



AGENDA MEMORANDUM

To: Mayor Bruce Adams and the Board of Trustees

From: Mark A. Pries, Finance Director/Treasurer

Date: October 7, 2015

RE: June, 2015 Treasurer's Report Analysis

The two month budget comparison report continues to show a misleading financial picture for the Village. It appears as though minimal revenues were coming in to the General Fund. However, this is not the case. Due to the timing of receiving revenues, most of the monies received in May and June were applied to the prior fiscal year. The Board can rest assured that the Village's finances are in very good order. Receipts of Sales, Local Use and Income Taxes as well as other miscellaneous revenues that were realized in May and June and applied to the prior fiscal year totaled \$1,834,654. Applying these receipts against the two month deficit in the General Fund of \$1,561,801 yields a surplus of \$272,853 so it is important to remember the lag in receiving revenues in the General Fund has the largest impact at the start of each fiscal year.

On the expenditure side, there is one item that made some of the General Fund departments look over budget and this was the fact there were 3 payrolls in the month of May. Overall, there are 26 pay periods in the fiscal year. So with 3 occurring in May and 2 in June, that is 19.2% of all payrolls for the fiscal year compared to the 16.7% where the budget is expected to be after two months. There will be 3 payrolls again in October as this typically happens twice each fiscal year. There is one area in the General Fund that is materially higher spent than 19.2% and that is the Village Administrator's area. However, the Village Administrator retired in June and had time owed paid out in a lump sum. This payment caused the overage in the Administrator area and will be addressed in a budget amendment, if necessary. All other funds, with the exception of the Retirement Separation Fund, are at or under budget. The Retirement Separation Fund is at 102.84% spent due to the retirements of Chief Coy and Administrator Dickens. However, Administrator Dickens retirement was not known until late-May so it was not factored into the FY 15-16 Budget whereas Chief Coy's retirement was known and was included in the budget.

On the revenue side, since all Income, Sales and Local Use taxes applied to FY 14-15, the General Administration area of the General Fund budget is low. However, other departments - Village Clerk, Public Works and Building Standards - are doing better than budget with all other areas of the General Fund and the other funds running as expected, with the exception of the Police Pension Fund. The Police Pension Fund's portfolio took a significant market value loss in June, negating all other revenues for the fiscal year. Over the last few months, there has been significant swings in the financial markets around the globe so this market loss in the Police

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Pension Fund is not unexpected. During the month of September, market volatility appears to have plateaued.

As of the end of June, the Sewer Fund ran a deficit of \$160,489. The fund's cash on hand was \$357,948 at the end of June, down from \$374,517 at the end of May. Staff will continue to monitor the fund's activity and report it to the Board.

If any members of the Board have any questions about this or any other fiscal matter for the Village, please contact me at your convenience. Thank you.

VILLAGE OF BRADLEY
Fiscal Year 15/16 Budget

TWO MONTH BUDGET COMPARISON

<u>REVENUES</u>	<u>FY 15/16 TWO MONTH ACTUAL</u>	<u>FY 15/16 BUDGET</u>	<u>PERCENT COLLECTED</u>
General Corporate Fund			
General Administration	25,307	11,000,913	0.23%
Village President	1,100	60,825	1.81%
Village Clerk	23,180	21,650	107.07%
Public Benefit	2,446	19,000	12.87%
Police Department	58,871	386,850	15.22%
Fire Department	58,104	475,250	12.23%
Public Property	2,400	15,550	15.43%
Public Works	1,916	6,250	30.66%
Building Standards	<u>53,031</u>	<u>196,500</u>	26.99%
Totals	226,356	12,182,788	1.86%
Capital Projects Fund	8,780	367,170	2.39%
Retirement Separation Fund	12	250	4.90%
Retirement Insurance Fund	91	425,700	0.02%
Revolving Loan Fund	1,959	10,591	18.50%
Rt. 50 TIF	189	1,001,100	0.02%
Motor Fuel Tax Fund	34,739	459,449	7.56%
Police Pension Fund	(32,250)	1,568,875	-2.06%
Fire Pension Fund	7,562	124,717	6.06%
Sewer Fund	<u>292,102</u>	<u>2,784,149</u>	10.49%
Total Fund Revenues	539,541	18,924,789	2.85%

VILLAGE OF BRADLEY
Fiscal Year 15/16 Budget

TWO MONTH BUDGET COMPARISON

<u>EXPENDITURES</u>	<u>FY 15/16 TWO MONTH ACTUAL</u>	<u>FY 15/16 BUDGET</u>	<u>PERCENT EXPENDED</u>
General Corporate Fund			
General Administration	41,629	604,300	6.89%
Benefits	17,400	277,861	6.26%
Board of Trustees	5,257	32,108	16.37%
Village President	3,022	26,542	11.38%
Village Administrator	59,815	174,314	34.31%
Legal	52,434	291,509	17.99%
Village Clerk	2,826	21,753	12.99%
Village Treasurer	32,706	183,475	17.83%
Public Benefit	4,450	1,066,855	0.42%
Police Department	968,994	4,957,995	19.54%
Fire and Police Commission	662	16,767	3.95%
Fire Department	178,461	1,377,324	12.96%
Public Works	276,813	1,747,795	15.84%
Building Standards	112,165	706,650	15.87%
Economic Incentive/Development	0	14,000	0.00%
Information Technology	<u>31,524</u>	<u>158,703</u>	19.86%
Department Totals	1,788,157	11,657,951	15.34%
Transfer - Retirement Insurance Fund	<u>0</u>	<u>425,000</u>	0.00%
Total General Fund	1,788,157	12,082,951	14.80%
Capital Projects Fund	13,366	450,170	2.97%
Retirement Separation Fund	93,587	91,000	102.84%
Retirement Insurance Fund	19,731	298,414	6.61%
Rt. 50 TIF	1,623	1,439,880	0.11%
Motor Fuel Tax Fund	5,771	414,000	1.39%
Police Pension Fund	144,512	1,010,933	14.29%
Fire Pension Fund	695	7,775	8.94%
Sewer Fund	<u>452,591</u>	<u>3,391,089</u>	13.35%
Total Fund Expenditures	2,520,034	19,186,212	13.13%

VILLAGE OF BRADLEY
Fiscal Year 15/16 Budget

FUND BALANCE ANALYSIS AT 6/30/2015

FUND BALANCE	Beginning Fund Balance	Fiscal Year Activity	Ending Fund Balance
General Corporate Fund	7,153,532		
Revenues		226,356	
Expenditures		<u>1,788,157</u>	
Net Activity		(1,561,801)	5,591,731
Capital Projects Fund	149,719		
Revenues		8,780	
Expenditures		<u>13,366</u>	
Net Activity		(4,586)	145,134
Retirement Separation Fund	347,824		
Revenues		12	
Expenditures		<u>93,587</u>	
Net Activity		(93,575)	254,249
Retirement Insurance Fund	2,073,229		
Revenues		91	
Expenditures		<u>19,731</u>	
Net Activity		(19,640)	2,053,589
Revolving Loan Fund	1,926,497		
Revenues		1,959	
Expenditures		<u>0</u>	
Net Activity		1,959	1,928,456
Rt. 50 TIF	1,558,651		
Revenues		189	
Expenditures		<u>1,623</u>	
Net Activity		(1,433)	1,557,218
Motor Fuel Tax Fund	564,084		
Revenues		34,739	
Expenditures		<u>5,771</u>	
Net Activity		28,968	593,052
Police Pension Fund	14,428,050		
Revenues		(32,250)	
Expenditures		<u>144,512</u>	
Net Activity		(176,762)	14,251,288
Fire Pension Fund	640,281		
Revenues		7,562	
Expenditures		<u>695</u>	
Net Activity		6,867	647,148
Sewer Fund	1,935,544		
Revenues		292,102	
Expenses		<u>452,591</u>	
Net Activity		(160,489)	1,775,055