Village of North Riverside

Proposed Budget
Fiscal Year 2014 - 2015
Operating Revenues vs. Expenses General Fund

Fiscal Year

Millions


Projected Proposed Budget

Revenues

Expenditures
Operating Expenses by Class
FY15 Proposed Budget

- Personal Services: 72.2%
- Contractual Services: 7.2%
- Civic & Recreation Programs: 1.6%
- Commodities: 1.6%
- Operational Costs: 10.3%
- Capital Outlay: 2.4%
- Internal Allocations: 4.7%
FY14 Revenue Trends

• Sales tax revenues continue to decline for the 2\textsuperscript{nd} straight year
  – $296,000 under FY14 budget (MT Sales)
  – $420,000 under FY14 budget (NHMR sales tax)

• State shared revenues strengthening
  – 3\textsuperscript{rd} solid year of growth in state income taxes
    • 8\% increase over FY13 ($48,900)
  – 1\textsuperscript{st} increase in 3 years for PPRT taxes
    • 14\% increase over FY13 ($6,000)
  – 4\textsuperscript{th} consecutive year of growth in local use tax
    • Estimated 6\% increase over FY13 ($6,000)
FY14 Revenue Trends

• Property tax protests continue
  – 3rd consecutive year collected less than 90%
  – Multi-year protests settled for 2008 – 2012 Levies

• Building activity increased for 2nd straight year
  – Low vacancy rate in North Riverside Mall
  – Permit fees grew by approximately $425,000
    • New businesses included Costco & Chick-fil-A
  – Health inspection fees continue to support operational costs

• Fine revenue more than doubled over prior year
**FY15 Revenue Assumptions**

**Sales Tax:**

- 3% growth expected over prior fiscal year
- Additional sales tax revenue anticipated over prior year
  - Costco opened for business in November 2013 (7 months)
  - Chick-fil-A opened for business in late March 2014 (11 months)
- New businesses anticipated to open during fiscal year 2015:
  - Red Robin (Nov 2014)
  - Multi-tenant outlot #5 (Fall 2014)
  - Single tenant outlot #2 (Spring 2015)
  - Multi-tenant outlot #3 (late Spring 2015)
FY15 Revenue Assumptions

STATE SHARED REVENUES:

Income Tax:
- FY15 projection is $97.80 per capita
- Anticipated growth expected at 3.6%

Local Use Tax:
- FY15 projection is $17.80 per capita
- Expected growth of 4.7% over the prior fiscal year.

Motor Fuel Tax:
- FY15 projection is $24.30 per capita
- FY15 receipts are expected to continue to grow by a nominal 1.4%.

PPRT (Personal Property Replacement Tax):
- FY15 Corporate PPRT taxes are expected to remain flat for the 2nd consecutive year
FY15 Revenue Assumptions

**Places for Eating Tax:**
- 1% tax on all eating establishments
  - Currently 40 active restaurants in North Riverside
  - Anticipated growth:
    - FY15 - 2 new restaurants
    - FY16 - 1 new restaurant plus expansion of 1 existing restaurant
    - FY17 - 1 new restaurant

**Building Permits:**
- FY15 New construction projects
  - $120,000 in permit fees is anticipated on new construction for Red Robin and Costco Outlots #2, #3, and #5
  - Old Advocate building site next to Olive Garden (possible spring 2015)

**Telecommunication Tax:**
- Anticipated 3% reduction over prior fiscal year
FY15 Revenue Assumptions

CHARGES FOR SERVICES:

• Water Fund to post deficit for 12\textsuperscript{th} consecutive year
  – City of Chicago water rate increase effective Jan 2015 ($0.49)
  – Water rate structure not sufficient to cover routine operating costs

RED LIGHT VIOLATIONS:

• Camera on southbound Cermak & Harlem live May 1, 2014
  – 60/40 revenue split with Safespeed
  – Conservative estimate of 200 violations per month

GRANTS:

• Federal grants awarded in FY15
  – $40,945 Fire Hose Grant
  – 75/25 Federal Cost share for DesPlaines Avenue resurfacing project
  – 80/20 Federal Highway Transportation Grant for 25\textsuperscript{th} Street reconstruction

• State grants awarded in FY15
  – $29,300 STEP Grant
FY15 Expenditure Assumptions

• Wage assumptions:
  – 2.5% for Non-Union (effective 5/1/2014)
  – 2.5% for Union Police (effective 5/1/2014)
  – 3% for Union TC’s (effective 12/1/14)
  – Estimated 2.5% for Union Fire (contract expired 4/30/14)

• WC insurance rates decreased 12% ($54,000)

• Health insurance rates decreased 5% ($75,000)

• Contract rates for ambulance services increased 2% ($15,000)

• Major capital purchases and improvements
  – Short term borrowing to be considered $750,000
FY15 Expenditure Assumptions

• Debt Service:
  – Retired 2009 installment note to SunTrust FY14
  – Outstanding debt at 4/30/14
    • 2011 Debt Certificates (refinancing & water meters)
    • 2013 Debt Certificates (economic development)

• Pension Funding
  – Fire Pension Fund - $773,055 ARC
    • 45% funded
  – Police Pension Fund - $1,092,237 ARC
    • Anticipated mid 40’s funded
  – IMRF – 13.29% of payroll in 2015
    • 72% funded