

**Village of River Forest**  
**FY 2020-2021**  
**Mid-Year Budget and**  
**Financial Report**

# COVID-19 IMPACT

## Impact on Revenues

	GENERAL FUND PROJECTIONS FY 2021				
	FY 2020 Actual	FY 2021 Budget	FY 2021 Projected	\$ Inc (Dec)	% Inc (Dec)
Sales Tax	\$ 1,844,478	\$ 1,870,834	\$ 1,725,566	\$ (145,268)	(0.08)
NHR Sales Tax	780,935	845,232	661,180	(184,052)	(0.22)
State Income Tax	1,210,870	1,173,060	1,133,580	(39,480)	(0.03)
Use Tax	406,340	396,606	441,294	44,688	0.11
Restaurant Tax	153,678	164,877	100,882	(63,995)	(0.39)
<b>Total Taxes</b>	4,396,301	4,450,609	4,062,502	(388,107)	(0.60)
Daily Metra Parking	39,803	51,840	3,046	(48,794)	(0.94)
Permit Parking	103,757	129,709	39,922	(89,787)	(0.69)
Police Tickets	163,459	168,055	98,944	(69,111)	(0.41)
<b>Total Fines &amp; Fees</b>	\$307,019	\$349,604	\$141,912	(207,692)	(0.59)
<b>Grants (FEMA &amp; CARES)</b>	29,400	-	160,942	160,942	#DIV/0!
Total Change	4,732,720	4,800,213	4,365,356	(434,857)	(0.09)
Total Other Revenues	11,979,298	11,543,980	11,560,480	16,500	0.00
Total Revenues	\$ 16,712,018	\$ 16,344,193	\$ 15,925,836	\$ (418,357)	(0.03)

**Federal Assistance  
through FEMA &  
Cook County Allocation  
from the CARES Act  
for COVID-19**

**FEMA (estimated) \$60,000  
CARES Allocation \$100,942**

# Budget Adjustments

## Revenues

In total, we anticipate a reduction in our original budget estimates by \$418,357.

## Expenditures

Staff has limited non-essential expenditures at this time. The most significant revisions to the budget for expenditures include:

Salary & Benefits Savings (\$374,857) Includes 2% COLA for non-union employees effective 11/1/2020

Suspension of CERF Transfer Savings (\$500,329)

Pension Obligation Increase \$377,144

# Pension Obligations

The main cause of the significant increases are:

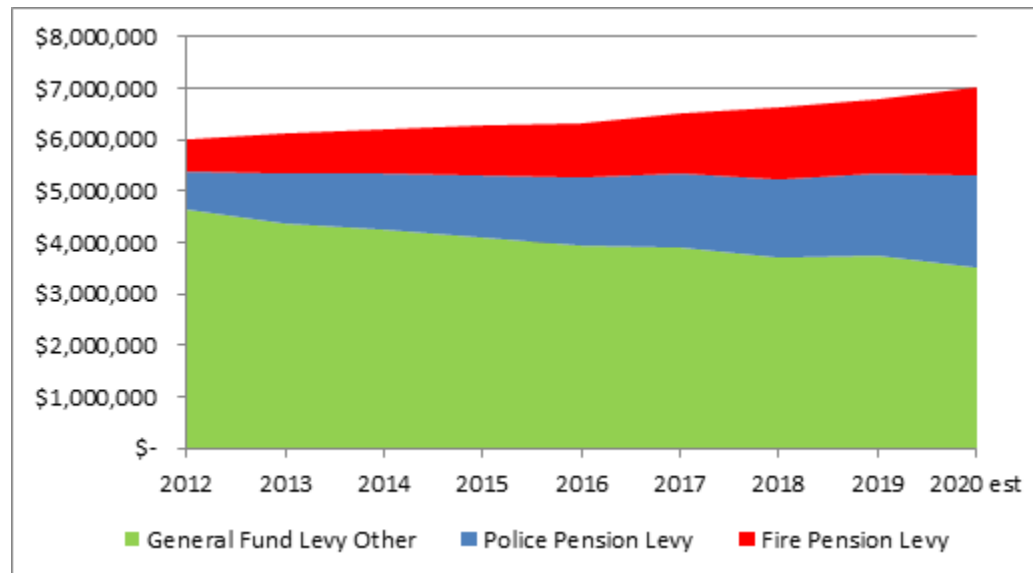
- Changes in assumptions to the mortality tables.
- Plan changes for Tier II employees that went into effect on January 1, 2020 as part of the public safety pension consolidation laws.
- Lower than expected investment returns on 4/30/2020. Most municipalities with an April 30 year-end are seeing poor investment performance results since the April 30 close was at the height of the pandemic shutdowns.

# Pension Obligations

It should be noted that the pension consolidated law was legislation focused on long term investment growth for each municipality. Investment data shows that individual pension funds typically earned lower returns than larger statewide funds, like the Illinois Municipal Retirement Fund (IMRF). Invested together, these funds are estimated to earn as much as \$1 million more per day in returns and generate an additional \$820 million to \$2.5 billion over the first five years, and as much as \$12.7 billion over the next 20 years. As those investment returns are realized, we will start to see improvements to our unfunded liability as a result.

# Pension Obligations

- The Property Tax Levy for the Village's contributions to the Police and Firefighter Pension Funds continue to increase year after year.
- The changes in the actuarial reports represent an increase to our Contributions of \$377,144 over what we had budgeted for this year.
- The Pension consolidation law that went into effect on January 1, 2020 will focus on long term investment growth for each municipality.



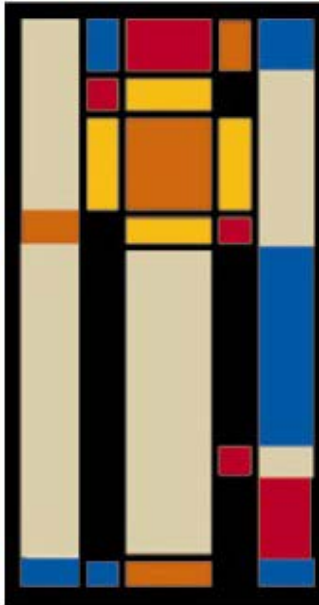
# Revised General Fund Projections

	GENERAL FUND PROJECTIONS FY 2021				
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Sales Tax	\$ 1,844,478	\$ 1,870,834	\$ 1,725,566	\$ (145,268)	(0.08)
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<b>Total Taxes</b>	<b>4,396,301</b>	<b>4,450,609</b>	<b>4,062,502</b>	<b>(388,107)</b>	<b>(0.60)</b>
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<b>Total Fines &amp; Fees</b>	<b>\$307,019</b>	<b>\$349,604</b>	<b>\$141,912</b>	<b>(207,692)</b>	<b>(0.59)</b>
<b>Grants (FEMA &amp; CARES)</b>	<b>29,400</b>	<b>-</b>	<b>160,942</b>	<b>160,942</b>	<b>#DIV/0!</b>
Total Change	4,732,720	4,800,213	4,365,356	(434,857)	(0.09)
Total Other Revenues	11,979,298	11,543,980	11,560,480	16,500	0.00
Total Revenues	\$ 16,712,018	\$ 16,344,193	\$ 15,925,836	\$ (418,357)	(0.03)
<b>EXPENDITURES</b>					
Administration	\$ 1,674,080	\$ 1,581,114	\$ 1,544,040	\$ (37,074)	(0.02)
E-911	334,193	167,976	167,976	-	-
Boards & Commissions	44,829	49,464	49,464	-	-
Building and Development	472,929	504,047	498,234	(5,813)	(0.01)
Legal	227,459	162,000	162,000	-	-
Police Department	5,874,258	6,452,868	6,371,857	(81,011)	(0.01)
Fire Department	4,470,125	4,637,494	4,783,198	145,704	0.03
Public Works	1,568,760	1,520,454	1,497,888	(22,566)	(0.01)
Sanitation	1,196,334	1,192,695	1,192,695	-	-
Expenditures before CERF	15,862,967	16,268,112	16,267,352	(760)	(0.0000)
Transfers-Out to CERF/CIF	456,795	500,329	-	(500,329)	(1.0000)
<b>Total Expenditures</b>	<b>\$ 16,319,762</b>	<b>\$ 16,768,441</b>	<b>\$ 16,267,352</b>	<b>\$ (501,089)</b>	<b>(0.0299)</b>
Results of Operations	392,256	(424,248)	(341,516)		
Est Available Fund Balances					
Beginning of year	4,826,782	5,219,038	5,219,038		
End of year	<b>5,219,038</b>	<b>4,794,790</b>	<b>4,877,522</b>		
Percentage of Subsequent Year's Budgeted Expenditures	<b>31.12%</b>	<b>28.16%</b>	<b>28.64%</b>		
<b>Target Fund Balance</b>					
(25% of subsequent year bud	4,192,110	4,257,374	4,257,374		
Excess (Deficiency)	1,026,927	537,416	620,148		
One Time Expenditures		430,800	430,800		
Surplus		6,552	89,284		



# Conclusion

- Village's finances continue to be in a strong position.
- Departments will continue to limit non-essential spending. Focus on critical items only.
- Continue to monitor revenues and expenditures throughout the fiscal year.
- Report back to VBOT with any further adjustments.



# **Village of River Forest Infrastructure Projects**

**Review of AMI System,  
Keystone Flooding  
Recommendation and  
Acceleration of Alley  
Reconstruction**

# Advanced Metering Infrastructure

- Project that would entail replacing 2/3 of the water meters & MXUs.
- Will improve customer service and employee efficiency.
- Allows for real-time usage for customers and eliminates the need for manual reads.
- Will allow Village to eventually move to monthly billing.
- Project will also include leak detection sensors to be installed
- Total project cost approximately \$1.1 MM and will require water bond to be issued.

# Keystone Flooding Project

- Existing combined line on Keystone has been rodded and lined.
- Village Staff recommending connecting Keystone/Division catch basins to MWRD line on Division.
- Will allow water to drain faster into MWRD line. Also, take same water offline from combined line heading south on Keystone.
- Project cost \$200,000 and can be budgeted for in FY22 budget.

# Keystone Flooding Project



# Alley Reconstruction Project

- Village has received positive feedback from residents on alley reconstruction projects.
- Reconstructed alleys include “green” stormwater element to channel water away from private property.
- Village has reconstructed 14 of its 33 alleys with 1-2 projects per year.
- Reconstructing the remaining alleys would cost approximately \$4 MM.
- Recommendation is to accelerate the reconstruction of the alleys.
- Debt would be issued to pay for the work. Would likely be a ten year note paid for from the Capital Improvement Fund. Annual debt service to be approximately \$433,000.
- Village would continue to budget for annual maintenance costs for alleys and parking lots.

# Village of River Forest

- Questions