

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 bi-monthly newsletter and annual calendar. 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 by 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 about 75% of the funding for the operations of the Glen Ellyn Economic Development Corporation (EDC). The remaining 25% of EDC funding comes from an annual contribution from the Village.
2. **Cable Franchise Fees** of 6% 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 four year summary of Special Programs Fund revenues is listed below:

<u>Revenue Source</u>	<u>FY03/04</u> <u>Actual</u>	<u>FY04/05</u> <u>Actual</u>	<u>FY05/06</u> <u>Revised</u> <u>Budget</u>	<u>FY05/06</u> <u>Estimated</u> <u>Actual</u>	<u>FY06/07</u> <u>Proposed</u> <u>Budget</u>
SSA Property Tax	\$86,422	\$110,889	\$116,200	\$117,400	\$146,600
Cable Franchise Fees	253,790	276,384	285,000	300,000	330,000
Hotel / Motel Tax	80,614	75,142	75,000	82,000	85,000
Demolition Tax	40,450	34,100	33,000	38,500	33,000
Interest Income	2,366	2,705	2,800	8,100	9,400
Grant Revenue	0	16,000	0	0	14,000
Miscellaneous Income	4,585	751	0	20,000	0
	\$468,227	\$515,971	\$512,000	\$566,000	\$618,000

SPECIAL PROGRAMS FUND EXPENDITURES

A four year summary of Special Programs Fund expenditures, including budget requests for FY06/07 is listed below. Budget requests can be grouped into two categories:

	FY03/04	FY04/05	FY05/06	FY05/06	Proposed
	<u>Actual</u>	<u>Actual</u>	<u>Revised</u>	<u>Estimated</u>	<u>FY06/07</u>
			<u>Budget</u>	<u>Actual</u>	<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	\$110,889	\$116,200	\$117,400	\$146,600
Senior Services Program	40,920	43,399	54,000	83,500	79,400
Communications: Cable Television/ Newsletter/Calendar/Web-site	54,668	54,119	53,200	129,000	130,000
Stacy's Museum and History Center	30,874	27,503	32,200	18,300	61,200
Village staff support of comm. events	21,700	22,600	24,000	24,000	24,000
Downtown holiday decorations	24,872	20,517	20,000	20,000	20,000
Energy grant program	7,500	66,637	825	200	0
Miscellaneous other	52,216	68,869	29,100	2,400	24,800
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Subtotal – Village Programs	\$319,172	\$414,533	\$329,525	\$394,800	\$486,000
2. Contributions to a number of Glen Ellyn community groups and activities:					
Glen Ellyn Media Foundation	80,000	71,000	71,000	0	0
Glen Ellyn Econ. Devel. Corp.	46,000	46,000	46,000	46,000	46,000
Glen Ellyn Youth & Family Counseling	26,500	25,000	25,000	25,000	25,000
Glen Ellyn Historical Society	18,000	15,000	20,000	20,000	25,000
Glen Ellyn Children's Chorus	12,000	10,000	12,000	12,000	10,000
Glen Ellyn Historic Preservation Comm.	0	1,690	6,000	0	20,000
Glen Ellyn 4 th of July Committee	4,000	5,000	5,000	5,000	6,000
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Subtotal – Community Groups	\$186,500	173,690	\$185,000	\$108,000	\$132,000
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Total Expenditure Requests	\$505,672	\$558,223	\$514,525	\$502,800	\$618,000

Listed below is a history of Special Programs Fund revenues, expenses and cash balances. Cash balances have gradually declined over the years due to a general imbalance between day-to-day revenues and expenses. The estimated FY05/06 surplus is the result of the dissolution of the Glen Ellyn Media Foundation in 2005 and an expected deposit of their remaining \$20,000 cash balances back into the Special Programs Fund.

<u>Fiscal Year</u>	<u>Revenues</u>	<u>Expenditure</u> <u>s</u>	<u>Gain /</u> <u>(Loss)</u>	<u>Cash</u> <u>Balance</u>
FY96			(\$79,900	
	\$285,300	(\$365,200))	\$371,300
FY97	314,200	(281,500)	32,700	404,000
FY98	338,400	(322,000)	16,400	420,400
FY99	375,300	(386,200)	(10,900)	409,500
FY00	395,800	(451,100)	(55,300)	354,200
FY01			(160,300	
	481,000	(641,300))	193,900
FY02	477,700	(494,200)	(16,500)	177,400
FY03	477,100	(467,800)	9,300	186,700
FY04	505,600	(505,700)	(100)	186,600
FY05	516,000	(558,200)	(42,200)	144,400
Requeste d	FY06 Estimate			
	566,000	(502,800)	63,200	207,600
	FY07 Budget	618,000	(618,000)	0
			0	207,600

Budgeted revenues and expenditures for FY06/07 are balanced at \$618,000. Our projected April 30, 2007 cash balance will slightly exceed our 25% minimum cash reserve policy as shown below:

Cash balance, May 1, 2005	\$144,400
Projected FY05/06 Gain/(Loss)	63,200
Projected FY06/07 Gain/(Loss)	<u>0</u>
Projected Available Cash, April 30, 2007	<u>\$ 207,600</u>
25% minimum cash reserve level	\$ 155,000*

* The 25% minimum cash reserve is calculated as follows:

FY06/07 Requested Expenditures \$618,000

X 25% = Minimum Cash Reserve \$155,000