

SPECIAL PROGRAMS FUND

Many of the current activities supported by the Special Programs Fund, formerly called the Revenue Sharing Fund, were traditionally funded by Federal General Revenue Sharing (GRS) which began under the Nixon Administration in 1972. Following the demise of GRS in 1986, the remaining cash balances in the Revenue Sharing Fund were sufficient to sustain the fund until the Village's 88/89 fiscal year.

In FY91, the Fund was renamed the Special Programs Fund due to the run-out of Federal revenue sharing dollars. In FY92, the separate "Cable TV Fund" was merged into the Special Programs Fund, bringing with it cable franchise fee revenues to help support not only local public access cable television, but greater public information services of the Village, including the preparation and mailing of the Village's newsletter. These revenues were also sufficient to continue the support of the various social programs (e.g. community assistance program, family counseling service, senior services) which were previously supported by Federal revenue sharing dollars.

The FY97 budget consolidated the Village's separate Hotel/Motel Tax Fund into the Special Programs Fund. The designation of a separate fund to account for the Village's 5% hotel/motel tax was no longer necessary after the Village attained "home rule" status in 1994.

With federal revenue sharing now long a thing of the past, our Special Programs Fund continues to provide funding for local social programs and community services that extend beyond the delivery of the Village's core municipal services, which continues to be the primary focus of our General Fund. Maintaining the Special Programs Fund as a separate, dedicated funding source for these programs helps to ensure that some resources continue to be available to pay for non-core government services, instead of being drained away to help finance the core public safety services paid in the General Fund.

SPECIAL PROGRAMS FUND REVENUES

The principle revenue sources of the Special Program Fund consist of:

1. A special property tax on Glen Ellyn commercial properties (**Special Service Area Tax**) to provide partial funding for the operations of the Glen Ellyn Economic Development Corporation.
2. **Cable Franchise Fees** of 5% of revenues received by the Village's two local cable operators.
3. **Hotel/Motel Tax** of 5% on gross rental receipts for our two hotels.
4. Added in 1999, a **demolition tax** to help ensure some on-going funding for historic preservation activities.

A three year summary of Special Programs Fund revenues is listed below:

<u>Revenue Source</u>	<u>FY03/04 Actual</u>	<u>FY04/05 Revised Budget</u>	<u>FY04/05 Estimated Actual</u>	<u>FY 05/06 Budget</u>
SSA Property Tax	\$86,422	\$110,600	\$111,500	\$116,200
Cable Franchise Fees	253,790	260,000	271,000	285,000
Hotel / Motel Tax	80,614	80,000	72,000	75,000
Demolition Tax	40,450	38,500	30,800	33,000
Interest Income	2,366	2,500	2,500	2,800
Grant Revenue	0	16,000	16,000	0
Miscellaneous Income	4,585	4,400	700	0
	<u>\$468,227</u>	<u>\$512,000</u>	<u>\$504,500</u>	<u>\$512,000</u>

SPECIAL PROGRAMS FUND EXPENDITURES

A three year summary of Special Programs Fund expenditures, including budget requests for FY05/06 is listed below. Budget requests can be grouped into two categories:

	FY03/04 <u>Actual</u>	FY04/05 Revised <u>Budget</u>	FY04/05 Estimated <u>Actual</u>	Adopted FY 05/06 <u>Budget</u>
1. On-going operating expenditures for Village programs , projects and facilities such as:				
SSA Taxes paid to the E.D.C.	\$86,422	\$110,600	\$111,500	\$116,200
Senior Services Program	40,920	44,000	48,400	54,000
Bi-monthly Village newsletter and calendar	54,668	53,200	52,400	53,200
Stacy's Museum and History Center Maint.	30,874	32,200	32,000	32,200
Village staff support of community events	21,700	22,600	22,600	24,000
Downtown holiday decorations	24,872	25,000	20,500	20,000
Energy grant program	7,500	76,200	66,500	0
Miscellaneous other	52,216	43,200	38,100	29,100
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Subtotal – Village Programs	\$319,172	\$407,000	\$392,000	\$328,700
2. Contributions to a number of Glen Ellyn community groups and activities:				
Glen Ellyn Media Foundation	80,000	71,000	71,000	71,000
Glen Ellyn Economic Development Corp.	46,000	46,000	46,000	46,000
Glen Ellyn Youth & Family Counseling	26,500	25,000	25,000	25,000
Glen Ellyn Historical Society	18,000	15,000	15,000	20,000
Glen Ellyn Children's Chorus	12,000	10,000	10,000	12,000
Glen Ellyn Historic Preservation Comm.	0	3,000	3,000	6,000
Glen Ellyn 4 th of July Committee	4,000	5,000	5,000	5,000
Cocoon ArtsMedia Space	0	0	0	0
DuPage Senior Citizens Council	0	0	0	0
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Subtotal – Community Group Requests	\$186,500	\$175,000	\$175,000	\$185,000
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Total Expenditure Requests	\$505,672	\$582,000	\$567,000	\$513,700
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There continues to be a general imbalance between on-going, recurring revenues and recurring expenses in the Special Programs Fund as illustrated by the general decline of cash balances over the past decade:

<u>Fiscal Year</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Gain / (Loss)</u>	<u>Cash Balance</u>
FY96	\$285,300	(\$365,200)	(\$79,900)	\$404,000
FY97	314,200	(281,500)	32,700	436,700
FY98	338,400	(322,000)	16,400	453,100
FY99	375,300	(386,200)	(10,900)	442,200
FY00	395,800	(451,100)	(55,300)	386,900
FY01	481,000	(641,300)	(160,300)	226,600
FY02	477,700	(494,200)	(16,500)	210,100
FY03	477,100	(467,800)	9,300	219,400
FY04	505,600	(505,700)	(100)	219,300
FY05 Est.	504,500	(567,000)	(62,500)	156,800
FY06 Budget	512,000	(513,700)	(1,700)	155,100

Based on the requested expenditures for FY06, a small deficit of \$1,700 is planned. Our projected April 30, 2006 cash balances will exceed our 25% minimum cash reserve balance as shown below:

Cash balance, May 1, 2004	\$219,300
Projected FY05 Gain/(Loss)	(62,500)
Projected FY06 Gain/(Loss)	<u>(1,700)</u>
Projected Available Cash, April 30, 2006	<u>\$ 155,100</u>
25% minimum cash reserve level	\$ 128,400*

* The 25% minimum cash reserve has been calculated as follows:

FY06 Requested Expenditures	\$513,700
X 25% = Minimum Cash Reserve	<u>\$128,400</u>