



CITY OF CHARDON

Budget Update 2020: Impact of COVID-19



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Memo

To: City Council

From: Mate Rogonjic, Finance Director

Date: May 7, 2020

Subject: Revised 2020 Budget Due To COVID-19 Pandemic

As you are aware, the COVID-19 pandemic is causing an unexpected downturn in the economy. As a result, City staff has been reviewing the potential impact on the budget for 2020. Specifically, the department heads, City Manager, Deputy HR/Finance Director and I reviewed the respective budgets to identify reductions, without negatively impacting service levels to the community. Revenue estimates were also reviewed and revised accordingly, to help identify the needed level of budget reductions. The following presents the key outcomes of these reviews:

- The immediate budget reductions plus the carryover balances are projected to cover the estimated decline in revenues in the General, Water Operating, and Sewer Operating Funds. However, additional budget items have been put on hold in the event that revenues decline more than estimated. Furthermore, the City's Operating Reserve Fund has \$2.1 million that could be used to help fill revenue shortfalls that exceed the revised estimates.
- The potential reduction in income tax revenues is based on actual and estimated unemployment filings in the County for 2020, compared to 2009 which reflects the impact of the Great Recession. Unemployment data at the City level is unavailable. The estimated reduction in income tax is \$701,900 (\$670,300 in the General Fund). By comparison, the Regional Income Tax Agency (RITA) estimated a loss of \$450,915 in total income tax revenues for the City. Based on RITA's estimate, actual income tax revenues through April, and follow-up with business in the City, the estimated loss of \$701,900 is conservative.
- In the General Fund, revenues from court costs and fines have been revised based on actual collections through May; collections in June, July and August being similar to May; and revenues in the remaining months being back to normal activity. Revenues in May comprised only 47.5% of the revenues in April.
- In the General Fund, interest earnings are projected to be \$50,000 lower than the original estimate, based on actual earnings through April, remaining interest payments for non-callable investments, and declining interest rates.

- The base fees in the Water and Sewer Operating Funds are conservatively estimated to decline by 10% from the original estimate. By comparison, actual revenues from these fees in the Water and Sewer Operating Funds declined by 4.3% and 5.0%, respectively, in 2009. Additionally, average daily billed usage declined by 5.9% from April to May. While the average daily billed usage in May 2020 was 12.1% lower than in May 2019, a significant portion of this decrease was expected because De Nora Tech is moving out of the City. More specifically, revenues from the water and sewer rates in the operating funds were originally budgeted to decline by 2.5% in 2020. Therefore, the estimated additional reduction of 10.0% would equate to a total reduction of 12.5% in the revised estimate for 2020, when compared to actual revenues in 2019.
- A total of approximately \$636,000 has been identified for immediate budget reductions, while an additional \$487,500 has been put on hold until the actual impact of the COVID-19 pandemic becomes known.

Revised Fund Balances

Revised Ending Balances for 2020

| Fund | Revenue Reductions | Immediate Expenditure Reductions | Original Ending Balance | Revised Ending Balance |
|-----------------------|----------------------|----------------------------------|-------------------------|------------------------|
| 111 - GENERAL FUND | (\$990,048) | \$442,885 ¹ | \$553,535 | \$6,372 |
| 560 - WATER OPERATING | (\$104,643) | \$72,350 | \$144,614 | \$112,321 |
| 570 - SEWER OPERATING | (\$135,893) | \$60,150 | \$174,757 | \$99,014 |
| TOTAL | (\$1,230,584) | \$575,385 | \$872,906 | \$217,707 |

¹ Includes \$206,395 in reductions directly in the General Fund, as well as \$131,650 from the Recreation Fund and \$104,840 from the General Capital Improvement Reserve Fund due to reducing transfers from the General Fund by these respective amounts.

Revised Revenue Estimates

Revised and Original Revenue Estimates for 2020

| Fund / Category | Revised Estimate | Original Estimate | Difference |
|-----------------------------------|--------------------|---------------------|----------------------|
| 111 - General Fund | \$7,369,318 | \$8,359,366 | (\$990,048) |
| Income Taxes | \$5,565,600 | \$6,235,900 | (\$670,300) |
| Charges for Services | \$206,744 | \$261,900 | (\$55,156) |
| Property Taxes | \$421,054 | \$427,500 | (\$6,446) |
| Other Taxes | \$18,350 | \$21,350 | (\$3,000) |
| Grants, Loans, Bonds | \$146,000 | \$146,000 | \$0 |
| Court Costs & Fines | \$634,000 | \$802,000 | (\$168,000) |
| Interest Earnings | \$125,000 | \$175,000 | (\$50,000) |
| Transfers In | \$1,070 | \$1,070 | \$0 |
| Other | \$251,500 | \$288,646 | (\$37,146) |
| 560 - Water Operating Fund | \$919,140 | \$1,023,783 | (\$104,643) |
| Charges for Services | \$897,540 | \$1,001,183 | (\$103,643) |
| Interest Earnings | \$3,000 | \$4,000 | (\$1,000) |
| Other | \$18,600 | \$18,600 | \$0 |
| 570 - Sewer Operating Fund | \$1,214,790 | \$1,350,683 | (\$135,893) |
| Charges for Services | \$1,186,790 | \$1,320,183 | (\$133,393) |
| Interest Earnings | \$7,500 | \$10,000 | (\$2,500) |
| Other | \$20,500 | \$20,500 | \$0 |
| TOTAL | \$9,503,248 | \$10,733,832 | (\$1,230,584) |

Income Tax Revenues

Income Tax 2020 (COVID-19 Pandemic) & 2009 (Great Recession)

| | |
|-------------------------------------------------------------|-------|
| 2020 Estimated Initial Unemployment Claims in Geauga County | 8,500 |
| 2009 Actual Initial Unemployment Claims in Geauga County | 6,091 |
| Ratio 2020 / 2009 | 1.40 |

| | |
|--------------------------------------|---------|
| Income Tax Revenue from 2008 to 2009 | -7.70% |
| 2020 Estimate Using Claims Ratio | -10.75% |

| | |
|-----------------------|--------------------|
| 2020 \$ Impact | (\$701,900) |
| General Fund | (\$670,300) |
| General CIP | (\$21,100) |
| Square CIP | (\$10,500) |

| | |
|------------------------------|--------------------|
| 2020 \$ RITA Estimate | (\$450,915) |
|------------------------------|--------------------|

Income Tax Revenues and Unemployment Claims: Annual Changes

| Year | Income Tax | Unemployment Claims: Geauga County |
|-------------|---------------|------------------------------------|
| 2019 | 3.02% | -5.84% |
| 2018 | 3.17% | -11.04% |
| 2017 | 7.96% | -6.63% |
| 2016 | -2.73% | -0.86% |
| 2015 | 7.74% | -15.71% |
| 2014 | 0.15% | -13.14% |
| 2013 | 3.38% | -3.61% |
| 2012 | 4.32% | -6.78% |
| 2011 | 6.36% | -14.04% |
| 2010 | 0.50% | -32.41% |
| 2009 | -7.70% | 48.06% |
| 2008 | 0.80% | 31.77% |
| 2007 | 2.31% | 1.23% |

Initial Unemployment Claims: Geauga County

| Week # | Week Ending | Gauga County |
|---------------|--------------------|---------------------|
| 1 | 1/4/2020 | 64 |
| 2 | 1/11/2020 | 63 |
| 3 | 1/18/2020 | 40 |
| 4 | 1/25/2020 | 52 |
| 5 | 2/1/2020 | 37 |
| 6 | 2/8/2020 | 23 |
| 7 | 2/15/2020 | 48 |
| 8 | 2/22/2020 | 26 |
| 9 | 2/29/2020 | 28 |
| 10 | 3/7/2020 | 33 |
| 11 | 3/14/2020 | 48 |
| 12 | 3/21/2020 | 1,347 |
| 13 | 3/28/2020 | 1,442 |
| 14 | 4/4/2020 | 1,244 |
| 15 | 4/11/2020 | 746 |
| 16 | 4/18/2020 | 502 |
| 17 | 4/25/2020 | 499 |
| 18 - Estimate | 5/2/2020 | 400 |
| 19 - Estimate | 5/9/2020 | 200 |
| 20 - Estimate | 5/16/2020 | 100 |

| | |
|-----------------|--------------|
| SUBTOTAL | 6,942 |
|-----------------|--------------|

| | | |
|----------|------------|-------|
| Average | 1/4 - 3/14 | 42 |
| Estimate | 32 weeks | 1,344 |

| | |
|----------------------|--------------|
| Estimate 2020 | 8,286 |
|----------------------|--------------|

** Rounded up to 8,500 **

Water & Sewer Revenues

Water and Sewer: Operating Fund Fees

| Year | Water | % Change | Sewer | % Change |
|-----------------------|------------|----------|-------------|----------|
| 2020 Revised Estimate | \$893,790 | -10.00% | \$1,181,790 | -10.00% |
| \$ Impact | (\$99,310) | N/A | (\$131,310) | N/A |

| | | | | |
|------------------------|-------------|--------|-------------|--------|
| 2020 Original Estimate | \$993,100 | -2.53% | \$1,313,100 | -2.53% |
| 2019 | \$1,018,887 | 4.26% | \$1,347,217 | 4.83% |
| 2018 | \$977,284 | 0.03% | \$1,285,122 | 0.24% |
| 2017 | \$976,976 | 3.38% | \$1,282,056 | 3.04% |
| 2016 | \$945,045 | 1.81% | \$1,244,290 | 3.17% |
| 2015 | \$928,210 | 2.13% | \$1,206,012 | 4.43% |
| 2014 | \$908,815 | 4.51% | \$1,154,898 | 0.74% |
| 2013 | \$869,560 | 4.72% | \$1,146,465 | 2.77% |
| 2012 | \$830,406 | -0.03% | \$1,115,518 | -0.58% |
| 2011 | \$830,650 | 0.69% | \$1,122,035 | 2.29% |
| 2010 | \$824,988 | 1.45% | \$1,096,955 | 3.95% |
| 2009 | \$813,224 | -4.26% | \$1,055,248 | -4.99% |
| 2008 | \$849,421 | -2.48% | \$1,110,618 | -0.51% |
| 2007 | \$871,006 | 15.91% | \$1,116,333 | 16.30% |
| 2006 | \$751,443 | N/A | \$959,881 | N/A |

Average Daily Billed Usage: April 2020, May 2020 and May 2019 Bills

| Billing Category | May 2020 ¹ | April 2020 ² | May 2019 ¹ | % Change May 20-April 20 | % Change May 20-May 19 |
|--------------------------------|-----------------------|-------------------------|-----------------------|--------------------------|----------------------------|
| Resident, Government, Churches | 248,660 | 232,054 | 241,152 | 7.2% | 3.1% |
| Commercial & Industrial | 80,754 | 118,118 | 133,619 | -31.6% | -39.6% ³ |
| Total | 329,415 | 350,172 | 374,772 | -5.9% | -12.1% ³ |

¹ Usage from mid-March to mid-April.

² Usage from mid-February to mid-March

³ When excluding De Nora Tech because its decline in usage was expected based on the company moving out of the City, the percentage changes drop to -26.9% and -6.3%, respectively.

Budget Reductions

Major Budget Reductions for 2020: Immediate

| FUND & BUDGET DESCRIPTION | ORIGINAL BUDGET AMOUNT | REVISED BUDGET AMOUNT | BUDGET SAVINGS |
|---------------------------------------------------------|-------------------------------|------------------------------|-----------------------|
| 111 - GENERAL FUND | \$155,000 | \$35,000 | \$120,000 |
| Traffic Signal System Analysis | \$45,000 | \$0 | \$45,000 |
| Economic Development - Retail Strategies | \$40,000 | \$0 | \$40,000 |
| Geauga Cable Access Corp (GTV) | \$70,000 | \$35,000 | \$35,000 |
| 218 - PARK & RECREATION FUND | \$113,000 | \$0 | \$113,000 |
| Do Not Open Pool | \$63,000 | \$0 | \$63,000 |
| Master Plan | \$40,000 | \$0 | \$40,000 |
| Study of Maple Highlands Trail Pump Filtration Building | \$10,000 | \$0 | \$10,000 |
| 452 - GENERAL CAPITAL FUND | \$98,500 | \$20,000 | \$78,500 |
| Rubber Roof | \$20,000 | \$0 | \$20,000 |
| Led Tree Lighting on Main Street | \$40,000 | \$20,000 | \$20,000 |
| Storage Tank for Calcium Chloride | \$15,000 | \$0 | \$15,000 |
| Carpeting Second Floor | \$13,500 | \$0 | \$13,500 |
| Turbine Tow-Behind Debris Blower | \$10,000 | \$0 | \$10,000 |
| 560 - WATER OPERATING FUND | \$91,400 | \$25,000 | \$66,400 |
| Maintenance Worker Water/Sewer | \$26,400 | \$0 | \$26,400 |
| New Meters | \$50,000 | \$25,000 | \$25,000 |
| New Fire Hydrants | \$15,000 | \$0 | \$15,000 |
| 570 - SEWER OPERATING FUND | \$84,000 | \$25,000 | \$59,000 |
| Maintenance Worker Water/Sewer | \$34,000 | \$0 | \$34,000 |
| New Meters | \$50,000 | \$25,000 | \$25,000 |
| 572 - SEWER CAPITAL FUND | \$75,000 | \$30,000 | \$45,000 |
| Burlington Woods Pump Station Upgrades | \$75,000 | \$30,000 | \$45,000 |
| TOTAL | \$616,900 | \$135,000 | \$481,900 |

All Budget Reductions for 2020: Immediate

| FUND / DEPARTMENT / BUDGET DESCRIPTION | ORIGINAL BUDGET AMOUNT | REVISED BUDGET AMOUNT | BUDGET SAVINGS |
|-----------------------------------------------------------|-------------------------------|------------------------------|-----------------------|
| 111 - GENERAL FUND | \$257,170 | \$50,775 | \$206,395 |
| STREETS & CEMETERY | \$63,600 | \$0 | \$63,600 |
| Traffic Signal System Analysis | \$45,000 | \$0 | \$45,000 |
| Ventilation System Repairs for the Mechanic and Wash Bays | \$3,800 | \$0 | \$3,800 |
| New Plow for Main Street | \$3,800 | \$0 | \$3,800 |
| Piping Ditch on Claridon Road | \$3,500 | \$0 | \$3,500 |
| New Tool Box | \$2,000 | \$0 | \$2,000 |
| Concrete Bucket | \$1,950 | \$0 | \$1,950 |
| Ripper Tooth | \$1,350 | \$0 | \$1,350 |
| Concrete Vibrator | \$1,200 | \$0 | \$1,200 |
| Snow Expo Cleveland - All Staff | \$1,000 | \$0 | \$1,000 |
| MANAGER | \$58,290 | \$2,345 | \$55,945 |
| Economic Development - Retail Strategies | \$40,000 | \$0 | \$40,000 |
| Chardon Square Business Incentive Program | \$5,000 | \$0 | \$5,000 |
| ICMA National Conference | \$3,000 | \$0 | \$3,000 |
| Other Expenses | \$5,000 | \$2,000 | \$3,000 |
| Economic Development Training – Retail Strategies | \$2,000 | \$0 | \$2,000 |
| Public Officials Meeting Rep. Joyce | \$1,500 | \$0 | \$1,500 |
| Chardon Tomorrow Ad | \$500 | \$0 | \$500 |
| Miscellaneous Equipment | \$400 | \$100 | \$300 |
| Supplies for Business Meetings | \$200 | \$0 | \$200 |
| Miscellaneous Office Supplies | \$300 | \$100 | \$200 |
| Meeting Expense Account | \$250 | \$100 | \$150 |
| NOACA Summit Registration | \$50 | \$0 | \$50 |
| Chamber Meetings | \$90 | \$45 | \$45 |
| GENERAL ADMIN | \$93,500 | \$40,000 | \$53,500 |
| Geauga Cable Access Corp (GTV) | \$70,000 | \$35,000 | \$35,000 |
| New Events / Miscellaneous | \$9,500 | \$0 | \$9,500 |
| Miscellaneous Equipment | \$5,000 | \$2,000 | \$3,000 |
| Fireworks Donation | \$3,000 | \$0 | \$3,000 |
| Miscellaneous Operating | \$6,000 | \$3,000 | \$3,000 |
| LANDS & BUILDINGS | \$8,950 | \$0 | \$8,950 |
| Flooring in Lobby Restrooms and One Toilet | \$2,000 | \$0 | \$2,000 |
| Decorative Trash Receptacles for North end of the Square | \$2,000 | \$0 | \$2,000 |

| FUND / DEPARTMENT / BUDGET DESCRIPTION | ORIGINAL BUDGET AMOUNT | REVISED BUDGET AMOUNT | BUDGET SAVINGS |
|---------------------------------------------------------------------|-------------------------------|------------------------------|-----------------------|
| 3D Christmas Tree | \$1,900 | \$0 | \$1,900 |
| Flooring in Restrooms 2nd Floor | \$1,750 | \$0 | \$1,750 |
| Police Display - Santa & Rudolph | \$1,300 | \$0 | \$1,300 |
| POLICE | \$12,400 | \$5,000 | \$7,400 |
| Miscellaneous Training | \$7,500 | \$5,000 | \$2,500 |
| Standing Desk with Dual Monitor Attachment (Chief & Court Security) | \$1,800 | \$0 | \$1,800 |
| Rifle / Shotgun | \$1,000 | \$0 | \$1,000 |
| Arbitrator Software Support - Car Cameras | \$850 | \$0 | \$850 |
| Evidence Collection Kit | \$750 | \$0 | \$750 |
| Public Relations Materials | \$500 | \$0 | \$500 |
| LEGISLATIVE | \$7,090 | \$500 | \$6,590 |
| Miscellaneous Contracts | \$2,500 | \$500 | \$2,000 |
| Public Officials Meeting Rep. Joyce | \$2,000 | \$0 | \$2,000 |
| Council Blanket Training: \$250 Each | \$1,750 | \$0 | \$1,750 |
| Clothing Allowance for Council | \$840 | \$0 | \$840 |
| COMMUNITY DEVELOPMENT | \$5,540 | \$930 | \$4,610 |
| Miscellaneous Training | \$2,000 | \$0 | \$2,000 |
| Economic Development Training – Retail Strategies | \$2,000 | \$0 | \$2,000 |
| Miscellaneous Equipment | \$500 | \$300 | \$200 |
| Miscellaneous Workshops | \$300 | \$150 | \$150 |
| Miscellaneous Office Supplies | \$500 | \$400 | \$100 |
| NE Ohio Workshop | \$100 | \$0 | \$100 |
| Chamber Lunch Meetings | \$140 | \$80 | \$60 |
| FINANCE | \$5,300 | \$2,000 | \$3,300 |
| Leadership Geauga | \$1,850 | \$0 | \$1,850 |
| Miscellaneous Training | \$2,000 | \$1,000 | \$1,000 |
| Office Supplies | \$1,450 | \$1,000 | \$450 |
| SERVICE ADMIN | \$2,500 | \$0 | \$2,500 |
| APWA – Public Works Training | \$1,500 | \$0 | \$1,500 |
| Snow Expo Cleveland | \$1,000 | \$0 | \$1,000 |
| 218 - PARK & RECREATION FUND | \$131,650 | \$0 | \$131,650 |
| RECREATION | \$126,950 | \$0 | \$126,950 |
| Do Not Open Pool | \$63,000 | \$0 | \$63,000 |
| Master Plan | \$40,000 | \$0 | \$40,000 |
| Study of Maple Highlands Trail Pump Filtration Building | \$10,000 | \$0 | \$10,000 |

| FUND / DEPARTMENT / BUDGET DESCRIPTION | ORIGINAL BUDGET AMOUNT | REVISED BUDGET AMOUNT | BUDGET SAVINGS |
|--------------------------------------------------------------------------------------------------------------------------------|-------------------------------|------------------------------|-----------------------|
| Paint Gazebo | \$6,800 | \$0 | \$6,800 |
| Community Movies | \$4,700 | \$0 | \$4,700 |
| Seating on the Hill | \$2,500 | \$0 | \$2,500 |
| Playground Mulch for CLMP | \$1,000 | \$0 | \$1,000 |
| OPRA Training | \$1,000 | \$0 | \$1,000 |
| Sand for Volleyball Courts | \$800 | \$0 | \$800 |
| Projector for Camp | \$700 | \$0 | \$700 |
| Toolbox for New Truck | \$500 | \$0 | \$500 |
| Director Uniform | \$375 | \$0 | \$375 |
| NRPA Membership | \$175 | \$0 | \$175 |
| Rec Director Mileage to Meetings | \$100 | \$0 | \$100 |
| 244 – COURT COMPUTER PROJECTS | | | |
| 246 – SPECIAL PROJECTS | | | |
| 248 – PROBATION SERVICES | \$34,710 | \$22,100 | \$12,610 |
| Replace kitchen and bathroom flooring; probation conferences; and miscellaneous operations, training, equipment, and contracts | \$34,710 | \$22,100 | \$12,610 |
| 452 - GENERAL CAPITAL IMPR. RESERVE FUND | \$124,840 | \$20,000 | \$104,840 |
| LANDS & BUILDINGS | \$83,500 | \$20,000 | \$63,500 |
| Rubber Roof | \$20,000 | \$0 | \$20,000 |
| Led Tree Lighting on Main Street | \$40,000 | \$20,000 | \$20,000 |
| Carpeting Second Floor | \$13,500 | \$0 | \$13,500 |
| Turbine Tow-Behind Debris Blower | \$10,000 | \$0 | \$10,000 |
| POLICE | \$16,500 | \$0 | \$16,500 |
| Copy Machine | \$9,000 | \$0 | \$9,000 |
| Parking Enforcement System | \$7,500 | \$0 | \$7,500 |
| STREETS & CEMETERY | \$15,000 | \$0 | \$15,000 |
| Storage Tank for Calcium Chloride | \$15,000 | \$0 | \$15,000 |
| COMMUNITY DEVELOPMENT | \$6,560 | \$0 | \$6,560 |
| Copier PZ/Public Svc | \$6,560 | \$0 | \$6,560 |
| SERVICE ADMIN | \$3,280 | \$0 | \$3,280 |
| Copier PZ/Public Svc | \$3,280 | \$0 | \$3,280 |
| 560 - WATER OPERATING FUND | \$97,800 | \$25,450 | \$72,350 |
| WATER/SEWER OPS | \$96,200 | \$25,000 | \$71,200 |
| Maintenance Worker Water/Sewer | \$26,400 | \$0 | \$26,400 |
| New Meters | \$50,000 | \$25,000 | \$25,000 |
| New Fire Hydrants | \$15,000 | \$0 | \$15,000 |
| Well House Repair | \$4,800 | \$0 | \$4,800 |

| FUND / DEPARTMENT / BUDGET DESCRIPTION | ORIGINAL BUDGET AMOUNT | REVISED BUDGET AMOUNT | BUDGET SAVINGS |
|-----------------------------------------------|-------------------------------|------------------------------|-----------------------|
| SERVICE ADMIN | \$750 | \$0 | \$750 |
| APWA – Public Works Training | \$750 | \$0 | \$750 |
| WATER/SEWER BILLING | \$850 | \$450 | \$400 |
| Miscellaneous Training | \$500 | \$250 | \$250 |
| Office Supplies | \$350 | \$200 | \$150 |
| 562 - WATER CAPITAL FUND | \$1,640 | \$0 | \$1,640 |
| SERVICE ADMIN | \$1,640 | \$0 | \$1,640 |
| Copier PZ/Public Svc | \$1,640 | \$0 | \$1,640 |
| 570 - SEWER OPERATING FUND | \$85,600 | \$25,450 | \$60,150 |
| WATER/SEWER OPS | \$84,000 | \$25,000 | \$59,000 |
| Maintenance Worker Water/Sewer | \$34,000 | \$0 | \$34,000 |
| New Meters | \$50,000 | \$25,000 | \$25,000 |
| SERVICE ADMIN | \$750 | \$0 | \$750 |
| APWA – Public Works Training | \$750 | \$0 | \$750 |
| WATER/SEWER BILLING | \$850 | \$450 | \$400 |
| Miscellaneous Training | \$500 | \$250 | \$250 |
| Office Supplies | \$350 | \$200 | \$150 |
| 572 - SEWER CAPITAL FUND | \$76,640 | \$30,000 | \$46,640 |
| WATER/SEWER OPS | \$75,000 | \$30,000 | \$45,000 |
| Burlington Woods Pump Station Upgrades | \$75,000 | \$30,000 | \$45,000 |
| SERVICE ADMIN | \$1,640 | \$0 | \$1,640 |
| Copier PZ/Public Svc | \$1,640 | \$0 | \$1,640 |
| Grand Total | \$810,050 | \$173,775 | \$636,275 |

Budget Items on Hold, Pending Known Financial Condition

| FUND | BUDGET DESCRIPTION | EXPLANATION | ORIGINAL BUDGET |
|----------------------------------------------------|-------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|------------------------|
| SCMR | Pavement Marking / Crack Seal / Reclamite | Will depend on gas tax revenue impact – reevaluate | \$143,000 |
| GF CAP | #18 1 1/2 Ton Dump Truck | Would avoid repair and maintenance costs (e.g., transmission and motor replacement) | \$91,500 |
| GF CAP- FIRE- WAT & SWR CAP | New VOIP Phone System | Return-on-investment of less than three years | \$40,000 |
| GF-REC- WAT- SWR | Study / Repair / Upgrade Camera System | Started the process last year; in significant need of improvement; safety and security priority | \$38,000 |
| GF CAP | 3/4 Truck with Plow | Probably need \$6,000 to \$10,000 in repairs for bed and front end if keep current truck | \$33,000 |
| WATER | Rehab Well #11: Cancel | Preference is to keep wells on rehab schedule as they are the direct source for water | \$30,000 |
| WAT & SWR CAP | Cellular Telemetry System | Would improve communication with the water tower and lift stations | \$30,000 |
| WATER | Systemwide Water Hydraulic Study | Needed to prioritize water system improvements; last update over 10 years ago. | \$20,000 |
| GF-WAT- SWR | Time Keeping System | Already reviewed three demos; will significantly improve process | \$18,000 |
| GF CAP | Two Transfer Switches for Generator | Needed for building safety | \$10,000 |
| SEWER | Replace Slide Gates for Oxidation Ditch and Flow Control for Clarifiers | Important maintenance items for the Wastewater Treatment Plant | \$8,000 |
| GF | Resurface Entry Steps Old Village Hall | Steps in very poor condition | \$6,200 |
| GF | Repairs to Equipment # 32 Backhoe (Rear Pins) | Concerned with prolonging needed repairs | \$6,000 |
| GF-WAT- SWR | Gov Spend Purchasing Online Subscription | Will further investigate, but this has the potential to improve the purchasing process and lower costs | \$5,000 |
| CEM | Tuckpoint Mausoleum | Concerned with prolonging needed repairs | \$4,900 |
| REC | Replace Bathroom Fixtures | Concerned with prolonging needed repairs | \$3,900 |
| TOTAL | | | \$487,500 |

Budget Items on Hold, Pending Known Financial Condition: By Fund

| FUND | ORIGINAL BUDGET |
|--------------------------------------------|------------------------|
| 111 - GENERAL FUND | \$53,100 |
| 212 - S. C. M & R. FUND | \$143,000 |
| 216 - CEMETERY FUND | \$4,900 ¹ |
| 218 - PARK & RECREATION FUND | \$13,400 ¹ |
| 230 - FIRE & AMBULANCE OPERATING LEVY FUND | \$9,000 |
| 452 - GENERAL CAPITAL IMPR. RESERVE FUND | \$157,300 ¹ |
| 560 - WATER OPERATING FUND | \$55,300 |
| 562 - WATER CAPITAL IMPR. RESERVE FUND | \$9,100 |
| 570 - SEWER OPERATING FUND | \$13,300 |
| 572 - SEWER CAPITAL IMPR. RESERVE FUND | \$29,100 |
| TOTAL | \$487,500 |

¹ Direct impact on the General Fund due to transfers.