

# 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**  
**Annual Budget Fiscal Year 2018**  
**Table of Contents**

---

|   | <u>Page</u> |
|---|-------------|
| Table of Contents   | 2           |
| <b>Chapter 1: Introduction</b>                            |             |
| Village of Montgomery                                     | 7           |
| Principal Officials                                       | 8           |
| Organizational Chart                                      | 9           |
| GFOA Award Fiscal Year 2017                               | 10          |
| <b>Chapter 2: Transmittal Letter</b>                      |             |
| Transmittal Letter  | 11          |
| <b>Chapter 3: Village Profile</b>                         |             |
| Location  | 22          |
| History   | 23          |
| Governance  | 24          |
| Community Involvement                                     | 26          |
| Demographics  | 28          |
| <b>Chapter 4: Budget Process and Organization</b>         |             |
| Budget Process  | 31          |
| Budget Calendar   | 34          |
| Classification of Revenues and Expenditures               | 35          |
| Organization of Financial Presentation                    | 35          |
| Fund Groups and Basis of Budgeting                        | 36          |
| <b>Chapter 5: Mission, Vision, and Long-Term Planning</b> |             |
| Mission Statement   | 40          |
| Our Vision  | 40          |
| Guiding Principles  | 40          |
| Objectives  | 40          |
| Long-Term Planning  | 41          |
| Operating Budget Forecast                                 | 41          |
| Capital Improvement Program                               | 41          |
| Pavement Management Report                                | 41          |
| Computer Equipment Replacement                            | 41          |
| Strategic Plan  | 42          |
| Vehicle and Equipment Replacement                         | 45          |
| Comprehensive Plan  | 45          |
| Marketing   | 45          |
| Waterworks System Master Plan                             | 47          |

**Village of Montgomery, Illinois**  
**Annual Budget Fiscal Year 2018**  
**Table of Contents (Continued)**

---

|   | <u>Page</u> |
|---|-------------|
| <b>Chapter 6: Fiscal Policies</b>               | 48          |
| <b>Chapter 7: Executive Summary</b>             |             |
| All Funds Summary                               | 55          |
| Revenues  | 55          |
| Expenditures                                    | 56          |
| Fund equity                                     | 57          |
| <b>Chapter 7: Executive Summary (Continued)</b> |             |
| Major Revenues                                  | 58          |
| State and local sales tax                       | 59          |
| Water revenue                                   | 59          |
| General obligation alternate revenue bonds      | 60          |
| Property tax                                    | 60          |
| State income tax                                | 62          |
| Refuse revenue                                  | 62          |
| Utility taxes                                   | 63          |
| Transfers in – Debt Service Fund                | 63          |
| Employer medical insurance contributions        | 64          |
| Investment income                               | 64          |
| Vehicle reserve contributions                   | 65          |
| Major Expenditures                              | 66          |
| Capital Outlay                                  | 66          |
| Personal Services                               | 68          |
| Debt Service Summary                            | 70          |
| <b>Chapter 8: Fund Summary</b>                  | 74          |
| Motor Fuel Tax Fund                             | 74          |
| Community Improvement Fund                      | 75          |
| Forfeiture and Seizure Fund                     | 76          |
| E-911 Fund                                      | 77          |
| Capital Improvement Fund                        | 77          |
| Infrastructure Improvement Fund                 | 80          |
| Lakewood Creek Project Fund                     | 81          |
| TIF #1 Fund                                     | 81          |
| TIF #2 Fund                                     | 82          |
| TIF #3 Fund                                     | 82          |
| Debt Service Fund                               | 83          |

**Village of Montgomery, Illinois**  
**Annual Budget Fiscal Year 2018**  
**Table of Contents (Continued)**

---

|  | <u>Page</u> |
|--|-------------|
| <b>Chapter 8: Fund Summary (Continued)</b> |             |
| Water Fund                                 | 84          |
| Water Revenue                              | 84          |
| Water Administration                       | 85          |
| Water Plant Operations                     | 87          |
| Water Improvement Fund                     | 88          |
| Employee Insurance Fund                    | 90          |
| Vehicle Reserve Fund                       | 91          |
| Refuse Fund                                | 92          |
| Police Pension Fund                        | 92          |
| Police Gift Fund                           | 94          |
| Special Service Areas                      | 94          |
| Montgomery Crossing SSA Fund               | 95          |
| Blackberry Crossings SSA Fund              | 95          |
| Fairfield Way SSA Fund                     | 96          |
| Arbor Ridge SSA Fund                       | 96          |
| Foxmoor SSA Fund                           | 97          |
| Saratoga Springs SSA Fund                  | 97          |
| Orchard Prairie North SSA Fund             | 98          |
| Blackberry Crossing West SSA Fund          | 98          |
| Fieldstone Place SSA Fund                  | 99          |
| Balmorea SSA Fund                          | 99          |
| Marquis Pointe SSA Fund                    | 100         |
| Ogden Hills SSA Fund                       | 100         |
| <b>Chapter 9: Departmental Summary</b>     | 101         |
| Revenues                                   | 102         |
| Elected Officials                          | 104         |
| Budget                                     | 106         |
| Administration Department                  |             |
| Description                                | 107         |
| Responsibilities                           | 107         |
| Core Strategies                            | 107         |
| Accomplishments                            | 107         |
| Goals and Initiatives                      | 108         |
| Organization Chart                         | 108         |
| Budget                                     | 109         |

**Village of Montgomery, Illinois**  
**Annual Budget Fiscal Year 2018**  
**Table of Contents (Continued)**

---

|  | <u>Page</u> |
|--|-------------|
| <b>Chapter 9: Departmental Summary (Continued)</b> |             |
| Finance Department                                 |             |
| Description  | 110         |
| Responsibilities                                   | 110         |
| Core Strategies                                    | 110         |
| Accomplishments                                    | 111         |
| Goals and Initiatives                              | 111         |
| Organization Chart                                 | 111         |
| Performance Measures                               | 112         |
| Budget   |             |
| Accounting   | 113         |
| Utility Billing                                    | 115         |
| Community Development Department                   |             |
| Departmental Description                           | 116         |
| Responsibilities                                   | 116         |
| Core Strategies                                    | 116         |
| Accomplishments                                    | 117         |
| Goals and Initiatives                              | 117         |
| Organization Chart                                 | 118         |
| Budget   |             |
| Economic Development                               | 118         |
| Planning and Zoning                                | 119         |
| Code Enforcement and Inspections                   | 120         |
| Police Department                                  |             |
| Description  | 121         |
| Mission Statement                                  | 121         |
| Responsibilities                                   | 121         |
| Values   | 121         |
| Core Strategies                                    | 122         |
| Accomplishments                                    | 122         |
| Goals and Initiatives                              | 122         |
| Organization Chart                                 | 123         |
| Performance Measures                               | 123         |
| Budget   |             |
| Administration                                     | 124         |
| Support Services                                   | 125         |
| Patrol   | 126         |
| Investigations                                     | 127         |
| Police Commission                                  | 128         |
| ESDA   | 128         |

**Village of Montgomery, Illinois**  
**Annual Budget Fiscal Year 2018**  
**Table of Contents (Continued)**

---

|  | <u>Page</u> |
|--|-------------|
| <b>Chapter 9: Departmental Summary (Continued)</b> |             |
| Public Works Department                            |             |
| Description  | 129         |
| Responsibilities                                   | 129         |
| Core Strategies                                    | 129         |
| Accomplishments                                    | 129         |
| Goals and Initiatives                              | 130         |
| Organization Chart                                 | 130         |
| Performance Measures                               | 131         |
| Budget   |             |
| Administration                                     | 132         |
| Streets  | 133         |
| Vehicle Maintenance                                | 134         |
| Buildings and Grounds                              | 135         |
| Stormwater   | 136         |
| Legal Services                                     | 137         |
| Engineering Service                                | 137         |
| <b>Chapter 10: Appendix</b>                        |             |
| Glossary   |             |
| Acronyms   | 138         |
| Definitions  | 141         |

# 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

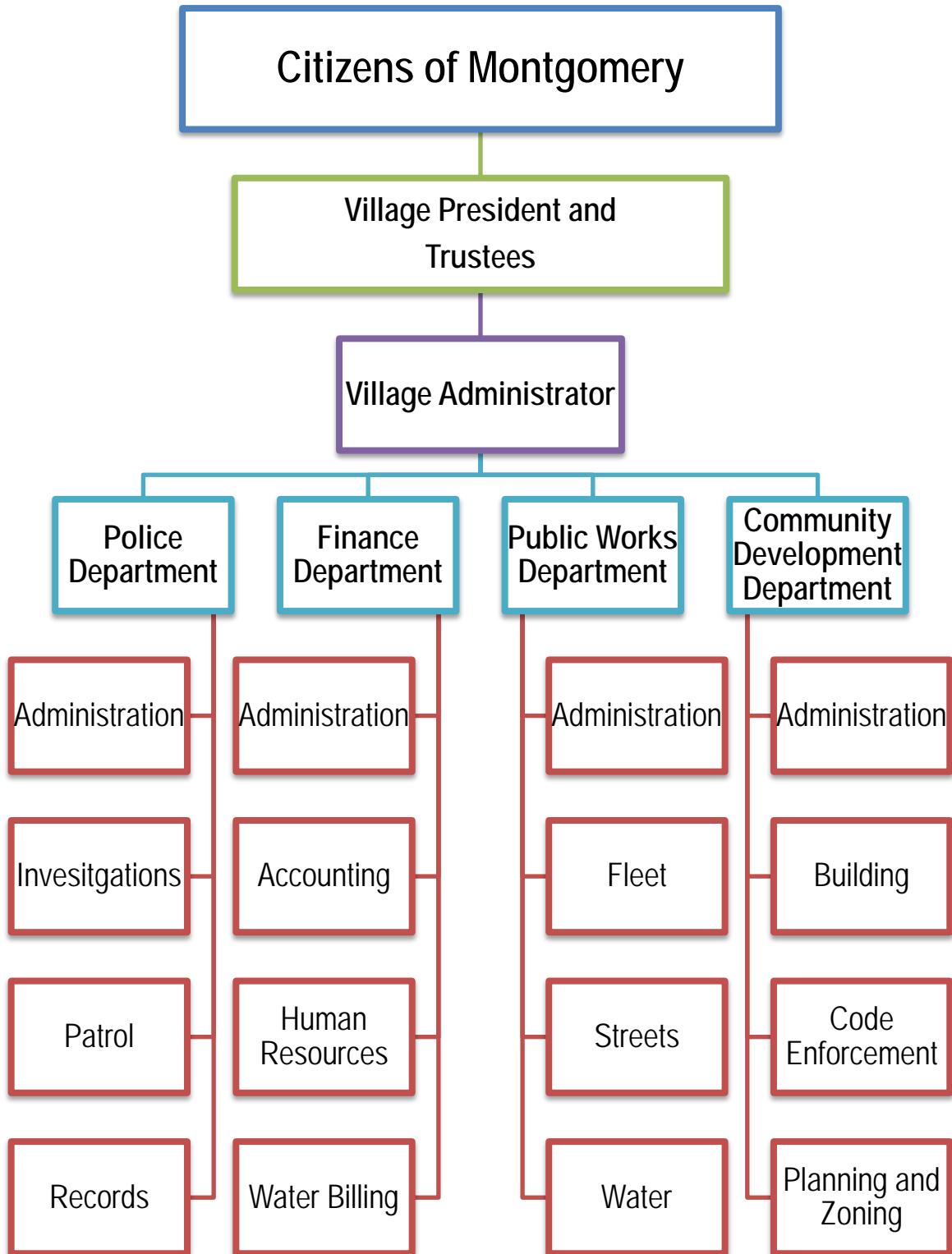
Justin VanVooren

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**

A handwritten signature in black ink, appearing to read "Jeffrey R. Evans".

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the **Village of Montgomery, Illinois** for its annual budget for the fiscal year beginning **May 1, 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

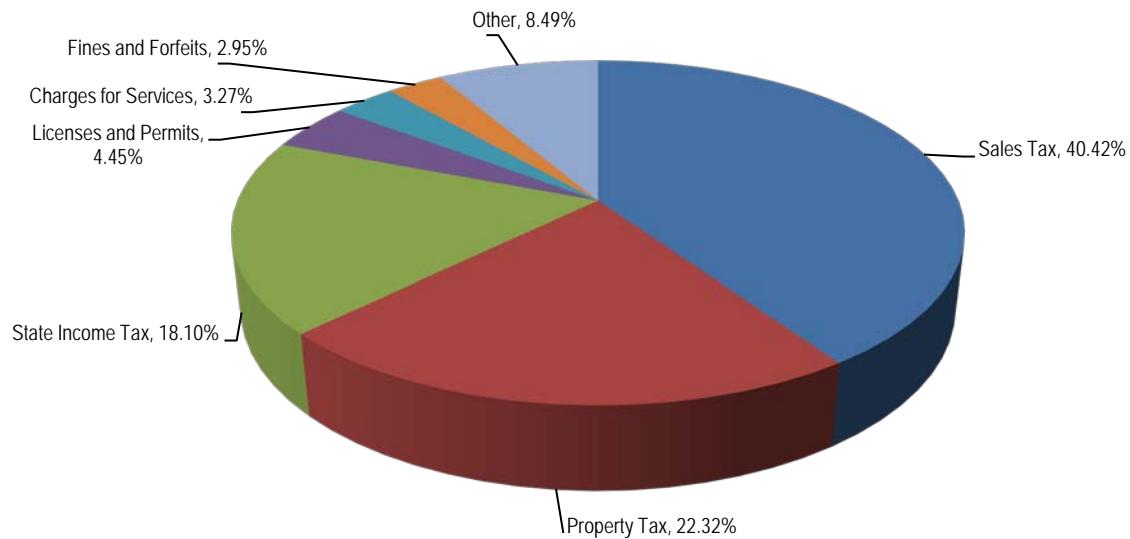
## OVERALL FINANCIAL SUMMARY

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.

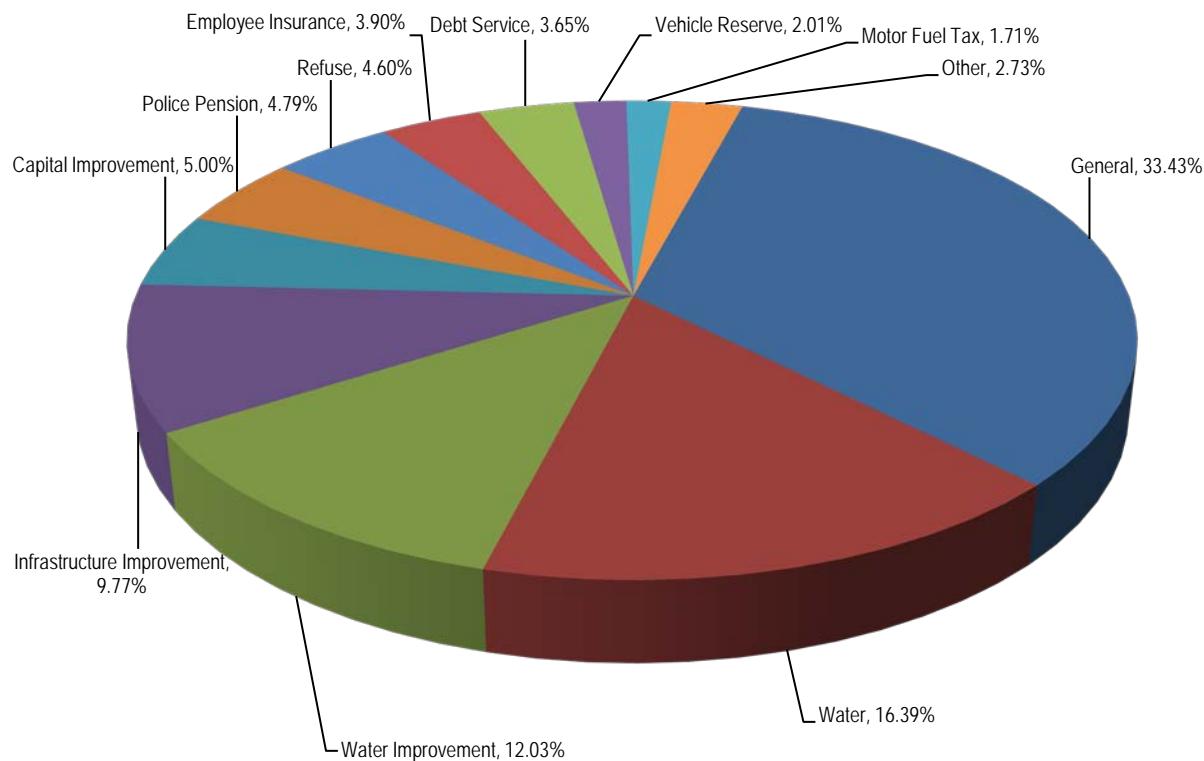
| REVENUES                   | REVENUES - ALL FUNDS |                      |                      |                      |                      |                      |
|----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|                            | FY2016<br>Actual     | FY2017<br>Budget     | FY2017<br>Estimated  | FY2018<br>Approved   | FY2019<br>Projected  | FY2020<br>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              |
| <b>TOTAL REVENUES</b>      | <b>\$ 25,255,925</b> | <b>\$ 28,221,105</b> | <b>\$ 26,602,215</b> | <b>\$ 30,773,403</b> | <b>\$ 30,965,833</b> | <b>\$ 31,695,013</b> |

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<br>Actual     | FY2017<br>Budget     | FY2017<br>Estimated  | FY2018<br>Approved   | FY2019<br>Projected  | FY2020<br>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              |
| <b>TOTAL EXPENDITURES</b>  | <b>\$ 23,617,213</b> | <b>\$ 26,927,772</b> | <b>\$ 24,343,904</b> | <b>\$ 30,776,948</b> | <b>\$ 29,329,898</b> | <b>\$ 32,009,400</b> |

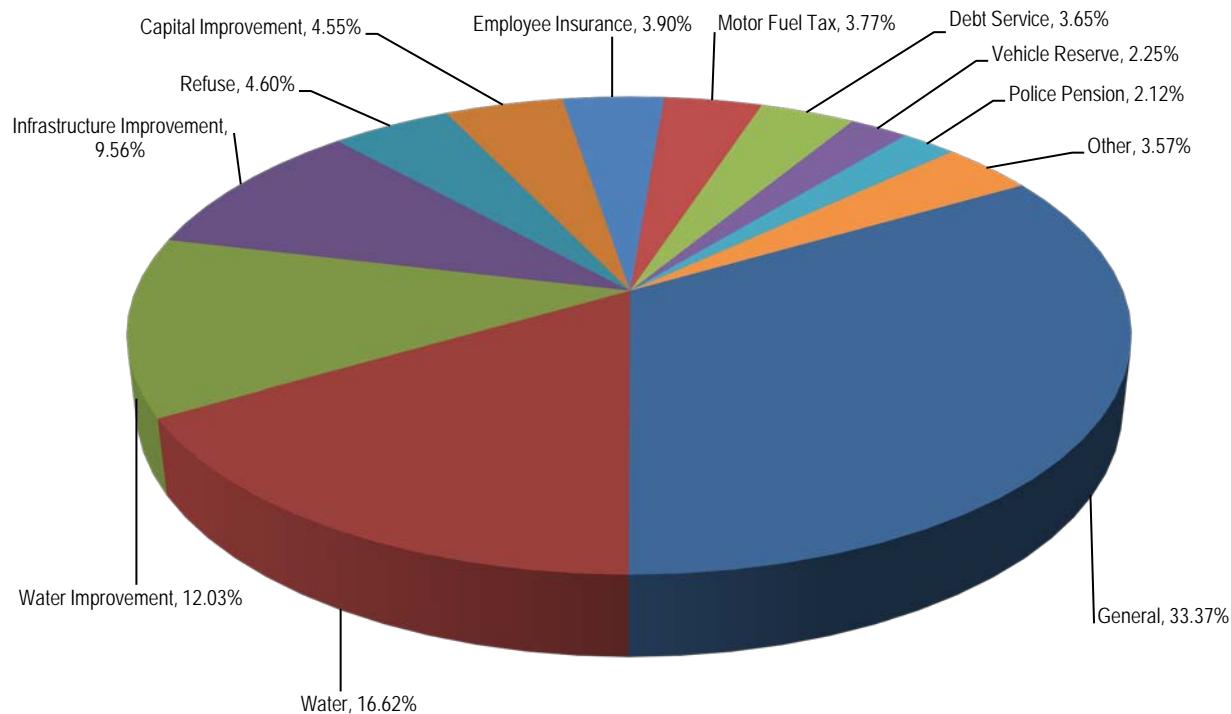
Total expenditures are \$3,849,176 or 14.29% more than the fiscal year 2017 budget and \$7,159,735 or 30.32% more than the fiscal year 2016 expenditures. The change in expenditures from the fiscal year 2017 budget can be attributed mainly to the General, Motor Fuel Tax, Infrastructure Improvement, and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

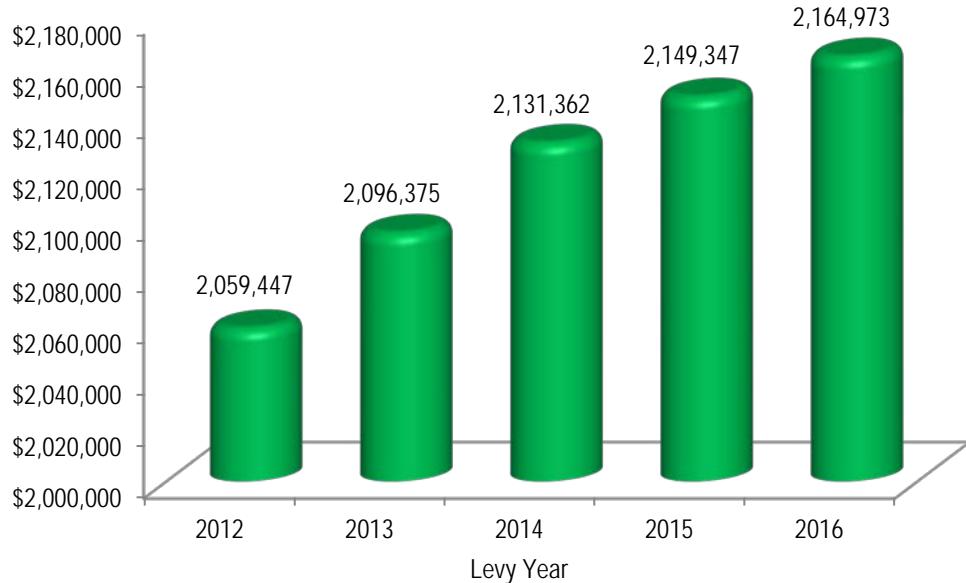
## Chapter 2: *Transmittal Letter*

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, Nexo Solutions and Old Dominion Freight Line have also built industrial buildings in the Village within the last year. Nexo 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.

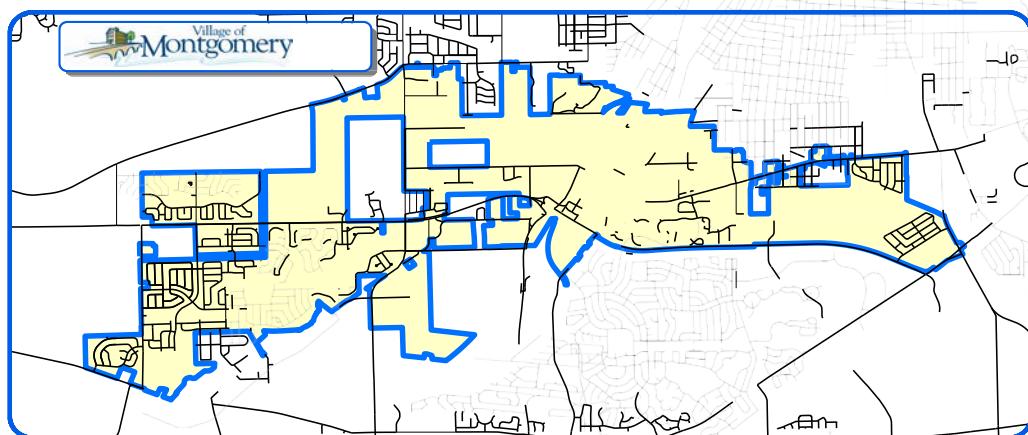
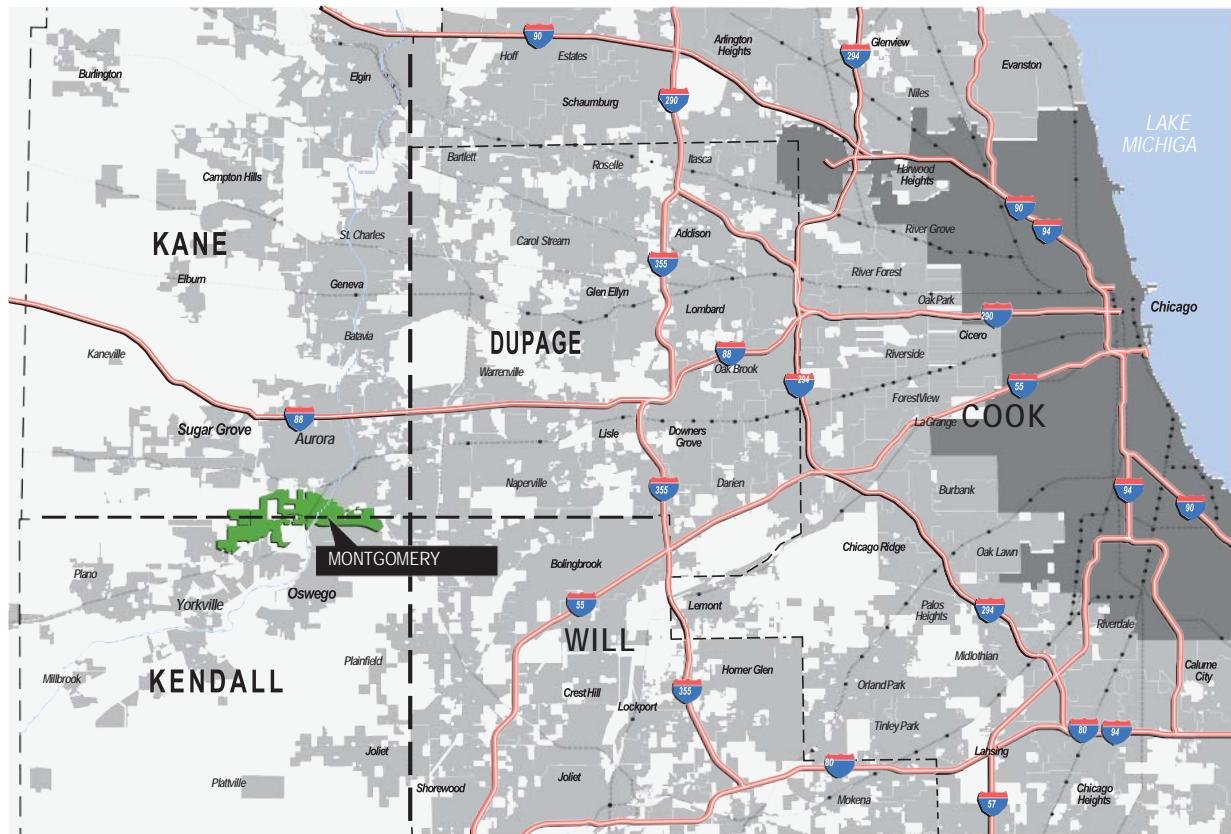
The preparation of this report would not have been possible without the efficient and dedicated services of the Village Administrator and staff of the Finance Department. I would also like to express my appreciation to each department and their staff who assisted and contributed to the preparation of 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.



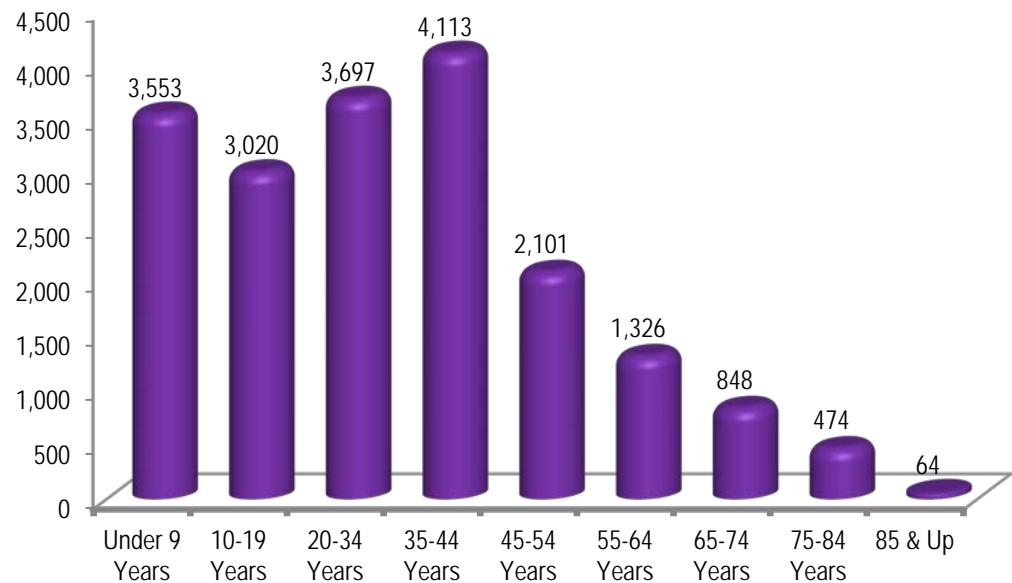
# Chapter 3: Village Profile

## DEMOCRAPHICS

### 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%  |

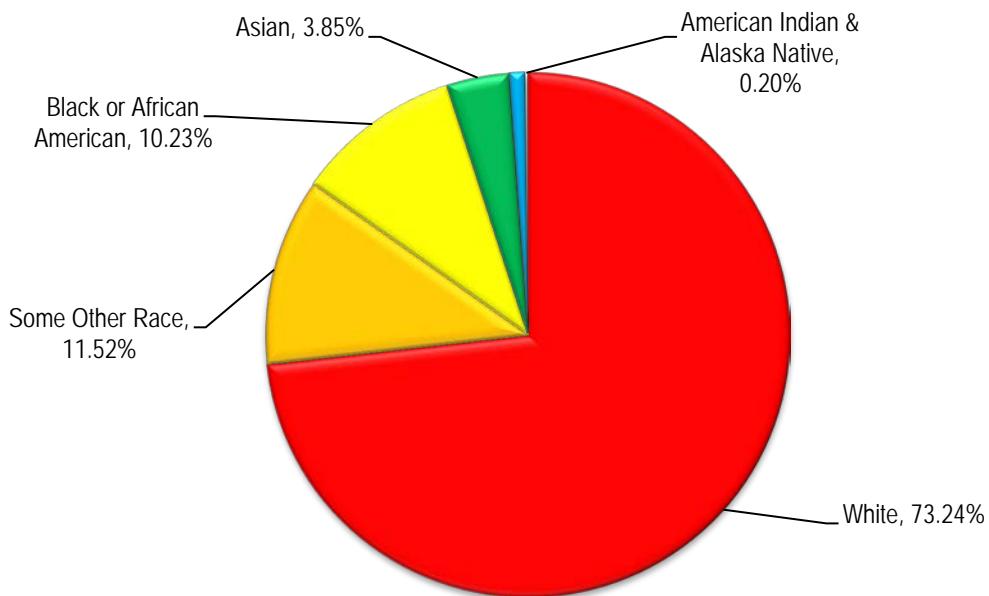
### Age



# Chapter 3: Village Profile

## DEMOCRAPHICS (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

## DEMOCRAPHICS (Continued)

### Principal Property Tax Payers

| Taxpayer                  | Taxable<br>Assessed<br>Value | Rank | Percentage of<br>Total Village<br>Taxable<br>Assessed<br>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<br>of Total<br>Village<br>Employment |
|--------------------------|--------------|------|---|
| Caterpillar, Inc.        | 2,000        | 1    | 10.85%  |
| Butterball               | 660          | 2    | 3.58%   |
| Eby-Brown Co., LLC       | 400          | 3    | 2.17%   |
| Performance 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           | <b>Announce and review tax levy (Village Board Meeting)</b>  |
| 11/28/2016           | <b>Public hearing on tax levy (Village Board Meeting)</b>  |
| 12/12/2016           | <b>Approval of tax levy (Village Board Meeting)</b>  |
| 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            | <b>Review General Fund budget (Committee of the Whole Meeting)</b>                                 |
| 2/27/2017            | <b>Review Capital Improvement Fund budget/CIP (Village Board Meeting)</b>                          |
| 3/1/2017             | Notice of public hearing published and budget/CIP put on display for citizen review                |
| 3/13/2017            | <b>Public hearing conducted and first reading of budget/CIP ordinance (Village Board Meeting)</b>  |
| 3/13/2017            | <b>Review Water and Other Fund budgets/CIP (Village Board Meeting)</b>                             |
| 3/21/2017            | <b>Review complete budget/CIP if necessary (Committee of the Whole Meeting)</b>                    |
| 3/27/2017            | <b>Second reading of budget/CIP ordinance and approval of budget/CIP (Village Board Meeting)</b>   |

# 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.

Table 2 - 1

| 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                   |                  |
| Fiduciary funds    | Pension (and other employee benefit) trust fund | X                  |                             | X                   |                  |
|                    | Investment trust fund                           | X                  |                             | X                   |                  |
|                    | Private-purpose trust fund                      | X                  |                             | X                   |                  |
|                    | Agency fund                                     | Not applicable     |                             | X                   |                  |

# Chapter 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 States 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   |                             |
|                    | Fox River                   | Identify funding             |                                 |                             |
|                    |                             |                              |                                 |                             |
|                    |                             |                              |                                 |                             |
|                    | Promote and increase Use    | Identify funding source      |                                 |                             |
|                    |                             |                              | Engage IDNR                     |                             |
|                    |                             |                              | Work with park districts        |                             |
|                    | Attractions                 | River clean up               |                                 |                             |
|                    |                             |                              | Vegetation control              |                             |
|                    |                             |                              | Boat/kayak launch               |                             |
|                    | Transportation              | Whitewater feature           |                                 |                             |
|                    |                             |                              |                                 |                             |
|                    |                             |                              |                                 |                             |
| Community          | 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                    |                             |
|                    | Metra station               | Work with City of Aurora     |                                 |                             |
|                    |                             |                              | Work with Metra                 | Meeting with Metra (2015)   |
|                    |                             |                              | Work with Pace                  | Meeting with Metra (2016)   |
|                    | Bicycling                   | Investigate use of Divvy     |                                 |                             |
|                    |                             |                              | 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 Waubonsee       | Nexeo (2017)                  |
|                    |                             |                              | Incentive policy                 | Old Dominion (2017)           |
|                    | Commercial                  | 80,000 square feet           | Incentive policy                 | Speedway (2015)               |
|                    |                             |                              | Marketing plan/corridor planning | Chiquita (2015)               |
|                    |                             |                              | Explore TIF #3                   | U-Haul (2016)                 |
|                    |                             | Service provider diversity   | Use of sales tax rebates         | 9ers (2016)                   |
|                    |                             |                              | Use of revolving loan fund       | Mattress Firm/AT&T (2016)     |
|                    |                             |                              | Sit down restaurants             | Pig Dog Pub (2016)            |
|                    | Residential                 | 120 new platted sites        | Attract niche markets            | Binny's Beverage Depot (2016) |
|                    |                             |                              | Business friendly                | Fullers Car Wash (2017)       |
|                    |                             |                              | Service provider diversity       | Ricky Rockets (2018)          |
|                    |                             | 200 infill lots              | Competitive fees structure       |                               |
|                    |                             |                              | Land use up-to-date              |                               |
|                    |                             |                              | Efficient process                |                               |
|                    |                             | 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)        |
|                    | Community Perception        | Marketing plan            | Paddleboards                       | Montgomery in Motion logo (2016) |
|                    |                             |                           | Village events                     | Trunk or Treat (2016)            |
|                    |                             |                           | - Regalia/Venetian night           | McDole ice control event (2016)  |
|                    |                             | Residents                 | - Airboat race/kid's sailboat race |                                  |
|                    |                             |                           | - Monthly cruise night             |                                  |
|                    |                             |                           | - West side event                  |                                  |
|                    |                             | Businesses                | Mission statement review           | New Snow Plan (2015)             |
|                    |                             |                           | Vision statement review            |                                  |
|                    |                             |                           | Annual Village HOA meeting         |                                  |
|                    |                             | Outside Entities          | Community wide survey              |                                  |
|                    |                             |                           | Customer service training          |                                  |
|                    |                             |                           | Business meetings - existing       |                                  |
|                    |                             | Outside Entities          | 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  |                                    |                                     |
|                     | Debt Management             | Transparency    |                                    |                                     |
|                     |                             |                 | Meet pension funding requirements  | Full amount to IMRF and PP (2015)   |
|                     |                             |                 | - IMRF/Police Pension              | Timely continuing disclosure (2015) |
|                     |                             |                 | Opportunity for refunding          |                                     |
|                     | Policies                    | Debt issuance   | Financial policy review            |                                     |
|                     |                             |                 | Continuing disclosure              |                                     |
|                     |                             | Pension         |                                    |                                     |
|                     |                             |                 |                                    |                                     |
|                     | 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)               |
|                    | Infrastructure              | Self-service options    |                                | New door system (2016)                |
|                    |                             |                         |                                |                                       |
|                    |                             |                         |                                |                                       |
|                    |                             | Maintenance of existing | Cross-reference program plans  | Road Maintenance Program (2015)       |
|                    |                             |                         | Annual update to programs      | Sidewalk and Path Program (2016)      |
|                    | Fleet                       | Future improvements     | Water Rate Study               | Waterworks Master Plan (2017)         |
|                    |                             |                         | Identify funding opportunities | Water Rate Study (2018)               |
|                    |                             |                         | - Grants, loans, and bonds     |                                       |
|                    |                             | Capital needs           | Street light program           |                                       |
|                    |                             |                         | Mapping                        |                                       |
|                    |                             |                         | Forestry program               |                                       |
|                    | Building                    | Efficiency              | Sub-regional water supply      |                                       |
|                    |                             |                         | Match equipment with needs     | Shared equipment resolution (2016)    |
|                    |                             |                         | Preventive maintenance         | Part-time mechanic (2016)             |
|                    |                             | Maintain reliability    | Investigate alternate fuels    | Revised Fleet Replacement (2016)      |
|                    |                             |                         | Evaluate share services        | Reserve fully funded (2017)           |
|                    |                             |                         | - Mechanic and fueling         |                                       |
|                    |                             |                         |                                |                                       |
|                    |                             | 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 its 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               | Estimated            | Budget               |
|----------------------------|----------------------|----------------------|----------------------|
|                            | FY2016               | FY2017               | 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              |
| <b>TOTAL REVENUES</b>      | <b>\$ 25,255,925</b> | <b>\$ 26,602,215</b> | <b>\$ 30,773,403</b> |

## 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<br>FY2016     | Estimated<br>FY2017  | Budget<br>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              |
| <b>TOTAL EXPENDITURES</b>  | <b>\$ 23,617,213</b> | <b>\$ 24,343,904</b> | <b>\$ 30,776,948</b> |

## Chapter 7: Executive Summary

### 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.

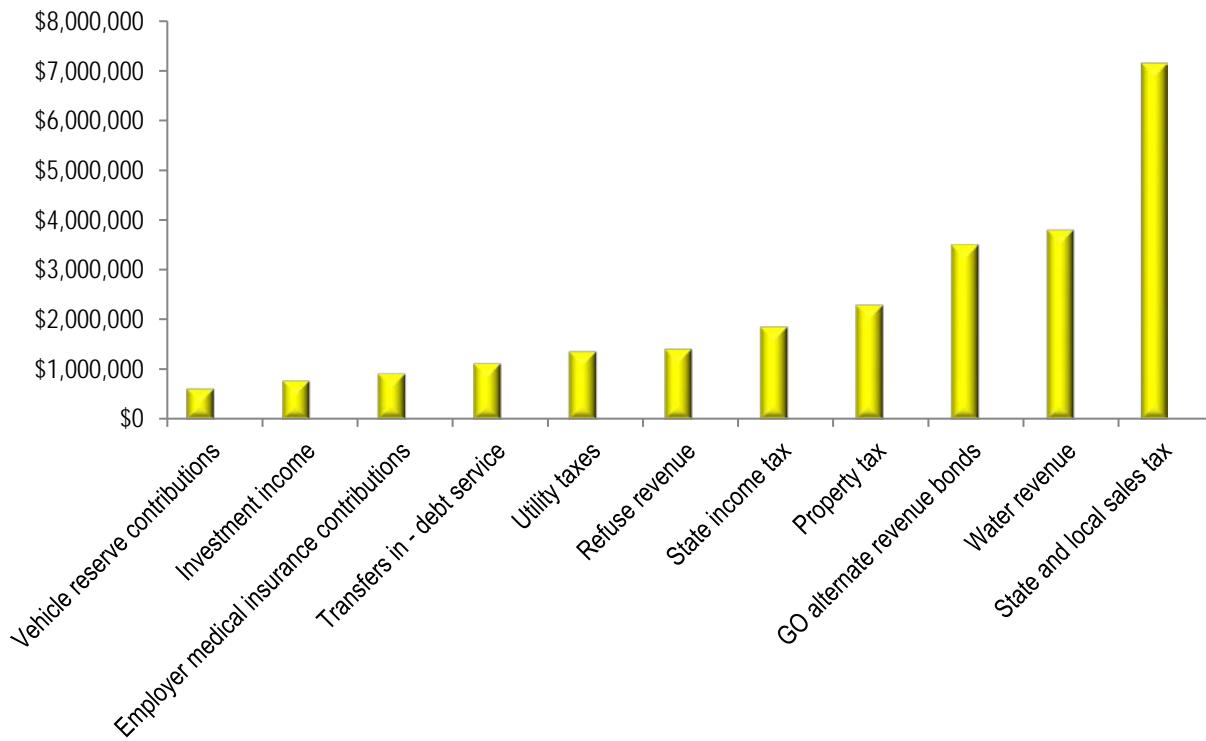
| FUND EQUITY                | Estimated<br>Balance | Approved<br>Revenues | Approved<br>Expenditures | Estimated<br>Balance | Percent<br>Change in<br>Fund Equity |
|----------------------------|----------------------|----------------------|--------------------------|----------------------|-------------------------------------|
|                            | May 1, 2017          | FY2018               | FY2018                   | April 30, 2018       |                                     |
| 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%                                |
| <b>TOTAL FUND EQUITY</b>   | <b>\$ 44,070,909</b> | <b>\$ 30,773,403</b> | <b>\$ 30,776,948</b>     | <b>\$ 44,067,364</b> | <b>0.0%</b>                         |

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

# Chapter 7: Executive Summary

## 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.

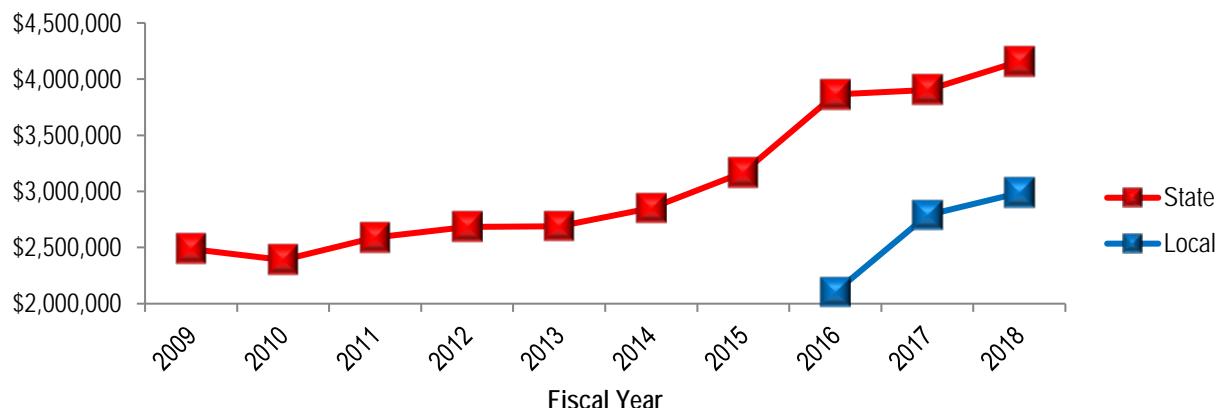


The trend information in charts below includes audited revenues from fiscal year 2009 through fiscal year 2016, estimated revenues for fiscal year 2017, and budgeted revenues for fiscal year 2018. Although this budget document includes projections for fiscal year 2019 and fiscal year 2020, the Village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

## Chapter 7: Executive Summary

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

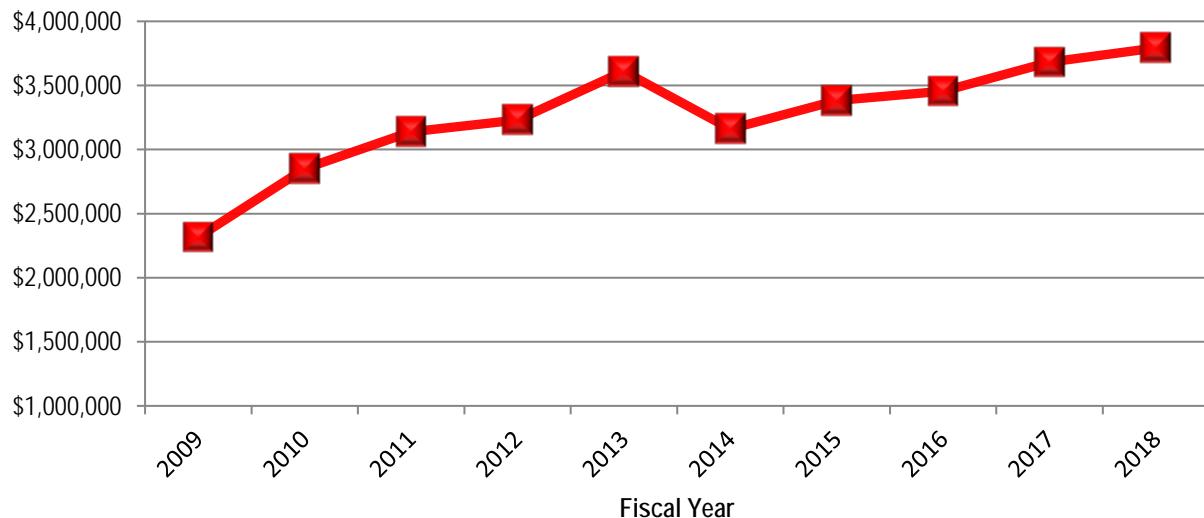
The Village's single largest revenue source is sales tax. The Village receives a one percent state sales tax on retail sales of tangible personal property within the Village. Sales tax is collected by the State and remitted to the Village three months after the liability occurs. Sales tax revenue has 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.

## Chapter 7: Executive Summary



### 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.

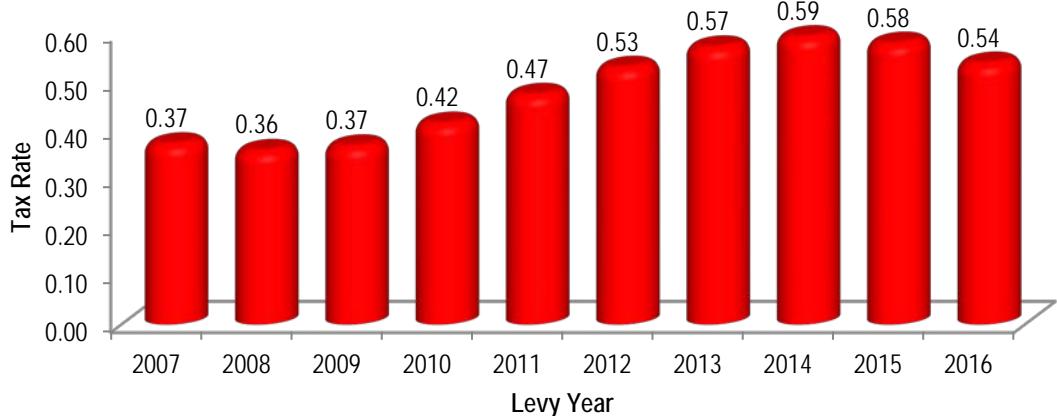
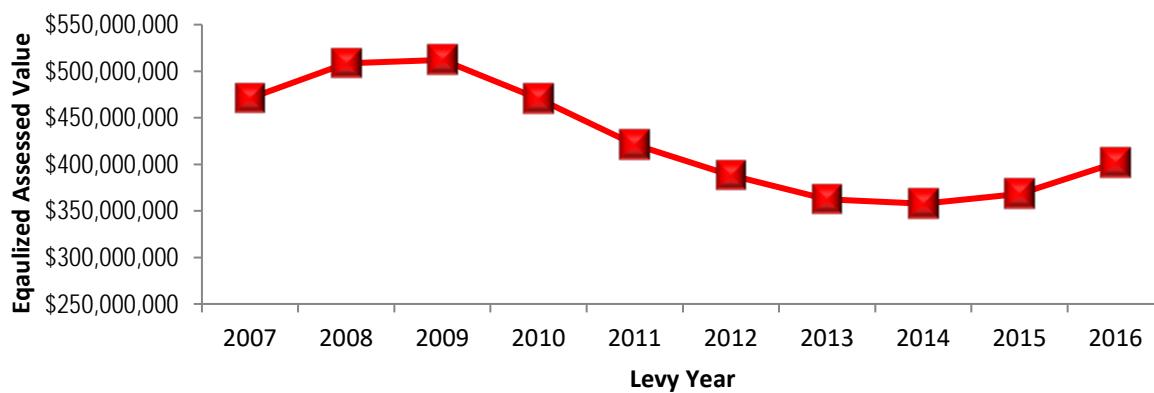
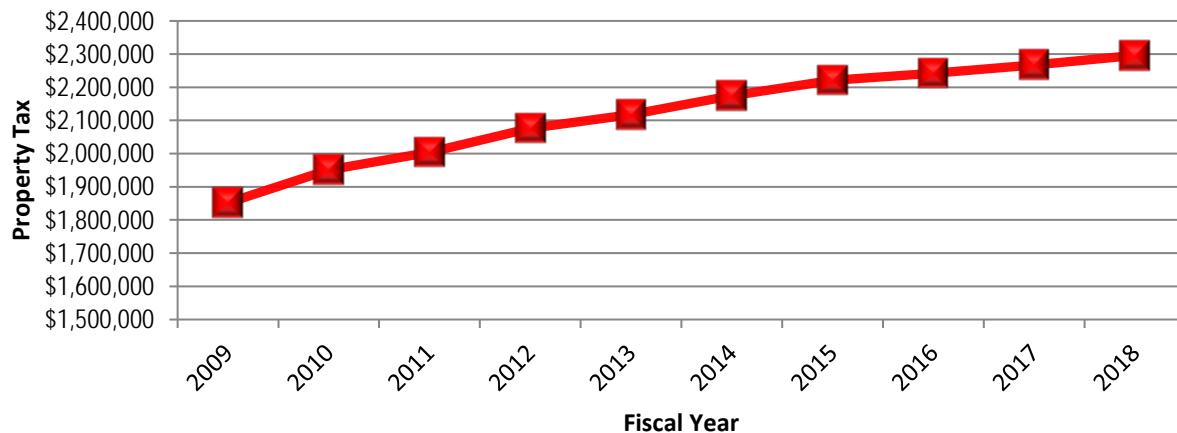
### Property tax (\$2,296,031 or 7.46%)

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

## Chapter 7: Executive Summary

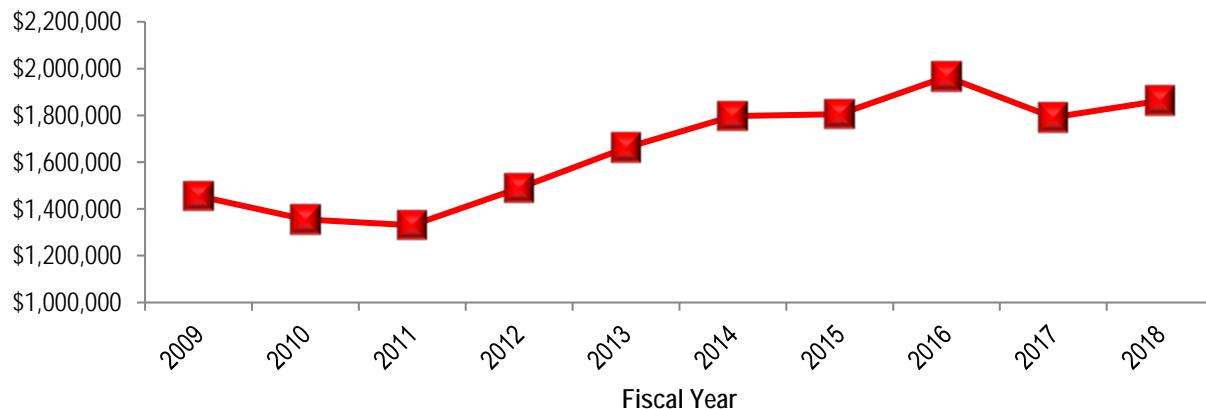
increased in levy year 2015 for the first time since levy year 2009, continued to increase in levy year 2016, and is expected to continue upward into the future. The third graph represents the direct tax rate paid by residents for Village property taxes only. There is an inverse relationship between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



## Chapter 7: Executive Summary

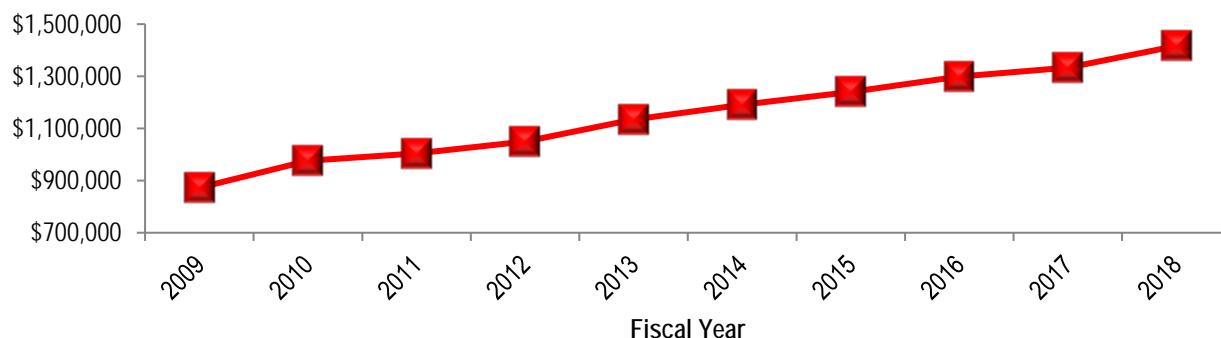
### State income tax (\$1,862,238 or 6.05%)

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%)

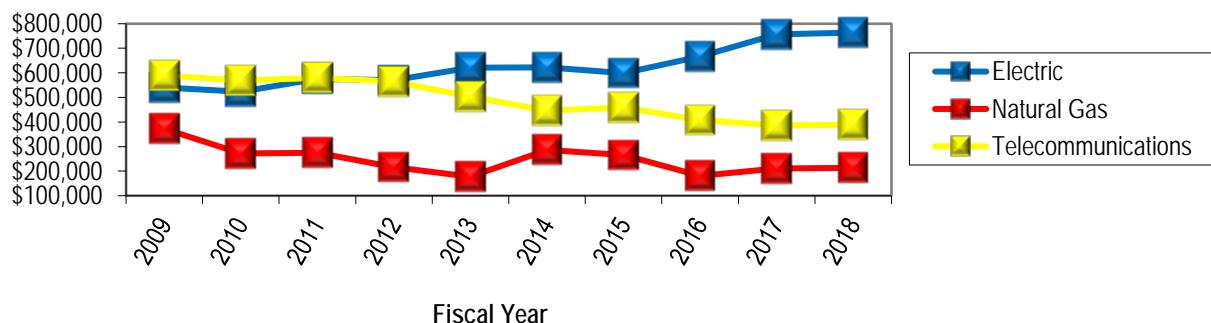
The Village extended its contract with Republic Services from December 31, 2016 to July 31, 2017 for the same price of \$19.65 per month to allow the Village time to negotiate a new contract. The Village Board approved a 7 year contract with a new company (DC Trash of Illinois) on May 8, 2017, for a 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.



## Chapter 7: Executive Summary

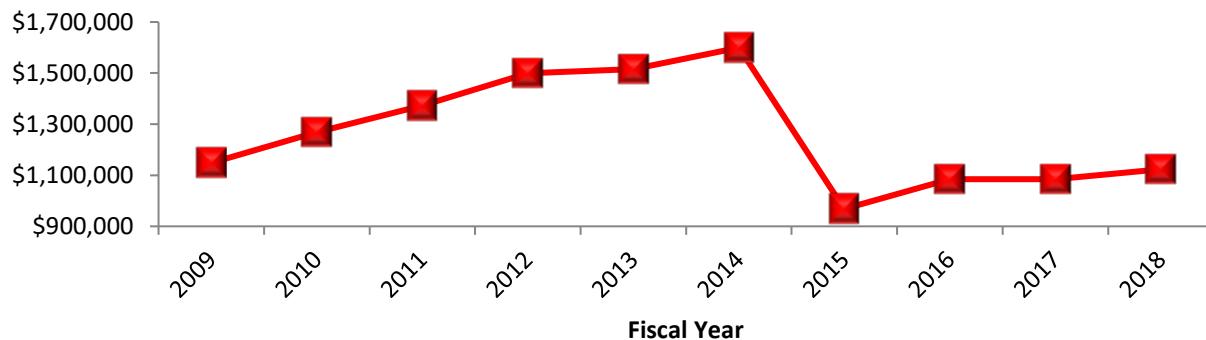
### Utility taxes (\$1,367,311 or 4.44%)

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%)

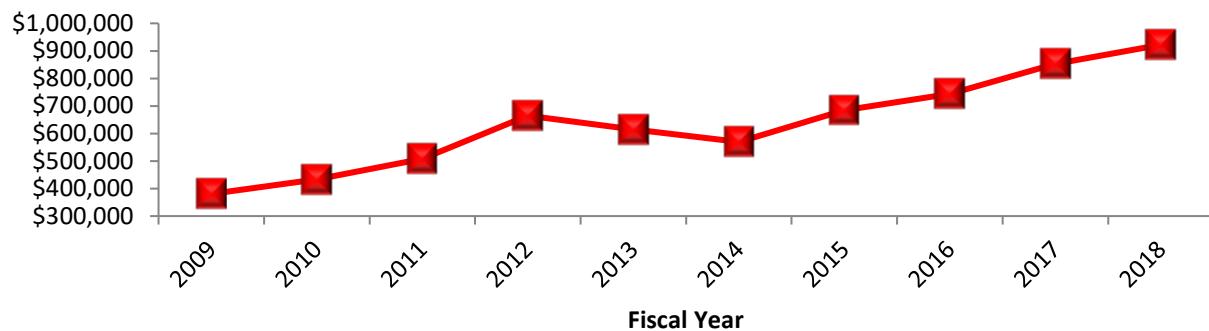
The Debt Service Fund is used to accumulate monies for the Village's General Obligation Alternate Revenue Source Series 2008, 2010, 2011, and 2014 Bonds. The alternate revenue source bonds pledge income derived from sales and utility taxes. In addition, these bonds further pledge the full faith and credit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



# Chapter 7: Executive Summary

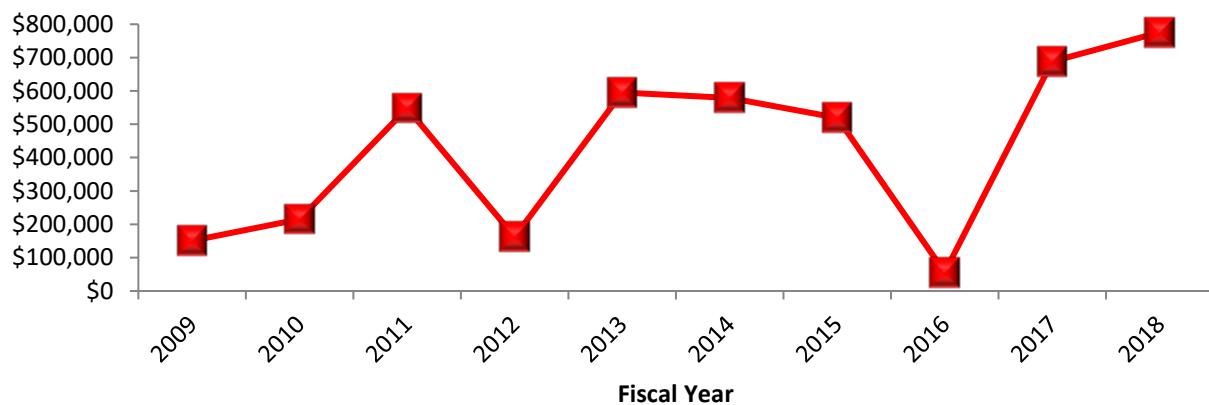
## Employer medical insurance contributions (\$922,172 or 3.00%)

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%)

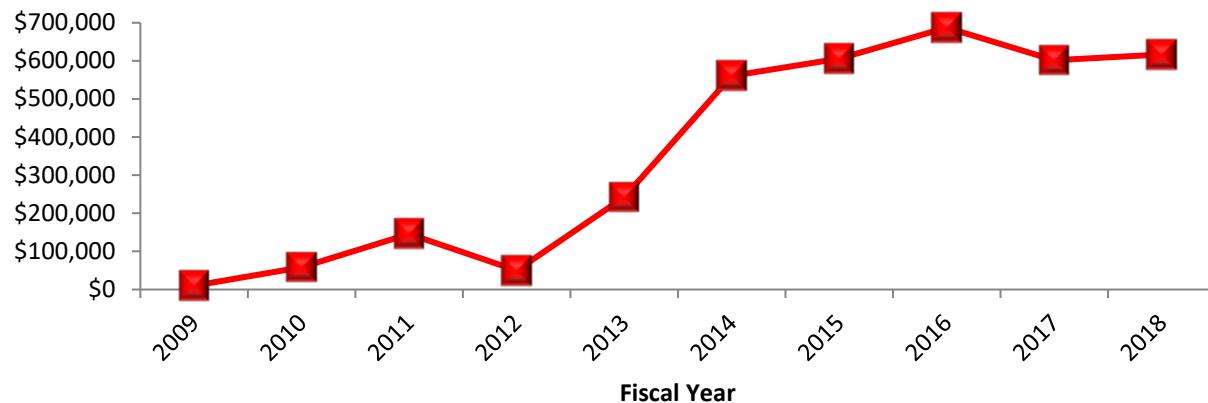
The Village invests cash temporarily idle during the year in demand deposits, certificates of deposit, investment pools, and other investments allowed by state statute. The Police Pension Fund is governed by a different statute and allowed to invest in certain additional securities including, but not 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.



## Chapter 7: Executive Summary

### 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.



# Chapter 7: Executive Summary

## 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

## Chapter 7: Executive Summary

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      |
| Briarclif 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    |           |           |            |
| Huntington 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 |

# Chapter 7: Executive Summary

## 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        |              |
|--------------------------------|---------------|---------------|---------------|---------------|---------------|--------------|
|                                | FY 2014       | FY 2015       | FY2016        | FY2017        | FY2018        | Change       |
| <b>General Government</b>      |               |               |               |               |               |              |
| 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        | -            |
| <b>Public Safety</b>           |               |               |               |               |               |              |
| 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        |
| <b>Public Works</b>            |               |               |               |               |               |              |
| 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        |
| <b>Total Village Employees</b> | <b>62.580</b> | <b>56.880</b> | <b>56.880</b> | <b>62.580</b> | <b>67.080</b> | <b>4.500</b> |

## Chapter 7: Executive Summary

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 |
|---------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Village Administrator's Office</b> |                 |                 |                 |                 |                 |
| 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            |
| <b>Finance Department</b>             |                 |                 |                 |                 |                 |
| 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            |
| <b>Community Development</b>          |                 |                 |                 |                 |                 |
| 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            |
| <b>Police</b>                         |                 |                 |                 |                 |                 |
| 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           |
| <b>Public Works</b>                   |                 |                 |                 |                 |                 |
| 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           |
| <b>Total</b>                          | <b>67.08</b>    | <b>68.58</b>    | <b>70.08</b>    | <b>71.58</b>    | <b>73.38</b>    |
| <b>Employee's per 1,000 residents</b> | <b>3.64</b>     | <b>3.72</b>     | <b>3.80</b>     | <b>3.88</b>     | <b>3.98</b>     |

# 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) |
| <b>Total</b>  | <b>\$ 24,730,000</b> | <b>\$ 13,945,000</b>                    | <b>\$ 1,290,000</b>      | <b>\$ 498,432</b>       |  |

# 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:

| Ending<br>April 30 | Fiscal Year         |                     |                      | 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<br>Ending<br>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

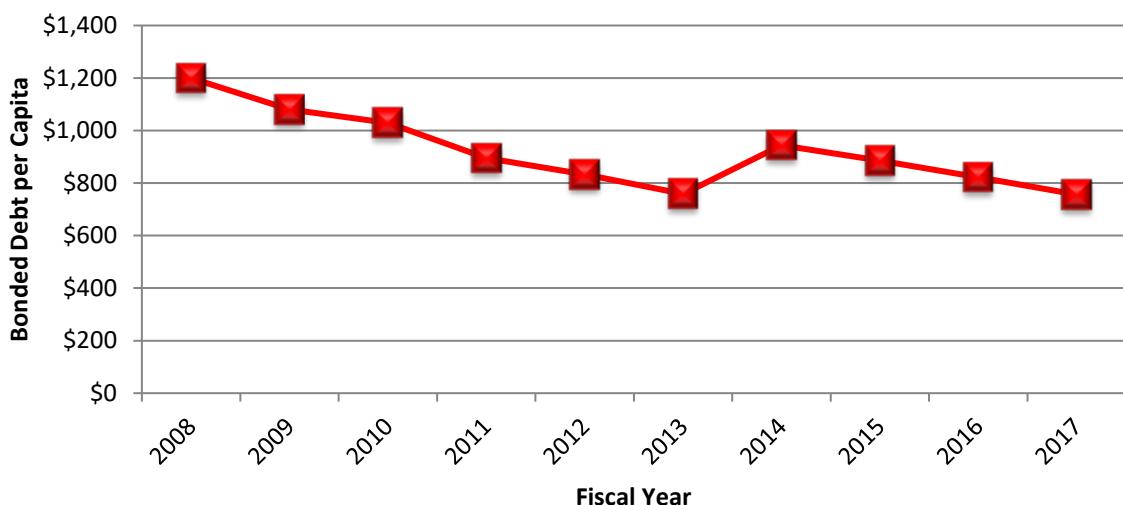
## Debt Service Summary (Continued)

### 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               | <u>13,945,000</u>   |
| Less: Alternate Revenue Source Bonds        | <u>(13,945,000)</u> |
| 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|--|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>  |                  |                  |                     |                    |                     |                     |
| 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             |
| <b>EXPENDITURES</b>  |                  |                  |                     |                    |                     |                     |
| 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>   |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>EXPENDITURES</b>                                     |                  |                  |                     |                    |                     |                     |
| 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>                         |                  |                  |                     |                    |                     |                     |
| <b>Fines and Forfeitures</b>            |                  |                  |                     |                    |                     |                     |
| 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                 |
| <b>Total Fines and Forfeitures</b>      | <b>21,935</b>    | <b>16,150</b>    | <b>18,464</b>       | <b>16,900</b>      | <b>17,650</b>       | <b>18,400</b>       |
| <b>Total Revenues</b>                   | <b>21,935</b>    | <b>16,150</b>    | <b>18,464</b>       | <b>16,900</b>      | <b>17,650</b>       | <b>18,400</b>       |
| <b>EXPENDITURES</b>                     |                  |                  |                     |                    |                     |                     |
| <b>Commodities</b>                      |                  |                  |                     |                    |                     |                     |
| 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                 |
| <b>Total Commodities</b>                | <b>8,543</b>     | <b>3,000</b>     | <b>5,946</b>        | <b>3,000</b>       | <b>3,000</b>        | <b>3,000</b>        |
| <b>Capital Outlay</b>                   |                  |                  |                     |                    |                     |                     |
| Capital Outlay - Equipment (Police)     | 20,140           | 27,550           | 30,339              | -                  | -                   | -                   |
| <b>Total Capital Outlay</b>             | <b>20,140</b>    | <b>27,550</b>    | <b>30,339</b>       | <b>-</b>           | <b>-</b>            | <b>-</b>            |
| <b>Total Expenditures</b>               | <b>28,683</b>    | <b>30,550</b>    | <b>36,285</b>       | <b>3,000</b>       | <b>3,000</b>        | <b>3,000</b>        |
| 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              |
| <b>Ending Fund Balance</b>              | <b>57,373</b>    | <b>42,973</b>    | <b>39,552</b>       | <b>53,452</b>      | <b>68,102</b>       | <b>83,502</b>       |

# 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>                                 |                  |                  |                     |                    |                     |                     |
| Intergovernmental Revenue                       |                  |                  |                     |                    |                     |                     |
| Allotments - Kane County Wireless 911 Surcharge | 141,736          | -                | -                   | -                  | -                   | -                   |
| Total Intergovernmental Revenue                 | 141,736          | -                | -                   | -                  | -                   | -                   |
| Total Revenues                                  | 141,736          | -                | -                   | -                  | -                   | -                   |
| <b>EXPENDITURES</b>                             |                  |                  |                     |                    |                     |                     |
| 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:

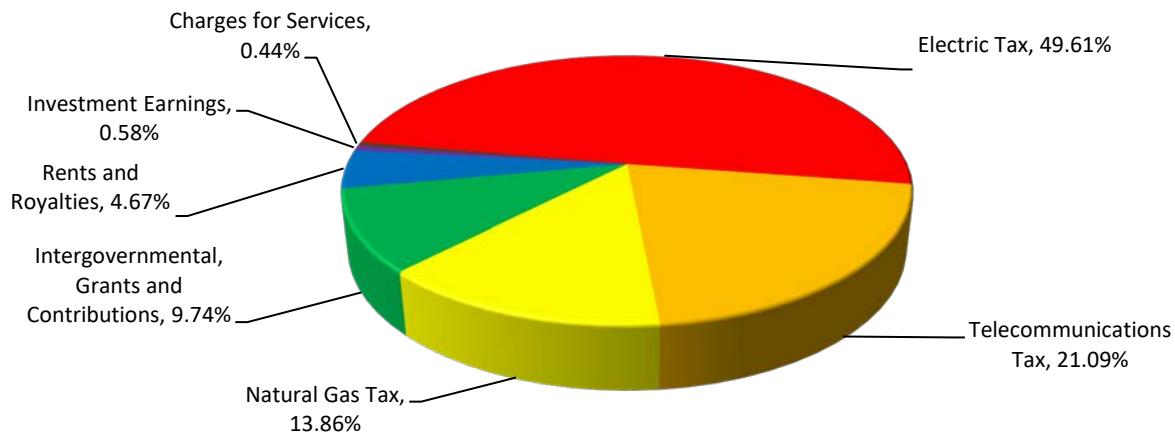
- Village Board room audio visual replacement
- Demolition of a structure on Village owned property
- Light Road crossing repair paid by a 100% grant from the Illinois Commerce Commission

|   | FY2016<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>   |                  |                  |                     |                    |                     |                     |
| 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             |
| <b>Total Other Taxes</b>                                  | <b>1,188,041</b> | <b>1,200,109</b> | <b>1,289,457</b>    | <b>1,302,352</b>   | <b>1,315,375</b>    | <b>1,328,529</b>    |
| 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            | -                   | -                  | -                   | -                   |
| <b>Total Charges for Services</b>                         | <b>19,283</b>    | <b>12,453</b>    | <b>6,800</b>        | <b>6,800</b>       | <b>6,800</b>        | <b>6,800</b>        |
| 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             | -                   | -                   |
| <b>Total Intergovernmental, Grants, and Contributions</b> | <b>114,963</b>   | <b>226,951</b>   | <b>93,893</b>       | <b>150,000</b>     | <b>-</b>            | <b>-</b>            |
| Investment Income   |                  |                  |                     |                    |                     |                     |
| Interest Income - Cash and Investments                    | 3,949            | 4,000            | 4,000               | 9,000              | 9,000               | 9,000               |
| <b>Total Investment Income</b>                            | <b>3,949</b>     | <b>4,000</b>     | <b>4,000</b>        | <b>9,000</b>       | <b>9,000</b>        | <b>9,000</b>        |
| Miscellaneous   |                  |                  |                     |                    |                     |                     |
| Rents and Royalties - Water Tower Rental                  | 131,812          | 69,817           | 143,804             | 71,912             | 74,069              | 76,290              |
| Sale of Capital Assets                                    | 400              | -                | -                   | -                  | -                   | -                   |
| <b>Total Miscellaneous</b>                                | <b>132,212</b>   | <b>69,817</b>    | <b>143,804</b>      | <b>71,912</b>      | <b>74,069</b>       | <b>76,290</b>       |
| Transfers   |                  |                  |                     |                    |                     |                     |
| Transfer In - General Fund                                | 396,510          | -                | -                   | -                  | -                   | -                   |
| <b>Total Transfers</b>                                    | <b>396,510</b>   | <b>-</b>         | <b>-</b>            | <b>-</b>           | <b>-</b>            | <b>-</b>            |
| <b>Total Revenues</b>                                     | <b>1,854,958</b> | <b>1,513,330</b> | <b>1,537,954</b>    | <b>1,540,064</b>   | <b>1,405,244</b>    | <b>1,420,619</b>    |

# 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

|   | FY2016<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>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              | -                   |

#### Contractual Services - Property

|  | FY2016<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|--|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| Infrastructure Repair and Maintenance - Streets and Alleys | -                | 112,410          | 80,910              | 31,500             | -                   | -                   |
| Total Contractual Services - Property                      | -                | 112,410          | 80,910              | 31,500             | -                   | -                   |

#### Contractual Services - Other

|                                    | FY2016<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|------------------------------------|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| 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

|   | FY2016<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| 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            | -                   | -                   |

#### Transfers

|                                    | FY2016<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|------------------------------------|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|--|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>  |                  |                  |                     |                    |                     |                     |
| 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           |
| <b>EXPENDITURES</b>  |                  |                  |                     |                    |                     |                     |
| 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

## LAKWOOD 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>   |                  |                  |                     |                    |                     |                     |
| <b>Investment Income</b>                                |                  |                  |                     |                    |                     |                     |
| Investment Earnings - Interest Income                   | 2                | 2                | 4                   | 2                  | 2                   | 2                   |
| Total Investment Income                                 | 2                | 2                | 4                   | 2                  | 2                   | 2                   |
| <b>Transfers</b>  |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>EXPENDITURES</b>                                     |                  |                  |                     |                    |                     |                     |
| 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>   |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>Long-Term Debt Issue</b>                             |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>EXPENDITURES</b>                                     |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Capital Outlay</b>                                   |                  |                  |                     |                    |                     |                     |
| 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>   |                  |                  |                     |                    |                     |                     |
| <b>Property Taxes</b>                                   |                  |                  |                     |                    |                     |                     |
| 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           |
| <b>EXPENDITURES</b>                                     |                  |                  |                     |                    |                     |                     |
| 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             |
| <b>Capital Outlay</b>                                   |                  |                  |                     |                    |                     |                     |
| 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>   |                  |                  |                     |                    |                     |                     |
| <b>Property Taxes</b>                                   |                  |                  |                     |                    |                     |                     |
| Property Tax - TIF                                      | -                | -                | -                   | -                  | -                   | 50,000              |
| Total Property Taxes                                    | -                | -                | -                   | -                  | -                   | 50,000              |
| Total Revenues  | -                | -                | -                   | -                  | -                   | 50,000              |
| <b>EXPENDITURES</b>                                     |                  |                  |                     |                    |                     |                     |
| 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|--|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>                        |                  |                  |                     |                    |                     |                     |
| 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           |
| <b>Total Revenues</b>                  | <b>1,084,165</b> | <b>1,084,076</b> | <b>1,084,076</b>    | <b>1,123,190</b>   | <b>1,659,440</b>    | <b>1,611,003</b>    |
| <b>EXPENDITURES</b>                    |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Debt Service</b>              | <b>1,084,165</b> | <b>1,090,165</b> | <b>1,090,165</b>    | <b>1,123,190</b>   | <b>1,659,440</b>    | <b>1,611,003</b>    |
| <b>Total Expenditures</b>              | <b>1,084,165</b> | <b>1,090,165</b> | <b>1,090,165</b>    | <b>1,123,190</b>   | <b>1,659,440</b>    | <b>1,611,003</b>    |
| Net Change in Fund Balance             |                  | (6,089)          | (6,089)             | -                  | -                   | -                   |
| Beginning Fund Balance                 | 56,089           | 56,089           | 56,089              | 50,000             | 50,000              | 50,000              |
| <b>Ending Fund Balance</b>             | <b>56,089</b>    | <b>50,000</b>    | <b>50,000</b>       | <b>50,000</b>      | <b>50,000</b>       | <b>50,000</b>       |

# 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<br>Actual  | FY2017<br>Budget  | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|--|-------------------|-------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>                          |                   |                   |                     |                    |                     |                     |
| <b>Charges for Services</b>              |                   |                   |                     |                    |                     |                     |
| 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               |
| <b>Total Charges for Services</b>        | <b>4,566,463</b>  | <b>4,861,711</b>  | <b>4,914,255</b>    | <b>5,013,623</b>   | <b>4,974,621</b>    | <b>5,094,172</b>    |
| <b>Investment Income</b>                 |                   |                   |                     |                    |                     |                     |
| Investment Earnings - Interest Income    | 19,148            | 15,000            | 23,112              | 30,000             | 30,000              | 30,000              |
| <b>Total Investment Income</b>           | <b>19,148</b>     | <b>15,000</b>     | <b>23,112</b>       | <b>30,000</b>      | <b>30,000</b>       | <b>30,000</b>       |
| <b>Miscellaneous</b>                     |                   |                   |                     |                    |                     |                     |
| Other Reimbursements - Insurance         | 12,652            | -                 | 17,134              | -                  | -                   | -                   |
| <b>Total Miscellaneous</b>               | <b>12,652</b>     | <b>-</b>          | <b>17,134</b>       | <b>-</b>           | <b>-</b>            | <b>-</b>            |
| <b>Total Revenues</b>                    | <b>4,598,263</b>  | <b>4,876,711</b>  | <b>4,954,501</b>    | <b>5,043,623</b>   | <b>5,004,621</b>    | <b>5,124,172</b>    |
| <b>EXPENSES</b>                          |                   |                   |                     |                    |                     |                     |
| 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           |
| <b>Total Expenses</b>                    | <b>5,199,240</b>  | <b>4,222,187</b>  | <b>4,237,624</b>    | <b>4,977,631</b>   | <b>4,636,458</b>    | <b>4,412,896</b>    |
| 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)           |
| <b>Beginning Net Position</b>            | <b>24,622,000</b> | <b>23,865,175</b> | <b>23,865,175</b>   | <b>24,209,200</b>  | <b>24,137,942</b>   | <b>23,538,615</b>   |
| <b>Ending Net Position</b>               | <b>23,865,175</b> | <b>23,634,809</b> | <b>24,209,200</b>   | <b>24,137,942</b>  | <b>23,538,615</b>   | <b>23,369,591</b>   |

# Chapter 8: Fund Summary

## **WATER FUND (Continued)**

### Water Administration

|  | FY2016<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|--|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Personal Services - Salaries and Wages</b>                  |                  |                  |                     |                    |                     |                     |
| 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                 |
| <b>Total Personal Services - Salaries and Wages</b>            | <b>91,767</b>    | <b>101,896</b>   | <b>102,252</b>      | <b>105,058</b>     | <b>108,725</b>      | <b>112,520</b>      |
| <b>Personal Services - Employee Benefits</b>                   |                  |                  |                     |                    |                     |                     |
| 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                 |
| <b>Total Personal Services - Employee Benefits</b>             | <b>34,334</b>    | <b>32,502</b>    | <b>32,168</b>       | <b>32,105</b>      | <b>34,166</b>       | <b>36,501</b>       |
| <b>Contractual Services - Professional and Technical</b>       |                  |                  |                     |                    |                     |                     |
| Engineering Services - General                                 | 54,417           | 60,000           | 41,683              | 50,000             | 50,000              | 50,000              |
| Other Professional Services - Cash Management                  | 198              | -                | -                   | -                  | -                   | -                   |
| <b>Total Contractual Services - Professional and Technical</b> | <b>54,615</b>    | <b>60,000</b>    | <b>41,683</b>       | <b>50,000</b>      | <b>50,000</b>       | <b>50,000</b>       |
| <b>Contractual Services - Property</b>                         |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Contractual Services - Property</b>                   | <b>4,074</b>     | <b>3,100</b>     | <b>3,121</b>        | <b>3,216</b>       | <b>3,216</b>        | <b>3,216</b>        |
| <b>Contractual Services - Other</b>                            |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Contractual Services - Other</b>                      | <b>2,550</b>     | <b>3,725</b>     | <b>4,821</b>        | <b>5,360</b>       | <b>5,360</b>        | <b>5,360</b>        |
| <b>Commodities</b>   |                  |                  |                     |                    |                     |                     |
| 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                                    | -                | -                | -                   | -                  | -                   | -                   |
| <b>Total Commodities</b>                                       | <b>3,846</b>     | <b>6,750</b>     | <b>6,500</b>        | <b>6,750</b>       | <b>6,750</b>        | <b>6,750</b>        |
| <b>Capital Outlay</b>  |                  |                  |                     |                    |                     |                     |
| Capital Outlay - Equipment (Computer)                          | -                | 1,400            | 1,359               | -                  | -                   | -                   |
| <b>Total Capital Outlay</b>                                    | <b>-</b>         | <b>1,400</b>     | <b>1,359</b>        | <b>-</b>           | <b>-</b>            | <b>-</b>            |

# Chapter 8: Fund Summary

## ***WATER FUND (Continued)***

### **Water Administration (Continued)**

|   | FY2016<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Debt Service</b>                           |                  |                  |                     |                    |                     |                     |
| 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                 |
| <b>Total Debt Service</b>                     | <b>338,126</b>   | <b>1,144,141</b> | <b>1,144,140</b>    | <b>1,147,962</b>   | <b>1,323,695</b>    | <b>1,026,960</b>    |
| <b>Amortization and Depreciation</b>          |                  |                  |                     |                    |                     |                     |
| Amortization Expense                          | (10,438)         | -                | -                   | -                  | -                   | -                   |
| Depreciation Expense                          | 1,857,303        | -                | -                   | -                  | -                   | -                   |
| <b>Total Amortization and Depreciation</b>    | <b>1,846,865</b> | <b>-</b>         | <b>-</b>            | <b>-</b>           | <b>-</b>            | <b>-</b>            |
| <b>Total Water - Administration</b>           | <b>2,376,177</b> | <b>1,353,514</b> | <b>1,336,044</b>    | <b>1,350,451</b>   | <b>1,531,912</b>    | <b>1,241,307</b>    |

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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|--|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Personal Services - Salaries and Wages</b>          |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>Total Personal Services - Salaries and Wages</b>    | <b>432,584</b>   | <b>463,107</b>   | <b>469,542</b>      | <b>518,259</b>     | <b>532,590</b>      | <b>547,217</b>      |
| <b>Personal Services - Employee Benefits</b>           |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Personal Services - Employee Benefits</b>     | <b>188,001</b>   | <b>196,971</b>   | <b>192,636</b>      | <b>219,754</b>     | <b>234,817</b>      | <b>253,547</b>      |
| <b>Contractual Services - Property</b>                 |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>Total Contractual Services - Property</b>           | <b>727,193</b>   | <b>722,931</b>   | <b>774,616</b>      | <b>1,299,922</b>   | <b>768,206</b>      | <b>768,500</b>      |
| <b>Contractual Services - Other</b>                    |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>Total Contractual Services - Other</b>              | <b>154,144</b>   | <b>132,885</b>   | <b>132,885</b>      | <b>157,755</b>     | <b>137,755</b>      | <b>137,755</b>      |

# Chapter 8: Fund Summary

## ***WATER FUND (Continued)***

### **Water Plant Operations (Continued)**

|   | FY2016<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Commodities</b>                          |                  |                  |                     |                    |                     |                     |
| 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             | -                   | -                   |
| <b>Total Commodities</b>                    | <b>223,820</b>   | <b>247,000</b>   | <b>247,000</b>      | <b>270,200</b>     | <b>248,500</b>      | <b>251,900</b>      |
| <b>Capital Outlay</b>                       |                  |                  |                     |                    |                     |                     |
| Capital Outlay - Equipment (Computer)       | 1,117            | 2,500            | 2,500               | -                  | -                   | -                   |
| <b>Total Capital Outlay</b>                 | <b>1,117</b>     | <b>2,500</b>     | <b>2,500</b>        | <b>-</b>           | <b>-</b>            | <b>-</b>            |
| <b>Transfers</b>                            |                  |                  |                     |                    |                     |                     |
| 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       | -                | -                | -                   | -                  | -                   | -                   |
| <b>Total Transfers</b>                      | <b>1,096,204</b> | <b>1,103,279</b> | <b>1,082,401</b>    | <b>1,161,290</b>   | <b>1,182,678</b>    | <b>1,212,670</b>    |
| <b>Total Water - Water Plant Operations</b> | <b>2,823,063</b> | <b>2,868,673</b> | <b>2,901,580</b>    | <b>3,627,180</b>   | <b>3,104,546</b>    | <b>3,171,589</b>    |

## ***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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|--|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>                                      |                  |                  |                     |                    |                     |                     |
| <b>Charges for Services</b>                          |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>Total Charges for Services</b>                    | <b>57,181</b>    | <b>65,000</b>    | <b>220,000</b>      | <b>65,000</b>      | <b>65,000</b>       | <b>65,000</b>       |
| <b>Transfers</b>                                     |                  |                  |                     |                    |                     |                     |
| Transfer From Water Fund                             | 155,848          | 884,890          | 372,852             | 137,250            | 967,490             | 880,300             |
| <b>Total Transfers</b>                               | <b>155,848</b>   | <b>884,890</b>   | <b>372,852</b>      | <b>137,250</b>     | <b>967,490</b>      | <b>880,300</b>      |
| <b>Long Term Debt</b>                                |                  |                  |                     |                    |                     |                     |
| Bond Proceeds  | -                | -                | 3,500,000           | -                  | -                   | -                   |
| IEPA Loan  | -                | 891,100          | -                   | -                  | -                   | -                   |
| <b>Total Long Term Debt</b>                          | <b>-</b>         | <b>891,100</b>   | <b>-</b>            | <b>3,500,000</b>   | <b>-</b>            | <b>-</b>            |
| <b>Total Revenues</b>                                | <b>213,029</b>   | <b>1,840,990</b> | <b>592,852</b>      | <b>3,702,250</b>   | <b>1,032,490</b>    | <b>945,300</b>      |
| <b>EXPENSES</b>                                      |                  |                  |                     |                    |                     |                     |
| <b>Capital Outlay</b>                                |                  |                  |                     |                    |                     |                     |
| 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              | 20,000              |
| <b>Total Capital Outlay</b>                          | <b>307,778</b>   | <b>1,840,990</b> | <b>554,428</b>      | <b>3,632,250</b>   | <b>1,032,490</b>    | <b>945,300</b>      |
| <b>Debt Service</b>                                  |                  |                  |                     |                    |                     |                     |
| Issuance Costs                                       | -                | -                | -                   | 70,000             | -                   | -                   |
| <b>Total Debt Service</b>                            | <b>-</b>         | <b>-</b>         | <b>-</b>            | <b>70,000</b>      | <b>-</b>            | <b>-</b>            |
| <b>Total Expenses</b>                                | <b>307,778</b>   | <b>1,840,990</b> | <b>554,428</b>      | <b>3,702,250</b>   | <b>1,032,490</b>    | <b>945,300</b>      |
| Change in Net Position                               | (94,749)         | -                | 38,424              | -                  | -                   | -                   |
| Beginning Net Position                               | 56,325           | (38,424)         | (38,424)            | -                  | -                   | -                   |
| <b>Ending Net Position</b>                           | <b>(38,424)</b>  | <b>(38,424)</b>  | <b>-</b>            | <b>-</b>           | <b>-</b>            | <b>-</b>            |

# 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|--|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>  |                  |                  |                     |                    |                     |                     |
| <b>Charges for Services</b>                                      |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Charges for Services</b>                                | <b>967,835</b>   | <b>1,103,019</b> | <b>1,103,019</b>    | <b>1,201,117</b>   | <b>1,375,310</b>    | <b>1,575,457</b>    |
| <b>Total Revenues</b>  | <b>967,835</b>   | <b>1,103,019</b> | <b>1,103,019</b>    | <b>1,201,117</b>   | <b>1,375,310</b>    | <b>1,575,457</b>    |
| <b>EXPENSES</b>  |                  |                  |                     |                    |                     |                     |
| <b>Contractual Services - Other</b>                              |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Contractual Services - Other</b>                        | <b>945,623</b>   | <b>1,103,019</b> | <b>1,103,019</b>    | <b>1,201,117</b>   | <b>1,375,310</b>    | <b>1,575,457</b>    |
| <b>Total Expenses</b>  | <b>945,623</b>   | <b>1,103,019</b> | <b>1,103,019</b>    | <b>1,201,117</b>   | <b>1,375,310</b>    | <b>1,575,457</b>    |
| Change in Net Position   | 22,212           | -                | -                   | -                  | -                   | -                   |
| Beginning Net Position   | 230,147          | 252,359          | 252,359             | 252,359            | 252,359             | 252,359             |
| <b>Ending Net Position</b>                                       | <b>252,359</b>   | <b>252,359</b>   | <b>252,359</b>      | <b>252,359</b>     | <b>252,359</b>      | <b>252,359</b>      |

# 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>                                       |                  |                  |                     |                    |                     |                     |
| <b>Charges for Services</b>                           |                  |                  |                     |                    |                     |                     |
| 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             |
| <b>Investment Income</b>                              |                  |                  |                     |                    |                     |                     |
| Investment Earnings - Interest Income                 | -                | 500              | -                   | 500                | 500                 | 500                 |
| Total Investment Income                               | -                | 500              | -                   | 500                | 500                 | 500                 |
| <b>Miscellaneous</b>                                  |                  |                  |                     |                    |                     |                     |
| 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             |
| <b>EXPENDITURES</b>                                   |                  |                  |                     |                    |                     |                     |
| <b>Capital Outlay</b>                                 |                  |                  |                     |                    |                     |                     |
| 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             |
| <b>Debt Service</b>                                   |                  |                  |                     |                    |                     |                     |
| 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>                                   |                  |                  |                     |                    |                     |                     |
| 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           |
| <b>Investment Income</b>                          |                  |                  |                     |                    |                     |                     |
| 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           |
| <b>EXPENSES</b>                                   |                  |                  |                     |                    |                     |                     |
| 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|--|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>ADDITIONS</b>   |                  |                  |                     |                    |                     |                     |
| <b>Contributions</b>   |                  |                  |                     |                    |                     |                     |
| 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             |
| <b>Total Contributions</b>                                     | <b>668,815</b>   | <b>674,760</b>   | <b>726,319</b>      | <b>805,675</b>     | <b>855,685</b>      | <b>864,329</b>      |
| <b>Investment Income</b>                                       |                  |                  |                     |                    |                     |                     |
| 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)        | -                | -                   | -                  | -                   | -                   |
| <b>Total Investment Income</b>                                 | <b>(7,515)</b>   | <b>643,055</b>   | <b>618,666</b>      | <b>667,275</b>     | <b>727,405</b>      | <b>792,120</b>      |
| <b>Total Additions</b>   | <b>661,300</b>   | <b>1,317,815</b> | <b>1,344,985</b>    | <b>1,472,950</b>   | <b>1,583,090</b>    | <b>1,656,449</b>    |
| <b>DEDUCTIONS</b>  |                  |                  |                     |                    |                     |                     |
| <b>Personal Services - Employee Benefits</b>                   |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>Total Personal Services - Employee Benefits</b>             | <b>481,164</b>   | <b>407,177</b>   | <b>542,615</b>      | <b>624,557</b>     | <b>653,604</b>      | <b>673,866</b>      |
| <b>Contractual Services - Professional and Technical</b>       |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>Total Contractual Services - Professional and Technical</b> | <b>27,564</b>    | <b>24,073</b>    | <b>25,818</b>       | <b>24,835</b>      | <b>26,573</b>       | <b>28,442</b>       |
| <b>Contractual Services - Other</b>                            |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Contractual Services - Other</b>                      | <b>8,775</b>     | <b>3,916</b>     | <b>3,936</b>        | <b>4,100</b>       | <b>4,263</b>        | <b>4,443</b>        |
| <b>Total Deductions</b>  | <b>517,503</b>   | <b>435,166</b>   | <b>572,369</b>      | <b>653,492</b>     | <b>684,440</b>      | <b>706,751</b>      |
| <b>Change in Net Position</b>                                  | <b>143,797</b>   | <b>882,649</b>   | <b>772,616</b>      | <b>819,458</b>     | <b>898,650</b>      | <b>949,698</b>      |
| <b>Beginning Net Position</b>                                  | <b>8,206,596</b> | <b>8,350,393</b> | <b>8,350,393</b>    | <b>9,123,009</b>   | <b>9,942,467</b>    | <b>10,841,117</b>   |
| <b>Ending Net Position</b>                                     | <b>8,350,393</b> | <b>9,233,042</b> | <b>9,123,009</b>    | <b>9,942,467</b>   | <b>10,841,117</b>   | <b>11,790,815</b>   |

# 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|--|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>                              |                  |                  |                     |                    |                     |                     |
| 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                 |
| <b>EXPENDITURES</b>                          |                  |                  |                     |                    |                     |                     |
| 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>                                   |                  |                  |                     |                    |                     |                     |
| Property Taxes                                    |                  |                  |                     |                    |                     |                     |
| Property Tax - Montgomery Crossing SSA            | 53,003           | 53,000           | 52,977              | 48,000             | 51,500              | 55,000              |
| Total Property Taxes                              | <u>53,003</u>    | <u>53,000</u>    | <u>52,977</u>       | <u>48,000</u>      | <u>51,500</u>       | <u>55,000</u>       |
| Total Revenues                                    | <u>53,003</u>    | <u>53,000</u>    | <u>52,977</u>       | <u>48,000</u>      | <u>51,500</u>       | <u>55,000</u>       |
| <b>EXPENDITURES</b>                               |                  |                  |                     |                    |                     |                     |
| 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             | <u>50,719</u>    | <u>54,377</u>    | <u>53,883</u>       | <u>51,668</u>      | <u>58,862</u>       | <u>51,668</u>       |
| Total Expenditures                                | <u>50,719</u>    | <u>54,377</u>    | <u>53,883</u>       | <u>51,668</u>      | <u>58,862</u>       | <u>51,668</u>       |
| 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                               | <u>135,052</u>   | <u>133,675</u>   | <u>134,146</u>      | <u>130,478</u>     | <u>123,116</u>      | <u>126,448</u>      |

## BLACKBERRY CROSSING SSA FUND

|   | FY2016<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>                                   |                  |                  |                     |                    |                     |                     |
| Property Taxes                                    |                  |                  |                     |                    |                     |                     |
| Property Tax - Blackberry Crossing SSA            | 10,965           | 11,000           | 10,999              | 8,000              | 16,000              | 16,000              |
| Total Property Taxes                              | <u>10,965</u>    | <u>11,000</u>    | <u>10,999</u>       | <u>8,000</u>       | <u>16,000</u>       | <u>16,000</u>       |
| Total Revenues                                    | <u>10,965</u>    | <u>11,000</u>    | <u>10,999</u>       | <u>8,000</u>       | <u>16,000</u>       | <u>16,000</u>       |
| <b>EXPENDITURES</b>                               |                  |                  |                     |                    |                     |                     |
| 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             | <u>11,764</u>    | <u>11,018</u>    | <u>11,398</u>       | <u>15,289</u>      | <u>15,611</u>       | <u>15,289</u>       |
| Total Expenditures                                | <u>11,764</u>    | <u>11,018</u>    | <u>11,398</u>       | <u>15,289</u>      | <u>15,611</u>       | <u>15,289</u>       |
| 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                               | <u>63,069</u>    | <u>63,051</u>    | <u>62,670</u>       | <u>55,381</u>      | <u>55,770</u>       | <u>56,481</u>       |

# Chapter 8: Fund Summary

## FAIRFIELD WAY SSA FUND

|   | FY2016<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>                                   |                  |                  |                     |                    |                     |                     |
| Property Taxes                                    |                  |                  |                     |                    |                     |                     |
| Property Tax - Fairfield Way SSA                  | 49,976           | 40,000           | 39,977              | 25,000             | 22,500              | 25,000              |
| Total Property Taxes                              | <u>49,976</u>    | <u>40,000</u>    | <u>39,977</u>       | <u>25,000</u>      | <u>22,500</u>       | <u>25,000</u>       |
| Total Revenues                                    | <u>49,976</u>    | <u>40,000</u>    | <u>39,977</u>       | <u>25,000</u>      | <u>22,500</u>       | <u>25,000</u>       |
| <b>EXPENDITURES</b>                               |                  |                  |                     |                    |                     |                     |
| 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             | <u>41,592</u>    | <u>36,851</u>    | <u>32,805</u>       | <u>35,210</u>      | <u>35,281</u>       | <u>35,210</u>       |
| Total Expenditures                                | <u>41,592</u>    | <u>36,851</u>    | <u>32,805</u>       | <u>35,210</u>      | <u>35,281</u>       | <u>35,210</u>       |
| 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                               | <u>171,888</u>   | <u>175,037</u>   | <u>179,060</u>      | <u>168,850</u>     | <u>156,069</u>      | <u>145,859</u>      |

## ARBOR RIDGE SSA FUND

|   | FY2016<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>                                   |                  |                  |                     |                    |                     |                     |
| Property Taxes                                    |                  |                  |                     |                    |                     |                     |
| Property Tax - Arbor Ridge SSA                    | 18,319           | 20,000           | 18,216              | 20,000             | 20,000              | 20,000              |
| Total Property Taxes                              | <u>18,319</u>    | <u>20,000</u>    | <u>18,216</u>       | <u>20,000</u>      | <u>20,000</u>       | <u>20,000</u>       |
| Total Revenues                                    | <u>18,319</u>    | <u>20,000</u>    | <u>18,216</u>       | <u>20,000</u>      | <u>20,000</u>       | <u>20,000</u>       |
| <b>EXPENDITURES</b>                               |                  |                  |                     |                    |                     |                     |
| 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             | <u>12,719</u>    | <u>34,978</u>    | <u>35,712</u>       | <u>18,680</u>      | <u>16,213</u>       | <u>18,680</u>       |
| Total Expenditures                                | <u>12,719</u>    | <u>34,978</u>    | <u>35,712</u>       | <u>18,680</u>      | <u>16,213</u>       | <u>18,680</u>       |
| 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                               | <u>44,410</u>    | <u>29,432</u>    | <u>26,914</u>       | <u>28,234</u>      | <u>32,021</u>       | <u>33,341</u>       |

# Chapter 8: Fund Summary

## FOXMOOR SSA FUND

|   | FY2016<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>                                   |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>EXPENDITURES</b>                               |                  |                  |                     |                    |                     |                     |
| 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>                                   |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>EXPENDITURES</b>                               |                  |                  |                     |                    |                     |                     |
| 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>                                   |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>EXPENDITURES</b>                               |                  |                  |                     |                    |                     |                     |
| 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>                                   |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>EXPENDITURES</b>                               |                  |                  |                     |                    |                     |                     |
| 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>                                   |                  |                  |                     |                    |                     |                     |
| Property Taxes                                    |                  |                  |                     |                    |                     |                     |
| Property Tax - Fieldstone Place SSA               | 6,500            | 6,500            | 6,488               | 5,500              | 5,500               | 5,500               |
| Total Property Taxes                              | <u>6,500</u>     | <u>6,500</u>     | <u>6,488</u>        | <u>5,500</u>       | <u>5,500</u>        | <u>5,500</u>        |
| Total Revenues                                    | <u>6,500</u>     | <u>6,500</u>     | <u>6,488</u>        | <u>5,500</u>       | <u>5,500</u>        | <u>5,500</u>        |
| <b>EXPENDITURES</b>                               |                  |                  |                     |                    |                     |                     |
| 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             | <u>5,406</u>     | <u>5,625</u>     | <u>5,547</u>        | <u>4,131</u>       | <u>5,455</u>        | <u>4,180</u>        |
| Total Expenditures                                | <u>5,406</u>     | <u>5,625</u>     | <u>5,547</u>        | <u>4,131</u>       | <u>5,455</u>        | <u>4,180</u>        |
| Net Change in Fund Balance                        | 1,094            | 875              | 941                 | 1,369              | 45                  | 1,320               |
| Beginning Fund Balance                            | <u>16,940</u>    | <u>18,034</u>    | <u>18,034</u>       | <u>18,975</u>      | <u>20,344</u>       | <u>20,389</u>       |
| Ending Fund Balance                               | <u>18,034</u>    | <u>18,909</u>    | <u>18,975</u>       | <u>20,344</u>      | <u>20,389</u>       | <u>21,709</u>       |

## BALMOREA SSA FUND

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

## Chapter 8: Fund Summary

### MARQUIS POINTE SSA FUND

|   | FY2016<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>                                   |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>EXPENDITURES</b>                               |                  |                  |                     |                    |                     |                     |
| 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUES</b>                                   |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>EXPENDITURES</b>                               |                  |                  |                     |                    |                     |                     |
| 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|--|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>REVENUE</b>                               |                  |                  |                     |                    |                     |                     |
| 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             | -                   | -                   |
| <b>Total Revenue</b>                         | <b>9,939,611</b> | <b>9,822,920</b> | <b>9,902,131</b>    | <b>10,286,597</b>  | <b>10,549,697</b>   | <b>10,852,739</b>   |
| <b>EXPENDITURES</b>                          |                  |                  |                     |                    |                     |                     |
| 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             |
| <b>Total Expenditures</b>                    | <b>9,431,922</b> | <b>9,733,447</b> | <b>9,812,126</b>    | <b>10,270,018</b>  | <b>10,308,216</b>   | <b>10,641,924</b>   |
| 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           |
| <b>Ending Fund Balance</b>                   | <b>4,011,898</b> | <b>4,101,371</b> | <b>4,101,903</b>    | <b>4,118,482</b>   | <b>4,359,963</b>    | <b>4,570,778</b>    |

# 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Property Taxes</b>                               |                  |                  |                     |                    |                     |                     |
| 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             |
| <b>Total Property Taxes</b>                         | <b>2,241,843</b> | <b>2,260,869</b> | <b>2,266,961</b>    | <b>2,296,031</b>   | <b>2,339,401</b>    | <b>2,383,638</b>    |
| <b>Other Taxes</b>                                  |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>Total Other Taxes</b>                            | <b>128,293</b>   | <b>126,788</b>   | <b>133,255</b>      | <b>134,559</b>     | <b>135,209</b>      | <b>135,865</b>      |
| <b>Licenses and Permits</b>                         |                  |                  |                     |                    |                     |                     |
| 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             |
| <b>Total Licenses and Permits</b>                   | <b>447,653</b>   | <b>435,890</b>   | <b>510,450</b>      | <b>458,055</b>     | <b>470,744</b>      | <b>483,518</b>      |
| <b>Intergovernmental, Grants, and Contributions</b> |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>Total Intergovernmental Revenue</b>              | <b>6,333,078</b> | <b>6,196,400</b> | <b>6,222,474</b>    | <b>6,563,170</b>   | <b>6,770,056</b>    | <b>6,988,688</b>    |
| <b>Charges for Services</b>                         |                  |                  |                     |                    |                     |                     |
| 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Charges for Services (Continued)</b>                       |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Charges for Services</b>                             | <b>310,585</b>   | <b>317,023</b>   | <b>368,694</b>      | <b>336,692</b>     | <b>341,997</b>      | <b>356,240</b>      |
| <b>Fines and Forfeitures</b>                                  |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Fines and Forfeitures</b>                            | <b>319,217</b>   | <b>338,500</b>   | <b>241,938</b>      | <b>303,000</b>     | <b>315,000</b>      | <b>327,500</b>      |
| <b>Investment Income</b>                                      |                  |                  |                     |                    |                     |                     |
| Investment Earnings - Interest Income                         | 26,118           | 30,000           | 29,906              | 49,500             | 49,500              | 49,500              |
| <b>Total Investment Income</b>                                | <b>26,118</b>    | <b>30,000</b>    | <b>29,906</b>       | <b>49,500</b>      | <b>49,500</b>       | <b>49,500</b>       |
| <b>Miscellaneous</b>  |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Miscellaneous</b>                                    | <b>132,824</b>   | <b>117,450</b>   | <b>128,453</b>      | <b>127,790</b>     | <b>127,790</b>      | <b>127,790</b>      |
| <b>Transfers</b>  |                  |                  |                     |                    |                     |                     |
| Transfer In   | -                | -                | -                   | 17,800             | -                   | -                   |
| <b>Total Transfers</b>  | <b>-</b>         | <b>-</b>         | <b>-</b>            | <b>17,800</b>      | <b>-</b>            | <b>-</b>            |
| <b>Total Revenue</b>  | <b>9,939,611</b> | <b>9,822,920</b> | <b>9,902,131</b>    | <b>10,286,597</b>  | <b>10,549,697</b>   | <b>10,852,739</b>   |

# 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|--|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Personal Services - Salaries and Wages</b>            |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>Personal Services - Employee Benefits</b>             |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Contractual Services - Professional and Technical</b> |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Contractual Services - Property</b>                   |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Contractual Services - Other</b>                      |                  |                  |                     |                    |                     |                     |
| 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             |
| <b>Commodities</b>                                       |                  |                  |                     |                    |                     |                     |
| 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)

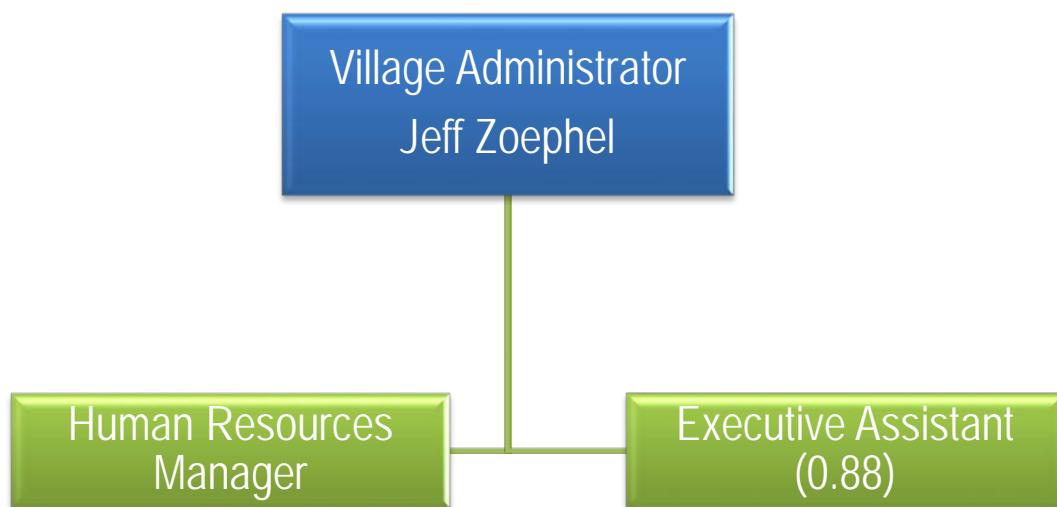
### Fiscal Year 2017 Accomplishments (Continued)

- ✓ 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|--|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Personal Services - Salaries and Wages</b>                  |                  |                  |                     |                    |                     |                     |
| 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                 |
| <b>Total Personal Services - Salaries and Wages</b>            | <b>198,017</b>   | <b>212,914</b>   | <b>201,863</b>      | <b>206,381</b>     | <b>213,583</b>      | <b>221,037</b>      |
| <b>Personal Services - Employee Benefits</b>                   |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Personal Services - Employee Benefits</b>             | <b>78,955</b>    | <b>91,127</b>    | <b>87,678</b>       | <b>88,996</b>      | <b>96,214</b>       | <b>104,092</b>      |
| <b>Contractual Services - Professional and Technical</b>       |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Contractual Services - Professional and Technical</b> | <b>44,342</b>    | <b>49,700</b>    | <b>48,408</b>       | <b>71,180</b>      | <b>55,280</b>       | <b>55,380</b>       |
| <b>Contractual Services - Property</b>                         |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Contractual Services - Property</b>                   | <b>13,879</b>    | <b>13,873</b>    | <b>13,665</b>       | <b>13,857</b>      | <b>13,857</b>       | <b>13,857</b>       |
| <b>Contractual Services - Other</b>                            |                  |                  |                     |                    |                     |                     |
| 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                 |
| <b>Total Contractual Services - Other</b>                      | <b>5,918</b>     | <b>9,630</b>     | <b>13,462</b>       | <b>9,630</b>       | <b>11,130</b>       | <b>9,630</b>        |
| <b>Commodities</b>   |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Commodities</b>                                       | <b>4,261</b>     | <b>3,145</b>     | <b>3,145</b>        | <b>16,645</b>      | <b>5,745</b>        | <b>4,645</b>        |
| <b>Capital Outlay</b>  |                  |                  |                     |                    |                     |                     |
| Capital Outlay - Computer                                      | 4,320            | 1,900            | 3,436               | -                  | -                   | -                   |
| <b>Total Capital Outlay</b>                                    | <b>4,320</b>     | <b>1,900</b>     | <b>3,436</b>        | <b>-</b>           | <b>-</b>            | <b>-</b>            |
| <b>Total Administration Department</b>                         | <b>349,692</b>   | <b>382,289</b>   | <b>371,657</b>      | <b>406,689</b>     | <b>395,809</b>      | <b>408,641</b>      |

# 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"><li>➤ Maintain financial records and transactions</li><li>➤ Account for all revenues that flow into and all expenditures that flow out of the government</li><li>➤ Establish an internal control structure</li><li>➤ Safeguard assets by maintaining accountability and control</li><li>➤ Provide financial information and support to external and internal customers</li><li>➤ Oversee the financial information system (SunGard Pentamation)</li><li>➤ Formulate and administer operating budget in cooperation with all departments</li><li>➤ Develop long-range plans for facilities and infrastructure improvements</li><li>➤ Prepare Annual Tax Levy and Abatement Ordinances</li><li>➤ Invest Village funds in accordance with cash and investment policies</li><li>➤ Administer the Village debt program</li><li>➤ Coordinate the Village's risk management activities and claims process</li><li>➤ Produce the Comprehensive Annual Financial Report</li><li>➤ Responsible for all Human Resource functions</li></ul> |

### 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|--|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Personal Services - Salaries and Wages</b>            |                  |                  |                     |                    |                     |                     |
| 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             |
| <b>Personal Services - Employee Benefits</b>             |                  |                  |                     |                    |                     |                     |
| 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             |
| <b>Contractual Services - Professional and Technical</b> |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>Contractual Services - Property</b>                   |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Contractual Services - Other</b>                      |                  |                  |                     |                    |                     |                     |
| 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Contractual Services - Other (Continued)</b> |                  |                  |                     |                    |                     |                     |
| 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               | -                   |
| <b>Total Contractual Services - Other</b>       | <b>309,358</b>   | <b>296,380</b>   | <b>327,621</b>      | <b>421,556</b>     | <b>415,867</b>      | <b>421,537</b>      |
| <b>Commodities</b>                              |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Commodities</b>                        | <b>5,129</b>     | <b>4,875</b>     | <b>4,820</b>        | <b>7,820</b>       | <b>6,420</b>        | <b>8,820</b>        |
| <b>Capital Outlay</b>                           |                  |                  |                     |                    |                     |                     |
| Capital Outlay - Equipment (Computer)           | 20,069           | 2,900            | 3,268               | -                  | -                   | -                   |
| <b>Total Capital Outlay</b>                     | <b>20,069</b>    | <b>2,900</b>     | <b>3,268</b>        | <b>-</b>           | <b>-</b>            | <b>-</b>            |
| <b>Transfers and Charges</b>                    |                  |                  |                     |                    |                     |                     |
| Service Charges - Water Fund                    | (334,197)        | (332,144)        | (339,452)           | (372,954)          | (380,368)           | (392,987)           |
| Transfer to Capital Improvement                 | 407,948          | -                | -                   | -                  | -                   | -                   |
| <b>Total Transfers and Charges</b>              | <b>73,751</b>    | <b>(332,144)</b> | <b>(339,452)</b>    | <b>(372,954)</b>   | <b>(380,368)</b>    | <b>(392,987)</b>    |
| <b>Total Finance - Accounting</b>               | <b>909,244</b>   | <b>498,215</b>   | <b>509,177</b>      | <b>559,430</b>     | <b>570,552</b>      | <b>589,480</b>      |

# Chapter 9: Departmental Summary

## FINANCE DEPARTMENT (Continued)

### Finance Department – Utility Billing

|  | FY2016<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|--|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Personal Services - Salaries and Wages</b>                  |                  |                  |                     |                    |                     |                     |
| Wages - Full-Time Employees                                    | 77,775           | 79,196           | 79,196              | 81,969             | 84,838              | 87,807              |
| Overtime - General   | 14               | 500              | 250                 | 250                | 250                 | 250                 |
| <b>Total Personal Services - Salaries and Wages</b>            | <b>77,789</b>    | <b>79,696</b>    | <b>79,446</b>       | <b>82,219</b>      | <b>85,088</b>       | <b>88,057</b>       |
| <b>Personal Services - Employee Benefits</b>                   |                  |                  |                     |                    |                     |                     |
| 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                 |
| <b>Total Personal Services - Employee Benefits</b>             | <b>39,383</b>    | <b>42,648</b>    | <b>41,885</b>       | <b>42,891</b>      | <b>46,948</b>       | <b>51,543</b>       |
| <b>Contractual Services - Professional and Technical</b>       |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>Total Contractual Services - Professional and Technical</b> | <b>49,667</b>    | <b>49,171</b>    | <b>37,283</b>       | <b>31,720</b>      | <b>31,984</b>       | <b>32,259</b>       |
| <b>Contractual Services - Property</b>                         |                  |                  |                     |                    |                     |                     |
| 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                 |
| <b>Total Contractual Services - Property</b>                   | <b>2,857</b>     | <b>2,608</b>     | <b>2,483</b>        | <b>2,416</b>       | <b>2,416</b>        | <b>2,416</b>        |
| <b>Contractual Services - Other</b>                            |                  |                  |                     |                    |                     |                     |
| 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                  |
| <b>Total Contractual Services - Other</b>                      | <b>15,273</b>    | <b>15,010</b>    | <b>15,264</b>       | <b>15,010</b>      | <b>15,010</b>       | <b>15,010</b>       |
| <b>Commodities</b>   |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Commodities</b>                                       | <b>25,193</b>    | <b>26,535</b>    | <b>24,335</b>       | <b>26,835</b>      | <b>27,135</b>       | <b>30,435</b>       |
| <b>Capital Outlay</b>  |                  |                  |                     |                    |                     |                     |
| Capital Outlay - Equipment (Computer)                          | 3,946            | 2,900            | 1,934               | -                  | -                   | -                   |
| <b>Total Capital Outlay</b>                                    | <b>3,946</b>     | <b>2,900</b>     | <b>1,934</b>        | <b>-</b>           | <b>-</b>            | <b>-</b>            |
| <b>Transfers and Charges</b>                                   |                  |                  |                     |                    |                     |                     |
| Service Charges  | (214,108)        | (218,568)        | (202,630)           | (201,091)          | (208,581)           | (219,720)           |
| <b>Total Transfers and Charges</b>                             | <b>(214,108)</b> | <b>(218,568)</b> | <b>(202,630)</b>    | <b>(201,091)</b>   | <b>(208,581)</b>    | <b>(219,720)</b>    |
| <b>Total Accounting - Utility Billing</b>                      | <b>-</b>         | <b>-</b>         | <b>-</b>            | <b>-</b>           | <b>-</b>            | <b>-</b>            |

# 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.

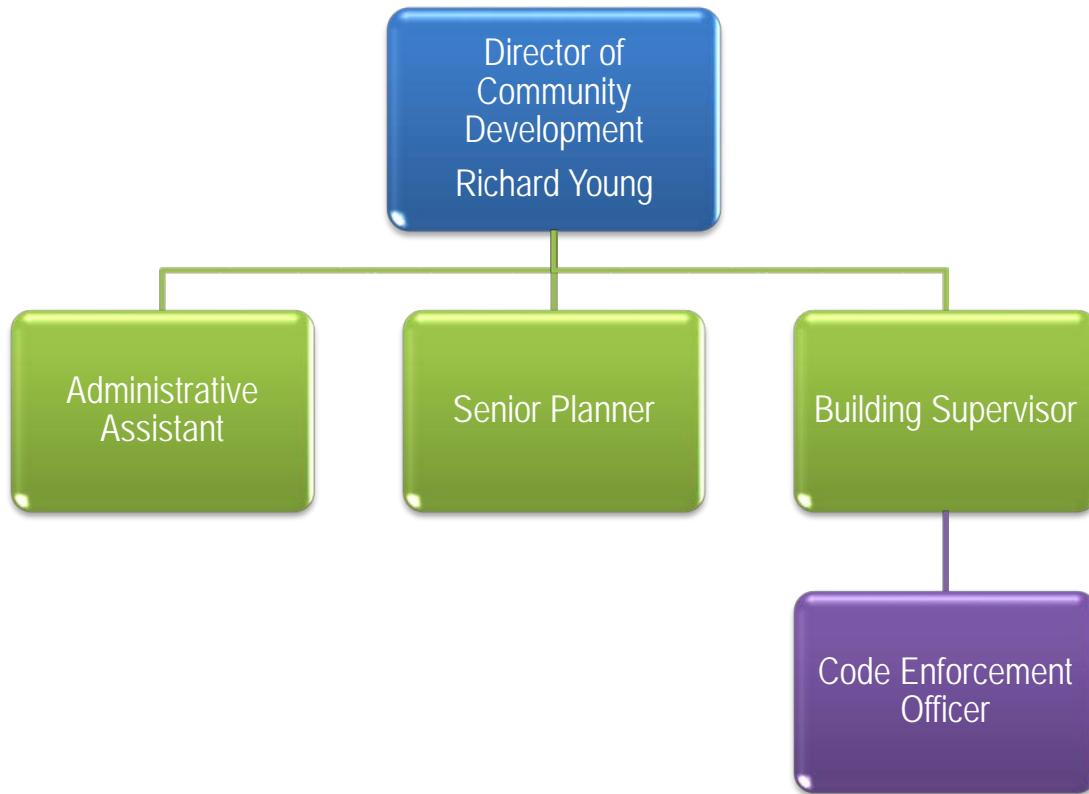
### Fiscal Year 2018 Goals and Initiatives

- 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|--|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Contractual Services - Professional and Technical</b> |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>Other</b>   |                  |                  |                     |                    |                     |                     |
| 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|--|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Personal Services - Salaries and Wages</b>            |                  |                  |                     |                    |                     |                     |
| 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             |
| <b>Personnel Services - Employee Benefits</b>            |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>Contractual Services - Professional and Technical</b> |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>Contractual Services - Property</b>                   |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Contractual Services - Other</b>                      |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Commodities</b>                                       |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Capital Outlay</b>                                    |                  |                  |                     |                    |                     |                     |
| 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Personal Services - Salaries and Wages</b>                         |                  |                  |                     |                    |                     |                     |
| Wages - Full-Time Employees   | 179,413          | 182,695          | 182,699             | 189,097            | 195,715             | 202,565             |
| Overtime - General  | -                | -                | 800                 | -                  | -                   | -                   |
| <b>Total Personal Services - Salaries and Wages</b>                   | <b>179,413</b>   | <b>182,695</b>   | <b>183,499</b>      | <b>189,097</b>     | <b>195,715</b>      | <b>202,565</b>      |
| <b>Personal Services - Employee Benefits</b>                          |                  |                  |                     |                    |                     |                     |
| 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                 |
| <b>Total Personal Services - Employee Benefits</b>                    | <b>94,113</b>    | <b>104,214</b>   | <b>103,397</b>      | <b>106,548</b>     | <b>117,094</b>      | <b>129,054</b>      |
| <b>Contractual Services - Professional and Technical</b>              |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Contractual Services - Professional and Technical</b>        | <b>24,455</b>    | <b>24,500</b>    | <b>24,794</b>       | <b>35,560</b>      | <b>33,060</b>       | <b>33,060</b>       |
| <b>Contractual Services - Property</b>                                |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Contractual Services - Property</b>                          | <b>5,357</b>     | <b>6,920</b>     | <b>9,638</b>        | <b>26,032</b>      | <b>6,132</b>        | <b>6,232</b>        |
| <b>Contractual Services - Other</b>                                   |                  |                  |                     |                    |                     |                     |
| 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                 |
| <b>Total Contractual Services - Other</b>                             | <b>275</b>       | <b>1,190</b>     | <b>890</b>          | <b>1,190</b>       | <b>1,190</b>        | <b>1,190</b>        |
| <b>Commodities</b>  |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Commodities</b>  | <b>1,210</b>     | <b>1,640</b>     | <b>1,219</b>        | <b>4,695</b>       | <b>3,455</b>        | <b>3,195</b>        |
| <b>Capital Outlay</b>   |                  |                  |                     |                    |                     |                     |
| Capital Outlay - Equipment (Computer)                                 | 3,174            | 2,800            | 3,554               | -                  | -                   | -                   |
| <b>Total Capital Outlay</b>   | <b>3,174</b>     | <b>2,800</b>     | <b>3,554</b>        | <b>-</b>           | <b>-</b>            | <b>-</b>            |
| <b>Transfers</b>  |                  |                  |                     |                    |                     |                     |
| Transfer to Vehicle Reserve Fund                                      | 15,878           | 13,257           | 13,257              | 14,176             | 14,176              | 14,176              |
| <b>Total Transfers</b>  | <b>15,878</b>    | <b>13,257</b>    | <b>13,257</b>       | <b>14,176</b>      | <b>14,176</b>       | <b>14,176</b>       |
| <b>Total Community Development - Code Enforcement and Inspections</b> | <b>323,875</b>   | <b>337,216</b>   | <b>340,248</b>      | <b>377,298</b>     | <b>370,822</b>      | <b>389,472</b>      |

# 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

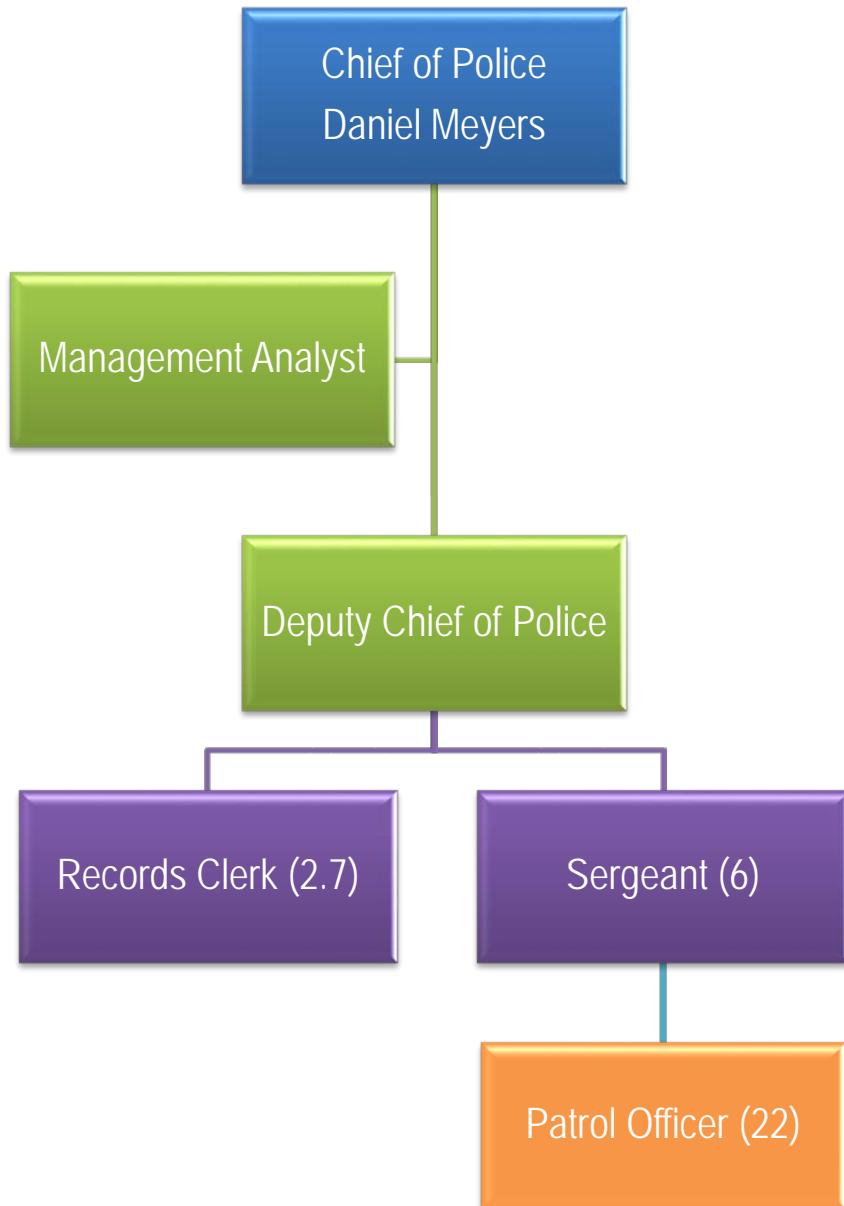
### Fiscal Year 2018 Goals and Initiatives

- 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|--|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Personal Services - Salaries and Wages</b>            |                  |                  |                     |                    |                     |                     |
| 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             |
| <b>Personal Services - Employee Benefits</b>             |                  |                  |                     |                    |                     |                     |
| 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             |
| <b>Contractual Services - Professional and Technical</b> |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>Contractual Services - Property</b>                   |                  |                  |                     |                    |                     |                     |
| 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/IWIN 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              |
| <b>Contractual Services - Other</b>                      |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Commodities</b>                                       |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>Capital Outlay</b>                                    |                  |                  |                     |                    |                     |                     |
| 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|--|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Personal Services - Salaries and Wages</b>                  |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Personal Services - Salaries and Wages</b>            | <b>117,669</b>   | <b>142,660</b>   | <b>146,384</b>      | <b>145,832</b>     | <b>149,694</b>      | <b>153,691</b>      |
| <b>Personal Services - Employee Benefits</b>                   |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Personal Services - Employee Benefits</b>             | <b>53,091</b>    | <b>61,366</b>    | <b>61,877</b>       | <b>62,237</b>      | <b>67,567</b>       | <b>73,601</b>       |
| <b>Contractual Services - Professional and Technical</b>       |                  |                  |                     |                    |                     |                     |
| Professional Services - Dispatch Services                      | 261,594          | 265,854          | 259,350             | 264,537            | 269,828             | 255,000             |
| <b>Total Contractual Services - Professional and Technical</b> | <b>261,594</b>   | <b>265,854</b>   | <b>259,350</b>      | <b>264,537</b>     | <b>269,828</b>      | <b>255,000</b>      |
| <b>Contractual Services - Property</b>                         |                  |                  |                     |                    |                     |                     |
| Utilities - Telephone  | 427              | 1,140            | 1,569               | 1,512              | 1,512               | 1,512               |
| <b>Total Contractual Services - Property</b>                   | <b>427</b>       | <b>1,140</b>     | <b>1,569</b>        | <b>1,512</b>       | <b>1,512</b>        | <b>1,512</b>        |
| <b>Total Police - Support Services</b>                         | <b>432,781</b>   | <b>471,020</b>   | <b>469,180</b>      | <b>474,118</b>     | <b>488,601</b>      | <b>483,804</b>      |

# Chapter 9: Departmental Summary

## POLICE DEPARTMENT (Continued)

### Police Department – Patrol

|   | FY2016<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Personal Services - Salaries and Wages</b>       |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Personal Services - Salaries and Wages</b> | <b>1,847,305</b> | <b>2,061,182</b> | <b>2,072,081</b>    | <b>2,260,278</b>   | <b>2,409,377</b>    | <b>2,497,667</b>    |
| <b>Personal Services - Employee Benefits</b>        |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>Total Personal Services - Employee Benefits</b>  | <b>944,729</b>   | <b>1,012,102</b> | <b>1,082,337</b>    | <b>1,242,097</b>   | <b>1,346,614</b>    | <b>1,419,493</b>    |
| <b>Contractual Services - Property</b>              |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Contractual Services - Property</b>        | <b>7,829</b>     | <b>16,250</b>    | <b>16,190</b>       | <b>17,786</b>      | <b>18,056</b>       | <b>18,056</b>       |
| <b>Contractual Services - Other</b>                 |                  |                  |                     |                    |                     |                     |
| Travel  | 600              | 400              | 400                 | 400                | 400                 | 400                 |
| Other Contractual Services - Dues                   | -                | 8,545            | 8,545               | 8,570              | 8,570               | 8,570               |
| <b>Total Contractual Services - Other</b>           | <b>600</b>       | <b>8,945</b>     | <b>8,945</b>        | <b>8,970</b>       | <b>8,970</b>        | <b>8,970</b>        |
| <b>Commodities</b>                                  |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Commodities</b>                            | <b>18,552</b>    | <b>24,000</b>    | <b>25,301</b>       | <b>30,725</b>      | <b>30,200</b>       | <b>42,175</b>       |
| <b>Capital Outlay</b>                               |                  |                  |                     |                    |                     |                     |
| Capital Outlay - Equipment (Police)                 | 3,768            | 5,500            | 5,000               | -                  | -                   | -                   |
| <b>Total Capital Outlay</b>                         | <b>3,768</b>     | <b>5,500</b>     | <b>5,000</b>        | <b>-</b>           | <b>-</b>            | <b>-</b>            |
| <b>Transfers</b>                                    |                  |                  |                     |                    |                     |                     |
| Transfer to Vehicle Reserve Fund                    | 291,259          | 207,288          | 207,288             | 201,203            | 201,203             | 201,203             |
| <b>Total Transfers</b>                              | <b>291,259</b>   | <b>207,288</b>   | <b>207,288</b>      | <b>201,203</b>     | <b>201,203</b>      | <b>201,203</b>      |
| <b>Total Police - Patrol</b>                        | <b>3,114,042</b> | <b>3,335,267</b> | <b>3,417,142</b>    | <b>3,761,059</b>   | <b>4,014,420</b>    | <b>4,187,564</b>    |

# Chapter 9: Departmental Summary

## POLICE DEPARTMENT (Continued)

### Police Department – Investigations

|   | FY2016<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Personal Services - Salaries and Wages</b>       |                  |                  |                     |                    |                     |                     |
| 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               | -                  | -                   | -                   |
| <b>Total Personal Services - Salaries and Wages</b> | <b>195,292</b>   | <b>199,122</b>   | <b>205,615</b>      | <b>207,280</b>     | <b>214,352</b>      | <b>222,689</b>      |
| <b>Personal Services - Employee Benefits</b>        |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Personal Services - Employee Benefits</b>  | <b>63,595</b>    | <b>66,361</b>    | <b>68,107</b>       | <b>69,928</b>      | <b>77,469</b>       | <b>86,142</b>       |
| <b>Contractual Services - Property</b>              |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Contractual Services - Property</b>        | <b>2,839</b>     | <b>6,180</b>     | <b>4,873</b>        | <b>5,400</b>       | <b>5,400</b>        | <b>5,400</b>        |
| <b>Contractual Services - Other</b>                 |                  |                  |                     |                    |                     |                     |
| Other Contractual Services - Dues                   |                  |                  | 4,467               | 4,467              | 4,467               | 4,467               |
| <b>Total Contractual Services - Other</b>           | <b>-</b>         | <b>-</b>         | <b>4,467</b>        | <b>4,467</b>       | <b>4,467</b>        | <b>4,467</b>        |
| <b>Commodities</b>                                  |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Commodities</b>                            | <b>9,061</b>     | <b>4,445</b>     | <b>6,210</b>        | <b>8,095</b>       | <b>8,095</b>        | <b>9,595</b>        |
| <b>Total Police - Investigations</b>                | <b>270,787</b>   | <b>276,108</b>   | <b>289,272</b>      | <b>295,170</b>     | <b>309,783</b>      | <b>328,293</b>      |

# Chapter 9: Departmental Summary

## POLICE DEPARTMENT (Continued)

### Police Department – Police Commission

|   | FY2016<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>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)

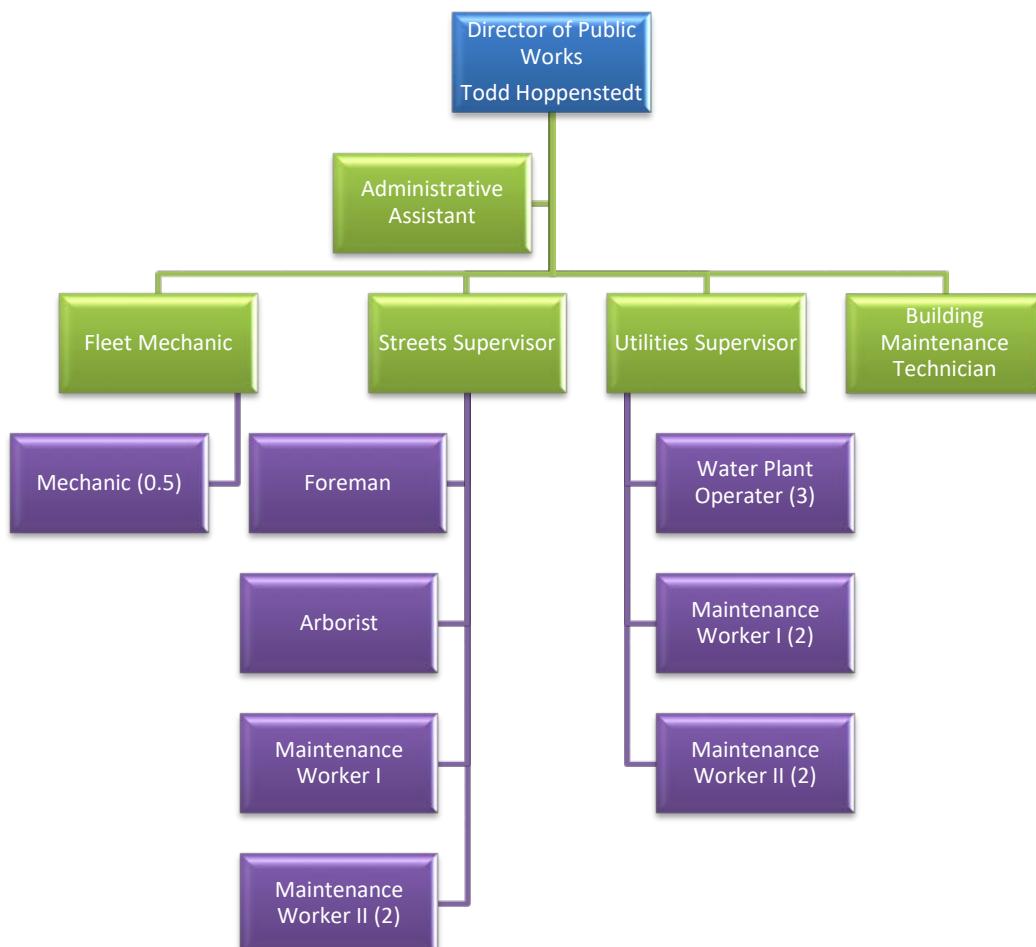
### Fiscal Year 2017 Accomplishments

- ✓ 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|--|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Personal Services - Salaries and Wages</b>                  |                  |                  |                     |                    |                     |                     |
| 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                 |
| <b>Total Personal Services - Salaries and Wages</b>            | <b>74,169</b>    | <b>67,931</b>    | <b>68,201</b>       | <b>70,038</b>      | <b>72,482</b>       | <b>75,012</b>       |
| <b>Personal Services - Employee Benefits</b>                   |                  |                  |                     |                    |                     |                     |
| 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                 |
| <b>Total Personal Services - Employee Benefits</b>             | <b>23,848</b>    | <b>24,744</b>    | <b>24,456</b>       | <b>24,479</b>      | <b>25,102</b>       | <b>26,660</b>       |
| <b>Contractual Services - Professional and Technical</b>       |                  |                  |                     |                    |                     |                     |
| 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            | -                | -                   | -                  | -                   | -                   |
| <b>Total Contractual Services - Professional and Technical</b> | <b>32,588</b>    | <b>20,039</b>    | <b>22,639</b>       | <b>24,866</b>      | <b>24,935</b>       | <b>25,006</b>       |
| <b>Contractual Services - Property</b>                         |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Contractual Services - Property</b>                   | <b>8,122</b>     | <b>7,300</b>     | <b>7,108</b>        | <b>7,324</b>       | <b>7,324</b>        | <b>7,324</b>        |
| <b>Contractual Services - Other</b>                            |                  |                  |                     |                    |                     |                     |
| Travel   | 210              | -                | -                   | -                  | -                   | -                   |
| Personnel Administration - Physicals/Testing                   | -                | 1,980            | 1,980               | 1,320              | 1,320               | 1,320               |
| Dues   | -                | 180              | 744                 | 800                | 800                 | 800                 |
| <b>Total Contractual Services - Other</b>                      | <b>210</b>       | <b>2,160</b>     | <b>2,724</b>        | <b>2,120</b>       | <b>2,120</b>        | <b>2,120</b>        |
| <b>Commodities</b>   |                  |                  |                     |                    |                     |                     |
| 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                 |
| <b>Total Commodities</b>                                       | <b>3,057</b>     | <b>3,090</b>     | <b>3,035</b>        | <b>3,435</b>       | <b>14,235</b>       | <b>3,635</b>        |
| <b>Capital Outlay</b>  |                  |                  |                     |                    |                     |                     |
| Capital Outlay - Equipment (Computer)                          | -                | 1,400            | 4,152               | -                  | -                   | -                   |
| <b>Total Capital Outlay</b>                                    | <b>-</b>         | <b>1,400</b>     | <b>4,152</b>        | <b>-</b>           | <b>-</b>            | <b>-</b>            |
| <b>Transfers and Charges</b>                                   |                  |                  |                     |                    |                     |                     |
| Service Charges  | (25,186)         | (13,518)         | (23,844)            | (22,671)           | (22,262)            | (22,305)            |
| <b>Total Transfers and Charges</b>                             | <b>(25,186)</b>  | <b>(13,518)</b>  | <b>(23,844)</b>     | <b>(22,671)</b>    | <b>(22,262)</b>     | <b>(22,305)</b>     |
| <b>Total Public Works - Administration</b>                     | <b>116,808</b>   | <b>113,146</b>   | <b>108,471</b>      | <b>109,591</b>     | <b>123,936</b>      | <b>117,452</b>      |

# Chapter 9: Departmental Summary

## PUBLIC WORKS DEPARTMENT (Continued)

### Public Works – Streets

|   | FY2016<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Personal Services - Salaries and Wages</b>               |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>Total Personal Services - Salaries and Wages</b>         | <b>284,819</b>   | <b>310,030</b>   | <b>322,886</b>      | <b>308,908</b>     | <b>314,881</b>      | <b>321,003</b>      |
| <b>Personal Services - Employee Benefits</b>                |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Personal Services - Employee Benefits</b>          | <b>119,422</b>   | <b>137,987</b>   | <b>133,291</b>      | <b>125,906</b>     | <b>135,206</b>      | <b>145,739</b>      |
| <b>Contractual Services - Property</b>                      |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Contractual Services - Property</b>                | <b>224,467</b>   | <b>234,564</b>   | <b>237,402</b>      | <b>250,656</b>     | <b>249,156</b>      | <b>252,656</b>      |
| <b>Contractual Services - Other</b>                         |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>Total Contractual Services - Other</b>                   | <b>44,086</b>    | <b>100,700</b>   | <b>100,700</b>      | <b>90,700</b>      | <b>90,700</b>       | <b>90,700</b>       |
| <b>Commodities</b>  |                  |                  |                     |                    |                     |                     |
| 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              | -                   | -                   |
| <b>Total Commodities</b>                                    | <b>48,450</b>    | <b>65,150</b>    | <b>69,330</b>       | <b>78,550</b>      | <b>60,000</b>       | <b>60,000</b>       |
| <b>Capital Outlay</b>                                       |                  |                  |                     |                    |                     |                     |
| Capital Outlay - Equipment (Public Works)                   | -                | 41,700           | 38,689              | -                  | -                   | -                   |
| Capital Outlay - Equipment (Computer)                       | -                | -                | 400                 | -                  | -                   | -                   |
| <b>Total Capital Outlay</b>                                 | <b>-</b>         | <b>41,700</b>    | <b>39,089</b>       | <b>-</b>           | <b>-</b>            | <b>-</b>            |
| <b>Transfers and Charges</b>                                |                  |                  |                     |                    |                     |                     |
| Transfer to Vehicle Reserve Fund                            | 163,874          | 188,028          | 188,028             | 201,872            | 201,872             | 201,872             |
| <b>Total Transfers and Charges</b>                          | <b>163,874</b>   | <b>188,028</b>   | <b>188,028</b>      | <b>201,872</b>     | <b>201,872</b>      | <b>201,872</b>      |
| <b>Total Public Works - Administration</b>                  | <b>885,118</b>   | <b>1,078,159</b> | <b>1,090,726</b>    | <b>1,056,592</b>   | <b>1,051,815</b>    | <b>1,071,970</b>    |

# Chapter 9: Departmental Summary

## PUBLIC WORKS DEPARTMENT (Continued)

### Public Works – Vehicle Maintenance

|  | FY2016<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|--|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Personal Services - Salaries and Wages</b>                |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Personal Services - Salaries and Wages</b>          | <b>71,989</b>    | <b>87,509</b>    | <b>78,688</b>       | <b>85,976</b>      | <b>87,651</b>       | <b>89,368</b>       |
| <b>Personal Services - Employee Benefits</b>                 |                  |                  |                     |                    |                     |                     |
| 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                 |
| <b>Total Personal Services - Employee Benefits</b>           | <b>40,209</b>    | <b>45,789</b>    | <b>40,415</b>       | <b>42,868</b>      | <b>45,892</b>       | <b>50,244</b>       |
| <b>Contractual Services - Professional and Technical</b>     |                  |                  |                     |                    |                     |                     |
| Information Technology Services - Software Maintenance       | 3,390            | 1,695            | 1,695               | 1,695              | 1,695               | 1,695               |
| <b>Total Purchased Services - Professional and Technical</b> | <b>3,390</b>     | <b>1,695</b>     | <b>1,695</b>        | <b>1,695</b>       | <b>1,695</b>        | <b>1,695</b>        |
| <b>Contractual Services - Property</b>                       |                  |                  |                     |                    |                     |                     |
| 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                 |
| <b>Total Contractual Services - Property</b>                 | <b>109,527</b>   | <b>102,120</b>   | <b>101,982</b>      | <b>102,396</b>     | <b>102,396</b>      | <b>102,396</b>      |
| <b>Contractual Services - Other</b>                          |                  |                  |                     |                    |                     |                     |
| Other Contractual Services - Dues                            | -                | -                | 180                 | 180                | 180                 | 180                 |
| <b>Total Contractual Services - Other</b>                    | <b>-</b>         | <b>-</b>         | <b>180</b>          | <b>180</b>         | <b>180</b>          | <b>180</b>          |
| <b>Commodities</b>   |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Commodities</b>                                     | <b>125,199</b>   | <b>153,200</b>   | <b>129,145</b>      | <b>154,500</b>     | <b>159,700</b>      | <b>169,700</b>      |
| <b>Capital Outlay</b>  |                  |                  |                     |                    |                     |                     |
| Capital Outlay - Equipment (Public Works)                    | -                | 10,000           | 12,859              | -                  | -                   | -                   |
| Capital Outlay - Equipment (Computer)                        | -                | 1,400            | 1,759               | -                  | -                   | -                   |
| <b>Total Capital Outlay</b>                                  | <b>-</b>         | <b>11,400</b>    | <b>14,618</b>       | <b>-</b>           | <b>-</b>            | <b>-</b>            |
| <b>Transfers and Charges</b>                                 |                  |                  |                     |                    |                     |                     |
| Service Charges  | (140,125)        | (160,757)        | (146,689)           | (155,046)          | (159,006)           | (165,433)           |
| <b>Total Transfers and Charges</b>                           | <b>(140,125)</b> | <b>(160,757)</b> | <b>(146,689)</b>    | <b>(155,046)</b>   | <b>(159,006)</b>    | <b>(165,433)</b>    |
| <b>Total Public Works - Vehicle Maintenance</b>              | <b>210,189</b>   | <b>240,956</b>   | <b>220,034</b>      | <b>232,569</b>     | <b>238,508</b>      | <b>248,150</b>      |

# Chapter 9: Departmental Summary

## PUBLIC WORKS DEPARTMENT (Continued)

### Public Works – Buildings and Grounds

|   | FY2016<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Personal Services - Salaries and Wages</b>                 |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Personal Services - Salaries and Wages</b>           | <b>121,734</b>   | <b>137,058</b>   | <b>117,451</b>      | <b>136,996</b>     | <b>139,706</b>      | <b>142,484</b>      |
| <b>Personal Services - Employee Benefits</b>                  |                  |                  |                     |                    |                     |                     |
| 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                 |
| <b>Total Personal Services - Employee Benefits</b>            | <b>59,637</b>    | <b>62,122</b>    | <b>60,553</b>       | <b>54,393</b>      | <b>58,619</b>       | <b>62,761</b>       |
| <b>Contractual Services - Property</b>                        |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>Total Contractual Services - Property</b>                  | <b>296,930</b>   | <b>339,450</b>   | <b>333,449</b>      | <b>400,370</b>     | <b>400,365</b>      | <b>393,255</b>      |
| <b>Contractual Services - Other</b>                           |                  |                  |                     |                    |                     |                     |
| 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                 |
| <b>Total Contractual Services - Other</b>                     | <b>11,770</b>    | <b>15,250</b>    | <b>15,250</b>       | <b>15,250</b>      | <b>15,250</b>       | <b>15,250</b>       |
| <b>Commodities</b>  |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Commodities</b>                                      | <b>12,207</b>    | <b>13,000</b>    | <b>14,641</b>       | <b>12,500</b>      | <b>12,900</b>       | <b>12,500</b>       |
| <b>Capital Outlay</b>   |                  |                  |                     |                    |                     |                     |
| Capital Outlay - Equipment (Public Works)                     | 100              | -                | -                   | -                  | -                   | -                   |
| Capital Outlay - Construction                                 | 9,289            | 19,750           | 14,836              | -                  | -                   | -                   |
| <b>Total Capital Outlay</b>                                   | <b>9,389</b>     | <b>19,750</b>    | <b>14,836</b>       | <b>-</b>           | <b>-</b>            | <b>-</b>            |
| <b>Transfers and Charges</b>                                  |                  |                  |                     |                    |                     |                     |
| Service Charges   | (166,297)        | (192,472)        | (183,966)           | (209,864)          | (212,797)           | (212,561)           |
| <b>Total Transfers and Charges</b>                            | <b>(166,297)</b> | <b>(192,472)</b> | <b>(183,966)</b>    | <b>(209,864)</b>   | <b>(212,797)</b>    | <b>(212,561)</b>    |
| <b>Total Public Works - Buildings and Grounds</b>             | <b>345,370</b>   | <b>394,158</b>   | <b>372,214</b>      | <b>409,645</b>     | <b>414,043</b>      | <b>413,689</b>      |

# Chapter 9: Departmental Summary

## PUBLIC WORKS DEPARTMENT (Continued)

### Public Works – Stormwater Management

|   | FY2016<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|---|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| Contractual Services - Professional and Technical       |                  |                  |                     | 15,000             | 5,000               | 5,000               |
| 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|--|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Contractual Services - Professional and Technical</b>       |                  |                  |                     |                    |                     |                     |
| 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              |
| <b>Total Contractual Services - Professional and Technical</b> | <b>206,373</b>   | <b>186,500</b>   | <b>141,877</b>      | <b>171,500</b>     | <b>181,500</b>      | <b>191,500</b>      |
| <b>Total Legal</b>   | <b>206,373</b>   | <b>186,500</b>   | <b>141,877</b>      | <b>171,500</b>     | <b>181,500</b>      | <b>191,500</b>      |

## 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<br>Actual | FY2017<br>Budget | FY2017<br>Estimated | FY2018<br>Approved | FY2019<br>Projected | FY2020<br>Projected |
|--|------------------|------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Contractual Services - Professional and Technical</b>       |                  |                  |                     |                    |                     |                     |
| 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               |
| <b>Total Contractual Services - Professional and Technical</b> | <b>192,860</b>   | <b>207,500</b>   | <b>262,777</b>      | <b>219,000</b>     | <b>229,000</b>      | <b>239,000</b>      |
| <b>Total Engineering</b>                                       | <b>192,860</b>   | <b>207,500</b>   | <b>262,777</b>      | <b>219,000</b>     | <b>229,000</b>      | <b>239,000</b>      |

# 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 "Blue 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 recognized in accordance with the availability criterion of modified accrual accounting.

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

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

# Chapter 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 or financial institution for a specified period for a specified rate of interest.

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

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

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

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

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

# Chapter 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.