

**2017**

# **UNITED CITY OF YORKVILLE**

## **QUARTERLY BUDGET REVIEW**

4<sup>th</sup> Quarter Ended April 30, 2017



United City of Yorkville – 4<sup>th</sup> quarter ended April 30, 2017

General Fund Revenues (cash basis after 12 periods)

Revenue Source	FYE 2017 Actual	FY 2017 Budget	% of Budget	FYE 2016 Actual	% Change
1 Property Taxes	\$ 3,024,415	\$ 3,044,616	99%	\$ 2,981,427	1%
2 Municipal Sales Tax	2,919,327	2,800,920	104%	2,759,918	6%
3 Non-Home Rule Sales Tax	2,234,724	2,157,300	104%	2,114,855	6%
4 Utility Taxes	995,571	890,000	112%	916,563	9%
5 Telecommunications Tax	371,289	398,000	93%	407,136	-9%
6 Cable Franchise Fees	289,942	270,000	107%	282,824	3%
7 Hotel Tax	73,444	76,000	97%	79,429	-8%
8 Video Gaming Tax	98,441	65,000	151%	72,494	36%
9 Amusement Tax	201,053	180,000	112%	200,834	0%
10 Admissions Tax	122,007	120,000	102%	121,799	0%
11 Business District Tax	378,119	372,000	102%	368,274	3%
12 Auto Rental Tax	13,999	11,000	127%	11,413	23%
13 Income Tax	1,611,096	1,725,942	93%	1,806,793	-11%
14 Local Use Tax	413,422	397,644	104%	389,409	6%
15 Road & Bridge	145,522	150,000	97%	148,223	-2%
16 Other Intergovernmental	64,524	40,000	161%	57,105	13%
17 Licenses & Permits	356,227	178,000	200%	215,761	65%
18 Fines & Forfeits	139,233	130,225	107%	124,882	11%
19 Charges for Service	1,463,372	1,423,175	103%	1,398,070	5%
20 Investment Earnings	21,143	5,000	423%	6,394	231%
21 Reimbursements/Miscellaneous	85,217	62,000	137%	130,506	-35%
22 Transfers In	-	20,000	0%	-	0%
23 <b>Total Revenues</b>	<b>\$ 15,022,087</b>	<b>\$ 14,516,822</b>	<b>103%</b>	<b>\$ 14,594,109</b>	<b>3%</b>

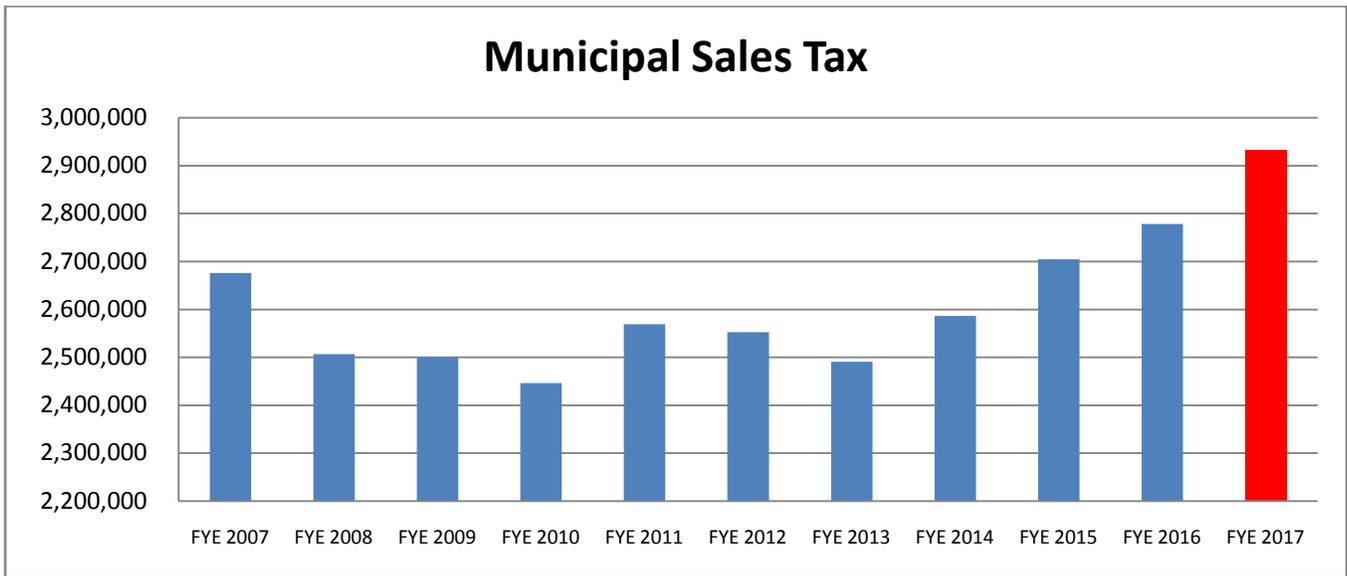
**(1) Property Taxes** consist of the Corporate and Police Pension tax levies which account for approximately 20% of total General Fund revenues. For the fiscal year ended (FYE) 2017 the City collected 99% of what was extended by the County, which is in-line with historical collection patterns. Per the pension funding policy, the City fully funded its actuarial determined contribution (ADC) amount of \$825,413 from property taxes (\$817,490) and from other General Fund revenues (\$7,923).

**(2 & 3) Municipal & Non-Home Rule Sales Taxes** account for the majority (~ 35%) of aggregate General Fund revenues. Municipal sales tax consists of the 1% local share from the total 8.25% general merchandise tax rate and all of the sales tax associated with qualifying food, drug and medical appliances. In addition to the 1% local share mentioned above, the City also passed (via referendum) a 1% non-home rule tax rate applicable only to general merchandise. Both of these revenue streams are expected to finish approximately 6% higher than FYE 2016 amounts. When accounting for audit accruals, municipal sales tax is projected to finish around \$2.94 million, which is approximately \$140,000 higher than budgeted. Non-Home Rules Sales tax (again, accounting for audit accruals) is estimated to come in at \$2.26 million for the FYE 2017, which would exceed budgeted amounts by over \$100,000.

United City of Yorkville – 4<sup>th</sup> quarter ended April 30, 2017

**General Fund Revenues – continued**

As illustrated by the graph below, municipal sales tax tended to reflect the movement of the aggregate economy over the last eleven fiscal years. After reaching its lowest point (\$2.45M) during the height of the recession in Fiscal Year (FY) 2010, sales tax increased by approximately 5% in FY 2011 (\$2.57M), before declining again in FY 2012 (\$2.55M) and FY 2013 (\$2.49M). After increasing by 4% in FY 2014, sales tax eclipsed its pre-recessionary high of \$2.68M (FY 2007) in FY 2015, as revenues exceeded \$2.7M for the first time in the City’s history. Since FYE 2015, sales tax amounts have continued to escalate, increasing an average of 4.3% over the last two fiscal years.



**(4) Utility Taxes** consist of City’s share of electric (ComEd) and natural gas (Nicor) taxes and are heavily influenced by weather patterns over the summer and winter months. Natural gas tax receipts are expected to finish the fiscal year at approximately \$241,000, which is an increase of 16% over FYE 2016 amounts. Electric utility receipts are projected to end the current year around \$700,000, which is similar to last year’s amount of \$689,084.

**(5) Telecommunications Taxes** are comprised of the State’s excise tax and the telephone utility tax received from AT&T. In recent years this revenue stream has declined precipitously in municipalities across the State, as landlines become less prevalent. Last year’s excise tax amount (\$393,680) was down 5% in comparison to FYE 2015; and unfortunately it’s the same story this year, as tax proceeds are expected to decline another 8% (~\$360,000) for the FYE 2017, once audit accruals have been applied.

**(6) Cable Franchise Fees** posted an all-time high of \$286,944 in FY 2016, which should be eclipsed by approximately \$10,000 in the current fiscal year (i.e. FY 2017). These fees are remitted to the City from AT&T and Comcast at a rate of 5% of gross revenues earned during the previous calendar quarter.

**(7) Hotel Tax** is generated from the four hotel/motels within City limits: Super 8; Hampton Inn; All Seasons; and the Sunset Motel. On a percentage basis, hotel tax continues to be one of the fastest growing revenues in the General Fund, increasing an average of 14.4% from FY 2014 through FY 2016. Fiscal Year 2017 projections estimate hotel tax to finish around \$80,000, which is similar to prior year results. This tax is rebated to the Aurora Area Convention & Visitors Bureau (AACVB) at a rate of 90% and is an expenditure out of the administrative services cost center in the General Fund.

United City of Yorkville – 4<sup>th</sup> quarter ended April 30, 2017

**General Fund Revenues – continued**

**(8) Video Gaming Tax** has increased substantially since the City first began receiving this revenue stream in FY 2013, as there are currently thirteen locations across the City that offer video gaming terminals. The tax is applied to net terminal income (gross revenue less prizes paid) at a rate of 30%, of which the City receives one sixth. Since its inception, video gaming tax receipts have nearly quadrupled, going from \$26,047 in FY 2014 to approximately \$100,000 at the end of Fiscal Year 2017. Currently this revenue stream is tracking to exceed budgetary amounts by \$35,000.

**(9) Amusement Tax** was created by ordinance in 2010 and is collected as a result of an admission to any facility providing an amusement at a rate of 3% of gross revenue. This revenue stream has continued to grow due to the sustained success of local businesses, including Raging Waves, and has been further enhanced in recent years by the opening of NCG Cinemas. Current projections for amusement tax are \$200,000, which is similar to FYE 2016 amounts.

**(11) Business District Taxes** are generated from the additional general merchandise sales tax rates applied to the City’s three business district areas: Kendall Marketplace (0.5%); Countryside (1%); and the Downtown (1%). The business district sales tax rate was implemented as a mechanism to finance public improvements in these areas, as amounts generated from this tax are rebated in full to either pay debt service (Kendall Marketplace) or reimburse developers. For the FYE 2017 overall business district tax receipts are slightly above budgeted amounts, due to better than expected tax proceeds from the Downtown business district area (\$16,000 projected v. \$4,000 budgeted). Kendall Marketplace business district taxes, which tend to move in correlation with municipal & non-home rule sales tax trends, are estimated to post gains of approximately 3% over prior year amounts, for a total of ~\$360,000.

**(13) Income Tax** is the City’s largest intergovernmental revenue source, accounting for approximately 12% of all General Fund revenues. Due to the uncertainty surrounding this particular revenue stream during the development of the FY 2017 budget, income tax was budgeted at the Illinois Municipal League (IML) estimate of \$102 per capita, which equates to \$1.725 million in total. However as the year unfolded, income tax proceeds declined significantly for municipalities across Illinois, which prompted the IML to reduce its per capita estimate to \$97.20 (equates to \$1.645 million for Yorkville) in December 2016. Management’s currently estimate that income tax receipts for FY 2017 (after accounting for audit accruals) will be similar to FY 2014 amounts, approximately \$1.6 million (\$94.55 per capita). The reason for this abrupt decline in income tax is difficult to explain. The Illinois Department of Revenue (IDOR) claims the reduction is due to an overall decline in corporate and individual income tax receipts. The IML remains unconvinced of this explanation, citing that overall economic indicators do not support this assertion. The IML goes on to conclude that income tax shortfalls are the result of the IDOR’s new accounting system and changes in its allocation procedures. For more information on the IML analysis, please click on the link below: <http://www.iml.org/page.cfm?key=17416&parent=4306>.

**(14) Local Use Tax** - is a form of sales tax that is imposed on the privilege of using, in Illinois, any tangible personal property purchased out-of-state. If the seller does not collect at least 6.25% on general merchandise or 1% on qualifying food, drug and medical appliance purchases, the purchaser is responsible for the difference. Local use tax has been particularly robust in recent years, increasing an average of 13% per annum from FY 2014 through FY 2016. Management projects local use tax to increase approximately 6% in the current fiscal year, to finish at approximately \$416,000 (\$24.58 per capita – after audit accruals have been applied).

**(16) Other Intergovernmental Revenue** consists of federal monies for overtime reimbursement in conjunction with the City’s participation in Chicago’s High Intensity Drug Trafficking Area (HIDTA) program; personal property replacement tax proceeds; vest grant proceeds from the United States Department of Justice; state grant proceeds for traffic signal maintenance and tobacco prevention; and the annual allotment of pull tabs & jar games from the State.

**United City of Yorkville – 4<sup>th</sup> quarter ended April 30, 2017**

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**General Fund Revenues - continued**

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**(17) License & Permit** revenue is comprised of liquor licenses, building and other permits. Building permit revenues dramatically exceeded initial expectations (budgeted amount was \$130,000), finishing the current fiscal year at approximately \$292,000. Eight hundred and seventy-one (871) building permits were issued in Fiscal Year 2017, which is an increase of 27% over the prior year. The City’s BUILD Program remains popular as well; with total BUILD permits issued exceeding 100 for the first time since the program began in Fiscal Year 2012.

**(18) Fines & Forfeits** consist of circuit court, adjudication, offender registration and police tow fines. This revenue category was bolstered by police tow fines, which increased 15% in comparison to the prior year, to finish at approximately \$65,000. Administrative adjudication fines are also up 37% year-over year, and are expected to finish the year around \$33,500.

**(19) Charges for Services** primarily consist of the refuse charges included on residents utility bills and the administrative fee paid to the City from the YBSD for administering their billing and collection processes. Total garbage surcharge revenues (including late fees) are projected at \$1.3 million for FY 2017, which would yield a nominal surplus of about \$9,600 when netted against the costs of providing this service. The refuse subsidy, which reduces senior citizen’s monthly refuse charges by \$3.85 (\$9.62 for those seniors qualifying for circuit breaker), is expected to finish around \$35,000. The YBSD collection fee totaled \$157,408 in the current fiscal year, which is 5% of the \$3.15 million collected on their behalf by the City.

**(20) Investment Earnings** consist of interest income earned from certificates of deposit (i.e. CD’s) and by having money on account with the Illinois Funds and Associated Bank. Investment earnings have increased over three fold from the prior fiscal year due to gradually rising interest rates and more cash being available for investment in the General Fund, as a direct result of increased fund balance.

At FYE 2017 the City’s total restricted amount at the Illinois Metropolitan Investment Fund (IMET) as a result of the First Farmer’s Financial Repo Fraud remains at \$303,895; of which \$65,931 is attributable to the General Fund. Recently the City was notified by IMET that a settlement agreement was reached with Pennant (IMET’s former financial advisor who purchased the fraudulent repurchase agreement) and their insurance carriers for a total of \$10,125,000, of which the City’s share is estimated at \$18,616. According to IMET, this settlement payment is expected to occur “within 30 days of execution of the formal settlement agreement by all of the necessary parties,” and hopefully will occur in the first half of Fiscal Year 2018. In regards to other recovery efforts, as of May 4, 2017 the Overall Receiver (i.e. law firm appointed by the Court who has custody of the assets recovered on behalf of investors) reported total recovered assets of \$75,707,635. Of this amount, the City’s share is estimated to be \$136,704. However, the distribution of these recovered funds cannot take place until the claims of the Internal Revenue Service (IRS) and the United States Department of Agriculture (USDA) have been resolved, which are currently being litigated in the Federal District Court of Northern Florida.

**(21 & 22) Reimbursements/Miscellaneous Income & Transfers In** is comprised of various reimbursements for engineering, legal, liability, etc., as well as rental and other miscellaneous income. Miscellaneous income is expected to finished the year around \$12,750, comprised primarily of rebate income (\$12,080) generated from City credit card purchases. Over the last three fiscal years, the City’s credit card program has generated a rebate of approximately \$45,000. The transfer in amount (estimated at \$9,645 for FY 2017) is derived from municipal building development fees, which are transferred out of the City-Wide Capital Fund in order to reimburse the General Fund for the transfer it made in FY 2014 to close out the (16) Municipal Building Fund in the amount of \$571,615.

**(23) Total General Fund Revenues** are projected to exceed budgetary amounts by more than \$500,000 (3.6%) due to better than expected tax, building permits and charge for service revenues. In comparison to FY 2016, overall revenue in the current year is projected to increase by 3.5%, from \$14.5 million to \$15.0 million.

United City of Yorkville – 4<sup>th</sup> quarter ended April 30, 2017

General Fund Expenditures (cash basis after 12 periods)

		FY 2017 Actual YTD	FY 2017 YTD Budget	% of Budget	FY 2016 Actual YTD	% Change
<b>Total YTD Expenditures</b>		\$ 13,695,924	\$ 14,995,054	91%	\$ 13,142,937	4%
<b>Expenditures by Category</b>						
50	Salaries	4,203,915	4,362,017	96%	3,934,482	7%
52	Benefits	2,632,849	2,798,284	94%	2,433,130	8%
54	Contractual Services	4,052,528	4,904,133	83%	4,132,514	-2%
56	Supplies	178,471	299,161	60%	185,888	-4%
99	Transfers Out	2,628,161	2,631,459	100%	2,456,923	7%
<b>Expenditures by Department</b>						
110	Administration	759,247	815,943	93%	662,102	15%
120	Finance	396,300	413,829	96%	372,097	7%
210	Police	4,933,906	5,289,785	93%	4,659,902	6%
220	Community Development	711,460	741,002	96%	624,846	14%
410	PW - Streets & Sanitation	1,825,106	2,147,619	85%	1,884,497	-3%
640	Administrative Services	5,069,905	5,586,876	91%	4,939,493	3%

**(50) Salaries** – After twelve periods of activity, overall salary line items finished at 96% of budget, as most functional departments within the General Fund came in under their respective appropriations for that category. Salary line items were significantly under budget in the Police Department, due to vacancies in the patrol division caused by a resignation and a retirement. Currently the Police Department has one patrol officer vacancy, which is expected to be filed early on in the subsequent fiscal year. Overtime costs in the Streets Department increased 67% in comparison to last year, but remained under budget and in-line with historical norms, as mild winter temperatures last year drastically reduced overtime hours associated with snow plowing. At the end of April, salaries accounted for 30% of total General Fund expenditures.

**(52) Benefits** – Aggregate expenditures for benefits (which include individual line items for group life, group health, dental and vision) are expected to finish lower than budgeted across all departments for the FYE 2017. As of April 30, 2017, benefits accounted 19% of total General Fund expenditures.

**(54) Contractual Services** – All functional departments are expected to finish the year under budget for those line items that comprise the expenditure category of contractual services. The single largest line item in the contractual services category is for garbage services (including the senior subsidy) which are paid out of the Public Works – Health & Sanitation Department. Once the audit accruals for garbage service expenditures are complete, this line items will finish the year nominally over budget by ~\$10,000; however, this overage will be more than offset by garbage surcharge revenues. The biggest unknown expenditure in the category is the sales tax rebate amount, which is currently at \$597,863 and includes allotments from May thru December 2016. The IDOR will send the City sales tax information for January thru April 2017 sometime over the next several weeks, and these figures will be accrued back to FY 2017, which will bring this line item more in-line with its budget amount of \$913,949. Contractual services accounted for 29% of total appropriations in the General Fund at the end of the April 2017.

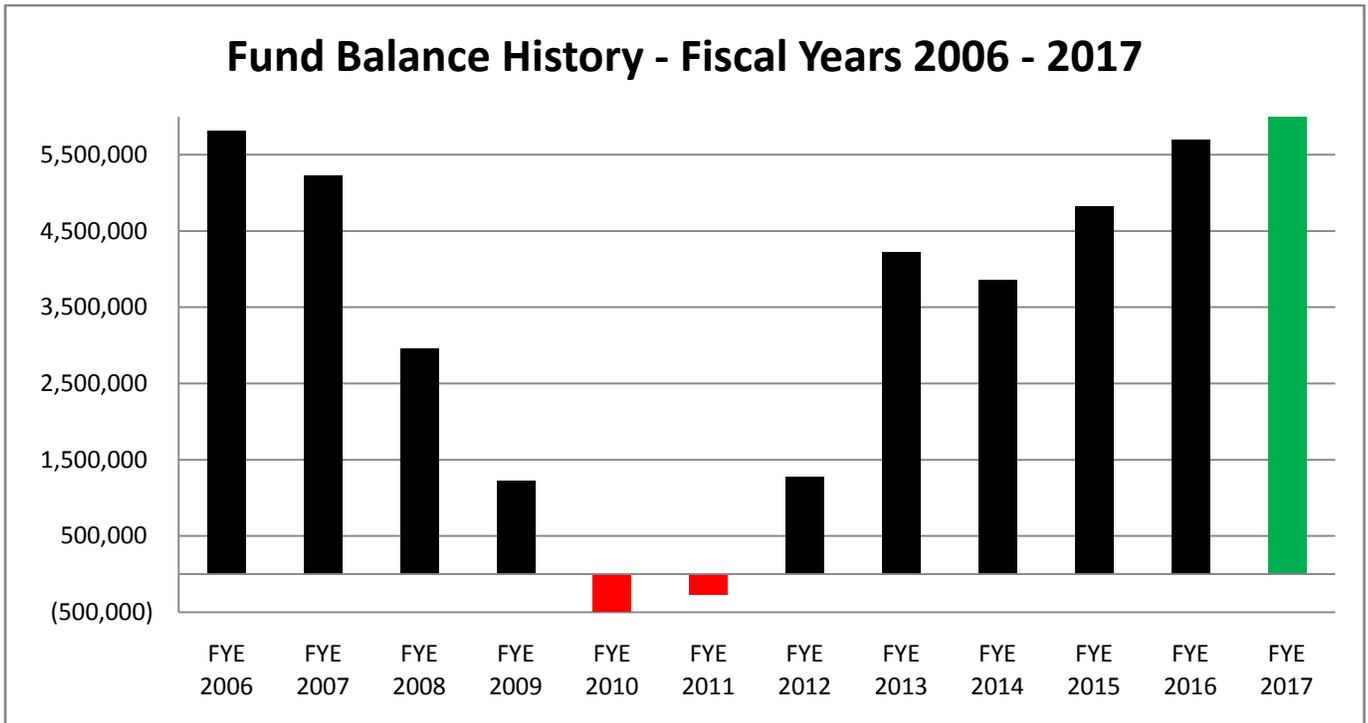
**United City of Yorkville – 4<sup>th</sup> quarter ended April 30, 2017**

**General Fund Expenditures - continued**

**(56) Supplies & (99) Transfers Out** – At the end of April 2017, all operational departments are significantly under budget in the supply expenditure category. The Administrative Services (non-operating) department did go over budget in this category; however, these expenditures are offset by liability insurance reimbursements on the revenue side, and thus have no budgetary impact. The General Fund makes several monthly transfers out (i.e. other financing uses) to various other City Funds for the following reasons: (23) City-Wide Capital Fund – to fund maintenance related expenditures out of cost center 216 (Buildings & Grounds); (42) Debt Service Fund – to pay 2014B annual debt service amounts not covered by property taxes; (52) Sewer Fund – transfer non-home rule sales tax proceeds to finance the 2011 refunding bond payments; (79) Parks & Recreation Fund – annual transfer to subsidize that Funds operations. The transfer to the (82) Library Operations Fund is for reimbursement of liability and unemployment insurance, which is reimbursed to the Library as those expenditures are incurred. The transfer to the (15) Motor Fuel Tax (MFT) Fund consist of reimbursements for patching expenditures in excess of the amounts originally appropriated by the State; and a one-time reimbursement of \$25,023 as a result of the IMET loss; in accordance with the City’s most recent MFT audit. At the end of April 2017, supplies and transfers out accounted for 2% and 20% of total General Fund appropriations, respectively.

**General Fund – Fund Balance**

Once the audit accruals have been complete, management is currently estimating the General Fund to finish the year with a surplus of approximately \$500,000, which would result in a projected Fiscal Year 2017 ending fund balance in the neighborhood of \$6.2 million. Ending fund balance as a percentage of total expenditures & transfers is currently projected to equal around 42%, which is equivalent to a five to six month reserve. Cash and investments in the General Fund as of April 30, 2017 totaled \$5.1 million and \$653,613, respectively.



United City of Yorkville – 4<sup>th</sup> quarter ended April 30, 2017

**General Fund – Fund Balance - continued**

As illustrated by the graph above, fund balance in the General Fund declined precipitously in FY 2008 and FY 2009, as building activity in the City began to slow down due to the recession. Fund balance reached its lowest point in FY 2010 due to a one-time bad debt write off of approximately \$1 million, before rebounding in fiscal years 2011 thru 2013, due to staff and other budgetary reductions as well as the implementation of the non-home rule sales tax. Fund balance declined by \$363,000 in FY 2014, due to one-time interfund transfers to close out the (16) Municipal Building & (80) Recreation Center Funds. Fund balance continued to increase over the next two fiscal years, returning to its pre-recessionary high of over \$5.5 million at the conclusion of FY 2016. Current projections for the General Fund put Fund Balance in excess of \$6.0 million, which eclipses the previous all-time high of \$5.81 million for the FYE 2006.

**Water Fund Revenues** *(cash basis after 12 periods)*

Revenue Source	FYE 2017 Actual	FY 2017 Budget	% of Budget	FYE 2016 Actual	% Change
24 Charges for Service	\$ 3,963,336	\$ 3,661,400	108%	\$ 3,454,054	15%
25 BUILD Program	166,180	-	0%	162,468	2%
26 Investment Earnings	9,729	1,000	973%	5,491	77%
27 Reimb/Misc/Transfers	6,414,099	132,508	4841%	4,437,941	45%
28 <b>Total Revenues</b>	\$ 10,553,344	\$ 3,794,908	278%	\$ 8,059,954	31%

**(24) Charges for Service** primarily consist of water sales and infrastructure fees, which currently account for 37% of total Water Fund revenues. Water sales are projected to finish the year at just over \$2.98 million, which would exceed budgetary amounts by approximately \$200,000 (7%), as year-over-year billed water volume increased by 7.8%. Water connection fees are projected to finish around \$90,000, which would exceed budgetary amounts by \$40,000. In comparison to last fiscal year water connection fees are down 37%; however, 78% (\$117,040) of the FY 2016 revenues were comprised of a payment by Pulte Corporation, pursuant to their recapture agreement for Autumn Creek subdivision. When adjusted for this transaction, water connection fees totaled \$32,130 in FY 2016, and are expected to finish approximately three times higher than that amount in the current fiscal year.

**(26) Investment Earnings** were mostly comprised of interest income derived from the remaining 2015A bond proceeds. At the end of April, remaining bond proceeds total \$1.18 million.

**(27) Reimb/Misc/Transfers** are made up of reimbursements, rental income, bond refunding proceeds and interfund transfers. Last October the City issued \$5.8 million in bonds, in order to refund the 2006A debt certificates and the 2007A bonds, which resulted in interest savings of \$526,971 (8.51%). The “transfer in” from the Sewer Fund pays for one half the annual debt service on the 2014B bonds (refunded the 2005C bonds).

United City of Yorkville – 4<sup>th</sup> quarter ended April 30, 2017

**Water Fund Expenses** (cash basis after 12 periods)

	FY 2017 Actual YTD	FY 2017 YTD Budget	% of Budget		FY 2016 Actual YTD	% Change
<b>Total YTD Expenditures</b>	\$ 12,668,150	\$ 6,631,429	191%		\$ 3,466,226	265%
<b>Expenditures by Category</b>						
50 Salaries	390,219	416,844	94%		374,504	4%
52 Benefits	234,723	252,493	93%		217,595	8%
54 Contractual Services	764,783	607,087	126%		777,140	-2%
56 Supplies	305,981	297,660	103%		240,270	27%
60 Capital Outlay	3,329,545	3,606,668	92%		709,288	369%
77-94 Debt Service	1,449,607	1,450,677	100%		1,147,429	26%
99 Transfers Out	6,193,291	-	0%		-	0%

When taken in the aggregate, the salary (50) and benefit (52) functional cost categories are expected to finish below FY 2017 budget amounts. **(54) Contractual Services** are currently tracking about 26% over budget, due to the BUILD Program (~\$170,000) and issuance costs (\$55,732) associated with the 2016 Refunding Bond.

**(60) Capital Outlay** is currently tracking below budget at 92%, due to the timing of the Countryside Project. In Fiscal Year 2017 all watermain construction was completed in Countryside along with paving of the binder course, at an estimated cost of \$2.6 million. This project is set to be complete in FY 2018 after installation of the final lift of asphalt and the completion of landscaping. Other capital projects in the Water Fund that were completed in the current fiscal year included emergency repairs to Well 4; abandonment of Well 3; completion of the water works system master plan; the Ridge Street water main reconstruction; and the Appletree Court & Church Street water main replacement. The installation of the new water main on West Washington Street (part of the 2017 RTBR program) will be completed in FY 2018. **(99) Transfers Out** are comprised of bond proceeds which were sent to Amalgamated Bank to be held in escrow as part of the refunding process. These funds are offset by the same dollar amount on the revenue side, and thus have no budgetary impact.

**Water Fund – Fund Balance Equivalent**

The Water Fund is projected to finished the year with a deficit of \$2.2 million, as the Fund continues to spend down bond proceeds associated with the Countryside project. Fiscal Year 2017 ending fund balance equivalent is currently estimated at \$3.0 million, which is equal to approximately 23% of total expenses & transfers. Cash in the Water Fund as of April 30, 2017 totaled \$2.2 million.

United City of Yorkville – 4<sup>th</sup> quarter ended April 30, 2017

**Sewer Fund Revenues** (cash basis after 12 periods)

Revenue Source	FYE 2017 Actual	FY 2017 Budget	% of Budget	FYE 2016 Actual	% Change
29 Charges for Service	\$ 1,283,149	\$ 1,199,942	107%	\$ 1,317,054	-3%
30 BUILD/RENEW Program	103,392	-	0%	76,600	35%
31 Investment Earnings	3,899	1,000	390%	1,193	227%
32 Reimb/Misc/Transfers	1,142,102	1,334,052	86%	1,137,004	0%
33 <b>Total Revenues</b>	\$ 2,532,542	\$ 2,534,994	100%	\$ 2,531,851	0%

**(29) Charges for Services** account for 50% of total Sewer Fund revenues and consist primarily of maintenance and infrastructure fees. At the end of April 2017, both maintenance and infrastructure fees exceeded budgeted amounts, for a combined surplus of ~\$45,000. In addition, sewer connection fees have surpassed budgeted amounts by over \$40,000, and BUILD permits are posting year-over-year gains of 35%.

**Sewer Fund Expenses** (cash basis after 12 periods)

	FY 2017 Actual YTD	FY 2017 YTD Budget	% of Budget	FY 2016 Actual YTD	% Change
<b>Total YTD Expenditures</b>	\$ 2,716,344	\$ 2,965,298	92%	\$ 2,768,832	-2%
<b>Expenditures by Category</b>					
50 Salaries	212,304	216,289	98%	204,286	4%
52 Benefits	105,651	110,254	96%	103,638	2%
54 Contractual Services	163,751	119,463	137%	166,974	-2%
56 Supplies	35,264	84,206	42%	38,329	-8%
60 Capital Outlay	224,570	460,282	49%	281,040	-20%
75 Developer Commitments	33,872	33,872	100%	32,890	0%
84-96 Debt Service	1,865,858	1,865,857	100%	1,865,400	0%
99 Transfer Out	75,075	75,075	100%	76,275	-2%

**(54) Contractual Services** currently exceeded aggregate budgetary amounts due to the BUILD Program, which totaled \$104,700 at the end of April. **(60) Capital Outlay** consisting of sanitary sewer lining, in conjunction with the City’s Road to Better Roads Program, has been completed for the current fiscal year (2016 RTBR program). The additional \$200,000 in sanitary sewer lining has yet to begin as it is directly tied to the I&I reimbursement amount, which is still being negotiated with the Yorkville Bristol Sanitary District (YBSD). The annual **(75) Developer Commitment** was paid to Lennar, pursuant to the reimbursement agreement entered into in December 2002, which will expire in FY 2020. The **(99) Transfer Out** represents one half of the annual debt service payment on the 2014C (refunded 2005C) bonds in the Water Fund, as a portion of that bonds initial proceeds were used for sanitary sewer improvements.

United City of Yorkville – 4<sup>th</sup> quarter ended April 30, 2017

**Sewer Fund – Fund Balance Equivalent**

The Sewer Fund is expected to finish the year with a deficit of approximately \$190,000, as the City continues its planned spend down of reserves. Fund Balance Equivalency is currently projected to be ~\$1.38 million at the end of FY 2017, which equates to around 50% of total expenses & transfers in the Sewer Fund. Cash in the Sewer Fund as of April 30, 2017 totaled \$1.2 million.

**Parks & Recreation Fund Revenues** (cash basis after 12 periods)

Revenue Source	FYE 2017 Actual	FY 2017 Budget	% of Budget	FYE 2016 Actual	% Change
34 Charges for Service	\$ 458,375	\$ 355,000	129%	\$ 408,469	12%
35 Investment Earnings	328	350	94%	369	-11%
36 Reimb/Misc/Transfers	1,330,533	1,299,638	102%	1,308,161	2%
37 <b>Total Revenues</b>	\$ 1,789,236	\$ 1,654,988	108%	\$ 1,716,999	4%

In total, **(34) Charges for Service** were particularly robust in the current fiscal year, as they exceeded total budgetary amounts as of April 30<sup>th</sup> by 29%. All primary revenue line items in this category posted year-over-year gains as follows: special events (+8%); child development (i.e. preschool program) (+22%); and athletics & fitness (+9%). Charges for service are the largest source of revenue (excluding General Fund transfer) for the Parks & Recreation Fund, accounting for over 60% of total revenues. Proceeds from Hometown Days, which is included in the **(37) Reimb/Misc/Transfers** revenue center, increased 10% in comparison with the previous fiscal year. For FY 2017 Hometown Days netted a positive \$21,067, which is almost double last year’s amount of \$11,734.

**Parks & Recreation Fund Expenditures** (cash basis after 12 periods)

	FY 2017 Actual YTD	FY 2017 YTD Budget	% of Budget	FY 2016 Actual YTD	% Change
<b>Total YTD Expenditures</b>	\$ 1,744,275	\$ 1,796,995	97%	\$ 1,671,615	4%
<b>Expenditures by Category</b>					
50 Salaries	958,196	986,737	97%	857,863	12%
52 Benefits	379,835	403,082	94%	351,592	8%
54 Contractual Services	189,727	172,510	110%	152,544	24%
56 Supplies	98,334	110,382	89%	187,861	-48%
56 Hometown Days	118,184	124,284	95%	121,755	-3%
<b>Expenditures by Department</b>					
790 Parks	864,158	846,274	102%	840,022	3%
795 Recreation	880,117	950,721	93%	831,593	6%

**(54) Contractual Services** exceeded budgeted amounts by 10%, due to a chargeback to the Vehicle & Equipment Fund in order to purchase a new mower (~\$54,000) for Parks and panel van (~\$20,000) for Recreation. Both of these purchases were approved by City Council, as it became clear towards the end of the fiscal year that actual revenues would exceed budgeted amounts, which in turn would drastically reduce the budgeted deficit of \$142,007.

**United City of Yorkville – 4<sup>th</sup> quarter ended April 30, 2017**

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## **Parks & Recreation Fund – Fund Balance**

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The Parks & Recreation Fund is projected to finish the year with a deficit of around \$46,000, which is approximately \$100,000 better than the initial FY 2017 budget deficit of \$142,007. Ending Fund Balance for the year is projected to be ~\$455,000, which is equal to 25% of total expenditures. Cash on hand in the Parks & Recreation Fund as of April 30, 2017 totaled \$643,678.