

Village of Woodridge

First Quarter Financial Report FY2018

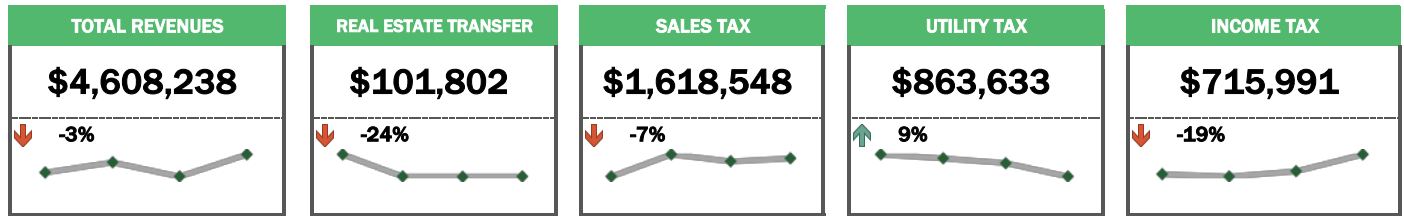


MONTHLY FINANCIAL REPORT

Village of Woodridge - March 31, 2018

Calendar Year 2018

General Fund Revenue Analysis - Major Sources



General Fund - All Revenues

METRIC	THIS YEAR (2018)	LAST YEAR (2017)	% CHANGE	5 YEAR TREND
TOTAL REVENUES	\$4,608,238	\$4,747,193	↓ -3%	
PROPERTY TAXES	\$347	\$32	↑ 984%	
SALES TAX	\$1,618,548	\$1,736,508	↓ -7%	
UTILITY TAX	\$863,633	\$791,673	↑ 9%	
INCOME TAX	\$715,991	\$882,282	↓ -19%	
REAL ESTATE TRANSFER	\$101,802	\$134,207	↓ -24%	
LICENSES, PERMITS, FEES	\$604,661	\$532,330	↑ 14%	
CHARGES FOR SERVICES	\$22,007	\$26,772	↓ -18%	
FINES AND FORFEITS	\$121,723	\$115,190	↑ 6%	
INTERGOVERNMENTAL	\$294,295	\$243,313	↑ 21%	
MISCELLANEOUS	\$216,335	\$231,046	↓ -6%	
TRANSFERS	\$48,894	\$53,840	↓ -9%	

Overall revenues are 3% or \$139,000 less than first quarter 2017.

Property Tax receipts are primarily received in June and September. These small amounts are prior year property tax distributions.

Sales Tax revenues are \$118,000 lower primarily due to store closings. In addition, the State of Illinois now charges a two percent collection fee on Home Rules Sales Tax receipts, which has resulted in a \$16,000 loss in the first quarter.

Income Tax receipts are lower this year by \$166,000 due to an extra payment received in the first quarter of 2017. In addition, the State of Illinois reduced the income tax distributions by ten percent to help balance the State's budget. The State's 2019 Budget cuts the amount of income tax withheld from ten to five percent.

Real Estate Transfer Tax receipts are \$32,400 less than 2017 as there were three large transfers totaling \$66,000 in the first quarter of 2017.

Licenses, Permits, Fees year-to-date revenues are \$72,300 higher than last year. This is primarily related to a \$90,000 increase in building permit revenue due to an increase in permitting activity compared to the first quarter 2017. This increase was offset by declines in liquor license revenue, multi-family licenses, and franchise fees.

Intergovernmental revenues are \$51,000 higher than last year due to a \$20,000 increase in Use Tax revenues and IRMA reimbursements for non-insured claim

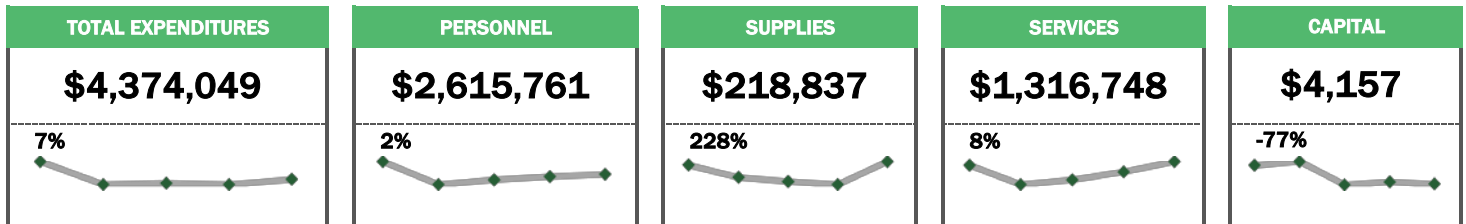
Miscellaneous Revenues are \$15,000 lower than the prior period primarily due to a \$37,000 decrease in the 2018 insurance dividend compared to 2017. This decrease was partially offset by an \$13,000 increase in video gaming tax revenue.

MONTHLY FINANCIAL REPORT

Village of Woodridge - March 31, 2018

Calendar Year 2018

General Fund Expenditure Analysis - Major Sources



General Fund - By Element and by Cost Center

METRIC	THIS YEAR (2018)	LAST YEAR (2017)	% CHANGE	5 YEAR TREND
TOTAL EXPENDITURES	\$4,374,049	\$4,093,715	7%	
BY ELEMENT:				
PERSONNEL	\$2,615,761	\$2,559,187	2%	
SUPPLIES	\$218,837	\$66,659	228%	
SERVICES	\$1,316,748	\$1,224,200	8%	
CAPITAL	\$4,157	\$17,920	-77%	
TRANSFERS	\$218,546	\$225,749	-3%	
BY DEPARTMENT:				
LEGISLATIVE	\$25,117	\$24,637	2%	
ADMINISTRATION	\$1,159,776	\$1,136,471	2%	
COMMUNITY DEVELOPMENT	\$289,381	\$228,209	27%	
CUSTOMER SERVICE	\$44,905	\$43,242	4%	
FINANCE	\$210,040	\$195,937	7%	
POLICE	\$1,792,444	\$1,726,779	4%	
PUBLIC WORKS	\$846,949	\$748,677	13%	
REBATES/DEBT/TRANSFERS	\$221	-\$10,237	-102%	

Overall expenditures are higher than first quarter 2017 by \$285,550.

Supplies are \$152,000 higher due to a colder and snowier winter compared to 2017, resulting in a \$130,000 increase in the amount of snow removal supplies (road salt and salt brine) purchased. Also, the Police Department purchased \$15,000 of training and patrol supplies earlier in 2018 compared to 2017.

Services are \$92,500 higher. Community Development is \$55,000 higher due a shopping center grant reimbursement. In addition, under Administration, IT repair and maintenance services increased \$28,000 related to network backup and secure email services.

Capital purchases this year are 77% less than 2017 due to the timing of capital items purchased.

Community Development expenses are 27% or \$61,000 higher than 2017 primarily related to a reimbursement for the shopping center grant program in the amount of \$57,000.

Finance Department expenses are 7% higher compared to first quarter 2017 related to the purchase of a new folding machine.

Police Department expenses are \$66,000 higher from expected salary increases, as well as training and patrol supplies that were purchased earlier this year compared to 2017.

Public Works expenses are \$98,000 more than 2017 due to an increase in the amount of snow removal supplies purchased. This increase was partially offset by a \$16,000 decrease in personnel and reduced professional services related to stormwater improvements totaling \$20,000.

FUND SPOTLIGHT – STATE AND FEDERAL DRUG ENFORCEMENT FUNDS

The State and Federal Drug Enforcement funds were established to account for monies received from illegal drug and DUI arrests, as well as equitable sharing proceeds from state and federal drug investigations. These funds have statutory limitations related to spending. In most cases, the funds can only be used on policing initiatives and equipment to aid in the enforcement and investigation of drug and criminal activity. For this reason, effective January 1, 2018, the State and Federal Drug Enforcement Funds were separated into two funds, in accordance with the federal equitable sharing program requirements.

REVENUES: WHERE THE FUNDING COMES FROM

The State and Federal Drug Enforcement Funds are made up of the following revenue sources: drug fines, DUI fines, proceeds from county and federal Drug Enforcement Administration (DEA) seizures. These revenue sources are organized by fund and described below.

State Drug Enforcement Funds:

- Drug fines are received from the DuPage County State's Attorney and the Illinois State Police as a result of state narcotic forfeitures. The Department may file for a declaration of forfeiture on property, cash, or vehicles used in conjunction with a felony narcotic offense.
- DUI fine revenue is received from the DuPage County State's Attorney's office as a result of the Department's participation in a DUI arrest. The Department receives a portion of the DUI fine paid to the State of Illinois. The amount the Village receives is based on a formula from the DuPage County State's Attorney's office, as well as the amount of the fine.
- County seizure funds are also received from the DuPage County State's Attorney and the Illinois State Police as a result of Article 36 seizures. These seizures are typically vehicles used in violation of a criminal statute, serious traffic offense, or miscellaneous offense per statute, but can also include cash and bank accounts.

Federal Drug Enforcement Funds:

- DEA proceeds are the result of a joint investigation or prosecution by the Village and Department of Justice agencies. Equitably shared funds are restricted to law enforcement purposes only. These federal monies may not be comingled with other revenues, as a result, they are accounted for in a separate fund.

Fiscal year 2018 first quarter actual revenues total \$19,611, which is slightly below budget, but 121 percent higher than 2017 actuals. These revenues can be difficult to estimate for budgeting purposes as they depend on the number and outcome of police investigations. In addition, approval and disbursement of federal DEA monies can take months or even years in some cases; as a result, these revenues can fluctuate greatly compared to budget.

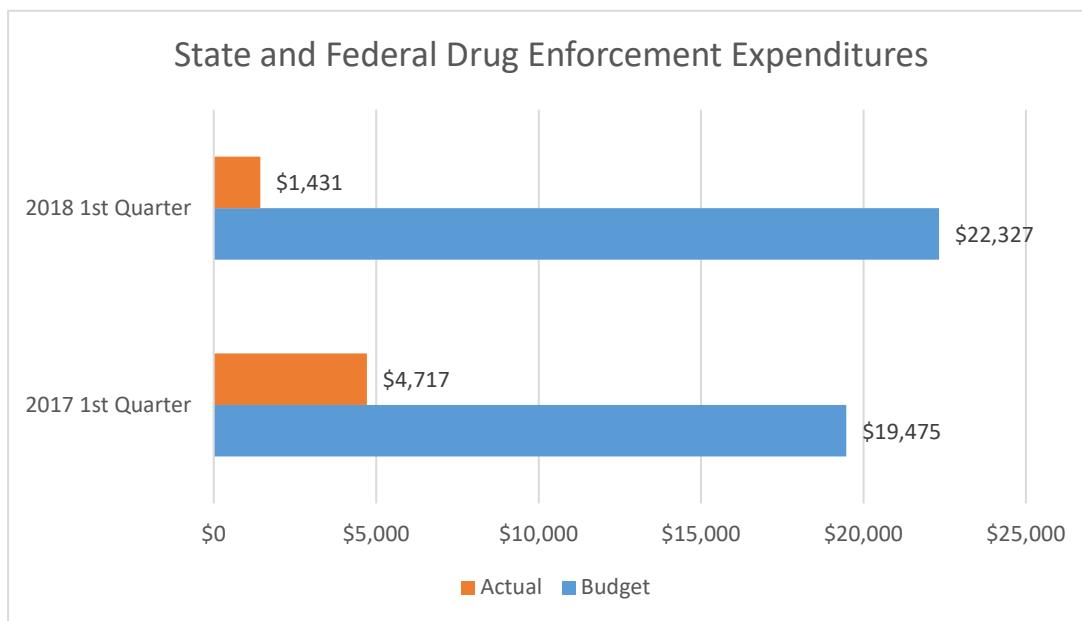
State and Federal Drug Enforcement Funds				
Revenue Source	2018 1 st Quarter Budget	2018 1 st Quarter Actual	2017 1 st Quarter Budget	2017 1 st Quarter Actual
Drug Fines	\$2,000	\$2,948	\$2,250	\$785
DUI Fines	\$2,250	\$2,959	\$2,750	\$3,102
County Seizures	\$8,000	\$5,000	\$9,750	\$5,000
DEA Seizures	\$7,500	\$8,000	\$7,500	\$0
Interest Income	\$2,000	\$703	\$1,500	\$0
Total	<u>\$21,750</u>	<u>\$19,610</u>	<u>\$23,750</u>	<u>\$8,887</u>

EXPENDITURES: WHERE THE MONEY GOES

As previously mentioned, revenues from drug enforcement arrests and investigations are restricted to certain spending requirements. 2018 first quarter expenditures are \$3,300 less than 2017, resulting from a decrease in cell phone charges. In addition, repair and maintenance services and capital outlay expenses are lower due to the timing of purchases compared to the prior year.

As previously mentioned, each revenue source has different spending restrictions. In summary:

- Drug fine revenues are restricted to drug enforcement and may not be used for general law enforcement expenses.
- DUI fine revenue is restricted to traffic enforcement and equipment purchases related to such.
- County seizure funds are not restricted and may be used for any general purchases.
- DEA seizure funds are restricted to law enforcement purposes only. Each year, the Village is required to submit a summary of shared expenditures on the Annual Certification Report to the Department of Justice detailing the use of shared funds for the year.



State and Federal Drug Enforcement Expenditures				
Expenditure Type	2018 1 st Quarter Budget	2018 1 st Quarter Actual	2017 1 st Quarter Budget	2017 1 st Quarter Actual
Operating Supplies	\$5,575	(\$1,440)*	\$6,084	\$120
Communications	\$1,650	\$545	\$1,650	\$1,500
Professional Services	\$0	\$0	\$591	\$0
Repair & Maintenance Svcs.	\$2,775	\$202	\$2,775	\$472
Drug Enforcement	\$875	\$0	\$875	\$0
Transportation	\$75	\$0	\$75	\$0
Capital Outlay	\$9,252	\$0	\$5,300	\$501
Garage & Fuel Expenses	\$2,125	\$2,124	\$2,125	\$2,124
Total	\$22,327	\$1,431	\$19,475	\$4,717

*Negative number is due to audit reversal reallocating expense to 2017.

VILLAGE OF WOODRIDGE
1st Quarter - 2018 Fund Snap Shot
Actual to Budget to Prior Year - Unaudited
January - March 2018

<u>Fund</u>	<u>1st Quarter Actual 2017</u>	<u>1st Quarter Budget 2018</u>	<u>Actual 2018</u>	<u>\$ Change to Budget 2018</u>	<u>% Change to Budget 2018</u>	<u>\$ Change to 1st Qtr 2017</u>	<u>% Change to 1st Qtr 2017</u>
<u>GENERAL</u>							
Beginning Balance			\$19,815,631				
Revenues	4,747,193	4,874,469	4,608,238	(\$266,231)	-5.5%	(\$138,955)	-2.9%
Expenses	4,093,715	5,294,474	4,374,048	(\$920,426)	-17.4%	\$280,333	6.8%
Difference	653,478	(420,005)	234,190	654,195	155.8%	(419,288)	-64.2%
Ending Balance			<u>\$20,049,821</u>				

See analysis on pages 1-2.

STATE DRUG ENFORCEMENT

Beginning Balance*			\$438,893				
Revenues	10,710	12,750	11,610	(\$1,140)	-8.9%	\$900	8.4%
Expenses	4,717	5,100	(772)	(\$5,872)	-115.1%	(\$5,489)	-116.4%
Difference	5,993	7,650	12,382	4,732	61.9%	6,389	106.6%
Ending Balance			<u>\$451,275</u>				

Revenues are higher due to a slight increase in drug fine revenue compared to the prior period. 2018 expenses are shown as negative due to an audit entry. This variance is expected to even out as the year progresses.

FEDERAL DRUG ENFORCEMENT

Beginning Balance*			\$650,441				
Revenues	0	9,000	8,000	(\$1,000)	-11.1%	\$8,000	n/a
Expenses	0	17,228	2,204	(\$15,024)	-87.2%	\$2,204	n/a
Difference	0	(8,228)	5,796	14,024	-170.4%	5,796	n/a
Ending Balance			<u>\$656,237</u>				

The Federal Drug Enforcement Fund was established with the 2018 Budget to account for revenues and expenditures of funds received under the Department of Justice's Equitable Sharing Program. Revenues in this fund are difficult to estimate as they depend on the timing of approvals and disbursements from the DOJ. Expenses are related to the purchase of police mountain bike. The variance is due to the timing of purchases, and is expected to even out as the year progresses.

CHARITABLE CONTRIBUTIONS

Beginning Balance*			\$303,907				
Revenues	3,799	2,321	187	(\$2,134)	-91.9%	(\$3,612)	-95.1%
Expenses	0	875	0	(\$875)	-100.0%	\$0	n/a
Difference	3,799	1,446	187	(1,259)	-87.1%	(3,612)	-95.1%
Ending Balance			<u>\$304,094</u>				

The Charitable Contributions Fund is used to account for the collection and disbursement of donations made by the ProLogis Foundation. Interest income is the main source of revenue for this fund. Expenses include the ProLogis scholarships, which was paid in August last year.

MOTOR FUEL TAX

Beginning Balance*			\$2,135,850				
Revenues	397,254	394,838	367,792	(\$27,046)	-6.8%	(\$29,462)	-7.4%
Expenses	0	614,156	0	(\$614,156)	-100.0%	\$0	n/a
Difference	397,254	(219,318)	367,792	587,110	267.7%	(29,462)	-7.4%
Ending Balance			<u>\$2,503,642</u>				

Road construction will begin in May. Revenues come from the Village's share of the gasoline tax distributed by the state. A local gas tax also provides additional funding. Year-to-date revenues are less budget and the prior period due to lower than estimated gasoline use tax revenues. This revenue source can fluctuate depending on the weather, which affects natural gas usage.

TIF #2 - JANES AVENUE

Beginning Balance*			\$3,042,209				
Revenues	3,851	111,725	2,363	(\$109,362)	-97.9%	(\$1,488)	-38.6%
Expenses	14,673	257,250	15,959	(\$241,291)	-93.8%	\$1,286	8.8%
Difference	(10,822)	(145,525)	(13,596)	131,929	90.7%	(2,774)	-25.6%
Ending Balance			<u>\$3,028,613</u>				

Revenues are primarily the property taxes received in June and September. Year-to-date expenses include TIF grant reimbursements for residential and commercial reinvestment.

SPECIAL SERVICE AREA #1-SEVEN BRIDGES

Beginning Balance*			\$471,075				
Revenues	684	9,040	1,519	(\$7,521)	-83.2%	\$835	122.1%
Expenses	0	2,500	0	(\$2,500)	-100.0%	\$0	n/a
Difference	684	6,540	1,519	(5,021)	-76.8%	835	122.1%
Ending Balance			<u>\$472,594</u>				

Revenues for SSA#1 come from Property Taxes. Budgeted expenditures are for stormwater improvements in the area, which are anticipated to occur later in the year.

VILLAGE OF WOODRIDGE
1st Quarter - 2018 Fund Snap Shot
Actual to Budget to Prior Year - Unaudited
January - March 2018

<u>Fund</u>	1st Quarter Actual 2017	1st Quarter Budget 2018	Actual 2018	\$ Change to Budget 2018	% Change to Budget 2018	\$ Change to 1st Qtr 2017	% Change to 1st Qtr 2017
<u>SPECIAL SERVICE AREA #3-RICHFIELD PLACE</u>							
Beginning Balance*			\$55,687				
Revenues	38	1,717	79	(\$1,638)	-95.4%	\$41	107.9%
Expenses	519	2,300	529	(\$1,771)	-77.0%	\$10	1.9%
Difference	(481)	(583)	(450)	133	22.8%	31	-6.4%
Ending Balance			\$55,237				

Revenues for SSA#3 come from Property Taxes. Expenditures budgeted here are for stormwater improvements in this area. Year-to-date expenditures are related to electric utility expenses.

<u>SPECIAL SERVICE AREA #5-TIMBERS EDGE</u>							
Beginning Balance*			\$4,000				
Revenues	0	810	0	(\$810)	-100.0%	\$0	n/a
Expenses	0	0	0	\$0	n/a	\$0	n/a
Difference	0	810	0	(810)	100.0%	0	n/a
Ending Balance			\$4,000				

The 2018 Budget established the Special Service Area #5 - Timbers Edge Fund. This fund is used to account for taxes levied for the maintenance of stormwater management for outlot four of the Timbers Edge Subdivision.

<u>CAPITAL PROJECTS</u>							
Beginning Balance*			\$11,420,323				
Revenues	1,214,563	867,528	1,280,171	\$412,643	47.6%	\$65,608	5.4%
Expenses	485,835	1,347,225	517,695	(\$829,530)	-61.6%	\$31,860	6.6%
Difference	728,728	(479,697)	762,476	1,242,173	258.9%	33,748	4.6%
Ending Balance			\$12,182,799				

Capital Projects revenues include the .50% of Home Rule Sales Tax, 10% of our Income Tax allocation, Tower Rental and Park District Reimbursements for debt payments. Total year-to-date revenues are higher than budget due to the timing of the Park District debt payment. Expenses are related to several budgeted capital projects, including 71st Street bridge improvements, the Route 53 sidewalk study, Crabtree Creek, and Public Works' service order software implementation.

<u>EQUIPMENT REPLACEMENT</u>							
Beginning Balance*			\$2,526,623				
Revenues	71,525	71,795	84,296	\$12,501	17.4%	\$12,771	17.9%
Expenses	41,415	195,084	0	(\$195,084)	-100.0%	(\$41,415)	-100.0%
Difference	30,110	(123,289)	84,296	207,585	168.4%	54,186	180.0%
Ending Balance			\$2,610,919				

This fund is for the purchase of non-water related vehicles and other equipment. The revenues are from the various departments setting aside amounts so future purchases are finally funded. 2018 revenues are slightly higher due to two vehicle sales that occurred earlier in the year compared to the prior period.

<u>DEBT SERVICE</u>							
Beginning Balance*			\$154,133				
Revenues	458,628	457,717	468,651	\$10,934	2.4%	\$10,023	2.2%
Expenses	1,482,440	453,074	1,510,634	\$1,057,561	233.4%	\$28,194	1.9%
Difference	(1,023,812)	4,644	(1,041,983)	(1,046,627)	-22538.4%	(18,171)	1.8%
Ending Balance			(\$887,850)				

Actual revenues and expenses include transfer-in revenues from the General Fund and Capital Projects. The straight line budget does not reflect the seasonality of the debt payments, which results in the significant difference for budget vs. actual figures.

<u>WATER & SEWER</u>							
Beginning Balance (Net Current Assets)			\$4,622,261				
Revenues	2,442,954	2,496,747	2,482,303	(\$14,444)	-0.6%	\$39,349	1.6%
Expenses	1,825,387	3,563,128	2,672,912	(\$890,216)	-25.0%	\$847,525	46.4%
Difference	617,567	(1,066,381)	(190,609)	875,772	-82.1%	(808,176)	-130.9%
Ending Balance			\$4,431,652				

Water and Sewer revenues are higher due to increased revenues from user fees. Compared to budget, expenses are lower by \$900,000 mainly due to budgeted capital projects that are in progress or have not started.

<u>WATER & SEWER EQUIPMENT REPLACEMENT</u>							
Beginning Balance*			\$1,329,939				
Revenues	349,759	888,690	893,827	\$5,137	0.58%	\$544,068	155.6%
Expenses	0	485,973	0	(\$485,973)	-100.00%	\$0	n/a
Difference	349,759	402,717	893,827	\$491,110	121.95%	544,068	155.6%
Ending Balance							

VILLAGE OF WOODRIDGE
1st Quarter - 2018 Fund Snap Shot
Actual to Budget to Prior Year - Unaudited
January - March 2018

<u>Fund</u>	1st Quarter Actual 2017	1st Quarter Budget 2018	Actual 2018	\$ Change to Budget 2018	% Change to Budget 2018	\$ Change to 1st Qtr 2017	% Change to 1st Qtr 2017
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This fund is for the purchase of vehicles and other equipment in the Water & Sewer Fund. Equipment and vehicle purchases are expected to occur later in the year.

MUNICIPAL GARAGE

Beginning Balance*			\$842,523				
Revenues	216,551	207,329	207,759	\$430	0.2%	(\$8,792)	-4.1%
Expenses	162,928	205,249	191,725	(\$13,524)	-6.6%	\$28,797	17.7%
Difference	53,623	2,081	16,034	13,953	670.6%	(37,589)	-70.1%
Ending Balance			<u>\$858,557</u>				

The Garage Fund is an internal service fund which repairs our vehicles and supplies gasoline. The main source of revenue is transfers from the departments with vehicles. First quarter expenses are higher than the prior period due to an increase in fuel costs.

POLICE PENSION

Beginning Balance*			\$35,542,943				
Revenues	287,958	992,038	338,969	(\$653,069)	-65.8%	\$51,011	17.7%
Expenses	739,526	798,303	879,761	\$81,458	10.2%	\$140,235	19.0%
Difference	(451,568)	193,735	(540,792)	(734,527)	-379.1%	(89,224)	19.8%
Ending Balance			<u>\$35,002,151</u>				

The main expenditures in this fund are the pension benefit payments. Revenues consist of interest earned on investments, employee and employer contributions. The transfers from Property Tax revenues occur in June and September, which explains the revenue variance compared to budget. Expenses are higher than budget due to an unbudgeted separation refunds.

TOTAL ALL FUNDS

BEGINNING FUND BALANCES			\$81,279,699				
TOTAL REVENUES	10,205,467	11,398,513	10,755,764	(\$642,749)	-5.6%	\$550,297	5.4%
TOTAL EXPENSES	8,851,155	13,241,917	10,164,695	(\$3,077,222)	-23.2%	\$1,313,540	14.8%
DIFFERENCE	994,761	(2,256,027)	578,500	2,434,474	107.9%	(763,243)	-76.7%
ENDING FUND BALANCES			<u>\$80,964,372</u>				