

VILLAGE OF DOWNERS GROVE
REPORT FOR THE VILLAGE COUNCIL WORKSHOP
JULY 8, 2008 AGENDA

SUBJECT:	TYPE:	SUBMITTED BY:
FY08 Budget Update and Discussion	Resolution Ordinance Motion ✓ Discussion Only	David Fieldman Acting Village Manager

SYNOPSIS

Staff will conduct a brief presentation and discussion will be requested regarding the status of the Fiscal Year 2008 (FY08) budget based on preliminary revenue and expense projections.

STRATEGIC PLAN ALIGNMENT

The Five Year Plan and Goals for 2007-2012 identified *Exceptional Municipal Organization*. A supporting objective is *Financially Sound and Sustainable Village Government*.

FISCAL IMPACT

N/A.

RECOMMENDATION

Discussion only.

BACKGROUNDExecutive Summary

Village staff has been closely monitoring revenues and expenses to date in order to evaluate the Village's financial condition. Relevant materials from the May monthly Treasurer's Report are attached. In the General Fund, year-to-date information, as compared to FY07, suggests that revenues and expenses are tracking as expected in FY08, based on FY07 performance. Total expenses through May 2008 are approximately \$200,000 less than total revenues, which is similar to the General Fund status at the same point in FY07.

Even though revenues and expenses appear to be on track through the first five months of the fiscal year, staff believes that it is prudent and necessary to adopt a more conservative approach given the poor performance of the regional and national economy over recent months. Based on certain specific trends observed over the first six months of the fiscal year, there is reason to be concerned that the Village's economically dependent revenue sources, such as sales tax, may fall short of meeting budgeted targets, and that certain expenses, in particular the purchase of fuel and personnel costs, will exceed budgeted amounts. In a preliminary review of the Village's financial condition, staff has identified the following areas of general concern:

Area of Concern	Estimated Variance from Budget (Negative)	
	Less Conservative	More Conservative
Increased fuel costs	(\$125,000)	(\$230,000)
Personnel costs	(\$400,000)	(\$500,000)
Sales tax revenue	(\$650,000)	(\$1,300,000)
Total	(\$1,175,000)	(\$2,030,000)

Based on these indications, Village staff has implemented an organization-wide strategy that includes the following, which are described in greater detail throughout this report:

- Adjust operational activities to reduce fuel consumption and pursue more efficient use of resources in other areas
- Evaluate budgeted service-level costs for which no commitments have been made to date and defer or pursue alternatives as appropriate
- Review the status of the Village’s cash reserves within the parameters set forth in the cash reserve policy and recommend use of reserves as appropriate

Fuel Costs

The Village maintains a fleet of approximately 250 vehicles to perform service operations throughout the community. While the Village has purchased several replacement vehicles in recent years that are powered by compressed natural gas, a majority of the fleet continues to operate on unleaded or diesel gasoline. In FY08, the Village budgeted \$630,000 for fuel. With prices for the purchase of gasoline increasing by 40 percent since the time that the FY08 budget was developed, Village costs related to fuel have increased significantly and are estimated to exceed the total amount budgeted by \$230,000. In FY07, the Village spent \$532,000 on fuel. To date, \$314,000 has been spent on fuel, as compared to \$173,000 at this time last year. It is important to note that this increase in expenses to date is not solely attributable to rising fuel costs. The amount of fuel consumed as part of snow and ice operations in 2008 was significantly greater than the prior year due to the abnormally high number of winter events experienced in the early part of 2008.

	FY 2007	FY 2008
Total Fuel Budget	\$630,000	\$630,000
Fuel Expenses Year-to-Date	\$173,000	\$314,000
Actual (07)/Est. (08) Expenses	\$532,000	\$860,000

In response, staff has identified and implemented several initiatives that will result in reduced fuel consumption, including the following:

- Turn off engines when the vehicle is not in use. Staff is also pursuing grant opportunities for on-board heaters to maintain comfortable cabin temperature during colder months.
- Car pool to and from Public Works job sites
- Reduce the number and adjust the type of Fire/EMS vehicles responding to certain calls while maintaining emergency response standards and effectiveness
- Use smaller administrative vehicles for non-emergency travel
- Additional assessment of emergency calls by Fire Department command staff to determine the most appropriate and efficient vehicle use for response
- Remove unnecessary equipment from vehicles to reduce overall weight, and as a result, decrease fuel consumption

Personnel Costs

The FY08 General Fund includes personnel costs budgeted at 95 percent of full staffing. This level of expense is consistent with actual experience in prior years, where turnover and lower salaries for new hires result in personnel savings. This practice results in a more accurate personnel budget and eliminates the need to raise revenue to meet the costs associated with funding personnel at 100 percent.

Staff, in monitoring personnel vacancies to date, has concluded that turnover is not occurring as frequently as in prior years, and it appears that personnel costs will not drop to the 95 percent mark that was budgeted. Based on current trends in staffing levels, staff estimates that personnel costs for FY08 could exceed the total budgeted amount by as much as \$500,000.

Based on these conclusions, the staff leadership team has worked collaboratively to identify measures to control personnel costs. As a result, all vacant positions will be evaluated to determine if they can be consolidated within the organization. During this process, staff will continue to monitor services to ensure that they do not fall below acceptable levels.

Sales Tax Revenue Trends

The Village collects sales taxes from most retail purchases within the corporate limits of Downers Grove at a rate of 1.75 percent (which increased from 1.5 percent effective July 1, 2008). Revenue from the 0.25 percent rate increase will be dedicated to fund stormwater improvements.

The one percent portion, known as the “local share,” generally applies to all retail purchases and is deposited primarily into the Village’s General Fund, providing revenue to support Village operations, including public safety and public works. For FY08, \$13.3 million in sales tax revenue was budgeted (\$12.5 million in the General Fund, with the balance accounted for in the Sales Tax Rebate Fund). Sales tax revenue accounts for 30.3 percent of all budgeted revenue in the General Fund.

The 0.75 percent portion is known as the “Home Rule sales tax” and has a more limited application for retail items purchased in the Village. The recently enacted 0.25 percent increase will be deposited in the Stormwater Improvement Fund and the existing 0.50 percent is accounted for in the Capital Projects Fund, providing the largest source of revenue to support the Village’s Community Investment Program projects, such as roadway, sidewalk, traffic signal, bikeway and building maintenance. For FY08, \$4.6 million in revenue was budgeted in the Capital Projects Fund and \$1.2 million in the Stormwater Improvement Fund.

Sales tax is collected by the Department of Revenue and disbursed to the Village on a monthly basis. The timing of the collection and disbursement schedule results in a three-month lag in the Village receiving sales tax revenue. In other words, sales taxes received by the Village in June 2008 were based on March 2008 sales.

Based on the three months of data available to date, sales tax revenue is currently tracking approximately six percent below the budgeted amount, when compared with the first three months of collections from the previous fiscal year. The state of the economy in recent months and future growth projections suggest that sales tax revenue could end the year approximately 10 percent below budget. If these projections are accurate, sales tax revenues in the General Fund could fall below the budgeted amount by \$1.3 million by year end.

Plan to Address Lower than Anticipated Revenue

In order to address this loss of revenue, staff has instituted the following measures in order to control costs in appropriate areas or enhance revenue generation without affecting tax or fee rates:

- Review all purchases – eliminate all discretionary purchases
- Reduce or eliminate out-of-state travel and training – pursue local alternatives to maintain a well-trained workforce
- Review all operating expenses for cost savings opportunities
 - Take advantage of any State and Federal contracts, where available
 - Review all utility/phone expenses for efficiencies
- Audit the Village’s utility tax revenues to ensure an accurate revenue base

Staff has also examined items that were included the FY08 budget based on decisions during the Strategic Planning or the budgeting process that could be deferred or eliminated based on the will of the Village Council. As a result, staff recommends that the contract for the integrated branding and marketing initiative not be approved at this time (\$100,000). Staff will be able to discuss alternative options for meeting the objectives of this program without the assistance of a consultant.

In addition, the Village maintains a cash reserve in the General Fund based on a Council-adopted Cash Balance Policy, established to “provide financial stability, cash flow for operations and the assurance that the Village will be able to respond to emergencies with fiscal strength.” At the end of FY07, the Village maintained a cash balance of \$11,330,190. The policy set by Council states that “General Operations Fund cash balance will be no less than two months of annual operating expenses, and not more than four months of annual operating expenses.” Based on the FY08 budget, the lower end of this range is \$6.61 million and the upper end is \$13.22 million, which means that the Village currently maintains a healthy reserve in its General Fund. Given that one of the objectives of the cash reserve is to provide financial stability, it would be appropriate to allocate a portion of the cash reserve to address a revenue shortfall.

Summary

In a preliminary review of the Village’s financial condition, staff has identified the following areas of general concern:

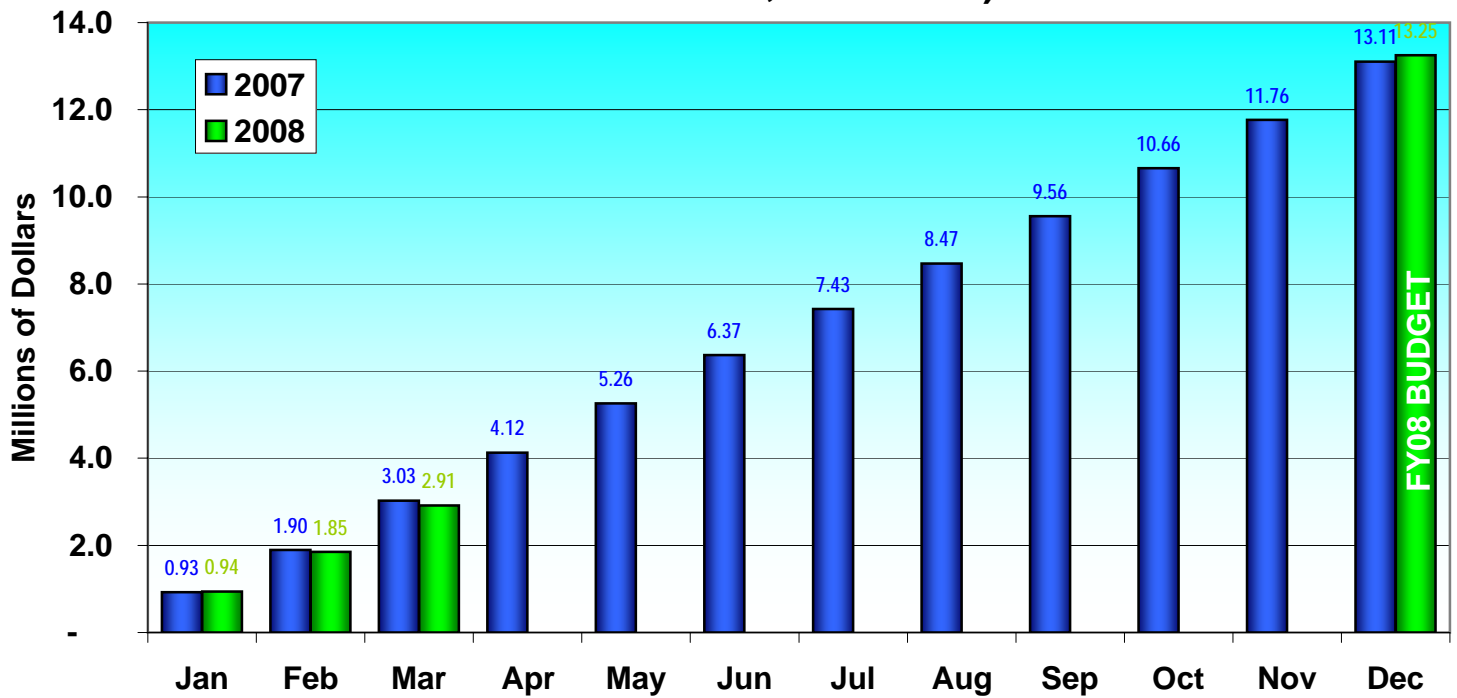
Area of Concern	Estimated Financial Impact (Negative)	
	Less Conservative	More Conservative
Increased fuel costs	(\$125,000)	(\$230,000)
Personnel costs	(\$400,000)	(\$500,000)
Sales tax revenue	(\$650,000)	(\$1,300,000)
Total	(\$1,175,000)	(\$2,030,000)

A coordinated strategy involving all Village departments has been initiated in response to this projected funding gap for the current fiscal year in order to minimize its impact. Through a combination of measures intended to reduce fuel consumption, defer certain non-essential expenses and appropriately make use of the Village cash reserves while maintaining a long-term perspective to ensure a financially sound and sustainable Village government, it is hopeful that the financial impact of these trends will be minimized.

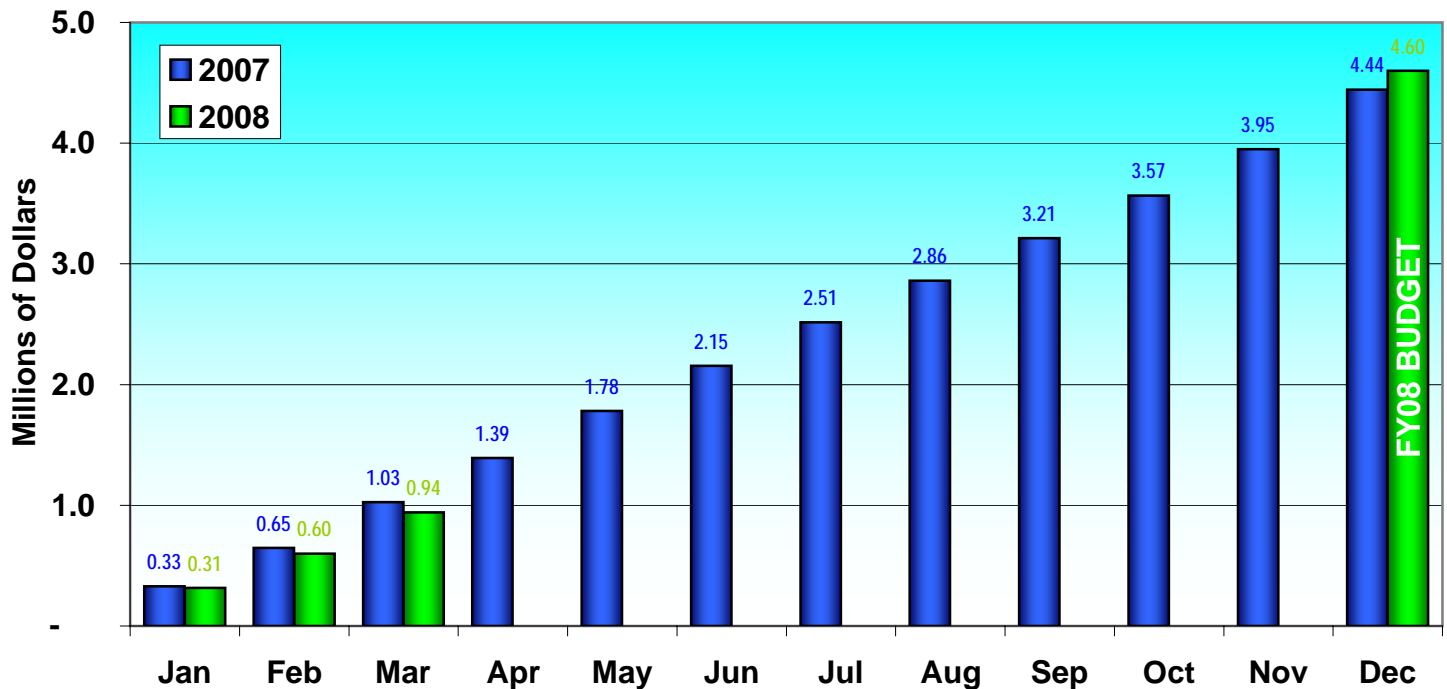
ATTACHMENTS

- YTD Sales Tax Graphs
- May 2008 Treasurer’s Report
- FY08 General Fund Summary

Cumulative Monthly Sales Tax Revenue Collections (1% Local Share, All Funds)



Cumulative Monthly Sales Tax Revenue Collections (0.50% Home Rule Sales Tax, Capital Projects Fund)



Village of Downers Grove
Treasurer's Report - Cash & Investment Balances
For Month Ending: May 31, 2008

	CASH & INVESTMENTS		Increase/ (Decrease)	%	SAME MONTH LAST YEAR	
	May 31, 2008	April 30, 2008			May 31, 2007	% inc (dec)
General Fund	\$ 11,636,122	\$ 11,747,276	\$ (111,154)	-0.9%	\$ 12,873,878	-9.6%
Motor Fuel Tax	1,666,900	1,553,145	113,755	7.3%	1,718,327	-3.0%
Downtown Redev TIF	1,249,457	1,220,363	29,094	2.4%	2,142,629	-41.7%
Foreign Fire Insurance	124,071	144,295	(20,224)	-14.0%	128,639	-3.6%
Ogden Corridor TIF	1,448,676	1,446,302	2,374	0.2%	1,297,988	11.6%
Transportation	(1,723,181)	(1,708,248)	(14,933)	-0.9%	(1,975,049)	12.8%
Subtotal Special Revenue Funds	2,765,923	2,655,857	110,066	4.1%	3,312,534	-16.5%
Capital Projects	1,436,327	1,285,244	151,083	11.8%	2,444,964	-41.3%
Municipal Buildings	2,503,670	3,008,348	(504,678)	-16.8%	9,116,031	-72.5%
Real Estate	377,940	372,866	5,074	1.4%	306,761	23.2%
Stormwater Improvement Fund	1,202,688	1,249,071	(46,383)	-3.7%	0	n/a
Subtotal Capital Project Funds	5,520,625	5,915,529	(394,904)	-6.7%	11,867,756	-53.5%
Fairview Ave Debt Fund	43,589	27,088	16,501	60.9%	118,401	-63.2%
CBD TIF Debt Service Fund	92,236	91,493	743	0.8%	212,084	-56.5%
Firestation 2 Debt Fund	0	0	0	n/a	0	n/a
Subtotal Debt Service Funds	135,825	118,581	17,244	14.5%	330,485	-58.9%
Parking Operations	772,970	625,332	147,638	23.6%	549,978	40.5%
Water	8,276,012	8,194,856	81,156	1.0%	7,900,707	4.8%
Subtotal Enterprise Funds	9,048,982	8,820,188	228,794	2.6%	8,450,685	7.1%
Equipment Replacement	934,345	820,583	113,762	13.9%	1,304,536	-28.4%
Fleet Services	(62,260)	(20,516)	(41,744)	203.5%	(95,853)	35.0%
Risk Management	414,808	694,138	(279,330)	-40.2%	391,794	5.9%
Health Insurance	1,577,954	1,581,182	(3,228)	-0.2%	826,815	90.8%
Subtotal Internal Service Funds	2,864,847	3,075,387	(210,540)	-6.8%	2,427,292	18.0%
VILLAGE BEFORE TRUST & LIBRARY FUNDS	\$ 31,972,324	\$ 32,332,818	(\$360,494)	-1.1%	\$ 39,262,630	-18.6%
Construction Deposit	3,728,880	3,653,112	75,768	2.1%	3,773,650	-1.2%
Police Pension	35,891,606	35,760,784	130,822	0.4%	32,467,244	10.5%
Fire Pension	29,246,052	29,233,229	12,823	0.0%	25,385,985	15.2%
Subtotal Pension/Trust Funds	68,866,538	68,647,125	219,413	0.3%	61,626,879	11.7%
Library	954,749	1,207,276	(252,527)	-20.9%	742,789	28.5%
Library Construction	302,510	301,090	1,420	0.5%	287,188	5.3%
GO Debt, Library	253,642	253,332	310	0.1%	222,692	13.9%
Subtotal Component Unit : Downers Grove Public Library	1,510,901	1,761,698	(250,797)	-14.2%	1,252,669	20.6%
GRAND TOTAL	\$ 102,349,763	\$ 102,741,641	(\$391,878)	-0.4%	\$ 102,142,178	0.2%

I, Judy Butny, Treasurer of the Village of Downers Grove, DuPage County, Illinois, do hereby swear the above report, to the best of my knowledge, is true and correct.

Village of Downers Grove
Treasurer's Report - Investment Report
For Month Ending: May 31, 2008

Investment Type	May 31 Balances		Adjustments to Balance to Book		May 31 Book Balances	
	\$	%	\$			%
CD's	11,220,717	29.45%	0		11,220,717	30.15%
Checking	1,406,936	3.69%	(891,445)		515,490	1.39%
MM Funds	21,272,284	55.83%	0		21,272,284	57.16%
Agency	4,203,614	11.03%	0		4,203,614	11.30%
CP	0	0.00%	0		0	0.00%
Totals	38,103,550	100.00%	(891,445)		37,212,105	100.00%

Reconciliation to Treasurers Report:

Village before Trust & Library Funds	31,972,324
Construction Deposit	3,728,880
Library - All	1,510,901
Total Book Balances 05/31/2008	37,212,105

Aged Investments	Investment		Adjustment		Book	
	\$	%	\$		\$	%
Current (0 - 30 days)	25,423,172	66.72%	(891,445)		24,531,727	65.92%
1-3 mos	1,881,000	4.94%	0		1,881,000	5.05%
4-6 mos	5,134,731	13.48%	0		5,134,731	13.80%
7-9 mos	197,000	0.52%	0		197,000	0.53%
10-12 mos	2,403,764	6.31%	0		2,403,764	6.46%
1-2 years	489,207	1.28%	0		489,207	1.31%
2+ years	2,574,676	6.76%	0		2,574,676	6.92%
Totals	38,103,550	100.00%	(891,445)		37,212,105	100.00%

Village of Downers Grove
Treasurer's Report - Investment Report
For Month Ending: May 31, 2008

Investment Institution	May 31	%	Adjustment	May 31	%
	Investment		\$	Book	
	\$		\$	\$	
PMA - current investment advisor provides collateralization and safekeeping services	28,343,578	74.39%	0	28,343,578	76.17%
US Bank - provides lockbox for collections and checking for daily operations	1,406,936	3.69%	(891,445)	515,490	1.39%
IL Prime Funds - State of Illinois pooled investment fund, higher yield to daily fund, but withdrawal limitations	3,014,801	7.91%	0	3,014,801	8.10%
IL Funds - State of Illinois pooled investment fund	5,338,236	14.01%	0	5,338,236	14.35%
Totals	<u>38,103,550</u>	<u>100.00%</u>	<u>(891,445)</u>	<u>37,212,105</u>	<u>100.00%</u>

Relevant Investment Policies:

Per Section 6.1 of the Village's Cash Management and Investment Policy

1. No financial institution shall hold more than 40% of the Village's investment portfolio, exclusive of U.S. Treasuries in safekeeping. PMA collateralizes and safeguards 72.28% of the Village's investments but those investments are divided as follows :

	% of Total Village Investments
Federated Money Market Funds	31.80%
CD's to 77 Institutions	29.45%
U.S. Agency Bonds	11.03%
Commercial Paper	0.00%
Total	<u>72.28%</u>

2. Monies deposited at a financial institution shall not exceed 75% of the capital stock and surplus of that institution

None of our investments through PMA, US Bank or Illinois Funds would come close to meeting that threshold.

3. Commercial Paper shall not exceed 10% of the Village's investment portfolio, excepting bond issue proceed investments.

Per the number above Commercial Paper now represents 0.00% of the Village's investment.

4. Deposits in any one public investment pool shall not exceed 50% of the Village's investment portfolio, provided, however, that a 3% in excess of 50% deviation may result due to daily volatility, on any given day. In this event, staff shall continue to monitor the balance to ensure that no audit management letter comment should be generated as a result of this allowable deviation.

Illinois Funds - Combined Total 21.92%

Per Section 6.2 of the Village's Cash Management and Investment Policy

Unless matched to a specific cash flow, the Village will not directly invest in securities maturing more than three and a half years from the date of purchase.

The latest maturity in the Village's portfolio matures on 10/03/2011 and was purchased on 4/14/2008.

Village of Downers Grove

May 31, 2008
Fund Summary
All Funds

Description	FY 2008 Budget	May 2008 YTD Actual	May 2007 YTD Actual
Revenue by Fund			
General Fund	41,293,748	14,529,550	13,961,327
Motor Fuel Tax Fund	1,505,000	577,288	630,238
CBD TIF Fund	1,457,092	75,714	92,101
Foreign Fire Insurance Fund	64,623	1,597	1,646
Odgen TIF Fund	746,683	17,896	62,954
Sales Tax Rebate Fund	750,000	230,937	133,029
Transportation Fund	299,932	138,298	107,260
Capital Projects Fund	5,512,271	1,878,781	1,988,527
Municipal Buildings Fund	70,000	155,793	9,304,486
Real Estate Fund	34,867	44,431	46,367
Stormwater Improvement Fund	30,054,098	1,326,657	0
Fairview Avenue Debt Fund	276,048	97,520	115,020
CBD TIF Debt Service Fund	2,255,953	1,007,953	884,759
G.O. Bond Series of 2007 Fire Station	441,825	0	0
Parking Fund	1,109,550	543,473	463,827
Water Fund	8,016,145	2,863,449	3,437,600
Equipment Replacement Fund	1,418,203	638,344	522,265
Fleet Services Fund	1,829,310	778,293	789,235
Risk Management Fund	2,018,061	841,628	733,486
Health Insurance Fund	6,028,581	2,638,415	2,257,573
Police Pension Fund	2,764,108	902,339	621,318
Fire Pension Fund	2,585,924	552,030	553,665
Library Fund	3,967,455	216,758	248,126
Library Construction Fund	5,000	5,489	4,917
Library Debt Service Fund	661,850	7,174	5,783
Total	\$ 115,166,327	\$ 30,069,804	\$ 36,965,508
Expenses by Fund			
General Fund	42,262,003	14,336,798	13,740,884
Motor Fuel Tax Fund	1,505,000	0	0
CBD TIF Fund	2,214,736	939,615	740,597
Foreign Fire Insurance Fund	81,100	24,574	15,761
Odgen TIF Fund	1,592,850	58	36,552
Sales Tax Rebate Fund	750,000	230,937	133,029
Transportation Fund	464,559	186,879	189,753
Capital Projects Fund	5,909,482	122,809	291,145
Municipal Buildings Fund	2,365,000	2,677,820	188,455
Real Estate Fund	23,306	7,409	7,427
Stormwater Improvement Fund	7,507,106	123,969	0
Fairview Avenue Debt Fund	302,150	255,570	236,770
CBD TIF Debt Service Fund	2,339,503	1,570,185	1,355,718
G.O. Bond Series of 2007 Fire Station	441,825	0	0
Parking Fund	1,194,283	498,721	467,010
Water Fund	11,677,391	2,338,892	3,163,047
Equipment Replacement Fund	1,428,514	445,379	384,675
Fleet Services Fund	1,809,165	703,644	607,980
Risk Management Fund	1,880,950	954,137	773,894
Health Insurance Fund	6,011,991	2,328,056	2,228,730
Police Pension Fund	2,111,860	938,302	810,698
Fire Pension Fund	1,456,130	574,483	517,855
Library Fund	3,940,362	1,452,454	1,341,709
Library Construction Fund	70,000	0	0
Library Debt Service Fund	648,084	564,659	565,534
Total	\$ 99,987,350	\$ 31,275,346	\$ 27,797,221

Village of Downers Grove

May 31, 2008

Revenue Summary Detail

General Fund

Description	FY 2008 Budget	May 2008 YTD Actual	May 2007 YTD Actual	FY 2007 Actual	FY 2006* Actual	FY 2005 Actual
Property Taxes	5,538,417	63,309	59,108	4,989,455	4,946,051	4,945,681
Property Taxes-Police & Fire	2,162,382	14,732	0	2,683,741	2,665,298	2,326,396
Property Taxes-SSA	234,000	7,751	4,652	241,620	238,536	241,137
Property Taxes-Twp Road & Home Rule Sales Tax	290,000	3,339	2,357	308,295	309,089	0
Hotel Use Tax	0	0	0	0	825,907	4,334,791
Natural Gas Use Tax	950,000	325,411	317,076	999,177	714,378	876,076
Electricity Tax	450,000	301,313	316,792	451,267	145,131	347,834
Telecommunications Tax	1,919,000	809,256	809,947	1,981,566	1,287,015	1,568,120
Other Local Taxes	3,841,500	1,531,706	1,615,037	3,836,383	2,295,212	2,821,335
	51,051	16,502	14,983	40,054	29,654	41,444
41 Subtotal Local Taxes	\$ 15,436,350	\$ 3,073,319	\$ 3,139,953	\$ 15,531,557	\$ 13,456,271	\$ 17,502,814
Building Related Permits	1,275,000	646,631	765,309	1,769,173	1,046,857	1,518,762
Alcohol Beverage License	160,000	4,533	4,171	156,926	156,401	140,054
Professional & Occupational	60,145	18,852	31,480	72,625	74,058	98,225
Other Licenses and Permits	46,150	20,293	26,812	92,708	48,791	113,536
42 Subtotal Licenses & Permits	\$ 1,541,295	\$ 690,309	\$ 827,771	\$ 2,091,432	\$ 1,326,106	\$ 1,870,577
Sales Tax	12,500,000	5,169,777	5,338,012	12,389,441	8,483,994	12,381,489
State Income Tax	4,819,164	2,597,676	1,679,308	4,312,595	2,671,973	3,768,877
Personal Property Replacement Tax	561,006	279,334	265,498	491,553	248,525	412,283
State Shared Local Use Tax	600,295	294,905	258,098	654,168	441,394	587,102
Other State Shared Revenues	14,000	13,827	6,230	27,144	19,103	16,882
43 Subtotal State Shared	\$ 18,494,465	\$ 8,355,518	\$ 7,547,146	\$ 17,874,902	\$ 11,864,990	\$ 17,166,634
44 All Sales Revenue	\$ 25,679	\$ 1,890	\$ 8,160	\$ 17,401	\$ 10,948	\$ 20,873
Ambulance Fees-Residents	575,000	206,216	229,720	524,850	391,858	533,331
Ambulance Fees-Non-Residents	190,000	77,283	79,647	126,490	198,141	216,642
Plan Review & Inspection Fees	292,000	160,814	157,484	390,765	288,828	446,081
Administrative Booking & Tow Fees	275,000	145,504	114,493	272,371	236,980	277,650
Fines	804,500	413,020	373,347	675,571	636,884	870,595
Cable Franchise Fees	520,000	285,634	259,666	548,042	375,482	459,165
Cellular Equipment Rental Fees	657,873	291,475	337,438	738,860	405,494	525,262
Heritage Fest Fees	246,500	1,746	5,745	14,822	340	2,075
Other Fees, Charges & Fines	888,486	418,395	428,135	1,315,416	682,805	795,391
45 Subtotal Fees, Charges &	\$ 4,649,359	\$ 2,000,087	\$ 1,985,675	\$ 4,607,188	\$ 3,216,812	\$ 4,126,191
46 All Grants	\$ 328,007	\$ 18,573	\$ 46,697	\$ 141,995	\$ 270,538	\$ 276,910
47 All Interest & Claims	\$ 601,000	\$ 339,736	\$ 319,767	\$ 752,353	\$ 519,108	\$ 552,725
48 All Donations & Contributions	\$ 84,400	\$ 50,118	\$ 52,700	\$ 82,092	\$ 4,123	\$ 14,422
49 Other Financial Resources	\$ 133,193	\$ 0	\$ 33,457	\$ 0	\$ 0	\$ 0
Total Revenues	\$ 41,293,748	\$ 14,529,550	\$ 13,961,327	\$ 41,098,919	\$ 30,668,895	\$ 41,531,146

* 8 Month Fiscal Year

Village of Downers Grove
 May 31, 2008
 Expenditure Summary Detail by Department
General Fund

Description	FY 2008 Budget	May 2008 YTD Actual	May 2007 YTD Actual	FY 2007 Actual	FY 2006* Actual	FY 2005 Actual
11-Legislative Support	324,998	140,336	136,426	282,424	195,074	208,573
12-General Management	676,031	269,899	212,617	648,724	452,239	716,020
13-Legal	751,217	196,254	222,876	642,061	644,350	544,288
14-Building Services	727,592	232,473	217,816	653,697	423,020	627,620
15-Human Services	267,113	84,270	175,264	317,653	160,879	204,078
17-Information Services	866,250	325,917	300,722	835,730	566,406	791,703
19-Productivity Investment Program	970,000	6,000	51,351	108,651	9,575	5,000
Subtotal General Government	\$ 4,583,201	\$ 1,255,149	\$ 1,317,071	\$ 3,488,940	\$ 2,451,543	\$ 3,097,281
20-Financial Services	\$ 2,057,702	\$ 536,704	\$ 423,092	\$ 1,515,804	\$ 4,114,565	\$ 1,982,215
30-Public Works	\$ 5,940,702	\$ 2,346,691	\$ 2,198,328	\$ 6,318,047	\$ 3,686,439	\$ 5,008,069
40-Community Development	\$ 2,384,103	\$ 820,502	\$ 855,307	\$ 2,218,564	\$ 1,231,899	\$ 1,472,503
60-Police	13,159,349	4,669,059	4,327,154	12,954,958	8,963,027	11,952,359
70-Fire	11,999,005	4,139,965	4,002,606	12,286,988	8,546,726	11,212,287
Subtotal Public Safety	\$ 25,158,354	\$ 8,809,024	\$ 8,329,760	\$ 25,241,946	\$ 17,509,753	\$ 23,164,646
81-Counseling & Social Services	491,033	167,686	186,380	462,512	189,112	208,229
84-Communications Office	717,850	201,234	183,963	552,114	315,740	491,594
86-Community Events	929,057	199,807	246,984	1,042,791	-4,566	375,827
Subtotal Community Services	\$ 2,137,940	\$ 568,727	\$ 617,327	\$ 2,057,417	\$ 500,286	\$ 1,075,650
Total Expenditures	\$ 42,262,003	\$ 14,336,798	\$ 13,740,884	\$ 40,840,718	\$ 29,494,485	\$ 35,800,365

* 8 Month Fiscal Year

Village of Downers Grove

Comparison of Monthly Major Revenues

HOME RULE SALES TAX

Month of Sale	Village Collection Month	2004 Actual Receipts	2005 Actual Receipts	2006 Actual Receipts	2007 Actual Receipts	2008 Budget	2008 Actual Receipts
OCT	JAN	283,664	362,911	343,605	347,325	383,333	351,910
NOV	FEB	342,899	361,470	351,969	345,169	383,333	385,590
DEC	MAR	463,199	519,408	537,801	571,359	383,333	491,134
JAN	APR	289,807	300,136	284,280	328,497	383,333	314,497
FEB	MAY	291,712	313,704	348,466	318,975	383,333	285,253
MAR	JUN	311,087	343,435	286,731	379,698	383,333	
APR	JUL	310,908	340,772	438,181	364,068	383,333	
MAY	AUG	327,362	342,037	388,678	389,659	383,333	
JUN	SEP	352,880	365,925	388,060	373,243	383,333	
JUL	OCT	376,260	358,002	371,027	360,523	383,333	
AUG	NOV	338,525	337,886	352,994	346,318	383,333	
SEP	DEC	361,484	340,489	366,829	352,658	383,337	
Total		4,049,788	4,286,176	4,458,621	4,477,492	4,600,000	1,828,384

Prior to July, 2006, 100% of these taxes went to the General Fund.

Beginning in July, 2006 100% of these taxes go to the Capital Improvements Fund

SALES TAX

Month of Sale	Village Collection Month	2004 Actual Receipts	2005 Actual Receipts	2006 Actual Receipts	2007 Actual Receipts	2008 Budget	2008 Actual Receipts
OCT	JAN	937,137	1,023,962	951,286	1,010,145	1,104,167	1,098,633
NOV	FEB	1,001,937	1,029,906	1,017,712	1,006,068	1,104,167	1,107,710
DEC	MAR	1,188,967	1,359,906	1,441,347	1,483,844	1,104,167	1,342,829
JAN	APR	867,019	957,978	965,672	927,484	1,104,167	940,420
FEB	MAY	950,909	1,009,940	1,052,604	968,315	1,104,167	911,121
MAR	JUN	949,272	1,074,043	917,795	1,129,276	1,104,167	
APR	JUL	958,582	1,066,510	1,285,299	1,099,618	1,104,167	
MAY	AUG	1,047,824	1,033,467	1,177,793	1,137,944	1,104,167	
JUN	SEP	1,039,479	1,154,671	1,088,389	1,108,633	1,104,167	
JUL	OCT	1,119,268	1,116,069	1,168,401	1,058,416	1,104,167	
AUG	NOV	1,164,317	1,036,309	1,054,686	1,035,717	1,104,167	
SEP	DEC	1,003,250	1,030,817	1,064,638	1,092,440	1,104,163	
Subtotal		\$ 12,227,962	\$ 12,893,577	\$ 13,185,623	\$ 13,057,900	13,250,000	\$ 5,400,713
Rebates		\$ (450,436)	\$ (719,187)	\$ (574,787)	\$ (717,573)	\$ (750,000)	\$ (230,936)
Total		\$ 11,777,526	\$ 12,174,390	\$ 12,610,836	\$ 12,340,327	\$ 12,500,000	\$ 5,169,777

100% of this tax goes into the General Fund.

001 GENERAL FUND

Purpose

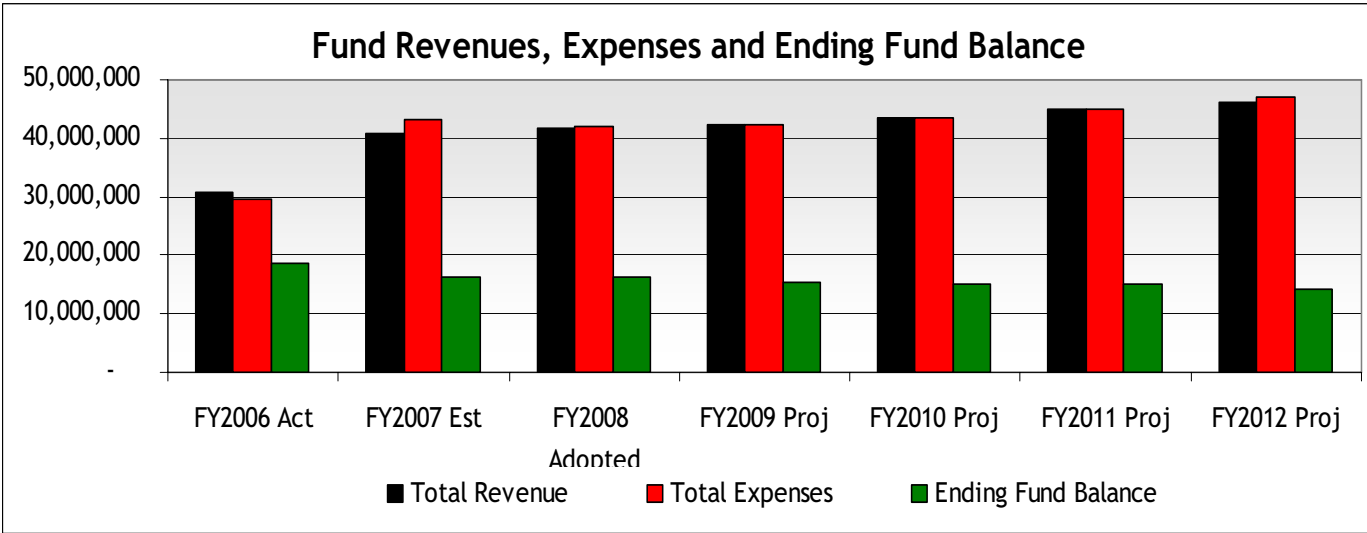
The General Fund is the main operating fund of the Village. Core services including Police, Fire Protection, Public Works, Community Development and many other administrative and community service oriented departments are all included in the General Fund. This fund is also the repository for most general tax revenues including property, sales, utility and income taxes, as well as a variety of other minor fees and charges.

and Public Works services in the event that normal operating revenues are temporarily unavailable. Each year the Village presents a balanced General Fund budget for approval by the Council. This commitment to a balanced budget insures the Village's ability to provide reliable and comprehensive services.

Financial Plan

The table and graph illustrate the historical and projected performance of the General Fund. The financial objective for this fund is to account for revenues and expenses of the general operational functions of the Village, while maintaining a cash balance equal to 2-4 months of expenses. Accumulated cash reserves are used to insure uninterrupted Public Safety

	FY 2005-06 Actual	FY 2006 Actual	FY2007 Budget	FY2007 Estimate	FY2008 Recommended
Beginning Cash Balance				13,211,682	10,960,722
Plus accruals				5,416,808	5,416,808
Beginning Fund Balance				18,628,490	16,377,530
Revenue					
41-Local Taxes	17,502,814	13,456,271	14,876,652	15,297,839	15,902,967
42-Licenses & Permits	1,870,577	1,326,106	1,894,200	2,054,245	1,541,320
43-Intergovernmental Revenues	17,166,634	11,864,990	17,755,016	17,854,837	18,494,465
44-Sales Revenues	20,873	10,948	26,450	25,730	25,679
45-Fees, Charges & Fines	4,126,191	3,216,812	4,560,152	4,736,501	4,649,359
46-Grants	276,910	270,538	242,782	104,851	328,007
47-Interest & Claims	552,725	519,108	533,000	714,000	601,000
48-Contributions	14,422	4,123	82,500	83,428	84,400
49-Other Financial Resources	-	-	-	26,000	133,193
Total Revenue	41,531,146	30,668,895	39,970,752	40,897,431	41,760,390
Expenses					
51-Personnel Expenses	26,649,360	19,763,395	28,628,159	29,775,317	29,229,947
52-Supplies	938,636	703,803	1,199,819	1,154,567	1,210,362
53-Professional & Tech Services	1,640,160	1,278,413	2,323,353	2,118,191	2,024,135
54-Other Contractual Services	1,484,574	916,397	2,497,843	2,419,950	2,181,189
56-Claims, Grants, & Debt	4,416,922	3,468,214	6,148,892	5,371,352	6,688,282
57-Controlled Assets	127,854	205,134	238,326	213,889	203,196
58-Capital Asset Expenditures	143,379	225,796	217,000	215,124	210,300
59-Other Financial Uses	400,000	2,933,333	1,680,000	1,880,000	250,000
Total Expenses	35,800,885	29,494,485	42,933,391	43,148,391	41,997,410
Change in Net Assets		1,174,410	(2,962,639)	(2,250,960)	(237,020)
Ending Fund Balance		18,628,490		16,377,530	16,140,510



FY08 Adopted	FY2009 Projection	FY2010 Projection	FY2011 Projection	FY2012 Projection	
10,960,722	9,992,467	Estimated Cash Balance			
5,416,808	5,416,808				
16,377,530	15,409,275	15,283,686	15,105,403	14,988,599	
15,436,350	16,275,365	16,669,355	17,085,960	17,526,240	41
1,541,295	1,584,795	1,609,795	1,638,295	1,670,595	42
18,494,465	19,130,338	19,791,022	20,477,729	21,191,748	43
25,679	26,178	26,691	27,220	27,764	44
4,649,359	4,535,121	4,574,266	4,882,212	4,921,633	45
328,007	60,532	60,532	60,532	60,532	46
601,000	601,000	601,000	601,000	601,000	47
84,400	85,440	87,011	88,613	90,247	48
133,193	-	-	-	-	49
41,293,748	42,298,769	43,419,672	44,861,561	46,089,759	
28,603,040	30,695,382	31,860,040	33,104,154	34,365,575	51
1,181,362	1,212,985	1,215,112	1,214,760	1,211,874	52
2,171,635	1,927,563	1,943,241	1,949,091	1,944,637	53
2,506,189	2,039,756	2,050,942	2,066,774	2,072,054	54
7,121,282	5,987,422	6,079,270	6,191,937	6,254,636	56
203,196	171,250	159,350	166,650	209,350	57
225,300	140,000	40,000	35,000	680,000	58
250,000	250,000	250,000	250,000	250,000	59
42,262,003	42,424,357	43,597,955	44,978,365	46,988,127	
(968,255)	(125,589)	(178,283)	(116,805)	(898,368)	
15,409,275	15,283,686	15,105,403	14,988,599	14,090,231	