

Village of Montgomery, Illinois

Annual Budget
May 1, 2017 – April 30, 2018



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

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

Village of Montgomery, Illinois
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Chapter 1: *Introduction*

MONTGOMERY, ILLINOIS

SETTLED IN 1835



Chapter 1: *Introduction*

VILLAGE OF MONTGOMERY Principal Officials

Village President

Matthew Brolley
(Term expires April 2021)

Village Trustees

Steve Jungermann
(Term Expires April 2021)

Stan Bond
(Term Expires April 2019)

Denny Lee
(Term Expires April 2021)

Pete Heinz
(Term Expires April 2019)

Theresa Sperling
(Term Expires April 2021)

Doug Marecek
(Term Expires April 2019)

Village Clerk

Penny Fitzpatrick
(Term Expires April 2021)

Management Staff

Jeff Zoephel

Village Administrator

Daniel Meyers

Chief of Police

Todd Hoppenstedt

Director of Public Works

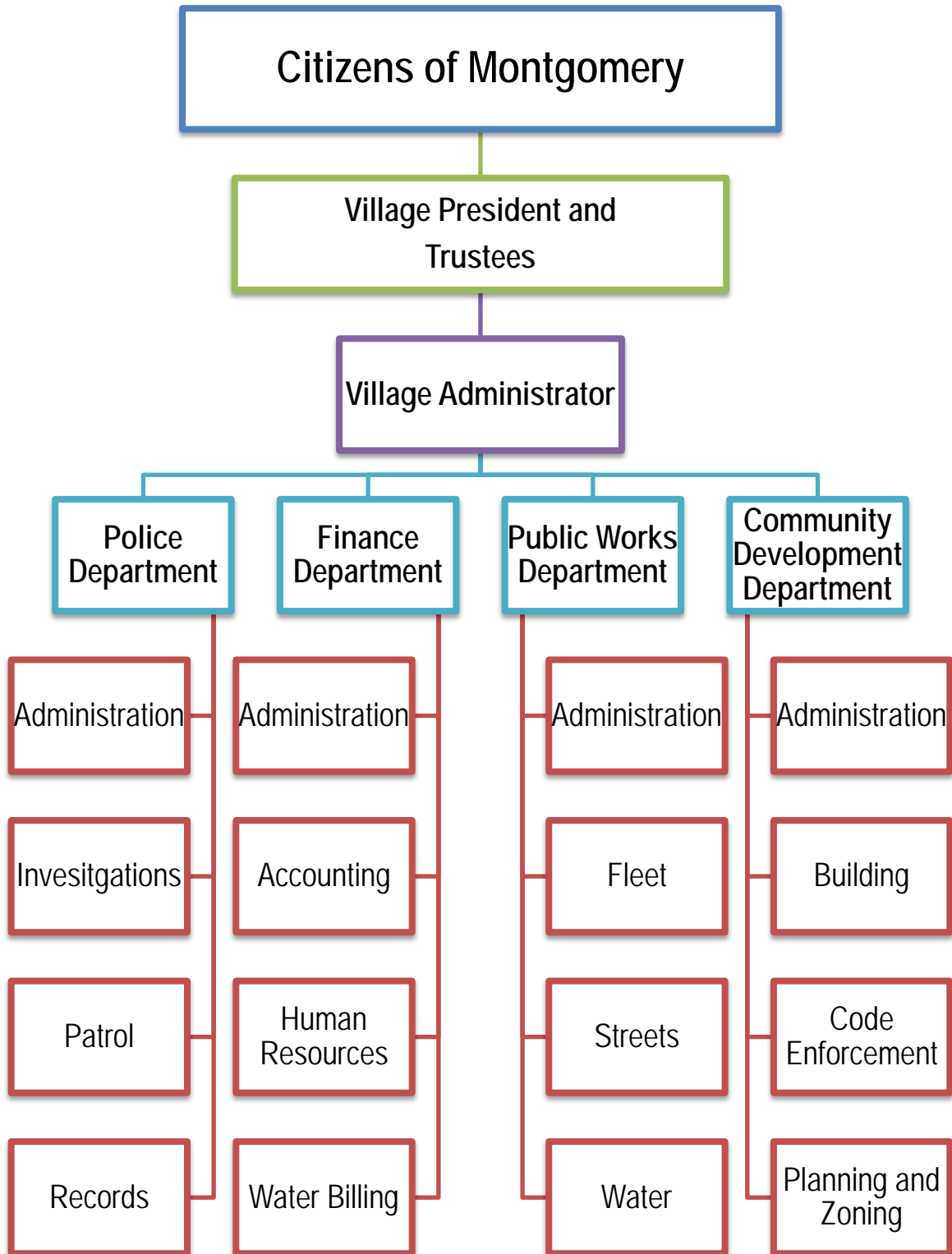
Justin VanVooren

Director of Finance

Richard Young

Director of Community Development

Chapter 1: Introduction



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*



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**Village of Montgomery
Illinois**

For the Fiscal Year Beginning

May 1, 2016

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, 2016**. 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: *Transmittal Letter*



March 27, 2017

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 2018. 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 2018 budget. Topics during these workshops included an analysis of estimated 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 2: *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 (3) major sections; Introduction, Financial, and Appendices.

The Introduction section (Chapters 1 – 6) contains basic information about the Village, this letter, the budget process itself, a brief history of the community, personnel and property tax related information, and selected demographics.

The Financial section (Chapters 7 – 9) 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 Appendix (Chapter 10) includes definitions of terms and acronyms and the classification of sources and uses of funds used throughout the report. This appendix is 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 2: Transmittal Letter

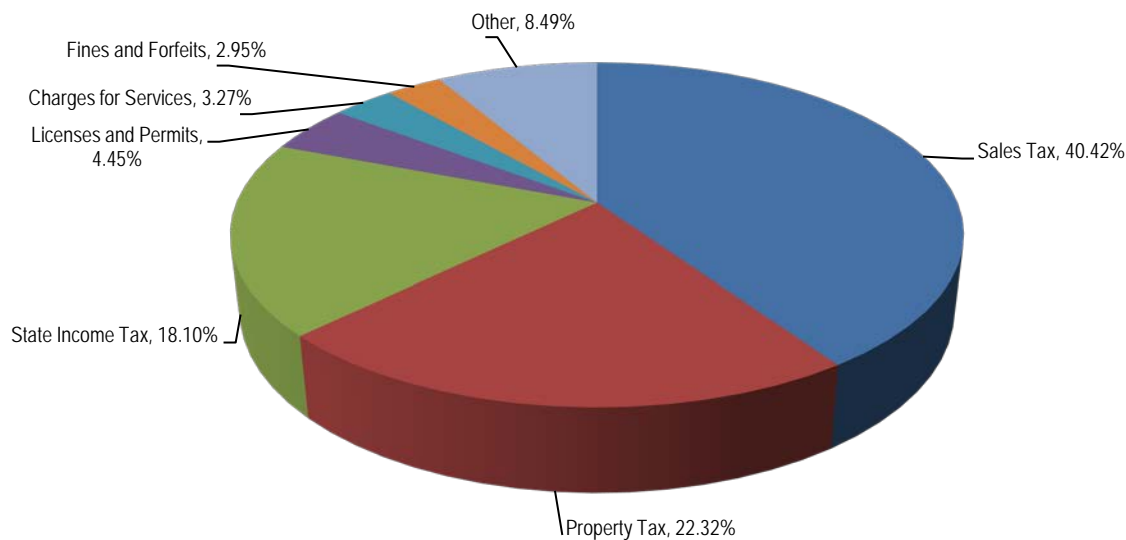
OVERALL FINANCIAL SUMMARY

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 2018 Budget was adopted on March 27, 2017 in compliance with State Statutes. The fiscal year 2018 Budget has total revenues of \$30,773,403 and total expenditures of \$30,776,948.

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 2018 General Fund revenues are \$10,286,597 compared with total expenditures of \$10,270,018. The following graph shows the percentage of revenue received from each source.



Chapter 2: 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 estimated 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, Infrastructure Improvement, Tax Increment Financing (TIF) #1, Tax Increment Financing (TIF) #2, Tax Increment Financing (TIF) #3, 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 2018.

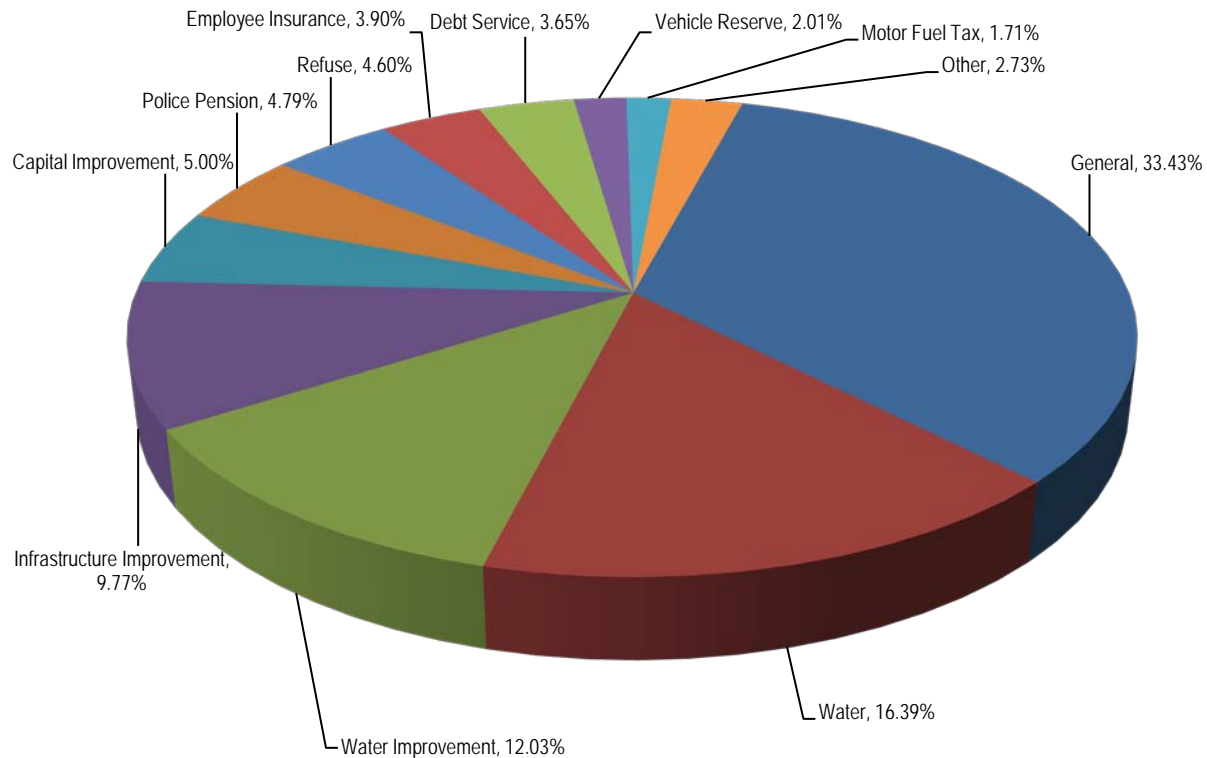
REVENUES - ALL FUNDS						
REVENUES	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
General	\$ 9,939,611	\$ 9,822,920	\$ 9,902,131	\$ 10,286,597	\$ 10,549,697	\$ 10,852,739
Motor Fuel Tax	521,536	527,694	522,076	524,779	524,779	524,779
Community Improvement	14,086	11,445	11,623	10,120	8,630	7,141
Forfeiture and Seizure	21,935	16,150	18,464	16,900	17,650	18,400
E-911	141,736	-	-	-	-	-
Capital Improvement	1,854,958	1,513,330	1,537,954	1,540,064	1,405,244	1,420,619
Lakewood Creek Project	23,564	60,002	81,790	60,002	60,002	60,002
Infrastructure Improvement	2,775,584	3,147,000	2,801,318	3,005,750	3,285,088	3,301,892
TIF #1	40,918	341,800	39,629	40,000	40,000	40,000
TIF #2	51,881	247,000	188,195	396,000	1,996,000	1,996,000
TIF #3	-	-	-	-	-	50,000
Debt Service	1,084,165	1,084,076	1,084,076	1,123,190	1,659,440	1,611,003
Water	4,598,263	4,876,711	4,954,501	5,043,623	5,004,621	5,124,172
Water Improvement	213,029	1,840,990	592,852	3,702,250	1,032,490	945,300
Employee Insurance	967,835	1,103,019	1,103,019	1,201,117	1,375,310	1,575,457
Vehicle Reserve	687,303	612,238	714,462	617,415	617,415	617,415
Refuse	1,299,130	1,350,665	1,333,240	1,416,396	1,485,627	1,558,395
Police Pension	661,300	1,317,815	1,344,985	1,472,950	1,583,090	1,656,449
Police Gifts	600	250	2,800	250	250	250
Special Service Areas	358,491	348,000	369,100	316,000	320,500	335,000
TOTAL REVENUES	\$ 25,255,925	\$ 28,221,105	\$ 26,602,215	\$ 30,773,403	\$ 30,965,833	\$ 31,695,013

Total revenues are \$2,552,298 or 9.04% more than the fiscal year 2017 budget and \$5,517,478 or 21.85% more than the fiscal year 2016 revenues. The change in revenue from the fiscal year 2017 budget can be attributed mainly to the General and Water Improvement Funds.

The increase in the General Fund is due mainly to an increase in sales tax produced by the opening of new stores in fiscal year 2016 and fiscal year 2017. The Water Improvement Fund revenues are scheduled to increase due to the issuance of bonds to pay for the start of the Village's watermain replacement program, replacement of lead service lines, and lift station improvements.

Chapter 2: Transmittal Letter

The following chart shows the Village's total revenues for all funds classified by fund for fiscal year 2018. The General Fund brings in the most revenue at 33.43% followed by the Water Fund at 16.39%, Water Improvement Fund at 12.03%, Infrastructure Improvement Fund at 9.77%, and Capital Improvement Fund at 5.00%.



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 2: Transmittal Letter

EXPENDITURES - ALL FUNDS

EXPENDITURES	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
General	\$ 9,431,922	\$ 9,733,447	\$ 9,812,126	\$ 10,270,018	\$ 10,308,216	\$ 10,641,924
Motor Fuel Tax	609,474	262,250	140,918	1,161,279	195,000	873,000
Community Improvement	1,915	3,000	1,000	156,000	1,000	1,000
Forfeiture and Seizure	28,683	30,550	36,285	3,000	3,000	3,000
E-911	66,340	44,410	70,479	111,015	-	-
Capital Improvement	1,280,718	1,541,069	1,327,663	1,400,987	1,689,947	1,611,003
Lakewood Creek Project	58,308	60,000	66,022	60,000	60,000	60,000
Infrastructure Improvement	1,784,617	2,555,169	2,018,324	2,943,807	3,503,635	3,440,997
TIF #1	4,882	421,850	208,319	61,520	1,540	1,560
TIF #2	43,661	183,000	152,384	360,520	695,540	3,189,921
TIF #3	-	38,000	-	38,000	500	2,000
Debt Service	1,084,165	1,090,165	1,090,165	1,123,190	1,659,440	1,611,003
Water	5,355,088	5,107,077	4,610,476	5,114,881	5,603,948	5,293,196
Water Improvement	307,778	1,840,990	554,428	3,702,250	1,032,490	945,300
Employee Insurance	945,623	1,103,019	1,103,019	1,201,117	1,375,310	1,575,457
Vehicle Reserve	481,610	789,798	922,173	692,115	701,387	187,463
Refuse	1,293,243	1,350,415	1,333,030	1,416,396	1,485,627	1,558,395
Police Pension	517,503	435,166	572,369	653,492	684,440	706,751
Police Gifts	1,625	1,300	630	1,380	1,400	1,400
Special Service Areas	320,058	337,097	324,094	305,981	327,478	306,030
TOTAL EXPENDITURES	\$ 23,617,213	\$ 26,927,772	\$ 24,343,904	\$ 30,776,948	\$ 29,329,898	\$ 32,009,400

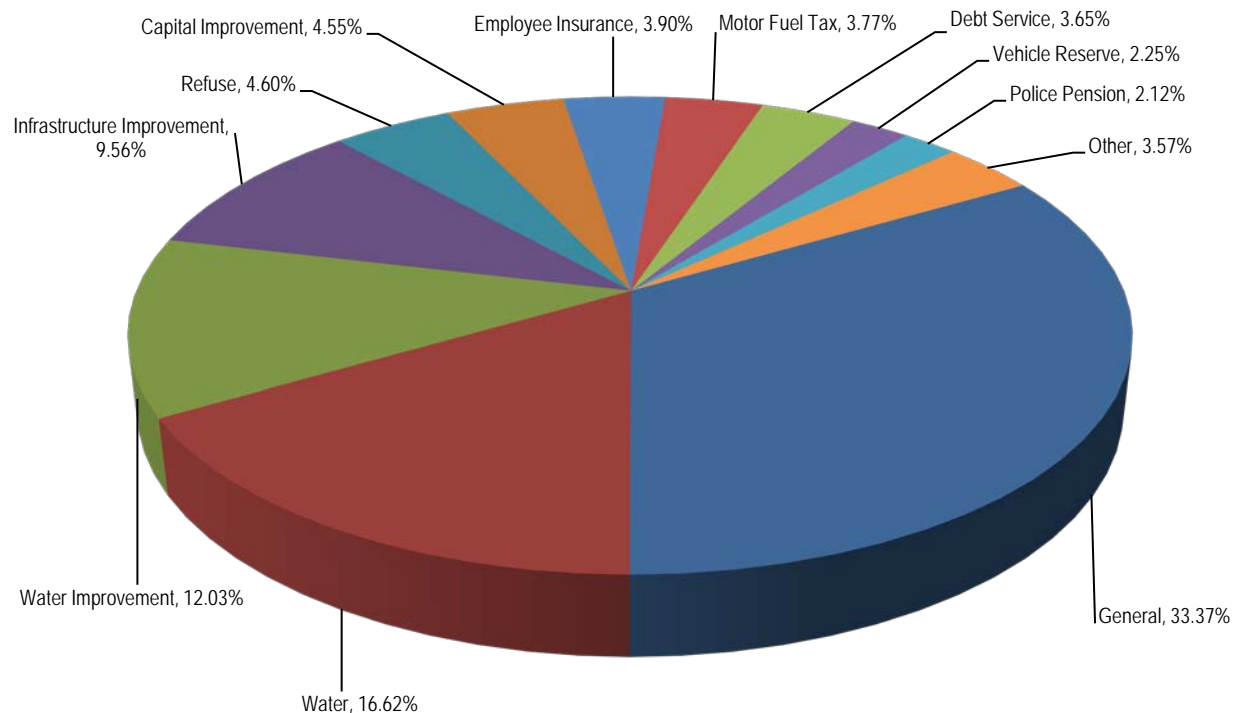
Total expenditures are \$3,849,176 or 14.29% more than the fiscal year 2017 budget and \$7,159,735 or 30.32% more than the fiscal year 2016 expenditures. The change in expenditures from the fiscal year 2017 budget can be attributed mainly to the General, Motor Fuel Tax, Infrastructure Improvement, and Water Improvement Funds.

The increase in the General Fund is due mainly to the addition of two new patrol officers throughout fiscal year 2018 (including health insurance), as well as the employer police pension contributions for the 3 officers added in fiscal year 2017. The increase in the Motor Fuel Tax Fund is due to the Village scheduling higher dollar projects every other year to take advantage of economies of scale. The residents approved a non-home rule sales tax that took effect on July 1, 2015. Fiscal year 2017 was the first full year of revenues, which came in higher than expected. As a result, the Village has been able to expand the number and value of projects undertaken in fiscal year 2018. The Water Improvement Fund expenses are scheduled to increase mainly due to the beginning of the Village's watermain replacement program, replacement of lead service lines, and lift station improvements.

Chapter 2: Transmittal Letter

The Village, as a service driven organization, continues to expend the greatest percentage of its operating budget (second largest overall) on personal services (wages and benefits). For fiscal year 2018, personal services expenditures are expected to total \$7,608,274 or 24.72% of total budgeted expenditures. This is an increase of 7.07% over the fiscal year 2017 budgeted expenditures of \$7,105,817.

The following chart shows the Village's total expenditures for all funds classified by fund for fiscal year 2018. The Village is a service provider and the General Fund is the main operating fund of the Village, accounting for 33.37% of all expenditures. The General Fund is followed by the Water Fund at 16.62%, Water Improvement Fund at 12.03%, and Infrastructure Improvement Fund at 9.56%.



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.

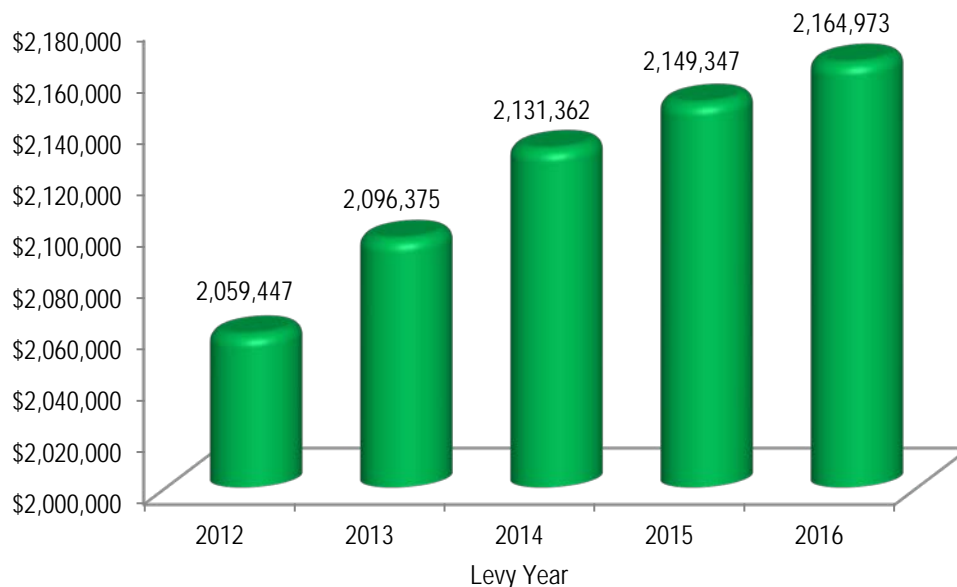
Chapter 2: Transmittal Letter

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 11.77% (for calendar year 2017) of each employee's gross pay. The employer's share is expensed in each operating function, and is estimated to decrease to 11.16% in calendar year 2018.

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 20.49% (for fiscal year 2016 – most recent available) 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 2016 Property Tax Levy for all Village funds, excluding Special Service Areas, is projected at \$2,164,973. This represents an increase of 0.73% from the adopted 2015 extension. The levy has increased due to the new growth in the Village.



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.

Chapter 2: *Transmittal Letter*

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. Between fiscal year 2011 and fiscal year 2015, the Village 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).

Residential development stayed level in 2014 and 2015 at 31 and 28 new single family permits, respectively. Although we saw a drop in new single family homes in 2016, the Village saw interest in new multi-family homes increase. In addition, S.R. Jacobson Companies has proposed a 468 unit upscale apartment complex on the east side of the Village. Lastly, there are 3 developments with buildable single family lots, of which 1 is currently selling homes.

The Village saw commercial and industrial development rebound beginning in 2015, through 2016, and even further into 2017. The Village works with the Montgomery Economic Development Corporation to attract new businesses to the community. We have seen several new businesses build from the ground up over the last year including a 2 unit in-line building (Mattress Firm and AT&T) and Fuller's Car Wash, as well as other new businesses occupying vacant buildings like U-Haul, 9ers Grill, Pig Dog Pub, and Binny's Beverage Depot. As the economy continues the steady recovery, many small business owners are exploring expansion and growth strategies. One great example is the expansion of the White Eagle Auto Body.

Commercial development has helped the Village's sales tax, our single largest revenue source. 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 began collecting non-home rule sales tax on July 1, 2015 on items other than groceries, prescription drugs, over-the-counter medicine, and professional services. Although we budgeted \$150,000 per month, non-home rule sales tax has averaged approximately \$210,000. This new revenue source is being utilized to maintain or build infrastructure throughout the community.

The largest industrial project by far was the announcement by American Crystal and United Sugars Corporation (USC) of the ground breaking on a new bulk sugar storage and transfer facility. The 20-acre facility consists of a 26,000 square-foot bulk storage dome, a 17,000 square foot transfer facility and 5,500 feet of rail track space. The dome itself will stand 134 feet high and 183 feet wide. There is also room for a second dome. The dome holds over 60,000 metric tons or 1.3 million hundredweights of sugar and enables the transfer of nearly twice that amount to many of the largest sugar users in the U.S. The facility is not attached to a producing sugar factory, making it the largest freestanding sugar storage facility of its kind in the country. United Sugars' Montgomery facility will be the largest single sugar storage asset in the U.S. and began operations in late 2016.

Chapter 2: *Transmittal Letter*

In addition, Nexeo Solutions and Old Dominion Freight Line have also built industrial buildings in the Village within the last year. Nexeo Solutions, the largest global chemical and plastics distributor, completed a \$12 million, 158,000 square-foot warehouse and plastics distribution facility in early 2017. Old Dominion Freight Line, an industry-leading domestic and global shipper, began construction in November 2016 of a \$13 million, 52,000 square-foot freight depot that will be completed in June 2017.

The new development and additional revenues have allowed Montgomery to examine employee levels and determine where staff should be added. The fiscal year 2018 budget includes an additional 2.00 full-time equivalent employees. Non-represented employees are only given an increase in November based solely on a pay for performance plan. The Village has a contract with Public Works Local 150 which expires April 30, 2018 and includes a pay for performance plan ranging from 0.00% to 3.00% increases. The Village successfully negotiated and approved a new contract with the Metropolitan Alliance of Police Patrol union which expires April 30, 2020 and cost of living increases ranging from 2.00% to 2.25% and pay for performance increases ranging from 4.00% to 6.00%.

The development above has helped the Village to maintain a solid financial position. However, the local economy and the Village's financial position may be effected by state, national, and international decisions and events.

Caterpillar is one of the largest employers in the area and bordered on 2 sides by the Village. Caterpillar announced on March 31 that 800 manufacturing jobs would be moved to Decatur, Illinois and Little Rock, Arkansas. Although it is not within the corporate limits of the Village, there are residents who work at the facility that will be affected. Accordingly, we have been proactive and had several meetings with Caterpillar to discuss job training for employees with the local community college, annexation, and working together to redevelop the property.

The State of Illinois budget impasse is causing funding problems for its own state-wide services, and is a major concern to the Village. According to the Illinois Municipal League (IML), the State is currently spending at a rate of nearly \$38 billion per year, while only bringing in about \$33 billion per year. This unsustainable situation is affecting the State's cash flow position and will likely result in delays of payments to local governments. New bills are constantly being introduced in the legislature including, but not limited to, reduction of state shared revenues, property tax freezes, debt issuance only by passage of referendum, and pension reform. Any one of these bills individually would have a significant impact if approved and signed into law. Perhaps the largest concern is the reduction of distributions to local governments of state shared revenues to balance the State's budget. Any reduction in the distribution of these state shared revenues would have a serious consequence to current Village operations and subsequent year's operations. Without these shared revenues, the Village would have to implement or raise local taxes and fees, increase the property tax levy, and/or reduce expenditures. Finally, a reduction in state shared revenue combined with a property tax freeze would severely restrict the ability to raise additional revenue to support operations.

The United States (US) economy continues to see slow and steady growth at around 2% per year, similar to what we have seen over the last 8 years since the Great Recession. The unemployment rate dropped to 4.4% in April 2017, its lowest level since May 2007. Many economists say the US is now at or near full employment, meaning the unemployment rate won't go down significantly more. US underemployment, which includes Americans in part-time jobs and those at different lengths of unemployment, hit its lowest mark of

Chapter 2: *Transmittal Letter*

8.6% in a decade as well. Due to the strengthening economy, the Federal Reserve raised the target range for the federal funds rate in December 2015, December 2016, and March 2017 to the current level of 0.75 – 1.00%. This may result in additional investment income to the Village, although at the same time it may make borrowing more expensive (if necessary).

Internationally, there continue to be concerns over terrorism, political unrest, and a global economic slowdown.

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 2017. This was the fifth 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 sixth 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, 2016. This was the fourteenth 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.

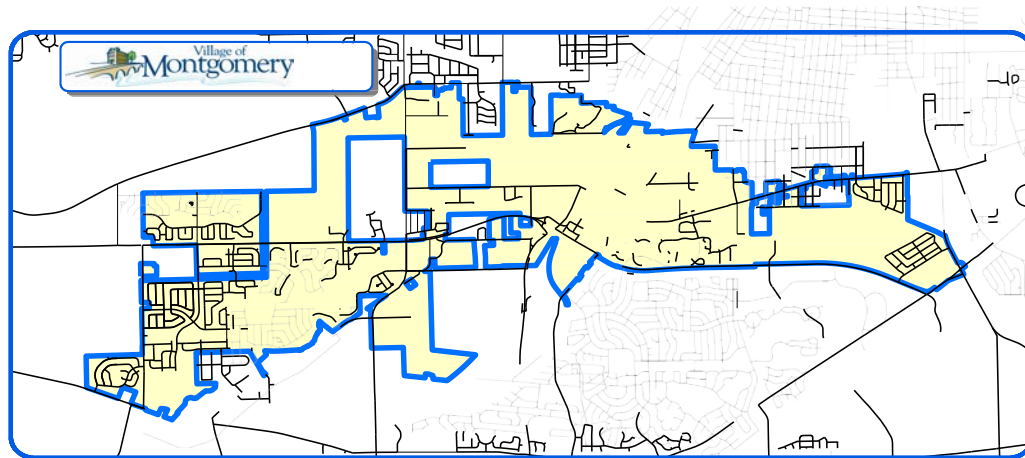
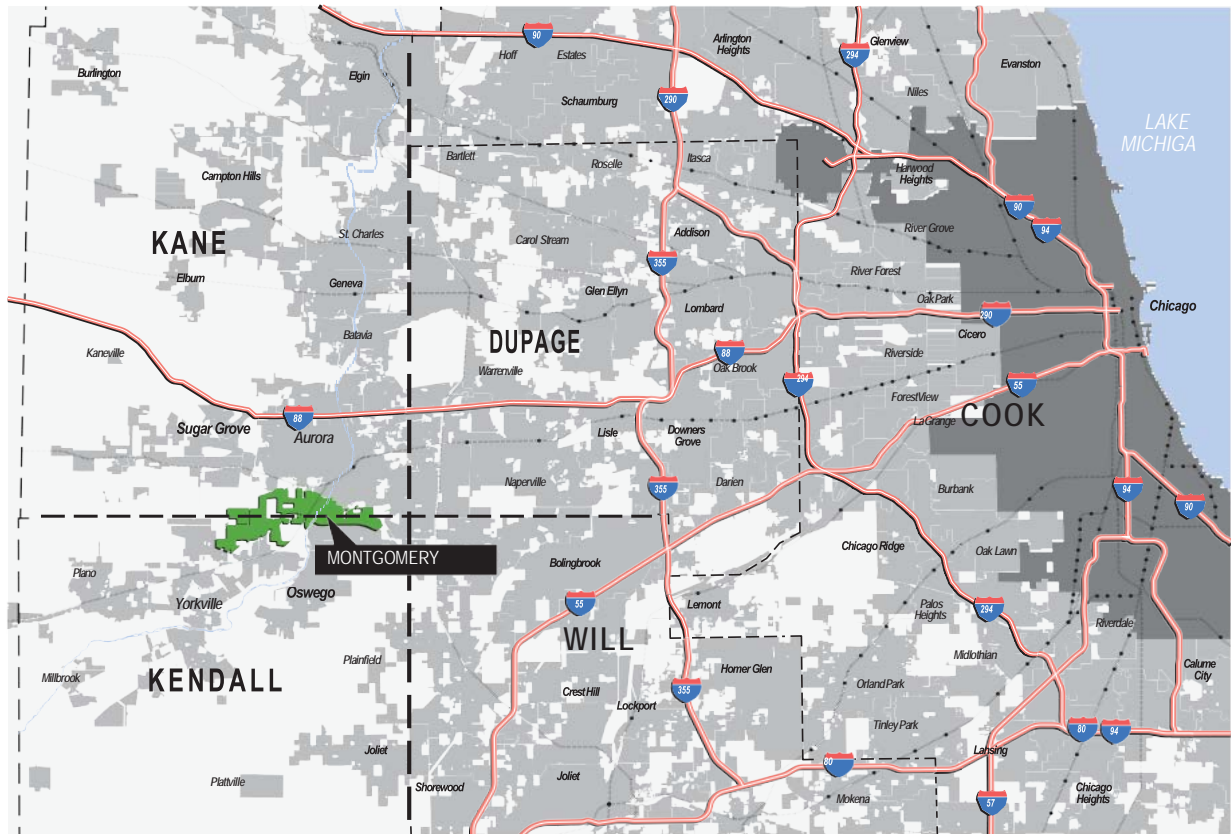
The preparation of this report would not have been possible without the efficient and dedicated services of the Village Administrator and staff of the Finance Department. I would also like to express my appreciation to each department and their staff who assisted and contributed to the preparation of this report. Lastly, 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 3: 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 3: *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, former Village Clerk Tiffany Francis, Village Trustee Pete Heinz; back row – Village Trustee Steve Jungermann, Village Trustee Doug Marecek, and Village Trustee Stan Bond. Village Clerk Penny Fitzpatrick was appointed to complete Ms. Francis term and was elected in April 2017 to serve through April 2021.

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 3: Village Profile

GOVERNANCE (Continued)

63 full-time employees and 11 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 Administration 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, and information technology functions. The Administration Department centers on human resources, 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 3: Village Profile

COMMUNITY INVOLVEMENT

Village of Montgomery residents are served by a number of other governmental entities. The Village of Montgomery is part of 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 named 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 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 3: 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 three 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, as well as 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.



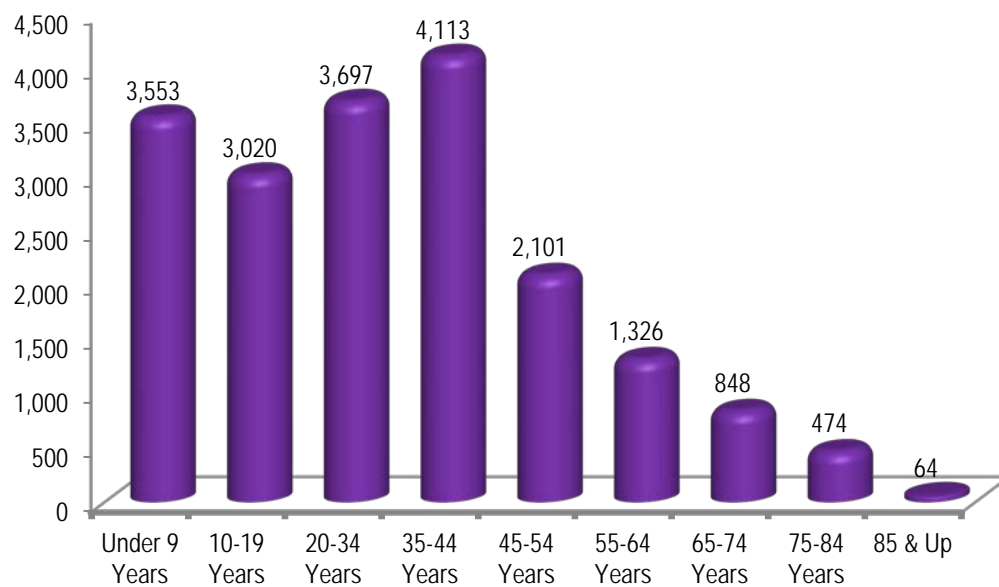
Chapter 3: Village Profile

DEMOGRAPHICS

General

Population	19,196
Median household income	79,085
% Below poverty level	5.20%
Crime rate per 100,000	1,460.0
Crime index	145.0
Median age (years)	33.0
Male population	51.00%
Female population	49.00%

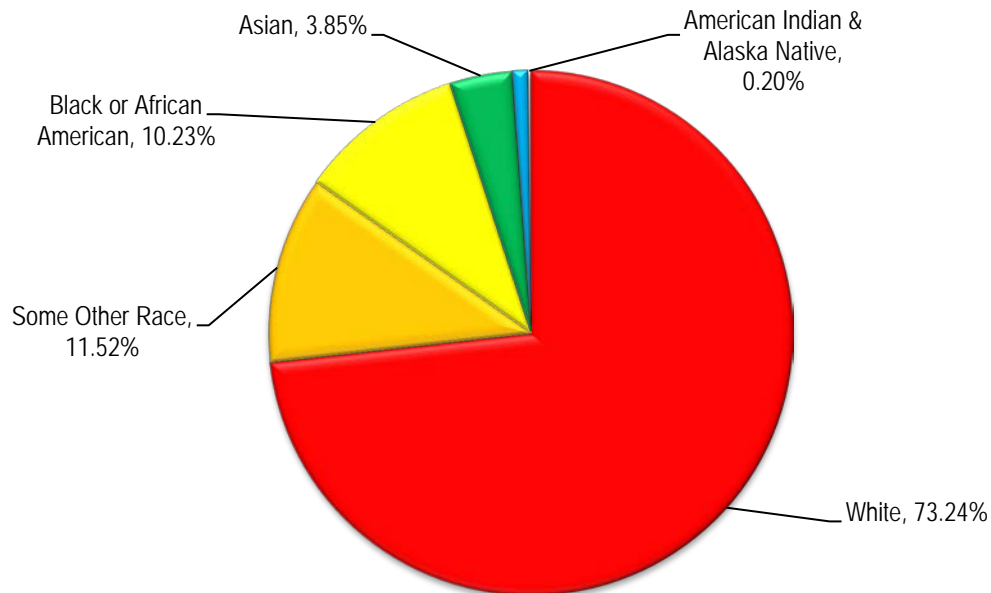
Age



Chapter 3: Village Profile

DEMOGRAPHICS (Continued)

Race



Education

High school graduate or higher	88.9%
Bachelor's degree or higher	28.7%

Housing

Housing units	6,669
Homeownership rate	79.8%
Median home value	\$185,800

Chapter 3: Village Profile

DEMOGRAPHICS (Continued)

Principal Property Tax Payers

Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
United Facilities	\$ 10,619,028	1	2.88%
Wal-Mart Stores, Inc.	4,353,035	2	1.18%
Menards, Inc.	3,187,856	3	0.87%
Allsteel 900 Knell LLC	2,830,834	4	0.77%
Fox River Foods, Inc.	2,784,814	5	0.76%
Stag Montgomery, LLC	2,709,745	6	0.74%
IP Eat Five	2,597,593	7	0.71%
JC Penny Properties, Inc.	2,188,961	8	0.59%
Monmouth Capital Corp.	1,933,140	9	0.53%
Rochester Property, LLC	1,831,799	10	0.50%
	<u>\$ 35,036,805</u>		<u>9.53%</u>
2015 EAV	<u>\$ 268,205,911</u>		

Principal Employers

Employer	Employees	Rank	Percentage of Total Village Employment
Caterpillar, Inc.	2,000	1	10.85%
Butterball	660	2	3.58%
Eby-Brown Co., LLC	400	3	2.17%
Performanace Food Service	379	4	2.06%
VVF Illinois Services	357	5	1.94%
Wal-Mart	286	6	1.55%
Aurora Bearing Co.	246	7	1.33%
ComEd	200	8	1.08%
Hormann, LLC	200	9	1.08%
Sam's Club	170	10	0.92%
	<u>4,898</u>		<u>26.56%</u>

Chapter 4: *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 March, the development, implementation, monitoring and review of the Village's budget is part of a comprehensive process that occurs throughout the entire year.

Phase 1: Preparation

Staff begins preparing the next year's budget nearly nine (9) months prior to adoption of the budget. In September, the Finance Department begins the process of moving the prior year budget numbers to the correct column (in Excel) so Departments can update as necessary. A budget form for each line item is required and additional details should be added to the budget forms where possible. This process ends with the budget/CIP kickoff meeting in early November.

Chapter 4: *Budget Process and Organization*

BUDGET PROCESS (Continued)

All Departments are required to attend the kickoff meeting and receive a Department Budget Preparation Manual (Manual). The Manual includes the purpose and legal basis for the budget, as well as the budget calendar and instructions to complete the budget form noted above. In addition, separate forms are provided for new personnel (PRF), program (BRF), and capital (CRF) requests. Each Department then utilizes November and December to update the line item forms which include the following:

- Fiscal year 2017 budget – as approved by the Village Board
- Fiscal year 2017 YTD – print out or review the activity and determine if something has been categorized incorrectly
- Fiscal year 2017 projections – estimate of what will be spent (or received for revenue) by the end of April
- Fiscal year 2018, 2019, and 2020 budgets – start with prior year budget

Each operating department is responsible for submitting its own budget requests following the detailed instructions in the Manual. Any new personnel or vehicle requests are submitted to the Finance Department in mid-December, while the budget forms, program requests, and capital requests are submitted to the Finance Department in January.

Phase 2: Integration

The Director of Finance prepares revenue estimates in January 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 Director of Finance consolidates all the information gathered from departments in order to analyze budget requests as a whole. Additional information is collected and any minor adjustments are made by the Director of Finance. The product is the budget as requested by all departments to the Village Administrator.

The Village Administrator and Director of Finance review each department's requests and make any necessary recommendations to achieve a balanced budget. The Village Administrator and Director of Finance then meet with the director of each department individually in late January or early February to discuss each respective budget request and any recommendations. The Village Administrator reviews the entire budget, ensures that it is 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 starting in February. 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 may drawdown cash reserves or fund balance with a plan to return the reserves to a desired level.

Chapter 4: *Budget Process and Organization*

BUDGET PROCESS (Continued)

Phase 3: Adoption

The Village Board and staff conduct a series of meetings beginning in February and ending in March. The first meeting is held to review the General Fund budget as proposed, along with any new personnel or programs. The second meeting is held to review any governmental capital requests, while a third meeting is held to discuss the Water Fund, proprietary capital requests, and any other items not previously covered. A public hearing is held in March in order to allow for input on the process by residents of the community and to meet the Village's statutory obligations. Notices to participate in public meetings are provided in the local newspaper and on the Village's website. The Village Administrator, Director of Finance, 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 Director of Finance revises the proposed budget as directed by the Village Board and the Director of Finance submits it to the Village Board for formal approval in late March. 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 2018.

Chapter 4: *Budget Process and Organization*

BUDGET CALENDAR (Bold Items Involve the Village Board)

11/9/2016	Budget/CIP kickoff meeting
11/14/2016	Announce and review tax levy (Village Board Meeting)
11/28/2016	Public hearing on tax levy (Village Board Meeting)
12/12/2016	Approval of tax levy (Village Board Meeting)
11/9/2016 – 1/6/2017	Departments prepare budget and CIP requests
12/16/2016	Personnel requests submitted to Director of Finance
12/16/2016	Vehicle requests submitted to Director of Finance
1/6/2017	Budget requests submitted to Director of Finance
1/6/2017	Revenue projections submitted to Director of Finance
1/6/2017	CIP requests submitted to Director of Finance
1/6/2017 – 1/23/2017	Review of budget and CIP requests by Director of Finance
1/23/2017	Budget and CIP Report submitted to Village Administrator
1/30/2017 – 2/3/2017	Village Administrator and Director of Finance meet with departments to discuss budget/CIP requests
2/21/2017	Review General Fund budget (Committee of the Whole Meeting)
2/27/2017	Review Capital Improvement Fund budget/CIP (Village Board Meeting)
3/1/2017	Notice of public hearing published and budget/CIP put on display for citizen review
3/13/2017	Public hearing conducted and first reading of budget/CIP ordinance (Village Board Meeting)
3/13/2017	Review Water and Other Fund budgets/CIP (Village Board Meeting)
3/21/2017	Review complete budget/CIP if necessary (Committee of the Whole Meeting)
3/27/2017	Second reading of budget/CIP ordinance and approval of budget/CIP (Village Board Meeting)

Chapter 4: *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:

- **FY2016 Actual** – This column refers to the actual expenditures from the most recently completed fiscal year: FY2016 (May 1, 2015 through April 30, 2016). The source of this information is the Village's Comprehensive Annual Financial Report and financial software system.

Chapter 4: Budget Process and Organization

ORGANIZATION OF FINANCIAL PRESENTATION (Continued)

- FY2017 Budget – This column refers to the amount approved by the Village Board for the current fiscal year.
- FY2017 Estimated – 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.
- FY2018 Approved – This column refers to the amount approved by the Village Board for the upcoming fiscal year.
- FY2018 and FY2019 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 52 through 58 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 or 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.

Fund category	Fund type	Measurement focus		Basis of accounting	
		Economic resources	Current financial resources	Accrual	Modified accrual
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	
	Pension (and other employee benefit)				
Fiduciary funds	trust fund	X		X	
	Investment trust fund	X		X	
	Private-purpose trust fund	X		X	
	Agency fund	Not applicable		X	

Chapter 4: *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 4: *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 excluding infrastructure (not being financed by proprietary funds). Activities are financed by utility taxes and developer contributions.

The Infrastructure Improvement Fund accounts for the acquisition, construction and improvement of major governmental infrastructure assets (not being financed by proprietary funds). Activities are financed by non-home rule sales tax.

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)
- Community Improvement Fund (Special Revenue)
- Forfeiture & Seizure Fund (Special Revenue)
- Emergency 911 Fund (Special Revenue)
- Lakewood Creek Special Assessment Project Fund (Capital Projects)
- Montgomery Preserve TIF #1 Fund (Special Revenue)
- Aucutt Road TIF #2 Fund (Special Revenue)
- TIF #3 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 4: 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
Infrastructure Improvement					X
Debt service			X		
Water			X		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 5: *Mission, Vision, and Long-Term Planning*

MISSION STATEMENT:

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

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.

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.

OBJECTIVES:

Consistent with the Village's mission statement are operational objectives that provide direction for the Village policies and procedures as set by the Village President and Board of Trustees. These objectives 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 objectives 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 5: *Mission, Vision, and Long-Term Planning*

LONG-TERM PLANNING

Alan Lakein is a well-known author on personal time management who stated, "Planning is bringing the future into the present so that you can do something about it now." Proper plans that are formulated ahead of time help leaders and organizations to execute projects, reach their goals, and fulfill their vision. In planning ahead, the Village has been able to assess risks, transform risks to opportunities, become proactive in our response, and improve performance. By improving the Village's performance through good planning and preparation, staff will be clearer about what to do next. The sections below illustrate long-term planning efforts and the impact each has on the budget.

Operating Budget Forecast

The Operating Budget Forecast is a 3 year operating plan to facilitate financial planning. Finance staff work together with each Department during all three stages of the budget process, as shown on pages 30 through 32, to determine key forecast assumptions to project major revenue sources and expenditures. This forecast impacts the budget by providing for stability, planning, and direction for future resource allocation and decision making.

Capital Improvement Program

The Village is required to maintain a 5 year Capital Improvement Program (CIP) in accordance with its fiscal policies. The CIP may include land, land improvements, buildings, building improvements, machinery and equipment, vehicles, and infrastructure including, but not limited to roads, sanitary sewer system, waterworks system, stormwater system. This program is used to identify and prioritize future capital needs and possible funding sources, impacting the budget by including the first three years in the Operating Budget Forecast noted above. The fiscal year 2018 through fiscal year 2022 CIP is shown on page 67.

Pavement Management Report

The purpose of the Pavement Management Report is to create a tool to aid the Village in developing a 5 year plan to maintain or improve roadways in the community. An annual update is provided to the Village Board for approval. The report results in a systematic approach to roadway maintenance that will impact the budget by identifying the annual costs that should be expended to meet the desired goal. This report provides for infrastructure needs that integrate with the Capital Improvement Program noted above.

Computer Equipment Replacement

The Finance Department worked with our IT consultant to establish a Computer Equipment Replacement schedule during fiscal year 2017. Computer equipment is often below the capitalization threshold, but usually includes information sensitive in nature. This 5 year plan impacts the budget by allowing for annual replacement at an established base level. Replacement decisions are determined based on software technology, economic issues, maintenance costs, and potential downtime.

Chapter 5: Mission, Vision, and Long-Term Planning

LONG-TERM PLANNING (Continued)

Strategic Plan

The Village recognizes the importance to develop and manage programs, services, and their related resources as efficiently and effectively as possible. Accordingly, the Board approved the Strategic Plan to establish the direction of the Village. Senior Management have identified specific goals and initiatives to accomplish the key outcome indicators (KOI), the 5 main strategic priorities, and ultimately the Strategic Plan as a whole. This 4 year plan allows for the reallocation of resources to annual Departmental goals and initiatives that will be identified in Chapter 9 by listing the strategic priority in the color matching the KOI, Goal, and Initiatives.

To better understand the Village's plan, it is necessary to provide a short explanation of each main heading. The Strategic Priorities are the issues the Village feels are most important for the community. The Key Outcome Indicators (KOI) are ongoing objectives used to maintain focus on the desired results for each Priority. Goals are long-term and broad in nature and provide concepts to help move the Village toward accomplishment of each KOI. Last are short-term, specific initiatives that will help the Village achieve the desired Goals. The format developed below allows staff to show the results of our work thus far.

Strategic Priority	Key Outcome Indicator (KOI)	Goal	Initiatives	Results
Downtown	Mixed Use Development	Identify developers	Explore TIF #4 (Avaya)	
			Explore TIF #5 (downtown)	
			Investigate business district	
		Identify funding		
		Identify sites		
	Fox River	Dam modification	Identify funding source	
			Engage IDNR	
			Work with park districts	
		Improve access	River clean up	
			Vegetation control	
			Boat/kayak launch	
		Promote and increase Use	Whitewater feature	
	Attractions	Dining	Identify specific businesses	South Moon BBQ (2016)
			Zipline	Montgomery in Motion (2016)
			Library agreement	
		Entertainment	Internet café	
			Running	
			Bicycling	
		Services	Theatre	
			Montgomery in Motion	
			Cruise Night	
	Transportation	Metra station	Work with City of Aurora	Meeting with Metra (2015)
			Work with Metra	Meeting with Metra (2016)
			Work with Pace	
		Bicycling	Investigate use of Diwy	
			Work with other public entities	
		Park and Ride		

Chapter 5: Mission, Vision, and Long-Term Planning

LONG-TERM PLANNING (Continued)

Strategic Plan (Continued)

Strategic Priority	Key Outcome Indicator (KOI)	Goal	Initiatives	Results
Development	Industrial	150,000 square feet	Marketing plan	Michels (2015)
			Partnership with SBDC	Heinz (2015)
			Partnership with EDC	American Crystal (2016)
		Desirable jobs	Supply chain integration	Lakin (2016)
			Partnership with Waubensee	Nexeo (2017)
			Incentive policy	Old Dominion (2017)
	Commercial	80,000 square feet		
		Service provider diversity	Incentive policy	Speedway (2015)
			Marketing plan/corridor planning	Chiquita (2015)
			Explore TIF #3	U-Haul (2016)
			Use of sales tax rebates	9ers (2016)
			Use of revolving loan fund	Mattress Firm/AT&T (2016)
			Sit down restaurants	Pig Dog Pub (2016)
			Attract niche markets	Binny's Beverage Depot (2016)
			Business friendly	Fullers Car Wash (2017)
			Service provider diversity	Ricky Rockets (2018)
	Residential	120 new platted sites	Competitive fees structure	
			Land use up-to-date	
			Efficient process	
		200 infill lots		
		50 new home permits per year		

Strategic Priority	Key Outcome Indicator (KOI)	Goal	Initiatives	Results
Image	Public Safety	Enhance public perception	Staff training plan	
			Emergency Operations Plan	
			Citizens Police Academy	
		Succession	Community involvement	
			- Schools and neighborhoods	
			Regular communication	
	Community Interaction	Planning	Continuity of Operations Plan	
		Civic Engagement	Regular communication	Montgomery Fest (2015)
			Montgomery in Motion (brand)	River Run (2015)
			Fox Valley Park District launch	Sunday in the Park (2016)
		Marketing plan	Paddleboards	Montgomery in Motion logo (2016)
			Village events	Trunk or Treat (2016)
			- Regalia/Venetian night	McDole ice control event (2016)
			- Airboat race/kid's sailboat race	
	Community Perception	Residents	- Monthly cruise night	
			- West side event	
			Mission statement review	New Snow Plan (2015)
		Businesses	Vision statement review	
			Annual Village HOA meeting	
			Community wide survey	
		Outside Entities	Customer service training	
			Business meetings - existing	
			Signage - gateway and wayfinding	
			Infrastructure quality	
			Water quality	

Chapter 5: Mission, Vision, and Long-Term Planning

LONG-TERM PLANNING (Continued)

Strategic Plan (Continued)

Strategic Priority	Key Outcome Indicator (KOI)	Goal	Initiatives	Results
Financial Stability	Budget	Forecasting	Long-term financial plan	3 year financial plan (2015)
			Long-term staffing plan	Line item detail (2015)
			Budget to actual disclosure	NHR sales tax (2015)
		Local revenues		
		Transparency		
	Debt Management	Bond rating of AA+	Meet pension funding requirements	Full amount to IMRF and PP (2015)
			- IMRF/Police Pension	Timely continuing disclosure (2015)
			Opportunity for refunding	
		Debt issuance	Financial policy review	
			Continuing disclosure	
	Policies	Financial	Annual policy review	CIP (2015)
			Village wide purchasing policy	
			Annual Capital Improvement Program	
		Capital	Expand fund reserve policy	
			Investment program review	
			Internal control review	
		Cash management		

Strategic Priority	Key Outcome Indicator (KOI)	Goal	Initiatives	Results
Capital Investment	Technology	Hardware and software	Explore village-wide software	Replacement schedule (2015)
			Board room audio/visual	Financial software update (2016)
			Fiber optic/wifi	Police software update (2016)
		Building systems		New phone system (2016)
				New door system (2016)
	Infrastructure	Maintenance of existing	Cross-reference program plans	Road Maintenance Program (2015)
			Annual update to programs	Sidewalk and Path Program (2016)
			Water Rate Study	Waterworks Master Plan (2017)
		Future improvements	Identify funding opportunities	Water Rate Study (2018)
			- Grants, loans, and bonds	
			Street light program	
		Capital needs	Mapping	
			Forestry program	
			Sub-regional water supply	
			Match equipment with needs	Shared equipment resolution (2016)
	Fleet	Efficiency	Preventive maintenance	Part-time mechanic (2016)
			Investigate alternate fuels	Revised Fleet Replacement (2016)
			Evaluate share services	Reserve fully funded (2017)
		Maintain reliability	- Mechanic and fueling	
	Building	Maintenance of existing	Identify funding sources	Public Works space planning (2016)
			Identify major systems	Improved internal use of space (2016)
			- HVAC, electric, and water	Public Works security cameras (2017)
		Public Works update		

Chapter 5: *Mission, Vision, and Long-Term Planning*

LONG-TERM PLANNING (Continued)

Vehicle and Equipment Replacement

Per Village policy, each department shall contribute for Vehicle and Equipment Replacement on an annual basis in order to maintain a “pay-as-you-go” basis. This 10 year plan impacts the budget by allowing for funding of replacements annually at an established base level. The Public Works Department work together with other departments to determine the useful life and condition of certain vehicles and equipment. This ensures that the condition of the fleet is at an optimum level, reducing fleet maintenance and service costs.

Comprehensive Plan

The Go Montgomery 2035 Comprehensive Plan is a 20 year plan meant to inform and share decisions about land use and development, transportation and mobility, parks and open space, community facilities and infrastructure, and hazard mitigation and sustainability. The plan recognizes changes in economic climate, represents the Village’s vision for the future, and serves as the official policy and guide for improvement and development throughout the community. The Community Development Department follows the goals and vision set forth to review development proposals to ensure they meet the guidelines set forth in the plan. It is used to identify development that works for specific areas through appropriate design, functionality, and uses, as well as to guide policy that leads to economic development opportunities.

Marketing

The Comprehensive Plan identified a lack of community identity. Some think that the Village’s ambiguous identity is linked to the Village’s multiple taxing districts, particularly its five school districts. Although invisible, these district boundaries inadvertently create separate communities. Others find the identity of Montgomery can be explained through the Village’s market makeup. Montgomery used to be acclaimed as “The Village of Industry,” but recent loss of industry and additional residential and commercial development may no longer make this an accurate definition of the Village. Residents noted that creating a stronger core and central gathering place could be the answer to strengthening the Village’s identity.

We started a marketing campaign in fiscal year 2017 for the community called “Montgomery in Motion”. This campaign is intended to represent the many areas the Village is in motion, including:

- Water in the Fox River;
- Walking, running, or biking opportunities throughout the Village and it’s neighborhoods;
- Development providing additional services and jobs; and
- Concepts to continue to move the Village forward.

The Village requested designs from the Oswego High School Graphic Communications class depicting their interpretation of Montgomery in Motion. We feel the winning design, shown on the following page, is a starting point to bring the community together.

Chapter 5: Mission, Vision, and Long-Term Planning

LONG-TERM PLANNING (Continued)

Marketing (Continued)



The Village budgeted for and has identified a marketing professional to help develop this idea and others during fiscal year 2018. We feel the development of a consistent message will serve the Village and our residents well into the future.

Chapter 5: *Mission, Vision, and Long-Term Planning*

LONG-TERM PLANNING (Continued)

Waterworks System Master Plan

The Waterworks System Master Plan was undertaken by the Village of Montgomery to help identify a long-term sustainable water source for the community and was completed in fiscal year 2017. The Village Engineer worked with the Village and 2 other local communities (Oswego and Yorkville) to determine the best solution for future water needs of each community, as well as a sub-regional solution for all 3 together. The plan allows for each community to budget for current costs, starting in fiscal year 2018, needed to test each source of water. This 30 year plan will factor into the budget discussion each year including, but not limited to, the governance of a sub-regional solution (if applicable), land purchase, and ultimately the design and construction of a new or expanded Waterworks System plant.

Chapter 6: *Fiscal Policies*

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. The following policies were formally adopted by the Village Board in September 2015.

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 accurate 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.

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 included in the Strategic Plan and 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.

Chapter 6: *Fiscal Policies*

FISCAL POLICIES (Continued)

Budget Policies (Continued)

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 monthly 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.

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.

Chapter 6: *Fiscal Policies*

FISCAL POLICIES (Continued)

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 will 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.
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.

Chapter 6: *Fiscal Policies*

FISCAL POLICIES (Continued)

Expenditure Policies (Continued)

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.
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.

Chapter 6: *Fiscal Policies*

FISCAL POLICIES (Continued)

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.
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.

Chapter 6: *Fiscal Policies*

FISCAL POLICIES (Continued)

Debt Administration Policies (Continued)

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.

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 normal maintenance and repairs that do not increase the capacity or efficiency of the item or 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.

Chapter 6: Fiscal Policies

FISCAL POLICIES (Continued)

Capital Asset Policies

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 7: Executive Summary

ALL FUNDS SUMMARY

The following table represents the fiscal year 2016 audited actual, fiscal year 2017 estimated, and fiscal year 2018 budgeted revenues for the Village of Montgomery as a whole.

REVENUES	Actual FY2016	Estimated FY2017	Budget FY2018
General	\$ 9,939,611	\$ 9,902,131	\$ 10,286,597
Motor Fuel Tax	521,536	522,076	524,779
Community Improvement	14,086	11,623	10,120
Forfeiture and Seizure	21,935	18,464	16,900
E-911	141,736	-	-
Capital Improvement	1,854,958	1,537,954	1,540,064
Lakewood Creek Project	23,564	81,790	60,002
Infrastructure Improvement	2,775,584	2,801,318	3,005,750
TIF #1	40,918	39,629	40,000
TIF #2	51,881	188,195	396,000
TIF #3	-	-	-
Debt Service	1,084,165	1,084,076	1,123,190
Water	4,598,263	4,954,501	5,043,623
Water Improvement	213,029	592,852	3,702,250
Employee Insurance	967,835	1,103,019	1,201,117
Vehicle Reserve	687,303	714,462	617,415
Refuse	1,299,130	1,333,240	1,416,396
Police Pension	661,300	1,344,985	1,472,950
Police Gifts	600	2,800	250
Special Service Areas	358,491	369,100	316,000
TOTAL REVENUES	\$ 25,255,925	\$ 26,602,215	\$ 30,773,403

Chapter 7: Executive Summary

ALL FUNDS SUMMARY (Continued)

The following table represents the 2016 audited actual, fiscal year 2017 estimated, and fiscal year 2018 budgeted expenditures for the Village of Montgomery as a whole.

EXPENDITURES	Actual FY2016	Estimated FY2017	Budget FY2018
General	\$ 9,431,922	\$ 9,812,126	\$ 10,270,018
Motor Fuel Tax	609,474	140,918	1,161,279
Community Improvement	1,915	1,000	156,000
Forfeiture and Seizure	28,683	36,285	3,000
E-911	66,340	70,479	111,015
Capital Improvement	1,280,718	1,327,663	1,400,987
Lakewood Creek Project	58,308	66,022	60,000
Infrastructure Improvement	1,784,617	2,018,324	2,943,807
TIF #1	4,882	208,319	61,520
TIF #2	43,661	152,384	360,520
TIF #3	-	-	38,000
Debt Service	1,084,165	1,090,165	1,123,190
Water	5,355,088	4,610,476	5,114,881
Water Improvement	307,778	554,428	3,702,250
Employee Insurance	945,623	1,103,019	1,201,117
Vehicle Reserve	481,610	922,173	692,115
Refuse	1,293,243	1,333,030	1,416,396
Police Pension	517,503	572,369	653,492
Police Gifts	1,625	630	1,380
Special Service Areas	320,058	324,094	305,981
TOTAL EXPENDITURES	\$ 23,617,213	\$ 24,343,904	\$ 30,776,948

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ALL FUNDS SUMMARY (Continued)

The following table represents the estimated fund equity at the beginning and ending of fiscal year 2018, as well as the revenues (page 55) and expenditures (page 56), for the Village of Montgomery as a whole.

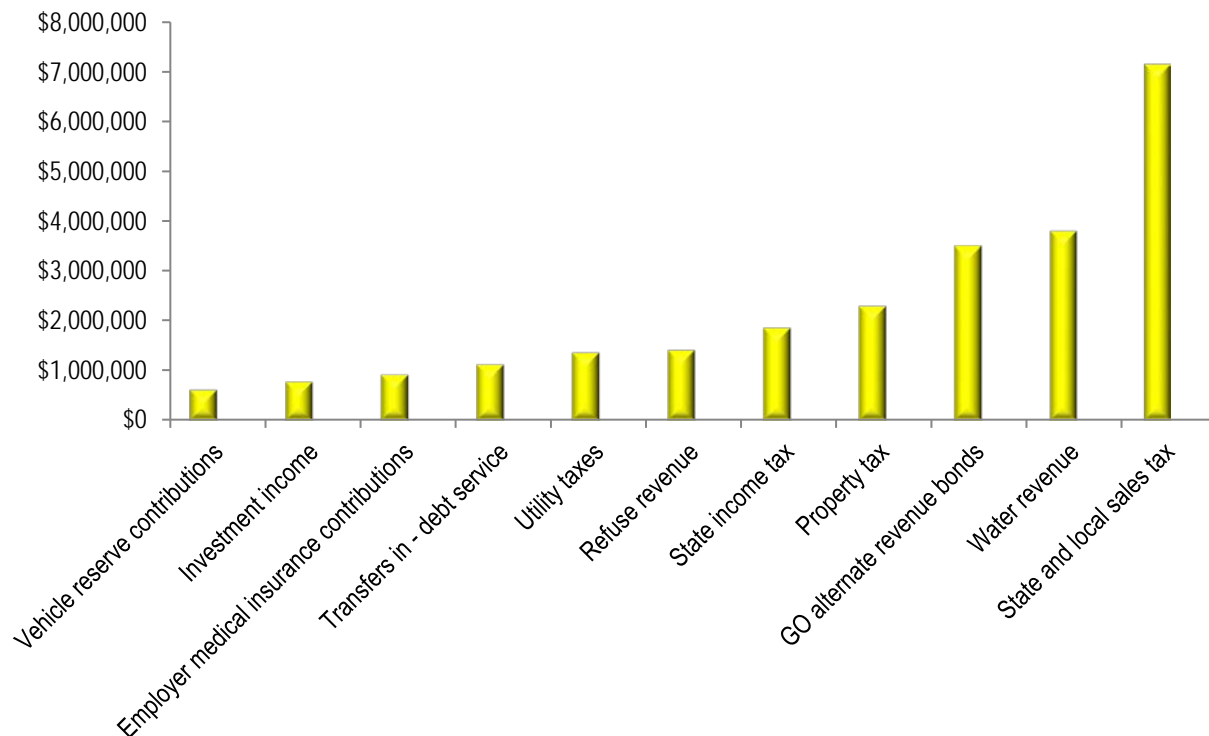
FUND EQUITY	Estimated Balance May 1, 2017	Approved Revenues FY2018	Approved Expenditures FY2018	Estimated Balance April 30, 2018	Percent Change in Fund Equity
General	\$ 4,101,903	\$ 10,286,597	\$ 10,270,018	\$ 4,118,482	0.4%
Motor Fuel Tax	655,866	524,779	1,161,279	19,366	-97.0%
Community Improvement	1,626,531	10,120	156,000	1,480,651	-9.0%
Forfeiture and Seizure	39,552	16,900	3,000	53,452	35.1%
E-911	111,015	-	111,015	-	-100.0%
Capital Improvement	723,260	1,540,064	1,400,987	862,337	19.2%
Lakewood Creek Project	23,843	60,002	60,000	23,845	0.0%
Infrastructure Improvement	1,755,961	3,005,750	2,943,807	1,817,904	3.5%
TIF #1	14,199	40,000	61,520	(7,321)	-151.6%
TIF #2	6,137	396,000	360,520	41,617	578.1%
TIF #3	-	-	38,000	(38,000)	0.0%
Debt Service	50,000	1,123,190	1,123,190	50,000	0.0%
Water	24,209,200	5,043,623	5,114,881	24,137,942	-0.3%
Water Improvement	-	3,702,250	3,702,250	-	0.0%
Employee Insurance	252,359	1,201,117	1,201,117	252,359	0.0%
Vehicle Reserve	527,552	617,415	692,115	452,852	-14.2%
Refuse	10,580	1,416,396	1,416,396	10,580	0.0%
Police Pension	9,123,009	1,472,950	653,492	9,942,467	9.0%
Police Gifts	8,295	250	1,380	7,165	-13.6%
Special Service Areas	831,647	316,000	305,981	841,666	1.2%
TOTAL FUND EQUITY	\$ 44,070,909	\$ 30,773,403	\$ 30,776,948	\$ 44,067,364	0.0%

Major changes in fund equity will be discussed in Chapters 8 and 9 under the applicable fund.

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MAJOR REVENUES

The desire of the Village of Montgomery is to maintain a broad-based, well-diversified, and stable portfolio of revenues. Early in the budget process each revenue account is analyzed and the current fiscal year's budgeted amounts are revised in order to form a more accurate basis for the next fiscal year's budgeted revenues. The detail revenue accounts are provided at the beginning of each fund in this budget document. The following revenue descriptions, assumptions and trends are provided only for the most significant or major revenue sources which explain 80% of the total revenues budgeted for fiscal year 2018, while all other revenues represent 20%. These revenues collectively support all Village operational and capital commitments.

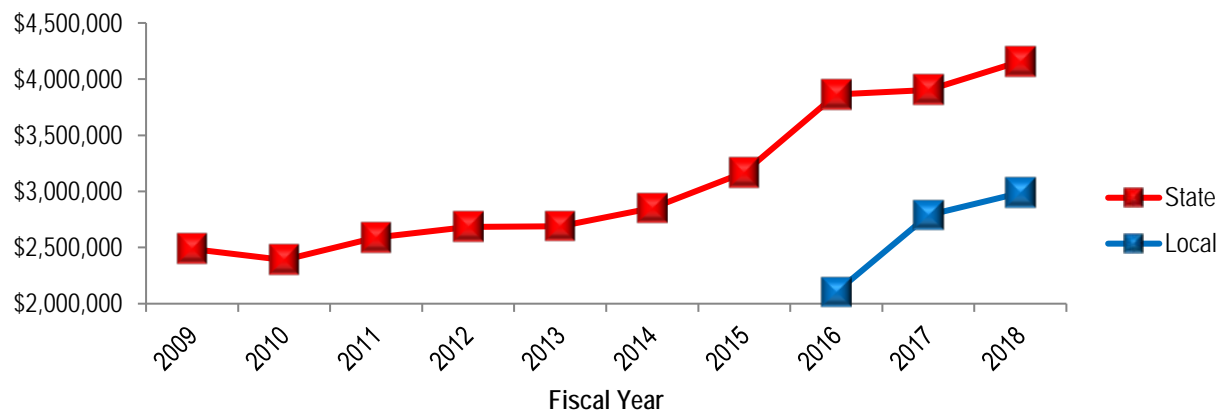


The trend information in charts below includes audited revenues from fiscal year 2009 through fiscal year 2016, estimated revenues for fiscal year 2017, and budgeted revenues for fiscal year 2018. Although this budget document includes projections for fiscal year 2019 and fiscal year 2020, the Village feels it is most important to include more actual data from the past for trend analysis.

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State and local sales tax (\$7,144,726 or 23.22%)

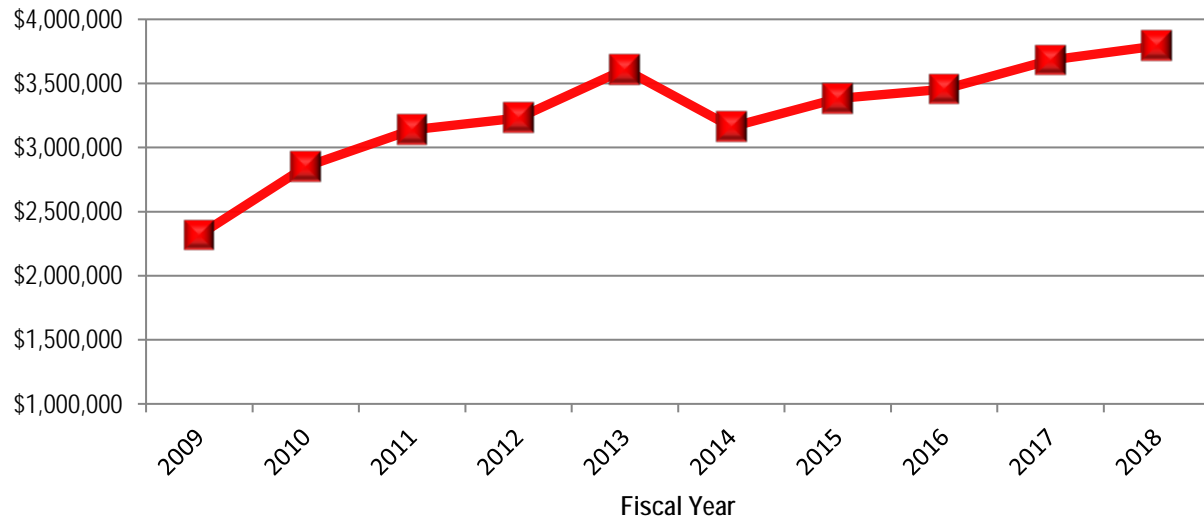
The Village's single largest revenue source is sales tax. The Village receives a one percent state sales tax on retail sales of tangible personal property within the Village. Sales tax is collected by the State and remitted to the Village three months after the liability occurs. Sales tax revenue has 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 began collecting non-home rule sales tax on July 1, 2015, which is collected on items other than groceries, prescription drugs, over-the-counter medicine, and 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. The historical growth between fiscal year 2012 through fiscal year 2017, when many new stores were added, is approximately 5%. Therefore, we are estimating fiscal year 2018 to increase by an additional 5%.



Water revenue (\$3,792,651 or 12.32%)

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 2018 budget includes an increase in the water usage rates of 3% as of May 1, 2017. The Village expects annual increases of 3% in fiscal year 2019 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. The large increase in fiscal year 2013 was due to a drought during the summer months of 2012.

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General obligation alternate revenue bonds (\$3,500,000 or 11.37%)

The third largest revenue source for the Village in fiscal year 2018 is the issuance of general obligation alternate revenue bonds in the Water Improvement Fund. These bonds will be used to pay for watermain replacement, lead service line replacement, and improvements to the Jefferson and Route 25 lift stations. Long-term borrowing depends on when capital projects are anticipated and are one-time in nature. Therefore, no historical data is available for this revenue source.

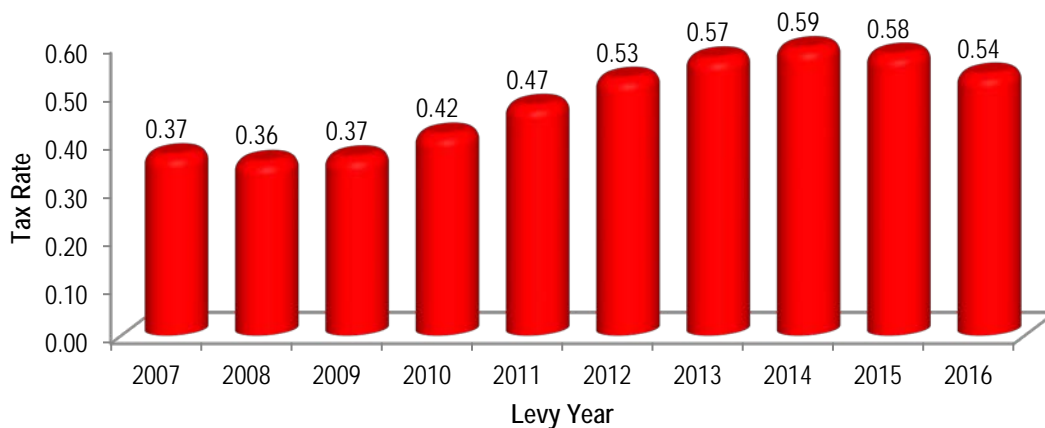
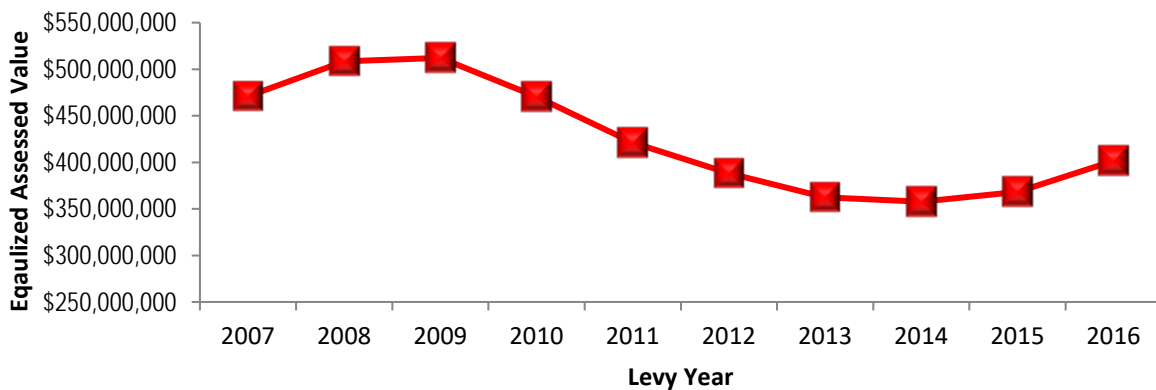
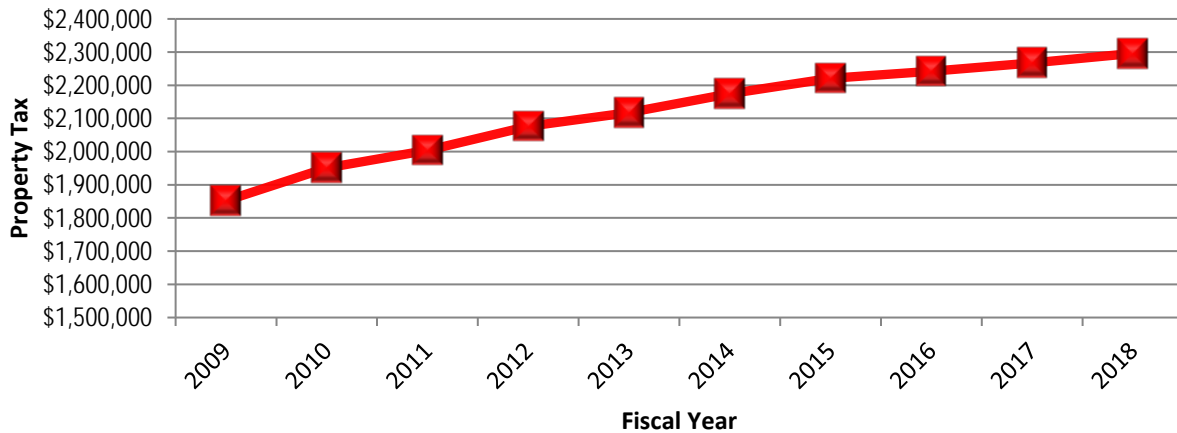
Property tax (\$2,296,031 or 7.46%)

Local property tax revenues, the fourth 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 2016 tax rate in April 2017, which is collectible in calendar year 2017 and reflected in fiscal year 2018. 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 Village estimated new growth in calendar year 2016 at approximately \$10.5 million. The Village Board approved no increase to existing property, which equated to an increase of approximately \$20,000 for fiscal year 2018.

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 Village's equalized assessed value

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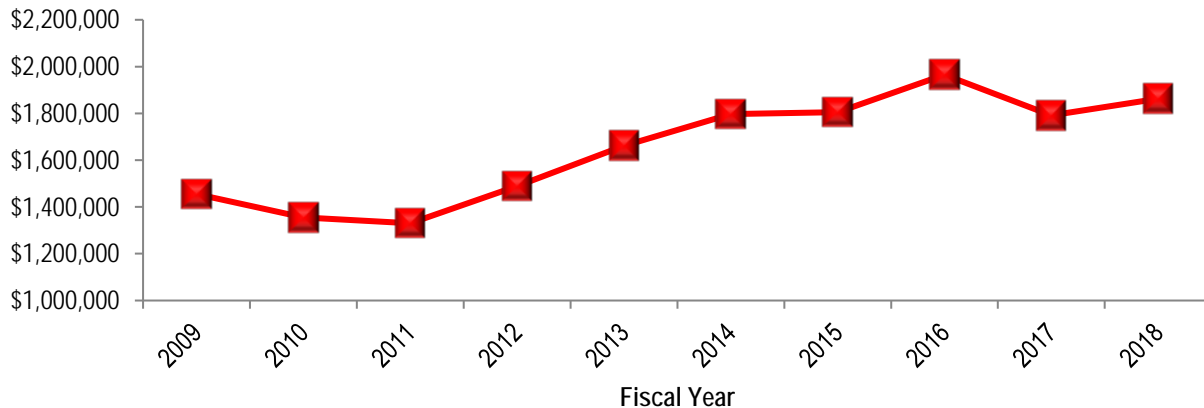
increased in levy year 2015 for the first time since levy year 2009, continued to increase in levy year 2016, and is expected to continue upward into the future. The third graph represents the direct tax rate paid by residents for Village property taxes only. There is an inverse relationship between equalized assessed value and the Village's direct tax rate due to the tax cap.



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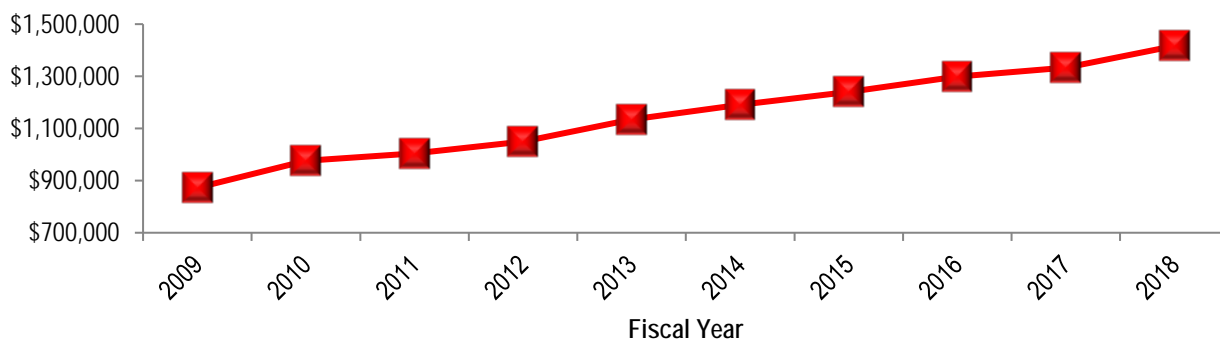
State income tax (\$1,862,238 or 6.05%)

The Village's fifth 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 every four months 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 2018 at \$101.00 per person. The 4.0% increase over fiscal year 2017 budget reflects the continued economic recovery, as unemployment decreases and companies see profits increase.



Refuse revenue (\$1,416,396 or 4.60%)

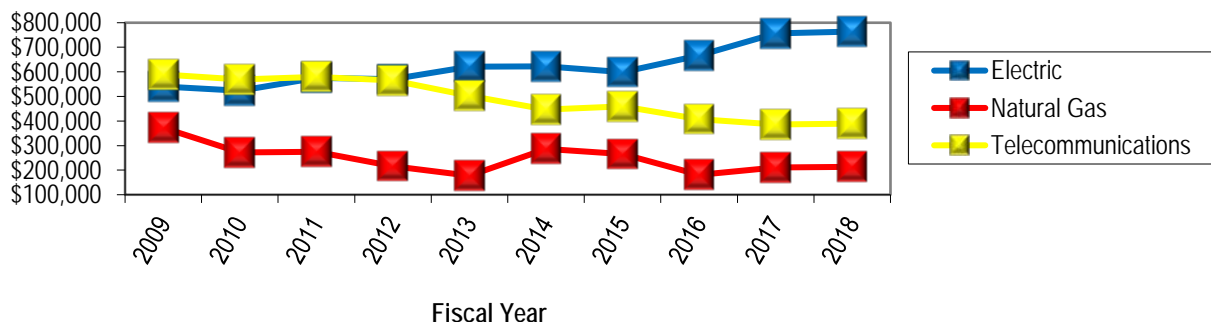
The Village extended its contract with Republic Services from December 31, 2016 to July 31, 2017 for the same price of \$19.65 per month to allow the Village time to negotiate a new contract. The Village Board approved a 7 year contract with a new company (DC Trash of Illinois) on May 8, 2017, for a full range of refuse services. These services include refuse, recycling, yard waste, bulk items, white goods (i.e. large appliances), and quarterly electronics recycling and household hazardous waste events. The Village charges residents, which is the sixth largest revenue source for the Village, for these services on their bi-monthly utility bill. The new contract with DC Trash of Illinois begins August 1, 2017 at a rate of \$16.47 per month, and includes increases of approximately 3% per year. The Village budgeted an increase of 4% from \$19.65 to \$20.44 due to the timing of approval. Therefore, the expected number for fiscal year 2018 will be approximately \$300,000 less than budget. The budgeted amount for direct customer refuse billing is based on the contract rate and the existing number of homes.



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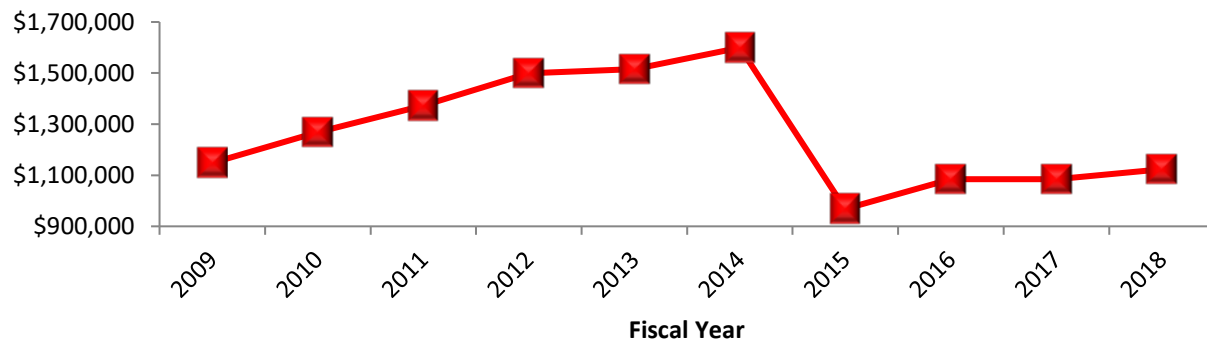
Utility taxes (\$1,367,311 or 4.44%)

Utility taxes consist of three components, which together make up the seventh 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). 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, commercial, and industrial development continues to improve.



Transfers in – Debt Service Fund (\$1,123,190 or 3.65%)

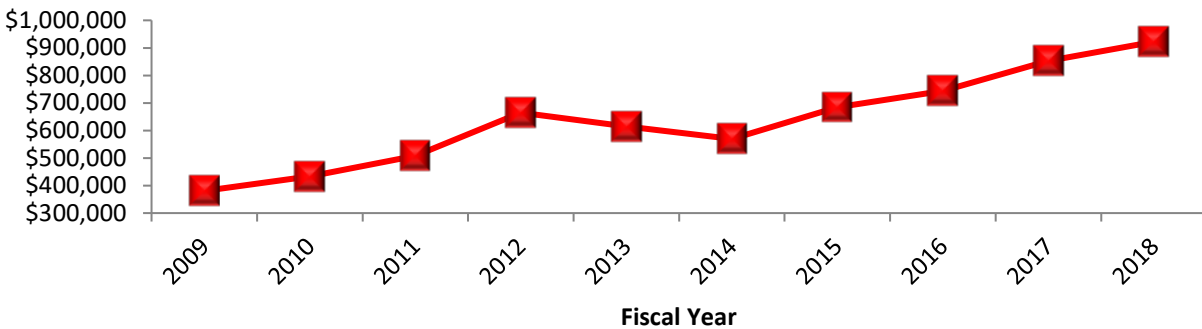
The Debt Service Fund is used to accumulate monies for the Village's General Obligation Alternate Revenue Source Series 2008, 2010, 2011, and 2014 Bonds. The alternate revenue source bonds pledge income derived from sales and utility taxes. In addition, these bonds further pledge the full faith and credit 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 (seventh largest revenue) 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.



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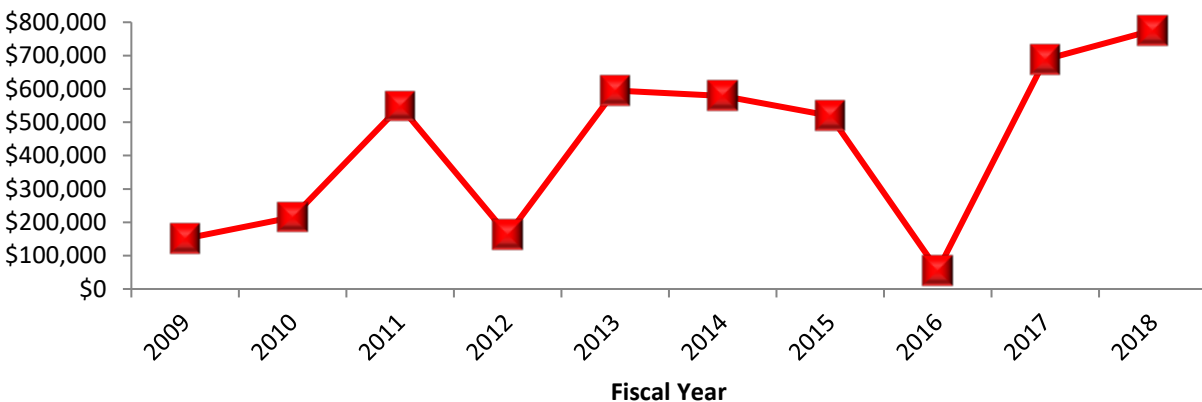
Employer medical insurance contributions (\$922,172 or 3.00%)

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 87% of the cost of the respective plan through plan year ending September 30, 2017 and will lower that amount to 86% effective October 1, 2017. The average increase over the past 15 years is approximately 15%, which the Village has budgeted for the increase in fiscal year 2018. This activity is accounted for in the Employee Insurance Fund, the Village's only internal service fund.



Investment income (\$775,897 or 2.52%)

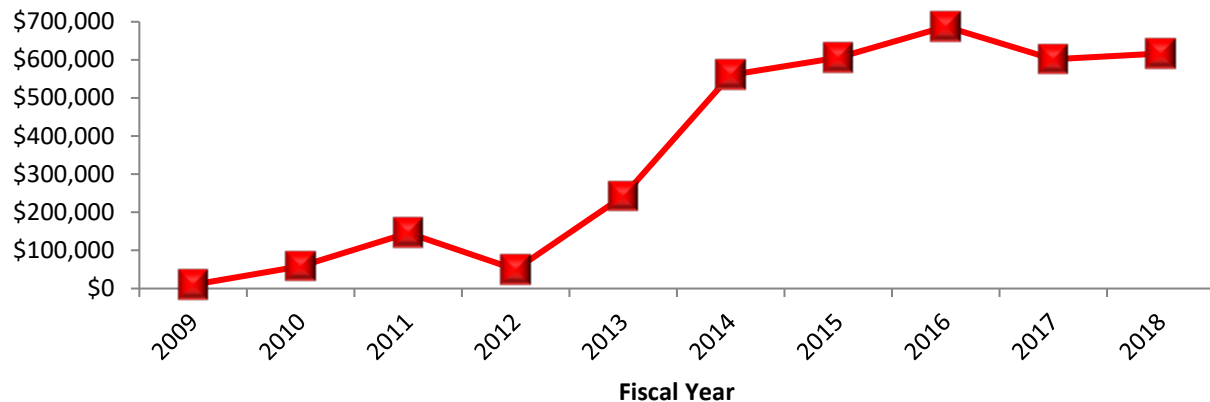
The Village invests cash temporarily idle during the year in demand deposits, certificates of deposit, investment pools, and other investments allowed by state statute. The Police Pension Fund is governed by a different statute and allowed to invest in certain additional securities including, but not 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. The large decrease in fiscal year 2016 is due to a negative return on the Police Pension Fund. The General, Capital Improvement, Infrastructure Improvement, and Water Funds are budgeted at 1.5% based on the average return on the Village's short-term investments (0 – 3 years). The Police Pension Fund is budgeted at 7% based on the long-term expected return.



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Vehicle reserve contributions (\$616,915 or 2.00%)

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 was made a priority by the Village Board to rebuild 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 made a concerted effort during fiscal year 2016 to study the useful life of our vehicles and equipment, as well as determining if we had the correct vehicles and equipment. This allowed the Village to decrease the contribution for fiscal year 2017 forward. The Village could delay vehicle reserve contributions from the General and Water Funds if needed.



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MAJOR EXPENDITURES

Capital Outlay

The Village of Montgomery plans to devote the largest portion of its annual budget, for the first time, 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 2018 is \$8,366,860 or 27.19% of total budgeted expenditures. The largest projects and the applicable percent of capital outlay expenditures are as follows:

- Infrastructure Road Program (IRP) – \$3,371,871 or 40.30% – The Village will utilize non-home rule sales tax and motor fuel tax to fund the IRP and plan road maintenance over the next 5 years. The Village started the IRP during fiscal year 2017 and plans to expand it nearly 100% in fiscal year 2018. Although not a direct correlation, the Village anticipates to reduce the amount of infrastructure repairs and maintenance in the Streets Division of Public Works from the current amount of \$155,000.
- Watermain Replacement Program (WRP) – \$1,870,000 or 22.35% – Our water main replacement program replaces aging, critical infrastructure with new mains that provide reliable service and water pressure, and high quality water. There is no added cost to taxpayers because the projects are paid for with revenues from water rates. The program will replace approximately 5,000 feet of existing water main with new larger 8 inch water main on five streets throughout the community. The Village anticipates a reduction in overtime resulting in a lower cost of repairing future main breaks.
- Lift station rehabilitation – \$1,015,400 or 12.14% – The Jefferson Street and Route 25 lift stations have reached the end of their useful design lives and need to be rehabilitated. Funding for this project will be provided by the issuance of the general obligation alternate revenue bonds during fiscal year 2018. The Village will see increased expenses for debt service of approximately \$70,000 for the next 20 years, but won't recognize any cost savings because Fox Metro Water Reclamation District provides annual maintenance.
- Vehicles (\$692,115 or 8.27%) – Many vehicle replacements were delayed for several years when the Great Recession hit. Vehicle repairs and maintenance doubled over the last 10 years from \$50,000 to greater than \$100,000 due to the delays. There are a total of 51 vehicles that the Village is trying to catch up on replacing between fiscal year 2015 through fiscal year 2019. The fiscal year 2018 budget includes the replacement of 11 vehicles. The Village anticipates our vehicle repairs and maintenance expenditures to decrease by as much as \$50,000 by fiscal year 2020 due to the replacement of old vehicles.

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

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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. The table below shows the CIP for fiscal year 2018 through fiscal year 2022.

Project Title	Type	Number	FY2018	FY2019	FY2020	FY2021	FY2022
MFT Road Maintenance	Street	ST01	1,073,279	195,000	905,000	215,000	925,000
Sales Tax Infrastructure Projects	Street	ST02	2,395,592	2,842,000	2,726,302	2,345,398	2,758,000
Rt. 30 - Brairclif - Local Match	Street	ST03	90,000				
Rt. 30 - Watkins - Local Match	Street	ST04	7,000				
IL Route 31 @ Watkins Interchange Improvements	Street	ST04a	14,000				
Police Department Parking Lot and Drives Sealcoat	Street	ST05A	29,000				
Gordon Road Extension	Street	ST06			210,170	315,240	6,364,015
Traffic Signal at Concord and Galena	Street	ST08	20,000	280,000			339,900
Light Road Crossing Repair	Street	ST09	115,000				
Concord Bridge Maintenance - Railing	Street	ST10	30,000				
Pavement Management Program	Street	ST14	5,000	5,000	80,000	5,000	5,000
Briarcliff Road LAFO	Street	ST16	5,000				
Aucutt Road LAFO	Street	ST17	742,650				
Concord Drive LAFO	Street	ST19			52,740	975,560	
Shared Use Path Maintenance	Street	ST20	21,230	24,300	25,450	20,280	
ADA Self Evaluation and Transition Plans	Street	ST22				35,000	
Sidewalk Gap Installation Plan and Implementation	Street	ST23	35,000	200,000	200,000	200,000	200,000
Water Replacement and Rehabilitation Reserve Expenditure	Water	WU01	400,000	250,000	240,000	640,000	170,000
Water Meters - Commercial Retrofit	Water	WU02	31,020	31,020	31,020	31,020	
Water Main Replacement	Water	WU03	620,000	486,000	404,000	625,000	625,000
Leak Detection and Meter Testing	Water	WU04	22,000	22,000	22,000	22,000	22,000
Sanitary Sewer Inspection/Lining	Water	WU06	100,000	100,000	100,000	100,000	100,000
Computers and Software Upgrades	Water	WU07	30,000	10,000	10,000	10,000	10,000
Water Meters - Replacement Program	Water	WU08	109,000	112,000	115,000	118,000	121,000
Jefferson Street Lift Station & Route 25 Lift Station Improvements	Water	WU10	1,030,300				
Water Meter - New Construction	Water	WU12	18,000	18,000	18,000	18,000	18,000
Wells 10 & 13 Generator Connection Modifications	Water	WU16	13,000				
Water Quality Testing and Planning for Regional Water Supply Facility	Water	WU18	40,000	20,000	20,000	20,000	20,000
Water Rate Study	Water	WU19	27,000			27,000	
Building Demolitions	Public Works	PW03	85,000				
BNSF Quiet Zone Study	Public Works	PW04	15,000	15,000			
Huntingten Chase Punch List Items	Public Works	PW06	60,000				
TIF 1 Projects							
Former Spatz Property Rough Grading and Reseed	Storm	SW01	60,000				
TIF 2 Projects							
Montgomery Overflow Improvement Feasibility Study	Storm	SW08	61,000				
Aucutt Road Widening	Street	ST21		206,000	480,361	1,242,451	
Aucutt Road Extension	Street	ST24					
Griffin Drive Extension	Street	ST25					
Aucutt Road Water Main Replacement	Water	WU17		190,000	2,410,000		
			7,304,071	5,006,320	8,050,043	6,964,949	11,677,915

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Personal Services

The Village, as a service driven organization, continues to expend the greatest percentage of its operating budget (second largest overall) on personal services (wages and benefits). For fiscal year 2018, personal services expenditures are expected to total \$7,608,274 or 24.72% of total budgeted expenditures. This is an increase of 7.07% over the fiscal year 2017 budgeted expenditures of \$7,105,817.

Non-represented employees are only given an increase in November based solely on a pay for performance plan. The Village has a contract with Public Works Local 150 which expires April 30, 2018 and includes a pay for performance plan ranging from 0.00% to 3.00% increases. The Village successfully negotiated and approved a new contract with the Metropolitan Alliance of Police Patrol union which expires April 30, 2020 and cost of living increases ranging from 2.00% to 2.25% and pay for performance increases ranging from 4.00% to 6.00%.

The fiscal year 2018 budget includes an additional 4.50 full-time equivalent employees. FTE equal the total hours of all employees divided by 2,080 working hours in a year. The change in Administration and Finance is due to the Human Resources Manager now reporting directly to the Village Administrator. The new positions include 2 patrol officers (Public Safety), a new foreman position, one additional seasonal, and one additional water operator (Public Works).

Department	Actual				Budget	Change
	FY 2014	FY 2015	FY2016	FY2017	FY2018	
General Government						
Administration	3.380	1.880	1.880	1.880	2.880	1.000
Finance	5.500	6.000	6.000	6.000	5.000	(1.000)
Community Development	3.700	5.000	5.000	5.000	5.000	-
General Government - Total	12.580	12.880	12.880	12.880	12.880	-
Public Safety						
Sworn Officers	25.000	25.000	25.000	28.000	30.000	2.000
Civilians/Other	9.500	3.000	3.000	3.700	3.700	-
Public Safety - Total	34.500	28.000	28.000	31.700	33.700	2.000
Public Works						
Administration	2.000	2.000	2.000	2.000	2.000	-
Street Maintenance	8.500	9.000	9.000	10.500	12.000	1.500
Water Operations	3.000	3.000	3.000	3.000	4.000	1.000
Building Maintenance	1.000	1.000	1.000	1.000	1.000	-
Fleet Maintenance	1.000	1.000	1.000	1.500	1.500	-
Public Works - Total	15.500	16.000	16.000	18.000	20.500	2.500
Total Village Employees	62.580	56.880	56.880	62.580	67.080	4.500

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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 FY2018	Proposed FY2019	Proposed FY2020	Proposed FY2021	Proposed FY2022
Village Administrator's Office					
Village Administrator	1.00	1.00	1.00	1.00	1.00
Human Resources Manager	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
	2.88	2.88	2.88	3.38	3.38
Finance Department					
Director of Finance	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
	5.00	5.00	5.00	5.00	5.00
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	0.50	0.50
Building Supervisor	1.00	1.00	1.00	1.00	1.00
Building Inspector	-	1.00	1.00	1.00	1.00
Code Enforcement Officer	1.00	0.50	0.50	0.50	0.50
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Building Clerk	-	-	-	-	0.50
	5.00	5.50	6.00	6.00	6.50
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 Sergeant	6.00	6.00	6.00	6.00	6.00
Police Officer	22.00	23.00	24.00	25.00	26.00
Management Analyst	1.00	1.00	1.00	1.00	1.00
Police Records Clerk	2.70	2.70	2.70	2.70	3.00
	33.70	34.70	35.70	36.70	38.00
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
Streets Supervisor	1.00	1.00	1.00	1.00	1.00
Foreman	1.00	1.00	1.00	1.00	1.00
Arborist	1.00	1.00	1.00	1.00	1.00
Maintenance Worker I	3.00	4.00	4.00	4.00	4.00
Maintenance Worker II	4.00	4.00	4.00	4.00	4.00
Seasonal Help	2.00	1.00	1.00	1.00	1.00
Utilities Supervisor	1.00	1.00	1.00	1.00	1.00
Water Plant Operator	3.00	3.00	3.00	3.00	3.00
Building Maintenance Technician	1.00	1.00	1.00	1.00	1.00
Fleet Mechanic	1.50	1.50	1.50	1.50	1.50
	20.50	20.50	20.50	20.50	20.50
Total	67.08	68.58	70.08	71.58	73.38
Employee's per 1,000 residents	3.64	3.72	3.80	3.88	3.98

Chapter 7: Executive Summary

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 (2010 decennial census) or a 237% increase in ten years.

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 2018. Principal and interest payments for outstanding debt, the third largest expenditure, account for \$2,271,152 or 7.38% of total budgeted expenditures. The fiscal year 2018 debt service is split nearly even between governmental (\$1,123,190) and proprietary (\$1,147,962) debt. More detail will be provided in the applicable fund about the outstanding debt.

The Village issued no new bonds during fiscal year 2017; however, the Village anticipates the issuance of general obligation alternate revenue bonds during fiscal year 2018.

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 4/30/2017)	Principal Due for FY2018	Interest Due for FY2018	Proposed Funding Source for FY2018
Series 2007	\$ 3,020,000	\$ 715,000	\$ 350,000	\$ 28,242	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	605,000	605,000	24,200	Utility taxes (Capital Improvement Fund)
Series 2011	4,410,000	3,070,000	205,000	80,850	Utility taxes (Capital Improvement Fund)
Series 2013	4,590,000	4,220,000	130,000	158,800	Net water revenues (Water Fund)
Series 2014	3,335,000	3,335,000	-	106,340	Utility taxes (Capital Improvement Fund)
Total	<u>\$ 24,730,000</u>	<u>\$ 13,945,000</u>	<u>\$ 1,290,000</u>	<u>\$ 498,432</u>	

Chapter 7: Executive Summary

Debt Service Summary (Continued)

General obligation bonds (continued)

As of April 30, 2017, 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
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
	<u>\$ 9,010,000</u>	<u>\$ 1,342,293</u>	<u>\$ 10,352,293</u>	<u>\$ 4,935,000</u>	<u>\$ 2,192,560</u>	<u>\$ 7,127,560</u>

Chapter 7: 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 4/30/2017)	Principal Due for FY2018	Interest Due for FY2018	Proposed Funding Source for FY2018
2002 Loan	\$ 1,128,780	\$ 412,045	\$ 64,194	\$ 10,596	Net water revenues (Water Fund)
2011 Loan	4,310,177	3,421,739	208,758	42,121	Net water revenues (Water Fund)
2014 Loan	2,482,931	2,326,072	108,585	45,866	Net water revenues (Water Fund)
Total	<u>\$ 7,921,888</u>	<u>\$ 6,159,856</u>	<u>\$ 381,537</u>	<u>\$ 98,583</u>	

As of April 30, 2017, debt service requirements to maturity on the outstanding IEPA loans, including interest are as follows:

Fiscal Year Ending April 30	Business-Type Activities		
	Principal	Interest	Total
2018	\$ 381,537	\$ 95,976	\$ 477,513
2019	388,061	89,576	477,637
2020	394,708	83,056	477,764
2021	401,480	76,412	477,892
2022	408,379	69,644	478,023
2023	415,409	62,748	478,157
2024	347,285	56,219	403,504
2025	352,558	51,085	403,643
2026	357,916	45,870	403,786
2027	363,359	40,571	403,930
2028	368,891	35,188	404,079
2029	374,511	29,719	404,230
2030	380,221	24,163	404,384
2031	386,024	18,517	404,541
2032	391,920	12,781	404,701
2033	146,247	7,737	153,984
2034	149,179	4,972	154,151
2035	152,171	2,151	154,322
	<u>\$ 6,159,856</u>	<u>\$ 806,385</u>	<u>\$ 6,966,241</u>

Chapter 7: Executive Summary

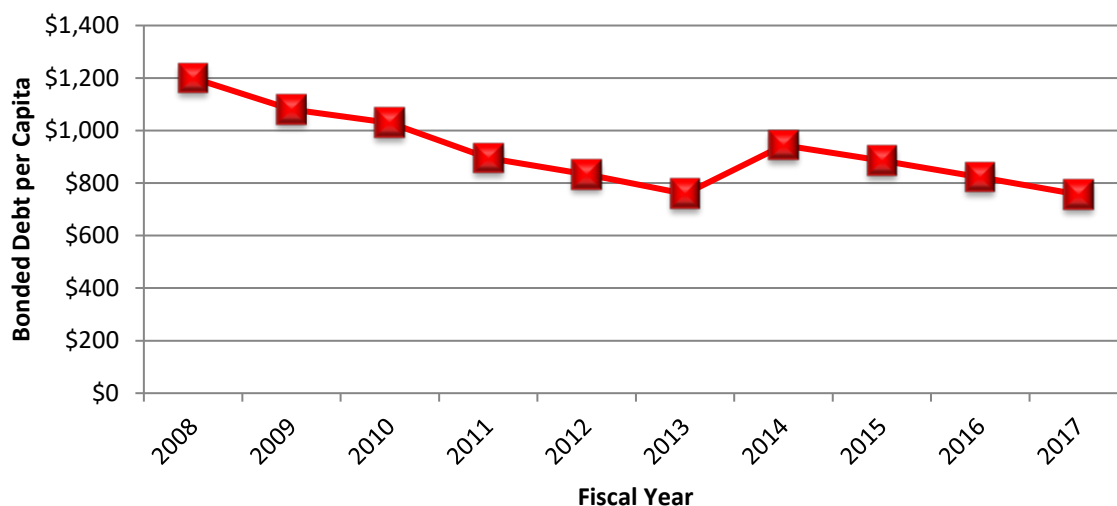
Debt Service Summary (Continued)

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 - 2016		\$ 401,706,662
Legal Debt Limit - 8.625% of Assessed Value		\$ 34,647,200
General Obligation Debt:		
Series 2007	\$	715,000
Series 2008A		2,000,000
Series 2010		605,000
Series 2011		3,070,000
Series 2013		4,220,000
Series 2014		3,335,000
Total General Obligation Debt		13,945,000
Less: Alternate Revenue Source Bonds		(13,945,000)
Total Applicable Debt		-
Legal Debt Margin		\$ 34,647,200

The diagram below 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 8: Fund Summary

The Fund Summary contains information on all funds except the General Fund which is reviewed by Department in Chapter 9: 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 the Infrastructure Road Program (IRP) noted on page 66.

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 Village has changed to higher dollar projects, awarded to an outside contractor based on the bid results received, every other year to take advantage of economies of scale. Therefore, fund balance increased in fiscal year 2017 in preparation for a \$900,000 project in fiscal year 2018.

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Intergovernmental, Grants, and Contributions						
Allotments - High Growth Cities	49,454	49,650	49,470	49,500	49,500	49,500
Allotments - Motor Fuel Tax	471,623	477,544	472,013	474,779	474,779	474,779
Total Intergovernmental, Grants, and Contributions	521,077	527,194	521,483	524,279	524,279	524,279
Investment Income						
Investment Earnings - Interest Income	459	500	593	500	500	500
Total Investment Income	459	500	593	500	500	500
Total Revenues	521,536	527,694	522,076	524,779	524,779	524,779
EXPENDITURES						
Contractual Services - Professional and Technical						
Engineering Services - Municipal Projects	32,311	-	-	-	-	-
Total Contractual Services - Professional and Technical	32,311	-	-	-	-	-
Contractual Services - Property						
Infrastructure Repair and Maintenance - Streets and Alleys	497,427	88,000	-	976,279	-	668,000
Total Contractual Services - Property	497,427	88,000	-	976,279	-	668,000
Commodities						
Public Works Supplies - Snow Removal	79,736	174,250	140,918	185,000	195,000	205,000
Total Commodities	79,736	174,250	140,918	185,000	195,000	205,000
Total Expenditures	609,474	262,250	140,918	1,161,279	195,000	873,000
Net Change in Fund Balance	(87,938)	265,444	381,158	(636,500)	329,779	(348,221)
Beginning Fund Balance	362,646	274,708	274,708	655,866	19,366	349,145
Ending Fund Balance	274,708	540,152	655,866	19,366	349,145	924

Chapter 8: Fund Summary

COMMUNITY IMPROVEMENT FUND

The Community Improvement Fund accounts for the Village of Montgomery's Revolving Loan Program. The loan program was initially funded by 2 grants from the Illinois Department of Commerce and Economic Opportunity (DCEO) Community Development Assistance Program (CDAP). The DCEO's CDAP program was in turn funded by the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG) program, which was established under the Federal Housing Community Development Act of 1974. The Village used the initial principal and interest repayments to fund 19 additional loans since 1984. This fund was formerly known as the Economic Development Loan Fund, and renamed during fiscal year 2017 due to the release of any future requirements by DCEO, under the direction of HUD. The Village will continue to use these funds for a loan program, but with different requirements. The Village currently has 1 loan outstanding in the amount of approximately \$1 million.

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Investment Income						
Interest Income - Cash and Investments	578	600	778	750	750	750
Interest Income - Loans	13,508	10,845	10,845	9,370	7,880	6,391
Total Investment Income	14,086	11,445	11,623	10,120	8,630	7,141
Total Revenues	14,086	11,445	11,623	10,120	8,630	7,141
EXPENDITURES						
Contractual Services - Professional and Technical						
Professional Services - Economic Development	1,915	3,000	1,000	1,000	1,000	1,000
Total Contractual Services - Professional and Technical	1,915	3,000	1,000	1,000	1,000	1,000
Capital Outlay						
Gateway Enhancement Program	-	-	-	30,000	-	-
Downtown Streetscape Enhancement	-	-	-	125,000	-	-
Total Capital Outlay	-	-	-	155,000	-	-
Total Expenditures	1,915	3,000	1,000	156,000	1,000	1,000
Net Change in Fund Balance	12,171	8,445	10,623	(145,880)	7,630	6,141
Beginning Fund Balance	1,603,737	1,615,908	1,615,908	1,626,531	1,480,651	1,488,281
Ending Fund Balance	1,615,908	1,624,353	1,626,531	1,480,651	1,488,281	1,494,422

Chapter 8: 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, and DUI prevention. The Police Department began an update to its New World System software in fiscal year 2016 and completed this project during fiscal year 2017. Expenditures are anticipated to return to normal levels in fiscal year 2018, which will allow the fund balance to increase to fiscal year 2015 levels.

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Fines and Forfeitures						
Kane County - Drug Fines	675	650	650	650	650	650
Kane County - DUI Prevention	7,057	6,500	7,619	7,000	7,500	8,000
Kane County - Article 36 Forfeiture	3,950	1,000	-	1,000	1,000	1,000
Kane County - E-Citation	3,316	3,250	3,250	3,500	3,750	4,000
Kendall County - Drug Fines	573	1,500	2,810	1,500	1,500	1,500
Kendall County - DUI Prevention	6,162	3,000	3,891	3,000	3,000	3,000
Kendall County - E-Citation	202	250	244	250	250	250
Total Fines and Forfeitures	21,935	16,150	18,464	16,900	17,650	18,400
Total Revenues	21,935	16,150	18,464	16,900	17,650	18,400
EXPENDITURES						
Commodities						
Police Supplies - Drug Prevention	1,047	1,000	650	1,000	1,000	1,000
Police Supplies - DUI Prevention	1,396	1,500	255	1,500	1,500	1,500
Police Supplies - Article 36 Forfeiture	6,100	500	5,041	500	500	500
Total Commodities	8,543	3,000	5,946	3,000	3,000	3,000
Capital Outlay						
Capital Outlay - Equipment (Police)	20,140	27,550	30,339	-	-	-
Total Capital Outlay	20,140	27,550	30,339	-	-	-
Total Expenditures	28,683	30,550	36,285	3,000	3,000	3,000
Net Change in Fund Balance	(6,748)	(14,400)	(17,821)	13,900	14,650	15,400
Beginning Fund Balance	64,121	57,373	57,373	39,552	53,452	68,102
Ending Fund Balance	57,373	42,973	39,552	53,452	68,102	83,502

Chapter 8: 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 Police Department began an update to its New World System software in fiscal year 2016 and completed this project during fiscal year 2017. In addition, the Village began using these funds in fiscal year 2016 for radio circuits throughout the community. The Village expects a microwave circuit to be built within the community during fiscal year 2018 which will use the remaining funds available.

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Intergovernmental Revenue						
Allotments - Kane County Wireless 911 Surcharge	141,736	-	-	-	-	-
Total Intergovernmental Revenue	141,736	-	-	-	-	-
Total Revenues	141,736	-	-	-	-	-
EXPENDITURES						
Contractual Services - Property						
Utilities - Telephone	16,055	16,860	18,937	19,248	-	-
Total Contractual Services - Property	16,055	16,860	18,937	19,248	-	-
Capital Outlay						
Capital Outlay - Equipment (Police)	50,285	27,550	51,542	91,767	-	-
Total Capital Outlay	50,285	27,550	51,542	91,767	-	-
Total Expenditures	66,340	44,410	70,479	111,015	-	-
Net Change in Fund Balance	75,396	(44,410)	(70,479)	(111,015)	-	-
Beginning Fund Balance	106,098	181,494	181,494	111,015	-	-
Ending Fund Balance	181,494	137,084	111,015	-	-	-

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 8: Fund Summary

CAPITAL IMPROVEMENT FUND (Continued)

The Village does not have another large dedicated funding source for governmental capital improvement projects (other than infrastructure); 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 build up the fund balance reserve in fiscal year 2017 while completing the Blackberry Crossing West bike path improvements (paid by developer contributions), as well as Public Works cameras, site topography, grading plan, site planning, and site improvements. The Village is budgeting for several smaller projects during fiscal year 2018 including:

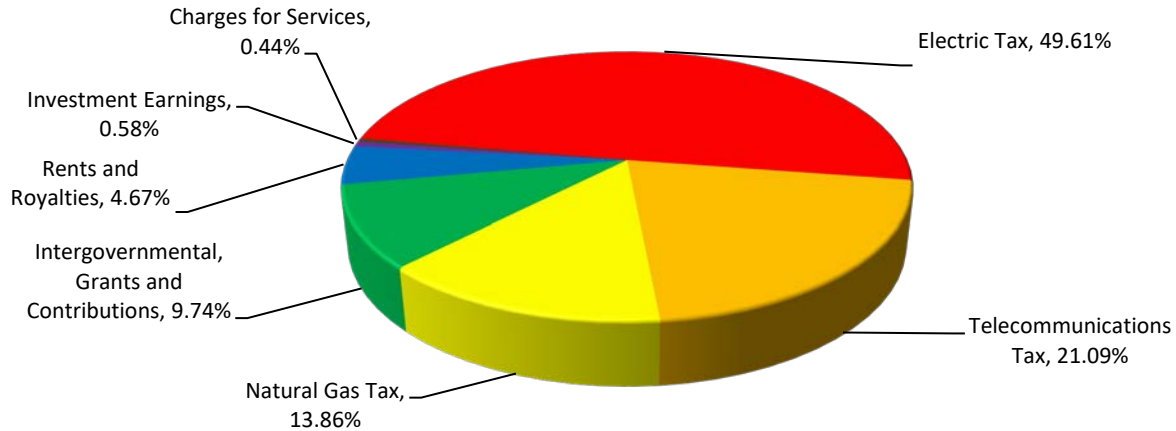
- Village Board room audio visual replacement
- Demolition of a structure on Village owned property
- Light Road crossing repair paid by a 100% grant from the Illinois Commerce Commission

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Other Taxes						
Utility Tax - Electric	666,805	644,348	756,470	764,035	771,675	779,392
Utility Tax - Natural Gas	181,410	219,297	211,409	213,523	215,658	217,815
Utility Tax - Telecommunications	339,826	336,464	321,578	324,794	328,042	331,322
Total Other Taxes	1,188,041	1,200,109	1,289,457	1,302,352	1,315,375	1,328,529
Charges for Services						
Development Fees - Saratoga Springs	14,234	2,585	-	-	-	-
Development Fees - Orchard Prairie North	3,102	2,068	-	-	-	-
Development Fees - Marquis Pointe	1,700	6,800	6,800	6,800	6,800	6,800
Donations - Settlers Cottage	247	1,000	-	-	-	-
Total Charges for Services	19,283	12,453	6,800	6,800	6,800	6,800
Intergovernmental, Grants, and Contributions						
Local Grant - ICC (Light Road)	24,963	99,000	942	115,000	-	-
Other Reimbursements - Miscellaneous	90,000	127,951	92,951	35,000	-	-
Total Intergovernmental, Grants, and Contributions	114,963	226,951	93,893	150,000	-	-
Investment Income						
Interest Income - Cash and Investments	3,949	4,000	4,000	9,000	9,000	9,000
Total Investment Income	3,949	4,000	4,000	9,000	9,000	9,000
Miscellaneous						
Rents and Royalties - Water Tower Rental	131,812	69,817	143,804	71,912	74,069	76,290
Sale of Capital Assets	400	-	-	-	-	-
Total Miscellaneous	132,212	69,817	143,804	71,912	74,069	76,290
Transfers						
Transfer In - General Fund	396,510	-	-	-	-	-
Total Transfers	396,510	-	-	-	-	-
Total Revenues	1,854,958	1,513,330	1,537,954	1,540,064	1,405,244	1,420,619

Chapter 8: Fund Summary

CAPITAL IMPROVEMENT FUND (Continued)

The chart below shows approximately 85% of the revenue for the fiscal year 2018 Capital Improvement Fund comes from utility taxes (electric, natural gas, and telecommunications).



EXPENDITURES

Contractual Services - Professional and Technical

Engineering Services - Municipal Projects

Total Contractual Services - Professional and Technical

Contractual Services - Property

Infrastructure Repair and Maintenance - Streets and Alleys

Total Contractual Services - Property

Contractual Services - Other

Municipal Audit Contingency

Total Contractual Services - Other

Capital Outlay

Capital Outlay - Public Works Facility

Capital Outlay - Village Hall

Capital Outlay - Light Road Crossing Repair

Capital Outlay - NPDES MS4 Permit

Capital Outlay - Concord Bridge Maintenance

Total Capital Outlay

Transfers

Transfer Out - Cornell Agency Fund

Transfer Out - General Fund

Transfer Out - Debt Service

Total Transfers

Total Expenditures

Net Change in Fund Balance

Beginning Fund Balance

Ending Fund Balance

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Engineering Services - Municipal Projects	617	35,590	17,378	18,500	15,000	-
Total Contractual Services - Professional and Technical	617	35,590	17,378	18,500	15,000	-
Infrastructure Repair and Maintenance - Streets and Alleys	-	112,410	80,910	31,500	-	-
Total Contractual Services - Property	-	112,410	80,910	31,500	-	-
Municipal Audit Contingency	5,240	1,736	19,997	19,997	15,507	-
Total Contractual Services - Other	5,240	1,736	19,997	19,997	15,507	-
Capital Outlay - Public Works Facility	20,605	78,000	78,000	-	-	-
Capital Outlay - Village Hall	94,340	80,257	37,542	75,000	-	-
Capital Outlay - Light Road Crossing Repair	24,963	99,000	942	115,000	-	-
Capital Outlay - NPDES MS4 Permit	1,550	20,000	5,000	-	-	-
Capital Outlay - Concord Bridge Maintenance	-	30,000	3,818	-	-	-
Total Capital Outlay	141,458	307,257	125,302	190,000	-	-
Transfer Out - Cornell Agency Fund	49,238	-	-	-	-	-
Transfer Out - General Fund	-	-	-	17,800	-	-
Transfer Out - Debt Service	1,084,165	1,084,076	1,084,076	1,123,190	1,659,440	1,611,003
Total Transfers	1,133,403	1,084,076	1,084,076	1,140,990	1,659,440	1,611,003
Total Expenditures	1,280,718	1,541,069	1,327,663	1,400,987	1,689,947	1,611,003
Net Change in Fund Balance	574,240	(27,739)	210,291	139,077	(284,703)	(190,384)
Beginning Fund Balance	(61,271)	512,969	512,969	723,260	862,337	577,634
Ending Fund Balance	512,969	485,230	723,260	862,337	577,634	387,250

Chapter 8: Fund Summary

INFRASTRUCTURE IMPROVEMENT FUND

The Infrastructure Improvement Fund accounts for the revenue and expenditures restricted to governmental infrastructure improvements throughout the 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 for residential homeowners. The Village started the IRP during fiscal year 2017 and plans to expand it nearly 100% in fiscal year 2018. Engineering Enterprises Inc. (EEI), the Village's engineering firm, created the Infrastructure Road Program (IRP) to plan road maintenance over the next 5 years.

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Charges for Services						
Other Reimbursements - Streets	672,000	-	12,014	10,000	140,000	-
Total Charges for Services	672,000	-	12,014	10,000	140,000	-
Intergovernmental, Grants, and Contributions						
NHR Sales Tax	2,103,584	2,646,000	2,788,804	2,986,750	3,136,088	3,292,892
State Grant - LAFO	-	500,000	-	-	-	-
Total Intergovernmental, Grants, and Contributions	2,103,584	3,146,000	2,788,804	2,986,750	3,136,088	3,292,892
Investment Income						
Interest Income - Cash and Investments	-	1,000	500	9,000	9,000	9,000
Total Investment Income	-	1,000	500	9,000	9,000	9,000
Total Revenues	2,775,584	3,147,000	2,801,318	3,005,750	3,285,088	3,301,892
EXPENDITURES						
Contractual Services - Professional and Technical						
Engineering Services - Municipal Projects	226,812	437,504	439,333	520,520	453,000	729,212
Total Contractual Services - Professional and Technical	226,812	437,504	439,333	520,520	453,000	729,212
Contractual Services - Property						
Infrastructure Repair and Maintenance - Streets and Alleys	776,936	1,916,465	1,431,465	2,198,952	2,898,300	2,565,450
Total Contractual Services - Property	776,936	1,916,465	1,431,465	2,198,952	2,898,300	2,565,450
Contractual Services - Other						
Property Tax Rebate	83,333	135,000	130,000	146,335	146,335	146,335
Municipal Audit Contingency	7,301	6,200	17,526	18,000	6,000	-
Total Contractual Services - Other	90,634	141,200	147,526	164,335	152,335	146,335
Capital Outlay						
Huntington Chase Improvements	594,673	60,000	-	60,000	-	-
Total Capital Outlay	594,673	60,000	-	60,000	-	-
Transfers						
Transfer Out - Cornell Agency Fund	95,562	-	-	-	-	-
Total Transfers	95,562	-	-	-	-	-
Total Expenditures	1,784,617	2,555,169	2,018,324	2,943,807	3,503,635	3,440,997
Net Change in Fund Balance	990,967	591,831	782,994	61,943	(218,547)	(139,105)
Beginning Fund Balance	(18,000)	972,967	972,967	1,755,961	1,817,904	1,599,357
Ending Fund Balance	972,967	1,564,798	1,755,961	1,817,904	1,599,357	1,460,252

Chapter 8: Fund Summary

LAKEWOOD CREEK PROJECT FUND

The Lakewood Creek Project Fund accounts for the revenue restricted to capital improvements in the Lakewood Creek neighborhood. The public improvements are complete and the fees paid for third-party management of the Lakewood Creek Special Assessment now flow through this fund.

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Investment Income						
Investment Earnings - Interest Income	2	2	4	2	2	2
Total Investment Income	2	2	4	2	2	2
Transfers						
Lakewood Creek SAA Fund	23,562	60,000	81,786	60,000	60,000	60,000
Total Transfers	23,562	60,000	81,786	60,000	60,000	60,000
Total Revenues	23,564	60,002	81,790	60,002	60,002	60,002
EXPENDITURES						
Contractual Services - Professional and Technical						
Other Professional Services	58,308	60,000	66,022	60,000	60,000	60,000
Total Contractual Services - Professional and Technical	58,308	60,000	66,022	60,000	60,000	60,000
Total Expenditures	58,308	60,000	66,022	60,000	60,000	60,000
Net Change in Fund Balance	(34,744)	2	15,768	2	2	2
Beginning Fund Balance	42,819	8,075	8,075	23,843	23,845	23,847
Ending Fund Balance	8,075	8,077	23,843	23,845	23,847	23,849

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 equalized assessed value within the district. TIF #1 completed one of three scheduled projects during fiscal year 2017. Rough grading on a Village owned parcel and flood measures will be completed during fiscal year 2018.

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Property Taxes						
Property Tax - TIF	40,918	41,800	39,629	40,000	40,000	40,000
Total Property Taxes	40,918	41,800	39,629	40,000	40,000	40,000
Long-Term Debt Issue						
Bond Proceeds	-	300,000	-	-	-	-
Total Long-Term Debt Issue	-	300,000	-	-	-	-
Total Revenues	40,918	341,800	39,629	40,000	40,000	40,000
EXPENDITURES						
Contractual Services - Professional and Technical						
Engineering Services - Development (Village)	3,288	34,430	34,430	-	-	-
Legal Services - Development (Village)	490	500	6,795	300	300	300
Economic Development Services - TIF Consultant	-	500	-	500	500	500
Accounting and Auditing Services - General	1,104	700	700	720	740	760
Total Contractual Services - Professional and Technical	4,882	36,130	41,925	1,520	1,540	1,560
Capital Outlay						
Capital Outlay - Pearl Street Storm Sewer	-	335,720	162,750	-	-	-
Capital Outlay - Village Land Maintenance	-	50,000	3,644	60,000	-	-
Total Capital Outlay	-	385,720	166,394	60,000	-	-
Total Expenditures	4,882	421,850	208,319	61,520	1,540	1,560
Net Change in Fund Balance	36,036	(80,050)	(168,690)	(21,520)	38,460	38,440
Beginning Fund Balance	146,853	182,889	182,889	14,199	(7,321)	31,139
Ending Fund Balance	182,889	102,839	14,199	(7,321)	31,139	69,579

Chapter 8: 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 equalized assessed value within the district. The Village received incremental property taxes during fiscal year 2016 and 2017 and paid approximately 70% out to surrounding tax districts per an intergovernmental agreement. Fiscal year 2018 is estimated to have similar activity except at higher amounts. However, TIF #2 is scheduled to complete a storm sewer overflow study during fiscal year 2018. Two new major projects were completed in fiscal year 2017 which will show up on the fiscal year 2019 property tax bills.

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Property Taxes						
Property Tax - TIF	51,881	247,000	188,195	396,000	1,996,000	1,996,000
Total Property Taxes	51,881	247,000	188,195	396,000	1,996,000	1,996,000
Total Revenues	51,881	247,000	188,195	396,000	1,996,000	1,996,000
EXPENDITURES						
Contractual Services - Professional and Technical						
Engineering Services - Development (Village)	4,313	-	-	61,000	-	-
Legal Services - Development (Village)	2,350	2,500	350	2,500	2,500	2,500
Economic Development Services - TIF Consultant	-	500	250	500	500	500
Accounting and Auditing Services - General	-	-	-	720	740	760
Planning Services - General	-	-	9,000	-	-	-
Total Contractual Services - Professional and Technical	6,663	3,000	9,600	64,720	3,740	3,760
Contractual Services - Other						
Other Contractual Services - Tax Districts	36,998	180,000	142,784	295,800	295,800	295,800
Total Contractual Services - Other	36,998	180,000	142,784	295,800	295,800	295,800
Capital Outlay						
Capital Outlay - Streets	-	-	-	-	206,000	480,361
Capital Outlay - Water Main Replacement	-	-	-	-	190,000	2,410,000
Total Capital Outlay	-	-	-	-	396,000	2,890,361
Total Expenditures	43,661	183,000	152,384	360,520	695,540	3,189,921
Net Change in Fund Balance	8,220	64,000	35,811	35,480	1,300,460	(1,193,921)
Beginning Fund Balance	(37,894)	(29,674)	(29,674)	6,137	41,617	1,342,077
Ending Fund Balance	(29,674)	34,326	6,137	41,617	1,342,077	148,156

TAX INCREMENT FINANCING (TIF) #3 FUND

The Tax Increment Financing #3 Fund was established to explore the possibility of creating an additional TIF district within the Village.

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Property Taxes						
Property Tax - TIF	-	-	-	-	-	50,000
Total Property Taxes	-	-	-	-	-	50,000
Total Revenues	-	-	-	-	-	50,000
EXPENDITURES						
Contractual Services - Professional and Technical						
Engineering Services - Development (Village)	-	5,000	-	5,000	-	-
Legal Services - Development (Village)	-	8,000	-	8,000	500	1,500
Economic Development Services - TIF Consultant	-	25,000	-	25,000	-	500
Total Contractual Services - Professional and Technical	-	38,000	-	38,000	500	2,000
Total Expenditures	-	38,000	-	38,000	500	2,000
Net Change in Fund Balance	-	(38,000)	-	(38,000)	(500)	48,000
Beginning Fund Balance	-	-	-	-	(38,000)	(38,500)
Ending Fund Balance	-	(38,000)	-	(38,000)	(38,500)	9,500

Chapter 8: Fund Summary

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.

Governmental activities long-term debt payable through the Debt Service Fund at April 30, 2017 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.

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.

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Transfers						
Transfer From Capital Improvement Fund	1,084,165	1,084,076	1,084,076	1,123,190	1,659,440	1,611,003
Total Transfers	1,084,165	1,084,076	1,084,076	1,123,190	1,659,440	1,611,003
Total Revenues	1,084,165	1,084,076	1,084,076	1,123,190	1,659,440	1,611,003
EXPENDITURES						
Debt Service						
Principal Payment - 2008	-	-	-	-	1,000,000	1,000,000
Principal Payment - 2010	475,000	550,000	550,000	605,000	-	-
Principal Payment - 2011	250,000	205,000	205,000	205,000	375,000	385,000
Principal Payment - 2014	-	-	-	-	-	-
Interest Payment - 2008	100,000	100,000	100,000	100,000	100,000	50,000
Interest Payment - 2010	61,075	42,075	42,075	24,200	-	-
Interest Payment - 2011	89,950	84,950	84,950	80,850	76,750	68,313
Interest Payment - 2014	106,340	106,340	106,340	106,340	106,340	106,340
Fiscal Agent Fees	1,800	1,800	1,800	1,800	1,350	1,350
Total Debt Service	1,084,165	1,090,165	1,090,165	1,123,190	1,659,440	1,611,003
Total Expenditures	1,084,165	1,090,165	1,090,165	1,123,190	1,659,440	1,611,003
Net Change in Fund Balance	-	(6,089)	(6,089)	-	-	-
Beginning Fund Balance	56,089	56,089	56,089	50,000	50,000	50,000
Ending Fund Balance	56,089	50,000	50,000	50,000	50,000	50,000

Chapter 8: Fund Summary

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 administration, operations, maintenance, repair, and replacement. The chart below 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.

Revenues

The annual water consumption rate increase; which is necessary to address goals for continued system operation, maintenance, repair, and replacement; is included in fiscal year 2018. The rate will increase from \$5.46 to \$5.62 per thousand gallons for residents and \$6.55 to \$6.75 per thousand gallons for non-residents.

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Charges for Services						
Service Fees - Water Sales	3,456,010	3,637,487	3,682,185	3,792,651	3,746,612	3,859,010
Service Fees - Late Charges	126,317	132,803	125,778	129,551	133,438	137,441
Service Fees - Water Service Charges	292,985	352,742	352,273	352,742	354,542	356,342
Service Fees - Delinquent Fees	58,612	50,000	65,145	50,000	50,000	50,000
Service Fees - Sewer Maintenance Charges	94,001	150,864	150,440	150,864	152,064	153,264
Service Fees - BH Infrastructure Fee	509,754	508,860	509,620	508,860	508,860	508,860
Service Fees - Fox Metro Reading Fee	27,559	27,705	27,614	27,705	27,855	28,005
Service Fees - Non Sufficient Funds Fee	1,225	1,250	1,200	1,250	1,250	1,250
Total Charges for Services	4,566,463	4,861,711	4,914,255	5,013,623	4,974,621	5,094,172
Investment Income						
Investment Earnings - Interest Income	19,148	15,000	23,112	30,000	30,000	30,000
Total Investment Income	19,148	15,000	23,112	30,000	30,000	30,000
Miscellaneous						
Other Reimbursements - Insurance	12,652	-	17,134	-	-	-
Total Miscellaneous	12,652	-	17,134	-	-	-
Total Revenues	4,598,263	4,876,711	4,954,501	5,043,623	5,004,621	5,124,172
EXPENSES						
Water Utility - Administration	2,376,177	1,353,514	1,336,044	1,350,451	1,531,912	1,241,307
Water Utility - Plant Operations	2,823,063	2,868,673	2,901,580	3,627,180	3,104,546	3,171,589
Total Expenses	5,199,240	4,222,187	4,237,624	4,977,631	4,636,458	4,412,896
Income (Loss) Before Transfers	(600,977)	654,524	716,877	65,992	368,163	711,276
Transfer Out - Water Improvement Fund	(155,848)	(884,890)	(372,852)	(137,250)	(967,490)	(880,300)
Change in Net Position	(756,825)	(230,366)	344,025	(71,258)	(599,327)	(169,024)
Beginning Net Position	24,622,000	23,865,175	23,865,175	24,209,200	24,137,942	23,538,615
Ending Net Position	23,865,175	23,634,809	24,209,200	24,137,942	23,538,615	23,369,591

Chapter 8: Fund Summary

WATER FUND (Continued)

Water Administration

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees (60%)	91,394	101,146	102,152	104,758	108,425	112,220
Wages - Overtime (General)	373	750	100	300	300	300
Total Personal Services - Salaries and Wages	91,767	101,896	102,252	105,058	108,725	112,520
Personal Services - Employee Benefits						
Insurance - Health	7,841	8,435	8,435	9,120	10,488	12,061
Insurance - Dental	390	413	413	472	496	521
Insurance - Life and AD&D	87	90	90	88	44	44
Insurance - Workers' Compensation	600	600	600	600	600	600
Insurance - Unemployment	820	583	583	583	583	583
Retirement - Social Security	6,767	6,318	6,340	6,514	6,741	6,976
Retirement - Medicare	1,583	1,477	1,483	1,523	1,577	1,632
Retirement - IMRF	14,912	13,746	13,284	12,365	12,797	13,244
Education - Conferences and Training	1,114	600	700	600	600	600
Equipment - Clothing Allowance	220	240	240	240	240	240
Total Personal Services - Employee Benefits	34,334	32,502	32,168	32,105	34,166	36,501
Contractual Services - Professional and Technical						
Engineering Services - General	54,417	60,000	41,683	50,000	50,000	50,000
Other Professional Services - Cash Management	198	-	-	-	-	-
Total Contractual Services - Professional and Technical	54,615	60,000	41,683	50,000	50,000	50,000
Contractual Services - Property						
Utilities - Telephone	1,015	120	-	-	-	-
Utilities - Cell Phone	639	580	360	-	-	-
Utilities - Internet Access	2,420	2,400	2,761	3,216	3,216	3,216
Total Contractual Services - Property	4,074	3,100	3,121	3,216	3,216	3,216
Contractual Services - Other						
Printing and Publishing - Legal Notices	-	500	250	500	500	500
Printing and Publishing - Publications	2,330	3,000	3,000	3,000	3,000	3,000
Other Purchased Services - Dues	220	225	491	860	860	860
Bad Debt	-	-	1,080	1,000	1,000	1,000
Total Contractual Services - Other	2,550	3,725	4,821	5,360	5,360	5,360
Commodities						
General Supplies - Office	592	750	500	750	750	750
General Supplies - Postage	2,621	5,000	5,000	5,000	5,000	5,000
General Supplies - Tools	19	500	500	500	500	500
General Supplies - Books and Periodicals	614	500	500	500	500	500
General Supplies - Cleaning	-	-	-	-	-	-
Total Commodities	3,846	6,750	6,500	6,750	6,750	6,750
Capital Outlay						
Capital Outlay - Equipment (Computer)	-	1,400	1,359	-	-	-
Total Capital Outlay	-	1,400	1,359	-	-	-

Chapter 8: Fund Summary

WATER FUND (Continued)

Water Administration (Continued)

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Debt Service						
Principal Payment - IEPA Low Interest Loan #1	-	62,511	62,511	64,194	65,923	67,698
Principal Payment - 2007 Refunding	-	335,000	335,000	350,000	365,000	-
Principal Payment - IEPA Low Interest Loan #2	-	206,173	206,173	208,758	211,376	214,027
Principal Payment - 2013 Bonds	-	125,000	125,000	130,000	135,000	140,000
Principal Payment - IEPA Low Interest Loan #3	-	105,898	105,898	108,585	110,762	112,983
Principal Payment - 2017 Bonds	-	-	-	-	-	140,000
Interest Payment - IEPA Low Interest Loan #1	13,240	12,279	12,279	10,596	8,867	7,092
Interest Payment - 2007 (Refunding)	48,848	41,476	41,475	28,242	14,418	-
Interest Payment - IEPA Low Interest Loan #2	47,189	44,707	44,707	42,121	39,504	36,853
Interest Payment - 2013 Bonds	164,738	162,550	162,550	158,800	154,900	150,850
Interest Payment - IEPA Low Interest Loan #3	63,311	47,747	47,747	45,866	43,689	41,469
Interest Payment - 2017 Bonds	-	-	-	-	173,456	115,638
Fiscal Agent Fees	800	800	800	800	800	350
Total Debt Service	338,126	1,144,141	1,144,140	1,147,962	1,323,695	1,026,960
Amortization and Depreciation						
Amortization Expense	(10,438)	-	-	-	-	-
Depreciation Expense	1,857,303	-	-	-	-	-
Total Amortization and Depreciation	1,846,865	-	-	-	-	-
Total Water - Administration	2,376,177	1,353,514	1,336,044	1,350,451	1,531,912	1,241,307

Business-type activities long-term debt payable through the Water Fund at April 30, 2017 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 \$2,482,931 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 8: Fund Summary

WATER FUND (Continued)

Water Plant Operations

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	391,706	418,107	418,107	473,259	485,090	497,217
Overtime - General	40,878	45,000	51,435	45,000	47,500	50,000
Total Personal Services - Salaries and Wages	432,584	463,107	469,542	518,259	532,590	547,217
Personal Services - Employee Benefits						
Insurance - Health	58,076	76,521	76,521	90,712	104,319	119,967
Insurance - Dental	2,832	3,810	3,810	4,622	4,853	5,096
Insurance - Life and AD&D	436	523	523	586	513	513
Insurance - Workers' Compensation	6,000	6,000	7,000	8,000	7,000	7,000
Insurance - Unemployment	3,135	2,916	3,402	3,888	3,402	3,402
Retirement - Social Security	25,057	28,713	29,112	32,132	33,021	33,927
Retirement - Medicare	5,860	6,715	6,808	7,515	7,723	7,935
Retirement - IMRF	80,360	62,473	56,160	60,999	62,686	64,407
Education - Conferences and Training	5,045	6,500	6,500	8,100	8,100	8,100
Equipment - Clothing Allowance	1,200	2,800	2,800	3,200	3,200	3,200
Total Personal Services - Employee Benefits	188,001	196,971	192,636	219,754	234,817	253,547
Contractual Services - Property						
Utilities - Electric	314,808	315,000	337,263	354,126	354,126	354,126
Utilities - Natural Gas	6,478	10,000	7,417	7,640	7,869	8,105
Utilities - Telephone	1,977	2,160	2,506	2,412	2,412	2,412
Utilities - Cell Phone	3,514	5,216	5,216	6,984	6,984	6,984
Building Repair and Maintenance - Other	75,073	110,000	110,000	111,152	111,152	111,152
Sewer Repair and Maintenance - Lift Stations	38,081	19,000	19,000	19,000	19,000	19,000
Sewer Repair and Maintenance - Sanitary Sewer	63,950	65,000	65,000	65,000	65,000	65,000
Water Utility Repair and Maintenance - Hydrants	35,601	35,000	35,000	40,000	40,000	40,000
Water Utility Repair and Maintenance - Water Meters	18,694	17,000	30,000	17,000	17,000	17,000
Water Utility Repair and Maintenance - Service Pipes	18,954	20,000	20,149	520,000	20,000	20,000
Water Utility Repair and Maintenance - Storage Tank	32	1,500	1,500	1,500	1,500	1,500
Water Utility Repair and Maintenance - Wells and Pumps	20,276	1,000	15,660	33,000	11,000	11,000
Water Utility Repair and Maintenance - Watermains	83,434	86,055	86,055	86,108	86,163	86,221
Water Utility Repair and Maintenance - Valves	19,704	16,000	16,000	16,000	16,000	16,000
Water Utility Repair and Maintenance - Spoils Disposal	26,617	20,000	23,850	20,000	10,000	10,000
Total Contractual Services - Property	727,193	722,931	774,616	1,299,922	768,206	768,500
Contractual Services - Other						
Other Contractual Services - Dues	-	885	885	1,755	1,755	1,755
Other Contractual Services - Sludge Removal	69,692	65,000	65,000	65,000	65,000	65,000
Other Contractual Services - Water Testing	26,497	25,000	25,000	35,000	35,000	35,000
Other Contractual Services - Leak Survey	45,626	25,000	25,000	18,000	18,000	18,000
Other Contractual Services - JULIE Notification	9,835	8,000	8,000	8,000	8,000	8,000
Other Contractual Services - SCADA Maintenance	2,494	9,000	9,000	30,000	10,000	10,000
Total Contractual Services - Other	154,144	132,885	132,885	157,755	137,755	137,755

Chapter 8: Fund Summary

WATER FUND (Continued)

Water Plant Operations (Continued)

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Commodities						
General Supplies - Safety	534	1,500	1,500	8,100	1,500	1,500
General Supplies - Uniforms	3,867	4,500	4,500	6,000	6,000	6,000
General Supplies - Computer Equipment	-	-	-	2,300	-	3,400
Vehicle Supplies - Tools	1,286	2,000	2,000	2,000	2,000	2,000
Public Works Supplies - Water Chemicals	215,049	235,500	235,500	235,500	235,500	235,500
Public Works Supplies - JULIE	3,084	3,500	3,500	5,800	3,500	3,500
Minor Equipment - Public Works	-	-	-	10,500	-	-
Total Commodities	223,820	247,000	247,000	270,200	248,500	251,900
Capital Outlay						
Capital Outlay - Equipment (Computer)	1,117	2,500	2,500	-	-	-
Total Capital Outlay	1,117	2,500	2,500	-	-	-
Transfers						
Transfer Out - General Fund	879,913	917,459	896,581	961,626	983,014	1,013,006
Transfer Out - Vehicle Reserve Fund	216,291	185,820	185,820	199,664	199,664	199,664
Transfer Out - Water Improvement Fund	-	-	-	-	-	-
Total Transfers	1,096,204	1,103,279	1,082,401	1,161,290	1,182,678	1,212,670
Total Water - Water Plant Operations	2,823,063	2,868,673	2,901,580	3,627,180	3,104,546	3,171,589

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 financed by the Water Fund. These improvements are financed through the administration of service charges, tap-on fees, and the issuance of long-term debt to pay for certain improvements over the useful life of those assets.

The main capital outlay projects in the Water Improvement Fund for fiscal year 2018 are:

- Our Watermain Replacement program replaces aging, critical infrastructure with new mains that provide reliable service and water pressure, and high quality water. The program will replace approximately 5,000 feet of existing water main with new larger 8 inch water main. The Village will begin to see savings immediately due to fewer main breaks in the areas being replaced.
- The Jefferson Street and Route 25 lift stations have reached the end of their useful design lives and need to be rehabilitated. The Village will not recognize any cost savings from the annual maintenance due to an agreement with Fox Metro Water Reclamation District to provide annual maintenance.
- Both of the above projects, as well as \$500,000 of lead service line replacement included in Water Plant Operations, will be funded with the issuance of \$3.5 million of General Obligation Alternate Revenue Bonds. Debt service will increase by approximately \$250,000 per year for the next 20 years.

Chapter 8: Fund Summary

WATER IMPROVEMENT FUND (Continued)

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Charges for Services						
Other Reimbursements - Water Meters	10,139	20,000	20,000	20,000	20,000	20,000
Other Reimbursements - Tap and Footage Fees	47,042	45,000	200,000	45,000	45,000	45,000
Total Charges for Services	57,181	65,000	220,000	65,000	65,000	65,000
Transfers						
Transfer From Water Fund	155,848	884,890	372,852	137,250	967,490	880,300
Total Transfers	155,848	884,890	372,852	137,250	967,490	880,300
Long Term Debt						
Bond Proceeds	-	-	-	3,500,000	-	-
IEPA Loan	-	891,100	-	-	-	-
Total Long Term Debt	-	891,100	-	3,500,000	-	-
Total Revenues	213,029	1,840,990	592,852	3,702,250	1,032,490	945,300
EXPENSES						
Capital Outlay						
Capital Outlay - Watermain Replacement	-	-	-	1,870,000	486,000	404,000
Capital Outlay - Water Meters (New Construction)	491	-	-	-	-	-
Capital Outlay - Water Meters (Residential Retrofit)	11,048	-	-	-	-	-
Capital Outlay - Sanitary Sewer Televising	-	50,000	43,474	100,000	100,000	100,000
Capital Outlay - Water Meters (Replacement Program)	35,132	179,000	179,000	180,020	183,020	186,020
Capital Outlay - Replacement and Rehab Reserve	64,049	369,990	-	426,830	243,470	235,280
Well 14 Motor Control Upgrade	552	-	-	-	-	-
Boulder Hill Water System Improvements	-	78,500	87,876	-	-	-
Chlorine System Improvements	4,826	200,000	191,854	-	-	-
Jefferson Street Lift Station Rehabilitation	-	963,500	6,877	1,015,400	-	-
Water Works System Master Plan	191,680	-	45,347	-	-	-
Water Quality Testing and Regional Planning	-	-	-	40,000	20,000	20,000
Total Capital Outlay	307,778	1,840,990	554,428	3,632,250	1,032,490	945,300
Debt Service						
Issuance Costs	-	-	-	70,000	-	-
Total Debt Service	-	-	-	70,000	-	-
Total Expenses	307,778	1,840,990	554,428	3,702,250	1,032,490	945,300
Change in Net Position	(94,749)	-	38,424	-	-	-
Beginning Net Position	56,325	(38,424)	(38,424)	-	-	-
Ending Net Position	(38,424)	(38,424)	-	-	-	-

Chapter 8: 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.

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Charges for Services						
Internal Service Fees - Employer Medical Insurance Contributions	743,952	853,149	853,149	922,172	1,060,500	1,219,576
Internal Service Fees - Employer Dental Insurance Contributions	41,062	47,084	47,084	52,216	54,828	57,572
Internal Service Fees - Employee Medical Insurance Contributions	100,442	119,870	119,870	133,321	153,319	176,317
Internal Service Fees - Cobra Medical Insurance Contributions	92	-	-	-	-	-
Internal Service Fees - Retiree Medical Insurance Contributions	78,150	78,429	78,429	88,861	102,190	117,519
Internal Service Fees - Employer Life Insurance Contributions	4,137	4,487	4,487	4,547	4,473	4,473
Total Charges for Services	967,835	1,103,019	1,103,019	1,201,117	1,375,310	1,575,457
Total Revenues	967,835	1,103,019	1,103,019	1,201,117	1,375,310	1,575,457
EXPENSES						
Contractual Services - Other						
Insurance - Medical (HMO)	865,593	1,051,448	1,051,448	1,144,354	1,316,009	1,513,412
Insurance - Medical (PPO)	33,235	-	-	-	-	-
Insurance - Dental	42,693	47,084	47,084	52,216	54,828	57,572
Insurance - Life	4,102	4,487	4,487	4,547	4,473	4,473
Total Contractual Services - Other	945,623	1,103,019	1,103,019	1,201,117	1,375,310	1,575,457
Total Expenses	945,623	1,103,019	1,103,019	1,201,117	1,375,310	1,575,457
Change in Net Position	22,212	-	-	-	-	-
Beginning Net Position	230,147	252,359	252,359	252,359	252,359	252,359
Ending Net Position	252,359	252,359	252,359	252,359	252,359	252,359

Chapter 8: 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. Contributions slowed when the Great Recession hit and was made a priority by the Village Board to rebuild this fund beginning in fiscal year 2014. The Village averaged the contributions over the next 15 years and expects the Vehicle Reserve Fund to be fully funded by 2029. The Village made a concerted effort during fiscal year 2016 to study the useful life of our vehicles and equipment, as well as determining if we had the correct vehicles and equipment. This allowed the Village to decrease the contribution for fiscal year 2017 forward. The fiscal year 2018 budget includes the replacement of 11 vehicles including 1 small Community Development truck, 4 Police squad cars, 3 small Public Works trucks, a five yard dump truck, a backhoe, and a utility tractor.

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Charges for Services						
Internal Service Fees - Vehicle Reserve Contributions	687,303	601,738	601,738	616,915	616,915	616,915
Total Charges for Services	687,303	601,738	601,738	616,915	616,915	616,915
Investment Income						
Investment Earnings - Interest Income	-	500	-	500	500	500
Total Investment Income	-	500	-	500	500	500
Miscellaneous						
Other Reimbursements - Miscellaneous	-	10,000	-	-	-	-
Sale of Capital Assets	-	-	112,724	-	-	-
Total Miscellaneous	-	10,000	112,724	-	-	-
Total Revenues	687,303	612,238	714,462	617,415	617,415	617,415
EXPENDITURES						
Capital Outlay						
Capital Outlay - Vehicles	373,643	789,798	922,173	692,115	701,387	187,463
Total Capital Outlay	373,643	789,798	922,173	692,115	701,387	187,463
Debt Service						
Principal Payment - Capital Lease	103,071	-	-	-	-	-
Interest Payment - Capital Lease	4,896	-	-	-	-	-
Total Debt Service	107,967	-	-	-	-	-
Total Expenditures	481,610	789,798	922,173	692,115	701,387	187,463
Net Change in Fund Balance	205,693	(177,560)	(207,711)	(74,700)	(83,972)	429,952
Beginning Fund Balance	529,570	735,263	735,263	527,552	452,852	368,880
Ending Fund Balance	735,263	557,703	527,552	452,852	368,880	798,832

Chapter 8: 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 Village extended its contract with Republic Services from December 31, 2016 to July 31, 2017 for the same price of \$19.65 per month to allow the Village time to negotiate a contract. The Village Board approved a 7 year contract with a new company (DC Trash of Illinois) on May 8, 2017, for a full range of refuse services. These services include refuse, recycling, yard waste, bulk items, white goods (i.e. large appliances), and quarterly electronics recycling and household hazardous waste events. The new contract with DC Trash of Illinois begins August 1, 2017 at a rate of \$16.47 per month, and includes increases of approximately 3% per year. The Village budgeted an increase of 4% from \$19.65 to \$20.44 based on our former contract with Republic Services. Therefore, the expected number for fiscal year 2018 will be approximately \$300,000 less than budget. The budgeted amount for direct customer refuse billing is based on the contract rate and the existing number of homes.

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Charges for Services						
Service Fees - Refuse Removal	1,299,130	1,350,415	1,333,240	1,416,396	1,485,627	1,558,395
Total Charges for Services	1,299,130	1,350,415	1,333,240	1,416,396	1,485,627	1,558,395
Investment Income						
Investment Earnings - Interest Income	-	250	-	-	-	-
Total Investment Income	-	250	-	-	-	-
Total Revenues	1,299,130	1,350,665	1,333,240	1,416,396	1,485,627	1,558,395
EXPENSES						
Contractual Services - Other						
Other Contractual Services - Solid Waste Disposal	1,293,243	1,350,415	1,333,030	1,416,396	1,485,627	1,558,395
Total Contractual Services - Other	1,293,243	1,350,415	1,333,030	1,416,396	1,485,627	1,558,395
Total Expenses	1,293,243	1,350,415	1,333,030	1,416,396	1,485,627	1,558,395
Change in Net Position	5,887	250	210	-	-	-
Beginning Net Position	4,483	10,370	10,370	10,580	10,580	10,580
Ending Net Position	10,370	10,620	10,580	10,580	10,580	10,580

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.

Chapter 8: Fund Summary

POLICE PENSION FUND (Continued)

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 2018 as determined by the Village's actuary.

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
ADDITIONS						
Contributions						
Employer Contributions - Police Pension Property Tax	452,282	457,912	456,842	583,505	625,184	625,184
Employer Contributions - Police Pension	-	-	64,145	-	-	-
Employee Contributions - Police Pension	216,533	216,848	205,332	222,170	230,501	239,145
Total Contributions	668,815	674,760	726,319	805,675	855,685	864,329
Investment Income						
Interest Income - Cash and Investments	301,924	643,055	272,655	667,275	727,405	792,120
Investment Income - Realized Gain/Loss	33,897	-	346,011	-	-	-
Investment Income - Unrealized Gain/Loss	(343,336)	-	-	-	-	-
Total Investment Income	(7,515)	643,055	618,666	667,275	727,405	792,120
Total Additions	661,300	1,317,815	1,344,985	1,472,950	1,583,090	1,656,449
DEDUCTIONS						
Personal Services - Employee Benefits						
Retirement - Police Pension Payments (Retirees)	388,902	331,759	404,425	491,926	520,973	541,235
Retirement - Police Pension Payments (Widows)	20,816	20,816	20,816	20,816	20,816	20,816
Retirement - Refund of Contributions	19,769	-	5,558	-	-	-
Retirement - Police Pension Payments (Disability)	51,677	44,602	101,816	101,815	101,815	101,815
Education - Conferences and Training	-	10,000	10,000	10,000	10,000	10,000
Total Personal Services - Employee Benefits	481,164	407,177	542,615	624,557	653,604	673,866
Contractual Services - Professional and Technical						
Legal Services - Other	5,925	2,500	3,000	2,500	2,500	2,500
Accounting and Auditing Services - General	1,526	1,200	1,200	1,220	1,240	1,260
Accounting and Auditing Services - Actuary Report	2,000	2,000	2,050	2,050	2,050	2,050
Professional Services - Cash Management	18,113	18,373	19,568	19,065	20,783	22,632
Total Contractual Services - Professional and Technical	27,564	24,073	25,818	24,835	26,573	28,442
Contractual Services - Other						
Physicals/Testing	6,480	1,500	1,500	1,500	1,500	1,500
Dues	2,295	2,416	2,436	2,600	2,763	2,943
Total Contractual Services - Other	8,775	3,916	3,936	4,100	4,263	4,443
Total Deductions	517,503	435,166	572,369	653,492	684,440	706,751
Change in Net Position	143,797	882,649	772,616	819,458	898,650	949,698
Beginning Net Position	8,206,596	8,350,393	8,350,393	9,123,009	9,942,467	10,841,117
Ending Net Position	8,350,393	9,233,042	9,123,009	9,942,467	10,841,117	11,790,815

Chapter 8: 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.

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Miscellaneous						
Donations - Other	600	250	2,800	250	250	250
Total Miscellaneous	600	250	2,800	250	250	250
Total Revenues	600	250	2,800	250	250	250
EXPENDITURES						
Commodities						
Police Supplies - Too Good for Drugs Program	318	300	380	380	400	400
Police Supplies - Other	1,307	1,000	250	1,000	1,000	1,000
Total Commodities	1,625	1,300	630	1,380	1,400	1,400
Total Expenditures	1,625	1,300	630	1,380	1,400	1,400
Net Change in Fund Balance	(1,025)	(1,050)	2,170	(1,130)	(1,150)	(1,150)
Beginning Fund Balance	7,150	6,125	6,125	8,295	7,165	6,015
Ending Fund Balance	6,125	5,075	8,295	7,165	6,015	4,865

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 that 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 8: Fund Summary

MONTGOMERY CROSSING SSA FUND

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Property Taxes						
Property Tax - Montgomery Crossing SSA	53,003	53,000	52,977	48,000	51,500	55,000
Total Property Taxes	53,003	53,000	52,977	48,000	51,500	55,000
Total Revenues	53,003	53,000	52,977	48,000	51,500	55,000
EXPENDITURES						
Contractual Services - Property						
Grounds Repair and Maintenance - Detention Basins	45,400	48,623	48,623	33,980	44,480	33,980
Grounds Maintenance - Subdivision	5,319	5,754	5,260	17,688	14,382	17,688
Total Contractual Services - Property	50,719	54,377	53,883	51,668	58,862	51,668
Total Expenditures	50,719	54,377	53,883	51,668	58,862	51,668
Net Change in Fund Balance	2,284	(1,377)	(906)	(3,668)	(7,362)	3,332
Beginning Fund Balance	132,768	135,052	135,052	134,146	130,478	123,116
Ending Fund Balance	135,052	133,675	134,146	130,478	123,116	126,448

BLACKBERRY CROSSING SSA FUND

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Property Taxes						
Property Tax - Blackberry Crossing SSA	10,965	11,000	10,999	8,000	16,000	16,000
Total Property Taxes	10,965	11,000	10,999	8,000	16,000	16,000
Total Revenues	10,965	11,000	10,999	8,000	16,000	16,000
EXPENDITURES						
Contractual Services - Property						
Grounds Repair and Maintenance - Detention Basins	10,155	9,358	9,358	6,185	8,285	6,185
Grounds Maintenance - Subdivision	1,609	1,660	2,040	9,104	7,326	9,104
Total Contractual Services - Property	11,764	11,018	11,398	15,289	15,611	15,289
Total Expenditures	11,764	11,018	11,398	15,289	15,611	15,289
Net Change in Fund Balance	(799)	(18)	(399)	(7,289)	389	711
Beginning Fund Balance	63,868	63,069	63,069	62,670	55,381	55,770
Ending Fund Balance	63,069	63,051	62,670	55,381	55,770	56,481

Chapter 8: Fund Summary

FAIRFIELD WAY SSA FUND

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Property Taxes						
Property Tax - Fairfield Way SSA	49,976	40,000	39,977	25,000	22,500	25,000
Total Property Taxes	49,976	40,000	39,977	25,000	22,500	25,000
Total Revenues	49,976	40,000	39,977	25,000	22,500	25,000
EXPENDITURES						
Contractual Services - Property						
Grounds Repair and Maintenance - Detention Basins	19,740	22,602	22,602	12,360	15,240	12,360
Grounds Maintenance - Subdivision	12,965	14,249	10,203	22,850	20,041	22,850
Sewer Repair and Maintenance - Lift Stations	8,887	-	-	-	-	-
Total Contractual Services - Property	41,592	36,851	32,805	35,210	35,281	35,210
Total Expenditures	41,592	36,851	32,805	35,210	35,281	35,210
Net Change in Fund Balance	8,384	3,149	7,172	(10,210)	(12,781)	(10,210)
Beginning Fund Balance	163,504	171,888	171,888	179,060	168,850	156,069
Ending Fund Balance	171,888	175,037	179,060	168,850	156,069	145,859

ARBOR RIDGE SSA FUND

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Property Taxes						
Property Tax - Arbor Ridge SSA	18,319	20,000	18,216	20,000	20,000	20,000
Total Property Taxes	18,319	20,000	18,216	20,000	20,000	20,000
Total Revenues	18,319	20,000	18,216	20,000	20,000	20,000
EXPENDITURES						
Contractual Services - Property						
Grounds Repair and Maintenance - Detention Basins	8,990	30,882	32,382	6,790	8,090	6,790
Grounds Maintenance - Subdivision	3,729	4,096	3,330	11,890	8,123	11,890
Total Contractual Services - Property	12,719	34,978	35,712	18,680	16,213	18,680
Total Expenditures	12,719	34,978	35,712	18,680	16,213	18,680
Net Change in Fund Balance	5,600	(14,978)	(17,496)	1,320	3,787	1,320
Beginning Fund Balance	38,810	44,410	44,410	26,914	28,234	32,021
Ending Fund Balance	44,410	29,432	26,914	28,234	32,021	33,341

Chapter 8: Fund Summary

FOXMOOR SSA FUND

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Property Taxes						
Property Tax - Foxmoor SSA	42,468	43,000	42,923	43,000	47,500	52,000
Total Property Taxes	42,468	43,000	42,923	43,000	47,500	52,000
Total Revenues	42,468	43,000	42,923	43,000	47,500	52,000
EXPENDITURES						
Contractual Services - Property						
Grounds Repair and Maintenance - Detention Basins	19,116	24,777	24,777	16,254	19,134	16,254
Grounds Maintenance - Subdivision	38,448	17,714	13,412	38,071	29,771	38,071
Total Contractual Services - Property	57,564	42,491	38,189	54,325	48,905	54,325
Total Expenditures	57,564	42,491	38,189	54,325	48,905	54,325
Net Change in Fund Balance	(15,096)	509	4,734	(11,325)	(1,405)	(2,325)
Beginning Fund Balance	134,309	119,213	119,213	123,947	112,622	111,217
Ending Fund Balance	119,213	119,722	123,947	112,622	111,217	108,892

SARATOGA SPRINGS SSA FUND

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Property Taxes						
Property Tax - Saratoga Springs SSA	12,000	12,000	12,000	13,500	15,500	17,500
Total Property Taxes	12,000	12,000	12,000	13,500	15,500	17,500
Total Revenues	12,000	12,000	12,000	13,500	15,500	17,500
EXPENDITURES						
Contractual Services - Property						
Grounds Repair and Maintenance - Detention Basins	10,510	10,826	10,826	8,411	10,511	8,411
Grounds Maintenance - Subdivision	2,224	2,435	2,040	5,731	4,664	5,731
Total Contractual Services - Property	12,734	13,261	12,866	14,142	15,175	14,142
Total Expenditures	12,734	13,261	12,866	14,142	15,175	14,142
Net Change in Fund Balance	(734)	(1,261)	(866)	(642)	325	3,358
Beginning Fund Balance	38,314	37,580	37,580	36,714	36,072	36,397
Ending Fund Balance	37,580	36,319	36,714	36,072	36,397	39,755

Chapter 8: Fund Summary

ORCHARD PRAIRIE NORTH SSA FUND

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Property Taxes						
Property Tax - Orchard Prairie SSA	25,000	27,000	27,000	29,000	31,000	33,000
Total Property Taxes	25,000	27,000	27,000	29,000	31,000	33,000
Total Revenues	25,000	27,000	27,000	29,000	31,000	33,000
EXPENDITURES						
Contractual Services - Property						
Grounds Repair and Maintenance - Detention Basins	13,196	13,592	12,724	11,096	13,196	11,096
Grounds Maintenance - Subdivision	9,642	9,074	7,088	14,102	12,182	14,102
Total Contractual Services - Property	22,838	22,666	19,812	25,198	25,378	25,198
Total Expenditures	22,838	22,666	19,812	25,198	25,378	25,198
Net Change in Fund Balance	2,162	4,334	7,188	3,802	5,622	7,802
Beginning Fund Balance	26,843	29,005	29,005	36,193	39,995	45,617
Ending Fund Balance	29,005	33,339	36,193	39,995	45,617	53,419

BLACKBERRY CROSSING WEST SSA FUND

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Property Taxes						
Property Tax - Blackberry Crossing West SSA	62,979	63,000	63,132	50,000	37,000	37,000
Total Property Taxes	62,979	63,000	63,132	50,000	37,000	37,000
Miscellaneous						
Developer Contributions	-	-	22,832	-	-	-
Total Miscellaneous	-	-	22,832	-	-	-
Total Revenues	62,979	63,000	85,964	50,000	37,000	37,000
EXPENDITURES						
Contractual Services - Property						
Grounds Repair and Maintenance - Detention Basins	32,678	40,821	40,821	33,740	38,780	33,740
Grounds Maintenance - Subdivision	12,249	13,420	11,472	9,478	9,123	9,478
Total Contractual Services - Property	44,927	54,241	52,293	43,218	47,903	43,218
Total Expenditures	44,927	54,241	52,293	43,218	47,903	43,218
Net Change in Fund Balance	18,052	8,759	33,671	6,782	(10,903)	(6,218)
Beginning Fund Balance	99,720	117,772	117,772	151,443	158,225	147,322
Ending Fund Balance	117,772	126,531	151,443	158,225	147,322	141,104

Chapter 8: Fund Summary

FIELDSTONE PLACE SSA FUND

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Property Taxes						
Property Tax - Fieldstone Place SSA	6,500	6,500	6,488	5,500	5,500	5,500
Total Property Taxes	6,500	6,500	6,488	5,500	5,500	5,500
Total Revenues	6,500	6,500	6,488	5,500	5,500	5,500
EXPENDITURES						
Contractual Services - Property						
Grounds Repair and Maintenance - Detention Basins	4,882	4,759	4,759	3,320	4,620	3,320
Grounds Maintenance - Subdivision	524	866	788	811	835	860
Total Contractual Services - Property	5,406	5,625	5,547	4,131	5,455	4,180
Total Expenditures	5,406	5,625	5,547	4,131	5,455	4,180
Net Change in Fund Balance	1,094	875	941	1,369	45	1,320
Beginning Fund Balance	16,940	18,034	18,034	18,975	20,344	20,389
Ending Fund Balance	18,034	18,909	18,975	20,344	20,389	21,709

BALMOREA SSA FUND

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Property Taxes						
Property Tax - Balmorea SSA	29,789	34,500	34,500	35,000	35,000	35,000
Total Property Taxes	29,789	34,500	34,500	35,000	35,000	35,000
Miscellaneous						
Developer Contributions	11,438	-	-	-	-	-
Total Miscellaneous	11,438	-	-	-	-	-
Total Revenues	41,227	34,500	34,500	35,000	35,000	35,000
EXPENDITURES						
Contractual Services - Property						
Grounds Repair and Maintenance - Detention Basins	28,956	29,825	29,825	21,581	28,956	21,581
Total Contractual Services - Property	28,956	29,825	29,825	21,581	28,956	21,581
Total Expenditures	28,956	29,825	29,825	21,581	28,956	21,581
Net Change in Fund Balance	12,271	4,675	4,675	13,419	6,044	13,419
Beginning Fund Balance	(12,687)	(416)	(416)	4,259	17,678	23,722
Ending Fund Balance	(416)	4,259	4,259	17,678	23,722	37,141

Chapter 8: Fund Summary

MARQUIS POINTE SSA FUND

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Property Taxes						
Property Tax - Marquis Pointe SSA	13,526	14,000	14,028	14,000	14,000	14,000
Total Property Taxes	13,526	14,000	14,028	14,000	14,000	14,000
Total Revenues	13,526	14,000	14,028	14,000	14,000	14,000
EXPENDITURES						
Contractual Services - Property						
Grounds Repair and Maintenance - Detention Basins	11,410	11,752	11,752	9,608	11,408	9,608
Total Contractual Services - Property	11,410	11,752	11,752	9,608	11,408	9,608
Total Expenditures	11,410	11,752	11,752	9,608	11,408	9,608
Net Change in Fund Balance	2,116	2,248	2,276	4,392	2,592	4,392
Beginning Fund Balance	21,140	23,256	23,256	25,532	29,924	32,516
Ending Fund Balance	23,256	25,504	25,532	29,924	32,516	36,908

OGDEN HILL SSA FUND

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUES						
Property Taxes						
Property Tax - Ogden Hill SSA	22,528	24,000	24,028	25,000	25,000	25,000
Total Property Taxes	22,528	24,000	24,028	25,000	25,000	25,000
Total Revenues	22,528	24,000	24,028	25,000	25,000	25,000
EXPENDITURES						
Contractual Services - Property						
Grounds Repair and Maintenance - Detention Basins	19,429	20,012	20,012	12,931	18,331	12,931
Total Contractual Services - Property	19,429	20,012	20,012	12,931	18,331	12,931
Total Expenditures	19,429	20,012	20,012	12,931	18,331	12,931
Net Change in Fund Balance	3,099	3,988	4,016	12,069	6,669	12,069
Beginning Fund Balance	24,679	27,778	27,778	31,794	43,863	50,532
Ending Fund Balance	27,778	31,766	31,794	43,863	50,532	62,601

Chapter 9: Departmental Summary

The Departmental Summary contains information on the General Fund while all other funds are included in Chapter 8: 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.

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
REVENUE						
Property Taxes	2,241,843	2,260,869	2,266,961	2,296,031	2,339,401	2,383,638
Other Taxes	128,293	126,788	133,255	134,559	135,209	135,865
Licenses and Permits	447,653	435,890	510,450	458,055	470,744	483,518
Charges for Services	310,585	317,023	368,694	336,692	341,997	356,240
Intergovernmental, Grants, and Contributions	6,333,078	6,196,400	6,222,474	6,563,170	6,770,056	6,988,688
Fines and Forfeitures	319,217	338,500	241,938	303,000	315,000	327,500
Investment Income	26,118	30,000	29,906	49,500	49,500	49,500
Miscellaneous	132,824	117,450	128,453	127,790	127,790	127,790
Transfers	-	-	-	17,800	-	-
Total Revenue	9,939,611	9,822,920	9,902,131	10,286,597	10,549,697	10,852,739
EXPENDITURES						
Elected Officials	149,820	157,029	162,284	183,844	181,384	182,524
Village Administrator	349,692	382,289	371,657	406,689	395,809	408,641
Finance	909,244	498,215	509,177	559,430	570,552	589,480
Community Development						
Planning and Zoning	300,818	306,370	302,839	302,378	316,009	334,732
Code Enforcement and Inspections	323,875	337,216	340,248	377,298	370,822	389,472
Economic Development	995,553	1,064,831	1,082,959	993,201	758,357	776,284
Police						
Administration	605,888	630,856	621,826	659,157	614,100	632,592
Support Services	432,781	471,020	469,180	474,118	488,601	483,804
Patrol	3,114,042	3,335,267	3,417,142	3,761,059	4,014,420	4,187,564
Investigations	270,787	276,108	289,272	295,170	309,783	328,293
Police Commission	5,265	11,627	7,243	6,577	7,377	4,577
ESDA	6,025	2,200	2,200	2,200	2,200	2,200
Public Works						
Administration	116,808	113,146	108,471	109,591	123,936	117,452
Streets	885,118	1,078,159	1,090,726	1,056,592	1,051,815	1,071,970
Vehicle Maintenance	210,189	240,956	220,034	232,569	238,508	248,150
Buildings and Grounds	345,370	394,158	372,214	409,645	414,043	413,689
Stormwater	11,414	40,000	40,000	50,000	40,000	40,000
Legal Services	206,373	186,500	141,877	171,500	181,500	191,500
Engineering Services	192,860	207,500	262,777	219,000	229,000	239,000
Total Expenditures	9,431,922	9,733,447	9,812,126	10,270,018	10,308,216	10,641,924
Net Income (Loss)	507,689	89,473	90,005	16,579	241,481	210,815
Beginning Fund Balance	3,504,209	4,011,898	4,011,898	4,101,903	4,118,482	4,359,963
Ending Fund Balance	4,011,898	4,101,371	4,101,903	4,118,482	4,359,963	4,570,778

Chapter 9: Departmental Summary

REVENUES

Fiscal year 2018 General Fund revenues are budgeted at \$10,286,597 which is an increase of \$463,677 over fiscal year 2017 budget and an increase of \$384,466 over fiscal year 2017 estimated. Approximately 78% of the increase over budget and 66% of the increase over budget are due to an increase in state sales tax received by the Village. A discussion of sales tax is included in major revenues on page 52.

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Property Taxes						
Property Tax - Corporate	963,425	959,996	972,713	556,975	568,115	579,477
Property Tax - Police Pension	452,282	457,912	456,842	583,505	595,175	607,079
Property Tax - Social Security	223,510	226,248	225,721	238,591	243,363	248,230
Property Tax - IMRF	223,510	226,248	225,721	229,591	234,183	238,867
Property Tax - Insurance	263,260	266,487	265,867	294,799	300,695	306,709
Property Tax - Police Protection	-	-	-	265,000	270,300	275,706
Property Tax - TIF Surplus	2,016	9,000	7,315	14,788	14,788	14,788
Other Taxes - Road and Bridge Tax	113,840	114,978	112,782	112,782	112,782	112,782
Total Property Taxes	2,241,843	2,260,869	2,266,961	2,296,031	2,339,401	2,383,638
Other Taxes						
Other Taxes - Video Gaming Tax	60,261	57,600	68,939	69,600	69,600	69,600
Fees - Infrastructure Maintenance Fee	68,032	69,188	64,316	64,959	65,609	66,265
Total Other Taxes	128,293	126,788	133,255	134,559	135,209	135,865
Licenses and Permits						
Licenses - Liquor Licenses	29,804	27,300	30,195	30,900	30,900	30,900
Licenses - Other Licenses	30	1,050	1,050	1,050	1,050	1,050
Licenses - Amusement Machine Licenses	1,000	1,050	225	150	150	150
Licenses - Tobacco Licenses	400	300	425	350	350	350
Licenses - Contractors	22,990	25,000	28,000	28,125	31,250	34,375
Permits - Building Permits	120,659	115,000	167,541	125,000	130,000	135,000
Permits - Oversized Vehicle Permit	11,775	8,000	25,725	12,000	12,000	12,000
Permits - Solicitor	1,830	1,200	1,500	1,500	1,500	1,500
Permits - Other	200	100	720	500	500	500
Fees - Cable Franchise Fee	258,965	256,890	255,069	258,480	263,044	267,693
Total Licenses and Permits	447,653	435,890	510,450	458,055	470,744	483,518
Intergovernmental, Grants, and Contributions						
Sales Tax	3,863,843	3,798,419	3,904,257	4,157,976	4,365,875	4,584,169
State Income Tax	1,964,982	1,880,676	1,792,174	1,862,238	1,862,238	1,862,238
Other Taxes - Corporate Replacement Tax	47,522	58,553	54,637	51,086	51,086	51,086
Other Taxes - Road and Bridge Replacement Tax	8,750	7,319	6,830	6,386	6,386	6,386
Other Taxes - Local Use Tax	436,512	433,293	446,200	466,481	466,481	466,481
State Grants - Body Armor (Police)	1,752	1,500	1,736	2,363	1,350	1,688
State Grants - ILCC Tobacco (Police)	1,760	1,760	1,760	1,760	1,760	1,760
State Grants - Traffic Safety Grant (Police)	7,957	14,880	14,880	14,880	14,880	14,880
Total Intergovernmental Revenue	6,333,078	6,196,400	6,222,474	6,563,170	6,770,056	6,988,688
Charges for Services						
Service Fees - Refuse Removal	6,872	7,000	8,604	7,000	7,000	7,000
Inspection Fees - Plumbing Inspections	16,820	17,000	20,000	17,000	17,000	17,000
Inspection Fees - Engineering Inspections	5,900	11,000	11,000	11,000	11,000	11,000
Inspection Fees - Elevators	-	1,600	1,600	1,600	1,600	1,600

Chapter 9: Departmental Summary

REVENUES (Continued)

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Charges for Services (Continued)						
Planning Fees - Plan Commission Applications	6,200	6,000	8,000	6,000	6,000	6,000
Professional Service Reimbursements - Dispatch Service	12,346	12,917	12,669	13,302	13,967	14,665
Professional Service Reimbursements - Engineering Service	122,753	147,420	205,701	170,100	175,770	181,440
Professional Service Reimbursements - Legal Service	26,497	42,000	19,437	31,500	36,750	42,000
Professional Service Reimbursements - Planning Service	17,017	10,500	22,106	10,500	10,500	13,125
Professional Service Reimbursements - Printing and Publishing	88	500	250	500	500	500
Police Reimbursements - Training	16,768	7,500	7,336	13,452	7,226	7,226
Police Reimbursements - Special Duty	5,144	2,700	2,400	2,700	2,700	2,700
Police Reimbursements - Other	3,771	8,000	3,000	3,000	3,000	3,000
Police Reimbursements - Firing Range	1,017	500	500	500	500	500
Other Reimbursements - Streets	18,881	11,680	11,680	11,680	11,680	11,680
Other Reimbursements - Miscellaneous	28,374	7,000	6,000	6,000	6,000	6,000
Other Reimbursements - Lawn Services (Kaneland Schools)	7,301	7,666	7,000	5,418	5,364	5,364
Other Reimbursements - Credit Card Fees	13,820	14,000	18,674	23,400	23,400	23,400
Rents and Royalties - Municipal Building Rental	1,016	2,040	2,737	2,040	2,040	2,040
Total Charges for Services	310,585	317,023	368,694	336,692	341,997	356,240
Fines and Forfeitures						
Police Reimbursements - Tow Impoundment Fee	128,500	135,000	81,767	120,000	125,000	130,000
Village - Court Fines	18,205	32,000	23,395	27,000	29,000	31,000
Kane County - Court Fines	143,480	140,000	106,761	125,000	130,000	135,000
Kane County - Patrol Car Maintenance	10,778	15,000	8,150	12,000	12,000	12,000
Kendall County - Court Fines	11,639	10,000	12,583	12,000	12,000	12,000
Kendall County - Patrol Car Maintenance	1,440	2,000	1,302	2,000	2,000	2,000
Code Enforcement Fines	5,175	4,500	7,980	5,000	5,000	5,500
Total Fines and Forfeitures	319,217	338,500	241,938	303,000	315,000	327,500
Investment Income						
Investment Earnings - Interest Income	26,118	30,000	29,906	49,500	49,500	49,500
Total Investment Income	26,118	30,000	29,906	49,500	49,500	49,500
Miscellaneous						
Salable Items - History Books	140	350	350	350	350	350
Salable Items - Miscellaneous	31	100	100	100	100	100
Recycling income	-	4,000	2,000	4,000	4,000	4,000
Other Reimbursements - Insurance	48,566	30,000	34,224	30,000	30,000	30,000
Donations - Montgomery Fest	56,371	53,000	63,000	63,000	63,000	63,000
Donations - Beautification	8,481	5,000	5,000	5,000	5,000	5,000
Donations - River Run	12,635	12,000	11,166	12,340	12,340	12,340
Donations - Garage Sale	840	2,000	2,000	2,000	2,000	2,000
Donations - Settler's Cottage	-	500	500	500	500	500
Donations - HPC Brick Paver Program	200	500	500	500	500	500
Donations - Senior Luncheon	1,593	2,000	2,000	2,000	2,000	2,000
Donations - Parkway Tree Program	2,400	5,000	5,000	5,000	5,000	5,000
Donations - Car Show	1,567	3,000	2,613	3,000	3,000	3,000
Total Miscellaneous	132,824	117,450	128,453	127,790	127,790	127,790
Transfers						
Transfer In	-	-	-	17,800	-	-
Total Transfers	-	-	-	17,800	-	-
Total Revenue	9,939,611	9,822,920	9,902,131	10,286,597	10,549,697	10,852,739

Chapter 9: *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 aspirations 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 mission of the Beautification committee is "To positively impact the beauty of the community and enhance cultural opportunities for the Village of Montgomery through plantings, gardens, enhancement of natural habitats, and encouragement of the arts through volunteer efforts". Each April, businesses and are invited to participate in the "Business Planter Program" and residents to participate in the "Adopt-a-Flower-Box" program to sponsor flower boxes on the Mill Street bridge. Lastly, 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 several events each year including the Festival of Trees, photo contest, shredding event(s), egg hunt, concerts in the park, and the Montgomery Fest celebration. 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 9: *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 Community Improvement Fund and makes recommendations to the Board of Trustees regarding granting such loans. The Revolving Loan is accounted for in the Community Improvement 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. The Zoning Board of Appeals 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, the results of which are included on pages 39 through 41, 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. This has enhanced the Village's ability to determine how each event turns out.

Chapter 9: Departmental Summary

ELECTED OFFICIALS (Continued)

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Personal Services - Salaries and Wages						
Wages - Elected Officials	61,200	61,200	61,200	61,200	61,200	61,200
Total Personal Services - Salaries and Wages	61,200	61,200	61,200	61,200	61,200	61,200
Personal Services - Employee Benefits						
Retirement - Social Security	3,794	3,794	3,794	3,794	3,794	3,794
Retirement - Medicare	887	887	887	887	887	887
Retirement - IMRF	1,923	1,943	1,860	1,695	1,695	1,695
Education - Conferences and Training	1,489	4,615	2,165	3,290	2,190	3,290
Total Personal Services - Employee Benefits	8,093	11,239	8,706	9,666	8,566	9,666
Contractual Services - Professional and Technical						
Information Technology Services - Software Maintenance	-	720	720	1,680	1,680	1,680
Other Professional Services - Photography	150	300	300	300	300	300
Other Professional Services	268	250	250	250	250	250
Other Professional Services - Recording of Meetings	1,725	2,250	1,875	1,875	1,875	1,875
Total Contractual Services - Professional and Technical	2,143	3,520	3,145	4,105	4,105	4,105
Contractual Services - Property						
Utilities - Telephone	996	1,320	1,180	1,128	1,128	1,128
Total Contractual Services - Property	996	1,320	1,180	1,128	1,128	1,128
Contractual Services - Other						
Printing and Publishing - Publications	1,909	3,100	3,100	3,100	3,100	3,100
Travel	78	250	250	250	250	250
Community Relations - Montgomery Fest	46,246	45,000	53,000	53,000	53,000	53,000
Community Relations - Other Community Events	3,622	4,700	6,000	6,250	6,250	6,250
Community Relations - Senior Services	3,312	3,000	3,000	3,500	3,500	3,500
Community Relations - River Run	11,770	12,000	10,853	12,000	12,000	12,000
Other Contractual Services - Dues	9,328	10,485	10,485	26,770	26,900	26,930
Other Contractual Services - Document Recording	-	200	200	200	200	200
Total Contractual Services - Other	76,265	78,735	86,888	105,070	105,200	105,230
Commodities						
General Supplies - Office	218	350	500	500	500	500
General Supplies - Postage	-	50	50	50	50	50
General Supplies - Books and Periodicals	878	515	515	525	535	545
General Supplies - Kitchen	27	100	100	100	100	100
General Supplies - Computer Equipment	-	-	-	1,500	-	-
Total Commodities	1,123	1,015	1,165	2,675	1,185	1,195
Total Elected Officials	149,820	157,029	162,284	183,844	181,384	182,524

Chapter 9: *Departmental Summary*

ADMINISTRATION DEPARTMENT

Description

The Administration 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.

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.

Core Strategies

- ❖ 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.

Fiscal Year 2017 Accomplishments

- ✓ Continued the shared services program with the Village of Oswego and United City of Yorkville to provide cost savings and operational efficiencies to all three communities. (Financial Stability – Budget)
- ✓ Provided leadership team learning activities for Department Directors and other key staff to promote a progressive and innovative local government.
- ✓ Actively participated in professional, civic and social organizations to promote and protect Village programs. (Image – Community Perception)
- ✓ Grew the Village of Montgomery's Facebook page to over 4,000 followers, providing residents with continued communication and updates. (Image – Community Interaction)
- ✓ Directed painting of the Montgomery in Motion logo on the street in front of Village Hall (Downtown – Attractions)

Chapter 9: Departmental Summary

ADMINISTRATION DEPARTMENT (Continued)

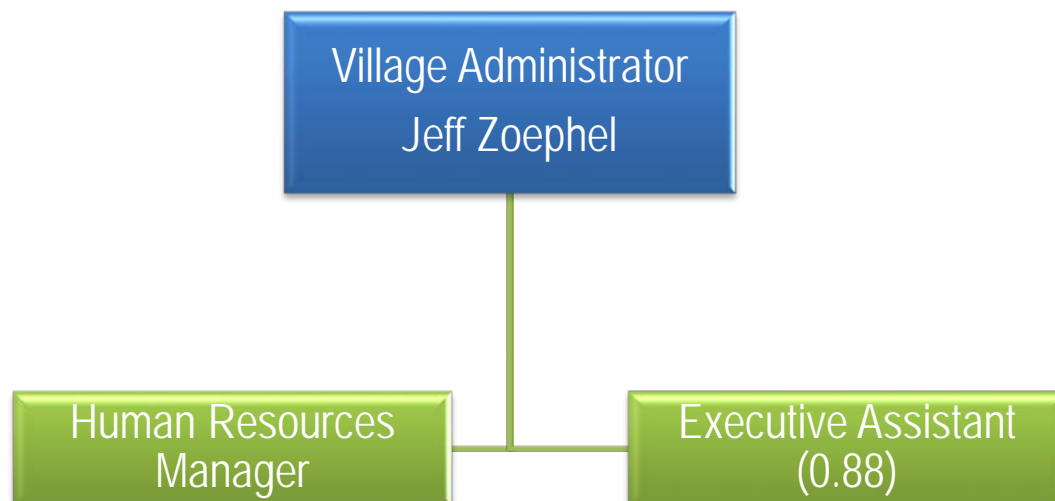
Fiscal Year 2017 Accomplishments (Continued)

- ✓ Organized and planned annual community events including: Cemetery Walk, Concerts in the Park, Easter Egg Hunt, Festival of Trees, Montgomery Fest, Senior Luncheons, Sunday in the Park, and Tree Lighting Ceremony. (Image – Community Interaction)
- ✓ Hosted battery recycling, electronic recycling (including old televisions), and paper shredding programs.
- ✓ Arranged for the installation of headstones for Civil War Veterans. (Image – Community Perception)

Fiscal Year 2018 Goals and Initiatives

- Develop a succession plan for critical Village positions (Financial Stability – Budget)
- Continue to enhance citizen/government interaction through the Village website and social media (Image – Community Interaction)
- Work with the Village Board to create policies that will help grow Montgomery (Image – Community Perception)
- Continue to successfully plan community events, creating a welcoming atmosphere for all citizens and visitors of Montgomery (Image – Community Interaction)
- Consider organizing a cruise night in downtown Montgomery during the summer (Image – Community Interaction)
- Continue hosting electronic recycling events for residents and add additional recycling options as available, including an option for the recycling of old televisions (Image – Community Perception)
- Oversaw completion of the Waterworks System Master Plan which included a recommendation for a sub-regional water treatment plant with Oswego and Yorkville (Capital Investment – Infrastructure)

Organization Chart



Chapter 9: Departmental Summary

ADMINISTRATION DEPARTMENT (Continued)

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	197,470	199,795	201,263	205,781	212,983	220,437
Wages - Part-Time Employees	-	12,619	-	-	-	-
Overtime - General	547	500	600	600	600	600
Total Personal Services - Salaries and Wages	198,017	212,914	201,863	206,381	213,583	221,037
Personal Services - Employee Benefits						
Insurance - Health	32,918	35,709	35,709	38,047	43,754	50,317
Insurance - Dental	1,790	1,967	1,967	2,246	2,358	2,476
Insurance - Life and AD&D	145	150	150	147	147	147
Insurance - Workers' Compensation	1,500	1,500	1,500	1,500	1,500	1,500
Insurance - Unemployment	972	1,458	1,458	1,458	1,458	1,458
Retirement - Social Security	10,457	11,709	11,024	11,489	11,936	12,398
Retirement - Medicare	2,783	3,087	2,927	2,993	3,097	3,205
Retirement - IMRF	26,348	28,722	26,118	24,291	25,139	26,016
Education - Conferences and Training	2,042	6,825	6,825	6,825	6,825	6,575
Total Personal Services - Employee Benefits	78,955	91,127	87,678	88,996	96,214	104,092
Contractual Services - Professional and Technical						
Information Technology Services - System Management	37,196	40,000	38,651	40,000	40,000	40,000
Information Technology Services - Website	3,768	3,900	3,957	4,000	4,100	4,200
Information Technology Services - Software Maintenance	3,378	5,800	5,800	6,180	6,180	6,180
Other Professional Services	-	-	-	21,000	5,000	5,000
Total Contractual Services - Professional and Technical	44,342	49,700	48,408	71,180	55,280	55,380
Contractual Services - Property						
Utilities - Natural Gas	802	-	-	-	-	-
Utilities - Telephone	2,451	4,860	4,652	4,536	4,536	4,536
Utilities - Cell Phone	1,241	940	940	844	844	844
Equipment Repair and Maintenance - Office	3,313	2,000	2,000	1,460	1,460	1,460
Rental - Equipment	6,072	6,073	6,073	7,017	7,017	7,017
Total Contractual Services - Property	13,879	13,873	13,665	13,857	13,857	13,857
Contractual Services - Other						
Insurance - Official Bonds	1,658	1,660	1,658	1,660	1,660	1,660
Printing and Publishing - Publications	-	100	100	100	100	100
Travel	619	1,200	1,200	1,200	1,200	1,200
Community Relations - Historic Preservation	1,412	3,250	7,051	3,250	4,750	3,250
Community Relations - Chamber of Commerce	-	300	300	300	300	300
Other Contractual Services - Messenger/Delivery	-	50	50	50	50	50
Other Contractual Services - Dues	2,079	2,470	2,470	2,470	2,470	2,470
Other Contractual Services - Document Destruction	150	600	633	600	600	600
Total Contractual Services - Other	5,918	9,630	13,462	9,630	11,130	9,630
Commodities						
General Supplies - Office	1,045	1,500	1,500	1,500	1,500	1,500
General Supplies - Postage	2,359	845	845	845	845	845
General Supplies - Books and Periodicals	616	800	800	800	800	800
General Supplies - Computer Equipment	-	-	-	13,500	2,600	1,500
Total Commodities	4,261	3,145	3,145	16,645	5,745	4,645
Capital Outlay						
Capital Outlay - Computer	4,320	1,900	3,436	-	-	-
Total Capital Outlay	4,320	1,900	3,436	-	-	-
Total Administration Department	349,692	382,289	371,657	406,689	395,809	408,641

Chapter 9: Departmental Summary

FINANCE DEPARTMENT

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.

<u>Responsibilities</u>
<ul style="list-style-type: none">➤ Maintain financial records and transactions➤ Account for all revenues that flow into and all expenditures that flow out of the government➤ Establish an internal control structure➤ Safeguard assets by maintaining accountability and control➤ Provide financial information and support to external and internal customers➤ Oversee the financial information system (SunGard Pentamotion)➤ Formulate and administer operating budget in cooperation with all departments➤ Develop long-range plans for facilities and infrastructure improvements➤ Prepare Annual Tax Levy and Abatement Ordinances➤ Invest Village funds in accordance with cash and investment policies➤ Administer the Village debt program➤ Coordinate the Village's risk management activities and claims process➤ Produce the Comprehensive Annual Financial Report➤ Responsible for all Human Resource functions

Core Strategies

- ❖ 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.
- ❖ Develop and implement policies and procedures to ensure employee satisfaction.

Chapter 9: Departmental Summary

FINANCE DEPARTMENT (Continued)

Fiscal Year 2017 Accomplishments

- ✓ Successfully completed the fiscal year 2018 Annual Budget
- ✓ Received the GFOA Budget Award for fiscal year 2017
- ✓ Received the GFOA CAFR Award for fiscal year 2016
- ✓ Attained new vendor for online water bill payment
- ✓ Met with senior staff to add specific goals and initiatives to strategic plan

Fiscal Year 2018 Goals and Initiatives

- Fiscal year 2019 annual budget (Financial Stability – Budget)
- Maintain the Distinguished Budget Presentation Award from GFOA (Financial Stability – Policies)
- Fiscal year 2017 audit and Comprehensive Annual Financial Report (Financial Stability – Policies)
- Maintain the Certificate of Achievement for Excellence in Financial Reporting from GFOA (Financial Stability – Policies)
- Administer sale of Series 2017 General Obligation Alternate Revenue Bonds (Financial Stability – Debt Management)
- Conduct community survey (Image – Community Perception)
- Update strategic plan (Image – Community Perception)

Organization Chart



Chapter 9: Departmental Summary

FINANCE DEPARTMENT (Continued)

Performance Measures

	FY2015	FY2016	FY2017
1. General statistics			
A. Population	18,438	18,438	18,438
B. Equalized assessed value (EAV)	357,669,326	368,205,911	401,706,662
C. Actual value	1,073,007,978	1,104,617,733	1,205,119,986
2. GFOA certifications			
A. Certificate of Achievement	Received	Received	*
B. Distinguished Budget Award	Received	Received	Received
3. Accounts payable			
A. Checks issued	2,455	4,206	4,916
B. ACH transactions	58	65	113
C. Percent of accounts payable as ACH	2.3%	1.5%	2.2%
D. Voided checks	23	22	57
E. Percent of accounts payable voided	0.9%	0.5%	1.1%
4. Payroll			
A. Direct deposits	1,506	1,477	1,600
B. Checks issued	402	334	326
C. Percent of payroll as direct deposits	78.9%	81.6%	83.1%
5. Utility billing			
A. Number of accounts	9,114	9,111	9,145
B. Water and sewer revenue	\$ 3,765,136	\$ 3,842,996	\$ 4,142,100
C. Average bi-monthly bill	\$ 68.85	\$ 70.30	\$ 75.49
D. Payment types			
- Epayment (Village website, IVR, mobile)	N/A	26.0%	31.1%
- Lockbox	N/A	27.6%	25.2%
- Bill pay (bank websites)	N/A	11.8%	14.2%
- Credit card	N/A	5.5%	5.5%
- Direct debit	N/A	4.4%	4.5%
- Other	N/A	24.7%	19.5%
E. Fees			
- Epayment total	N/A	\$ 705,980	\$ 917,971
- Epayment fees	N/A	\$ 35,488	\$ 20,822
- Average fee	N/A	5.0%	2.3%
- Credit card (in person) total	N/A	\$ 244,665	\$ 201,277
- Credit card (in person) fees	N/A	\$ 6,756	\$ 2,586
- Average fee	N/A	2.8%	1.3%
6. Debt			
A. Bond rating	AA	AA	AA
B. Total debt	\$ 23,089,592	\$ 21,694,438	\$ 20,104,856
- Total debt per capita	\$ 1,252	\$ 1,177	\$ 1,090
- Total debt as a percent of EAV	6.5%	5.9%	5.0%
C. General obligation (GO) debt	\$ 16,330,000	\$ 15,160,000	\$ 13,945,000
- GO debt per capita	\$ 886	\$ 822	\$ 756
- GO debt as a percent of EAV	4.6%	4.1%	3.5%

Chapter 9: Departmental Summary

FINANCE DEPARTMENT (Continued)

Finance Department – Accounting

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	278,906	284,007	283,669	293,259	303,523	314,146
Total Personal Services - Salaries and Wages	278,906	284,007	283,669	293,259	303,523	314,146
Personal Services - Employee Benefits						
Insurance - Health	72,617	79,009	79,009	60,893	70,027	80,531
Insurance - Dental	4,116	4,523	4,523	3,705	3,890	4,085
Insurance - Life and AD&D	290	299	299	293	293	293
Insurance - Workers' Compensation	2,000	2,000	2,000	2,000	2,000	2,000
Insurance - Unemployment	1,881	1,944	1,944	1,944	1,944	1,944
Retirement - Social Security	16,097	17,608	17,587	18,182	18,818	19,477
Retirement - Medicare	3,765	4,118	4,113	4,252	4,401	4,555
Retirement - IMRF	37,102	38,313	36,742	34,517	35,725	36,975
Education - Conferences and Training	2,512	6,500	4,855	6,500	6,500	6,500
Other Benefits - Health Club Reimbursement	500	600	600	600	600	600
Other Benefits - Broker Services	1,752	2,904	2,908	2,952	2,952	2,952
Total Personal Services - Employee Benefits	142,632	157,818	154,580	135,838	147,150	159,912
Contractual Services - Professional and Technical						
Information Technology Services - System Management	6,743	8,500	6,464	7,500	7,500	7,500
Information Technology Services - Software Maintenance	22,336	26,649	26,649	28,461	29,860	31,802
Accounting and Auditing Services - General	28,825	27,650	22,880	21,050	23,700	21,850
Other Professional Services - Cash Management	15,294	15,000	11,401	9,540	9,540	9,540
Total Contractual Services - Professional and Technical	73,198	77,799	67,394	66,551	70,600	70,692
Contractual Services - Property						
Utilities - Telephone	2,133	2,880	2,905	2,856	2,856	2,856
Utilities - Cell Phone	1,274	940	940	844	844	844
Utilities - Internet Access	2,794	2,760	3,432	3,660	3,660	3,660
Total Contractual Services - Property	6,201	6,580	7,277	7,360	7,360	7,360
Contractual Services - Other						
Insurance - Liability	268,802	276,765	294,799	369,821	381,112	392,762
Insurance - Deductible Payments	8,762	5,000	6,125	20,000	20,000	20,000
Printing and Publishing - Legal Notices	796	1,070	1,070	1,070	1,070	1,070
Personnel Administration - Recruitment	984	1,000	1,000	6,200	1,200	1,200
Personnel Administration - Physicals/Testing	2,711	800	1,906	1,250	1,250	1,250
Employee Relations - Employee Recognition	1,193	1,150	1,150	1,150	1,150	1,150

Chapter 9: Departmental Summary

FINANCE DEPARTMENT (Continued)

Finance Department – Accounting (Continued)

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Contractual Services - Other (Continued)						
Employee Relations - Gifts/Flowers	251	750	500	500	500	500
Employee Relations - Employee Appreciation	62	1,200	1,200	1,200	1,200	1,200
Other Purchased Services - Delivery	-	100	-	-	-	-
Other Purchased Services - Dues	2,568	2,345	2,345	2,365	2,385	2,405
Municipal Audit Contingency	23,229	6,200	17,526	18,000	6,000	-
Total Contractual Services - Other	309,358	296,380	327,621	421,556	415,867	421,537
Commodities						
General Supplies - Office	3,519	2,500	2,500	2,500	2,500	2,500
General Supplies - Agency	335	650	650	650	650	650
General Supplies - Postage	835	1,375	1,320	1,320	1,320	1,320
General Supplies - Books and Periodicals	199	250	250	250	250	250
General Supplies - Safety	241	100	100	100	100	100
General Supplies - Computer Equipment	-	-	-	3,000	1,600	4,000
Total Commodities	5,129	4,875	4,820	7,820	6,420	8,820
Capital Outlay						
Capital Outlay - Equipment (Computer)	20,069	2,900	3,268	-	-	-
Total Capital Outlay	20,069	2,900	3,268	-	-	-
Transfers and Charges						
Service Charges - Water Fund	(334,197)	(332,144)	(339,452)	(372,954)	(380,368)	(392,987)
Transfer to Capital Improvement	407,948	-	-	-	-	-
Total Transfers and Charges	73,751	(332,144)	(339,452)	(372,954)	(380,368)	(392,987)
Total Finance - Accounting	909,244	498,215	509,177	559,430	570,552	589,480

Chapter 9: Departmental Summary

FINANCE DEPARTMENT (Continued)

Finance Department – Utility Billing

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	77,775	79,196	79,196	81,969	84,838	87,807
Overtime - General	14	500	250	250	250	250
Total Personal Services - Salaries and Wages	77,789	79,696	79,446	82,219	85,088	88,057
Personal Services - Employee Benefits						
Insurance - Health	19,850	21,650	21,650	22,846	26,273	30,214
Insurance - Dental	1,163	1,278	1,278	1,459	1,532	1,609
Insurance - Life and AD&D	145	150	150	147	147	147
Insurance - Workers' Compensation	1,000	1,000	1,000	1,000	1,000	1,000
Insurance - Unemployment	832	972	972	972	972	972
Retirement - Social Security	4,592	4,941	4,926	5,098	5,275	5,460
Retirement - Medicare	1,074	1,156	1,152	1,192	1,234	1,277
Retirement - IMRF	10,348	10,751	10,257	9,677	10,015	10,364
Education - Conferences and Training	379	750	500	500	500	500
Total Personal Services - Employee Benefits	39,383	42,648	41,885	42,891	46,948	51,543
Contractual Services - Professional and Technical						
Information Technology Services - System Management	1,419	3,000	1,304	2,000	2,000	2,000
Information Technology Services - Software Maintenance	5,861	5,687	7,737	6,980	7,244	7,519
Other Professional Services - Cash Management	42,387	40,484	28,242	22,740	22,740	22,740
Total Contractual Services - Professional and Technical	49,667	49,171	37,283	31,720	31,984	32,259
Contractual Services - Property						
Utilities - Telephone	1,665	1,320	1,195	1,104	1,104	1,104
Utilities - Cell Phone	244	340	340	328	328	328
Rental - Equipment	948	948	948	984	984	984
Total Contractual Services - Property	2,857	2,608	2,483	2,416	2,416	2,416
Contractual Services - Other						
Printing and Publishing - Forms and Maps	15,273	15,000	15,254	15,000	15,000	15,000
Other Contractual Services - Dues	-	10	10	10	10	10
Total Contractual Services - Other	15,273	15,010	15,264	15,010	15,010	15,010
Commodities						
General Supplies - Office	1,429	1,500	1,500	1,500	1,500	1,500
General Supplies - Postage	23,523	25,035	22,835	23,835	25,635	25,935
General Supplies - Safety	241	-	-	-	-	-
General Supplies - Computer Equipment	-	-	-	1,500	-	3,000
Total Commodities	25,193	26,535	24,335	26,835	27,135	30,435
Capital Outlay						
Capital Outlay - Equipment (Computer)	3,946	2,900	1,934	-	-	-
Total Capital Outlay	3,946	2,900	1,934	-	-	-
Transfers and Charges						
Service Charges	(214,108)	(218,568)	(202,630)	(201,091)	(208,581)	(219,720)
Total Transfers and Charges	(214,108)	(218,568)	(202,630)	(201,091)	(208,581)	(219,720)
Total Accounting - Utility Billing	-	-	-	-	-	-

Chapter 9: Departmental Summary

COMMUNITY DEVELOPMENT DEPARTMENT

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 in the Comprehensive Plan. Staff reviews individual development proposals 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 to the Plan Commission and Zoning Board of Appeals by providing information and recommendations.

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. Community Development staff works cooperatively with the Montgomery Economic Development Corporation (MEDC) to provide any building, planning or zoning information needed by the business and development community.

Responsibilities

- 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.
- Promote the redevelopment and reuse of vacant buildings and sites.
- Update and maintain a GIS mapping system for the Village.
- Maintain and update the Zoning Map and Street Maps.

Core Strategies

- ❖ Provide effective code enforcement, permitting and building inspection services, along with zoning and planning services.
- ❖ Create awareness of development opportunities within the Downtown-Mill District area.
- ❖ 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.

Chapter 9: *Departmental Summary*

COMMUNITY DEVELOPMENT DEPARTMENT (Continued)

Core Strategies (Continued)

- ❖ Encourage public-private developments partnerships through the use of TIF funds and sales tax incentive agreements.
- ❖ Promote energy conservation 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.

Fiscal Year 2017 Accomplishments

- ✓ Reestablished a working relationship with the City of Aurora staff regarding the review of the Aurora University Sports Complex along Jericho Road.
- ✓ Coordinated the review and PUD approval of the Aurora University Sports Complex.
- ✓ Coordinated the review and approval of the annexation and zoning for the Old Dominion Freight Line site.
- ✓ Worked with the Rotary Club of Montgomery to promote "Montgomery in Motion" with street painting and Mill District renderings.
- ✓ Coordinated Village approval of new businesses occupying both new and vacant buildings along Douglas Road, US Highway 30, Orchard Road, Aucutt Road and Commerce Drive.
- ✓ Completed Zoning Ordinance text amendments for portions of the off-street parking requirements and all sections of the signage regulations.
- ✓ With the MEDC, coordinated a commercial and industrial real estate broker tour of available building and sites.
- ✓ Coordinated the review and approval of over 300,000 square feet of new commercial and industrial development.

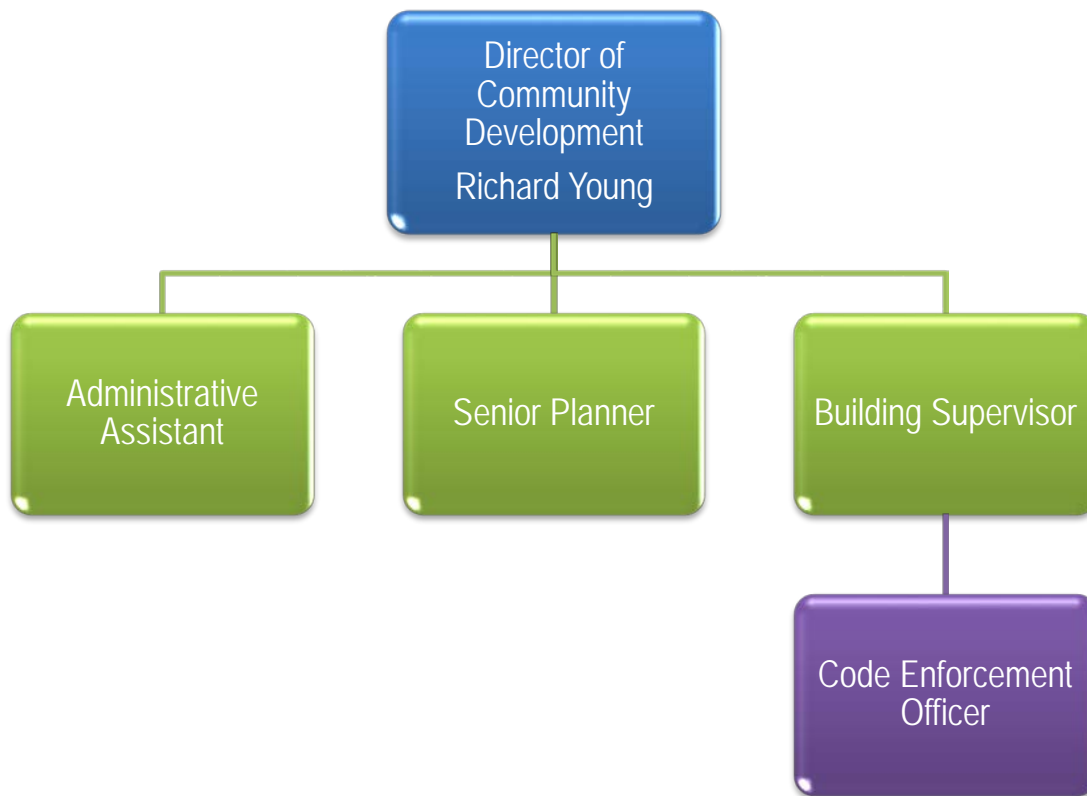
Fiscal Year 2018 Goals and Initiatives

- Complete the change in programing from the former Revolving Loan Fund (RLF) to the Montgomery Development Fund (MDF) for small grants and larger low interest loans.
- Complete Phase II of the Hotel Study and promote and help to establish a hotel within the Village.
- Update the Intergovernmental Boundary Agreements with the City of Aurora.
- Coordinate economic development strategies with the MEDC for major corridors within the Village.
- Continue to review the concept of a TIF III development area for the west side of Orchard Road.
- Review the idea of a bike sharing program with the City of Aurora and the Fox Valley Park District.
- Continue the process for the adoption of the 2015 International Building Codes.
- Continue the process for the adoption of a Village-wide Bike Path/Sidewalk Plan and CIP (Capital Investment Program).
- Apply for a grant which would provide assistance establishing a Form Based Code for the Downtown Mill District.
- Work with developer to complete the review and approval of the proposed new apartment development planned for the US Highway 30 and Goodwin Drive area.

Chapter 9: Departmental Summary

COMMUNITY DEVELOPMENT DEPARTMENT (Continued)

Organization Chart



Community Development – Economic Development

One of the largest individual line items within Community Development is economic development incentives. The Village has six (6) agreements with various companies to rebate a portion of the sales tax collected within a certain development or individual store.

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Contractual Services - Professional and Technical						
Economic Development Services - Marketing	3,345	7,660	7,660	7,660	7,660	7,660
Economic Development Services - Econ Dev Corp	90,000	90,000	90,000	90,000	90,000	90,000
Total Contractual Services - Professional and Technical	93,345	97,660	97,660	97,660	97,660	97,660
Other						
Other - Economic Development Incentives	902,208	967,171	985,299	895,541	660,697	678,624
Total Other	902,208	967,171	985,299	895,541	660,697	678,624
Total Community Development - Economic Development	995,553	1,064,831	1,082,959	993,201	758,357	776,284

Chapter 9: Departmental Summary

COMMUNITY DEVELOPMENT DEPARTMENT (Continued)

Community Development – Planning and Zoning

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	186,781	189,823	190,136	196,467	203,343	210,460
Wages - Boards and Committees	2,870	2,450	2,800	2,940	2,940	2,940
Total Personal Services - Salaries and Wages	189,651	192,273	192,936	199,407	206,283	213,400
Personnel Services - Employee Benefits						
Insurance - Health	19,359	20,821	20,821	22,265	25,605	29,446
Insurance - Dental	1,254	1,378	1,378	1,574	1,653	1,736
Insurance - Life and AD&D	145	150	150	147	147	147
Insurance - Workers' Compensation	1,000	1,000	1,000	1,000	1,000	1,000
Insurance - Unemployment	972	972	972	972	972	972
Retirement - Social Security	11,494	11,921	11,962	12,363	12,790	13,231
Retirement - Medicare	2,688	2,788	2,798	2,891	2,991	3,094
Retirement - IMRF	24,847	25,607	24,627	23,124	23,933	24,771
Education - Conferences and Training	1,066	6,400	4,400	4,700	4,700	4,700
Total Personal Services - Employee Benefits	62,825	71,037	68,108	69,036	73,791	79,097
Contractual Services - Professional and Technical						
Information Technology Services - System Management	2,970	3,000	3,000	3,000	3,000	3,000
Information Technology Services - Software Maintenance	9,214	9,300	9,307	1,340	1,340	1,340
Planning Services - General	1,699	7,000	6,420	7,000	9,000	11,000
Planning Services - Development (Reimbursable)	8,743	10,000	8,039	10,000	10,000	12,500
Total Contractual Services - Professional and Technical	22,626	29,300	26,766	21,340	23,340	27,840
Contractual Services - Property						
Utilities - Telephone	1,016	1,320	1,171	1,032	1,032	1,032
Utilities - Cell Phone	1,510	1,640	1,730	1,568	1,568	1,568
Equipment Repair and Maintenance - Office	-	150	150	150	150	150
Rental - Equipment	3,559	4,250	3,361	3,360	3,360	3,360
Total Contractual Services - Property	6,085	7,360	6,412	6,110	6,110	6,110
Contractual Services - Other						
Printing and Publishing - Legal Notices	2,530	700	3,130	1,000	1,000	1,300
Printing and Publishing - Publications	45	250	250	250	250	250
Travel	98	-	-	-	-	-
Other Contractual Services - Dues	2,486	2,525	2,525	2,420	2,420	2,420
Other Contractual Services - Document Recording	395	500	500	500	500	500
Bad Debt	9,064	-	-	-	-	-
Total Contractual Services - Other	14,618	3,975	6,405	4,170	4,170	4,470
Commodities						
General Supplies - Office	1,035	1,500	1,232	1,500	1,500	1,500
General Supplies - Postage	180	290	345	345	345	345
General Supplies - Books and Periodicals	76	635	635	470	470	470
General Supplies - Safety	241	-	-	-	-	-
General Supplies - Computer Equipment	-	-	-	-	-	1,500
Total Commodities	1,532	2,425	2,212	2,315	2,315	3,815
Capital Outlay						
Capital Outlay - Equipment (Computer)	3,481	-	-	-	-	-
Total Capital Outlay	3,481	-	-	-	-	-
Total Community Development - Planning and Zoning	300,818	306,370	302,839	302,378	316,009	334,732

Chapter 9: Departmental Summary

COMMUNITY DEVELOPMENT DEPARTMENT (Continued)

Community Development – Code Enforcement and Inspections

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	179,413	182,695	182,699	189,097	195,715	202,565
Overtime - General	-	-	800	-	-	-
Total Personal Services - Salaries and Wages	179,413	182,695	183,499	189,097	195,715	202,565
Personal Services - Employee Benefits						
Insurance - Health	49,397	57,453	57,453	60,404	69,465	79,885
Insurance - Dental	2,646	2,907	2,907	3,993	4,193	4,403
Insurance - Life and AD&D	218	224	224	220	220	220
Insurance - Workers' Compensation	2,500	2,500	2,500	2,500	2,500	2,500
Insurance - Unemployment	1,354	1,458	1,458	1,458	1,458	1,458
Retirement - Social Security	10,629	11,327	11,377	11,724	12,134	12,559
Retirement - Medicare	2,486	2,649	2,661	2,742	2,838	2,937
Retirement - IMRF	23,867	24,646	23,767	22,257	23,036	23,842
Education - Conferences and Training	410	450	450	450	450	450
Equipment - Uniform Allowance	606	600	600	800	800	800
Total Personal Services - Employee Benefits	94,113	104,214	103,397	106,548	117,094	129,054
Contractual Services - Professional and Technical						
Information Technology Services - System Management	1,683	3,500	3,500	3,500	3,500	3,500
Information Technology Services - Software Maintenance	-	-	-	11,060	8,560	8,560
Inspection Services - General	712	1,000	1,000	1,000	1,000	1,000
Inspection Services - Plumbing	19,270	17,000	17,000	17,000	17,000	17,000
Inspection Services - Elevator	2,410	2,000	2,294	2,000	2,000	2,000
Inspection Services - Sewer	380	1,000	1,000	1,000	1,000	1,000
Total Contractual Services - Professional and Technical	24,455	24,500	24,794	35,560	33,060	33,060
Contractual Services - Property						
Utilities - Telephone	1,567	1,980	1,798	1,644	1,644	1,644
Utilities - Cell Phone	1,690	1,640	1,640	1,088	1,088	1,088
Utilities - Internet Access	-	-	-	-	-	-
Equipment Repair and Maintenance - Office	-	300	200	300	400	500
Grounds Repair and Maintenance - Lawn Care Violations	2,100	3,000	6,000	23,000	3,000	3,000
Total Contractual Services - Property	5,357	6,920	9,638	26,032	6,132	6,232
Contractual Services - Other						
Printing and Publishing - Publications	-	100	100	100	100	100
Printing and Publishing - Forms and Maps	-	600	400	600	600	600
Travel	12	100	-	100	100	100
Other Contractual Services - Dues	263	390	390	390	390	390
Total Contractual Services - Other	275	1,190	890	1,190	1,190	1,190
Commodities						
General Supplies - Office	540	1,000	700	1,000	1,000	1,000
General Supplies - Agency	-	400	200	400	400	400
General Supplies - Postage	90	110	189	165	165	165
General Supplies - Books and Periodicals	339	130	130	130	390	130
General Supplies - Safety	241	-	-	-	-	-
General Supplies - Uniforms	-	-	-	-	-	-
General Supplies - Computer Equipment	-	-	-	3,000	1,500	1,500
Total Commodities	1,210	1,640	1,219	4,695	3,455	3,195
Capital Outlay						
Capital Outlay - Equipment (Computer)	3,174	2,800	3,554	-	-	-
Total Capital Outlay	3,174	2,800	3,554	-	-	-
Transfers						
Transfer to Vehicle Reserve Fund	15,878	13,257	13,257	14,176	14,176	14,176
Total Transfers	15,878	13,257	13,257	14,176	14,176	14,176
Total Community Development - Code Enforcement and Inspections	323,875	337,216	340,248	377,298	370,822	389,472

Chapter 9: Departmental Summary

POLICE DEPARTMENT

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, Traffic Enforcement, 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.

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.
- Maintain updated and current sex offender list and ensure they are compliant.

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.

Chapter 9: *Departmental Summary*

POLICE DEPARTMENT (Continued)

Core Strategies

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

Fiscal Year 2017 Accomplishments

- ✓ Completed community oriented police projects including Cops on Top, Special Olympics Spring Games, Law Enforcement Torch Run, Special Olympics Summer Games, National Night Out, and our Halloween Safety Event.
- ✓ Donated \$5,475 to Illinois Special Olympics.
- ✓ Contributed to the annual holiday clothing and toy drive for three families from our elementary schools who were in need of clothing and toys for Christmas.
- ✓ Awarded \$17,000 through the Illinois Department of Transportation (IDOT) traffic enforcement campaigns.
- ✓ Awarded \$1,760 through the Illinois Liquor Commission for tobacco and liquor compliance checks.
- ✓ Awarded \$2,800 through the U.S. Department of Justice (DOJ) Bullet Proof Vest Program
- ✓ Completed implementation of New World System field based reporting software (Capital Investment – Technology)
- ✓ Officer William Novak received the Public Safety Award of Achievement from Northwestern University for Public Safety for his successful completion of 200-hour series on Criminal Forensic Investigative Techniques
- ✓ Completed training with Animal Control
- ✓ Sergeant Liz Palko successfully completed the Northwestern University Police Staff and Command management course.
- ✓ Detective Luis Villa and Officer Lauren Schweisthal nominated for Kendall County Officer of the Year.
- ✓ Officer Gregory Mayyou continued assignment to the Kane County Accident Reconstruction Team.
- ✓ Officer Anthony Bertellotti continued assignment to the Kendall County Special Response Team.
- ✓ Officer Rick Jackson and Detective Chris Johnson continued assignment as members of ILEAS Mobile Field Force
- ✓ Successfully participated in a statewide Distracted Driving awareness campaign
- ✓ Completed Narcan Deployment Training and Distributed Narcan to the Patrol Division

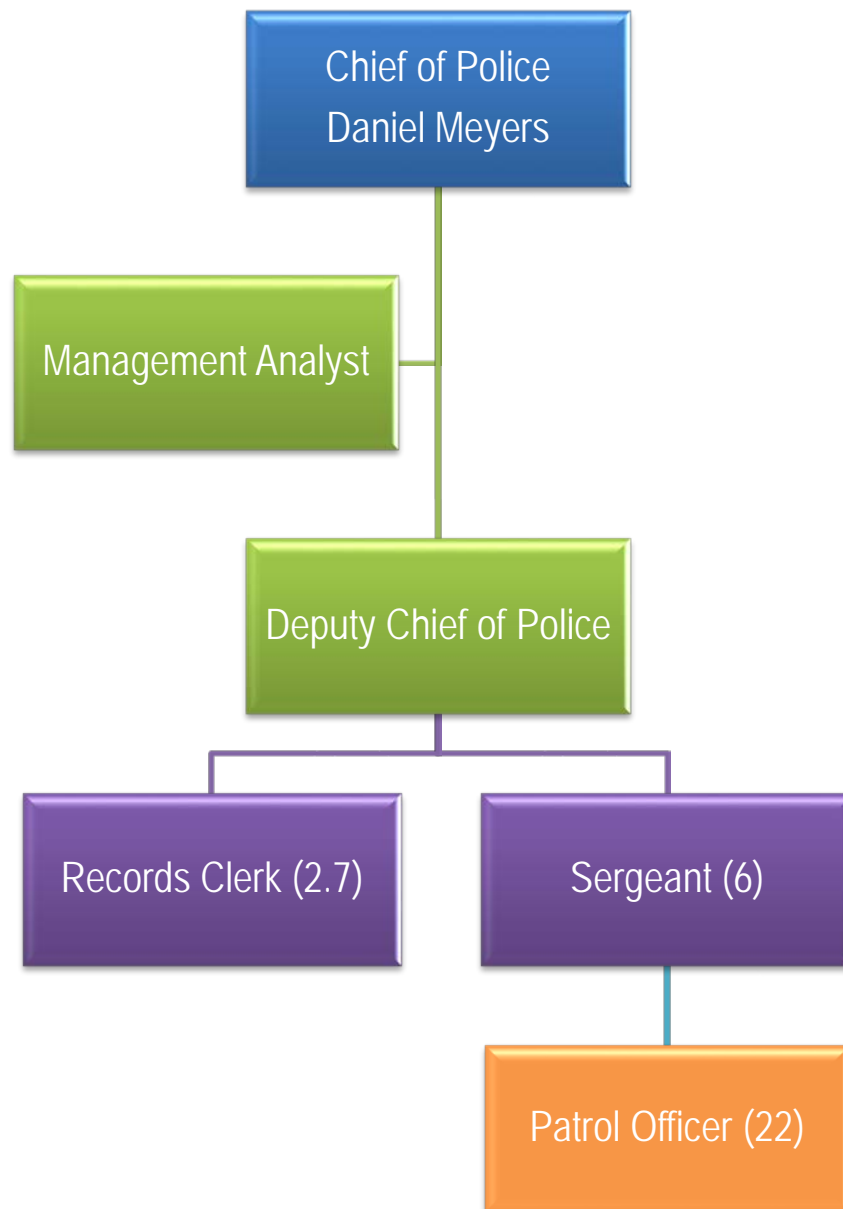
Fiscal Year 2018 Goals and Initiatives

- Develop a succession plan for the department (Financial Stability – Budget)
- Enhance community interaction with residents and schools (Image – Public Safety)
- Promote traffic safety through continued participation in IDOT campaigns
- Successfully train 2 new hire officers (Image – Public Safety)
- Participate in sponsored events including Cops on Top, Law Enforcement Torch Run, National Night Out, and our Halloween Safety Event (Image – Community Interaction)
- Building strategic partnerships with businesses to promote safety (Image – Public Safety)
- Train with neighboring agencies (Image – Public Safety)
- Utilize social media outlets to educate residents (Image – Community Interaction)

Chapter 9: *Departmental Summary*

POLICE DEPARTMENT (Continued)

Organization Chart



Performance Measures

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Physical arrests	565	703	845	930	912	2,221	994	1,505	993	821
Parking violations	547	597	670	826	786	1,316	1,273	1,184	984	866
Traffic violations	2,978	4,715	4,314	3,940	4,023	4,141	2,474	2,758	2,884	2,135
Truck overweight violations	-	-	-	-	-	-	-	-	77	32

Chapter 9: Departmental Summary

POLICE DEPARTMENT (Continued)

Police Department – Administration

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	294,818	299,962	299,520	304,257	314,906	325,928
Overtime - Reimbursable Services	-	1,000	-	-	-	-
Total Personal Services - Salaries and Wages	294,818	300,962	299,520	304,257	314,906	325,928
Personal Services - Employee Benefits						
Insurance - Health	52,664	57,453	57,453	60,404	69,465	79,885
Insurance - Dental	3,182	3,496	3,496	3,993	4,193	4,403
Insurance - Life and AD&D	218	224	224	220	220	220
Insurance - Workers' Compensation	2,500	2,500	2,500	2,500	2,500	2,500
Insurance - Unemployment	1,458	1,458	1,458	1,458	1,458	1,458
Retirement - Social Security	17,201	18,140	18,551	18,845	19,505	20,188
Retirement - Medicare	4,157	4,364	4,343	4,412	4,566	4,726
Retirement - IMRF	8,383	8,562	8,257	7,714	7,907	8,104
Education - Conferences and Training	2,912	5,124	5,124	5,314	5,314	5,314
Equipment - Clothing Allowance	1,775	1,775	1,775	1,775	1,775	1,775
Total Personal Services - Employee Benefits	94,450	103,096	103,181	106,635	116,903	128,573
Contractual Services - Professional and Technical						
Information Technology Services - System Management	30,776	30,000	30,043	30,000	30,000	30,000
Information Technology Services - Software Maintenance	79,507	86,659	81,092	89,229	58,855	58,855
Total Contractual Services - Professional and Technical	110,283	116,659	111,135	119,229	88,855	88,855
Contractual Services - Property						
Utilities - Electric	596	600	-	-	-	-
Utilities - Natural Gas	9,235	4,500	2,000	2,000	2,000	2,000
Utilities - Telephone	7,540	7,440	6,664	6,228	6,228	6,228
Utilities - Cell Phone	3,379	3,420	3,262	2,232	2,232	2,232
Utilities - Internet Access	4,958	4,908	4,240	6,456	6,456	6,456
Utilities - Leads/IWN Access	15,149	15,698	14,186	14,330	14,330	14,330
Building Repair and Maintenance - Other	10,759	13,200	13,200	54,812	17,312	17,312
Equipment Repair and Maintenance - Office	1,362	1,584	7,661	720	720	720
Equipment Repair and Maintenance - Other	3,115	3,650	3,650	3,650	3,650	3,650
Equipment Repair and Maintenance - Communications	7,176	5,000	5,000	5,000	5,000	5,000
Rental - Equipment	8,259	9,673	7,282	9,242	9,242	9,242
Total Contractual Services - Property	71,528	69,673	67,145	104,670	67,170	67,170
Contractual Services - Other						
Travel	379	200	200	200	200	200
Personnel Administration - Physicals/Testing	-	896	896	896	896	896
Other Contractual Services - Animal Control	1,323	3,000	2,500	3,000	3,000	3,000
Other Contractual Services - Dues	2,358	2,150	2,320	2,150	2,150	2,150
Other Contractual Services - Document Destruction	400	500	500	500	500	500
Total Contractual Services - Other	4,460	6,746	6,416	6,746	6,746	6,746
Commodities						
General Supplies - Office	4,015	3,500	3,500	3,500	3,500	3,500
General Supplies - Postage	1,834	2,400	2,047	2,400	2,400	2,400
General Supplies - Books and Periodicals	1,346	1,920	2,582	1,920	1,920	1,920
General Supplies - Safety	361	500	500	500	500	500
General Supplies - Computer Equipment	-	-	-	9,300	11,200	7,000
Total Commodities	7,556	8,320	8,629	17,620	19,520	15,320
Capital Outlay						
Capital Outlay - Equipment (Computer)	22,793	25,400	25,800	-	-	-
Total Capital Outlay	22,793	25,400	25,800	-	-	-
Total Police - Administration	605,888	630,856	621,826	659,157	614,100	632,592

Chapter 9: Departmental Summary

POLICE DEPARTMENT (Continued)

Police Department – Support Services

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	98,956	107,640	108,831	110,352	114,214	118,211
Wages - Part-Time Employees	17,111	33,520	35,553	33,980	33,980	33,980
Overtime - General	1,602	1,500	2,000	1,500	1,500	1,500
Total Personal Services - Salaries and Wages	117,669	142,660	146,384	145,832	149,694	153,691
Personal Services - Employee Benefits						
Insurance - Health	26,032	28,211	28,211	29,911	34,398	39,558
Insurance - Dental	1,483	1,629	1,629	1,861	1,954	2,052
Insurance - Life and AD&D	145	150	150	147	147	147
Insurance - Workers' Compensation	1,000	1,500	1,500	1,500	1,500	1,500
Insurance - Unemployment	1,342	1,989	2,229	2,246	2,246	2,246
Retirement - Social Security	7,062	8,845	9,076	9,042	9,281	9,529
Retirement - Medicare	1,652	2,069	2,123	2,115	2,171	2,229
Retirement - IMRF	13,485	14,723	14,709	13,165	13,620	14,090
Education - Conferences and Training	140	750	750	750	750	750
Equipment - Clothing Allowance	750	1,500	1,500	1,500	1,500	1,500
Total Personal Services - Employee Benefits	53,091	61,366	61,877	62,237	67,567	73,601
Contractual Services - Professional and Technical						
Professional Services - Dispatch Services	261,594	265,854	259,350	264,537	269,828	255,000
Total Contractual Services - Professional and Technical	261,594	265,854	259,350	264,537	269,828	255,000
Contractual Services - Property						
Utilities - Telephone	427	1,140	1,569	1,512	1,512	1,512
Total Contractual Services - Property	427	1,140	1,569	1,512	1,512	1,512
Total Police - Support Services	432,781	471,020	469,180	474,118	488,601	483,804

Chapter 9: Departmental Summary

POLICE DEPARTMENT (Continued)

Police Department – Patrol

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	1,468,134	1,650,854	1,638,147	1,840,005	1,977,472	2,056,570
Wages - Part-Time Employees	60,071	65,000	58,006	60,000	60,000	60,000
Wages - Temporary Employees	2,543	3,640	2,080	2,080	2,080	2,080
Overtime - General	183,992	200,000	226,863	200,000	200,000	200,000
Overtime - Reimbursable Services	-	-	1,000	1,000	1,000	1,000
Holiday Pay	130,565	139,688	141,985	155,693	167,325	174,017
Bonus Pay	2,000	2,000	4,000	1,500	1,500	4,000
Total Personal Services - Salaries and Wages	1,847,305	2,061,182	2,072,081	2,260,278	2,409,377	2,497,667
Personal Services - Employee Benefits						
Insurance - Health	261,513	311,543	311,543	377,439	434,055	499,163
Insurance - Dental	14,022	16,699	16,699	19,377	20,346	21,363
Insurance - Life and AD&D	1,597	1,793	1,793	1,833	1,906	1,906
Insurance - Workers' Compensation	22,000	24,000	24,000	26,000	26,000	26,000
Insurance - Unemployment	11,822	13,575	13,848	14,580	14,580	14,580
Retirement - Social Security	111,870	127,793	128,469	140,137	149,381	154,855
Retirement - Medicare	26,163	29,887	30,045	32,774	34,936	36,216
Retirement - Police Pension	452,282	457,912	520,987	583,505	625,184	625,184
Education - Conferences and Training	28,060	12,100	18,153	28,252	22,026	22,026
Equipment - Clothing Allowance	15,400	16,800	16,800	18,200	18,200	18,200
Total Personal Services - Employee Benefits	944,729	1,012,102	1,082,337	1,242,097	1,346,614	1,419,493
Contractual Services - Property						
Utilities - Telephone	3,569	8,820	9,134	9,762	10,032	10,032
Utilities - Cell Phone	3,984	5,630	5,256	3,624	3,624	3,624
Equipment Repair and Maintenance - Office	276	1,800	1,800	2,500	2,500	2,500
Equipment Repair and Maintenance - Other	-	-	-	1,900	1,900	1,900
Total Contractual Services - Property	7,829	16,250	16,190	17,786	18,056	18,056
Contractual Services - Other						
Travel	600	400	400	400	400	400
Other Contractual Services - Dues	-	8,545	8,545	8,570	8,570	8,570
Total Contractual Services - Other	600	8,945	8,945	8,970	8,970	8,970
Commodities						
General Supplies - Office	600	600	600	600	600	600
General Supplies - Agency	10,108	7,100	7,000	7,100	7,100	7,100
General Supplies - Safety	2,809	2,000	3,188	6,725	4,700	5,375
General Supplies - Ammunition	-	6,000	6,000	7,000	7,000	7,000
General Supplies - Computer Equipment	-	-	-	-	1,500	12,800
Police Supplies - Lock-Up	3,282	4,400	4,400	4,400	4,400	4,400
Police Supplies - Community Policing	1,753	3,900	4,113	4,900	4,900	4,900
Total Commodities	18,552	24,000	25,301	30,725	30,200	42,175
Capital Outlay						
Capital Outlay - Equipment (Police)	3,768	5,500	5,000	-	-	-
Total Capital Outlay	3,768	5,500	5,000	-	-	-
Transfers						
Transfer to Vehicle Reserve Fund	291,259	207,288	207,288	201,203	201,203	201,203
Total Transfers	291,259	207,288	207,288	201,203	201,203	201,203
Total Police - Patrol	3,114,042	3,335,267	3,417,142	3,761,059	4,014,420	4,187,564

Chapter 9: Departmental Summary

POLICE DEPARTMENT (Continued)

Police Department – Investigations

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	164,793	167,914	169,567	173,868	180,388	187,153
Overtime - General	16,578	17,000	20,000	18,000	18,000	19,000
Overtime - Reimbursable Services	-	-	700	700	700	700
Holiday Pay	13,921	14,208	14,348	14,712	15,264	15,836
Bonus Pay	-	-	1,000	-	-	-
Total Personal Services - Salaries and Wages	195,292	199,122	205,615	207,280	214,352	222,689
Personal Services - Employee Benefits						
Insurance - Health	39,700	43,300	43,300	45,693	52,547	60,429
Insurance - Dental	2,326	2,556	2,556	2,919	3,065	3,218
Insurance - Life and AD&D	145	150	150	147	147	147
Insurance - Workers' Compensation	2,000	2,000	2,000	2,000	2,000	2,000
Insurance - Unemployment	972	972	972	972	972	972
Retirement - Social Security	12,587	12,346	12,748	12,851	13,290	13,807
Retirement - Medicare	2,945	2,887	2,981	3,006	3,108	3,229
Education - Conferences and Training	1,520	750	2,000	940	940	940
Equipment - Clothing Allowance	1,400	1,400	1,400	1,400	1,400	1,400
Total Personal Services - Employee Benefits	63,595	66,361	68,107	69,928	77,469	86,142
Contractual Services - Property						
Utilities - Telephone	706	1,440	1,593	1,512	1,512	1,512
Utilities - Cell Phone	2,133	2,240	2,280	1,388	1,388	1,388
Rental - Vehicle	-	2,500	1,000	2,500	2,500	2,500
Total Contractual Services - Property	2,839	6,180	4,873	5,400	5,400	5,400
Contractual Services - Other						
Other Contractual Services - Dues	-	-	4,467	4,467	4,467	4,467
Total Contractual Services - Other	-	-	4,467	4,467	4,467	4,467
Commodities						
General Supplies - Office	786	1,000	1,000	1,000	1,000	1,000
General Supplies - Agency	1,542	600	700	800	800	800
General Supplies - Books and Periodicals	480	200	413	200	300	300
General Supplies - Computer Equipment	-	-	-	1,600	1,500	3,000
Police Supplies - Investigation and Evidence	6,253	2,645	4,097	4,495	4,495	4,495
Total Commodities	9,061	4,445	6,210	8,095	8,095	9,595
Total Police - Investigations	270,787	276,108	289,272	295,170	309,783	328,293

Chapter 9: Departmental Summary

POLICE DEPARTMENT (Continued)

Police Department – Police Commission

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Personal Services - Salaries and Wages						
Wages - Boards and Committees	-	420	210	420	420	420
Total Personal Services - Salaries and Wages	-	420	210	420	420	420
Personal Services - Employee Benefits						
Retirement - Social Security	-	26	13	26	26	26
Retirement - Medicare	-	6	3	6	6	6
Total Personal Services - Employee Benefits	-	32	16	32	32	32
Contractual Services - Professional and Technical						
Legal Services - Police Commission	472	750	250	500	500	500

Police Department – ESDA

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Contractual Services - Property						
Utilities - Electric	2,289	-	-	-	-	-
Equipment Repair and Maintenance - Other	3,736	2,000	2,000	2,000	2,000	2,000
Total Contractual Services - Property	6,025	2,000	2,000	2,000	2,000	2,000
Commodities						
General Supplies - Agency	-	200	200	200	200	200
Total Commodities	-	200	200	200	200	200
Total Police - ESDA	6,025	2,200	2,200	2,200	2,200	2,200

Chapter 9: Departmental Summary

PUBLIC WORKS DEPARTMENT

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.

Responsibilities

- Administer the refuse and recycling contracts.
- Provide snow and ice control and removal services.
- Maintain the storm water management system.
- Treat and distribute safe drinking water to nearly 30,000 people per day.
- 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.

Core Strategies

- ❖ Maintain or improve public programs while maintaining fiscal responsibility.
- ❖ 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, effective, and efficient communication.
- ❖ Make wise management decisions with regards to facilities, equipment, and projects.

Fiscal Year 2017 Accomplishments

- ✓ 143 Sidewalk trip hazards were repaired covering 720.4 linear feet
- ✓ Replaced 5 mainline gate valves
- ✓ Replaced 11 fire hydrants
- ✓ Replaced 52 service shut-off valves (curb stops)
- ✓ Expanded our anti-icing program to reduce snow and ice related costs by collaborating with Oswego
- ✓ Completed over 5 miles of roadway restoration and reconstruction.
- ✓ Replaced the roof on Well #4
- ✓ Upgraded the Chlorine feed systems at the three treatment plants and added polyphosphate feed system at the LSWTP.

Chapter 9: Departmental Summary

PUBLIC WORKS DEPARTMENT (Continued)

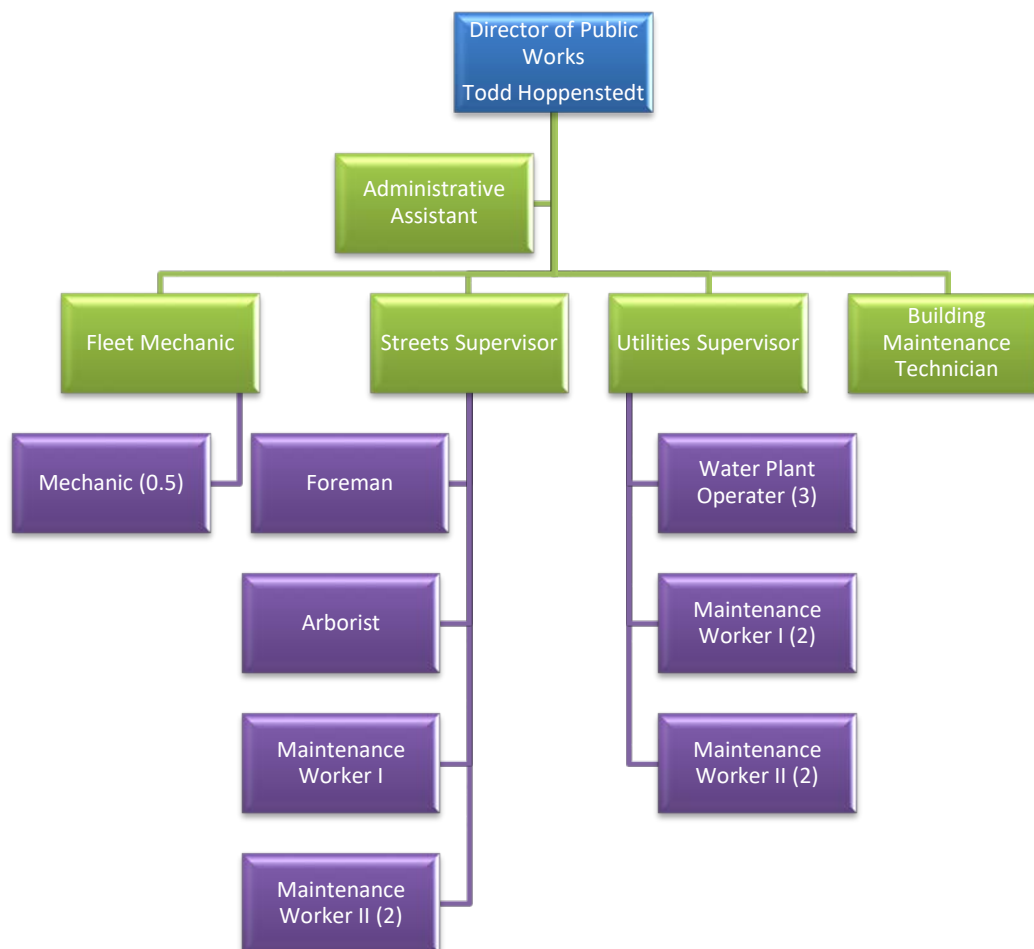
Fiscal Year 2017 Accomplishments

- ✓ Dredged the pond at Arbor Ridge and repurposed the removed material
- ✓ Installed Public Works camera and fire alarm systems
- ✓ Replaced 14 pieces of village equipment while staying almost 10% under budget
- ✓ Obtained approval from Village Board to use the budget surplus from the ERF to purchase a hydro-excavator and implemented a new method of excavation and repair.

Fiscal Year 2018 Goals and Initiatives

- Pavement resurfacing of 7.5 miles of roadway (Capital Investment – Infrastructure)
- Water main replacement of 1500 feet on Hartway Drive (Capital Investment – Infrastructure)
- Identify and replace lead service lines (Capital Investment – Infrastructure)
- Begin planning for water main replacement in Riverside/Martin Subdivisions
- Plant 300+ parkway trees
- Complete Public Works site clean-up/spoils disposal
- Spatz property clearing and grading (Capital Investment – Infrastructure)
- Renegotiate the refuse collection contract

Organization Chart



Chapter 9: Departmental Summary

PUBLIC WORKS DEPARTMENT (Continued)

Performance Measures

Water

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Storage capacity	-	-	-	4,800,000	4,800,000	4,800,000	5,800,000	5,800,000	5,800,000	5,800,000
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	3,384,000	3,923,000
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	2,243,917	2,328,000
Water mains (miles)	-	-	-	110	114	114	117	117	117	118
Water main breaks	56	55	67	55	57	53	56	44	19	33
Water main break spoils removal (sq yd)	-	-	-	-	-	-	-	1,428	1,580	2,250
Fire hydrants	-	-	-	1,050	1,372	1,372	1,680	1,680	1,680	1,700
Fire hydrant maintenance and painting	-	-	-	-	-	-	300	300	325	180
New connections	782	251	49	85	63	62	30	50	22	19

Streets

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Streets (miles)	53.0	53.0	58.0	74.0	76.0	76.0	76.0	76.0	76.0	76.5
Reconstruction (miles)	1.8	1.5	1.3	0.4	-	-	-	-	-	-
Resurfacing (miles)	-	-	-	2.0	1.5	0.6	1.1	0.9	6.7	5.4
Sidewalk - replacement (sq ft)	-	-	-	-	-	-	3,100	4,475	1,480	13,716
Sidewalk - new (sq ft)	-	-	-	-	-	-	-	-	-	1,800
Parkway tree planting	-	-	-	-	-	-	142	174	282	300
Parkway tree removals	-	-	-	-	-	-	152	749	475	286

Chapter 9: Departmental Summary

PUBLIC WORKS DEPARTMENT (Continued)

Public Works – Administration

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees (40%)	73,920	67,431	68,101	69,838	72,282	74,812
Wages - Overtime (General)	249	500	100	200	200	200
Total Personal Services - Salaries and Wages	74,169	67,931	68,201	70,038	72,482	75,012
Personal Services - Employee Benefits						
Insurance - Health	5,227	5,623	5,623	6,080	6,992	8,041
Insurance - Dental	260	276	276	315	331	348
Insurance - Life and AD&D	58	60	60	59	29	29
Insurance - Workers' Compensation	400	400	400	400	400	400
Insurance - Unemployment	547	389	389	389	389	389
Retirement - Social Security	4,511	4,212	4,228	4,342	4,494	4,651
Retirement - Medicare	1,055	985	989	1,016	1,051	1,088
Retirement - IMRF	9,941	9,164	8,856	8,243	8,531	8,829
Education - Conferences and Training	1,669	3,475	3,475	3,475	2,725	2,725
Equipment - Clothing Allowance	180	160	160	160	160	160
Total Personal Services - Employee Benefits	23,848	24,744	24,456	24,479	25,102	26,660
Contractual Services - Professional and Technical						
Information Technology Services - System Management	25,333	17,000	20,000	20,000	20,000	20,000
Information Technology Services - Software Maintenance	669	3,039	2,639	4,866	4,935	5,006
Other Professional Services	6,586	-	-	-	-	-
Total Contractual Services - Professional and Technical	32,588	20,039	22,639	24,866	24,935	25,006
Contractual Services - Property						
Utilities - Telephone	1,535	2,160	2,190	2,100	2,100	2,100
Utilities - Cell Phone	612	580	358	844	844	844
Equipment Repair and Maintenance - Office	2,194	780	780	600	600	600
Rental - Equipment	3,781	3,780	3,780	3,780	3,780	3,780
Total Contractual Services - Property	8,122	7,300	7,108	7,324	7,324	7,324
Contractual Services - Other						
Travel	210	-	-	-	-	-
Personnel Administration - Physicals/Testing	-	1,980	1,980	1,320	1,320	1,320
Dues	-	180	744	800	800	800
Total Contractual Services - Other	210	2,160	2,724	2,120	2,120	2,120
Commodities						
General Supplies - Office	2,692	2,500	2,500	2,500	2,500	2,500
General Supplies - Postage	365	590	535	535	535	535
General Supplies - Computer Equipment	-	-	-	400	11,200	600
Total Commodities	3,057	3,090	3,035	3,435	14,235	3,635
Capital Outlay						
Capital Outlay - Equipment (Computer)	-	1,400	4,152	-	-	-
Total Capital Outlay	-	1,400	4,152	-	-	-
Transfers and Charges						
Service Charges	(25,186)	(13,518)	(23,844)	(22,671)	(22,262)	(22,305)
Total Transfers and Charges	(25,186)	(13,518)	(23,844)	(22,671)	(22,262)	(22,305)
Total Public Works - Administration	116,808	113,146	108,471	109,591	123,936	117,452

Chapter 9: Departmental Summary

PUBLIC WORKS DEPARTMENT (Continued)

Public Works – Streets

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	239,543	240,030	247,886	238,908	244,881	251,003
Overtime - General	23,194	25,000	30,000	25,000	25,000	25,000
Overtime - Snow Removal	22,082	45,000	45,000	45,000	45,000	45,000
Total Personal Services - Salaries and Wages	284,819	310,030	322,886	308,908	314,881	321,003
Personal Services - Employee Benefits						
Insurance - Health	52,767	57,359	57,359	53,247	61,234	70,419
Insurance - Dental	2,953	3,245	3,245	3,033	3,185	3,344
Insurance - Life and AD&D	290	299	299	293	293	293
Insurance - Workers' Compensation	4,000	4,000	4,000	4,000	4,000	4,000
Insurance - Unemployment	2,150	1,944	1,944	1,944	1,944	1,944
Retirement - Social Security	16,014	19,222	20,019	19,152	19,523	19,902
Retirement - Medicare	3,745	4,495	4,682	4,479	4,566	4,655
Retirement - IMRF	35,451	41,823	38,143	36,358	37,061	37,782
Education - Conferences and Training	1,252	4,000	2,000	1,800	1,800	1,800
Equipment - Clothing Allowance	800	1,600	1,600	1,600	1,600	1,600
Total Personal Services - Employee Benefits	119,422	137,987	133,291	125,906	135,206	145,739
Contractual Services - Property						
Utilities - Electric	88,204	82,556	85,314	89,580	89,580	89,580
Utilities - Telephone	214	600	546	540	540	540
Utilities - Cell Phone	1,547	1,408	1,542	2,536	2,536	2,536
Infrastructure Repair and Maintenance - Sidewalks and Curbs	16,796	30,000	30,000	25,000	27,500	30,000
Infrastructure Repair and Maintenance - Streets and Alleys	11,678	25,000	25,000	28,000	29,000	30,000
Infrastructure Repair and Maintenance - Street Striping	15,000	22,000	22,000	22,000	22,000	22,000
Infrastructure Repair and Maintenance - Traffic Signals	27,883	22,000	22,000	22,000	22,000	22,000
Infrastructure Repair and Maintenance - Bridges	-	3,000	3,000	8,000	3,000	3,000
Infrastructure Repair and Maintenance - Street Lights	62,963	45,000	45,000	50,000	50,000	50,000
Rental - Equipment	182	3,000	3,000	3,000	3,000	3,000
Total Contractual Services - Property	224,467	234,564	237,402	250,656	249,156	252,656
Contractual Services - Other						
Other Contractual Services - Printing and Publications	45	200	200	200	200	200
Other Contractual Services - Insect Spraying	34,066	40,000	40,000	40,000	40,000	40,000
Other Contractual Services - Dues	-	500	500	500	500	500
Other Contractual Services - Street Sweeping	9,975	60,000	60,000	50,000	50,000	50,000
Total Contractual Services - Other	44,086	100,700	100,700	90,700	90,700	90,700
Commodities						
General Supplies - Tools	5,276	4,500	7,080	5,800	3,500	3,500
General Supplies - Books and Periodicals	-	150	-	-	-	-
General Supplies - Safety	4,159	3,500	3,500	3,500	3,500	3,500
General Supplies - Uniforms	6,712	6,000	6,000	6,000	6,000	6,000
General Supplies - Recycling Bins	8,060	6,000	7,750	7,000	7,000	7,000
General Supplies - Computer Equipment	-	-	-	1,500	-	-
Public Works Supplies - Snow Removal	8,777	28,000	28,000	28,000	28,000	28,000
Public Works Supplies - Street Signs	15,466	17,000	17,000	17,000	12,000	12,000
Minor Equipment - Public Works	-	-	-	9,750	-	-
Total Commodities	48,450	65,150	69,330	78,550	60,000	60,000
Capital Outlay						
Capital Outlay - Equipment (Public Works)	-	41,700	38,689	-	-	-
Capital Outlay - Equipment (Computer)	-	-	400	-	-	-
Total Capital Outlay	-	41,700	39,089	-	-	-
Transfers and Charges						
Transfer to Vehicle Reserve Fund	163,874	188,028	188,028	201,872	201,872	201,872
Total Transfers and Charges	163,874	188,028	188,028	201,872	201,872	201,872
Total Public Works - Administration	885,118	1,078,159	1,090,726	1,056,592	1,051,815	1,071,970

Chapter 9: Departmental Summary

PUBLIC WORKS DEPARTMENT (Continued)

Public Works – Vehicle Maintenance

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	65,763	65,349	66,454	66,992	68,667	70,384
Wages - Part-Time Employees	-	19,760	9,234	17,784	17,784	17,784
Overtime - General	6,226	2,400	3,000	1,200	1,200	1,200
Total Personal Services - Salaries and Wages	71,989	87,509	78,688	85,976	87,651	89,368
Personal Services - Employee Benefits						
Insurance - Health	19,850	21,650	21,650	22,846	26,273	30,214
Insurance - Dental	1,163	1,278	1,278	1,459	1,532	1,609
Insurance - Life and AD&D	73	75	75	73	73	73
Insurance - Workers' Compensation	1,000	1,000	1,000	1,000	1,000	1,000
Insurance - Unemployment	486	486	486	486	486	486
Retirement - Social Security	4,429	5,426	4,879	5,331	5,434	5,541
Retirement - Medicare	1,036	1,269	1,141	1,247	1,271	1,296
Retirement - IMRF	9,891	11,805	9,306	8,026	8,223	8,425
Education - Conferences and Training	2,081	2,200	-	1,800	1,000	1,000
Equipment - Clothing Allowance	200	600	600	600	600	600
Total Personal Services - Employee Benefits	40,209	45,789	40,415	42,868	45,892	50,244
Contractual Services - Professional and Technical						
Information Technology Services - Software Maintenance	3,390	1,695	1,695	1,695	1,695	1,695
Total Purchased Services - Professional and Technical	3,390	1,695	1,695	1,695	1,695	1,695
Contractual Services - Property						
Utilities - Telephone	214	600	546	540	540	540
Utilities - Cell Phone	700	820	736	1,156	1,156	1,156
Vehicle Repair and Maintenance	100,619	95,000	95,000	95,000	95,000	95,000
Vehicle Repair and Maintenance (Reimbursable)	6,815	5,000	5,000	5,000	5,000	5,000
Rental - Equipment	1,179	700	700	700	700	700
Total Contractual Services - Property	109,527	102,120	101,982	102,396	102,396	102,396
Contractual Services - Other						
Other Contractual Services - Dues	-	-	180	180	180	180
Total Contractual Services - Other	-	-	180	180	180	180
Commodities						
General Supplies - Tools	3,571	5,000	5,000	3,500	3,500	3,500
General Supplies - Safety	-	-	-	4,800	-	-
General Supplies - Uniforms	494	1,600	1,600	1,600	1,600	1,600
Vehicle Supplies - Tires	15,769	17,000	17,000	15,000	15,000	15,000
Vehicle Supplies - Gas and Oil	97,792	120,000	95,945	120,000	130,000	140,000
Vehicle Supplies - Gas and Oil (Reimbursable)	7,573	9,600	9,600	9,600	9,600	9,600
Total Commodities	125,199	153,200	129,145	154,500	159,700	169,700
Capital Outlay						
Capital Outlay - Equipment (Public Works)	-	10,000	12,859	-	-	-
Capital Outlay - Equipment (Computer)	-	1,400	1,759	-	-	-
Total Capital Outlay	-	11,400	14,618	-	-	-
Transfers and Charges						
Service Charges	(140,125)	(160,757)	(146,689)	(155,046)	(159,006)	(165,433)
Total Transfers and Charges	(140,125)	(160,757)	(146,689)	(155,046)	(159,006)	(165,433)
Total Public Works - Vehicle Maintenance	210,189	240,956	220,034	232,569	238,508	248,150

Chapter 9: Departmental Summary

PUBLIC WORKS DEPARTMENT (Continued)

Public Works – Buildings and Grounds

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Personal Services - Salaries and Wages						
Wages - Full-Time Employees	104,171	105,258	104,451	108,396	111,106	113,884
Wages - Temporary	12,381	28,800	10,000	25,600	25,600	25,600
Overtime - General	5,182	3,000	3,000	3,000	3,000	3,000
Total Personal Services - Salaries and Wages	121,734	137,058	117,451	136,996	139,706	142,484
Personal Services - Employee Benefits						
Insurance - Health	26,141	28,412	28,412	22,265	25,605	29,446
Insurance - Dental	1,483	1,629	1,629	1,188	1,247	1,309
Insurance - Life and AD&D	145	150	150	147	147	147
Insurance - Workers' Compensation	2,000	2,000	2,000	2,000	2,000	2,000
Insurance - Unemployment	1,440	1,692	1,692	2,052	2,052	2,052
Retirement - Social Security	7,947	8,498	7,282	8,494	8,662	8,834
Retirement - Medicare	1,859	1,987	1,703	1,986	2,026	2,066
Retirement - IMRF	16,001	14,604	14,535	13,111	13,430	13,757
Education - Conferences and Training	2,221	2,350	2,350	2,350	2,650	2,350
Equipment - Clothing Allowance	400	800	800	800	800	800
Total Personal Services - Employee Benefits	59,637	62,122	60,553	54,393	58,619	62,761
Contractual Services - Property						
Utilities - Cell Phone	1,888	1,976	1,976	1,700	1,700	1,700
Building Repair and Maintenance - Custodial	46,863	55,000	55,000	55,000	55,000	55,000
Building Repair and Maintenance - Other	89,195	88,000	88,000	96,837	96,957	96,557
Equipment Repair and Maintenance - Other	781	2,200	1,200	2,200	1,200	1,200
Grounds Repair and Maintenance - Trees and Parkways	3,531	5,000	-	-	-	-
Grounds Repair and Maintenance - Detention Basins	31,886	24,230	25,779	22,265	22,265	22,265
Grounds Maintenance - Village	39,348	41,219	40,399	57,333	57,333	57,333
Grounds Repair and Maintenance - Pest Management	542	1,000	1,000	1,000	1,000	1,000
Grounds Repair and Maintenance - Tree Replacement	65,725	77,000	77,000	81,000	87,875	94,750
Grounds Repair and Maintenance - Tree Removals	800	6,000	6,000	6,000	6,000	6,000
Grounds Repair and Maintenance - Stump Grinding & Restoration	16,217	24,825	24,825	24,035	24,035	10,450
Grounds Repair and Maintenance - Large Tree Pruning	154	12,000	12,000	24,000	32,000	32,000
Grounds Repair and Maintenance - Insurance Reimbursement	-	1,000	270	-	-	-
Infrastructure Repair and Maintenance - Crack Sealing	-	-	-	29,000	15,000	15,000
Total Contractual Services - Property	296,930	339,450	333,449	400,370	400,365	393,255
Contractual Services - Other						
Community Relations - Beautification (HP)	271	-	-	-	-	-
Community Relations - Flower Boxes	6,376	5,000	5,000	5,000	5,000	5,000
Community Relations - Beautification	5,123	9,800	9,800	9,800	9,800	9,800
Dues	-	450	450	450	450	450
Total Contractual Services - Other	11,770	15,250	15,250	15,250	15,250	15,250
Commodities						
General Supplies - Tools	1,227	4,000	4,000	3,000	3,000	3,000
General Supplies - Cleaning	204	500	500	500	500	500
General Supplies - Computer Equipment	-	-	-	-	400	-
Building Supplies - Consumable	7,455	5,500	7,141	6,000	6,000	6,000
Building Supplies - Durable	3,321	3,000	3,000	3,000	3,000	3,000
Total Commodities	12,207	13,000	14,641	12,500	12,900	12,500
Capital Outlay						
Capital Outlay - Equipment (Public Works)	100	-	-	-	-	-
Capital Outlay - Construction	9,289	19,750	14,836	-	-	-
Total Capital Outlay	9,389	19,750	14,836	-	-	-
Transfers and Charges						
Service Charges	(166,297)	(192,472)	(183,966)	(209,864)	(212,797)	(212,561)
Total Transfers and Charges	(166,297)	(192,472)	(183,966)	(209,864)	(212,797)	(212,561)
Total Public Works - Buildings and Grounds	345,370	394,158	372,214	409,645	414,043	413,689

Chapter 9: Departmental Summary

PUBLIC WORKS DEPARTMENT (Continued)

Public Works – Stormwater Management

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Contractual Services - Professional and Technical						
Engineering Services - Municipal Projects	-	-	-	15,000	5,000	5,000
Total Contractual Services - Professional and Technical	-	-	-	15,000	5,000	5,000
Contractual Services - Property						
Sewer Repair and Maintenance - Storm Sewer	11,414	40,000	40,000	35,000	35,000	35,000
Total Contractual Services - Property	11,414	40,000	40,000	35,000	35,000	35,000
Total Public Works - Stormwater Management	11,414	40,000	40,000	50,000	40,000	40,000

Chapter 9: 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, debt issuances and negotiation of union contracts.

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Contractual Services - Professional and Technical						
Legal Services - General	52,744	65,000	54,322	60,000	65,000	70,000
Legal Services - Development (Reimbursable)	28,796	40,000	21,826	30,000	35,000	40,000
Legal Services - Development (Village)	22,424	20,000	13,759	20,000	20,000	20,000
Legal Services - Traffic Court	33,195	30,000	23,159	30,000	30,000	30,000
Legal Services - Liquor Commission	2,580	1,500	2,430	1,500	1,500	1,500
Legal Services - Labor Issues	66,634	30,000	26,381	30,000	30,000	30,000
Total Contractual Services - Professional and Technical	206,373	186,500	141,877	171,500	181,500	191,500
Total Legal	206,373	186,500	141,877	171,500	181,500	191,500

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.

	FY2016 Actual	FY2017 Budget	FY2017 Estimated	FY2018 Approved	FY2019 Projected	FY2020 Projected
Contractual Services - Professional and Technical						
Engineering Services - General	59,542	70,000	49,890	60,000	65,000	70,000
Engineering Services - Development (Reimbursable)	124,399	130,000	207,887	150,000	155,000	160,000
Engineering Services - Development (Village)	8,919	7,500	5,000	9,000	9,000	9,000
Total Contractual Services - Professional and Technical	192,860	207,500	262,777	219,000	229,000	239,000
Total Engineering	192,860	207,500	262,777	219,000	229,000	239,000

Chapter 10: *Appendix*



ACRONYMS

ARC = Annual Required Contribution: The actuarially determined amount an employer must contribute in a given year.

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.

Chapter 10: Appendix

ACRONYMS (Continued)

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

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.

GAAFR = Governmental Accounting, Auditing, and Financial Reporting: Publication of the GFOA. Also known as the "Blule Book", various editions have been published since the mid 1930s.

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.

Chapter 10: Appendix

ACRONYMS (Continued)

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.

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.

OPEB = Other postemployment benefits: Postemployment benefits other than pension benefits. OPEB include postemployment healthcare benefits, regardless of the type of plan that provides them, and all postemployment benefits provided separately from a pension plan, excluding benefits defined as termination offers and benefits.

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 10: 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), but the proceeds must be placed in escrow pending call date or maturity (refunding in advance of redemption).

Chapter 10: 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 or Kendall 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 recognize 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 10: 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 10: 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: 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 10: Appendix

DEFINITIONS (Continued)

Cash: 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: 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 of 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 10: 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 10: Appendix

DEFINITIONS (Continued)

Defeasance: 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 10: 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 to describe contributions actually made by the employer in relation to the annual required contribution (ARC) of the employer.

Enabling legislation: Legislation that authorizes a government to levy, charge, or otherwise mandate payments of resources from outside parties, subject to a legally enforceable requirement that the resources thus obtained be used only for the specific purposes stipulated in the legislation (e.g. motor fuel tax or non-home rule sales tax).

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 (e.g. 33% in Kane and Kendall Counties).

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.

Chapter 10: Appendix

DEFINITIONS (Continued)

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.

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.

Chapter 10: Appendix

DEFINITIONS (Continued)

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.

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.

Chapter 10: Appendix

DEFINITIONS (Continued)

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.

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.

Chapter 10: Appendix

DEFINITIONS (Continued)

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).

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.

Chapter 10: Appendix

DEFINITIONS (Continued)

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.

Internal financial reporting: Financial reporting specifically designed to meet the needs of management.

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.

Chapter 10: Appendix

DEFINITIONS (Continued)

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).

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.

Nonexchange 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.

Chapter 10: Appendix

DEFINITIONS (Continued)

Nonoperating revenues and expenses: 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) on the proprietary fund operating statement.

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.

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.

Chapter 10: Appendix

DEFINITIONS (Continued)

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

Output measures: Indicators that measure the quantity of services provided.

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.

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 cost: Accrual measure of the periodic cost of an employer's participation in a defined benefit pension plan.

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.

Chapter 10: Appendix

DEFINITIONS (Continued)

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).

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: 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.

Chapter 10: Appendix

DEFINITIONS (Continued)

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.

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.

Service efforts and accomplishments: Term used by GASB to describe the presentation of performance measures.

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.

Chapter 10: Appendix

DEFINITIONS (Continued)

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.

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.

Chapter 10: *Appendix*

DEFINITIONS (Continued)

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 (GAAFR)*; 2001, 2005 and 2012 editions.



Thank you for reading the Village of Montgomery fiscal year 2018 Annual Budget.