align: right;">5,442,334 style="text-align: center;">0

**ENDING
CASH BALANCE**

661,803