

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

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 Proposed FY17 Budget is prepared using the Long-Range Planning process. The development of the Long-Range Plan took place during public meetings between the Village Council, staff and the public.

In the past several 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 EDC to increase the sales tax base

FY17 Budget Considerations-

- Sustainable General Fund: The Village's General Fund is financially sound and sustainable, with expenses and revenues of \$46.9 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 \$491,400 in FY17. The increase in public safety pension levies is due to lower-than-expected investment returns. All other levy components will remain unchanged from FY16.
- Personnel expenses, including salaries, health benefits and post-employment benefits such as pensions account for about 76% of the General Fund. Personnel expenses will decrease by 1.2% over the FY16 Budget. This decrease is caused primarily by the elimination of the 9-1-1 dispatch operations center effective May 1 (\$725,000) due to the transition to Du-Comm. This decrease is partially offset by the increase in public safety pensions of \$491,400.
- Non-personnel expenses are budgeted to increase by 9.6% over the 2016 budget.
 - ⇒ 2017 includes payments related to Du-Comm for dispatch services in the amount of \$1,008,000. \$315,000 of this amount will be reimbursed by the ETSB for one-time transition costs.
 - ⇒ Other non-personnel costs remain relatively flat year to year.
- Revenues are budgeted to increase by 1.2% over the FY16 budget. Major increases include property tax for public safety pensions (\$491,400), Sales Taxes (\$450,000), and a one-time reimbursement from the ETSB for Du-Comm costs (\$315,000). These increases were partially offset by a decrease in revenues from Westmont for joint dispatch (\$607,000).
- The FY17 Beginning Fund Balance is expected to be \$18.9 million. The fund balance is approximately 40% of annual expenses, is within the Village's policy and is consistent with the LRP strategy to keep a AAA rating.

GENERAL FUND

1		FY2015 Actual	FY2016 Budget	FY2016 Estimate	2017 Adopted	FY2018 Projection	FY2019 Projection
2	Beginning Fund Balance	17,212,652	18,700,383	18,700,383	18,907,307	18,928,292	19,155,497
3	<u>Revenue</u>						
4	Local Taxes	19,290,438	20,229,060	20,097,060	20,820,460	21,230,454	21,640,454
5	License & Permit Revenues	1,769,218	1,822,850	1,629,650	1,659,950	1,709,950	1,709,950
6	Intergovernmental Revenues	18,717,829	18,447,000	18,340,000	18,860,000	19,260,000	19,660,000
7	Sales	60	50	50	50	50	50
8	Fees, Charges & Fines	5,034,362	4,898,370	4,954,500	4,973,350	5,032,350	5,058,110
9	Grants	673,432	657,500	657,500	371,291	56,500	56,500
10	Interest & Claims	188,941	170,000	180,000	190,000	190,000	180,000
11	Contributions	438	-	-	-	-	-
12	Other Financial Resources	(68,953)	69,383	69,383	-	-	-
13	Total Revenue	45,605,765	46,294,213	45,928,143	46,875,101	47,479,304	48,305,064
14	<u>Expenses</u>						
15	Personnel	34,348,194	36,174,526	35,247,683	35,733,064	35,923,704	36,786,640
16	Supplies	922,250	1,078,558	1,056,420	1,071,075	1,077,935	1,074,268
17	Professional Services	1,170,072	1,423,480	1,436,034	2,379,513	2,488,414	2,517,633
18	Other Contractual Services	1,552,513	1,701,716	1,705,405	1,671,521	1,649,910	1,757,127
19	Claims, Grants, & Debt	5,924,440	5,799,260	6,128,932	5,834,015	5,974,733	6,059,544
20	Controlled Assets	59,325	95,150	101,956	79,725	72,200	57,800
21	Capital Assets	141,240	51,400	44,789	85,203	65,203	13,900
22	Other Financial Uses	-	-	-	-	-	-
23	Total Expenses	44,118,034	46,324,090	45,721,219	46,854,116	47,252,099	48,266,912
24	Net Change	1,487,731	(29,877)	206,924	20,985	227,205	38,152
25	Ending Fund Balance	18,700,383	18,670,506	18,907,307	18,928,292	19,155,497	19,193,649

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 (\$491,400)
- Licenses & Permits (row 5) are expected to remain strong; 2015 included large commercial permits
- Intergovernmental Revenues (row 6) reflect increases in Sales Tax and Income Tax; 2016 Sales Taxes included a one time credit of \$234,000 for a prior period adjustment from the state.
- 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 in 2015 and 2016. 2017 includes reimbursements of \$315,000 from the ETSB for one time Du-Comm consolidation costs.

See the following pages for additional information on revenues.

- Personnel (row 15) accounts for 76% of General Fund expenses. This line item decreases from the 2016 budget by \$421,000. Effective May 1, 2017 sixteen positions will be eliminated from the Village and dispatching will be handled by Du-Comm which results in a decrease of \$649,000 from the 2016 budget. Offsetting this decrease is an increase in the police and fire pension costs (\$491,000).
- Professional Services (row 17) in 2017 includes costs related to Du-Comm for dispatching: \$693,000 for dispatching services, one-time costs of \$255,000 for Du-Comm Agency Reserve payments, and one-time costs of \$60,000 for communications lines. The one-time costs will be reimbursed by the ETSB.
- Claims, Grants & Debt (row 19) reflects costs for equipment, fleet maintenance and risk.

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 88% of all revenue budgeted in the General Fund.

RANK	SOURCE	FY 2014 Actual	FY 2015 Actual	FY 2016 Budgeted	FY 2016 Estimate	FY 2017 Adopted
1	Sales Tax	\$ 11,439,451	\$ 11,994,828	\$11,850,000	\$11,900,000	\$12,300,000
2	Property Taxes - Pensions	\$ 4,801,989	\$ 4,618,976	\$ 5,484,915	\$ 5,484,915	\$ 5,976,315
3	Property Taxes - Operations	\$ 5,888,571	\$ 5,887,788	\$ 5,847,145	\$ 5,847,145	\$ 5,847,145
4	Utility Taxes	\$ 5,166,793	\$ 5,083,496	\$ 5,215,000	\$ 4,985,000	\$ 5,100,000
5	State Income Tax	\$ 4,579,714	\$ 5,199,605	\$ 5,100,000	\$ 4,900,000	\$ 5,000,000
6	Home Rule Sales Tax	\$ 1,902,361	\$ 1,955,389	\$ 1,950,000	\$ 2,000,000	\$ 2,050,000
7	Building Related Permits	\$ 1,276,023	\$ 1,321,686	\$ 1,400,000	\$ 1,300,000	\$ 1,350,000
8	Ambulance Fees	\$ 1,117,542	\$ 1,236,125	\$ 1,195,000	\$ 1,247,000	\$ 1,265,000
9	State Shared Local Use Tax	\$ 940,782	\$ 1,086,895	\$ 1,017,000	\$ 1,130,000	\$ 1,200,000
10	Cellular Equipment Rental Fees	\$ 1,201,770	\$ 1,122,670	\$ 1,173,120	\$ 1,100,000	\$ 1,100,000
SUB-TOTAL		\$ 38,314,996	\$ 39,507,458	\$40,232,180	\$39,894,060	\$41,188,460
ALL OTHER TOTAL		\$ 5,695,058	\$ 6,098,307	\$ 6,062,033	\$ 6,034,083	\$ 5,686,641
TOTAL GENERAL FUND REVENUES		\$ 44,010,054	\$ 45,605,765	\$46,294,213	\$45,928,143	\$46,875,101

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 8.00%, broken down as follows:

State of Illinois	5.00%
Village of Downers Grove	1.00%
DuPage County	0.25%
Regional Trans. Authority	0.75%
<u>Downers Grove Home Rule*</u>	<u>1.00%</u>
Total Current Tax Rate	8.00%

* 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 \$11,900,000 in sales tax in 2016. The Village forecasts sales tax revenues to increase to \$12,300,000 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 \$11,332,000 of its entire General Fund revenue in 2016. The forecast for FY2017 is approximately \$11,823,000.

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 \$4,985,000 in utility taxes in FY16. In 2017, staff forecasts the Village will collect approximately \$5,100,000 in utility taxes.

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 2016, the Village of Downers Grove will receive approximately \$4,900,000 in revenue from state income taxes. In 2017 the Village forecasts a revenue stream of approximately \$5,000,000 to be generated from state income taxes.

GENERAL FUND REVENUE SUMMARY

Description	FY 2014 Actual	FY 2015 Actual	FY 2016 Budgeted	FY 2016 Estimate	FY 2017 Adopted
Property Taxes	5,888,571	5,887,788	5,847,145	5,847,145	5,847,145
Property Taxes - Police & Fire Pension	4,801,989	4,618,976	5,484,915	5,484,915	5,976,315
Property Taxes - Downtown SSA	238,695	240,134	247,000	240,000	247,000
Property Taxes - Fairview Fire SSA	83,172	75,213	70,000	75,000	75,000
Property Taxes - Twp Road & Bridge	392,392	405,070	425,000	425,000	435,000
Home Rule Sales Tax	1,902,361	1,955,389	1,950,000	2,000,000	2,050,000
Hotel Use Tax	918,220	973,506	950,000	1,000,000	1,050,000
Municipal Gas Use Tax	557,669	477,557	515,000	435,000	500,000
Electricity Tax	1,886,151	1,846,209	1,900,000	1,850,000	1,900,000
Telecommunications Tax	2,722,973	2,759,730	2,800,000	2,700,000	2,700,000
Other Local Taxes	49,363	50,866	40,000	40,000	40,000
# Subtotal Local Taxes	19,441,556	19,290,438	20,229,060	20,097,060	20,820,460
Building Related Permits	1,276,023	1,321,686	1,400,000	1,300,000	1,350,000
Alcohol Beverage License	229,081	243,050	235,000	245,000	245,000
Professional & Occupational Licenses	126,970	125,353	132,000	18,800	9,100
Other Licenses and Permits	57,275	79,129	55,850	65,850	55,850
# Subtotal Licenses & Permits	1,689,349	1,769,218	1,822,850	1,629,650	1,659,950
Sales Tax ⁽¹⁾	11,439,451	11,994,828	11,850,000	11,900,000	12,300,000
State Income Tax	4,579,714	5,199,605	5,100,000	4,900,000	5,000,000
Personal Property Replacement Tax	441,907	418,001	470,000	400,000	350,000
State Shared Local Use Tax	940,782	1,086,895	1,017,000	1,130,000	1,200,000
Other State Shared Revenues	9,400	18,500	10,000	10,000	10,000
# Subtotal State Shared Revenues	17,411,254	18,717,829	18,447,000	18,340,000	18,860,000
# All Sales Revenue	80	60	50	50	50
Ambulance Fees - Residents	776,144	859,177	830,000	870,000	880,000
Ambulance Fees - Non-Residents	341,398	376,948	365,000	377,000	385,000
Plan Review & Inspection Fees	248,578	260,700	237,000	253,000	269,000
Administrative Fees	187,950	141,375	150,000	150,000	150,000
Fines	722,900	518,397	576,600	475,700	475,700
Cable Franchise Fees	913,577	930,643	915,000	945,000	945,000
Cellular Equipment Rental Fees	1,201,770	1,122,670	1,173,120	1,100,000	1,100,000
Other Fees, Charges & Fines	781,072	824,452	651,650	783,800	768,650
# Subtotal Fees, Charges & Fines	5,173,389	5,034,362	4,898,370	4,954,500	4,973,350
# All Intergovernmental	669,011	673,432	657,500	657,500	371,291
# All Interest and Claims	205,755	188,941	170,000	180,000	190,000
# All Donations and Contributions	4,815	438	-	-	-
# Other Financial Resources	(585,155)	(68,953)	69,383	69,383	
Total General Fund Revenues	44,010,054	45,605,765	46,294,213	45,928,143	46,875,101

(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		FY2015 Actual	FY2016 Budget	FY2016 Estimate	2017 Adopted	FY2018 Projection	FY2019 Projection
2	Beginning Fund Balance	397,617	462,449	462,449	482,549	437,649	457,749
3	Revenue						
4	Local Taxes	-	-	-	-	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	1,194,671	1,130,000	1,150,000	1,150,000	1,150,000	1,150,000
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	-	-	-	-	-	-
9	Grants	-	-	-	-	-	-
10	Interest & Claims	161	50	100	100	100	100
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	-	-	-	-	-	-
13	Total Revenue	1,194,832	1,130,050	1,150,100	1,150,100	1,150,100	1,150,100
14	Expenses						
15	Personnel	-	-	-	-	-	-
16	Supplies	-	-	-	-	-	-
17	Professional Services	-	-	-	-	-	-
18	Other Contractual Services	-	-	-	-	-	-
19	Claims, Grants, & Debt	-	-	-	-	-	-
20	Controlled Assets	1,130,000	1,130,000	1,130,000	1,195,000	1,130,000	1,130,000
21	Capital Assets	-	-	-	-	-	-
22	Other Financial Uses	-	-	-	-	-	-
23	Total Expenses	1,130,000	1,130,000	1,130,000	1,195,000	1,130,000	1,130,000
24	Net Change	64,832	50	20,100	(44,900)	20,100	20,100
25	Ending Fund Balance	462,449	462,499	482,549	437,649	457,749	477,849

Noteworthy Changes from 2016 and Other Explanations

- Intergovernmental Revenues (row 6) are MFT receipts from the state.
- Controlled Assets (row 20) are expenditures on roadway maintenance.



DOWNTOWN TIF FUND

Fund Type: Special Revenue Fund
Fund Number: 107

Accounts for all financial activity related to the Downtown TIF

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 Downtown TIF Redevelopment Plan and the Village's Comprehensive Plan. The TIF was created in 1997.

Recent History and Trends- The value of all of the properties located within the district has increased from \$16.1 million (1996 EAV) to \$54.5 million (2015 EAV). In FY17, no funds from the general property tax levy will be required to pay the debt service for downtown public improvements.

Long-Range Plan - The Village must make debt service payments on bonds that were issued to make improvements in the downtown including new streets, public utilities and the parking deck. Annual payments will be made in 2017 through 2021. Recently planned and/or approved redevelopment projects within downtown Downers Grove are expected to generate about \$5.5 million in property tax increment revenue over the next six years - from now until to the expiration of the district in 2021. The revenue from these developments should allow the Village to make all downtown debt service payments from the TIF Fund.



DOWNTOWN TIF FUND

1		FY2015 Actual	FY2016 Budget	FY2016 Estimate	2017 Adopted	FY2018 Projection	FY2019 Projection
2	Beginning Fund Balance	1,242,792	1,059,819	1,059,819	1,172,449	801,765	731,837
3	<u>Revenue</u>						
4	Local Taxes	2,844,328	2,893,292	2,951,488	3,151,869	3,879,760	4,617,529
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	-	-	126,525	-	-	-
9	Grants	-	-	-	-	-	-
10	Interest & Claims	195	-	100	-	-	-
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	-	-	-	-	-	-
13	Total Revenue	2,844,523	2,893,292	3,078,113	3,151,869	3,879,760	4,617,529
14	<u>Expenses</u>						
15	Personnel	-	-	-	-	-	-
16	Supplies	-	-	-	-	-	-
17	Professional Services	1,960	17,060	2,020	17,200	2,300	2,400
18	Other Contractual Services	-	-	-	-	-	-
19	Claims, Grants, & Debt	55,648	60,000	56,000	60,000	60,000	60,000
20	Controlled Assets	-	-	-	-	-	-
21	Capital Assets	-	-	-	-	-	-
22	Other Financial Uses	2,969,888	2,907,463	2,907,463	3,445,353	3,887,388	4,138,563
23	Total Expenses	3,027,496	2,984,523	2,965,483	3,522,553	3,949,688	4,200,963
24	Net Change	(182,973)	(91,231)	112,630	(370,684)	(69,928)	416,566
25	Ending Fund Balance	1,059,819	968,588	1,172,449	801,765	731,837	1,148,403

Noteworthy Changes from 2016 and Other Explanations

- Local Taxes (row 4) reflects TIF increment.
- Fees Charges and Fines (row 8) reflect expected proceeds from the sale of Main and Maple.
- 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.

	FY2015 Actual	FY2016 Budget	FY2016 Estimate	2017 Adopted	FY2018 Projection	FY2019 Projection	
1							
2	Beginning Fund Balance	260,189	285,196	285,196	294,596	180,146	65,696
3	Revenue						
4	Local Taxes	98,224	78,000	90,000	80,000	80,000	80,000
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	-	-	-	-	-	-
9	Grants	-	-	-	-	-	-
10	Interest & Claims	92	300	-	-	-	-
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	-	-	-	-	-	-
13	Total Revenue	98,316	78,300	90,000	80,000	80,000	80,000
14	Expenses						
15	Personnel	-	-	-	-	-	-
16	Supplies	29,662	49,100	22,600	49,100	49,100	49,100
17	Professional Services	14,706	29,850	19,000	44,350	44,350	44,350
18	Other Contractual Services	8,615	11,800	9,000	11,800	11,800	11,800
19	Claims, Grants, & Debt	20,326	59,200	20,000	59,200	59,200	59,200
20	Controlled Assets	-	30,000	10,000	30,000	30,000	30,000
21	Capital Assets	-	-	-	-	-	-
22	Other Financial Uses	-	-	-	-	-	-
23	Total Expenses	73,309	179,950	80,600	194,450	194,450	194,450
24	Net Change	25,007	(101,650)	9,400	(114,450)	(114,450)	(114,450)
25	Ending Fund Balance	285,196	183,546	294,596	180,146	65,696	(48,754)

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 \$38.3 million (2015 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

The Village continues to authorize redevelopment agreements that facilitate funding for property improvements with the assistance of the Economic Development Corporation. Redevelopment agreements are approved by the Village Council.

In 2016, the Village entered into an agreement with 1815 Ogden LLC to develop a Packey Webb Ford dealership on the south side of Ogden between Lee and Stonewall. Under this agreement the Village will reimburse the Developer up to \$5 million for extraordinary redevelopment expenses from Oden TIF increment.

FUND 110 OGDEN AVENUE TIF

S-005	Ogden Avenue Sidewalk Installation	455,000
Totals:		455,000



OGDEN AVENUE TIF FUND

1		FY2015 Actual	FY2016 Budget	FY2016 Estimate	2017 Adopted	FY2018 Projection	FY2019 Projection
2	Beginning Fund Balance	4,760,043	4,727,569	4,727,569	365,804	79,491	365,545
3	<u>Revenue</u>						
4	Local Taxes	589,353	608,385	637,398	645,000	665,000	685,000
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	-	-	-	-	-	-
9	Grants	-	-	-	360,000	450,000	-
10	Interest & Claims	27,792	3,000	27,000	-	-	-
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	(12,687)	-	-	-	-	-
13	Total Revenue	604,458	611,385	664,398	1,005,000	1,115,000	685,000
14	<u>Expenses</u>						
15	Personnel	-	-	-	-	-	-
16	Supplies	-	-	-	-	-	-
17	Professional Services	2,524	26,750	26,750	1,900	2,000	2,100
18	Other Contractual Services	-	-	-	-	-	-
19	Claims, Grants, & Debt	550,000	2,500,000	4,725,000	750,000	-	-
20	Controlled Assets	-	-	-	-	-	-
21	Capital Assets	-	690,000	190,000	455,000	740,000	400,000
22	Other Financial Uses	84,408	84,413	84,413	84,413	86,946	89,554
23	Total Expenses	636,932	3,301,163	5,026,163	1,291,313	828,946	491,654
24	Net Change	(32,474)	(2,689,778)	(4,361,765)	(286,313)	286,054	193,346
25	Ending Fund Balance	4,727,569	2,037,791	365,804	79,491	365,545	558,891

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 (row 21) reflects costs for CIP.
- 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, Pugi Mazda, DeVry University, Zeigler Auto Group, Lemon Tree, Packey Webb Ford, Perillo Motor Imports, Napleton Aston Martin and Art Van.

1		FY2015 Actual	FY2016 Budget	FY2016 Estimate	2017 Adopted	FY2018 Projection	FY2019 Projection
2	Beginning Fund Balance	-	-	-	-	-	-
3	Revenue						
4	Local Taxes	-	-	-	-	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	994,609	1,300,000	1,300,000	1,500,000	1,600,000	1,700,000
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	-	-	-	-	-	-
9	Grants	-	-	-	-	-	-
10	Interest & Claims	-	-	-	-	-	-
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	-	-	-	-	-	-
13	Total Revenue	994,609	1,300,000	1,300,000	1,500,000	1,600,000	1,700,000
14	Expenses						
15	Personnel	-	-	-	-	-	-
16	Supplies	-	-	-	-	-	-
17	Professional Services	-	-	-	-	-	-
18	Other Contractual Services	-	-	-	-	-	-
19	Claims, Grants, & Debt	994,609	1,300,000	1,300,000	1,500,000	1,600,000	1,700,000
20	Controlled Assets	-	-	-	-	-	-
21	Capital Assets	-	-	-	-	-	-
22	Other Financial Uses	-	-	-	-	-	-
23	Total Expenses	994,609	1,300,000	1,300,000	1,500,000	1,600,000	1,700,000
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 and Capital 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 includes funds received under the equitable sharing agreement the police department has with the Department of Justice and also state forfeited funds.

1		FY2015 Actual	FY2016 Budget	FY2016 Estimate	2017 Adopted	FY2018 Projection	FY2019 Projection
2	Beginning Fund Balance	1,072,984	1,290,472	1,290,472	1,540,472	40,472	40,472
3	Revenue						
4	Local Taxes	-	-	-	-	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	245,606	500,000	310,000	310,000	-	-
9	Grants	-	-	-	-	-	-
10	Interest & Claims	-	-	-	-	-	-
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	-	-	-	-	-	-
13	Total Revenue	245,606	500,000	310,000	310,000	-	-
14	Expenses						
15	Personnel	-	-	-	-	-	-
16	Supplies	-	-	-	-	-	-
17	Professional Services	14,600	35,000	35,000	35,000	-	-
18	Other Contractual Services	-	-	-	-	-	-
19	Claims, Grants, & Debt	-	-	-	-	-	-
20	Controlled Assets	13,518	25,000	25,000	25,000	-	-
21	Capital Assets	-	1,500,000	-	1,750,000	-	-
22	Other Financial Uses	-	-	-	-	-	-
23	Total Expenses	28,118	1,560,000	60,000	1,810,000	-	-
24	Net Change	217,488	(1,060,000)	250,000	(1,500,000)	-	-
25	Ending Fund Balance	1,290,472	230,472	1,540,472	40,472	40,472	40,472

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 appropriate state and federal guidelines.
- 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 and state governments. In FY17 \$1.75 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 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 were 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 appeared in FY16 when the Village completed the reconstruction of streets using the proceeds from the 2012 bond issuance.

Actions taken:

- Improved the condition of the street system
- 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

1		FY2015 Actual	FY2016 Budget	FY2016 Estimate	2017 Adopted	FY2018 Projection	FY2019 Projection
2	Beginning Fund Balance	8,687,884	4,077,237	4,077,237	3,001,276	1,901,889	286,447
3	Revenue						
4	Local Taxes	7,412,264	7,381,524	7,511,524	7,661,524	7,811,524	7,961,524
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	-	-	12,000	-	-	-
9	Grants	32,900	-	-	1,017,750	700,000	3,600,000
10	Interest & Claims	63,022	10,000	35,000	10,000	10,000	10,000
11	Contributions	28,230	30,000	210,974	30,000	30,000	30,000
12	Other Financial Resources	(19,458)	-	-	-	-	-
13	Total Revenue	7,516,958	7,421,524	7,769,498	8,719,274	8,551,524	11,601,524
14	Expenses						
15	Personnel	379,243	393,039	388,141	392,975	404,973	412,972
16	Supplies	27,988	120,000	120,000	120,000	125,000	130,000
17	Professional Services	101,364	218,700	184,160	233,200	213,200	213,200
18	Other Contractual Services	259,618	261,300	261,202	233,000	233,000	233,000
19	Claims, Grants, & Debt	48,204	16,496	16,496	11,105	14,574	14,860
20	Controlled Assets	2,670,588	3,351,000	3,646,666	4,956,850	4,794,000	4,176,000
21	Capital Assets	4,989,142	2,835,000	1,516,300	1,460,000	1,972,500	4,087,500
22	Other Financial Uses	3,651,458	2,712,494	2,712,494	2,411,531	2,409,719	2,710,894
23	Total Expenses	12,127,605	9,908,029	8,845,459	9,818,661	10,166,966	11,978,426
24	Net Change	(4,610,647)	(2,486,505)	(1,075,961)	(1,099,387)	(1,615,442)	(376,902)
25	Ending Fund Balance	4,077,237	1,590,732	3,001,276	1,901,889	286,447	(90,455)

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. 2016 included a one time contribution for recapture fees for subdivision public improvements.
- Personnel (row 15): There are 3.5 employees: 1/4 GIS Specialist, 1/2 Administrative Assistant, 1 PW Technician-Engineering, 1/4 Engineering Manager, 1.5 Staff Engineer II.
- 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 2017 includes \$1.25 million for the roadway reconstruction debt payments (this was \$2.5 million 2015 and prior), \$665,000 for Fire Station 2 debt payments, and \$500,000 transfer to the Municipal Buildings Fund to fund facilities projects.

CAPITAL FUND

FUND 220 - Capital Projects Fund

FO-001	Emerald Ash Borer (EAB) Eradication	233,000
SL-004	Fairview Business District Street Light Replacement	175,000
SL-005	Street Light Replacement, Farmingdale	65,000
S-005	Ogden Ave Sidewalks	100,000
S-006	Replacement Sidewalk Program	232,000
S-007	DBD Crosswalk & Accessibility Upgrades	100,000
S-008	Right of Way Accessibility Improvements	138,000
ST-004	Roadway Maintenance Program	3,139,850
ST-036	Roadway Resurfacing (LAFO), Finley, Butterfield to Village Limits	270,000
ST-038	Roadway Resurfacing (LAFO), Dunham, 55th St to 63rd St	400,000
ST-047	Roadway Resurfacing (LAFO), Maple, Main to Fairview	687,000
ST-049	Roadway Resurfacing (LAFO), Main, Ogden to Franklin	30,000
ST-050	Guardrail Repair and Replacement	100,000
ST-053	Road Reconstruction - Jay Dr/Webster Ave, Valley View to North End	620,000
ST-054	Road Reconstruction - Grant St., Prince to Linscott	295,000
ST-056	Pavement Condition Assessment Update	50,000
TR-018	Traffic Signal Modernization, Lacey & Woodcreek	270,000
TR-023	Pavement Striping Maintenance	50,000
TR-024	Neighborhood Traffic Study	30,000

Totals: 6,984,850





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 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. Progress was made on the plan and the Village is prepared to proceed with implementation in 2017.

FUND 223 - Major Buildings

MB-043	Facility Improvements/Maintenance - Fire Stations	128,500
MB-052	Facility Improvements/Maintenance - Public Works	136,000
MB-054	Facility Improvements/Maintenance - Train Stations	10,000
MB-100	Emergency Repair Project Contingency	100,000
Totals:		374,500

MAJOR BUILDINGS FUND

1		FY2015 Actual	FY2016 Budget	FY2016 Estimate	2017 Adopted	FY2018 Projection	FY2019 Projection
2	Beginning Fund Balance	566,791	969,910	969,910	1,174,910	1,500,410	14,700,410
3	<u>Revenue</u>						
4	Local Taxes	-	-	150,000	200,000	200,000	800,000
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	-	-	-	-	-	-
9	Grants	-	-	-	-	-	-
10	Interest & Claims	773	-	-	-	-	-
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	500,004	500,000	500,000	500,000	13,500,000	800,000
13	Total Revenue	500,777	500,000	650,000	700,000	13,700,000	1,600,000
14	<u>Expenses</u>						
15	Personnel	-	-	-	-	-	-
16	Supplies	-	-	-	-	-	-
17	Professional Services	35,883	50,000	50,000	-	-	-
18	Other Contractual Services	-	-	-	-	-	-
19	Claims, Grants, & Debt	-	-	-	-	-	-
20	Controlled Assets	54,573	201,000	95,000	139,500	370,000	422,500
21	Capital Assets	7,202	450,000	300,000	235,000	130,000	10,000,000
22	Other Financial Uses	-	-	-	-	-	1,100,000
23	Total Expenses	97,658	701,000	445,000	374,500	500,000	11,522,500
24	Net Change	403,119	(201,000)	205,000	325,500	13,200,000	(9,922,500)
25	Ending Fund Balance	969,910	768,910	1,174,910	1,500,410	14,700,410	4,777,910

Noteworthy Changes from FY16 and Other Explanations

- Local Taxes (row 4) reflects gasoline tax previously used to retire Fairview Avenue debt service, now dedicated to facilities.
- Other Financial Resources (row 12) reflects transfers from the Capital Fund and a debt issuance in 2018 for new facilities.
- 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.
- Other Financial Uses (row 22) is for debt service for new 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.

	FY2015 Actual	FY2016 Budget	FY2016 Estimate	2017 Adopted	FY2018 Projection	FY2019 Projection	
1							
2	Beginning Fund Balance	158,580	102,758	102,758	51,004	31,716	27,428
3	Revenue						
4	Local Taxes	-	-	-	-	-	
5	License & Permit Revenues	-	-	-	-	-	
6	Intergovernmental Revenues	-	-	-	-	-	
7	Sales	-	-	-	-	-	
8	Fees, Charges & Fines	20,808	20,800	20,700	20,712	20,712	
9	Grants	-	-	-	-	-	
10	Interest & Claims	67	-	-	-	-	
11	Contributions	-	-	-	-	-	
12	Other Financial Resources	-	-	-	-	-	
13	Total Revenue	20,875	20,800	20,700	20,712	20,712	
14	Expenses						
15	Personnel	-	-	-	-	-	
16	Supplies	1,006	2,000	2,000	1,500	1,500	
17	Professional Services	1,666	3,000	-	2,000	2,000	
18	Other Contractual Services	18,794	19,000	15,500	19,000	19,000	
19	Claims, Grants, & Debt	2,191	2,500	1,909	2,500	2,500	
20	Controlled Assets	-	-	-	-	-	
21	Capital Assets	-	-	-	-	-	
22	Other Financial Uses	53,040	53,045	53,045	15,000	-	
23	Total Expenses	76,697	79,545	72,454	40,000	25,000	
24	Net Change	(55,822)	(58,745)	(51,754)	(19,288)	(4,288)	
25	Ending Fund Balance	102,758	44,013	51,004	31,716	27,428	

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 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		FY2015 Actual	FY2016 Budget	FY2016 Estimate	2017 Adopted	FY2018 Projection	FY2019 Projection
2	Beginning Fund Balance	393,613	393,748	393,748	193,748	-	-
3	Revenue						
4	Local Taxes	-	-	-	-	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	-	-	-	-	-	-
9	Grants	-	-	-	-	-	-
10	Interest & Claims	135	-	-	-	-	-
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	3,269,888	3,207,463	3,207,463	3,745,353	4,187,388	4,438,563
13	Total Revenue	3,270,023	3,207,463	3,207,463	3,745,353	4,187,388	4,438,563
14	Expenses						
15	Personnel	-	-	-	-	-	-
16	Supplies	-	-	-	-	-	-
17	Professional Services	-	-	-	-	-	-
18	Other Contractual Services	-	-	-	-	-	-
19	Claims, Grants, & Debt	3,269,888	3,407,463	3,407,463	3,939,101	4,187,388	4,438,563
20	Controlled Assets	-	-	-	-	-	-
21	Capital Assets	-	-	-	-	-	-
22	Other Financial Uses	-	-	-	-	-	-
23	Total Expenses	3,269,888	3,407,463	3,407,463	3,939,101	4,187,388	4,438,563
24	Net Change	135	(200,000)	(200,000)	(193,748)	-	-
25	Ending Fund Balance	393,748	193,748	193,748	-	-	-

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		FY2015 Actual	FY2016 Budget	FY2016 Estimate	2017 Adopted	FY2018 Projection	FY2019 Projection
2	Beginning Fund Balance	1,288	1,288	1,288	1,288	-	-
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	3,151,454	1,912,494	1,912,494	1,911,531	1,909,719	3,010,894
13	Total Revenue	3,151,454	1,912,494	1,912,494	1,911,531	1,909,719	3,010,894
14	Expenses						
15	Personnel	-	-	-	-	-	-
16	Supplies	-	-	-	-	-	-
17	Professional Services	-	-	-	-	-	-
18	Other Contractual Services	-	-	-	-	-	-
19	Claims, Grants, & Debt	3,151,454	1,912,494	1,912,494	1,912,819	1,909,719	3,010,894
20	Controlled Assets	-	-	-	-	-	-
21	Capital Assets	-	-	-	-	-	-
22	Other Financial Uses	-	-	-	-	-	-
23	Total Expenses	3,151,454	1,912,494	1,912,494	1,912,819	1,909,719	3,010,894
24	Net Change	-	-	-	(1,288)	-	-
25	Ending Fund Balance	1,288	1,288	1,288	-	-	-

Noteworthy Changes from 2016 and Other Explanations

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

DEBT SERVICE SUMMARY

	Series 2008B	Series 2009	Series 2010A	Series 2010B	Series 2013A	Subtotal TIF	Series 2008A
Type	G.O.	G.O.	G.O.	G.O.	G.O.		G.O.
Auth. Issue	3,900,000	9,030,000	5,805,000	5,150,000	8,360,000		25,000,000
Outstanding Principal	2,160,000	2,915,000	4,985,000	4,330,000	5,805,000	20,195,000	815,000
Purpose	Refund '99, '00, '03 Bonds	Refund 2003 Bonds	Refund '00, '01 Bonds	Refund 2002 Bonds	Refund 2005 Bonds		Stormwater Improvements
Funding Source	TIF Increment (Prop. Taxes)		Stormwater Utility Revenues				
Remaining Debt Service Payments (Principal & Interest):							
FY 2017	108,000	1,033,026	434,925	741,600	1,621,550	3,939,101	424,600
FY 2018	108,000	1,028,388	413,200	840,900	1,796,900	4,187,388	423,300
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	2,593,248	3,086,514	5,853,775	4,824,800	6,061,200	22,419,537	847,900

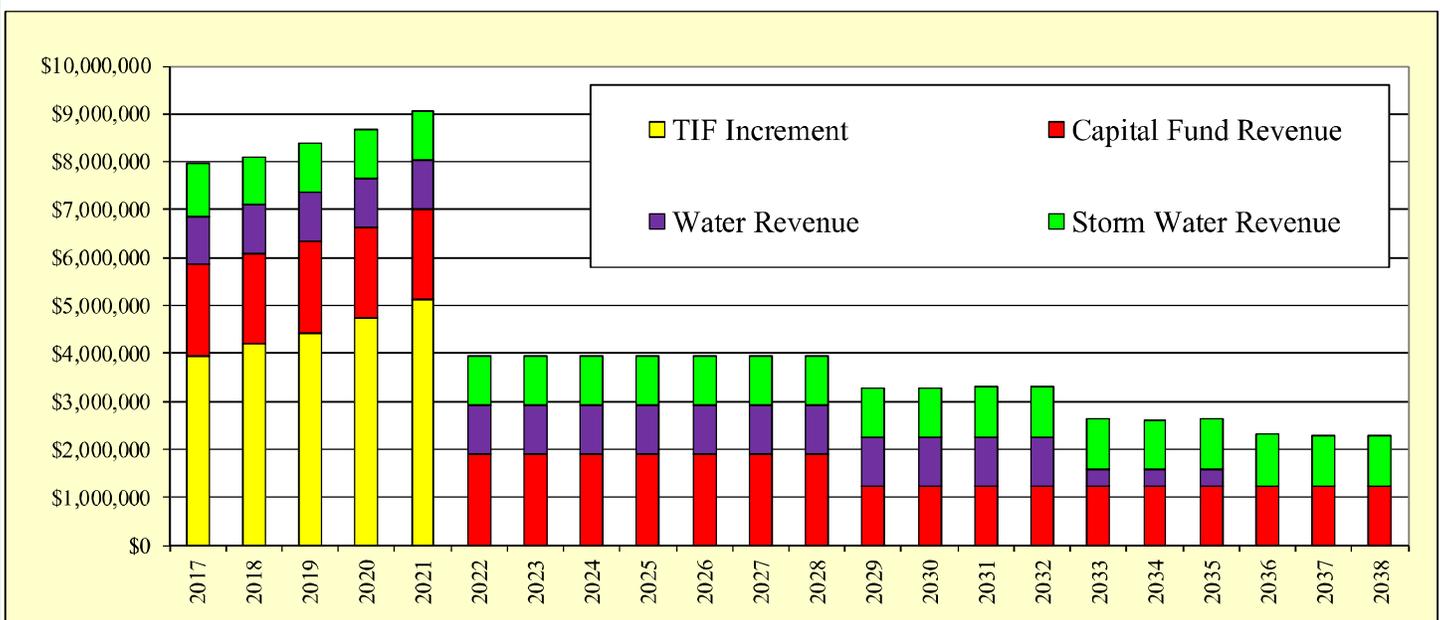
	Series 2012A	Series 2012B	Series 2014A	Series 2014B	Series 2015A	Series 2015B	Series 2016	Total
Type	G.O.	G.O.	G.O.	G.O.	G.O.	G.O.	G.O.	
Auth. Issue	10,000,000	25,000,000	6,725,000	2,935,000	5,000,000	4,535,000	7,585,000	
Outstanding Principal	8,365,000	18,830,000	6,650,000	2,895,000	4,765,000	4,470,000	7,585,000	74,570,000
Purpose	Water System Maintenance	Road Improvements	Refund Portion Series '07 Bonds	Refund Portion Series '08A Bonds	Water Improvements	Refund Portion Series '08A Bonds	Refund Portion Series '08A Bonds	
Funding Source	Water Fund Revenues	Capital Proj. Fund Revenues	Capital Proj. Fund Revenues	Stormwater Utility Revenues	Water Fund Revenues	Stormwater Utility Revenues	Stormwater Utility Revenues	
Remaining Debt Service Payments (Principal & Interest):								
FY 2017	674,175	1,247,944	664,875	116,700	340,100	173,750	395,250	7,976,495
FY 2018	671,575	1,249,494	660,225	121,150	336,100	173,350	279,100	8,101,682
FY 2019	673,600	1,245,519	665,375	120,550	337,050	172,950	737,125	8,390,732
FY 2020	670,250	1,246,019	662,725	119,800	337,900	172,550	737,950	8,677,605
FY 2021	671,525	1,245,919	652,350	118,900	338,650	172,150	738,325	9,061,893
FY 2022	672,350	1,245,218	661,525	118,000	339,300	176,700	735,700	3,948,793
FY 2023	672,725	1,243,918	665,025	117,100	338,725	176,075	737,550	3,951,118
FY 2024	672,650	1,246,943	663,000	116,200	336,900	175,325	733,700	3,944,718
FY 2025	672,125	1,244,293	665,450	691,525	334,925	174,575	177,800	3,960,693
FY 2026	670,812	1,245,475	662,375	687,850	337,725	173,825	177,800	3,955,862
FY 2027	668,356	1,244,888	662,988	687,837	335,300	173,075	177,800	3,950,244
FY 2028	669,994	1,242,994	661,375	680,638	337,000	172,263	177,800	3,942,064
FY 2029-2033	2,666,638	6,202,628	-	102,000	1,666,063	4,251,412	889,000	15,777,741
FY 2034-2038	-	6,177,400	-	-	667,837	366,300	4,936,100	12,147,637
Totals	10,726,775	27,328,652	7,947,288	3,798,250	6,383,575	6,704,300	11,631,000	97,787,277

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	
2017	\$ 4,320,000	\$ 1,531,920	\$ 1,175,000	\$ 949,575	\$ 7,976,495
2018	\$ 4,700,000	\$ 1,397,107	\$ 1,090,000	\$ 914,575	\$ 8,101,682
2019	\$ 5,100,000	\$ 1,249,457	\$ 1,160,000	\$ 881,275	\$ 8,390,732
2020	\$ 5,575,000	\$ 1,064,155	\$ 1,190,000	\$ 848,450	\$ 8,677,605
2021	\$ 6,200,000	\$ 822,343	\$ 1,225,000	\$ 814,550	\$ 9,061,893
2022	\$ 1,240,000	\$ 666,743	\$ 1,265,000	\$ 777,050	\$ 3,948,793
2023	\$ 1,280,000	\$ 628,943	\$ 1,305,000	\$ 737,175	\$ 3,951,118
2024	\$ 1,320,000	\$ 589,943	\$ 1,340,000	\$ 694,775	\$ 3,944,718
2025	\$ 1,360,000	\$ 549,743	\$ 1,400,000	\$ 650,950	\$ 3,960,693
2026	\$ 1,400,000	\$ 507,850	\$ 1,440,000	\$ 608,012	\$ 3,955,862
2027	\$ 1,445,000	\$ 462,876	\$ 1,480,000	\$ 562,368	\$ 3,950,244
2028	\$ 1,490,000	\$ 414,369	\$ 1,525,000	\$ 512,695	\$ 3,942,064
2029-2033	\$ 4,645,000	\$ 1,557,628	\$ 7,850,000	\$ 1,725,113	\$ 15,777,741
2034-2038	\$ 5,600,000	\$ 577,400	\$ 5,450,000	\$ 520,237	\$ 12,147,637
	\$ 45,675,000	\$ 12,020,477	\$ 28,895,000	\$ 11,196,800	\$ 97,787,277

Debt Service Future Payments By Source



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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.

FY17 Budget Considerations- Per the Long-Range Plan, the FY17 proposed budget includes stormwater utility fee revenues of \$3.9 million. This reflects a 8.5% increase over current levels. This increase is necessary to continue with the capital improvements and ongoing maintenance required for sustainability of the stormwater system.



STORMWATER FUND

1		FY2015 Actual	FY2016 Budget	FY2016 Estimate	2017 Adopted	FY2018 Projection	FY2019 Projection
2	Beginning Cash Balance	8,274,409	7,031,448	7,031,448	3,821,713	1,239,940	5,944,870
3	Revenue						
4	Local Taxes	-	-	-	-	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	135,000	-	-	-	-
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	3,657,369	3,644,739	3,635,000	3,935,000	4,235,000	4,635,000
9	Grants	589,525	225,000	-	135,000	-	-
10	Interest & Claims	36,340	20,000	20,000	10,000	15,000	10,000
11	Contributions	113,157	108,150	110,000	110,000	110,000	110,000
12	Other Financial Resources	-	300,000	300,000	-	10,000,000	-
13	Total Revenue	4,396,391	4,432,889	4,065,000	4,190,000	14,360,000	4,755,000
14	Expenses						
15	Personnel	920,480	935,662	879,881	921,085	948,911	966,604
16	Supplies	67,066	68,595	68,630	69,195	68,595	68,595
17	Professional Services	103,845	218,075	245,099	100,235	101,325	102,420
18	Other Contractual Services	293,153	303,030	275,953	324,350	326,450	326,450
19	Claims, Grants, & Debt	1,087,912	1,669,646	1,489,670	1,521,908	1,503,289	2,548,539
20	Controlled Assets	438,999	1,317,000	1,400,207	515,000	525,000	530,000
21	Capital Assets	298,445	2,975,000	2,915,295	3,320,000	6,181,500	6,236,500
22	Other Financial Uses	56,298	-	-	-	-	-
23	Total Expenses	3,266,198	7,487,008	7,274,735	6,771,773	9,655,070	10,779,108
24	Net Change		(3,054,119)	(3,209,735)	(2,581,773)	4,704,930	(6,024,108)
25	Ending Cash Balance	7,031,448	3,977,329	3,821,713	1,239,940	5,944,870	(79,238)

Noteworthy Changes from FY16 and Other Explanations

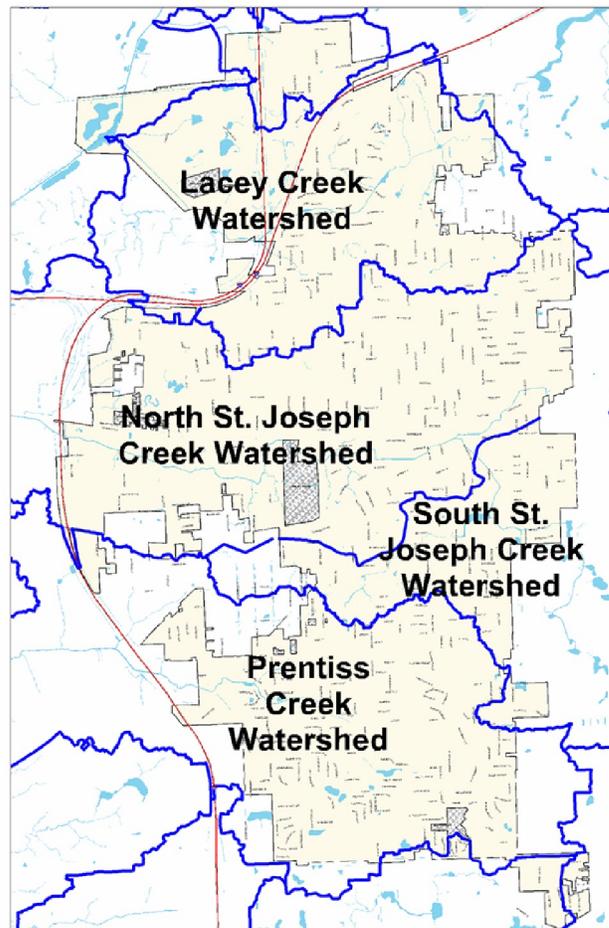
- Fees, Charges & Fines (row 8) are stormwater fees of \$3.9 million in 2017
- Grants (row 9) in 2017 is for capital project SW-073 Water Quality Improvements.
- Contributions (row 11) are Developer Contributions for Site Run-off.
- Other Financial Resources (row 12) in 2016 is for the transfer from the Capital Fund to continue stormwater projects while Council discussed the structure of the stormwater utility. FY2018 includes a \$10.0 million debt issuance.
- Personnel (row 15): There are 10.25 employees in this fund- 4 Maintenance Worker I, 2 Maintenance Worker II, .50 Engineering Manager, 1.25 Stormwater Administrators, 2 Staff Engineer II, and .50 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.
- Claims, Grants & Debt (row 19) includes \$1.1 million for stormwater debt plus transfers for fleet maintenance and equipment. 2019 also includes debt service payments for 2018 debt issuance.
- Controlled Assets (row 20) and Capital Assets (row 21) are primarily for capital projects in the CIP.

STORMWATER FUND

FUND 443 - Stormwater Fund

DR-022	Streambank Improvements, St Joseph Creek, South Branch	270,000
DR-024	Streambank Improvements, St Joseph Creek, Main Branch	110,000
DR-035	Valley View Pond Improvements	25,000
DR-039	Prentiss Creek (Sub E), Kensington Place Online Storage	5,000
DR-040	Watershed Improvements, Lacey Creek, Sub G	10,000
SW-051	Neighborhood Drainage Improvements Cost-Share Program	60,000
SW-053	Drainage Improvements, Clyde Estates	10,000
SW-057	Headwall Replacement, Gilbert Ave and Brookbank Rd	60,000
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	145,000
SW-080	Identified Future Drainage and Floodplain Improvements	2,500,000

Totals: 3,760,000



Lacey Creek Improvements



Lacey Road Storm Sewer



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 implemented recommendations from this study. Also 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.

In 2004 the Village constructed the parking deck in the Downtown Business District. It consists of five floors and 778 parking stalls. Twelve years after its construction, the deck began to require increased maintenance efforts as some of its structure and systems begin to age and wear. To provide a functional facility and extend the service life of the deck, the proper preventive and proactive maintenance repairs are being applied to minimize more costly future repairs. In 2015 the Village commissioned the development of a Parking Deck Maintenance Plan. This plan consists of an assessment of the current condition of the parking deck along with an annual repair plan forecasting the next ten years of recommended maintenance activities and estimated costs for budgeting purposes. The plan also discusses significant longer-term maintenance and replacement requirements so that planning may begin for some of these more costly items. Phase 1 of recommended maintenance activities was completed in 2016.

FY17 Budget Considerations- Commuter parking fees are budgeted to increase January 2017. In addition \$115,000 is budgeted for Parking Deck maintenance in the 2017 budget.

FUND 471 - Parking Fund		
P-010	Parking Lot Improvements, Annual Element	50,000
P-013	Parking Deck Maintenance	115,000
Totals:		165,000

PARKING FUND

1		FY2015 Actual	FY2016 Budget	FY2016 Estimate	2017 Adopted	FY2018 Projection	FY2019 Projection
2	Beginning Cash Balance	1,466,726	1,241,195	1,241,195	628,372	767,615	888,096
3	Revenue						
4	Local Taxes	-	-	-	-	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	46,875	-	-	-	-	-
7	Sales	1,388,861	1,372,000	1,398,993	1,423,000	1,428,000	1,433,000
8	Fees, Charges & Fines	190,024	165,000	210,010	205,000	205,000	205,000
9	Grants	903,311	-	-	-	-	-
10	Interest & Claims	3,686	-	6,500	4,000	4,000	4,000
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	-	-	-	-	-	-
13	Total Revenue	2,532,757	1,537,000	1,615,503	1,632,000	1,637,000	1,642,000
14	Expenses						
15	Personnel	180,173	181,613	180,369	183,643	190,048	193,809
16	Supplies	14,262	12,588	12,178	13,088	13,088	13,088
17	Professional Services	85,768	92,440	126,335	82,585	82,585	82,585
18	Other Contractual Services	111,855	134,166	116,290	123,582	124,693	125,860
19	Claims, Grants, & Debt	31,596	28,454	28,454	21,872	26,828	27,249
20	Controlled Assets	987	463,000	409,137	225,000	220,000	215,000
21	Capital Assets	26,183	400,000	512,576	-	-	-
22	Other Financial Uses	842,988	842,987	842,987	842,987	859,277	876,055
23	Total Expenses	1,293,812	2,155,248	2,228,326	1,492,757	1,516,519	1,533,646
24	Net Change		(618,248)	(612,823)	139,243	120,481	108,354
25	Ending Cash Balance	1,241,195	622,947	628,372	767,615	888,096	996,450

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.

WATER FUND

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

Fund Type: Enterprise

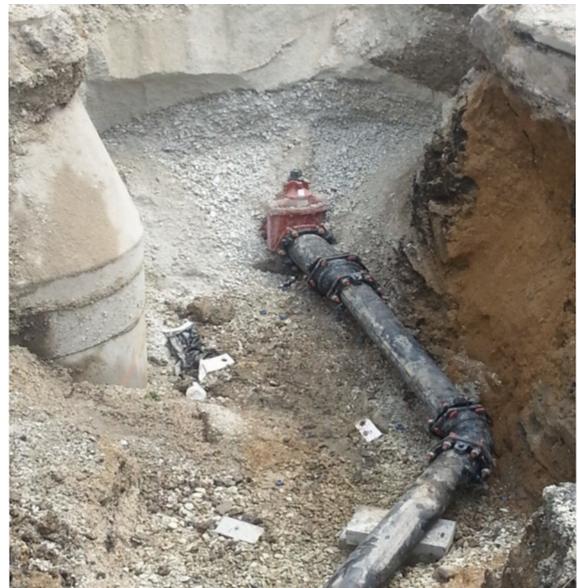
Fund Number: 481

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. To continue to construct replacement watermains throughout the system, the Village issued \$10 million in bonds in 2012 and \$5 million in 2015. In 2016 the Village entered into an agreement with the IEPA for low interest water loans from 2016-2020. The debt service payments on these borrowings are funded by the revenue from water rates.

FY17 Budget Considerations- Based on preliminary discussions with the DuPage Water Commission (DWC), it is expected that the City of Chicago will not raise their rates in 2017, and therefore the DWC would not raise rates to its members. As such, the 2017 budget does not include a rate increase. If the Village does receive a rate increase from the DWC, it would be passed along to Downers Grove customers.



FUND 481 Water Fund		
WA-006	Watermain Replacement, Maple & 55th St	750,000
WA-028	Watermain Replacement, Annual Element	3,000,000
WA-037	AMR MTU Replacement	50,000
WP-003	Summit St. Tank Rehabilitation	500,000
WP-010	Water Facility Maintenance, Annual Element	100,000
WP-011	Existing Well Rehab	1,000,000
WP-013	67th St. Tank Rehabilitation	50,000
WP-014	Demolition of Old 67th Street Well Building	40,000
WP-015	Upgrade Chlorine Analyzers at Rate Stations	48,000
WP-016	Replace Inoperable Water Valves on Ogden Ave	90,000
WP-017	Replace SCADA Server at Public Works	40,000

	FY2015 Actual	FY2016 Budget	FY2016 Estimate	2017 Adopted	FY2018 Projection	FY2019 Projection
1						
2	Beginning Cash Balance	5,857,537	9,039,359	9,039,359	8,671,564	9,410,652
3	Revenue					
4	Local Taxes	-	-	-	-	-
5	License & Permit Revenues	664	1,000	382	500	800
6	Intergovernmental Revenues	-	-	-	-	-
7	Sales	14,888,848	15,151,443	15,011,840	14,819,871	15,191,853
8	Fees, Charges & Fines	263,819	175,500	173,881	187,000	188,000
9	Grants	-	-	-	-	-
10	Interest & Claims	31,388	10,000	38,479	38,000	38,000
11	Contributions	-	-	-	-	-
12	Other Financial Resources	-	3,000,000	1,520,924	4,000,000	4,900,000
13	Total Revenue	15,184,719	18,337,943	16,745,506	19,045,371	20,781,109
14	Expenses					
15	Personnel	1,538,542	1,594,503	1,486,494	1,557,795	1,638,206
16	Supplies	8,996,112	9,224,508	8,756,643	8,686,366	9,093,710
17	Professional Services	233,318	296,083	335,725	262,015	262,425
18	Other Contractual Services	402,418	606,990	569,009	648,953	655,703
19	Claims, Grants, & Debt	600,834	1,655,327	1,445,327	1,464,045	1,702,904
20	Controlled Assets	80,831	421,500	346,017	1,259,700	1,121,500
21	Capital Assets	1,225,923	3,680,000	3,034,430	4,438,000	3,930,000
22	Other Financial Uses	1,195,280	1,169,656	1,139,656	1,118,656	1,141,401
23	Total Expenses	14,273,258	18,648,567	17,113,301	19,435,530	19,854,360
24	Net Change		(310,624)	(367,795)	(390,159)	1,129,247
25	Ending Cash Balance	9,039,359	8,728,735	8,671,564	8,281,405	10,337,401

2015 represents the audited year end numbers done on an accrual basis. All of the other numbers are presented on a cash basis.

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) reflects proceeds from the IEPA loan.
- Personnel (row 15): There are 15.5 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, 1/4 Engineering Manager, 1 Staff Engineer, 1 Water Supply Specialist, 1/2 GIS Technician, 1/2 FTE Seasonal employees.
- Supplies (row 16): The purchase of water from the DWC is in this account. There is no rate increase anticipated for 2017, and consumption is assumed to decrease by 1% based on historical trends.
- 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.
- **NOTE-Cash balances are growing to allow for additional cash funded Capitol projects in the out years.**

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

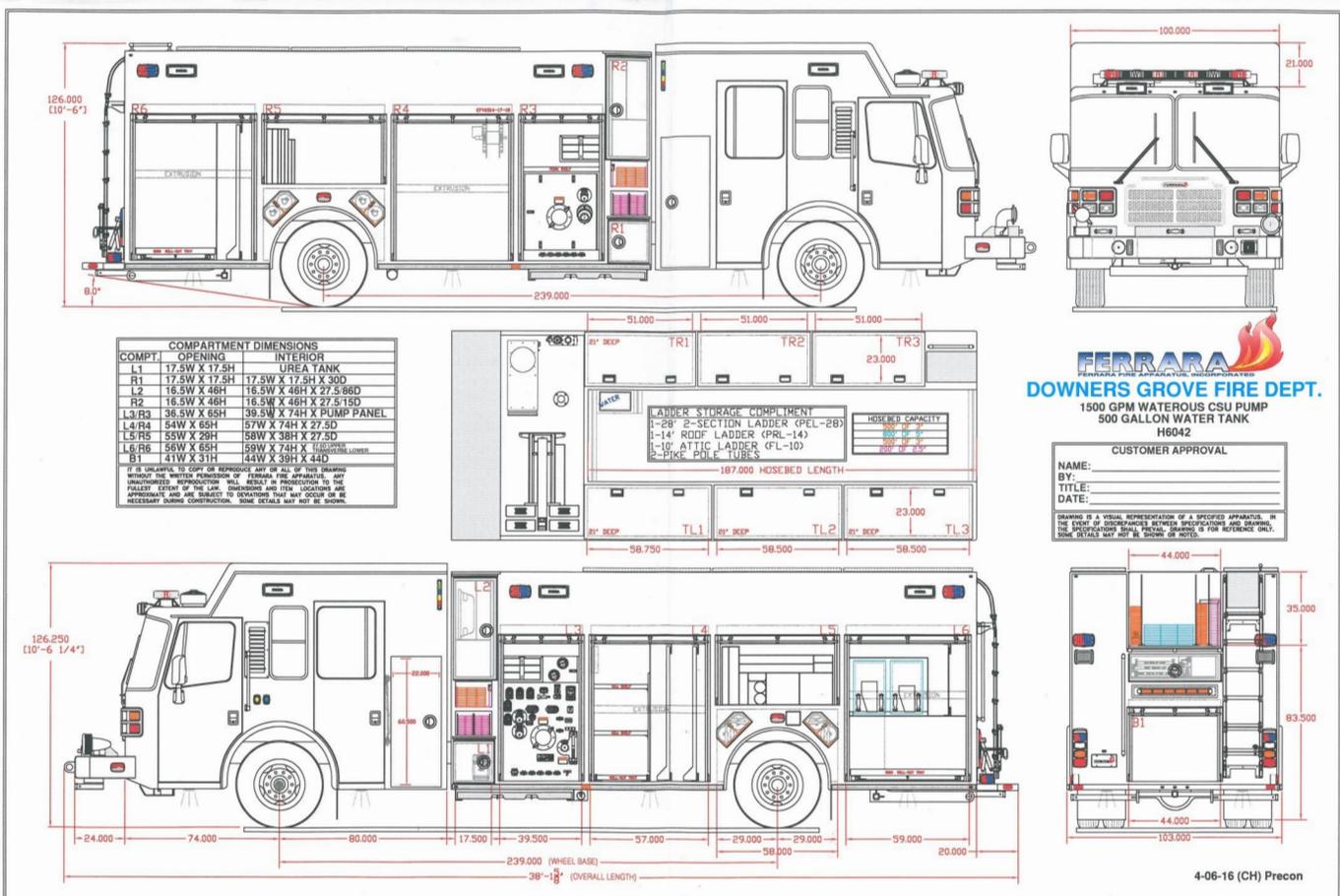
Description- This fund provides a dedicated funding source for equipment that is replaced on a routine basis. It allows for items to be replaced when warranted versus when funds are available. Village departments “pre-fund” for equipment purchases by making payments to this fund for equipment that they 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 2017 total \$2,187,800.

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.

Moving forward, the Village will continue to purchase 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		FY2015 Actual	FY2016 Budget	FY2016 Estimate	2017 Adopted	FY2018 Projection	FY2019 Projection
2	Beginning Cash Balance	1,772,308	2,656,893	2,656,893	1,370,207	592,028	733,340
3	<u>Revenue</u>						
4	Local Taxes	-	-	-	-	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	1,262,988	1,353,739	1,353,739	1,400,421	1,550,494	1,649,727
9	Grants	-	-	-	-	-	-
10	Interest & Claims	4,176	200	200	200	200	200
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	15,270	29,000	29,000	29,000	29,000	29,000
13	Total Revenue	1,282,434	1,382,939	1,382,939	1,429,621	1,579,694	1,678,927
14	<u>Expenses</u>						
15	Personnel	-	-	-	-	-	-
16	Supplies	-	-	-	-	-	-
17	Professional Services	-	-	-	-	-	-
18	Other Contractual Services	-	-	-	-	-	-
19	Claims, Grants, & Debt	-	-	-	-	-	-
20	Controlled Assets	34,047	548,465	398,465	275,800	187,382	583,031
21	Capital Assets	863,219	2,321,160	2,271,160	1,932,000	1,251,000	1,223,000
22	Other Financial Uses	-	-	-	-	-	-
23	Total Expenses	897,266	2,869,625	2,669,625	2,207,800	1,438,382	1,806,031
24	Net Change		(1,486,686)	(1,286,686)	(778,179)	141,312	(127,104)
25	Ending Cash Balance	2,656,893	1,170,207	1,370,207	592,028	733,340	606,236

2015 represents the audited year end numbers done on an accrual basis. All of the other numbers are presented on a cash basis.

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>				
Building Services	24	2009 Felling Trailer	20	\$10,000
Building Services	114	2011 Chevy CNG Cargo Van	6	\$40,000
Public Works	654	2001 Ford F150 pickup CNG	14	\$35,000
Public Works	655	2001 Ford F150 pickup CNG	14	\$35,000
Public Works	199	2002 Ford F150 pickup CNG	14	\$35,000
Public Works	294	2000 Int. 4900 5 ton dump	17	\$220,000
Public Works	144	2006 Chevrolet 1500 pickup	11	\$30,000
Public Works	183	2007 Chevy Silverado	10	\$30,000
Public Works	215	2006 Ford F450 Utility	13	\$80,000
Public Works	297	2000 Ford F350 1 ton Dump	17	\$75,000
Public Works	298	2000 Ford F350 1 ton Dump	17	\$75,000
Public Works	25	2008 Bomag Paver	10	\$60,000
Public Works	180	2007 Chevy Silverado	10	\$30,000
Police	825	2007 Crown Vic Sedan	10	\$46,000
Police	828	2007 Crown Vic Sedan	10	\$46,000
Police	846	2011 Crown Victoria Sedan	5	\$38,000
Police	879	2012 Chevy Tahoe	5	\$46,000
Police	883	2012 Chevy Tahoe 4x4	5	\$46,000
Police	821	2007 Chevy Impala	7	\$30,000
Police	822	2008 Chevy Impala	7	\$30,000
Fire	927	2005 Ford Taurus Sedan	12	\$30,000
Fire	932	2007 Pierce Impel Pumper	10	\$600,000
Subtotal				\$1,667,000
<u>Technology</u>				
Various		CAD	5	\$50,000
Various		Virtual Servers	5	\$80,000
Various		SQL Upgrade	5	\$25,000
Various		Ccure (Door Access)	5	\$2,500
Various		Viconet	5	\$2,500
Various		Core Router	10	\$7,500
Various		emnet	5	\$2,500
Various		Storage upgrade	5	\$7,500
Various		Phone System Upgrade	10	\$150,000
Village Hall		Laptops/Desktops	5	\$96,000
Various		Tablets	3	\$11,700
Subtotal				\$435,200
<u>Other</u>				
Fire		Turnout Gear	5	\$41,600
Fire		Air Fill Station	20	\$50,000
Fire		Portable Radios	10	\$14,000
Subtotal				\$105,600
TOTAL EQUIPMENT REPLACEMENT FUND EXPENSES				\$2,207,800



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 (6.25 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 FY15, the Village outsourced its fleet parts management and inventory program to the NAPA vendor-managed inventory program, reducing headcount by .60 FTE and improving efficiencies in the Fleet Department. In FY17 and FY18 there will be costs related to repair and improvements of the fuel island, including fuel canopy repair, auto tank gauge monitoring and replacement of dispenser island concrete. This totals \$13,000 in 2017 and \$10,000 in 2018.

FLEET SERVICES FUND

1		FY2015 Actual	FY2016 Budget	FY2016 Estimate	2017 Adopted	FY2018 Projection	FY2019 Projection
2	Beginning Cash Balance	379,232	608,853	608,853	724,160	437,703	366,880
3	<u>Revenue</u>						
4	Local Taxes	-	-	-	-	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	111,267	92,000	69,500	69,500	69,500	69,500
8	Fees, Charges & Fines	1,746,862	1,637,008	1,652,008	1,537,008	1,637,008	1,637,008
9	Grants	-	-	-	-	-	-
10	Interest & Claims	411	-	600	500	500	500
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	-	-	-	-	-	-
13	Total Revenue	1,858,540	1,729,008	1,722,108	1,607,008	1,707,008	1,707,008
14	<u>Expenses</u>						
15	Personnel	808,669	751,535	724,148	738,602	762,457	776,805
16	Supplies	600,316	689,941	522,601	755,776	610,001	610,001
17	Professional Services	16,773	27,645	29,645	31,730	36,645	36,645
18	Other Contractual Services	81,901	206,126	163,206	183,226	183,226	183,226
19	Claims, Grants, & Debt	40,742	36,375	36,375	33,605	34,471	35,331
20	Controlled Assets	30,378	11,000	14,000	33,700	30,700	20,700
21	Capital Assets	38,349	-	-	-	-	-
22	Other Financial Uses	116,832	116,826	116,826	116,826	120,331	123,941
23	Total Expenses	1,733,960	1,839,448	1,606,801	1,893,465	1,777,831	1,786,649
24	Net Change		(110,440)	115,307	(286,457)	(70,823)	(79,641)
25	Ending Cash Balance	608,853	498,413	724,160	437,703	366,880	287,239

2015 represents the audited year end numbers done on an accrual basis. All of the other numbers are presented on a cash basis.

Noteworthy Changes from 2016 and Other Explanations

The 2016 budget experienced a favorable variance for fuel costs, due to lower prices for this commodity.

- 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. 2016 savings were passed along to Village departments in the 2017 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 in 2016 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) includes a management fee for the vendor managed inventory contract.
- Other Contractual Services (row 18) includes costs for outside labor for vehicle repair, and starting in 2016 operational costs for the vendor managed inventory contract.
- Claims, Grants, & Debt (row 19) includes workers compensation costs.
- Controlled Assets (row 20) includes \$13,000 in 2017 and \$10,000 in 2018 related to repair and improvements of the fuel island.

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
- Reduced legal costs by using the Staff Attorney for workers' compensation claims
- 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
- Implemented the driver risk management program DriveCam

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		FY2015 Actual	FY2016 Budget	FY2016 Estimate	2017 Adopted	FY2018 Projection	FY2019 Projection
2	Beginning Cash Balance	195,400	905,586	905,586	1,232,099	1,029,276	788,865
3	Revenue						
4	Local Taxes	-	-	-	-	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	2,654,628	2,612,194	2,912,194	2,562,271	2,562,271	2,562,271
9	Grants	-	-	-	-	-	-
10	Interest & Claims	-	-	-	-	-	-
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	-	-	-	-	-	-
13	Total Revenue	2,654,628	2,612,194	2,912,194	2,562,271	2,562,271	2,562,271
14	Expenses						
15	Personnel	132,027	128,991	127,950	130,801	134,001	136,680
16	Supplies	295	1,050	814	800	800	800
17	Professional Services	91,633	152,880	138,472	152,535	152,535	152,535
18	Other Contractual Services	504,494	597,538	507,000	649,892	684,262	674,062
19	Claims, Grants, & Debt	1,083,078	1,831,462	1,811,445	1,831,066	1,831,084	1,631,103
20	Controlled Assets	-	-	-	-	-	-
21	Capital Assets	-	-	-	-	-	-
22	Other Financial Uses	-	-	-	-	-	-
23	Total Expenses	1,811,527	2,711,921	2,585,681	2,765,094	2,802,682	2,595,180
24	Net Change		(99,727)	326,513	(202,823)	(240,411)	(32,909)
25	Ending Cash Balance	905,586	805,859	1,232,099	1,029,276	788,865	755,956

2015 represents the audited year end numbers done on an accrual basis. All of the other numbers are presented on a cash basis.

Noteworthy Changes from 2016 and Other Explanations

- Fees, Charges and Fines (row 8) reflects charges to Village departments.
- 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 2017 budget includes premiums for insurance coverage (\$579,000), DriveCam monitoring fee (\$40,000) 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:

- 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
- 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

1		FY2015 Actual	FY2016 Budget	FY2016 Estimate	2017 Adopted	FY2018 Projection	FY2019 Projection
2	Beginning Cash Balance	1,741,813	1,444,657	1,444,657	1,636,024	1,646,307	1,715,082
3	Revenue						
4	Local Taxes	-	-	-	-	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	1,711,668	2,026,800	2,030,000	2,172,700	2,345,400	2,447,900
8	Fees, Charges & Fines	5,131,665	5,570,957	5,268,777	5,277,563	5,434,065	5,541,895
9	Grants	-	-	-	-	-	-
10	Interest & Claims	3,214	-	6,000	6,000	6,000	6,000
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	-	-	-	-	-	-
13	Total Revenue	6,846,547	7,597,757	7,304,777	7,456,263	7,785,465	7,995,795
14	Expenses						
15	Personnel	71,622	125,630	118,603	120,949	124,641	127,134
16	Supplies	-	-	104	-	-	-
17	Professional Services	519,029	387,740	389,075	434,138	498,157	504,300
18	Other Contractual Services	819,477	786,786	782,080	817,815	824,324	830,000
19	Claims, Grants, & Debt	5,598,273	6,198,084	5,743,145	5,992,675	6,186,753	6,387,003
20	Controlled Assets	-	-	-	-	-	-
21	Capital Assets	-	-	-	-	-	-
22	Other Financial Uses	80,400	80,403	80,403	80,403	82,815	85,300
23	Total Expenses	7,088,801	7,578,643	7,113,410	7,445,980	7,716,690	7,933,737
24	Net Change		19,114	191,367	10,283	68,775	62,058
25	Ending Cash Balance	1,444,657	1,463,771	1,636,024	1,646,307	1,715,082	1,777,140

2015 represents the audited year end numbers done on an accrual basis. All of the other numbers are presented on a cash basis.

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.
- Other Contractual Services (row 18) is for premiums for stop-loss coverage, Life, LTD and AD&D and Vision.
- 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 2015 audit, the Police Pension Plan has \$47.7 million in net assets and was 54% 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 required contribution 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 76% 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 73 in 2017.

POLICE PENSION FUND

1		FY2015 Actual	FY2016 Budget	FY2016 Estimate	2017 Adopted	FY2018 Projection	FY2019 Projection
2	Beginning Fund Balance	48,444,544	47,652,863	47,652,863	48,536,026	49,154,979	49,486,100
3	Revenue						
4	Local Taxes	-	-	-	-	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	-	-	-	-	-	-
9	Grants	-	-	-	-	-	-
10	Interest & Claims	1,012,764	1,500,000	916,122	943,606	971,914	1,001,071
11	Contributions	2,934,411	3,389,453	3,363,481	3,635,698	3,807,292	3,979,540
12	Other Financial Resources	(1,046,251)	-	500,000	500,000	600,000	700,000
13	Total Revenue	2,900,924	4,889,453	4,779,603	5,079,304	5,379,206	5,680,611
14	Expenses						
15	Personnel	-	-	-	-	-	-
16	Supplies	-	-	100	100	100	100
17	Professional Services	160,800	193,225	194,130	192,575	197,878	203,340
18	Other Contractual Services	-	-	-	-	-	-
19	Claims, Grants, & Debt	3,531,805	3,958,300	3,702,210	4,267,676	4,850,107	5,450,009
20	Controlled Assets	-	-	-	-	-	-
21	Capital Assets	-	-	-	-	-	-
22	Other Financial Uses	-	-	-	-	-	-
23	Total Expenses	3,692,605	4,151,525	3,896,440	4,460,351	5,048,085	5,653,449
24	Net Change	(791,681)	737,928	883,163	618,953	331,121	27,162
25	Ending Fund Balance	47,652,863	48,390,791	48,536,026	49,154,979	49,486,100	49,513,262

Noteworthy Changes from 2016 and Other Explanations

- Interest & Claims (row 10) reflects earnings of the pension fund.
- Contributions (row 11) reflects contributions of employees (\$720,000 in 2017) and the Village contribution of (\$2,915,699 in 2017). The Village contribution will increase by \$251,000 in 2017 due to 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 2015 audit, the Fire Pension Plan has \$45.7 million in assets and was 55% 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 required contribution 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 2017.

FIRE PENSION FUND

1		FY2015 Actual	FY2016 Budget	FY2016 Estimate	2017 Adopted	FY2018 Projection	FY2019 Projection
2	Beginning Fund Balance	45,467,358	45,693,574	45,693,574	47,055,993	48,160,769	48,970,091
3	Revenue						
4	Local Taxes	-	-	-	-	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	-	-	-	-	-	-
9	Grants	-	-	-	-	-	-
10	Interest & Claims	1,085,231	1,300,000	1,300,000	1,324,000	1,348,720	1,374,182
11	Contributions	3,002,732	3,545,461	3,482,347	3,736,811	3,907,097	4,077,991
12	Other Financial Resources	(632,046)	-	200,000	200,000	250,000	300,000
13	Total Revenue	3,455,917	4,845,461	4,982,347	5,260,811	5,505,817	5,752,173
14	Expenses						
15	Personnel	-	-	-	-	-	-
16	Supplies	-	-	-	-	-	-
17	Professional Services	140,635	170,300	150,375	162,557	164,751	168,917
18	Other Contractual Services	-	-	-	-	-	-
19	Claims, Grants, & Debt	3,089,066	3,656,841	3,469,553	3,993,478	4,531,744	5,082,259
20	Controlled Assets	-	-	-	-	-	-
21	Capital Assets	-	-	-	-	-	-
22	Other Financial Uses	-	-	-	-	-	-
23	Total Expenses	3,229,701	3,827,141	3,619,928	4,156,035	4,696,495	5,251,176
24	Net Change	226,216	1,018,320	1,362,419	1,104,776	809,322	500,997
25	Ending Fund Balance	45,693,574	46,711,894	47,055,993	48,160,769	48,970,091	49,471,088

Noteworthy Changes from FY16 and Other Explanations

- Interest & Claims (row 10) reflects earnings of the pension fund.
- Contributions (row 11) reflects contributions of employees (\$677,000 in 2017) and the Village contribution of (\$3,060,616 in 2017). The Village contribution will increase by \$240,000 in 2017 due to 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 Board has no statutory authority to direct the use of the resources of this fund.

Recent History and Trends: Downers Grove continues to be one of the busiest public libraries in the Chicago area, with a 7.5% increase in items checked out and 8% in visits year over year. Reliant on property taxes for over 90% of its operating revenue, the Library Board is challenged with meeting demand for service with a primary revenue source that is not tied to use.

The completion of a major building renovation project in 2014 and minor projects in 2015 and 2016 were achieved without borrowing money. While the operating tax levy was flat from 2015 to 2016, the tax rate decreased 7.85% due to a combination of growth in assessed valuation and decreased bond fund levy. The Library Board is committed to financial sustainability by continuing to provide for capital replacement needs without borrowing money.

Long Range Plans: In 2017, the Library will initiate a public planning process to create and update its long range plans, including Strategic, Facilities Sustainability and Long Range Financial components. It will employ a community-focused process intended to align the Library's strategies with major local needs. Education, access to information technology, and the needs of local businesses, not-for-profit organizations, and governmental bodies will be particular areas of interest.

LIBRARY

Fund Type: Component Unit
Fund Number 805

1		FY2015 Actual	FY2016 Budget	FY2016 Estimate	2017 Adopted	FY2018 Projection	FY2019 Projection
2	Beginning Fund Balance	1,926,966	2,105,536	2,105,536	2,076,021	677,401	688,514
3	Revenue						
4	Local Taxes	4,708,186	4,826,100	4,826,100	5,043,615	5,194,920	5,350,765
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	59,714	50,000	55,000	55,000	56,100	57,222
7	Sales	9,719	6,000	8,000	8,000	8,160	8,323
8	Fees, Charges & Fines	189,803	154,000	165,500	165,000	168,300	171,666
9	Grants	61,516	60,000	37,936	36,910	37,648	38,401
10	Interest & Claims	1,486	2,100	2,000	2,000	2,040	2,081
11	Contributions	66,040	10,000	8,000	5,000	7,500	10,000
12	Other Financial Resources	-	-	-	-	-	-
13	Total Revenue	5,096,464	5,108,200	5,102,536	5,315,525	5,474,668	5,638,458
14	Expenses						
15	Personnel	3,405,805	3,618,413	3,571,951	3,691,920	3,765,758	3,841,074
16	Supplies	129,603	138,920	139,800	143,400	144,834	146,282
17	Professional Services	229,297	243,200	247,300	262,625	265,251	267,904
18	Other Contractual Services	261,933	304,000	275,500	306,500	309,565	312,660
19	Claims, Grants, & Debt	7,897	37,600	22,500	20,000	20,200	20,402
20	Controlled Assets	62,217	46,000	46,000	63,500	64,135	64,777
21	Capital Assets	821,142	827,500	829,000	826,200	768,812	776,500
22	Other Financial Uses	-	-	-	1,400,000	125,000	175,000
23	Total Expenses	4,917,894	5,215,633	5,132,051	6,714,145	5,463,555	5,604,599
24	Net Change	178,570	(107,433)	(29,515)	(1,398,620)	11,113	33,859
25	Ending Fund Balance	2,105,536	1,998,103	2,076,021	677,401	688,514	722,373

Noteworthy Changes:

Transfer of \$1,400,000 from the Library Fund will re-establish a capital projects fund for Library purposes.

LIBRARY BUILDING & EQUIPMENT REPLACEMENT FUND

Fund Type: Component Unit
Fund Number 821

*To account for the financial activity of
the Library's Capital Projects*

Description: This fund is established under 75 ILCS 5/5-8 for the purpose of setting apart and providing monies for a library's capital needs or emergency expenditures. It is funded by transfers from the Library Fund. Under this statute, the Library Board of Trustees must adopt a spending plan within two years of the adoption of a resolution establishing a special reserve fund.

Recent History and Trends: Open to the public 7 days a week, 355 days per year, the Library building is heavily used. The Library Board of Trustees has a precedent of long range planning for capital needs without incurring debt, as demonstrated by the 2014 interior renovation project and 2016 lighting and acoustical panel project. These projects did not address any building system needs, such as roof and rooftop HVAC units. Many of these systems are past or approaching their expected useful life, with increasing maintenance costs. As the library building ages, the Library Board will continue its cycle of saving and reinvesting in its facility to meet long term capital needs.

Long Range Plans: In 2017, the Library will initiate a public planning process to create and update its long range plans, including Strategic, Facilities Sustainability and Long Range Financial components. The Facilities Sustainability Plan is intended to function as the spending plan for this fund.

1		FY2015 Actual	FY2016 Budget	FY2016 Estimate	2017 Adopted	FY2018 Projection	FY2019 Projection
2	Beginning Fund Balance	-	-	-	-	800,000	925,000
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	-	-	-	1,400,000	125,000	175,000
13	Total Revenue	-	-	-	1,400,000	125,000	175,000
14	Expenses						
15	Personnel	-	-	-	-	-	-
16	Supplies	-	-	-	-	-	-
17	Professional Services	-	-	-	-	-	-
18	Other Contractual Services	-	-	-	-	-	-
19	Claims, Grants, & Debt	-	-	-	-	-	-
20	Controlled Assets	-	-	-	-	-	-
21	Capital Assets	-	-	-	600,000	-	60,000
22	Other Financial Uses	-	-	-	-	-	-
23	Total Expenses	-	-	-	600,000	-	60,000
24	Net Change	-	-	-	800,000	125,000	115,000
25	Ending Fund Balance	-	-	-	800,000	925,000	1,040,000

Noteworthy Changes:

This fund will be established in 2017 for the accumulation of funds to maintain the building and its systems and provide for replacement of equipment, furnishings, and fixtures. A spending plan for the fund must be adopted within two years of establishing the fund.

LIBRARY DEBT SERVICE FUND

Fund Type: Component Unit
Fund Number 836

To account for the financial activity of
the Library's Debt Service

1		FY2015 Actual	FY2016 Budget	FY2016 Estimate	2017 Adopted	FY2018 Projection	FY2019 Projection
2	Beginning Fund Balance	912,678	913,005	913,005	618,101	272	272
3	<u>Revenue</u>						
4	Local Taxes	614,076	328,583	328,583	-	-	-
5	License & Permit Revenues	-	-	-	-	-	-
6	Intergovernmental Revenues	-	-	-	-	-	-
7	Sales	-	-	-	-	-	-
8	Fees, Charges & Fines	-	-	-	-	-	-
9	Grants	-	-	-	-	-	-
10	Interest & Claims	326	-	-	-	-	-
11	Contributions	-	-	-	-	-	-
12	Other Financial Resources	-	-	-	-	-	-
13	Total Revenue	614,402	328,583	328,583	-	-	-
14	<u>Expenses</u>						
15	Personnel	-	-	-	-	-	-
16	Supplies	-	-	-	-	-	-
17	Professional Services	-	-	-	-	-	-
18	Other Contractual Services	-	-	-	-	-	-
19	Claims, Grants, & Debt	614,075	623,487	623,487	617,829	-	-
20	Controlled Assets	-	-	-	-	-	-
21	Capital Assets	-	-	-	-	-	-
22	Other Financial Uses	-	-	-	-	-	-
23	Total Expenses	614,075	623,487	623,487	617,829	-	-
24	Net Change	327	(294,904)	(294,904)	(617,829)	-	-
25	Ending Fund Balance	913,005	618,101	618,101	272	272	272

Noteworthy Changes:

The Library Debt Service will be paid off in 2017

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