

FUND BALANCE REPORT

Second Quarter Ending June 30, 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 \$34 million. Through the first quarter, General Fund revenues came in 16% over budget. Sales, Home-Rule Sales, Income, and Local Use taxes came in over budget. The largest revenue increase is attributable to receiving \$3.4 million of American Rescue Plan federal grant funds. The Village is scheduled to receive another \$3.4 million in these grant funds next year at this time. General Fund expenditures came in 9% under budget.

Special Revenue Funds came in as expected. The CDBG Fund shows a surplus 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 \$13.6 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 \$5.5 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 \$1.9 million, which is being distributed to other Village funds as the Public Building Fund will be closed as of the end of 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. Based 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 \$8.7 million, which represents funds being accumulated to replace vehicle and equipment as they reach the end of their useful lives.

VILLAGE OF ARLINGTON HEIGHTS
FUND BALANCE REPORT CALENDAR YEAR 2021
For the 2nd Quarter ending June 30, 2021

Fund	Beginning Balance	Revenue	Expenditures & Encumbrances	Net Income (LOSS)	Ending Balance	Cash and Investments
General Fund (101)	30,615,477	46,261,203	38,280,771	7,980,432	38,595,909	33,963,508
Special Revenue Funds						
Motor Fuel Tax (211)	4,926,106	3,027,566	4,283,304	(1,255,738)	3,670,368	6,842,353
CDBG (215)	0	122,304	318,691	(196,387)	(196,387)	5,301
Affordable Housing (217)	446,844	67,180	0	67,180	514,024	514,024
Zero Interest Loan (225)	513,710	68,562	0	68,562	582,272	582,273
Foreign Fire Ins Tax (227)	487,057	197	43,039	(42,842)	444,215	449,962
Criminal Invest (231)	1,435,632	36,095	158,137	(122,042)	1,313,590	1,317,976
Municipal Parking (235)	5,615,596	391,271	724,717	(333,446)	5,282,150	5,462,598
TIF IV (263)	3,526,993	373,744	545,807	(172,063)	3,354,930	3,348,359
TIF V (264)	3,162,174	542,998	10,469	532,529	3,694,703	3,705,172
Hickory/Kensington TIF (266)	2,480,599	432,142	7,500	424,642	2,905,241	2,905,240
S AH Rd TIF (267)	0	0	105,375	(105,375)	(105,375)	(13,299)
Debt Service Funds						
Debt Service (301)	2,103,216	3,756,089	1,259,614	2,496,475	4,599,691	4,586,853
Capital Project Funds						
Capital Imp/Replacement (401)	16,749,008	3,382,053	6,486,337	(3,104,284)	13,644,724	18,966,426
Storm Water Control (426)	9,930,220	872,127	5,346,082	(4,473,955)	5,456,265	6,585,980
Public Building (431)	3,294,384	1,116	1,973,997	(1,972,881)	1,321,503	1,900,542
Other Funds						
Water & Sewer (505)	14,193,405	10,139,070	12,531,765	(2,392,695)	11,800,710	8,428,486
SWANCC (511)	3,813,813	991,155	1,002,878	(11,723)	3,802,090	3,606,108
Arts, Entertainment & Events 515	373,464	585,053	214,879	370,174	743,638	994,469
Health Insurance (605)	4,496,114	6,585,209	6,705,903	(120,694)	4,375,420	5,888,852
General Liability (611)	4,148,735	427,617	528,989	(101,372)	4,047,363	4,085,561
Workers Comp (615)	4,519,142	1,243,923	1,407,050	(163,127)	4,356,015	4,703,840
Fleet Operations (621)	7,765,439	2,345,234	2,299,393	45,841	7,811,280	8,671,784
Information Technology (625)	2,786,349	1,944,251	884,618	1,059,633	3,845,982	4,035,249
Police Pension (705)	163,159,679	18,837,878	4,985,809	13,852,069	177,011,748	176,852,062
Fire Pension (711)	136,198,811	13,139,764	4,103,799	9,035,965	145,234,776	145,016,288

RESULTS OF OPERATIONS

Through June 30, 2021

The Budget Comparison Reports as of June 30, 2021 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 \$46,261,203 which is 16% over budget for the year-to-date.

Telecommunications tax is \$839,107 for the year-to-date, 20% 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 \$197,234 for the year-to-date, which is 60% under budget.

Food and beverage tax is \$928,162 for the year-to-date, which is 4% over budget.

Electric and natural gas utility taxes are \$2,935,487 for the year-to-date, which is 10% under budget.

Regular sales tax is \$6,850,499 for the year-to-date, which is 25% over budget.

Home rule sales tax is \$2,584,666 for the year-to-date, which is 2% over budget.

Income tax is \$5,515,988 for the year-to-date, which is 51% over budget.

Local Use Tax is \$1,724,544 for the year-to-date, which is 21% over budget.

Other Intergovernmental Revenue is \$3,658,080, which is significantly over budget due to the receipt of the \$3.4 million from the federal American Rescue Plan grant program.

Total revenue from **Permits** is \$808,986 which is 5% over budget for the year-to-date. **Fees and Fines** \$2,899,218, which is 7% over budget for the year-to-date. These revenues are dependent on the local economy and construction activity.

The General Fund expenditures are \$36,935,109 which is 9% under budget for the year-to-date.

Cash and investments in the General Fund as of June 30, 2021 were \$33,963,508.

Total revenue in the Water & Sewer Fund is \$10,139,070 which is 8% under budget.

Total Water & Sewer Fund expenditures are \$8,127,938 which is 36% under budget for the year-to-date.

Cash and investments in the Water & Sewer Fund as of June 30, 2021 were \$8,428,486.

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

June 30, 2021

GENERAL FUND

50% of the Fiscal Year

REVENUES	2021 BUDGET	MTD BUDGET	MTD ACTUAL	YTD BUDGET	YTD ACTUAL	UNREALIZED DOLLARS	PERCENT RECEIVED
Real Estate Tax - IMRF	1,835,800	0	0	936,200	949,542	886,258	52%
Real Estate Tax - FICA	1,502,000	0	0	766,000	785,719	716,281	52%
Real Estate Tax - Police Pen	4,073,000	0	0	2,280,900	2,253,582	1,819,418	55%
Real Estate Tax - Fire Pen	4,913,000	0	0	2,751,300	2,753,993	2,159,007	56%
Real Estate Tax - Police Prot	7,035,400	0	0	3,588,100	3,680,326	3,355,074	52%
Real Estate Tax - Fire Prot	7,035,400	0	0	3,588,100	3,691,119	3,344,281	52%
Hotel Tax	975,000	81,250	42,273	487,500	197,234	777,766	20%
Food/Beverage Tax	1,780,000	148,333	208,682	889,998	928,162	851,838	52%
Electric Utility Tax	3,100,000	204,800	179,146	1,517,000	1,326,011	1,773,989	43%
Natural Gas Utility Tax	2,200,000	123,000	131,973	1,740,700	1,609,476	590,524	73%
Sales Tax - Home Rule	5,061,000	421,750	524,366	2,530,500	2,584,666	2,476,334	51%
Other Taxes	260,000	1,666	2,308	137,196	143,843	116,157	55%
Auto Rental Tax	28,000	2,333	1,802	13,998	8,583	19,417	31%
Sales Tax	12,212,000	1,035,455	1,277,365	5,467,275	6,850,499	5,361,501	56%
Telecommunications Tax	2,090,000	174,166	128,521	1,044,996	839,107	1,250,893	40%
State Income Tax	7,322,000	610,166	1,108,794	3,660,996	5,515,988	1,806,012	75%
Replacement Tax	450,000	0	0	288,000	421,922	28,078	94%
Other Intergov't Rev	361,000	28,165	81,738	168,990	3,658,080	(3,297,080)	1013%
Local Use Tax	3,079,000	256,583	249,697	1,539,498	1,724,544	1,354,456	56%
Licenses	2,637,500	41,774	272,932	1,059,944	1,068,552	1,568,948	41%
Permits	1,539,500	128,288	209,445	769,728	808,986	730,514	53%
Fees and Fines	5,759,700	354,967	627,220	2,879,802	2,899,218	2,860,482	50%
Service Charges	2,203,800	183,647	181,250	1,101,882	1,087,686	1,116,114	49%
Interest	370,000	30,833	1,731	184,998	12,025	357,975	3%
Property Damage	53,000	4,416	4,662	26,496	12,902	40,098	24%
Sales and Rents	77,000	6,414	1,796	38,484	32,228	44,772	42%
Special Operations	31,800	2,649	516	15,894	37,172	(5,372)	117%
Other Income	322,200	26,848	260,963	161,088	280,035	42,165	87%
Operating Transfers-In	200,000	16,666	16,667	99,996	100,000	100,000	50%
TOTAL	78,507,100	3,884,169	5,513,846	39,735,559	46,261,203	32,245,897	59%

EXPENDITURES	2021 BUDGET	MTD BUDGET	MTD ACTUAL	YTD BUDGET	YTD ACTUAL	AVAILABLE DOLLARS	PERCENT SPENT
Board of Trustees	172,900	14,404	36,818	86,424	79,156	93,744	46%
Village Manager	1,062,000	88,493	69,800	530,958	482,921	579,079	45%
Human Resources	435,000	36,242	32,170	217,452	196,979	238,021	45%
Legal	719,700	59,968	51,080	359,808	314,222	405,478	44%
Finance	1,810,100	150,832	127,209	904,992	845,536	964,564	47%
Boards & Commissions	202,900	9,497	7,437	145,682	108,047	94,853	53%
Police	27,312,278	1,936,887	1,813,203	13,898,670	12,590,020	14,722,258	46%
Fire	24,132,817	1,601,882	1,488,252	12,359,636	11,688,303	12,444,514	48%
Planning/Com Dev	1,978,080	165,373	125,534	985,741	790,197	1,187,883	40%
Building	2,815,300	234,601	201,568	1,407,606	1,251,132	1,564,168	44%
Health Services	1,849,500	154,114	134,041	924,684	816,701	1,032,799	44%
Senior Services	621,400	51,778	26,251	310,668	251,853	369,548	41%
Public Works	15,533,759	1,294,936	1,180,942	7,763,992	7,103,940	8,429,819	46%
Other Non-Operating	758,000	25,666	0	603,996	416,103	341,897	55%
TOTAL	79,403,734	5,824,673	5,294,306	40,500,309	36,935,109	42,468,625	47%

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

(896,634)	(1,940,504)	219,540	(764,750)	9,326,093	N/A	N/A
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**ENDING
CASH BALANCE**

33,963,508

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

June 30, 2021

WATER FUND

50% of the Fiscal Year

REVENUES	2021 BUDGET	MTD BUDGET	MTD ACTUAL	YTD BUDGET	YTD ACTUAL	UNREALIZED DOLLARS	PERCENT RECEIVED
Water Sales	16,554,100	1,379,508	1,554,140	8,277,048	7,353,683	9,200,417	44%
Sewer Charge	4,275,900	356,325	430,849	2,137,950	1,936,701	2,339,199	45%
Service Charge	780,000	65,000	81,289	390,000	409,994	370,006	53%
Water Connection Fees	100,000	8,333	13,828	49,998	47,861	52,139	48%
Sewer Connection Fees	3,200	266	600	1,596	1,400	1,800	44%
Water Capital Fees	40,000	3,333	3,200	19,998	10,880	29,120	27%
Testing Fees	90,000	7,500	7,089	45,000	44,632	45,368	50%
Penalties	110,000	9,166	17,177	54,996	69,933	40,067	64%
Interest	20,000	1,666	566	9,996	4,608	15,392	23%
Other Income	118,000	9,831	12,455	58,986	259,378	(141,378)	220%
TOTAL	22,091,200	1,840,928	2,121,194	11,045,568	10,139,070	11,952,130	46%

EXPENDITURES By Department	2021 BUDGET	MTD BUDGET	MTD ACTUAL	YTD BUDGET	YTD ACTUAL	AVAILABLE DOLLARS	PERCENT SPENT
Finance Department	1,117,400	93,112	87,032	558,672	521,233	596,167	47%
Water Department	16,831,028	1,060,075	796,365	8,407,898	7,026,273	9,804,755	42%
Capital	7,141,728	595,794	463,791	3,566,970	580,431	6,561,297	8%
Other Expenditures	300,000	25,000	0	150,000	0	300,000	0%
TOTAL	25,390,156	1,773,981	1,347,188	12,683,540	8,127,938	17,262,218	32%

**EXCESS/(DEFICIENCY)
OF REVENUES**

OVER EXPENDITURES	(3,298,956)	66,947	774,006	(1,637,972)	2,011,132	(5,310,088)	0
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**ENDING
CASH BALANCE**

8,428,486