

**A RESOLUTION TO ADOPT THE
FISCAL YEAR 2017 BUDGET FOR ALL FUNDS
FOR THE CITY OF ROLLING MEADOWS**

WHEREAS, the proposed annual budget for the City of Rolling Meadows has been approved for public inspection for at least ten (10) days prior to the passage of the annual budget;

WHEREAS, on September 15, 2016 notice of said public hearing was given by publication of notice thereof in a newspaper of general circulation in the City as required by law; and,

WHEREAS, the corporate authorities of the City of Rolling Meadows held a public hearing on said proposed budget at 7:30 p.m. on October 11, 2016, at the Municipal Building, 3600 Kirchoff Road, Rolling Meadows, Illinois.

BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF ROLLING MEADOWS, ILLINOIS, AS FOLLOWS:

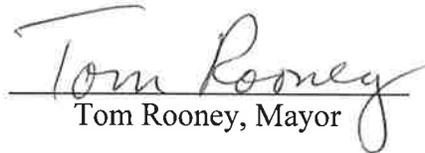
SECTION ONE: that the Annual Budget for Fiscal Year January 1, 2017 to December 31, 2017, for the City of Rolling Meadows, Cook County, Illinois, copies of which are attached hereto, and incorporated herein by reference, is hereby approved and adopted.

AYES: Prejna, Majikes, Judd, Banger, D'Astice, Veenbaas

NAYS: Cannon

ABSENT: 0

Passed and approved this 22nd day of November, 2016.


Tom Rooney, Mayor

ATTEST:


Ginny Cotugno, Deputy City Clerk

CITY OF ROLLING MEADOWS

FUND BALANCE SUMMARY - FY 2017 BUDGET

FUND NAME	FY 2017 ESTIMATED BGN PER BUDGET	REVENUES	EXPENSES	Manager's Hold	OVER (UNDER)	FY 2017 ESTIMATED ENDING PER BUDGET
General (01)	\$ 9,231,611	\$ 31,788,075	\$ 32,433,149	\$ 750,000	\$ (1,395,074)	\$ 7,536,537
Motor Fuel Tax (03)	70,313	627,000	661,500	-	\$ (34,500)	\$ 35,813
E911 (04)	966,391	751,500	618,198	-	\$ 133,302	\$ 1,099,693
Debt Service (47)	37,877	1,955,075	1,956,575	-	\$ (1,500)	\$ 36,377
Local Road (61)	1,488,807	2,555,500	4,013,289	-	\$ (1,457,789)	\$ 31,018
TIF # 2 (37) Kirch/Owl	(1,283,555)	350,100	489,049	-	\$ (138,949)	\$ (1,422,504)
TIF # 4 (38) Golf Rd.	(90,000)	2,488,965	2,398,965	-	\$ 90,000	\$ -
Utilities (20)	2,943,119	10,640,990	13,060,621	-	\$ (2,419,631)	\$ 773,488
Refuse (16)	967,419	2,187,374	2,333,492	-	\$ (146,118)	\$ 821,301
Garage (14)	460,397	1,543,550	1,509,729	-	\$ 33,821	\$ 382,218
Vehicle-Equip (25)	1,007,497	1,506,200	1,360,000	-	\$ 146,200	\$ 1,153,697
Building & Land (33)	662,939	733,500	1,298,600	-	\$ (565,100)	\$ 97,839
Liability Insurance (23)	1,142,998	936,980	1,075,000	-	\$ (138,020)	\$ 1,004,978
Health Insurance (45)	1,426,389	4,536,678	4,562,900	-	\$ (26,222)	\$ 1,400,167
TOTAL ALL CITY FUNDS	\$ 19,032,202	\$ 62,601,487	\$ 67,771,067	\$ 750,000	\$ (5,919,580)	\$ 12,950,622

Note:

- 1) Rounding differences may occur between worksheets.
- 2) Utility (20), Refuse (16), Garage (14), Vehicle- Equipment (25), Building & Land (33), Liability Insurance (23), and Health Insurance (45) funds are calculated using Fund Balance Equivalent. This measure is calculated by subtracting Current Assets from Current Liabilities.
- 3) Beginning Fund Balances for FY 2017 are unaudited and subject to change based on year-end close out and the audit.
- 4) Ending Fund Balances for FY 2017 are not audited data and are subject to change based on year-end close out and the audit.
- 5) Projects in capital funds such as the Utilities Fund are estimated at the best estimate for project completion. Most capital projects are completed over multiple fiscal years.
- 6) Recall - the City does not budget for Foreign Fire Tax or Police Asset Seizure - these Funds are excluded from this summary.
- 7) For the General Fund, the Committed Funds of \$300,000 reduces the General Fund's Fund Balance for FY 2017 from \$7,836,537 to \$7,536,537. The total amount committed as of FY 2017 for Compensated Absences is \$1,021,452.

GENERAL FUND (01)

The General Fund is the City's primary operating fund. It accounts for major tax revenue to support administrative and public safety functions.

	FY 2014 Actual	FY 2015 Actual	FY 2016 Budget	FY 2016 Estimated Projection	FY 2017 Adopted Budget												
Revenues																	
Taxes	\$ 21,239,756	\$ 21,672,366	\$ 21,251,989	\$ 21,771,989	\$ 22,518,804												
Intergovernmental	2,981,985	3,453,071	3,012,250	3,322,250	3,485,750												
Licenses & Permits	1,195,244	2,611,441	1,067,000	1,372,500	1,173,500												
Fines & Forfeits	1,277,120	1,428,560	1,191,300	1,379,800	1,289,800												
Charges for Service	2,458,616	2,587,653	2,630,206	2,630,206	2,654,821												
Investment Earnings	(39,231)	11,364	5,000	15,000	20,000												
Miscellaneous	398,089	402,491	671,400	678,400	345,400												
Other Financing In Flows	468,451	147,888	240,000	240,000	300,000												
Total Revenues	29,980,030	32,314,834	30,069,145	31,410,145	31,788,075												
Expenditures																	
Salaries	13,698,555	14,117,321	14,421,896	14,178,282	15,070,241												
Benefits	3,706,055	3,526,877	3,599,198	3,530,529	3,527,204												
IMRF	619,884	556,172	631,427	599,066	615,789												
Fire Pension	2,678,449	2,755,510	2,977,769	2,977,769	3,541,622												
Police Pension	2,483,648	2,547,497	2,805,767	2,805,767	3,220,749												
Contractual Services	3,534,392	4,001,138	4,156,872	4,229,082	4,219,394												
Supplies	405,081	429,623	482,735	479,835	477,240												
Debt Service (to FY 2023)	624,515	637,475	657,575	657,575	682,075												
IMRF NPO Payment	300,000	0	0	0	0												
Transfer to Vehicle & Equipment Fund (#1)	0	0	100,000	100,000	100,000												
Transfer to Police Pension Fund (#2)	0	0	287,153	287,153	414,982												
Transfer to Fire Pension Fund (#2)	0	0	254,564	254,564	563,853												
Reserves for Police Pension Fund (#3)	0	0	0	0	0												
Reserves for Fire Pension Fund (#3)	0	0	0	0	0												
Transfer to 911 Fund (#5)	0	0	650,000	650,000	0												
Transfer to Local Road Fund (#5)	0	315,361	650,000	650,000	0												
Total Expenditures	\$ 28,050,579	\$ 28,886,974	\$ 31,674,956	\$ 31,399,662	\$ 32,433,149												
Manager's Hold	0	0	221,683	250,000	750,000												
Surplus (Deficit)	\$ 1,929,451	\$ 3,427,860	\$ (1,827,494)	\$ (239,517)	\$ (1,395,074)												
Commitment to Comp. Absences (#4)	421,451	100,000	200,000	200,000	300,000												
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Unassigned Fund Balance</td> <td style="text-align: right;">7,565,662</td> <td style="text-align: right;">\$ 9,671,128</td> <td style="text-align: right;">\$ 6,354,000</td> <td style="text-align: right;">\$ 9,231,611</td> <td style="text-align: right;">\$ 7,536,537</td> </tr> <tr> <td>Fund Balance As % of Expenditures</td> <td style="text-align: right;">26.6%</td> <td style="text-align: right;">33.5%</td> <td style="text-align: right;">20.1%</td> <td style="text-align: right;">29.4%</td> <td style="text-align: right;">23.2%</td> </tr> </table>						Unassigned Fund Balance	7,565,662	\$ 9,671,128	\$ 6,354,000	\$ 9,231,611	\$ 7,536,537	Fund Balance As % of Expenditures	26.6%	33.5%	20.1%	29.4%	23.2%
Unassigned Fund Balance	7,565,662	\$ 9,671,128	\$ 6,354,000	\$ 9,231,611	\$ 7,536,537												
Fund Balance As % of Expenditures	26.6%	33.5%	20.1%	29.4%	23.2%												

Fund Balance Policy Range is Between 15% to 30% of Expenditures

Notes:

- #1 - 2nd year of a \$100,000 repayment of a \$1.0 million transfer from General Fund to the Vehicle & Equipment Replacement Fund.
- #2 - Transfer to the Police Pension Fund from General Fund reserves/budget.
- #3 - Per the City Council's direction at the 9/20/16 COW Meeting, the Property Tax Levy will levy the entire annual contribution for both the Police & Fire Pensions. The Police & Fire Protection property tax line items were each reduced by \$181,069. This brings the tax levy to an increase of 4.8% over last year's tax levy.
- #4 - At the end of FY 2017, there will be \$1,021,452 committed for funding Compensated Absences.
- #5 - For the FY 2016 Adopted Budget, the City Council approved \$1.0 million from 2015 General Fund Reserves: \$500,000 for the General Fund's FY 2016 Budget; \$350,000 to be transferred to the Local Road Fund; and \$150,000 to be transferred to the 911 Fund. The City Council approved a budget amendment in FY 2016 to reallocate \$500,000 from the General Fund to the 911 Fund and \$300,000 from the General Fund to the Local Road Fund.

MOTOR FUEL TAX FUND (03)

The City receives from the State an allotment of Motor Fuel Tax. This allotment is based on population and the amount of Motor Fuel Taxes collected. These funds are restricted in their use by the State. The City has chosen to use these funds for snow removal, street maintenance and capital improvements.

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted Budget	FY 2016 Estimated Projection	FY 2017 Adopted Budget
Revenue					
Intergovernmental	\$ 597,000	\$ 589,157	\$ 600,000	\$ 625,000	\$ 625,000
Investment Earnings	1,414	4,668	500	2,000	2,000
Miscellaneous	213,694	0	0	0	0
Total Revenue	812,108	593,825	600,500	627,000	627,000
Expenditures					
Contractual Services	176,128	177,821	175,000	175,000	175,000
Supplies	162,632	104,817	186,500	135,000	186,500
Capital Outlay	0	0	0	0	0
Other Financing Uses	600,000	600,000	600,000	600,000	300,000
Total Expenditures	938,760	882,638	961,500	910,000	661,500
Surplus (Deficit)	(126,652)	(288,813)	(361,000)	(283,000)	(34,500)
Ending Fund Balance	\$ 642,126	\$ 353,313	\$ 1,626	\$ 70,313	\$ 35,813
	<i>Audited Fund Balance</i>	<i>Audited Fund Balance</i>	<i>Fund Balance Estimate per Adopted Budget</i>	<i>Estimate of Fund Balance</i>	<i>Estimate of Fund Balance</i>

Notes:

- 1) The State Motor Fuel Tax Funds are the primary revenues to the Motor Fuel Tax Fund.
- 2) The transfers are an amount from the MFT Fund to the Local Road Fund for the Annual Street Program.
- 3) Staff is monitoring any impacts from Springfield to this Fund.
- 4) The transfer of MFT-eligible funds is shown in the Budget under Other Financing Uses.
- 5) There is a reduction from FY 2016 to FY 2017 for the transfer to the Local Road Fund due to fewer reserves over time.

E911 FUND (04)

The City contracts its emergency communication dispatch services through Northwest Central Dispatch Services. All parts of the emergency communications system is accounted in this fund, and includes the fees paid to central dispatching as well as for police and fire radio/telephone communications.

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted Budget	FY 2016 Estimated Projection	FY 2017 Adopted Budget
Revenue					
Property Taxes	\$ 562,537	\$ 556,889	\$ 551,500	\$ 551,500	\$ 601,500
911 Surcharge - Landlines	144,129	145,650	0	0	0
Investment Earnings	0	0	0	0	0
Other Financing Sources	0	0	650,000	650,000	150,000
Miscellaneous	0	0	0	0	0
Total Revenue	706,666	702,539	1,201,500	1,201,500	751,500
Expenditures					
Contractual Services	552,426	563,433	646,952	602,952	618,198
Capital Outlay	0	0	0	0	0
Other Financing Uses	62,000	42,888	0	0	0
Total Expenditures	614,426	606,321	646,952	602,952	618,198
Surplus (Deficit)	92,240	96,218	554,548	598,548	133,302
Ending Fund Balance	\$ 271,626	\$ 367,843	\$ 810,027	\$ 966,391	\$ 1,099,693
	<i>Audited Fund Balance</i>	<i>Audited Fund Balance</i>	<i>Estimate of Fund Balance</i>	<i>Estimate of Fund Balance</i>	<i>Estimate of Fund Balance</i>

Notes:

1. The E911 Fund does not fund City personnel costs.
2. Emergency dispatch services were contracted out to Northwest Central Dispatch in 2009.
3. The City Council approved a budget amendment and reassigned fund balance. The 911 Fund received a \$500,000 transfer from the General Fund for the FY 2016 Budget.
4. The 2016 Property Tax Levy is increased by \$50,000 for 911 due to savings in the City's IMRF expenses.
5. In FY 2016, the City Council approved a fund balance policy to ensure that future radio and other 911 equipment infrastructure expenses are covered over time.
6. The 911 Fund Balance should be approximately \$1.0 million per the Fund Balance Policy.
7. There is a transfer from the Liability Insurance Fund of \$150,000 for FY 2017.

DEBT SERVICE FUND (47)

The Debt Service Fund accumulates monies for payment of the 2002A, 2004 and 2005 General Obligation Bonds Series. These bonds were issued to refinance capital projects throughout town and a portion of the Meadows Town Mall and Meijer Store Projects. Property taxes are levied except for the 2004 bond, which utilizes a General Fund transfer to pay its annual debt service requirement.

	FY 2014 Actual	FY 2015 Actual	FY 2016 Budget	FY 2016 Estimated Projection	FY 2017 Adopted Budget
Revenue					
Taxes	\$1,360,179	\$1,328,473	\$1,277,100	\$1,277,100	\$1,273,000
Transfer in from General Fund	624,515	637,475	657,575	657,575	682,075
Other Financing Sources	0	0	0	0	0
Total Revenue	1,984,694	1,965,948	1,934,675	1,934,675	1,955,075
Expenditures					
Contractual Services	1,475	950	1,500	1,500	1,500
Transfer to Vehicle & Equipment	0	0	40,000	40,000	0
Debt Service	1,951,214	1,953,173	1,934,676	1,934,676	1,955,075
Total Expenditures	1,952,689	1,954,123	1,976,176	1,976,176	1,956,575
Surplus (Deficit)	32,005	11,825	(41,501)	(41,501)	(1,500)
Ending Fund Balance	\$ 67,553	\$ 79,378	\$ 24,553	\$ 37,877	\$ 36,377
	<i>Audited Fund Balance</i>	<i>Audited Fund Balance</i>	<i>Fund Balance Estimate Per Budget</i>	<i>Estimate of Fund Balance</i>	<i>Estimate of Fund Balance</i>

Notes:

1) Refinanced 2002A, 2002B (Utilities Fund) and 2004 Bonds in 2012 with savings of nearly \$750,000 over the next twelve years.

2) The City Council approved a budget amendment for FY 2016 which reassigned fund balance. The Debt Service Fund transferred \$40,000 to the Vehicle & Equipment Replacement Fund.

LOCAL ROADS FUND (61)

The Local Road Fund is used for street maintenance and construction. Funding is derived from locally imposed taxes, State grants, and transfers from Motor Fuel Tax Fund, to name a few.

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted Budget	FY 2016 Estimated Projection	FY 2017 Adopted Budget
Revenue					
Taxes	\$ 631,688	\$ 682,709	\$ 1,163,419	\$ 1,163,419	\$ 1,155,000
Intergovernmental	819,630	970,695	210,000	785,000	600,000
Licenses & Permits	494,121	492,658	500,000	500,000	500,000
Investment Earnings	44	528	500	500	500
Miscellaneous	20	0	0	0	0
Other Financing Sources	600,000	915,361	1,450,000	1,450,000	300,000
Total Revenue	2,545,503	3,061,951	3,323,919	3,898,919	2,555,500
Expenditures					
Contractual Services	571,820	629,151	640,320	640,275	694,500
Supplies	82,467	107,477	139,400	138,925	137,900
Capital Outlay	1,986,356	5,385,773	1,833,000	1,783,000	3,020,000
Debt Service	162,075	161,806	161,472	161,472	160,889
Other Financing Uses	0	0	0	0	0
Total Expenditures	2,802,718	6,284,207	2,774,192	2,723,672	4,013,289
Surplus (Deficit)	(257,215)	(3,222,256)	549,727	1,175,247	(1,457,789)
Ending Fund Balance	\$ 488,579	\$ 313,560	\$ 863,287	\$ 1,488,807	\$ 31,018
	<i>Audited Fund Balance</i>	<i>Audited Fund Balance</i>	<i>Fund Balance Estimate per Budget</i>	<i>Fund Balance Estimate</i>	<i>Fund Balance Estimate</i>

Notes:

- 1) The 2007A Bond expires in FY 2017.

TIF #2 - KIRCHOFF & OWL (37)

The TIF #2 fund was created in December of 2002, and is located at the southeast corner of Kirchoff Road and Owl Drive.

	FY 2014 Actual	FY 2015 Actual	FY 2016 Budget	FY 2016 Estimated Projection	FY 2017 Adopted Budget
Revenue					
Taxes	352,509	353,575	350,000	350,000	350,000
Investment Earnings	9	6	50	100	100
Other Financing Use	0	0	0	0	0
Total Revenue	352,518	353,581	350,050	350,100	350,100
Expenditures					
Contractual Services	49,514	50,944	54,004	54,004	55,549
Debt Service	432,900	429,900	431,800	431,800	433,500
Total Expenditures	482,414	480,844	485,804	485,804	489,049
Surplus (Deficit)	(129,896)	(127,263)	(135,754)	(135,704)	(138,949)
Ending Fund Balance	(1,020,387)	(1,147,851)	(1,270,592)	(1,283,555)	(1,422,504)
	<i>Audited Fund Balance</i>	<i>Audited Fund Balance</i>	<i>Fund Balance Estimate Per Budget</i>	<i>Estimate of Fund Balance</i>	<i>Estimate of Fund Balance</i>

Notes:

- 1) In FY 2013, City refunded the 2003 General Obligation Bonds paid by this TIF. The refunding saves approximately \$60,000 in interest savings to the taxpayers.
- 2) The new debt service restructured the debt to pay interest in FY 2013 and the final debt payment in FY 2017.
- 3) This TIF is expected to be positive towards the end of its term (approximately FY 2023).

WORKING DRAFT

TIF #4 - GOLF ROAD CONSERATION AREA

The TIF #4 Fund was created in July 2015. The Redevelopment Project Area is generally described as a contiguous area north of Golf Road, east of Apollo Drive and south of Interstate 90, Arthur J. Gallagher & Co. and AUG Meadows, LLC entered into a redevelopment agreement with the City of Rolling Meadows for purposes of redeveloping a portion of the Golf Road Conservation Area Redevelopment Project Area with an office building and parking structure. The term for the TIF is fifteen years.

	FY 2016 Budget	FY 2016 Estimate	FY 2017 Budget	FY 2018 Estimate	FY 2019 Estimate	FY 2020 Estimate	FY 2021 Estimate	FY 2022 Estimate	FY 2023 Estimate	FY 2024 Estimate	FY 2025 Estimate	FY 2026 Estimate	FY 2027 Estimate	FY 2028 Estimate	FY 2029 Estimate	FY 2030 Estimate
Revenues																
Annual Tax Increment	\$ 2,488,965	\$ -	\$ 2,488,965	\$ 2,538,244	\$ 2,588,494	\$ 2,715,281	\$ 2,769,041	\$ 2,823,859	\$ 2,962,176	\$ 3,020,823	\$ 3,080,624	\$ 3,231,521	\$ 3,295,499	\$ 3,360,737	\$ 3,525,356	\$ 7,261,469
Other Financing Sources	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Revenue	2,488,965	0	2,488,965	2,538,244	2,588,494	2,715,281	2,769,041	2,823,859	2,962,176	3,020,823	3,080,624	3,231,521	3,295,499	3,360,737	3,525,356	7,261,469
Expenditures																
Contractual & Other Services	2,438,965	40,000	2,347,465	2,485,199	2,533,858	2,659,006	2,711,077	2,754,156	2,900,682	2,957,484	3,015,385	3,164,325	3,226,287	3,289,449	3,451,929	7,185,840
City Administrative Chargeback	50,000	50,000	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239	67,196	69,212	71,288	73,427	75,629
Total Expenditures	\$ 2,488,965	\$ 90,000	\$ 2,398,965	\$ 2,538,244	\$ 2,588,494	\$ 2,715,281	\$ 2,769,041	\$ 2,823,859	\$ 2,962,176	\$ 3,020,823	\$ 3,080,624	\$ 3,231,521	\$ 3,295,499	\$ 3,360,737	\$ 3,525,356	\$ 7,261,469
Surplus (Deficit)	0	(90,000)	90,000	0												
Ending Fund Balance	\$ -	\$ (90,000)	\$ -													

Notes:

- 1) The Property Tax Levy is an estimate based on data accumulated by Ernst & Young.
- 2) The Property Tax Levy may change from year-to-year. This is only an estimate.
- 3) The Contractual Services are the remaining dollars left in the Tax Increment Fund per the Pay-As-You-Go Proposal.
- 4) All TIF Funds will be paid out annually less a City Administrative Fee of 3% compounded annually.
- 5) As per the Agreement, \$1.5 million for the Squibb Road Construction Project and any "But For" will also be paid by the TIF.
- 6) Per Information from the City's Financial Advisor, Kane McKenna & Associates, the TIF increment to the City will begin after Gallagher Insurance completes their construction.
- 7) Staff is monitoring the EAV for this TIF.

Total Estimated Tax Increment by Ernst & Young:	\$45,662,088
Total City Chargeback:	\$929,946

UTILITIES FUND (20)

The Utilities Fund consists of water, sewer and storm sewer activities. Each component has a separately determined user fee intended to cover the expenses related to delivering water from Lake Michigan and maintaining the underground utility system.

	FY 2014 Actual	FY 2015 Actual	FY 2016 Budget	FY 2016 Estimated Projection	FY 2017 Adopted Budget
Revenue					
Taxes	\$ 75,609.00	\$ 74,111.00	\$ 72,792.00	\$ 72,792.00	\$ -
Intergovernmental	75,000	112,000	0	0	0
Charges for Service	9,466,989	9,734,081	10,259,800	9,979,540	10,620,990
Investment Earnings	1,433	20,875	1,000	5,000	5,000
Miscellaneous	20,930	26,668	11,000	15,000	15,000
Other Financing Sources	0	0	0	0	0
Total Revenue	9,639,961	9,967,735	10,344,592	10,072,332	10,640,990
Expenses					
Salaries	1,433,313	1,307,200	1,494,043	1,433,462	1,499,917
Benefits	512,533	487,803	479,771	445,330	463,392
IMRF	248,419	208,390	245,622	237,756	244,278
Contractual Services	1,958,478	2,179,153	2,486,820	2,337,070	2,460,035
Supplies	3,650,868	4,165,925	4,634,972	4,319,175	4,453,275
Capital Outlay	1,011,488	2,384,965	3,048,450	1,933,450	3,418,000
Debt Service	430,908	504,116	509,853	509,853	521,724
Other Financing Uses	0	0	0	0	0
Total Expenses	9,246,007	11,237,552	12,899,531	11,216,096	13,060,621
Surplus (Deficit)	393,954	(1,269,817)	(2,554,939)	(1,143,764)	(2,419,631)
Ending Fund Balance Equivalent	\$ 5,044,106	\$ 3,966,883	\$ 1,258,884	\$ 2,943,119	\$ 773,488
	<i>Audited Fund Balance</i>	<i>Audited Fund Balance</i>	<i>Per Budget</i>	<i>Estimate of Fund Balance</i>	<i>Estimate of Fund Balance</i>

Notes:

- 1) Per Ordinances approved by City Council for the FY 2017 Budget, rates were increased by 7% for Water, 5% for Sewer and 5% for Stormwater.
- 2) The City Council and the Ad-Hoc Capital Improvements Committee will continue to review the Utility Rate Study as prepared by Baxter & Woodman to further evaluate any other potential changes to the rates. The Utility Rate Study was presented to the City Council at the July 21, 2015 Committee of the Whole Meeting by Baxter & Woodman.
- 3) The City is repaying back the Water & Sewer Loans until 2033 to the State of Illinois.
- 4) There are two bonds still paid out of this Fund - one matures in 2017 & one in 2020.
- 5) At some point, the City should develop a fund balance policy for the Utilities Fund (typically 25% of fund balance to operating expenditures as recommended by APWA and GFOA).
- 6) SSA's expired in FY 2016.

REFUSE FUND (16)

The Refuse Fund is an enterprise fund and is used to account for waste collection and disposal services provided by the City to its residents. The City provides curbside and special pickup collection of household and yard waste, and contracts for recycling services.

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted Budget	FY 2016 Estimated Projection	FY 2017 Adopted Budget
Revenue					
Charges for Service	2,263,526	2,216,247	2,160,874	2,161,874	2,161,874
Miscellaneous	25,763	20,645	25,500	25,500	25,500
Total Revenue	2,289,289	2,236,892	2,186,374	2,187,374	2,187,374
Expenses					
Salaries	230,444	250,259	265,322	267,485	274,995
Benefits	82,123	107,323	124,093	123,419	127,394
IMRF	39,436	36,321	43,199	41,079	42,167
Contractual Services	1,695,826	1,716,304	1,848,024	1,770,602	1,845,927
Supplies	3,305	5,369	4,999	4,975	6,800
Capital Outlay	7,615	0	20,000	0	0
Debt Service	36,475	36,415	36,340	36,340	36,209
Other Financing Uses	0	0	200,000	200,000	0
Total Expenses	2,095,224	2,151,991	2,541,977	2,443,900	2,333,492
Surplus (Deficit)	194,065	84,901	(355,603)	(256,526)	(146,118)
Ending Fund Balance Equivalent	1,229,126	1,223,945	819,483	967,419	821,301
	59%	57%	32%	40%	35%
Refuse Fund Balance Policy Range = 30% to 50% of Expenses					
	<i>Audited Fund Balance</i>	<i>Audited Fund Balance</i>	<i>Fund Balance Estimate Per Budget</i>	<i>Estimate of Fund Balance</i>	<i>Estimate of Fund Balance</i>

Notes:

- 1) The \$65,614 Berdnick Transfer Station rental income was transferred to the General Fund in FY 2013.
- 2) There is no rate increase for Garbage & Recycling (i.e. Refuse Rate) for FY 2017.
- 3) The City Council adopted a Refuse Fund Balance Policy which will strive to hold between 30% to 50% Fund Balance (Ending Fund Balance As a % of Expenses).
- 4) The City Council approved a budget amendment to reassign fund balance. The Refuse Fund transferred \$200,000 to the Local Road Fund for FY 2016.
- 5) Last year of the bond repayment in FY 2017.

GARAGE FUND (14)

The Garage Fund is an internal service fund. Departments (or funds) are charged a fee for vehicle maintenance based on a five-year average of actual maintenance and fuel consumption within their departments (or funds). All expenses related to vehicle maintenance are charged here, including fuel purchases.

	FY 2014 Actual	FY 2015 Actual	FY 2016 Budget	FY 2016 Estimated Projection	FY 2017 Adopted Budget
Revenue					
Charges for Service	1,446,536	1,468,120	1,518,000	1,500,000	1,538,000
Miscellaneous	6,250	5,903	5,500	5,550	5,550
Other Financing Sources	0	0	0	0	0
Total Revenue	1,452,786	1,474,023	1,523,500	1,505,550	1,543,550
Expenses					
Salaries	219,077	348,999	319,605	318,940	334,867
Benefits	102,876	101,823	102,055	99,420	108,124
IMRF	50,160	49,479	53,985	54,021	56,138
Contractual Services	352,487	361,101	386,808	387,827	522,700
Supplies	503,971	379,486	576,800	462,925	487,900
Other Financing Uses	5,000	5,000	40,000	40,000	0
Total Expenses	1,233,571	1,245,888	1,479,253	1,363,133	1,509,729
Surplus (Deficit)	219,215	228,135	44,247	142,417	33,821
Ending Fund Balance Equivalent	199,853	427,980	20,382	460,397	382,218
	<i>Audited Fund Balance</i>	<i>Audited Fund Balance</i>	<i>Fund Balance Estimate Per Budget</i>	<i>Estimate of Fund Balance</i>	<i>Estimate of Fund Balance</i>

Notes:

- 1) For the FY 2016 Budget, the City Council expedited the repayment from the Garage Fund to the General Fund for the previous interfund loan.
- 2) The FY 2017 chargebacks have been increased slightly.
- 3) Chargebacks increased by \$70,000 to the Building & Land Fund for lift replacment in FY 2017.

VEHICLE & EQUIPMENT REPLACEMENT FUND (25)

The Vehicle & Equipment Replacement Fund is an internal service fund used for vehicles and equipment. Additionally major capital items that have a cost greater than \$25,000 and a useful life expectancy of at least three years are generally funded in this fund.

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted Budget	FY 2016 Estimated Projection	FY 2017 Adopted Budget
Revenue					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Service	1,079,853	1,265,999	1,339,850	1,339,850	1,401,200
Miscellaneous	11,017	34,516	0	20,000	5,000
Other Financing Sources	0	0	140,000	140,000	100,000
Total Revenue	1,090,870	1,300,515	1,479,850	1,499,850	1,506,200
Expenses					
Capital Outlay	1,207,799	1,722,650	1,895,000	1,695,000	1,360,000
Debt Service	201,803	0	0	0	0
Total Expenses	1,409,602	1,722,650	1,895,000	1,695,000	1,360,000
Surplus (Deficit)	(318,732)	(422,135)	(415,150)	(195,150)	146,200
Ending Fund Balance Equivalent	\$ 1,628,761	\$ 1,202,647	\$ 1,048,699	\$ 1,007,497	\$ 1,153,697

Notes:

- 1) Debt service included (2011 - 2013): Air Packs Lease, LaFrance Fire Engine Lease, Wheel Loader Lease and 2007 Equipment General Obligation Bond.
- 2) City Council approved Resolution # 14-R-81 to amend the FY 2014 Budget and pay down the capital lease for the Rescue Pumper saving approximately \$12,000 in interest expense.
- 3) The City started the repayment in FY 2016 of the \$1.0 interfund loan to the General Fund. There was a \$100,000 payment from the General Fund in FY 2016 and for the FY 2017 Budget. This may be expedited over time.
- 4) Chargebacks are increased slightly in the FY 2017 Budget but not fully funded.
- 5) The City Council approved a budget amendment to reassign fund balance. The Vehicle & Equipment Replacement Fund received a transfer of \$40,000 from the Debt Service Fund.

BUILDING AND LAND FUND (33)

The Building and Land Fund is an internal service used for City building maintenance, remodeling, renovation and expansion of current buildings. Departments and funds are charged a fee based on their square footage use of City buildings.

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted Budget	FY 2016 Estimated Projection	FY 2017 Adopted Budget
Revenue					
Intergovernmental (CDBG Grant)	\$ -	\$ 150,000	\$ -	\$ -	\$ -
Charges for Service	445,129	445,201	452,500	452,500	533,500
Investment Earnings	0	0	0	0	0
Reimbursements	0	263,302	0	0	0
Transfer from Liability Insurance	0	0	200,000	200,000	200,000
Total Revenue	445,129	858,503	652,500	652,500	733,500
Expenses					
Contractual Services	114,040	567,721	233,280	234,425	237,000
Supplies	39,686	49,794	39,650	38,825	41,600
Capital Outlay	37,580	29,790	767,000	500,000	1,020,000
Debt Service	0	0	0	0	0
Other Financing Uses	0	0	0	0	0
Total Expenses	191,306	647,305	1,039,930	773,250	1,298,600
Surplus (Deficit)	253,823	211,198	(387,430)	(120,750)	(565,100)
Ending Fund Balance Equivalent	\$ 578,810	\$ 783,689	\$ 298,950	\$ 662,939	\$ 97,839

Notes:

- 1) All the items listed on the related summary sheets have been added to this main sheet with the exception of repairs to Fire Station 15 and Old Public Works Building at 3200 Central Road.
- 2) In FY 2016, the City Council amended the budget to reassign fund balance. The Liability Insurance Fund transferred \$200,000 to the Building & Land Fund for FY 2016.
- 3) For the FY 2017 Budget, the Liability Insurance Fund transfers \$200,000 to the Building & Land Fund.
- 4) For FY 2017, there is a \$70,000 chargeback into this Fund from the Garage Fund for a lift replacement purchase.

LIABILITY INSURANCE FUND (23)

The Liability Insurance Fund is an internal service fund used for tracking and paying the city's property, casualty and workers compensation claims. The City is a member of the Intergovernmental Risk Management Agency (IRMA), which is an insurance pool consisting of over 70 local units of government. The City pays an annual premium to IRMA, which in turn processes all risk insurance claims for the City. City departments and funds are charged a fee for liability insurance based on insurance industry standards for risk, i.e., salaries (workers compensation), vehicles and budget.

	FY 2014 Actual	FY 2015 Actual	FY 2016 Budget	FY 2016 Estimated Projection	FY 2017 Adopted Budget
Revenue					
Charges for Service	\$ 817,856	\$ 817,857	\$ 817,859	\$ 817,859	\$ 896,880
Investment Earnings	36	18	100	100	100
Miscellaneous	250,410	352,601	20,000	68,000	40,000
Total Revenue	1,068,302	1,170,476	837,959	885,959	936,980
Expenses					
Liability Insurance	597,596	548,337	700,000	650,000	700,000
Reimbursable Repairs/Supplies	33,051	25,432	20,000	20,000	20,000
Unemployment Insurance	0	0	5,000	0	5,000
Change in Liability Reserves	0	0	0	0	0
Other Financing Uses	0	0	200,000	200,000	350,000
Total Expenses	630,647	573,769	925,000	870,000	1,075,000
Surplus (Deficit)	437,655	596,707	(87,041)	15,959	(138,020)
Ending Fund Balance Equivalent	\$ 864,704	\$ 1,252,039	\$ 755,622	\$ 1,142,998	\$ 1,004,978
	<i>Audited Fund Balance</i>	<i>Audited Fund Balance</i>	<i>Fund Balance Estimate Per Budget</i>	<i>Estimate of Fund Balance</i>	<i>Estimate of Fund Balance</i>

Notes:

- 1) The City Council approved a budget amendment to reassign fund balance. The Liability Insurance Fund transferred \$200,000 to the Building & Land Fund.
- 2) The FY 2017 Budget shows a \$200,000 transfer to the Building & Land Fund and \$150,000 to the 911 Fund.

HEALTH INSURANCE FUND (45)

The Health Insurance Fund is an internal service fund where the city accumulates funds to pay health insurance premium for its employees. Pursuant to State Statute retiring members of the city are eligible to retain membership in the city's insurance programs. Several retirees have exercised that right, however, are required to pay 100% of the premium cost. Additionally, employee retirement payouts are funded in this fund as accumulated benefit payouts are converted to retiree health insurance benefits. The City of Rolling Meadows participates in the Intergovernmental Personnel Benefits Cooperative (IPBC) along with more than 80 other Illinois municipalities.

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted Budget	FY 2016 Estimated Projection	FY 2017 Adopted Budget
Revenue					
Charges for Service	3,647,282	3,491,152	3,702,222	3,513,230	3,484,718
Investment Earnings	1,088	147	500	500	500
Change in Reserves	503,978	342,578	0	0	0
Miscellaneous	1,014,346	998,326	1,010,869	1,018,180	1,051,459
Total Revenue	5,166,694	4,832,203	4,713,591	4,531,910	4,536,677
Expenses					
Benefits	4,367,303	4,438,639	4,232,848	3,897,042	4,229,900
Contractual Services	2,075	6,195	8,000	6,200	8,000
Change in Reserves	0	0	0	0	25,000
General Fund Transfer-Unfunded Liab	0	100,000	200,000	200,000	300,000
Total Expenses	4,369,378	4,544,834	4,440,848	4,103,242	4,562,900
Surplus (Deficit)	797,316	287,369	272,743	428,668	(26,223)
Ending Fund Balance Equivalent	1,395,822	1,322,721	1,509,486	1,426,389	1,400,167
	Audited Fund Balance	Audited Fund Balance	Fund Balance Estimate Per Adopted Budget	Estimate of Fund Balance	Estimate of Fund Balance