

## FUND BALANCE REPORT

### First Quarter Ending March 31, 2021

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 \$30.2 million. Through the first quarter, General Fund revenues came in 6% under budget. Sales, Home-Rule Sales, Income, and Local Use taxes came in over budget, but all other taxes and fees came in under budget due to the ongoing effects of the Covid-19 pandemic. General Fund expenditures came in 12% under budget. As pandemic restrictions are loosened it is expected that some of the underperforming revenues will improve.

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 1<sup>st</sup> and June 1<sup>st</sup> 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 \$15.5 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 \$5.3 million due to the bond issue for storm water infrastructure projects. The Public Building Fund was used to account for the bond proceeds issued for the construction of the new Police Station. This fund currently has a cash balance of \$2.7 million, which will be distributed to other Village funds when the Public Building Fund is closed during 2021.

The Water & Sewer Fund has a cash balance of \$8.4 million due to \$9 million in bond proceeds that were credited to this fund in September 2020. 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. Base on current reserve requirements the General Liability and Workers' Compensation insurance funds are adequately funded. The Health Insurance Fund carries 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 \$8.3 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 2021  
For the 1st Quarter ending March 31, 2021**

| Fund                             | Beginning<br>Balance | Revenue    | Expenditures &<br>Encumbrances | Net Income<br>(LOSS) | Ending<br>Balance | Cash and<br>Investments |
|----------------------------------|----------------------|------------|--------------------------------|----------------------|-------------------|-------------------------|
| <b>General Fund (101)</b>        | 30,615,477           | 25,699,375 | 22,119,374                     | 3,580,001            | 34,195,478        | 30,158,744              |
| <b>Special Revenue Funds</b>     |                      |            |                                |                      |                   |                         |
| Motor Fuel Tax (211)             | 4,926,106            | 1,497,049  | 255,749                        | 1,241,300            | 6,167,406         | 6,264,049               |
| CDBG (215)                       | 0                    | 100,502    | 132,848                        | (32,346)             | (32,346)          | 71,933                  |
| Affordable Housing (217)         | 446,844              | 24,742     | 0                              | 24,742               | 471,586           | 471,587                 |
| Zero Interest Loan (225)         | 513,710              | 26,878     | 0                              | 26,878               | 540,588           | 540,588                 |
| Foreign Fire Ins Tax (227)       | 487,057              | 118        | 24,390                         | (24,272)             | 462,785           | 471,285                 |
| Criminal Invest (231)            | 1,435,632            | 34,756     | 139,791                        | (105,035)            | 1,330,597         | 1,357,581               |
| Municipal Parking (235)          | 5,815,596            | 188,725    | 448,654                        | (259,929)            | 5,355,667         | 5,616,068               |
| TIF IV (263)                     | 3,526,993            | 858        | 31,784                         | (30,926)             | 3,498,067         | 3,465,351               |
| TIF V (264)                      | 3,162,174            | 542,360    | 10,469                         | 531,891              | 3,694,065         | 3,704,533               |
| Hickory/Kensington TIF (266)     | 2,480,599            | 302,458    | 3,750                          | 298,708              | 2,779,307         | 2,779,306               |
| S AH Rd TIF (267)                | 0                    | 0          | 15,000                         | (15,000)             | (15,000)          | 0                       |
| <b>Debt Service Funds</b>        |                      |            |                                |                      |                   |                         |
| Debt Service (301)               | 2,103,216            | 3,017,698  | 746                            | 3,016,952            | 5,120,168         | 5,107,330               |
| <b>Capital Project Funds</b>     |                      |            |                                |                      |                   |                         |
| Capital Imp/Replacement (401)    | 16,749,008           | 2,466,609  | 3,704,581                      | (1,237,972)          | 15,511,036        | 18,555,312              |
| Storm Water Control (426)        | 9,930,220            | 412,968    | 5,050,415                      | (4,637,447)          | 5,292,773         | 9,486,152               |
| Public Building (431)            | 3,294,384            | 739        | 1,166,497                      | (1,165,758)          | 2,128,626         | 2,707,664               |
| <b>Other Funds</b>               |                      |            |                                |                      |                   |                         |
| Water & Sewer (505)              | 14,193,405           | 4,965,758  | 6,423,832                      | (1,458,074)          | 12,735,331        | 8,387,259               |
| SWANCC (511)                     | 3,813,813            | 489,281    | 491,541                        | (2,260)              | 3,811,553         | 3,615,571               |
| Arts, Entertainment & Events 515 | 373,464              | 274,538    | 106,071                        | 168,467              | 541,931           | 800,156                 |
| Health Insurance (605)           | 4,496,114            | 3,293,368  | 3,241,572                      | 51,796               | 4,547,910         | 6,062,610               |
| General Liability (611)          | 4,148,735            | 213,963    | 360,534                        | (146,571)            | 4,002,164         | 4,044,386               |
| Workers Comp (615)               | 4,519,142            | 662,969    | 1,174,235                      | (511,266)            | 4,007,876         | 4,331,219               |
| Fleet Operations (621)           | 7,765,439            | 1,158,527  | 1,729,442                      | (570,915)            | 7,194,524         | 8,301,845               |
| Information Technology (625)     | 2,786,349            | 972,196    | 585,098                        | 387,098              | 3,173,447         | 3,407,640               |
| Police Pension (705)             | 163,159,679          | 9,236,543  | 2,500,572                      | 6,735,971            | 169,895,650       | 169,735,965             |
| Fire Pension (711)               | 136,198,811          | 6,302,677  | 2,044,957                      | 4,257,720            | 140,456,531       | 140,231,781             |

## **RESULTS OF OPERATIONS**

### Through March 31, 2021

The Budget Comparison Reports as of March 31, 2021 for the Village's two key operating fund, the General Fund and the Water & Sewer Fund are attached. Year-to-date revenue in the General Fund is \$25,699,375 which is 6% under budget for the year-to-date.

**Telecommunications tax** is \$425,405 for the year-to-date, 19% under budget. This revenue is collected by the State and remitted to municipalities. This revenue is projected to decrease in the future due to residents and business cutting their landlines.

**Hotel Tax** is \$88,938 for the year-to-date, which is 64% under budget.

**Food and beverage tax** is \$411,298 for the year-to-date, which is 8% under budget.

**Electric and natural gas utility taxes** are \$1,729,663 for the year-to-date, which is 9% under budget.

**Regular sales tax** is \$3,710,776 for the year-to-date, which is 32% over budget.

**Home rule sales tax** is \$1,306,836 for the year-to-date, which is 3% over budget.

**Income tax** is \$2,218,339 for the year-to-date, which is 21% over budget.

**Local Use Tax** is \$1,060,486 for the year-to-date, which is 38% over budget.

Total revenue from permits is \$215,417 which is 44% under budget for the year-to-date. **Fees and Fines** \$1,230,849, which is 15% under budget for the year-to-date. These revenues are dependent on the local economy and construction activity.

The General Fund expenditures are \$20,287,263, which is 12% under budget for the year-to-date.

Cash and investments in the General Fund as of March 31, 2021 were \$30,158,744.

Total revenue in the Water & Sewer Fund is \$4,965,758 which is 10% under budget.

Total Water & Sewer Fund expenditures are \$3,440,235 which is 46% under budget for the year-to-date.

Cash and investments in the Water & Sewer Fund as of March 31, 2021 were \$8,387,259.

**VILLAGE OF ARLINGTON HEIGHTS**  
**BUDGET COMPARISON REPORT CALENDAR YEAR 2021**  
**GENERAL FUND**

March 31, 2021

25% of the Fiscal Year

| REVENUES                      | 2021<br>BUDGET    | MTD<br>BUDGET     | MTD<br>ACTUAL     | YTD<br>BUDGET     | YTD<br>ACTUAL     | UNREALIZED<br>DOLLARS | PERCENT<br>RECEIVED |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-----------------------|---------------------|
| Real Estate Tax - IMRF        | 1,835,800         | 605,800           | 608,030           | 936,200           | 803,364           | 1,032,436             | 44%                 |
| Real Estate Tax - FICA        | 1,502,000         | 495,600           | 497,473           | 766,000           | 657,290           | 844,710               | 44%                 |
| Real Estate Tax - Police Pen  | 4,073,000         | 1,507,000         | 1,426,833         | 2,280,900         | 1,885,185         | 2,187,815             | 46%                 |
| Real Estate Tax - Fire Pen    | 4,913,000         | 1,817,800         | 1,743,809         | 2,751,300         | 2,303,786         | 2,609,214             | 47%                 |
| Real Estate Tax - Police Prot | 7,035,400         | 2,321,700         | 2,330,175         | 3,588,100         | 3,078,759         | 3,956,641             | 44%                 |
| Real Estate Tax - Fire Prot   | 7,035,400         | 2,321,700         | 2,330,175         | 3,588,100         | 3,078,759         | 3,956,641             | 44%                 |
| Hotel Tax                     | 975,000           | 81,250            | 25,187            | 243,750           | 88,938            | 886,062               | 9%                  |
| Food/Beverage Tax             | 1,780,000         | 148,333           | 145,721           | 444,999           | 411,298           | 1,368,702             | 23%                 |
| Electric Utility Tax          | 3,100,000         | 279,500           | 245,909           | 838,900           | 725,908           | 2,374,092             | 23%                 |
| Natural Gas Utility Tax       | 2,200,000         | 347,000           | 408,021           | 1,053,100         | 1,003,755         | 1,196,245             | 46%                 |
| Sales Tax - Home Rule         | 5,061,000         | 421,750           | 485,127           | 1,265,250         | 1,306,836         | 3,754,164             | 26%                 |
| Other Taxes                   | 260,000           | 128,866           | 86,350            | 132,198           | 119,448           | 140,552               | 46%                 |
| Auto Rental Tax               | 28,000            | 2,333             | 1,212             | 6,999             | 4,086             | 23,914                | 15%                 |
| Sales Tax                     | 12,212,000        | 1,045,455         | 1,158,548         | 2,810,910         | 3,710,776         | 8,501,224             | 30%                 |
| Telecommunications Tax        | 2,090,000         | 174,166           | 145,357           | 522,498           | 425,405           | 1,664,595             | 20%                 |
| State Income Tax              | 7,322,000         | 610,166           | 580,201           | 1,830,498         | 2,218,339         | 5,103,661             | 30%                 |
| Replacement Tax               | 450,000           | 99,000            | 38,125            | 148,500           | 117,034           | 332,966               | 26%                 |
| Other Intergov't Rev          | 361,000           | 28,165            | (24,316)          | 84,495            | 68,621            | 292,379               | 19%                 |
| Local Use Tax                 | 3,079,000         | 256,583           | 446,771           | 769,749           | 1,060,486         | 2,018,514             | 34%                 |
| Licenses                      | 2,637,500         | 124,774           | 190,603           | 534,822           | 510,765           | 2,126,735             | 19%                 |
| Permits                       | 1,539,500         | 128,288           | 79,945            | 384,864           | 215,417           | 1,324,083             | 14%                 |
| Fees and Fines                | 5,759,700         | 354,967           | 361,528           | 1,439,901         | 1,230,849         | 4,528,851             | 21%                 |
| Service Charges               | 2,203,800         | 183,647           | 181,292           | 550,941           | 543,911           | 1,659,889             | 25%                 |
| Interest                      | 370,000           | 30,833            | 2,336             | 92,499            | 6,484             | 363,516               | 2%                  |
| Property Damage               | 53,000            | 4,416             | 674               | 13,248            | 7,723             | 45,277                | 15%                 |
| Sales and Rents               | 77,000            | 6,414             | 2,243             | 19,242            | 16,747            | 60,253                | 22%                 |
| Special Operations            | 31,800            | 2,649             | 1,059             | 7,947             | 35,835            | (4,035)               | 113%                |
| Other Income                  | 322,200           | 26,848            | 8,344             | 80,544            | 13,570            | 308,630               | 4%                  |
| Operating Transfers-In        | 200,000           | 16,666            | 16,667            | 49,998            | 50,000            | 150,000               | 25%                 |
| <b>TOTAL</b>                  | <b>78,507,100</b> | <b>13,571,669</b> | <b>13,523,399</b> | <b>27,236,452</b> | <b>25,699,375</b> | <b>52,807,725</b>     | <b>33%</b>          |

| EXPENDITURES         | 2021<br>BUDGET    | MTD<br>BUDGET    | MTD<br>ACTUAL    | YTD<br>BUDGET     | YTD<br>ACTUAL     | AVAILABLE<br>DOLLARS | PERCENT<br>SPENT |
|----------------------|-------------------|------------------|------------------|-------------------|-------------------|----------------------|------------------|
| Board of Trustees    | 172,900           | 14,404           | 8,085            | 43,212            | 24,758            | 148,142              | 14%              |
| Village Manager      | 1,062,000         | 88,493           | 79,935           | 265,479           | 241,166           | 820,834              | 23%              |
| Human Resources      | 435,000           | 36,242           | 31,306           | 108,726           | 91,513            | 343,487              | 21%              |
| Legal                | 719,700           | 59,968           | 59,673           | 179,904           | 148,158           | 571,542              | 21%              |
| Finance              | 1,810,100         | 150,832          | 129,814          | 452,496           | 401,525           | 1,408,575            | 22%              |
| Boards & Commissions | 202,900           | 9,497            | 7,424            | 117,191           | 98,641            | 104,259              | 49%              |
| Police               | 27,312,278        | 3,443,887        | 3,108,647        | 8,088,009         | 6,958,340         | 20,353,938           | 25%              |
| Fire                 | 24,132,817        | 3,419,682        | 3,201,795        | 7,553,990         | 6,782,120         | 17,350,697           | 28%              |
| Planning/Com Dev     | 1,978,080         | 165,373          | 142,594          | 489,622           | 408,363           | 1,569,717            | 21%              |
| Building             | 2,815,300         | 234,601          | 209,802          | 703,803           | 626,802           | 2,188,498            | 22%              |
| Health Services      | 1,849,500         | 154,114          | 139,403          | 462,342           | 411,127           | 1,438,373            | 22%              |
| Senior Services      | 621,400           | 51,778           | 47,144           | 155,334           | 134,855           | 486,545              | 22%              |
| Public Works         | 15,533,759        | 1,294,936        | 1,136,906        | 3,879,184         | 3,616,965         | 11,916,794           | 23%              |
| Other Non-Operating  | 758,000           | 25,666           | 323,991          | 526,998           | 342,929           | 415,071              | 45%              |
| <b>TOTAL</b>         | <b>79,403,734</b> | <b>9,149,473</b> | <b>8,626,521</b> | <b>23,026,290</b> | <b>20,287,263</b> | <b>59,116,471</b>    | <b>26%</b>       |

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

(896,634)    4,422,196    4,896,879    4,210,162    5,412,112    N/A    N/A

**ENDING  
CASH BALANCE**

30,158,744

**VILLAGE OF ARLINGTON HEIGHTS  
BUDGET COMPARISON REPORT CALENDAR YEAR 2021**

March 31, 2021

**WATER FUND**

25% of the Fiscal Year

| REVENUES              | 2021<br>BUDGET    | MTD<br>BUDGET    | MTD<br>ACTUAL    | YTD<br>BUDGET    | YTD<br>ACTUAL    | UNREALIZED<br>DOLLARS | PERCENT<br>RECEIVED |
|-----------------------|-------------------|------------------|------------------|------------------|------------------|-----------------------|---------------------|
| Water Sales           | 16,554,100        | 1,379,508        | 1,170,326        | 4,138,524        | 3,533,223        | 13,020,877            | 21%                 |
| Sewer Charge          | 4,275,900         | 356,325          | 299,990          | 1,068,975        | 918,199          | 3,357,701             | 21%                 |
| Service Charge        | 780,000           | 65,000           | 65,918           | 195,000          | 197,220          | 582,780               | 25%                 |
| Water Connection Fees | 100,000           | 8,333            | 8,998            | 24,999           | 18,313           | 81,687                | 18%                 |
| Sewer Connection Fees | 3,200             | 266              | 250              | 798              | 500              | 2,700                 | 16%                 |
| Water Capital Fees    | 40,000            | 3,333            | 2,240            | 9,999            | 4,480            | 35,520                | 11%                 |
| Testing Fees          | 90,000            | 7,500            | 7,723            | 22,500           | 22,592           | 67,408                | 25%                 |
| Penalties             | 110,000           | 9,166            | 17,419           | 27,498           | 36,233           | 73,767                | 33%                 |
| Interest              | 20,000            | 1,666            | 579              | 4,998            | 1,862            | 18,138                | 9%                  |
| Other Income          | 118,000           | 9,831            | 5,965            | 29,493           | 233,136          | (115,136)             | 198%                |
| <b>TOTAL</b>          | <b>22,091,200</b> | <b>1,840,928</b> | <b>1,579,408</b> | <b>5,522,784</b> | <b>4,965,758</b> | <b>17,125,442</b>     | <b>22%</b>          |

| EXPENDITURES<br>By Department | 2021<br>BUDGET    | MTD<br>BUDGET    | MTD<br>ACTUAL  | YTD<br>BUDGET    | YTD<br>ACTUAL    | AVAILABLE<br>DOLLARS | PERCENT<br>SPENT |
|-------------------------------|-------------------|------------------|----------------|------------------|------------------|----------------------|------------------|
| Finance Department            | 1,117,400         | 93,112           | 88,472         | 279,336          | 249,320          | 868,080              | 22%              |
| Water Department              | 16,831,028        | 1,060,075        | 872,458        | 4,196,448        | 3,166,739        | 13,664,289           | 19%              |
| Capital                       | 7,141,728         | 595,794          | 4,920          | 1,779,588        | 24,176           | 7,117,552            | 0%               |
| Other Expenditures            | 300,000           | 25,000           | 0              | 75,000           | 0                | 300,000              | 0%               |
| <b>TOTAL</b>                  | <b>25,390,156</b> | <b>1,773,981</b> | <b>965,850</b> | <b>6,330,372</b> | <b>3,440,235</b> | <b>21,949,921</b>    | <b>14%</b>       |

**EXCESS/(DEFICIENCY)  
OF REVENUES**

|                          |                    |               |                |                  |                  |                    |          |
|--------------------------|--------------------|---------------|----------------|------------------|------------------|--------------------|----------|
| <b>OVER EXPENDITURES</b> | <b>(3,298,956)</b> | <b>66,947</b> | <b>613,558</b> | <b>(807,588)</b> | <b>1,525,523</b> | <b>(4,824,479)</b> | <b>0</b> |
|--------------------------|--------------------|---------------|----------------|------------------|------------------|--------------------|----------|

**ENDING  
CASH BALANCE**

**8,387,259**