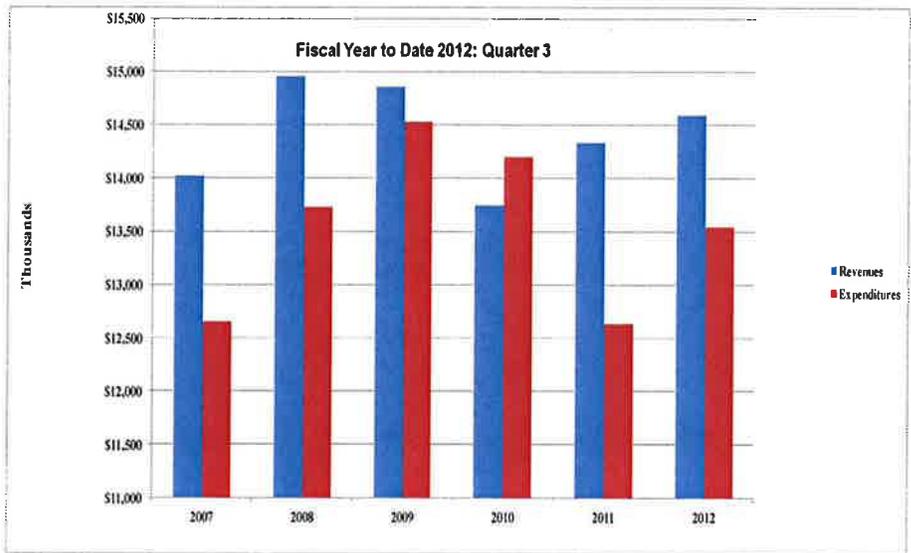


## Fiscal Year 2011/12 Third Quarter Budget Report

This report highlights the financial performance and position of the Village of Woodridge for the period starting May 1, 2011 and ending January 31, 2012 with a focus on actual revenues and expenditures compared to our fiscal year 2011/12 approved budget as well as actual revenues and expenditures compared to our previous fiscal year.

### General Fund

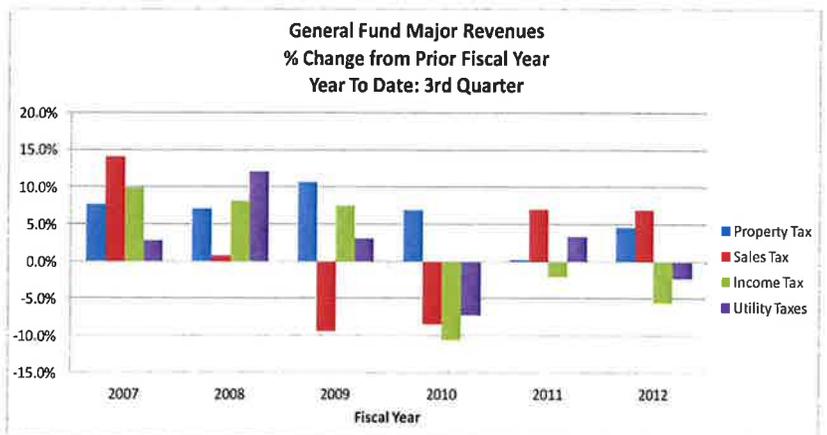
The Village concluded the third quarter of our 2011/12 fiscal year with the General Fund revenues in excess of expenditures by \$1.1 million. This is a decrease of \$645,000 from last year's third quarter year-to-date surplus of \$1.7 million. The decrease consists of the increase in revenues of \$263,000 offset by increased expenses of \$908,000 over the prior year. When compared to budget the actual surplus of \$1.1 million is \$2.2 million better than budgeted.



The detailed revenue comparisons can be found on page 7, showing actual revenues higher than budget by \$900,000 and the recap of expenses on page 3 reflects actual expenditures are \$1.3 million lower than budget.

### *General Fund Revenues*

General Fund revenues for the first nine months of the year are up by \$263,000 or 1.8% compared to the same period last year. The increase is due to improvement in property taxes, sales tax, real estate transfer tax, business licenses and permit fees. These gains are slightly offset by the decline in utility taxes and intergovernmental revenues.



State sales tax the General Fund's single largest revenue source, is up \$205,000 or 6.9% through the third quarter. Both last fiscal year and this fiscal year receipts have been adjusted for the amounts received from a taxpayer distribution error.

**Home rule sales tax** is up \$26,000 or 4.6% through the third quarter.

**Utility taxes** are down from last year's first nine months by \$58,000 or -2.3%. The majority of the decline results from Electric and Telephone utility taxes which are down by \$41,000 and \$28,000 respectively. Water utility taxes are up \$16,000.

**Real estate transfer tax** at \$297,500 is up \$63,000 over last year's first nine months. Seven unexpected large sales occurred totaling \$180,000 in transfer tax. Last year during the same period, there were six large sales totaling \$114,000. In an effort to gauge the housing market, if both years are adjusted for these amounts, it results in this year being down \$2,900. Although the number of transactions continues to be slightly higher than last year, the average value per transaction is down reflecting decreased housing values. Adjusting both years again for the above mentioned large sales, FY12 has 209 transactions averaging \$561 while FY11 had 171 transactions averaging \$702 reflecting a decrease in average home values of \$56,400.

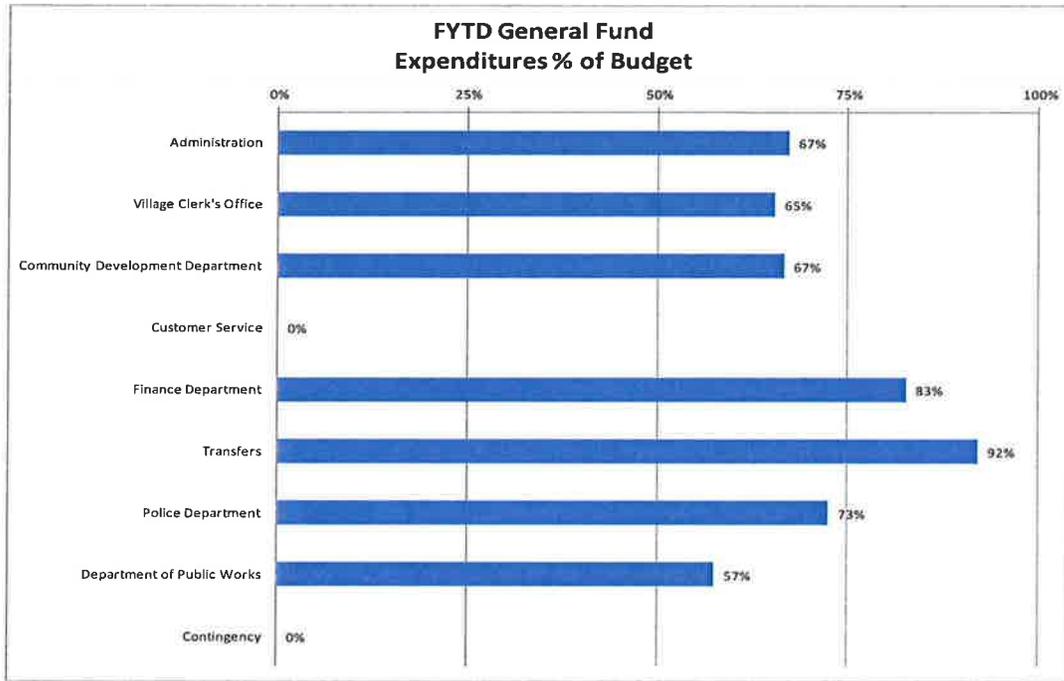
**Intergovernmental revenue** is down \$223,000, or -8.9% compared to last year. Compared to budget, intergovernmental revenue is up \$299,000 or 15.1% better. This is revenue based on population. Due to the reduction in census population in 2010, State Income Tax is down by \$104,000 compared to actual collections last year. However, it accounts for \$231,000 of the favorable budget variance due to conservative budgeting and forecasting. Another factor in the lower amount is in January 2011, a CDBG grant for storm sewer lining in the amount of \$186,700 was received. Offsetting the decline in income tax and last year's grant are a one-time FEMA Grant of \$34,600 and IRMA subrogation reimbursements of \$67,000. The subrogation reimbursements are no longer netted in the expense account.

**Business license & permit revenue** is up by \$17,000, or 6.3% over third quarter last fiscal year. Business License fees of \$89,600 are up over third quarter fiscal year 2011 by \$60,000. Building Permit revenue of \$203,600 is down \$43,000 from last year. More businesses paying their licenses a month late in May of this fiscal year, was offset by this year's third quarter building permits being down by \$50,000 for months November through January. Last year's third quarter saw a lot of activity with large projects including Navistar, Goodwill, Jewel, Shoe Carnival, Baker's Square, Pine Ridge and two new single family homes.

**Interest earned on investment** is still negligible with \$44,000 less in interest income in the first nine months compared to last year. This deficit is offset by the receipt of an IRMA insurance dividend totaling \$125,850, with the total for these two line items \$155,973 through the third quarter.

### ***General Fund Expenditures***

Total General Fund expenditures are budgeted at \$19,772,800 for the entire fiscal year. The first nine months, or 75% of the budget, is \$14,829,600. Year to date third quarter expenditures are \$13,545,100 which is \$1,284,500 or 8.7% lower than budget. Compared to last fiscal year's first nine months expenditures of \$12,637,400, we are higher by \$907,700 or 7.2%.



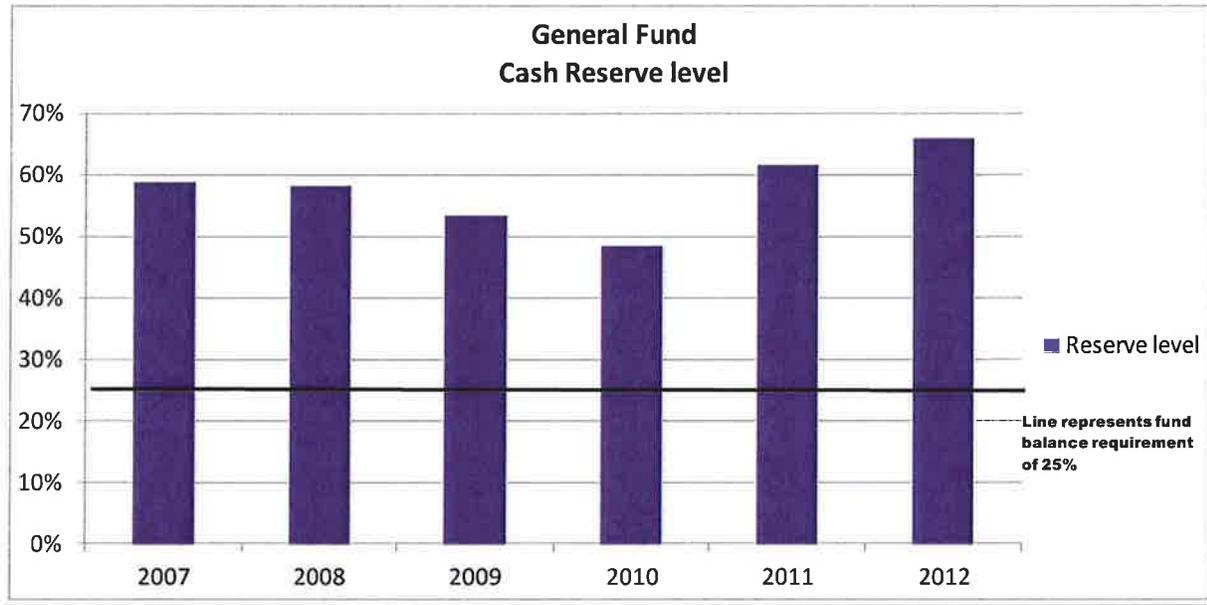
The finance department trend is overstated due to a one-time expense that has to be allocated to other departments. When breaking down the expenditures by element, the personnel services line item for the first nine months represents 75% of the total budget. Actual expenses are trending less due to conservative budgeting in benefits and not filling some vacant positions. Comparing fiscal year 2012 to fiscal year 2011, FY2012 is higher due to salary increases, including sick and vacation payouts for employees who left during the year, as well as a \$60,000 one-time IMRF prior years' adjustment, plus higher health insurance costs. This number would be even greater but is offset by savings in the Police Communications department of \$227,500. As a result of a one month timing change of the Liability insurance payment, this quarter is \$784,000 higher in Services and Charges compared to last year, along with DuComm charges of \$405,000.

## EXPENDITURE DETAIL BY ELEMENT

ACCOUNT DESCRIPTION	3rd Qtr YTD	Y-T-D	LY	Diff 3rd Qtr	DIFF 3rd Qtr
	Budget	ACTUAL	ACTUAL	Budget & Actual	ACTUALS
PERSONNEL SERVICES	8,302,064	7,856,808	7,648,103	(445,256)	208,705
COMMODITIES	314,005	231,269	270,321	(82,736)	(39,052)
SERVICES & CHARGES	2,635,248	2,517,003	1,732,842	(118,245)	784,161
CAPITAL OUTLAY	644,172	247,378	329,274	(396,794)	(81,896)
NON-OPERATING TRANSFER	2,341,643	2,692,673	2,656,854	351,031	35,819
CONTINGENCY	592,500	-	-	(592,500)	-
	<b>14,829,632</b>	<b>13,545,131</b>	<b>12,637,394</b>	<b>(1,284,501)</b>	<b>907,737</b>

**Cash Reserve**

As of January 31, 2012, our General Fund cash reserves of \$13.1 million are equivalent to 66% of current annual budgeted operating expenses of \$19.8 million.



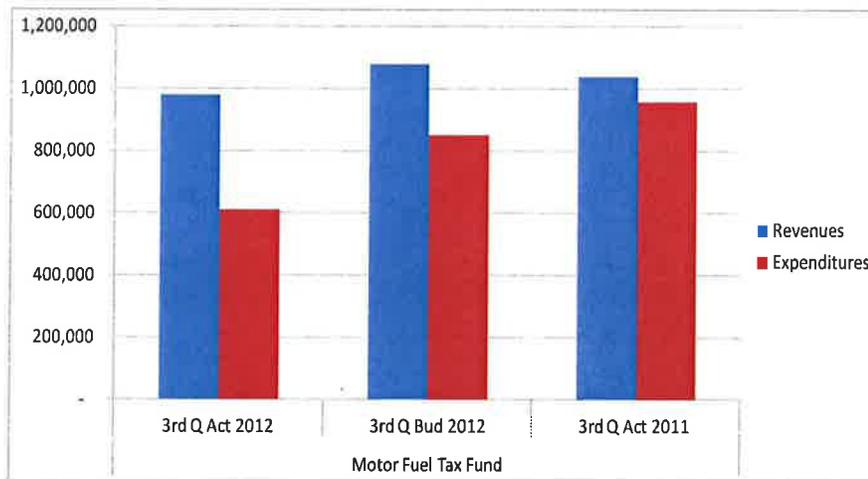
**CAPITAL PROJECTS FUND**

Capital Projects Fund Revenue is budgeted at \$1.8 million for the whole fiscal year. Through the third quarter actual revenues this fiscal year are \$1.5 million compared to last year's third quarter actual revenue of \$6.8 million. Last year's revenues included bond proceeds in the amount of \$5.5 million for Pine Ridge. Without the bond proceeds this fiscal year is \$200,000 more than last year. Last year's first nine months transfer from the Vehicle & Equipment Replacement Program (VERP) of \$150,000 was not recorded until year end, instead of this year's monthly transfer. The difference in timing is the majority of the positive variance. The portion of Home Rule Sales Tax (.25%) that goes into the Capital Projects Fund for reinvestment projects was up \$26,000 or 4.6% through the third quarter. The payment from the Park District for their share of the Open Space Debt Service is \$50,000 more than last year. This is offset by decreases in the income tax allocation of \$15,000 and interest income of \$31,000.

The Capital Projects Fund expenditures are budgeted for the year at \$2.5 million. Through the first nine months expenditures are \$1.6 million or 66% of the total year's budget. The majority of payments for the Pine Ridge demolition and developer agreement has been paid and will be under budget for the year by approximately \$90,000.

## MOTOR FUEL TAX FUND

The Motor Fuel Tax (MFT) total revenues of \$982,000 for the first nine months compared to last year are \$58,000 lower. Due to the reduction in census population in 2010, the Motor Fuel Tax Allotment of \$654,000 is down \$60,000 from last year's year-to-date third quarter results, or negative 8%. The Local Gas Tax Revenue of one cent that is transferred in from the General Fund totaling \$163,000 is \$2,800 less than the previous year, while residential reimbursements are up over last year by \$4,400. The positive variance of \$156,000 we experienced last quarter, with the receipt of MFT dollars from the State's capital program, was offset by the receipt of the first installment in an equal amount received in the third quarter of last fiscal year.



The total Motor Fuel Tax Fund expenditures budget is \$1.1 million. The actual expenditures through the third quarter are \$611,000. The actual first nine month expenditures from last fiscal year were \$960,000, or \$350,000 higher than the first nine months of this year. The majority of this variance is due to the completion of two bigger road projects last fiscal year with expenditures through the third quarter of \$310,000 for 71<sup>st</sup> Street construction and \$56,000 for Woodridge Drive construction. Two large projects scheduled for this fiscal year have been re-budgeted to next fiscal year. The Woodridge Drive construction from Hobson to Center Drive which was completed with State and Federal grants is awaiting our portion to be invoiced by the state for the net amount of \$112,000. Other projects were moved from this fiscal year to FY2013, along with their matching CDBG grant revenue netting to the amount of \$66,000.

## **WATER AND SEWER FUND**

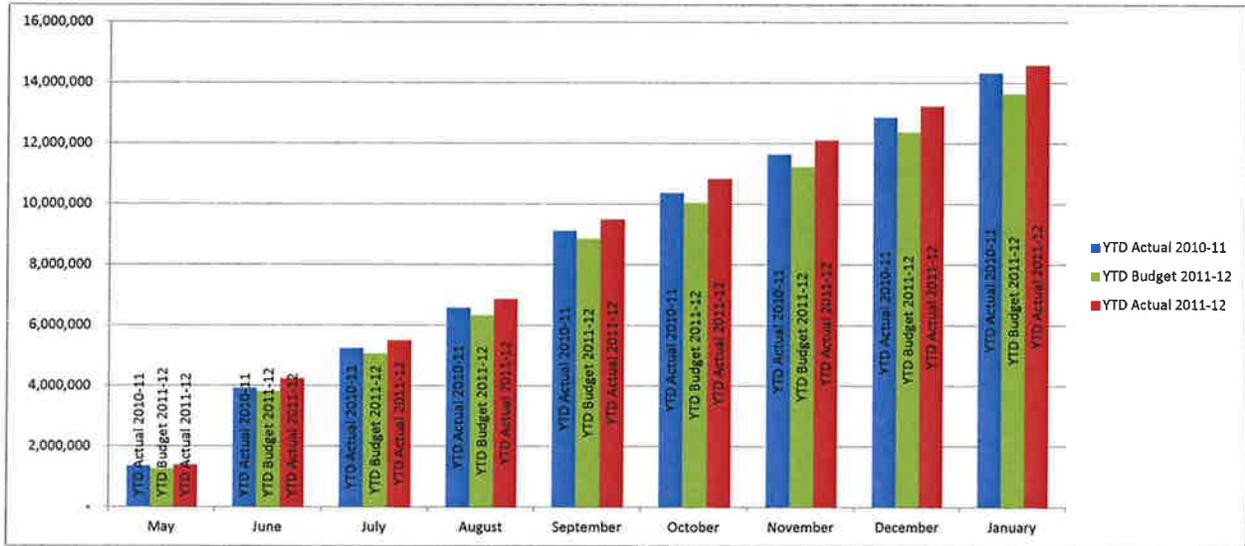
The Water and Sewer Fund revenues are budgeted for the year at \$6.1 million. Year to date revenues through the third quarter are \$4.8 million for this fiscal year, which is \$605,000 over last year's first nine months or a 14% increase. This year's increase includes grant revenue of \$353,000 from CDBG for the sanitary sewer lining, \$163,000 in increased customer service revenue, \$31,000 in sewer fees and \$240,000 in increased water sales. These are offset by decreases in connection fees of \$168,000 and interest income of \$26,000.

The expenditures for the fund are budgeted at \$8.1 million for the year which is an increase over last year's budget by \$1.2. Most of this variance is due to the increase in capital expenditures with a total budget of \$1.6 million. The main capital increases are \$694,000 for Water Capital Rehab program and \$258,000 for Sewer Capital Rehab program. The first nine months actual capital expenditures total \$1.2 million or 75% of the total capital budget. Total expenditures are \$5.5 million through the third quarter or \$1.5 million greater than last year's third quarter expenditures. Of that amount, \$593,000 is related to the engineering and capital costs of the Mitchell Drive Water Main project, \$457,000 in expenditures for the NSA Sanitary Sewer Lining, \$181,000 in equipment replacement and \$140,000 is increased year to date water costs.

## **PENSION FUND**

As of January 31, 2012, the Police Pension Fund cash and investment balances are \$26.5 million, up \$2.9 million from January 31, 2011.

**GENERAL FUND  
Cumulative Revenues  
January 2012  
Unaudited Figures**



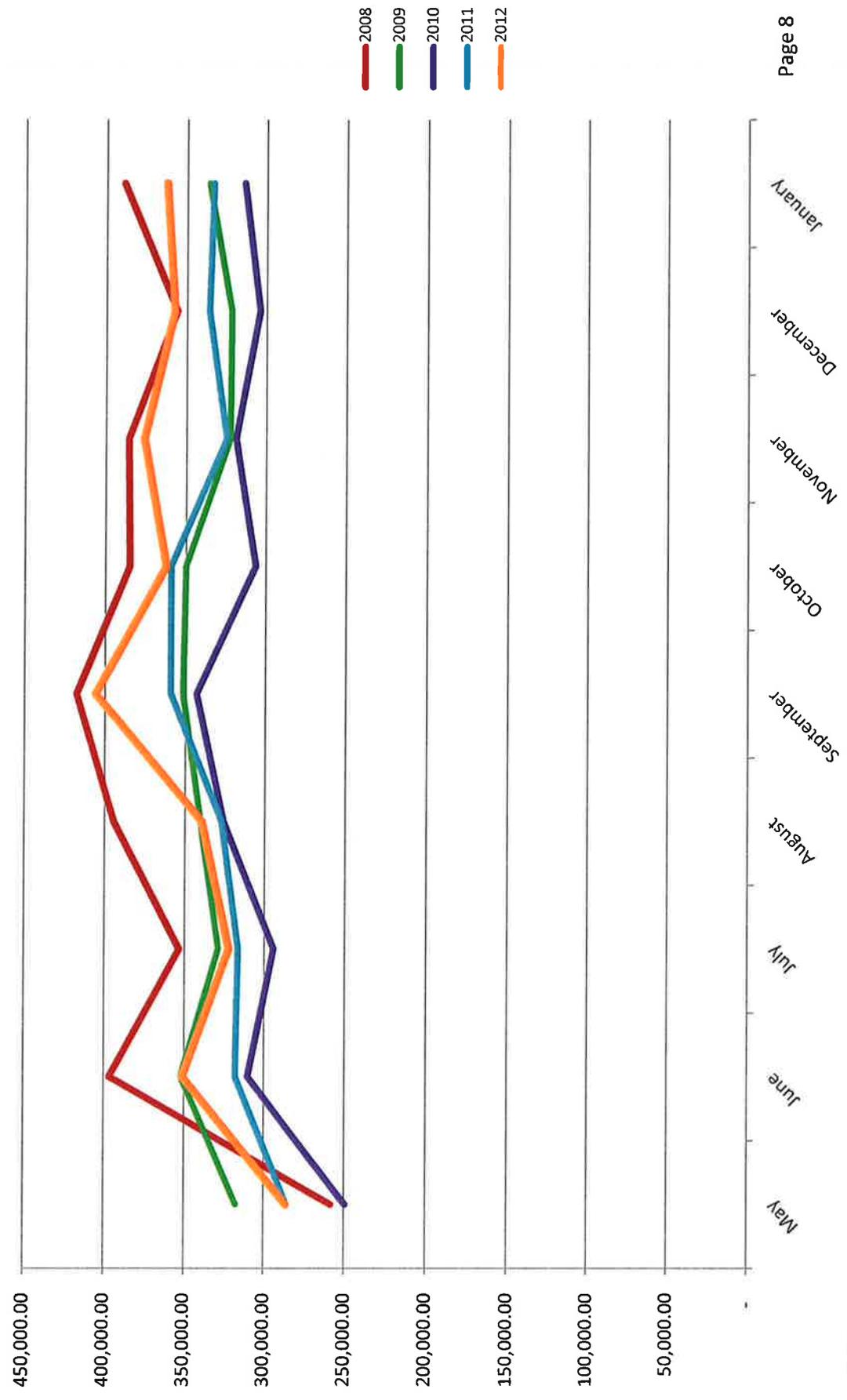
**NOTE**

Cummulative FY 12 actual revenues have increased \$252,564 or 1.8% compared to FY 11 actual revenues.

Revenue Source	FY 2012 Budget	FY 2012 Actual	FY 2011 Actual	Change FY 2011 to FY 2012	% Change	Difference FY 2012 Actual & Budget	% Change
1 Property Taxes	\$ 3,134,539	\$ 3,164,742	\$ 3,027,312	\$ 137,430	4.5%	\$ 30,203	1.0%
2 General Sales Tax	2,969,107	3,167,057	2,962,417	204,640	6.9%	197,950	6.7%
Home Rule Sales Tax	538,951	590,495	564,358	26,137	4.6%	51,544	9.6%
Gasoline Tax	391,381	414,061	413,741	320	0.1%	22,680	5.8%
Electric Utility Tax	967,722	966,600	1,007,624	(41,024)	-4.1%	(1,122)	-0.1%
3 Telephone Utility Tax	1,112,202	1,043,782	1,071,593	(27,811)	-2.6%	(68,420)	-6.2%
Natural Gas Utility	283,962	249,239	254,523	(5,284)	-2.1%	(34,723)	-12.2%
Water Utility Tax	221,688	231,308	215,460	15,848	7.4%	9,620	4.3%
4 Real Estate Transfer Tax	197,065	297,516	234,422	63,094	26.9%	100,451	51.0%
Business Licenses & Permits	310,082	293,246	275,897	17,349	6.3%	(16,836)	-5.4%
5 Intergovernmental	1,979,928	2,279,310	2,502,222	(222,911)	-8.9%	299,383	15.1%
Fees, Charges, & Fines	991,334	1,207,945	1,192,579	15,366	1.3%	216,611	21.9%
Interest Income	40,735	155,973	74,565	81,408	109.2%	115,238	282.9%
Other	68,070	79,383	91,381	(11,998)	-13.1%	11,313	16.6%
Transfers	455,922	455,922	455,922	-	0.0%	-	0.0%
Proceeds from Debt	-	-	-	-	0.0%	-	0.0%
<b>Total Revenue</b>	<b>\$ 13,662,690</b>	<b>\$ 14,596,580</b>	<b>\$ 14,344,016</b>	<b>\$ 252,564</b>	<b>1.8%</b>	<b>\$ 933,890</b>	<b>6.8%</b>

- Last Fiscal Year 91% of Property Taxes were collected in the months of June and September. Property Taxes for FY 12, for the first nine months of the year, are up \$137,430, or 4.5% compared to FY 11.
- Sales Tax and Home Rule Sales Tax, in total, are up at the end of the third quarter of FY 12 by \$230,777 compared to FY 11.
- Total Utility Taxes for FY 12 are down by \$58,271 when compared to first nine months of FY 11. Electric Utility Tax is down 41,024 and Telephone Utility Tax is down \$27,811.
- Real Estate Transfer Tax FY 12 third quarter actual revenues are up \$63,094 or 27% compared to FY 11. Real Estate Transfer Tax Revenues for FY 12 are budgeted at \$230,000 for the year. Seven large sales in the first half totaled \$180,000. Last year's first half had six large sales totaling \$114,000. Adjusting both years for these amounts results in this year being down by \$2,900. Prior years actual receipts were as follows: FY 11 \$273,600, FY 10 \$243,273, FY 09 \$240,895, and FY 08 \$777,268.
- Intergovernmental FY 12 actual revenues are down \$222,911 from last year or -8.9% compared to FY 11 actual first nine months revenues. Part of the negative variance is due to last year's receipt of a CDBG grant in the amount of \$186,700 for storm sewer lining in January 2011. When comparing actual to budget, Intergovernmental revenues are \$299,383 or 15.1% over budget, due to conservative budgeting and lowering the estimates from IML for state income tax.

SALES TAX - HISTORICAL FOR 3rd QTR FY 2008 - FY 2012



HOME RULE SALES TAX-HISTORICAL FOR 3rd QTR FY 2008 - FY 2012

