

FUND SUMMARIES

OVERVIEW

The Village of Downers Grove uses fund accounting, which means that the budget and all related revenues and expenditures are organized in funds that appropriately reflect the purpose and use. Each fund is considered a separate accounting entity. The Village Council adopts an annual budget for each fund, which means that there is a separate allocation in each fund for assets, liabilities, fund equity, revenues and expenditures (expenses).

Funds are classified in the following way:

- General: The main operating fund of the Village
- Special Revenue: A fund used to account for the proceeds of specific revenue that are legally restricted for expenditures for specific uses
- Capital: Funds used to account for the acquisition or addition of fixed assets with an estimated useful life of greater than one year
- Debt Service: A fund established to account for the accumulation of funds and payment of principal and interest on long-term debt
- Enterprise: A fund that is used to account for operations that are financed and operated in a manner similar to private business enterprises
- Internal Service: A fund used to account for the financing of goods or services provided by one department to other departments on a cost-reimbursement basis
- Trust and Agency: A fund used to account for assets held by the Village in a trustee capacity
- Component Unit: Legally separate organization for which the elected officials of the primary government are financially accountable

The budget for all funds listed below is found in this section.

Fund Name	Type
General Fund	General
Motor Fuel Tax	Special Revenue
Downtown TIF	Special Revenue
Foreign Fire Insurance	Special Revenue
Ogden TIF	Special Revenue
Tax Rebate	Special Revenue
Asset Forfeiture	Special Revenue
Capital	Capital
Major Buildings	Capital
Real Estate	Capital
Debt Service	Debt Service
Stormwater	Enterprise
Water	Enterprise
Parking	Enterprise
Equipment Replacement	Internal Service
Fleet Service	Internal Service
Risk Management	Internal Service
Health Insurance	Internal Service
Police Pension Fund	Trust & Agency
Fire Pension Fund	Trust & Agency
Library Funds	Component Unit

GENERAL FUND

Fund Type: Governmental
Fund Number: 001

The principal operating fund of the Village, accounting for most of the services provided by the Village

Description- The General Fund is the main operating fund for the Village, accounting for most Village services including Police, Fire, Public Works, Community Development, and other administrative and community service departments. The fund is also the repository for most general tax revenues including Property, Sales, Utility, Village distribution of the State Income Tax, as well as some other fees and charges.

Recent History and Trends- The Adopted FY16 Budget is prepared using the Long-Range Planning process. The development of the Long-Range Plan took place over four public meetings between the Village Council, staff and the public.

In the past five years, the Village has made significant changes to the General Fund to reduce costs and address a substantial structural financial gap. Typical growth in General Fund revenues does not keep up with the growth in expenses. Therefore, the Village must continually address rising costs.

The following LRP strategies are in place for the General Fund:

- Increase operating efficiencies
- Reduce personnel expenses
- Partner with others
- Enhance revenue base
- Consider changes to service levels, increases to the property tax levy, adjustments to existing revenue sources and adoption of new revenue sources, as necessary
- Continue to monitor state budget actions
- Identify actions to reduce reliance on state-shared revenues
- Continue to maintain reserve balances within policies
- Work with Economic Development Corporation to increase the sales tax base

FY16 Budget Considerations-

- Sustainable General Fund: The Village's General Fund is financially sound and sustainable, with expenses and revenues of \$46.3 million, demonstrating a commitment to cost containment and continued modest revenue growth.
- Property Tax Levy Increase: The Village's property tax levy will increase by \$893,000 (8%) in FY16. The increase in public safety pension levies is due to new accounting standards and lower-than-expected investment returns. All other levy components will remain unchanged from FY15.
- Personnel expenses, including salaries, health benefits and post-employment benefits such as pensions account for about 78% of the General Fund.
- Non-personnel expenses are budgeted to decrease by 2.2% over the 2015 budget.
 - ⇒ 2015 included \$150,000 in the budget for an upgrade to the In-car Camera system in the Police Department.
 - ⇒ Other non-personnel costs remain relatively flat year to year.
- Revenues are budgeted to increase by 3.35% over the FY15 budget . The pension levy accounts for 2.0% of this increase. The Village anticipated modest growth in sales tax and income tax. Consistent with Long-Range Financial Plan strategies for the General Fund identified in 2010, user fees, licenses and permits found in the *User-Fee, License and Fine Schedule*, will be adjusted at a rate similar to personnel expenses to align with the costs of providing services.
- The FY17 Beginning Fund Balance is expected to be \$17.9 million. The fund balance is approximately 38% of annual expenses, is within the Village's policy and is consistent with the LRP strategy to keep a AAA rating.

GENERAL FUND

1		FY2014 Actual	FY2015 Budget	FY2015 Estimate	2016 Adopted	FY2017 Projection	FY2018 Projection
2	Beginning Fund Balance	20,432,259	17,212,652	17,212,652	17,899,871	17,869,994	16,853,991
3	Revenue						
4	Local Taxes	19,441,555	19,500,769	19,268,926	20,229,060	20,559,592	20,902,501
5	License & Permit Revenues	1,689,348	1,659,550	1,853,050	1,822,850	1,783,850	1,794,850
6	Intergovernmental Revenues	17,411,252	17,890,000	18,122,000	18,447,000	18,690,000	18,950,000
7	Sales	80	50	80	50	50	50
8	Fees, Charges & Fines	5,173,392	5,053,255	4,876,800	4,898,370	4,965,294	5,034,096
9	Grants	669,011	621,000	616,500	657,500	675,500	693,500
10	Interest & Claims	205,755	100,000	160,000	170,000	170,000	170,000
11	Contributions	4,815	-	400	-	-	-
12	Other Financial Resources	(585,155)	-	-	69,383	-	-
13	Total Revenue	44,010,053	44,824,624	44,897,756	46,294,213	46,844,286	47,544,997
14	Expenses						
15	Personnel	34,201,289	34,473,223	33,954,659	36,174,526	37,394,886	38,617,738
16	Supplies	1,259,983	1,073,613	1,100,020	1,078,558	1,127,847	1,100,847
17	Professional Services	1,248,620	1,409,500	1,305,544	1,423,480	1,448,598	1,442,337
18	Other Contractual Services	1,956,684	1,762,381	1,753,087	1,701,716	1,735,193	1,741,162
19	Claims, Grants, & Debt	4,635,629	5,862,545	5,866,342	5,799,260	6,068,065	6,229,974
20	Controlled Assets	127,455	80,600	75,685	95,150	75,300	63,971
21	Capital Assets		160,400	155,200	51,400	10,400	10,400
22	Other Financial Uses	3,800,000	-	-	-	-	-
23	Total Expenses	47,229,660	44,822,262	44,210,537	46,324,090	47,860,289	49,206,429
24	Net Change	(3,219,607)	2,362	687,219	(29,877)	(1,016,003)	(1,661,432)
25	Ending Fund Balance	17,212,652	17,215,014	17,899,871	17,869,994	16,853,991	15,192,559

Noteworthy Changes from 2016 and Other Explanations

- Local Taxes (row 4) increased primarily due to the increase in property tax for police and fire pensions (\$893,000)
- Licenses & Permits (row 5) are expected to remain strong.
- Intergovernmental Revenues (row 6) reflect increases in Sales Tax and Income Tax.
- Fees, Charges & Fines (row 8) are expected to be relatively flat in 2016.
- Grants (row 9) is primarily comprised of revenues from Westmont for Joint Dispatch.
- Other Financial Resources of \$69,000 is a one time revenue from a recapture agreement that will be used to pay for Council High Priority Action Items.

See the following pages for additional information on revenues.

- Personnel (row 15) accounts for 78% of General Fund expenses. This line item increases by 4.9% from the 2015 budget. The largest component of this increase is the police and fire pension costs (\$893,000), or 2.6% of the increase. The remaining increase of 2.3% reflects modest wage increases and increased medical costs offset by a decrease in staffing.
- Professional Services (row 17) in 2016 includes spending for Council High Priority Action Items.
- Claims, Grants & Debt (row 19) reflects costs for equipment, fleet maintenance and risk.
- Capital Assets (row 21) in the 2015 budget included \$150,000 for replacement of the in car camera system for the Police Department.
- Other Financial Uses (row 22) in 2014 was for a \$1.9 million transfer to the Risk Fund and a \$1.9 million transfer to the Transportation Fund.

The individual department schedules in the Department Summary section provide additional information.

GENERAL FUND REVENUE SOURCES

The table below shows the top sources of revenue for the General Fund. In FY16, these sources account for about 87% of all revenue budgeted in the General Fund.

RANK	SOURCE	FY 2013 Actual	FY 2014 Actual	FY 2015 Budgeted	FY 2015 Estimate	FY 2016 Adopted
1	Sales Tax	\$ 11,345,002	\$ 11,439,451	\$ 11,850,000	\$ 11,650,000	\$ 11,850,000
2	Property Taxes - Operations	\$ 5,898,786	\$ 5,888,571	\$ 5,847,145	\$ 5,847,145	\$ 5,847,145
3	Property Taxes - Pensions	\$ 4,218,455	\$ 4,801,989	\$ 4,591,624	\$ 4,591,624	\$ 5,484,915
4	Utility Taxes	\$ 5,275,316	\$ 5,166,793	\$ 5,440,000	\$ 5,235,000	\$ 5,215,000
5	State Income Tax	\$ 4,557,546	\$ 4,579,714	\$ 4,750,000	\$ 5,000,000	\$ 5,100,000
6	Home Rule Sales Tax	\$ 1,909,870	\$ 1,902,361	\$ 2,000,000	\$ 1,900,000	\$ 1,950,000
7	Building Related Permits	\$ 1,234,564	\$ 1,276,023	\$ 1,250,000	\$ 1,420,000	\$ 1,400,000
8	Ambulance Fees	\$ 1,060,869	\$ 1,117,542	\$ 1,107,000	\$ 1,190,000	\$ 1,195,000
9	Cellular Equipment Rental Fees	\$ 1,175,653	\$ 1,201,770	\$ 1,128,000	\$ 1,128,000	\$ 1,173,120
10	State Shared Local Use Tax	\$ 824,010	\$ 940,782	\$ 840,000	\$ 1,000,000	\$ 1,017,000
SUB-TOTAL		\$ 37,500,071	\$ 38,314,996	\$ 38,803,769	\$ 38,961,769	\$ 40,232,180
ALL OTHER TOTAL		\$ 6,057,973	\$ 5,695,058	\$ 6,020,855	\$ 5,935,987	\$ 6,062,033
TOTAL GENERAL FUND REVENUES		\$ 43,558,044	\$ 44,010,054	\$ 44,824,624	\$ 44,897,756	\$ 46,294,213

1% Sales Tax- Imposed on a seller's receipts for the sale of tangible personal property for use or consumption. Sales tax on general merchandise is 8.25%, broken down as follows:

State of Illinois	5.00%
Village of Downers Grove	1.00%
DuPage County	0.25%
DuPage Water Commission	0.25%
Regional Trans. Authority	0.75%
<u>Downers Grove Home Rule*</u>	<u>1.00%</u>
Total Current Tax Rate	8.25%

* Downers Grove Home Rule Sales Tax Distribution = 0.75% to Capital Projects, and 0.25% to the General Fund

Qualifying food, drugs and medical appliance sales tax is 1%. These revenues are typically earmarked for the funding of the day-to-day operations of the Village. The Village expects to receive approximately \$11,650,000 in sales tax in 2015. The Village forecasts sales tax revenues to increase to \$11,850,000 next year.

Property Tax- Taxes that an owner of real estate or other property pays on the value of their own property. The local townships (Downers Grove, Lisle, York and Milton) perform an appraisal of the monetary value of the property, and a tax is assessed in proportion to that value. The Village's property tax revenue is divided into the following categories: general property taxes (operations) and police and fire pensions. When combining these categories, the total property tax collected by the Village will account for approximately \$10,439,000 of its entire General Fund revenue in 2015.

The forecast for FY2016 is approximately \$11,332,000.

Utility Tax- Utility taxes are comprised of the Natural Gas Use Tax, the Electricity Tax and the Telecommunications Tax. The Natural Gas Use Tax is a fee charged to residents and businesses for the purchase of natural gas. The Electricity Tax is paid by incorporated residents for the use of electricity in their homes. The Telecommunications Tax is imposed on gross charges for all intrastate and interstate messages. This tax includes charges for home phones, cellular phones, internet and pagers. It is anticipated the Village will receive approximately \$5,235,000 in utility taxes in FY15. In 2016, staff forecasts the Village will collect approximately \$5,215,000 in utility taxes. In 2014 utility taxes were reduced by \$175,000 as a result of a class action settlement against AT&T for over charging Telecommunications Tax.

State Income Tax- Taxes imposed on the privilege of earning or receiving income as a resident of the state of Illinois. Local government entities receive one-tenth of the net collections of all income tax received. The amount that each municipality receives is based on its population in proportion to the population of the entire state of Illinois. The state income tax accounts for approximately 11% of the Village's total revenue. In 2015, the Village of Downers Grove will receive approximately \$5,000,000 in revenue from state income taxes. In 2016 the Village forecasts a revenue stream of approximately \$5,100,000 to be generated from state income taxes.

GENERAL FUND REVENUE SUMMARY

Description	FY 2013 Actual	FY 2014 Actual	FY 2015 Budgeted	FY 2015 Estimate	FY 2016 Adopted
Property Taxes	5,898,786	5,888,571	5,847,145	5,847,145	5,847,145
Property Taxes - Police & Fire Pension	4,218,455	4,801,989	4,591,624	4,591,624	5,484,915
Property Taxes - Downtown SSA	240,383	238,695	247,000	240,157	247,000
Property Taxes - Fairview Fire SSA		83,172	70,000	70,000	70,000
Property Taxes - Twp Road & Bridge	393,629	392,392	405,000	405,000	425,000
Home Rule Sales Tax	1,909,870	1,902,361	2,000,000	1,900,000	1,950,000
Hotel Use Tax	851,675	918,220	860,000	940,000	950,000
Municipal Gas Use Tax	494,390	557,669	515,000	510,000	515,000
Electricity Tax	1,950,675	1,886,151	1,925,000	1,925,000	1,900,000
Telecommunications Tax	2,830,251	2,722,973	3,000,000	2,800,000	2,800,000
Other Local Taxes	41,556	49,363	40,000	40,000	40,000
41 Subtotal Local Taxes	18,829,670	19,441,556	19,500,769	19,268,926	20,229,060
Building Related Permits	1,234,564	1,276,023	1,250,000	1,420,000	1,400,000
Alcohol Beverage License	218,483	229,081	220,000	230,000	235,000
Professional & Occupational Licenses	131,598	126,970	135,500	129,000	132,000
Other Licenses and Permits	130,437	57,275	54,050	74,050	55,850
42 Subtotal Licenses & Permits	1,715,082	1,689,349	1,659,550	1,853,050	1,822,850
Sales Tax ⁽¹⁾	11,345,002	11,439,451	11,850,000	11,650,000	11,850,000
State Income Tax	4,557,546	4,579,714	4,750,000	5,000,000	5,100,000
Personal Property Replacement Tax	429,494	441,907	440,000	460,000	470,000
State Shared Local Use Tax	824,010	940,782	840,000	1,000,000	1,017,000
Other State Shared Revenues	34,713	9,400	10,000	12,000	10,000
43 Subtotal State Shared Revenues	17,190,765	17,411,254	17,890,000	18,122,000	18,447,000
44 All Sales Revenue	15,324	80	50	80	50
Ambulance Fees - Residents	763,918	776,144	780,000	825,000	830,000
Ambulance Fees - Non-Residents	296,951	341,398	327,000	365,000	365,000
Plan Review & Inspection Fees	236,595	248,578	223,000	237,000	237,000
Administrative Fees	248,475	187,950	200,000	150,000	150,000
Fines	795,905	722,900	841,500	576,600	576,600
Cable Franchise Fees	856,942	913,577	865,000	915,000	915,000
Cellular Equipment Rental Fees	1,175,653	1,201,770	1,128,000	1,128,000	1,173,120
Other Fees, Charges & Fines	602,236	781,072	688,755	680,200	651,650
45 Subtotal Fees, Charges & Fines	4,976,675	5,173,389	5,053,255	4,876,800	4,898,370
46 All Intergovernmental	751,900	669,011	621,000	616,500	657,500
47 All Interest and Claims	58,085	205,755	100,000	160,000	170,000
48 All Donations and Contributions	2,543	4,815	-	400	-
49 Other Financial Resources	18,000	(585,155)	-	-	69,383
Total General Fund Revenues	43,558,044	44,010,054	44,824,624	44,897,756	46,294,213

(1) Does not include sales tax revenue that is expended as a result of sales tax reimbursement agreements

MOTOR FUEL TAX FUND

Fund Type: Special Revenue Fund
Fund Number: 102

Accounts for all financial activity related to the Motor Fuel Tax (MFT) received from the state

Description- The Motor Fuel Tax (MFT) Fund is a state-required funding mechanism for the receipt and use of state revenues for roadway maintenance and construction purposes. MFT revenues are distributed by the State of Illinois from state-wide taxes on gas and diesel fuel. These revenues are distributed to municipalities based on the ratio of the municipality's population to the population of the state.

Revenue projections are based on information provided by the Illinois Municipal League. Expense projections are based on planned roadway maintenance activities that meet the requirements of Motor Fuel Tax receipts as defined by state statutes.

Recent History and Trends- The MFT revenues have been declining over recent years. The total miles driven and the average fuel economy of vehicles are the principal "drivers" of MFT receipts. In previous years, this decline had been offset by additional distributions from the State through the Illinois Jobs Now Program. The Village received \$214,000 per year from 2010 through 2014 for this program. In addition, the Village received an additional \$214,000 payment from the state of Illinois through the 2014 Capital Bill Program in 2014.

1		FY2014 Actual	FY2015 Budget	FY2015 Estimate	2016 Adopted	FY2017 Projection	FY2018 Projection
2	Beginning Fund Balance	333,483	397,617	397,617	367,667	367,717	367,767
3	Revenue						
4	Local Taxes	-	-	-	-	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	1,614,041	1,130,000	1,100,000	1,130,000	1,130,000	1,130,000
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	-	-	-	-	-	-
9	Grants	-	-	-	-	-	-
10	Interest & Claims	93	50	50	50	50	50
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	-	-	-	-	-	-
13	Total Revenue	1,614,134	1,130,050	1,100,050	1,130,050	1,130,050	1,130,050
14	Expenses						
15	Personnel	-	-	-	-	-	-
16	Supplies	200,000	-	-	-	-	-
17	Professional Services	-	-	-	-	-	-
18	Other Contractual Services	-	-	-	-	-	-
19	Claims, Grants, & Debt	-	-	-	-	-	-
20	Controlled Assets	1,350,000	1,130,000	1,130,000	1,130,000	1,130,000	1,130,000
21	Capital Assets	-	-	-	-	-	-
22	Other Financial Uses	-	-	-	-	-	-
23	Total Expenses	1,550,000	1,130,000	1,130,000	1,130,000	1,130,000	1,130,000
24	Net Change	64,134	50	(29,950)	50	50	50
25	Ending Fund Balance	397,617	397,667	367,667	367,717	367,767	367,817

Noteworthy Changes from 2016 and Other Explanations

- Intergovernmental Revenues (row 6) are MFT receipts from the state. In 2014 this included the final year of payments from the Illinois Jobs Now Program and a one time payment from the 2014 Capital Bill Program.
- Supplies— In 2014, \$200,000 of the funds from the 2014 Capital Bill Program was used to purchase salt.
- Controlled Assets (row 20) are expenditures on roadway maintenance.



DOWNTOWN TIF FUND

*Accounts for all financial activity
related to the Downtown TIF*

Fund Type: Special Revenue Fund

Fund Number: 107

Description- The Downtown Redevelopment Tax Increment Financing Fund accounts for the Village's Downtown Redevelopment Tax Increment Financing District resources and activities. TIF fund resources are provided through the collection of the TIF property tax increment created from the increase in the value of property within the district. TIF resources are used to facilitate redevelopment in the Central Business District in accordance with the Redevelopment plan, the Villages' Strategic Plan, and the Downtown Strategy. The TIF was created in 1997.

Recent History and Trends- The value of all of the properties located within the district has increased from \$16.3 million (1996 EAV) to \$52.2 million (2014 EAV). In FY16 no funds from the general property tax levy will be required to pay the debt service for downtown public improvements. There are no capital improvements in this fund.

Long-Range Plan- Strategies for managing the Downtown TIF were identified in the 2011 Long Range Financial Plan.

Strategies identified:

- Monitor TIF performance and regularly update projections
- Pursue actions that defer and minimize any use of the general property tax levy to fund the gap
- Take advantage of refunding opportunities as they become available
- Control TIF expenses
- Explore parking fee adjustments to provide additional revenue in future years
- Pursue redevelopment and reinvestment opportunities in the TIF
- Explore the extension of the TIF and restructuring of debt
- Adjust the property tax levy as needed

DOWNTOWN TIF FUND

1		FY2014 Actual	FY2015 Budget	FY2015 Estimate	2016 Adopted	FY2017 Projection	FY2018 Projection
2	Beginning Fund Balance	1,299,566	1,242,792	1,242,792	1,066,639	975,408	417,275
3	<u>Revenue</u>						
4	Local Taxes	2,841,093	2,901,132	2,851,343	2,893,292	2,949,477	3,618,872
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	-	-	-	-	-	-
9	Grants	-	-	-	-	-	-
10	Interest & Claims	80	-	-	-	-	-
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	-	-	-	-	-	-
13	Total Revenue	2,841,173	2,901,132	2,851,343	2,893,292	2,949,477	3,618,872
14	<u>Expenses</u>						
15	Personnel	-	-	-	-	-	-
16	Supplies	11,775	-	-	-	-	-
17	Professional Services	1,900	1,960	1,960	17,060	2,122	2,193
18	Other Contractual Services	-	-	-	-	-	-
19	Claims, Grants, & Debt	47,429	60,000	55,648	60,000	60,000	60,000
20	Controlled Assets	-	-	-	-	-	-
21	Capital Assets	-	-	-	-	-	-
22	Other Financial Uses	2,836,843	2,969,888	2,969,888	2,907,463	3,445,488	3,887,388
23	Total Expenses	2,897,947	3,031,848	3,027,496	2,984,523	3,507,610	3,949,581
24	Net Change	(56,774)	(130,716)	(176,153)	(91,231)	(558,133)	(330,709)
25	Ending Fund Balance	1,242,792	1,112,076	1,066,639	975,408	417,275	86,566

Noteworthy Changes from 2016 and Other Explanations

- Local Taxes (row 4) reflects TIF increment.
- Supplies (row 16) for Downtown will be paid out of the General Fund starting in 2015.
- Professional Services (row 17) are for audit fees and Downtown Zoning.
- Claims, Grants, & Debt (row 19) reflects costs for redevelopment agreements.
- Other Financial Uses (row 22) reflects transfers to the Debt Service Fund for TIF debt.

FOREIGN FIRE INSURANCE FUND

Fund Type: Special Revenue Fund
Fund Number: 109

Accounts for all financial activity related to funds provided by the state of Illinois for Foreign Fire Insurance

Description- This fund was created to account for the funds provided by the State of Illinois for Foreign Fire Insurance. The expenditures for this program are evaluated and determined by the Foreign Fire Insurance Board, which is comprised of Fire Department members, per state statute. Pursuant to state law, the Foreign Fire Insurance Fund receives its monies from a state tax imposed on fire insurance policies written by insurance companies located outside of the state of Illinois. These funds are intended to provide for the needs of the department as the department see fit to compensate for what is not provided for by the municipality. The Village Council is required to adopt this budget and appropriate these funds. Additionally, these expenditures must be audited as part of the Municipal Audit.

		FY2014 Actual	FY2015 Budget	FY2015 Estimate	2016 Adopted	FY2017 Projection	FY2018 Projection
1							
2	Beginning Fund Balance	245,366	260,189	260,189	185,439	83,789	72,139
3	Revenue						
4	Local Taxes	88,603	78,000	78,000	78,000	78,000	78,000
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	-	-	-	-	-	-
9	Grants	-	-	-	-	-	-
10	Interest & Claims	71	300	-	300	300	300
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	-	-	-	-	-	-
13	Total Revenue	88,674	78,300	78,000	78,300	78,300	78,300
14	Expenses						
15	Personnel	-	-	-	-	-	-
16	Supplies	28,214	49,100	44,100	49,100	19,100	19,100
17	Professional Services	15,053	27,850	27,850	29,850	29,850	29,850
18	Other Contractual Services	7,490	10,800	10,800	11,800	11,800	11,800
19	Claims, Grants, & Debt	23,094	49,200	40,000	59,200	19,200	19,200
20	Controlled Assets	-	30,000	30,000	30,000	10,000	10,000
21	Capital Assets	-	-	-	-	-	-
22	Other Financial Uses	-	-	-	-	-	-
23	Total Expenses	73,851	166,950	152,750	179,950	89,950	89,950
24	Net Change	14,823	(88,650)	(74,750)	(101,650)	(11,650)	(11,650)
25	Ending Fund Balance	260,189	171,539	185,439	83,789	72,139	60,489

Noteworthy Changes from 2016 and Other Explanations

- Local Taxes (row 4) reflects the cash received from the state.
- Supplies (row 16) reflects expenditures for supplies for all four fire stations.
- Professional Services (row 17) primarily includes education costs and wellness expenses for firefighters.
- Claims, Grants & Debt (row 19) is for equipment for fire department, training aids, gear washers, and physical fitness equipment.
- Controlled Assets (row 20) is for infrastructure improvements to the Fire Stations.

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OGDEN AVENUE TIF FUND

Accounts for all financial activity related to the Ogden TIF

Fund Type: Special Revenue Fund

Fund Number: 110

Description- The Ogden Avenue TIF Fund exists to account for all financial activity related to the Ogden Avenue Tax Increment Financing District, which is defined by a designated boundary along Ogden Avenue from Stonewall Avenue on the west to Cumnor Avenue on the East. TIF revenues are provided through the collection of property taxes, or TIF increment, created from the increasing value of property within the district. The revenues are used to facilitate redevelopment along the corridor in accordance with applicable Illinois TIF statutes. The TIF was created in 2001.

Recent History and Trends- The value of all of the properties located within the district has increased from \$29.3 million (2000 EAV) to \$37.3 million (2014 EAV).

Extensive planning for the corridor has occurred prior to and since the creation of the Ogden Avenue TIF and includes the following:

- Ogden Avenue Master Plan
- Ogden Avenue Master Right-of-Way Plan
- Comprehensive Plan

In 2013 the Village Council voted to repeal the OASIS program. The Village may continue to authorize redevelopment agreements that facilitate funding for property improvements with the assistance of the Economic Development Corporation. Redevelopment agreements would be approved by the Village Council.

Recommendations from the Economic Development Corporation Executive Committee for the most appropriate uses of future TIF Revenues in previous years included the construction of streetscape improvements in the public right-of-way and facilitation of targeted private property redevelopment opportunities along the corridor.

2016 CIP Projects - OGDEN AVENUE TIF

S-005	Ogden Avenue Sidewalk Installation	190,000
TR-029	Traffic Signal Study - Ogden Ave	25,000
Totals:		215,000

OGDEN AVENUE TIF FUND

1		FY2014 Actual	FY2015 Budget	FY2015 Estimate	2016 Adopted	FY2017 Projection	FY2018 Projection
2	Beginning Fund Balance	4,400,149	4,760,043	4,760,043	4,414,621	1,724,843	167,721
3	Revenue						
4	Local Taxes	558,010	573,606	590,665	608,385	626,636	645,436
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	-	-	-	-	-	-
9	Grants	-	-	-	-	450,000	-
10	Interest & Claims	21,319	4,000	20,000	3,000	-	-
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	-	-	-	-	-	-
13	Total Revenue	579,329	577,606	610,665	611,385	1,076,636	645,436
14	Expenses						
15	Personnel	-	-	-	-	-	-
16	Supplies	-	-	-	-	-	-
17	Professional Services	2,475	1,674	1,674	26,750	1,812	1,866
18	Other Contractual Services	-	-	-	-	-	-
19	Claims, Grants, & Debt	135,000	775,000	775,000	2,500,000	1,000,000	500,000
20	Controlled Assets	-	-	-	-	-	-
21	Capital Assets	-	4,476,333	95,000	690,000	1,545,000	-
22	Other Financial Uses	81,960	84,413	84,413	84,413	86,946	89,554
23	Total Expenses	219,435	5,337,420	956,087	3,301,163	2,633,758	591,420
24	Net Change	359,894	(4,759,814)	(345,422)	(2,689,778)	(1,557,122)	54,016
25	Ending Fund Balance	4,760,043	229	4,414,621	1,724,843	167,721	221,737

Noteworthy Changes from 2016 and Other Explanations

- Local Taxes (row 4) reflects TIF increment.
- Professional Services (row 17) includes audit fees and a Traffic Signal Study on Ogden Avenue.
- Claims, Grants, & Debt (row 19) includes economic development incentives.
- Capital Assets includes \$190,000 for Ogden Avenue sidewalks (S-005) and \$500,000 for Right of Way improvements for economic development.
- Other Financial Uses (row 22) is primarily for economic development costs related to the Ogden TIF.

TAX REBATE FUND

Fund Type: Special Revenue Fund
Fund Number: 111

Accounts for all financial activity related to the Village's tax rebate agreements

Description- As part of the Village's economic development efforts, the Village has entered into tax rebate agreements with local businesses. These agreements assist in the attraction and retention of retail businesses. Each of the agreements includes performance standards that must be met prior to the payment of any tax rebate.

Recent History and Trends- Current Tax Rebate Agreements include: Fry's Electronics, Bill Kay Nissan, Pugi Mazda, DeVry University, Zeigler Auto Group, Lemon Tree, Packey Webb Ford, Perillo Motor Imports, Napleton Aston Martin and Art Van.

1		FY2014 Actual	FY2015 Budget	FY2015 Estimate	2016 Adopted	FY2017 Projection	FY2018 Projection
2	Beginning Fund Balance	-	-	-	-	-	-
3	<u>Revenue</u>						
4	Local Taxes	-	-	-	-	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	970,619	1,000,000	1,000,000	1,300,000	1,350,000	1,400,000
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	-	-	-	-	-	-
9	Grants	-	-	-	-	-	-
10	Interest & Claims	-	-	-	-	-	-
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	-	-	-	-	-	-
13	Total Revenue	970,619	1,000,000	1,000,000	1,300,000	1,350,000	1,400,000
14	<u>Expenses</u>						
15	Personnel	-	-	-	-	-	-
16	Supplies	-	-	-	-	-	-
17	Professional Services	-	-	-	-	-	-
18	Other Contractual Services	-	-	-	-	-	-
19	Claims, Grants, & Debt	970,619	1,000,000	1,000,000	1,300,000	1,350,000	1,400,000
20	Controlled Assets	-	-	-	-	-	-
21	Capital Assets	-	-	-	-	-	-
22	Other Financial Uses	-	-	-	-	-	-
23	Total Expenses	970,619	1,000,000	1,000,000	1,300,000	1,350,000	1,400,000
24	Net Change	-	-	-	-	-	-
25	Ending Fund Balance	-	-	-	-	-	-

Noteworthy Changes from 2016 and Other Explanations

- Intergovernmental Revenues (row 6) reflects a transfer from the General Fund for taxes to be rebated.
- Claims, Grants, & Debt (row 19) reflects payments to businesses receiving rebates.

ASSET FORFEITURE FUND

Fund Type: Special Revenue Fund
Fund Number: 114

Accounts for all financial activity related to asset seizures from criminal activity

Description- This fund was established in 2012 to account for the revenues and expenditures of proceeds from asset seizures. It is the result of the equitable sharing agreement the police department has with the Department of Justice. These funds are generated through joint investigations with the federal government that result in the seizure of currency or property utilized in criminal enterprises. Money seized under this agreement can only be used for law enforcement purposes and cannot be utilized to replace or supplant budgeted items.

	FY2014 Actual	FY2015 Budget	FY2015 Estimate	2016 Adopted	FY2017 Projection	FY2018 Projection
1						
2	819,612	1,072,984	1,072,984	1,322,984	262,984	202,984
3						
4	-	-	-	-	-	-
5	-	-	-	-	-	-
6	-	-	-	-	-	-
7	-	-	-	-	-	-
8	289,028	500,000	300,000	500,000	500,000	500,000
9	-	-	-	-	-	-
10	-	-	-	-	-	-
11	-	-	-	-	-	-
12	-	-	-	-	-	-
13	289,028	500,000	300,000	500,000	500,000	500,000
14						
15	-	-	-	-	-	-
16	-	-	-	-	-	-
17	8,458	1,515,000	25,000	35,000	35,000	35,000
18	-	-	-	-	-	-
19	-	-	-	-	-	-
20	27,198	35,000	25,000	25,000	25,000	25,000
21	-	-	-	1,500,000	500,000	500,000
22	-	-	-	-	-	-
23	35,656	1,550,000	50,000	1,560,000	560,000	560,000
24	253,372	(1,050,000)	250,000	(1,060,000)	(60,000)	(60,000)
25	1,072,984	22,984	1,322,984	262,984	202,984	142,984

Noteworthy Changes from 2016 and Other Explanations

- Fees, Charges & Fines (row 8) reflects the cash received from asset seizures. All expenditures in the fund will be spent following the Department of Justice Guidelines for asset forfeitures, under the Guide to Equitable Sharing for State and Local Law Enforcement Agencies.
- Professional Services (row 17) and Controlled Assets (row 20) reflect estimates of seized assets that will be spent by the Village on police enforcement activities allowable by the federal government. In FY16 \$1.5 million is earmarked for the police station project.

CAPITAL PROJECTS FUND

Fund Type: Capital Fund
Fund Number: 220

Accounts for financial activity for general construction and capital improvement activity of several capital related programs

Description- The Capital Fund accounts for general construction and capital improvement activity of several capital-related programs including roadway maintenance, sidewalks, bikeways, traffic signals, and other projects. A separate Community Investment Program (CIP) document within this budget document provides detailed information regarding all capital projects proposed over the next five years. (See Section 6)

Primary revenue sources in this fund are Home Rule Sales Tax, Property Tax, Telecom Tax and Local Gasoline Tax. The Village also aggressively pursues grant opportunities whenever they are available.

Recent History and Trends- In FY06 the Village Council rededicated the half-cent Home Rule Sales Tax for infrastructure needs while shifting Utility tax revenues into the General Fund. In FY08, stormwater improvements were no longer provided for in this fund. Funding for those improvements was shifted to the newly created Stormwater Fund. Beginning in FY08, the Village also increased revenues in the Capital Fund by increasing the Telecom Tax by one percent.

In FY12 the Village authorized the creation of a Stormwater Utility to be funded by fees based on a property's impervious area. This Utility addresses the stormwater infrastructure needs of the Village. On April 10, 2012, the Village Council approved the issuance of \$25 million of bonds to pay for street construction projects. Due to a favorable interest rate environment in 2012, the annual debt service bonds were approximately \$300,000 less than was originally projected. These funds were allocated to street maintenance.

The 1/4 cent Home Rule Sales Tax and a portion of the Property Tax previously dedicated to the Stormwater Fund have been moved to the Capital Fund to pay for the \$25 million street construction bonds issued in 2012. Projects completed include the reconstruction of the Knottingham subdivision, Esterbrook, Concorde Square, Brooke and Centre, Valley View Estates, Grove Street, and Chase Avenue.

Long-Range Plan- In 2013, the Village Council completed the Long-Range Planning process which identified issues and strategies for the Capital Projects fund.

Issues identified:

- An annual infrastructure maintenance gap of approximately \$1.2 million exists. The cost of maintaining the Village's existing infrastructure systems to the established service level exceeds the revenue generated by the existing revenue sources dedicated to infrastructure. This maintenance gap will appear in FY16 when the Village has completed the reconstruction of streets using the proceeds from the 2012 bond issuance.

Actions taken:

- Improved the condition of the street system
- Shifted local gasoline tax revenue to pay for the street maintenance expenses
- Captured savings from low bond interest payments
- Created a stormwater utility

Strategies identified:

- Continue to reduce the cost of maintaining infrastructure systems by:
 - Coordinating Village construction projects to achieve economies of scale
 - Exploring partnerships with other municipalities and governments
- Use existing revenues of \$1.2 million to fund infrastructure maintenance beginning in 2016

CAPITAL PROJECTS FUND

	FY2014 Actual	FY2015 Budget	FY2015 Estimate	2016 Adopted	FY2017 Projection	FY2018 Projection
1						
2	Beginning Fund Balance	15,874,021	8,687,882	8,687,882	3,433,051	946,546
3	Revenue					
4	Local Taxes	7,358,655	7,701,524	7,266,018	7,381,524	7,531,524
5	License & Permit Revenues	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-
7	Sales	-	-	-	-	-
8	Fees, Charges & Fines	-	-	-	-	-
9	Grants	116,837	650,000	32,900	-	792,400
10	Interest & Claims	83,477	500	50,000	10,000	30,000
11	Contributions	115,702	20,000	40,000	30,000	30,000
12	Other Financial Resources	(12,502)	-	-	-	-
13	Total Revenue	7,662,169	8,372,024	7,388,918	7,421,524	8,383,924
14	Expenses					
15	Personnel	324,365	382,522	381,124	393,039	404,830
16	Supplies	39,411	115,000	76,500	120,000	120,000
17	Professional Services	187,385	255,060	288,810	218,700	308,700
18	Other Contractual Services	-	261,300	261,300	261,300	261,300
19	Claims, Grants, & Debt	12,504	48,196	48,196	16,496	16,799
20	Controlled Assets	3,211,849	3,251,000	2,842,000	3,351,000	4,900,000
21	Capital Assets	7,351,813	5,707,500	5,094,365	2,835,000	1,122,500
22	Other Financial Uses	3,720,981	3,651,454	3,651,454	2,712,494	2,412,819
23	Total Expenses	14,848,308	13,672,032	12,643,749	9,908,029	9,546,948
24	Net Change	(7,186,139)	(5,300,008)	(5,254,831)	(2,486,505)	(1,163,024)
25	Ending Fund Balance	8,687,882	3,387,874	3,433,051	946,546	(216,478)

Noteworthy Changes from FY16 and Other Explanations

- Local Taxes (row 4) includes Home Rule Sales Tax, Property Tax and Telecom tax.
- Contributions (row 11) is Developer Contributions for sidewalks.
- Personnel (row 15): There are 2.75 employees: 1/4 GIS Specialist, 1/2 Administrative Assistant, 1 PW Technician-Engineering, 1 Staff Engineer.
- Rows 16 through 21 are primarily for CIP projects, details on following page.
- Other Contractual Services (row 18) is for Emerald Ash Borer Eradication.
- Other Financial Uses (row 22) in 2016 includes \$1.25 million for the roadway reconstruction debt payments (this was \$2.5 million 2015 and prior), \$662,000 for Fire Station 2 debt payments, and \$500,000 transfer to the Municipal Buildings Fund to fund facilities projects and \$300,000 to the Stormwater Fund.

CAPITAL FUND

2016 CIP Projects - Capital Fund

FO-001	Emerald Ash Borer (EAB) Eradication	261,300
S-005	Ogden Ave Sidewalks	100,000
S-006	Replacement Sidewalk Program	221,000
S-007	DBD Crosswalk & Accessibility Upgrades	175,000
S-008	Right of Way Accessibility Improvements	100,000
ST-004	Roadway Maintenance Program	3,100,000
ST-025	Street Reconstruction; Brookbank Rd, 59th to 60th St	455,000
ST-036	Roadway Resurfacing (LAFO), Finley, Butterfield to Vil-	5,000
ST-038	Roadway Resurfacing (LAFO), Dunham, 55th St to 63rd	10,000
ST-045	IDOT Bridge Compliance Improvements	100,000
ST-047	Roadway Resurfacing (LAFO), Maple, Main to Fairview	10,000
ST-052	Roadway Reconstruction, Lacey Rd North of Ogden Ave	400,000
ST-053	Roadway Reconstruction, Jay Dr & Webster, Valleyview	620,000
ST-054	Roadway Reconstruction, Grant St, Prince to Linscott	295,000
ST-055	Roadway Reconstruction, Burlington Ave, Maple to Fair-	465,000
ST-058	Roadway Reconstruction - Various Locations	400,000
TR-023	Pavement Striping Maintenance	30,000
TR-024	Neighborhood Traffic Study	25,000

Totals: 6,772,300





MAJOR BUILDINGS FUND

Accounts for all financial activity related to municipal building projects

Fund Type: Capital Fund
Fund Number: 223

Description- The Major Building Fund exists to account for planned, project-oriented maintenance activities related to the Village's facilities. The projects included in this fund help to ensure that the following facilities are maintained and serve the employees and general public that use and rely on them:

- Village Hall and Fleet Garage
- Police Station
- Four Fire Stations
- Public Works Facility
- Train Stations
- Water Pump Stations

Recent History and Trends- In 2012, the Village contracted with an experienced architecture and engineering firm to assess the condition of the Village's seven major buildings. Five of the seven were determined to be in a maintainable condition; two buildings (Village Hall and the Police Station) are in a Below Average condition and are in need of major repair and renovation.

Long-Range Plan- The 2015-2017 Long-Range Plan includes the top-priority action item: *Create a Facilities Sustainability Plan*. The process is intended to conclude in August 2016, in time for FY17 budget preparation. The process is designed to develop a long-term plan for the sustainable maintenance and operations of its facilities, with particular emphasis on the Police Station and Village Hall. The issues facing the Village are summarized below:

1. The 2012 Facility Condition Assessment identified **\$10.3 million of maintenance needs** - \$3.6 million in the Police Station and \$6.7 million at Village Hall.
2. The age and condition of both facilities have resulted in **operational deficiencies** that can interfere with efficient service delivery and effective employee/customer interaction.
3. The Village has **limited resources available** to undertake improvements to these facilities.

2016 CIP Projects - Major Buildings Fund

MB-043	Facility Improvements/Maintenance - Fire	59,000
MB-052	Facility Improvements/Maintenance - Public	72,000
MB-062	PW Parking Lot Reconstruction	450,000
MB-063	Facility Improvements/Maintenance - Fairview	20,000
MB-100	Building Project Contingency	50,000
Totals:		651,000

MAJOR BUILDINGS FUND

1		FY2014 Actual	FY2015 Budget	FY2015 Estimate	2016 Adopted	FY2017 Projection	FY2018 Projection
2	Beginning Fund Balance	587,718	566,791	566,791	929,291	728,291	742,791
3	<u>Revenue</u>						
4	Local Taxes	-	-	-	-	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	-	-	-	-	-	-
9	Grants	-	-	-	-	-	-
10	Interest & Claims	-	-	-	-	-	-
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	500,004	500,000	500,000	500,000	500,000	500,000
13	Total Revenue	500,004	500,000	500,000	500,000	500,000	500,000
14	<u>Expenses</u>						
15	Personnel	-	-	-	-	-	-
16	Supplies	-	-	-	-	-	-
17	Professional Services	29,980	150,000	30,000	50,000	-	-
18	Other Contractual Services	-	-	-	-	-	-
19	Claims, Grants, & Debt	-	-	-	-	-	-
20	Controlled Assets	226,027	326,000	82,500	201,000	305,500	96,000
21	Capital Assets	264,924	485,000	25,000	450,000	180,000	260,000
22	Other Financial Uses	-	-	-	-	-	-
23	Total Expenses	520,931	961,000	137,500	701,000	485,500	356,000
24	Net Change	(20,927)	(461,000)	362,500	(201,000)	14,500	144,000
25	Ending Fund Balance	566,791	105,791	929,291	728,291	742,791	886,791

Noteworthy Changes from FY16 and Other Explanations

- Other Financial Resources (row 12) reflects transfers from the Capital Fund.
- Professional Services (row 17) is for expenses related to new Village facilities.
- Controlled Assets (row 20) and Capital Assets (row 21) reflect expenditures for projects on Village facilities.

REAL ESTATE FUND

Fund Type: Capital Fund
Fund Number: 226

Accounts for all financial activity related to the non-operational Village owned parcels

Description- This fund tracks property management activities for all non-operational Village owned parcels including the Fairview and Main Street train stations and commercial property within the Central Business District that was purchased for redevelopment purposes.

Recent History and Trends- Revenues are from the leases at the Main Street Station.

	FY2014 Actual	FY2015 Budget	FY2015 Estimate	2016 Adopted	FY2017 Projection	FY2018 Projection	
1							
2	Beginning Fund Balance	221,303	158,580	158,580	106,568	47,823	27,123
3	Revenue						
4	Local Taxes	-	-	-	-	-	
5	License & Permit Revenues	-	-	-	-	-	
6	Intergovernmental Revenues	-	-	-	-	-	
7	Sales	-	-	-	-	-	
8	Fees, Charges & Fines	21,023	20,400	20,808	20,800	20,800	
9	Grants	-	-	-	-	-	
10	Interest & Claims	1	-	25	-	-	
11	Contributions	-	-	-	-	-	
12	Other Financial Resources	-	-	-	-	-	
13	Total Revenue	21,024	20,400	20,833	20,800	20,800	
14	Expenses						
15	Personnel	-	-	-	-	-	
16	Supplies	1,895	2,000	2,000	2,000	2,000	
17	Professional Services	2,035	3,000	1,700	3,000	3,000	
18	Other Contractual Services	23,147	28,000	16,100	19,000	19,000	
19	Claims, Grants, & Debt	3,630	7,000	-	2,500	2,500	
20	Controlled Assets	-	-	-	-	-	
21	Capital Assets	-	-	-	-	-	
22	Other Financial Uses	53,040	53,045	53,045	53,045	15,000	15,000
23	Total Expenses	83,747	93,045	72,845	79,545	41,500	41,500
24	Net Change	(62,723)	(72,645)	(52,012)	(58,745)	(20,700)	(20,700)
25	Ending Fund Balance	158,580	85,935	106,568	47,823	27,123	6,423

Noteworthy Changes from 2016 and Other Explanations

- Fees, Charges & Fines (row 8) reflects lease payments.
- Other Contractual Services (row 18) included in this line are utilities and building maintenance services.
- Other Financial Uses reflects transfers for costs from the Building Services Department.

DEBT SERVICE FUND FAIRVIEW AVE

Fund Type: Debt Service Fund
Fund Number 337

*To account for the financial activity of
the Fairview Avenue Debt Service*

Description- This fund is used to track revenues and expenditures associated with debt service payments on the \$3.0 million 1998 series General Obligation Bond Issue for the reconstruction of Fairview Avenue from 63rd Street to 75th Street. Revenues for this fund are derived from a portion of the gasoline tax levied on fuel purchased at the retail level in Downers Grove. Expenses in this fund are for principal and interest payments made on a semi-annual basis.

Recent History and Trends- These bonds were refunded in 2009 to take advantage of favorable interest rates. In FY13 the Village was upgraded to a AAA bond rating with a stable outlook. Local gasoline tax revenue is the dedicated funding source for this fund. This debt series expires in 2016.

1		FY2014 Actual	FY2015 Budget	FY2015 Estimate	2016 Adopted	FY2017 Projection	FY2018 Projection
2	Beginning Fund Balance	12,586	15,770	15,770	15,770	140,770	140,770
3	<u>Revenue</u>						
4	Local Taxes	203,184	195,000	200,000	200,000	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	-	-	-	-	-	-
9	Grants	-	-	-	-	-	-
10	Interest & Claims	-	-	-	-	-	-
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	-	-	-	-	-	-
13	Total Revenue	203,184	195,000	200,000	200,000	-	-
14	<u>Expenses</u>						
15	Personnel	-	-	-	-	-	-
16	Supplies	-	-	-	-	-	-
17	Professional Services	-	-	-	-	-	-
18	Other Contractual Services	-	-	-	-	-	-
19	Claims, Grants, & Debt	200,000	200,000	200,000	75,000	-	-
20	Controlled Assets	-	-	-	-	-	-
21	Capital Assets	-	-	-	-	-	-
22	Other Financial Uses	-	-	-	-	-	-
23	Total Expenses	200,000	200,000	200,000	75,000	-	-
24	Net Change	3,184	(5,000)	-	125,000	-	-
25	Ending Fund Balance	15,770	10,770	15,770	140,770	140,770	140,770

Noteworthy Changes from 2016 and Other Explanations

- Local Taxes (row 4) reflects the local gasoline tax. This revenue has been declining.
- Claims, Grants, & Debt (row 19) reflects the debt payments. This debt series expires in 2016.

DEBT SERVICE FUND DOWNTOWN TIF

Fund Type: Debt Service Fund
Fund Number 338

To account for the financial activity of
the Downtown TIF Debt Service

Description- The Downtown TIF Debt Service Fund is used to account for the principal and interest payments associated with all of the Village's outstanding debt series related to the improvements in the downtown TIF. The Village has sold general obligation bonds for a variety of reasons dating back to the mid-nineties for downtown improvements including the replacement of infrastructure and the construction of the parking facility.

Recent History and Trends- In FY16 revenues from this fund are derived from property tax increment from the Downtown TIF Fund and the Parking Fund. No property taxes will be levied in 2016 to pay the downtown TIF debt service payments. There has been no levy for this debt service since 2008. These series of bonds have been refunded over the past several years to take advantage of favorable interest rates. In FY13, the Village was upgraded to a AAA bond rating with a stable outlook.

1		FY2014 Actual	FY2015 Budget	FY2015 Estimate	2016 Adopted	FY2017 Projection	FY2018 Projection
2	Beginning Fund Balance	374,217	393,613	393,613	393,613	193,613	-
3	Revenue						
4	Local Taxes	-	-	-	-	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	-	-	-	-	-	-
9	Grants	-	-	-	-	-	-
10	Interest & Claims	3	-	-	-	-	-
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	3,136,842	3,269,888	3,269,888	3,207,463	3,745,488	4,187,388
13	Total Revenue	3,136,845	3,269,888	3,269,888	3,207,463	3,745,488	4,187,388
14	Expenses						
15	Personnel	-	-	-	-	-	-
16	Supplies	-	-	-	-	-	-
17	Professional Services	-	-	-	-	-	-
18	Other Contractual Services	-	-	-	-	-	-
19	Claims, Grants, & Debt	3,117,449	3,269,888	3,269,888	3,407,463	3,939,101	4,187,388
20	Controlled Assets	-	-	-	-	-	-
21	Capital Assets	-	-	-	-	-	-
22	Other Financial Uses	-	-	-	-	-	-
23	Total Expenses	3,117,449	3,269,888	3,269,888	3,407,463	3,939,101	4,187,388
24	Net Change	19,396	-	-	(200,000)	(193,613)	-
25	Ending Fund Balance	393,613	393,613	393,613	193,613	-	-

Noteworthy Changes from 2016 and Other Explanations

- Other Financial Resources (row 12) reflects transfers from the Downtown TIF Fund and the Parking Fund for TIF debt payments.
- Claims, Grants, & Debt (row 19) reflects the debt payments.

DEBT SERVICE FUND CAPITAL

Fund Type: Debt Service Fund
Fund Number 339

*To account for the financial activity of
Capital Debt Service*

Description- The Capital Debt Service Fund is used to account for the principal and interest payments associated with all of the Village's outstanding debt related to the Fire Station 2 and the roadway improvements.

Recent History and Trends- In FY12 the Village issued \$25 million in bonds for roadway improvements. In FY13, the Village was upgraded to a AAA bond rating with a stable outlook.

1		FY2014 Actual	FY2015 Budget	FY2015 Estimate	2016 Adopted	FY2017 Projection	FY2018 Projection
2	Beginning Fund Balance	-	1,289	1,289	1,289	1,289	1,289
3	Revenue						
4	Local Taxes	-	-	-	-	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	-	-	-	-	-	-
9	Grants	-	-	-	-	-	-
10	Interest & Claims	-	-	-	-	-	-
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	10,194,804	3,151,454	3,151,454	1,912,494	1,912,819	1,909,718
13	Total Revenue	10,194,804	3,151,454	3,151,454	1,912,494	1,912,819	1,909,718
14	Expenses						
15	Personnel	-	-	-	-	-	-
16	Supplies	-	-	-	-	-	-
17	Professional Services	-	-	-	-	-	-
18	Other Contractual Services	-	-	-	-	-	-
19	Claims, Grants, & Debt	3,220,977	3,151,454	3,151,454	1,912,494	1,912,819	1,909,718
20	Controlled Assets	-	-	-	-	-	-
21	Capital Assets	-	-	-	-	-	-
22	Other Financial Uses	6,972,538	-	-	-	-	-
23	Total Expenses	10,193,515	3,151,454	3,151,454	1,912,494	1,912,819	1,909,718
24	Net Change	1,289	-	-	-	-	-
25	Ending Fund Balance	1,289	1,289	1,289	1,289	1,289	1,289

Noteworthy Changes from 2016 and Other Explanations

- Other Financial Resources (row 12) reflects transfers from the Capital Fund for debt payments. FY14 includes accounting entries for the refunding of the Fire Station 2 bonds.
- Claims, Grants, & Debt (row 19) reflects the debt payments
- Other Financial Uses (row 22) shows the accounting entries for the refunding of the Fire Station 2 bonds in 2014.

DEBT SERVICE SUMMARY

	Series 2008B	Series 2009	Series 2010A	Series 2010B	Series 2013A	Subtotal TIF	Series 2009	Series 2007
Type	G.O.	G.O.	G.O.	G.O.	G.O.		G.O.	G.O.
Auth. Issue	3,900,000	9,030,000(a)	5,805,000	5,150,000	8,360,000		(a)	9,250,000
Outstanding Principal	2,160,000	3,750,000	5,145,000	4,570,000	7,185,000	22,810,000	75,000	420,000
Purpose	Refund '99, '00, '03 Bonds	Refund 2003 Bonds	Refund '00, '01 Bonds	Refund 2002 Bonds	Refund 2005 Bonds		Fairview Ave. Improvements	Construct Fire Station #2
Funding Source	TIF Increment (Prop. Taxes)		\$.015/gallon Gasoline Tax	Capital Proj. Fund Revenues				
Remaining Debt Service Payments (Principal & Interest):								
FY 2016	108,000	959,263	385,550	416,800	1,537,850	3,407,463	75,000	431,550
FY 2017	108,000	1,033,026	434,925	741,600	1,621,550	3,939,101	-	-
FY 2018	108,000	1,028,388	413,200	840,900	1,796,900	4,187,388	-	-
FY 2019	108,000	1,025,100	538,000	949,900	1,817,563	4,438,563	-	-
FY 2020	1,136,624	-	1,710,400	1,058,200	825,187	4,730,411	-	-
FY 2021	1,132,624	-	2,757,250	1,234,200	-	5,124,074	-	-
Totals	2,701,248	4,045,777	6,239,325	5,241,600	7,599,050	25,827,000	75,000	431,550

	Series 2008A	Series 2012A	Series 2012B	Series 2014A	Series 2014B	Series 2015A	Series 2015B	Total
Type	G.O.	G.O.	G.O.	G.O.	G.O.	G.O.	G.O.	
Auth. Issue	25,000,000	10,000,000	25,000,000	6,725,000	2,935,000	5,000,000	4,535,000	
Outstanding Principal	8,730,000	8,765,000	19,420,000	6,690,000	2,920,000	5,000,000	4,535,000	79,365,000
Purpose	Stormwater Improvements	Water System Maintenance	Road Improvements	Refund Portion Series '07 Bonds	Series '08A Bonds	Water Improvements	Refund Portion Series '08A Bonds	
Funding Source	Stormwater Utility	Water Fund Revenues	Capital Proj. Fund Revenues	Capital Proj. Fund Revenues	Stormwater Utility Revenues	Water Fund Revenues	Stormwater Utility Revenues	
Remaining Debt Service Payments (Principal & Interest):								
FY 2016	801,800	671,400	1,250,869	230,075	117,200	410,441	252,375	7,648,173
FY 2017	801,100	674,175	1,247,944	664,875	116,700	340,100	173,750	7,957,745
FY 2018	799,800	671,575	1,249,494	660,225	121,150	336,100	173,350	8,199,082
FY 2019	795,750	673,600	1,245,519	665,375	120,550	337,050	172,950	8,449,357
FY 2020	798,625	670,250	1,246,019	662,725	119,800	337,900	172,550	8,738,280
FY 2021	795,375	671,525	1,245,919	652,350	118,900	338,650	172,150	9,118,943
FY 2022	796,000	672,350	1,245,218	661,525	118,000	339,300	176,700	4,009,093
FY 2023	795,375	672,725	1,243,918	665,025	117,100	338,725	176,075	4,008,943
FY 2024-2028	1,712,500	3,353,937	6,224,593	3,315,188	2,864,050	1,681,850	869,063	20,021,181
FY 2029-2033	1,148,750	2,666,638	6,202,628	-	102,000	1,666,063	4,251,412	16,037,491
FY 2034-2038	5,232,625	-	6,177,400	-	-	667,837	366,300	12,444,162
Totals	14,477,700	11,398,175	28,579,521	8,177,363	3,915,450	6,794,016	6,956,675	106,632,450

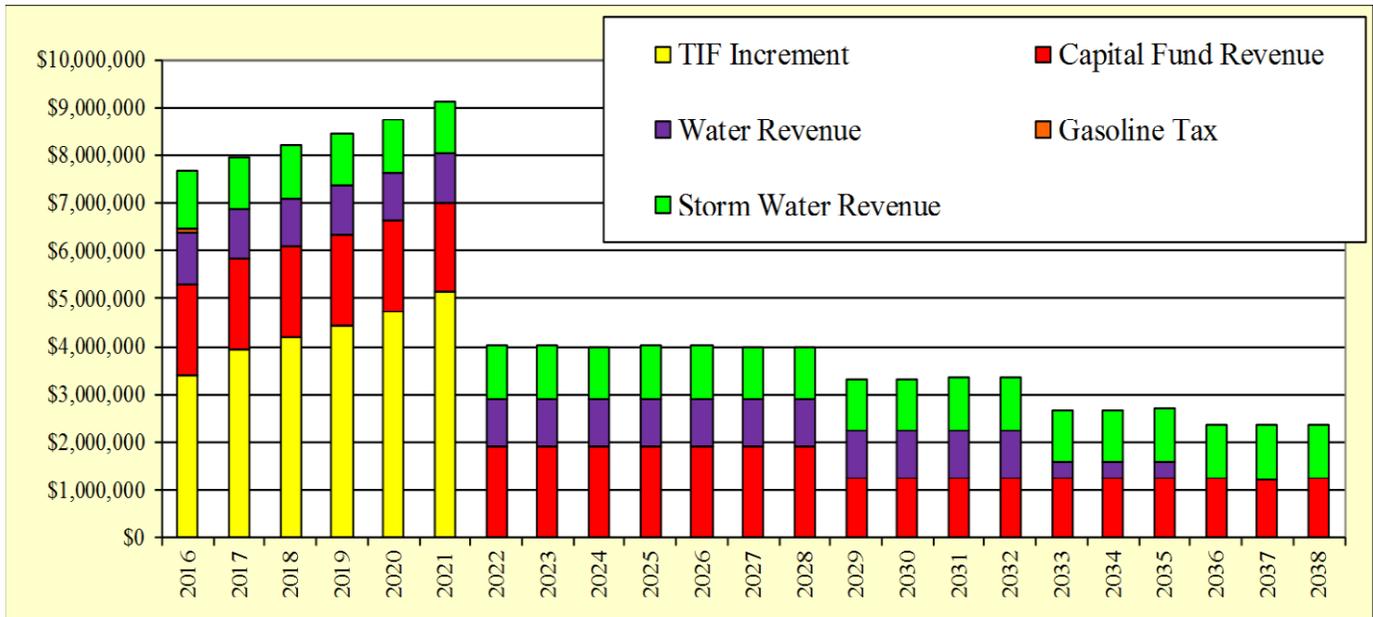
(a) These two bond issuances were refinanced together in 2009.

DEBT SERVICE PAYMENTS

Future debt service payments are summarized below by Governmental and Business-type Activities.

	Governmental Activities		Business-type Activities		Total
	Principal	Interest	Principal	Interest	
2016	\$ 3,740,000	\$ 1,654,957	\$ 1,110,000	\$ 1,143,216	\$ 7,648,173
2017	\$ 4,320,000	\$ 1,531,920	\$ 1,060,000	\$ 1,045,825	\$ 7,957,745
2018	\$ 4,700,000	\$ 1,397,107	\$ 1,090,000	\$ 1,011,975	\$ 8,199,082
2019	\$ 5,100,000	\$ 1,249,457	\$ 1,125,000	\$ 974,900	\$ 8,449,357
2020	\$ 5,575,000	\$ 1,064,155	\$ 1,165,000	\$ 934,125	\$ 8,738,280
2021	\$ 6,200,000	\$ 822,343	\$ 1,205,000	\$ 891,600	\$ 9,118,943
2022	\$ 1,240,000	\$ 666,743	\$ 1,255,000	\$ 847,350	\$ 4,009,093
2023	\$ 1,280,000	\$ 628,943	\$ 1,300,000	\$ 800,000	\$ 4,008,943
2024-2028	\$ 7,015,000	\$ 2,524,781	\$ 7,190,000	\$ 3,291,400	\$ 20,021,181
2029-2033	\$ 4,645,000	\$ 1,557,628	\$ 7,850,000	\$ 1,984,863	\$ 16,037,491
2034-2038	\$ 5,600,000	\$ 577,400	\$ 5,600,000	\$ 666,762	\$ 12,444,162
	\$ 49,415,000	\$ 13,675,434	\$ 29,950,000	\$ 13,592,016	\$ 106,632,450

Debt Service Future Payments By Source



STORMWATER FUND

Fund Type: Enterprise Fund
Fund Number: 443

To account for revenues and expenses associated with operating the Village's stormwater system

Description- The Stormwater Fund accounts for all stormwater-related revenues and expenses including the maintenance of stormwater infrastructure and personnel expenses.

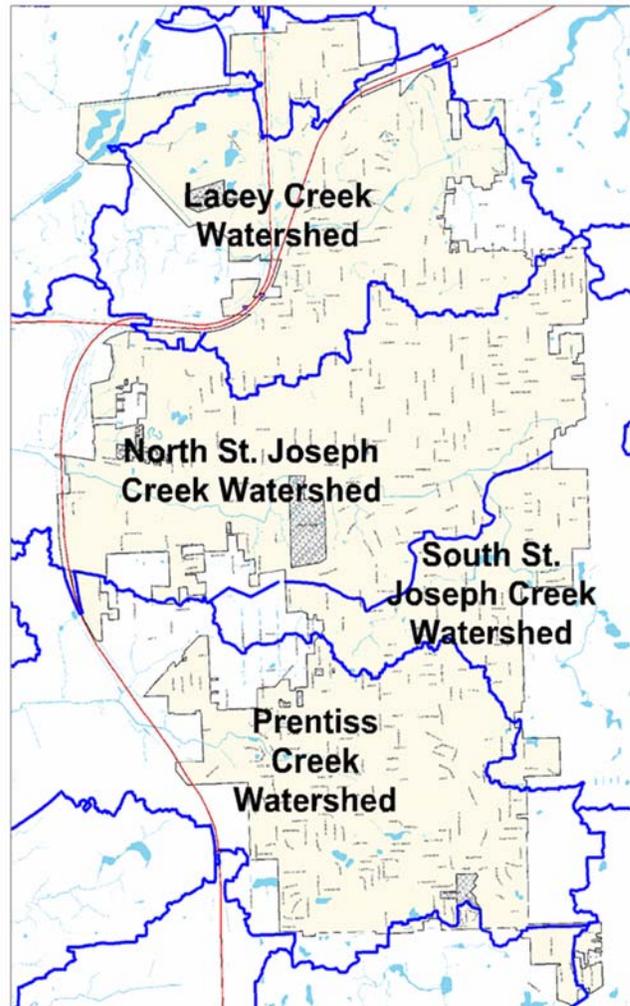
As an Enterprise Fund, the Stormwater Fund is supported solely through fees. Revenues are generated through utility bills. Revenues generated by the fee will be used for the maintenance and operating costs of the stormwater infrastructure system which consists of:

- Approximately 7,000 drainage structures
- 315 stormwater detention facilities
- 130 miles of storm sewer pipes
- 12 miles of streams
- 140 miles of roadway ditches
- 47,000 feet of culverts

Recent History and Trends- The Stormwater Fund was created in 2008 as a Capital Fund to address stormwater infrastructure needs. \$25 million was issued for Stormwater bonds in 2008 to pay for Stormwater Capital Projects. Revenues for this debt issuance were funded from Property Taxes and Home Rule Sales Tax. Between 2008 and 2013, the Village completed 26 stormwater management infrastructure projects at a cost of more than \$20.3 million. These projects included storm sewer rehabilitation and replacement, as well as new stormwater detention projects.

In 2012, the Village worked with a consultant, the Municipal and Financial Services Group, to create a plan for the implementation of the stormwater utility. The plan called for a stormwater fee that would cover the cost of future capital projects, debt service related to those projects, and operations and maintenance costs.

In 2013, the fund was converted into an Enterprise Fund when the Village created the stormwater utility. The stormwater utility is an equitable method of collecting revenue that assesses a fee to each property owner based on the property's impact to the stormwater system, measured by the impermeable surface on the property. The stormwater utility also provides credits and incentives to reduce the cost of the stormwater fee for property owners who take actions to reduce runoff from their property.



FY16 Budget Considerations-

Per the 2015-2017 Long-Range Plan, the FY16 Adopted budget includes a flat stormwater utility fee, and a transfer of \$300,000 from the Capital Fund in lieu of the previously planned increase of 8.7% while the Council discusses the structure of the stormwater utility. The \$300,000 is necessary to continue with the capital improvements and ongoing maintenance required for sustainability of the stormwater system.

STORMWATER FUND

	FY2014 Actual	FY2015 Budget	FY2015 Estimate	2016 Adopted	FY2017 Projection	FY2018 Projection
1						
2	Beginning Cash Balance	7,634,986	8,274,409	8,274,409	6,900,974	2,348,473
3	Revenue					
4	Local Taxes	-	-	-	-	-
5	License & Permit Revenues	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	135,000	-
7	Sales	-	-	-	-	-
8	Fees, Charges & Fines	3,701,939	3,652,290	3,646,939	3,644,739	4,295,387
9	Grants	720	825,000	584,967	225,000	-
10	Interest & Claims	34,365	2,500	25,000	20,000	10,000
11	Contributions	151,156	105,000	105,000	108,150	111,395
12	Other Financial Resources	-	-	4,771,858	300,000	-
13	Total Revenue	3,888,180	4,584,790	9,133,764	4,432,889	4,416,782
14	Expenses					
15	Personnel	749,145	903,375	851,810	935,662	963,731
16	Supplies	48,608	68,895	68,929	68,595	68,595
17	Professional Services	63,983	137,035	105,190	218,075	95,165
18	Other Contractual Services	175,109	376,273	277,687	303,030	376,863
19	Claims, Grants, & Debt	1,140,648	1,554,287	1,554,287	1,669,646	1,599,310
20	Controlled Assets	220,200	846,000	785,000	1,317,000	486,500
21	Capital Assets	232,270	3,742,000	2,092,438	2,975,000	2,325,000
22	Other Financial Uses	36,936	-	4,771,858	-	-
23	Total Expenses	2,666,899	7,627,865	10,507,199	7,487,008	5,915,164
24	Net Change		(3,043,075)	(1,373,435)	(3,054,119)	(1,498,382)
25	Ending Cash Balance	8,274,409	5,231,334	6,900,974	3,846,855	2,348,473
						10,466,651

Noteworthy Changes from FY16 and Other Explanations

- Inter-governmental Revenues (row 6) include a grant from DuPage County for SW-073 Downtown Water Quality Improvements.
- Fees, Charges & Fines (row 8) include gross stormwater fees of \$3.66 million and credits/incentives of \$50,000 in 2016.
- Grants (row 9) is for capital project SW-081 Stormwater Land Acquisitions.
- Contributions (row 11) are Developer Contributions for Site Run-off.
- Other Financial Resources (row 12) in 2015 reflects the accounting entries required for the refunding of the stormwater bonds, and the \$300,000 in 2016 is for the transfer from the Capital Fund to continue stormwater projects while Council discusses the structure of the stormwater utility.
- Personnel (row 15): There are 10.5 employees in this fund- 4 Maintenance Worker I, 2 Maintenance Worker II, 1 Stormwater Administrator, 1 Staff Engineer I, 2 Staff Engineer II, and 1/2 GIS Technician.
- Supplies (row 16) includes costs of drainage inlets, drainage structures, backfill material, pipes, restoration material.
- Professional Services (row 17) is primarily for engineering services.
- Other Contractual Services (row 18) includes roadway ditch cleaning, street sweeping, catch basin restoration and hauling. These maintenance activities are being increased according to the Stormwater Master Plan.
- Claims, Grants & Debt (row 19) includes \$1.1 million for stormwater debt plus transfers for fleet maintenance and equipment.
- Controlled Assets (row 20) and Capital Assets (row 21) are primarily for capital projects in the CIP.
- Other Financial Uses (row 22) 2015 reflects the accounting entries required for the refunding of the stormwater bonds.

STORMWATER FUND

2016 CIP Projects - Stormwater Fund

DR-022	Streambank Improvements, St Joseph Creek, South	80,000
DR-024	Streambank Improvements, St Joseph Creek, Main	100,000
DR-035	Valley View Pond Improvements	25,000
DR-037	Existing Drain Tile Investigation	25,000
DR-039	Prentiss Creek (Sub E), Kensington Place Online Stor-	5,000
DR-040	Watershed Improvements, Lacey Creek, Sub G	1,027,000
DR-041	Assessment of 11' Pipe through DBD	85,000
MB-062	PW Parking Lot Reconstruction	50,000
SW-051	Neighborhood Drainage Improvements Cost-Share	50,000
SW-053	Drainage Improvements, Clyde Estates	105,000
SW-067	Headwall Replacement, Gilbert and Brookbank	60,000
SW-067	Lacey Creek (Sub G) - 35th St. between Saratoga and	5,000
SW-069	Green Streets/Sustainable Storm Water Program	65,000
SW-070	Storm Sewer Replacement, Annual Element	500,000
SW-073	Downtown Water Quality Improvements	150,000
SW-080	Identified Future Drainage and Floodplain Improve-	1,650,000
SW-081	Storm Water Related Land Acquisitions	390,000
Totals:		4,372,000



Lacey Creek Streambank Restoration



Before



After

PARKING FUND

Fund Type: Enterprise Fund
Fund Number: 471

To account for revenues and expenses associated with maintaining the parking deck and all on/off-street parking facilities

Description- The Parking Fund accounts for all parking-related revenues and expenses including parking enforcement, utilities for the parking deck, maintenance costs and infrastructure.

As an Enterprise Fund, the Parking Fund is supported through fees for parking and parking tickets. The Main Street, Belmont Road and Fairview train stations provide Metra rail service from Aurora to Chicago. Parking is available at all three stations through a combination of permits, daily parking and parking meters.

Recent History and Trends - In 2011 a Parking Study was undertaken to provide a comprehensive review of current and future parking needs in the downtown. The Village has begun implementing recommendations from this study and will continue to do so after review of specific items by the Transportation and Parking Commission (TAP) and approval by the Village Council.

In 2011 the Village purchased a License Plate Recognition System which integrates vehicle-mounted cameras with software on an in-vehicle laptop computer to digitally process images of license plates on parked vehicles. This allows the officer to quickly identify vehicles that are parked in violation of regulations and enable more checks per day for more effective and efficient enforcement efforts. It has also resulted in the reduction of two Parking Enforcement Officers. The Village also implemented a pay-by-phone option for daily parking that allows customers to bypass the pay stations and pay for their parking space by phone or via their mobile device.

In 2013 the Village increased parking fees at all commuter lots effective July 2013. The Village also purchased two additional pay units to increase customer service. One unit was placed in the Downtown Parking Deck and the other at the Belmont train station. In 2013 the Village changed pay-by-phone vendors to increase the level of customer service commuters received.



PARKING FUND

	FY2014 Actual	FY2015 Budget	FY2015 Estimate	2016 Adopted	FY2017 Projection	FY2018 Projection	
1							
2	Beginning Cash Balance	1,306,867	1,466,726	1,466,726	1,195,016	576,768	590,110
3	<u>Revenue</u>						
4	Local Taxes	-	-	-	-	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	46,875	-	-	-	-	-
7	Sales	1,358,231	1,321,000	1,361,250	1,372,000	1,372,000	1,372,000
8	Fees, Charges & Fines	111,145	120,000	155,196	165,000	165,000	165,000
9	Grants	-	880,000	903,311	-	-	-
10	Interest & Claims	5	-	-	-	-	-
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	-	-	-	-	-	-
13	Total Revenue	1,516,256	2,321,000	2,419,757	1,537,000	1,537,000	1,537,000
14	<u>Expenses</u>						
15	Personnel	172,382	175,990	168,833	181,613	187,062	192,672
16	Supplies	4,315	18,588	18,588	12,588	12,588	12,588
17	Professional Services	86,973	83,884	92,964	92,440	95,920	95,920
18	Other Contractual Services	99,157	145,680	139,790	134,166	134,750	135,340
19	Claims, Grants, & Debt	18,108	31,590	31,590	28,454	29,062	29,687
20	Controlled Assets	108,857	164,000	-	463,000	205,000	200,000
21	Capital Assets	28,013	1,500,000	1,396,715	400,000	-	-
22	Other Financial Uses	827,172	842,987	842,987	842,987	859,276	876,055
23	Total Expenses	1,344,977	2,962,719	2,691,467	2,155,248	1,523,658	1,542,262
24	Net Change		(641,719)	(271,710)	(618,248)	13,342	(5,262)
25	Ending Cash Balance	1,466,726	825,007	1,195,016	576,768	590,110	584,848

Noteworthy Changes from 2016 and Other Explanations

- Sales (row 7) reflects parking fees. A fee increase is proposed on commuter parking mid year.
- Fees, Charges & Fines (row 8) reflects revenues from parking fines.
- Grants (row 9) in 2015 reflects funds for Parking Lot Improvement, Lot H (P-005) in 2015.
- Personnel (row 15): There are 2.5 employees in this fund, 1 CSO I, and 1.5 CSO II.
- Professional Services (row 17) primarily includes charges for phone lines and credit card processing fees.
- Other Contractual Services (row 18) includes utilities in the Parking Deck, plus maintenance services (security cameras, pay stations, parking fare terminals, deck).
- Claims, Grants, & Debt (row 19) includes transfers for fleet, equipment, and risk.
- Controlled Assets (row 20) and Capital Assets (row 21) is primarily for capital projects in the CIP.
- Other Financial Uses (row 22) includes a transfer for debt service of \$300,000 for the Parking Deck and Administrative Transfers.

2016 CIP Projects - Parking Fund

P-010	Parking Lot Improvements, Annual Element	50,000
P-013	Parking Deck Maintenance	350,000
P-017	Forest North Lot Reconstruction	400,000
P-018	Electric Vehicle Charging Stations	12,000
	Totals:	812,000

WATER FUND

A fund to account for all revenues and expenses associated with delivering water to customers

Fund Type: Enterprise

Fund Number: 481

Description- The Water Fund accounts for all water-related revenues and expenses including the purchase of water, maintenance of water distribution infrastructure and personnel expenses. As an Enterprise Fund, the Water Fund is supported solely through fees for water sales and services. Revenues are generated through bi-monthly utility bills. The Village purchases water from the DuPage Water Commission (DWC), an independent unit of government responsible for providing Lake Michigan water to municipalities and other customers in DuPage County. The Village, along with 23 other municipalities, entered into a wholesale water purchase agreement with the Water Commission in 1986.

Recent History and Trends- In 2010 the Village conducted a water rate study with the assistance of the consultant Municipal & Financial Services Group. Through the study, the Village determined that water rates as of 2010 were not generating adequate revenues to cover the costs of operating and maintaining the water system in 2011 or during subsequent years. The study concluded that the Village should restructure the water rates to include a fixed-rate fee based on meter size, increase water rates over a five-year period, make needed improvements to the water system, and issue bonds at regular intervals to pay for water system improvements.

The Village changed the water billing structure in 2011 and increased rates in subsequent years. In 2012, the Village issued \$10 million in bonds to construct replacement watermains throughout the system. The debt service payments on the bonds are funded by the revenue from water rates. The Village replaced watermains on Washington Street, Wisconsin Avenue, in the Esterbrook and Knottingham Subdivisions and in other areas throughout the Village.

Long-Range Plan- Issues and strategies were identified by the Village Council in the 2012 Long-Range Financial Plan.

Issues identified:

- Water rates as of 2010 were not generating adequate revenues to cover the costs of operating and maintaining the water system. In 2010 the Village Council approved a Water Rate Study Report which included the actions and strategies below.

Actions taken:

- The Village adopted a new water rate structure in 2011 that increased rates and added a fixed meter charge
- Continued to complete necessary capital improvements and on-going maintenance

Strategies identified:

- Continue water rate increases– For FY16 the plan for the Village’s water utility calls for a 6% increase in water rates to cover the cost water rate increases from the DWC and costs for maintenance of the water system. The fixed meter charge will also be increased at 6%.

2016 CIP Projects - Water Fund		
WP-003	Summit St. Tank Rehabilitation	30,000
WP-006	Storage Building Rehabilitation, Maple Tower	50,000
WP-008	Water System Security Enhancements	250,000
WP-010	Water Facility Maintenance, Annual Element	100,000
WP-011	Existing Well Rehab	50,000
WA-006	Watermain Replacement, Maple Ave & 55th Street	700,000
WA-028	Watermain Replacement, Annual Element	2,700,000
WA-037	AMR MTU Replacement	250,000
	Totals:	4,130,000

1		FY2014 Actual	FY2015 Budget	FY2015 Estimate	2016 Adopted	FY2017 Projection	FY2018 Projection
2	Beginning Cash Balance	10,955,827	5,857,537	5,857,537	7,446,142	7,135,518	6,995,334
3	Revenue						
4	Local Taxes	-	-	-	-	-	-
5	License & Permit Revenues	1,032	1,000	630	1,000	1,000	1,000
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	13,517,060	15,029,483	14,666,851	15,151,443	15,828,788	16,463,517
8	Fees, Charges & Fines	268,422	160,500	175,289	175,500	175,500	175,500
9	Grants	-	-	-	-	-	-
10	Interest & Claims	23,034	10,000	26,000	10,000	10,000	10,000
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	-	10,000,000	5,169,699	3,000,000	3,000,000	3,000,000
13	Total Revenue	13,809,548	25,200,983	20,038,469	18,337,943	19,015,288	19,650,017
14	Expenses						
15	Personnel	1,453,039	1,523,604	1,487,500	1,594,503	1,642,340	1,691,610
16	Supplies	7,873,955	9,332,822	8,949,375	9,224,508	9,492,644	9,768,845
17	Professional Services	168,457	237,291	262,263	296,083	246,083	247,083
18	Other Contractual Services	464,501	610,372	518,835	606,990	591,990	591,990
19	Claims, Grants, & Debt	594,932	903,759	903,759	1,655,327	1,807,069	2,020,056
20	Controlled Assets	24,371	524,500	90,201	421,500	1,121,500	1,121,500
21	Capital Assets	1,148,204	5,105,000	5,098,275	3,680,000	3,050,000	2,900,000
22	Other Financial Uses	1,106,460	1,139,656	1,139,656	1,169,656	1,203,846	1,239,061
23	Total Expenses	12,833,919	19,377,004	18,449,864	18,648,567	19,155,472	19,580,145
24	Net Change		5,823,979	1,588,605	(310,624)	(140,184)	69,872
25	Ending Cash Balance	5,857,537	11,681,516	7,446,142	7,135,518	6,995,334	7,065,206

MAJOR CHANGES FROM FY16 AND OTHER NOTES

- Sales (row 7) is from the sale of water.
- Fees Charges & fines (row 8) is from commercial water permit activity.
- Other Financial Resources (row 12) is the anticipated IEPA loan of \$3.0 million per year from 2016-2018.
- Personnel (row 15): There are 14.75 employees in this fund 1 Water Billing Specialist, 3/4 Admin Secretary II, 1/4 Finance Manager, 1/4 GIS Specialist, 6 Maintenance Worker I, 2 Maintenance Worker II, 1 Manager, 1 PW Technician, 1/2 Staff Engineer, 1 Water Supply Specialist, 1/2 Data Technician, 1/2 FTE Seasonal employees.
- Supplies (row 16): The purchase of water from the DWC is in this account.
- Professional Services (row 17) includes water tower inspections, backflow/cross connections control, water samples and leak detection.
- Other Contractual Services (row 18) includes large meter testing, water valve assessment, hydrant inspection and painting, and street/parkway restoration.
- Claims, Grant, & Debt (row 19) reflects debt payments, plus transfers for costs for fleet maintenance, equipment, and risk.
- Controlled Assets (row 20) and Capital Assets (row 21) are primarily for capital projects in the CIP.
- Other Financial Uses (row 22) is for Administrative Transfers.

EQUIPMENT REPLACEMENT

Fund Type: Internal Service Fund
Fund Number: 530

Provides a systematic method of replacing equipment and leveling the costs of replacing such equipment

Description- This fund provides a dedicated funding source for equipment that is replaced on a routine basis. It allows for items to be replaced when they need to be versus when funds are available. Village departments “pre-fund” for equipment purchases by making payments to this fund for equipment that they use. This fund is used to purchase vehicles, computer equipment and fire equipment.

Each year, the schedule of equipment to be replaced is assessed to determine if an item should be replaced or deferred to a future year. Vehicles and equipment budgeted to be purchased in FY 2016 total \$2,869,625. this amount includes the deferral of purchases from the 2015 budget. The Village held positions open in 2015 and deferred the purchase of vehicles due to the potential of a decrease in the Village’s share of State Income Tax as outlined in the Governor’s Budget Message .

Recent History and Trends- The Village identified strategies to maximize the impact of equipment replacement. The Village has identified operating efficiencies and continues to improve by replacing equipment at the optimum point in its lifecycle to avoid unplanned down time of equipment that is being repaired and prevent maintenance costs from increasing due to labor and replacement parts.

The Village currently owns 33 Compressed Natural Gas (CNG) vehicles including two 5-ton snow plows, two 1-ton snow plows and 10 bi-fuel Chevy Tahoes. The CNG vehicles in the fleet have a longer useful life than vehicles that run on diesel and unleaded fuel, since they run cleaner and more efficiently. This also results in savings on maintenance.

The Village also implemented server virtualization in 2011. Server virtualization reduced the total number of servers from 28 to 12 and allowed the Village to operate more efficiently with fewer replacements and lower maintenance costs over time. It also allowed for a better environment for Disaster Recovery.

Moving forward, the Village will continue to purchase CNG and other alternative fuel vehicles, monitor trends in computer hardware to find other opportunities for cost savings, and explore new avenues to increase efficiencies.

EQUIPMENT REPLACEMENT

1		FY2014 Actual	FY2015 Budget	FY2015 Estimate	2016 Adopted	FY2017 Projection	FY2018 Projection
2	Beginning Cash Balance	1,285,823	1,772,308	1,772,308	2,861,503	1,374,817	1,126,272
3	<u>Revenue</u>						
4	Local Taxes	-	-	-	-	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	1,280,484	1,262,976	1,262,976	1,353,739	1,453,205	1,505,145
9	Grants	4,630	-	-	-	-	-
10	Interest & Claims	10	-	-	200	200	-
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	3,557	25,000	-	29,000	29,000	29,000
13	Total Revenue	1,288,681	1,287,976	1,262,976	1,382,939	1,482,405	1,534,145
14	<u>Expenses</u>						
15	Personnel	-	-	-	-	-	-
16	Supplies	-	-	-	-	-	-
17	Professional Services	-	-	-	-	-	-
18	Other Contractual Services	-	-	-	-	-	-
19	Claims, Grants, & Debt	-	-	-	-	-	-
20	Controlled Assets	399,513	84,220	33,540	548,465	215,950	630,960
21	Capital Assets	792,201	1,737,000	140,241	2,321,160	1,515,000	1,375,000
22	Other Financial Uses	-	-	-	-	-	-
23	Total Expenses	1,191,714	1,821,220	173,781	2,869,625	1,730,950	2,005,960
24	Net Change		(533,244)	1,089,195	(1,486,686)	(248,545)	(471,815)
25	Ending Cash Balance	1,772,308	1,239,064	2,861,503	1,374,817	1,126,272	654,457

Noteworthy Changes from 2016 and Other Explanations

- Fees, Charges & Fines (row 8) reflects charges to Village departments for their costs of equipment.
- Other Financial Resources (row 12) reflects the proceeds on disposal of equipment.
- Controlled Assets (row 20) and Capital Assets (row 21) reflects the equipment purchases as detailed on the next page.

EQUIPMENT REPLACEMENT

Cost Center	Unit #	Description	Expected Life-New	Budget
<u>Vehicles</u>				
Public Works	205	2002 Freightliner 10 Ton Dump	14	\$200,000
Public Works	206	2002 Freightliner 10 Ton Dump	14	\$200,000
Public Works	294	2000 International 4900 5 Ton Dump	16	\$150,000
Public Works	100	2006 Chevy Express Cargo Van	10	\$45,000
Public Works	101	2006 Chevy Express Cargo Van	10	\$45,000
Police	815	2007 Chevy Impala	9	\$30,000
Police	836	2011 Crown Victoria Sedan	5	\$41,000
Police	842	2010 Crown Victoria Sedan	5	\$41,000
Police	846	2010 Crown Victoria Sedan	5	\$41,000
Police	848	2011 Chevy Tahoe 4x4	5	\$41,000
Fire	920/925	2002 Rescue Squad/2005 Pierce Enforcer Engine	11	\$700,000
Fire	928	2006 Ford Expedition	10	\$40,000
Fire	938	2010 International ambulance	6	\$250,000
Fire	939	2010 International ambulance	6	\$250,000
Subtotal				\$2,074,000
<u>Technology</u>				
Various		CAD 1 & 2	5	\$50,000
Various		Backup Storage	5	\$65,000
Various		Email Archiving	5	\$25,000
Various		Windows Server Upgrade	5	\$25,000
Various		GPS Unit	5	\$20,000
Various		Attendant Console	5	\$7,500
Subtotal				\$192,500
<u>Other</u>				
Fire		SCBA	10	\$450,000
Fire		Turnout Gear	5	\$45,465
Fire		Rescue Tools	5	\$25,500
Fire		Power Cots	10	\$37,440
Fire		Power Loading System	10	\$44,720
Subtotal				\$603,125
TOTAL EQUIPMENT REPLACEMENT FUND EXPENSES				\$2,869,625



FLEET SERVICES FUND

Accounts for the costs of maintaining and operating the Village's fleet

Fund Type: Internal Service Fund

Fund Number: 531

Description- The Village provides services that require the use of vehicles and equipment. From fire and police to watermain repairs, services cannot be provided without a well-maintained and efficient fleet. To ensure this occurs, Public Works operates a garage for vehicle and equipment maintenance and repair. The Public Works facility also has a fueling station with pumps for Bio-Diesel, E-85, unleaded gas, and Compressed Natural Gas (CNG).

The Village has a fleet of 185 vehicles and equipment. There are 7 employees in this fund (6.85 FTEs), a Fleet Services Manager, 5 Fleet Maintenance Technicians, and costs for an Administrative Secretary.

The primary revenue to this fund is from charges to Village departments for maintenance performed on their vehicles and equipment. The revenue budget is based on anticipated service requirements based on historical analysis.

Recent History and Trends- Past long-range planning processes identified several strategies for the Fleet Services fund.

Strategies identified:

- Increase Operating Efficiencies
- Continuous Improvement
- Culture of Lean
- Increase Use of Technology
- Capture Economy of Scale
- Enhance Revenues
- Reduce Net Operating Expenses

Fleet Operations staff have been proactive in developing and implementing innovative ideas aimed at maintaining and improving the fleet. Recently implemented ideas include nitrogen tire fills for all Village vehicles for improved gas mileage and longer life of tires, installing interior cab warming devices in snowplows to avoid idling in cold weather, installing a higher-capacity CNG station at Public Works to increase Village capacity for additional CNG vehicles, and heating of fleet operations with used motor oil. The Village has also installed solar heating panels on the side of the fleet facility, continued purchasing fuel-efficient vehicles as older vehicles are replaced, including the first 5-ton CNG snowplow in the Midwest, and entered into intergovernmental agreements with SEASPAR, Park District, and District 58 for fleet maintenance.

The Village's conversion to CNG and other alternative fuels has reduced costs. In addition, the Village has experienced a reduction in fuel usage since installation of DriveCam technology, a driver safety program, in all non-emergency vehicles. In 2014, the Village used 176,000 gallons of fuel, a 21% reduction from 2007.

In FY15, the Village will outsource its fleet parts management and inventory program to the NAPA vendor-managed inventory program. This is anticipated to save \$50,000 per year over the next three years.

FLEET SERVICES FUND

1		FY2014 Actual	FY2015 Budget	FY2015 Estimate	2016 Adopted	FY2017 Projection	FY2018 Projection
2	Beginning Cash Balance	366,900	379,232	379,232	513,442	403,002	427,462
3	<u>Revenue</u>						
4	Local Taxes	-	-	-	-	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	132,572	167,300	92,000	92,000	92,000	92,000
8	Fees, Charges & Fines	1,703,454	1,749,679	1,738,679	1,637,008	1,789,697	1,842,932
9	Grants	-	-	-	-	-	-
10	Interest & Claims	-	-	-	-	-	-
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	-	-	-	-	-	-
13	Total Revenue	1,836,026	1,916,979	1,830,679	1,729,008	1,881,697	1,934,932
14	<u>Expenses</u>						
15	Personnel	669,814	720,263	772,297	751,535	765,429	788,392
16	Supplies	756,881	847,779	632,385	689,941	680,941	680,941
17	Professional Services	11,600	11,645	9,101	27,645	36,645	36,645
18	Other Contractual Services	164,303	117,001	111,600	206,126	206,126	206,126
19	Claims, Grants, & Debt	108,301	38,760	38,760	36,375	36,766	37,169
20	Controlled Assets	15,385	7,500	15,500	11,000	11,000	11,000
21	Capital Assets	39,451	-	-	-	-	-
22	Other Financial Uses	113,424	116,826	116,826	116,826	120,330	123,940
23	Total Expenses	1,879,159	1,859,774	1,696,469	1,839,448	1,857,237	1,884,213
24	Net Change		57,205	134,210	(110,440)	24,460	50,719
25	Ending Cash Balance	379,232	436,437	513,442	403,002	427,462	478,181

Noteworthy Changes from 2016 and Other Explanations

The 2015 budget experienced a favorable variance for fuel costs, due to lower prices for this commodity in 2015.

- Sales (row 7) reflects monies received from other government agencies for the joint purchasing of fuel. This number was lower than budgeted due to lower fuel costs.
- Fees, Charges & Fines (row 8) reflects charges to Village departments for their costs of vehicle maintenance and the fees charged to SEASPAR, District 58 and the Park District for the maintenance of their fleets. 2015 savings were passed along to Village departments in the 2016 Budget.
- Personnel Costs (row 15) 1 Fleet Manager, 5 Fleet Maintenance Technicians, and .25 Administrative Secretary II. The Shop Assistant was eliminated from the budget as a result of the vendor managed inventory contract.
- Supplies (row 16): Included in this line item is the cost of fuel.
- Professional Services (row 17) in 2016 includes a management fee for the vendor managed inventory contract.
- Other Contractual Services (row 18) includes costs for outside labor for vehicle repair, and in 2016 operational costs for the vendor managed inventory contract.
- Claims, Grants, & Debt (row 19) includes workers compensation costs.

RISK MANAGEMENT FUND

Fund Type: Internal Service Fund
Fund Number: 562

Accounts for all financial activity related to the Village's Risk Management program

Description– The Risk Management Fund accounts for financial activity related to the Village's workers' compensation and liability insurance program, management of all Village liability claims, and employee safety training programs.

The Village is self-insured for health insurance and risk. This means that it pays for claims (healthcare costs, workers compensation claims and other liabilities) on a cash basis, rather than by paying premiums to an insurance company. The Village sets aside money each year to pay for claims.

Recent History and Trends– The Village has taken steps to enhance employee safety and training while simultaneously reducing the cost of claims. These actions include:

- The creation of a risk-reduction program as a strategy for reducing personnel expenses
- Hired a full-time risk manager in 2011
- Reduced legal costs by using the Staff Attorney for workers' compensation claims
- Selected a new third-party claims administrator in 2011
- Selected a new broker and risk consultant in 2012
- Conducted a loss-control audit of Village departments
- Created an employee safety committee
- Implemented a supervisor safety training course
- Developed Village-wide risk management plan
- Brought Property and Casualty insurance program into concurrence with the Village's fiscal year calendar
- Established the Internal Risk Management Strategy team
- Trained all Village employees in the risk reduction strategy and concepts of workers compensation

As a result of the increased commitment to safety, the Village reduced its work-related injuries from a high of 53 in FY11 to a projected 20 in FY15.

Long Range Plan– In 2014, the Village addressed a cash deficit in the Risk Fund by transferring \$1.9 million of General Fund fund balance to the Risk Fund. This ensured that the Risk Fund remained sustainable.

Future Actions-

- Create Village wide Safety Manual
- Offer and coordinate OSHA 10 hour Certification training
- Continue to enhance Accident Review Team (ART) process
- Partner with local industry professionals to help enhance injury prevention programs
- Complete all-supervisor training on accident investigations

RISK MANAGEMENT FUND

1		FY2014 Actual	FY2015 Budget	FY2015 Estimate	2016 Adopted	FY2017 Projection	FY2018 Projection
2	Beginning Cash Balance	(622,245)	195,400	195,400	234,815	135,088	158,096
3	Revenue						
4	Local Taxes	-	-	-	-	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	1,811,523	2,656,510	2,648,010	2,612,194	2,690,558	2,771,277
9	Grants	-	-	-	-	-	-
10	Interest & Claims	1,488	-	-	-	-	-
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	1,936,293	-	-	-	-	-
13	Total Revenue	3,749,304	2,656,510	2,648,010	2,612,194	2,690,558	2,771,277
14	Expenses						
15	Personnel	129,127	125,729	125,407	128,991	132,861	136,848
16	Supplies	248	800	595	1,050	800	800
17	Professional Services	61,879	131,035	113,097	152,880	152,535	152,535
18	Other Contractual Services	517,699	603,660	565,020	597,538	649,892	684,262
19	Claims, Grants, & Debt	2,517,419	1,794,919	1,804,476	1,831,462	1,731,462	1,731,462
20	Controlled Assets	45,650	-	-	-	-	-
21	Capital Assets	-	-	-	-	-	-
22	Other Financial Uses	-	-	-	-	-	-
23	Total Expenses	3,272,022	2,656,143	2,608,595	2,711,921	2,667,550	2,705,907
24	Net Change		367	39,415	(99,727)	23,008	65,370
25	Ending Cash Balance	195,400	195,767	234,815	135,088	158,096	223,466

Noteworthy Changes from 2016 and Other Explanations

- Fees, Charges and Fines (row 8) reflects charges to Village departments. The increase in 2015 is consistent with the LRP strategy.
- Other Financial Resources (row 12) is a transfer from the General Fund to increase fund balance consistent with the LRP strategy.
- Personnel Expenses (row 15) are costs for one Risk Manager.
- Professional Services (row 17) increased over the 2015 budget due to an increase in the fee from the broker.
- Other Contractual Services (row 18) in the 2016 budget includes premiums for insurance coverage (\$536,000), DriveCam monitoring fee (\$31,000) and funds to be used by the Accident Review Team for safety (\$30,000).
- Claims, Grants & Debt (row 19) Since the Village is self-insured, claims fluctuate based on accident history. Due to the various Risk Management initiatives, claims are expected to decrease in the out years.

HEALTH INSURANCE FUND

Fund Type: Internal Service Fund
Fund Number: 563

Accounts for all financial activity related to the Village-administered health plan for employees and participating partner agencies

Description- The Health Insurance Fund accounts for financial activity related to the Village's self-insured medical, dental, vision and life insurance plans. Claims and program administration is managed through a combination of internal staff and contractual support. The Village provides coverage for the following entities in addition to eligible Village employees and retirees:

- Downers Grove Public Library
- Downers Grove Park District
- Economic Development Corporation

There is one employee in this fund, a Benefits Coordinator.

Long-Range Plan- Recent activity and future plans in this fund relate directly to the following General Fund LRP strategies:

- Reduce personnel expenses
- Partner with others

The following describes how specific strategies and actions have improved results related to the issues as they apply to this fund.

Issues identified:

- Health insurance costs represent a significant personnel expense which, if not effectively managed, will continue to grow at the industry trend of 7-8% per year.

Strategies identified:

- Initiate and maintain an interdepartmental and inter-agency focus on improving employee well-being and driving down costs related to health insurance expenses.

Actions taken:

- Implemented plan design changes in 2010
- Converted to Blue Cross Blue Shield (BCBS) as the Village's health provider network in 2011
- Renewed BCBS as the Village's Health Provider Network through 2014
- Created employee wellness initiative in 2012
- Implemented a fully insured program for retirees over 65 in 2014 which reduced GASB 45 liability by 40%
- Created employee tiered premium structure in 2014
- Implemented BCBS Benefits Value Advisor program which assists employees and their family with health care decision-making to help improve quality of care and achieve cost savings

Future actions:

- Continue to work with health insurance consultant on wellness initiatives
- Continue implementation of requirements under Health Care Reform
- Build on partnerships to achieve strategies

HEALTH INSURANCE FUND

	FY2014 Actual	FY2015 Budget	FY2015 Estimate	2016 Adopted	FY2017 Projection	FY2018 Projection
1						
2	Beginning Cash Balance	1,390,010	1,741,813	1,741,813	1,745,603	1,779,454
3	Revenue					
4	Local Taxes	-	-	-	-	-
5	License & Permit Revenues	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-
7	Sales	1,780,464	1,855,889	1,857,050	2,026,800	2,146,800
8	Fees, Charges & Fines	4,886,545	5,273,082	5,187,399	5,570,957	5,905,604
9	Grants	-	-	-	-	-
10	Interest & Claims	871	-	-	-	-
11	Contributions	-	-	-	-	-
12	Other Financial Resources	(13,296)	-	-	-	-
13	Total Revenue	6,654,584	7,128,971	7,044,449	7,597,757	8,052,404
14	Expenses					
15	Personnel	134,225	121,898	121,932	125,630	133,281
16	Supplies	-	-	-	-	-
17	Professional Services	540,036	430,060	395,060	387,740	411,275
18	Other Contractual Services	672,299	799,124	799,124	786,786	834,701
19	Claims, Grants, & Debt	5,036,467	5,672,174	5,644,140	6,198,084	6,575,459
20	Controlled Assets	-	-	-	-	-
21	Capital Assets	-	-	-	-	-
22	Other Financial Uses	78,060	80,403	80,403	80,403	82,816
23	Total Expenses	6,461,087	7,103,659	7,040,659	7,578,643	8,040,016
24	Net Change		25,312	3,790	19,114	12,388
25	Ending Cash Balance	1,741,813	1,767,125	1,745,603	1,764,717	1,791,842

Noteworthy Changes from 2016 and Other Explanations

- Sales (row 7) reflects employee portion of premium plus payments from the Library, Park District, and EDC.
- Fees, Charges & Fines (row 8) reflects employer (the Village of Downers Grove) contribution for employee health premiums.
- Personnel (row 15): Charged to this fund is the Benefits Coordinator in the Human Resources Department.
- Professional Services (row 17) primarily includes costs for the plan administration, the health insurance consultant, Employee Assistance Program (EAP), and the wellness initiative. The decrease in 2015 is from a reduction in the BCBS claims administration fee for retirees that moved to the fully insured plan.
- Other Contractual Services (row 18) is for premiums for stop-loss coverage, Life, LTD and AD&D and Vision. 2014 reflects costs for a new fully insured program for retirees over age 65. These employees were previously part of the self-insured program.
- Claims, Grants, & Debt (row 19) reflects claims paid by the Village's self-insured plan through the Blue Cross Blue Shield network and for dental claims through Delta Dental.

POLICE PENSION FUND

Fund Type: Trust & Agency Fund

Fund Number: 651

A designated trust fund for the safe-keeping and operations of the local Police Pension system

Description- Sworn police officers participate in the Police Pension Plan. The plan provides retirement benefits as well as death and disability benefits. It is a single-employer defined benefit plan whose benefits and employee and employer contribution levels are mandated by the State of Illinois.

As of the 2014 audit, the Police Pension Plan has \$48.5 million in assets and was 55% funded. Pensions are funded by employees contributions of 9.91% of pay, earnings on fund investments, and the Village contribution based upon actuarial tax levy estimates from an independent actuary through a property tax levy. The Village contributes 100% of the annual required contribution (ARC) each year.

The fund is administered by a separate Police pension board, composed of two active officers, one retired officer, two appointees of the Mayor, and the Treasurer of the Village is an ex-officio member. The pension fund investments are managed by professional investment managers.

Long-Range Plan- Previous long-range planning sessions identified reducing personnel expenses as a high priority. The following describes how specific strategies and actions have improved results related to the issues as they apply to this fund.

Issues identified:

- Personnel expenses comprise 78% of the General Fund budget.
- The Village is unable to adjust the benefit levels of this plan, as levels are mandated by the state.

Strategies identified:

- Maintain health of fund by complying with state law
- Continue to monitor staffing levels

Actions taken:

- Sworn officers have been reduced from 81 in 2008 to 74 in 2015.

POLICE PENSION FUND

1		FY2014 Actual	FY2015 Budget	FY2015 Estimate	2016 Adopted	FY2017 Projection	FY2018 Projection
2	Beginning Fund Balance	47,045,929	48,444,545	48,444,545	49,027,114	49,765,042	50,398,756
3	Revenue						
4	Local Taxes	-	-	-	-	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	-	-	-	-	-	-
9	Grants	-	-	-	-	-	-
10	Interest & Claims	919,624	1,500,000	1,250,000	1,500,000	1,700,000	1,700,000
11	Contributions	3,052,235	2,961,516	2,936,516	3,389,453	3,541,014	3,698,589
12	Other Financial Resources	729,655	-	-	-	-	-
13	Total Revenue	4,701,514	4,461,516	4,186,516	4,889,453	5,241,014	5,398,589
14	Expenses						
15	Personnel	-	-	-	-	-	-
16	Supplies	-	-	-	-	-	-
17	Professional Services	159,560	193,800	172,125	193,225	202,300	209,300
18	Other Contractual Services	-	-	-	-	-	-
19	Claims, Grants, & Debt	3,143,338	3,712,636	3,431,822	3,958,300	4,405,000	4,840,000
20	Controlled Assets	-	-	-	-	-	-
21	Capital Assets	-	-	-	-	-	-
22	Other Financial Uses	-	-	-	-	-	-
23	Total Expenses	3,302,898	3,906,436	3,603,947	4,151,525	4,607,300	5,049,300
24	Net Change	1,398,616	555,080	582,569	737,928	633,714	349,289
25	Ending Fund Balance	48,444,545	48,999,625	49,027,114	49,765,042	50,398,756	50,748,045

Noteworthy Changes from 2016 and Other Explanations

- Interest & Claims (row 10) reflects earnings of the pension fund.
- Contributions (row 11) reflects contributions of employees (\$725,000 in 2016) and the Village contribution of (\$2,664,454 in 2016). The Village contribution will increase by \$403,000 in 2016 due to new accounting standards and lower-than-expected investment returns.
- Professional Services (row 17) is for the fund's actuary, investment managers, attorney, accountants, and custodian for plan assets.
- Claims Grants & Debt (row 19) is pension payments to retirees.

FIRE PENSION FUND

Fund Type: Trust & Agency Fund
Fund Number: 652

A designated trust fund for the safe-keeping and operations of the local Fire Pension system

Description- Sworn fire personnel participate in the Fire Pension Plan. The plan provides retirement benefits as well as death and disability benefits. It is a single-employer defined benefit plan whose benefits and employee and employer contribution levels are mandated by the State of Illinois.

As of the 2014 audit, the Fire Pension Plan has \$45.5 million in assets and was 59% funded. Pensions are funded by employee contributions of 9.46% of pay, earnings on fund investments, and the Village contribution based upon actuarial tax levy estimates from an independent actuary through a property tax levy. The Village contributes 100% of the annual required contribution (ARC) each year.

The fund is administered by a separate Fire pension board, composed of two active members, one retired member, two appointees of the Mayor, and the Treasurer of the Village is an ex-officio member. The pension fund investments are managed by professional investment managers.

Long-Range Plan- Previous long-range planning sessions identified reducing personnel expenses as a high priority. The following describes how specific strategies and actions have improved results related to the issues as they apply to this fund.

Issues identified:

- Personnel expenses comprise 78% of the General Fund budget
- The Village is unable to adjust the benefit levels of this plan, as benefit levels are mandated by the state

Strategies identified:

- Maintain health of fund by complying with state law
- Continue to monitor staffing levels

Actions taken:

- Sworn personnel has been reduced from 83 in 2008 to 77 in 2015.

FIRE PENSION FUND

1		FY2014 Actual	FY2015 Budget	FY2015 Estimate	2016 Adopted	FY2017 Projection	FY2018 Projection
2	Beginning Fund Balance	43,101,196	45,467,358	45,467,358	46,380,325	47,398,645	48,211,036
3	Revenue						
4	Local Taxes	-	-	-	-	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	-	-	-	-	-	-
9	Grants	-	-	-	-	-	-
10	Interest & Claims	892,115	1,700,000	1,200,000	1,300,000	1,500,000	1,700,000
11	Contributions	3,149,509	3,030,108	2,966,598	3,545,461	3,704,432	3,869,768
12	Other Financial Resources	1,455,987	-	-	-	-	-
13	Total Revenue	5,497,611	4,730,108	4,166,598	4,845,461	5,204,432	5,569,768
14	Expenses						
15	Personnel	-	-	-	-	-	-
16	Supplies	-	-	-	-	-	-
17	Professional Services	131,121	164,800	162,015	170,300	174,995	179,832
18	Other Contractual Services	-	-	-	-	-	-
19	Claims, Grants, & Debt	3,000,328	3,618,779	3,091,616	3,656,841	4,217,046	4,794,057
20	Controlled Assets	-	-	-	-	-	-
21	Capital Assets	-	-	-	-	-	-
22	Other Financial Uses	-	-	-	-	-	-
23	Total Expenses	3,131,449	3,783,579	3,253,631	3,827,141	4,392,041	4,973,889
24	Net Change	2,366,162	946,529	912,967	1,018,320	812,391	595,879
25	Ending Fund Balance	45,467,358	46,413,887	46,380,325	47,398,645	48,211,036	48,806,915

Noteworthy Changes from FY16 and Other Explanations

- Interest & Claims (row 10) reflects earnings of the pension fund.
- Contributions (row 11) reflects contributions of employees (\$725,000 in 2016) and the Village contribution of (\$2,820,461 in 2016). The Village contribution will increase by \$490,000 in 2016 due to new accounting standards and lower-than-expected investment returns.
- Professional Services (row 17) is for the fund's actuary, investment managers, attorney, accountant, and custodian for plan assets.
- Claims Grants & Debt (row 19) is pension payments to retirees.

LIBRARY

Fund Type: Component Unit
Fund Number 805

*To account for the financial activity of
the Downers Grove Public Library*

Description: This fund accounts for all of the revenue and expenditures related to the operation of the Downers Grove Public Library. The fund is approved by the Library Board and incorporated into the overall Village Budget, even though the Village Council has no statutory authority to direct the use of the resources of this fund.

Recent History and Trends: In 2012-2015, the Library refined its holdings, updated its technology, re-deployed its staff, renovated its facilities, and made new commitments to excellent customer service. These initiatives have resulted in a long-term improvement of service to the community. The completion of a major building renovation project in 2014 was achieved without borrowing money or securing a property tax increase. Accumulated Library Fund balances, a small fund balance from the now-liquidated Library Construction Fund (Fund Number 821), and a major private contribution from the Downers Grove Public Library Foundation were used to support the renovation.

Library use by members of the community has remained at high levels. Downers Grove residents borrow an average of nearly twenty items from the Library each year, making Downers Grove one of the busiest public libraries in the Chicago area.

Long Range Plan: The completion of the building renovation marked the achievement of all the objectives of the 2012-2014 Strategic Plan. In 2015, the Library assimilated the numerous functional, technological, and organizational changes associated with the extensive renovation. In early 2016, the Library will initiate a public planning process for a new Strategic Plan for 2016-2018. It will employ a community-focused process intended to align the Library's strategies with major local needs. Education, public access to information technology, and the needs of local businesses, not-for-profit organizations, and governmental bodies will be particular areas of interest. Partnerships with the local school districts, Village of Downers Grove, and Park District are expected to be important features of the plan.

LIBRARY FUND

Fund Type: Component Unit
Fund Number 805

1		FY2014 Actual	FY2015 Budget	FY2015 Estimate	2016 Adopted	FY2017 Projection	FY2018 Projection
2	Beginning Fund Balance	3,640,326	1,926,966	1,926,966	2,004,069	1,896,636	1,883,629
3	<u>Revenue</u>						
4	Local Taxes	4,469,258	4,662,087	4,662,187	4,826,100	4,995,100	5,172,100
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	63,130	50,000	48,000	50,000	50,000	50,000
7	Sales	4,496	2,000	6,000	6,000	6,000	6,000
8	Fees, Charges & Fines	144,883	157,000	189,000	154,000	157,800	158,800
9	Grants	61,516	55,000	61,516	60,000	60,000	60,000
10	Interest & Claims	5,423	2,100	2,100	2,100	2,100	2,100
11	Contributions	5,562	70,000	67,000	10,000	16,000	23,000
12	Other Financial Resources	-	-	-	-	-	-
13	Total Revenue	4,754,268	4,998,187	5,035,803	5,108,200	5,287,000	5,472,000
14	<u>Expenses</u>						
15	Personnel	3,131,257	3,625,400	3,449,700	3,618,413	3,676,860	3,786,626
16	Supplies	125,775	127,500	126,000	138,920	141,144	145,380
17	Professional Services	184,325	230,100	221,300	243,200	247,092	254,504
18	Other Contractual Services	237,759	265,000	255,000	304,000	308,864	317,860
19	Claims, Grants, & Debt	1,129	33,000	75,200	37,600	38,202	39,348
20	Controlled Assets	47,751	36,000	46,000	46,000	46,736	48,138
21	Capital Assets	909,632	725,500	785,500	827,500	841,109	866,343
22	Other Financial Uses	1,830,000	-	-	-	-	-
23	Total Expenses	6,467,628	5,042,500	4,958,700	5,215,633	5,300,007	5,458,199
24	Net Change	(1,713,360)	(44,313)	77,103	(107,433)	(13,007)	13,801
25	Ending Fund Balance	1,926,966	1,882,653	2,004,069	1,896,636	1,883,629	1,897,430

LIBRARY DEBT SERVICE FUND

Fund Type: Component Unit
Fund Number 836

To account for the financial activity of
Library Debt Service

Description: This fund accounts for the principal and interest payments associated with the General Obligation Bond Issue for improvements to the Downers Grove Public Library. Revenues for the fund are derived from property taxes levied on all property in the Village of Downers Grove. Expenses in this fund are for principal and interest payments made on a semi-annual basis. The Library expects to retire the remaining debt on schedule and close out this fund in 2017.

1		FY2014 Actual	FY2015 Budget	FY2015 Estimate	2016 Adopted	FY2017 Projection	FY2018 Projection
2	Beginning Fund Balance	910,756	912,678	912,678	912,733	617,829	-
3	Revenue						
4	Local Taxes	621,052	614,076	614,076	328,583	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	-	-	-	-	-	-
9	Grants	-	-	-	-	-	-
10	Interest & Claims	466	-	55	-	-	-
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	-	-	-	-	-	-
13	Total Revenue	621,518	614,076	614,131	328,583	-	-
14	Expenses						
15	Personnel	-	-	-	-	-	-
16	Supplies	-	-	-	-	-	-
17	Professional Services	-	-	-	-	-	-
18	Other Contractual Services	-	-	-	-	-	-
19	Claims, Grants, & Debt	619,596	614,076	614,076	623,487	617,829	-
20	Controlled Assets	-	-	-	-	-	-
21	Capital Assets	-	-	-	-	-	-
22	Other Financial Uses	-	-	-	-	-	-
23	Total Expenses	619,596	614,076	614,076	623,487	617,829	-
24	Net Change	1,922	-	55	(294,904)	(617,829)	-
25	Ending Fund Balance	912,678	912,678	912,733	617,829	-	-