

VILLAGE OF PALOS PARK

2ND QUARTER

FISCAL YEAR 2019

SIX MONTH BUDGET REVIEW REPORT AS OF OCTOBER 31, 2018

JOHN F. MAHONEY

Mayor

MARIE ARRIGONI

Village Clerk

JIM PAVLATOS

Accounts and Finance

DAN POLK

Public Health and Safety

G. DARRYL REED

Building and Public Property

NICOLE MILOVICH-WALTERS

Public Works and Streets

RICHARD BOEHM

Village Manager

JOSEPH MILLER

Chief of Police

MICHAEL SIBRAVA

Public Works Director

LAUREN PRUSS

Community Development Director

BARBARA MAZIAREK

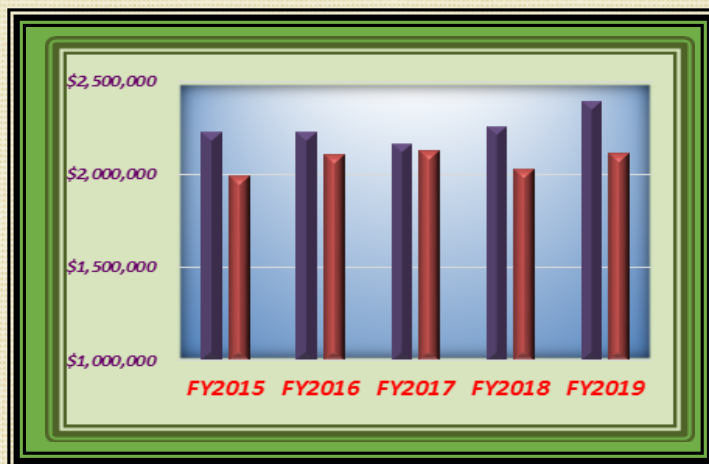
Finance Director and Treasurer

We are pleased to offer this financial report of the Village operations for your review. This financial report highlights and summarizes the unaudited financial performance and position of the Village of Palos Park for the period starting May 1, 2018 and ending October 31, 2018. This report will focus on the actual revenues and expenditures compared to our Fiscal Year 2019 approved budget; as well as, actual revenues and expenditures compared to our previous fiscal year.

The purpose of this report is to provide the Elected Officials, Department Directors, and the Citizens of Palos Park an update on the Village's fiscal status based on the most recent financial information available. This report provides a highly summarized presentation of how the Village allocates your tax dollars to deliver the essential public services you deserve and expect from the Village of Palos Park.

The Village appreciates the time you take to review this report and welcomes your comments and suggestions. Do not hesitate to contact the Village with any questions or comments at (708) 671-3700 or via email from the Village's website at www.palospark.org

GENERAL FUND REVENUE AND EXPENSES
FOR THE PERIOD MAY 1 THROUGH OCTOBER 31



	FY2015	FY2016	FY2017	FY2018	FY2019
REVENUE	\$ 2,226,546	\$ 2,224,183	\$ 2,162,256	\$ 2,250,636	\$ 2,387,581
EXPENSES	\$ 1,989,642	\$ 2,106,810	\$ 2,124,707	\$ 2,028,126	\$ 2,111,523



**SERVICE TO OUR RESIDENTS
AND DEDICATION TO THE
PRESERVATION OF
PALOS PARK**

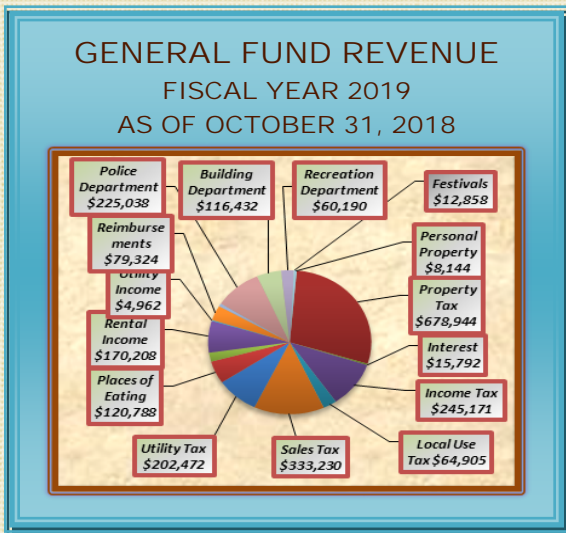


THE VILLAGE OF PALOS PARK GENERAL FUND REVENUE

2nd QUARTER

October, 2018

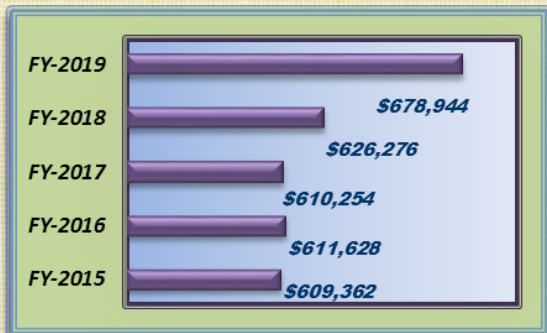
FISCAL YEAR 2019



The Village ended the second quarter of Fiscal Year 2019 with the General Fund revenue exceeding expenditures by approximately \$276,059. Although overall operating revenue in the General Fund came in slightly over budget by 1.82%, operating expenditures came in 3.82% under budget in the second quarter of Fiscal Year 2019.

Current fiscal year revenue is significantly up as compared to the prior fiscal year by 6.08% or \$136,945. Contributing to this significant increase is the collection of state use taxes, sales taxes, utility taxes, reimbursements, and Departments revenue for Police and Building. The Village's governmental fund revenues totaled \$2,387,581 at the end of the second quarter of Fiscal Year 2019. The chart to the left shows revenue by major categories and departments. The Village's revenue stream is diverse; however, economic conditions continue to have an impact on the Village's revenues.

SALES TAX collection is another large revenue source for the Village, and generates 14% of the total General Fund Revenue. Currently, State Sales Tax revenue collection is up in the amount of \$21,792 or 7.00% as compared to the previous fiscal year. Total Sales Tax Revenue collections of \$333,230 for this fiscal year; however, collections to date are over the original \$656,850 budget projection at the close of the second quarter of Fiscal Year 2019.



PROPERTY TAX revenue is the largest and most stable of the Village's revenue source in the General Fund. Property taxes contribute 31% of the total General Fund Revenue. This revenue source follows a strict formula for a non-home rule community under the State of Illinois Tax Cap Law. These tax cap laws allow for an increase in the total real estate levy equal to the change in the Consumer Price Index (CPI). Property tax revenue will increase by CPI each year in total. The Village receives only 5.6 cents on every dollar paid for property taxes. Other taxing bodies receive the remaining 94.4 cents of these tax dollars. The other taxing bodies include the school districts, fire district, Cook County, Library, MWRD, and Moraine Valley Community College. Collection of Property Tax revenue to date is \$678,944 for Fiscal Year 2019; representing 47.4% of the budget projections.

INCOME TAX revenue, as compared to the previous fiscal year, is down \$56,159 or 18.64%. Financial issues of the State of Illinois have impacted collections these several fiscal years substantially. Our Fiscal Year 2019 budget projections for Income Tax revenue was based on IML estimates of a 5.14% decrease over the prior year. Total Income Tax revenue collection for Fiscal Year 2019 is budgeted at \$464,343; however, collections to date are \$12,999 or 2.8% more than the original budget projection at the end of the second quarter.



VILLAGE OF PALOS PARK GENERAL FUND EXPENDITURES

2nd QUARTER

October, 2018

FISCAL YEAR 2019



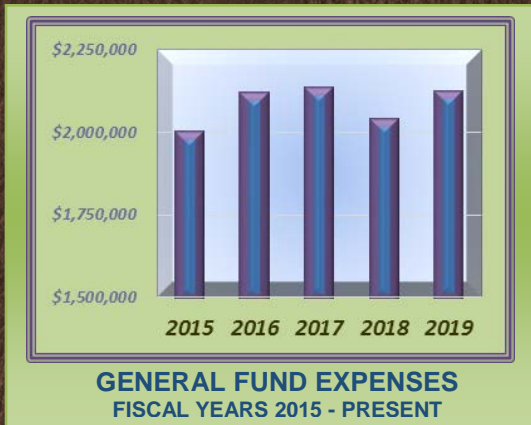
The General Fund for the Village of Palos Park accounts for the day-to-day operations of the Village which pertain to the general administration and services traditionally provided to its residents, except for those specifically accounted for elsewhere. The General Fund is the largest of the General Government Operating Funds. It is primarily tax supported and accounts for basic services; such as, public safety, recreation, and community development. The General Fund accounts for all of the expenditures for the operating departments; including: administration, police, public services, building, recreation, finance, public affairs, public grounds, rental house, and debt.

GENERAL FUND EXPENDITURES SIX MONTH BUDGET REVIEW AS OF OCTOBER 31, 2018

The budgeted General Fund expenditures were \$4,572,846 for Fiscal Year 2019, and the actual expenditures for the second quarter of the fiscal year totaled \$2,111,523; representing 46.18% of the budget for the year. At this point in the fiscal year only Administration, Public Grounds, and Public Affairs are exceeding their budget projects for the fiscal year, 52% and 55% respectively. However, these over budget expenses, for the most part, are due to seasonal spending, and should remain within budget constraints for the remainder of the fiscal year.

We are at 50% through the fiscal year. It should be noted, while several departments are over budget for the second quarter of the fiscal year, spending for the remainder of the fiscal year will be monitored so as to not exceed their original budget amounts. We will continue to monitor expenditures next quarters to watch for the appearance of any adverse trends. Overall, the Village is on track not to exceed the budgeted expenses for Fiscal Year 2019.

The charts below show the General Fund expenditures by department; as well as, each department's year-to-date actual and fiscal year budget amounts.



The Villages expenditures in the General Fund have been controlled in an effort to operate in a lower revenue environment during the continued slow economic conditions. The Village Council and Staff's objective is to maintain an acceptable level of service for the Village's residents within the limitations of revenue sources that are available to support these activities which are accounted for in the General Fund.

We caution the reader that these projections are preliminary and based only on the six months of activity. Significant variations could occur due to events beyond the Village's control; as well as, policy decisions can impact revenues and expenditures.

FISCAL YEAR 2019			
DEPARTMENT	BUDGET	YTD ACTUAL	% BUDGET
Administration	533,426	276,035	51.75%
Public Affairs	119,950	66,363	55.33%
Police	2,191,025	973,542	44.43%
Public Works	543,026	273,790	50.42%
Building	410,228	183,930	44.84%
Recreation	424,172	176,542	41.62%
Public Grounds	109,490	57,340	52.37%
Capital Expenses	2,750	-	0.00%
Finance	222,354	90,023	40.49%
Sluis Property	2,500	1,022	40.88%
Festivals	11,925	12,936	108.48%
Debt Obligations	2,000	-	0.00%
Total	\$ 4,572,846	\$ 2,111,523	46.18%

FOR MORE INFORMATION WWW.PALOSPARK.ORG



A wonderful place to live and raise a family in a natural environment. We love this town for its profound natural features, where hills, creeks, and ravines abound. Large, aged oak trees line our streets and properties.

The Village website is a great resource for all Village services and events. Financial documents, meeting agendas, minutes, and newsletters can be found online on the Village website. You can also sign up to receive weekly email updates to stay up to date on Village news and information.

If you should have any questions regarding the information contained in this, or any other Village financial report, please contact the Village's Finance Director and Treasurer, Barbara Maziarek at 708-671-3715 or bmaziarek@palospark



SHOP PALOS PARK

The Village receives an additional ½% of the sales tax on purchases made with the Village. Shopping Palos helps keep the local business community vibrant and healthy, helps fund Village services, and helps maintain Palos Parks's property tax base. Everyday needs; such as, groceries and gas, can and should be purchased right here in town. Help support your Village and local businesses.



VILLAGE OF PALOS PARK KAPTUR ADMINISTRATIVE CENTER

8999 West 123rd Street
Palos Park, Illinois 60464
(708) 671- 3700

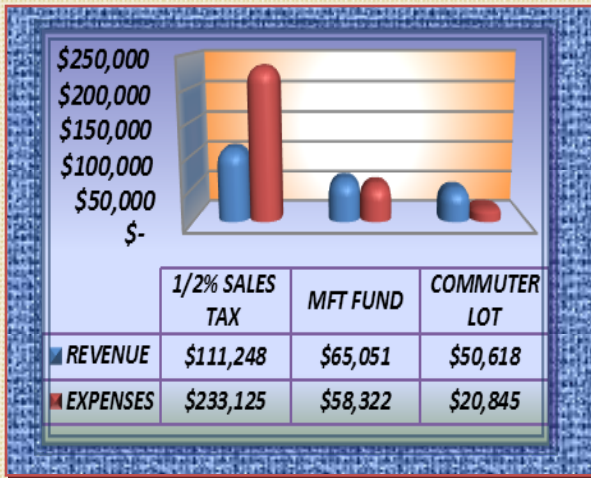


VILLAGE OF PALOS PARK OTHER GOVERNMENTAL FUNDS

2ND QUARTER

October, 2018

FISCAL YEAR 2019



1/2 % SALES TAX FUND

This fund is used to account for the proceeds of non-home rule sales tax, and these funds are restricted for use by Public Works for streets, road resurfacing, and drainage capital projects. Revenues in the second quarter of the fiscal year are up with a 20.19% increase or \$17,508 over the same time frame in the prior fiscal year. However, collections to date represent 54.8% of the budget estimate of \$190,100 for the fiscal year. Total collection of non-home rule sales tax for the second quarter of the fiscal year was \$104,230. Total expenses for the Fiscal Year 2019 to date were \$233,125. This fund is showing a deficit of \$121,876 for the fiscal year to date. Expenses were much larger than usual in this fiscal year due to road resurfacing which took place this fiscal year. Street resurfacing has been delayed these past few fiscal years in order to build a larger fund balance, and to get better pricing when more street would be repaired.



MOTOR FUEL TAX FUND

This fund is used to account for the operation of street maintenance programs and capital projects as authorized by the Illinois Department of Transportation. The allotment represents the Village's share of gasoline taxes. Revenue collections continue to be very stable. At the close of the second quarter, fiscal year revenue collections of \$61,107 represent 48.9% of the budget projection. The expenses in the MFT Fund were \$58,322 for street maintenance, and represents only 20% of the budget estimate for Fiscal Year 2019. The expenses were less than revenue collected in the quarter, and this fund shows a surplus of \$6,729 at the end of the second quarter of Fiscal Year 2019.

COMMUTER PARKING LOT FUND

This fund is used to account for the provision of public parking services at the Metra Commuter Lot located in the Village. Revenue is up \$1,882 or 4.26% from the same time period in the prior fiscal year. Revenue collections are over budget at the end of the second quarter, representing 59.4% of the budget for the fiscal year. Expenses in this fund represent operational and maintenance costs of the commuter lot, and have decreased \$6,899 from the prior fiscal year. Lot maintenance at the station contribute to this increase Total expenses were \$20,845 for the fiscal year, and represents only 19.9% of the total budget. Revenue exceeded expenses producing a \$29,773 surplus at the close of second quarter of Fiscal Year 2019.

While many of the Village's capital assets are readily apparent; such as, a police car or public work's snowplow. It's easy to understand that some of the Village's infrastructure is out-of-sight, and out-of-mind. While some capital assets are less visible; such as, water and sewer mains, they are a necessary part of the Village's services provided to the residents of Palos Park.

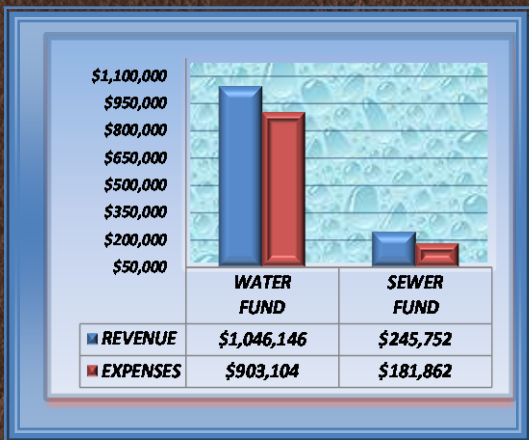
VILLAGE OF PALOS PARK ENTERPRISE FUNDS

2ND QUARTER

October, 2018

FISCAL YEAR 2019

The Enterprise Funds of the Village are used to report functions which are intended to recover most or all of the fund's costs through user fees and charges. The Enterprise Funds of the Village are the Water, Sewer, Commuter Lot, and Refuse Funds. One of the biggest differences between the General Fund and an Enterprise Fund is the Enterprise Fund is more like a business-related fund, which supports itself through its fees.



Water Storage Capacity:
1,300,000 Gallons

Fire Hydrants
In the Village: 731

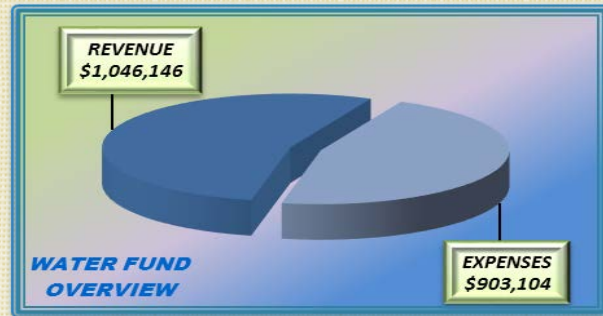
MILES OF INFRASTRUCTURE:

Streets 14.70

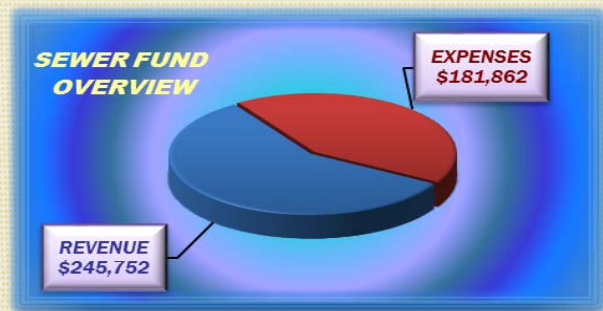
Sanitary Sewer Mains 39.37

Water Mains 52.24

Storm Sewer Mains 7.67



WATER FUND: This fund accounts for activities relating to the operation of the Village's water system, and it is used to account for operational costs and maintenance associated with the water distribution system within the village boundaries. Total Water Fund revenue collection to date is \$1,046,146. Water receipts are up \$37,249 or 3.69% compared to the second quarter of the prior fiscal year. Expenditures are estimated to be \$2,355,850 for Fiscal Year 2019. Total expenses to date were \$903,104 or 11.7% under budget. Water Fund revenue exceeded expenses at the end of the second quarter of the fiscal year, and the fund is showing a surplus in the amount of \$143,042 for the fiscal year to date.



SEWER FUND: The Sewer Department operates and maintains sanitary sewer collection mains and the pumping stations in the Village. Money in this fund shall be used solely to pay the administrative and operational costs of the department. Revenue collections at the end of the second quarter came in \$245,752 or 1.00% under budget. Revenue of \$501,500 is budgeted for the fiscal year. Total expenses to date were \$181,862 and 39.1% under budget. These expenses represent only 22.6% of the budget projection of \$804,326 for the fiscal year. Revenue collections exceeded expenditures producing a surplus of \$63,889 at the end of the second quarter of Fiscal Year 2019 for the Sewer Fund.

