
**VILLAGE OF SUGAR GROVE
BOARD REPORT**

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES
FROM: MATT ANASTASIA, FINANCE DIRECTOR
SUBJECT: PRESENTATION: 2018-2019 GENERAL FUND PRELIMINARY AUDIT FINDINGS
AGENDA: SETPEMBER 3, 2019 REGULAR BOARD MEETING
DATE: AUGUST 30, 2019

ISSUE

Presentation and discussion of the fiscal year 2018-2019 General Fund Surplus.

DISCUSSION

During the Board meeting on August 20th there was a discussion regarding the Sidewalk Program on funding above the budgeted amount in fiscal year 2019-2020. With the anticipation of the fiscal year 2018-2019 audit being complete by the next meeting, it was decided to bring the sidewalk program back up after we determine if there was a deficit or surplus for fiscal year 2018-2019.

We have not received the final fiscal year 2018-2019 audit so everything is in draft form, however, the General Fund is showing a total net fund surplus of \$330,557, bringing the total General Fund balance to \$1,887,246. The unrestricted fund balance, or cash available for additional expenditures, showed a General Fund surplus of \$197,652, bringing the total unrestricted fund balance to \$1,640,701. For fiscal year 2019-2020, the Reserve Policy 25% of expenditures was \$1,289,983 **leaving an excess in unrestricted fund balance of \$350,718.**

Although this is a good sign, we must remember all the items that have been cut from the budget or reduced from the budget for fiscal year 2019-2020, as well as other expenditures and projects that have been brought up by the Board in the past. Below is a list of those items with actual or estimated costs based on information at hand:

- Equipment Replacement Fund Schedule - **\$135,561** – Fiscal year 2019-2020 funded at 50%, should be the first item to be funded back to 100%.
- Part-Time Code Enforcement Officer - **\$4,250** - Board approved, after the budget was passed, to have the Code Enforcement Officer work on a reduced hour's basis

unbudgeted. This amount is the net of what we will have paid the officer, less any revenue received.

- In-House Road Maintenance Program - **\$18,000** – With the extent of the in-house work to be completed (patching, shoulder material) due to harsh winter and heavy rains, the account 01-53-6609 Roadway Maintenance Supplies will be over budget.
- Sealcoat Bike Path - **\$5,000** – Moved to Fund 35 to still complete in fiscal year 2019-2020, normally a General Fund item.

The above items total \$144,811. If they are funded out of the FY2019-2020 General Fund, the remaining available balance will be reduced to **\$205,907**.

- High Priority Sidewalk Trip Hazards & Mallard Point ADA Ramps - **\$14,700**
- Additional Village-Wide Sidewalks and ADA Ramps - **\$774,166**
- Blackberry Creek Pedestrian/Bike Bridge Phase II/III Engineering and Construction contribution - **\$80,000 Phase II Engineering, \$80,000 Phase III Construction Engineering, \$538,950 Construction for a total of \$698,950 – Total Village Share \$174,738** – If the other 3 participants continue to be involved, this would be split 4 ways.
- Update Large Maps - **\$5,000** – Updating the large maps in the Board room, Public Works, etc.
- Police Pension Fund to EAN 100% - **\$83,000** – current funding level at State statutory minimum of \$548,000.
- 50/50 Tree Program - **\$15,000-\$20,000** – Increase 50/50 Tree Program funding level for residents.
- Village Electronic Message Entrance Sign - **\$50,000** – Additional Village sign similar to the one at Cross St. at the North end entrance to the Village by Waubensee.
- Extend “Stone Wall” along Sugar Grove Parkway and Sugar Lane - **\$100,000**
- Establish Economic Development Revolving Loan Program - **\$50,000** – Establish revolving loan program for new business as well as current business for façade programs, business start-up expenses, etc.
- Paint Public Works facility - **\$300,000** – Public Works has not been repainted since it was built in 2001.
- Prairie & Rt. 47 Realignment Feasibility and Phase I Engineering - **\$350,000-\$450,000** – Feasibility and Phase I Engineering all 100% local funding.

In the past, any excess reserve balance or budget surplus was transferred to the Infrastructure Fund to complete additional road maintenance work. Currently, the Village completed roughly \$550,000 annually towards a road maintenance program, while the Engineer’s estimate should be \$2,000,000 annually.

COST

The only cost to discuss the Fiscal Year 2018-2019 surplus is if items were approved to move forward.

RECOMMENDATION

That the Village Board discuss the fiscal year 2018-2019 audit surplus and direct staff on how to proceed.