

FINANCIAL STATUS REPORT

3rd QUARTER FY 2023-2024

May 2023 – January 2024 (unaudited)

This financial status report highlights the Village's general fund financial position as compared to the amended budget for the period May 1, 2023 through January 31, 2024 (9 months – 75% of the fiscal year) and as compared to actual results from the previous fiscal year-to-date.

Sales tax data for the first eleven months of the calendar year (January through November 2023) are also highlighted compared to prior years'.

An update to the general capital, water sewer capital, and American Rescue Plan Act (ARPA) projects is also included in this status report.

General Fund Summary

Projected unassigned General Fund Balance as of April 30, 2024.

General Fund Balance	
Unassigned Fund Balance – May 1, 2023 (audited)	\$ 14,113,595
FY 2023-2024 Budgeted Revenue	\$ 25,145,540
FY 2023-2024 Amended Budgeted Expenditures	\$(25,696,589)
Transfer Unassigned Fund Balance to Capital Projects Fund	\$(2,000,000)
Unassigned Fund Balance – April 30, 2024 (unaudited)	\$ 11,562,546
Required Unassigned Fund Balance per policy (5 months)	\$ 10,500,000
Estimated Unassigned Fund Balance Available	\$ 1,062,546

An updated fund balance policy was brought to the Village Board at the September 26, 2023, Board of Trustees meeting to update the Village's minimum General Fund reserve balance requirement from four (4) months to five (5) months of operating expenditures. This recommendation was made for the following reasons:

- Anticipated revenue impacts of nearly a millions dollars from the closing of a top retailer
- Sales tax revenues are leveling off – returning to pre-COVID levels
- Perpetual increase of operating expenses
- Volatile and unpredictable economy
- Impacts from Cook County Assessments being shifted to commercial properties
- Potential General Fund support to our anchor Downtown Development Project

Budget Amendments affecting Unassigned Fund Balance

At the December 12, 2023, Board of Trustees meeting, a transfer of \$2M from the General Fund unassigned fund balance to the Capital Projects fund was approved.

At the January 24, 2024 Board of Trustees meeting, a budget amendment in the amount of \$573,838 was approved to pay the delayed invoice from the State for their share of the Ground Emergency Medical Transport (GEMT) revenue. The \$573k came from additional unassigned fund balance available over our 5 month minimum fund balance policy.

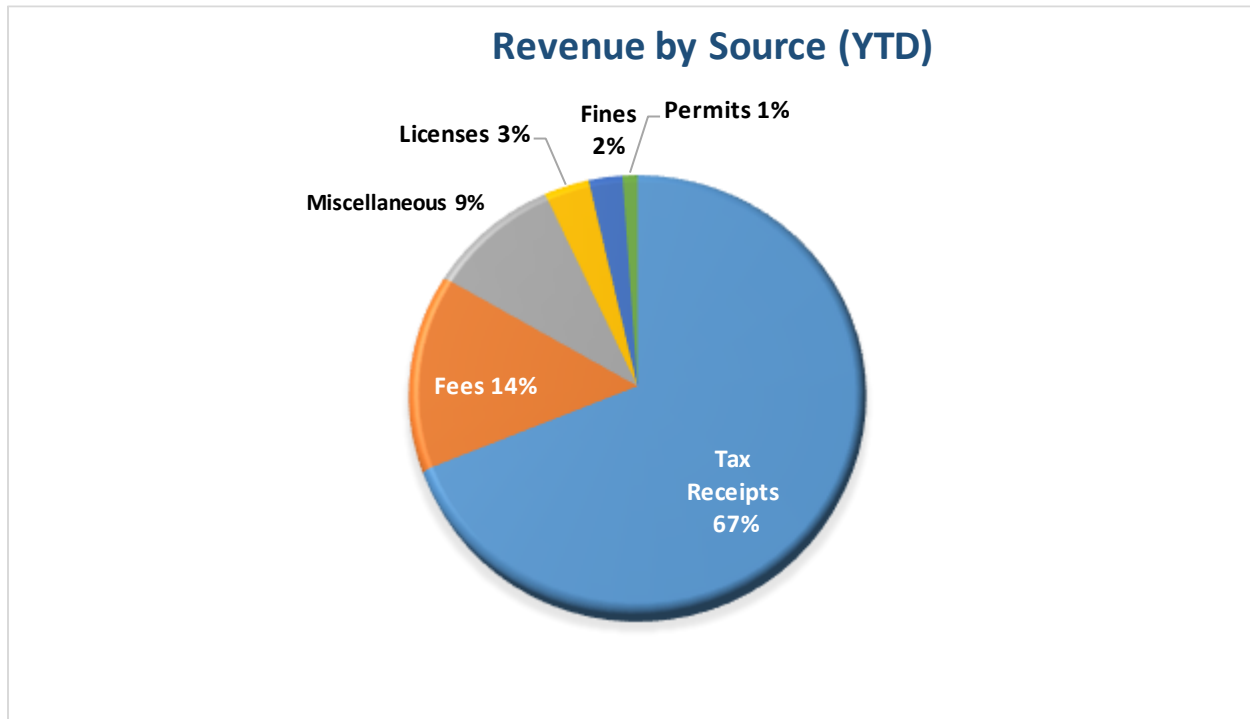
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General Fund Summary

Revenues



Revenue Sources	FY 2023-2024			FY 2022-2023
	Annual Budget	YTD Actual	% of Budget Collected YTD	YTD Actual
Tax Receipts	18,656,908	11,299,908	61%	10,200,372
Fees	2,403,000	2,392,402	100%	2,201,547
Miscellaneous	1,346,000	1,591,632	118%	1,037,743
Licenses	612,500	545,830	89%	560,414
Fines	553,000	408,878	74%	442,748
Permits	214,000	180,914	85%	215,221
Transfers In	1,360,132	529,629	39%	534,976
Total	25,145,540	16,949,192	67%	15,193,022

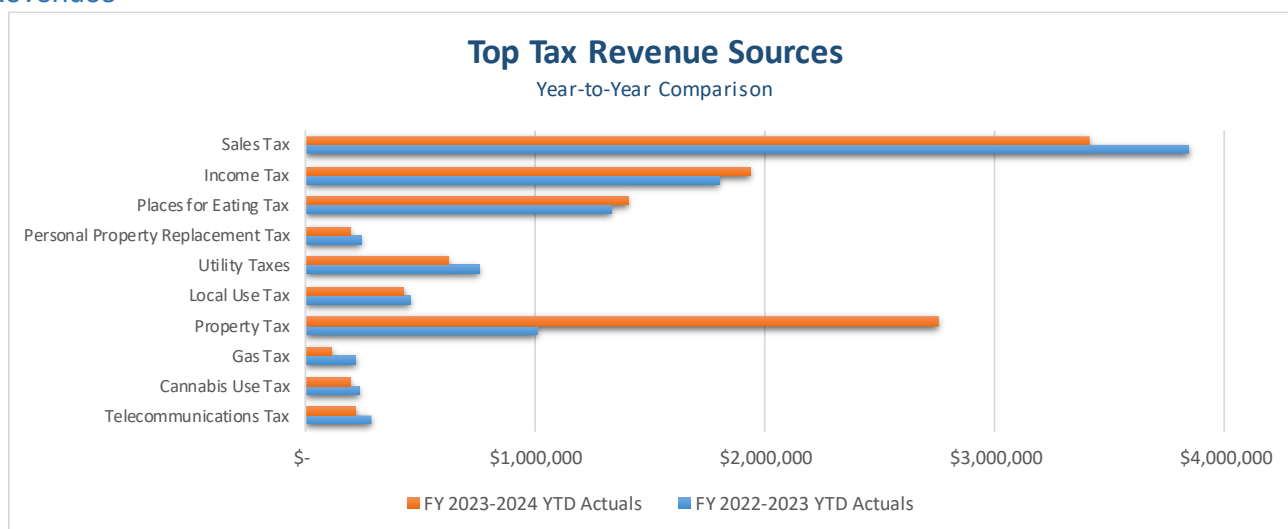
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General Fund Summary

Revenues



Top Tax Revenue Sources	FY 2023-2024			FY 2022-2023
	Annual	YTD	% of Budget	YTD
	Budget	Actual	Collected YTD	Actual
Property Tax	5,518,378	2,751,823	50%	1,008,815
Sales Tax	5,300,000	3,408,619	64%	3,846,092
Income Tax	3,024,550	1,932,129	64%	1,797,944
Places for Eating Tax	1,800,000	1,405,754	78%	1,327,096
Utility Taxes	1,010,000	617,395	61%	758,468
Local Use Tax	797,980	430,385	54%	454,467
Telecommunications Tax	445,000	221,469	50%	288,191
Cannabis Use Tax	400,000	193,883	48%	231,342
Gas Tax	210,000	113,833	54%	215,505
Personal Property Replacement Tax	115,000	193,823	169%	239,796

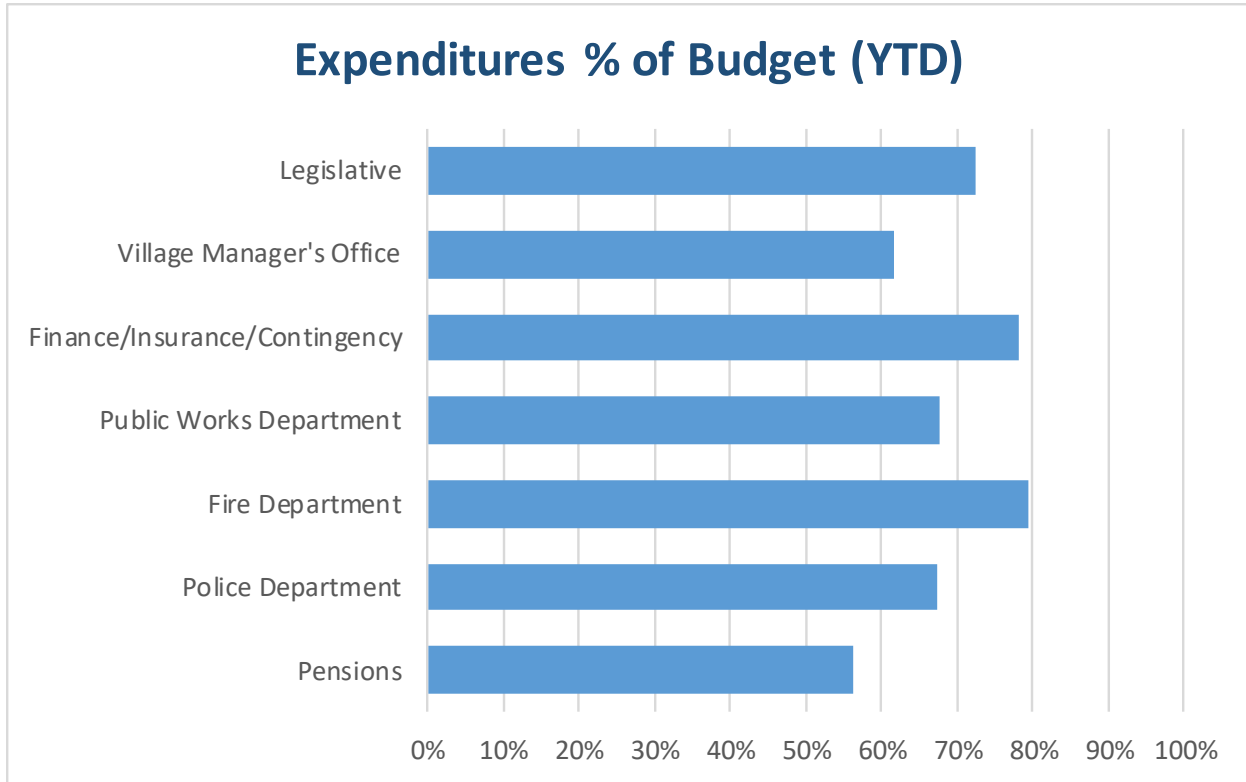
- Taxes continue to be the Village's top general fund revenue source. Tax collections equate to 74% of the Village's general fund revenue budget.
- The second installment of 2022 property taxes was not due until December 1, 2023. The first installment of 2023 property taxes was due March 1, 2024.
- There is a lag time for most of the revenue collected by the State and remitted to the Village. For example, tax from sales that take place in March are not received by the Village until June.
- Tax revenue collected by the State include sales, income, local use, telecommunications, gas and personal property replacement tax.

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General Fund Summary Expenditures



Expenditure Source	FY 2023-2024			FY 2022-2023
	Amended Budget	YTD Actual	% of Budget Spent YTD	YTD Actual
Legislative	122,895	88,911	72%	108,106
Village Manager's Office	2,622,705	1,620,575	62%	2,158,527
Finance/Insurance/Contingency	1,617,986	1,263,575	78%	1,070,883
Public Works Department	4,797,248	3,242,679	68%	3,213,138
Fire Department	4,932,237	3,918,984	79%	2,747,456
Police Department	7,432,213	4,993,484	67%	5,315,828
Pensions	4,194,524	2,358,404	56%	565,004
Total	25,719,808	17,486,611	68%	15,178,942

- Public Safety and Public Works account for nearly 80% of general fund expenses.

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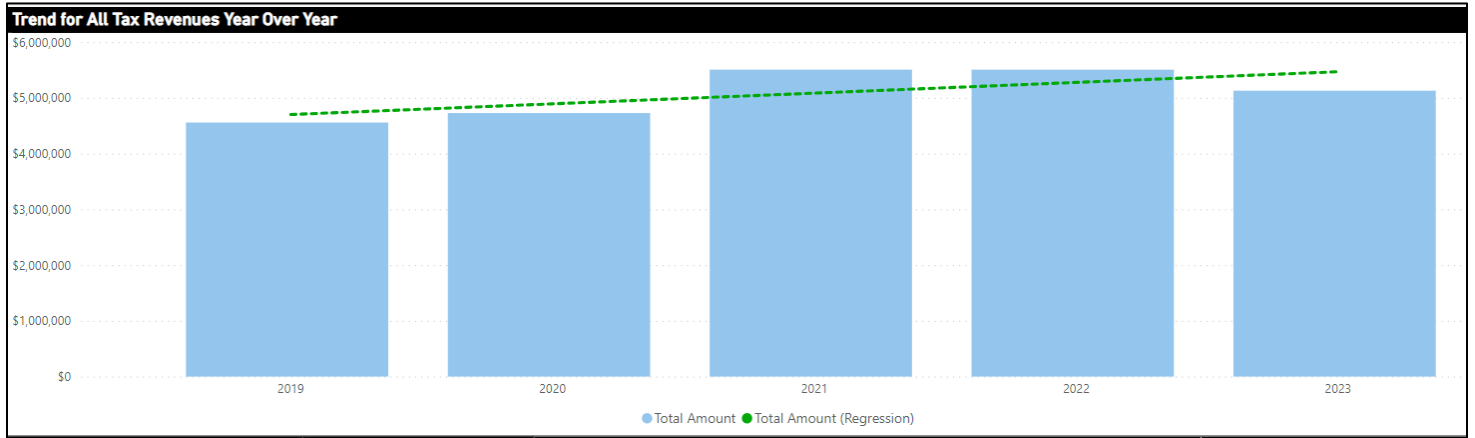
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Sales Tax

January - November 2023

11 Months YTD Sales Tax (January through November 2023)



Year	November Sales Tax	11 Months YTD Sales Tax (Jan-Nov)	YTD Year over Year %
2019	\$428,309	\$4,557,001	
2020	\$435,470	\$4,727,888	+3.8%
2021	\$435,789	\$5,505,952	+16.5%
2022	\$509,003	\$5,505,492	-.01%
2023	\$469,649	\$5,128,569	-6.8%



- The Village carefully watches how sales tax is trending as it is the second largest revenue source behind property taxes.
- We are beginning to see sales tax revenues leveling off and returning to pre-COVID levels.

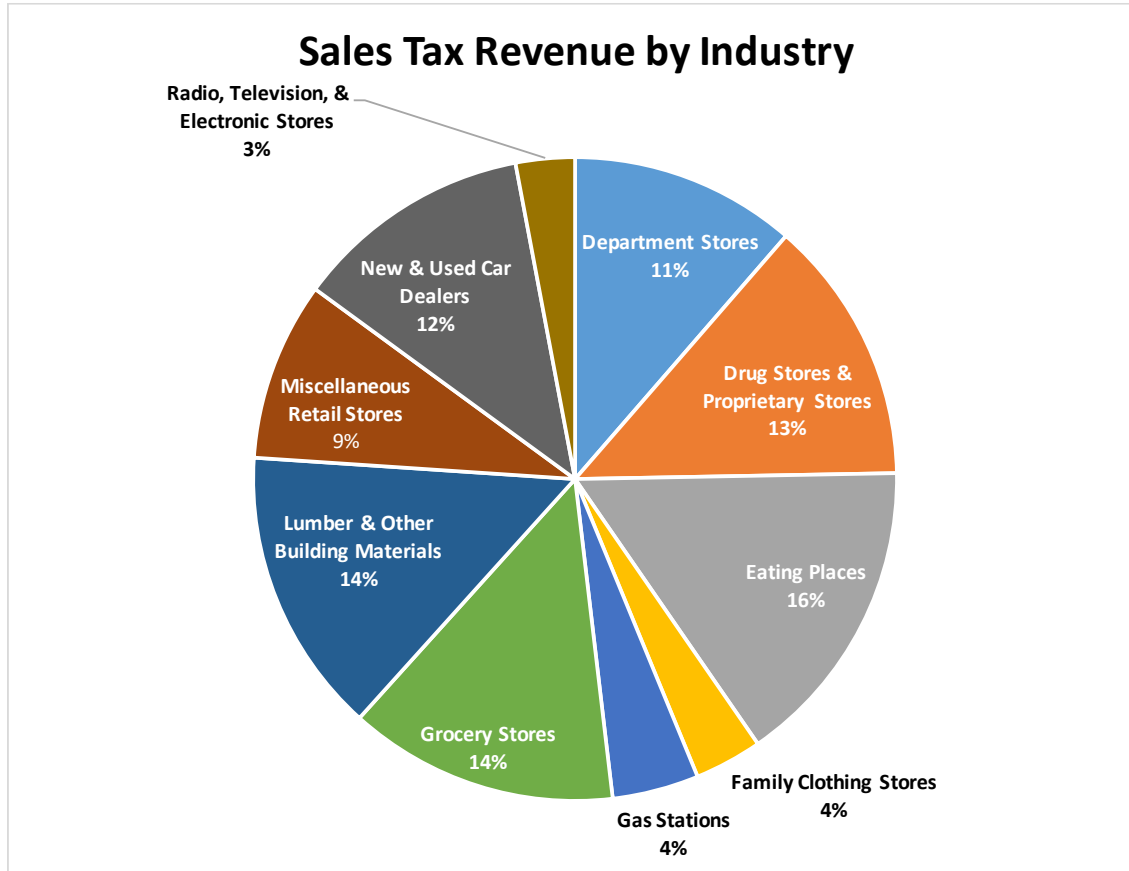
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Sales Tax

January - November 2023



Top 10 Industry Segments	11 Months YTD Sales Tax (Jan-Nov)
Eating Places	\$ 686,492.50
Lumber and Other Building Materials	\$ 629,518.21
Grocery Stores	\$ 593,398.17
Drug Stores and Proprietary Stores	\$ 583,659.76
New and Used Car Dealers	\$ 524,647.74
Department Stores	\$ 498,237.85
Miscellaneous Retail Stores, Nec	\$ 393,605.29
Gasoline Service Stations	\$ 190,330.43
Family Clothing Stores	\$ 148,902.21
Radio, Television, and Electronic Stores	\$ 130,073.51

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Capital Projects

Fiscal Year 2023-2024

Dept	Funding Source	Project Description	Project Budget	YTD 1/31/2024
DPW	Bond	Science Center Annex - Tuckpointing & Roof Replacement	\$ 210,000	\$ 83,587
DPW	Bond	Science Center - Sprinkler System	140,000	\$ 45,431
DPW	Bond	Vehicle Purchases	90,000	\$ 305
FD	Bond	Air Compressor	54,559	\$ 54,559
DPW	Bond	Izaak Walton Well	32,649	\$ 32,649
FD	Bond	Thermal Imaging Camera	18,520	\$ 18,520
DPW	Bond	Science Center Annex - Interior Buildout	30,000	\$ -
DPW	Capital	Storm Sewer - Loomis/Ridge	728,000	\$ -
DPW	Capital	Science Center - ADA	275,000	\$ -
DPW	Capital	Replace Public Works Radio System (50% in w/s)	169,000	\$ -
DPW	Capital	Village-wide Camera Replacement/Improvements	150,000	\$ -
DPW	Capital	183rd Street Project - Phase One	132,000	\$ -
DPW	Capital	Auditorium HVAC Rooftop unit	52,000	\$ -
DPW	Capital	Tuckpointing at various buildings (Village Hall, BCTC, Auditorium)	50,000	\$ -
DPW	Capital	Ridge Road Storm Sewer Design - Ashland to Center	47,500	\$ -
DPW	Capital	North Viaduct Retaining Wall Stabilization & Landscaping	47,500	\$ -
DPW	Capital	Roof & Gutters Brian Carey Training Center Building C	45,000	\$ -
DPW	Capital	Science Center - Parking Lot Resurfacing	31,000	\$ -
DPW	Capital	Municipal Service Center Fence Replacement	28,600	\$ -
FD	Capital	Replace Second Floor Carpet in Fire Station	25,000	\$ -
VMO	Capital	Switches Upgrade (due to age & security camera project with B&M)	20,000	\$ -
FD	Capital	Genesis E Force Combi Extrication Tool	12,500	\$ -
FD	Capital	Paint Brian Carey Training Center Building C	10,000	\$ -
TOTAL ALL DEPARTMENTS CAPITAL			\$ 2,398,828	\$ 235,051

- Capital projects in fiscal year 2023-2024 are funded by the remaining bond proceeds from the 2020 General Obligation Bond issuance and a transfer of \$2 million from the General Fund unassigned fund balance. This transfer was approved at the December 12, 2023 Board of Trustees meeting.

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Water Sewer Capital Projects

Fiscal Year 2023-2024

Project Description	Capital Project Budget	Actual YTD 1/31/2024
Watermain/Storm Sewer - Marlin Lane & Court	\$700,000	\$ 639,656
Chicago Heights Water Transmission Main (retainage)	150,000	\$ 23,300
Lift Station #4 Pump Replacement	50,000	\$ 42,243
Water System Leak Detection	30,000	\$ 25,425
Western Avenue Garage Replacement	25,000	\$ 16,512
Water Tower	28,400	\$ 28,400
TOTAL WATER SEWER CAPITAL	\$983,400	\$ 775,536

- Water/Sewer capital projects are funded by water user charges collected within the water/sewer fund.
- A bi-annual transfer is completed to move revenue from the water/sewer fund to water/sewer capital fund.

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American Rescue Plan Act (ARPA) Funds

Fiscal Year 2023-2024

- The Village received a total of \$2,545,191 of American Rescue Plan Act (ARPA) funds.
- The funds are to be **obligated** by December 31, 2024 and **spent** by December 31, 2026.
 - **Obligated** – an order is to be placed for property and services and/or entered into contracts no later than December 31, 2024, otherwise, the funds will have to be returned to the Treasury.
 - **Spent** – all ARPA dollars are to be paid out no later than December 31, 2026.
- A list of purchases and projects funded by ARPA dollars was included in the fiscal year 2023-2024 budget and approved by the Board on April 25, 2023.
- As the project moves forward, a budget amendment is brought before the Board of Trustees for approval to allocate the funds to the particular project.
- During the fiscal year 2024-2025 budget process, staff will look to finalize the obligation portion of the ARPA funding.

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May 2023 – January 2024 (unaudited)

American Rescue Plan Act (ARPA) Funds Fiscal Year 2023-2024

Must be obligated by 12/31/2024 and spent by 12/31/2026

Project Description	Original Allocation	Board Approved	ARPA
		Expenditures	Actuals
		As of 1/31/2024	
2066 Ridge Road Building Purchase	505,000	\$ 505,000	\$ 505,000
Water Main - Lincoln (175th to Spruce)	137,000	137,000	101,274
Fire Department Front Apron Replacement	78,000	94,572	96,877
Sidewalk Grinding	230,000	80,000	12,304
Second Set of Turnout Gear	80,000	73,550	73,550
Vehicle Purchases - Ford F250 Pickup	300,000	72,000	67,538
Vehicle Purchases - Water Meter		69,959	55,327
1 Squad Vehicle	50,000	55,125	51,467
Vehicle Purchases - Deputy Chief		52,120	46,282
1 Squad Vehicle	50,000	51,011	51,774
Harwood Metra Parking Lot-Curb/Landscape Improvements	100,000	38,500	34,385
CBD Tree Grates (60)	31,000	31,000	23,201
I Tables - DPW & Building Departments	28,280	28,280	28,280
Fire Department Brickwork/Pavers	15,000	15,000	10,637
Village-Wide Street Patching (Phase Two)	-	13,000	13,000
TOTAL BOARD APPROVED ARPA EXPENDITURES	\$ 1,604,280	\$ 1,316,118	\$ 1,170,895

Project Description	Budgeted
	Allocations
New Ambulance (Replaces 2015 ambulance)	\$ 380,000
Martin Avenue Tivoli Lights *	200,000
Sidewalk Replacement & ADA & Grinding	150,000
Vehicle Purchases (remaining funds)	105,921
Small Business Incentive Program	90,000
Information Technology Items	86,500
Harwood Metra Parking Lot (remaining funds)	38,378
183rd & Morgan Fence Replacement	62,500
Replace Building Uplighting at Village Hall *	50,000
Village-Wide Resident CPR Training	40,000
Extend Downtown Outdoor Speakers *	30,000
TOTAL ARPA EXPENDITURES ALLOCATED THROUGH BUDGET	\$ 1,233,299
TOTAL ARPA FUNDS RECEIVED	\$ 2,545,191
* - discussed at Committee of the Whole meeting on 9/19/2023	