

VILLAGE OF DOWNERS GROVE
Report for the Village Council Meeting

4/12/2016

SUBJECT:	SUBMITTED BY:
General Fund Final Report and Budget Amendment Ordinance	Judy Buttny Finance Director

SYNOPSIS

Staff is providing a report for the FY15 General Fund. An ordinance has been prepared to amend the Village Budget for FY15 to reflect expenses that were not foreseen at the time the budget was adopted. This amendment is needed because the Village refunded stormwater bonds in FY15 to capture savings resulting from favorable interest rates. This refunding is recorded both as an expense and a revenue.

STRATEGIC PLAN ALIGNMENT

The goals for 2011-2018 identified *Steward of Financial and Environmental Sustainability*.

FISCAL IMPACT

Approval of this ordinance has no actual fiscal impact. The ordinance is required to bring the budgeted amounts in line with actual expenses.

BACKGROUND

The Village's FY15 Budget was authorized by ordinance in November 2014 and the Village's fiscal year began on January 1, 2015 and closed on December 31, 2015.

General Fund Final Report

The FY15 budget was balanced with revenues at \$44.82 million and expenses at \$44.82 million. Actual expenses were under budgeted levels by \$700,000. Revenues were greater than the budget by \$840,000.

The following table shows the budgeted vs. actual revenues and expenses for the General Fund.

FY 15 General Fund	Budget (in millions)	Actual (in millions)	Difference (in millions)
Revenues	\$44.82	\$45.66	\$.84
Expenses	\$44.82	\$44.12	(\$.70)
Net Income	\$0	\$1.54	\$1.54

The higher-than-anticipated revenues were driven by the following:

- State Income Tax: \$450,000 higher
- Local Use Tax: \$250,000 higher
- Sales Tax: \$144,000 higher
- Licenses and Permits: \$110,000 higher due primarily to strong activity in permits

When, as a result of unforeseen circumstances, expenses in any of the Village's funds exceed the amount authorized in the budget ordinance, the Village is required by law to pass an amendment to the budget ordinance to adjust the budget for the expenses. No amendments are required for revenues. The explanation for the amendment required is provided below, followed by a table.

Stormwater Fund: Increase expenses and revenues by \$2,300,000 for the refunding of the Stormwater bonds which resulted in \$520,000 of present value savings to the Village in debt service payments. This is due to the accounting entry required to show the proceeds from the new lower interest rate bond going into the fund (revenue entry) and paying off the old higher interest rate bond coming out of the fund (expense entry).

The following table summarizes the budget amendment.

Fund	FY15 Adopted Budget	Amount of Budget Amendment	FY15 Budget, as Amended
Stormwater Fund	\$7,627,865	\$2,300,000	\$9,927,865
Total Village & Library Budget	\$135,140,874	\$2,300,000	\$137,440,874

ATTACHMENTS

Ordinance

ORDINANCE NO. _____**AN ORDINANCE PROVIDING FOR AN AMENDMENT TO ORDINANCE #5412 AND THE VILLAGE OF DOWNERS GROVE BUDGET FOR FISCAL YEAR 2015**

WHEREAS, on November 11, 2014, the Village Council of the Village of Downers Grove adopted Ordinance #5412 entitled "AN ORDINANCE ADOPTING THE FISCAL YEAR 2015 BUDGET IN LIEU OF PASSAGE OF AN APPROPRIATION ORDINANCE"; and

WHEREAS, proposed amendments to the fiscal year 2015 budget have been prepared; and

WHEREAS, the Village Council of the Village of Downers Grove has examined said amendments and have determined that it is necessary, desirable and in the public interest to further amend the fiscal year 2015 budget as provided herein.

NOW, THEREFORE, BE IT ORDAINED by the Council of the Village of Downers Grove, in DuPage County, Illinois, as follows:

SECTION 1. That Ordinance #5412 entitled "AN ORDINANCE ADOPTING THE FISCAL YEAR 2015 BUDGET IN LIEU OF PASSAGE OF AN APPROPRIATION ORDINANCE", as amended, be and is hereby further amended as follows:

Expenses By Fund	FY 2015 Adopted Budget	FY 2015 Amendment	FY 2015 Amended Budget
443 Stormwater Fund	\$7,627,865	\$2,300,000	\$9,927,865
Total Village & Library Budget	\$135,140,874	\$2,300,000	\$137,440,874

SECTION 2. That, except as amended herein, the original budget ordinance shall remain in full force and effect.

SECTION 3. That this Ordinance shall be in full force and effect from and after its adoption and publication as required by law.

Mayor

Passed:

Published:

Attest: _____

Village Clerk