

Village of Montgomery, Illinois

Annual Budget
5/1/2015 – 4/30/2016



Matthew Brolley, Village President
Jeff Zoephel, Village Administrator
Justin VanVooren, Director of Finance

Stan Bond, Trustee
Theresa Sperling, Trustee
Steve Jungermann, Trustee
Denny Lee, Trustee
Peter Heinz, Trustee
Doug Marecek, Trustee

Village of Montgomery, Illinois
Annual Budget Fiscal Year 2016
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Chapter 1: *Introduction and Transmittal Letter*

MONTGOMERY, ILLINOIS

SETTLED IN 1835



Chapter 1: *Introduction and Transmittal Letter*

MISSION STATEMENT:

To create an environment of service, leadership and civic commitment for a diverse, sustainable Village and vibrant, high-quality community life.

GUIDING PRINCIPLES:

Our behavior is governed by our guiding principles and values, and our success depends on consistently living these values both as an organization and as a community.

- We act ethically, with integrity, honesty and are worthy of trust.
- We are respectful of people, property and the environment.
- We are open, cooperative, collaborative and value teamwork.
- We are accountable to ourselves, each other and the community.
- We embrace a standard of excellence and competence.
- We generate excitement, vitality and pride in our community.

OUR VISION:

Our Downtown projects a beautiful sense of place, a vibrant center of retail, business services and social and recreational activity.

Our high-quality transportation network offers efficient mobility options and minimizes travel delays.

Montgomery stakeholders enjoy a rich palette of public services and amenities as a result of intergovernmental collaboration.

Quality open space and environmentally sound policies and actions exemplify our avid commitment to sustainability.

We are exceptional stewards of Village resources.

GOALS:

Consistent with the Village's mission statement are operational goals that provide direction for the Village policies and procedures as set by the Village President and Board of Trustees. These goals do not change from year to year and are the main consideration for all planning endeavors and projects undertaken by Village staff as directed by the Village Board. These operational goals are as follows:

- To maintain a safe and healthy atmosphere in which to live and work.
- To provide for the Village's long-term financial stability.
- To respond in an efficient and effective manner to community needs.

Chapter 1: *Introduction and Transmittal Letter*



April 13, 2015

The Honorable Village President
Members of the Board of Trustees
Village Administrator
Citizens of the Village of Montgomery

We are pleased to present to you the Village of Montgomery Budget for fiscal year 2016. This budget represents the culmination of efforts by the Village President, Board of Trustees and staff to present a plan honoring our commitment to our residents to maintain financial strength, fiscal responsibility and plan for long-term sustainability of the Village. The following budget message presents an overview of the budget and the overall financial condition of the Village.

INTRODUCTION

This budget reflects our determination to allocate resources in a responsible and resourceful fashion. It was prepared to enable the Village Board, residents of Montgomery, investors, creditors, and other governmental units to gain the maximum understanding of the Village's programs and financial operations. The following principles guide the planning and spending decisions when compiling the annual budget:

- Provide funding for the improvement of the Village's streets, water and sewer infrastructure and municipal facilities.
- Maintain financial strength, fiscal responsibility and plan for long-term sustainability.
- Provide the highest possible services to the Village's citizens, visitors and businesses while keeping charges at a minimum.

The budget process is an opportunity for the Village to assess and evaluate how it commits its financial resources and makes decisions regarding their continued use. The process, if conducted effectively, will result in a clearly spelled out plan for the future of this organization and a general collective understanding of how and where limited fiscal resources will be directed. The Village President and Board of Trustees met in a number of workshops to review the fiscal year 2016 budget. Topics during these workshops included an analysis of projected revenues and expenditures; discussion on capital projects and purchases; and analysis of current and future staffing needs. The final budget document presents the plan that will provide direction to staff and guide day to day performance as we continue to provide essential services to our residents.

Chapter 1: *Introduction and Transmittal Letter*

A government budget containing special terminology, forms, charts and organization can become a challenge to the user. The main objective of this document is to communicate this information to the reader in a clear and understandable manner. This guide has been included to help the reader understand the organization of this document and to help inform the reader where to look for certain types of information. The Budget document is comprised of three (4) major sections; Introduction, Financial, and Appendices.

The Introduction section (Chapters 1 – 3) contains this letter, basic information about the Village, the budget process itself, a brief history of the community, personnel and property tax related information, and selected demographics.

The Financial section (Chapters 4 – 5) contains summary level budget information for the community as a whole, as well as explanatory budget material about each of the funds listed. The budget is presented as a collection of separate funds, each of which consists of a self-contained set of revenues, expenditures, interfund transfers, and fund equity amounts. In addition, it includes detailed accomplishments and goals for each department.

The Appendices (Chapter 6) include definitions of terms and acronyms and the classification of sources and uses of funds used throughout the report. These appendices are intended to assist the reader in gaining a basic understanding of the terminology and classification used due to the specialized nature of accounting and financial reporting for government entities.

LEGAL REQUIREMENTS

State law requires that all general-purpose local governments pass an appropriation ordinance within the first quarter of each fiscal year or an annual budget shall be adopted by the corporate authorities before the beginning of each fiscal year to which it applies. The Village has chosen to adopt sections 5/8-2-9.1 through and including sections 5/8-2-9.10 of Chapter 65 of the Illinois Compiled Statutes (Municipal Code) which provide for a municipality's financial operation under an annual budget in lieu of an appropriation ordinance. The annual budget represents the single most important policy adopted each year in any organization.

The corporate authorities shall make the tentative annual budget conveniently available to public inspection for at least ten days prior to the passage of the annual budget, by publication in the journal of the proceedings of the corporate authorities or in such other form as the corporate authorities may prescribe. Not less than one week after the publication of the tentative annual budget, and prior to final action on the budget, the corporate authorities shall hold at least one public hearing on the tentative annual budget, after which hearing or hearings the tentative budget may be further revised and passed without any further inspection, notice or hearing. Notice of this hearing shall be given by publication in a newspaper having a general circulation in the municipality at least one week prior to the time of the hearing.

The legal level of budgetary control is the level at which a government's management may not reallocate resources without special approval from the legislative body is at the department level. Although the Village is allowed to change direction and amend its budget during the year, the Village has chosen not to do so in the recent past. The same procedures delineated above, including availability for public inspection, publication of hearing notice, public hearing, and passage, would need to be followed if management deemed it necessary to amend the budget.

Chapter 1: *Introduction and Transmittal Letter*

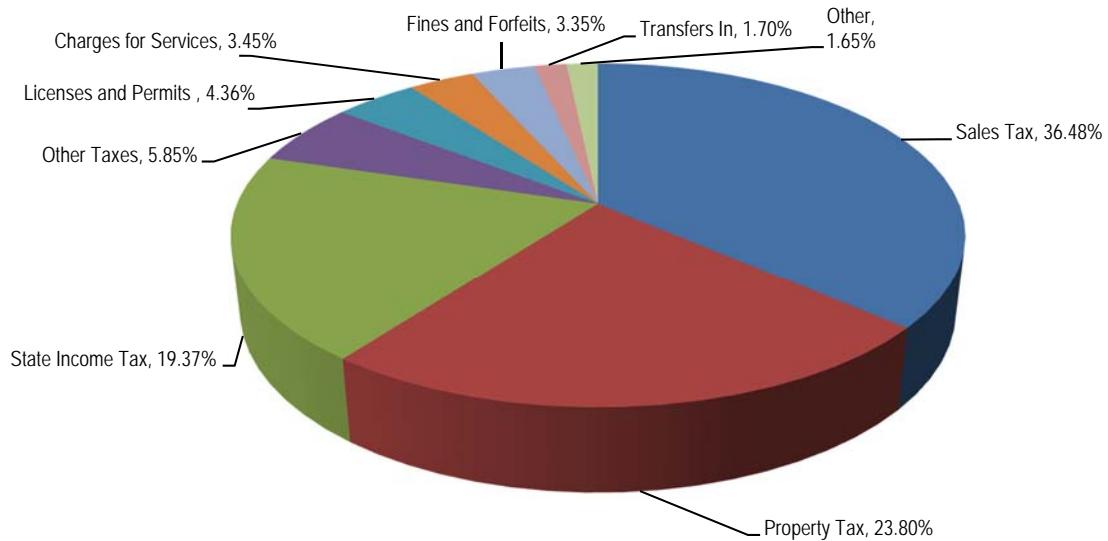
OVERALL FINANCIAL SUMMARY

Mindful of the above principles, the current economic environment, future prognostications and the potential for the unexpected, Montgomery has seen only a minor increase in expenditures over the fiscal year 2015 budget. Department heads are asked to reduce expenditures whenever possible. With assistance from staff, a balanced budget is hereby presented. A balanced budget is a budget in which revenues meet or exceed expenditures and reserves or fund balance. Various aspects of this budget and their implications are discussed at length throughout this document for your consideration. The following information will cover the major issues that have impacted both this and future years' budgets. This information will include key budget decisions and processes and talk about the impact of the economy.

The fiscal year 2016 Budget was adopted on April 13, 2015 in compliance with State Statutes. The fiscal year 2016 Budget has projected total revenues of \$25,557,587 and total expenditures of \$25,025,440.

GENERAL FUND

The General Fund is the basic operating fund of the Village. The General Fund includes revenues and expenditures of all governmental activities, except those funds that must be accounted for independently under Illinois law. Most of the major revenues the Village receives are allocated to this fund. The Village's revenues include the Village's property tax, sales tax, income tax, charges for services, licenses and permits, fines and forfeitures, intergovernmental, and investment income. Fiscal year 2016 General Fund revenues are \$9,424,482 compared with total expenditures of \$9,239,754. The following graph shows the percentage of revenue received from each source.



Chapter 1: *Introduction and Transmittal Letter*

ALL FUNDS

The following tables detail the breakdown of revenues and expenditures by Fund showing one year of history, the prior year budget and projected actual, the current year budget, and two years of projections. Funds included in this summary are the General, Motor Fuel Tax, Economic Development Loan, Forfeiture and Seizure, Emergency 911 (E-911), Capital Improvement, Lakewood Creek Project, Tax Increment Financing (TIF) #1, Tax Increment Financing (TIF) #2, Debt Service, Water, Water Improvement, Employee Insurance, Vehicle Reserve, Refuse, Police Pension, Police Gifts, and the Special Service Area Funds. The adopted budgets strategically provide for the usage of available fund balances to minimize the need for incremental funding in fiscal year 2016.

REVENUES - ALL FUNDS

REVENUES	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
General	\$ 9,899,725	\$ 9,173,133	\$ 8,812,613	\$ 9,424,482	\$ 9,565,680	\$ 9,877,573
Motor Fuel Tax	610,415	671,575	657,981	597,693	497,793	497,893
Economic Development Loan	7,539	14,560	14,678	12,861	11,145	9,670
Forfeiture and Seizure	31,334	16,400	14,766	14,850	15,650	16,400
E-911	81,045	-	-	-	-	-
Capital Improvement	1,848,532	1,460,758	1,424,197	1,613,909	1,443,397	1,456,495
Lakewood Creek Project	106,905	75,001	26,373	60,003	60,003	60,003
Infrastructure Improvement	-	-	-	1,501,000	2,531,000	2,485,500
TIF #1	37,726	40,000	38,853	40,000	341,000	42,000
TIF #2	-	-	-	51,000	53,000	55,000
Debt Service	4,956,514	987,233	968,253	1,084,165	1,090,165	1,123,190
Water	4,033,310	4,499,585	4,539,313	4,702,695	4,817,458	4,935,571
Water Improvement	2,104,237	3,581,535	2,592,270	1,773,346	1,652,830	691,410
Employee Insurance	760,169	879,923	885,290	1,088,865	1,233,440	1,417,836
Vehicle Reserve	901,007	616,547	612,200	697,802	710,851	710,851
Refuse	-	1,239,842	1,238,300	1,297,067	1,359,772	1,426,587
Police Pension	1,120,100	1,107,413	1,125,477	1,250,241	1,329,944	1,415,167
Police Gifts	2,697	250	300	250	250	250
Special Service Areas	420,400	400,910	391,174	347,358	363,500	372,500
TOTAL REVENUES	\$ 26,921,655	\$ 24,764,665	\$ 23,342,038	\$ 25,557,587	\$ 27,076,878	\$ 26,593,896

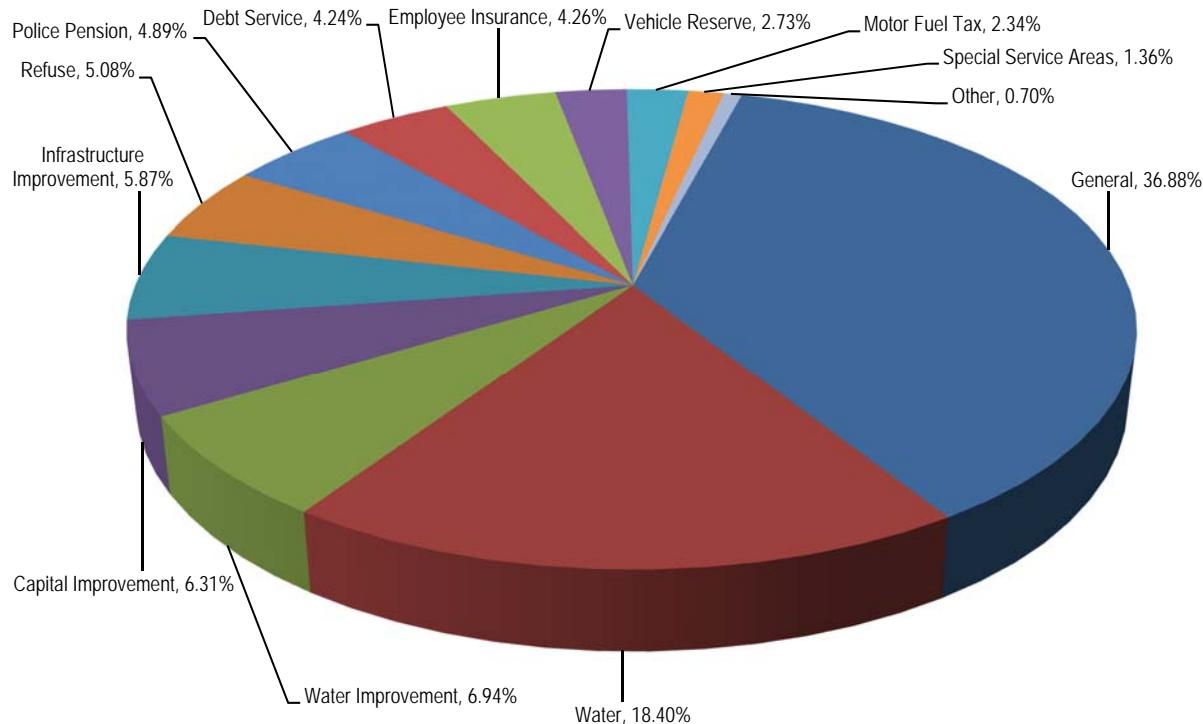
Total revenues are \$792,922 or 3.20% more than the fiscal year 2015 budget and \$1,364,068 or 5.07% less than the fiscal year 2014 revenues. The change in revenue from the fiscal year 2015 budget can be attributed mainly to the General, Infrastructure Improvement, Water, Water Improvement, and Employee Insurance Funds.

The increase in the General Fund is due mainly to a transfer of utility tax revenues from the Capital Improvement Fund in fiscal year 2016. In addition, the residents approved a non-home rule sales tax that will take effect on July 1, 2015 and associated revenues will be placed into the new Infrastructure Improvement Fund. The Water Fund revenues are scheduled to increase due to an increase in the water usage rate of 4%. Lastly, the Village has budgeted an increase in the employer and employee cost of health insurance by 15% during fiscal year 2016 following a nearly 30% increase in fiscal year 2015.

Chapter 1: *Introduction and Transmittal Letter*

The largest decrease comes from the Water Improvement Fund which reflects \$2.5 million of Illinois Environmental Protection Agency (IEPA) loans in fiscal year 2015 to pay for the Boulder Hill water main project. The project should be completed in fiscal year 2015 and no additional bonds or loans are reflected in fiscal year 2016.

The following chart shows the Village's total revenues for all funds classified by fund for fiscal year 2016. The General Fund brings in the most revenue at 36.88% followed by the Water Fund at 18.40%, Water Improvement Fund at 6.94%, Capital Improvement Fund at 6.31%, Infrastructure Fund at 5.87%, and Refuse Fund at 5.08%.



Several of the Village's revenue sources are elastic revenues which are dependent on the economy and as such are expected to show increasing growth over the next few fiscal years due to the recovery in the economy.

Chapter 1: *Introduction and Transmittal Letter*

EXPENDITURES - ALL FUNDS

EXPENDITURES	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
General	\$ 9,895,971	\$ 9,158,459	\$ 8,838,134	\$ 9,239,754	\$ 9,675,636	\$ 10,010,954
Motor Fuel Tax	671,288	763,990	1,128,025	740,799	586,799	500,500
Economic Development Loan	18,961	5,000	2,000	3,000	3,000	3,000
Forfeiture and Seizure	76,826	29,750	69,611	10,000	-	-
E-911	129,534	39,500	60,000	36,000	-	-
Capital Improvement	1,634,848	1,233,233	1,128,597	1,442,165	1,285,165	1,128,190
Lakewood Creek Project	48,959	74,556	60,000	60,000	60,000	60,000
Infrastructure Improvement	-	-	-	778,400	2,792,240	2,495,150
TIF #1	1,700	62,170	1,636	45,520	484,980	25,950
TIF #2	37,239	500	655	36,750	37,750	38,750
Debt Service	4,953,570	987,233	971,197	1,084,165	1,090,165	1,123,190
Water	6,870,363	3,959,363	3,897,015	5,894,132	5,086,784	5,012,992
Water Improvement	347,794	5,273,060	3,182,332	1,820,370	1,652,830	691,410
Employee Insurance	752,752	879,923	888,262	1,088,865	1,233,440	1,417,836
Vehicle Reserve	561,000	426,391	412,966	714,178	721,127	860,951
Refuse	-	1,239,592	1,218,353	1,296,817	1,359,522	1,426,337
Police Pension	443,279	395,498	446,617	423,970	435,488	447,470
Police Gifts	806	1,000	1,707	1,300	1,300	1,300
Special Service Areas	414,166	360,000	315,738	309,255	319,807	330,738
TOTAL EXPENDITURES	\$ 26,859,056	\$ 24,889,218	\$ 22,622,845	\$ 25,025,440	\$ 26,826,033	\$ 25,574,718

Total expenditures are \$136,222 or 0.55% more than the fiscal year 2015 budget and \$1,833,616 or 6.83% less than the fiscal year 2014 expenditures. The change in expenditures from the fiscal year 2015 budget can be attributed mainly to the Capital Improvement, Infrastructure Improvement, Water, Water Improvement, Employee Insurance, and Vehicle Reserve Funds.

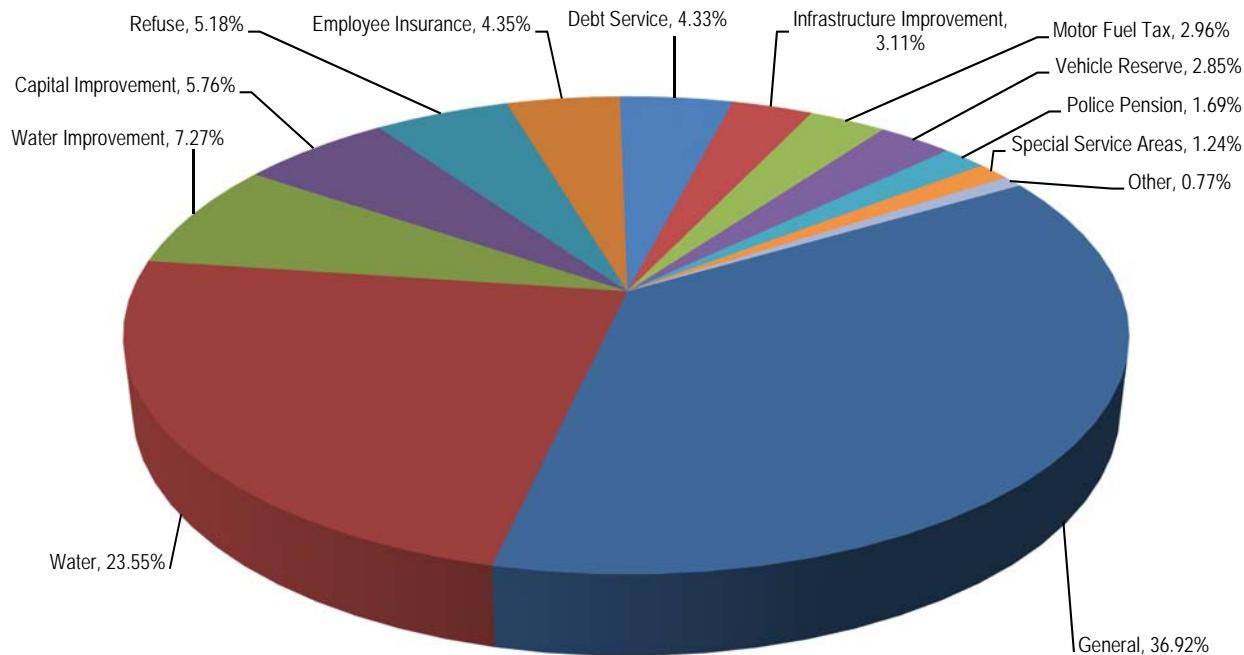
The increase in the Capital Improvement Fund is due mainly to a transfer of utility tax revenues to the General Fund in fiscal year 2016. In addition, the residents approved a non-home rule sales tax that will take effect on July 1, 2015 and associated expenditures will be taken out of the new Infrastructure Improvement Fund. The Water Fund expenses are scheduled to increase mainly due to starting to pay back the Illinois Environmental Protection Agency loan taken out during fiscal year 2015 for the Boulder Hill water main project, as well as a transfer to the Water Improvement Fund to cover capital costs. The Village has budgeted an increase in the health insurance premium of 15% during fiscal year 2016 following a nearly 30% increase in fiscal year 2015. Lastly, the Village has made a concerted effort to rebuild the Vehicle Reserve Fund over the next 15 years by increasing the contributions, starting in fiscal year 2014 and continuing through fiscal year 2029. The additional expenditures reflect the Village beginning to replace some of its aging fleet.

The largest decrease comes from the Water Improvement Fund which reflects \$4.7 million during fiscal year 2015 to pay for the Boulder Hill water main project. The project should be completed in fiscal year 2015 and no additional expenses are reflected in fiscal year 2016.

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The Village, as a service driven organization, continues to expend the greatest percentage of its budget on personal services (wages and benefits). For fiscal year 2016, personal services expenditures are expected to total \$6,728,435 or 26.89% of total budgeted expenditures. This is an increase of 3.28% over the fiscal year 2015 budgeted expenditures of \$6,514,575.

The following chart shows the Village's total expenditures for all funds classified by fund for fiscal year 2016. The Village is a service provider and the General Fund is the main operating fund of the Village, accounting for 36.92% of all expenditures. The General Fund is followed by the Water Fund at 23.55%, Water Improvement Fund at 7.27%, Capital Improvement Fund at 5.76, and Refuse Fund at 5.18%.



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PENSION FUNDS

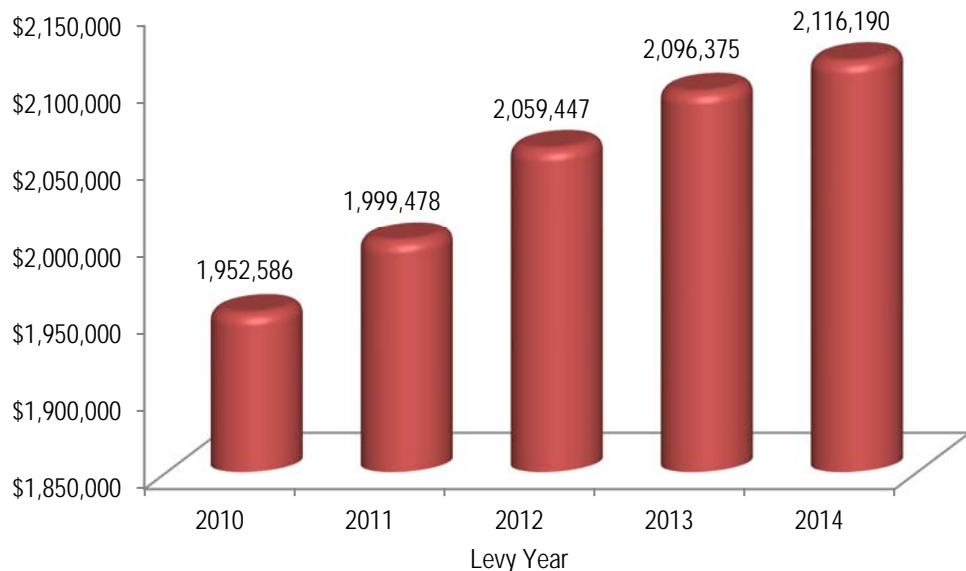
The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system and the Police Pension Plan which is a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. The Village is committed to making 100% of its annual required contribution to these funds.

All employees (other than those covered by the Police Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Employees covered by the Illinois Municipal Retirement Fund (IMRF) contribute 4.5% of their gross pay, while the Village contributes 13.30% (for calendar year 2015) of each employee's gross pay. The employer's share is expensed in each operating function, and is projected to stay level in fiscal year 2015.

Full-time sworn police personnel are covered by the Montgomery Police Pension Plan. Employees covered by the Police Pension contribute 9.91% of their basic wages (no overtime), while the Village contributes 23.72% (for fiscal year 2015) of each employee's basic wages. The employer's contribution to the Police Pension Fund is expensed through the Police Department budget and is financed through General Fund revenues. The contribution is actuarially determined as adequate for funding pension payments and for amortizing any deficiency. Additional income is derived from investment earnings.

PROPERTY TAX LEVY

The 2014 Property Tax Levy for all Village funds, excluding Special Service Areas, is projected at \$2,116,190. This represents an increase of 0.95% from the adopted 2013 levy. The levy has increased due to the new growth in the Village.



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ECONOMIC OUTLOOK

Municipal revenue streams traditionally have been reasonably constant and predictable. For municipalities in their growth stage, such as Montgomery, expenditure growth frequently exceeds revenue needed to fund new operating and capital programs. The budget cycle provides an opportunity to review lists of new services and programs which could be provided to residents and enhance the Village.

The Village has faced unprecedented challenges over the last couple of years under the Great Recession. Although the recession has ended, the economic recovery continues to be slower than anticipated while unemployment has steadily decreased and the housing market appears to be on the mend. The Village has seen the number of foreclosures drop and expects that trend to continue, while building of new homes has started to increase again. The recent economic hardships has dramatically changed the landscape of municipal finance.

The Great Recession hit just as the Village was spending millions of dollars on capital improvements to pay for the dramatic increase in the Village's population. The Village had also seen an increase in the demand for services due to Montgomery's tremendous population growth and had to hire more employees. Health insurance and police pension contributions had increased more than 50% during this time period as well. The Village had to take action to reverse the trend before it depleted its financial reserves. Over the past four years the Village has reduced staffing; moved \$150,000 of snow removal expenditures to the Motor Fuel Tax Fund from the General Fund; reduced or removed salary increases; and eliminated the local Dispatch Center (savings of approximately \$200,000 to use regional dispatch center KenCom).

The Village moved to a pay for performance plan in fiscal year 2014 whereby non-represented and Public Works Local 150 union employees were only given an increase in November based solely on performance. The Village has started negotiations with Public Works Local 150 as the current contract expired on April 30, 2015. The Police Patrol union employees will still receive the cost of living adjustment (COLA) and step increases as outlined in their contract which expires on April 30, 2016.

The State of Illinois has proposed a 50% reduction in the amount of income tax allocated to the Local Government Distributive Fund (LGDF) which is then shared with municipalities. The budget was approved by the Village Board on April 13, 2015; however, several items in the fiscal year 2016 budget are on hold until the State decides how they will move forward. The Finance Department will continue to analyze the budget during fiscal year 2016 as the State decides and economic recovery continues. The Village wants to ensure revenue sources come in at or above expectations, while expenditures/expenses come in at or below expectations. A change either way will make it necessary for the Village to reexamine the budget during fiscal year 2016.

CONCLUSION

The Village has big plans for its residents moving forward. The Go Montgomery 2035 Comprehensive Plan, completed during fiscal year 2014, is meant to inform and share decisions about land use and development, transportation and infrastructure, parks and open space, and much more. As a representation of the community's development desires, the Plan will assist the Village's leadership in achieving the community's shared vision for its future.

Chapter 1: *Introduction and Transmittal Letter*

The Village Board and senior management participated in a Strategic Planning retreat in November 2014. A strategic planning retreat was held to determine the vision and direction of the Village, as well as formally establish and prioritize Village goals.

The Village will utilize the results of the Go Montgomery 2035 Comprehensive Plan and Strategic Plan to move the Village forward both in the current year and the years to come.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Distinguished Budget Presentation Award to the Village of Montgomery for its annual budget for fiscal year 2015. This was the third consecutive year the Village has received this prestigious award. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

The Distinguished Budget Presentation Award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for a fourth certificate.

In addition, the Village also received the Government Finance Officers Association of the United States and Canada (GFOA) Certificate of Achievement for Excellence in Financial Reporting award for its Comprehensive Annual Financial Report for the fiscal year ended April 30, 2014. This was the twelfth consecutive year that the Village has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

The preparation of this report would not have been possible without the efficient and dedicated services of the Village Administrator and staff of the Finance Department. I would also like to express my appreciation to each department and their staff who assisted and contributed to the preparation of this report. In addition, I would like to express my sincere appreciation to the Village President and Village Trustees for their unfailing support in maintaining the highest standards of professionalism in the management of the Village's finances. The entire Village staff is truly committed to the future of the Village and providing the most efficient and effective government services in a fiscally responsible and courteous manner.

Respectfully submitted,

Justin E. VanVooren, CMA, CPA
Director of Finance

Chapter 1: *Introduction and Transmittal Letter*

VILLAGE OF MONTGOMERY Principal Officials

Village President
Matthew Brolley
(Term expires April 2017)

Village Trustees

Stan Bond
(Term Expires April 2019)

Doug Marecek
(Term Expires April 2019)

Pete Heinz
(Term Expires April 2019)

Steve Jungermann
(Term Expires April 2017)

Thersa Sperling
(Term Expires April 2017)

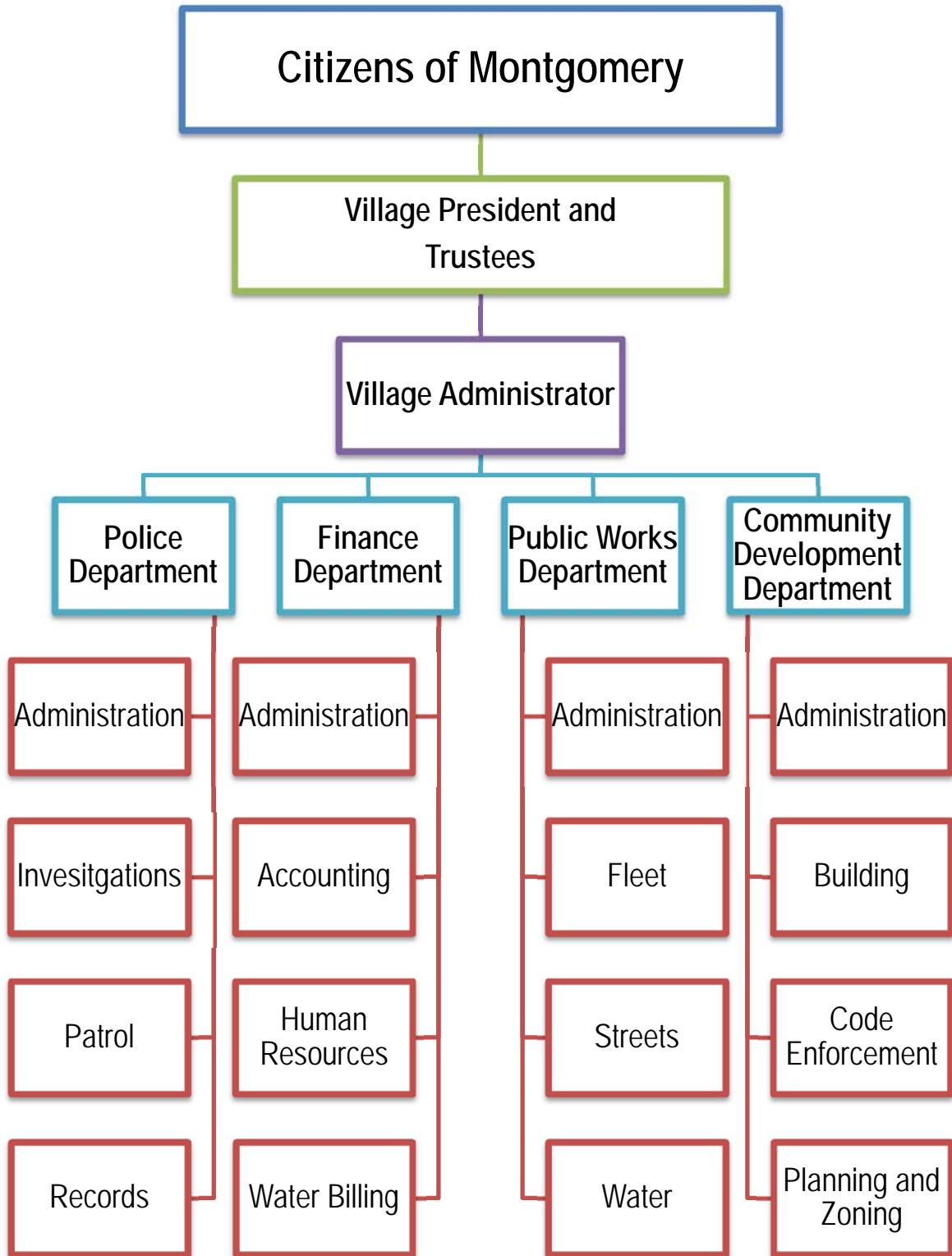
Denny Lee
(Term Expires April 2017)

Village Clerk
Tiffany Francis
(Term Expires April 2017)

Management Staff

Jeff Zoephel	Village Administrator
Daniel Meyers	Chief of Police
Mike Pubentz	Director of Public Works
Justin VanVooren	Director of Finance
Richard Young	Director of Community Development

Chapter 1: *Introduction and Transmittal Letter*



The above organizational chart shows the duties of each department within the Village of Montgomery. The Village contracts out their engineering services to Engineering Enterprises, Inc. (EEI), their legal services to Mickey, Wilson, Weiler, Renzi and Andersson; and their information technology services to Responsive Services.

Chapter 1: *Introduction and Transmittal Letter*



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**Village of Montgomery
Illinois**

For the Fiscal Year Beginning

May 1, 2014

A handwritten signature in black ink that reads "Jeffrey P. Evans".

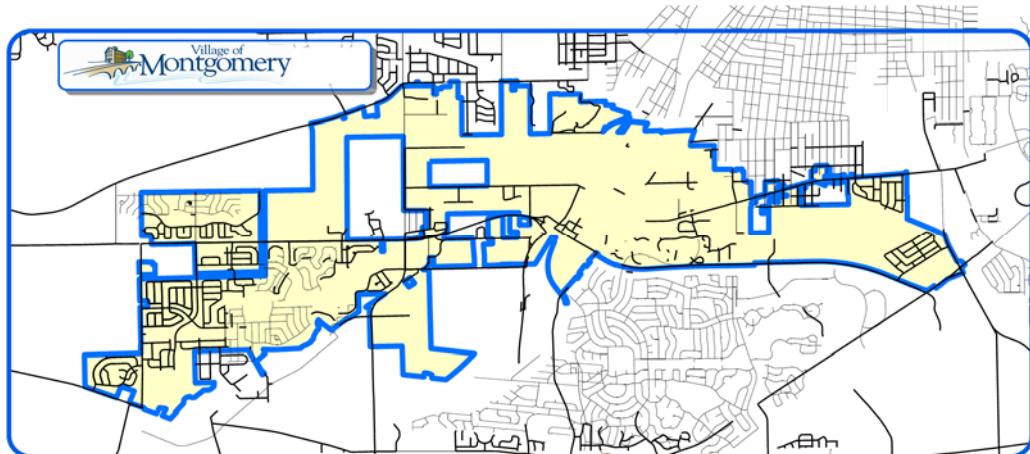
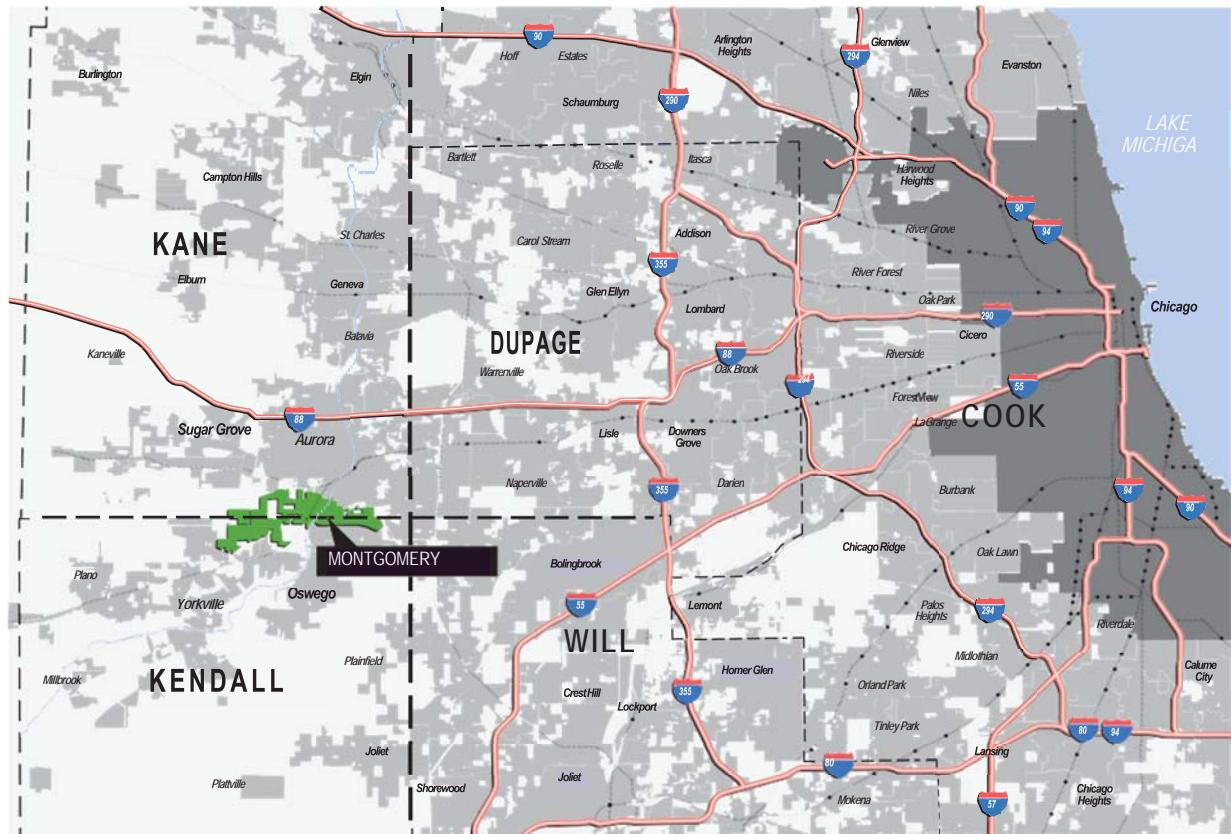
Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the **Village of Montgomery, Illinois** for its annual budget for the fiscal year beginning **May 1, 2014**. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

Chapter 2: Village Profile

The Village of Montgomery is a growing community nestled along the banks of the Fox River in northern Illinois, located in both southern Kane and northern Kendall counties. Situated approximately 40 miles southwest of Chicago, the Village is bordered by Aurora to the north and east, Oswego and Boulder Hill to the south, Sugar Grove to the northwest, and Yorkville to the southwest. Montgomery also sits at a strategic nexus of multiple regional transportation routes. One of its primary assets is its access to major transportation corridors, including U.S. Route 30, U.S. Route 34, IL Route 47, and Interstate 88, which runs east-west approximately 3.5 miles north of the Village.



Chapter 2: Village Profile

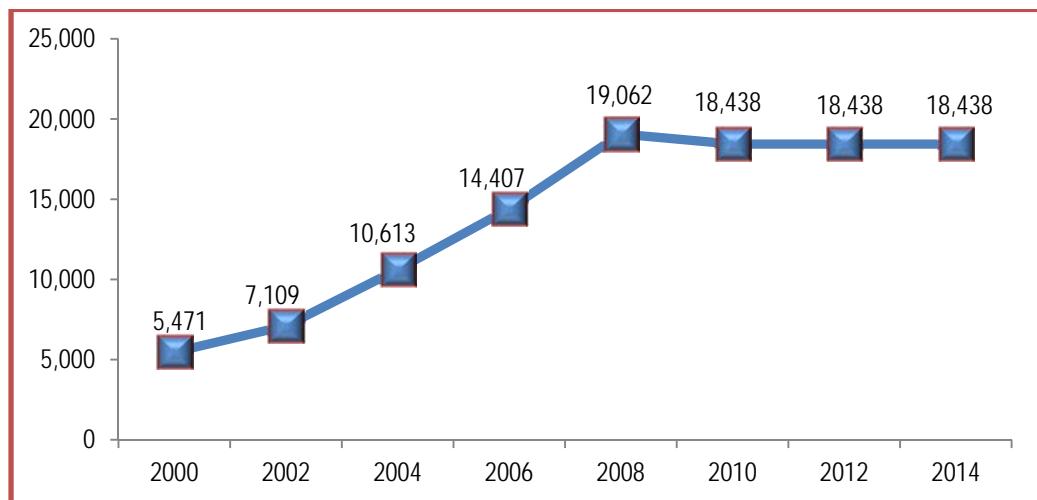
HISTORY

Montgomery was founded in 1835 by entrepreneur Daniel Gray, who purchased several land grants from the Federal government and pursued industrial development along the Fox River. The settlement was called "Graystown" for several years, but eventually he persuaded the other settlers to call the little village "Montgomery" after the county in New York that he and several other settlers had come from. Daniel Gray was a man of much energy and enterprise. No sooner had he settled in the place than he commenced improvements on a grand scale. A store, foundry, reaper and header manufacturing shop over 100 feet in length, a second foundry built of stone, and one of the best stone grist-mills in the country, appeared in rapid succession. The stone grist mill, built by Gray in 1853, has been beautifully restored and is listed on the National Register of Historic Places. The Village of Montgomery was incorporated in 1858.

Montgomery's early growth continued to align with its industrial roots. After a brief setback in growth, due to the arrival of the McCormick Works at Chicago that out competed Montgomery's reaper plant, the construction of the Chicago, Burlington & Quincy (CB&Q) Railroad reinvigorated local industrial activity. The rail line shipped Montgomery's produce, spring water, and livestock to Chicago markets. In 1899, Riverview Park (later Fox River Park) opened as an amusement park, which drew crowds from as far as Morris and Chicago on express interurbans. The park was replaced in 1943 by United Wallpaper Company and then by AT&T. Lyon Metallic, Montgomery's first modern factory, moved to Montgomery from Chicago in 1906, drawing a reverse commute from Aurora and further stabilizing the economy. The introduction of Caterpillar, the world's leading manufacturer of construction and mining equipment, further cemented the Village's strong industrial core.

For many years, Montgomery maintained a fairly stable population of around 5,000 residents, with 5,471 residents at the 2000 decennial census. However, a sharp increase in residential development after 2000 has altered the industrial character and transformed Montgomery into a more suburban community of 18,438 residents by the 2010 decennial census. Despite an astounding population increase of 237% in just ten years, Montgomery has been successful in maintaining its warm, small-town atmosphere. The graph below shows Montgomery's population growth throughout the years.

Montgomery's Population Growth



Chapter 2: *Village Profile*

GOVERNANCE

Policy making and legislative authority are vested in the Village Board, which consists of the Village President and six Village Trustees. The President is elected at-large to a four-year term and the Trustees are elected at-large to staggered four-year terms. The Village Clerk is also elected to a four year term. The Village Board is responsible for, among other things, passing ordinances and resolutions, adopting the budget, and appointing a full-time professional Village Administrator. The Village Administrator is responsible for the day-to-day operations and staffing of the Village.



The Village Board, pictured from left to right, includes: front row – Village Trustee Theresa Sperling, Village Trustee Denny Lee, Village President Matt Brolley, Village Clerk Tiffany Francis, Village Trustee Pete Heinz; back row – Village Trustee Steve Jungermann, Village Trustee Doug Marecek, and Village Trustee Stan Bond.

The Village of Montgomery is committed to providing their citizens with a full range of services including police protection, the construction and maintenance of highways, streets and infrastructure, water treatment and distribution, planning and zoning, and general administrative services. These services are provided by

Chapter 2: *Village Profile*

GOVERNANCE (Continued)

56 full-time employees and 10 part-time employees out of three separate buildings. Village services are divided among five departments and within each department are specialized divisions, with further delineating responsibility centers.

Constructed in 2008, the Village Hall is located in Downtown Montgomery. It houses the Community Development, Finance, and Village Administrator's Departments, and meeting rooms for the Village Board and its committees. The Village provides assistance in building, permitting, zoning, and code enforcement through the Community Development Department. The Finance Department specializes in overseeing the daily finances, along with collecting water bills, accounts receivable, accounts payable, human resources, and information technology functions. The Village Administrator's Department centers on intergovernmental and interdepartmental work, along with coordinating all the community events.



A new Police Department Facility was built in 2005, providing officers with a better environment to keep the citizens safe. The Police Department keeps the community safe by providing protection and assistance to those in need.

The Public Works Department is concerned with residents' safety and they are always on call for water main leaks or breaks, snow storms, and downed trees.



Chapter 2: *Village Profile*

COMMUNITY INVOLVEMENT

Village of Montgomery residents are served by a number of other governmental entities. The Village of Montgomery comprises two counties (Kane and Kendall), four townships (Aurora, Bristol, Oswego, and Sugar Grove), two library districts, five fire protection districts, five school districts, and two park districts.

The Village of Montgomery is served by two library districts. The majority of Montgomery residents are served by the Oswego Public Library District which has a facility in nearby Oswego and the other within the Village boundaries, appropriately name the Montgomery Campus. The Sugar Grove Public Library District is located in Sugar Grove and serves Montgomery residents in the Foxmoor and Fairfield Way subdivisions. Both districts provide quality library service which meet the informational, educational, and recreational needs of district residents of all ages.

The Village of Montgomery does not have a municipal fire department. The Village is served by a total of five different fire protection districts including the Aurora Township Fire Protection District, Bristol-Kendall Fire Protection District, Montgomery-Countryside Fire Protection District, Oswego Fire Protection District, and the Sugar Grove Fire Protection District. The Districts ensure effective fire protection and emergency response to the residents of Montgomery.

Residents of Montgomery are served by five school districts, with four elementary schools located within in the Village's boundaries. The districts include Yorkville Community Unit School District #115, West Aurora School District #129, East Aurora School District #131, Kaneland Community Unit School District #302, and Oswego Community Unit School District #308. Together, these school districts provide a well-respected and highly regarded school system for Montgomery students. The Village's strong school system educates local youth and provides gathering places for the community. Montgomery schools also play a crucial role in building and maintaining home values due to increased demand from families who want to live within these school district boundaries and the Village.

Montgomery is served by both the Fox Valley Park District and the Oswegoland Park District. Montgomery is home to an impressive range of environmental and recreational amenities that contribute greatly to local quality of life, image, character, desirability, and aesthetic appeal. Together, the Fox Valley Park District, the Oswegoland Park District, and the Kendall County Forest Preserve District manage 21 parks, as well as one forest preserve, in the Village, comprising over 640 acres of designated park and open space land within the community. These include the Fox River, the Virgil Gilman and Fox River Trails, Blackberry Creek, Stuart Sports Complex, and numerous parks. Enhanced recreational opportunities, better open space connectivity, and a network of trails for biking and walking help make Montgomery a healthier community, by encouraging and providing for increased activity and recreation.



Chapter 2: *Village Profile*

COMMUNITY INVOLVEMENT (Continued)

The Village of Montgomery hosts many community events to help involve citizens and connect individuals. Many of these events would not be possible without the assistance of the Village's Beautification, Historic Preservation, and Intergovernmental and Community Committees.

Montgomery Fest is held annually on the second weekend in August. This two day event is held at Montgomery Park which is located next to the Fox River and across the street from the Village Hall. Activities during the Fest include a parade, food booths, craft fair, food vendors, car show, fishing derby, musical entertainment, talent show, and carnival rides.



The 5K and 10K River Run is held annually on the first weekend in October. This event attracts runners from around the Chicagoland area and begins and finishes in front of the Village Hall. Awards are given for age categories, but also for groups that run the race together.

Montgomery hosts many other events during the year such as the cemetery walk, eagle presentations, photo contests, the brick paver program, Easter egg hunt, senior activities, tree lighting ceremony, Festival of Trees, luncheons and open houses.



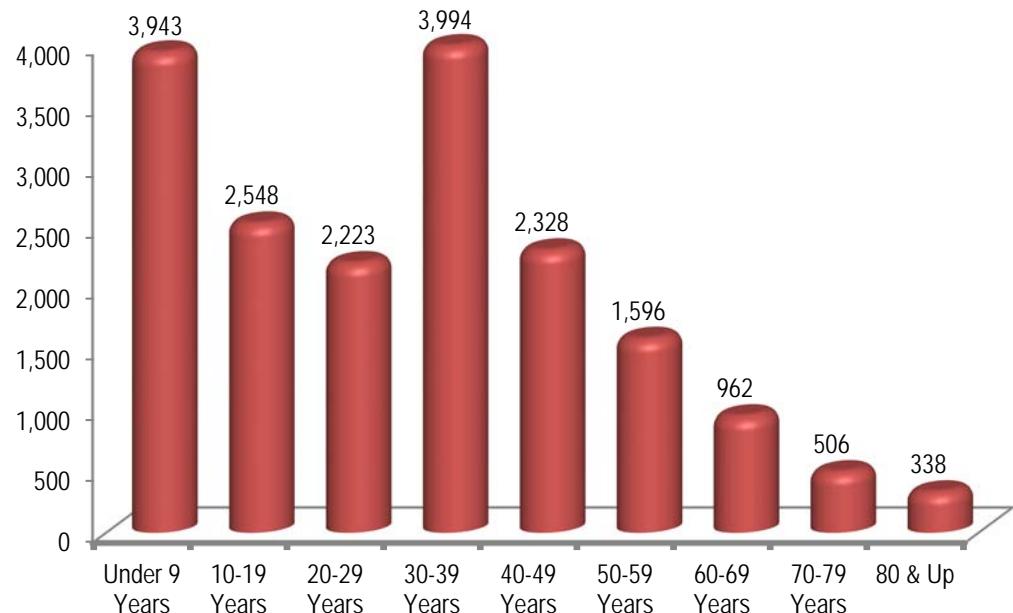
Chapter 2: Village Profile

DEMOCRAPHICS

General

Population	18,438
Median household income	\$75,978
% below poverty level	6.8%
Median age (Years)	31.2
Male population	48.90%
Female population	51.10%

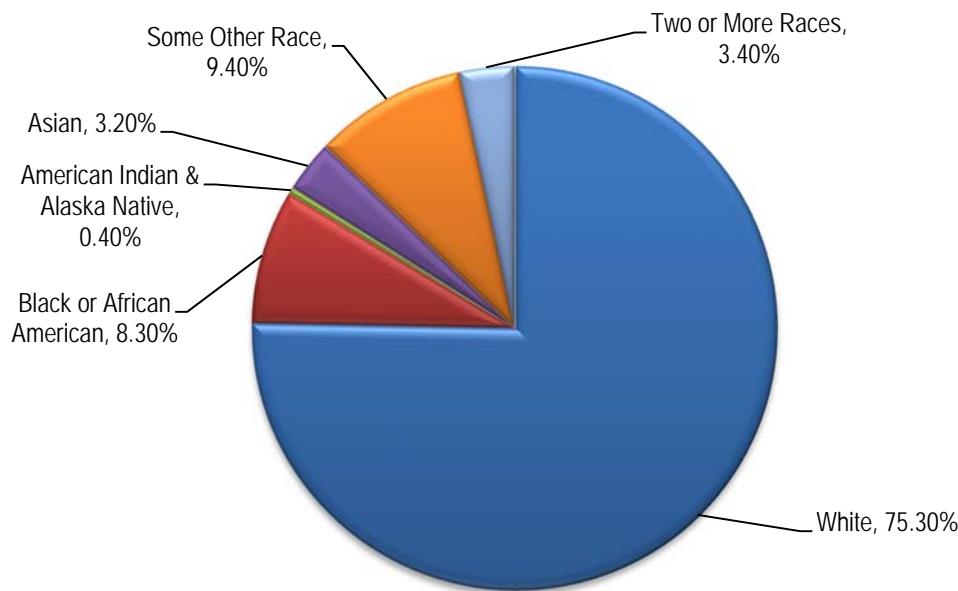
Age



Chapter 2: Village Profile

DEMOGRAPHICS (Continued)

Race



Education

High school graduate or higher	88.5%
Bachelor's degree or higher	29.7%

Housing

Housing units	6,326
Homeownership rate	84.9%
Median home value	\$186,700

Chapter 3: Budget Process and Organization

BUDGET PROCESS

The overall goal of the budget process is to present the Village Board with a budget that best addresses the needs and desires of the Village of Montgomery in the most efficient and effective manner possible. The budget process is an opportunity for the Village to assess and evaluate how it commits its financial resources and makes decisions regarding their continued use. The process, if conducted effectively, will result in a clearly spelled out plan for the future of this organization and a general collective understanding of how and where limited fiscal resources will be directed.

The budget serves as a policy document, financial plan, operations guide, and communications device. As a policy document, it contains a statement of entity-wide financial policies and non-financial goals and objectives of the Village. As a financial plan, it serves as the Village's primary instrument for promoting solvency, efficiency, and collective choices regarding the distribution and allocation of available resources. As an operations guide, it articulates the departmental action plans and how each of these plans will be accomplished. As a communications device, it contains information pertaining to key issues facing the Village, priorities for the coming year, accomplishments of prior years, and more.

The budget process for the Village of Montgomery involves the citizens, the Village President and Village Board, Village Administrator, Department Heads, supervisors and many others throughout the organization. Each person plays a critical role in the development of the budget for the upcoming year. Department Heads are responsible for evaluating the needs of their departments and divisions, soliciting input from supervisors and staff, and compiling those needs and priorities into a cohesive and straightforward budget request. The Village Board is critical in evaluating the budget, asking questions, and eventually approving the budget. Residents and their needs are, of course, the driving force behind the budget process. In addition, residents have opportunities to view the budget proposal and attend the Board meetings and public hearing when the budget is addressed.

The Village has adopted sections 5/8-2-9.1 through and including sections 5/8-2-9.10 of Chapter 65 of the Illinois Compiled Statutes (Municipal Code) providing for a municipality's financial operation under an annual budget in lieu of an appropriation ordinance. The budget process in the Village of Montgomery extends over seven months and culminates in April with the Village Board's adoption of the Village budget in advance of the beginning of the new fiscal year on May 1. The approved budget provides the authority to expend funds in the new fiscal year. Although much of the time and effort in preparing the budget takes place during the months of October through April, the development, implementation, monitoring and review of the Village's budget is part of a comprehensive process that occurs throughout the entire year.

In November, the Finance Department distributes budget worksheets to the operating departments. Each Department is responsible for submitting its own budget requests following detailed instructions. The operating departments prepare their budget requests and submit them to the Finance Department in January. Upon receipt of the departmental budget requests, the Finance Department compiles the draft budget. Revenue estimates are prepared by the Finance Department based upon historical trends, economic forecasts of authoritative sources, and anticipated activities and events in the community which are expected to have a local economic impact. The product is the budget as proposed by the Director of Finance to the Village Administrator.

Chapter 3: Budget Process and Organization

BUDGET PROCESS (Continued)

The Village Administrator and Director of Finance meet with the director of each department individually in January to discuss each respective budget request. The Village Administrator reviews all departmental budget requests, ensures that they are consistent with the priorities and guidance of the Village Board, and fashions a feasible fiscal plan. The overall goal of the process is to have the Village Administrator recommend a balanced budget to the Village Board for review and adoption. A balanced budget is a budget in which revenues meet or exceed expenditures, and cash reserves or fund balance is not considered a revenue source. The Village will sometimes drawdown cash reserves or fund balance and then return the reserves to the desired levels.

The Village Board and staff conduct a series of meetings beginning in February and ending in March and a public hearing in March on various aspects of the budget in order to allow for input on the process by residents of the community and to meet the Village's statutory obligations. Opportunities to participate in public meetings are noticed in the local newspaper and on the Village's website. The Village Administrator, Finance Director, and Department Heads are present at the hearings to address the issues and concerns by the Village President, Trustees and general public.

Based upon staff recommendations and its own findings, the Village Board may direct additions, deletions, or revisions to the proposed budget. The Finance Director revises the proposed budget as directed by the Village Board and the Finance Director submits it to the Village Board for formal approval in April. The final budget is adopted by ordinance. As noted previously, the budget ordinance must be adopted prior to the start of the fiscal year and filed with the county clerk within 30 days of adoption.

The Village's current budgetary control is at the department level and a budget is adopted for every fund. Total expenditures may not exceed the total amount approved for each fund unless a budget amendment is approved by the Village Board. If necessary, the annual budget may be amended by the Village Board during the year, increasing or decreasing total revenues or expenditures for a particular fund. These budget amendments are usually necessary if anticipated expenditures are expected to exceed the total amount budgeted at the fund level due to changing priorities or unexpected occurrences.

The calendar on the following page illustrates the timeline of events that make up the entire budget process in the Village of Montgomery for fiscal year 2016.

Chapter 3: Budget Process and Organization

BUDGET CALENDAR (Bold Items Involve the Village Board)

11/10/14	Announce and review tax levy (Village Board Meeting)
11/12/14	Budget/CIP kickoff meeting (Staff Meeting)
11/24/14	Public hearing on tax levy (Village Board Meeting)
12/08/14	Public hearing and approval of tax levy (Village Board Meeting)
11/12/14 – 1/09/15	Departments prepare budget and CIP requests
12/19/14	Personnel requests submitted to Director of Finance
12/19/14	Vehicle requests submitted to Director of Finance
1/09/15	Budget requests submitted to Director of Finance
1/09/15	Revenue projections submitted to Director of Finance
1/09/15	CIP requests submitted to Director of Finance
1/09/15 – 1/21/15	Review of budget and CIP requests by Director of Finance
1/21/15	Budget and CIP Report submitted to Village Administrator
2/2/15 – 2/6/15	Village Administrator and Director of Finance meet with departments to discuss budget/CIP requests
2/17/15	Review General Fund budget (Committee of the Whole Meeting)
2/23/15	Review Capital Improvement Fund budget/CIP (Village Board Meeting)
3/09/15	Notice of public hearing published and budget/CIP put on display for citizen review
3/09/15	Review Water and Other Fund budgets/CIP (Village Board Meeting)
3/17/15	Review complete budget/CIP (Committee of the Whole Meeting)
3/23/15	Public hearing conducted and first reading of budget/CIP ordinance (Village Board Meeting)
4/13/15	Second reading and approval of budget/CIP ordinance (Village Board Meeting)

Chapter 3: Budget Process and Organization

CLASSIFICATION OF REVENUES AND EXPENDITURES

The classification of revenues in the Village of Montgomery budget document is segregated by three levels of organization: fund, source, and account. The classification of expenditures in the Village of Montgomery budget document is segregated by six levels of organization: fund, function, organizational unit, character, object, and account. Each successive level of organization is more detailed and narrow in terms of the amount of expenditures. In other words, object codes are a subset of character codes and function codes are a subset of funds. This section explains this system of organization and identifies how the levels interrelate. The following are the glossary definition of each term:

FUND: A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations (e.g., General Fund).

SOURCE: Revenue classification according to how and where the revenues were raised.

FUNCTION: A group of related activities aimed at accomplishing a major service for which a government is responsible (e.g., Public Safety).

ORGANIZATIONAL UNIT: A responsibility center within a government (e.g., Police).

CHARACTER: Expenditure classification according to the periods expenditures are presumed to benefit. The three character groupings are (a) current – presumed to benefit the current fiscal period; (b) debt service – presumed to benefit prior fiscal periods as well as current and future periods; and (c) capital – presumed to benefit the current and future fiscal periods.

OBJECT: This classification is used to describe the service or commodity obtained as the result of a specific expenditure (e.g., Personal Services).

ACCOUNT: This classification is a further subdivision of the object classification above detailing what service or commodity is being obtained (e.g. Salaries and Wages – Regular).

ORGANIZATION OF FINANCIAL PRESENTATION

Most of the financial information presented in this document appears in a tabular format, with the columns across the top of the table representing various fiscal years. For certain fiscal years, the data appears in multiple columns, reflecting the varying stages of the budget process. Each of those stages is explained below:

- **FY14 Actual** – This column refers to the actual expenditures from the most recently completed fiscal years: FY14 (May 1, 2013 through April 30, 2014). The source of this information is the Village's Comprehensive Annual Financial Report and financial software system.

Chapter 3: Budget Process and Organization

ORGANIZATION OF FINANCIAL PRESENTATION (Continued)

- FY15 Budget – This column refers to the amount approved by the Village Board for the current fiscal year.
- FY15 Projected – This column refers to staff's estimate of the amount to be received or expended at the end of the current fiscal year. Assumptions are made about expenditures in the final few months of the fiscal year and added to year to date actual expenditures to arrive at an estimate for the entire year. This process of estimation is conducted separately by each director or staff person responsible for a given set of accounts and is reviewed by the Finance Department.
- FYE 16 Approved – This column refers to the amount approved by the Village Board for the upcoming fiscal year.
- FYE 17 and FYE 18 Projected – These columns refer to the revenue and expenditure amounts projected for fiscal years beyond the fiscal year budget approved by the Village Board. The method used for determining projections varies depending on the account type. Revenues follow the same trends as discussed on pages 45 through 49 of this report. Personnel costs are determined by applying an increment depending on the anticipated raises and the amount of staff growth expected. Contractual services and commodities are normally determined by keeping the same level of expenditure as the previous year unless Department's are aware of a particular increase of decrease. Debt service is determined based on future debt service schedules. Capital outlay is determined based on the Capital Improvement Program.

FUND GROUPS AND BASIS OF BUDGETING

There are three fund categories used by the Village: 1) Governmental Funds, 2) Proprietary Funds, and 3) Fiduciary Funds. The three fund categories, as well as fund types underneath each category, are described below. See Table 2 – 1 below for a graphic of the fund categories and types.

Table 2 - 1		Fund category	Fund type	Measurement focus		Basis of accounting
				Economic resources	Current financial resources	
Governmental funds	General fund				X	X
	Special revenue fund				X	X
	Debt service fund				X	X
	Capital projects fund				X	X
	Permanent fund				X	X
Proprietary funds	Enterprise fund			X		X
	Internal service fund			X		X
Fiduciary funds	Pension (and other employee benefit) trust fund			X		X
	Investment trust fund			X		X
	Private-purpose trust fund			X		X
	Agency fund			Not applicable		X

Chapter 3: Budget Process and Organization

FUND GROUPS AND BASIS OF BUDGETING (Continued)

The Village establishes annual budgets for all of its funds except the agency funds. The Village prepares its governmental fund budgets on the same basis and its proprietary fund budgets on a different basis as the annual financial statements in accordance with accounting principles generally accepted in the United State of America (GAAP). GAAP are uniform minimum standards and guidelines for financial accounting and reporting. The primary authoritative body on the application of GAAP for state and local governments is the Governmental Accounting Standards Board.

The budgets of the governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Significant revenue sources which are susceptible to accrual include property taxes, other taxes, grants, charges for services, and interest. All other revenue sources are considered to be measurable and available only when cash is received. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due (e.g. upon employee retirement or termination or debt payment). General capital asset acquisitions are reported as expenditures in governmental funds.

The financial statements of the proprietary and fiduciary funds are reported using the economic resources measurement focus (except the agency funds which do not have a measurement focus) and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Under the budgetary basis of accounting, the receipt of long-term debt proceeds, capital outlays, and debt service principal payments are reported in revenues and expenses, while GAAP excludes those. Allocations for depreciation and amortization expense are included in operations for the financial statement presentation, but excluded for budgetary purposes.

Property taxes are recognized as revenues in the year for which they are levied. Nonexchange transactions, in which the Village gives (or receives) value without directly receiving (or giving) equal value in exchange, include various taxes, State shared revenues and various State, Federal and local grants. On an accrual basis, revenues from taxes are recognized when the Village has a legal claim to the resources. Grants, entitlements, State shared revenues and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Governmental funds are principally supported by taxes and intergovernmental revenues. The Village administers the following major governmental funds:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The services which are administered by the Village and accounted for in the general fund include general government, public safety and highways and streets.

Chapter 3: Budget Process and Organization

FUND GROUPS AND BASIS OF BUDGETING (Continued)

The Capital Improvement Fund accounts for the acquisition, construction and improvement of major governmental capital assets (not being financed by proprietary funds). Activities are financed by utility taxes and developer contributions.

The Debt Service Fund is used to accumulate monies for the Village's general obligation alternate revenue source bonds (Series 2008, Series 2010, Series 2011, and Series 2014). Activities are financed by transfers from the Capital Improvement Fund.

In addition, the Village manages the following non-major governmental funds (fund type in parentheses):

- Motor Fuel Tax Fund (Special Revenue)
- Economic Development Loan Fund (Special Revenue)
- Forfeiture & Seizure Fund (Special Revenue)
- Emergency 911 Fund (Special Revenue)
- Lakewood Creek Special Assessment Project Fund (Capital Projects)
- Infrastructure Improvement Fund (Capital Projects)
- Montgomery Preserve TIF #1 Fund (Special Revenue)
- Aucutt Road TIF #2 Fund (Special Revenue)
- Vehicle Reserve Fund (Capital Projects)
- Police Gift Fund (Special Revenue)
- Montgomery Crossing SSA Fund (Special Revenue)
- Blackberry Crossing SSA Fund (Special Revenue)
- Fairfield Way SSA Fund (Special Revenue)
- Arbor Ridge SSA Fund (Special Revenue)
- Foxmoor SSA Fund (Special Revenue)
- Saratoga Springs SSA Fund (Special Revenue)
- Orchard Prairie North SSA Fund (Special Revenue)
- Blackberry Crossing West SSA Fund (Special Revenue)
- Fieldstone Place SSA Fund (Special Revenue)
- Balmorea SSA Fund (Special Revenue)
- Marquis Point SSA Fund (Special Revenue)
- Ogden Hill SSA Fund (Special Revenue)

Proprietary Funds are financed and operated in a manner similar to a private business enterprise, where the intent of the governing body is that the cost of providing goods or services on a continuing basis be financed or recovered primarily through user fees and charges. The Village administers the following major enterprise fund:

Chapter 3: Budget Process and Organization

FUND GROUPS AND BASIS OF BUDGETING (Continued)

The Water Fund (Water and Water Improvement Funds are consolidated in the financial statements) accounts for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

In addition, the Village manages the following non-major proprietary funds (fund type in parentheses):

- Refuse Fund (Enterprise)
- Employee Insurance Fund (Internal Service)

The following matrix identifies the relationship between the major governmental and proprietary funds and departments:

Table 2 - 2

Fund	Administration	Community Development	Finance	Police	Public Works
General	X	X	X	X	X
Capital Improvement	X	X	X	X	X
Debt service			X		
Water			X		

Lastly, the Village administers fiduciary (pension trust and agency) funds for assets held by the Village in a fiduciary capacity on behalf of certain public safety employees, bondholders and other governments. There is not a direct relationship between the departments and fiduciary funds since these funds are held for others. The Village oversees the following fiduciary funds (fund type in parentheses):

- Police Pension Fund (Pension Trust)
- Talma Street SSA Fund (Agency)
- Escrow Fund (Agency)
- Flexible Benefits Fund (Agency)
- Lakewood Creek Special Assessment Agency Fund (Agency)
- Blackberry Crossing West SSA Agency Fund (Agency)
- Cornell Avenue SSA Fund (Agency)
- Temporary Certificate of Occupancy Fund (Agency)

Chapter 4: *Goals and Policies*

VILLAGE GOALS

Consistent with the Village's mission statement are operational goals that provide direction for the Village policies and procedures as set by the Village President and Board of Trustees. These goals do not change from year to year and are the main consideration for all planning endeavors and projects undertaken by Village staff as directed by the Village Board. These operational goals are as follows:

- To maintain a safe and healthy atmosphere in which to live and work.
- To provide for the Village's long-term financial stability.
- To respond in an efficient and effective manner to community needs.

STRATEGIC PLAN

The Village recognizes the importance to develop and manage programs, services, and their related resources as efficiently and effectively as possible. One way to address this issue is the adoption of a Strategic Plan, which was last updated in 2006. The Village included an update to the Strategic Plan in the fiscal year 2015 budget. The factors influencing an update were changes in the economic outlook, growth in the community, and the election of new Board members. The Village Board and senior management participated in the Strategic Planning retreat in November 2014. The strategic planning retreat was held to determine the vision and direction of the Village, as well as formally establish and prioritize Village goals.

FISCAL POLICIES

The Village of Montgomery has a tradition of sound municipal financial management. These policies are designed to establish a framework for providing quality services to the community in an efficient and effective manner while maintaining long-term financial stability within the limitations established in the policies. The Village of Montgomery has a responsibility to its citizens to carefully account for public funds, to manage municipal finances wisely, and to plan for the funding of services and facilities required by the public. Although the subsequent policies are followed by the Village, most have not been formally adopted by the Village Board. The policies will be presented to the Board for approval in fiscal year 2016.

The fiscal policies of the Village of Montgomery have specific objectives designed to ensure the continued fiscal health of the Village. These objectives are:

- To maintain Board policy making ability by ensuring that important fiscal decisions are not driven by emergencies or financial problems.
- To provide the Board with precise and timely information so that policy decisions can be made in a judicious manner.
- To provide sound financial principles to guide the Board and management in making decisions.
- To use sound revenue policies which prevent undue reliance on a single source of revenue and which distributes the cost of municipal services fairly among all programs.
- To protect and maintain the Village's credit rating.
- To ensure legal compliance with the budget through systems of internal control.

Chapter 4: *Goals and Policies*

FISCAL POLICIES (Continued)

Budget Policies

Illinois law requires that all general-purpose local governments pass an appropriation ordinance within the first quarter of each fiscal year or an annual budget shall be adopted by the corporate authorities before the beginning of each fiscal year to which it applies. The Village has chosen to adopt sections 5/8-2-9.1 through and including sections 5/8-2-9.10 of Chapter 65 of the Illinois Compiled Statutes (Municipal Code) which provide for a municipality's financial operation under an annual budget in lieu of an appropriation ordinance.

The budget process is an opportunity for the Village to assess and evaluate how it commits its financial resources and make decisions regarding their continued use. The process, if conducted effectively, will result in a clearly spelled out plan for the future of this organization and a general collective understanding of how and where limited fiscal resources will be directed. The annual budget should provide for the following:

1. The Village will adopt and maintain a balanced budget in which expenditures will not be allowed to exceed reasonably estimated revenues and other available funds at the same time maintaining recommended fund balances.
2. Budget development will be directed by and should allow for the implementation of specific goals and objectives as developed by each department.
3. As part of the annual budget review process, the Village will project fund revenues and expenditures for two years beyond the budget year and compare the projected balances to the fund balance policy. This will allow the Village to identify potential problems early enough to correct them.
4. The tentative annual budget shall be made conveniently available to public inspection prior to the passage of the annual budget. The Village shall hold at least one public hearing on the tentative annual budget prior to final action on the budget.
5. The Village will prepare and maintain a system of regular reports comparing actual revenues and expenditures to budgeted amounts.
6. Each department shall annually contribute for replacement of vehicles and equipment in order to maintain a "pay-as-you-go" basis for equipment replacement. Replacement cost and useful life for vehicles and equipment will be reevaluated on an annual basis.
7. The annual budget should effectively communicate meaningful and understandable information to the Village residents, Village Board, Village Staff, and other readers. To accomplish this goal the Village will prepare its annual budget in conformance with the Government Finance Officers Association's (GFOA) Distinguished Budget Presentation Award Program.

Chapter 4: *Goals and Policies*

FISCAL POLICIES (Continued)

Reserve Policies

The purpose of these policies is to enhance long-term financial planning and mitigate the risks associated with changes in revenues due to economic and local market conditions and unanticipated expenditures that may occur. The Village of Montgomery has established the following fund reserve policies:

General Fund

1. The Village of Montgomery will strive to maintain a minimum unrestricted fund balance (committed, assigned, or unassigned) in the General Fund to fund operations for a period of at least three months ("Cash Flow Commitment"). The Cash Flow Commitment in the General Fund is adjusted with the adoption of the annual budget and is calculated as three months (25%) of current year expenditures.
2. If the fund balance is anticipated to fall below 25%, a plan will be developed and implemented to restore the fund balance to an acceptable level within a reasonable period of time.
3. The Village will spend the most restricted dollars before less restricted, in the following order:
 - a. Nonspendable (if funds become spendable),
 - b. Restricted,
 - c. Committed,
 - d. Assigned, and
 - e. Unassigned.

Revenue Policies

The Village endeavors to maintain a broad-based, well-diversified, and stable portfolio of revenues to reduce the impacts of short-term fluctuations in any one revenue source. The revenue mix combines elastic and inelastic revenue sources to minimize the effects of an economic downturn. The Village also incorporates the following principles related to revenues as it furthers its financial planning and fulfills its fiscal responsibilities:

1. Each existing and potential revenue source will be examined annually on an objective, reasonable, and conservative basis. The Village project each revenue source for at least the next three years and will update this projection through the annual financial forecast process.
2. The Village will maintain a revenue monitoring system to assist in trend analysis and revenue forecasting.
3. All charges for services, fees, licenses, permits, etc. will be reviewed regularly to insure that rates are maintained at a level that correlates to the cost of providing such services and are competitive with others providing similar services in the area.

Chapter 4: *Goals and Policies*

FISCAL POLICIES (Continued)

Revenue Policies (Continued)

4. Enterprise fund fees and user charges shall be set at a level that fully supports the cost of providing the services, providing for debt service, and maintaining the capital structure of the systems. Water, sewer, and refuse rates will be reviewed annually and set at levels adequate to meet expenditures for the next three years.
5. One-time revenues will not be used to support operating expenditures, except in emergency situations. The identification of new, one-time revenue opportunities will be used to fund capital projects.
6. The Village will strive to strengthen its revenue base by bringing in additional commercial and industrial development with the assistance of the Montgomery Economic Development Corporation.
7. The Village will actively seek State and Federal grants.

Expenditure Policies

1. The Village will maintain a level of expenditures which will provide for the public well-being and safety of the residents and businesses of the community.
2. Expenditures will be within the confines of generated revenue and/or reserve balances. Services will parallel and adjust to the Village's elastic and inelastic revenue sources in order to maintain the highest level of service.
3. The Village will project expenditures for at least the next three years and will update this projection through the annual financial forecast process. This forecast will take into account anticipated increases in operating expenditures, significant changes in operating and staffing needs, and future capital projects and improvements that have been identified as needed for the community.
4. The annual operating budget will include the corresponding capital projects identified in the Five-Year Capital Improvement Program (CIP).
5. An employee compensation package consistent with sound economic policies will be maintained to recruit and to retain qualified employees. The Village will maintain a pay and benefit structure for its employees competitive with communities comparable to the Village.

Cash Management Policies

1. The cash management system is designed to accurately monitor and forecast revenues and expenditures, thus enabling the Village to invest funds to the fullest extent possible. The Village attempts to match funds to projected disbursements.

Chapter 4: *Goals and Policies*

FISCAL POLICIES (Continued)

Cash Management Policies (Continued)

2. An investment policy has been adopted by the Village Board as a separate document, and is incorporated into these financial policies by reference. The investment policy provides guidelines for the prudent investment of cash reserves and temporarily idle cash and outlines the policies for maximizing the efficiency of the cash management system.
3. In order to maximize interest earnings, the Village combines the cash of all funds excluding those that are legally required to be held separately.
4. Require that all bank deposits be collateralized with securities, as noted in the above policy, having a market value of 105% of the underlying deposits.
5. State statutes govern the investment of public funds and provide the general framework for investment activity and fiduciary responsibilities. The investment of Village funds must be in conformance with state statutes, local ordinances, and internal policies and procedures.
6. Criteria for selecting investments and the order of priority are: safety, liquidity, and return on investment.

Accounting, Auditing and Reporting Policies

The Village will establish and maintain a high standard of accounting practices in conformance with accounting principles generally accepted in the United States of America (GAAP) for governmental entities as promulgated by the Governmental Accounting Standards Board (GASB). The Village also incorporates the following principles related to accounting, auditing and reporting as it furthers its financial planning and fulfills its fiscal responsibilities:

1. An audit of the Village's financial statements will be performed annually in accordance with auditing standards generally accepted in the United States of America (GAAS) by an independent firm of certified public accountants, who will publicly issue an opinion that will be incorporated into the financial statements.
2. The Village will submit its Comprehensive Annual Financial Report (CAFR) annually to the Government Finance Officers Association (GFOA) for the purpose of obtaining the Certificate of Achievement for Excellence in Financial Reporting Award.
3. Governmental funds will be reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recognized in the accounting period in which the liability is incurred.

Chapter 4: *Goals and Policies*

FISCAL POLICIES (Continued)

Accounting, Auditing and Reporting Policies (Continued)

4. The government-wide, proprietary fund, and fiduciary trust fund financial statements will be reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place.
5. Fiduciary agency funds will be reported using the accrual basis of accounting to recognize receivables and payables. However, they do not have a measurement focus since they report only assets and liabilities, and do not report equity or changes in equity.
6. The Village will promote full disclosures in its financial statements in accordance with, but not limited to, the requirements of the Governmental Accounting Standards.

Debt Administration Policies

As a non-home rule community, the statutory limit on the amount of general obligation debt outstanding cannot exceed 8.625% of equalized assessed valuation. The legal debt limit specifically excludes general obligation alternate revenue bonds and other debt which is being repaid by a revenue source other than property taxes. Maintaining significantly lower debt levels provides for greater flexibility in issuing additional bonds should the need arise.

1. The Village will confine long-term borrowing to those capital improvements or one-time obligations that cannot be financed from current revenues or reserves.
2. The Village will not use long-term borrowing to fund operating expenditures.
3. The Village will maintain communications with bond rating agencies about its financial condition. The Village will follow a policy of full disclosure on every financial report and bond prospectus.
4. The maturity date for any long-term debt will not exceed the reasonably expected useful life of the capital project financed.
5. The Village will consider the refunding of outstanding debt when at least a 3% present value savings can be obtained for an advance refunding and at least a 2% present value savings can be obtained for a current refunding, as long as it is beneficial to the Village.
6. Excess fund balance may be used to 1) fund planned capital projects, thereby avoiding debt; 2) abate annual debt service on outstanding obligations; or 3) pay down outstanding obligations.
7. Continuing disclosures will be filed annually as required by the Village's outstanding debt in accordance with Securities and Exchange Commission (SEC) Rule 15c2-12.

Chapter 4: *Goals and Policies*

FISCAL POLICIES (Continued)

Capital Asset Policies

1. The Village of Montgomery invests a significant amount in capital assets in pursuit of its mission, as well as to maintain or improve the level of service expected by its citizens. These assets play an essential role in the Village's ability to diversify, expand and cope with growth, and improve environmental conditions. That level of service can only be assured if adequate consideration is given to maintaining and expanding public facilities and infrastructure. If a government fails to maintain its capital assets, equipment, facilities and infrastructure will deteriorate more quickly and necessitate costly emergency allocations of financial resources.
2. A capital asset policy has been adopted by the Village Board as a separate document, and is incorporated into these financial policies by reference. The objective of this policy is to establish and maintain capital asset records to comply with governmental financial reporting standards, to ensure adequate control and appropriate use of capital assets, and to provide accountability for property control.
3. When the Village constructs or acquires additional capital assets they are capitalized and reported at historical cost. The reported value excludes general maintenance and repairs that do not increase the capacity or materially extend its useful life beyond the original estimate. In the case of donations, the Village values these capital assets at the estimated fair value of the item at the date of donation. To be considered a capital asset for financial reporting purposes an item must have a useful life of at least one year and be at or above the capitalization thresholds in the following table.

Description	Useful Life	Capitalization Threshold
Land (and inexhaustible land improvements)	N/A	\$ 1
Land improvements (exhaustible)	15 - 20	25,000
Buildings	45	50,000
Building improvements	10 - 30	50,000
Vehicles	3 - 10	10,000
Machinery and equipment	5 - 30	25,000
Computers	4	10,000
Furniture and fixtures	5 - 20	15,000
Infrastructure	20 - 50	250,000

4. The Village shall maintain a Five-Year Capital Improvement Program (CIP) in association with the Expenditure Policy noted above. Capital improvements will be made in accordance with the plan which will be updated on an annual basis. The CIP will provide for adequate design, construction, maintenance and replacement of the Village's capital plant and equipment subject to budgetary restrictions and will be used to identify and prioritize future capital needs and possible funding sources.

Chapter 5: Executive Summary

ALL FUNDS SUMMARY

The following tables represent the fiscal year 2015 projected revenues and expenditures and fiscal year 2016 approved budget for the Village of Montgomery as a whole.

REVENUES	Estimated FY 2015	Budget FY 2016	Percent Change
General	\$ 8,812,613	\$ 9,424,482	6.94%
Motor Fuel Tax	657,981	597,693	-9.16%
Economic Development Loan	14,678	12,861	-12.38%
Forfeiture and Seizure	14,766	14,850	0.57%
E-911	-	-	0.00%
Capital Improvement	1,424,197	1,613,909	13.32%
Lakewood Creek Project	26,373	60,003	127.52%
Infrastructure Improvement	-	1,501,000	100.00%
TIF #1	38,853	40,000	2.95%
TIF #2	-	51,000	100.00%
Debt Service	968,253	1,084,165	11.97%
Water	4,539,313	4,702,695	3.60%
Water Improvement	2,592,270	1,773,346	-31.59%
Employee Insurance	885,290	1,088,865	23.00%
Vehicle Reserve	612,200	697,802	13.98%
Refuse	1,238,300	1,297,067	4.75%
Police Pension	1,125,477	1,250,241	11.09%
Police Gifts	300	250	-16.67%
Special Service Areas	391,174	347,358	-11.20%
TOTAL REVENUES	\$ 23,342,038	\$ 25,557,587	

EXPENDITURES	Estimated FY 2015	Budget FY 2016	Percent Change
General	\$ 8,838,134	\$ 9,239,754	4.54%
Motor Fuel Tax	1,128,025	740,799	-34.33%
Economic Development Loan	2,000	3,000	50.00%
Forfeiture and Seizure	69,611	10,000	-85.63%
E-911	60,000	36,000	-40.00%
Capital Improvement	1,128,597	1,442,165	27.78%
Lakewood Creek Project	60,000	60,000	0.00%
Infrastructure Improvement	-	778,400	100.00%
TIF #1	1,636	45,520	2682.40%
TIF #2	655	36,750	5510.69%
Debt Service	971,197	1,084,165	11.63%
Water	3,897,015	5,894,132	51.25%
Water Improvement	3,182,332	1,820,370	-42.80%
Employee Insurance	888,262	1,088,865	22.58%
Vehicle Reserve	412,966	714,178	72.94%
Refuse	1,218,353	1,296,817	6.44%
Police Pension	446,617	423,970	-5.07%
Police Gifts	1,707	1,300	-23.84%
Special Service Areas	315,738	309,255	-2.05%
TOTAL EXPENDITURES	\$ 22,622,845	\$ 25,025,440	

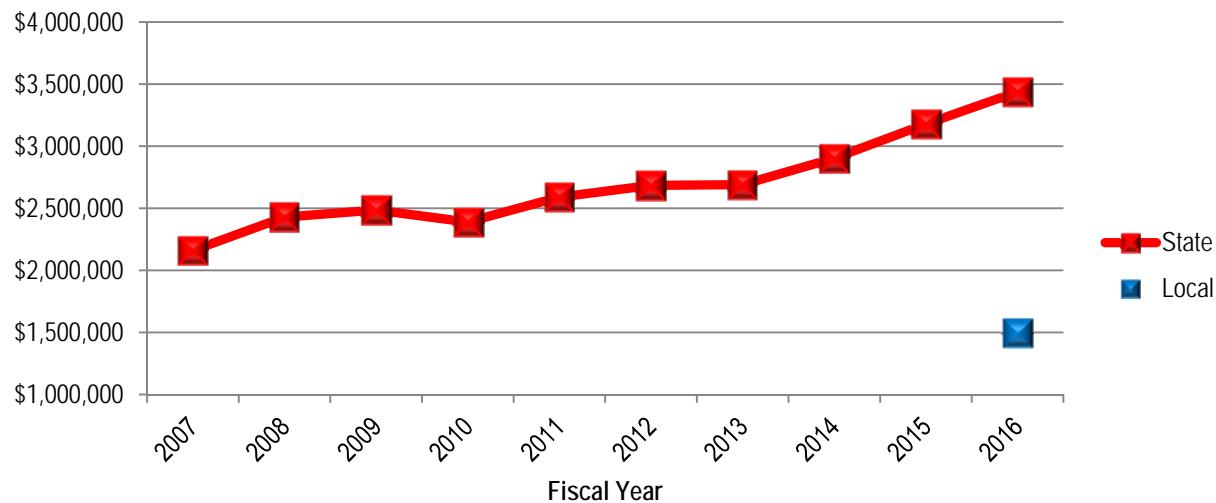
Chapter 5: Executive Summary

MAJOR REVENUES

The desire of the Village of Montgomery is to maintain a broad-based, well-diversified, and stable portfolio of revenues. The trend information in charts below includes audited revenues from fiscal year 2007 through fiscal year 2014, estimated revenues for fiscal year 2015, and budgeted revenues for fiscal year 2016. The following significant revenue sources explain approximately 79% of the total revenues budgeted for fiscal year 2016.

State and local sales tax (\$4,937,768 or 19.32%)

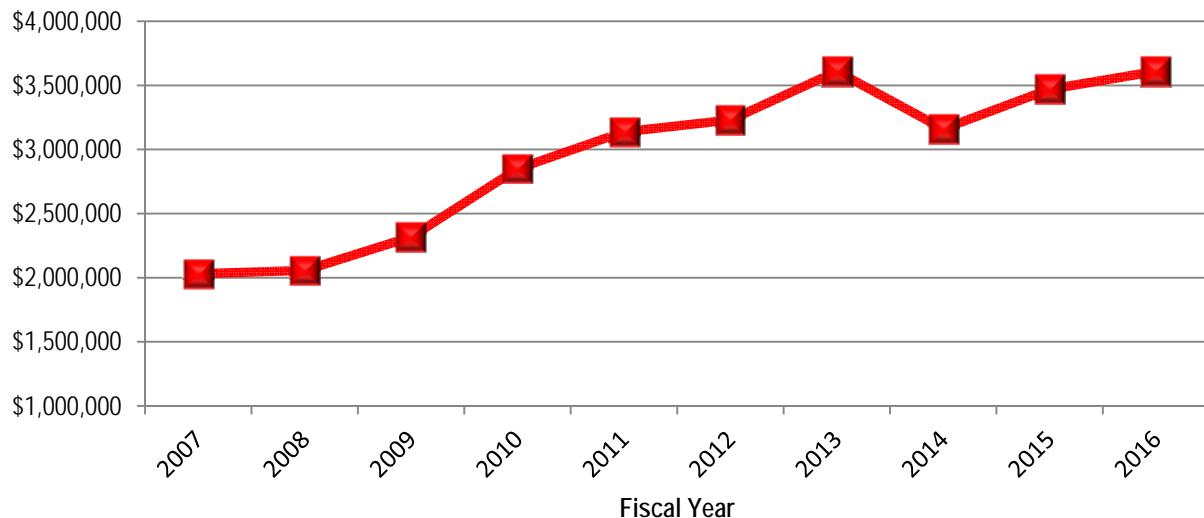
The Village's single largest revenue source is sales tax. The Village receives a one percent state sales tax on retail sales of tangible personal property within the Village. Sales tax is collected by the State and remitted to the Village three months after the liability occurs. Sales tax revenue has drastically increased in the last 10 years through the expansion of the commercial and retail sector in Montgomery. In fact, sales tax stayed fairly consistent even through the Great Recession. The Village will begin collecting non-home rule sales tax on July 1, 2015, which is collected on items other than groceries, prescription drugs, over-the-counter medicine, or professional services. The decrease in fiscal year 2010 is due to the loss of a major business while the increases in fiscal year 2015 and fiscal year 2016 are due to the addition of a major business.



Water revenue (\$3,609,273 or 14.12%)

The Village owns a water utility and charges residents a fee to use that water, which is the second largest revenue source for the Village. The Village also charges residents a fee to maintain the sanitary sewer lines that feed to the Fox Metro Water Reclamation District. The revenue is based upon the immediate prior year's usage by existing residents along with the additional housing units brought online by new permits. The fiscal year 2016 budget includes an increase in the water rates of 4% as of May 1, 2015. The Village expects annual increases of 3% in fiscal year 2017 and each year thereafter. This revenue stream is dependent on weather conditions and will vary based on how warm it is or how much rain the Village receives.

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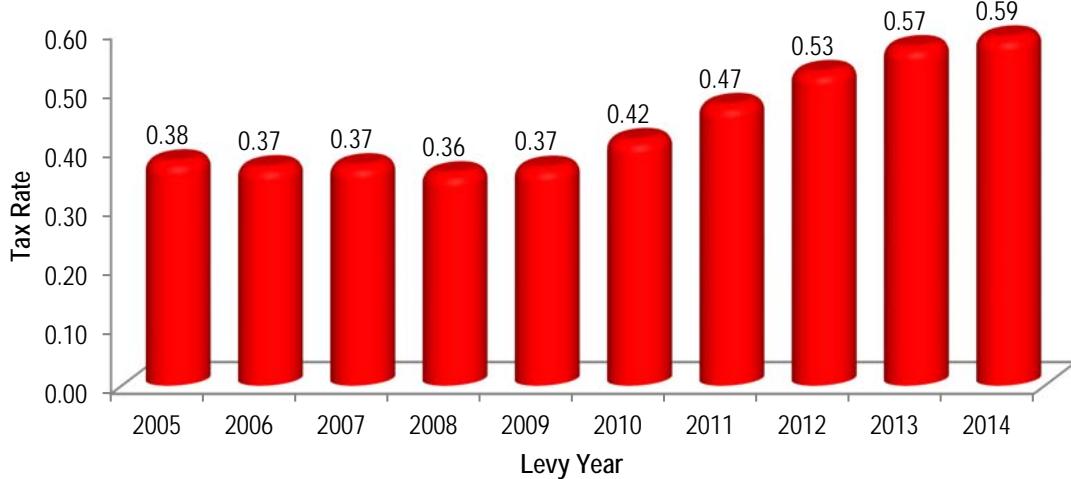
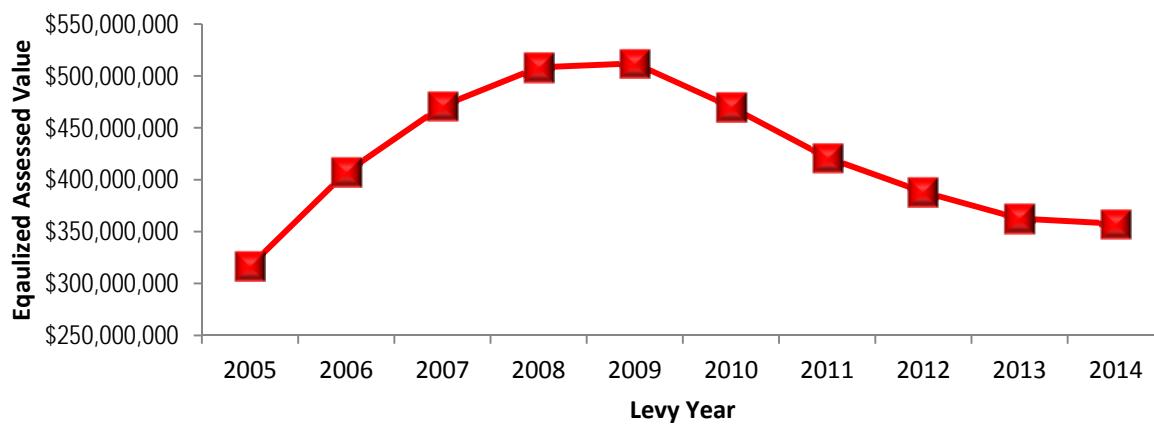
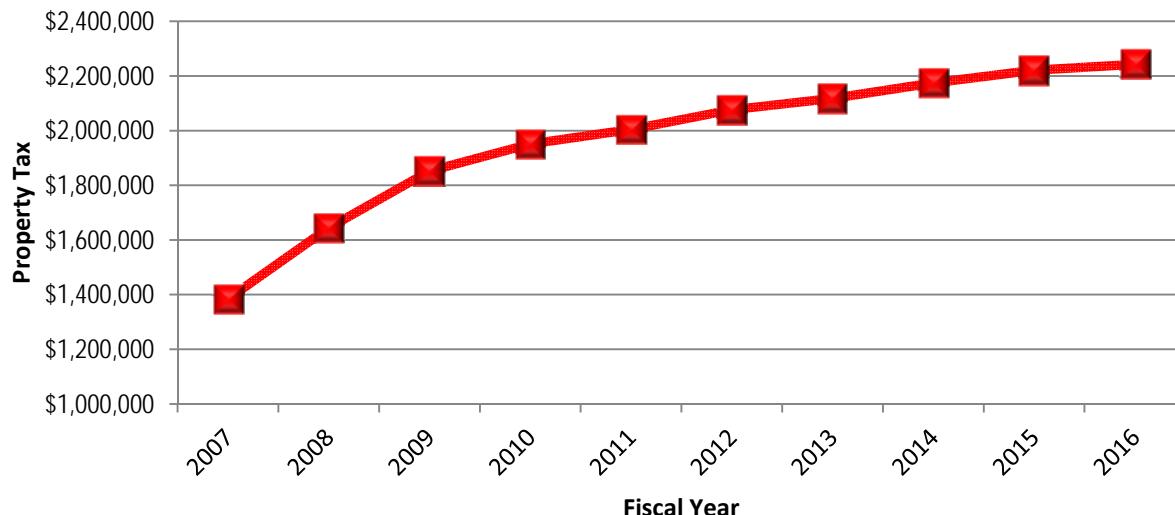


Property tax (\$2,242,839 or 8.78%)

Local property tax revenues, the third largest revenue source, have risen in recent years as a result of the residential and commercial growth that took place before the Great Recession. The Village annually establishes a legal right to the property tax assessments upon the enactment of a tax levy ordinance by the Village Board. These tax assessments are levied in December and attach as an enforceable lien on the previous January 1. Tax bills are prepared by Kane and Kendall Counties and issued on or about May 15 and August 1, and are payable in two installments which are due on or about June 15 and September 1. Property taxes are billed, collected and remitted periodically by the County Treasurers to the Village. Both counties provide the Village with its levy year 2014 tax rate in April 2015, which is collectible in calendar year 2015 and reflected in fiscal year 2016. The increase in total property tax revenue is limited by the Property Tax Extension Limitation Act (tax cap), which provides that operating levy increases cannot exceed the Consumer Price Index increase for the prior calendar year, plus new growth. New growth consists of annexations of property and new building activity.

The history of the property tax within Montgomery is rather interesting due to Montgomery's extreme population growth. The first graph on the next page shows sizable growth in revenue while residential development was taking place, but leveled off and has been fairly stable since fiscal year 2010. The second graph depicts the equalized assessed value (1/3 of actual value and what property tax bills are based on) which started to go down shortly after the housing downturn. The third graph represents the direct tax rate paid by residents for Village property taxes only. There is an inverse relationship between equalized assessed value and the Village's direct tax rate due to the tax cap.

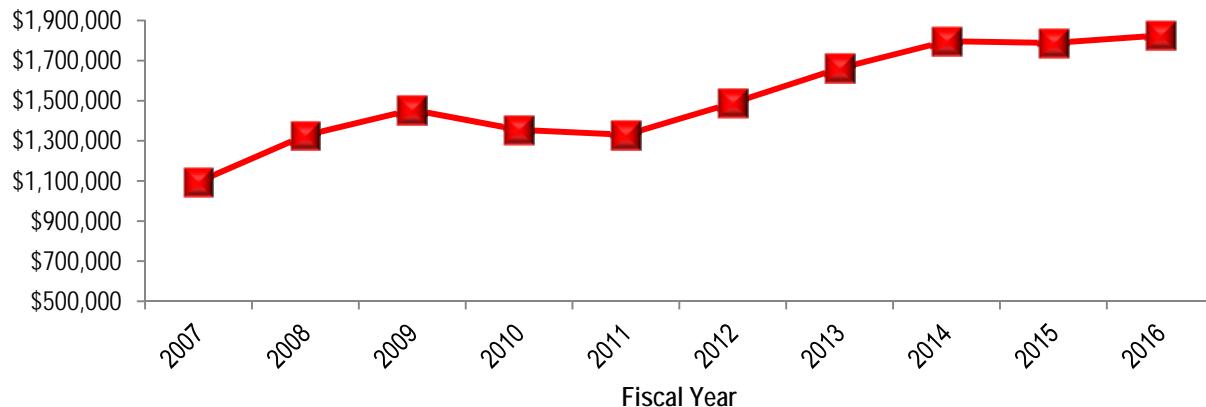
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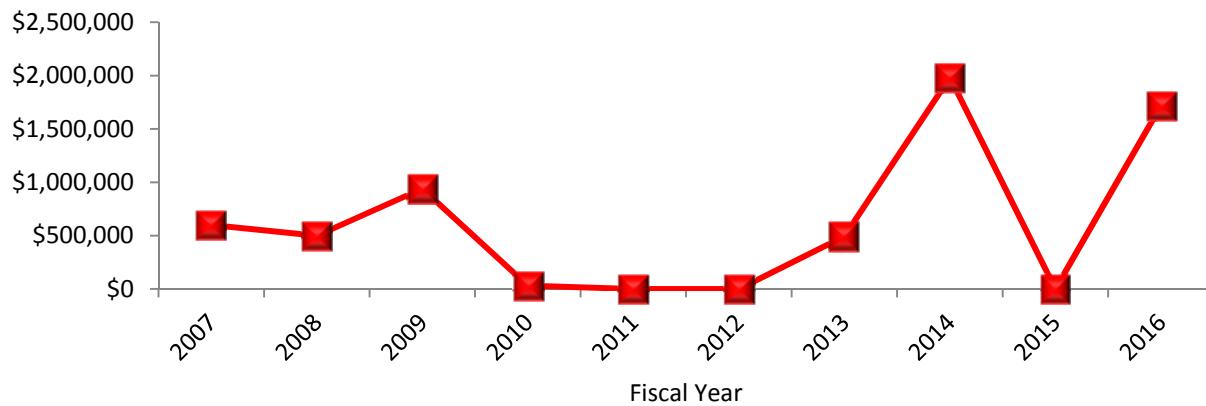
State income tax (\$1,825,362 or 7.14%)

The Village's fourth largest revenue source is the State shared income tax which comes from the State of Illinois Local Government Distributive Fund (LGDF). LGDF is collected by the State and distributed to the Village on a per capita basis three months after the liability occurs. The Illinois Municipal League estimates quarterly the amount each municipality receives per person. The Village has used its 2010 Census population of 18,438 residents for 12 months of the year. The Illinois Municipal League estimated the per capita collections for fiscal year 2016 at \$99.00 per person. The 1.2% increase over fiscal year 2015 reflects the continued economic recovery, as unemployment decreases and companies see profits increase. Please note the State of Illinois has proposed to cut this amount by 50%.



Transfers in – Water Improvement Fund (\$1,716,346 or 6.72%)

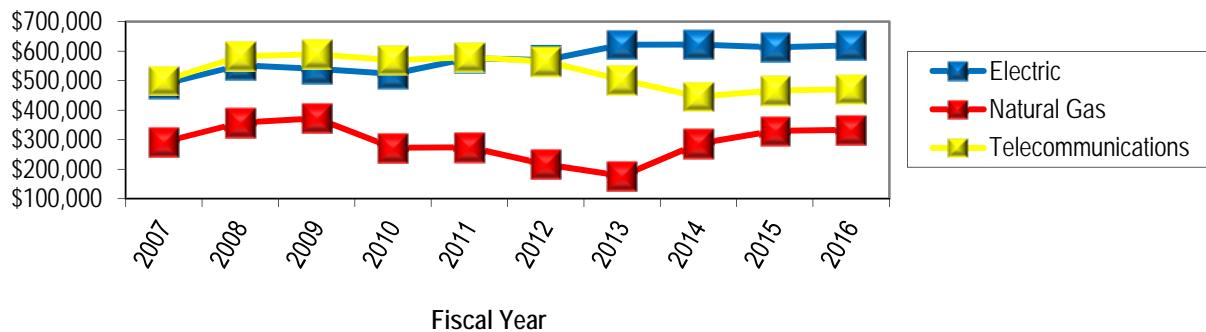
The Water Improvement Fund is used to account for resources restricted, committed or assigned for the acquisition of capital assets or construction of major capital projects related to the operation of the Village owned water utility. Transfers into the Water Improvement Fund come from water operations and will vary greatly depending on the projects budgeted for and whether long-term debt is being used to finance said projects. The Village utilized Series 2013 bond proceeds and Illinois Environmental Protection Agency loan proceeds for fiscal year 2015 projects, while fiscal year 2016 projects are mainly financed with internal funds.



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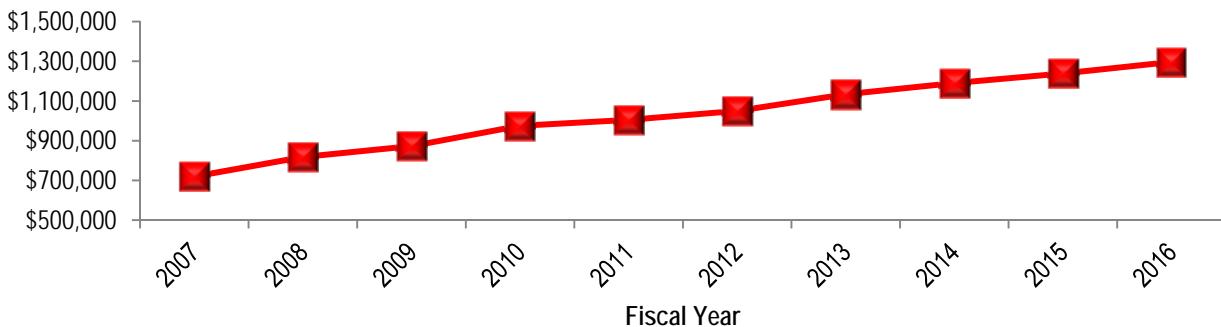
Utility taxes (\$1,423,112 or 5.57%)

Utility taxes consist of three components, which together make up the fifth largest revenue source. First, telecommunications tax of 6% appears on the local and cellular phone bills of residents and businesses within Village limits, and is collected by the State and remitted to the Village three months after the liability occurs. Second, electricity tax of 5% appears on the electric bills, and is collected by Commonwealth Edison and remitted to the Village the month after the liability occurs. Third, natural gas tax of 5% appears on the natural gas bills, and is collected by Nicor Gas and remitted to the Village the month after the liability occurs. These revenue streams are somewhat unpredictable and will rise and fall due to the severity of climate changes (electricity and natural gas tax). Utility tax revenues have stagnated in recent years due to the slowdown in new residential and commercial development. The reduction in telecommunications tax is due to residents continuing to move to cell service only, while the reduction in natural gas tax is due to warmer winters over the last several years. The Village expects to see revenues increase slowly as the economy rebounds and residential and commercial development begins to recover.



Refuse revenue (\$1,296,817 or 5.07%)

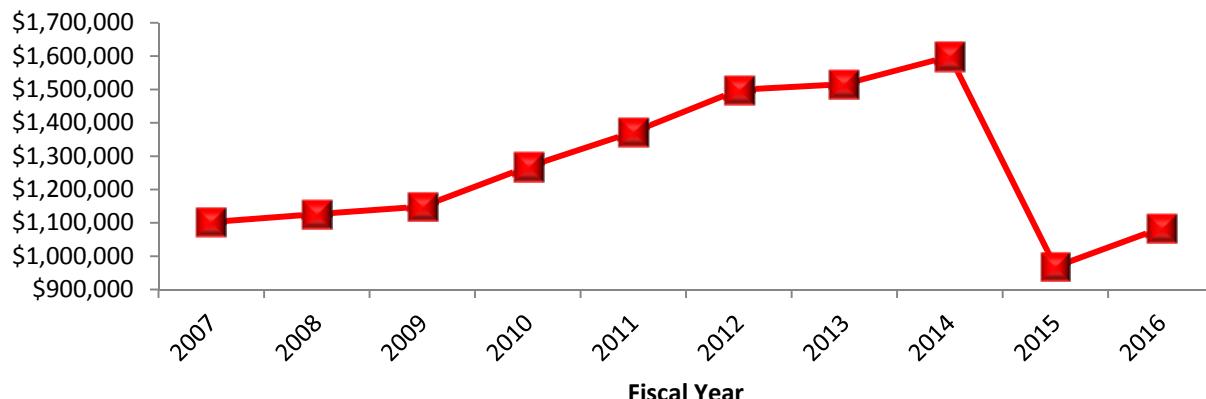
The Village contracts with Republic Services (formerly Allied Waste) for a full range of refuse services. These services include refuse, recycling, and yard waste, as well as bulk items, large items, waste tires, and white goods (i.e. large appliances) for an additional fee. The Village charges residents, which is the sixth largest revenue source for the Village, for these services on their bi-monthly utility bill. The Village renewed its 5 year contract with Waste Management effective January 1, 2012 which calls for annual increases of approximately \$0.70 per year. The rate for calendar year 2015 is \$18.92 per month, while an increase of \$0.73 has been budgeted as of January 1, 2016 to \$19.65 per month. The budgeted amount for direct customer refuse billing is based on the new contract rate and the existing number of homes.



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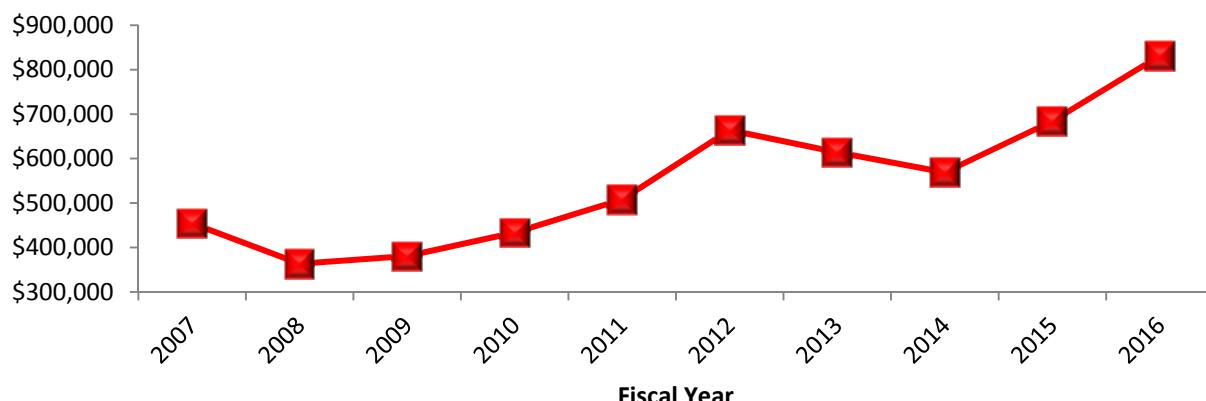
Transfers in – Debt Service Fund (\$1,084,165 or 4.24%)

The Debt Service Fund is used to accumulate monies for the Village's General Obligation Alternate Revenue Source Series 2008, 2010, 2011, and 2014 Bonds. The alternate revenue source bonds pledge income derived from sales and utility taxes. In addition, these bonds further pledge the full faith and credit of the Village should the alternate revenue source be insufficient. The Village abates the property taxes on the Series 2008, 2010, 2011, and 2014 Bonds and transfers money in from the Capital Improvement Fund to pay for this debt. Transfers into the Debt Service Fund decreased in fiscal year 2015, due to restructuring of the Village's governmental debt in fiscal year 2014, which will more closely match our utility tax projections.



Employer medical insurance contributions (\$831,550 or 3.25%)

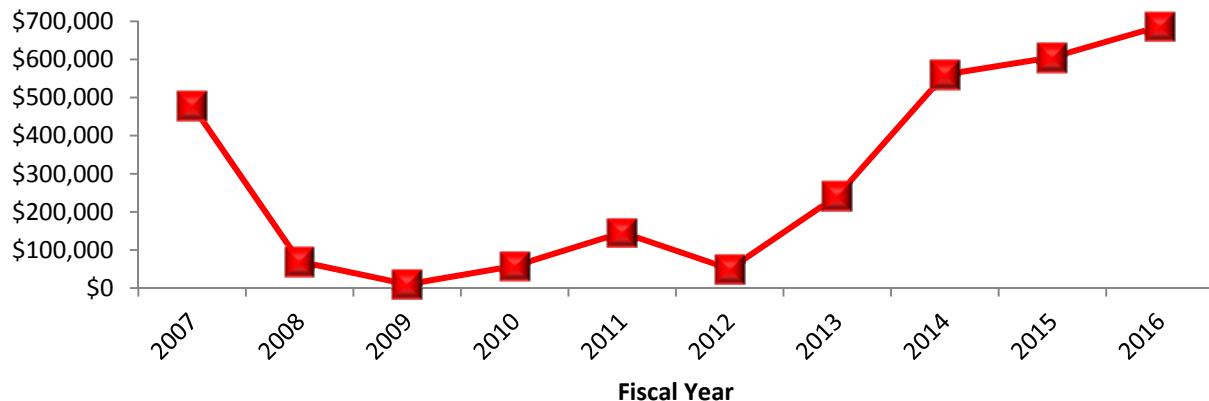
The Village currently offers health insurance to regular full-time employees. The medical insurance premium for health coverage for eligible employees and their covered dependents is split between the Village and the employee. The Village will cover 89% of the cost of the respective plan through plan year ending November 30, 2015 and will lower that amount to 88% effective December 1, 2015. This activity is accounted for in the Employee Insurance Fund, the Village's only internal service fund.



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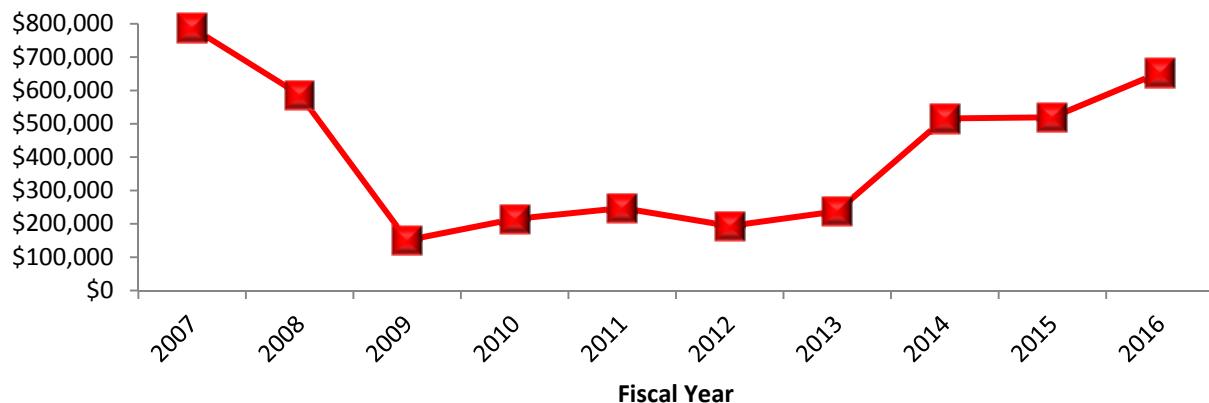
Vehicle reserve contributions (\$687,302 or 2.69%)

The Village maintains a Vehicle Reserve Fund used to account for contributions from departments for future vehicle replacements. Contributions slowed when the Great Recession hit and recently was made a priority by the Village Board to build this fund beginning in fiscal year 2014. The Village has averaged the contributions over the next 15 years in order to continue to increase the amount available to the Village for replacements. The Village could delay vehicle reserve contributions should a reduction in income taxes identified above actually come to fruition.



Investment income (\$654,064 or 2.56%)

The Village invests cash temporarily idle during the year in demand deposits, certificates of deposit, investment pools, and other investments allowed by state statute. The Police Pension Fund is governed by a different statute and allowed to invest in certain additional securities including, but not limited to corporate debt, insurance company contracts, stocks, and mutual funds. The amount of investment income is highly dependent on the economy, as well as the amount available to invest, as shown by the graph below.



Chapter 5: Executive Summary

MAJOR EXPENDITURES

Personal Services

The Village, as a service driven organization, continues to expend the greatest percentage of its budget on personal services (wages and benefits). For fiscal year 2016, personal services expenditures are expected to total \$6,728,435 or 26.89% of total budgeted expenditures. This is an increase of 3.28% over the fiscal year 2015 budgeted expenditures of \$6,514,575.

Performance based increases of 0% to 1% were budgeted for non-represented employees. The Village negotiated a 3-year agreement during fiscal year 2014 with MAP #333 (Metropolitan Alliance of Police) representing patrol officers through April 30, 2016. This contract includes a cost of living increase of 2% each year as well as step increases. In addition, the Village has an existing agreement with IUOE Local 150 (International Union of Operating Engineers) representing Public Works field employees through April 30, 2015. The Village has begun negotiations with IUOE Local 150 for the next contract.

The fiscal year 2016 budget includes no new full-time equivalent (FTE) positions. FTE equal the total hours of all employees divided by 2,080 working hours in a year.

Department	Actual				Budget	
	FY 2012	FY 2013	FY 2014	FY 2015	FY2016	Change
General Government						
Administration	4.000	2.000	3.380	1.880	1.880	-
Finance	4.500	5.000	5.500	6.000	6.000	-
Community Development	4.500	4.000	3.700	5.000	5.000	-
General Government - Total	13.000	11.000	12.580	12.880	12.880	-
Public Safety						
Sworn Officers	24.000	27.000	25.000	25.000	25.000	-
Civilians/Other	10.000	9.000	9.500	3.000	3.000	-
Public Safety - Total	34.000	36.000	34.500	28.000	28.000	-
Public Works						
Administration	2.000	2.000	2.000	2.000	2.000	-
Street Maintenance	9.000	9.000	8.500	9.000	9.000	-
Water Operations	2.000	2.000	3.000	3.000	3.000	-
Building Maintenance	1.000	1.000	1.000	1.000	1.000	-
Fleet Maintenance	1.500	1.000	1.000	1.000	1.000	-
Public Works - Total	15.500	15.000	15.500	16.000	16.000	-
Total Village Employees	62.500	62.000	62.580	56.880	56.880	-

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The Village includes a five-year staffing plan in its budget each year due to the amount spent on personal services. It also helps to anticipate future personnel costs.

Description	Approved FY16	Proposed FY17	Proposed FY18	Proposed FY19	Proposed FY20
Village Administrator's Office					
Village Administrator	1.00	1.00	1.00	1.00	1.00
Executive Assistant	0.88	0.88	0.88	0.88	0.88
Management Intern	-	0.50	0.50	0.50	0.50
	1.88	2.38	2.38	2.38	2.38
Finance Department					
Director of Finance	1.00	1.00	1.00	1.00	1.00
Human Resources Manager	1.00	1.00	1.00	1.00	1.00
Accounting Manager	1.00	1.00	1.00	1.00	1.00
Accounts Payable Clerk	1.00	1.00	1.00	1.00	1.00
Water Billing Clerk	2.00	2.00	2.00	2.00	2.00
	6.00	6.00	6.00	6.00	6.00
Community Development					
Director of Community Development	1.00	1.00	1.00	1.00	1.00
Senior Planner	1.00	1.00	1.00	1.00	1.00
Planner	-	0.50	1.00	1.00	1.00
Building Supervisor	1.00	1.00	1.00	1.00	1.00
Building Inspector	-	-	0.50	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Code Enforcement Officer	1.00	1.00	1.00	1.00	1.00
Building Clerk	-	-	-	0.50	1.00
	5.00	5.50	6.50	7.50	8.00
Police					
Chief of Police	1.00	1.00	1.00	1.00	1.00
Deputy Police Chief	1.00	1.00	1.00	1.00	1.00
Police Lieutenant	-	-	-	1.00	1.00
Police Sergeant	5.00	5.00	5.00	5.00	5.00
Police Officer	18.00	19.00	20.00	21.00	22.00
Management Analyst	1.00	1.00	1.00	1.00	1.00
Police Records Clerk	2.00	2.00	2.00	2.00	3.00
	28.00	29.00	30.00	32.00	34.00
Public Works					
Director of Public Works	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Data Entry Clerk	-	-	-	-	-
Streets Supervisor	1.00	1.00	1.00	1.00	1.00
Arborist	1.00	1.00	1.00	1.00	1.00
Arborist Intern	-	-	-	-	-
Maintenance Worker I	2.00	2.00	2.00	3.00	3.00
Maintenance Worker II	4.00	4.00	4.00	4.00	4.00
Seasonal Help	1.00	1.00	1.00	1.00	1.00
Utilities Supervisor	1.00	1.00	1.00	1.00	1.00
Water Plant Operator	2.00	2.00	2.00	3.00	3.00
Building Maintenance Technician	1.00	1.00	1.00	1.00	1.00
Fleet Mechanic	1.00	1.00	1.00	1.00	1.00
	16.00	16.00	16.00	18.00	18.00
Total	56.88	58.88	60.88	65.88	68.38
Employee's per 1,000 residents	3.08	3.19	3.30	3.57	3.71

Chapter 5: Executive Summary

Capital Outlay

The Village of Montgomery devotes the second largest portion of its annual budget to capital projects in order to maintain or improve the level of service expected by its citizens. That level of service can only be assured if adequate consideration is given to maintaining and expanding public facilities and infrastructure. If a government fails to maintain its capital assets, equipment, facilities and infrastructure will deteriorate more quickly and necessitate costly emergency allocations of financial resources.

Capital project costs can range from \$25,000 for the one-time acquisition of a piece of equipment to millions of dollars for the construction of new facilities. The total amount of capital outlay for fiscal year 2016 is \$3,797,180 or 14.86% of total budgeted expenditures. Although more detail will be provided in the applicable fund, the two largest projects and the applicable percent of capital outlay expenditures are as follows:

- Boulder Hill water main project (\$983,000 or 25.89%) – Contract A started during fiscal year 2014 utilizing Series 2013 bond funds, while Contract B started during fiscal year utilizing Illinois Environmental Protection Agency loan funds. Both of these contracts were substantially completed during fiscal year 2015. Contract C will start and is expected to be completed during fiscal year 2016 utilizing the remainder of the Series 2013 bond funds. The entire project replaces approximately 18,000 feet of water main in the unincorporated Boulder Hill Subdivision to remediate water main quality, small diameter water main, and water main looping issues.
- Vehicles (\$606,211 or 15.96%) – The Village budgets to replace a certain number of vehicles each year to ensure the safety of its employees while keeping repairs and maintenance under control. The fiscal year 2016 budget includes the replacement of a total of 8 vehicles. The Village could delay certain replacements should a reduction in income taxes identified above actually come to fruition.

Capital outlay should not be confused with a Capital Improvement Program (CIP). A CIP, which assists in the long-term planning and future allocation of funds, is a blueprint for planning a community's capital expenditures and is one of the most important responsibilities of local government officials. It coordinates community planning, financial capacity and physical development. The CIP consists of a five year plan which identifies projects to be undertaken during that time while capital outlay represents the first year of the CIP. Projects outside of the first year act to serve as a guide only and are subject to change and modification in subsequent years. The development of this multi-year program helps create a plan to ensure the availability of funds linked to various capital improvements while also focusing on the maintenance and integrity of Village property.

Debt Service Summary

The Village of Montgomery's commitment to its citizens and business community is to continue providing exceptional quality services in a cost-effective manner. To achieve that end, the Village has issued bonds and received loans to finance many infrastructure projects to meet the rapid and extraordinary economic and population growth in recent years. Since 2000, the Village's population has grown from just over 5,000 residents to 18,438 residents or a 237% increase in ten years.

Chapter 5: Executive Summary

Debt Service Summary (Continued)

The Village of Montgomery currently has general obligation alternate revenue bonds and Illinois Environmental Protection Agency (IEPA) loans outstanding as of the beginning of fiscal year 2016. Principal and interest payments for outstanding debt, the third largest expenditure, account for \$2,263,955 or 9.05% of total budgeted expenditures. The fiscal year 2016 debt service is split nearly even between governmental (\$1,084,165) and proprietary (\$1,179,790) debt. More detail will be provided in the applicable fund about the outstanding debt.

The Village issued no new bonds during fiscal year 2015; however, new IEPA loan proceeds were received during fiscal year 2015.

General obligation bonds

The Village has issued general obligation alternate revenue source bonds to provide for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. The alternate revenue source bonds pledge income derived from sales tax, utility taxes, and net water revenues. In addition, these bonds further pledge the full faith and credit of the Village should the alternate revenue source be insufficient. The Village abates the property taxes on the Series 2007, Series 2008, Series 2010, Series 2011, Series 2013, and Series 2014 bonds. The table below summarizes the status of the Village's general obligation bonds:

Debt Issuance	Total Debt Issued	Principal Outstanding (as of 4/30/15)	Principal Due for FY 2016	Interest Due for FY 2016	Proposed Funding Source for FY 2016
Series 2007	\$ 3,020,000	\$ 1,370,000	\$ 320,000	\$ 54,116	Net water revenues (Water Fund)
Series 2008	2,000,000	2,000,000	-	100,000	Utility taxes (Capital Improvement Fund)
Series 2010	7,375,000	1,630,000	475,000	61,075	Utility taxes (Capital Improvement Fund)
Series 2011	4,410,000	3,525,000	250,000	89,950	Utility taxes (Capital Improvement Fund)
Series 2013	4,590,000	4,470,000	125,000	166,300	Net water revenues (Water Fund)
Series 2014	3,335,000	3,335,000	-	106,340	Utility taxes (Capital Improvement Fund)
Total	\$ 24,730,000	\$ 16,330,000	\$ 1,170,000	\$ 577,781	

Chapter 5: Executive Summary

Debt Service Summary (Continued)

General obligation bonds (continued)

As of April 30, 2015, debt service requirements to maturity on the outstanding general obligation bonds, including interest are as follows:

Fiscal Year Ending April 30	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2016	\$ 725,000	\$ 357,365	\$ 1,082,365	\$ 445,000	\$ 220,416	\$ 665,416
2017	755,000	333,365	1,088,365	460,000	204,026	664,026
2018	810,000	311,390	1,121,390	480,000	187,042	667,042
2019	1,375,000	283,090	1,658,090	500,000	169,318	669,318
2020	1,385,000	224,652	1,609,652	140,000	150,850	290,850
2021	1,025,000	165,508	1,190,508	145,000	146,650	291,650
2022	1,050,000	136,734	1,186,734	145,000	142,300	287,300
2023	1,085,000	106,753	1,191,753	150,000	137,950	287,950
2024	1,120,000	75,253	1,195,253	155,000	133,450	288,450
2025	1,160,000	38,913	1,198,913	160,000	128,800	288,800
2026				165,000	122,400	287,400
2027				175,000	115,800	290,800
2028				180,000	108,800	288,800
2029				190,000	101,600	291,600
2030				195,000	94,000	289,000
2031				205,000	86,200	291,200
2032				210,000	78,000	288,000
2033				220,000	69,600	289,600
2034				230,000	60,800	290,800
2035				240,000	51,600	291,600
2036				245,000	42,000	287,000
2037				255,000	32,200	287,200
2038				270,000	22,000	292,000
2039				280,000	11,200	291,200
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 10,490,000	\$ 2,033,023	\$ 12,523,023	<hr/>	<hr/>	<hr/>
				\$ 5,840,000	\$ 2,617,002	\$ 8,457,002

Chapter 5: Executive Summary

Debt Service Summary (Continued)

Illinois Environmental Protection Agency (IEPA) loans

The Village has entered into three loan agreements with the IEPA to provide low interest financing for waterworks and sewerage improvements. IEPA loans have been issued for business-type activities only. The IEPA loans pledge net water and sewer revenues. The table below summarizes the status of the Village's IEPA loans:

Debt Issuance	Total Debt Issued	Principal Outstanding (as of 4/30/15)	Principal Due for FY 2015 - 2016	Interest Due for FY 2015 - 2016	Proposed Funding Source for FY 2015 - 2016
2002 Loan	\$ 1,128,780	\$ 535,428	\$ 60,872	\$ 13,918	Net water revenues (Water Fund)
2011 Loan	4,310,177	3,831,532	203,620	47,260	Net water revenues (Water Fund)
2014 Loan	2,392,632	2,392,632	98,424	47,245	Net water revenues (Water Fund)
Total	<u>\$ 7,831,589</u>	<u>\$ 6,759,592</u>	<u>\$ 362,916</u>	<u>\$ 108,423</u>	

As of April 30, 2015, debt service requirements to maturity on the outstanding IEPA loans, including interest are as follows:

Fiscal Year Ending April 30	Business-Type Activities			Total
	Principal	Interest		
2016	\$ 362,916	\$ 108,423	\$ 471,339	
2017	369,082	102,257	471,339	
2018	375,363	95,976	471,339	
2019	381,762	89,577	471,339	
2020	388,283	83,056	471,339	
2021	394,927	76,412	471,339	
2022	401,695	69,644	471,339	
2023	408,591	62,748	471,339	
2024	340,330	56,219	396,549	
2025	345,464	51,085	396,549	
2026	350,679	45,870	396,549	
2027	355,978	40,571	396,549	
2028	361,361	35,188	396,549	
2029	366,830	29,719	396,549	
2030	372,386	24,163	396,549	
2031	378,032	18,517	396,549	
2032	383,768	12,781	396,549	
2033	137,932	7,737	145,669	
2034	140,696	4,972	145,668	
2035	143,517	2,151	145,668	
	<u>\$ 6,759,592</u>	<u>\$ 1,017,066</u>	<u>\$ 7,776,658</u>	

Chapter 5: Executive Summary

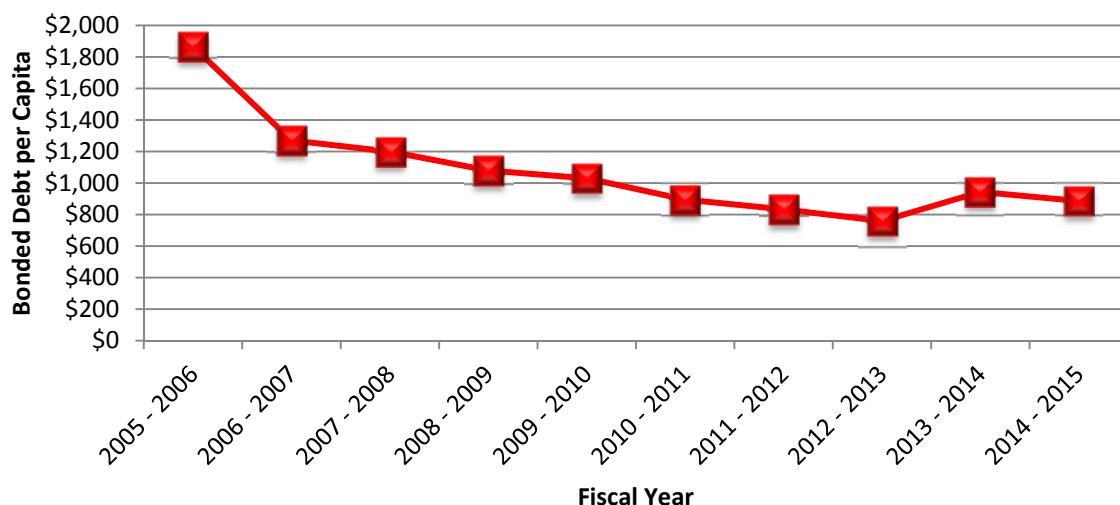
Debt Service Summary (Continued)

Legal debt margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained be the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979".

Assessed Valuation - 2014	\$ 357,669,326
Legal Debt Limit - 8.625% of Assessed Value	<u>\$ 30,848,979</u>
General Obligation Debt:	
Series 2007	\$ 1,370,000
Series 2008A	2,000,000
Series 2010	1,630,000
Series 2011	3,525,000
Series 2013	4,470,000
Series 2014	<u>3,335,000</u>
Total General Obligation Debt	16,330,000
Less: Alternate Revenue Source Bonds	<u>(16,330,000)</u>
Total Applicable Debt	-
Legal Debt Margin	<u>\$ 30,848,979</u>

The diagram indicates the bonded debt per capita for all of the Village's General Obligation Debt. The earlier years show when the Village issued debt for infrastructure to meet the community's rapid growth. The increased population and debt payments since have allowed the Village to reduce the bonded debt per capita over time.



Chapter 6: Fund Summary

The Fund Summary contains information on all funds except the General Fund which is reviewed by Department in Chapter 7: Departmental Summary.

MOTOR FUEL TAX FUND

The Motor Fuel Tax (MFT) Fund accounts for motor fuel tax revenues from the State of Illinois and expenditures related to the Village's annual road rehabilitation and construction program. The mission of the Motor Fuel Tax Fund is to utilize revenues from the State of Illinois to cost effectively maintain Village streets. Village streets are selected for resurfacing or major rehabilitation based on analysis conducted by the Public Works Department and engineering consultant. The annual program is awarded to an outside contractor based on the bid results received.

Motor Fuel Tax Funds are disbursed to the Village from the Illinois Department of Transportation on a per capita basis. Motor Fuel Taxes are derived from a tax on the privilege of operating motor vehicles upon public highways based on the consumption of motor fuel. Use of Motor Fuel Tax Funds is restricted to direct expenses associated with, but not limited to, street improvements and maintenance, storm sewers and bicycle parking facilities, paths, signs and markings based upon the appropriate Illinois State Statutes. Motor Fuel Tax operations include: micro-surfacing, concrete curb and gutter replacement, street rebuilding and improvements. The fund balance will decrease in fiscal year 2016 program as the Village utilizes reserves to do a larger project.

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
REVENUES						
Other Taxes						
Allotments - High Growth Cities	49,337	49,337	49,433	49,550	49,650	49,750
Allotments - Motor Fuel Tax	529,289	522,138	596,233	448,043	448,043	448,043
Total Other Taxes	578,626	571,475	645,666	497,593	497,693	497,793
Charges for Services						
Other Reimbursements - Streets	5,832	-	1,268	-	-	-
Total Charges for Services	5,832	-	1,268	-	-	-
Intergovernmental Revenue						
State Grant- Douglas Road (LAFO)	25,841	-	10,684	-	-	-
State Grant- Webster Street Crossing (ICC)	-	100,000	-	100,000	-	-
Total Intergovernmental Revenue	25,841	100,000	10,684	100,000	-	-
Investment Income						
Investment Earnings - Interest Income	116	100	363	100	100	100
Total Investment Income	116	100	363	100	100	100
Total Revenues	610,415	671,575	657,981	597,693	497,793	497,893

Chapter 6: Fund Summary

MOTOR FUEL TAX FUND (Continued)

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
EXPENDITURES						
Purchased Services - Professional and Technical						
Engineering Services - Municipal Projects	59,711	110,000	98,941	61,000	21,000	21,000
Total Purchased Services - Professional and Technical	59,711	110,000	98,941	61,000	21,000	21,000
Purchased Services - Property						
Infrastructure Repair and Maintenance - Streets and Alleys	480,519	488,990	759,834	429,299	315,299	229,000
Total Purchased Services - Property	480,519	488,990	759,834	429,299	315,299	229,000
Supplies and Materials						
Public Works Supplies - Snow Removal	131,058	165,000	269,250	250,500	250,500	250,500
Total Supplies and Materials	131,058	165,000	269,250	250,500	250,500	250,500
Total Expenditures	671,288	763,990	1,128,025	740,799	586,799	500,500
Net Change in Fund Balance	(60,873)	(92,415)	(470,044)	(143,106)	(89,006)	(2,607)
Beginning Fund Balance	770,091	709,218	709,218	239,174	96,068	7,062
Ending Fund Balance	709,218	616,803	239,174	96,068	7,062	4,455

ECONOMIC DEVELOPMENT LOAN FUND

The Economic Development Loan Fund accounts for the Community Development Revolving Loan Program initially funded by 2 grants from the Illinois Department of Commerce and Economic Opportunity (DCEO). The Village used the initial principal and interest repayments to fund 19 additional loans since 1984. Each of the participants in the program have to meet certain eligibility requirements set forth by DCEO. The Village currently has 2 loans outstanding in the amount of approximately \$1.31 million.

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
REVENUES						
Investment Income						
Interest Income - Cash and Investments	-	300	300	300	300	300
Interest Income - Loans	7,539	14,260	14,378	12,561	10,845	9,370
Total Investment Income	7,539	14,560	14,678	12,861	11,145	9,670
Total Revenues	7,539	14,560	14,678	12,861	11,145	9,670
EXPENDITURES						
Purchased Services - Professional and Technical						
Professional Services - Economic Development	7,394	5,000	2,000	3,000	3,000	3,000
Professional Services - General	25	-	-	-	-	-
Total Purchased Services - Professional and Technical	7,419	5,000	2,000	3,000	3,000	3,000
Transfers						
Transfers Out - General Fund	11,542	-	-	-	-	-
Total Transfers	11,542	-	-	-	-	-
Total Expenditures	18,961	5,000	2,000	3,000	3,000	3,000
Net Change in Fund Balance	(11,422)	9,560	12,678	9,861	8,145	6,670
Beginning Fund Balance	1,601,858	1,590,436	1,590,436	1,603,114	1,612,975	1,621,120
Ending Fund Balance	1,590,436	1,599,996	1,603,114	1,612,975	1,621,120	1,627,790

Chapter 6: Fund Summary

FORFEITURE AND SEIZURE FUND

The Forfeiture and Seizure Fund accounts for Kane and Kendall County court fines, written by Village of Montgomery officers, which are restricted for certain purposes including drug prevention, DUI prevention, and patrol car maintenance. Since the patrol car maintenance is paid for by the General Fund those fines have been moved accordingly in fiscal year 2015.

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
REVENUES						
Fines and Forfeits						
Kane County - Drug Fines	603	650	729	650	650	650
Kane County - DUI Prevention	5,861	7,000	5,598	6,000	6,500	7,000
Kane County - Patrol Car Maintenance	13,269	-	-	-	-	-
Kane County - E-Citation	2,534	3,500	2,800	3,000	3,250	3,500
Kendall County - Drug Fines	2,509	2,000	1,654	2,000	2,000	2,000
Kendall County - DUI Prevention	5,567	3,000	3,815	3,000	3,000	3,000
Kendall County - Patrol Car Maintenance	785	-	-	-	-	-
Kendall County - E-Citation	206	250	170	200	250	250
Total Fines and Forfeits	31,334	16,400	14,766	14,850	15,650	16,400
Investment Income						
Interest Income - Cash and Investments	-	-	-	-	-	-
Total Investment Income	-	-	-	-	-	-
Total Revenues	31,334	16,400	14,766	14,850	15,650	16,400
EXPENDITURES						
Supplies and Materials						
Police Supplies - Kane County Drug Fines	161	2,000	96	-	-	-
Police Supplies - Kane County DUI Prevention	-	500	-	-	-	-
Police Supplies - Kendall County DUI Prevention	-	500	-	-	-	-
Police Supplies - Kendall County Article 36 Forfeiture	-	250	-	-	-	-
Police Supplies - Kane County Article 36 Forfeiture	76,665	4,000	29,515	-	-	-
Police Supplies - Patrol Car Maintenance	-	-	-	-	-	-
Total Supplies and Materials	76,826	7,250	29,611	-	-	-
Capital Outlay						
Capital Outlay - Equipment (Police)	-	22,500	40,000	10,000	-	-
Total Capital Outlay	-	22,500	40,000	10,000	-	-
Total Expenditures	76,826	29,750	69,611	10,000	-	-
Net Change in Fund Balance	(45,492)	(13,350)	(54,845)	4,850	15,650	16,400
Beginning Fund Balance	123,829	78,337	78,337	23,492	28,342	43,992
Ending Fund Balance	78,337	64,987	23,492	28,342	43,992	60,392

Chapter 6: Fund Summary

E-911 FUND

The E-911 Fund accounts for Kane and Kendall County wireless 911 surcharge fees which are restricted to be used for emergency 911 (dispatch) enhancements. The Village outsourced its dispatch during fiscal year 2014 to KenCom and will no longer receive these revenues. The remainder of the funds available will be used in fiscal year 2016 for updates to the New World Public Safety software and other minor equipment needs.

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
REVENUES						
Intergovernmental Revenue						
Allotments - Kane County Wireless 911 Surcharge	81,045	-	-	-	-	-
Total Intergovernmental Revenue	<u>81,045</u>	-	-	-	-	-
Total Revenues	<u>81,045</u>	-	-	-	-	-
EXPENDITURES						
Capital Outlay						
Capital Outlay - Equipment (Police)	89,534	39,500	60,000	36,000	-	-
Total Capital Outlay	<u>89,534</u>	<u>39,500</u>	<u>60,000</u>	<u>36,000</u>	-	-
Transfers						
Transfer Out - General Fund	40,000	-	-	-	-	-
Total Transfers	<u>40,000</u>	-	-	-	-	-
Total Expenditures	<u>129,534</u>	<u>39,500</u>	<u>60,000</u>	<u>36,000</u>	-	-
Net Change in Fund Balance	(48,489)	(39,500)	(60,000)	(36,000)	-	-
Beginning Fund Balance	154,977	106,488	106,488	46,488	10,488	10,488
Ending Fund Balance	<u>106,488</u>	<u>66,988</u>	<u>46,488</u>	<u>10,488</u>	<u>10,488</u>	<u>10,488</u>

CAPITAL IMPROVEMENT FUND

The Capital Improvement Fund accounts for the acquisition, construction and improvement of major governmental capital assets (not being financed by proprietary funds). Activities are financed by utility taxes, grants, rent on Village properties, and developer contributions.

It is important for the Village to maintain an adequate balance between contributions to capital improvements and non-capital expenditures. Both capital and non-capital expenditures play an important role in the long-range financial health of the Village and both must be planned for, implemented, and controlled with equal care to prevent them from precipitating future financial crises. The Village transfers a large percentage of the utility taxes to the Debt Service Fund to pay for debt issued to build the Police Station and Village Hall.

Chapter 6: Fund Summary

CAPITAL IMPROVEMENT FUND (Continued)

The Village does not have another large dedicated funding source for governmental capital improvement projects; thus, it is difficult for the Village to conduct a large number of capital improvement projects without the necessary funding available. However, the Village was able to continue to build up the fund balance reserve in fiscal year 2016 while also budgeting for several smaller projects including:

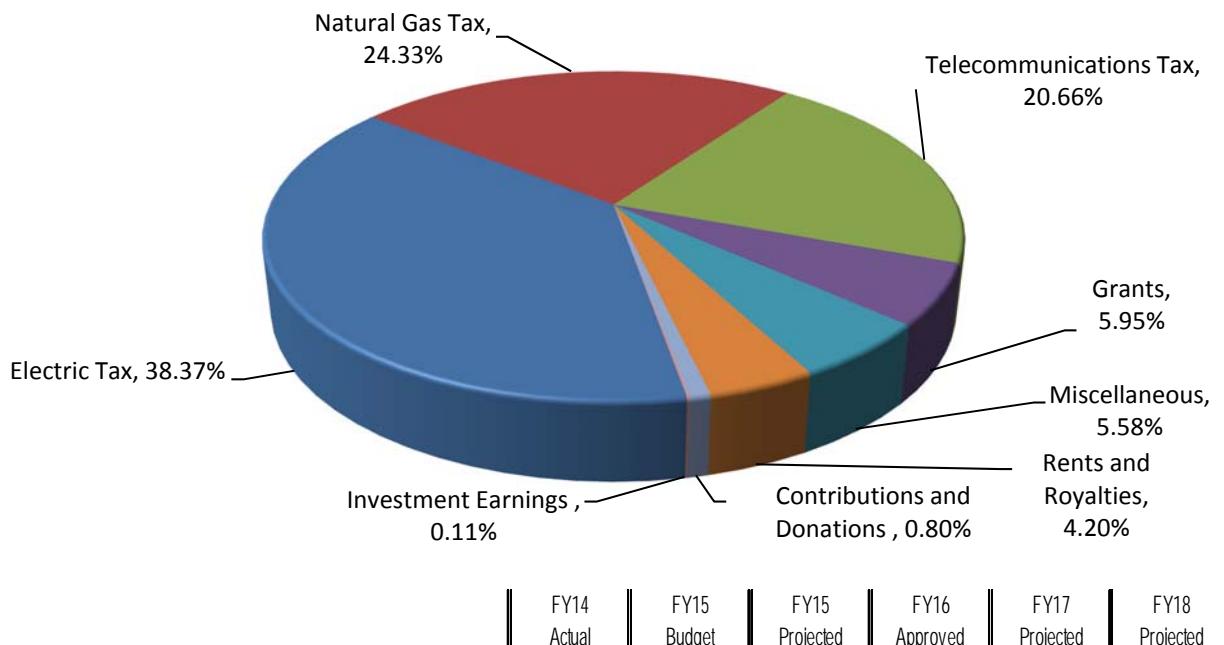
- Phone system for all buildings
- Financial software update to most recent version
- Light Road crossing repair paid by a 100% grant from the Illinois Commerce Commission

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
REVENUES						
Other Taxes						
Utility Tax - Electric	622,088	622,198	613,155	619,287	625,480	631,735
Utility Tax - Natural Gas	286,834	221,344	330,101	333,402	336,736	340,103
Utility Tax - Telecommunications	364,409	432,966	388,779	392,667	396,594	400,560
Total Other Taxes	<u>1,273,331</u>	<u>1,276,508</u>	<u>1,332,035</u>	<u>1,345,356</u>	<u>1,358,810</u>	<u>1,372,398</u>
Charges for Services						
Development Fees - Concord	1,699	-	-	-	-	-
Development Fees - Saratoga Springs	4,136	5,200	5,170	2,585	2,585	2,585
Development Fees - Orchard Prairie North	3,102	4,200	4,136	2,585	2,585	-
Development Fees - Marquis Pointe	3,400	6,800	-	6,800	6,800	6,800
Total Charges for Services	<u>12,337</u>	<u>16,200</u>	<u>9,306</u>	<u>11,970</u>	<u>11,970</u>	<u>9,385</u>
Intergovernmental Revenue						
State Grant- LAPP Baseline	47,594	-	-	-	-	-
Local Grant - ICC (Light Road)	25,290	81,000	1,414	96,000	-	-
Total Intergovernmental Revenue	<u>72,884</u>	<u>81,000</u>	<u>1,414</u>	<u>96,000</u>	<u>-</u>	<u>-</u>
Investment Income						
Interest Income - Cash and Investments	5	50	600	1,800	1,800	1,800
Interest Income - Mortgages	892	-	-	-	-	-
Total Investment Income	<u>897</u>	<u>50</u>	<u>600</u>	<u>1,800</u>	<u>1,800</u>	<u>1,800</u>
Miscellaneous						
Police Reimbursements - Mobile CAD/RMS Interface	16,112	-	-	-	-	-
Other Reimbursements - Miscellaneous	136,251	-	-	90,000	-	-
Other Reimbursements - Sale of Village Hall	252,635	-	-	-	-	-
Donations - Settlers Cottage	811	2,000	500	1,000	1,000	1,000
Rents and Royalties - Water Tower Rental	83,274	85,000	80,342	67,783	69,817	71,912
Total Miscellaneous	<u>489,083</u>	<u>87,000</u>	<u>80,842</u>	<u>158,783</u>	<u>70,817</u>	<u>72,912</u>
Total Revenues	<u>1,848,532</u>	<u>1,460,758</u>	<u>1,424,197</u>	<u>1,613,909</u>	<u>1,443,397</u>	<u>1,456,495</u>

Chapter 6: Fund Summary

CAPITAL IMPROVEMENT FUND (Continued)

The chart below shows approximately 84% of the revenue for the fiscal year 2016 Capital Improvement Fund comes from utility taxes (electric, natural gas, and telecommunications), while all other sources together account for just over 10%.



	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
EXPENDITURES						
Capital Outlay						
Capital Outlay - Police Station		30,000	33,000			
Capital Outlay - Public Works Facility	988	125,000	125,000		160,000	
Capital Outlay - Village Hall	2,291			92,000		
Capital Outlay - Light Road Crossing Repair	27,003	81,000	1,414	96,000		
Capital Outlay - NPDES MS4 Permit	450	10,000	930	10,000	5,000	5,000
Capital Outlay - Concord Bridge Maintenance				30,000		
Total Capital Outlay	30,732	246,000	160,344	198,000	195,000	5,000
Transfers						
Transfer Out - General Fund				160,000		
Transfer Out - Debt Service	1,599,525	987,233	968,253	1,084,165	1,090,165	1,123,190
Transfer Out	4,591					
Total Transfers	1,604,116	987,233	968,253	1,244,165	1,090,165	1,123,190
Total Expenditures	1,634,848	1,233,233	1,128,597	1,442,165	1,285,165	1,128,190
Net Change in Fund Balance	213,684	227,525	295,600	171,744	158,232	328,305
Beginning Fund Balance	(536,332)	(322,648)	(322,648)	(27,048)	144,696	302,928
Ending Fund Balance	(322,648)	(95,123)	(27,048)	144,696	302,928	631,233

Chapter 6: Fund Summary

INFRASTRUCTURE IMPROVEMENT FUND

The Infrastructure Improvement Fund accounts for the revenue and expenditures restricted to infrastructure improvements throughout the entire community. The residents of the Village approved a 1% non-home rule sales tax referendum in November 2014 restricted to pay for infrastructure and property tax relief. The Village Board enacted the tax effective July 1, 2015 and also approved an average 15% property tax rebate. The Village will build the fund balance during fiscal year 2016, as nearly all the activity relates to planning and engineering for future years since the Village will only receive funds for a portion of the year.

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
REVENUES						
Other Taxes						
NHR Sales Tax				1,500,000	1,890,000	1,984,500
Total Other Taxes				1,500,000	1,890,000	1,984,500
Charges for Services						
Other Reimbursements - Streets					140,000	
Total Charges for Services					140,000	
Intergovernmental Revenue						
State Grant - LAFO					500,000	500,000
Total Intergovernmental Revenue					500,000	500,000
Investment Income						
Interest Income - Cash and Investments				1,000	1,000	1,000
Total Investment Income				1,000	1,000	1,000
Total Revenues				1,501,000	2,531,000	2,485,500
EXPENDITURES						
Purchased Services - Professional and Technical						
Engineering Services - Municipal Projects				215,900	330,170	253,520
Total Purchased Services - Professional and Technical				215,900	330,170	253,520
Purchased Services - Property						
Infrastructure Repair and Maintenance - Streets and Alleys				360,000	2,259,570	2,039,130
Total Purchased Services - Property				360,000	2,259,570	2,039,130
Purchased Services - Other						
Property Tax Rebate				202,500	202,500	202,500
Total Purchased Services - Other				202,500	202,500	202,500
Total Expenditures				778,400	2,792,240	2,495,150
Net Change in Fund Balance				722,600	(261,240)	(9,650)
Beginning Fund Balance					722,600	461,360
Ending Fund Balance				722,600	461,360	451,710

Chapter 6: Fund Summary

LAKWOOD CREEK PROJECT FUND

The Lakewood Creek Project Fund accounts for the revenue and expenditures restricted to capital improvements in the Lakewood Creek neighborhood. All public improvements have been made to the neighborhood and the fees paid for management of the Lakewood Creek Special Assessment now flow through this fund.

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
REVENUES						
Investment Income						
Investment Earnings - Interest Income	3	1	4	3	3	3
Total Investment Income	3	1	4	3	3	3
Transfers						
Lakewood Creek SAA Fund	106,902	75,000	26,369	60,000	60,000	60,000
Total Transfers	106,902	75,000	26,369	60,000	60,000	60,000
Total Revenues	106,905	75,001	26,373	60,003	60,003	60,003
EXPENDITURES						
Purchased Services - Professional and Technical						
Other Professional Services	48,959	74,556	60,000	60,000	60,000	60,000
Total Purchased Services - Professional and Technical	48,959	74,556	60,000	60,000	60,000	60,000
Total Expenditures	48,959	74,556	60,000	60,000	60,000	60,000
Net Change in Fund Balance	57,946	445	(33,627)	3	3	3
Beginning Fund Balance	6,080	64,026	64,026	30,399	30,402	30,405
Ending Fund Balance	64,026	64,471	30,399	30,402	30,405	30,408

TAX INCREMENT FINANCING (TIF) #1 FUND

The Tax Increment Financing (Montgomery Preserve TIF District) #1 Fund accounts for property taxes collected on the incremental increase in the base equalized assessed value and the projects undertaken in the district.

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
REVENUES						
Property Taxes						
Property Tax - TIF	37,726	40,000	38,853	40,000	41,000	42,000
Total Property Taxes	37,726	40,000	38,853	40,000	41,000	42,000
Long-Term Debt Issue						
Bond Proceeds	-	-	-	-	300,000	-
Total Long-Term Debt Issue	-	-	-	-	300,000	-
Total Revenues	37,726	40,000	38,853	40,000	341,000	42,000
EXPENDITURES						
Purchased Services - Professional and Technical						
Engineering Services - Development (Village)	-	-	155	43,670	30,330	-
Legal Services - Development (Village)	-	-	420	250	500	250
Economic Development Services - TIF Consultant	1,700	2,000	-	500	500	500
Accounting and Auditing Services - General	-	-	1,061	1,100	1,150	1,200
Total Purchased Services - Professional and Technical	1,700	2,000	1,636	45,520	32,480	1,950
Capital Outlay						
Capital Outlay - Pearl Street Storm Sewer	-	36,170	-	-	452,500	-
Capital Outlay - Village Land Maintenance	-	24,000	-	-	-	24,000
Total Capital Outlay	-	60,170	-	-	452,500	24,000
Total Expenditures	1,700	62,170	1,636	45,520	484,980	25,950
Net Change in Fund Balance	36,026	(22,170)	37,217	(5,520)	(143,980)	16,050
Beginning Fund Balance	82,945	118,971	118,971	156,188	150,668	6,688
Ending Fund Balance	118,971	96,801	156,188	150,668	6,688	22,738

Chapter 6: Fund Summary

TAX INCREMENT FINANCING (TIF) #2 FUND

The Tax Increment Financing (Aucutt Road TIF District) #2 Fund accounts for property taxes collected on the incremental increase in the base equalized assessed value and the projects undertaken in the district. The Village will begin to receive incremental property taxes during fiscal year 2016, but will pay a majority out to surrounding tax districts per an intergovernmental agreement.

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
REVENUES						
Property Taxes						
Property Tax - TIF				51,000	53,000	55,000
Total Property Taxes				51,000	53,000	55,000
Total Revenues				51,000	53,000	55,000
EXPENDITURES						
Purchased Services - Professional and Technical						
Engineering Services - Development (Village)	5,333	-	305	-	-	-
Legal Services - Development (Village)	8,228	500	350	250	250	250
Economic Development Services - TIF Consultant	22,788	-	-	500	500	500
Total Purchased Services - Professional and Technical	36,349	500	655	750	750	750
Supplies and Materials						
General Supplies - Postage	890	-	-	-	-	-
Total Supplies and Materials	890	-	-	-	-	-
Purchased Services - Other						
Other Purchased Services - Tax Districts	-	-	-	36,000	37,000	38,000
Total Purchased Services - Other	-	-	-	36,000	37,000	38,000
Total Expenditures	37,239	500	655	36,750	37,750	38,750
Net Change in Fund Balance	(37,239)	(500)	(655)	14,250	15,250	16,250
Beginning Fund Balance	-	(37,239)	(37,239)	(37,894)	(23,644)	(8,394)
Ending Fund Balance	(37,239)	(37,739)	(37,894)	(23,644)	(8,394)	7,856

DEBT SERVICE FUND

The Debt Service Fund is used to accumulate monies for the Village's general obligation alternate revenue source bonds (Series 2008, Series 2010, Series 2011, and Series 2014) for payment of the principal and interest on governmental debt (non-proprietary). Utility tax revenues are transferred from the Capital Improvement Fund to finance the annual payment requirements. Principal payments are due in December and interest payments are made twice a year in June and December. Activities are financed by transfers from the Capital Improvement Fund.

Governmental activities long-term debt payable through the Debt Service Fund at April 30, 2014 consists of:

General Obligation Alternate Revenue Source Bonds dated August 1, 2008 (Series 2008) due in annual installments of \$1,000,000 plus interest of 5.00% through December 1, 2019.

General Obligation Alternate Revenue Source Bonds dated June 1, 2010 (Series 2010) due in annual installments of \$670,000 to \$1,405,000 plus interest of 2.00% to 4.00% through December 1, 2017.

General Obligation Alternate Revenue Source Bonds dated December 15, 2011 (Series 2011) due in annual installments of \$205,000 to \$450,000 plus interest of 2.000% to 3.125% through December 1, 2024.

Chapter 6: Fund Summary

DEBT SERVICE FUND (Continued)

General Obligation Alternate Revenue Source Bonds dated April 29, 2014 (Series 2014) due in annual installments of \$630,000 to \$710,000 plus interest of 3.00% to 3.50% through December 1, 2024.

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
REVENUES						
Transfers						
Transfer From Capital Improvement Fund	1,599,525	987,233	968,253	1,084,165	1,090,165	1,123,190
Total Transfers	<u>1,599,525</u>	<u>987,233</u>	<u>968,253</u>	<u>1,084,165</u>	<u>1,090,165</u>	<u>1,123,190</u>
Long-Term Debt Issue						
Bond Proceeds	3,335,000	-	-	-	-	-
Premium on Bonds	21,989	-	-	-	-	-
Total Long Term Debt	<u>3,356,989</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	4,956,514	987,233	968,253	1,084,165	1,090,165	1,123,190
EXPENDITURES						
Debt Service						
Principal Payment - 2008	-	-	-	-	-	-
Principal Payment - 2010	900,000	340,000	340,000	475,000	550,000	605,000
Principal Payment - 2011	290,000	300,000	300,000	250,000	205,000	205,000
Principal Payment - 2014	-	-	-	-	-	-
Interest Payment - 2008	100,000	100,000	100,000	100,000	100,000	100,000
Interest Payment - 2010	207,275	71,275	71,275	61,075	42,075	24,200
Interest Payment - 2011	101,750	95,950	95,950	89,950	84,950	80,850
Interest Payment - 2014	-	78,658	62,622	106,340	106,340	106,340
Fiscal Agent Fees	1,050	1,350	1,350	1,800	1,800	1,800
Bond Issuance Costs	64,150	-	-	-	-	-
Escrow Agent Payment	3,289,345	-	-	-	-	-
Total Debt Service	<u>4,953,570</u>	<u>987,233</u>	<u>971,197</u>	<u>1,084,165</u>	<u>1,090,165</u>	<u>1,123,190</u>
Total Expenditures	4,953,570	987,233	971,197	1,084,165	1,090,165	1,123,190
Net Change in Fund Balance	2,944	-	(2,944)	-	-	-
Beginning Fund Balance	56,089	59,033	59,033	56,089	56,089	56,089
Ending Fund Balance	<u>59,033</u>	<u>59,033</u>	<u>56,089</u>	<u>56,089</u>	<u>56,089</u>	<u>56,089</u>

WATER FUND

The Water Fund (Water and Water Improvement Funds are consolidated in the financial statements) accounts for the provision of water and sewer services to the residents of the Village. All activities (revenues and expenses) necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection. The chart on the following page shows the Water Fund revenues and a summary of expenses. The detail of Water Administration and Water Plant Operations is included on subsequent pages, followed by the Water Improvement Fund. The Net Position will decrease during fiscal year 2016 as the Village uses the remaining fiscal year 2013 bond proceeds for Contract C of the Boulder Hill water main project.

Chapter 6: Fund Summary

WATER FUND (Continued)

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
REVENUES						
Charges for Services						
Service Fees - Water Sales	3,160,781	3,550,393	3,470,455	3,609,273	3,717,551	3,829,078
Service Fees - Late Charges	82,178	90,577	97,639	112,827	116,212	119,698
Service Fees - Water Service Charges	189,487	293,115	289,344	290,400	291,600	292,800
Service Fees - Delinquent Fees	41,614	35,000	50,000	50,000	50,000	50,000
Service Fees - Sewer Maintenance Charges	36,563	87,500	93,023	93,780	94,530	95,280
Service Fees - BH Infrastructure Fee	498,256	415,000	509,397	508,860	508,860	508,860
Service Fees - Fox Metro Reading Fee	23,058	27,000	27,455	27,555	27,705	27,855
Total Charges for Services	4,031,937	4,498,585	4,537,313	4,692,695	4,806,458	4,923,571
Investment Income						
Investment Earnings - Interest Income	1,373	1,000	2,000	10,000	11,000	12,000
Total Investment Income	1,373	1,000	2,000	10,000	11,000	12,000
Total Revenues	4,033,310	4,499,585	4,539,313	4,702,695	4,817,458	4,935,571
EXPENSES						
Water Utility - Administration	2,489,279	1,228,977	1,224,506	1,429,283	1,434,928	1,444,811
Water Utility - Plant Operations	4,381,084	2,730,386	2,672,509	4,464,849	3,651,856	3,568,181
Total Expenses	6,870,363	3,959,363	3,897,015	5,894,132	5,086,784	5,012,992
Net Income (Loss)	(2,837,053)	540,222	642,298	(1,191,437)	(269,326)	(77,421)
Contributions	-	-	-	-	-	-
Change in Net Position	(2,837,053)	540,222	642,298	(1,191,437)	(269,326)	(77,421)
Beginning Net Position	31,399,182	28,562,129	28,562,129	29,204,427	28,012,990	27,743,664
Ending Net Position	28,562,129	29,102,351	29,204,427	28,012,990	27,743,664	27,666,243

Revenues

The Village approved several rate increases for fiscal year 2016 including:

- Water service charge stayed at \$4.00 for residents and \$8.00 for non-residents
- Sewer maintenance charge stayed at \$2.50 for residents
- Water consumption rate from \$5.10 to \$5.30 per thousand gallons for residents and \$6.12 to \$6.36 per thousand gallons for non-residents for operational cost increases

Chapter 6: Fund Summary

WATER FUND (Continued)

Water Administration

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees (60%)	119,801	110,559	111,459	111,112	114,723	118,451
Wages - Part-Time Employees (60%)	-	-	-	-	-	-
Wages - Overtime (General)	1,050	500	2,000	750	750	750
Holiday Pay	-	-	-	-	-	-
Bonus Pay	-	-	2,211	-	-	-
Total Personal Services - Salaries and Wages	120,851	111,059	115,670	111,862	115,473	119,201
Personal Services - Employee Benefits						
Insurance - Health	9,465	13,430	13,430	20,746	23,858	27,437
Insurance - Dental	555	1,004	1,004	1,043	1,199	1,379
Insurance - Life and AD&D	-	-	-	87	87	87
Insurance - Workers' Compensation	600	600	600	600	600	600
Insurance - Unemployment	469	739	739	474	474	474
Retirement - Social Security	6,722	6,886	6,502	6,935	7,159	7,390
Retirement - Medicare	1,661	1,610	1,637	1,622	1,674	1,728
Retirement - IMRF	15,536	14,371	15,022	14,778	15,258	15,754
Education - Conferences and Training	2,049	1,200	1,000	2,200	1,200	1,200
Equipment - Clothing Allowance	220	240	240	240	240	240
Total Personal Services - Employee Benefits	37,277	40,080	40,174	48,725	51,749	56,289
Purchased Services - Professional and Technical						
Engineering Services - General	77,841	60,000	56,000	60,000	60,000	60,000
Information Technology Services - System Management	32,117	7,000	7,000	7,000	7,000	7,000
Other Professional Services - Cash Management	316	216	216	216	216	216
Total Purchased Services - Professional and Technical	110,274	67,216	63,216	67,216	67,216	67,216
Purchased Services - Property						
Utilities - Telephone	1,609	3,000	1,361	960	960	960
Utilities - Cell Phone	888	2,640	1,453	580	580	580
Utilities - Internet Access	-	-	2,400	2,400	2,400	2,400
Total Purchased Services - Property	2,497	5,640	5,214	3,940	3,940	3,940
Purchased Services - Other						
Printing and Publishing - Legal Notices	145	500	100	500	500	500
Printing and Publishing - Publications	1,897	4,200	2,500	3,000	3,000	3,000
Travel	1,492	1,750	1,000	2,750	1,750	1,750
Other Purchased Services - Dues	466	3,000	2,200	3,000	3,000	3,000
Other Purchased Services - Document Recording	435	500	100	500	500	500
Total Purchased Services - Other	4,435	9,950	5,900	9,750	8,750	8,750
Supplies and Materials						
General Supplies - Office	993	1,000	1,000	1,000	1,000	1,000
General Supplies - Postage	2,811	4,000	4,800	5,000	5,000	5,000
General Supplies - Tools	48	500	100	500	500	500
General Supplies - Books and Periodicals	449	500	400	500	500	500
General Supplies - Cleaning	5	1,000	100	1,000	1,000	1,000
Total Supplies and Materials	4,306	7,000	6,400	8,000	8,000	8,000

Chapter 6: Fund Summary

WATER FUND (Continued)

Water Administration (Continued)

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Capital Outlay						
Capital Outlay - Equipment (Computer)		400	400		1,400	
Total Capital Outlay		400	400		1,400	
Debt Service						
Principal Payment - IEPA Low Interest Loan #1		59,275	59,275	60,872	62,511	64,194
Principal Payment - 2007 Refunding		305,000	305,000	320,000	335,000	350,000
Principal Payment - IEPA Low Interest Loan #2		201,098	201,098	203,620	206,173	208,758
Principal Payment - 2013 Bonds		120,000	120,000	125,000	125,000	130,000
Principal Payment - IEPA Low Interest Loan #3				86,072	89,540	93,148
Interest Payment - IEPA Low Interest Loan #1	16,426	15,515	15,515	13,918	12,279	10,596
Interest Payment - 2007 (Refunding)	72,845	66,163	66,163	54,116	41,476	28,242
Interest Payment - IEPA Low Interest Loan #2	51,204	49,781	49,781	47,260	44,707	42,121
Principal Payment - 2013 Bonds	151,022	169,900	169,900	166,300	162,550	158,800
Interest Payment - IEPA Low Interest Loan #3				101,732	98,264	94,656
Fiscal Agent Fees	1,200	900	800	900	900	900
Total Debt Service	292,697	987,632	987,532	1,179,790	1,178,400	1,181,415
Amortization and Depreciation						
Amortization Expense		(11,605)				
Depreciation Expense		1,928,547				
Total Debt Service		1,916,942				
Total Water - Administration	2,489,279	1,228,977	1,224,506	1,429,283	1,434,928	1,444,811

Business-type activities long-term debt payable through the Water Fund at April 30, 2015 consists of:

General Obligation Alternate Revenue Source Bonds dated December 3, 2007 (Series 2007) due in annual installments of \$5,000 to \$365,000 plus interest of 3.95% through December 1, 2018.

General Obligation Alternate Revenue Source Bonds dated June 11, 2013 (Series 2013) due in annual installments of \$120,000 to \$280,000 plus interest of 3.00% to 4.00% through December 1, 2038.

Illinois Environmental Protection Agency Loan (2002) for \$1,128,780 for new construction. The loan bears interest at 2.675% and requires semiannual payments through December 1, 2022.

Illinois Environmental Protection Agency Loan (2011) for \$4,310,177 for rehabilitation of the water treatment plant, drilling of well #15, installation of well #15 water main, and improvements to well #14. The loan bears interest at 1.25% and requires semiannual payments through April 19, 2032.

Illinois Environmental Protection Agency Loan (2014) for \$2,392,632 for replacement of approximately 18,000 feet of water main in the unincorporated Boulder Hill Subdivision to remediate water main quality, small diameter water main, and water main looping issues. The loan bears interest at 1.995% and requires semiannual payments through April 1, 2035.

Chapter 6: Fund Summary

WATER FUND (Continued)

Water Plant Operations

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	318,537	359,473	345,217	374,411	386,579	399,143
Overtime - General	46,522	45,000	43,521	45,000	47,500	50,000
Holiday Pay	-	2,000	3,702	-	-	-
Bonus Pay	20,000	-	2,686	-	-	-
Total Personal Services - Salaries and Wages	385,059	406,473	395,126	419,411	434,079	449,143
Personal Services - Employee Benefits						
Insurance - Health	63,950	63,971	63,971	75,737	87,098	100,163
Insurance - Dental	3,310	3,229	3,229	3,578	4,115	4,732
Insurance - Life and AD&D	-	-	-	436	436	436
Insurance - Workers' Compensation	6,000	6,000	6,000	6,000	7,000	7,000
Insurance - Unemployment	1,847	2,216	2,216	2,372	2,767	2,767
Retirement - Social Security	25,503	25,201	24,167	26,003	26,913	27,847
Retirement - Medicare	5,964	5,894	6,095	6,081	6,294	6,513
Retirement - IMRF	68,361	52,598	51,455	49,797	51,415	53,086
Education - Conferences and Training	1,221	7,750	7,000	10,850	12,250	8,750
Equipment - Clothing Allowance	1,215	1,600	1,200	1,200	1,200	1,200
Total Personal Services - Employee Benefits	177,371	168,459	165,333	182,054	199,488	212,494
Purchased Services - Property						
Utilities - Electric	288,402	300,000	300,000	315,000	330,750	347,288
Utilities - Natural Gas	-	-	8,853	10,000	10,000	10,000
Utilities - Telephone	1,609	2,250	1,511	1,560	1,560	1,560
Utilities - Cell Phone	2,338	2,500	2,551	4,876	4,876	4,876
Building Repair and Maintenance - Other	107,069	100,000	80,000	100,000	100,000	100,000
Sewer Repair and Maintenance - Lift Stations	6,050	15,000	15,000	16,000	18,000	20,000
Sewer Repair and Maintenance - Sanitary Sewer	75,218	60,000	60,000	60,000	65,000	70,000
Water Utility Repair and Maintenance - Hydrants	9,073	32,000	40,288	35,000	35,000	38,000
Water Utility Repair and Maintenance - Water Meters	34,544	15,000	23,239	15,000	17,000	20,000
Water Utility Repair and Maintenance - Service Pipes	33,577	20,000	25,224	20,000	20,000	20,000
Water Utility Repair and Maintenance - Storage Tank	41	5,000	2,500	5,000	5,000	5,000
Water Utility Repair and Maintenance - Wells and Pumps	100	1,000	1,000	1,000	1,000	1,000
Water Utility Repair and Maintenance - Watermains	132,078	100,000	95,000	105,000	105,000	110,000
Water Utility Repair and Maintenance - Valves	7,199	16,000	12,000	16,000	16,000	16,000
Water Utility Repair and Maintenance - Spoils Disposal	480	20,000	20,000	20,000	20,000	20,000
Total Purchased Services - Property	697,778	688,750	687,166	724,436	749,186	783,724
Purchased Services - Other						
Other Purchased Services - Sludge Removal	46,318	65,000	55,000	65,000	65,000	65,000
Other Purchased Services - Water Testing	14,052	20,000	20,000	25,000	25,000	25,000
Other Purchased Services - Leak Survey	6,811	27,000	27,000	30,000	30,000	30,000
Other Purchased Services - JULIE Notification	4,796	8,000	8,000	8,000	8,000	8,000
Other Purchased Services - SCADA Maintenance	2,572	7,500	7,500	7,500	7,500	7,500
Total Purchased Services - Other	74,549	127,500	117,500	135,500	135,500	135,500

Chapter 6: Fund Summary

WATER FUND (Continued)

Water Plant Operations (Continued)

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Supplies and Materials						
General Supplies - Safety	-	500	500	500	500	500
General Supplies - Uniforms	3,366	4,500	4,500	4,500	4,500	4,500
Vehicle Supplies - Tools	677	2,000	2,000	2,000	2,000	2,000
Public Works Supplies - Water Chemicals	227,398	200,000	200,000	210,000	215,000	220,000
Public Works Supplies - JULIE	2,069	3,000	5,000	5,000	5,000	5,000
Total Supplies and Materials	233,510	210,000	212,000	222,000	227,000	232,000
Capital Outlay						
Capital Outlay - Equipment (Public Works)	7,735	20,000	16,000	-	-	-
Capital Outlay - Equipment (Computer)	-	4,200	4,200	600	-	-
Total Capital Outlay	7,735	24,200	20,200	600	-	-
Transfers						
Transfer Out - General Fund	822,775	867,757	837,937	848,211	882,982	904,619
Transfer Out - Vehicle Reserve Fund	-	237,247	237,247	216,291	216,291	216,291
Transfer Out - Water Improvement Fund	1,982,307	-	-	1,716,346	807,330	634,410
Total Transfers	2,805,082	1,105,004	1,075,184	2,780,848	1,906,603	1,755,320
Total Water - Water Plant Operations	4,381,084	2,730,386	2,672,509	4,464,849	3,651,856	3,568,181

WATER IMPROVEMENT FUND

The Water Improvement Fund (Water and Water Improvement Funds are consolidated in the financial statements) accounts for the acquisition, construction and improvement of major proprietary capital assets being finance by the Water Fund. These improvements are financed through the administration of services charges in the Water Fund and the issuance of long-term debt to pay for certain improvements over the useful life of those assets.

The main capital outlay project in the Water Improvement Fund for fiscal year 2016 is Contract C of the Boulder Hill water main project. The overall project began in fiscal year 2014 and is expected to be substantially completed during fiscal year 2016. The project replaces approximately 18,000 feet of water main in the unincorporated Boulder Hill Subdivision to remediate water main quality, small diameter water main, and water main looping issues. In addition, there are two additional major projects including:

- Chlorine system improvements – This project will convert all facilities to liquid chlorine, as well as add chlorine and ammonia analyzers to the overall water system.
- Waterworks System Master Plan – The purpose of this project is to update the Village's Water Works System Master Plan so the Village can continue to provide high quality water service to the residents. The report will include sustainable source water planning, including sub-regional source water planning with the City of Yorkville and Village of Oswego. The report also will summarize the plan to expand the Water Works System to serve all areas of the Village's Planning Area.

Chapter 6: Fund Summary

WATER IMPROVEMENT FUND (Continued)

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
REVENUES						
Charges for Services						
Other Reimbursements - Water Meters	21,311	27,000	20,000	27,000	27,000	27,000
Other Reimbursements - Tap and Footage Fees	61,258	30,000	85,270	30,000	30,000	30,000
Total Charges for Services	82,569	57,000	105,270	57,000	57,000	57,000
Intergovernmental Revenue						
State Grants - DCEO (Third Street Water Main)	39,361	-	-	-	-	-
State Grants - DCEO (Well #15))	-	-	-	-	-	-
Total Intergovernmental Revenue	39,361	-	-	-	-	-
Transfers						
Transfer From Water Fund	1,982,307	-	-	1,716,346	807,330	634,410
Total Transfers	1,982,307	-	-	1,716,346	807,330	634,410
Long Term Debt						
IEPA Loan	-	3,524,535	2,487,000	-	788,500	-
Total Long Term Debt	-	3,524,535	2,487,000	-	788,500	-
Total Revenues	2,104,237	3,581,535	2,592,270	1,773,346	1,652,830	691,410
EXPENSES						
Capital Outlay						
Capital Outlay - Watermain Replacement	-	-	2,180	-	260,000	270,400
Capital Outlay - Water Meters (New Construction)	4,472	16,225	2,755	18,000	18,000	18,000
Capital Outlay - Water Meters (Residential Retrofit)	1,724	-	1,883	-	-	-
Capital Outlay - Water Meters (Commercial Retrofit)	1,576	27,590	1,055	28,420	29,280	30,160
Capital Outlay - Well #15	3,000	-	-	-	-	-
Capital Outlay - Sanitary Sewer Televising	1,113	50,000	50,000	50,000	50,000	50,000
Capital Outlay - Water Meters (Replacement Program)	-	18,775	-	-	106,000	109,000
Capital Outlay - Replacement and Rehab Reserve	135,381	187,080	163,887	43,550	298,650	183,850
Capital Outlay - Lime WTP Improvements	987	-	-	-	-	-
Well 14 Motor Control Upgrade	2,237	-	7,326	-	-	-
Boulder Hill Water System Improvements	-	4,688,390	2,916,882	983,000	-	-
Autoflusher - Jefferson Street	17,818	-	-	-	-	-
Autoflusher - Helene Rieder Street	17,817	-	-	-	-	-
Chlorine System Improvements	-	230,000	15,000	355,000	-	-
West Tank Generator	-	25,000	20,000	-	-	-
Jefferson Street Lift Station Rehabilitation	85	30,000	1,364	72,400	860,900	-
Leak Detection and Meter Testing	-	-	-	30,000	30,000	30,000
Water Works System Master Plan	-	-	-	240,000	-	-
Total Capital Outlay	186,210	5,273,060	3,182,332	1,820,370	1,652,830	691,410
Debt Service						
Issuance Costs	161,584	-	-	-	-	-
Total Debt Service	161,584	-	-	-	-	-
Total Expenses	347,794	5,273,060	3,182,332	1,820,370	1,652,830	691,410
Change in Net Position	1,756,443	(1,691,525)	(590,062)	(47,024)	-	-
Beginning Net Position	(1,119,357)	637,086	637,086	47,024	-	-
Ending Net Position	637,086	(1,054,439)	47,024	-	-	-

Chapter 6: Fund Summary

EMPLOYEE INSURANCE FUND

The Employee Insurance Fund accounts for the internal contributions (employer and employee) for providing group health, dental, and life insurance to Village employees. This internal service fund is reported as part of the governmental activities since it provides services primarily to the Village's governmental funds/activities.

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
REVENUES						
Charges for Services						
Internal Service Fees - Employer Medical Insurance Contributions	569,070	684,074	684,074	831,550	956,281	1,099,725
Internal Service Fees - Employer Dental Insurance Contributions	32,130	42,968	42,968	42,957	49,403	56,812
Internal Service Fees - Employee Medical Insurance Contributions	67,211	70,523	70,523	114,563	131,747	151,509
Internal Service Fees - Cobra Medical Insurance Contributions	11,352	-	10,187	15,769	-	-
Internal Service Fees - Retiree Medical Insurance Contributions	80,406	77,496	77,496	79,889	91,872	105,653
Internal Service Fees - Employer Life Insurance Contributions	-	4,862	42	4,137	4,137	4,137
Total Charges for Services	760,169	879,923	885,290	1,088,865	1,233,440	1,417,836
Total Revenues	760,169	879,923	885,290	1,088,865	1,233,440	1,417,836
EXPENSES						
Purchased Services - Other						
Insurance - Medical (HMO)	719,032	832,093	842,280	1,041,771	1,179,900	1,356,887
Insurance - Medical (PPO)	10,915	-	-	-	-	-
Insurance - Dental	22,805	42,968	42,968	42,957	49,403	56,812
Insurance - Life	-	4,862	3,014	4,137	4,137	4,137
Total Purchased Services - Other	752,752	879,923	888,262	1,088,865	1,233,440	1,417,836
Total Expenses	752,752	879,923	888,262	1,088,865	1,233,440	1,417,836
Change in Net Position	7,417	-	(2,972)	-	-	-
Beginning Net Position	191,654	199,071	199,071	196,099	196,099	196,099
Ending Net Position	199,071	199,071	196,099	196,099	196,099	196,099

Chapter 6: Fund Summary

VEHICLE RESERVE FUND

The Vehicle Reserve Fund accounts for contributions made to pay for the replacement of vehicles and equipment. The Village estimates the useful life of each vehicle, replacement cost at the end of its useful life, and transfers the applicable amounts from the General Fund and Water Fund. The Village began rebuilding this fund in fiscal year 2014 by contributing a fifteen year average of the annual reserve contributions and expects the Vehicle Reserve Fund to be fully funded by 2029. The Village expects in fiscal year 2016 to replace two Community Development sport utility vehicles, one Police Squad car, a Public Works building maintenance Van, a Public Works service truck, a Public Works pickup truck, a Public Works single axle dump, a Public Work tandem axle dump, and pay the third year of a 3 year lease of six Police sport utility vehicles.

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
REVENUES						
Charges for Services						
Internal Service Fees - Vehicle Reserve Contributions	560,398	605,546	605,546	687,302	700,351	700,351
Total Charges for Services	560,398	605,546	605,546	687,302	700,351	700,351
Investment Income						
Investment Earnings - Interest Income	-	1,000	-	500	500	500
Total Investment Income	-	1,000	-	500	500	500
Miscellaneous						
Other Reimbursements - Miscellaneous	31,176	10,001	6,654	10,000	10,000	10,000
Total Miscellaneous	31,176	10,001	6,654	10,000	10,000	10,000
Long-Term Debt Issue						
Capital Lease Proceeds	309,433	-	-	-	-	-
Total Long Term Debt	309,433	-	-	-	-	-
Total Revenues	901,007	616,547	612,200	697,802	710,851	710,851
EXPENDITURES						
Capital Outlay						
Capital Outlay - Vehicles	453,034	426,391	305,000	606,211	721,127	860,951
Total Capital Outlay	453,034	426,391	305,000	606,211	721,127	860,951
Debt Service						
Principal Payment - Capital Lease	107,966	-	98,396	103,071	-	-
Interest Payment - Capital Lease	-	-	9,570	4,896	-	-
Total Debt Service	107,966	-	107,966	107,967	-	-
Total Expenditures	561,000	426,391	412,966	714,178	721,127	860,951
Net Change in Fund Balance	340,007	190,156	199,234	(16,376)	(10,276)	(150,100)
Beginning Fund Balance	(10,074)	329,933	329,933	529,167	512,791	502,515
Ending Fund Balance	329,933	520,089	529,167	512,791	502,515	352,415

Chapter 6: Fund Summary

REFUSE FUND

The Refuse Fund accounts for refuse services contracted by the Village for the benefit of its citizens, but performed by a private entity. This fund is financed by fees charged to residents on their bi-monthly utility bill. The revenue and expense was included in the General prior to fiscal year 2015, but will now be included as an enterprise fund in the financial statements. The current contract with Republic Services calls for annual increases of 4% through December 31, 2016. The current charge per residential unit per month is \$18.92 and will increase to \$19.65 effective January 1, 2016.

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
REVENUES						
Charges for Services						
Service Fees - Refuse Removal	-	1,239,592	1,238,300	1,296,817	1,359,522	1,426,337
Total Charges for Services	-	1,239,592	1,238,300	1,296,817	1,359,522	1,426,337
Investment Income						
Investment Earnings - Interest Income	-	250	-	250	250	250
Total Investment Income	-	250	-	250	250	250
Total Revenues	-	1,239,842	1,238,300	1,297,067	1,359,772	1,426,587
EXPENSES						
Purchased Services - Other						
Other Purchased Services - Solid Waste Disposal	-	1,239,592	1,218,353	1,296,817	1,359,522	1,426,337
Total Purchased Services - Other	-	1,239,592	1,218,353	1,296,817	1,359,522	1,426,337
Total Expenses	-	1,239,592	1,218,353	1,296,817	1,359,522	1,426,337
Change in Net Position	-	250	19,947	250	250	250
Beginning Net Position	-	-	-	19,947	20,197	20,447
Ending Net Position	-	250	19,947	20,197	20,447	20,697

POLICE PENSION FUND

The Police Pension Fund accounts for the resources necessary to provide retirement and disability pension benefits to full-time sworn police personnel. Although this is a single-employer pension plan, the defined benefits and employer and employee contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

Financing is provided by the Village contributions, employee payroll withholdings, and investment income. Employees are required to contribute 9.91% of their base salary, while the Village is required to contribute the remaining amounts necessary to finance the plan, including the costs of administering the plan (as determined annually by an actuary). The pension fund has their own board which contracts for professional investment management, approves expenditures, and reviews requests for retirement and/or disability pensions. The Village will continue to build up the Net Position in fiscal year 2016 as determined by the Village's actuary.

Chapter 6: Fund Summary

POLICE PENSION FUND (Continued)

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
ADDITIONS						
Property Taxes						
Property Tax - Police Pension	388,546	444,913	449,027	453,447	467,050	481,062
Total Property Taxes	<u>388,546</u>	<u>444,913</u>	<u>449,027</u>	<u>453,447</u>	<u>467,050</u>	<u>481,062</u>
Investment Income						
Interest Income - Cash and Investments	210,401	487,500	250,000	601,300	661,535	726,705
Investment Income - Realized Gain/Loss	35,442	-	108,425	-	-	-
Investment Income - Unrealized Gain/Loss	316,079	-	96,327	-	-	-
Total Investment Income	<u>561,922</u>	<u>487,500</u>	<u>454,752</u>	<u>601,300</u>	<u>661,535</u>	<u>726,705</u>
Contributions and Donations						
Employee Contributions - Police Pension	169,632	175,000	221,698	195,494	201,359	207,400
Total Contributions and Donations	<u>169,632</u>	<u>175,000</u>	<u>221,698</u>	<u>195,494</u>	<u>201,359</u>	<u>207,400</u>
Total Additions	<u>1,120,100</u>	<u>1,107,413</u>	<u>1,125,477</u>	<u>1,250,241</u>	<u>1,329,944</u>	<u>1,415,167</u>
DEDUCTIONS						
Personal Services - Employee Benefits						
Retirement - Police Pension Payments (Retirees)	308,439	305,080	309,648	322,097	331,759	341,713
Retirement - Police Pension Payments (Widows)	20,816	20,816	20,816	20,816	20,816	20,816
Retirement - Refund of Contributions	49,666	-	46,026	-	-	-
Retirement - Police Pension Payments (Disability)	44,602	44,602	44,602	44,602	44,602	44,602
Education - Conferences and Training	-	2,000	2,000	10,000	10,000	10,000
Total Personal Services - Employee Benefits	<u>423,523</u>	<u>372,498</u>	<u>423,092</u>	<u>397,515</u>	<u>407,177</u>	<u>417,131</u>
Purchased Services - Professional and Technical						
Legal Services - Other	-	2,500	-	2,500	2,500	2,500
Accounting and Auditing Services - General	1,420	-	1,486	1,500	1,500	1,500
Accounting and Auditing Services - Actuary Report	1,500	1,500	3,500	2,000	2,000	2,000
Professional Services - Cash Management	14,829	16,000	16,400	17,180	18,901	20,763
Total Purchased Services - Professional and Technical	<u>17,749</u>	<u>20,000</u>	<u>21,386</u>	<u>23,180</u>	<u>24,901</u>	<u>26,763</u>
Purchased Services - Other						
Travel	-	1,000	-	1,000	1,000	1,000
Dues	2,007	2,000	2,139	2,275	2,410	2,576
Total Purchased Services - Other	<u>2,007</u>	<u>3,000</u>	<u>2,139</u>	<u>3,275</u>	<u>3,410</u>	<u>3,576</u>
Total Deductions	<u>443,279</u>	<u>395,498</u>	<u>446,617</u>	<u>423,970</u>	<u>435,488</u>	<u>447,470</u>
Change in Net Position	676,821	711,915	678,860	826,271	894,456	967,697
Beginning Net Position	6,821,352	7,498,173	7,498,173	8,177,033	9,003,304	9,897,760
Ending Net Position	<u>7,498,173</u>	<u>8,210,088</u>	<u>8,177,033</u>	<u>9,003,304</u>	<u>9,897,760</u>	<u>10,865,457</u>

Chapter 6: Fund Summary

POLICE GIFT FUND

The Police Gift Fund accounts for contributions from donors to be used for educational and equipment purchases for the police force.

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
REVENUES						
Miscellaneous						
Donations - Other	2,697	250	300	250	250	250
Total Miscellaneous	2,697	250	300	250	250	250
Total Revenues	2,697	250	300	250	250	250
EXPENDITURES						
Supplies and Materials						
Police Supplies - Too Good for Drugs Program	-	-	707	300	300	300
Police Supplies - Other	806	1,000	1,000	1,000	1,000	1,000
Total Supplies and Materials	806	1,000	1,707	1,300	1,300	1,300
Total Expenditures	806	1,000	1,707	1,300	1,300	1,300
Net Change in Fund Balance	1,891	(750)	(1,407)	(1,050)	(1,050)	(1,050)
Beginning Fund Balance	6,776	8,667	8,667	7,260	6,210	5,160
Ending Fund Balance	8,667	7,917	7,260	6,210	5,160	4,110

SPECIAL SERVICE AREA FUNDS

The Village has numerous Special Service Areas (SSA) throughout the Village. SSA's are a financing technique that allows the cost of a subdivision's continuing maintenance costs to be borne by the subdivision itself (rather than the Village as a whole). The amount is added to each resident's property tax bill and is only for the cost of the maintenance of the subdivision's public areas (examples include: stormwater basins, landscaping, etc.). It is not a fixed amount and cannot be paid off as the maintenance is a continuing cost. By ordinance, the Village has established SSA's for each new neighborhood.

Activation of an SSA takes place once the Village has adequate certainty that the development will be ready for acceptance within the next calendar year. Once accepted, the Developer/Homeowners Association discontinues maintenance responsibility of the stormwater basins, which is then transferred to the Village. When an SSA is activated for a development, the tax the residents pay toward the SSA will only be used for the SSA and any surplus will be put in a reserve fund for future use on that neighborhood only.

The following is a list of all SSA's currently controlled by the Village:

- Montgomery Crossing
- Blackberry Crossing
- Fairfield Way
- Arbor Ridge
- Foxmoor
- Saratoga Springs
- Orchard Prairie North
- Blackberry Crossing West
- Fieldstone Place
- Balmorea
- Marquis Pointe
- Ogden Hill

Chapter 6: Fund Summary

MONTGOMERY CROSSING SSA FUND

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
REVENUES						
Property Taxes						
Property Tax - Montgomery Crossing SSA	65,121	65,345	65,611	53,000	55,000	57,000
Total Property Taxes	<u>65,121</u>	<u>65,345</u>	<u>65,611</u>	<u>53,000</u>	<u>55,000</u>	<u>57,000</u>
Investment Earnings						
Interest Income - Cash and Investments	-	-	-	-	-	-
Total Investment Earnings	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Miscellaneous						
Developer Contribution - Closeout	-	-	-	-	-	-
Total Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	65,121	65,345	65,611	53,000	55,000	57,000
EXPENDITURES						
Purchased Services - Property						
Grounds Repair and Maintenance - Detention Basins	-	-	-	47,207	48,623	50,082
Grounds Maintenance - Subdivision	62,822	55,000	50,978	5,480	5,754	6,042
Total Purchased Services - Property	<u>62,822</u>	<u>55,000</u>	<u>50,978</u>	<u>52,687</u>	<u>54,377</u>	<u>56,124</u>
Total Expenditures	62,822	55,000	50,978	52,687	54,377	56,124
Net Change in Fund Balance	2,299	10,345	14,633	313	623	876
Beginning Fund Balance	110,795	113,094	113,094	127,727	128,040	128,663
Ending Fund Balance	<u>113,094</u>	<u>123,439</u>	<u>127,727</u>	<u>128,040</u>	<u>128,663</u>	<u>129,539</u>

BLACKBERRY CROSSING SSA FUND

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
REVENUES						
Property Taxes						
Property Tax - Blackberry Crossing SSA	18,342	18,005	18,007	11,000	11,500	12,000
Total Property Taxes	<u>18,342</u>	<u>18,005</u>	<u>18,007</u>	<u>11,000</u>	<u>11,500</u>	<u>12,000</u>
Total Revenues	18,342	18,005	18,007	11,000	11,500	12,000
EXPENDITURES						
Purchased Services - Property						
Grounds Repair and Maintenance - Detention Basins	-	-	-	9,085	9,358	9,639
Grounds Maintenance - Subdivision	17,422	18,000	10,246	1,581	1,660	1,743
Total Purchased Services - Property	<u>17,422</u>	<u>18,000</u>	<u>10,246</u>	<u>10,666</u>	<u>11,018</u>	<u>11,382</u>
Total Expenditures	17,422	18,000	10,246	10,666	11,018	11,382
Net Change in Fund Balance	920	5	7,761	334	482	618
Beginning Fund Balance	56,701	57,621	57,621	65,382	65,716	66,198
Ending Fund Balance	<u>57,621</u>	<u>57,626</u>	<u>65,382</u>	<u>65,716</u>	<u>66,198</u>	<u>66,816</u>

Chapter 6: Fund Summary

FAIRFIELD WAY SSA FUND

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
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REVENUES

Property Taxes

Property Tax - Fairfield Way SSA	64,989	65,215	65,230	50,000	45,500	41,000
Total Property Taxes	64,989	65,215	65,230	50,000	45,500	41,000
Total Revenues	64,989	65,215	65,230	50,000	45,500	41,000

EXPENDITURES

Purchased Services - Property

Grounds Repair and Maintenance - Detention Basins	-	-	-	21,943	22,602	23,280
Grounds Maintenance - Subdivision	114,037	50,000	34,411	11,247	11,809	12,399
Sewer Repair and Maintenance - Lift Stations	-	-	-	5,000	5,150	5,305
Total Purchased Services - Property	114,037	50,000	34,411	38,190	39,561	40,984
Total Expenditures	114,037	50,000	34,411	38,190	39,561	40,984
Net Change in Fund Balance	(49,048)	15,215	30,819	11,810	5,939	16
Beginning Fund Balance	183,271	134,223	134,223	165,042	176,852	182,791
Ending Fund Balance	134,223	149,438	165,042	176,852	182,791	182,807

ARBOR RIDGE SSA FUND

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
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REVENUES

Property Taxes

Property Tax - Arbor Ridge SSA	22,669	28,240	18,752	18,358	25,000	25,000
Total Property Taxes	22,669	28,240	18,752	18,358	25,000	25,000
Total Revenues	22,669	28,240	18,752	18,358	25,000	25,000

EXPENDITURES

Purchased Services - Property

Grounds Repair and Maintenance - Detention Basins	-	-	-	10,565	10,882	11,208
Grounds Maintenance - Subdivision	19,870	35,000	11,295	3,901	4,096	4,301
Total Purchased Services - Property	19,870	35,000	11,295	14,466	14,978	15,509
Total Expenditures	19,870	35,000	11,295	14,466	14,978	15,509
Net Change in Fund Balance	2,799	(6,760)	7,457	3,892	10,022	9,491
Beginning Fund Balance	28,134	30,933	30,933	38,390	42,282	52,304
Ending Fund Balance	30,933	24,173	38,390	42,282	52,304	61,795

Chapter 6: Fund Summary

FOXMOOR SSA FUND

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
REVENUES						
Property Taxes						
Property Tax - Foxmoor SSA	67,341	67,400	67,352	42,500	44,000	45,500
Total Property Taxes	67,341	67,400	67,352	42,500	44,000	45,500
Total Revenues	67,341	67,400	67,352	42,500	44,000	45,500
EXPENDITURES						
Purchased Services - Property						
Grounds Repair and Maintenance - Detention Basins				24,055	24,777	25,520
Grounds Maintenance - Subdivision	39,066	65,000	40,488	16,870	17,714	18,600
Total Purchased Services - Property	39,066	65,000	40,488	40,925	42,491	44,120
Total Expenditures	39,066	65,000	40,488	40,925	42,491	44,120
Net Change in Fund Balance	28,275	2,400	26,864	1,575	1,509	1,380
Beginning Fund Balance	77,416	105,691	105,691	132,555	134,130	135,639
Ending Fund Balance	105,691	108,091	132,555	134,130	135,639	137,019

SARATOGA SPRINGS SSA FUND

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
REVENUES						
Property Taxes						
Property Tax - Saratoga Springs SSA	7,311	7,530	7,489	12,000	13,500	14,000
Total Property Taxes	7,311	7,530	7,489	12,000	13,500	14,000
Total Revenues	7,311	7,530	7,489	12,000	13,500	14,000
EXPENDITURES						
Purchased Services - Property						
Grounds Repair and Maintenance - Detention Basins				10,511	10,826	11,151
Grounds Maintenance - Subdivision	13,764	7,500	11,353	2,319	2,435	2,557
Total Purchased Services - Property	13,764	7,500	11,353	12,830	13,261	13,708
Total Expenditures	13,764	7,500	11,353	12,830	13,261	13,708
Net Change in Fund Balance	(6,453)	30	(3,864)	(830)	239	292
Beginning Fund Balance	48,631	42,178	42,178	38,314	37,484	37,723
Ending Fund Balance	42,178	42,208	38,314	37,484	37,723	38,015

Chapter 6: Fund Summary

ORCHARD PRAIRIE NORTH SSA FUND

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
REVENUES						
Property Taxes						
Property Tax - Orchard Prairie SSA	22,455	22,480	22,458	25,000	27,500	30,000
Total Property Taxes	22,455	22,480	22,458	25,000	27,500	30,000
Total Revenues	22,455	22,480	22,458	25,000	27,500	30,000
EXPENDITURES						
Purchased Services - Property						
Grounds Repair and Maintenance - Detention Basins	-	-	13,196	13,592	14,000	
Grounds Maintenance - Subdivision	21,599	25,000	21,601	8,642	9,074	9,528
Total Purchased Services - Property	21,599	25,000	21,601	21,838	22,666	23,528
Total Expenditures	21,599	25,000	21,601	21,838	22,666	23,528
Net Change in Fund Balance	856	(2,520)	857	3,162	4,834	6,472
Beginning Fund Balance	22,128	22,984	22,984	23,841	27,003	31,837
Ending Fund Balance	22,984	20,464	23,841	27,003	31,837	38,309

BLACKBERRY CROSSING WEST SSA FUND

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
REVENUES						
Property Taxes						
Property Tax - Blackberry Crossing West SSA	62,977	62,995	62,865	63,000	65,000	67,000
Total Property Taxes	62,977	62,995	62,865	63,000	65,000	67,000
Total Revenues	62,977	62,995	62,865	63,000	65,000	67,000
EXPENDITURES						
Purchased Services - Property						
Grounds Repair and Maintenance - Detention Basins	-	-	39,632	40,821	42,045	
Grounds Maintenance - Subdivision	51,668	40,000	53,709	12,781	13,420	14,091
Total Purchased Services - Property	51,668	40,000	53,709	52,413	54,241	56,136
Total Expenditures	51,668	40,000	53,709	52,413	54,241	56,136
Net Change in Fund Balance	11,309	22,995	9,156	10,587	10,759	10,864
Beginning Fund Balance	73,570	84,879	84,879	94,035	104,622	115,381
Ending Fund Balance	84,879	107,874	94,035	104,622	115,381	126,245

Chapter 6: Fund Summary

FIELDSTONE PLACE SSA FUND

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
REVENUES						
Property Taxes						
Property Tax - Fieldstone Place SSA	4,221	4,230	4,203	6,500	7,000	7,500
Total Property Taxes	4,221	4,230	4,203	6,500	7,000	7,500
Total Revenues	4,221	4,230	4,203	6,500	7,000	7,500
EXPENDITURES						
Purchased Services - Property						
Grounds Repair and Maintenance - Detention Basins				4,620	4,759	4,902
Grounds Maintenance - Subdivision	4,024	4,500	6,390	825	866	909
Total Purchased Services - Property	4,024	4,500	6,390	5,445	5,625	5,811
Total Expenditures	4,024	4,500	6,390	5,445	5,625	5,811
Net Change in Fund Balance	197	(270)	(2,187)	1,055	1,375	1,689
Beginning Fund Balance	18,628	18,825	18,825	16,638	17,693	19,068
Ending Fund Balance	18,825	18,555	16,638	17,693	19,068	20,757

BALMOREA SSA FUND

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
REVENUES						
Property Taxes						
Property Tax - Balmorea SSA	27,471	27,470	27,472	30,000	32,500	35,000
Total Property Taxes	27,471	27,470	27,472	30,000	32,500	35,000
Total Revenues	27,471	27,470	27,472	30,000	32,500	35,000
EXPENDITURES						
Purchased Services - Property						
Grounds Repair and Maintenance - Detention Basins				28,956	29,825	30,720
Grounds Maintenance - Subdivision	25,511	28,000	41,348			
Total Purchased Services - Property	25,511	28,000	41,348	28,956	29,825	30,720
Total Expenditures	25,511	28,000	41,348	28,956	29,825	30,720
Net Change in Fund Balance	1,960	(530)	(13,876)	1,044	2,675	4,280
Beginning Fund Balance	(2,559)	(599)	(599)	(14,475)	(13,431)	(10,756)
Ending Fund Balance	(599)	(1,129)	(14,475)	(13,431)	(10,756)	(6,476)

Chapter 6: Fund Summary

MARQUIS POINTE SSA FUND

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
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REVENUES

Property Taxes

Property Tax - Marquis Pointe SSA	12,022	12,000	12,025	13,500	14,000	14,500
Total Property Taxes	12,022	12,000	12,025	13,500	14,000	14,500

Transfers

Transfer In	25,459	-	-	-	-	-
Total Transfers	25,459	-	-	-	-	-

Total Revenues

37,481	12,000	12,025	13,500	14,000	14,500
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EXPENDITURES

Purchased Services - Property

Grounds Repair and Maintenance - Detention Basins	-	-	11,410	11,752	12,104
Grounds Maintenance - Subdivision	6,624	12,000	12,550	-	-
Total Purchased Services - Property	6,624	12,000	12,550	11,410	11,752
Total Expenditures	6,624	12,000	12,550	11,410	11,752
Net Change in Fund Balance	30,857	-	(525)	2,090	2,248
Beginning Fund Balance	(10,006)	20,851	20,851	20,326	22,416
Ending Fund Balance	20,851	20,851	20,326	22,416	24,664
					27,060

OGDEN HILL SSA FUND

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
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REVENUES

Property Taxes

Property Tax - Ogden Hill SSA	20,022	20,000	19,710	22,500	23,000	24,000
Total Property Taxes	20,022	20,000	19,710	22,500	23,000	24,000
Total Revenues	20,022	20,000	19,710	22,500	23,000	24,000

EXPENDITURES

Purchased Services - Property

Grounds Repair and Maintenance - Detention Basins	-	-	19,429	20,012	20,612
Grounds Maintenance - Subdivision	12,300	20,000	21,369	-	-
Total Purchased Services - Property	12,300	20,000	21,369	19,429	20,012

Transfers

Transfer Out - Marquis Pointe	25,459	-	-	-	-
Total Transfers	25,459	-	-	-	-

Total Expenditures

37,759	20,000	21,369	19,429	20,012	20,612
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Net Change in Fund Balance

(17,737)	-	(1,659)	3,071	2,988	3,388
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Beginning Fund Balance

42,691	24,954	24,954	23,295	26,366	29,354
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Ending Fund Balance

24,954	24,954	23,295	26,366	29,354	32,742
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Chapter 7: *Departmental Summary*

The Departmental Summary contains information on the General Fund while all other funds are included in Chapter 6: Fund Summary. The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The services which are administered by the Village and accounted for in the general fund include general government, public safety and highways and streets. The following presents the General Fund as a whole, while the subsequent pages will show each Department and the Divisions within each Department.

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
REVENUE						
Property Taxes	2,174,697	2,197,963	2,220,787	2,242,839	2,307,591	2,374,260
Other Taxes	5,140,432	5,862,969	5,493,795	5,814,051	5,987,367	6,169,292
Licenses and Permits	401,960	339,846	391,620	411,287	423,328	435,455
Charges for Services	1,647,031	253,225	302,280	325,295	340,134	355,056
Intergovernmental Revenue	115,630	10,730	13,676	16,260	16,260	16,260
Fines and Forfeits	256,812	369,900	285,191	315,500	341,000	366,500
Investment Income	7,588	15,000	7,500	26,250	35,000	43,750
Miscellaneous	139,442	123,500	97,764	113,000	115,000	117,000
Transfers	16,133	-	-	160,000	-	-
Total Revenue	9,899,725	9,173,133	8,812,613	9,424,482	9,565,680	9,877,573
EXPENDITURES						
Elected Officials	163,587	176,258	161,876	149,271	153,236	156,006
Village Administrator	416,522	377,242	364,120	360,254	392,037	424,392
Finance	374,572	518,956	489,989	482,765	500,030	520,457
Community Development						
Planning and Zoning	318,183	317,610	299,345	306,659	322,796	332,720
Code Enforcement and Inspections	272,769	319,255	306,222	320,438	346,290	360,876
Economic Development	677,660	1,096,044	888,198	1,035,635	1,067,248	1,100,221
Police						
Administration	563,349	573,951	592,668	617,692	655,404	656,643
Support Services	498,737	426,077	430,891	436,662	450,357	464,941
Patrol	2,817,620	3,022,652	3,026,034	3,198,746	3,292,136	3,440,274
Investigations	248,175	259,029	276,649	273,742	287,567	302,578
Police Commission	5,408	9,383	16,961	4,628	10,928	4,628
ESDA	1,953	2,200	3,182	4,700	4,700	4,700
Public Works						
Administration	127,897	123,610	127,037	125,622	132,151	136,305
Streets	2,265,554	906,447	844,346	927,636	1,010,303	1,040,711
Vehicle Maintenance	262,955	243,326	231,705	225,006	246,684	243,685
Buildings and Grounds	471,706	425,919	366,889	362,298	375,769	373,817
Stormwater	41,198	40,000	25,000	35,000	35,000	35,000
Legal Services	166,713	170,500	189,651	171,000	181,000	191,000
Engineering Services	201,413	150,000	197,371	202,000	212,000	222,000
Total Expenditures	9,895,971	9,158,459	8,838,134	9,239,754	9,675,636	10,010,954
Net Income (Loss)	3,754	14,674	(25,521)	184,728	(109,956)	(133,381)
Beginning Fund Balance	3,550,381	3,554,135	3,568,809	3,543,288	3,728,016	3,618,060
Ending Fund Balance	3,554,135	3,568,809	3,543,288	3,728,016	3,618,060	3,484,679

Chapter 7: Departmental Summary

REVENUES

The General Fund revenues are as follows:

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Property Taxes						
Property Tax - Corporate	951,690	932,755	941,309	950,689	979,210	1,008,586
Property Tax - Police Pension	388,546	444,913	449,027	453,447	467,050	481,062
Property Tax - Social Security	224,283	219,821	221,863	224,061	230,783	237,706
Property Tax - IMRF	224,283	219,821	221,863	224,061	230,783	237,706
Property Tax - Insurance	264,170	258,928	261,330	263,932	271,850	280,006
Other Taxes - Road and Bridge Tax	121,725	121,725	125,395	126,649	127,915	129,194
Total Property Taxes	2,174,697	2,197,963	2,220,787	2,242,839	2,307,591	2,374,260
Other Taxes						
Sales Tax	2,851,053	3,556,074	3,178,827	3,437,768	3,609,656	3,790,139
State Income Tax	1,796,712	1,803,236	1,788,486	1,825,362	1,825,362	1,825,362
Other Taxes - Corporate Replacement Tax	67,316	57,991	57,265	57,838	58,416	59,000
Other Taxes - Road and Bridge Replacement Tax	9,539	7,249	7,158	7,230	7,302	7,375
Other Taxes - Local Use Tax	316,541	328,196	341,103	357,697	357,697	357,697
Other Taxes - Video Gaming Tax	17,477	24,000	43,200	50,400	50,400	50,400
Fees - Infrastructure Maintenance Fee	81,794	86,223	77,756	77,756	78,534	79,319
Total Other Taxes	5,140,432	5,862,969	5,493,795	5,814,051	5,987,367	6,169,292
Licenses and Permits						
Licenses - Liquor Licenses	22,725	22,500	23,550	26,800	26,800	26,800
Licenses - Pull Tab Licenses	1,125	1,005	1,020	1,020	1,020	1,020
Licenses - Amusement Machine Licenses	1,275	-	1,050	1,050	1,050	1,050
Licenses - Tobacco Licenses	350	300	380	300	300	300
Licenses - Contractors	24,500	25,000	25,000	28,125	31,250	34,375
Permits - Building Permits	124,192	75,000	100,000	110,000	115,000	120,000
Permits - Oversized Vehicle Permit	7,775	3,000	8,000	8,000	8,000	8,000
Permits - Solicitor	1,510	500	930	500	500	500
Permits - Other	165	100	130	100	100	100
Fees - Cable Franchise Fee	218,343	212,441	231,560	235,392	239,308	243,310
Total Licenses and Permits	401,960	339,846	391,620	411,287	423,328	435,455
Charges for Services						
Service Fees - Refuse Removal	1,190,325	-	7,946	7,000	7,000	7,000
Inspection Fees - Plumbing Inspections	11,805	12,000	18,510	16,000	16,000	16,000
Inspection Fees - Engineering Inspections	8,325	7,000	10,575	11,000	11,000	11,000
Inspection Fees - Reinspections	-	2,000	500	500	500	500
Planning Fees - Plan Commission Applications	5,200	5,000	8,000	6,000	6,000	6,000
Salable Items - History Books	-	-	300	350	350	350
Salable Items - Miscellaneous	41	25	100	100	100	100
Salable Items - Rain Barrels	391	4,000	-	-	-	-
Professional Service Reimbursements - Dispatch Service	98,236	-	12,000	12,840	13,739	14,701
Professional Service Reimbursements - Engineering Service	214,916	100,000	125,000	141,750	147,420	153,090
Professional Service Reimbursements - Legal Service	28,490	30,000	20,672	36,750	42,000	47,250
Professional Service Reimbursements - Planning Service	8,295	10,000	18,714	10,500	13,125	15,750
Professional Service Reimbursements - Printing and Publishing	-	-	-	1,000	1,000	1,000

Chapter 7: Departmental Summary

REVENUES (Continued)

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Charges for Services						
Police Reimbursements - Training	4,599	7,500	8,287	7,500	7,500	7,500
Police Reimbursements - Special Duty	-	3,500	1,790	1,800	1,800	1,800
Police Reimbursements - LEADS	7,196	7,200	-	-	-	-
Police Reimbursements - Other	3,229	3,000	8,402	3,000	3,000	3,000
Police Reimbursements - Firing Range	2,000	-	420	300	300	300
Other Reimbursements - Streets	22,116	15,000	12,453	15,000	15,000	15,000
Other Reimbursements - Miscellaneous	19,387	25,000	25,000	30,000	30,000	30,000
Other Reimbursements - Lawn Services (Kaneland Schools)	7,125	7,500	7,529	7,905	8,300	8,715
Other Reimbursements - Credit Card Fees	13,300	12,500	14,082	14,000	14,000	14,000
Other Reimbursements - Mowing	-	-	-	-	-	-
Rents and Royalties - Municipal Building Rental	2,055	2,000	2,000	2,000	2,000	2,000
Total Charges for Services	1,647,031	253,225	302,280	325,295	340,134	355,056
Intergovernmental Revenue						
Federal Grants - FEMA (Snow Removal)	-	-	-	-	-	-
State Grants - Body Armor (Police)	915	1,800	1,916	1,500	1,500	1,500
State Grants - ILCC Tobacco (Police)	1,430	1,430	1,760	1,760	1,760	1,760
State Grants - Traffic Safety Grant (Police)	13,542	2,500	10,000	13,000	13,000	13,000
State Grants - DCEO Comprehensive Plan (Comm Dev)	96,985	5,000	-	-	-	-
Local Grants - EAB (PW)	-	-	-	-	-	-
Local Grants - Community Policing (PD)	2,758	-	-	-	-	-
Police Reimbursements - CAD/RMS Interface	-	-	-	-	-	-
Total Intergovernmental Revenue	115,630	10,730	13,676	16,260	16,260	16,260
Fines and Forfeits						
Police Reimbursements - Tow Impoundment Fee	122,500	155,000	119,250	130,000	135,000	140,000
Village - Court Fines	24,010	30,000	28,884	32,000	34,000	36,000
Kane County - Court Fines	95,869	150,000	104,634	120,000	135,000	150,000
Kane County - Patrol Car Maintenance	-	17,500	14,133	16,000	17,000	18,000
Kendall County - Court Fines	13,023	15,000	9,682	12,000	13,500	15,000
Kendall County - Patrol Car Maintenance	-	800	922	1,500	2,000	2,500
Code Enforcement Fines	1,410	1,600	7,686	4,000	4,500	5,000
Total Fines and Forfeits	256,812	369,900	285,191	315,500	341,000	366,500
Investment Income						
Investment Earnings - Interest Income	7,588	15,000	7,500	26,250	35,000	43,750
Total Investment Income	7,588	15,000	7,500	26,250	35,000	43,750
Miscellaneous						
Other Reimbursements - Insurance	66,415	55,000	15,000	30,000	30,000	30,000
Donations - Montgomery Fest	50,774	45,000	51,275	53,000	55,000	57,000
Donations - Beautification	5,870	5,000	5,000	5,000	5,000	5,000
Donations - River Run	7,700	10,000	11,910	12,000	12,000	12,000
Donations - Garage Sale	4,141	2,500	2,000	2,000	2,000	2,000
Donations - Settler's Cottage	-	1,500	500	500	500	500
Donations - HPC Brick Paver Program	300	500	500	500	500	500
Donations - Senior Luncheon	1,992	2,000	2,000	2,000	2,000	2,000
Donations - Parkway Tree Program	2,250	2,000	6,850	5,000	5,000	5,000
Donations - Car Show	-	-	2,729	3,000	3,000	3,000
Total Miscellaneous	139,442	123,500	97,764	113,000	115,000	117,000
Transfers						
Transfer In	16,133	-	-	160,000	-	-
Total Transfers	16,133	-	-	160,000	-	-
Total Revenue	9,899,725	9,173,133	8,812,613	9,424,482	9,565,680	9,877,573

Chapter 7: *Departmental Summary*

ELECTED OFFICIALS

Village President and Board of Trustees

Policy making and legislative authority are vested in the Village Board, which consists of the Village President and six Village Trustees. The President is elected at-large to a four-year term and the Trustees are elected at-large to staggered four-year terms. The legislative branch of the Village is responsible for interpreting the wishes of the community and determining the policies under which the Village operates.

Boards, Commissions, and Committees

- The **Beautification Committee** works on beautification projects throughout the Village of Montgomery, such as banners and flower plantings. The Beautification Committee has big plans for fiscal year 2016, including new programs. They are planning new and enhanced flower beds in several parts of town, including the "Welcome to Montgomery" signs that serve as gateways to our community. Also, the Beautification Committee sponsors the annual holiday decorations recognition program.
- The **Board of Fire and Police Commissioners** functions only in matters pertaining to the police department since Montgomery does not have a municipal fire department. The activities of the Commission are included in the Police Department budget. The Police Commission is responsible for the following:
 - Advertise, accept applications, and conduct testing of police applicants in order to establish an eligibility list for the Police Department.
 - Conduct testing of current officers in order to establish an eligibility list for promotions within the Police Department.
 - Determine disciplinary action regarding officers when charges are brought by the Chief of Police against any member of the Police Department.
- The **Historic Preservation Commission** operates Settler's Cottage Museum. In 2006, the Historic Preservation Committee began working to restore a 1840s home in downtown Montgomery. This house is the oldest remaining structure in the Village and was originally owned by Daniel Gray, the founder of Montgomery. They actively seek donations of photos and other historic memorabilia that they catalogue and preserve for future generations. The Historic Preservation Committee organizes two major events each year; the Car Show during Montgomery Fest in August and the Cemetery Walk in October.
- The **Intergovernmental & Community Committee** works to plan two major events each year, the Community Open House and the annual Montgomery Fest celebration. The Community Open House gives residents an opportunity to meet the Village President, Village Trustees, Department Heads and staff members. The event showcases various services provided by the Village. Montgomery Fest is a weekend of old-fashioned family fun. It is held the second weekend in August along the banks of the Fox River. Highlights of the Fest include musical performances, carnival rides, a wide range of food vendors, free pony rides and petting zoo, a fishing derby, a car show and a parade.
- The **Plan Commission** was created to provide guidance, direction and control of the growth and development or redevelopment of the Village and contiguous territory. The activities of the Commission are included in the Community Development Department budget. Duties of the Plan Commission include:

Chapter 7: *Departmental Summary*

ELECTED OFFICIALS (Continued)

- Prepare and recommend to the Board of Trustees a Comprehensive Plan for the present and future development or redevelopment of the Village and contiguous unincorporated territory, including reasonable standards of design for subdivisions and for re-subdivisions of unimproved land.
- Designate land suitable for annexation to the municipality and recommend a zoning classification for such land upon annexation.
- Cooperate with municipal or regional planning commissions and other agencies or groups to further the local planning program and assure harmonious and integrated planning for the area.
- **The Police Pension Board**, as provided by State Statute, operates the Police Pension Fund for full-time sworn police officers, invests the Police Pension Funds, maintains records, grants pensions, and considers applications for disability pensions.
- **The Revolving Loan Committee** considers requests from businesses seeking financial assistance through the Village's Economic Development Loan Fund and makes recommendations to the Board of Trustees regarding granting such loans. The Revolving Loan is accounted for in the Economic Development Loan Fund which was established during the fiscal year ended April 30, 1985, through a \$500,000 grant received through the Illinois Department of Commerce and Economic Opportunity. The Village received an additional \$300,000 grant during the fiscal year ended April 30, 1991.
- **The Zoning Board of Appeals** was created to hear and decide an appeal from an administrative order, requirement, decision or determination made by the Zoning Officer. The activities of the Board are included in the Community Development Department budget. is vested with the following jurisdiction and authority:
 - To hear and decide all other matters referred to it upon which it is required to decide.
 - To hear all applications for variations and thereafter submit reports of findings and recommendations thereon to the Village Board.
 - The concurring vote of four members of the Zoning Board of Appeals is necessary to reverse any requirement, decision or determination of the Zoning Officer, or to decide in favor of the applicant in any manner upon which it is required to decide.

Village Clerk

The Village Clerk is also elected to a four year term. The Village Clerk is responsible for the maintenance of the official records of the Village as required by statute and by the Village President and Board of Trustees. The Clerk acts as custodian of the Village seal which is required on many documents, publishes legal notices, oversees Village elections, and performs other duties as stated in Statutes or Ordinances.

Overview

The budget included on the next page contains expenditures for all of the above unless specifically stated otherwise. The Village Board undertook a Strategic Plan during fiscal year 2015 to direct the future actions of the Board and Village staff. In addition, several community events were accounted for separately for the first time during fiscal year 2015 rather than combined together and will continue to be tracked separately into fiscal year 2016. This will enhance the Village's ability to determine how each event turns out.

Chapter 7: Departmental Summary

ELECTED OFFICIALS (Continued)

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Personal Services - Salaries and Wages						
Wages - Elected Officials	61,100	61,200	61,200	61,200	61,200	61,200
Total Personal Services - Salaries and Wages	61,100	61,200	61,200	61,200	61,200	61,200
Personal Services - Employee Benefits						
Retirement - Social Security	3,788	3,794	3,794	3,794	3,794	3,794
Retirement - Medicare	886	887	887	887	887	887
Retirement - IMRF	1,224	932	1,863	1,915	1,915	1,915
Education - Conferences and Training	4,123	7,545	7,000	2,140	2,740	2,140
Total Personal Services - Employee Benefits	10,021	13,158	13,544	8,736	9,336	8,736
Purchased Services - Professional and Technical						
Information Technology Services - System Management	605	500	165	-	-	-
Information Technology Services - Software Maintenance	700	700	700	720	720	750
Other Professional Services - Photography	250	250	-	300	300	300
Other Professional Services	-	20,000	8,000	-	-	-
Other Professional Services - Recording of Meetings	2,250	1,500	2,100	2,250	2,250	2,250
Total Purchased Services - Professional and Technical	3,805	22,950	10,965	3,270	3,270	3,300
Purchased Services - Property						
Utilities - Telephone	1,552	1,560	646	660	660	720
Utilities - Cell Phone	1,214	1,080	-	-	-	-
Building Repair & Maintenance - Other	-	2,760	-	-	-	-
Total Purchased Services - Property	2,766	5,400	646	660	660	720
Purchased Services - Other						
Printing and Publishing - Legal Notices	-	-	40	-	-	-
Printing and Publishing - Publications	3,520	3,100	3,500	3,100	3,100	3,100
Travel	2,654	1,700	1,600	1,350	1,700	1,350
Community Relations - Montgomery Fest	40,619	40,000	41,031	41,000	43,000	45,000
Community Relations - Other Community Events	14,332	3,400	4,000	4,200	4,700	4,900
Community Relations - Senior Services	-	3,000	3,000	3,000	3,000	3,000
Community Relations - River Run	-	10,000	11,045	12,000	12,000	12,000
Other Purchased Services - Dues	15,390	11,145	10,000	9,695	10,205	10,225
Other Purchased Services - Document Recording	-	200	200	200	200	200
Total Purchased Services - Other	76,515	72,545	74,416	74,545	77,905	79,775
Supplies and Materials						
General Supplies - Office	1,041	350	350	350	350	350
General Supplies - Postage	-	50	50	50	50	50
General Supplies - Books and Periodicals	360	355	355	360	365	375
General Supplies - Kitchen	21	250	100	100	100	100
Total Supplies and Materials	1,422	1,005	855	860	865	875
Capital Outlay						
Capital Outlay - Equipment (Computer)	7,958	-	250	-	-	1,400
Total Capital Outlay	7,958	-	250	-	-	1,400
Total Elected Officials	163,587	176,258	161,876	149,271	153,236	156,006

Chapter 7: *Departmental Summary*

VILLAGE ADMINISTRATOR'S DEPARTMENT

Departmental Description

The Village Administrator's Department provides a direct link between Montgomery residents, the Board of Trustees and Village staff. The Department organizes and prepares information for the Village Board, responds to citizen requests, and works with Montgomery's other taxing bodies. The department is led by the Village Administrator, who is responsible to the Village President and Board of Trustees for the proper administration of all day-to-day affairs, departments, and offices of the Village.

Goals

- ❖ Serve as a primary and effective resource to residents, visitors and businesses.
- ❖ Provide exceptional customer service to all customers (internal and external).
- ❖ Continually look for ways to improve the level of service provided to the community.
- ❖ Empower all levels of the organization to participate in the exchange of ideas and suggestions. Encourage employees to take responsibility and accountability for actions.
- ❖ Communicate information in a timely manner with all levels of the organization and the public in an open and honest manner.
- ❖ Encourage public participation.

Department Responsibilities

- Promote an overall customer service culture.
- Communicate with residents, community groups, and other agencies.
- Ensure the delivery of services in a cost effective manner.
- Provide clear, concise reports and recommendations to the Village Board.
- Manage and respond to Village Board issues.
- Provide vision, guidance, and oversight to departments.
- Identify and prioritize legislative initiatives and direct lobbying efforts.
- Participate in community leadership efforts.
- Plan and coordinate Village events.
- Respond to citizen inquiries, complaints, and concerns in a professional manner.
- Develop a motivated workforce through professional employee evaluations and training.

Fiscal Year 2015 Accomplishments

- ✓ Collaborated with the Village of Oswego and City of Yorkville to develop a shared services program to provide cost savings and operational efficiencies to all three communities.
- ✓ Developed a Leadership Team made up of Department Directors and other key staff to promote a progressive and innovative local government, which provides administrative support and direction to the Village departments.
- ✓ Actively participated in professional, civic and social organizations to promote and protect Village programs.
- ✓ Grew Montgomery's Facebook page to over 2,900 followers, providing residents with continued communication and updates.

Chapter 7: *Departmental Summary*

VILLAGE ADMINISTRATOR'S DEPARTMENT (Continued)

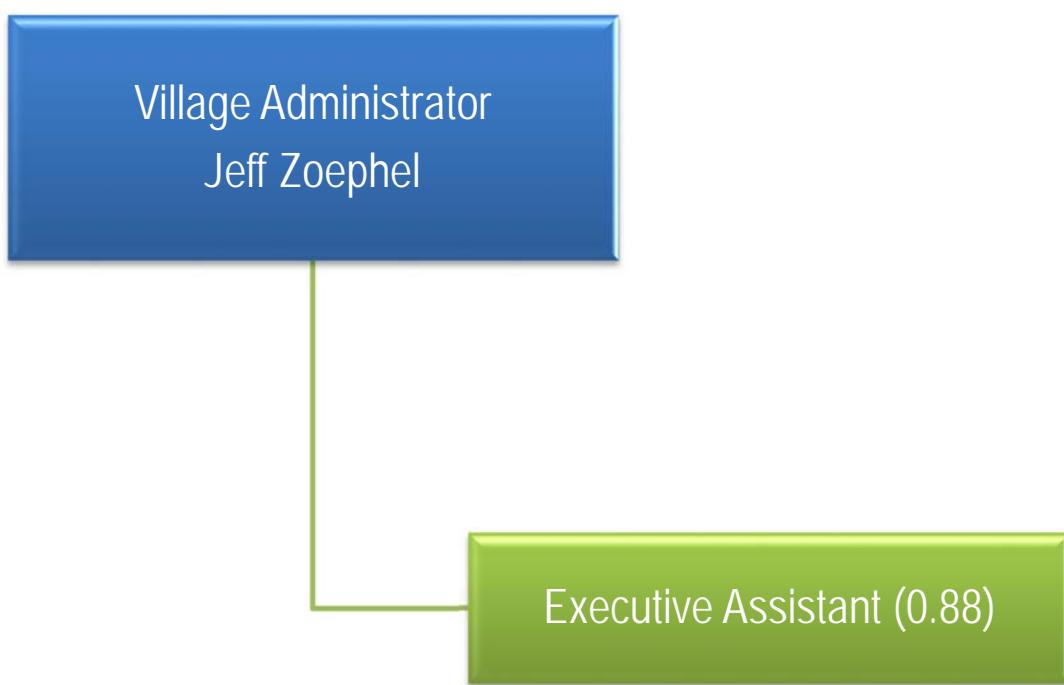
Fiscal Year 2015 Accomplishments (Continued)

- ✓ Organized and planned annual community events including: the 11th Annual 5K & 10K River Run, the Cemetery Walk, Concerts in the Park, Senior Luncheons, Montgomery Fest, Tree Lighting Ceremony, Festival of Trees, and an Easter Egg Hunt.
- ✓ Continued hosting electronic recycling and paper shredding events.
- ✓ Continued the battery recycling program.

Projects to be Completed in Fiscal Year 2016

- ❖ Implementation of the shared services study completed during fiscal year 2015
- ❖ Development of a succession plan for critical Village positions
- ❖ Continue to enhance citizen/government interaction through the Village website and social media tools.
- ❖ Work with the Village Board to create policies that will help grow Montgomery.
- ❖ Continue to successfully plan community events, creating a welcoming atmosphere for all citizens and visitors of Montgomery.
- ❖ Continue hosting electronic recycling events for residents and add additional recycling options as available.

Organization Chart



Chapter 7: Departmental Summary

VILLAGE ADMINISTRATOR'S DEPARTMENT (Continued)

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	257,278	340,753	136,964	277,830	235,815	194,917
Wages - Part-Time Employees	-	11,082	18,250	18,500	7,462	12,619
Overtime - General	-	-	567	-	543	-
Holiday Pay	-	-	-	-	206	-
Severance Pay	-	132,849	-	-	-	-
Bonus Pay	-	-	1,609	-	537	-
Total Personal Services - Salaries and Wages	257,278	484,684	157,390	296,330	244,563	207,536
Personal Services - Employee Benefits						
Insurance - Health	31,200	28,260	26,520	31,595	31,595	28,509
Insurance - Dental	2,320	1,560	1,680	1,635	1,635	1,673
Insurance - Workers' Compensation	1,500	2,000	2,500	1,500	1,500	1,500
Insurance - Unemployment	1,327	1,344	5,060	500	1,034	1,108
Retirement - Social Security	12,528	19,007	12,490	18,375	15,163	12,867
Retirement - Medicare	3,822	5,211	4,146	4,300	3,546	3,009
Retirement - IMRF	29,259	42,855	37,008	41,490	32,002	26,855
Education - Conferences and Training	1,942	2,020	7,564	5,500	3,000	5,225
Equipment - Clothing Allowance	64	-	51	-	-	-
Equipment - Vehicle Allowance	7,200	6,923	-	-	-	-
Total Personal Services - Employee Benefits	91,162	109,180	97,019	104,895	89,475	80,746
Purchased Services - Professional and Technical						
Information Technology Services - System Management	49,604	47,256	56,210	45,000	38,000	40,000
Information Technology Services - Website	525	17,632	-	3,430	3,430	4,100
Information Technology Services - Software Maintenance	1,657	1,166	4,805	3,150	3,150	5,300
Other Professional Services	-	-	2,672	-	-	-
Total Purchased Services - Professional and Technical	51,786	66,054	63,687	51,580	44,580	49,400
Purchased Services - Property						
Utilities - Natural Gas	-	348	712	-	900	300
Utilities - Telephone	2,368	2,770	3,705	2,300	3,720	3,720
Utilities - Cell Phone	1,120	2,060	1,001	1,500	1,300	1,920
Equipment Repair and Maintenance - Office	8,295	8,986	8,688	11,650	11,650	11,650
Rental - Equipment	1,908	1,908	1,896	1,910	1,910	1,910
Total Purchased Services - Property	13,691	16,072	16,002	17,360	19,480	19,500
Purchased Services - Other						
Insurance - Official Bonds	1,843	1,531	1,541	2,000	1,530	1,600
Printing and Publishing - Publications	-	44	-	100	95	100
Travel	149	1,898	1,157	4,950	3,000	4,050
Community Relations - Historic Preservation	1,527	2,530	2,357	3,250	750	3,250
Community Relations - Chamber of Commerce	-	427	797	1,000	1,000	1,000
Other Purchased Services - Messenger/Delivery	20	42	22	50	50	50
Other Purchased Services - Dues	1,885	2,052	2,049	3,540	1,750	2,110
Other Purchased Services - Document Destruction	200	475	160	600	300	600
Total Purchased Services - Other	5,624	8,999	8,083	15,490	8,475	12,760
Supplies and Materials						
General Supplies - Office	3,408	3,631	3,244	3,100	2,700	2,500
General Supplies - Postage	1,179	1,008	2,364	1,000	1,350	1,000
General Supplies - Books and Periodicals	794	982	1,015	800	850	800
Total Supplies and Materials	5,381	5,621	6,623	4,900	4,900	4,300
Capital Outlay						
Capital Outlay - Equipment (Office)	450	1,514	3,875	-	3,000	-
Capital Outlay - Furnishings	299	-	302	-	310	-
Capital Outlay - Computer	186	695	249	-	1,120	3,000
Total Capital Outlay	935	2,209	4,426	-	4,430	3,000
Total Village Administrator's Department	425,857	692,819	353,230	490,555	415,903	377,242

Chapter 7: *Departmental Summary*

FINANCE DEPARTMENT

Departmental Description

The Finance Department is responsible for maintaining the integrity of the financial systems, records and functions of the Village in accordance with applicable laws, ordinances, policies and procedures. The Finance Department's primary functions include all accounting services, investment and cash management activities and coordination of capital financing, purchasing, budget preparation and control, payroll processing, risk management, and overall information technology coordination.

The Accounting Division is responsible for the accurate recording and reporting of the Village's financial activity. To accomplish this, staff coordinates all aspects of the accounts payable and accounts receivable processes and works with all Village departments to ensure proper purchasing procedures are followed. Staff also monitors financial activity to ensure the budget is followed. The Accounting Division is also responsible for the preparation and presentation of the annual audit and property tax levy.

The Human Resources Division is responsible for the coordination of all personnel related matters. Duties range from the oversight of the hiring process, processing of the bi-weekly payroll, and coordination of employee benefit programs and risk management.

The Utility Billing Division is responsible for invoicing residents for water usage, sanitary sewer maintenance and garbage service on a bi-monthly basis. This division is also responsible for the investigation and resolution of customer concerns regarding utility bills.

Goals

- ❖ Provide centralized public financial services in accordance with established financial policies.
- ❖ Emphasize customer service in the ongoing development of more cost-effective programming.
- ❖ Properly account for and report all financial activities and adhere to all applicable laws and regulations.
- ❖ Develop and implement policies and procedures to ensure employee satisfaction.

<u>Finance Department Responsibilities</u>
➤ Account for the revenues and expenditures of all Village funds.
➤ Prepare annual and interim financial reports.
➤ Oversee, maintain, and account for debt service and investments of the Village.
➤ Oversee, maintain, and account for all pension funds.
➤ Provide support and assistance to external and internal audits and to other departments.
➤ Produce and print the Village's Capital Improvements Program, Annual Operating Budget, and Comprehensive Annual Financial Report.
➤ Monitor budget and capital improvements program.
➤ Pay all Village debts and liabilities through accounts payable functions.
➤ Process all water bills.
➤ Provide customer service to external and internal Village customers.
➤ Responsible for all Human Resource functions.

Chapter 7: *Departmental Summary*

FINANCE DEPARTMENT (Continued)

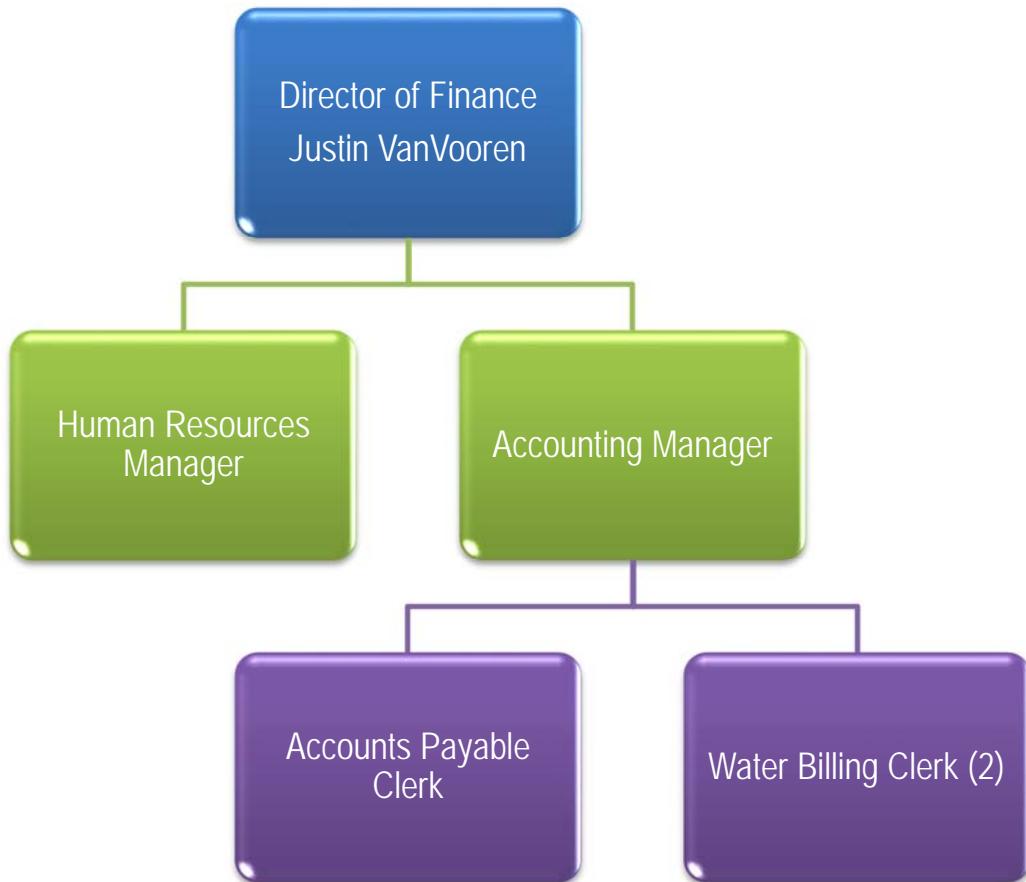
Fiscal Year 2015 Accomplishments

- ✓ Promoted the online water bill payment service and direct debit of water bills.
- ✓ Successfully completed the fiscal year 2016 Annual Budget.
- ✓ Received the GFOA Budget Award for fiscal year 2015.
- ✓ Received the GFOA CAFR Award for fiscal year 2014.
- ✓ Successfully hired a new Accounting Manager and Accounts Payable Clerk.
- ✓ Coordinated the Village Board Strategic Plan

Projects to be Completed in Fiscal Year 2016

- ❖ Fiscal year 2017 Annual Budget Preparation
- ❖ Fiscal year 2015 Popular Annual Financial Report (PAFR)
- ❖ Fiscal year 2015 Comprehensive Annual Financial Report (CAFR)
- ❖ Labor negotiations with Local 150 Operating Engineers (Public Works Employees)
- ❖ Fine tune self-service and training programs for Village employees.
- ❖ Obtain new vendors for online water bill payment and credit card processing
- ❖ Begin implementation of the Strategic Plan

Organization Chart



Chapter 7: Departmental Summary

FINANCE DEPARTMENT (Continued)

Finance Department – Accounting

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	172,126	282,491	268,954	277,733	286,759	296,079
Overtime - General	1,359	500	-	-	-	-
Total Personal Services - Salaries and Wages	173,485	282,991	268,954	277,733	286,759	296,079
Personal Services - Employee Benefits						
Insurance - Health	36,580	62,078	62,078	75,955	87,348	100,450
Insurance - Dental	2,115	3,847	3,847	3,998	4,598	5,288
Insurance - Life and AD&D	-	-	-	290	290	290
Insurance - Workers' Compensation	1,500	2,000	2,000	2,000	2,000	2,000
Insurance - Unemployment	2,408	1,477	1,477	1,581	1,581	1,581
Retirement - Social Security	10,322	17,545	16,104	17,219	17,779	18,357
Retirement - Medicare	2,414	4,103	3,766	4,027	4,158	4,293
Retirement - IMRF	22,947	36,619	35,132	36,938	38,139	39,379
Education - Conferences and Training	1,838	6,400	2,363	3,200	5,300	5,300
Other Benefits - Health Club Reimbursement	600	1,000	620	600	600	600
Other Benefits - Flex Spending	1,163	600	720	720	720	720
Total Personal Services - Employee Benefits	81,887	135,669	128,107	146,528	162,513	178,258
Purchased Services - Professional and Technical						
Information Technology Services - System Management	8,624	10,000	7,359	8,500	8,500	8,500
Information Technology Services - Software Maintenance	32,390	30,073	27,984	25,873	27,167	28,525
Accounting and Auditing Services - General	29,588	27,200	27,370	30,350	33,850	32,350
Other Professional Services - Management Consultants	1,110	-	-	-	-	-
Other Professional Services - Cash Management	21,337	25,000	10,755	8,400	8,400	8,400
Total Purchased Services - Professional and Technical	93,049	92,273	73,468	73,123	77,917	77,775
Purchased Services - Property						
Utilities - Telephone	3,719	3,840	1,842	1,440	1,440	1,440
Utilities - Cell Phone	1,138	920	898	940	940	940
Utilities - T1 Line	4,736	2,700	-	-	-	-
Utilities - Internet Access	721	912	2,676	2,760	2,760	2,760
Equipment Repair and Maintenance - Office	176	-	-	-	-	-
Total Purchased Services - Property	10,490	8,372	5,416	5,140	5,140	5,140

Chapter 7: Departmental Summary

FINANCE DEPARTMENT (Continued)

Finance Department – Accounting (Continued)

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Purchased Services - Other						
Insurance - Liability	247,193	319,701	323,182	268,615	276,765	285,166
Insurance - Deductible Payments	5,000	4,000	3,000	4,000	4,000	4,000
Printing and Publishing - Legal Notices	2,622	2,400	1,350	1,350	1,350	1,350
Travel	-	2,200	795	2,200	2,200	2,200
Personnel Administration - Recruitment	2,087	2,500	750	1,000	1,500	2,000
Personnel Administration - Physicals/Testing	1,765	1,000	1,845	1,100	1,300	1,500
Employee Relations - Employee Recognition	1,326	1,000	500	1,000	1,000	1,000
Employee Relations - Gifts/Flowers	686	1,000	500	750	750	750
Employee Relations - Benefits Fair	-	350	-	-	-	-
Employee Relations - Take Your Child to Work Day	-	-	-	-	-	-
Employee Relations - Employee Appreciation	-	2,000	930	1,200	1,200	1,200
Other Purchased Services - Delivery	134	200	-	100	100	100
Other Purchased Services - Dues	1,832	2,770	2,290	2,590	2,610	2,630
Telecom Tax Refund	7,245	-	-	-	-	-
Total Purchased Services - Other	269,890	339,121	335,142	283,905	292,775	301,896
Supplies and Materials						
General Supplies - Office	4,101	4,000	3,720	4,000	4,000	4,000
General Supplies - Agency	275	-	651	650	650	650
General Supplies - Postage	2,399	2,200	390	1,430	1,430	1,430
General Supplies - Books and Periodicals	-	-	-	500	500	500
General Supplies - Safety	-	-	246	300	300	300
Total Supplies and Materials	6,775	6,200	5,007	6,880	6,880	6,880
Capital Outlay						
Capital Outlay - Equipment (Computer)	7,656	300	554	11,300	1,400	1,400
Total Capital Outlay	7,656	300	554	11,300	1,400	1,400
Transfers and Charges						
Service Charges - Water Fund	(268,660)	(345,970)	(326,659)	(321,844)	(333,354)	(346,971)
Total Transfers and Charges	(268,660)	(345,970)	(326,659)	(321,844)	(333,354)	(346,971)
Total Finance - Accounting	374,572	518,956	489,989	482,765	500,030	520,457

Chapter 7: Departmental Summary

FINANCE DEPARTMENT (Continued)

Finance Department – Utility Billing

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	104,409	85,987	84,821	77,449	79,966	82,565
Wages - Part-Time Employees	23,431	-	-	-	-	-
Overtime - General	757	3,000	500	500	500	500
Total Personal Services - Salaries and Wages	128,597	88,987	85,321	77,949	80,466	83,065
Personal Services - Employee Benefits						
Insurance - Health	15,770	16,816	16,816	20,689	23,792	27,361
Insurance - Dental	925	1,087	1,087	1,130	1,300	1,495
Insurance - Life and AD&D	-	-	-	145	145	145
Insurance - Workers' Compensation	1,250	1,000	1,000	1,000	1,000	1,000
Insurance - Unemployment	1,768	1,019	1,019	791	791	791
Retirement - Social Security	7,864	5,517	5,119	4,833	4,989	5,150
Retirement - Medicare	1,839	1,290	1,197	1,130	1,167	1,204
Retirement - IMRF	16,399	11,515	11,138	10,367	10,702	11,048
Education - Conferences and Training	250	750	500	750	750	750
Total Personal Services - Employee Benefits	46,065	38,994	37,876	40,835	44,636	48,944
Purchased Services - Professional and Technical						
Information Technology Services - System Management	3,399	3,000	2,000	3,000	3,000	3,000
Information Technology Services - Software Maintenance	552	3,000	3,785	4,720	4,925	5,139
Other Professional Services - Cash Management	20,965	-	37,388	20,000	20,000	20,000
Total Purchased Services - Professional and Technical	24,916	6,000	43,173	27,720	27,925	28,139
Purchased Services - Property						
Utilities - Telephone	3,719	3,000	1,180	960	960	960
Utilities - Cell Phone	807	750	329	340	340	340
Equipment Repair and Maintenance - Other	4,293	3,000	801	-	-	-
Rental - Equipment	-	-	474	948	948	948
Total Purchased Services - Property	8,819	6,750	2,784	2,248	2,248	2,248
Purchased Services - Other						
Printing and Publishing - Forms and Maps	11,009	10,000	13,863	15,000	15,000	15,000
Other Purchased Services - Dues	-	-	10	10	10	10
Total Purchased Services - Other	11,009	10,000	13,873	15,010	15,010	15,010
Supplies and Materials						
General Supplies - Office	7,627	8,000	3,152	4,000	4,000	4,000
General Supplies - Agency	96	-	-	-	-	-
General Supplies - Postage	29,282	32,000	21,939	24,020	24,320	24,620
General Supplies - Safety	-	-	246	300	300	300
Total Supplies and Materials	37,005	40,000	25,337	28,320	28,620	28,920
Capital Outlay						
Capital Outlay - Equipment (Computer)	154	-	-	2,800	1,400	300
Total Capital Outlay	154	-	-	2,800	1,400	300
Transfers and Charges						
Service Charges	(256,565)	(190,731)	(208,364)	(194,882)	(200,305)	(206,626)
Total Transfers and Charges	(256,565)	(190,731)	(208,364)	(194,882)	(200,305)	(206,626)
Total Accounting - Utility Billing	-	-	-	-	-	-

Chapter 7: *Departmental Summary*

COMMUNITY DEVELOPMENT DEPARTMENT

Departmental Description

The Community Development Department is responsible for ensuring that correct procedures and codes are used and followed for the planning and permitting of all residential, commercial and industrial developments in the Village. The main responsibility of the Community Development Department is to assist developers, local businesses and citizens through the approval process from beginning to end. The Department is responsible for providing efficient and timely planning of Montgomery's existing, ongoing and future development. This is done through the use of well-established planning and building practices and techniques. The department also provides customer service assistance and public education throughout any planning and development process.

The Building Division of the Community Development Department is responsible for building permits and inspections, contractor licenses, temporary use permits, enforcing building-related portions of the Village Code of Ordinances, and enforcing property maintenance codes.

The Planning Division follows the goals and vision for the Village as set by the Comprehensive Plan. Staff reviews individual developments as they are proposed to ensure that they meet the guidelines set forth in the Comprehensive Plan and the regulations found within the Zoning Ordinance and Subdivision Regulations. To accomplish this, staff coordinates all aspects of the plan review including land use, engineering, landscaping, legal issues, and economic development. In addition, the Planning Division serves as staff liaison providing information and recommendations to the Plan Commission and Zoning Board of Appeals.

The mission of the Economic Development Division is to create a business-friendly environment so that existing businesses will choose to remain and new businesses will locate in the Village. This is accomplished by helping the development community and businesses with access to needed data, identifying potential sites and coordinating Village approvals. The Village works cooperatively with the Montgomery Economic Development Corporation (MEDC) to provide the latest economic development information.

Goals

- ❖ Provide effective code enforcement, professional permitting and building inspection services, and planning services.
- ❖ Create a greater on-line presence with permit applications and submittal checklists.
- ❖ Provide additional focus on economic development.
- ❖ Apply for grants and alternative funding through a variety of county, state and federal programs.
- ❖ Protect and enhance environmental quality throughout the community.
- ❖ Encourage public and private actions that will conserve energy resources, and encourage the use of renewable energy resources.
- ❖ Promote, encourage, and provide exceptional customer service.
- ❖ Promote protection of public infrastructure and preparedness for emergency management.
- ❖ Provide a friendly environment for local businesses and residents alike.
- ❖ Promote a diversified economic base that can provide adequate employment opportunities, satisfy the needs for commercial goods and business services, and support the fiscal responsibilities of the Village.

Chapter 7: *Departmental Summary*

COMMUNITY DEVELOPMENT DEPARTMENT (Continued)

<u>Community Development Responsibilities</u>
➤ Improve the efficiency and effectiveness of the review, permitting and inspection process.
➤ Evaluate updated building codes to verify that buildings are safe for owners and residents.
➤ Update Village ordinances to reflect current trends.
➤ Enforce regulations and zoning requirements.
➤ Develop and maintain vacant property database.
➤ Update and maintain a GIS mapping system for the Village.
➤ Maintain and update the Zoning Map and Street Maps.

Fiscal Year 2015 Accomplishments

- ✓ Completed an extension of the Intergovernmental Boundary Agreement with the Village of Sugar Grove.
- ✓ Facilitated a Village-wide Class 5 certification for the National Flood Insurance Program through the Community Rating System process.
- ✓ Coordinated Village approval of two new businesses occupying vacant buildings within the Aucutt Road Tax Increment Financing (TIF II) District.
- ✓ Completed Zoning Ordinance text amendments for residential lot coverage and ground sign regulations making them more residential and business friendly.
- ✓ With the MEDC, coordinated an Industrial Real Estate Broker tour of available sites within the Village.

Projects to be Completed in Fiscal Year 2016

- ❖ Enhance public education regarding various code enforcement concerns
- ❖ Update the Intergovernmental Boundary Agreements with the City of Aurora and the Village of Oswego.
- ❖ Coordinated economic development strategy with the MEDC including TIF I (US HWY 30) and TIF II (Aucutt Rd.) marketing plans, Downtown/Mill District redevelopment planning and Douglas Rd Taskforce recommendations.
- ❖ Begin implementation of the Go To Montgomery 2035 Comprehensive Plan
- ❖ Begin the process for the adoption of the 2015 International Residential and Building Codes.
- ❖ Begin the process for the adoption of a Village-wide Housing Policy.

Chapter 7: *Departmental Summary*

Organization Chart



Community Development – Economic Development

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Personal Services - Employee Benefits						
Purchased Services - Professional and Technical						
Economic Development Services - Political Consultant	-	2,000	1,000	1,000	1,000	1,000
Economic Development Services - Econ Dev Corp	93,000	90,000	90,000	90,000	90,000	90,000
Total Purchased Services - Professional and Technical	93,000	92,000	91,000	91,000	91,000	91,000
Other						
Other - Economic Development Incentives	584,660	1,004,044	797,198	943,635	975,248	1,008,221
Total Other	584,660	1,004,044	797,198	943,635	975,248	1,008,221
Total Community Development - Economic Development	677,660	1,096,044	888,198	1,034,635	1,066,248	1,099,221

Chapter 7: Departmental Summary

COMMUNITY DEVELOPMENT DEPARTMENT (Continued)

Community Development – Planning and Zoning

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	103,502	182,064	182,012	185,635	191,668	197,897
Wages - Boards and Committees	1,365	3,185	2,613	3,185	3,185	3,185
Total Personal Services - Salaries and Wages	104,867	185,249	184,625	188,820	194,853	201,082
Personnel Services - Employee Benefits						
Insurance - Health	10,785	17,231	17,231	20,581	23,668	27,218
Insurance - Dental	530	1,172	1,172	1,218	1,401	1,611
Insurance - Life and AD&D	-	-	-	145	145	145
Insurance - Workers' Compensation	500	1,000	1,000	1,000	1,000	1,000
Insurance - Unemployment	739	1,108	1,108	791	791	791
Retirement - Social Security	6,199	11,485	11,365	11,707	12,081	12,467
Retirement - Medicare	1,450	2,686	2,658	2,738	2,825	2,916
Retirement - IMRF	13,129	23,559	23,783	24,689	25,492	26,320
Education - Tuition Reimbursement	-	-	-	-	-	-
Education - Conferences and Training	3,711	2,720	3,095	2,250	3,420	2,250
Equipment - Clothing Allowance	-	-	-	-	-	-
Equipment - Vehicle Allowance	-	-	-	-	-	-
Total Personal Services - Employee Benefits	37,043	60,961	61,412	65,119	70,823	74,718
Purchased Services - Professional and Technical						
Information Technology Services - System Management	2,141	3,000	3,597	3,000	3,000	3,000
Information Technology Services - Software Maintenance	8,400	9,600	9,300	9,300	9,300	9,300
Planning Services - General	17,615	10,000	10,000	10,000	10,000	10,000
Planning Services - Development (Reimbursable)	3,098	20,000	10,000	10,000	12,500	15,000
Planning Services - Municipal Projects	133,765	-	-	-	-	-
Total Purchased Services - Professional and Technical	165,019	42,600	32,897	32,300	34,800	37,300
Purchased Services - Property						
Utilities - Telephone	1,452	3,200	974	720	720	720
Utilities - Cell Phone	836	1,600	1,687	1,640	1,640	1,640
Equipment Repair and Maintenance - Office	176	500	150	150	150	150
Rental - Equipment	-	-	4,250	4,250	4,250	4,250
Total Purchased Services - Property	2,464	5,300	7,061	6,760	6,760	6,760
Purchased Services - Other						
Printing and Publishing - Legal Notices	1,087	2,000	1,000	1,000	2,000	2,000
Printing and Publishing - Publications	235	500	250	250	250	250
Travel	2,928	3,950	4,700	2,650	5,350	2,650
Other Purchased Services - Messenger/Delivery	-	-	-	-	-	-
Other Purchased Services - Dues	1,351	2,200	2,200	2,625	2,625	2,625
Other Purchased Services - Document Recording	222	1,000	500	500	500	500
Total Purchased Services - Other	5,823	9,650	8,650	7,025	10,725	8,025
Supplies and Materials						
General Supplies - Office	2,186	3,500	2,500	2,500	3,500	3,500
General Supplies - Postage	574	400	304	400	400	400
General Supplies - Books and Periodicals	95	300	250	635	635	635
General Supplies - Safety	-	-	246	300	300	300
General Supplies - Uniforms	-	-	-	-	-	-
General Supplies - Rain Barrels	-	-	-	-	-	-
Total Supplies and Materials	112	4,000	-	-	-	-
	2,967	8,200	3,300	3,835	4,835	4,835
Capital Outlay						
Capital Outlay - Equipment (Office)	-	4,250	-	-	-	-
Capital Outlay - Equipment (Furnishings)	-	-	-	-	-	-
Capital Outlay - Equipment (Computer)	-	1,400	1,400	2,800	-	-
Total Capital Outlay	-	5,650	1,400	2,800	-	-
Total Community Development - Planning and Zoning	318,183	317,610	299,345	306,659	322,796	332,720

Chapter 7: Departmental Summary

COMMUNITY DEVELOPMENT DEPARTMENT (Continued)

Community Development – Code Enforcement and Inspections

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	127,464	178,060	170,302	178,658	184,464	190,459
Wages - Part-Time Employees	31,978	-	-	-	-	-
Overtime - General	600	750	-	-	-	-
Total Personal Services - Salaries and Wages	160,042	178,810	170,302	178,658	184,464	190,459
Personal Services - Employee Benefits						
Insurance - Health	25,795	43,119	43,119	48,073	55,284	63,577
Insurance - Dental	1,500	2,473	2,473	2,570	2,956	3,399
Insurance - Life and AD&D	-	-	-	218	218	218
Insurance - Workers' Compensation	2,500	2,500	2,500	2,500	2,500	2,500
Insurance - Unemployment	1,203	1,108	1,108	1,186	1,186	1,186
Retirement - Social Security	9,742	11,086	10,355	11,077	11,437	11,808
Retirement - Medicare	2,278	2,593	2,422	2,591	2,675	2,762
Retirement - IMRF	21,206	23,138	22,259	23,762	24,534	25,331
Education - Conferences and Training	495	400	480	450	450	450
Equipment - Uniform Allowance	287	150	150	600	600	600
Total Personal Services - Employee Benefits	65,006	86,567	84,866	93,027	101,840	111,831
Purchased Services - Professional and Technical						
Information Technology Services - System Management	3,960	3,500	2,500	3,500	3,500	3,500
Inspection Services - General	-	3,000	500	1,000	3,000	3,000
Inspection Services - Plumbing	15,800	13,000	21,520	14,400	14,400	14,400
Inspection Services - Elevator	2,204	2,500	1,824	1,600	1,600	1,600
Inspection Services - Sewer	480	3,000	1,000	1,000	3,000	3,000
Total Purchased Services - Professional and Technical	22,444	25,000	27,344	21,500	25,500	25,500
Purchased Services - Property						
Utilities - Telephone	4,231	3,000	1,461	1,080	1,080	1,080
Utilities - Cell Phone	882	1,500	1,721	1,640	1,640	1,640
Utilities - Internet Access	-	1,500	-	-	-	-
Equipment Repair and Maintenance - Office	176	500	500	200	500	500
Grounds Repair and Maintenance - Mowing Violations	2,000	3,000	3,425	3,000	3,000	3,000
Total Purchased Services - Property	7,289	9,500	7,107	5,920	6,220	6,220
Purchased Services - Other						
Printing and Publishing - Publications	30	100	100	100	100	100
Printing and Publishing - Forms and Maps	24	600	400	400	600	600
Travel	1,460	300	-	100	100	100
Other Purchased Services - Dues	385	500	390	390	390	390
Total Purchased Services - Other	1,899	1,500	890	990	1,190	1,190
Supplies and Materials						
General Supplies - Office	1,466	2,500	2,000	2,000	2,000	2,000
General Supplies - Agency	-	500	-	-	400	400
General Supplies - Postage	428	1,000	75	275	275	275
General Supplies - Books and Periodicals	39	300	255	390	130	130
General Supplies - Safety	345	200	268	300	300	300
General Supplies - Uniforms	338	750	487	-	-	-
Total Supplies and Materials	2,616	5,250	3,085	2,965	3,105	3,105
Capital Outlay						
Capital Outlay - Equipment (Computer)	-	1,400	1,400	1,500	2,800	1,400
Total Capital Outlay	-	1,400	1,400	1,500	2,800	1,400
Transfers						
Transfer to Vehicle Reserve Fund	13,473	11,228	11,228	15,878	21,171	21,171
Total Transfers	13,473	11,228	11,228	15,878	21,171	21,171
Total Community Development - Code Enforcement and Inspections	272,769	319,255	306,222	320,438	346,290	360,876

Chapter 7: *Departmental Summary*

POLICE DEPARTMENT

Departmental Description

The Montgomery Police Department provides protection and policing services to over 18,000 residents and businesses within the Village limits. The department strives hard to provide exceptional services, demonstrate community pride, and maintain public safety throughout the community. The Police Department is active in the community in the following areas: Truck Overweight and Traffic Enforcement and DUI Enforcement, Crime Prevention, Neighborhood Watch, Too Good for Drugs and Gang Awareness.

Mission Statement

The Village of Montgomery Police Department is committed to providing exceptional public service by protecting the life, liberty and property of citizens in the Village. We strive to build community partnerships that preserve public trust, foster mutual respect and enhance the quality of life for all.

Values

Members of the Montgomery Police Department are committed to our citizens and to each other. We will:

- ❖ Be courteous. We will on all occasions be courteous and considerate toward all members of the public and to each other.
- ❖ Be honest. We will base our integrity on truthfulness and will tell the truth on all records, statements, and testimony.
- ❖ Respect diversity. We will treat the public and each other the same, regardless of sex, race, religion, age, sexual orientation, ethnicity, disability or national origin.
- ❖ Emphasize integrity. We will be honest, morally upright and sincere in the use of the power and authority that has been given to us.
- ❖ Foster cooperation. We will help each other succeed by assisting each other at every opportunity by following the highest standards and best practices of the law.

Police Department Responsibilities

➤ Ensure implementation of policies that meet national accreditation standards.
➤ Manage all departmental training; ensure compliance with mandated training standards.
➤ Promote and organize Community Policing.
➤ Proactively address community problems.
➤ Maintain a visible presence in the community.
➤ Respond to emergency and non-emergency calls for service.
➤ Assist in the safe and expedient movement of vehicular and pedestrian traffic.
➤ Investigate adult and juvenile-related crimes.
➤ Proactively enforce and investigate narcotics and vice.
➤ Process crime scenes and prepare evidence for laboratory analysis.
➤ Manage detention center operations.
➤ Make safety a part of the organizational culture.

Chapter 7: *Departmental Summary*

POLICE DEPARTMENT (Continued)

Fiscal Year 2015 Accomplishments

- ✓ Community Oriented Police Projects were completed. Cops on Top, Torch Run, National Night Out, Halloween Safety Event.
- ✓ Annual Holiday Christmas Clothing/Toy drive for seven families from our elementary schools who were in need of clothing and toys for Christmas.
- ✓ Awarded over \$21,000 in Grant money from IDOT for the upcoming 2014-2015 year's traffic enforcement campaigns.
- ✓ Participated in the 2014-2015 Click It or Ticket IDOT Campaign where we won 2nd place for Departments in our size category.
- ✓ Deputy Chief Armando Sanders completed the Northwestern University Police Staff and Command, and Executive Management Program through Northwestern University.
- ✓ Sgt. Gregory Sullivan completed the Northwestern University Police Staff and Command management course.
- ✓ Sgt. Gregory Sullivan received the 2014 Kendall County Officer of the Year.
- ✓ Awarded a Grant from the Illinois Liquor Commission in the amount \$2090.00 for Tobacco and Liquor compliance checks.
- ✓ Awarded a Grant from the Illinois Liquor Commission in the amount \$2090.00 for Tobacco and Liquor compliance checks.
- ✓ Officer Gregory Mayyou assigned to the Kane County Accident Reconstruction Team.
- ✓ Officer Anthony Bertellotti assigned to the Kendall County Special Response Team.
- ✓ Officer Christopher Johnson appointed to the first Kane County Honor Guard.
- ✓ Illinois Special Olympics donation of \$7389.11.
- ✓ Awarded over \$2000.00 through the Department of Justice Bullet Proof Vest Program.

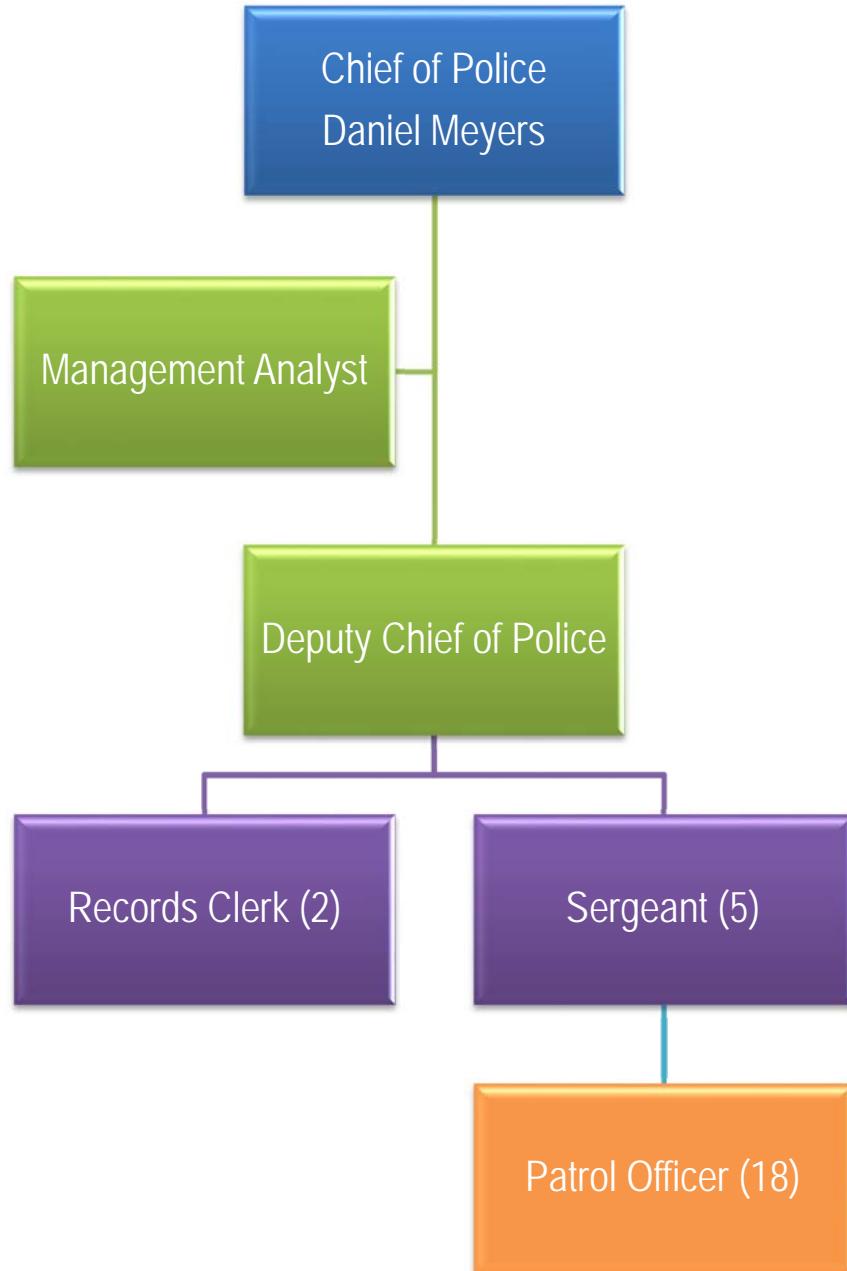
Projects to be Completed in Fiscal Year 2016

- ❖ Public Service
- ❖ Policies and Procedures
- ❖ Community Oriented
- ❖ Harmonious Work Environment
- ❖ High Quality of Life

Chapter 7: *Departmental Summary*

POLICE DEPARTMENT (Continued)

Organization Chart



Statistical Summary

	2007	2008	2009	2010	2011	2012	2013	2014
Physical Arrests	565	703	845	930	912	2,221	994	1,505
Parking Violations	547	597	670	826	786	1,316	1,273	1,184
Traffic Violations	2,978	4,715	4,314	3,940	4,023	4,141	2,474	2,758

Chapter 7: Departmental Summary

POLICE DEPARTMENT (Continued)

Police Department – Administration

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	261,966	288,538	287,731	293,342	302,876	312,719
Overtime - Reimbursable Services	1,049	-	987	1,000	1,000	1,000
Total Personal Services - Salaries and Wages	263,015	288,538	288,718	294,342	303,876	313,719
Personal Services - Employee Benefits						
Insurance - Health	39,070	43,209	43,209	54,875	63,106	72,572
Insurance - Dental	2,225	2,974	2,974	3,091	3,555	4,088
Insurance - Life and AD&D	-	-	-	218	218	218
Insurance - Workers' Compensation	2,500	2,500	2,500	2,500	2,500	2,500
Insurance - Unemployment	1,108	1,108	1,108	1,186	1,186	1,186
Retirement - Social Security	15,710	17,889	17,420	17,784	18,375	18,986
Retirement - Medicare	3,717	4,184	4,132	4,268	4,406	4,549
Retirement - IMRF	5,255	7,934	7,956	8,296	8,566	8,844
Education - Conferences and Training	3,873	3,500	5,150	2,850	3,634	3,634
Equipment - Clothing Allowance	1,608	1,875	1,775	1,775	1,775	1,775
Total Personal Services - Employee Benefits	75,066	85,173	86,224	96,843	107,321	118,352
Purchased Services - Professional and Technical						
Information Technology Services - System Management	44,770	30,000	30,000	30,000	30,000	30,000
Information Technology Services - Software Maintenance	65,706	75,740	75,000	81,176	86,564	92,329
Total Purchased Services - Professional and Technical	110,476	105,740	105,000	111,176	116,564	122,329
Purchased Services - Property						
Utilities - Electric	-	-	699	600	600	600
Utilities - Natural Gas	9,145	6,000	11,449	9,000	9,000	9,000
Utilities - Telephone	29,294	14,000	21,167	20,200	20,200	20,200
Utilities - Cell Phone	3,578	3,000	2,579	3,420	3,420	3,420
Utilities - Internet Access	-	-	4,680	4,680	4,680	4,680
Utilities - Leads/IMRN Access	16,860	15,000	15,000	14,786	15,698	15,698
Building Repair and Maintenance - Other	5,580	4,000	4,634	6,352	6,352	6,352
Equipment Repair and Maintenance - Office	2,517	4,100	1,200	1,200	1,200	1,200
Equipment Repair and Maintenance - Other	10,988	13,000	6,000	5,350	5,350	5,350
Equipment Repair and Maintenance - Communications	16,163	10,000	11,800	11,800	11,800	11,800
Rental - Equipment	-	-	9,673	9,673	9,673	9,673
Total Purchased Services - Property	94,125	69,100	88,881	87,061	87,973	87,973
Purchased Services - Other						
Travel	1,129	1,500	1,500	1,500	1,500	1,500
Other Purchased Services - Animal Control	2,400	4,000	3,000	3,000	3,000	3,000
Other Purchased Services - Dues	2,219	1,800	1,800	1,550	1,550	1,550
Other Purchased Services - Document Destruction	655	1,500	650	1,600	1,600	1,600
Total Purchased Services - Other	6,403	8,800	6,950	7,650	7,650	7,650
Supplies and Materials						
General Supplies - Office	5,195	4,000	4,000	4,000	4,000	4,000
General Supplies - Agency	490	-	249	-	-	-
General Supplies - Postage	2,051	1,200	1,526	1,500	1,500	1,500
General Supplies - Books and Periodicals	662	800	620	620	620	620
General Supplies - Safety	390	600	500	500	500	500
Total Supplies and Materials	8,788	6,600	6,895	6,620	6,620	6,620
Capital Outlay						
Capital Outlay - Equipment (Computer)	5,476	10,000	10,000	14,000	25,400	-
Total Capital Outlay	5,476	10,000	10,000	14,000	25,400	-
Total Police - Administration	563,349	573,951	592,668	617,692	655,404	656,643

Chapter 7: Departmental Summary

POLICE DEPARTMENT (Continued)

Police Department – Support Services

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	168,295	105,672	104,565	105,816	109,255	112,806
Wages - Part-Time Employees	57,946	11,960	9,540	10,120	10,120	10,120
Overtime - General	29,369	2,000	4,250	3,000	3,000	3,000
Holiday Pay	-	-	-	-	-	-
Bonus Pay	39,119	-	2,247	-	-	-
Total Personal Services - Salaries and Wages	294,729	119,632	120,602	118,936	122,375	125,926
Personal Services - Employee Benefits						
Insurance - Health	47,015	26,393	26,393	27,383	31,490	36,214
Insurance - Dental	2,600	1,887	1,887	1,440	1,656	1,904
Insurance - Life and AD&D	-	-	-	145	145	145
Insurance - Workers' Compensation	750	1,000	1,000	1,000	1,000	1,000
Insurance - Unemployment	2,938	1,080	1,080	1,099	1,099	1,099
Retirement - Social Security	17,863	7,417	7,370	7,374	7,587	7,807
Retirement - Medicare	4,178	1,735	1,724	1,725	1,774	1,826
Retirement - IMRF	33,989	13,933	14,555	15,419	15,877	16,349
Education - Conferences and Training	110	-	-	750	750	750
Equipment - Clothing Allowance	1,125	-	750	750	750	750
Total Personal Services - Employee Benefits	110,568	53,445	54,759	57,085	62,128	67,844
Purchased Services - Professional and Technical						
Professional Services - Dispatch Services	126,500	253,000	255,530	260,641	265,854	271,171
Total Purchased Services - Professional and Technical	126,500	253,000	255,530	260,641	265,854	271,171
Purchased Services - Property						
Utilities - Cell Phone	1,328	-	-	-	-	-
Equipment Repair and Maintenance - Office	3,918	-	-	-	-	-
Total Purchased Services - Property	5,246	-	-	-	-	-
Supplies and Materials						
General Supplies - Office	1,651	-	-	-	-	-
General Supplies - Safety	43	-	-	-	-	-
Total Supplies and Materials	1,694	-	-	-	-	-
Transfers and Charges						
Service Charges	(40,000)	-	-	-	-	-
Total Transfers and Charges	(40,000)	-	-	-	-	-
Total Police - Support Services	498,737	426,077	430,891	436,662	450,357	464,941

Chapter 7: Departmental Summary

POLICE DEPARTMENT (Continued)

Police Department – Patrol

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	1,294,931	1,507,521	1,405,026	1,511,037	1,571,478	1,634,338
Wages - Part-Time Employees	75,060	56,000	70,023	62,400	62,400	62,400
Wages - Temporary Employees	13,925	12,480	8,100	9,360	9,360	9,360
Overtime - General	244,639	170,000	231,372	200,000	210,000	220,000
Overtime - Reimbursable Services	47	2,500	-	-	-	-
Holiday Pay	114,954	110,000	134,978	127,857	132,971	138,290
Bonus Pay	-	-	3,000	2,000	2,000	-
Total Personal Services - Salaries and Wages	1,743,556	1,858,501	1,852,499	1,912,654	1,988,209	2,064,388
Personal Services - Employee Benefits						
Insurance - Health	193,045	234,191	234,191	287,695	330,849	380,476
Insurance - Dental	10,880	15,247	15,247	14,446	16,613	19,105
Insurance - Life and AD&D	-	-	-	1,597	1,597	1,597
Insurance - Workers' Compensation	19,000	22,000	22,000	22,000	22,000	22,000
Insurance - Unemployment	12,273	10,328	10,328	10,885	10,885	10,885
Retirement - Social Security	103,299	115,227	112,672	118,585	123,269	127,992
Retirement - Medicare	24,309	26,948	26,614	27,733	28,829	29,934
Retirement - Police Pension	388,546	444,913	449,027	453,447	467,050	481,062
Education - Conferences and Training	22,375	16,500	17,752	15,285	15,285	15,285
Equipment - Clothing Allowance	13,650	15,400	17,150	15,400	15,400	15,400
Total Personal Services - Employee Benefits	787,377	900,754	904,981	967,073	1,031,777	1,103,736
Purchased Services - Property						
Utilities - Cell Phone	4,071	2,350	4,384	4,760	4,760	4,760
Equipment Repair and Maintenance - Office	320	1,500	1,500	1,000	1,000	1,000
Total Purchased Services - Property	4,391	3,850	5,884	5,760	5,760	5,760
Purchased Services - Other						
Travel	280	600	400	400	400	400
Total Purchased Services - Other	280	600	400	400	400	400
Supplies and Materials						
General Supplies - Office	42	500	624	600	600	600
General Supplies - Agency	4,978	6,500	6,500	6,500	6,500	6,500
General Supplies - Safety	2,042	2,000	2,225	2,000	2,000	2,000
Police Supplies - Lock-Up	2,277	3,500	3,500	4,000	4,000	4,000
Police Supplies - Community Policing	2,684	2,500	3,397	3,000	3,000	3,000
Total Supplies and Materials	12,023	15,000	16,246	16,100	16,100	16,100
Capital Outlay						
Capital Outlay - Equipment (Police)	5,416	5,500	7,577	5,500	5,500	5,500
Total Capital Outlay	5,416	5,500	7,577	5,500	5,500	5,500
Transfers						
Transfer to Vehicle Reserve Fund	264,577	238,447	238,447	291,259	244,390	244,390
Total Transfers	264,577	238,447	238,447	291,259	244,390	244,390
Total Police - Patrol	2,817,620	3,022,652	3,026,034	3,198,746	3,292,136	3,440,274

Chapter 7: Departmental Summary

POLICE DEPARTMENT (Continued)

Police Department – Investigations

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	156,287	157,981	158,572	163,490	168,803	174,289
Overtime - General	22,010	14,000	22,957	17,000	18,000	19,000
Overtime - Reimbursable Services		1,000	-	-	-	-
Holiday Pay	15,942	14,000	16,608	13,834	14,283	14,748
Bonus Pay	-	-	1,000	-	-	-
Total Personal Services - Salaries and Wages	194,239	186,981	199,137	194,324	201,086	208,037
Personal Services - Employee Benefits						
Insurance - Health	15,770	33,631	33,631	41,379	47,586	54,724
Insurance - Dental	925	2,174	2,174	2,259	2,598	2,988
Insurance - Life and AD&D	-	-	-	145	145	145
Insurance - Workers' Compensation	1,000	2,000	2,000	2,000	2,000	2,000
Insurance - Unemployment	-	739	739	791	791	791
Retirement - Social Security	12,831	11,593	13,309	12,048	12,467	12,898
Retirement - Medicare	3,001	2,711	3,112	2,818	2,916	3,017
Education - Conferences and Training	775	1,000	1,000	750	750	750
Equipment - Clothing Allowance	1,400	1,400	1,400	1,400	1,400	1,400
Total Personal Services - Employee Benefits	35,702	55,248	57,365	63,590	70,653	78,713
Purchased Services - Property						
Utilities - Cell Phone	1,765	1,300	1,516	2,240	2,240	2,240
Equipment Repair and Maintenance - Office	1,368	500	252	-	-	-
Rental - Vehicle	6,945	8,000	7,576	5,000	5,000	5,000
Total Purchased Services - Property	10,078	9,800	9,344	7,240	7,240	7,240
Supplies and Materials						
General Supplies - Office	1,555	1,200	1,303	1,200	1,200	1,200
General Supplies - Agency	1,137	1,000	1,000	1,100	1,100	1,100
General Supplies - Books and Periodicals	260	200	200	200	200	200
Police Supplies - Investigation and Evidence	5,204	4,600	8,300	6,088	6,088	6,088
Total Supplies and Materials	8,156	7,000	10,803	8,588	8,588	8,588
Total Police - Investigations	248,175	259,029	276,649	273,742	287,567	302,578

Chapter 7: Departmental Summary

POLICE DEPARTMENT (Continued)

Police Department – Police Commission

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Personal Services - Salaries and Wages						
Wages - Boards and Committees	175	700	700	700	700	700
Total Personal Services - Salaries and Wages	175	700	700	700	700	700
Personal Services - Employee Benefits						
Retirement - Social Security	11	43	43	43	43	43
Retirement - Medicare	3	10	10	10	10	10
Total Personal Services - Employee Benefits	14	53	53	53	53	53
Purchased Services - Professional and Technical						
Legal Services - Police Commission	560	750	1,190	750	750	750
Total Purchased Services - Professional and Technical	560	750	1,190	750	750	750
Purchased Services - Other						
Personnel Administration - Recruitment	3,784	7,000	14,000	2,000	8,300	2,000
Other Purchased Services - Dues	875	380	918	875	875	875
Total Purchased Services - Other	4,659	7,380	14,918	2,875	9,175	2,875
Supplies and Materials						
General Supplies - Agency	-	500	100	250	250	250
Total Supplies and Materials	-	500	100	250	250	250
Total Police - Police Commission	5,408	9,383	16,961	4,628	10,928	4,628

Police Department – ESDA

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Purchased Services - Property						
Utilities - Electric	-	-	2,103	2,500	2,500	2,500
Equipment Repair and Maintenance - Other	1,953	2,000	879	2,000	2,000	2,000
Total Purchased Services - Property	1,953	2,000	2,982	4,500	4,500	4,500
Supplies and Materials						
General Supplies - Agency	-	200	200	200	200	200
Total Supplies and Materials	-	200	200	200	200	200
Total Police - ESDA	1,953	2,200	3,182	4,700	4,700	4,700

Chapter 7: *Departmental Summary*

PUBLIC WORKS DEPARTMENT

Departmental Description

The Public Works Department is responsible for managing, maintaining, operating, and repairing the Village's infrastructure, facilities, and related assets, which include public streets, sidewalks, street lighting, traffic control signs, storm sewer and drainage systems, water distribution and pumping facilities, sanitary sewer collection and lift stations, parkways, municipal buildings and grounds, parkway trees, and municipal fleet. In addition, the Public Works provides a free brush removal service, leaf pick-up service, parkway tree trimming service and removal and replacement of Village-owned trees, a coordinated effort to clear away snow and provide safe, accessible streets throughout the Village.

Goals

- ❖ Promote energy conservation at all Village facilities.
- ❖ Implement effective road and sidewalk projects.
- ❖ Provide a safe environment for the public and our employees.
- ❖ Serve the public by providing the most cost effective, high quality service possible.
- ❖ Sustain a highly qualified workforce.
- ❖ Promote teamwork and effective communication.

Public Works Departmental Responsibilities

- Administer the refuse and recycling contracts.
- Provide snow and ice removal services.
- Maintain the storm water management system.
- Administer brush and leaf collection programs.
- Administer the landscape maintenance contracts.
- Administer the set-up and support of special events.
- Install, maintain, and repair traffic signs and pavement markings.
- Manage capital improvement projects.
- Maintain sanitation of streets through contracted street sweeping.
- Install traffic control zones for construction, special events, and emergency plans.
- Oversee the maintenance of public buildings.

Fiscal Year 2015 Accomplishments

- ✓ Sidewalk replacement 4475 sq. ft.
- ✓ Pavement resurfacing 0.95 miles
- ✓ Tree removals 749 trees
- ✓ Tree planting 174 trees
- ✓ Hydrant Maintenance and Painting 300 hydrants
- ✓ 44 water main break repairs and roadway patches
- ✓ 1428 cubic yards of water main break spoils removal
- ✓ Well 10 and Well 13 rehabilitation
- ✓ Well 15 repair and reinstallation

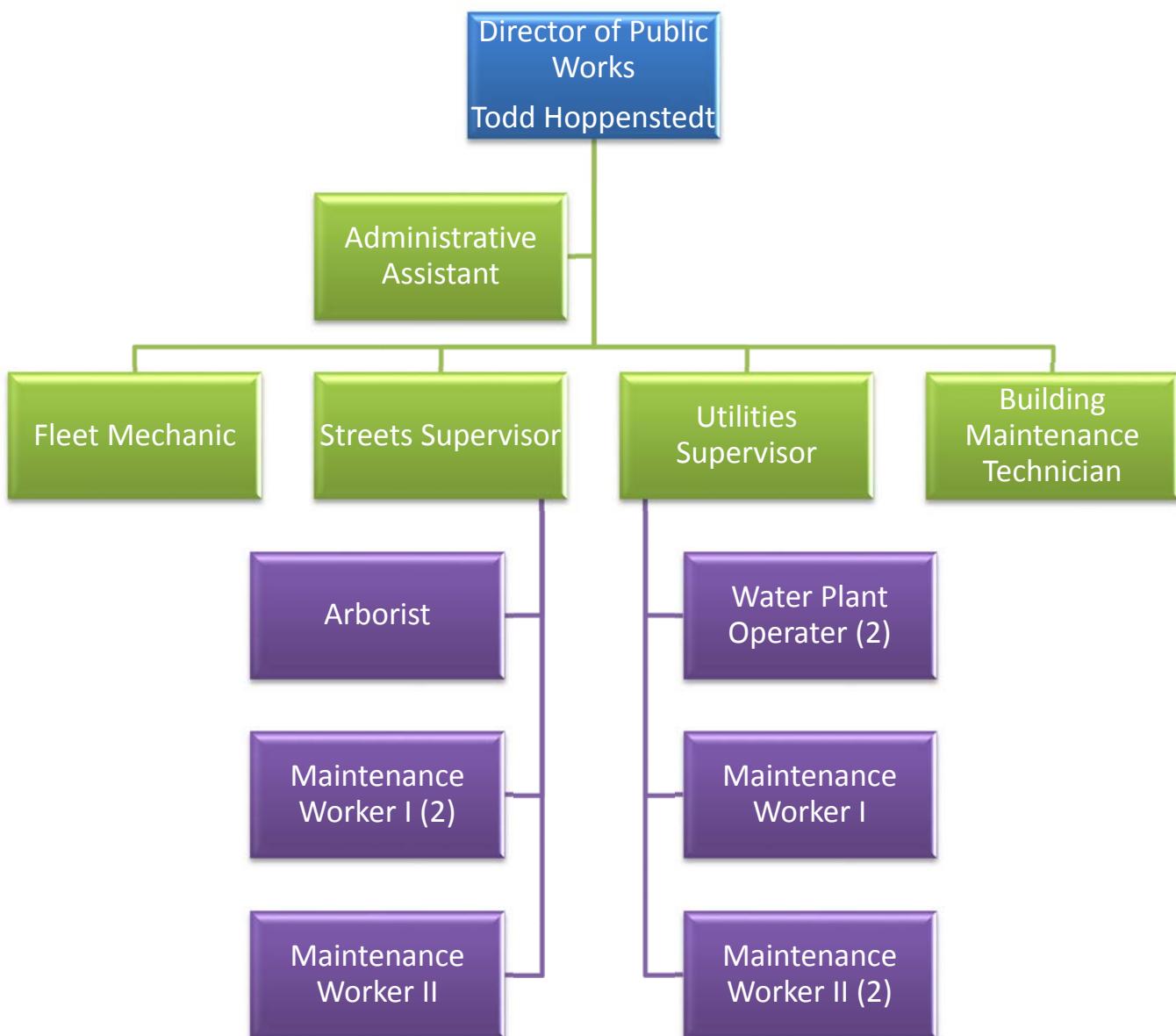
Chapter 7: *Departmental Summary*

PUBLIC WORKS DEPARTMENT (Continued)

Projects to be Completed in Fiscal Year 2016

- ❖ Sidewalk replacement 4500 sq. ft.
- ❖ Pavement resurfacing 0.75 miles
- ❖ Tree removals 500 trees
- ❖ Tree planting 150 trees
- ❖ Hydrant Maintenance and Painting 300 hydrants
- ❖ Water system leak survey 120 miles
- ❖ Mill Street bridge deck rehabilitation
- ❖ Water treatment plant chlorine system upgrades

Organization Chart



Chapter 7: Departmental Summary

PUBLIC WORKS DEPARTMENT (Continued)

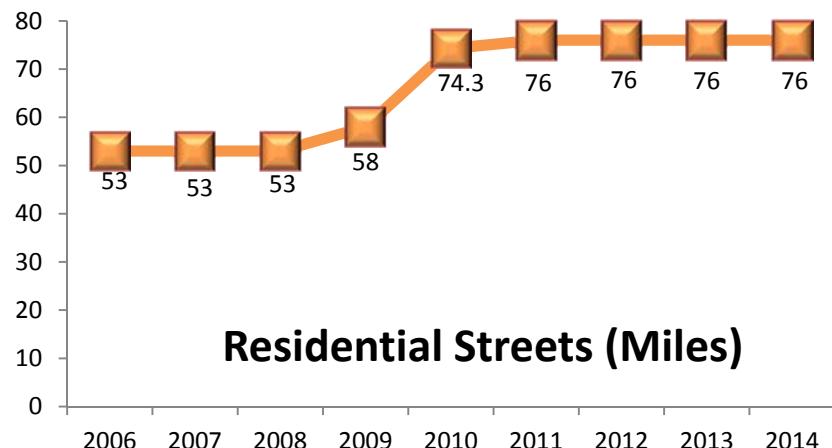
Statistical Summary

Water Statistics

	2007	2008	2009	2010	2011	2012	2013	2014
New Connections	782	251	49	85	63	62	30	50
Water Main Breaks	56	55	67	55	57	53	56	43
Average Daily Consumption	2,459,795	2,642,000	2,583,000	2,694,800	2,721,750	2,441,000	2,156,394	2,443,000
Peak Daily Consumption	4,332,000	4,539,000	4,120,000	4,159,000	4,200,590	3,907,000	3,563,800	3,732,300
Water Mains (Miles)	-	-	-	110	114	114	117	117
Fire Hydrants	-	-	-	1,050	1,372	1,372	1,680	1,680
Storage Capacity (Millions of Gallons)	-	-	-	4.8	4.8	4.8	5.8	5.8

Streets Statistics

	2007	2008	2009	2010	2011	2012	2013	2014
Resurfacing	-	-	-	2.00	1.50	0.60	1.14	0.93
Reconstruction	1.75	1.50	1.25	0.40	-	-	-	-
Streets (Miles)	53	53	58	74	76	76	76	76



Chapter 7: Departmental Summary

PUBLIC WORKS DEPARTMENT (Continued)

Public Works – Administration

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees (40%)	79,225	76,470	73,706	74,074	76,481	78,967
Wages - Overtime (General)	700	500	1,313	500	500	500
Bonus Pay	-	-	1,474	-	-	-
Total Personal Services - Salaries and Wages	79,925	76,970	76,493	74,574	76,981	79,467
Personal Services - Employee Benefits						
Insurance - Health	6,310	11,404	11,404	13,830	15,905	18,291
Insurance - Dental	370	669	669	696	800	920
Insurance - Life and AD&D	-	-	-	58	58	58
Insurance - Workers' Compensation	400	400	400	400	400	400
Insurance - Unemployment	313	739	739	316	316	316
Retirement - Social Security	4,625	4,772	4,333	4,345	4,494	4,648
Retirement - Medicare	1,141	1,116	1,091	1,081	1,116	1,152
Retirement - IMRF	10,668	9,960	10,010	9,852	10,172	10,503
Education - Conferences and Training	562	750	750	750	750	750
Equipment - Clothing Allowance	160	160	160	160	160	160
Total Personal Services - Employee Benefits	24,549	29,970	29,556	31,488	34,171	37,198
Purchased Services - Professional and Technical						
Information Technology Services - System Management	13,811	13,900	24,601	15,000	15,000	15,000
Information Technology Services - Software Maintenance	-	-	400	2,974	3,039	3,106
Total Purchased Services - Professional and Technical	13,811	13,900	25,001	17,974	18,039	18,106
Purchased Services - Property						
Utilities - Telephone	-	-	400	960	960	960
Utilities - Cell Phone	586	750	537	580	580	580
Equipment Repair and Maintenance - Office	3,510	5,000	1,470	1,480	1,480	1,480
Rental - Equipment	-	-	3,780	3,780	3,780	3,780
Total Purchased Services - Property	4,096	5,750	6,187	6,800	6,800	6,800
Purchased Services - Other						
Travel	20	150	150	150	150	150
Dues	819	630	250	630	630	630
Total Purchased Services - Other	839	780	400	780	780	780
Supplies and Materials						
General Supplies - Office	2,935	3,000	1,200	2,500	2,500	2,500
General Supplies - Postage	653	700	200	700	700	700
General Supplies - Books and Periodicals	89	100	100	100	100	100
Total Supplies and Materials	3,677	3,800	1,500	3,300	3,300	3,300
Capital Outlay						
Capital Outlay - Equipment (Computer)	1,000	-	-	-	1,400	-
Total Capital Outlay	1,000	-	-	-	1,400	-
Transfers and Charges						
Service Charges	-	(7,560)	(12,100)	(9,294)	(9,320)	(9,346)
Total Transfers and Charges	-	(7,560)	(12,100)	(9,294)	(9,320)	(9,346)
Total Public Works - Administration	127,897	123,610	127,037	125,622	132,151	136,305

Chapter 7: Departmental Summary

PUBLIC WORKS DEPARTMENT (Continued)

Public Works – Streets

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	250,980	231,524	222,304	237,003	244,706	252,659
Overtime - General	25,547	30,000	22,771	25,000	27,500	30,000
Overtime - Snow Removal	91,653	50,000	45,000	45,000	45,000	45,000
Holiday Pay	-	-	186	-	-	-
Bonus Pay	-	-	1,722	-	-	-
Total Personal Services - Salaries and Wages	368,180	311,524	291,983	307,003	317,206	327,659
Personal Services - Employee Benefits						
Insurance - Health	42,320	62,140	62,140	61,959	71,253	81,941
Insurance - Dental	2,375	3,847	3,847	3,179	3,656	4,204
Insurance - Life and AD&D	-	-	-	290	290	290
Insurance - Workers' Compensation	3,000	4,000	4,000	4,000	4,000	4,000
Insurance - Unemployment	3,707	1,477	1,477	1,581	1,581	1,581
Retirement - Social Security	18,458	19,314	17,422	19,034	19,667	20,315
Retirement - Medicare	4,317	4,517	4,075	4,452	4,599	4,751
Retirement - IMRF	39,817	40,311	37,345	40,831	42,188	43,579
Education - Conferences and Training	752	1,000	750	750	750	750
Equipment - Clothing Allowance	800	800	800	800	800	800
Total Personal Services - Employee Benefits	115,546	137,406	131,856	136,876	148,784	162,211
Purchased Services - Property						
Utilities - Electric	85,139	85,443	74,881	78,625	82,556	86,684
Utilities - Cell Phone	2,501	1,750	1,224	1,408	1,408	1,408
Infrastructure Repair and Maintenance - Sidewalks and Curbs	47,737	40,000	40,829	40,000	40,000	40,000
Infrastructure Repair and Maintenance - Streets and Alleys	19,338	25,000	15,000	25,000	25,000	25,000
Infrastructure Repair and Maintenance - Street Striping	22,610	22,000	24,209	22,000	22,000	22,000
Infrastructure Repair and Maintenance - Traffic Signals	30,659	20,000	20,000	20,000	22,000	22,000
Infrastructure Repair and Maintenance - Bridges	-	2,000	-	-	-	-
Infrastructure Repair and Maintenance - Street Lights	44,045	45,000	35,000	45,000	45,000	45,000
Rental - Equipment	363	3,000	1,500	3,000	3,000	3,000
Total Purchased Services - Property	252,392	244,193	212,643	235,033	240,964	245,092
Purchased Services - Other						
Other Purchased Services - Printing and Publications	-	500	100	200	200	200
Other Purchased Services - Insect Spraying	32,184	40,000	30,500	35,000	35,000	35,000
Other Purchased Services - Solid Waste Disposal	1,183,017	-	-	-	-	-
Other Purchased Services - Leaf Pickup	715	2,000	-	-	-	-
Other Purchased Services - Street Sweeping	8,383	10,000	12,701	10,000	10,000	10,000
Total Purchased Services - Other	1,224,299	52,500	43,301	45,200	45,200	45,200
Supplies and Materials						
General Supplies - Office	-	-	227	-	-	-
General Supplies - Agency	-	-	-	-	-	-
General Supplies - Tools	938	2,000	3,392	2,500	2,500	2,500
General Supplies - Books and Periodicals	88	250	150	150	150	150
General Supplies - Safety	3,623	6,200	5,000	5,000	5,000	5,000
General Supplies - Uniforms	6,873	5,000	6,000	6,000	6,000	6,000
General Supplies - Recycling Bins	3,720	4,000	6,170	6,000	6,000	7,000
Public Works Supplies - Snow Removal	1,706	10,000	10,000	10,000	10,000	10,000
Public Works Supplies - Street Signs	5,840	9,000	10,000	10,000	10,000	10,000
Total Supplies and Materials	22,788	36,450	40,939	39,650	39,650	40,650
Capital Outlay						
Capital Outlay - Equipment (Public Works)	-	5,750	5,000	-	-	-
Capital Outlay - Equipment (Computer)	-	-	-	-	-	1,400
Total Capital Outlay	-	5,750	5,000	-	-	1,400
Transfers						
Transfer to Vehicle Reserve Fund	282,349	118,624	118,624	163,874	218,499	218,499
Total Transfers	282,349	118,624	118,624	163,874	218,499	218,499
Total Public Works - Highways and Streets	2,265,554	906,447	844,346	927,636	1,010,303	1,040,711

Chapter 7: Departmental Summary

PUBLIC WORKS DEPARTMENT (Continued)

Public Works – Vehicle Maintenance

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	63,082	60,570	61,771	63,783	65,856	67,996
Overtime - General	8,346	5,000	7,640	6,000	6,000	6,000
Total Personal Services - Salaries and Wages	71,428	65,570	69,411	69,783	71,856	73,996
Personal Services - Employee Benefits						
Insurance - Health	15,770	16,816	16,816	20,689	23,792	27,361
Insurance - Dental	925	1,087	1,087	1,130	1,300	1,495
Insurance - Life and AD&D	-	-	-	73	73	73
Insurance - Workers' Compensation	1,000	1,000	1,000	1,000	1,000	1,000
Insurance - Unemployment	369	369	369	395	395	395
Retirement - Social Security	4,824	4,065	4,238	4,327	4,455	4,588
Retirement - Medicare	1,128	951	991	1,012	1,042	1,073
Retirement - IMRF	10,186	8,485	9,106	9,281	9,557	9,841
Education - Conferences and Training	387	2,200	1,500	1,800	1,800	1,800
Equipment - Clothing Allowance	200	200	200	200	200	200
Total Personal Services - Employee Benefits	34,789	35,173	35,307	39,907	43,614	47,826
Purchased Services - Professional and Technical						
Information Technology Services - System Management	3,201	1,500	1,500	-	-	-
Information Technology Services - Software Maintenance	-	-	-	700	700	700
Total Purchased Services - Professional and Technical	3,201	1,500	1,500	700	700	700
Purchased Services - Property						
Utilities - Cell Phone	860	600	749	820	820	820
Vehicle Repair and Maintenance	104,723	90,000	93,000	90,000	95,000	95,000
Vehicle Repair and Maintenance (Reimbursable)	3,046	10,000	1,762	8,000	8,000	8,000
Rental - Equipment	669	7,000	700	700	700	700
Total Purchased Services - Property	109,298	107,600	96,211	99,520	104,520	104,520
Supplies and Materials						
General Supplies - Office	78	-	16	-	-	-
General Supplies - Postage	33	-	149	-	-	-
General Supplies - Tools	2,581	3,000	3,233	3,500	6,500	3,500
General Supplies - Uniforms	2,141	2,800	1,600	1,600	1,600	1,600
Vehicle Supplies - Tools	2,794	2,500	1,250	-	-	-
Vehicle Supplies - Tires	14,359	13,000	15,000	15,000	17,000	19,000
Vehicle Supplies - Gas and Oil	177,794	140,000	120,000	135,000	140,000	145,000
Vehicle Supplies - Gas and Oil (Reimbursable)	7,939	5,000	10,000	10,000	10,000	10,000
Total Supplies and Materials	207,719	166,300	151,248	165,100	175,100	179,100
Capital Outlay						
Capital Outlay - Equipment (Public Works)	-	28,000	31,098	-	13,950	-
Capital Outlay - Equipment (Computer)	-	1,400	1,400	-	1,400	-
Total Capital Outlay	-	29,400	32,498	-	15,350	-
Transfers and Charges						
Service Charges	(163,480)	(162,217)	(154,470)	(150,004)	(164,456)	(162,457)
Total Transfers and Charges	(163,480)	(162,217)	(154,470)	(150,004)	(164,456)	(162,457)
Total Public Works - Vehicle Maintenance	262,955	243,326	231,705	225,006	246,684	243,685

Chapter 7: Departmental Summary

PUBLIC WORKS DEPARTMENT (Continued)

Public Works – Buildings and Grounds

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	94,791	99,457	88,252	103,713	107,084	110,564
Wages - Temporary	15,823	20,800	10,090	19,200	19,200	19,200
Overtime - General	571	1,000	1,069	600	600	600
Total Personal Services - Salaries and Wages	111,185	121,257	99,411	123,513	126,884	130,364
Personal Services - Employee Benefits						
Insurance - Health	15,830	11,136	11,136	27,383	31,490	36,214
Insurance - Dental	1,260	598	598	1,440	1,656	1,904
Insurance - Life and AD&D	-	-	-	145	145	145
Insurance - Workers' Compensation	2,000	2,000	2,000	2,000	2,000	2,000
Insurance - Unemployment	-	1,332	1,332	1,377	1,377	1,377
Retirement - Social Security	8,262	7,518	6,504	7,658	7,867	8,083
Retirement - Medicare	1,932	1,758	1,521	1,791	1,840	1,890
Retirement - IMRF	17,589	12,999	13,627	13,874	14,322	14,785
Education - Conferences and Training	1,079	3,000	1,200	2,910	2,910	2,910
Equipment - Clothing Allowance	400	400	400	400	400	400
Total Personal Services - Employee Benefits	48,352	40,741	38,318	58,978	64,007	69,708
Purchased Services - Property						
Utilities - Cell Phone	1,362	1,200	1,402	1,976	1,976	1,976
Building Repair and Maintenance - Custodial	38,045	60,000	55,000	55,000	55,000	55,000
Building Repair and Maintenance - Other	77,757	85,000	90,000	85,000	85,000	85,000
Equipment Repair and Maintenance - Other	-	5,000	1,500	3,000	3,000	3,000
Grounds Repair and Maintenance - Lawn Care	13,566	75,000	45,000	5,000	5,000	5,000
Grounds Repair and Maintenance - Trees and Parkways	88,534	80,000	90,000	5,000	5,000	5,000
Grounds Repair and Maintenance - Detention Basins	75,754	48,000	25,517	23,524	24,230	24,958
Grounds Maintenance - Village	388	-	-	39,494	41,219	43,030
Grounds Repair and Maintenance - Pest Management	-	-	-	1,000	1,000	1,000
Grounds Repair and Maintenance - Tree Replacement	-	-	-	51,000	51,000	51,000
Grounds Repair and Maintenance - Tree Removals	-	-	-	3,000	3,000	3,000
Grounds Repair and Maintenance - Stump Grinding & Restoration	-	-	-	26,000	26,000	26,000
Grounds Repair and Maintenance - Large Tree Pruning	-	-	-	4,000	4,000	4,000
Grounds Repair and Maintenance - Insurance Reimbursement Trees	-	-	-	1,000	1,000	1,000
Total Purchased Services - Property	295,406	354,200	308,419	303,994	306,425	308,964
Purchased Services - Other						
Community Relations - Beautification	4,053	15,000	12,000	12,000	12,000	12,000
Community Relations - Beautification (Reimbursable)	3,892	5,000	7,444	5,000	5,000	5,000
Total Purchased Services - Other	7,945	20,000	19,444	17,000	17,000	17,000
Supplies and Materials						
General Supplies - Office	-	-	28	-	-	-
General Supplies - Tools	2,855	3,000	2,000	3,000	3,000	3,000
General Supplies - Cleaning	1,524	500	202	500	500	500
Building Supplies - Consumable	3,547	7,000	5,500	5,500	5,500	5,500
Building Supplies - Durable	1,630	4,500	2,500	3,000	3,000	3,000
Total Supplies and Materials	9,556	15,000	10,230	12,000	12,000	12,000
Capital Outlay						
Capital Outlay - Equipment (Public Works)	-	11,000	11,000	-	-	-
Capital Outlay - Construction	28,332	25,000	13,744	19,000	25,000	15,000
Capital Outlay - General Government	105,000	-	2,667	-	-	-
Total Capital Outlay	133,332	36,000	27,411	19,000	25,000	15,000
Transfers and Charges						
Service Charges	(134,070)	(161,279)	(136,344)	(172,187)	(175,547)	(179,219)
Total Transfers and Charges	(134,070)	(161,279)	(136,344)	(172,187)	(175,547)	(179,219)
Total Public Works - Buildings and Grounds	471,706	425,919	366,889	362,298	375,769	373,817

Chapter 7: *Departmental Summary*

PUBLIC WORKS DEPARTMENT (Continued)

Public Works – Stormwater Management

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Purchased Services - Property						
Sewer Repair and Maintenance - Storm Sewer	41,198	40,000	25,000	35,000	35,000	35,000
Total Purchased Services - Property	41,198	40,000	25,000	35,000	35,000	35,000
Total Public Works - Stormwater Management	41,198	40,000	25,000	35,000	35,000	35,000

Chapter 7: *Departmental Summary*

LEGAL SERVICES

The Village of Montgomery contracts their legal services to the law firm of Mickey, Wilson, Weiler, Renzi and Andersson, P.C. The Village Attorney is called upon to advise Village staff and the Village Board on legal issues pertaining to the Village with respect to ordinances, contracts, and matters involving personnel. In addition, the Village contracts with other attorneys as necessary regarding specialized matters including, but not limited to, negotiation of union contracts.

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Purchased Services - Professional and Technical						
Legal Services - General	68,963	70,000	80,000	65,000	70,000	75,000
Legal Services - Development (Reimbursable)	19,976	25,000	35,682	35,000	40,000	45,000
Legal Services - Development (Village)	19,345	10,000	26,142	20,000	20,000	20,000
Legal Services - Traffic Court	30,419	35,000	20,972	25,000	25,000	25,000
Legal Services - Liquor Commission	990	500	2,000	1,000	1,000	1,000
Legal Services - Police Pension	-	-	-	-	-	-
Legal Services - Labor Issues	27,020	30,000	24,855	25,000	25,000	25,000
Total Purchased Services - Professional and Technical	166,713	170,500	189,651	171,000	181,000	191,000
Total Legal	166,713	170,500	189,651	171,000	181,000	191,000

ENGINEERING SERVICES

The Village of Montgomery contracts their engineering services to Engineering Enterprises Inc. (EEI). EEI is responsible for the design, review and inspection of development projects and infrastructure projects. EEI coordinates with the Community Development Department regarding residential and commercial properties including grades and drainage, parking lots and driveway construction, erosion control, and other development items. EEI also coordinates with the Public Works Department regarding Village infrastructure projects including transportation, water works, wastewater, stormwater management, and other infrastructure items.

	FY14 Actual	FY15 Budget	FY15 Projected	FY16 Approved	FY17 Projected	FY18 Projected
Purchased Services - Professional and Technical						
Engineering Services - General	94,391	90,000	62,817	65,000	70,000	75,000
Engineering Services - Development (Reimbursable)	90,626	45,000	125,000	125,000	130,000	135,000
Engineering Services - Development (Village)	16,396	15,000	9,554	12,000	12,000	12,000
Total Purchased Services - Professional and Technical	201,413	150,000	197,371	202,000	212,000	222,000
Total Engineering	201,413	150,000	197,371	202,000	212,000	222,000

Chapter 8: Appendix



ACRONYMS

CAFR = Comprehensive Annual Financial Report: The official annual financial report of a government that contains, at a minimum, three sections: 1) introductory, 2) financial, and 3) statistical, and whose financial section provides information on each individual fund.

CBA = Collective Bargaining Agreement: A legal contract between the Village and a verified representative of a recognized bargaining unit for specific terms and condition of employment.

COW = Committee of the Whole: The entire membership of a legislative body, sitting in a deliberative rather than a legislative capacity, for informal debate and preliminary consideration of matters awaiting legislative action.

EAV = Equalized Assessed Valuation: A value that is established for real property and adjusted for comparability across the State. The EAV is used as a basis for levying property taxes.

EPA = Environmental Protection Agency: Federal agency whose mission is to protect human health and the environment.

FICA = Federal Insurance Contributions Act: United States federal payroll (or employment) tax imposed on both employees and employers to fund Social Security and Medicare.

Chapter 8: Appendix

ACRONYMS (Continued)

FTE = Full-Time Equivalent: Used in relation to employees, the number of employee hours worked to equal one full-time employee (e.g. one FTE is equal to 2,080 hours).

FTO = Field Training Officer: An experienced or senior Patrol Officer who is responsible for the training and evaluation of a probationary Patrol Officer.

GAAP = Generally Accepted Accounting Principles: Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of an entity. GAAP encompass the conventions, rules and procedures necessary to define accepted accounting practice at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provide a standard by which to measure financial presentations. The primary authoritative body on the application of GAAP to state and local governments is the Governmental Accounting Standards Board (GASB).

GIS = Geographic information system: Application that allows users to create interactive queries (user created searches), analyze spatial information, edit data, maps, and present the results of all these operations.

GFOA = Government Finance Officers Association: The GFOA is the professional association of state/provincial and local finance officers in the United States and Canada, and has served the public finance profession since 1906. GFOA members are dedicated to the sound management of government financial resources.

GASB = Governmental Accounting Standards Board: Ultimate authoritative accounting and financial reporting standard-setting body for state and local governments.

HOA = Home Owners Association: An organization in a subdivision, planned community or condominium that makes and enforces rules for the properties in its jurisdiction. HOAs also collect monthly or annual dues to pay for upkeep of common areas like parks, tennis courts, elevators and swimming pools and can levy special assessments on homeowners when the association lacks sufficient reserves to pay for unexpected repairs.

ICMA = International City/County Management Association: The ICMA is the professional association of city, town, and county managers. ICMA creates excellence in local governance by developing and fostering professional management to build sustainable communities that improve people's lives worldwide.

IDOT = Illinois Department of Transportation: The Illinois agency responsible for the planning, construction, operation and maintenance of Illinois' extensive transportation network, which encompasses highways and bridges, airports, public transit, rail freight and rail passenger systems.

IEPA = Illinois Environmental Protection Agency: The Illinois agency responsible for establishing a unified, state-wide program for restoring, protecting, and enhancing the quality of the environment, and to assure that adverse effects upon the environment are fully considered and borne by those who cause them.

Chapter 8: *Appendix*

ACRONYMS (Continued)

ILCMA = Illinois City/County Management Association: The ILCMA is the Illinois branch of the ICMA. Its purpose is to for the purpose of support and improve municipal and county management and strengthen local government in Illinois.

IML = Illinois Municipal League: Illinois' statewide community-focused lobbying and educational organization whose special interest is the people so municipalities can have a powerful resource and voice in Springfield.

JULIE = Joint Utility Locating Information for Excavators: JULIE Inc. provides Illinois excavators and underground utility owners with a continuously improving, one-call message handling and delivery service committed to protecting underground utilities and the safety of people working or living near them.

MFT = Motor Fuel Tax: A state-shared tax on the sale of motor fuel. The tax is assessed on each gallon of gasoline sold at retail, and distributed to local government on a per capita basis.

TIF = Tax Increment Financing District: A legal entity created by a local resolution to promote improvements, jobs, etc. The taxes generated from the assessed value "increment" above the base year is used to finance the costs of the improvements which generate the increased assessed valuation.

Chapter 8: Appendix

DEFINITIONS

Abatement: A complete or partial cancellation of a levy imposed by a government. Abatements usually apply to property tax levies, special assessments and service charges.

Account: A term used to identify an individual asset, liability, expenditure control, revenue control or fund balance.

Account classification: Expenditure classification which is a further subdivision of the object classification detailing what service or commodity is being obtained (e.g. Salaries and Wages – Regular).

Accountability: Term used by the GASB to describe a government's duty to justify the raising and spending of public resources. The GASB has identified accountability as the "paramount objective" of financial reporting "from which all other objectives must flow."

Accounting system: The methods and records established to identify, assemble, analyze, classify, record and report transactions and to maintain accountability for the related assets and liabilities.

Accounts payable: A short-term liability account reflecting amounts owed to private persons or organizations for goods and services received by a government.

Accounts receivable: An asset account reflecting amounts due from private persons or organizations for goods and services furnished by a government (but not including amounts due from other funds or other governments).

Accrual basis of accounting: Method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

Action plan: A series of actions, tasks or steps designed to achieve an objective or goal.

Activity: Specific and distinguishable service performed by one or more organizational components of a government to accomplish a function for which the government is responsible (e.g., police is an activity within the public safety function).

Ad valorem tax: A tax based on value (e.g., a property tax).

Additions: Term used to describe increases in the net position of fiduciary funds.

Adopted budget: The budget document that has been approved by the Village Board.

Advance refunding: Transaction in which new debt is issued to refinance existing debt (old debt) before the date the outstanding debt becomes due or callable. Proceeds of the advance refunding debt (new debt) are deposited in escrow with a fiduciary and used to redeem the underlying bonds (old debt) at their maturity or call date, to pay interest on the bonds being refunded (old debt), or to pay interest on the advance refunding bonds (new debt).

Chapter 8: Appendix

DEFINITIONS (Continued)

Agency funds: One of four types of fiduciary funds. Agency funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities). Agency funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

Agent multiple-employer defined benefit pension plan: Group of single-employer plans with pooled administrative and investment functions, but separate actuarial valuations and contribution rates.

Amortization: (1) The portion of the cost of a limited-life or tangible asset charged as an expense during a particular period. (2) The reduction of a debt by regular payments of principal and interest sufficient to retire the debt by maturity.

Appropriated budget: Expenditure authority created by the appropriation bills or ordinances that are signed into law and related estimated revenues. The appropriated budget would include all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes.

Assessed valuation: A valuation set upon real estate or other property by a government for use as a basis for levying property taxes. (Note: Property values are established by the Kane County Assessor)

Assets: Resources with present service capacity that the government presently controls.

Assigned fund balance: The portion of the net position of a governmental fund that represents resources set aside ("earmarked") by the government for a particular purpose.

Audit: A systematic collection of sufficient, competent evidential matter needed to attest to the fairness of the presentation of the Village's financial statements. The audit tests the Village's accounting system to determine whether the internal accounting controls are both available and being used effectively.

Availability criterion: Requirement under the modified accrual basis of accounting that revenues be recognized only when they are collected or collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Availability period: Designated period immediately following the close of the fiscal year by the end of which cash must be collected for related revenue to be recognized in accordance with the availability criterion of modified accrual accounting.

Balance sheet: That portion of the Village's financial statement that discloses the assets, liabilities, reserves and balances of a specific governmental fund as of a specific date.

Balanced budget: A plan (budget) setting forth the current proposed expenditures for a given period and the proposed revenues being equal.

Chapter 8: Appendix

DEFINITIONS (Continued)

Basic financial statements: Minimum combination of financial statements and note disclosures required for fair presentation in conformity with GAAP.

Basis of accounting: Timing of recognition for financial reporting purposes (when the effects of transactions or events should be recognized in financial statements).

Basis of budgeting: Method used to determine when revenues and expenditures are recognized for budgetary purposes.

Bond: A written promise to pay a sum of money (called principal or face value) on a specific date (called the maturity date) at a specified interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation and revenue bonds. These are most frequently used for construction of large capital projects, such as buildings, streets, and water and sewer systems.

Bond credit rating: Assessment of the credit quality of a particular debt. A bond rating evaluates the willingness and ability of the issuer to repay the debt with periodic interest when due and to meet other obligations under the bond contract.

Bonded debt: That portion of indebtedness represented by outstanding bonds.

Boundary agreement: A legal document approved by two communities delineating a geographic boundary which the parties will not cross to develop property.

Budget: A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. The term usually refers to a financial plan for a single fiscal year. The budget is the primary means by which the expenditure and service levels of the Village are controlled.

Budget amendment: A legal procedure utilized by the Village staff and Village Board to revise the budget.

Budget calendar: The schedule of key dates or milestones which the Village follows in the preparation, adoption and administration of the budget.

Budget document: The instrument used by the budget-making authority to present a comprehensive financial plan of operations to the Village Board.

Budget message: The opening section of the budget that provides the Village Board and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and the views and recommendations of the Budget Officer.

Budget policies: General and specific guidelines adopted by the Village Board that govern financial plan preparation and administration.

Chapter 8: Appendix

DEFINITIONS (Continued)

Budgetary control: The policies and procedures employed by a government or enterprise for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

Budgetary reporting: In the context of financial reporting, requirement to present budget-to-actual comparisons in connection with general purpose external financial reporting. Budgetary reporting is required in connection with the basic financial statements for both the General Fund and individual major special revenue funds with annual appropriated budgets. Budgetary reporting also is required within the comprehensive annual financial report (CAFR) to demonstrate compliance at the legal level of control for all governmental funds with annual appropriated budgets.

Business-type activities: One of two classes of activities reported in the government-wide financial statements. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. These activities usually are reported in enterprise funds.

Callable bond: A type of bond with a feature that permits the issuer to pay the obligation before the stated maturity date by giving notice of redemption in a manner specified in the bond contract.

Capital assets: Land, land improvements, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

Capital budget: A plan of proposed capital outlays and the means of financing them for the current fiscal year period.

Capital expenditures: A purchase of any item over a specified amount depending on the type of asset (capitalization threshold) with a useful life of more than one year. Items purchased meeting the threshold are depreciated over their useful life.

Capital improvement program (CIP): A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from the long-term work program or otherwise. It sets forth each project and specifies the resources estimated to be available to finance the projected expenditures.

Capital projects fund: Governmental fund type used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Capital outlay: Money spent to expand property, plant and equipment with the expectation that they will benefit the company over a long period of time (more than one year).

Capitalization threshold: Dollar value at which a government elects to capitalize tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. Generally, capitalization thresholds are applied to individual items rather than groups of items.

Chapter 8: Appendix

DEFINITIONS (Continued)

Cash: In the context of cash flows reporting, not only currency on hand, but also demand deposits with banks or other financial institutions. Cash also includes deposits in other kinds of accounts or cash management pools that have the general characteristics of demand deposit accounts in that the governmental enterprise may deposit additional cash at any time and also effectively may withdraw cash at any time without prior notice or penalty.

Cash equivalent: In the context of cash flows reporting, short-term, highly liquid investments that are both (a) readily convertible to known amounts of cash and (b) so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Generally, only investments with original maturities of three months or less meet this definition. For this purpose "original maturity" means maturity as of the date the investment is acquired.

Cash management: The management of cash necessary to pay for government services while investing temporary cash excesses in order to earn interest revenue. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds in order to achieve the balance of the highest interest and return, liquidity and minimal risk with these temporary cash balances.

Certificate of Achievement for Excellence in Financial Reporting Program: A voluntary program sponsored by the Government Finance Officers Association (GFOA) to encourage governments to publish efficiently organized and easily readable high quality comprehensive annual financial reports (CAFR) and to provide technical assistance and peer recognition to the finance officers preparing them.

Certificate of deposit: A negotiable or non-negotiable receipt for monies deposited in a bank or financial institution for a specified period for a specified rate of interest.

Character classification: Expenditure classification according to the periods expenditures are presumed to benefit. The three character groupings are (a) current – presumed to benefit the current fiscal period; (b) debt service – presumed to benefit prior fiscal periods as well as current and future periods; and (c) capital – presumed to benefit the current and future fiscal periods.

Charges for services: The payment of a fee for direct receipt of a public service by the party benefiting from the service.

Classified presentation: Separate reporting of the current and noncurrent portions of assets and liabilities to permit the calculation of working capital. A classified presentation is required for the proprietary fund statement of net position.

Committed fund balance: The portion of the net position of a governmental fund that represents resources whose use is subject to a legally binding constraint that is imposed by the government itself at its highest level of decision-making authority and that remains legally binding unless removed in the same manner.

Commodities: Expendable materials and operating supplies necessary to conduct operations.

Chapter 8: Appendix

DEFINITIONS (Continued)

Comparable communities: Other Cities, Villages, and/or Towns which are composed of similar characteristics such as population, economy, or location.

Comparative data: Information from prior fiscal periods provided to enhance the analysis of financial data of the current fiscal period.

Comprehensive framework of internal control: Structure of internal control that provides for (a) a favorable control environment, (b) the continuing assessment of risk, (c) the design, implementation, and maintenance of effective control-related policies and procedures, (d) the effective communication of information, and (e) the ongoing monitoring of the effectiveness of control-related policies and procedures as well as the resolution of potential problems identified by controls.

Comprehensive Plan: A legal statement of community policy which dictates goals and aspirations in terms of community development in the areas of transportation, utilities, land use, recreation, and housing.

Connection fees: Fees charged to join or to extend an existing utility system. These are also referred to as tap-on fees.

Contractual services: Services rendered to Village departments and agencies by private firms, individuals, or other government agencies.

Current financial resources measurement focus: Measurement focus where the aim of a set of financial statements is to report the near-term (current) inflows, outflows, and balances of expendable financial resources. The current financial resources measurement focus is used solely for reporting the financial position and results of operations of governmental funds.

Current refunding: Refunding transaction in which the proceeds of the refunding debt are applied immediately to redeem the debt to be refunded.

Debt: A financial obligation resulting from the borrowing of money. Debts of government include bonds, notes, and land contracts.

Debt ratios: Comparative statistics illustrating the relation between the issuer's outstanding debt and such factors as its tax base, income or population. These ratios often are used as part of the process of determining the credit rating of an issue, especially with general obligation bonds.

Debt service fund: Governmental fund type used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Debt service requirements: The amounts of revenue which must be provided for a debt service fund so that all principal and interest payments can be made in full and on schedule.

Deductions: Term used to describe decrease in the net position of fiduciary funds.

Chapter 8: Appendix

DEFINITIONS (Continued)

Defeasance: In the context of financial reporting, the netting of outstanding liabilities and related assets on the statement of financial position. Defeased debt is no longer reported as a liability on the face of the statement of position. Most refundings result in the defeasance of the refunded debt.

Deferred inflows of resources: An acquisition of net position by the government that is applicable to a future reporting period. This meets the definition of a liability because it represents a present obligation to sacrifice resources that the government has little or no discretion to avoid. An example would be property taxes levied in the current year to finance the subsequent year's budget.

Deferred outflows of resources: A consumption of net position by the government that is applicable to a future reporting period. This meets the definition of an asset because it represents access to present service capacity that is under the government's control. An example would be a deferred charge on refunding for the difference between the carrying amount of the new debt and old debt.

Deficit: The excess of expenditures or expenses over revenues or income during a single accounting period.

Defined benefit pension plan: Pension plan having terms that specify the amount of pension benefits to be provided at a future date or after a certain period of time; the amount specific usually is a function of one or more factors such as age, years of service, and compensation.

Department: A major administrative division of the Village which indicates overall management responsibility for an operation or group of related operations within a functional area.

Depreciation: The allocation of the cost of a capital asset over the useful service life attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence. This method of cost allocation is used in proprietary funds.

Derived tax revenues: Nonexchange revenues that result from assessments imposed on exchange transactions (for example, income taxes, sales taxes, and other assessments on earnings or consumption).

Developer fees: Fees charged to developers to cover, in whole or in part, the anticipated cost of improvements that will be necessary as a result of development (e.g., parks, capital improvements, etc.)

Direct debt: Debt of the government preparing statistical information, in contrast to debt of other, overlapping governments.

Direct expense: Expense that is specifically associated with a service, program, or department and, thus, is clearly identifiable to a particular function.

Disbursement: Payment for goods and services in cash or by check.

Division: An organizational unit within a department for purposes of administration and cost accounting.

Chapter 8: Appendix

DEFINITIONS (Continued)

Economic resources measurement focus: Measurement focus where the aim of a set of financial statements is to report all inflows, outflows, and balances affecting or reflecting an entity's net position. The economic resources measurement focus is used for proprietary and trust funds, as well as for government-wide financial reporting. It also is used by business enterprises and nonprofit organizations in the private sector.

Effectiveness: Term used by auditors to describe the degree to which an entity, program, or procedure is successful at achieving its goals and objectives.

Efficiency: Term used by auditors to describe the degree to which an entity, program, or procedure is successful at achieving its goals and objectives with the least use of scarce resources.

Employer contributions: Term used in the context of pension and other postemployment benefits to describe contributions actually made by the employer in relation to the annual required contribution (ARC) of the employer.

Enterprise fund: Proprietary fund type established to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Equity accounts: Those accounts presenting the difference between assets and liabilities of the fund.

Estimated actual value of taxable property: Fair value of taxable real or personal property or a surrogate measure of fair value if actual fair value information is not available. In practice, fair value is often referred to as market value. The estimated actual value of taxable property may be determined in a variety of manners, such as through a system that tracks changes in market values by monitoring property sales or by dividing the assessed value of property by an assumed assessment percentage.

Estimated revenue: The amount of projected revenue to be collected during the fiscal year.

Exchange transactions: Transactions in which each party receives and surrenders essentially equal values.

Exchange-like transactions: Transactions in which there is an identifiable exchange between the reporting government and another party, but the values exchanged may not be quite equal or the direct benefits of the exchange may not be exclusively for the parties to the exchange. Examples include certain fees for regulatory or professional licenses and permits, certain tap fees, certain developer contributions, certain grants and donations, and other transactions that, regardless of the label applied to them, are based on an exchange of similar but not equal values.

Chapter 8: Appendix

DEFINITIONS (Continued)

Expenditures: The payment of cash or the transfer of property or services for the purpose of acquiring an asset, service, or settling a loss. Expenditures include current operating expenses requiring the present or future use of net current assets, debt service and capital outlays, intergovernmental grants, and shared revenues. Under the current financial resources measurement focus, decreases in net financial resources not properly classified as other financing uses.

Expenses: Outflows or other using up of assets or incurrences of liabilities (or a combination of both) from delivering or producing goods, rendering services or carrying out other activities that constitute the entity's ongoing major or central operations.

Fiduciary funds: Funds used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government's own programs. The fiduciary fund category includes pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

Final amended budget: Original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes applicable to the fiscal year, whenever signed into law or otherwise legally authorized.

Financial resources: Resources that are or will become available for spending. Financial resources include cash and resources ordinarily expected to be converted to cash (e.g., receivables, investments). Financial resources also may include inventories and prepaids (because they obviate the need to expend current available financial resources).

Financial section: One of the three basic sections of a comprehensive annual financial report. The financial section is used to present the independent auditor's report on the financial statements; management's discussion and analysis; the basic financial statements (including the notes to the financial statements); required supplementary information; combining statements, individual fund statements and schedules; and supplementary information, as needed.

Financial statement: A tabulation of amounts, derived from accounting records and expressed in words and dollars, that displays either 1) the financial position of the reporting unit at a moment in time or 2) inflows and outflows of resources from transactions or other events during a period of time.

Fines and forfeitures: A sum of money imposed or surrendered as a penalty for violating a law.

Fiscal accountability: Responsibility of governments to justify that their actions in the current period have complied with public decisions concerning the raising and spending of public moneys in the short term.

Fiscal policy: The Village's policies with respect to revenues, spending, and debt management as these relate to government services, programs and capital investment. Fiscal policy provides an agreed upon set of principles for the planning and programming of government budgets and their funding.

Chapter 8: Appendix

DEFINITIONS (Continued)

Fiscal year: A 12 month period to which the Village's annual operating budget applies and at the end to which the Village determines its financial position and the results of its operation. The Village has specified May 1 to April 30 as its fiscal year.

Forecast: To calculate or predict (some future event or condition) usually as a result of study and analysis of available pertinent data.

Full faith and credit: A pledge of the general taxing power of a government to repay debt obligations (typically used in reference to bonds).

Function: A group of related activities aimed at accomplishing a major service for which a government is responsible (e.g., Public Safety).

Fund: A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations (e.g., General Fund).

Fund balance: Net position of a governmental fund (difference between assets, liabilities, deferred outflows of resources, and deferred inflows of resources). Changes in fund balances are the result of the difference of revenues to expenditures. Fund balances increase when revenues exceed expenditures and decrease when expenditures exceed revenues.

Fund balance policy: Policy to maintain fund balance at a predetermined target level.

Fund classifications: One of three categories (governmental, proprietary, and fiduciary) used to classify fund types.

Fund financial statements: Basic financial statements presented on the basis of funds, in contrast to government-wide financial statements.

Fund type: One of eleven categories into which all individual funds can be categorized. Governmental fund types include the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds. Proprietary fund types include enterprise funds and internal service funds. Fiduciary fund types include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

General fund: One of five governmental fund types. The general fund typically serves as the chief operating fund of a government. The general fund is used to account for all financial resources not accounted for in some other fund.

Chapter 8: Appendix

DEFINITIONS (Continued)

General obligation bonds: Bonds that finance a variety of public projects such as streets, buildings, and improvements; the repayment of these bonds is usually made from the Debt Service Fund, and these bonds are backed by the full faith and credit of the issuing government.

General obligation alternate revenue bonds: General obligation bonds payable from a pledged alternate revenue with the full faith and credit of the issuing government acting as back-up security.

General revenues: All revenues not reported as program revenues in the government-wide statement of activities.

Goal: A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless; that is, it is not concerned with a specific achievement in a given period.

Governmental activities: Activities generally financed through taxes, intergovernmental revenues, and other nonexchange revenues. These activities are usually reported in governmental funds and internal service funds.

Governmental funds: Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

Government-wide financial statements: Financial statements that incorporate all of a government's governmental and business-type activities. There are two basic government-wide financial statements: the statement of net position and the statement of activities.

Grant: A contribution by one governmental unit to another. The contribution is usually made to aid in the support of a specified function, but it is sometimes also for general purposes.

Home rule community: Under the 1970 Illinois Constitution, home rule shifts greater responsibility for local government decision making from the state level to the local level enabling communities to find local solutions to local problems. Home rule communities may exercise any power and perform any function pertaining to its government and affairs including, but not limited to, the power to regulate for the protection of the public health, safety, morals and welfare, to license, to tax, and to incur debt, unless exempted by the State. Municipalities with a population of more than 25,000 are automatically home rule units, while those with less than 25,000 residents require approval of a referendum in order to achieve Home Rule status.

Impact fees: Fees charged to developers to cover, in whole or in part, the anticipated cost of improvements that will be necessary as a result of development.

Imposed nonexchange revenues: Revenues that result from assessments imposed on nongovernmental entities, including individuals, other than assessments on exchange transactions (for example, property taxes and fines).

Chapter 8: Appendix

DEFINITIONS (Continued)

Improvement: Addition made to, or change made in, a capital asset, other than maintenance, to prolong its life or to increase its efficiency or capacity. The cost of the addition or change normally is added to the book value of the asset.

Income: A term used in proprietary fund type accounting to represent (1) revenues, or (2) the excess of revenues over expenses.

Indirect expenses: Expenses that cannot be specifically associated with a given service, program, or department and thus, cannot be clearly associated with a particular functional category.

Inflow of resources: An acquisition of net position by the government that is applicable to the reporting period.

Infrastructure: Long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams, and lighting systems.

Interfund activity: Activity between funds of the primary government, including blended component units. Interfund activities are divided into two broad categories: reciprocal and nonreciprocal. Reciprocal interfund activity comprises interfund loans and interfund services provided and used. Nonreciprocal interfund activity comprises interfund transfers and interfund reimbursements.

Interfund loans: Amounts provided between funds with a requirement for repayment.

Interfund reimbursements: Repayments by one fund or blended component unit of a primary government to another for expenditures or expenses incurred on its behalf.

Interfund services provided and used: Sales and purchases of goods and services between funds and blended component units of the primary government for a price approximating their external exchange value.

Interfund transfers: Flow of assets (such as cash or goods) between funds without equivalent flow of assets in return and without a requirement for repayment.

Intergovernmental revenue: Funds received from federal, state and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

Internal control framework: Integrated set of policies and procedures designed to assist management to achieve its goals and objectives. To be truly comprehensive, a government's internal control framework must (a) provide a favorable control environment, (b) provide for the continuing assessment of risk, (c) provide for the design, implementation, and maintenance of effective control-related policies and procedures, (d) provide for the effective communication of information, and (e) provide for the ongoing monitoring of the effectiveness of control-related policies and procedures as well as the resolution of potential problems identified by controls.

Chapter 8: Appendix

DEFINITIONS (Continued)

Internal service fund: Proprietary fund type that may be used to report any activity that provides goods or services to other funds, departments, or agencies of the primary government, or to other governments, on a cost-reimbursement basis.

Intrafund transfers: Flow of assets (such as cash or goods) between accounts within the same fund without equivalent flow of assets in return and without a requirement for repayment.

Introductory section: First of three essential components of any comprehensive annual financial report. The introductory section typically provides general information on a government's structure and personnel as well as information useful in assessing the government's economic condition. The key of the introductory section is the letter of transmittal.

Legal debt margin: Excess of the amount of debt legally authorized over the amount of debt outstanding.

Legal level of budgetary control: Level at which a government's management may not reallocate resources without approval from the legislative body.

Levy (verb): To impose taxes, special assessments, or service charges for the support of governmental activities.

Levy (noun): The total amount of taxes, special assessments or service charges imposed by the Village.

Liabilities: Present obligations to sacrifice resources that the government has little or no discretion to avoid.

Line-item budget: Budget typically used by governmental entities in which budgeted financial statement elements are grouped by administrative entities and objects. These budget item groups are usually presented in an incremental fashion that is in comparison to previous period. This form of budgeting allows for good financial.

Long-term debt: Bonded debt and other long-term obligations, such as benefit accruals, due beyond one year.

Major fund: Governmental fund or enterprise fund reported as separate column in the basic fund financial statements and subject to a separate opinion in the independent auditor's report. The general fund is always a major fund. Otherwise, major funds are funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds for the same item. Any other governmental or enterprise fund may be reported as a major fund if the government's officials believe that fund is particularly important to financial statement users.

Measurement focus: Types of balances (and related changes) reported in a given set of financial statements (i.e., economic resources, current financial resources, assets and liabilities resulting from cash transactions).

Chapter 8: Appendix

DEFINITIONS (Continued)

Metra: Commuter rail system serving northeast Illinois.

Modified accrual basis of accounting: Basis of accounting used in conjunction with the current financial resources measurement focus that modifies the accrual basis of accounting in two important ways 1) revenues are not recognized until they are measurable and available, and 2) expenditures are recognized in the period in which governments in general normally liquidate the related liability rather than when the liability is first incurred (if earlier). All governmental funds are accounted for using the modified accrual basis of accounting.

Municipal: Of or pertaining to the Village or its government.

Municipal bonds: Bonds issued by governments to raise funds to typically pay for capital projects or for other purposes it cannot or does not desire to pay for immediately with funds on hand.

Net general obligation debt: General obligation debt reduced by the amount of any accumulated resources restricted to repaying the principal of such debt.

Net investment in capital assets: One of three components of net position that must be reported in both government-wide and proprietary fund financial statements. It consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of borrowing attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets or related debt also should be included. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount should not be included.

Non-exchange transaction: Transaction in which a government either 1) gives value (benefit) to another party without directly receiving equal value in exchange, or 2) receives value (benefit) from another party without directly giving equal value in exchange.

Non-home rule community: Any Illinois community not deemed to be a home rule community.

Nonoperating revenues and expenses: In the context of the proprietary fund operating statement, revenues and expenses not qualifying as operating items (e.g., taxes, grants that are not equivalent to contracts for services, and most interest revenue and expense).

Nonspendable fund balance: The portion of the net position of a governmental fund that cannot be spent either because the underlying resources are not in spendable form or because the government is legally or contractually required to maintain the resources intact.

Non-union employees: Employed individuals who are not represented by collective bargaining units.

Chapter 8: Appendix

DEFINITIONS (Continued)

Object classification: A means of identifying and analyzing the obligations incurred in terms of the nature of the goods or services purchased (e.g., personal services, commodities, contractual services, capital outlays), regardless of the agency involved or purpose of the programs for which they are used.

Objective: A result expressed in specific, well-defined, and measurable terms, that is achievable within a specific time frame.

Operating budget: A financial plan, which presents proposed expenditures for a fiscal year and estimates the revenues to finance them.

Operating revenues and expenses: Cost of goods sold and services provided to customers and the revenue thus generated.

Ordinance: Law enacted by a municipal government, such as a village board. Ordinances govern matters not already covered by state or federal laws such as zoning, safety and building regulations.

Organizational chart: A flow chart showing the chain of command and structure of the organization.

Organizational unit: A responsibility center within a government (e.g., Police).

Original budget: First complete appropriated budget. The original budget may be adjusted by reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes before the beginning of the fiscal year. The original budget should also include actual appropriation amounts automatically carried over from prior years by law. For example, a legal provision may require the automatic rolling forward of appropriations to cover prior-year encumbrances.

Other financing sources: Increases in the net position of a government fund other than revenues. Only items identified as other financing sources in authoritative accounting standards may be classified as such.

Other financing uses: Decreases in the net position of a government fund other than expenditures. Only items identified as other financing uses in authoritative accounting standards may be classified as such.

Outflow of resources: A consumption of net position by the government that is applicable to the reporting period.

Overlapping debt: The outstanding long-term debt instruments of governments that geographically overlap, at least in part, the government preparing the statistical section. That is, debt of another government that at least some of the reporting government's taxpayers will also have to pay in whole or in part. Lower levels of government are not required to treat debt of the state as overlapping debt, even though it technically meets this definition.

Overlapping governments: Other local governments located wholly or in part within the geographic boundaries of the reporting government.

Chapter 8: Appendix

DEFINITIONS (Continued)

Overlapping rate: An amount or percentage applied to a unit of a specific revenue (e.g. property tax) base by other governments that overlap, at least in part, the government preparing the statistical section.

Own-source revenues: Revenues that are generated by a government itself (e.g., tax revenues, water and sewer charges, investment income) rather than provided from some outside source (e.g., intergovernmental aid and shared revenues).

Pension benefits: Retirement income and all benefits other than healthcare (disability benefits, death benefits, life insurance) that are provided through a defined benefit pension plan to plan members and beneficiaries after termination of employment or during retirement.

Pension plan: Arrangement for the provision of pension benefits in which all assets accumulated for the payment of benefits may legally be used to pay benefits (including refunds of member contributions) to any of the plan members or beneficiaries, as defined by the terms of the plan.

Pension trust fund: Fiduciary fund type used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans and defined contribution pension plans.

Per capita: By or for each individual person. Per capita in Montgomery is based on a population of 18,438 residents as provided in the 2010 Census.

Performance measurement: Commonly used term for service efforts and accomplishments reporting.

Personal services: Costs related to compensating Village employees, including salaries, wages and benefits.

Perspective differences: Differences between the basis of budgeting and GAAP that result when the structure used for budgeting differs from the fund structure used for GAAP financial reporting.

Pledged revenues: Funds generated from revenues and obligated to debt service or to meet other obligations specified by the bond contract.

Primary government: Term used in connection with defining the financial reporting entity. A state government or general purpose local government. Also, a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. The primary government is the focus of the financial reporting entity.

Primary users of general-purpose external financial reports: Types of financial statement users whose needs guide the development of GAAP. For state and local governments, the primary users of general-purpose external financial reports are (a) those to whom government is primarily accountable (the citizenry), (b) those who directly represent the citizens (legislative and oversight bodies), and (c) those who lend or who participate in the lending process (investors and creditors).

Chapter 8: Appendix

DEFINITIONS (Continued)

Productivity: A measure of service output compared to resource input invested.

Program: Group activities, operations, or organizational units directed to attaining specific purposes or objectives.

Program revenue: In the context of the government-wide statement of activities, revenues that derive directly from the program itself or from parties outside the reporting government's taxpayers or citizenry, as a whole; they reduce the net cost of the function to be financed from the government's general revenues.

Property tax: A tax imposed by municipalities upon owners of property within their jurisdiction based on the value of such property and a tax rate (so many dollars per \$100 of assessed value of the property).

Property Tax Extension Limitation Act (Tax Cap): The operating tax levy increase cannot exceed the Consumer Price Index increase for the prior calendar year, plus new growth. New growth consists of annexations of property and new building activity.

Proprietary funds: Funds that focus on the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds.

Public-entity risk pool: Cooperative group of governmental entities joining together to finance an exposure, liability, or risk. Risk may include property and liability, workers' compensation, or employee health care. A pool may be a stand-alone entity or included as part of a larger governmental entity that acts as the pool's sponsor.

Refunding: Issuance of new debt whose proceeds are used to repay previously issued debt. The proceeds may be used immediately for this purpose (a current refunding), or they may be placed with an escrow agent and invested until they are used to pay principal and interest on the old debt at some later date (an advance refunding).

Reserve: An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

Resolution: A written motion adopted by a municipal government.

Restricted fund balance: The portion of the net position of a governmental fund that represents resources subject to externally enforceable constraints.

Restricted net position: One of three components of net position that must be reported in both government-wide and proprietary fund financial statements. It consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability or deferred inflow of resources relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability/deferred inflow of resources or if the liability will be liquidated with the restricted assets reported.

Chapter 8: Appendix

DEFINITIONS (Continued)

Revenues: Funds that the government receives as income. It includes such items as tax receipts, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues and interest income.

Revenue source: Revenue classification according to how and where the revenues were raised.

Risk management: An organized attempt to protect a government's assets against accidental loss in the most economical method.

Risk sharing pool: One of four different types of public-entity risk pools. An arrangement by which governments pool risks and funds and share in the cost of losses.

Special assessment: A compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

Special Revenue Fund: Governmental fund type used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects and exclusive of resources held in trust for individuals, private organizations, or other governments.

State shared revenues: Certain derived tax revenues in the State of Illinois that are shared with municipal governments including income, motor fuel, personal property replacement, and use taxes.

Statistical section: Third of three essential components of any comprehensive annual financial report, it 1) provides information on financial trends, 2) provides information on revenue capacity, 3) provides information on debt capacity, 4) provides demographic and economic information, and 5) provides operating information.

Strategic goal: An overall accomplishment the organization should achieve which should act as a motivating force as well as a measure of performance and achievement for those working in an organization.

Strategic planning: An organization's process of defining its strategy, or direction, and making decisions on allocating its resources to pursue this strategy, including its capital and people.

Supplementary information: Financial information presented together with basic financial statements that is not included within the scope of the audit of those statements. When the presentation of certain supplementary information is mandated by GASB it is referred to as required supplementary information.

Surplus: The excess of revenues or income over expenditures or expenses during a single accounting period.

Tap-on fees: Fees charged to join or to extend an existing utility system. These are also referred to as connection fees.

Chapter 8: Appendix

DEFINITIONS (Continued)

Taxes: Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments.

Tax levy: The total amount to be raised by general property taxes for operating and debt service purposes.

Tax rate: The amount of tax levied for each \$100 of assessed valuation.

Transfers in/out: Amounts transferred from one fund to another to assist in financing the services of the recipient fund.

Trust Funds: Funds used to account for assets held by a government in a trustee capacity for individuals, private organizations, other governments and/or other funds.

Unassigned fund balance: The difference between total fund balance in a governmental fund and its nonspendable, restricted, committed, and assigned components.

Unearned revenue: A liability for resources obtained prior to revenue recognition.

Unrestricted fund balance: The difference between total fund balance in a governmental fund and its nonspendable and restricted components.

Unrestricted net position: One of three components of net position that must be reported in both government-wide and proprietary fund financial statements. It is the difference between total net position and its two other components (net investment in capital assets and restricted net position).

Voluntary nonexchange transactions: Transactions that result from legislative or contractual agreements, other than exchanges, entered into willingly by the parties to the agreement (for example, certain grants and private donations).

Note – some definitions in this glossary were taken from the GFOA publication *Governmental Accounting, Auditing and Financing Reporting: Using the GASB 34 Model*, 2005 edition.



Thank you for reading the Village of Montgomery fiscal year 2016 Annual Budget.