

COVID-19 Pandemic Financial Response Plan Update

October 20, 2020
Village Council Meeting

Issue Overview COVID-19 Financial Response

The COVID-19 Pandemic is Significantly Negatively Impact the Village's Financial Position

- Revenue Sources Are Declining Sharply
- Expenses Related to Pandemic

Goals & Objectives COVID-19 Financial Response

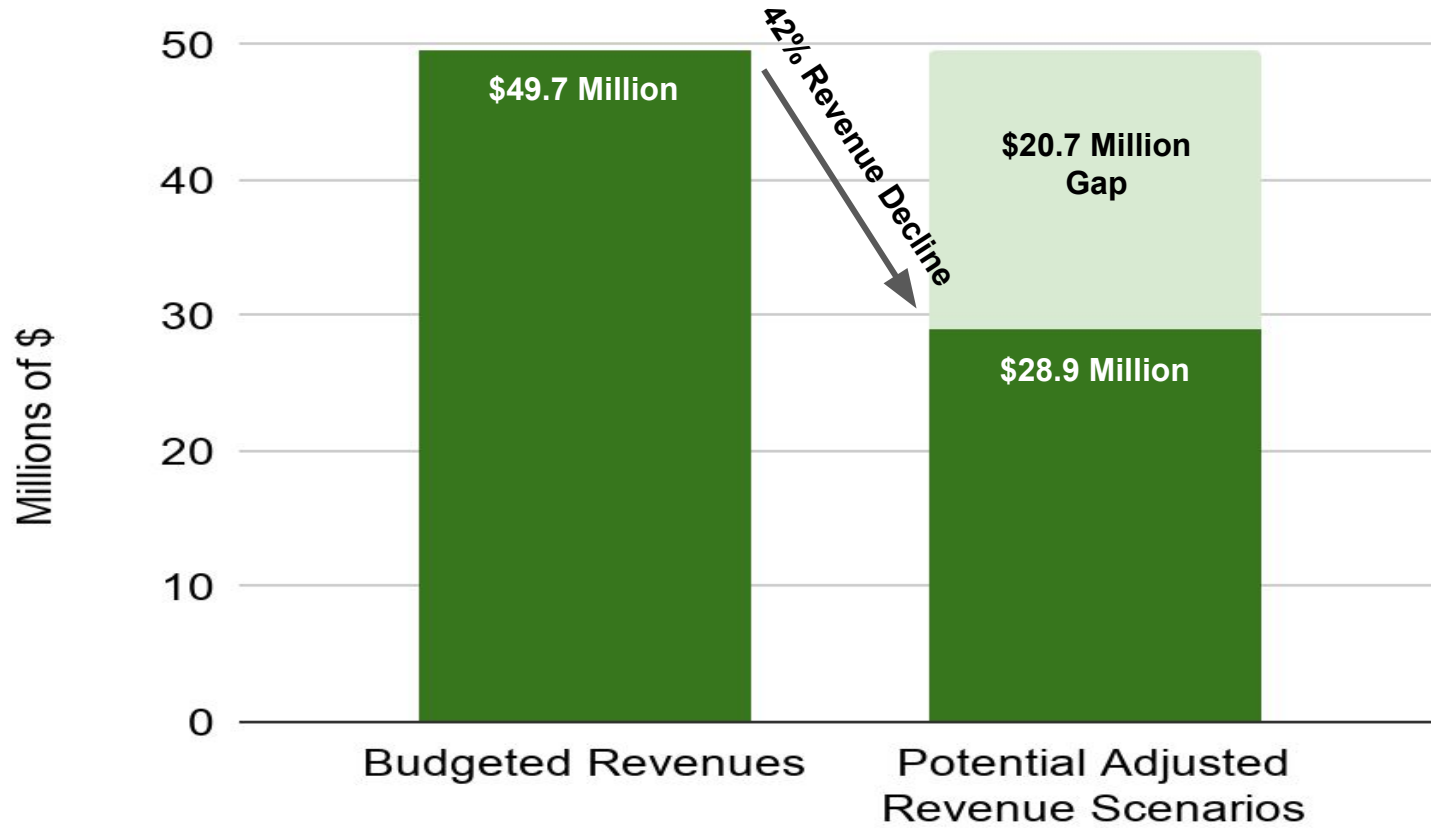
Sustainable & Resilient

- Provide Essential Services During the Crisis & Throughout 2020
- Provide Essential Services in 2021 and Beyond
- Financially Prepared to Respond to a Future Emergency

Goals & Objectives COVID-19 Financial Response

- Use a Multiple Fund Response
- Maintain Robust Health and Risk Funds
- Align Response with the Timing & Magnitude of the Issue
- Respond in a Manner Consistent with State & Federal Responses
- Maintain 50% of the General Fund Reserves in 2020

FY 2020 General Fund Revenues

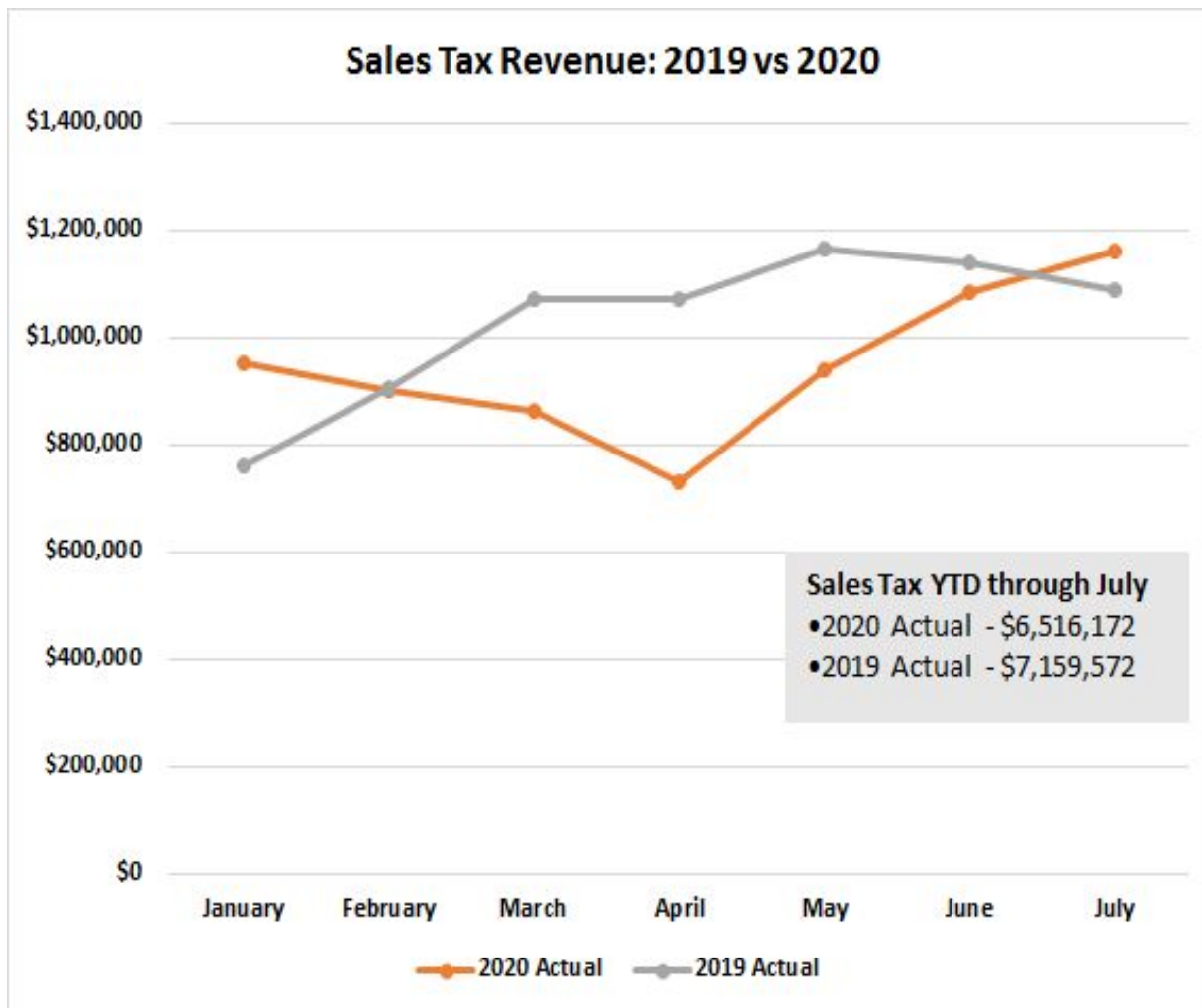


Strategies & Actions COVID-19 Financial Response

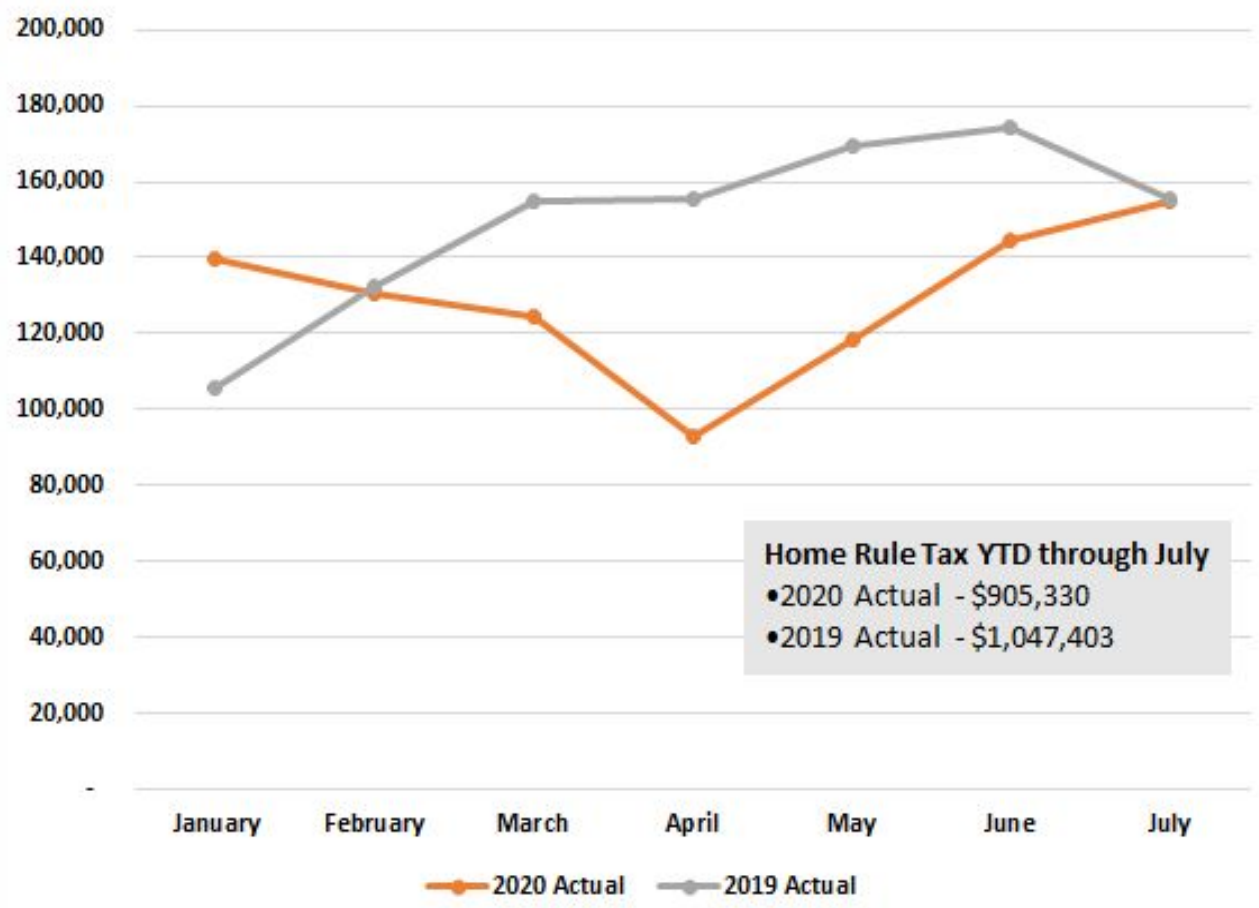
Tier 1	Seek Federal & State Assistance, If Available	\$TBD (\$2.54M Thru CARES Act)	In Progress
Tier 2	Reduce General Fund Expenses & Defer Equipment Replacement	\$1,825,000	In Place
Tier 3	Defer Projects in Capital & Major Buildings Funds and Transfer Money to General Fund	\$6,500,000	Temporary Suspension In Place
Tier 4	Use Asset Forfeiture Funds for Police Expenses	\$2,400,000	Funds Available
	Use General Fund Reserves	\$10,000,000	Funds Available
Total		\$20,725,000	

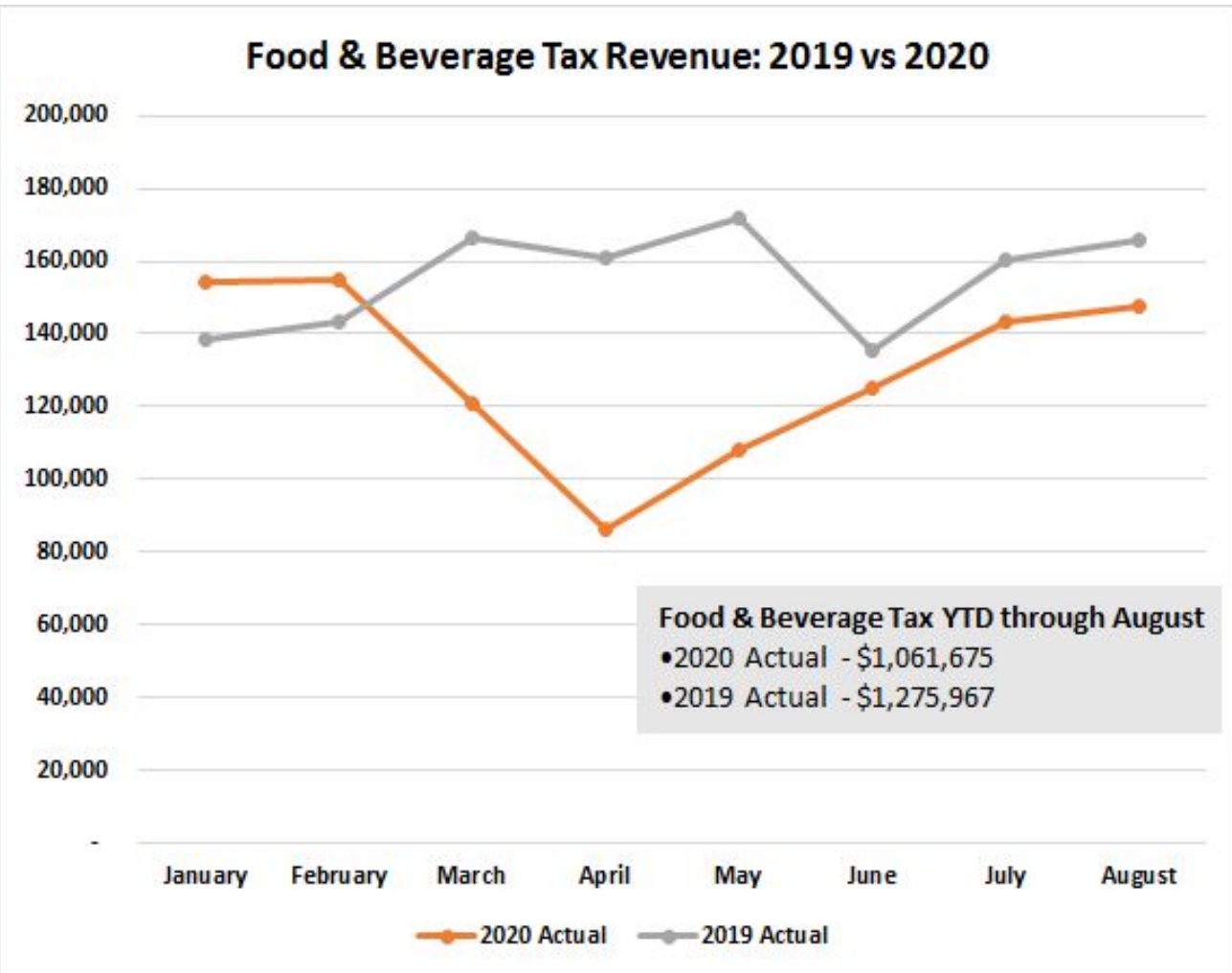
FY20 Revenue Performance

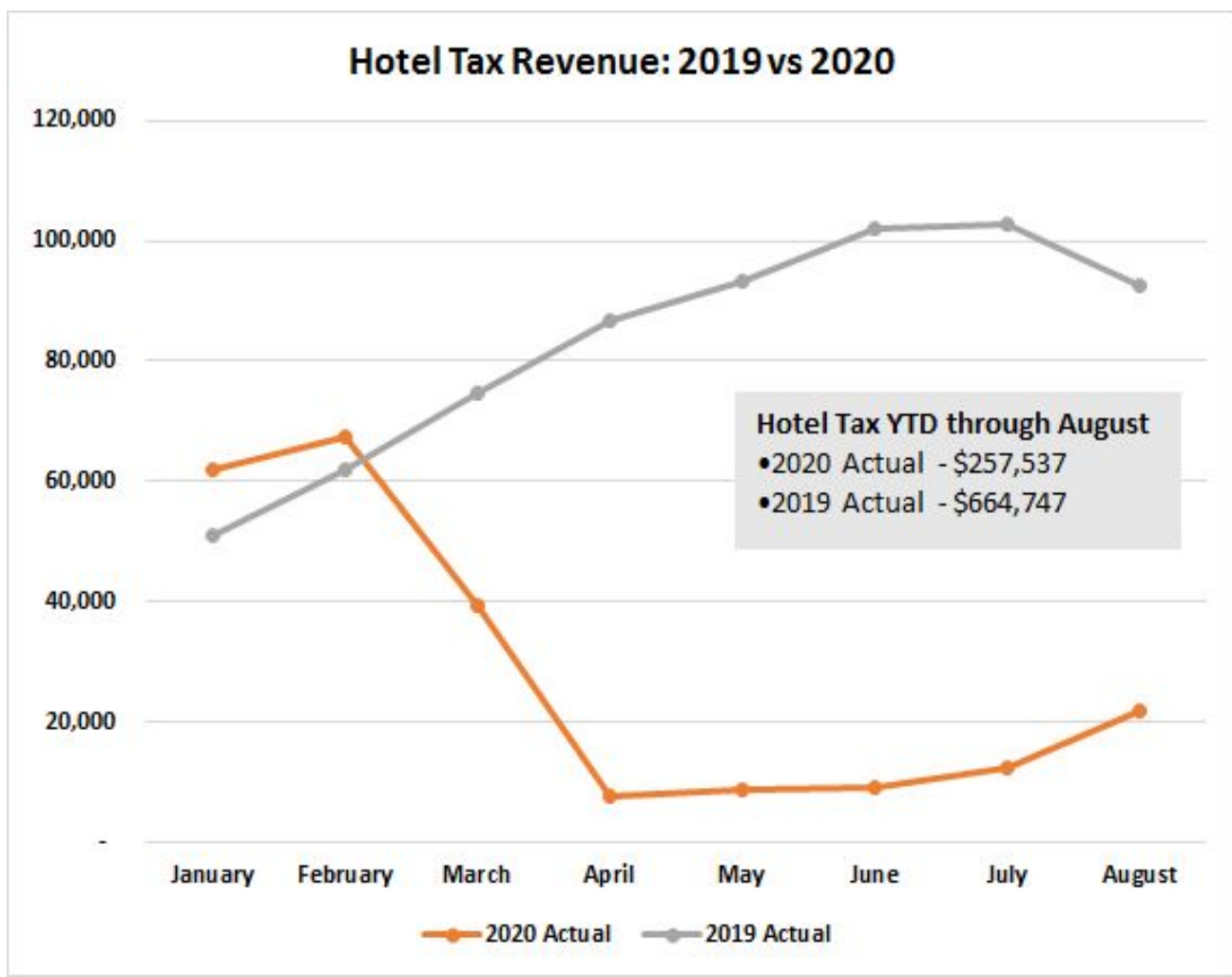
	2019 Act.	2020 Act.	Difference	Percent
Sales Tax (July)	7,159,572	6,516,172	(643,400)	(9.90%)
HRST (July)	1,047,403	905,330	(141,856)	(15.69%)
Food & Bev (Aug)	1,275,967	1,061,675	(206,153)	(20.18%)
Hotel (Aug)	664,747	257,537	(359,027)	(58.11%)
Total	10,147,689	8,740,714	(1,406,975)	(16.09%)



Home Rule Tax Revenue: 2019 vs 2020







General Fund Revenues 2017 - 2021



FY20 General Fund Estimates

	Range	Best Estimate
Revenue	\$40.4 to \$45.4 M	\$45.3 M
Expenses Expense Reductions of \$2.1 to \$2.9 million Tier 2 of Financial Response Plan	\$46.7 to \$47.7 M	\$47.8 M
Deficit	\$1.3 to \$7.3 M	\$2.5 M

Key Questions for the Balance of the Year

How will Food & Beverage Tax Revenue Perform with a Likely Decline in Outdoor Dining (cold weather)?

How will Sales Tax and Home Rule Sales Tax Perform during the Holiday Season?

When and to What Extent Will Hotel Tax Revenue Performance Improve?

How will DuPage County Respond to VoDG's Application for CARES Act Funding Grant of \$2.5 Million?

When and to What Extent Will Commuters (Daily Fee Payers) Return to Commuting?

Will the Governor Make Changes to the Restore Illinois Plan?

Next Steps COVID-19 Financial Response

- Continue to Monitor All Village Revenues
- Continue to Seek Assistance from State and Federal Governments (Tier 1)
- Continue to Control General Fund Expenses (Tier 2)
- Reinstate Capital Projects
- Report to Village Council and Public Frequently

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