

The City of *Illinois*  
**Elmhurst**



# **Five Year Capital Expenditure Budget Fiscal Year 2010/11**

**City Council Presentation - January 4, 2010**



**Agenda:**

- **Capital Expenditure Budget Explanation**
- **Operating Budget Review/Update**
- **5 Year Capital Expenditure Budget Review**



Five-Year Capital Expenditure  
Budget **Objective**.....

To identify and create a comprehensive plan  
for the long-range major capital  
expenditures necessary to maintain or  
develop the physical assets of the City.



## Capital Expenditures Are Identified As.....

Those expenditures of \$25,000 or more that result in the acquisition or construction of fixed assets intended to be held or used for a period of ten years or more.



## Expenditure Classifications:

- I - Essential to maintain current level of service;
- II - Necessary to comply with state or federally mandated standards;
- III - Replacement/renovation of existing obsolete/deteriorating facilities;
- IV - Improve the safety of citizens and/or employees;
- V - Result in increased productivity or reduced energy consumption;
- VI - Contribute to the economic development of the City.

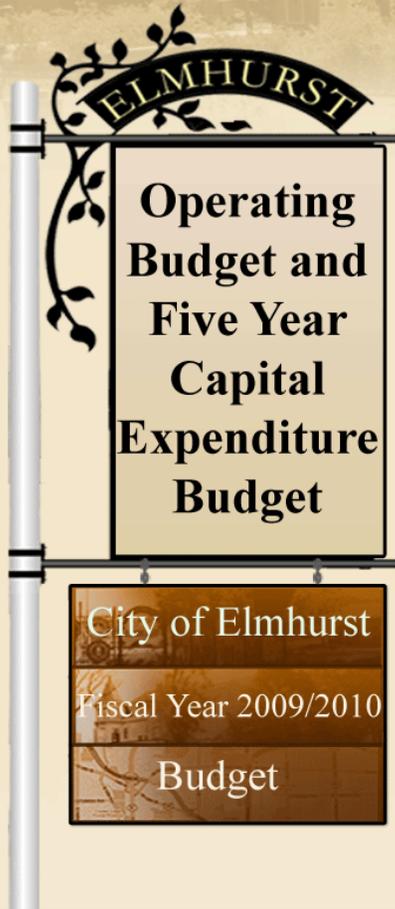


## Expenditure Priority:

- A - Essential and immediate need;
- B - Essential but may be delayed;
- C - Optional but beneficial to the City through increased productivity, safety, etc;
- D - Optional but beneficial to the City in social, cultural or aesthetic ways.



**Budget  
Review**  
Revenues and  
Expenses





# 2009 City of Elmhurst Finance Task Force

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Report to the Mayor and City Council

**Co Chairs:**  
**Kevin Diamond**  
**Scott Levin**

**October 5, 2009**

(\$ 000's omitted)

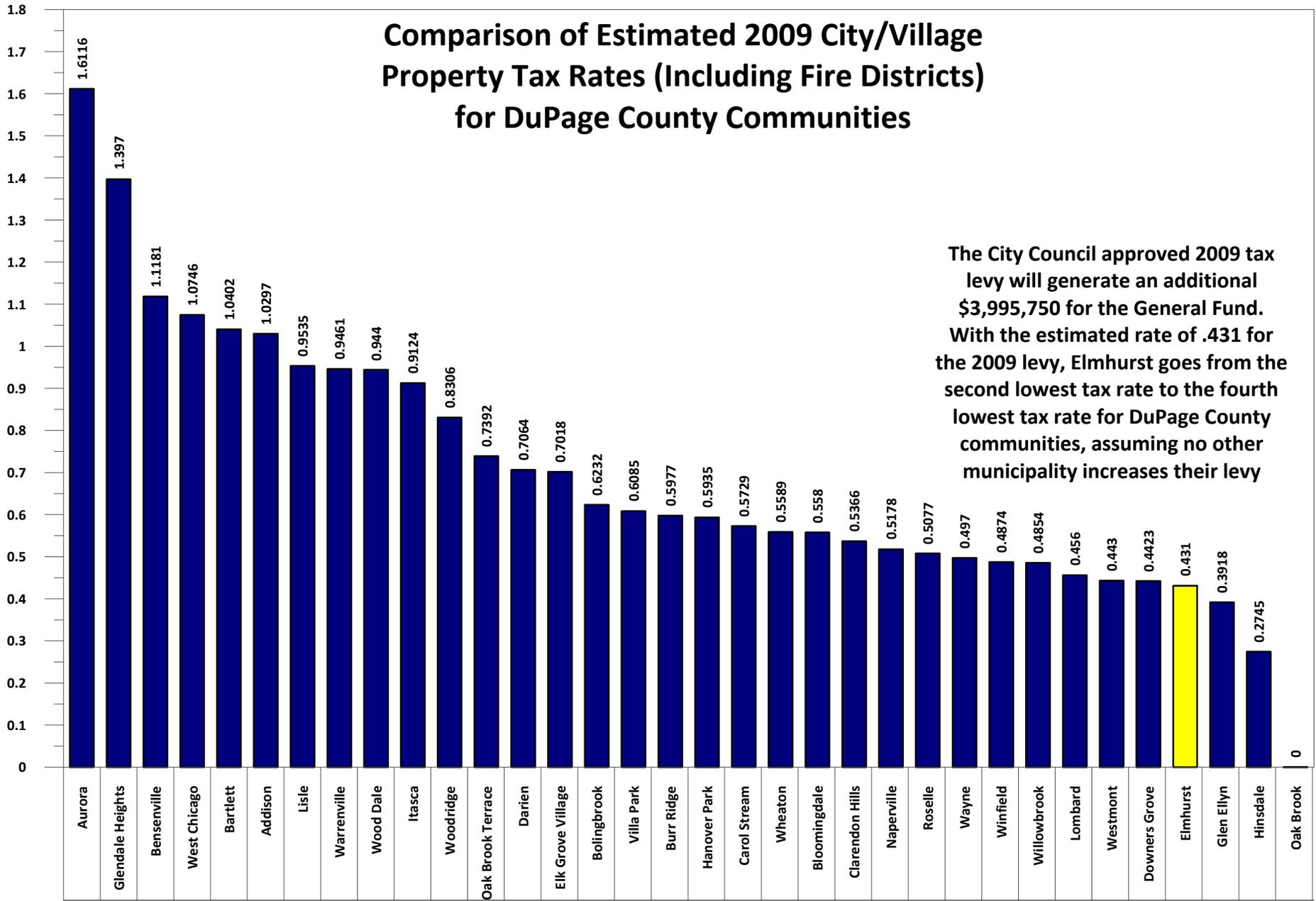
Projected General Fund Deficit	\$	6,000
Working Cash Fund Contribution		726
Budget Needs		<u>6,726</u>

Revenue Sources:	Bond Abatement	2,182
	Rate Increase	1,886
	Total Increase in Property Taxes	4,068
	2 cent/gallon Motor Fuel Tax	400
	Total Tax Increase	<u>4,468</u>

Expense Reduction:	Public Safety	325
	Public Works	1,172
	Historical Museum	336
	Administration	425
Recommended Expense Reductions		<u>\$ 2,258</u>

Tax Rate

## Comparison of Estimated 2009 City/Village Property Tax Rates (Including Fire Districts) for DuPage County Communities



The City Council approved 2009 tax levy will generate an additional \$3,995,750 for the General Fund. With the estimated rate of .431 for the 2009 levy, Elmhurst goes from the second lowest tax rate to the fourth lowest tax rate for DuPage County communities, assuming no other municipality increases their levy

DuPage County Communities

CITY OF ELMHURST  
MUNICIPAL 1% SALES TAX

Fiscal Year 2009/10									
	Budget	Actual	% Variance Budget/Act.	\$ Variance Budget/Act.	% Change Prior Year	\$ Change Prior Year	Unaudited 2008/09	Actual 2007/08	Actual 2006/07
July	885,000	897,791	(a) 1.4%	12,791	1.03%	9,187	888,604	906,916	864,596
August	745,000	677,530	-9.1%	(67,470)	-9.51%	(71,172)	748,701	982,403	937,429
September	945,000	662,723	-29.9%	(282,277)	-30.32%	(288,421)	951,144	893,191	973,429
October	819,000	744,637	-9.1%	(74,363)	-9.50%	(78,151)	822,788	833,785	951,758
November	854,000	522,006	-38.9%	(331,994)	-39.16%	(335,954)	857,961	862,387	837,551
December	794,000	676,533	-14.8%	(117,467)	-15.12%	(120,484)	797,017	894,535	727,263
January	740,000	616,420	-16.7%	(123,580)	-17.04%	(126,640)	743,060	900,007	1,037,935
February	759,000	632,247	(b) 16.7%	(126,753)	-14.43%	(106,601)	738,848	807,435	851,521
March	852,000	709,716	-16.7%	(142,284)	-15.29%	(128,131)	837,847	905,383	1,061,482
April	722,000	601,426	-16.7%	(120,574)	-6.69%	(43,149)	644,575	768,174	808,793
May	769,000	640,577	-16.7%	(128,423)	-2.58%	(16,963)	657,540	817,895	799,861
June	866,000	721,378	-16.7%	(144,622)	20.50%	122,716	598,662	920,232	837,686
	9,750,000	8,102,984	-16.9%	(1,647,016)	-12.75%	(1,183,763)	9,286,748	10,492,344	10,689,304
TIF Transfer	(350,000)	(399,291)		(49,291)			(348,242)	(278,149)	(213,446)
	9,400,000	7,703,694		(1,696,306)			8,938,506	10,214,195	10,475,858
Reverse April Accrual - Prior		(718,101)					(869,064)	(818,774)	(800,000)
April Accrual - Current		807,791					719,593	869,064	818,774
		7,793,383	(c)				8,789,035	10,264,485	10,494,632

- (a) YTD sales tax revenues received during task force study. Projected budget to actual variance at that time was (- 8%).  
 (b) Actual and projected decline of sales tax since the task force study. Staff estimate during task force study was (- 8%)  
 (c) Estimated FY 2009/10 sales tax revenues during task force study was approximately \$8.8M compared to \$7.8M now.

# The City of *Illinois* Elmhurst



<u>TARGET DATE</u>	<u>COMPLETION DATE</u>	<u>BUDGET ACTIVITY</u>
08-31-09	09-03-09	City Mgr. memo to Mayor/City Council regarding budget and budget schedule.
09-15-09	09-15-09	Five Year Capital Exp. Budget (CEB) worksheets distributed to departments.
10-26-09	10-26-09	Five Year CEB due to Finance Department.
10-26-09		Mayor/City Council message to City Mgr. regarding budget goals for 2010-11.
10-26-09	10-26-09	Operating budget worksheets and guidelines delivered to department heads.
10-26-09	10-26-09	City Council (COTW) begins review of 2009 property tax levy.
12-07-09	12-21-09	Preliminary Five Year CEB distributed to Mayor and City Council.
12-07-09	11-16-09	* Tax levy public hearing held, if necessary.
12-14-09	01-04-10	Operating budgets due to City Manager.
12-21-09	12-07-09	* City Council approves 2009 property tax levy.
01-04-10		City Council reviews Five Year CEB.
03-01-10		2010-11 Operating Budget delivered to City Council.
03-15-10		Public hearing for 2010-11 Operating Budget.
04-05-10		* 2010-11 Operating Budget approved.

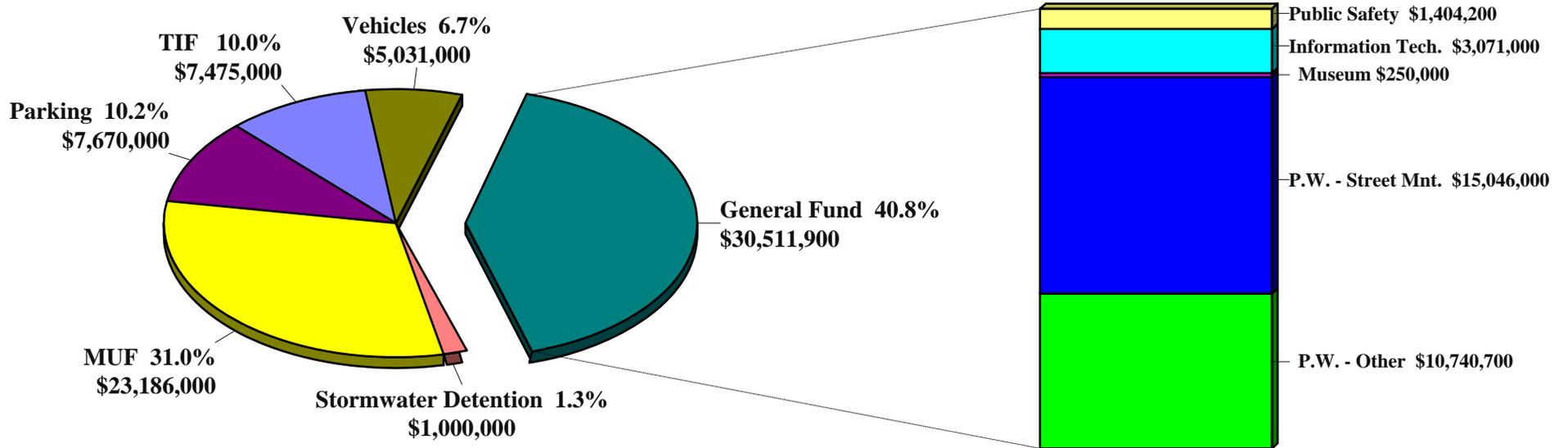
\* City Council action required.



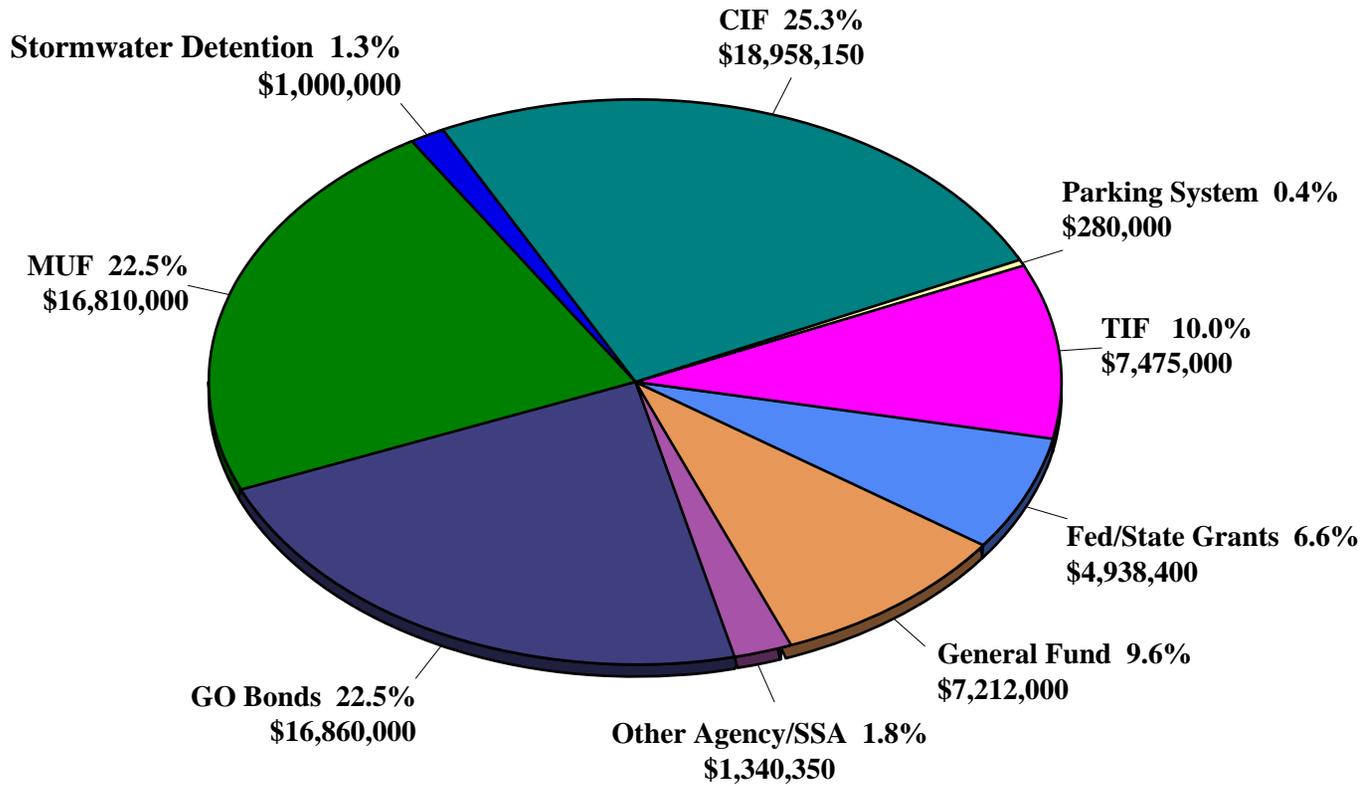
## Highlights of the Preliminary 2010-2011 CEB are:

- Public Works Infrastructure
- IT/Communications
- Land Acquisition
- Stormwater Improvements/Flood Mitigation
- Central Business District
- Parking System

# CITY OF ELMHURST 2010/11 FIVE YEAR CEB EXPENDITURES - \$74,873,900



**CITY OF ELMHURST  
2010/2011 FIVE YEAR CEB  
FUNDING SOURCES - \$74,873,900**





## **Revenue Sources – Capital Improvement Fund (CIF):**

- State Income Tax (80%)
- 0.25% Home Rule Sales Tax (33%)
- Telecommunications Tax (25%)
- Rental Income (180 W. Park)
- SSA Payments -New Sidewalks (Payback)
- Wireless Alarm Project (Equipment Payback)
- Interest Income

CITY OF ELMHURST - CAPITAL IMPROVEMENT FUND  
Revenues and Expenditures and Changes in Fund Balance

	2007/08 Actual	2008/09 Actual	2009/10 Budget	2009/10 Estimated	Five (5) Year Projections				
					2010/11 Projected	2011/12 Projected	2012/13 Projected	2013/14 Projected	2014/15 Projected
<b>Revenues:</b>									
State Income Tax	3,189,273	3,156,071	3,200,000	2,667,200	2,667,200	2,747,216	2,829,632	2,914,521	3,001,957
1/4% Sales Tax	1,628,049	1,350,294	1,576,400	1,175,000	1,175,000	1,222,000	1,270,880	1,321,715	1,374,584
1/4% Sales Tax Rebate	-	-	-	-	-	-	-	-	-
Telecommunications Tax	632,097	629,709	637,500	628,800	628,800	635,088	641,439	647,853	654,332
SSA Payments	119,210	52,204	43,845	32,843	53,080	55,851	31,406	24,885	24,885
Rental Income, net (a)	250,000	155,821	225,000	225,000	225,000	225,000	225,000	225,000	112,500
Grants	-	-	-	250,000	-	-	-	-	-
Other Income (b)	-	-	95,000	50,000	120,000	120,000	120,000	120,000	70,000
Interest	331,492	266,145	280,210	280,210	234,000	226,816	16,918	7,036	5,845
<b>Total Revenues</b>	<b>6,150,121</b>	<b>5,610,244</b>	<b>6,057,955</b>	<b>5,309,053</b>	<b>5,103,080</b>	<b>5,231,971</b>	<b>5,135,275</b>	<b>5,261,011</b>	<b>5,244,103</b>
Projected Revenues - 2009/10 CEB				5,994,550	6,249,714	6,151,961	6,187,626	6,363,595	
Cumulative Difference				(685,497)	(1,832,131)	(2,752,121)	(3,804,472)	(4,907,056)	

Assumptions for 2010/11 - 2014/15 projections:

- Assumes no increase in revenues in FY 2010/11.
- Assumes 4.0% increase each year in Home Rule Sales Tax (after 10/11).
- Assumes 3.0% increase in State Income Tax (after 10/11).
- Assumes 1.0% increase each year in Telecommunications Tax (after 10/11).
- Includes Expenditures from the Five Year Capital Expenditure Budget.
- Assumes an interest rate of 1 - 3%.

Notes:

- (a) Reflects lease revenue less operating expenses paid by property manager.
- (b) Projections reflect five year payback of equipment for wireless alarm project.
- (c) Reflects expenses paid by City (property taxes and property management fees)
- (d) 2009 G.O. Bond proceeds and debt service (EMHC and Misc. Infrastructure Improvements)
- (e) 2009A debt service reflects 2001 Refunding
- (f) Reflects CIP Fund contributions for CBD parking improvements (loan receivable).



## **Expenditures Funded by the Capital Improvement Fund (CIF):**

- Infrastructure Improvements (Streets, Sidewalks)
- Building Improvements (Phase II - PW Garage)
- Parking Improvements
- Stormwater Management/Flood Mitigation
- Information Technology
- Public Safety Equip. (Radios)
- Debt Service
- Elmhurst Memorial Hospital Public Benefit Imp.

CITY OF ELMHURST - CAPITAL IMPROVEMENT FUND  
Revenues and Expenditures and Changes in Fund Balance

	2007/08 Actual	2008/09 Actual	2009/10 Budget	2009/10 Estimated	Five (5) Year Projections				
					2010/11 Projected	2011/12 Projected	2012/13 Projected	2013/14 Projected	2014/15 Projected
<b>General Fund Transfers:</b>									
Road Improvements	(23,386)	-	1,325,000	1,075,000	1,757,700	-	-	-	-
York Street Improvements	-	-	80,000	-	-	-	-	-	-
Museum/Churchville Improvements	44,632	31,510	240,000	159,000	-	-	250,000	-	-
Fire Station Improvements	110,660	-	-	-	45,000	-	-	-	-
Fire Equipment/Trucks	-	858,572	-	-	-	-	-	-	-
ESDA/Public Safety Equipment	244,783	127,167	1,304,800	620,000	354,800	144,200	20,000	20,000	20,000
Streetlight/Signal Improvements	38,055	27,250	50,000	35,000	56,100	40,000	320,000	320,000	320,000
<b>Street Resurfacing</b>	1,000,000	1,659,636	1,750,000	1,750,000	875,000	1,750,000	1,250,000	1,250,000	1,250,000
Unimproved Road/Alley Rehab.	21,306	33,550	40,000	40,000	-	-	50,000	50,000	50,000
Sidewalk, Curb and Gutter	114,338	133,007	75,000	75,000	50,000	50,000	75,000	75,000	150,000
Public Benefit Sidewalk Installation	72,209	152,797	240,000	200,000	-	-	-	50,000	50,000
<b>Concrete Street Reconstruction</b>	34,972	15,265	300,000	65,000	100,000	100,000	300,000	300,000	300,000
Mgmt. Information System	99,949	98,746	314,000	299,000	790,000	835,000	635,000	265,000	546,000
Storm Sewer Repair/Extensions	93,413	101,252	50,000	50,000	150,000	150,000	175,000	175,000	175,000
Storm Station/Flood Mitigation Impr.	-	-	-	-	150,000	-	-	-	-
Bridge Improvements/Underpass	61,129	-	-	-	-	-	-	-	-
<b>Tree Purchase and Planting</b>	-	-	-	-	150,000	-	-	-	-
Building Admin - 180 W Park (c)	29,455	45,115	52,000	52,000	53,000	50,000	50,000	50,000	25,000
Park/Prospect & UST Compl.	7,231	3,952	30,000	30,000	-	-	-	-	-
Public Infrastructure Imp. - EMH	-	38,650	1,120,000	1,206,457	1,242,500	1,897,850	-	-	-
Police Admin. Bldg.	66,128	2,201	150,000	-	67,000	150,000	-	-	-
Mun. Admin. Bldg.	32,455	29,025	85,000	85,000	12,000	216,000	-	-	-
Public Works Facility Imp. - Phase II	-	-	170,500	170,500	224,000	120,000	840,000	-	-
<b>Total General Fund Transfers</b>	<b>2,047,329</b>	<b>3,357,695</b>	<b>7,376,300</b>	<b>5,911,957</b>	<b>6,077,100</b>	<b>5,503,050</b>	<b>3,965,000</b>	<b>2,555,000</b>	<b>2,886,000</b>

**General Fund Assistance – Street Resurfacing = \$500,000**

**– Concrete Street Reconstruction = \$100,000**

**– Tree Purchase = \$150,000**



**General Fund Assistance:**

- **Street Resurfacing - \$500,000**
- **Concrete Street Patching - \$100,000**
- **Tree Purchase - \$150,000**



## **Cuts and Deferrals:**

- **Riverside Drive/Rt. 83 Frontage Road Imp.**
- **New Historical Museum Building**
- **York and Grand Intersection Imp.**
- **Unimproved Road/Alley Rehab.**
- **Sidewalk, Curb and Gutter**
- **New Sidewalk Installation (SSA)**
- **Concrete Street Reconstruction**
- **Streetlight Luminaire/Wiring Replacement**

CITY OF ELMHURST - CAPITAL IMPROVEMENT FUND  
Revenues and Expenditures and Changes in Fund Balance

	2007/08	2008/09	2009/10	2009/10	Five (5) Year Projections				
					2010/11	2011/12	2012/13	2013/14	2014/15
					Actual	Actual	Budget	Estimated	Projected
<u>Other Transfers - Capital Projects</u>									
Stormwater	-	34,346	750,000	750,000	150,000	150,000	150,000	150,000	150,000
Public Facilities - Fire Station 2	527,380	(367,027)	256,031	256,031	-	-	-	-	-
Parking System	-	-	220,746	-	-	401,215	401,215	401,215	401,215
<u>Other Transfers - Debt Service</u>									
2000 G.O. Bond Retirement	856,619	846,821	-	-	-	-	-	-	-
2001 G.O. Bond Retirement	306,865	242,795	254,735	252,733	-	-	-	-	-
2003 G.O. Bond Retirement	188,997	485,840	476,850	475,838	524,638	504,671	504,343	504,965	609,635
2004 G.O. Bond Retirement	245,363	-	-	-	-	-	-	-	-
2006 G.O. Bond Retirement	462,923	215,735	217,750	215,751	217,488	206,393	220,222	221,079	221,656
2008 G.O. Bond Retirement	-	121,034	648,125	652,337	497,923	449,273	447,756	674,981	390,415
2009 G.O. Bond Retirement (d)	-	-	73,582	332,403	334,203	335,856	335,007	336,290	339,632
2009A G.O. Bond Retirement (e)	-	-	-	31,167	404,942	470,317	474,587	164,607	167,746
Bank Charges/Fees	-	1,175	-	2,000	2,000	2,000	2,000	2,000	2,000
Total Debt Service Transfers	2,060,767	1,913,400	1,671,042	1,962,229	1,981,194	1,968,510	1,983,915	1,903,922	1,731,084
<b>Total Expenditures (Transfers)</b>	<b>4,635,476</b>	<b>4,938,414</b>	<b>10,274,119</b>	<b>8,880,217</b>	<b>8,208,294</b>	<b>8,022,775</b>	<b>6,500,130</b>	<b>5,010,137</b>	<b>5,168,299</b>

CITY OF ELMHURST - CAPITAL IMPROVEMENT FUND  
Revenues and Expenditures and Changes in Fund Balance

	2007/08	2008/09	2009/10	2009/10	Five (5) Year Projections								
					Actual	Actual	Budget	Estimated	2010/11	2011/12	2012/13	2013/14	2014/15
									Projected	Projected	Projected	Projected	Projected
Excess (Def.) Revenues Over Exp.	1,514,645	671,830	(4,216,164)	(3,571,164)	(3,105,214)	(2,790,804)	(1,364,855)	250,874	75,804				
<b>Other Financing Sources/(Uses):</b>													
Transfer In (Out)	500,000	-	1,000,000	1,470,000 (d)	3,562,000 (d)	-	-	-	-				
Total Other Fin. Sources/(Uses)	500,000	-	1,000,000	1,470,000	3,562,000	-	-	-	-				
Excess (Def.) of Rev. and Other Fin. Sources Over Exp. And Other Fin. Uses	2,014,645	671,830	(3,216,164)	(2,101,164)	456,786	(2,790,804)	(1,364,855)	250,874	75,804				
Fund Balance Previous Year	6,303,923	8,318,568	5,490,398	5,490,398	3,389,234	3,846,020	1,055,216	(309,639)	(58,765)				
Fund Balance Current Year	8,318,568	8,990,398	2,274,234	3,389,234	3,846,020	1,055,216	(309,639)	(58,765)	17,039				
Reserved - Thorne Loan	-	(3,500,000) (f)	-	-	-	-	-	-	-				
Fund Balance Current Year - Adjusted	8,318,568	5,490,398	2,274,234	3,389,234	3,846,020	1,055,216	(309,639)	(58,765)	17,039				

Assumptions for 2010/11 - 2014/15 projections:

- Assumes no increase in revenues in FY 2010/11.
- Assumes 4.0% increase each year in Home Rule Sales Tax (after 10/11).
- Assumes 3.0% increase in State Income Tax (after 10/11).
- Assumes 1.0% increase each year in Telecommunications Tax (after 10/11).
- Includes Expenditures from the Five Year Capital Expenditure Budget.
- Assumes an interest rate of 1 - 3%.

Notes:

- (a) Reflects lease revenue less operating expenses paid by property manager.
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- (c) Reflects expenses paid by City (property taxes and property management fees)
- (d) 2009 G.O. Bond proceeds and debt service (EMHC and Misc. Infrastructure Improvements)
- (e) 2009A debt service reflects 2001 Refunding
- (f) Reflects CIP Fund contributions for CBD parking improvements (loan receivable).



## What's Next.....

- **Capital rolled into two year operating**
- **Committee review of appropriate City department budgets**
- **Finance Committee review of revenues**
- **City budget team review of department budgets**
- **Final compilation of proposed budget**

Expenditures - Revenues

Governmental Funds (General, CIF)

Special Revenue (MFT, Library)

Enterprise (MUF, Parking)

Capital Projects (TIF, Stormwater, Corp. Purpose Bonds)

Debt Service

Trust and Agency (Pensions, Working Cash, Glos)



# **Five Year Capital Expenditure Budget Fiscal Year 2010/11**

**City Council Presentation - January 4, 2010**