VILLAGE OF LAKE ZURICH

FY 2020 BUDGET UPDATE

4/20/2020
FY 2020 Budget Update - 4/20/2020

COVID-19 and Economic Impacts to:

- General Fund – Revenues & Expenditures
- Capital Project Fund
- Equipment Replacement Fund
- Non Home Rule Sales Tax Fund
- Other Affected Funds
FY 2020 Budget Update - 4/20/2020

• **General Fund:** $29.16 Million Budget

• **Projecting $1.738 Million revenue shortfall**

• **Biggest Hit to Sales Tax = - $1.29 Million**

  • $630K loss due to Peapod closure

  • **Projecting additional 10% sales tax reduction ($658K)**
FY 2020 Budget Update - 4/20/2020

- **Other COVID-Economy Revenue Reductions:**
  - 10% State Income Tax ($198K)
  - 33% Video Gaming ($78K = 4 month shutdown)
  - 20% Building Permits & Licenses ($77K)
  - 25% Traffic Fines ($50K reduction net of costs)
  - 25% Parks & Recreation Fees/Registrations ($47K reduction net of costs)
FY 2020 Budget Update - 4/20/2020

• **General Fund:** $29.16 Million Budget

• **Projecting $1.738 Million revenue shortfall**

• **Identified $1.738 Million reductions in Expenditures**
FY 2020 Budget Update - 4/20/2020

- **$1.738 Million Reductions in GF Expenditures:**
  - Reduced Peapod Incentive ($315K)
  - 5.5 Positions Held Vacant ($283K)
  - Reduced Capital Fund Transfer ($830K)
  - Reduced Equipment Replacement Fund Transfer ($128K)
  - Small Tools & Supplies ($66K)
  - Professional Development ($65K)
  - Misc. Admin/HR reductions ($51K)
FY 2020 Budget Update - 4/20/2020

Capital Project Fund: $2.1M budgeted

• $900K Capital Fund transfer reduced by $830K
• $242K fund drawdown ($261K budgeted)
• General Fund transfer of $70K
FY 2020 Budget Update - 4/20/2020

- **General Fund Transfer of $70K allows:**
  - EAB Tree Replacement Program ($50K)
  - Paulus Park parking lot closeout ($90K)
  - Main St. & Lake Zurich Dr. storm water improvements ($40K)
  - Lot 42 pump & Rodder Nozzels ($7K)
  - EO Sullivan project ($55K)
  - Breezewald Playground Replacement ($70K)
FY 2020 Budget Update - 4/20/2020

- $900K Capital Fund transfer reduced by $830K
- Capital Projects Deferred:
  - All parking lot & tennis court resurfacing projects (Pavement & Engineering)
  - Fire Station #1 HVAC improvement
  - Fire Station #1 Exhaust System upgrade
  - Opticom Signal Maintenance
  - Street light replacement
  - CN Noise mitigation maintenance
  - Promenade Outfall Reconstruction engineering
FY 2020 Budget Update - 4/20/2020

- Non-Home Rule Sales Tax Fund
  Balance: $2.7 Million
  - Cedar/Kildeer Creek Stormbank Project ($165K)
  - Road Resurfacing FY 2020 Program ($1.5M)
FY 2020 Budget Update - 4/20/2020

- **Other COVID-Affected Revenues:**
  - Motor Fuel Tax Fund – 25% ($128K)
  - Hotel Tax – 50% ($55K)
  - Special Events Fund
  - Property Tax – delayed payments
Village of Lake Zurich

FY 2020 Budget Update
4/20/2020