



Village of Machesney Park

2018 - 2019

ANNUAL BUDGET

May 1, 2018 - April 30, 2019

Website: <http://machesneypark.org>



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Steve Johnson

Board of Trustees

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Aaron Wilson

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Terri Bailey

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Erick Beck

Village Clerk

Lori Mitchell

Village Treasurer

Bradley Robison

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Tim Savage	Village Administrator
Michelle Johannsen	Finance & HR
Chad Hunter	Superintendent of Public Works
James Richter II	Community Development
Carrie Houston	Planning & Zoning
Zach Andrews	Code enforcement
Penny Olson	Administrative Assistant
Jean Davison	Receptionist
Laura LaRosa	Building Clerk
Stan Oloff	Public Works
Dan Rickabaugh	Public Works

Award for Distinguished Budget Presentation



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**Village of Machesney Park
Illinois**

For the Fiscal Year Beginning

May 1, 2017

Christopher P. Morill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Village of Machesney Park, Illinois, for its annual budget for the fiscal year May 1, 2017 – April 30, 2018. This was the second year the Village of Machesney Park received this award.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

This award is valid for a period of one year only. The Village of Machesney Park believes the current budget continues to conform to program requirements, and is submitting it to the GFOA to determine its eligibility for another award.

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Letter of Transmittal

To: Village President and Board of Trustees

From: Tim Savage, Village Administrator
Michelle Johannsen, Finance & HR Manager

Date: May 1, 2018

It is our pleasure to provide the Adopted Annual Budget for the fiscal year beginning May 1, 2018 and ending April 30, 2019 (FY 2019) of the Village of Machesney Park. The Village operates under the budget act as outlined in 65 ILCS 5/8-2-9, which was adopted by the Village in March 2014. The Village's budget is a comprehensive financial plan which projects both anticipated revenues and expenditures for the fiscal year and establishes the Village's goals, programs, and capital expenditures.

The budget is presented in a format recognized by the Government Finance Officers Association (GFOA) for the Distinguished Budget Presentation Award. The Village was successful in receiving this award for the second time last year.

Budget Overview

The adoption of the annual budget by the Village Board of Trustees does not constitute a mandate to spend, but rather only the authority to do so. If revenues do not meet estimated levels, spending will be curtailed and if necessary, suspended except for essential Village services. The FY 2019 budget was compiled taking into consideration the 2018 goals and objectives as established by the Board: 1) Business attraction; 2) 5 by 20 initiative; 3) Comprehensive downtown revitalization; 4) Visibility and presence in the region; 5) Maintaining a balanced budget; 6) Exploring cost savings to the police contract; and 6) Developing a parks plan for properties along the Rock River. The overall objectives and goals the Village strives to meet over the long term are: to provide outstanding customer service for our residents, business community, and visitors; to continue economic development efforts to attract and retain businesses to provide continued financial growth; and to continue the focus on repairing and maintaining infrastructure throughout the Village.

Budget Amendments

The Budget Officer (Village Administrator) can approve transfers of budgeted amounts between departments up to 10% throughout the budget year; all other changes must be approved by the Village Board. This policy allows the Village flexibility to operate efficiently and increase accountability of department heads to manage expenditures appropriately throughout the year.

Economic Outlook

The adopted budget assumes slow economic growth and we continue to be vigilant utilizing conservative budgeting methods as our local economy is susceptible not only to the effects of national, regional and local initiatives, but also to consumer demands and shopping patterns. The Village continues to not levy a property tax, but still seeks to provide and maintain the existing services and service levels that residents expect and deserve. Therefore, the Village continues to rely heavily on the retail industry to support both operating and capital activities, which continues to be a challenge due to

the growth in internet based retail sales, retail competition, and the actions of the state and federal governments. While the State of Illinois was successful in passing a budget, which it had been operating without for about two years, they mandated a ten percent reduction to the local municipalities' share of state income tax for a one year period. However, based on the unpredictability of the state, the Village budgeted state income tax at a ten percent reduction for the Village's entire fiscal year to accommodate for the likely continuation of the decline. In addition, the state imposed a two percent administrative fee on sales tax imposed by municipalities and collected by the state; again the Village budgeted for this fee to continue for the entire year, which impacted the funds utilized for infrastructure repairs and construction (Road Fund) and business district sales taxes to be received in the North Second Street TIF Fund. If further cuts are passed down from the state, the Village will again review the estimated impact and determine whether a budget amendment is necessary during the year, as it did in FY 2018, to ensure spending remained within the limits of anticipated revenues.

General Fund Analysis

The General Fund supports the day-to-day operations and sets the service levels of the Village. The FY 2019 budgeted total revenues are estimated at \$7,147,100. Two key revenue sources, Sales Tax and State Income Tax, account for 75% of the total General Fund revenues. Expenditures within the general fund continue past years' pattern to utilize contracted services for a majority of the services provided; the largest General Fund expenditure, \$3,733,800 or 52% of the budget is contracted police services. For FY 2019, the General Fund budgeted expenditures increased by \$363,900 or 5.0% compared to the prior year budget. In accordance with standard policy, the approved budget for the General Fund is balanced with \$7,147,100 in expenditures and offsetting revenues (including operating transfers to other funds).

Capital Improvements

Resources for capital projects are not without limits and the decision to proceed with a capital project or purchase equipment must be balanced with the demands of existing services. Capital improvement funding is recorded primarily in three funds: Build Machesney Roads Fund, Utility Tax Fund, and Capital Improvement (CIP) Fund.

The Village has identified specific revenue streams to fund capital improvements, thereby causing little impact on funding for general operations of the Village. However, there have been recent instances, whereby additional capital improvements have been warranted and transfers have been made from the General Fund to cover those improvements through the CIP Fund; those transfers are typically made from the surplus balance of the General Fund, thereby again not impacting operations.

The Village's exposure to capital improvement expenditures are limited primarily to road and drainage infrastructure needs and the voters approved a specific revenue source, over and above the general operating revenues, to cover those costs, thereby not impacting the general operations of the Village. In addition, the Village operates a minimal park system and public utilities are operated by other agencies. Equipment purchases are typically related to the public works department and are budgeted as part of the General Fund. Since the Village outsources functions requiring large equipment that would typically be performed by a municipality, there is typically minimal impact on the department as special projects are planned and adjusted for accordingly, thereby not impacting standard service levels. Smaller equipment items, such as computers, are budgeted in the applicable department under the General Fund, but are manageable year to year within the constraints of the annual budget.

- **Build Machesney Roads Fund** – This is a special revenue fund that provides for street reconstruction, resurfacing, and storm sewer improvements and maintenance. Principal sources of funding for this fund are the 1% non-home rule sales tax and the 6% telecommunication tax. In addition, in FY 2019 the Utility Tax Fund will transfer \$800,000 to the Build Machesney Road Fund to pay for added road projects. In FY 2019 \$2.8M is budgeted to reconstruct 1.23 miles and resurface 3-4 miles of roads.
- **Utility Tax Fund** – This is also a special revenue fund that provides for infrastructure improvements utilizing tax revenues from natural gas and electricity usage from residents and businesses throughout the Village. Funds are earmarked to be used primarily for infrastructure projects, including multi-use path improvements, but may also be used for protective services. FY 2019 includes \$800,000 to be transferred to the Road Fund for road improvements, \$283,500 for protective services personnel and equipment, and \$565,000 of fund balance reserves to be loaned to the Weststone IJRL TIF to assist with the construction of a new road into the industrial site. It is anticipated the TIF will reimburse the Utility Tax Fund and allows the Village to provide funding without issuing debt or impacting operations in order to spur development.
- **Capital Improvement Fund (CIP)** – The main revenue sources for this fund are transfers from the General Fund and are typically made from surplus funds. This fund provides opportunities for other special capital projects that the Village deems necessary. FY 2019 includes funds for the remaining estimated payment owed to IDOT for the IL-173 improvements that have been completed, additional parking at the boat launch park, and possible acquisition costs to secure land in anticipation of constructing a public works building in the future as necessary.

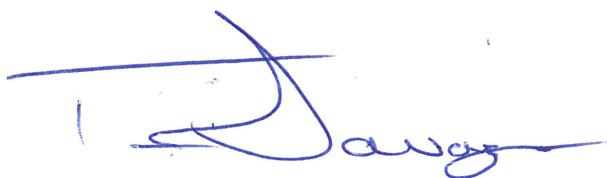
Conclusion

The approved budget is proactive in meeting the many challenges facing the Village, but remains committed to providing core services and continuing to improve the community as a whole.

Acknowledgements

The FY 2019 Annual Budget represents a determined effort to meet service demands subject to available revenues. We would like to express our appreciation to the Village Board for the contributions they made in reviewing the proposed budget and their support of staff's recommendations.

Respectfully submitted,



Tim Savage
Village Administrator/Budget Officer

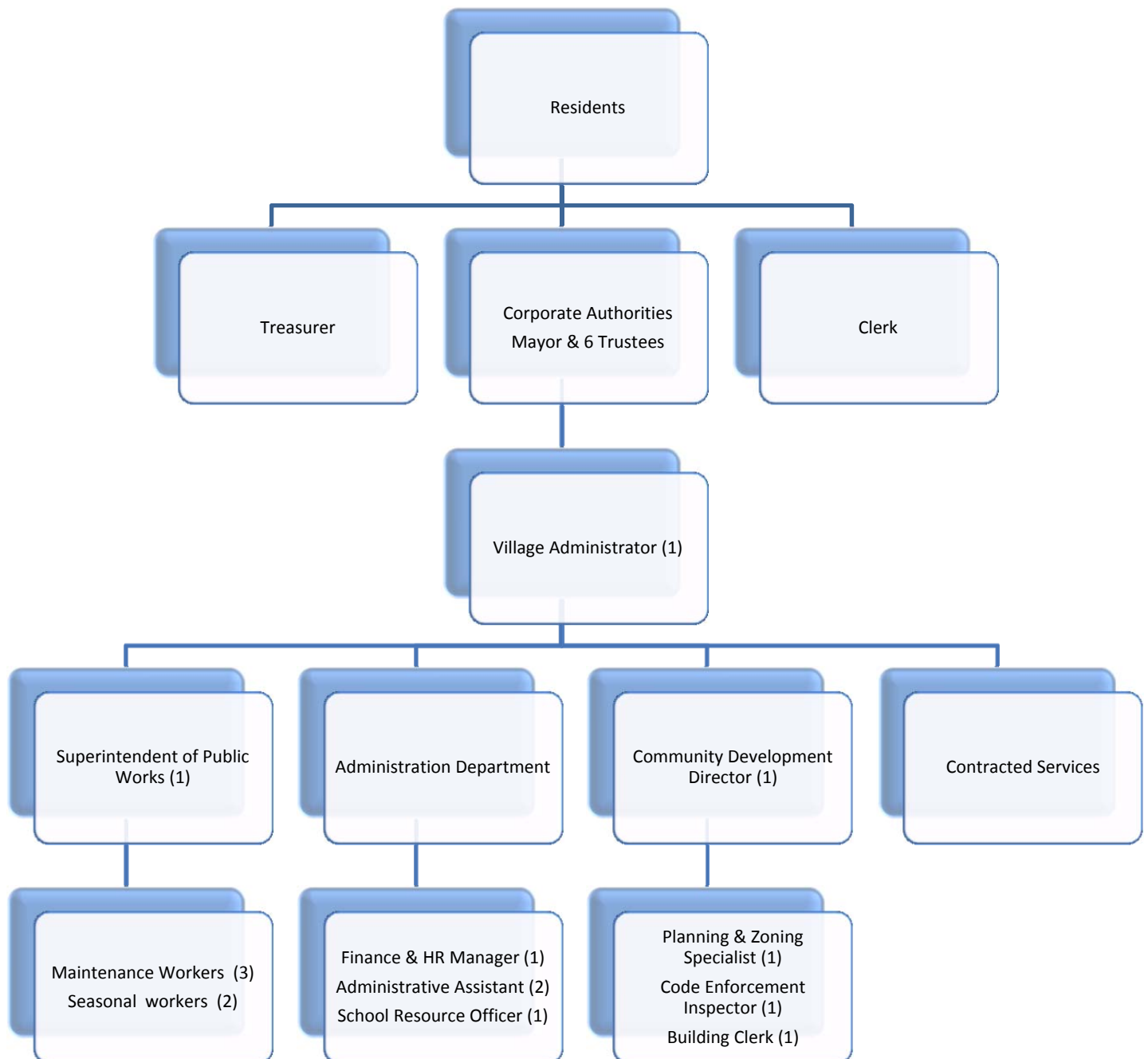


Michelle Johannsen
Finance & HR Manager

Village Overview

Organization Structure

The Village operates under a Mayor/Council form of government and is a non-home rule municipality. The Mayor and Trustees together comprise the Corporate Authorities and set policy and direction for the Village. The Village has six (6) districts, each represented by one (1) Trustee. All elected officials (including Village Clerk and Village Treasurer) are elected to over-lapping four year terms. The Corporate Authorities have appointed a Village Administrator to oversee the daily operations of the Village. The Administrator appoints, with the advice and consent of the Corporate Authorities, professional staff to implement the goals and policies of the Village Board.



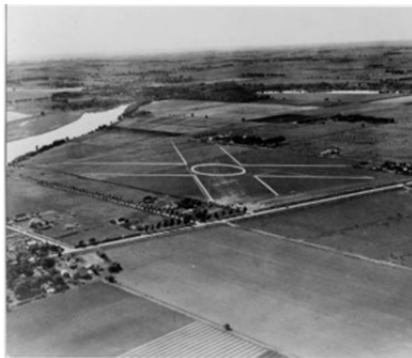
History of the Village

On February 24, 1981, the Village of Machesney Park was incorporated. The initiative was brought forward by a group of concerned North Park residents (unincorporated Winnebago County) whose primary concerns included: 1) retention of the tax base from the regional Mall complex and prevention of the Mall's annexation by encroaching communities; 2) a general dissatisfaction with County services; 3) a lack of political representation and resources to address local problems; and 4) the need to control local issues through incorporation.

The name "Machesney Park" was derived from the Machesney Airport, which was founded in 1927 by Fred Machesney, a barnstorming aviator. The airport was located along N. 2nd Street (IL Route 251) and was the site of the airfield, several hangers, a workshop for maintenance, and a classroom for aviation school. However, in 1954 an airport was opened in Rockford, which eventually led to the decline of the Machesney Airport's operations.



Fred & Mae Machesney (1920's)



Machesney Airport (1927)



Machesney Park Mall (approx. 1980's)



Machesney Town Center (2014)

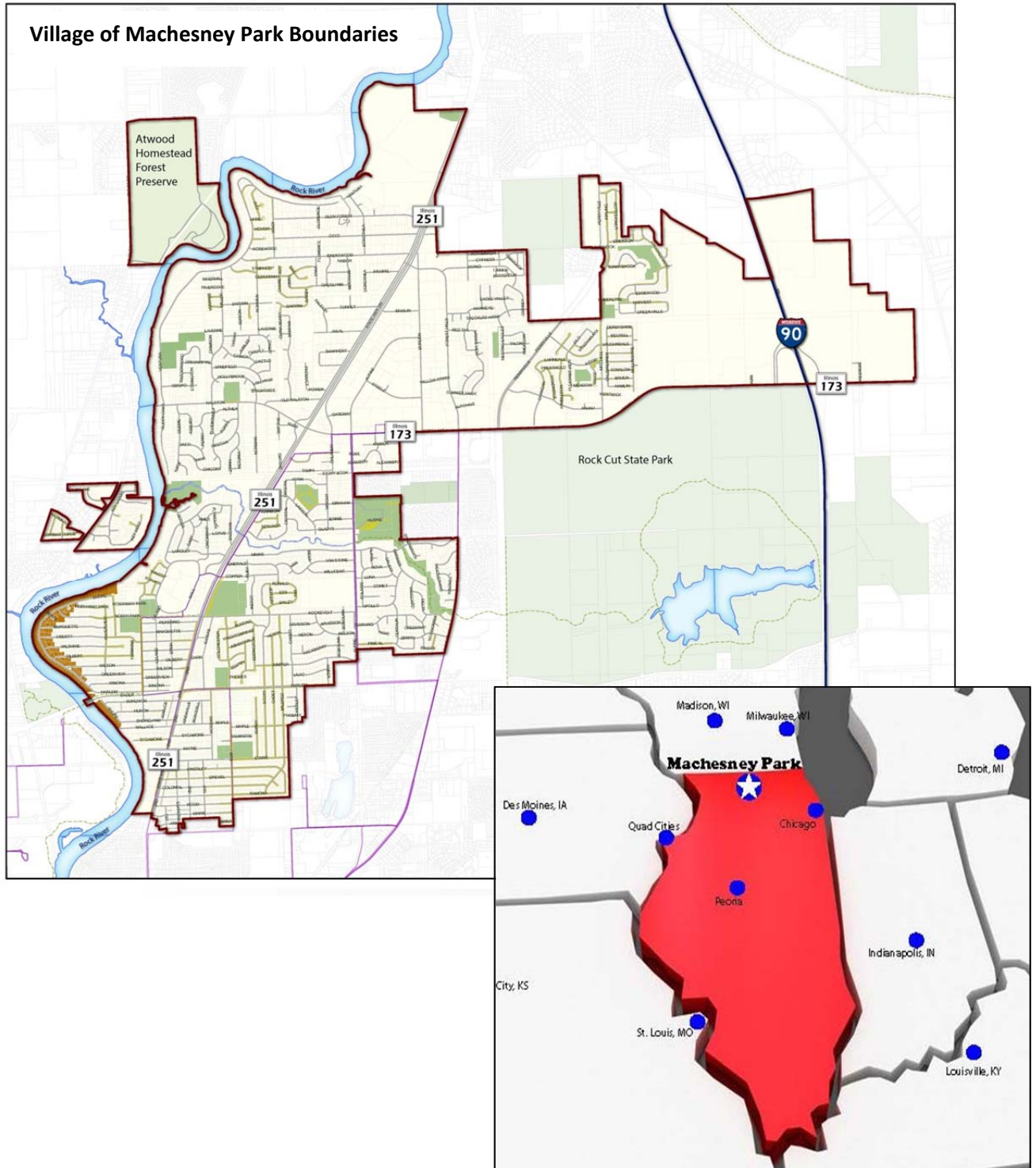
The Machesney Airport closed in 1974 leading to the development of the Machesney Park Mall which opened in 1978. However, by the late 1990's the mall started losing businesses to a competing mall in Rockford; stores came and went and by 2003 the Simon Group sold the mall to local developers. The Village and developer are currently in the process of redeveloping the space into the Machesney Town Center as a mixed use facility including shopping, restaurants, and an assisted living facility.

Over the years, the Village annexed property for residential and commercial purposes along IL 173 and also created a TIF district, thereby spurring enormous commercial growth along the 173 corridor. In addition, an interchange was constructed at I-90 and IL 173 in July 2007, which provided the foundation for further commercial and industrial growth. The Village continues to expand and improve its commercial, industrial, and residential footprint within the region.

Community Profile

Location

The Village of Machesney Park is a vibrant community with a steady population of 23,499 and strong commercial growth. The Village is located in Northern Illinois within Winnebago County, and is positioned along the Rock River. The Village is uniquely situated within an hour's drive of Chicago IL, Madison, and Milwaukee WI. The total incorporated land area of the Village is approximately 12.70 square miles.



Village Services

The Village provides a full range of government services, including police protection, street construction and maintenance, code enforcement, planning and zoning, community development, and general administrative services.

The Village contracts and utilizes other agencies for many of its services including: police services, fire protection, water & sewer utilities, street construction and maintenance, forestry, engineering services, legal services, building permit inspections, refuse pickup, and various other public works functions.

Statistics

General Statistics

Population (2010)	23,499
Median Age (2016)	40.1
Households (2016)	9,161
Businesses (2012)	1,658
Per Capita Income (2016)	\$24,290
Median Home Value (2016)	\$116,000
Median Household Income (2016)	\$56,563
Unemployment-Winnebago County (January 2018)	5.2%

SOURCE: US Census Bureau and IL Department of Employment Security

1% Sales Tax Revenue History – Calendar Year (Sales made during January – December)

Category	2011	2012	2013	2014	2015	2016	2017
General Merchandise	\$795,536	\$737,969	\$744,598	\$730,684	\$1,003,421	\$1,152,541	\$1,158,406
Food	\$77,075	\$83,389	\$93,581	\$108,143	\$90,466	\$103,881	\$110,378
Drinking & Eating Places	\$273,193	\$307,649	\$320,426	\$336,622	\$358,094	\$376,937	\$395,283
Apparel	\$68,537	\$71,139	\$65,390	\$65,717	\$65,440	\$67,934	\$76,664
Furniture & H.H. & Radio	\$72,686	\$76,402	\$92,363	\$83,670	\$94,012	\$100,264	\$91,673
Lumber, Bldg, Hardware	\$652,011	\$626,171	\$664,273	\$673,848	\$702,806	\$729,951	\$779,052
Automotive & Filling Stations	\$513,555	\$559,821	\$623,166	\$623,771	\$576,813	\$546,499	\$537,750
Drugs & Misc. Retail	\$357,223	\$461,611	\$477,458	\$392,711	\$401,251	\$411,270	\$467,266
Agriculture & All Others	\$250,902	\$239,522	\$232,471	\$265,999	\$272,894	\$305,270	\$296,799
Manufacturers	\$18,763	\$14,391	\$22,677	\$21,552	\$26,847	\$30,382	\$29,625
Total Retail Sales	\$3,079,481	\$3,178,064	\$3,336,403	\$3,302,717	\$3,592,044	\$3,824,929	\$3,942,896
# of taxpayers	480	460	486	479	514	527	544

SOURCE: Illinois Department of Revenue

Equalized Assessed Valuation

The Village's equalized assessed valuation (EAV) represents one-third of the fair market value of property within the Village. EAV does not include assessed valuation within the Tax Increment Financing District (TIF).

Year	EAV
2017	\$317,457,130
2016	\$310,097,479
2015	\$303,301,945
2014	\$298,983,211
2013	\$309,673,834
2012	\$332,153,077
2011	\$352,553,529
2010	\$362,371,078

SOURCE: Winnebago County Clerk

Village Tax Rates

Tax	Rate	Applied to:	Revenues used for:
Municipal Sales Tax	1.00%	Retail sales <i>including</i> groceries and drugs	General government services
Non-home rule Sales Tax	1.00%	Retail sales <i>excluding</i> groceries and drugs	Infrastructure improvements
Simplified Telecomm. Tax	6.00%	Telephone bills	Infrastructure improvements
Natural Gas Utility Tax	5.15%	Natural gas bills	Public safety, infrastructure, and path system improvements
Electric Utility Tax	\$0.30- \$0.61	Per therm of electricity used	Public safety, infrastructure, and path system improvements
Hotel/Motel Tax	5.00%	Gross rental receipts	Promote tourism, conventions, and special events within the Village
Business District Sales Tax-Town Center	1.00%	Retail sales within the Town Center area <i>only</i>	Redevelopment of the Town Center
Business District Sales Tax-I-90/IL 173	1.00%	Retail sales & hotel sales on the west side of I-90 <i>only</i>	Development of vacant land on the west side of Interstate 90

**** The Village of Machesney Park does NOT levy a property tax**

Budget Process

The annual budget is prepared under the direction of the Village Administrator and all funds are budgeted utilizing the modified accrual basis of accounting (please see the Appendix for further explanation). A budget kick-off meeting was held in February to go over initial revenue projections and receive input and direction from the Board regarding new initiatives or projects.

The Board identified seven goals and underlying objectives, which provided the framework for this year's budget.

- 1) Business Attraction
 - a. Continued marketing of the former JCPenney building, now owned by the Village, by attending at least one retail attraction event to specifically market the site. Enter into a lease for a minimum of 10,000 square feet to be occupied.
 - b. Spur retail growth throughout the Village by sending at least twenty marketing packets advertising opportunities within the Village. Also, send at least two emails blasts to regional developers and users.
 - c. Establish at least one retail or hospitality property at the I-90 and IL 173 intersection
- 2) 5 by 20 initiative (5% increase in population by the 2020 census)
 - a. Annex two properties into the Village
 - b. Remove barriers to construction on existing residential lots
 - c. Explore the establishment of a retirement village along IL 173
- 3) Comprehensive downtown revitalization
 - a. Identify and establish a funding source; likely a business district
 - b. Complete design engineering plans for median enhancements
 - c. Establish a façade improvement incentive program
- 4) Increase the visibility and presence of the Village within the region
 - a. Increase Destination Machesney (marketing/advertising brand for the Village) Facebook followers by 5%
 - b. Increase Village Facebook followers by 5%
- 5) Explore cost saving opportunities within the police contract
- 6) Develop a park plan for along the Rock River (Shore Drive area) utilizing the properties the Village has acquired through the flood buyout program (over 100 lots)
- 7) Provide a balanced budget

Revenue

The Finance Manager and Village Administrator developed revenue projections based on historical patterns and current economic indicators, which formulated the basis for a conservative forecast. For revenues distributed based on state-wide collections (such as income tax, local use tax, and motor fuel taxes), the Village relied on per-capita forecasts as published by the Illinois Municipal League (IML).

Budget Process continued

Expenditures

Estimates of expenditures spread across multiple departments are compiled based on inflationary increases and new projects, including the seven goals identified above. Each department head formulated the portion of the budget related to his or her department, including new programs and initiatives; the amounts were reviewed by the Village Administrator and Finance Manager and revisions were made as necessary.

Final Review

Once revenue and expenditure estimates were finalized and the budget balanced, staff provided the full draft budget to the Board for review and comment. In addition, a budget workshop was held and staff presented and highlighted the goals, challenges, and major changes that impacted the preparation of the budget. Subsequently, the recommended budget was offered for public comment and formal adoption by the President and Board of Trustees prior to the beginning of the fiscal year as required by statute.

Budget Calendar

January

- Revenue projections
- Infrastructure projections & future planning of improvements based on highest need

February

- Budget Kickoff Meeting with Board; identify goals and objectives
- Departments compile expenditures
- Expenditures finalized
- Village Administrator & Finance Manager review & finalize entire budget

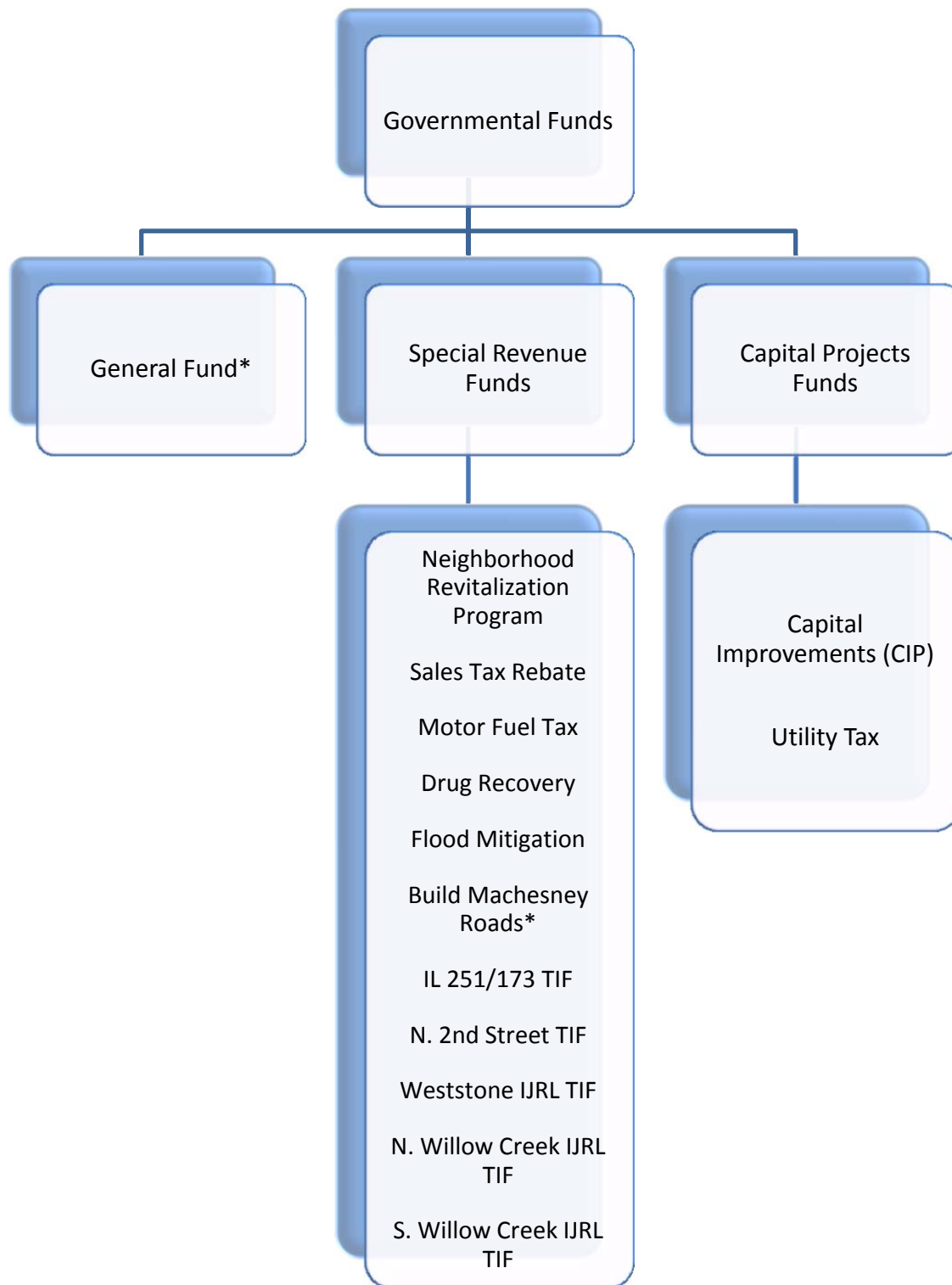
March

- Budget workshop(s) - Staff presents entire budget for review by the Board

April

- Public Hearing
- Board adopts Annual Budget

Fund Structure



**Denotes Major Fund – for budgeting purposes a Major Fund is defined as those funds that are greater than or equal to 10% of the total funding for the fiscal year.*

Fund Structure (Continued)

The Village uses fund accounting designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into the following categories: governmental, proprietary, and fiduciary.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (Special Revenue Funds) and the acquisition or construction of general capital assets (Capital Improvement Fund). Governmental funds focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year.

- The General Fund is the most active of all Funds and is used to account for all activities of the general government not accounted for in another fund. The General Fund includes the operating funds for five (5) departments:
 - Administration – The Administration department includes the Village Administrator, Finance & HR Manager, Administrative Assistant/Deputy Clerk, and Receptionist/Administrative Assistant. This department is responsible for the general management of the Village and supports all Village activities not covered by other departments.
 - Executive – the Executive department includes the elected positions of the Village: Village President/Mayor, Village Clerk, Village Treasurer, and Board of Trustees.
 - Community Development – The Community Development department consists of the Community Development Director, Planning & Zoning Specialist, Code Enforcement Inspector, and Building Clerk. This department is responsible for the planning and development functions of the Village, enforcement of the Village's Code Book of Ordinances, and oversight of building permits which are issued at Village Hall; building inspections are contracted through the City of Loves Park.
 - Public Works – The Public Works department consists of the Superintendent of Public Works, three Maintenance Workers, and seasonal workers as necessary. This department is responsible for oversight of the contracts for various municipal operations, maintenance of parks and public buildings, and street maintenance operations.
 - Protective Services – The majority of police services are contracted with the Winnebago County Sheriff's Department. The Village employs a retired officer who works at the High School as a part-time School Resource Officer.

- Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes. The Village maintains eleven (11) special revenue funds which are managed by the Administration department:
- Neighborhood Revitalization Program – this fund accounts for various activities relating to improving the neighborhoods throughout the Village. Programs include: *Single Family Rehab program* (SFR) - grant monies are received from the IL Housing Development Authority (IHDA) to assist qualifying residents in making necessary repairs or upgrades to their home through a forgivable loan; *Abandoned Property Program* (APP) - grant monies received from IHDA to assist the Village in repairing or demolishing abandoned structures; and the *Initiative To Abate Housing Blight* (ITAHB) – a portion of video gaming revenues are set aside by the Board to combat housing blight within the Village.
 - Sales Tax Rebate – the Village utilizes this fund to rebate a portion of sales tax revenues based on Board approved incentive agreements.
 - Motor Fuel Tax – this fund is administered by the State of Illinois and requires separate tracking. The Village receives a per capita share of taxes charged on gasoline sales and can use the funds only on expenditures related to infrastructure within the Village.
 - Drug Recovery – this fund is for the collection of revenues from DUI and drug fines and fees. The revenues are restricted to be spent on certain law enforcement activities.
 - Flood Mitigation – this fund accounts for grant monies received from Federal and State sources to mitigate flood prone properties. Mitigation efforts consist of acquiring properties through voluntary participation by residents and converting them to open green space indefinitely.
 - Build Machesney Roads – this fund was established to account for revenues and expenditures committed for infrastructure improvements throughout the Village (the Board identified certain road repairs, reconstruction, and drainage work to be completed). The residents approved via referendum an extra 1% sales tax that became effective July 1, 2008. The tax was set to expire in 2013, however, the residents approved a second referendum to keep the extra 1% sales tax in place for an additional seven years; which is set to expire June 30, 2020. The board also dedicated the 6% telecommunications tax revenue (the original 1% tax that had been used by the General Fund plus the additional 5% that was made effective July 1, 2008) to cover a bond issue in 2008 to accomplish several large projects upon the inception of the tax.
 - IL 251/173 TIF – this was the first TIF setup in the Village and was established in 1991 to spur redevelopment of the area into a primary retail corridor. It was set to expire in 2014, however, the Village was successful in extending the life of the TIF for an additional 12 years for further development; which will now expire in 2026.
 - N. 2nd Street TIF – this TIF was established in 2008 as part of a secondary retail redevelopment project for three distinct areas along IL Route 251 that are in need of revitalization.

Fund Structure (Continued)

- Weststone IJRL TIF – This is one of three industrial jobs recovery law TIF's within the Village aimed at spurring job growth throughout the community. The TIF was established in 2011 to assist in redevelopment of agriculture land into industrial and commercial uses around the interstate at IL 173 and I-90.
 - North Willow Creek IJRL TIF – also established in 2011 to spur industrial growth.
 - South Willow Creek IJRL TIF – this IJRL TIF was also established in 2011 to assist in further development of the industrial park along Burden and Alpine Road and also to improve various infrastructure throughout the TIF.
- Capital Projects Funds
- Capital Improvements – this fund accounts for capital projects other than those funded by the additional 1% road tax and utility tax. The financing for this fund is provided solely through operating transfers from the General Fund.
 - Utility Tax – this fund was setup to separately track revenues received from the municipal fees placed on natural gas and electric utilities and the corresponding expenditures. The tax was put into effect March 1, 2013 and expires December 31, 2019.

Proprietary funds are used to account for activities similar to those found in the private sector, where determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds). The Village does not maintain any proprietary funds.

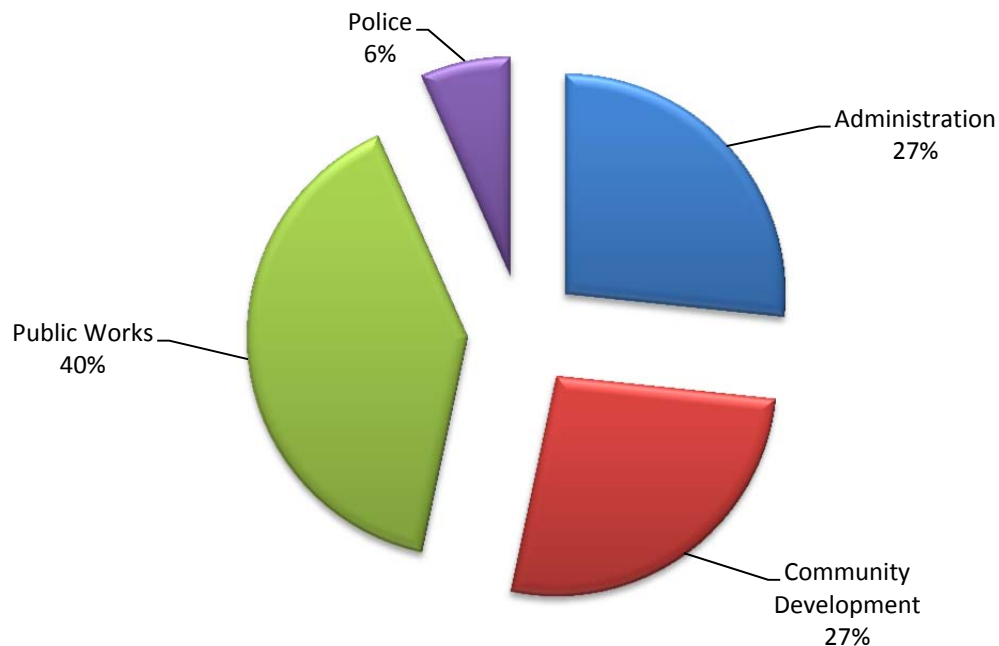
Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. Agency funds are generally used to account for assets that the government holds on behalf of others as their agent. The Village does not maintain any fiduciary funds.

Personnel Summary

The Village contracts many services typically provided by a municipality. Therefore, there is a very flat structure with primarily department heads performing the functions of the Village. Available positions are identified in the Village Code book and annual salaries are approved with the Budget by the Corporate Authorities. The Budget typically includes funds for a cost of living adjustment and the Village's merit pay program. There is no change in the number of anticipated personnel for the FY 2019.

Title	Budgeted Department	# of staff employed 2015-2016	# of staff employed 2016-2017	# of staff employed 2017-2018	# of staff budgeted 2018-2019
Village Administrator	Administration	1.0	1.0	1.0	1.0
Finance & HR Manager	Administration	1.0	1.0	1.0	1.0
Admin Assistant/Deputy Clerk	Administration	1.0	1.0	1.0	1.0
Administrative Assistant	Administration	1.0	1.0	1.0	1.0
Community Development Director	Community Develop	1.0	1.0	1.0	1.0
Planning & Zoning Specialist	Community Develop	1.0	1.0	1.0	1.0
Code Enforcement Inspector	Community Develop	1.0	1.0	1.0	1.0
Building Clerk	Community Develop	1.0	1.0	1.0	1.0
Superintendent of Public Works	Public Works	1.0	1.0	1.0	1.0
Maintenance Workers	Public Works	3.0	3.0	3.0	3.0
Public Works Seasonal Workers	Public Works	2.0	2.0	2.0	2.0
PT-School Resource Officer	Protective Services	1.0	1.0	1.0	1.0
Total # of Village Staff		15.0	15.0	15.0	15.0

Personnel Breakdown by Department

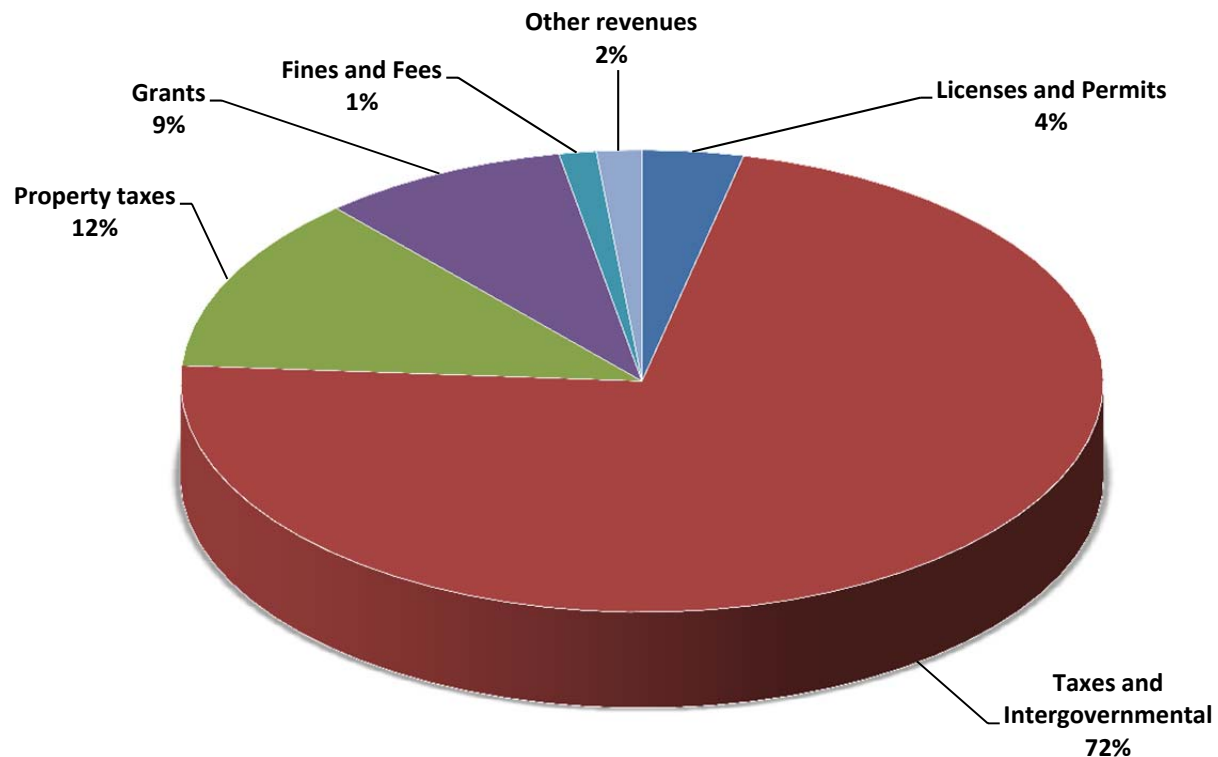


Revenue & Expenditure Summary – All Funds

	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget
Revenues					
General Fund	7,506,006	7,407,300	6,899,500	7,442,544	7,147,100
Special Revenue Funds	6,367,708	10,280,016	8,488,687	7,674,110	7,390,160
Capital Projects Funds	1,898,628	1,166,056	1,391,400	1,106,352	1,391,400
Debt Service Fund	-	1,941,578	-	-	-
Total Revenues	15,772,342	20,794,950	16,779,587	16,223,006	15,928,660
Expenditures					
General Fund	5,829,627	5,840,083	6,630,900	6,508,345	6,994,800
Special Revenue Funds	10,060,562	11,310,737	11,333,187	8,386,297	9,789,483
Capital Projects Funds	2,066,762	579,438	761,700	310,183	1,042,200
Debt Service Fund	-	2,092,294	-	-	-
Total Expenditures	17,956,951	19,822,552	18,725,787	15,204,825	17,826,483
Net Revenues Over (Under) Expenditures	(2,184,609)	972,398	(1,946,200)	1,018,181	(1,897,823)

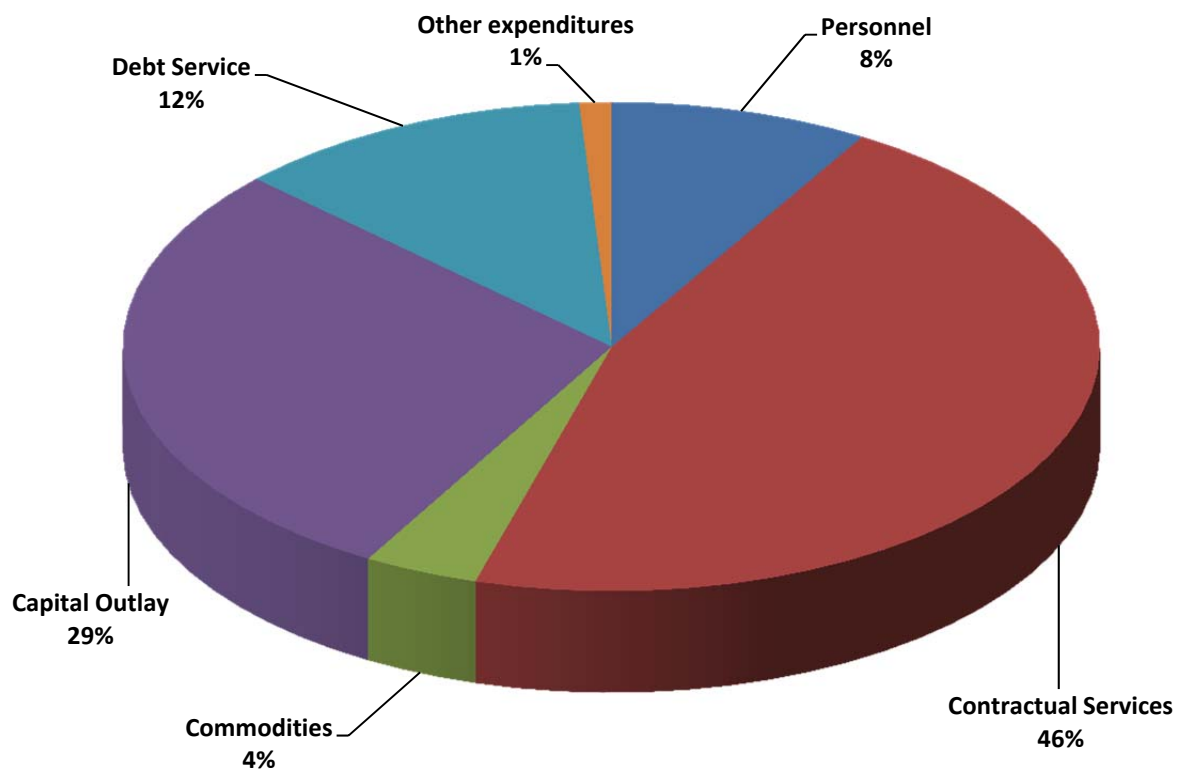
Revenues by Source – All Funds

	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget
Licenses and Permits	449,097	459,602	424,600	533,374	564,000
Taxes and Intergovernmental	12,899,905	14,115,063	11,592,900	12,314,746	11,552,700
Property taxes	1,226,400	2,358,294	1,720,800	2,011,832	1,972,260
Grants	191,967	3,498,674	2,548,887	931,250	1,379,300
Fines and Fees	373,995	309,154	272,100	236,071	208,100
Debt proceeds	-	-	-	-	-
Other revenues	630,978	54,163	220,300	195,733	252,300
Total Revenues	15,772,342	20,794,950	16,779,587	16,223,006	15,928,660



Expenditures by Category – All Funds

	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget
Personnel	1,316,723	1,393,206	1,469,100	1,442,238	1,530,600
Contractual Services	5,965,908	6,714,405	8,717,630	7,793,913	8,184,400
Commodities	449,497	297,055	752,400	663,138	676,300
Capital Outlay	8,016,022	7,049,764	5,474,457	3,004,734	5,122,583
Debt Service	2,063,829	4,184,101	2,110,200	2,110,087	2,121,800
Other expenditures	144,972	184,021	202,000	190,715	190,801
Total Expenditures	17,956,951	19,822,552	18,725,787	15,204,825	17,826,483



Projected Changes in Fund Balance

All Funds

	Estimated Beginning Fund Balance (Deficit) 5/1/2018	Revenues & Other Sources	Expenditures & Other Uses	Estimated Ending Fund Balance (Deficit) 4/30/2019
General Fund	8,171,462	7,147,100	7,147,100	8,171,462
Neighborhood Revitalization	(80,000)	512,200	432,200	-
Utility Tax Fund	1,303,324	1,000,000	1,086,500	1,216,824
Sales Tax Rebate Fund	-	521,300	521,300	-
Motor Fuel Tax Fund	468,641	587,500	580,000	476,141
IL 251/173 TIF Fund	128,852	973,360	906,600	195,612
Capital Improvement Fund	2,118,025	391,400	830,700	1,678,725
Drug Recovery Fund	5,068	100	5,000	168
N. 2nd Street TIF Fund	(667,732)	457,600	771,400	(981,532)
Weststone IJRL TIF Fund	398,373	450,000	895,300	(46,927)
N. Willow Creek IJRL TIF Fund	(35,052)	13,000	2,500	(24,552)
S. Willow Creek IJRL TIF Fund	45,679	240,000	444,000	(158,321)
Flood Mitigation Fund	(52,217)	842,100	789,883	-
Build Machesney Road Fund	1,363,473	3,820,300	4,441,300	742,473
	<u>13,167,896</u>	<u>16,955,960</u>	<u>18,853,783</u>	<u>11,270,073</u>

Major Increases or Decreases in Fund Balances

IL 251/173 TIF Fund – Fund balance is expected to continue to improve as all debt service has paid in full and prior project costs are reimbursed to the general fund. The Village is holding an asset for resale which is anticipated to make this Fund whole by the time the TIF expires.

Capital Improvement Fund – Fund balance is expected to decline slightly due to planned capital improvement projects.

N. 2nd Street TIF Fund – Fund balance is expected to decrease due to contractual redevelopment obligations, developer incentives, and debt service that requires more than the incremental property taxes being received at this time. However, as the development projects come to fruition over the next two years, the balance should improve.

Weststone IJRL TIF Fund – Fund balance is expected to decline due to TIF related development planned for the upcoming year. Property tax increment is programmed to cover the expenditures in future years and so the balance should revert to a positive balance in the next few years.

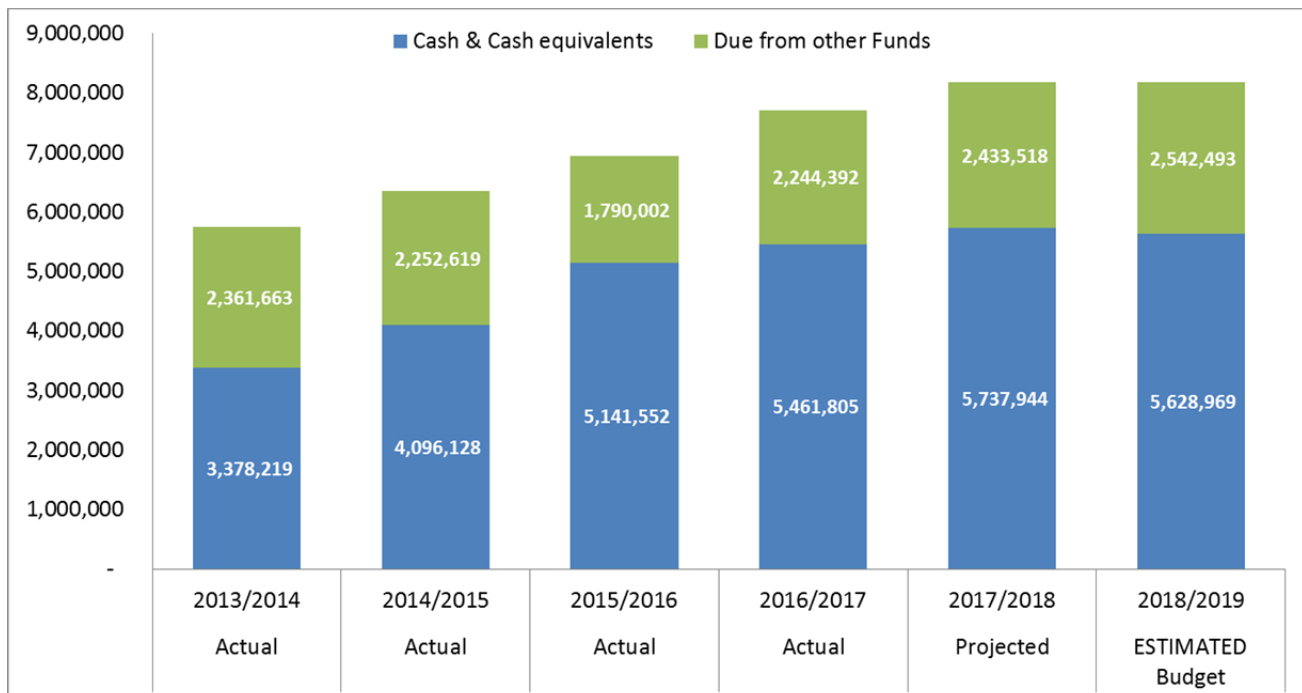
S. Willow Creek IJRL TIF Fund - Fund balance is expected to decline due to infrastructure improvements being built to accommodate the industrial neighborhood. Property tax increment is programmed to cover the expenditures in the next few years.

Major Increases or Decreases in Fund Balances continued

Build Machesney Road Fund – Fund balance is expected to decline but remain a positive balance as was planned. With aggressive plans to continue to repair and maintain infrastructure, the fund balance will remain minimal as projects are completed.

General Fund – Fund balance includes not only liquid assets (cash, investments, etc.) but also items that are non-spendable or not readily convertible into cash such as accounts receivables, amounts due from other governments, amounts due from other funds of the Village (amounts loaned to a TIF district and waiting to be repaid), accounts payable, etc. Therefore, a snapshot of the General Fund estimated fund balance at year end and broken down by cash and investments and amounts due from other funds provides a good visual of the total fund balance compared to the actual cash on hand. The Village has been improving its balances in recent years as TIF districts have started reimbursing the General Fund for prior expenditures and thereby increasing the cash balance.

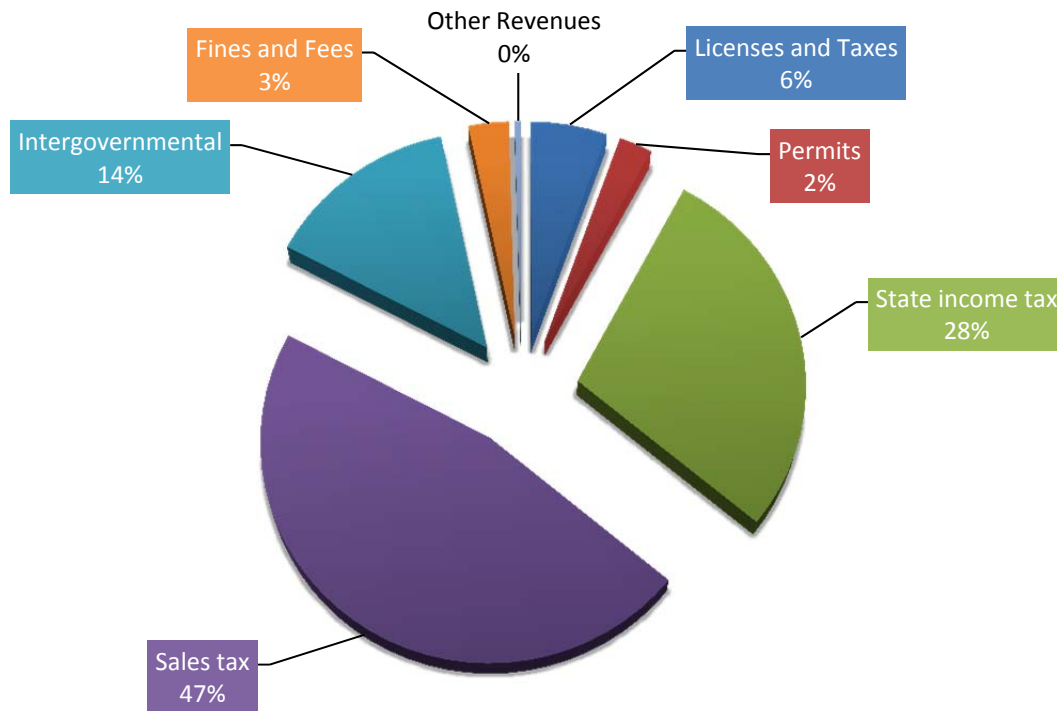
Best practice dictates having an unassigned fund balance at a minimum of three months (25%), but preferably closer to a year of operating expenses, especially due to the volatile revenue streams the Village relies on to conduct its activities. The Village is projecting to have just under \$6M of available cash (unassigned fund balance) in the General Fund at year end, which is about 79% of the budgeted expenditures and transfers.



Executive Summary

Major Revenue Sources

The Village's top two revenue sources in the General Fund, Sales tax and State income tax, comprise 75% of total revenues, with a majority being derived from sales tax. As such, forecasting revenues is challenging due to unpredictable factors such as the economy and consumer preferences. Hence, the Village takes a conservative approach towards projecting these revenues.



Sales Tax

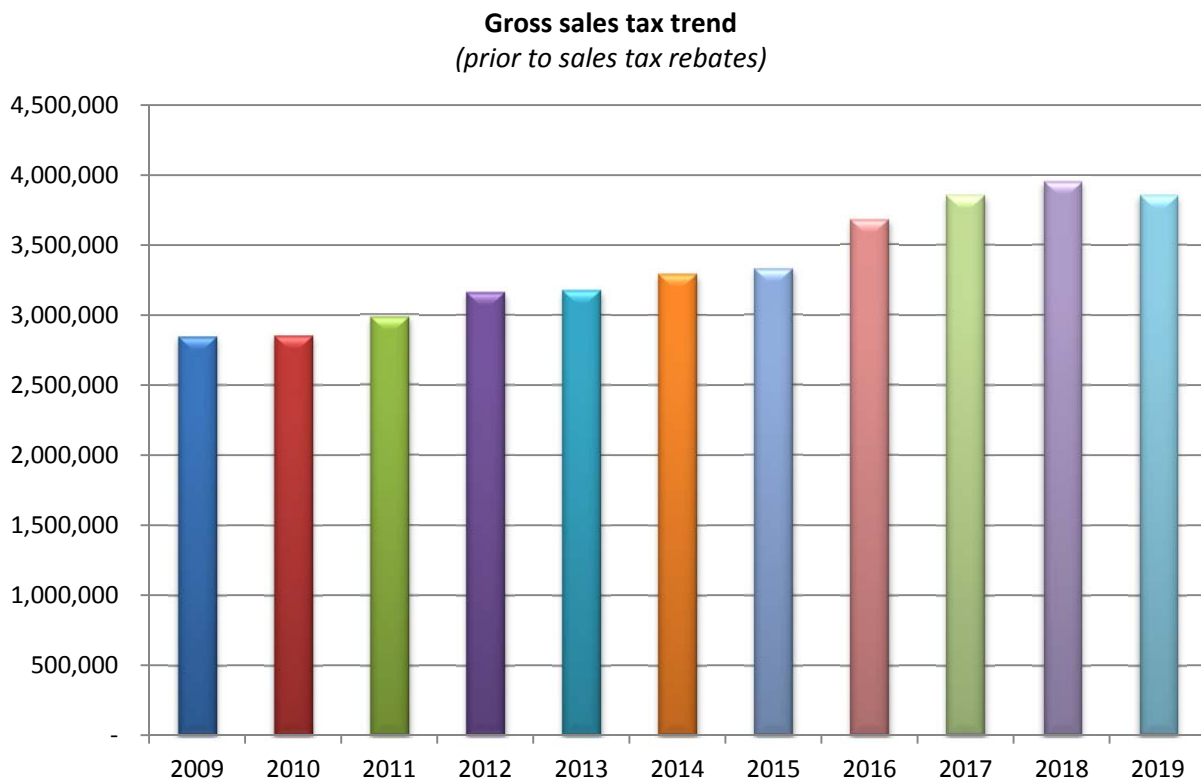
The Village receives one cent (\$0.01) per dollar of retail sales, which is collected by the State and then distributed to the Village. The sales tax rate within the majority of the corporate boundaries is 8.25%; the Village's share is the regular allocation of 1% on retail sales including food and drugs, and an additional 1% (on retail sales excluding certain food and drugs). The additional 1% tax was approved by referendum which is set to expire in 2020. All proceeds from the additional 1% sales tax are to be used on infrastructure projects.

State Income Tax

Income tax is state shared revenue that is distributed to municipalities based on population. The Illinois Municipal League provides projections of state shared revenues, which provide the foundation for the annual budgeted amounts. Due to the prior ten percent reduction by the state and the continued uncertainty, the Village reduced projections by ten percent in anticipation of the reduction remaining in place.

Revenue Assumptions & Trends

The 1% state sales tax is the largest source of revenue for the Village and has seen incremental growth over the past 10 years. The Village did see an interruption in what could have been further growth in 2013, 2015, and 2016, when the State of Illinois widened and reconstructed IL-173; the primary shopping corridor within the Village. While there was downward pressure in what otherwise was a growing economy, the growth helped offset the construction impact and allowed the Village's main source of revenue to continue relatively consistent through the multi-year construction. 2016 brought the opening of a Meijer superstore which boosted sales tax revenues. While sales tax revenues have been consistently growing, we wanted to remain conservative due to the volatile nature of the revenue stream that can change at any time; so sales tax revenues were budgeted to decline slightly from the prior year estimated revenues.



Building permit revenue was budgeted for a steep increase due to changing outsourcing of the permit inspections from Winnebago County to our neighboring City of Loves Park; which also resulted in a change in contract terms and a much larger share of the revenue being retained by the Village. Motor Fuel tax revenues leveled off in the prior year, however, we continue to utilize the IML projections based on the per capita amount to be distributed. The TIF district revenues are based on increment generated, which is tied to property tax values; we anticipated consistent revenue across all TIF's compared to the prior year. The additional 1% sales tax revenue committed for infrastructure improvements was budgeted for a decline due to the anticipated continuation of the state's imposition of a 2% administrative fee. Most other revenue line items are typically consistent from year to year and therefore were budgeted accordingly.

Expenditure Assumptions & Trends

Inflationary pressures and scope of service expansion have the potential to continually drive expenditures higher, however, the Village strives to keep costs down and continually looks for ways to improve efficiencies and reduce expenses. The Village's IMRF contribution marginally increased for calendar year 2018 and so will have minimal impact. The number of personnel remains unchanged and so the increased costs in personnel are related to a 1.7% cost-of-living adjustment for all employees and up to a \$20,000 merit pool that is distributed amongst employees based on performance as evaluated by their supervisor and the Village Administrator. The general fund departmental expenditure changes are explained in further detail on the following pages. The remaining funds are primarily TIF and capital improvement related; which were budgeted based on actual anticipated costs for various projects or anticipated development. The detail line item budgets for all funds may be found in the Appendix.

The Village continues to plan for future needs, so as surplus funds are available they are either retained in the general fund to increase the reserve balance or transferred to the capital improvement fund to save for future infrastructure needs to avoid the costs of financing. The amount of transfers to other funds is similar to the prior year and accounts for the 10% contribution to the TIF funds, since the Village does not levy a property tax, and also provides funding for various capital needs neighborhood revitalization efforts.

Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget	\$ Inc (Dec)	% Inc (Dec)
Expenditures							
Administration	547,222	593,905	656,600	575,802	667,800	11,200	1.7%
Village Clerk	84,943	82,362	-	-	-	-	0.0%
Executive	134,057	125,851	204,700	192,500	201,900	(2,800)	-1.4%
Community Development	438,287	528,836	584,400	628,170	734,600	150,199	25.7%
Public Works	1,164,168	1,005,965	1,502,700	1,409,338	1,656,700	154,000	10.2%
Building Inspection	57,298	-	-	-	-	-	0.0%
Protective Services	3,403,652	3,503,164	3,682,500	3,702,534	3,733,800	51,300	1.4%
Expenditures	5,829,627	5,840,083	6,630,900	6,508,345	6,994,800	363,900	5.5%
Other Financing Sources (Uses)							
Transfer to Neighborhood Revitalization	(66,380)	-	(107,700)	(109,017)	(100,000)	7,700	-7.1%
Transfer to IL 251/173 TIF	(385,815)	(25,069)	(25,100)	(25,206)	(20,700)	4,400	17.5%
Transfer to Capital Improvement	(647,500)	(431,450)	-	(200,000)	-	-	0.0%
Transfer to N. 2nd TIF	(6,720)	(136,055)	(135,800)	(134,711)	(31,600)	104,200	76.7%
Transfer to Flood Mitigation	14,160	-	-	-	-	-	0.0%
Transfer to Revolving Loan	(1,317)	-	-	-	-	-	0.0%
Transfer to Road Fund	-	(200,000)	-	-	-	-	0.0%
Other Financing Sources (Uses)	(1,093,572)	(792,574)	(268,600)	(468,934)	(152,300)	116,300	43.3%

General Fund Summary

Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget
Revenues					
Licenses and Taxes	402,520	415,170	388,500	407,178	392,000
Permits	46,577	44,432	36,100	126,196	172,000
Intergovernmental	6,633,874	6,602,963	6,193,900	6,533,983	6,344,100
Fines and Fees	373,703	309,153	272,000	235,945	208,000
Other revenues	49,332	35,582	9,000	139,242	31,000
Total Revenues	7,506,006	7,407,300	6,899,500	7,442,544	7,147,100
Expenditures					
Administration	547,222	593,905	656,600	575,803	667,800
Village Clerk	84,943	82,362	-	-	-
Executive	134,057	125,851	204,700	192,500	201,900
Community Development	438,287	528,836	584,400	628,170	734,600
Public Works	1,164,168	1,005,965	1,502,700	1,409,338	1,656,700
Building Inspection	57,298	-	-	-	-
Protective Services	3,403,652	3,503,164	3,682,500	3,702,534	3,733,800
Total Expenditures	5,829,627	5,840,083	6,630,900	6,508,345	6,994,800
Revenues Over (Under) Expenditures	1,676,379	1,567,217	268,600	934,199	152,300
Other Financing Sources (Uses)					
Transfer to Neighborhood Revitalization	(66,380)	-	(107,700)	(109,017)	(100,000)
Transfer to IL 251/173 TIF	(385,815)	(25,069)	(25,100)	(25,206)	(20,700)
Transfer to Capital Improvement	(647,500)	(431,450)	-	(200,000)	-
Transfer to N. 2nd TIF	(6,720)	(136,055)	(135,800)	(134,711)	(31,600)
Transfer to Flood Mitigation Program	14,160	-	-	-	-
Transfer to Revolving Loan	(1,317)	-	-	-	-
Transfer to Road Fund	-	(200,000)	-	-	-
Transfer to Debt Service	-	-	-	-	-
Total Other Financing Sources (Uses)	(1,093,572)	(792,574)	(268,600)	(468,934)	(152,300)
Net Increase (Decrease) in Fund Balance	582,807	774,643	-	465,265	-
Beginning Fund Balance	6,348,747	6,931,554	7,706,197	7,706,197	8,171,462
Ending Fund Balance	6,931,554	7,706,197	7,706,197	8,171,462	8,171,462

General Fund

General Fund Revenues

Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget	\$ Inc (Dec)	% Inc (Dec)
Licenses and Taxes	402,520	415,170	388,500	407,178	392,000	3,500	0.9%
Permits	46,577	44,432	36,100	126,196	172,000	135,900	376.5%
Intergovernmental	6,633,874	6,602,963	6,193,900	6,533,983	6,344,100	150,200	2.4%
Fines and Fees	373,703	309,153	272,000	235,945	208,000	(64,000)	-23.5%
Other Revenues	49,332	35,582	9,000	139,242	31,000	22,000	244.4%
Total Revenues	7,506,006	7,407,300	6,899,500	7,442,544	7,147,100	247,600	3.6%

Budget Analysis

The FY 2019 budget includes an increase of 3.6% to general fund revenues. Permit revenues are anticipated to increase due to the change in contract terms from receiving only 5% of permit revenue to now receiving 50% of permit revenue annually. In addition, sales tax revenues were increased to more closely match the past two years of actual receipts. Most other revenue items are consistent year to year.

Licenses and Taxes Revenues are comprised of 54 liquor licenses, franchise fees from cable and natural gas, and the 5% hotel/motel tax from two establishments within the Village.

Permit Revenues consist of building permits, MS4 permits, and various other permits such as home occupation, driveway, sign, shed, solicitors, etc. The building permit revenue line item recognizes 100% of the revenues from building permits issued within the Village; the City of Loves Park is then paid 50% of the building permit revenues collected, as the fee for providing contracted building inspections. The expense is shown in the Community Development Department and so the net effect to the Village is recognizing 50% of the building permit fees as revenue.

Intergovernmental Revenues include state shared revenues (income tax, local use tax, and auto rental tax), sales tax, road and bridge tax, and reimbursement from the school district for a portion of the school resource officers costs. The sales tax budget was increased based on year over year increases. The Village anticipated the state continuing the 10% reduction to the state income distribution and so reduced revenues accordingly.

Fines and Fees and Other Revenues consist of circuit court fines, parking fines, zoning fines, impound fees, police vehicle fees, and reimbursement of professional services. Circuit court fine revenue has been declining and so the budget took into account a further reduction for the upcoming year. Overall fines, fees, and other revenues were reduced by \$64k to be conservative.

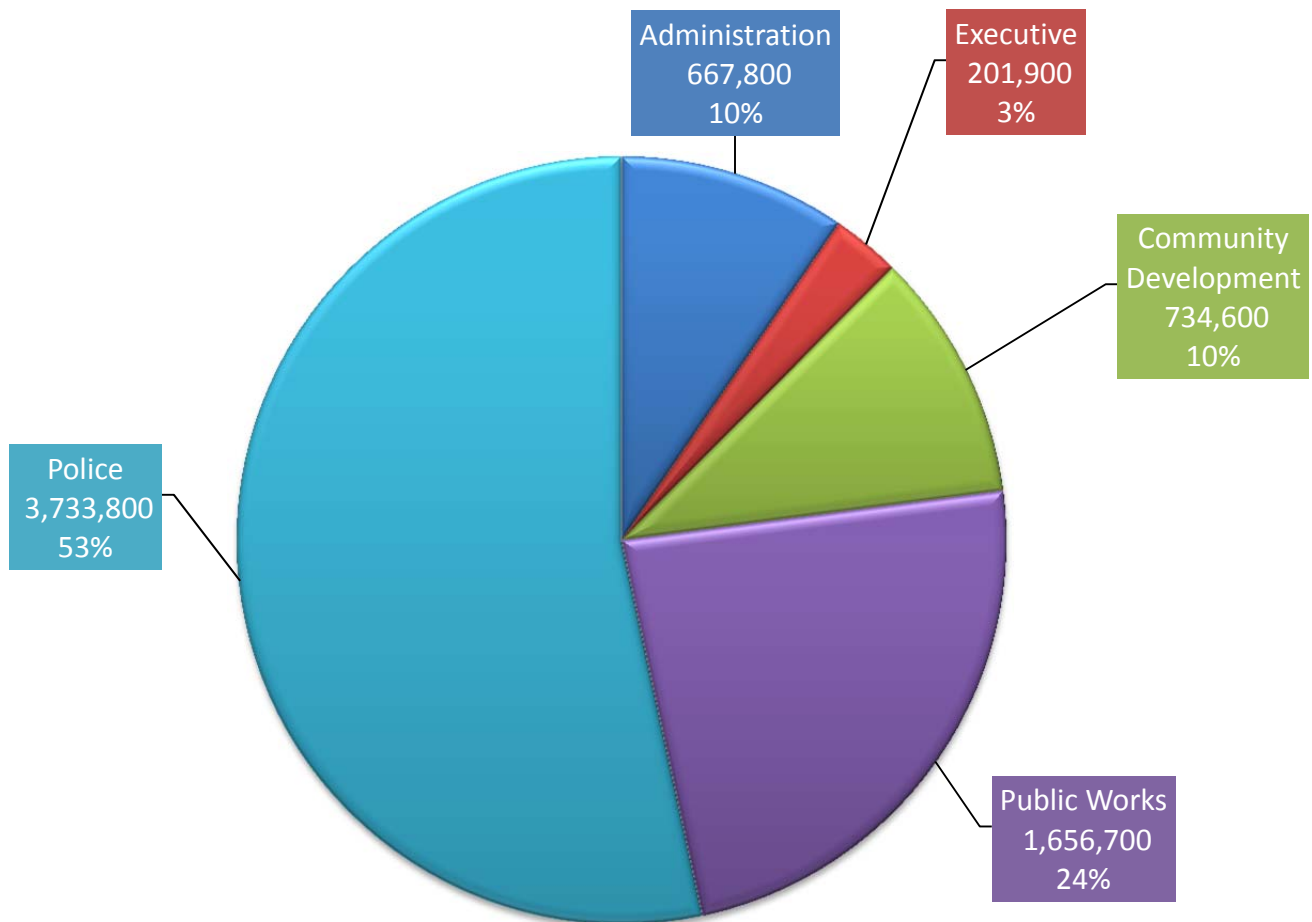
Overall, based on the prior years' history of revenues and possible economic impacts, the budgeted revenues increased 3.6%, which is equivalent to \$247,600.

General Fund Expenditures

Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget	\$ Inc (Dec)	% Inc (Dec)
Expenditures by Department							
Administration	547,222	593,905	656,600	575,803	667,800	11,200	1.7%
Village Clerk ^	84,943	82,362	-	-	-	-	0.0%
Executive	134,057	125,851	204,700	192,500	201,900	(2,800)	-1.4%
Community Development	438,287	528,836	584,400	628,170	734,600	150,199	25.7%
Public Works	1,164,168	1,005,965	1,502,700	1,409,338	1,656,700	154,000	10.2%
Building Inspection *	57,298	-	-	-	-	-	0.0%
Protective Services	3,403,652	3,503,164	3,682,500	3,702,534	3,733,800	51,300	1.4%
Total Expenditures	5,829,627	5,840,083	6,630,900	6,508,345	6,994,800	363,900	5.5%

^Village Clerk department was merged with the Executive department in FY 2018 and thereafter

*Building Inspection was merged with the Community Development department in FY 2017 and thereafter



Administration

Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget	\$ Inc (Dec)	% Inc (Dec)
Personnel	336,046	361,660	373,000	371,090	390,200	17,200	4.6%
Contractual services	155,756	198,291	215,400	138,261	229,100	13,700	6.4%
Office expenses	4,425	4,661	5,400	4,772	5,700	300	5.6%
Indirect employee	14,506	11,050	15,500	15,004	19,700	4,200	27.1%
Capital outlay	14,218	-	25,000	25,084	6,400	(18,600)	-74.4%
Other expenditures	22,271	18,243	22,300	21,592	16,700	(5,600)	-25.1%
Total Administration	547,222	593,905	656,600	575,803	667,800	11,200	1.7%

Department Description

The Administration Department is comprised of four full-time personnel: Village Administrator, Finance & HR Manager, and two Administrative Assistants; one of which also acts as the Deputy Clerk. This department is responsible for providing general and financial information to the Board of Trustees and the public.

The Village Administrator is responsible to the Village Board for supervising and coordinating the activities of all Village departments, including contract management.

The Administration department provides support for all departments in handling general resident inquiries, employee benefits, risk management and insurance coverage, receipt and disbursement of Village funds, various financial reporting, policy development, and the issuance of various licenses.

Goals/Projects

- Explore cost savings to the police contract
- Coordinate harassment training for all staff
- Review boundary agreements and explore annexing additional properties into the Village
- Investigate establishing a TIF for a retirement village along IL 173
- Establish written procedures and cross-training as necessary
- Update fund balance policy to formalize current practices
- Provide an annual balanced budget and apply for the GFOA award (annually)

Prior year goals/projects and results

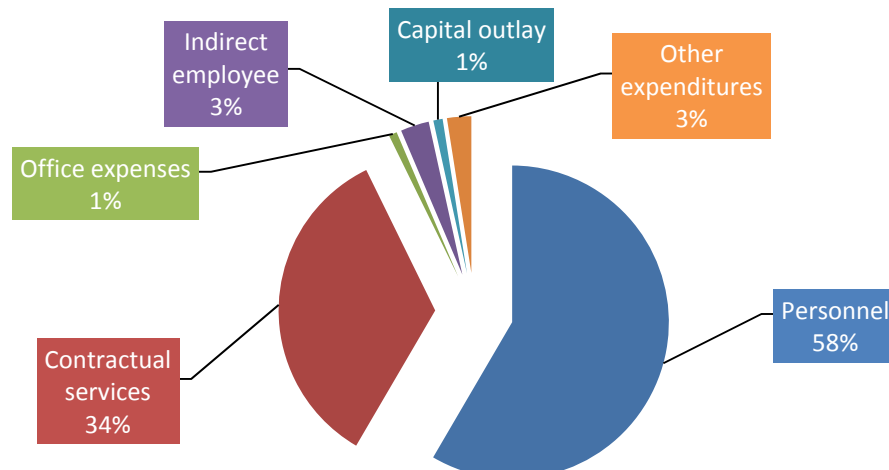
- Productivity Enhancements
 - o Request proposals for credit card processing to reduce fees and improve efficiencies
 - *The Village was successful in switching credit card processors to GovPayNet, which eliminated all fees paid by the Village; a savings of \$3,200. In addition, the Village was able to offer additional services to the residents by accepting online payments for citations, fines, and permits. The system is now much more economical, functional, and streamlined and involves minimal staff time.*

Administration continued

- Review processes and internal controls and establish written procedures and cross-training as necessary
 - *Cross training occurred for several processes which resulted in the elimination of unnecessary petty cash and an improved cash receipt procedure. A comprehensive procedure manual is still in process.*
- Update fund balance policy to formalize current practices
 - *Staff is still reviewing and considering the best policy for the Village.*
- Assume duties to administer various grants to reduce contracted services costs
 - *Staff has been successful in administering several grants and reduced the costs paid to outside contractors; grants are still on-going, but it is anticipated there will be a reduction of approx. \$30k or more.*
- Other Projects
 - Re-align checking and money market accounts to ensure highest interest rates are being earned
 - *The primary banking relationship was revamped and a sweep account initiated; excess cash not needed to offset fees earns interest at the current rate. Interest rates are benchmarked to ensure checking and money market rates remain competitive with the ever changing market; investment income doubled from the prior year in part due to the re-structuring and due to the increasing rates.*
 - Coordinate new server installation and changeover of systems
 - *Successful upgrade of email to outlook online so emails can be accessed anytime, anywhere regardless of whether the Village server is functioning and also an effective upgrade to the server occurred, which has streamlined electronic file storage and improved the overall efficiency of the information technology environment.*
 - Complete the annual budget and apply for the GFOA award (annually)
 - *Complete*

Budget Analysis

The FY 2019 budget includes additional funds to accomplish the current year goals/projects identified above as well as the replacement of four laptops to maintain efficient working equipment.



Executive

Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget	\$ Inc (Dec)	% Inc (Dec)
Personnel	120,801	118,872	180,700	178,674	178,600	(2,100)	-1.2%
Contractual services	2,702	-	-	-	7,500	7,500	100.0%
Indirect employee	7,313	6,418	20,600	12,483	15,800	(4,800)	-23.3%
Capital outlay	3,241	561	3,400	1,343	-	(3,400)	-100.0%
Total Executive	134,057	125,851	204,700	192,500	201,900	(2,800)	-1.4%

Department Description

The Executive Department is comprised of the Village President, Board of Trustees, Village Clerk, and the Village Treasurer. All positions are elected to a four year term and conduct the duties as prescribed by law.

The Village President/Mayor presides over the Village Board meetings and provides leadership in the determination of Village policy and direction. The Village President serves as the representative of the Village throughout the region and promotes Village programs and initiatives.

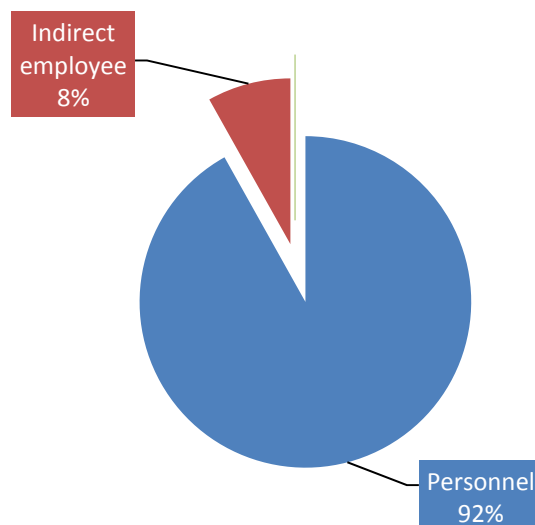
The Board of Trustees consists of six members and serves as the legislative department of the Village.

The Village Clerk is responsible for maintaining the necessary records of the Village. In addition, the Clerk transcribes various meeting minutes, maintains the Village Code Book of Ordinances, registers voters, prepares and posts various meeting agendas, and carries out the duties of the FOIA Officer.

The Village Treasurer is a part-time position and oversees and reviews the financial aspect of Village activities.

Budget Analysis

The FY 2019 budget includes expenses for six elected officials to attend the Illinois Municipal League's Annual Conference in Chicago. In addition, there were funds allocated for trustee training/regional meetings and events and attorney fees in case of objections for the upcoming election.



Community Development

Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget	\$ Inc (Dec)	% Inc (Dec)
Personnel	227,167	312,352	342,000	339,341	355,500	13,500	3.9%
Contractual services	108,023	84,914	95,200	150,250	238,400	143,199	150.4%
Office expenses	7,852	9,077	12,000	10,353	11,900	(100)	-0.8%
Indirect employee	40,783	40,652	47,600	44,365	49,200	1,600	3.4%
Capital outlay	1,309	2,132	2,700	-	15,000	12,300	455.6%
Other expenditures	53,153	79,709	84,900	83,861	64,600	(20,300)	-23.9%
Total Community Develop	438,287	528,836	584,400	628,170	734,600	150,199	25.7%

Department Description

The Community Development Department is comprised of four full-time personnel: Community Development Director, Planning & Zoning Specialist, Code Enforcement Inspector, and Building Clerk. This department is responsible for the community development regulatory policies and economic development programs. The Department attracts new and retains existing commercial, business and industrial development. In addition, the Department enforces the Village's Code of Ordinances including zoning and floodplain regulations, processes subdivision zoning petitions, issues building permits, and reviews site plans and development proposals for conformance with Village regulations.

Goals/Projects

- Continue updating the zoning and subdivision Village code book sections to bring them current and formulate more understandable processes for residents
- Purchase and implement building permit and code enforcement software
- Establish a business district at the intersection of IL 251 and Harlem Road in order to incentivize façade improvements of the businesses
- Business attraction
 - o Attend at least 1 retail attraction event and specifically market the former JCP building
 - o Lease a minimum of 10,000 SF in the former JCP building
 - o Send 20 marketing packets advertising the Village
 - o Send 2 email blasts to regional developers/users
 - o Establish at least 1 retail/hospitality property
- Increase Destination Machesney and Village Facebook followers by 5% each to increase visibility/presence of the Village within the region

Prior year goals/projects and results

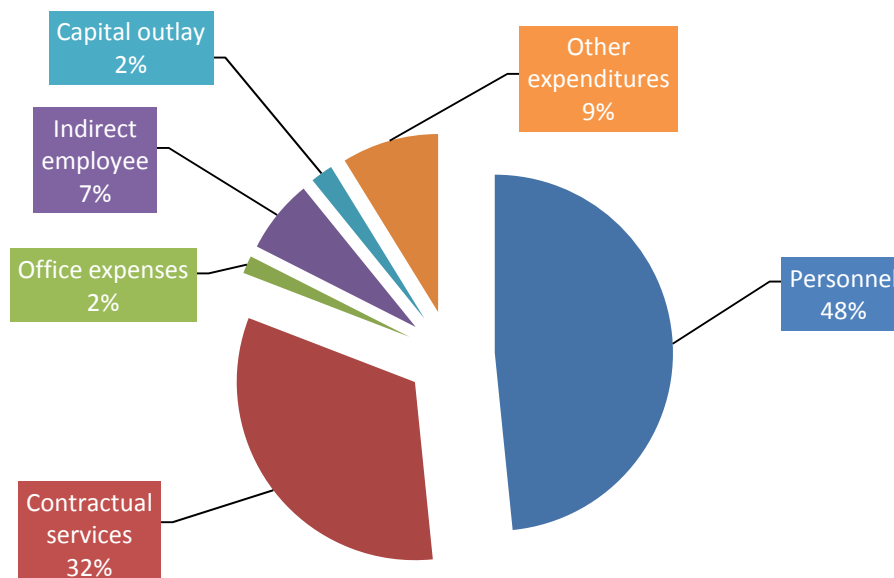
- Productivity enhancements/Community Services
 - o Continue updating the zoning and subdivision Village code book sections to bring them current and formulate more understandable processes for residents
 - *Various sections of the Village code book have been updated; complete overhaul is still in process as time permits*

Community Development continued

- Purchase and implement code enforcement software to more easily track cases and make the notification process more efficient
 - *In process. Previously, the Village contracted building inspections with Winnebago County; however, a switch was made mid-year to contract with the City of Loves Park. This was a time consuming change which also requires the use of new software; therefore new software is being reviewed to accommodate both code enforcement and building permits/inspections requirements.*
- Business promotion
 - Conduct restaurant feasibility study to assess and market the Village
 - *The intended user of this study no longer showed interest in the Village and so the project was not completed.*
 - Market the Village to commercial and industrial users utilizing at least one trade show to continue business expansion throughout the Village
 - *Several trade shows and marketing events were attended; 17 new businesses opened and there was 172,100 square feet of commercial construction activity in Machesney Park in 2017.*

Budget Analysis

The FY 2019 budget includes funds for the above referenced goals/projects: contractual services to re-write the Village's zoning and subdivision codes of regulations, new software for building permit and code enforcement tracking, and the establishment of a business district to improve the business façades along IL Route 251; a primary entrance into the Village. The Community Development department will continue to coordinate and publish the semi-annual newsletter to keep residents informed of everything occurring throughout the Village. Also, since the Board was not intent on providing a twenty year commitment to support the Reclaiming First initiative, they decided to stop contributing \$25,000 annually. By changing the building permit inspection contract to the City of Loves Park, the Village changed the terms of the agreement to now retain 50% of building permit revenue (up from 5%) and pay the City of Loves Park 50% as compensation for the inspections.



Public Works

Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget	\$ Inc (Dec)	% Inc (Dec)
Personnel	322,370	334,001	362,300	350,409	386,800	24,500	6.8%
Contractual services	438,127	432,969	479,900	473,423	582,600	102,700	21.4%
Office expenses	2,632	2,629	4,600	3,533	6,500	1,900	41.3%
Indirect employee	57,647	51,770	57,100	50,841	59,200	2,100	3.7%
Streets	33,917	34,823	395,500	302,904	304,200	(91,300)	-23.1%
Maintenance	242,412	110,757	154,700	186,994	152,900	(1,800)	-1.2%
Utilities	2,174	2,434	4,000	3,616	4,000	-	0.0%
Parks	16,051	7,667	15,000	10,718	17,000	2,000	13.3%
Equipment	5,876	8,504	12,600	10,579	16,400	3,800	30.2%
Supplies	4,572	3,666	6,400	6,176	12,400	6,000	93.8%
Capital outlay	21,598	-	1,500	1,480	93,000	91,500	6100.0%
Other expenditures	16,792	16,745	9,100	8,665	21,700	12,600	138.5%
Total Public Works	1,164,168	1,005,965	1,502,700	1,409,338	1,656,700	154,000	10.2%

Department Description

The Public Works Department is comprised of four full-time personnel: Superintendent of Public Works and three Maintenance Workers. In addition, the department hires seasonal workers as needed.

The Department is responsible for the maintenance of streets, parks, traffic signals, storm water management, and Village owned buildings, vehicles and equipment. The Department outsources many of its activities such as snow and ice control, forestry, mowing, street lighting, street sweeping, street striping, refuse and yard waste collection and mosquito control.

Goals/Projects

- Conduct a study and develop a park plan along the Rock River, utilizing current and anticipated lots owned by the Village
- Community services
 - o Maintain or improve current service levels
 - Add one additional mosquito spray for a total of four sprays during the year
 - Remove as many hazard trees and replace damaged trees based on the budget allotment
- Safety
 - o Add two solar speed radar signs
 - o Continue replacement of street name signs, no parking signs, and arrow signs throughout the Village to be fully compliant with the new sign regulations
- Miscellaneous
 - o Complete maintenance of brick paver roads to prolong durability
 - o Make interior improvements to Village hall; update lighting throughout offices, install new garage doors, and modernize ceiling tiles

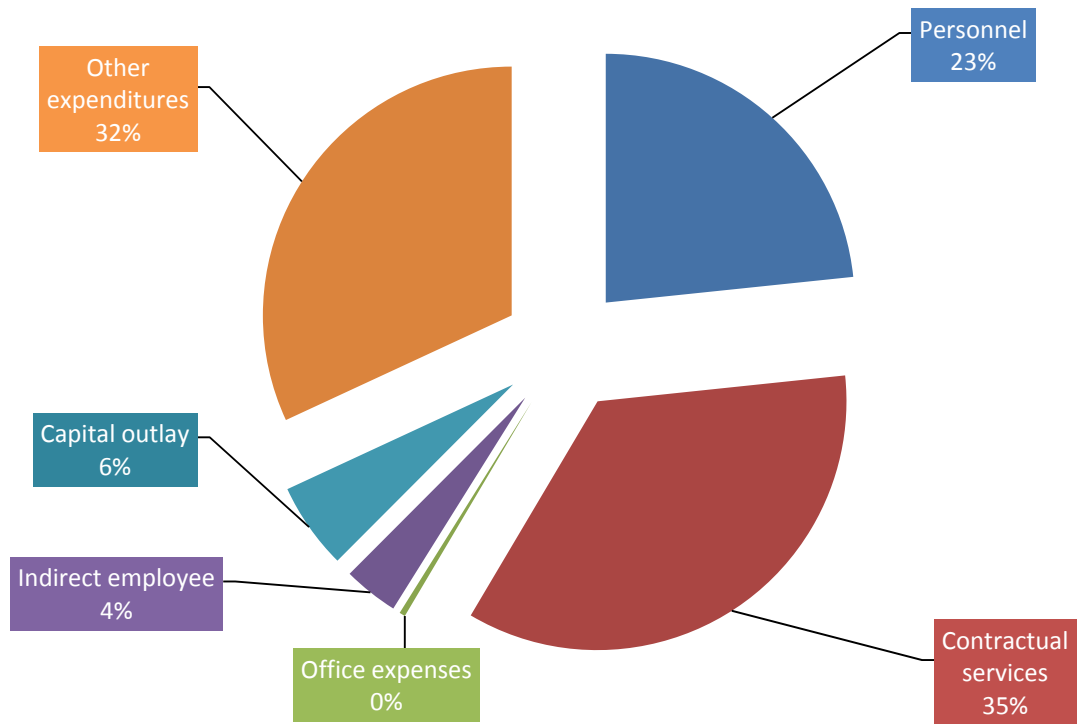
Prior year goals/projects and results

- Community services
 - o Maintain current service levels
 - *Complete – no changes to prior service levels during the year*
 - o Finish remediation of emerald ash borer trees and remove 50 hazardous trees on Village owned properties
 - *Remediation of all emerald ash borer trees has been completed. In addition, the Village was able to remove 59 hazardous trees.*
- Safety
 - o Last year the Village completed replacement of all stop signs; continue replacement of other traffic signs to the new retro-reflectivity standard as budgeted funds allow
 - *The Village replaced approximately 114 signs*
- Beautification
 - o Improve beautification throughout the Village by updating lighting to LED, improving landscaped medians, and repairing the Willow Creek bike path bridge
 - *All complete*
 - o Make interior improvements to Village hall; update lighting throughout offices, install new garage doors, and modernize ceiling tiles
 - *On hold due to mid-year budget changes necessitated by the state reduction of income tax distributions; include in future years budget*
- Roads
 - o Maintain two contractors to conduct snow and ice control throughout the Village
 - *Complete*
 - o Complete maintenance of brick paver roads to prolong durability
 - *On hold due to mid-year budget changes necessitated by the state reduction of income tax distributions; include in future years budget*

Budget Analysis

The FY 2019 budget provides for the continuation of services at levels similar to the past several years, with a few enhancements. Contractual services include mosquito and animal control; forestry costs for ongoing maintenance of trees throughout the Village; street sweeping and striping; and mass transit services. The Village continues the task of replacing traffic signs to bring them up to the current retro-reflectivity standard. In addition, funds were budgeted to add wayfinding signs throughout the Village. For several years a common goal among the Village Board members has been to beautify the Village, which is being accomplished partly through the Corridor program line item; other initiatives can be seen throughout the Village through the upgrade of traffic signals to a decorative standard, replacing entrance signs to the Village, and providing decorative landscaping to various medians and parkways within the Village. Lastly, two equipment upgrades are planned; replacement of the backhoe by entering into a new lease, which should result in lower repairs and maintenance costs, and the purchase of a new dump truck to alleviate the number of trips when hauling materials, resulting in more efficient use of staff time.

Public Works continued



Protective Services

Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget	\$ Inc (Dec)	% Inc (Dec)
Personnel	15,553	14,837	16,000	15,386	16,000	-	0.0%
Contractual services	3,210,983	3,275,457	3,410,400	3,414,775	3,500,000	89,600	2.6%
Other contractual services	77,124	68,117	64,900	82,400	73,900	9,000	13.9%
Office expenses	814	744	1,400	800	1,400	-	0.0%
Capital outlay	51,448	80,372	106,100	114,341	56,700	(49,400)	-46.6%
Other expenditures	47,730	63,637	83,700	74,832	85,800	2,100	2.5%
Total Protective Services	3,403,652	3,503,164	3,682,500	3,702,534	3,733,800	51,300	1.4%

Department Description

The Protective Services Department has been contracted through the Winnebago County Sheriff's Department since the inception of the Village in 1981. The Village currently pays for twenty-nine sworn officers and one secretary. The officers consist of twenty-two patrol officers (two of which are paid for by the Village's Utility Tax Fund), two school resource officers, three detectives, one Sergeant, and one Machesney Park Division Supervisor. In addition, the Village employs one part-time school resource officer; the position is fully reimbursed by the Harlem School District.

In FY 2019, the County submitted significant budget increases, thereby changing the terms of the agreement. The Village submitted a two year notice of termination, as provided by the terms of the agreement, and negotiations are anticipated to take place to either come to an agreement on new terms or after the two years, the contract will be terminated.

Goals/Projects

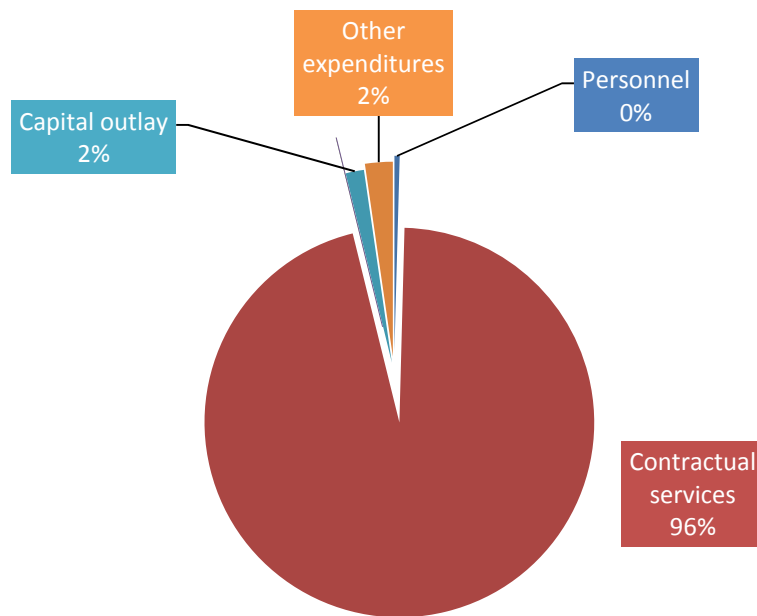
- Explore cost savings to the police contract
- Maintain adequate staffing levels
- Upgrade two squad cars to SUV's
- Finish the replacement/upgrade of laptops in all squad cars; four in current year

Prior year goals/projects and results

- Safety
 - o Maintain adequate staffing levels – *complete*
 - o Replace two radar units and seven laptops in the squad cars – *complete*
 - o Replace three squad cars that have over 100k miles - *complete*
- Strong neighborhoods
 - o Purchase and implement two automated license plate reader systems to increase the data sharing between governments and improve safety – *complete*
 - o Partner with United Way to establish a strong neighborhood house within the Village
 - *Ongoing effort; waiting on United Way/Zion Development to secure a location*

Budget Analysis

The FY 2019 budget consists largely of estimates due to ongoing negotiations and the uncertainty of the contract terms moving forward, so the Village estimated to the best of its ability the anticipated costs. While the budget only shows a \$51k increase, the personnel costs accommodate the reduction of one patrol officer. Once a contract is agreed to by both parties, any further budget adjustments would be made mid-year and approved by the Board.



Capital Projects Funds

CIP Fund

Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget	\$ Inc (Dec)	% Inc (Dec)
REVENUES	804,514	8,770	391,400	10,055	391,400	-	0.0%
EXPENDITURES	865,878	23,245	510,100	113,080	755,700	245,600	48.1%
OTHER FINANCING SOURCES/ (USES)	647,500	334,842	-	185,727	(75,000)	(75,000)	100.0%
ENDING FUND BALANCE	1,714,956	2,035,323	1,914,059	2,118,025	1,678,725		

Fund Description

The Capital Improvement Fund is for major infrastructure or capital items not otherwise covered in other funds. The primary source of funding for this department is General Fund operating transfers.

Budget Analysis

The FY 2019 budget consists of funds for IL 173 infrastructure improvements, land acquisition, and improvements to the Shore Drive boat launch.

The IL Department of Transportation (IDOT) re-constructed and widened IL-173 to four lanes and as part of the construction project, the Village and developers paid for additional improvements to be constructed, including upgrading the traffic signals to a decorative standard and upgrading drainage throughout the project. The Village (developers reimbursed the Village for their associated costs) paid the initial 80% of the estimated cost in Fiscal Year 2015-2016 and is just awaiting the final bill for completion.

Funds were also budgeted to build an additional parking lot to accommodate overflow boat trailer parking at the boat launch and land acquisition costs to plan for a possible future public works facility.

In addition, while the boat launch construction was completed with grant funding from the Illinois Department of Natural Resources, the State has yet to reimburse the Village \$200,000 of grant funds as reimbursement.

Utility Tax Fund

Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget	\$ Inc (Dec)	% Inc (Dec)
REVENUES	1,094,114	1,157,286	1,000,000	1,096,297	1,000,000	-	0.0%
EXPENDITURES	1,200,884	556,193	251,600	197,103	286,500	34,900	13.9%
OTHER FINANCING USES	(350,000)	(533,200)	(400,000)	(400,000)	(800,000)	(400,000)	100.0%
ENDING FUND BALANCE	736,237	804,130	1,152,530	1,303,324	1,216,824		

Fund Description

The Utility Tax Fund is primarily for additional infrastructure projects, but also provides for additional public safety. The Village Board approved a utility tax fee on natural gas and electric utilities beginning in March 2013. The Board committed that at least 55% of the revenues would go towards infrastructure improvements. In addition, the Board instituted a rebate program whereby low-income residents could be rebated the utility taxes paid up to \$50 or \$150 annually depending on the rebate selected.

Budget Analysis

The FY 2019 budget includes \$800,000 of utility tax revenues to be transferred to the Road Fund for utilization on the major road reconstruction and maintenance projects for this year.

During the first two years of the Utility Tax Fund, the Village added 2 police officers (contracted through the Winnebago County Sheriff's Department) to cover additional shifts previously underserved and therefore the annual cost of those officers is paid for by the Utility Tax Fund, as well as any associated equipment costs. In addition, the Village budgeted to replace two squad cars with SUV's, and all associated equipment, utilizing this fund.

Special Revenue Funds

Road Fund

Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget	\$ Inc (Dec)	% Inc (Dec)
REVENUES	3,873,916	3,695,410	3,300,500	3,445,761	3,020,300	(280,200)	-8.5%
EXPENDITURES	7,317,851	4,950,419	3,932,200	3,624,273	4,441,300	509,100	12.9%
OTHER FINANCING SOURCES	350,000	829,808	400,000	400,000	800,000	400,000	100.0%
ENDING FUND BALANCE	1,567,186	1,141,985	794,509	1,363,473	742,473		

Fund Description

The Road Fund was established in Fiscal Year 2008-2009 after a successful referendum approved an additional 1% sales tax, which became effective on July 1, 2008. The additional 1% sales tax is only used on road and drainage improvements throughout the Village. The initial referendum was set to expire after five years, however, a second successful referendum provided for an additional seven years, which expires in 2020. The initial referendum promised 36.5 miles of road would be completed and the Village delivered 37.60 miles. The second referendum and the utility tax combined promised 8.2 miles of reconstruction and 21.4 miles of resurfacing; to date the Village has completed 79% of that promise and is on track to reach the goal.

Budget Analysis

The FY 2019 budget includes the reconstruction of 1.23 miles of road and resurfacing of 3-4 miles of roads. The reconstruction and drainage improvements are for Scott Lane, Juniper Lane, and Cadet Road intersections, reconstruction of portions of Orlando Avenue and Victory Lane, installation of a new traffic signal at the intersection of Victory Lane and Harlem Road, construction of a multi-use path from Mitchell Road to Price Park, and various resurfacing throughout the Village. The drainage improvements along Scott/Juniper/Cadet will provide a major savings in staff time; currently after any major rainfall public works staff must pump the water off the road so it is passable. So, this improvement will be a welcome change for both the residents and the Village in terms of safety and efficiency.

There were two debts issued, FY 2009 and FY 2015, that are paid from revenues within this fund.

Motor Fuel Tax

Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget	\$ Inc (Dec)	% Inc (Dec)
REVENUES	704,257	618,495	587,500	619,911	587,500	-	0.0%
EXPENDITURES	553,884	585,846	747,500	521,525	580,000	(167,500)	-22.4%
ENDING FUND BALANCE	337,606	370,255	210,255	468,641	476,141		

Fund Description

The Motor Fuel Tax Fund (MFT) is comprised of the taxes charged on motor fuel used by vehicles operating upon public highways and recreational watercraft operating upon the waters of the State of IL. The tax is currently nineteen cents per gallon and 2.5 cents per gallon on diesel fuel. IDOT allocates the MFT revenues according to state statute and issues monthly distributions to the Village based on a per capita allocation. MFT funds can only be used for items as outlined by IDOT.

Budget Analysis

The FY 2019 budget includes funds to pay for the street lighting throughout the Village as well as salt used during the snow and ice control operations. The Village contracts for the actual snow plowing activities and that cost is budgeted under the public works department within the general fund.

IL 251/173 TIF

Fund Description

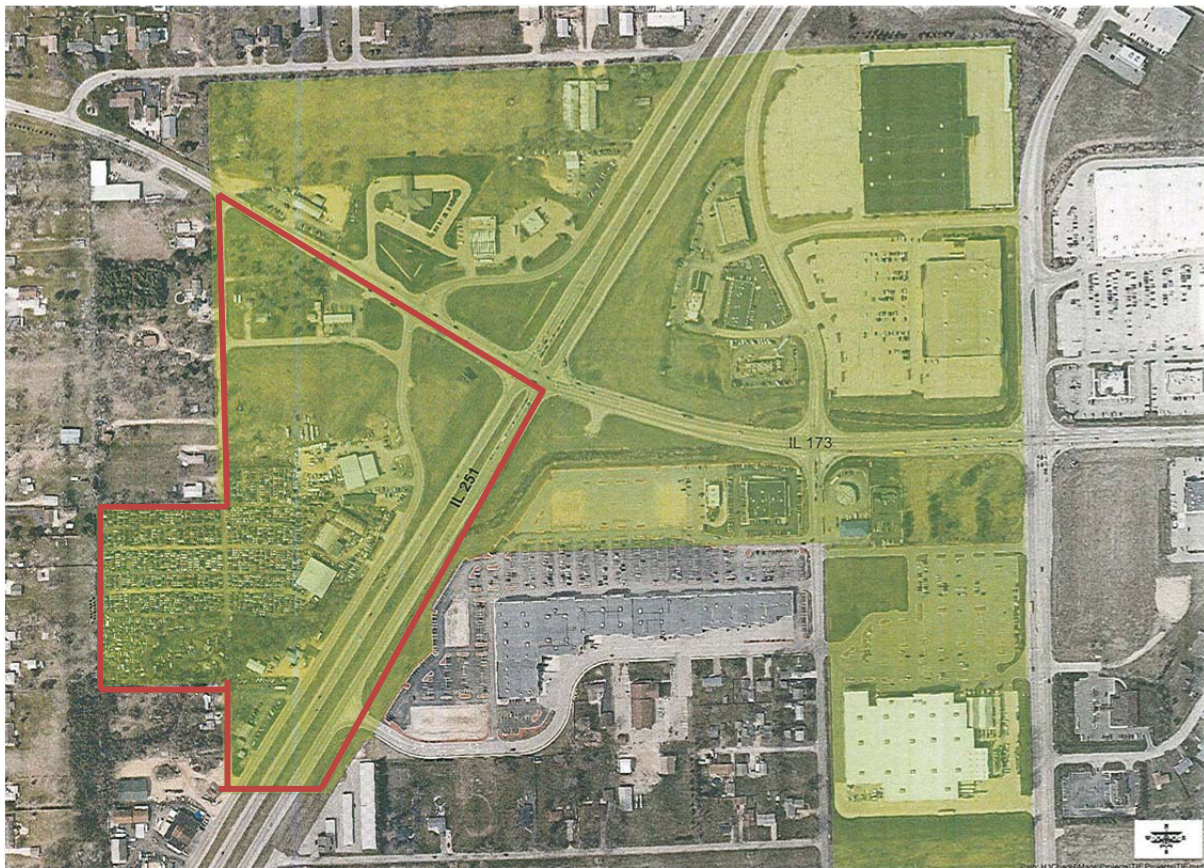
The IL 251/173 TIF Fund was created in 1991 to account for the project costs and resources related to the Tax Increment Financing (TIF) District located at the intersection of N. Second Street (IL Route 251) and IL 173. TIF expenditures are funded by incremental property taxes that result from improving this portion of the Village. The TIF was extended for an additional twelve years to continue to spur development of an unoccupied old Menards building and two outlots along IL 173.

Budget Analysis

The FY 2019 budget includes a surplus distribution to the taxing bodies based on an agreement made when the Village extended the TIF; the Village would retain the increment from three parcels for further development, while the increment from the other remaining parcels would be distributed back to the taxing districts as a surplus. The budget also includes expenditures for professional services in anticipation of possible development opportunities and a reimbursement of TIF eligible expenses up to \$100,000. The fund balance is primarily comprised of 1.41 acres of vacant commercial land being held for resale by the Village and funds owed back to the General Fund; it is anticipated the General Fund will be fully reimbursed by the expiration of the TIF in 2026.

IL 251/173 TIF Boundaries

— The outlined area was removed from this TIF in 2008 and included in the N. 2nd Street TIF



N. 2nd Street TIF

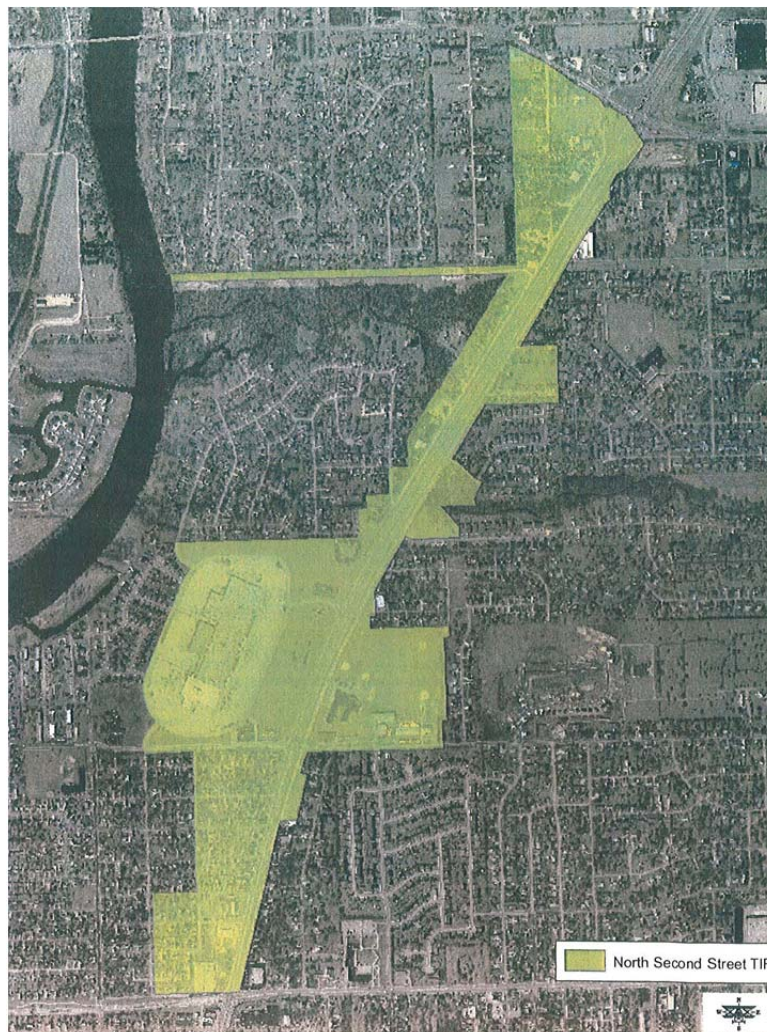
Fund Description

The North 2nd Street TIF was created in 2008 to account for the project costs and resources related to the Tax Increment Financing (TIF) District located along North 2nd Street (IL 251) from Harlem Road to IL-173. TIF expenditures are funded by incremental property taxes that result from improving this portion of the Village.

Budget Analysis

The FY 2019 budget anticipates continued activity and development of the Town Center, which is located in the center of the TIF. In addition, contractual redevelopment obligations will be payable based on redevelopment agreements with certain developers/companies and annual debt service payments. Professional services were also budgeted in anticipation of additional development opportunities. The fund balance is comprised of a commercial building being held for resale by the Village and funds owed back to the General Fund and the Utility Tax Fund; both of which are anticipated to be fully reimbursed prior to the expiration of the TIF.

N. 2nd Street TIF Boundaries



Weststone IJRL TIF

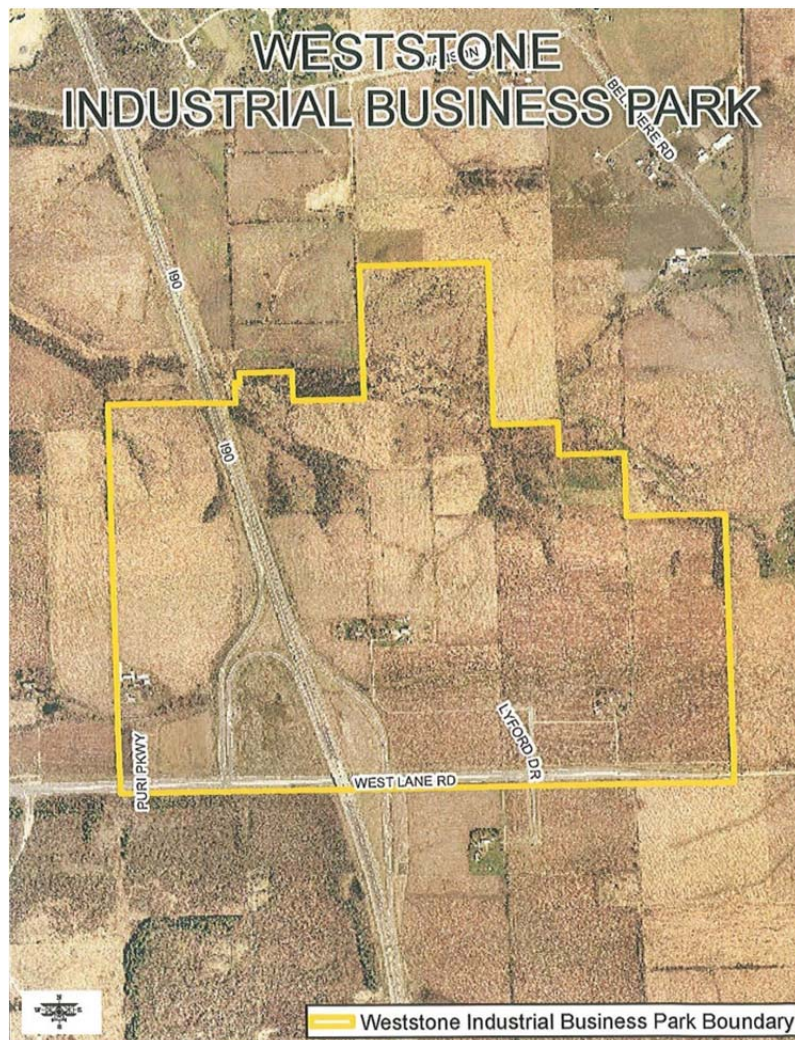
Fund Description

The Weststone IJRL TIF was created in 2011 to account for the project costs and resources related to the Industrial Jobs Recovery Law (IJRL) Tax Increment Financing (TIF) District located along IL-173 at the I-90 interchange. TIF expenditures are funded by incremental property taxes that result from improving this portion of the Village.

Budget Analysis

The FY 2019 budget anticipates consistent property tax revenues from the three new buildings constructed in 2013 & 2014 on the east side of I-90. In addition, expenditures include reimbursement of TIF eligible expenditures based on redevelopment agreements authorized by the Board, professional services in anticipation of further development opportunities, and \$565k to share in the cost of extending Puri Parkway infrastructure on the west side of I-90. The deficit fund balance is primarily funds owed back to the General Fund and the Utility Tax Fund; which are anticipated to be fully reimbursed prior to the expiration of the TIF.

Weststone IJRL TIF Boundaries



North Willow Creek IJRL TIF

Fund Description

The North Willow Creek IJRL TIF was created in 2011 to account for the project costs and resources related to the Industrial Jobs Recovery Law (IJRL) Tax Increment Financing (TIF) District, which is comprised of two parcels within the Willow Creek Industrial Park. TIF expenditures are funded by incremental property taxes that result from improving this portion of the Village.

Budget Analysis

The FY 2019 budget includes minimal expenditures. Infrastructure was improved in the prior year which accounts for the deficit fund balance, but it is anticipated to be fully reimbursed within the next several years from increment.

North Willow Creek IJRL TIF Boundaries



South Willow Creek IJRL TIF

Fund Description

The South Willow Creek IJRL TIF was created in 2011 to account for the project costs and resources related to the Industrial Jobs Recovery Law (IJRL) Tax Increment Financing (TIF) District, which primarily encompasses the Willow Creek Industrial Park. TIF expenditures are funded by incremental property taxes that result from improving this portion of the Village. The TIF was amended in 2016 to expand the boundaries to include one additional parcel at the far northwest portion of the TIF (the below map includes this addition).

Budget Analysis

The FY 2019 budget includes expenditures for reimbursement of TIF eligible expenditures based on redevelopment agreements authorized by the Board. Funds were also included to extend Gregory Road north to expand the marketability and readily buildable area within the TIF. Infrastructure along Alpine Road was also improved in the prior year, which accounts for some of the deficit fund balance, but it is anticipated to be fully reimbursed within the next several years from increment.

South Willow Creek IJRL TIF Boundaries



Flood Mitigation Fund

Fund Description

The Flood Mitigation Fund is to account for grants received from Federal and State sources to mitigate flood prone properties. Mitigation efforts consist of acquiring properties through voluntary participation of residents and converting them to open green space indefinitely. The Fund was established after the severe flooding in 2008 caused wide-spread damage and the Village embarked on applying for grants for assistance. To date, the Village has purchased 112 parcels through receipt of grant funding since 2010.

Budget Analysis

The FY 2019 budget includes the remaining grant funds awarded to the Village through the Hazard Mitigation Grant Program (HMGP) to complete phase three of the flood buyout program; it is anticipated 27 properties will be purchased with HMGP funds. For the first time, the Village applied for a Flood Mitigation Assistance (FMA) grant to purchase flooded properties; the anticipated revenues and expenditures were included in the budget in case the grant is awarded. No funds will be spent if the grant is not funded.



Neighborhood Revitalization

Fund Description

The Neighborhood Revitalization Fund (previously known as the IHDA Housing Program Fund) is to account for grants received from the IL Housing and Development Authority (IHDA) or related entities for revitalizing neighborhoods throughout the Village. The Village has participated in the Single Family Rehabilitation (SFR) program for over sixteen years and this is the second year the Village has applied to participate in the Abandoned Property Program (APP).

Budget Analysis

The FY 2019 budget includes grant revenues and related expenditures for the Single Family Rehabilitation program (SFR) and the Abandoned Property Program (APP); both are funded through IHDA. The SFR program provides low-income residents the opportunity to apply for a forgivable loan to rehabilitate the interior or exterior of their homes. The APP program provides resources for the Village to reduce blight through securing, maintaining, demolishing, or rehabilitating abandoned structures. The Village also established its own ITAHB Program (Initiative To Abate Housing Blight) and committed \$100,000 of video gaming revenues towards addressing blight throughout the Village; those revenues and expenditures are also accounted for in this fund.

Sales Tax Rebate

Fund Description

The Sales Tax Rebate Fund tracks the portion of sales tax revenues rebated to various parties based on Board approved incentive agreements.

Budget Analysis

The FY 2019 budget anticipates \$521k to be rebated to First Midwest Group for the Machesney Crossings shopping center and for the Meijer development. A third rebate, with Menards, has not yet met the deliverables required and therefore no payments have been made.

Drug Recovery

Fund Description

The Drug Recovery Fund is used to collect and expend funds from D.U.I. and drug fines and fees. The use of such funds is restricted to certain law enforcement activities.

Budget Analysis

The FY 2019 budget anticipates minimal revenues and while no expenditures were anticipated during the preparation of the budget, the available funds were budgeted for expenditure in case a needed item is identified during the year.

Debt

Bond Rating

The Village's bond rating by Standard & Poor's was raised from "A" to "A+" while affirming a stable outlook in February 2018.

Legal Debt Margin

Chapter 65, 5/8-5-1 of the Illinois Compiled Statutes provides "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% of the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes..."

Assessed valuation (EAV) – 2016	\$310,097,479
Legal debt limit – 8.625% of assessed valuation	\$ 26,745,908
Amount of debt applicable to limit as of 4/30/17	<u>\$ 9,518,254</u>
Legal Debt Margin	<u>\$ 17,227,654</u>

Outstanding Debt

The Village issues debt when there is a specific project/need identified and a specific revenue source to repay the debt. The majority of debt service issued has been related to TIF districts; an analysis of the estimated future increment from that project only is reviewed to ensure the debt will be covered and therefore not have a large impact on the day to day operations of the Village. The other debt issued was specifically for infrastructure projects and again an analysis was run to identify the anticipated sales tax necessary to cover the debt payments as well as the annual projects so as not to impact the general fund. In some instances the Village may need to cover a couple years of debt payments until the increment starts being generated or if telecommunication tax or sales tax is lower than anticipated, but the amounts are eventually repaid to the general fund so as not to have a long term effect.

1. TIF related debt

- a. **2011 Series A, Debt Certificates** – The Village issued \$1,320,000 with interest rates varying from 2.00-4.50% for construction of a new boulevard entrance, traffic signal, and ponds at the Machesney Town Center (formerly the Machesney Park Mall). Semi-annual interest payments are due in July and January and annual principal payments are due in January. The Village pledged the 1% business district sales tax revenues generated by the properties generally within the Town Center area to repay the debt. The final payment is due 1/1/2026.
- b. **2011 Series B, Debt Certificates** – The Village issued \$880,000 with interest rates varying from 2.90-4.50% for construction of a new boulevard entrance, traffic signal, and ponds at the Machesney Town Center (formerly the Machesney Park Mall). Semi-annual interest payments are due in July and January and annual principal payments are due in January. The Village pledged the incremental property tax revenues generated by the TIF to repay the debt. The final payment is due 1/1/2026.
- c. **2013 Promissory Note** – The Village issued a 10 year note through local bank financing with Illinois Bank & Trust for \$1,500,000 with an interest rate of 3.50% for construction of a new road (Lyford & Greenlee) to establish an industrial business park. The new road started at IL-173 and proceeded north to establish entrances for three new industrial

Outstanding debt continued

buildings that were built at the same time as the road. The Village leveraged State Economic Development Program (EDP) funding to pay for 100% of the work on IL-173 and 50% of the costs of the new road. In addition to the road, street lighting, traffic signals, and a bike path were constructed. Semi-annual interest payments are due in June and December and annual principal payments are due in December. The Village pledged the incremental property tax revenues generated by the TIF to repay the debt. The final payment is due 12/1/2022.

- d. **2014 Promissory Note** – The Village issued a 10 year note through local bank financing with Illinois Bank & Trust for \$600,000 with an interest rate of 4.00% to reimburse Practice Velocity for a portion of the over \$6M redevelopment costs incurred at the Machesney Town Center. Practice Velocity is a medical billing company that is quickly expanding and renovated a former Kohl's building for its offices. Semi-annual interest payments are due in June and December and annual principal payments are due in December. The Village pledged the incremental property tax revenues generated by the Practice Velocity parcel within the TIF to repay the debt. The final payment is due 6/1/2024.
- e. **2015 Promissory Note** – The Village issued a 10 year note through local bank financing with Illinois Bank & Trust for \$900,000 with an interest rate of 2.20% to purchase the former JC Penney building at the Machesney Town Center. The building was vacant and was purchased to control development as a key anchor for the entire site and propelling future development. The Village currently also uses a portion of the building for public works activities. Semi-annual interest payments are due in June and December and annual principal payments are due in December. The Village backed the debt through the full faith and credit of the general fund. The final payment is due 12/1/2024.

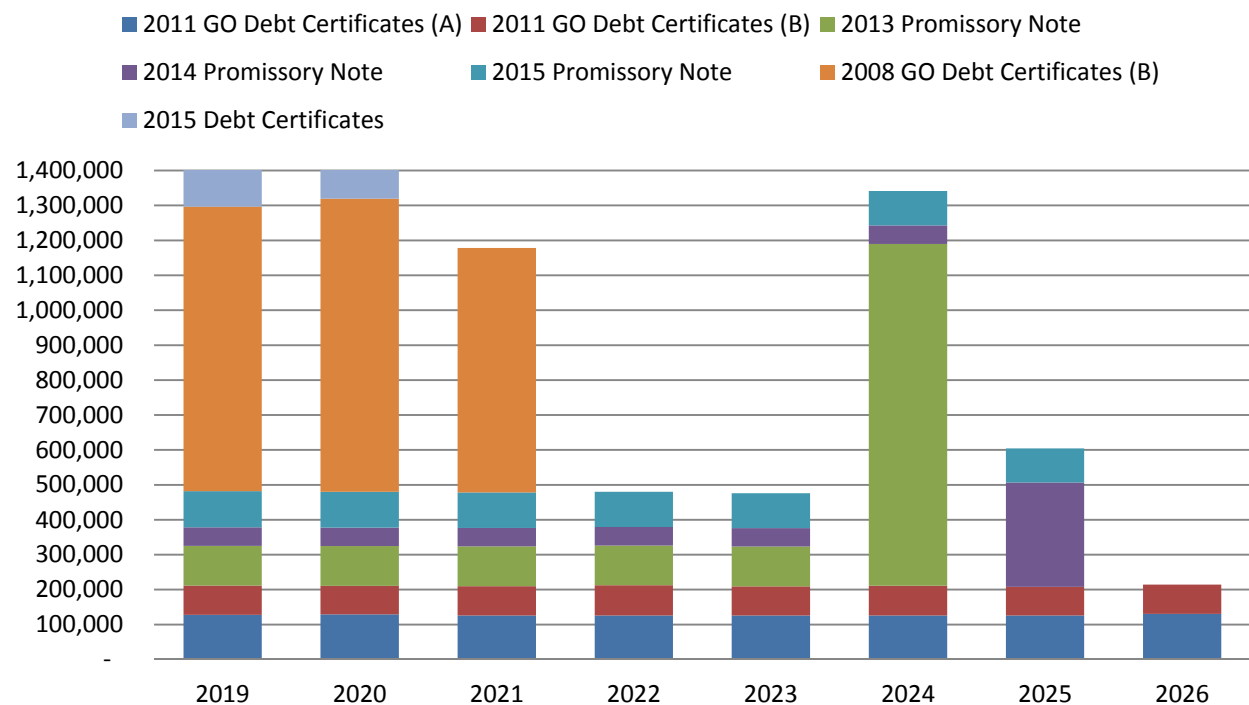
2. Other debt

- a. **2008 Series B, Debt Certificates** – The Village issued \$6,700,000 with interest rates varying from 3.25-4.50% for various road improvements. The voters authorized via referendum an additional 1% sales tax to be used for infrastructure reconstruction and repairs and so in order to jump start the program and do several large projects in the first year, the Village issued debt financing. Semi-annual interest payments are due in June and December and annual principal payments are due in December. In coordination with the approved referendum, the Village increased the telecommunication tax from 1% to 6% and pledged the revenue to repay the debt. The final payment is due 12/1/2020.
- b. **2015 Debt Certificate** – The Village issued a 5 year debt certificate through local bank financing with JP Morgan Chase for \$3,500,000 with an interest rate of 1.52% to expedite the road fund projects. To mitigate future construction cost increases and take advantage of low interest rates, the Village issued financing to accomplish a large section of roads. Semi-annual interest payments are due in April and October and annual principal payments are due in April. The Village pledged the additional 1% road fund sales tax. The final payment is due 4/1/2020.

Summary of Outstanding Debt

Year issued	Type	Purpose	Funding Source	Amount issued	Maturity Date	Principal Outstanding as of 4/30/18
TIF Related Debt						
2011A	Debt Certificates	N. 2 nd Street TIF Improvements- Boulevard entrance	Business District Sales Tax	\$1,320,000	1/1/2026	\$ 835,000
2011B	Debt Certificates	N. 2 nd Street TIF Improvements- Boulevard entrance	TIF Tax Increment	\$ 880,000	1/1/2026	\$ 555,000
2013	Promissory Note	Weststone IJRL TIF- Park 90 infrastructure	TIF Tax Increment	\$1,500,000	12/1/2022	\$ 1,309,821
2014	Promissory Note	N. 2 nd Street TIF – Practice Velocity redevelopment	TIF Tax Increment	\$ 600,000	6/1/2024	\$ 509,474
2015	Promissory Note	N. 2 nd Street TIF – purchase building for redevelopment	TIF Tax Increment and General Fund	\$ 900,000	12/1/2024	\$ 640,274
Other Debt						
2008B	Debt Certificates	Road improvements	Telecomm Tax & 1% road fund sales tax as necessary	\$6,700,000	12/1/2020	\$ 2,165,000
2015	Debt Certificates	Road improvements	1% road fund sales tax	\$3,500,000	4/1/2020	\$ 1,700,000

Principal and Interest Debt Payments (FY 2019 - FY 2026)



Appendix

Financial Policies

The Village is continually updating its policies and while there is currently no formal strategic plan, a goal setting session was established as part of the Village Administrator's annual performance review and further objectives were identified to establish the Board's expectations for the upcoming year. These goals and objectives were utilized as the basis for budgeting within the various departments and funds and were included under the general fund department descriptions previously within this document.

The Village is currently in the process of expanding and clearly defining its fund balance policy to formally document the required percentage of fund balance reserves. In addition, the Village recently overhauled the investment policy, established a credit card policy, and a mobile device policy. In the future, the Village will continue to establish more formal policies regarding fiscal and budgetary guidelines, a strategic plan, and capital improvement planning.

Basis of Accounting and Budgeting

The basis of accounting and budgeting determine when revenues and expenditures are recognized for the purposes of financial reporting and budget control. All Village funds are budgeted utilizing the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are budgeted when they are measurable and available and expenditures are budgeted in the period in which the liability is incurred. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Village considers the majority of its major revenues as available when they are collected within the current period or within two months after the end of the fiscal year. Expenditures are recorded when the obligation to pay is incurred. However, debt service expenditures are recorded only when payment is due. Capital expenditures are recognized at the time of the purchase for budgeting purposes, but non-cash expenditures, such as accruals for vacation liabilities (compensated absences) and depreciation, are not budgeted.

Balanced Budget

The Village considers a balanced budget when estimated revenues equal estimated expenditures for the fiscal year.

Operating Reserves

The Village maintains an operating reserve at least equal to 25% of budgeted annual operating expenses, excluding debt service and transfers. However, due to the volatile nature of the majority of the revenue streams and not levying a property tax, the Village aims to maintain reserves of 80% or more.

Debt Policy

The Village will not issue debt unless it can pay the debt service from an identified revenue source and still meet its other obligations from current revenues.

Revenue Forecasting

The Village estimates forecasted/budgeted revenues conservatively, through an objective, analytical process. The Village regularly reports on forecasted vs. actual revenues, providing explanations for significant variances.

Purchasing Policy

All expenses over the state limit (currently \$25,000) must be approved by the Village Board; items less than the state limit can be initially approved by the Village Administrator or Village President/Mayor and subsequently submitted to the Board through the warrant process. Staff is responsible for obtaining quotes for purchases and in instances when the expense is over the state limit, then either a competitive bid process or Request for Proposal (RFP) process for purchases/professional services should be conducted.

Capitalization Policy

An asset is considered a capital asset when the initial cost of the asset exceeds \$5,000 for equipment, \$10,000 for buildings and improvements, and \$50,000 for infrastructure assets (roads, bridges, sidewalks, and drainage systems). The initial cost will include any costs necessary to put the asset into its intended use.

Investment Policy

The most recent investment policy was adopted in August 2015 and further revised in February 2016. The policy details the Village's investment guidelines including required collateralization, authorized financial institutions and investments, and reporting requirements. The majority of the Village's investments lie in money market and certificate of deposit accounts.

Financial Reporting

Monthly - The Finance Manager will prepare and distribute a monthly budget vs. actual report to each department head, including the detail for each line item, noting significant variances. The Treasurer will provide a report of cash balances for each fund at each board meeting (twice a month) along with a report on the collateralization of Village funds once a month.

Quarterly – The Finance Manager will prepare and distribute a budget vs. actual report to the Board, including a narrative of the significant items to note and analysis of the financial information. In addition, a report will be presented to the Board that outlines the investment activities during the last quarter and lists all cash and investments and interest earned compared to the benchmark as set forth in the Investment Policy.

Annually – The Treasurer will prepare a report that accounts for all moneys received and expenditures incurred during the preceding fiscal year as outlined in Illinois Statute 65 ILCS 5/3.1-35-65. The Village's financial statements shall be audited annually by an independent qualified third party in accordance with GAAP, which shall be completed within six months of the end of the fiscal year. The audit results and any associated management response will be presented to the Board of Trustees.

General Fund Expenditures - Department detail

On the following pages are the detailed line item budgets for each department within the General Fund followed by the detailed budgets for all other funds.

Administration

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget
Personnel						
00-01-421-10	Salaries	266,525	278,267	290,200	290,280	300,700
00-01-451-10	Health insurance	20,847	26,162	21,800	19,073	25,500
00-01-452-10	Dental insurance	1,223	2,040	2,100	1,995	2,100
00-01-453-10	Unemployment taxes	4,162	3,930	4,300	3,322	3,200
00-01-461-10	Social security	16,937	17,644	19,000	19,010	19,700
00-01-461-11	Medicare	3,961	4,127	4,400	4,456	4,600
00-01-462-10	IMRF	22,391	29,490	31,200	32,954	34,400
Total Personnel		336,046	361,660	373,000	371,090	390,200
Contractual services						
00-01-531-10	Audit	14,050	12,000	14,500	14,450	15,400
00-01-532-10	Engineering	39,188	27,117	32,000	14,924	20,000
00-01-533-10	Legal	79,013	129,571	130,000	81,048	75,000
00-01-540-10	Credit card processing	1,022	1,311	3,300	3,284	-
00-01-549-10	Other professional	22,483	28,292	35,600	24,555	118,700
Total Contractual services		155,756	198,291	215,400	138,261	229,100
Office expenses						
00-01-551-10	Postage	1,731	2,141	2,700	2,515	3,000
00-01-552-10	Telephone	2,218	2,050	1,700	2,076	1,700
00-01-553-10	Publishing	476	470	500	43	500
00-01-554-10	Printing	-	-	500	138	500
Total Office expenses		4,425	4,661	5,400	4,772	5,700
Indirect employee						
00-01-561-10	Professional dues	3,731	2,608	2,300	3,129	3,200
00-01-562-10	Meals/travel	2,376	1,853	3,500	2,986	3,500
00-01-563-10	Training	1,227	185	1,600	980	4,200
00-01-565-10	Publications	80	140	200	61	200
00-01-592-10	Insurance-General	7,092	6,264	7,900	7,848	8,600
Total Indirect employee		14,506	11,050	15,500	15,004	19,700
Capital outlay						
00-01-839-10	Equipment	-	-	25,000	25,084	6,400
00-01-849-10	Vehicles	14,218	-	-	-	-
Total Capital outlay		14,218	-	25,000	25,084	6,400
Other expenditures						
00-01-593-10	Equipment lease	2,111	1,945	2,100	2,610	3,600
00-01-651-10	Office supplies	5,254	1,728	4,000	3,381	4,000
00-01-651-20	Computer expense	5,529	6,004	10,700	10,700	5,100
00-01-942-10	Principal-Capitalized leases	5,405	5,811	1,400	1,233	-
00-01-942-11	Interest-Capitalized leases	1,204	666	100	23	-
00-01-949-10	Miscellaneous	2,768	2,089	4,000	3,645	4,000
Total Other expenditures		22,271	18,243	22,300	21,592	16,700
Total Administration		547,222	593,905	656,600	575,803	667,800

Executive

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget
Personnel						
00-03-431-10	Mayor salary	47,258	47,219	47,000	47,183	47,000
00-03-432-10	Trustees salaries	47,100	46,884	46,800	46,560	46,800
00-03-433-10	Clerk salary	-	-	60,000	60,002	60,000
00-03-434-10	Treasurer salary	5,444	5,425	5,400	5,423	5,400
00-03-451-11	Mayor health insurance	3,930	2,994	-	-	-
00-03-452-11	Mayor dental insurance	515	535	-	45	-
00-03-461-10	Social security	6,089	6,077	9,900	10,251	9,900
00-03-461-11	Medicare	1,424	1,421	2,300	2,398	2,300
00-03-462-10	IMRF	9,041	8,317	9,300	6,812	7,200
Total Personnel		120,801	118,872	180,700	178,674	178,600
Contractual services						
00-03-533-10	Legal - Treasurer	-	-	-	-	-
00-03-533-11	Legal - Mayor	1,148	-	-	-	-
00-03-533-12	Legal - Trustees	1,554	-	-	-	7,500
00-03-533-13	Legal - Clerk	-	-	-	-	-
Total Contractual services		2,702	-	-	-	7,500
Indirect employee						
00-03-949-20	Mayor expense	1,995	1,656	6,000	2,517	2,000
00-03-948-10	Treasurer expense	1,861	1,678	3,300	501	500
00-03-947-10	Clerk expense	-	-	6,000	6,000	5,800
00-03-562-10	Trustee IML Attendance	-	2,748	2,800	2,390	5,500
00-03-563-10	Trustee Training	-	336	2,500	1,075	2,000
00-03-949-30	Trustee District 1 expense	1,278	-	-	-	-
00-03-949-40	Trustee District 2 expense	360	-	-	-	-
00-03-949-50	Trustee District 3 expense	519	-	-	-	-
00-03-949-60	Trustee District 4 expense	1,250	-	-	-	-
00-03-949-70	Trustee District 5 expense	50	-	-	-	-
00-03-949-80	Trustee District 6 expense	-	-	-	-	-
Total Indirect employee		7,313	6,418	20,600	12,483	15,800
Capital outlay						
00-03-839-10	Equipment	3,241	561	3,400	1,343	-
Total Capital outlay		3,241	561	3,400	1,343	-
Total Executive		134,057	125,851	204,700	192,500	201,900

Community Development

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget
Personnel						
00-04-421-10	Salaries	171,777	226,941	246,100	246,457	255,700
00-04-451-10	Health insurance	18,938	38,610	43,900	42,831	46,100
00-04-452-10	Dental insurance	823	1,948	2,400	2,369	1,900
00-04-453-10	Unemployment taxes	3,183	4,395	4,400	3,418	3,200
00-04-461-10	Social security	10,210	13,297	15,200	14,984	15,800
00-04-461-11	Medicare	2,388	3,110	3,600	3,511	3,700
00-04-462-10	IMRF	19,848	24,051	26,400	25,771	29,100
Total Personnel		227,167	312,352	342,000	339,341	355,500
Contractual services						
00-04-532-10	Engineering	5,515	25,367	20,000	32,185	32,900
00-04-533-10	Legal-development	32,519	9,975	8,400	15,700	29,200
00-04-533-12	Legal-enforcement	36,085	11,748	24,000	23,918	24,000
00-04-534-10	WinGIS services	8,211	8,666	8,900	8,814	9,200
00-04-534-11	Ifiber	7,200	7,200	7,500	7,200	7,500
00-04-535-10	RMAP	11,547	11,547	12,200	11,548	12,200
00-04-545-10	Building permit fee-LP	-	-	-	40,000	80,000
00-04-549-10	Other professional	6,946	1,651	900	890	30,000
00-04-550-20	Website maintenance	-	-	800	751	900
00-04-595-10	Force mows	-	8,760	12,500	9,244	12,500
Total Contractual services		108,023	84,914	95,200	150,250	238,400
Office expenses						
00-04-551-10	Postage	894	2,102	3,500	2,759	3,500
00-04-552-10	Telephone	1,972	2,802	3,000	2,708	2,900
00-04-553-10	Publishing	1,877	1,902	2,500	2,167	2,500
00-04-555-10	Recording fees	3,109	2,271	3,000	2,719	3,000
Total Office expenses		7,852	9,077	12,000	10,353	11,900
Indirect employee						
00-04-561-10	Professional dues	33,761	32,111	32,500	32,398	32,300
00-04-562-10	Meals/travel	639	1,602	5,200	2,291	6,000
00-04-563-10	Training	245	675	1,100	845	1,700
00-04-565-10	Publications	153	-	200	591	100
00-04-592-10	Insurance-General	5,985	6,264	8,600	8,240	9,100
Total Indirect employee		40,783	40,652	47,600	44,365	49,200
Capital outlay						
00-04-839-10	Equipment	1,309	2,132	2,700	-	15,000
00-04-849-10	Vehicles	-	-	-	-	-
Total Capital outlay		1,309	2,132	2,700	-	15,000
Other expenditures						
00-04-593-10	Equipment lease	913	1,945	2,100	2,397	2,800
00-04-651-10	Office supplies	1,209	1,192	2,500	2,100	2,500
00-04-651-20	Computer expense	1,793	3,129	3,300	3,171	4,300
00-04-655-10	Auto maintenance/fuel	844	987	1,000	1,055	2,200
00-04-913-10	Donations	7,500	12,750	12,800	12,750	13,800
00-04-948-10	Special development	-	493	1,000	1,000	2,500
00-04-948-20	Marketing communications	3,947	2,573	4,400	4,345	3,700
00-04-948-22	Village newsletter	8,059	9,630	10,000	9,563	10,000
00-04-948-23	Reclaiming First	25,000	25,000	25,000	25,000	-
00-04-948-26	Winnebago County-AAR	-	20,000	20,000	20,000	20,000
00-04-948-24	Special events	2,500	-	-	-	-
00-04-947-10	Planning Commission	1,380	2,010	2,300	2,280	2,300
00-04-949-10	Miscellaneous	8	-	500	200	500
Total Other expenditures		53,153	79,709	84,900	83,861	64,600
Total Community development		438,287	528,836	584,400	628,170	734,600

Public Works

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget
Personnel						
00-05-421-10	Salaries	207,659	217,562	223,500	223,360	232,200
00-05-423-10	Temp wages	15,400	13,225	19,700	11,699	24,000
00-05-424-10	Overtime wages	13,338	13,695	22,000	22,000	22,000
00-05-451-10	Health insurance	35,391	39,371	40,600	40,891	48,100
00-05-452-10	Dental insurance	1,760	1,831	1,900	1,849	1,900
00-05-453-10	Unemployment taxes	5,017	4,861	5,400	4,493	4,600
00-05-461-10	Social security	13,857	14,358	16,300	16,289	17,300
00-05-461-11	Medicare	3,241	3,358	3,800	3,860	4,000
00-05-462-10	IMRF	26,390	25,449	28,300	25,230	31,800
00-05-465-10	Uniform allowance	317	291	800	738	900
Total Personnel		322,370	334,001	362,300	350,409	386,800
Contractual services						
00-05-532-10	Engineering	17,391	2,226	5,000	1,594	9,200
00-05-533-10	Legal	5,754	-	-	1,850	2,000
00-05-536-10	Janitorial	10,890	10,890	11,000	10,890	11,000
00-05-539-10	Animal control	47,917	53,708	59,000	59,440	71,500
00-05-549-10	Other professional	514	724	3,300	6,538	26,000
00-05-594-10	Mosquito control	24,103	24,585	32,400	32,384	33,200
00-05-595-10	Mowing	50,831	48,538	65,000	59,170	65,000
00-05-598-10	Forestry	19,089	35,295	45,000	45,000	51,000
00-05-599-11	Street striping	19,579	19,365	25,000	22,461	25,000
00-05-601-10	Street sweeping	18,900	18,450	12,000	12,000	20,000
00-05-602-10	Contracted street signalization	40,406	28,756	30,000	29,701	30,000
00-05-605-10	Contracted street maintenance	2,340	13,326	8,000	9,241	11,000
00-05-652-10	J.U.L.I.E.	4,146	3,977	4,000	3,393	2,900
00-05-916-10	Mass transit	176,267	173,129	180,200	179,761	224,800
Total Contractual services		438,127	432,969	479,900	473,423	582,600
Office expenses						
00-05-551-10	Postage	633	695	1,100	1,142	1,300
00-05-552-10	Telephone	1,959	1,934	2,500	1,827	4,200
00-05-553-10	Publishing	40	-	1,000	564	1,000
Total Office expenses		2,632	2,629	4,600	3,533	6,500
Indirect employee						
00-05-561-10	Professional dues	-	1,262	1,400	1,390	1,400
00-05-562-10	Meals/travel	117	186	1,500	614	1,500
00-05-563-10	Training	5,660	1,668	2,000	120	2,000
00-05-592-10	Insurance-General	51,870	48,654	52,200	48,717	54,300
Total Indirect employee		57,647	51,770	57,100	50,841	59,200
Streets						
00-05-514-10	Street maintenance	4,288	1,773	10,000	10,000	6,000
00-05-516-10	Snow and ice control	1,114	1,454	344,000	256,013	228,200
00-05-517-10	Flood expense	-	-	1,000	810	1,000
00-05-614-10	Street supplies	10,708	9,716	13,000	10,009	15,000
00-05-619-10	Signalization maintenance	412	801	2,000	572	1,000
00-05-618-10	Traffic signs	17,395	21,079	25,500	25,500	53,000
Total Streets		33,917	34,823	395,500	302,904	304,200

Public Works

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget
Maintenance						
00-05-519-10	Lift station maintenance	672	743	10,000	6,235	10,000
00-05-529-10	Building maintenance	183,439	37,431	34,500	79,676	45,000
00-05-529-11	JCP building maintenance	16,951	16,853	29,900	31,974	33,200
00-05-529-30	Corridor program	14,986	34,437	42,000	37,772	21,000
00-05-656-10	MS4 maintenance	1,346	260	4,000	4,000	4,000
05-05-655-10	Auto maintenance	6,688	4,211	10,000	7,223	10,000
00-05-655-20	Fuel costs	9,693	9,241	15,000	10,649	20,000
00-05-599-10	Equipment maintenance	8,637	7,581	9,300	9,465	9,700
Total Maintenance		242,412	110,757	154,700	186,994	152,900
Utilities						
00-05-575-10	Water district charges	381	304	500	351	500
00-05-576-10	Nicor gas charges	1,469	1,899	3,000	2,868	3,000
00-05-578-10	Sanitary sewer charges	324	231	500	397	500
Total Utilities		2,174	2,434	4,000	3,616	4,000
Parks						
00-05-597-30	Parks maintenance	11,051	7,667	15,000	10,718	17,000
00-05-989-10	Parks summer program	5,000	-	-	-	-
Total Parks		16,051	7,667	15,000	10,718	17,000
Equipment						
00-05-573-20	Tools	2,838	5,501	5,000	3,423	5,000
00-05-573-30	Safety equipment	554	66	3,000	2,626	3,000
00-05-593-10	Equipment leases	882	972	1,600	1,893	2,000
00-05-596-10	Equipment rental	1,602	1,965	3,000	2,637	6,400
Total Equipment		5,876	8,504	12,600	10,579	16,400
Supplies						
00-05-615-10	Miscellaneous supplies	3,122	1,960	3,000	2,522	3,000
00-05-651-10	Office supplies	492	322	1,000	1,022	1,000
00-05-651-20	Computer expense	958	1,384	2,400	2,632	8,400
Total Supplies		4,572	3,666	6,400	6,176	12,400
Capital outlay						
00-05-839-10	Equipment	21,598	-	1,500	1,480	4,000
00-05-849-10	Vehicles	-	-	-	-	89,000
Total Capital outlay		21,598	-	1,500	1,480	93,000
Other expenditures						
00-05-942-10	Principal-capitalized leases	15,095	15,593	8,000	7,976	17,500
00-05-942-11	Interest-capitalized leases	1,033	535	100	89	3,200
00-05-949-10	Miscellaneous	664	617	1,000	600	1,000
Total Other expenditures		16,792	16,745	9,100	8,665	21,700
Total Public Works		1,164,168	1,005,965	1,502,700	1,409,338	1,656,700

Protective Services

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget
Personnel						
00-08-425-11	School resource officer	14,672	13,849	15,000	14,302	15,000
00-08-453-10	Unemployment taxes	881	988	1,000	1,084	1,000
Total Personnel		15,553	14,837	16,000	15,386	16,000
Contractual services						
00-08-421-10	Secretary	26,989	29,411	35,300	35,032	41,100
00-08-425-10	School resource officers	211,746	215,640	225,400	226,011	238,900
00-08-441-10	Management	193,481	238,507	259,400	251,954	268,300
00-08-442-10	Detectives	435,613	442,310	462,600	463,932	483,300
00-08-443-10	Patrol officers	2,008,010	2,040,455	2,128,000	2,142,160	2,106,700
00-08-530-10	Vehicle fuel & washes	109,181	72,972	55,100	55,106	57,200
00-08-531-10	911 dispatch	146,308	154,504	160,300	157,562	215,000
00-08-531-20	Records costs	66,791	68,794	71,400	70,155	76,600
00-08-540-10	Report forms	800	800	800	800	800
00-08-580-10	MDT alert system	4,524	4,524	4,500	4,524	4,500
00-08-839-20	Cruiser licenses & fees	7,540	7,540	7,600	7,539	7,600
Total Contractual services		3,210,983	3,275,457	3,410,400	3,414,775	3,500,000
Other contractual services						
00-08-533-10	Legal	77,124	62,367	62,400	82,400	72,400
00-08-549-10	Other professional	-	5,750	2,500	-	1,500
Total Other contractual services		77,124	68,117	64,900	82,400	73,900
Office expenses						
00-08-551-10	Postage	197	169	300	276	300
00-08-552-10	Telephone	617	575	1,100	524	1,100
Total Office expenses		814	744	1,400	800	1,400
Capital outlay						
00-08-839-10	Equipment	-	3,085	54,500	37,039	14,700
00-08-839-13	Laptops	1,002	-	26,100	26,188	15,000
00-08-849-10	Vehicles	50,446	77,287	25,500	51,114	27,000
Total Capital outlay		51,448	80,372	106,100	114,341	56,700
Other expenditures						
00-08-592-10	Insurance-General	665	626	300	232	300
00-08-593-10	Equipment lease	523	498	-	-	-
00-08-652-10	Office supplies	455	1,191	3,100	2,955	3,000
00-08-653-10	National Night Out	3,611	3,070	3,500	3,383	3,500
00-08-839-11	Field equipment & repairs	37,110	36,388	42,200	41,455	37,000
00-08-655-10	Vehicle maintenance	-	16,483	22,500	18,456	22,500
00-08-839-21	Starcom maintenance	5,076	5,076	11,600	8,076	19,200
00-08-940-10	Police academy	290	305	500	275	300
Total Other expenditures		47,730	63,637	83,700	74,832	85,800
Total Protective Services		3,403,652	3,503,164	3,682,500	3,702,534	3,733,800

Capital Improvement Fund

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget
REVENUES						
18-00-310-10	Property sale	310,000	-	-	-	-
18-00-381-10	Investment income	441	8,117	-	9,402	-
18-00-384-10	Assessment revenue	653	653	600	653	600
18-00-385-10	Intergovernmental	271,838	-	-	-	-
18-00-385-11	Demo lien	10,939	-	-	-	-
18-00-395-10	Grants	-	-	200,000	-	200,000
18-00-396-10	Developer reimbursement	210,643	-	190,800	-	190,800
Total REVENUES		804,514	8,770	391,400	10,055	391,400
EXPENDITURES						
General government						
18-00-532-10	Engineering	40,018	640	20,000	9,257	27,000
18-00-533-10	Legal	140	-	-	-	-
Total General government		40,158	640	20,000	9,257	27,000
Capital outlay						
18-00-811-10	Land acquisition	856	5,710	84,900	82,999	190,000
18-00-811-40	Shore Drive Boat launch	435,421	16,895	-	-	152,000
18-00-811-50	Demolition of structures	-	-	18,500	20,824	-
18-00-811-60	173 improvements	389,443	-	386,700	-	386,700
18-00-839-12	Facilities construction	-	-	-	-	-
Total Capital outlay		825,720	22,605	490,100	103,823	728,700
Total EXPENDITURES		865,878	23,245	510,100	113,080	755,700
Revenues Over (Under) Expenditures		(61,364)	(14,475)	(118,700)	(103,025)	(364,300)
Other Financing Sources (Uses)						
18-00-399-10	Transfer from General Fund	647,500	431,450	-	200,000	-
18-00-943-35	Transfer to Flood Mitigation	-	-	-	(14,273)	(75,000)
18-00-943-60	Transfer to Road Fund	-	(96,608)	-	-	-
Total Other Financing Sources (Uses)		647,500	334,842	-	185,727	(75,000)
Net Increase (Decrease) in Fund Balance		586,136	320,367	(118,700)	82,702	(439,300)
Beginning Fund Balance		1,128,820	1,714,956	2,035,323	2,035,323	2,118,025
Ending Fund Balance		1,714,956	2,035,323	1,914,059	2,118,025	1,678,725

Utility Tax Fund

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget
REVENUES						
12-00-343-11	Utility tax	1,093,414	1,156,373	1,000,000	1,092,500	1,000,000
12-00-381-10	Investment income	700	913	-	3,797	-
Total REVENUES		1,094,114	1,157,286	1,000,000	1,096,297	1,000,000
EXPENDITURES						
General government						
12-00-516-01	Rebates	1,685	1,571	2,000	1,766	2,000
Total General government		1,685	1,571	2,000	1,766	2,000
Public safety						
12-00-513-01	Personnel	183,552	186,545	195,100	187,337	203,500
Total Public safety		183,552	186,545	195,100	187,337	203,500
Highways and streets						
12-00-510-01	Street maintenance	145,291	-	-	-	-
Total Highways and streets		145,291	-	-	-	-
Capital outlay						
12-00-500-01	Street construction	740,247	16,455	-	-	-
12-00-511-01	Multi-use paths & walk ways	130,109	351,622	54,500	8,000	1,000
12-00-514-01	Public safety-equipment	-	-	-	-	80,000
Total Capital outlay		870,356	368,077	54,500	8,000	81,000
Total EXPENDITURES		1,200,884	556,193	251,600	197,103	286,500
Revenues Over (Under) Expenditures		(106,770)	601,093	748,400	899,194	713,500
Other Financing Sources (Uses)						
12-00-943-60	Transfer to Road Fund	(350,000)	(533,200)	(400,000)	(400,000)	(800,000)
Total Other Financing Sources (Uses)		(350,000)	(533,200)	(400,000)	(400,000)	(800,000)
Net Increase (Decrease) in Fund Balance		(456,770)	67,893	348,400	499,194	(86,500)
Beginning Fund Balance		1,193,007	736,237	804,130	804,130	1,303,324
Ending Fund Balance		736,237	804,130	1,152,530	1,303,324	1,216,824

Build Machesney Road Fund

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget
REVENUES						
40-00-325-20	Telecommunication tax	561,734	499,432	450,000	435,000	369,800
40-00-345-10	Sales tax	2,845,462	2,961,442	2,700,000	2,962,000	2,600,000
40-00-381-10	Investment income	1,629	1,056	500	3,761	500
40-00-389-10	Miscellaneous income	3,766	-	-	-	-
40-00-399-40	Intergovernmental agreements	461,325	233,480	150,000	45,000	50,000
Total REVENUES		3,873,916	3,695,410	3,300,500	3,445,761	3,020,300
EXPENDITURES						
General government						
40-00-532-10	Engineering	641,250	362,259	261,000	243,305	261,000
40-00-533-10	Legal	13,342	-	-	-	-
40-00-960-10	Senior refunds	136	169	200	161	200
40-00-941-10	Administrative expense	475	475	500	475	500
Total General government		655,203	362,903	261,700	243,941	261,700
Capital outlay						
40-00-811-10	Land acquisition	800	375	-	-	-
40-00-850-20	Street construction	4,876,808	2,629,315	1,392,900	1,125,854	1,881,800
40-00-850-30	Street overlays	486,636	645,413	650,000	626,918	657,200
Total Capital outlay		5,364,244	3,275,103	2,042,900	1,752,772	2,539,000
Debt service						
40-00-930-10	Principal-2008	570,000	615,000	665,000	665,000	720,000
40-00-931-10	Interest-2008	175,056	152,256	124,600	124,581	94,700
40-00-930-11	Principal-2015	500,000	500,000	800,000	800,000	800,000
40-00-931-11	Interest-2015	53,348	45,157	38,000	37,979	25,900
Total Debt service		1,298,404	1,312,413	1,627,600	1,627,560	1,640,600
Total EXPENDITURES		7,317,851	4,950,419	3,932,200	3,624,273	4,441,300
Revenues Over (Under) Expenditures		(3,443,935)	(1,255,009)	(631,700)	(178,512)	(1,421,000)
Other Financing Sources (Uses)						
40-00-399-10	Transfer from General Fund	-	200,000	-	-	-
40-00-399-18	Transfer from CIP Fund	-	96,608	-	-	-
40-00-399-60	Transfer from Utility Tax Fund	350,000	533,200	400,000	400,000	800,000
Total Other Financing Sources (Uses)		350,000	829,808	400,000	400,000	800,000
Net Increase (Decrease) in Fund Balance		(3,093,935)	(425,201)	(231,700)	221,488	(621,000)
Beginning Fund Balance		4,661,121	1,567,186	1,141,985	1,141,985	1,363,473
Ending Fund Balance		1,567,186	1,141,985	794,509	1,363,473	742,473

Motor Fuel Tax Fund

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget
REVENUES						
15-00-343-10	Motor Fuel Tax	623,118	617,690	587,500	617,747	587,500
15-00-395-10	Grants	80,508	-	-	-	-
15-00-381-10	Investment income	631	805	-	2,164	-
Total REVENUES		704,257	618,495	587,500	619,911	587,500
EXPENDITURES						
Highways and streets						
15-00-516-10	Snow and ice control	257,677	307,336	442,500	219,384	270,000
15-00-572-10	Street lighting	271,839	278,510	305,000	302,141	310,000
15-00-850-30	Traffic signals	24,368	-	-	-	-
Total EXPENDITURES		553,884	585,846	747,500	521,525	580,000
Net Increase (Decrease) in Fund Balance		150,373	32,649	(160,000)	98,386	7,500
Beginning Fund Balance		187,233	337,606	370,255	370,255	468,641
Ending Fund Balance		337,606	370,255	210,255	468,641	476,141

IL 251/173 TIF Fund

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget
REVENUES						
17-00-342-11	Property tax	858,153	972,048	991,000	983,124	952,660
17-00-390-10	Developer reimbursements	35,779	-	-	-	-
17-00-381-10	Investment income	559	650	-	5,212	-
Total REVENUES		894,491	972,698	991,000	988,336	952,660
EXPENDITURES						
General government						
17-00-532-10	Engineering	26,178	-	25,000	-	25,000
17-00-533-10	Legal	9,369	6,777	20,000	1,306	20,000
17-00-549-10	Professional services	2,000	519	5,000	420	5,000
17-00-580-10	Administrative expense	475	198	-	-	-
17-00-590-10	Surplus distrib. to taxing districts	-	721,357	740,500	731,061	745,700
17-00-870-10	Developer incentive	-	-	-	-	100,000
Total General government		38,022	728,851	790,500	732,787	895,700
Capital outlay						
17-00-811-10	Land development/acquisition	8,015	10,758	11,100	10,811	10,900
17-00-850-30	Traffic signals	606,039	-	-	-	-
Total Capital outlay		614,054	10,758	11,100	10,811	10,900
Debt service						
17-00-930-10	Principal	270,000	285,000	-	-	-
17-00-931-10	Interest	21,232	10,973	-	-	-
Total Debt service		291,232	295,973	-	-	-
Total EXPENDITURES		943,308	1,035,582	801,600	743,598	906,600
Revenues Over (Under) Expenditures		(48,817)	(62,884)	189,400	244,738	46,060
Other Financing Sources (Uses)						
17-00-399-10	Transfer from General	385,815	25,069	25,100	25,206	20,700
Total Other Financing Sources (Uses)		385,815	25,069	25,100	25,206	20,700
Net Increase (Decrease) in Fund Balance		336,998	(37,815)	214,500	269,944	66,760
Beginning Fund Balance		(440,275)	(103,277)	(141,092)	(141,092)	128,852
Ending Fund Balance		(103,277)	(141,092)	77,312	128,852	195,612

N. 2nd Street TIF Fund

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget
REVENUES						
20-00-342-11	Property tax	67,202	306,209	132,000	311,489	316,000
20-00-342-13	Business district sales tax	113,907	110,450	-	84,428	80,000
20-00-381-10	Investment income	143	392	-	3,638	-
20-00-389-10	Miscellaneous income	6,091	5,500	-	-	-
20-00-394-10	Rental income	-	-	20,000	20,000	30,000
Total REVENUES		187,343	422,551	152,000	419,555	426,000
EXPENDITURES						
General government						
20-00-532-10	Engineering	5,784	23,140	122,000	120,747	25,000
20-00-533-10	Legal	30,398	36,918	35,000	49,070	35,000
20-00-549-10	Professional services	22,500	8,052	10,000	4,209	10,000
20-00-830-10	Contractual redevelop obligation	7,230	110,269	132,000	132,416	136,000
20-00-840-10	Leasehold improvements	-	24,289	29,700	29,686	-
20-00-870-10	Developer incentive	-	-	794,000	595,713	183,000
20-00-949-10	Administrative expense	950	950	1,000	950	1,000
20-00-995-60	BD Sales Tax Incentive - Ruby 10	-	-	-	3,116	6,000
Total General government		66,862	203,618	1,123,700	935,907	396,000
Capital outlay						
20-00-850-10	Street maintenance	-	-	8,000	-	8,000
20-00-850-20	Street construction	1,116	-	-	-	-
Total Capital outlay		1,116	-	8,000	-	8,000
Debt service						
20-00-930-10	Principal-2011	135,000	140,000	145,000	145,000	150,000
20-00-931-10	Interest-2011	75,178	71,262	67,200	67,203	61,700
20-00-930-11	Principal-2014	29,000	30,160	31,400	31,366	32,700
20-00-931-11	Interest-2014	24,000	22,840	21,600	21,671	20,400
20-00-930-12	Principal-2015	85,630	86,576	87,600	87,524	88,500
20-00-931-12	Interest-2015	11,660	18,858	16,000	16,038	14,100
Total Debt service		360,468	369,696	368,800	368,802	367,400
Total EXPENDITURES		428,446	573,314	1,500,500	1,304,709	771,400
Revenues Over (Under) Expenditures		(241,103)	(150,763)	(1,348,500)	(885,154)	(345,400)
Other Financing Sources (Uses)						
20-00-399-10	Transfer from General Fund	6,720	136,055	135,800	134,711	31,600
Total Other Financing Sources (Uses)		6,720	136,055	135,800	134,711	31,600
Net Increase (Decrease) in Fund Balance		(234,383)	(14,708)	(1,212,700)	(750,443)	(313,800)
Beginning Fund Balance		331,802	97,419	82,711	82,711	(667,732)
Ending Fund Balance		97,419	82,711	(915,434)	(667,732)	(981,532)

Weststone IJRL TIF Fund

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget
REVENUES						
30-00-342-11	Property tax	242,271	463,394	336,200	456,354	450,000
30-00-381-10	Investment income	174	855	-	5,840	-
Total REVENUES		242,445	464,249	336,200	462,194	450,000
EXPENDITURES						
General government						
30-00-532-10	Engineering	883	3,722	80,000	10,176	42,700
30-00-533-10	Legal	10,755	10,429	30,000	967	30,000
30-00-549-10	Professional services	7,288	4,665	10,000	420	10,000
30-00-830-10	Contractual redevelop obligation	-	87,500	43,800	43,750	123,800
Total General government		18,926	106,316	163,800	55,313	206,500
Capital outlay						
30-00-850-10	Street construction	-	-	550,000	-	525,000
30-00-870-10	Moving reimbursement	-	-	50,000	50,000	50,000
Total Capital outlay		-	-	600,000	50,000	575,000
Debt service						
30-00-930-10	Principal	61,225	63,368	65,600	65,586	67,900
30-00-931-10	Interest	52,500	50,357	48,200	48,139	45,900
Total Debt service		113,725	113,725	113,800	113,725	113,800
Total EXPENDITURES		132,651	220,041	877,600	219,038	895,300
Net Increase (Decrease) in Fund Balance		109,794	244,208	(541,400)	243,156	(445,300)
Beginning Fund Balance		(198,785)	(88,991)	155,217	155,217	398,373
Ending Fund Balance		(88,991)	155,217	(386,183)	398,373	(46,927)

North Willow Creek IRJL TIF Fund

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget
REVENUES						
31-00-342-11	Property tax	9,442	13,651	11,000	14,655	13,000
31-00-381-10	Investment income	25	22	-	89	-
Total REVENUES		9,467	13,673	11,000	14,744	13,000
EXPENDITURES						
General government						
31-00-532-10	Engineering	-	2,298	3,500	3,652	500
31-00-533-10	Legal	410	190	1,000	330	1,000
31-00-549-10	Professional services	-	-	1,000	420	1,000
Total General government		410	2,488	5,500	4,402	2,500
Capital Outlay						
31-00-850-10	Street construction	-	1,140	58,000	49,448	-
Total Capital outlay		-	1,140	58,000	49,448	-
Total EXPENDITURES		410	3,628	63,500	53,850	2,500
Net Increase (Decrease) in Fund Balance		9,057	10,045	(52,500)	(39,106)	10,500
Beginning Fund Balance		(15,048)	(5,991)	4,054	4,054	(35,052)
Ending Fund Balance		(5,991)	4,054	(48,446)	(35,052)	(24,552)

South Willow Creek IJRL TIF Fund

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget
REVENUES						
32-00-342-11	Property tax	48,679	66,334	250,000	245,557	240,000
32-00-381-10	Investment income	120	262	-	2,566	-
Total REVENUES		48,799	66,596	250,000	248,123	240,000
EXPENDITURES						
General government						
32-00-532-10	Engineering	-	10,900	16,500	15,430	25,000
32-00-533-10	Legal	13,754	2,794	10,000	10,313	20,000
32-00-549-10	Professional services	10,117	519	10,000	420	10,000
32-00-830-10	Contractual redevelop obligation	-	-	177,400	119,619	139,000
Total General government		23,871	14,213	213,900	145,782	194,000
Capital Outlay						
32-00-850-10	Street construction	-	2,280	223,300	198,796	250,000
Total Capital outlay		-	2,280	223,300	198,796	250,000
Total EXPENDITURES		23,871	16,493	437,200	344,578	444,000
Net Increase (Decrease) in Fund Balance		24,928	50,103	(187,200)	(96,455)	(204,000)
Beginning Fund Balance		67,103	92,031	142,134	142,134	45,679
Ending Fund Balance		92,031	142,134	(45,066)	45,679	(158,321)

Flood Mitigation Fund

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget
REVENUES						
35-00-395-20	Grants-IEMA	-	2,833,663	1,900,187	767,218	299,600
35-00-395-25	Grants-FMA	-	-	-	-	467,500
35-00-395-30	Grants-DCEO	47,275	665,011	-	-	-
Total REVENUES		47,275	3,498,674	1,900,187	767,218	767,100
EXPENDITURES						
General government						
35-00-532-10	Demo mgmt-Engineer-IEMA	7,996	22,207	15,000	8,147	6,700
35-00-532-11	Demo mgmt-Engineer-DCEO	632	3,604	-	-	-
35-00-532-12	Demo mgmt-Engineer-FMA	-	-	-	-	6,000
35-00-533-10	Legal-IEMA	1,213	9,500	5,000	2,000	1,000
35-00-533-11	Legal-DCEO	2,608	1,637	-	-	-
35-00-533-12	Legal-FMA	-	-	-	-	4,000
35-00-534-20	Appraisals-DCEO	1,500	300	-	-	-
35-00-534-21	Appraisals-IEMA	-	9,025	3,750	2,625	-
35-00-534-22	Appraisals-FMA	-	-	-	-	2,000
35-00-534-30	Closing costs-DCEO	1,347	1,338	-	-	-
35-00-534-31	Closing costs-IEMA	-	18,202	9,580	3,832	1,900
35-00-534-32	Closing costs-FMA	-	-	-	-	8,000
35-00-549-20	Project management-DCEO	3,800	8,000	-	-	-
35-00-549-21	Project management-IEMA	-	38,000	24,000	22,149	4,400
35-00-549-22	Project management-FMA	-	-	-	-	2,000
35-00-551-11	Postage-IEMA	351	17	-	-	-
35-00-580-10	Administrative expense	6,071	663	-	-	-
Total General government		25,518	112,493	57,330	38,753	36,000
Capital outlay						
35-00-811-10	Property acquisition-DCEO	243,000	315,453	-	-	-
35-00-811-11	Property acquisition-IEMA	-	2,609,500	1,536,500	572,000	130,083
35-00-811-12	Property acquisition-FMA	-	-	-	-	476,000
35-00-811-31	Relocation-IEMA	-	47,265	25,000	15,400	21,800
35-00-811-32	Relocation-FMA	-	-	-	-	20,000
35-00-811-50	Demo & site restoration-DCEO	4,833	77,990	-	-	-
35-00-811-51	Demo & site restoration-IEMA	-	235,053	281,357	101,436	31,500
35-00-811-52	Demo & site restoration-FMA	-	-	-	-	74,500
Total Capital outlay		247,833	3,285,261	1,842,857	688,836	753,883
Total EXPENDITURES		273,351	3,397,754	1,900,187	727,589	789,883
Revenues Over (Under) Expenditures		(226,076)	100,920	-	39,629	(22,783)
Other Financing Sources (Uses)						
35-00-399-10	Transfer from General Fund	(14,160)	-	-	-	-
35-00-399-09	Transfer from NR Fund	-	-	-	50,000	-
35-00-399-18	Transfer from CIP Fund	-	-	-	14,273	75,000
Total Other Financing Sources (Uses)		(14,160)	-	-	64,273	75,000
Net Increase (Decrease) in Fund Balance		(240,236)	100,920	-	103,902	52,217
Beginning Fund Balance		(16,803)	(257,039)	(156,119)	(156,119)	(52,217)
Ending Fund Balance		(257,039)	(156,119)	(156,119)	(52,217)	-

Neighborhood Revitalization

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget
REVENUES						
09-00-386-10	Grants-Single Family Rehab (SFR)	64,184	-	361,200	80,000	321,200
09-00-386-11	Grants-Abandoned Prop. Prog. (APP)	-	-	87,500	84,032	91,000
Total REVENUES		64,184	-	448,700	164,032	412,200
EXPENDITURES						
Contractual services						
09-00-533-10	Legal-SFR	4,526	-	3,100	1,857	3,100
09-00-533-11	Legal-APP	-	-	25,000	459	10,000
09-00-534-10	Title work	220	-	-	-	-
09-00-549-10	Administration-SFR	32,136	-	12,200	5,568	12,200
09-00-580-10	APP Village contribution	-	-	12,500	8,633	16,000
09-00-601-10	SFR grant eligible costs	-	-	361,200	160,000	241,200
09-00-650-10	APP grant eligible costs	-	-	87,500	84,032	91,000
09-00-701-10	Abate Housing Blight costs	-	-	53,900	42,500	57,700
09-00-811-30	Relocation-SFR	-	-	1,000	-	1,000
09-00-850-20	Construction	54,480	-	-	-	-
09-00-854-20	Termite inspections	195	-	-	-	-
Total EXPENDITURES		91,557	-	556,400	303,049	432,200
Revenues Over (Under) Expenditures		(27,373)	-	(107,700)	(139,017)	(20,000)
Other Financing Sources (Uses)						
09-00-399-10	Transfer from General Fund	66,380	-	107,700	109,017	100,000
09-00-943-35	Transfer to Flood Mitigation Fund	-	-	-	(50,000)	-
Total Other Financing Sources (Uses)		66,380	-	107,700	59,017	100,000
Net Increase (Decrease) in Fund Balance		39,007	-	-	(80,000)	80,000
Beginning Fund Balance		(39,007)	-	-	-	(80,000)
Ending Fund Balance		-	-	-	(80,000)	-

Sales Tax Rebate Fund

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget
REVENUES						
14-00-345-10	Sales tax	295,233	527,660	511,500	544,088	521,300
14-00-381-10	Investment income	-	-	-	-	-
Total REVENUES		295,233	527,660	511,500	544,088	521,300
EXPENDITURES						
General government						
14-00-995-30	Incentive - Machesney Crossings	126,849	127,732	139,000	143,440	146,300
14-00-995-40	Incentive - Menards	-	-	-	-	-
14-00-995-50	Incentive - First 173 Retail	168,384	399,928	372,500	400,648	375,000
Total EXPENDITURES		295,233	527,660	511,500	544,088	521,300
Net Increase (Decrease) in Fund Balance		-	-	-	-	-
Beginning Fund Balance		-	-	-	-	-
Ending Fund Balance		-	-	-	-	-

Drug Recovery Fund

Account Number	Description	2015-16 Actual	2016-17 Actual	2017-18 Budget	2017-18 Estimate	2018-19 Budget
REVENUES						
19-00-353-10	Drug recoveries	292	1	100	126	100
19-00-381-10	Investment income	6	9	-	22	-
Total REVENUES		298	10	100	148	100
EXPENDITURES						
Capital outlay						
19-00-839-10	Equipment	-	-	5,000	-	5,000
Total EXPENDITURES		-	-	5,000	-	5,000
Net Increase (Decrease) in Fund Balance		298	10	(4,900)	148	(4,900)
Beginning Fund Balance		4,612	4,910	4,920	4,920	5,068
Ending Fund Balance		4,910	4,920	20	5,068	168

Glossary & Acronyms

Abandoned Property Program (APP) – Type of IHDA program that the Village has received grant funding to reduce blight through securing, maintaining, demolishing, or rehabilitating abandoned structures.

Accrual – A basis of accounting that utilizes a current financial resources measurement focus thereby recognizing revenue as it is earned and realizable and recognizing expenditures when they are incurred.

Annual budget – A budget applicable to a single fiscal year.

Appropriation – A legal authorization granted by the legislative body (Village Board) to make expenditures or incur obligations for specific purposes. An appropriation is usually made for fixed amounts and are typically granted for a one-year period.

Assessed valuation – A valuation established for real property as a basis for levying taxes. Equalized assessed valuation means assessed valuation after the state multiplier has been applied. The Village of Machesney Park does not levy a property tax.

Asset – A probable future economic benefit obtained or controlled by a particular entity as a result of past transactions or events.

Balanced budget – A budget in which estimated revenues equal estimated expenditures.

Bond – A long-term promise to pay or a means to raise money through the issuance of debt; typically to finance capital projects. A bond issuer promises in writing to repay a specified sum of money to the buyer of the bond on a specified future date (maturity date), together with periodic interest at a specified rate.

Budget – A plan of financial operations expressing an estimate of proposed expenditures for a given period and the proposed means of financing them.

Budget deficit – The amount by which the total outlays or expenses exceed total revenues for a given fiscal year.

Budget surplus – The amount by which the total revenues exceed expenditures for a given fiscal year.

Capital assets – Tangible assets such as buildings, vehicles, equipment, infrastructure (roads, bridges, etc.) and land used in the operation of the municipality which is not easily converted into cash, and has an initial useful life extending beyond a single financial reporting period.

Contracted services – Expenditures for services which are obtained through an express contract.

Debt Service Fund – The cash that is required to cover the repayment of principal and interest on a debt for a given fiscal year.

Debt Certificate – A type of bond or debt issuance that provides a promise to pay a set amount of money at a future time and at a specified interest rate.

Deficit – The excess of expenditures over revenues during an accounting period.

Depreciation – The process of estimating and recoding the expired useful life of service from a capital asset that cannot or will not be restored by repair and will be replaced.

Enterprise Fund – A fund established to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is for the costs of providing services to the general public on a continuing basis be financed or recovered primarily through user charges, i.e. water utility, parking system.

Equalized Assessed Valuation (EAV) – The Board of Review, on a county basis, reviews assessed valuation of all townships and may assign multipliers to equalize assessed valuations from township to township. If necessary, the State will then assign multipliers for counties in order that all property will be assessed at 33.33 percent of market value.

Expenditure – An outlay of money made by municipalities to provide the programs and services within their approved budget.

Expense – An identified cost incurred to accomplish a particular goal.

Fiduciary Fund – Funds used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government's own programs.

Fiscal year – The designation of the twelve month period that makes up the organization's budget or financial year; the Village's fiscal year is May 1 – April 30.

Fiscal year end – The date that marks the end of the fiscal year; the Village's fiscal year end is April 30.

Flood Mitigation Assistance (FMA) – Provides grant funding to purchase and demolish residential structures in the floodway and for the Village to retain the parcel as open green space in perpetuity.

Force mows – Upon failure of an owner to cut or remove weeds or plants exceeding the Village Ordinance, it will be declared a public nuisance and after sending notice the Village will remove or cut the weeds or plants and file a lien against the parcel.

Fund – An accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on identified activities.

Fund accounting – Organizing the financial records of a municipality into multiple, segregated locations.

Fund balance – The difference between assets and liabilities reported in a governmental fund.

General Fund – The fund used to account for most financial resources and activities governed by the budget process; the general operating fund of the Village.

Generally Accepted Accounting Principles (GAAP) – Uniform minimum standards and guidelines for financial accounting and reporting.

Government Finance Officers Association (GFOA) – A nationwide association of public finance professionals.

Governmental Accounting Standards Board (GASB) – The ultimate authoritative accounting and financial reporting standard-setting body for state and local governments.

Governmental Fund – Funds used to account for the acquisition, use, and balance of expendable financial resources and the related current liabilities. Under current GAAP, there are four governmental fund types-general, special revenue, debt service, and capital projects.

Hazard Mitigation Grant Program (HMGP) – Provides grant funding to purchase and demolish residential structures in the floodway and for the Village to retain the parcel as open green space in perpetuity.

iFiber – A provider of extremely high speed network transport services.

Illinois Housing Development Authority (IHDA) – Provides grant assistance for affordable housing programs and rehabilitation.

Illinois Municipal League (IML) – A league of Illinois municipalities founded in 1913 that works for the benefit of municipalities promoting competence and integrity in administration of municipal government.

Illinois Municipal League Risk Management Association (IMLRMA) – A risk pool comprised of public entities to stabilize costs and provide liability, property, and workers' compensation coverage through a comprehensive risk management program.

Illinois Municipal Retirement Fund (IMRF) – Retirement fund established under statutes adopted by the Illinois General Assembly, provides employees of local governments and school districts in Illinois with a system for the payment of retirement annuities, disability, and death benefits. IMRF is a defined benefit pension plan.

Industrial Jobs Recovery Law (IJRL) – A type of tax increment financing that is focused on the creation of industrial jobs.

Infrastructure – Public domain capital assets such as roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems, and similar assets that are immovable and of value only to the Village.

Initiative To Abate Housing Blight (ITAHB) – The Village Board committed \$100,000 of video gaming revenue annually, for three years, to address blight throughout the Village.

Intergovernmental revenues – Funds received from other governments such as federal, state, or other government sources.

Joint Utility Locating Information For Excavators (JULIE) – The Village uses this service to make arrangements for the prompt locating of all Village utilities in areas scheduled for construction work.

Liability – Debt or other legal obligation arising out of transactions in the past which must be liquidated, renewed, or refunded at some future date.

Liquidity – Available cash or the capacity to obtain it on demand.

Long-term debt – Debt with a maturity of more than one year after the date of issuance.

Major Fund – A primary operating fund of the Village; funds are greater than or equal to 10% of the total funding for the fiscal year.

Modified accrual – A basis of accounting in which revenues are recognized in the period they become available and measurable. Expenditures are recorded when the related fund liability has been incurred. The Village utilizes this basis of accounting for budgeting.

Motor Fuel Tax (MFT) – A tax on the sale of fuel. The State allocates a portion of the revenues collected to municipalities for funding street improvements.

Municipality – A political unit having corporate status.

Non-Home Rule: A non-home rule unit of local government may exercise only those powers and perform those functions as identified by the State. Non-Home Rule communities are limited in the power to regulate for the protection of the public health, safety, morals, and welfare; to license; to tax and to incur debt.

Ordinance – An enforceable municipal law, statute or regulation that applies to all citizens within that municipality.

Per capita – Refers to an amount per resident. The Village receives certain revenues on a per capita basis meaning that the amount received is attributed to the population of the Village.

Promissory Note – A type of bond or debt issuance in which one party promises in writing to pay a defined sum of money to the other either at a fixed or future time under specific terms.

Reclaiming First – An initiative of the Rockford Area Convention & Visitors Bureau and the Rockford Park District to retain, regain, and grow the amateur sports tourism market for the region.

Resolution – A decision, opinion, policy, or directive of a municipality expressed in a formally drafted document and voted upon.

Revenues – Monies received by a governmental unit from any source.

Rockford Metropolitan Agency for Planning (RMAP) – The metropolitan planning organization for the Rockford region which plans and coordinates decisions regarding the area's transportation systems.

Single Family Rehabilitation (SFR) – Type of IHDA program that the Village has received grant funding to assist low-income residents in rehabilitating their homes.

Special Revenue Fund – A fund used to account for revenues legally earmarked for a particular purpose.

Standard & Poor's Rating – An independent agency that analyzes the financial credit ratings of organizations; the Village possesses an A rating.

Statute – A law enacted by the legislative branch of the state or federal government.

Surplus – An excess of the assets of a fund over its liabilities and reserves.

Tax Increment Financing (TIF) District – A legal entity created by local Ordinance to promote improvements, development, jobs, etc. The taxes generated from the assessed value above the base year (also known as increment) are used to finance various redevelopment costs.

Telecommunications Tax – A tax on the gross sale of telecommunications services by telecommunication providers.

Transfers – Movement of resources between two funds.

WinGIS – A county-wide geographic information system (GIS) in Winnebago County that enables data to be stored and maintained geographically.

Winnebago County-AAR – An initiative of the Greater Rockford Airport Authority and Winnebago County to build a new hangar facility and provide up to 500 jobs for a repair and overhaul provider, AAR. AAR is a leading provider of aviation services to the worldwide commercial aerospace and government/defense industries.