

BUDGET RESPONSES – OTHER FUNDS

Downtown TIF Fund:

Does the Downtown TIF owe money to any other funds?

The Downtown TIF fund currently owes no other Village fund any money. Eight years ago, the Downtown TIF fund needed money to meet its debt service obligations, so it borrowed almost \$2 million in total from the capital projects fund, real estate fund, and parking fund to make the debt service payments, with the intention to repay these funds back.

From 2005 to 2008, the Downtown TIF fund has captured over \$20 million in growth in EAV that allowed sufficient cash resources in the Downtown TIF fund to repay these loans to other funds. Recently, the Downtown TIF fund repaid the nearly \$2 million debt off it owed to these other funds.

This type of practice reducing these intra-entity balances (when possible) improves the budgeting process as the true cash balance is known for each fund as well as enhances the Village's accounting, cash management, and financial reporting.

Downtown TIF; tell me more about line 52. Why from \$11k to \$31k to \$15k to budgeted \$40k?

The spending in this account is for plants and downtown corner enhancements (red bricks, sand and pavers) and fluctuate based on the number of corners worked on in each year.

Ogden Avenue TIF Fund:

Can staff provide a more specific explanation of how the recommended expenses in the Ogden Avenue TIF Fund will be spent?

The Ogden Avenue TIF Fund includes \$2,000,000 in FY10 that is designated for economic development initiatives to benefit businesses along the corridor. Staff will be working with the Economic Development Corporation and the Chamber of Commerce in the next 60-90 days to provide greater specificity to these concepts and present them to Council prior to execution. This will represent one element of the implementation of the Unified Economic Development Plan concept that was discussed with Council several months ago.

Debt Service Funds:

Page 3-22 (Fairview Avenue Debt Service Fund) shows revenue and expense line items of at least \$1 million in FY09. Page 3-24 (Debt Service Fund – Downtown TIF) shows a revenue expense line item of over \$10 million and an expense line item of \$8 million. Please provide an explanation.

On March 3, 2009, the Village Council authorized staff to proceed with a bond refunding. On April 9, 2009 the Village issued \$9,030,000 Series 2009 Bonds which refunded Series 1998 (Fairview Avenue Debt Service) and Series 2003A (Downtown TIF) for a Net Present Value savings of \$410,000. The entries recording these transactions are reflected in the 2009 year end estimates presented in the 2010 Proposed Budget Document.

Real Estate Fund:

226 Real Estate Fund #54 what other contractual services are needed in this fund? #59 what is this expense?

Included in the 5400 series of accounts are utilities. Utilities are budgeted at \$16,500. There is also \$2,000 budgeted for repairs and fees for fire alarms.

Transportation Fund:

Please provide an update on the Grove Commuter Shuttle Marketing Plan.

The Village has been actively marketing the features and benefits of the Grove Commuter Shuttle through the use of the following communications tools: E-News, Twitter, Hometown Times, Village Corner, DGTV and the Village Website. A summary of the Grove Commuter Shuttle promotional activities from 2007 – 2009 has been attached for your information. Staff intends to continue utilization of these marketing methods in 2010 and beyond in an effort to increase ridership on the Grove Commuter Shuttle System.

Can staff investigate the feasibility of transferring money from the General Fund to the Transportation Fund to address the deficit in the fund?

Staff will work with the Village’s auditor and financial advisor to analyze the potential impact of this option.

What is the status of the plan to transition the operation of the Grove Commuter Shuttle to PACE (implementation of the Highland Park model)? (Durkin)

Staff has discussed the concept with PACE staff, namely Mike Bolton, Deputy Executive Director of Strategic Services. He indicated that he thought this arrangement had benefits for both PACE as well as the Village. He suggested that we target this transition for two or three years out because of PACE’s current economic condition. This timeline is consistent with the information presented during the long range financial planning process. In the meantime, our Village Attorney and our operating staff have reviewed the operating agreement between Highland Park and PACE, and have found it to be reasonable and workable. We recommend that as a next step a dialogue be initiated with the PACE Board member for DuPage County in an effort to set the stage when finances are favorable to make the transition.

What is the status of the marketing plan for the Grove Commuter Shuttle? (Durkin)

Staff continues to use available communication tools and resources to promote the Grove Commuter Shuttle. A brief summary of outreach in 2009 is provided below:

- Village Corner mentions: 8
- Number of mentions on DGTV: Information has been on DGTV message board since June 3, 2009.
- E-news mentions: Information has been consistently run in E-news via a link since 8/20/09.
- Updated “Top Ten Reasons to Ride the Shuttle” on the website; E-News links to the page.

Parking Fund:

Parking Fund; why are the FY2010 and FY2011 revenues from sales the same but up from FY2009 and increasing again in FY2012? How solid is the \$45k grant revenue in this fund?

The increases in Sales Revenue reflect new \$3.00 daily spaces that came online with the new daily lots at Belmont. In 2009, the Parking Fund realized some of this increase because the lots were open for a partial year. In 2012, the construction plans call for an additional 55 \$3.00 daily parking spaces.

The \$45,000 grant number is for a parking study. There is an offsetting \$45,000 expense for this study. If the Village does not receive the grant, staff will not proceed with the study.

Parking Fund; why are personnel expenses up 50% and supplies up 300%?

In 2009, there were 3 fulltime CSOs and one 50% Administrative Assistant. One CSO was out on disability and one left under the Village's Voluntary Separation Program (VSP). In 2010, there are 3 fulltime CSOs and an additional 40% of another CSO (60% in the General Fund), along with one 50% Administrative Assistant. Parking fund supplies-In 2009 spending has run under budget. In 2010, the budget includes cash keys, light bulbs, batteries, bumper blocks, paint, and other miscellaneous items.

Water Fund:

Why are expenses up so much from 2009 to 2010? (personnel expenses up 12%, supplies up 33%, professional and technical services up 34%, and other contractual services up 52%?)

In 2009 two employees were out portions of the year on disability. Supplies include the purchase of water. Water will be more expensive in 2010 due to a 14% rate increase by the DuPage Water Commission May 1, 2010. In addition, the summer of 2009 was not very dry/hot and consumption was below historical averages. Professional Services include a water rate study for \$30,000 and \$45,000 for a technical services company to provide a comprehensive turnkey management backflow/cross-connection control program for the Village's water system. This program will safeguard the Village's water supply and bring the Village into compliance with State statutes. Other Contractual Services-this account has increased due to a \$95,000 increase in Street/Parkway restoration. This number reflects the actual bid received by the Village. In 2009 the Village was fortunate to receive a very low bid for this service.

Given the news from DuPage Water Commission, should the Village make any changes to the Water Fund budget in FY10? (Waldack)

Staff does not recommend making any changes to the Water Fund budget at this time, for the following reasons:

- The Water Commission has not completed its financial audit and the extent of the issue is not yet determined.
- The Water Commission has not taken any formal action on adjustments to the rate at which it sells water to member municipalities, and therefore it would be premature to adjust the budget at this time in anticipation of unknown impacts to the Water Fund.
- Staff was planning to bring this item to Council in the first quarter of 2010 to adjust Village Water rates to reflect the third of three substantial rate increases imposed by the City of Chicago, scheduled to go into effect on May 1, 2010. Any action taken by the Water Commission to further adjust the rates could be considered at this time and their impact on the Village could be considered at this time.
- Staff will also be conducting a rate study in 2010 to determine how rates should be set in the long-term to ensure the Village has sufficient resources to effectively maintain the system.
- Finally, the Village Council has the ability to amend the budget at any time during the course of the fiscal year in response to significant changes not fully known at the time of budget adoption.

Staff will continue to monitor the situation and keep the Council informed.

Attachment
Grove Commuter Shuttle Promotional Activities

**Grove Commuter Shuttle
Promotional Activities 2007 – 2009**

2007

- Three issues of “Getting There” –commuter newsletter.
- Public Works delivered Grove Shuttle Schedules and “Top 10 Reasons to Ride” brochures to Lisle, Woodridge & Darien village halls.
- Worked with Public Works on materials for Customer Appreciation promotions.
 1. Week of July 9: Joyful’s FREE Medium Coffee (Main St. Station)
 2. Week of: July 16: Mailing of Flyers to New Village Residents (including bus schedule.)
 3. Week of: August 14: FREE Newspaper Day (Main St. Station)
 4. Week of: September 10: FREE 2 Tickets Tivoli Theater
- E-News mentions: 1
- Press Releases: 1

2008

- Village Corner mentions: 4
- Number of mentions on DGTV: 4
- Promotion of new buses began in June with Heritage Festival i.e. “There’s Something in the Air..... New Bus Smell!”
 1. Flyer handed out to bus passengers
 2. Poster at Heritage Festival Council booth
 3. 6,000 bus schedules with free ride coupons were distributed in a green Heritage Festival backpack/give away.
 4. Press release issued; coverage in local papers
 5. Promotion on website
 6. Coverage in June *Hometown Times* newsletter
- New buses were also promoted in August with ribbon cutting at Public Works
 1. Press Release issued; coverage in local papers
 2. Promotion on website
 3. Coverage in September *Hometown Times* newsletter

2009

- Village Corner mentions: 5
- Number of mentions on DGTV: 5 (information has been on DGTV message board since June 3, 2009.)
- E-news mentions: 2: 8/20 and 8/27
- Updated “Top Ten Reasons to Ride the Shuttle” on the website; E-News links to the page.