

Village of Machesney Park

Machesney Park, Illinois



2019-2020

ANNUAL BUDGET

May 1, 2019 - April 30, 2020

Website: <https://machesneypark.org>



VILLAGE ELECTED OFFICIALS

Village President

Steve Johnson

Board of Trustees

| | | | |
|--------------|--------------|--------------|--------------|
| Joe Seipts | (District 1) | Aaron Wilson | (District 4) |
| Jake Schmidt | (District 2) | Terri Bailey | (District 5) |
| James Kidd | (District 3) | Erick Beck | (District 6) |

Village Clerk

Lori Mitchell

Village Treasurer

Bradley Robison

VILLAGE STAFF

| | |
|--------------------|--------------------------------|
| 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 |
| Dan Rickabaugh | Public Works |
| Stan Oloff | Public Works |
| Matt Hehn | Public Works |

Award for Distinguished Budget Presentation



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, 2018 – April 30, 2019. This was the third consecutive 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.

Table of Contents

| | |
|---|----|
| Letter of Transmittal----- | 7 |
| Village Overview----- | 10 |
| Organization Structure----- | 10 |
| History of the Village ----- | 11 |
| Community Profile----- | 12 |
| Location ----- | 12 |
| Village Services ----- | 13 |
| Statistics----- | 13 |
| Village Tax Rates ----- | 14 |
| Budget Process ----- | 15 |
| Budget Calendar----- | 17 |
| Fund Structure----- | 18 |
| Personnel Summary ----- | 23 |
| Revenue & Expenditure Summary – All Funds ----- | 24 |
| Revenues by Source – All Funds ----- | 25 |
| Expenditures by Category – All Funds ----- | 26 |
| Projected Changes in Fund Balance----- | 27 |
| Executive Summary ----- | 29 |
| Major Revenue Sources ----- | 29 |
| Revenue Assumptions & Trends----- | 30 |
| Expenditure Assumptions & Trends ----- | 31 |
| General Fund ----- | 32 |
| General Fund Summary----- | 32 |
| General Fund Revenues ----- | 33 |
| General Fund Expenditures----- | 34 |
| Administration----- | 35 |
| Executive----- | 37 |
| Community Development ----- | 38 |
| Public Works ----- | 40 |
| Protective Services ----- | 42 |
| Capital Projects Funds----- | 44 |
| CIP Fund ----- | 44 |
| Utility Tax Fund ----- | 46 |

| | |
|--|----|
| Special Revenue Funds----- | 47 |
| Road Fund----- | 47 |
| Motor Fuel Tax----- | 48 |
| IL 251/173 TIF ----- | 49 |
| N. 2 nd Street TIF----- | 50 |
| Weststone IJRL TIF ----- | 51 |
| North Willow Creek IJRL TIF ----- | 52 |
| South Willow Creek IJRL TIF ----- | 53 |
| Flood Mitigation Fund ----- | 54 |
| Neighborhood Revitalization----- | 55 |
| Sales Tax Rebate----- | 55 |
| Drug Recovery ----- | 55 |
| Debt----- | 56 |
| Bond Rating----- | 56 |
| Legal Debt Margin ----- | 56 |
| Outstanding Debt ----- | 56 |
| Summary of Outstanding Debt ----- | 58 |
| Appendix----- | 60 |
| Financial Policies ----- | 60 |
| General Fund Expenditures - Department detail----- | 62 |
| Administration----- | 63 |
| Executive----- | 64 |
| Community Development ----- | 65 |
| Public Works ----- | 66 |
| Protective Services ----- | 68 |
| Capital Projects Funds – Detail----- | 69 |
| CIP Fund----- | 69 |
| Utility Tax Fund----- | 70 |
| Special Revenue Funds – Detail----- | 71 |
| Road Fund ----- | 71 |
| Motor Fuel Tax Fund ----- | 72 |
| IL 251/173 TIF----- | 73 |
| N. 2 nd Street TIF ----- | 74 |
| Weststone IJRL TIF----- | 75 |

*Click on an item below to navigate to that page; click on the page number on any page to return to the table of contents

| | |
|-----------------------------------|----|
| North Willow Creek IJRL TIF ----- | 76 |
| South Willow Creek IJRL TIF ----- | 77 |
| Flood Mitigation Fund ----- | 78 |
| Neighborhood Revitalization----- | 79 |
| Sales Tax Rebate ----- | 80 |
| Glossary & Acronyms----- | 81 |



Letter of Transmittal

To: Village President and Board of Trustees

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

Date: July 10, 2019

It is our pleasure to provide the Adopted Annual Budget for the fiscal year beginning May 1, 2019 and ending April 30, 2020 (FY 2020) 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 third time last year.

Budget Overview

The adoption of the annual budget by the Village Board of Trustees does not constitute a mandate to spend, 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 2020 budget was compiled taking into consideration the 2019 goals and objectives as established by the Board: 1) Business attraction; 2) Comprehensive downtown revitalization; 3) Visibility and presence in the region; 4) Maintaining a balanced budget; 5) Optimizing police services; 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 follows state guidelines and allows the Village flexibility to operate effectively, while assuring 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 and regional trends, but also to local consumer demand and shopping patterns. The national economy has a slew of uncertainties surrounding trade wars, the federal interest rate changes, and subdued economic growth, possibly even another recession, which reminds us to be vigilant with the resources

we have and plan for uncertainties in the future. 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. However, while the State of Illinois is taking steps to try and level the playing field between brick-and-mortar stores and online retailers for sales and use tax collections, the true impact is yet to be seen. As we wait with anticipation for laws to continue to evolve and go into effect, the initial analysis is indicating possible substantial increases in revenues. Unfortunately, at the same time, state minimum wage amounts are increasing, state income taxes may be on the rise, and gas taxes are anticipated to increase; all of which can be a severe detriment to local businesses, which could cause relocations, reductions in force, or closures, thereby negating some of the possible increases in revenue. While the outlook is uncertain, for the near term, we anticipated minimal growth and budgeted accordingly.

General Fund Analysis

The General Fund supports the day-to-day operations and sets the service levels of the Village. The FY 2020 budgeted total revenues are estimated at \$7,558,000. Two key revenue sources, Sales Tax and State Income Tax, account for 74% of the total General Fund revenues. Expenditures within the General Fund continue prior years' design to utilize contracted services for a majority of the services provided; the largest General Fund expenditure, \$3,651,900 or 51% of the annual budget is contracted police services. For FY 2020, the General Fund budgeted expenditures increased by \$169,300 or 2.4% compared to the prior year budget. In accordance with standard policy, the approved budget for the General Fund is balanced with \$7,558,000 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 demand for day to day services. The Village has identified specific revenue streams to fund capital improvements, thereby causing little impact on funding for general operations of the Village. If additional capital improvements were warranted, transfers from the surplus balance of the General Fund could be made to cover those improvements through the CIP Fund, therefore again not impacting operations.

The Village's exposure to capital improvement expenditures are limited primarily to road and drainage infrastructure needs; the voters approved a dedicated revenue source, over and above the general operating revenues, to cover those costs. In addition, the Village operates a minimal park system and public utilities are operated by other outside taxing districts or 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 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 have been manageable year to year within the constraints of the annual budget.

Capital improvement funding is recorded primarily in three funds: Build Machesney Roads Fund, Utility Tax Fund, and Capital Improvement (CIP) Fund.

- **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 2020 the Utility Tax Fund will transfer over \$1M to the Build Machesney Road Fund to pay for the road projects planned for the 2019 construction season. In total, \$3.3M is budgeted to reconstruct 1.2 miles of roads and drainage infrastructure and resurface 6.10 miles of roads in FY 2020.
- **Utility Tax Fund** – This special revenue fund was implemented by the Village Board in 2013 and provides for infrastructure improvements and protective services utilizing tax revenues from natural gas and electricity usage from residents and businesses throughout the Village. The tax is set to sunset in December 2019, however, after the FY 2020 budget was adopted, the Board voted to extend the tax in order to provide a source of revenue necessary to continue to improve the infrastructure throughout the Village. FY 2020 budget includes over \$1M to be transferred to the Road Fund for road improvement projects, \$303,900 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 an industrial park site.
- **Capital Improvement Fund (CIP)** – The main revenue source 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. Funds were included for the remaining estimated payment owed to IDOT for the IL-173 improvements that were completed several years ago and we are awaiting final invoicing. The FY 2020 budget brings to fruition several years of savings to construct the first public works building in the history of the Village; no debt service will be necessary for the design or construction of the building. The building will be separate from Village hall and will be centrally located within the Village boundaries for ease of managing operations and requests for service.

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 2020 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 their contributions in reviewing the proposed budget and support of staff's recommendations.

Respectfully submitted,



Tim Savage
Village Administrator/Budget Officer

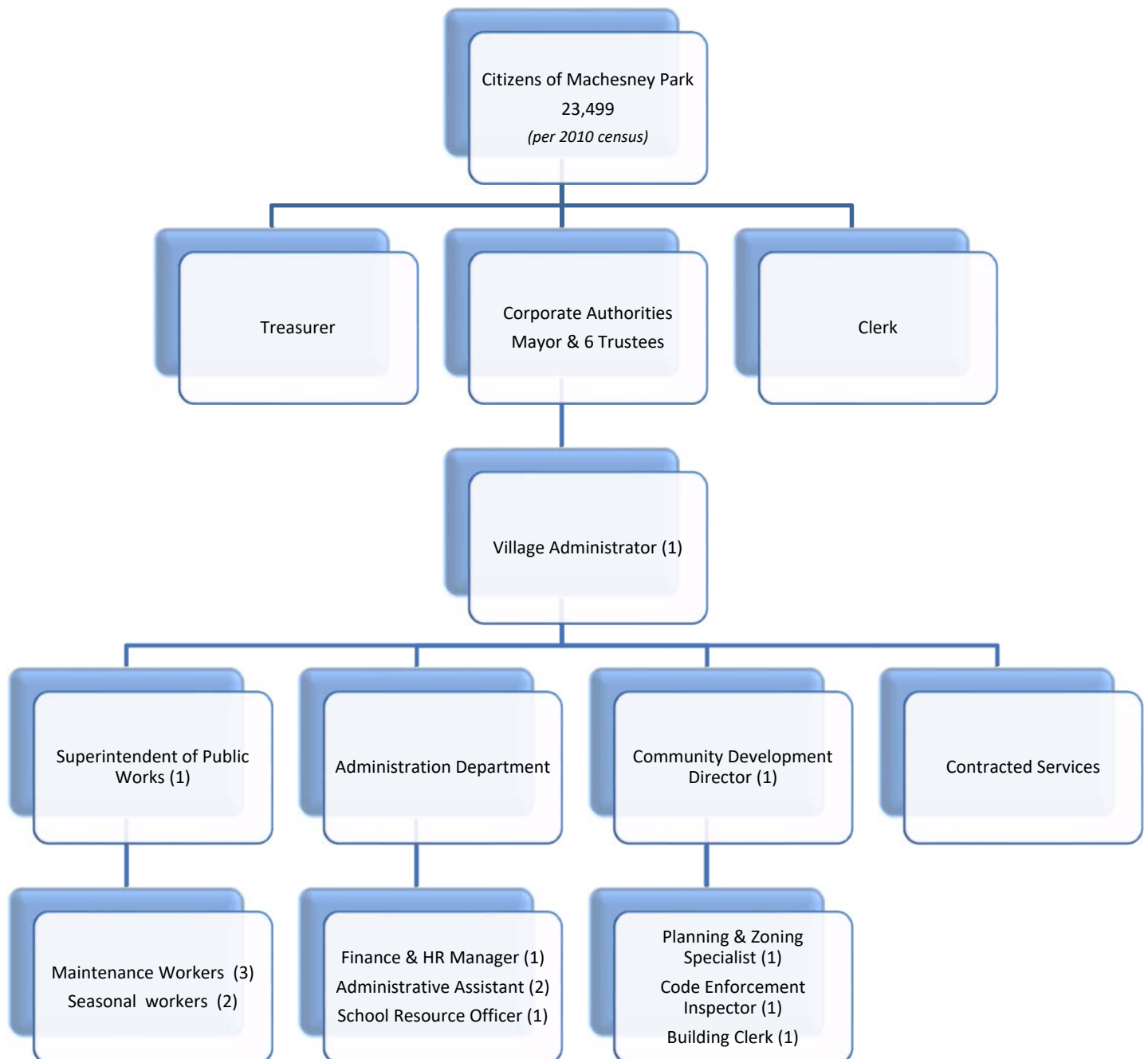


Michelle Johannsen
Finance & HR Manager

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 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)

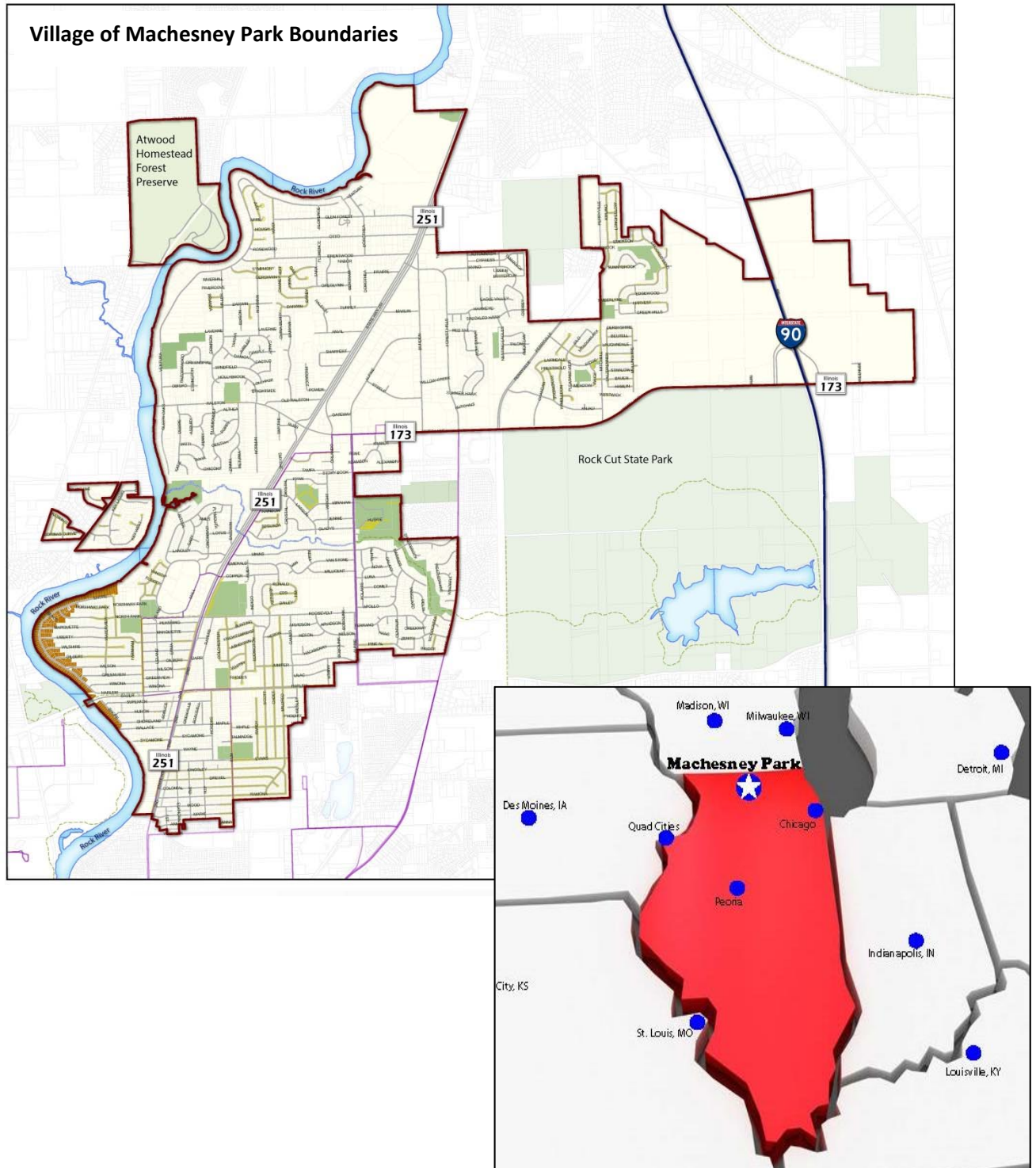
The Machesney Airport closed in 1974 leading to the development of the Machesney Park Mall which opened in 1978. However, by the late 1990's the mall started losing businesses to a competing mall in Rockford; stores came and went and by 2003 the Simon Group sold the mall to local developers. The Village 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 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 (2017) | 39.1 |
| Households (2017) | 8,745 |
| Businesses (2012) | 1,658 |
| Per Capita Income (2017) | \$25,860 |
| Median Home Value (2017) | \$114,400 |
| Median Household Income (2017) | \$56,488 |
| Unemployment-Winnebago County (April 2019) | 5.4% |

SOURCE: US Census Bureau and IL Department of Employment Security

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

| Category | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| General Merchandise | \$737,969 | \$744,598 | \$730,684 | \$1,003,421 | \$1,152,541 | \$1,158,406 | \$1,220,307 |
| Food | \$83,389 | \$93,581 | \$108,143 | \$90,466 | \$103,881 | \$110,378 | \$114,891 |
| Drinking & Eating Places | \$307,649 | \$320,426 | \$336,622 | \$358,094 | \$376,937 | \$395,283 | \$435,251 |
| Apparel | \$71,139 | \$65,390 | \$65,717 | \$65,440 | \$67,934 | \$76,664 | \$103,350 |
| Furniture & H.H. & Radio | \$76,402 | \$92,363 | \$83,670 | \$94,012 | \$100,264 | \$91,673 | \$94,635 |
| Lumber, Bldg, Hardware | \$626,171 | \$664,273 | \$673,848 | \$702,806 | \$729,951 | \$779,052 | \$783,281 |
| Automotive & Filling Stations | \$559,821 | \$623,166 | \$623,771 | \$576,813 | \$546,499 | \$537,750 | \$559,905 |
| Drugs & Misc. Retail | \$461,611 | \$477,458 | \$392,711 | \$401,251 | \$411,270 | \$467,266 | \$511,954 |
| Agriculture & All Others | \$239,522 | \$232,471 | \$265,999 | \$272,894 | \$305,270 | \$296,799 | \$240,927 |
| Manufacturers | \$14,391 | \$22,677 | \$21,552 | \$26,847 | \$30,382 | \$29,625 | \$32,648 |
| Total Retail Sales | \$3,178,064 | \$3,336,403 | \$3,302,717 | \$3,592,044 | \$3,824,929 | \$3,942,896 | \$4,097,149 |
| # of taxpayers | 460 | 486 | 479 | 514 | 527 | 544 | 523 |

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 |
|------|---------------|
| 2018 | \$326,534,799 |
| 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 |

Note: 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 six goals and underlying objectives, which provided the framework for this year's budget.

- 1) Business Attraction
 - a. Facilitate continued development of the Town Center by occupying 25,000 SF of vacant space with an indoor adventure center and begin communication with owner of former Bergner's building to fill vacancy.
 - b. Spur retail growth for sit-down restaurants along IL Route 173 by distributing at least two marketing packets advertising opportunities within the Village.
 - c. Collaborate with developer to spur development of vacant spaces left by Pier 1 and Radioshack
- 2) Comprehensive downtown revitalization
 - a. Finalize revitalization plan
 - b. Complete design engineering plans for median enhancements
 - c. Identify and establish funding source; likely a business district
 - d. Establish a façade improvement incentive program
 - e. Establish a sidewalk update plan along N. 2nd Street
- 3) Increase the visibility and presence of the Village within the region
 - a. Enhance entry ways to the Village through beautification
 - b. Increase Destination Machesney (marketing/advertising brand for the Village) Facebook followers by 10%
 - c. Increase Village Facebook followers by 10%
- 4) Optimize contracted police services
- 5) Develop a park plan in the Shore Drive area utilizing the properties the Village has acquired through the flood buyout program (over 100 lots) along the Rock River
- 6) 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 six 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.

Capital Improvements

The Village Engineer maintains a priority list of streets in need of the most maintenance and also those streets necessary to continue to interconnect and enhance the storm sewer system for appropriate drainage. At least annually, the Engineer, Mayor, Administrator, and Superintendent drive the roads and further assess the streets' current condition and revise the list as necessary. The Administrator and Finance Manager complete a projection of funds for the current year as well as through the sunset time frame established with each of the revenue sources and annually provide an amount of available funds for the upcoming construction season and budget adoption. The Engineer assigns a dollar value to each construction project for budgeting purposes and staff has a final meeting to ultimately determine the projects based on the amount of available funds.

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 and was available for questions or changes by the Board. Subsequently, the proposed 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
- Capital improvements projections & future planning 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

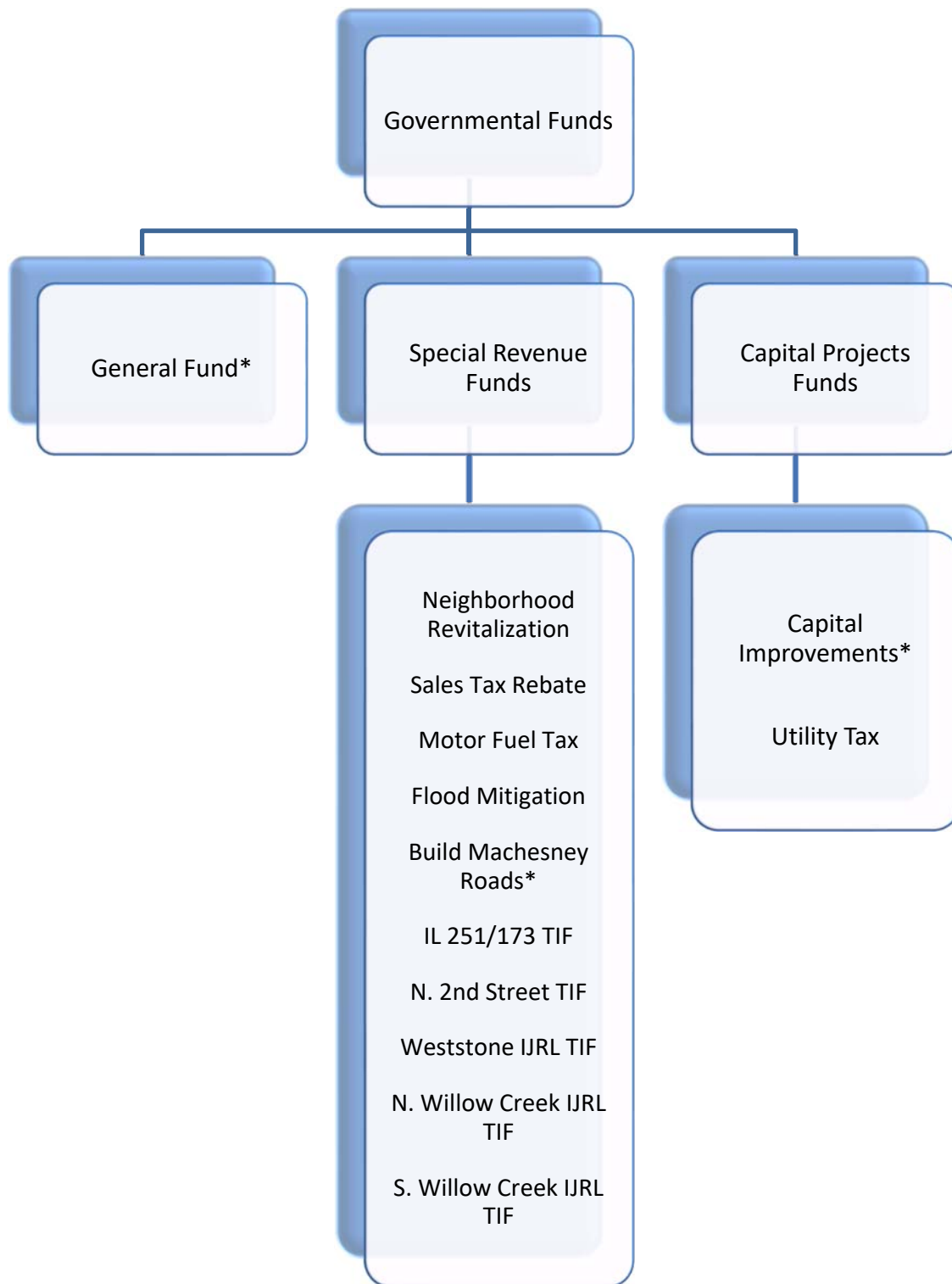
March

- 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)

| Departments | General Government/ Administration | Community Development | Public Works | Protective Services | Infrastructure |
|-------------------------------------|--|---|---|---|---|
| General Fund |  |  |  |  |  |
| Neighborhood Revitalization Fund |  |  | | | |
| Sales Tax Rebate Fund | |  | | | |
| Motor Fuel Tax Fund | | |  | |  |
| Flood Mitigation Fund |  |  | | | |
| Roads Fund | | | | |  |
| TIF Funds | |  | | |  |
| CIP Fund | | |  | |  |
| UT Fund | | | |  |  |

Fund Structure (Continued)

The Village utilizes 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.

Fund Structure (Continued)

- Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes. The Village maintains ten (10) special revenue funds which are managed by the Administration department:
 - Neighborhood Revitalization – 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 the funds can only be used on expenditures related to particular public works activities and infrastructure within the Village.
 - Flood Mitigation – this fund accounts for grant monies received from Federal and State sources to mitigate flood prone residential properties. Mitigation efforts consist of acquiring residential 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, however, it is anticipated the Village Board will extend the tax indefinitely.

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.

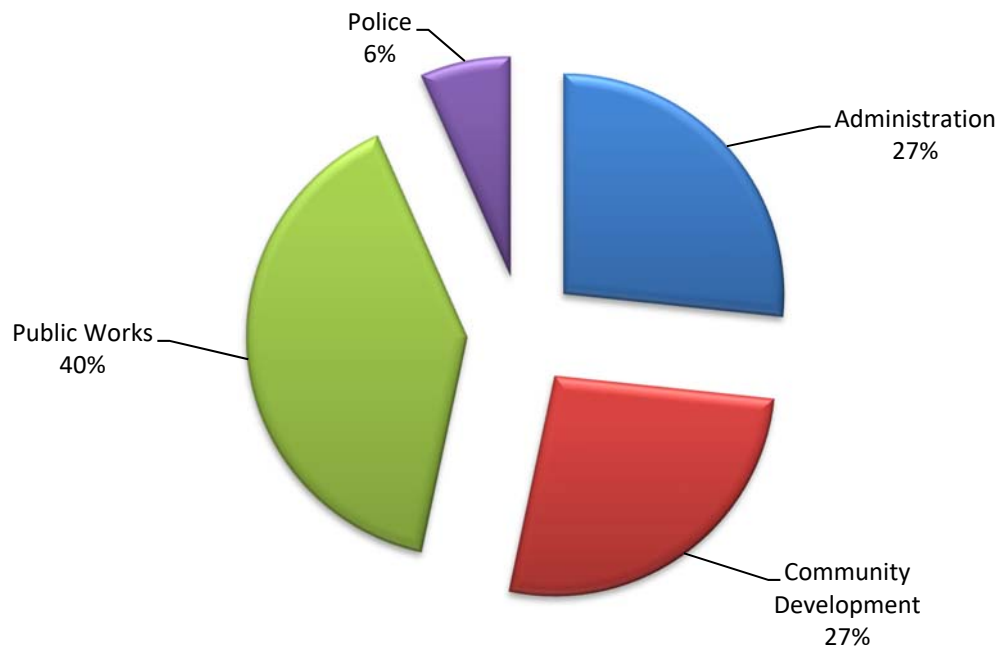
Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. Agency funds are generally used to account for assets that the government holds on behalf of others as their agent. The Village does not maintain 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 2020.

| Title | Budgeted Department | # of staff employed 2016-2017 | # of staff employed 2017-2018 | # of staff employed 2018-2019 | # of staff budgeted 2019-2020 |
|---------------------------------|---------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| 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

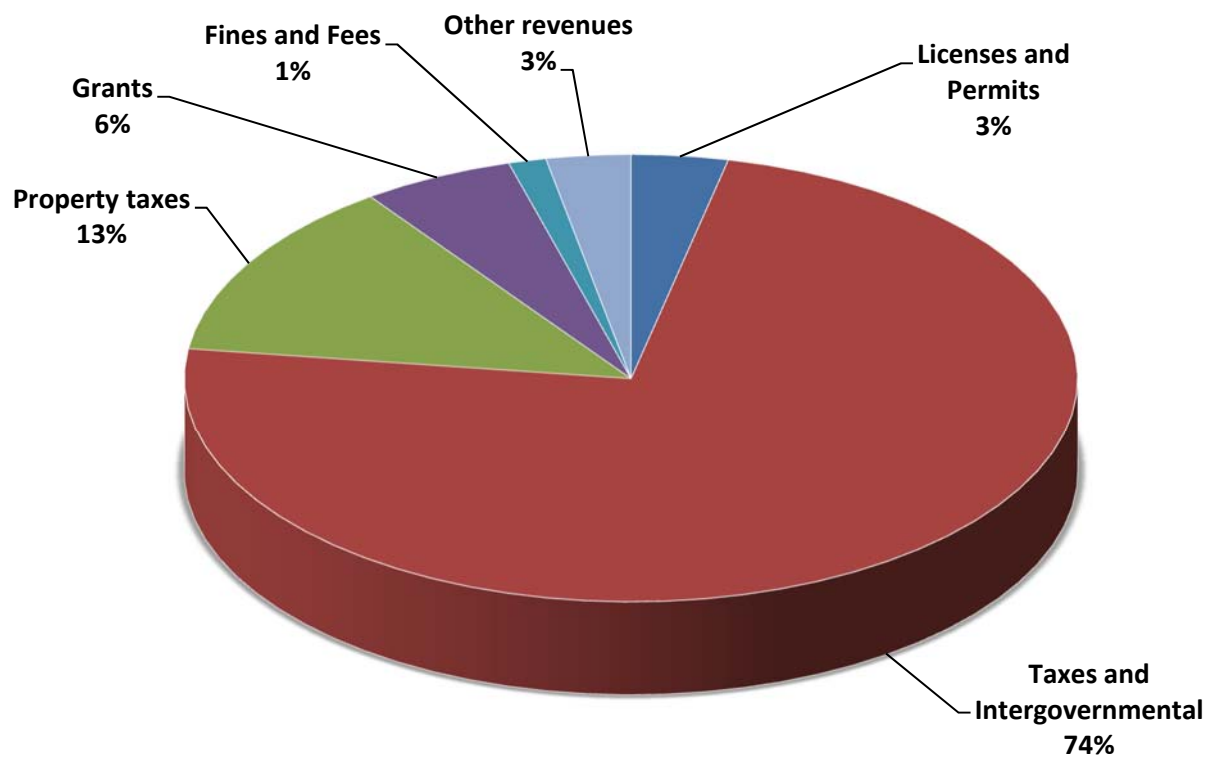


Revenue & Expenditure Summary – All Funds

| | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget |
|---|-------------------|-------------------|-------------------|---------------------|-------------------|
| Revenues | | | | | |
| General Fund | 7,407,300 | 7,662,913 | 7,147,200 | 8,110,880 | 7,558,000 |
| Special Revenue Funds | 10,280,016 | 7,697,399 | 7,390,060 | 8,598,087 | 7,573,100 |
| Capital Projects Funds | 1,166,056 | 1,172,730 | 1,391,400 | 1,201,537 | 891,400 |
| Debt Service Fund | 1,941,578 | - | - | - | - |
| Total Revenues | 20,794,950 | 16,533,042 | 15,928,660 | 17,910,504 | 16,022,500 |
| Expenditures | | | | | |
| General Fund | 5,840,083 | 6,299,579 | 6,994,900 | 6,800,442 | 7,164,200 |
| Special Revenue Funds | 11,310,737 | 8,196,859 | 9,789,483 | 9,260,351 | 11,580,100 |
| Capital Projects Funds | 579,438 | 305,294 | 1,042,200 | 522,422 | 2,349,600 |
| Debt Service Fund | 2,092,294 | - | - | - | - |
| Total Expenditures | 19,822,552 | 14,801,732 | 17,826,583 | 16,583,215 | 21,093,901 |
| Net Revenues Over (Under) Expenditures | 972,398 | 1,731,310 | (1,897,923) | 1,327,289 | (5,071,401) |

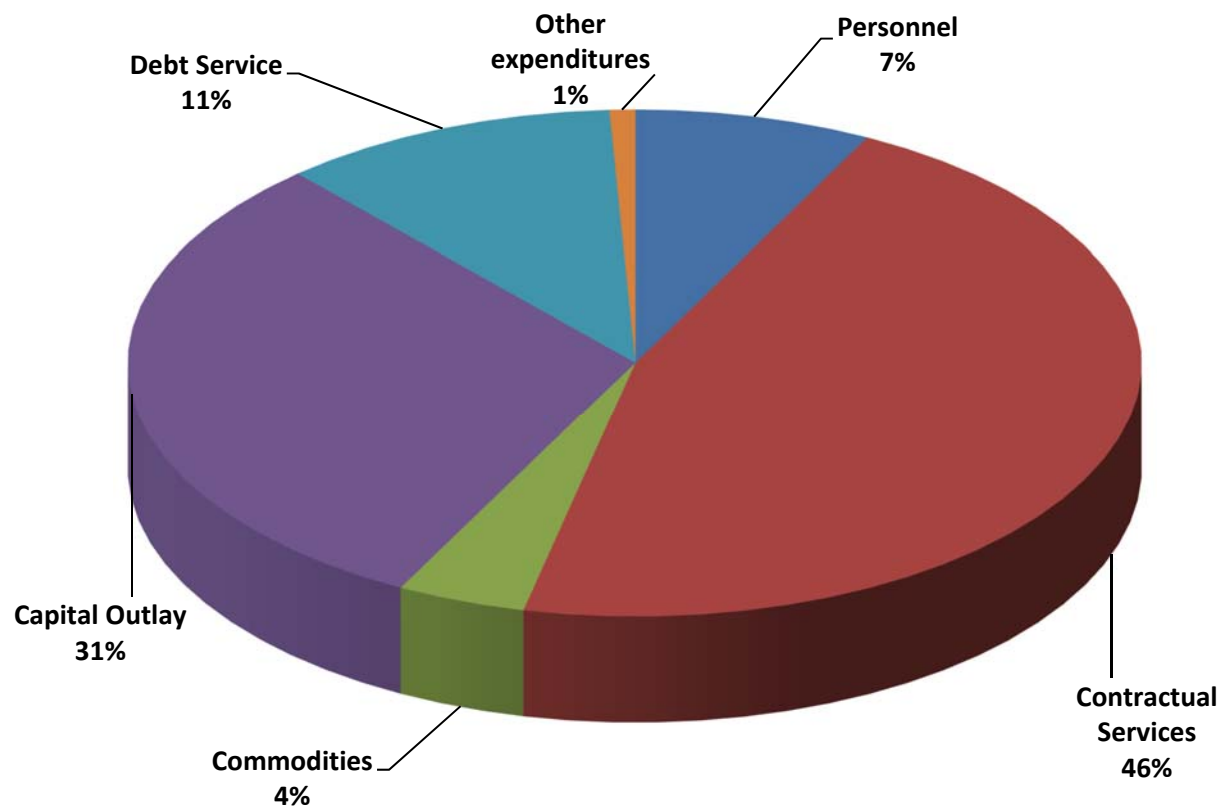
Revenues by Source – All Funds

| | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget |
|-----------------------------|-------------------|-------------------|-------------------|---------------------|-------------------|
| Licenses and Permits | 459,602 | 562,219 | 564,000 | 635,230 | 561,000 |
| Taxes and Intergovernmental | 14,115,063 | 12,522,258 | 11,552,700 | 13,004,464 | 11,796,400 |
| Property taxes | 2,358,294 | 2,011,832 | 1,972,260 | 2,077,252 | 2,074,600 |
| Grants | 3,498,674 | 919,693 | 1,379,300 | 649,943 | 882,200 |
| Fines and Fees | 309,154 | 281,926 | 208,100 | 273,823 | 218,100 |
| Debt proceeds | - | - | - | 900,000 | - |
| Other revenues | 54,163 | 235,114 | 252,300 | 369,792 | 490,200 |
| Total Revenues | 20,794,950 | 16,533,042 | 15,928,660 | 17,910,504 | 16,022,500 |



Expenditures by Category - All Funds

| | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget |
|---------------------------|-------------------|-------------------|-------------------|---------------------|-------------------|
| Personnel | 1,393,206 | 1,427,941 | 1,530,600 | 1,484,460 | 1,594,100 |
| Contractual Services | 6,714,406 | 7,612,330 | 8,184,400 | 7,962,672 | 9,699,000 |
| Commodities | 297,055 | 525,106 | 676,300 | 818,474 | 865,700 |
| Capital Outlay | 7,049,764 | 2,961,378 | 5,122,684 | 4,018,314 | 6,489,200 |
| Debt Service | 2,091,807 | 2,110,087 | 2,121,800 | 2,125,411 | 2,272,500 |
| Other expenditures | 2,276,314 | 164,890 | 190,800 | 173,884 | 173,401 |
| Total Expenditures | 19,822,552 | 14,801,732 | 17,826,583 | 16,583,215 | 21,093,901 |



Projected Changes in Fund Balance

All Funds

| | <i>Estimated</i> Beginning Fund Balance (Deficit) 5/1/2019 | Revenues & Other Sources | Expenditures & Other Uses | <i>Estimated</i> Ending Fund Balance (Deficit) 4/30/2020 |
|-------------------------------|--|-----------------------------|------------------------------|--|
| General Fund | 9,063,654 | 7,558,000 | 7,558,000 | 9,063,654 |
| Neighborhood Revitalization | 43,991 | 542,300 | 586,200 | 91 |
| Utility Tax Fund | 1,244,138 | 700,000 | 1,379,138 | 565,000 |
| Sales Tax Rebate Fund | - | 527,500 | 527,500 | - |
| Motor Fuel Tax Fund | 577,806 | 587,500 | 551,000 | 614,306 |
| IL 251/173 TIF Fund | 111,892 | 1,003,300 | 1,044,800 | 70,392 |
| Capital Improvement Fund | 2,827,593 | 432,400 | 2,343,700 | 916,293 |
| N. 2nd Street TIF Fund | (671,873) | 665,800 | 1,154,200 | (1,160,273) |
| Weststone IJRL TIF Fund | 306,542 | 433,000 | 1,439,500 | (699,958) |
| N. Willow Creek IJRL TIF Fund | (19,336) | 15,000 | 1,000 | (5,336) |
| S. Willow Creek IJRL TIF Fund | 144,646 | 318,000 | 735,000 | (272,354) |
| Flood Mitigation Fund | 49,200 | 739,900 | 439,100 | 350,000 |
| Build Machesney Road Fund | 1,535,227 | 4,266,738 | 5,101,800 | 700,165 |
| | 15,213,480 | 17,789,438 | 22,860,938 | 10,141,980 |

Major Increases or Decreases in Fund Balances

Utility Tax Fund – Fund balance is expected to decline as the tax is set to sunset mid-year of the budget. Therefore, the Village is transferring all available cash to the road fund to complete projects. The remaining fund balance is the amount loaned to the Weststone TIF that is to be repaid.

Capital Improvement Fund – Fund balance is expected to decline due to a planned capital improvement to build a public works facility; which was the reason for the prior year increases so the improvement could be made with no debt issuance.

N. 2nd Street TIF Fund – Fund balance is expected to decrease due to contractual redevelopment obligations, developer incentives, leasehold improvements, and debt service that requires more than the incremental property taxes and rental income being received at this time. However, as the development projects come to fruition and more of the vacant space is leased, the balance should improve.

Weststone IJRL TIF Fund – Fund balance is expected to decline due to TIF related development planned for the upcoming year and reimbursement of eligible expenses. 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.

Major Increases or Decreases in Fund Balances continued

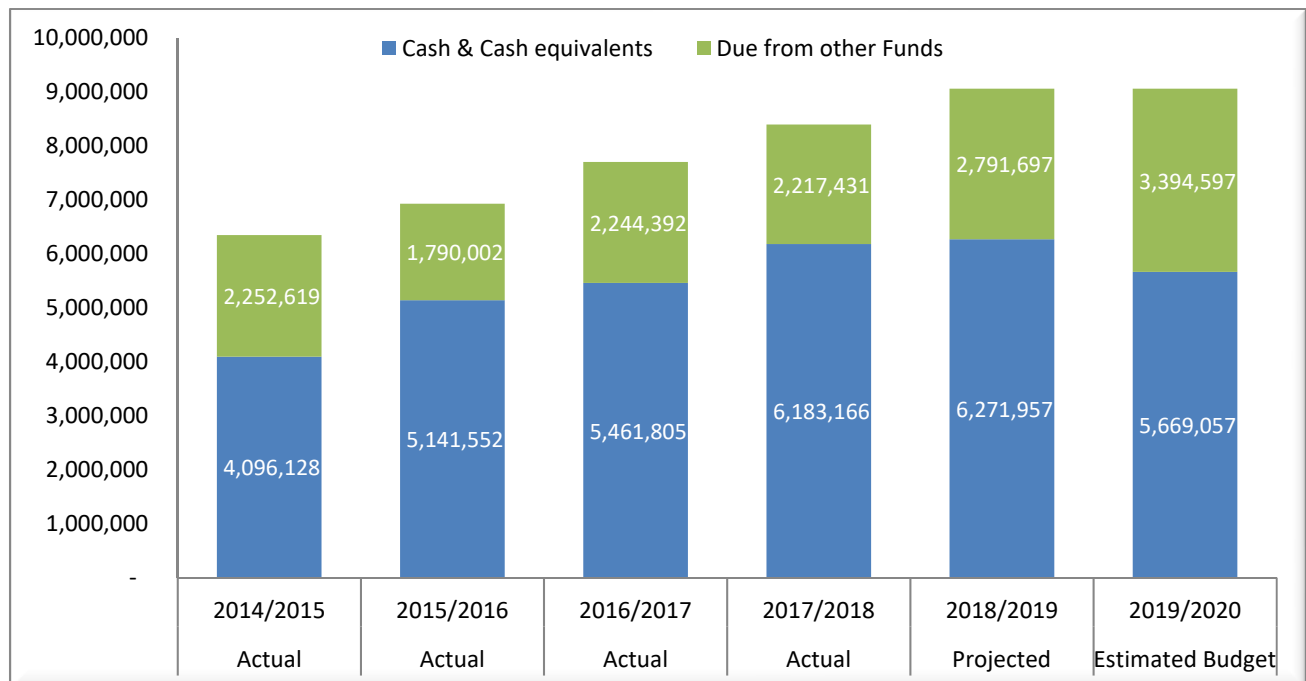
S. Willow Creek IJRL TIF Fund - Fund balance is expected to decline due to infrastructure improvements being built to accommodate the industrial neighborhood. Property tax increment is programmed to cover the expenditures in the next few years.

Flood Mitigation Fund – Fund balance is expected to increase if additional grants are received; the Village may have to wait for reimbursement and so the transfer of funds would assist in covering the balance until reimbursement is received.

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, 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 is seeing increased development and so the demand for TIF incentives and coverage of upfront costs is anticipated to increase, thereby reducing the cash balance slightly, however, it is planned the General Fund will be fully reimbursed in future years.

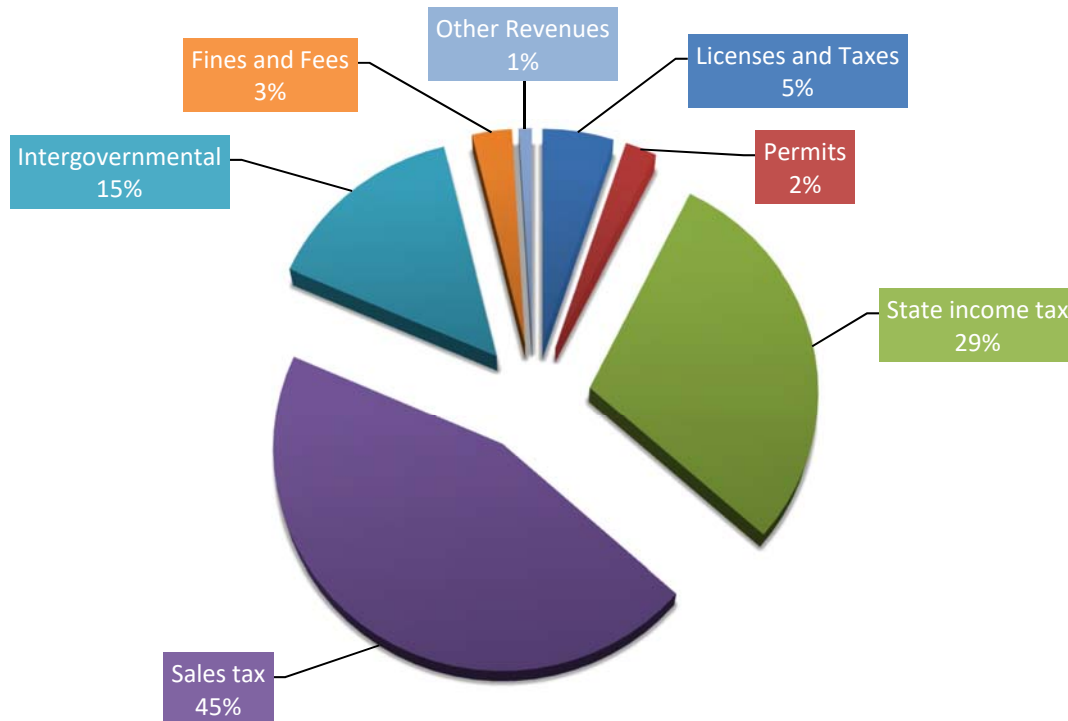
Best practice dictates having an unassigned fund balance at a minimum of three months (25%), but preferably closer to a year of operating expenses, especially due to the volatile revenue streams the Village relies on to conduct its activities. The Village is projecting to have just under \$5M of available cash (unassigned fund balance) in the General Fund at year end, which is about 69% of the current year 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 74% 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

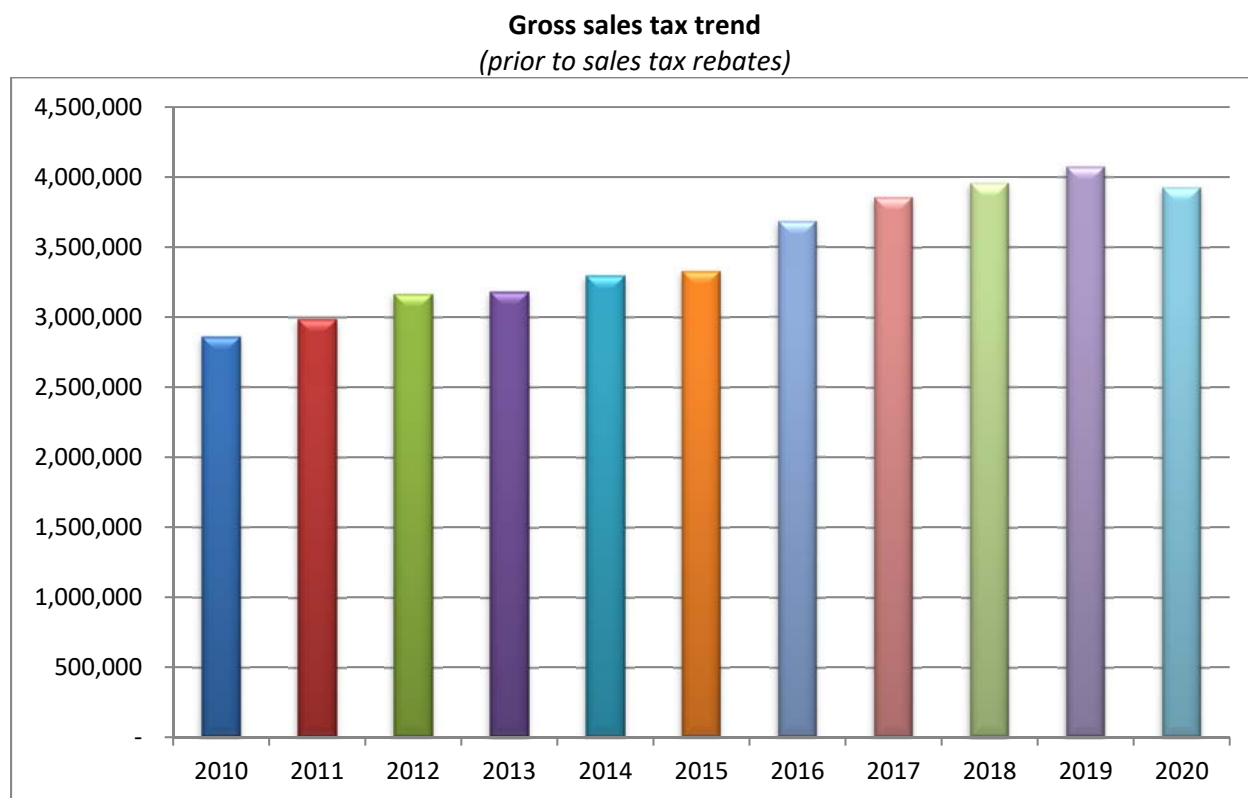
The Village receives one cent (\$0.01) per dollar of retail sales, which is collected by the State and then distributed to the Village. The sales tax rate within the majority of the corporate boundaries is 8.25%; the Village's share is the regular allocation of 1% on retail sales including food and drugs, 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 uncertainty of impact from federal and state tax changes, the Village remained conservative with projections.

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.



State income tax and local use tax budgets were increased \$268k between both revenue streams. The budget for both revenues had been too conservative based on historical revenues received, so we increased the budget to still remain conservative, but bring them more in-line with actual receipts over the past several years. Motor Fuel tax revenues have leveled off, 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 an increase to again, bring the line item more in-line with actual receipts for the past several years. 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 decreased by almost 1% for calendar year 2019, however, with IMRF's assumed rate of return possibly changing, the Village budgeted some additional funds for a possible increase during a portion of the year. The number of personnel remains unchanged and so the increased costs in personnel are related to a 1.3% 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; funding for various capital needs; and neighborhood revitalization efforts.

| Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget | \$ Inc (Dec) | % Inc (Dec) |
|---|-------------------|-------------------|-------------------|---------------------|-------------------|------------------|----------------|
| Expenditures | | | | | | | |
| Administration | 593,905 | 562,833 | 667,800 | 568,062 | 720,100 | 52,300 | 7.8% |
| Village Clerk | 82,362 | - | - | - | - | - | 0.0% |
| Executive | 125,851 | 190,205 | 201,900 | 186,888 | 196,700 | (5,200) | -2.6% |
| Community Development | 528,836 | 606,279 | 734,600 | 699,885 | 761,300 | 26,700 | 3.6% |
| Public Works | 1,005,965 | 1,252,553 | 1,656,700 | 1,714,113 | 1,834,200 | 177,500 | 10.7% |
| Protective Services | 3,503,164 | 3,687,709 | 3,733,900 | 3,631,494 | 3,651,900 | (82,000) | -2.2% |
| Expenditures | 5,840,083 | 6,299,579 | 6,994,900 | 6,800,442 | 7,164,200 | 169,300 | 2.4% |
| Other Financing Sources (Uses) | | | | | | | |
| Transfer to Neighborhood Revitalization | - | (109,017) | (100,000) | (100,000) | (100,000) | - | 0.0% |
| Transfer to IL 251/173 TIF | (25,069) | (25,206) | (20,700) | (20,633) | (20,300) | 400 | -1.9% |
| Transfer to Capital Improvement | (431,450) | (400,000) | - | (500,000) | (241,000) | (241,000) | -100.0% |
| Transfer to N. 2nd TIF | (136,055) | (134,711) | (31,600) | (31,936) | (32,500) | (900) | 2.8% |
| Transfer to Road Fund | (200,000) | - | - | - | - | - | 0.0% |
| Other Financing Sources (Uses) | (792,574) | (668,934) | (152,300) | (652,569) | (393,800) | (241,500) | 158.6% |

General Fund Summary

| Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget |
|--|-------------------|-------------------|-------------------|---------------------|-------------------|
| Revenues | | | | | |
| Licenses and Taxes | 415,170 | 408,765 | 392,000 | 402,183 | 387,500 |
| Permits | 44,432 | 153,454 | 172,000 | 233,047 | 173,500 |
| Intergovernmental | 6,602,963 | 6,651,118 | 6,344,100 | 7,051,463 | 6,707,900 |
| Fines and Fees | 309,153 | 281,826 | 208,100 | 273,823 | 218,100 |
| Other revenues | 35,582 | 167,750 | 31,000 | 150,364 | 71,000 |
| Total Revenues | 7,407,300 | 7,662,913 | 7,147,200 | 8,110,880 | 7,558,000 |
| Expenditures | | | | | |
| Administration | 593,905 | 562,833 | 667,800 | 568,062 | 720,100 |
| Village Clerk | 82,362 | - | - | - | - |
| Executive | 125,851 | 190,205 | 201,900 | 186,888 | 196,700 |
| Community Development | 528,836 | 606,279 | 734,600 | 699,885 | 761,300 |
| Public Works | 1,005,965 | 1,252,553 | 1,656,700 | 1,714,113 | 1,834,200 |
| Protective Services | 3,503,164 | 3,687,709 | 3,733,900 | 3,631,494 | 3,651,900 |
| Total Expenditures | 5,840,083 | 6,299,579 | 6,994,900 | 6,800,442 | 7,164,200 |
| Revenues Over (Under) Expenditures | 1,567,217 | 1,363,334 | 152,300 | 1,310,438 | 393,800 |
| Other Financing Sources (Uses) | | | | | |
| Transfer to Neighborhood Revitalization | - | (109,017) | (100,000) | (100,000) | (100,000) |
| Transfer to IL 251/173 TIF | (25,069) | (25,206) | (20,700) | (20,633) | (20,300) |
| Transfer to Capital Improvement | (431,450) | (400,000) | - | (500,000) | (241,000) |
| Transfer to N. 2nd TIF | (136,055) | (134,711) | (31,600) | (31,936) | (32,500) |
| Transfer to Road Fund | (200,000) | - | - | - | - |
| Total Other Financing Sources (Uses) | (792,574) | (668,934) | (152,300) | (652,569) | (393,800) |
| Net Increase (Decrease) in Fund Balance | 774,643 | 694,400 | - | 657,869 | - |
| Beginning Fund Balance | 6,931,554 | 7,706,197 | 8,400,597 | 8,400,597 | 9,063,654 |
| Ending Fund Balance | 7,706,197 | 8,400,597 | 8,405,785 | 9,063,654 | 9,063,654 |

General Fund

General Fund Revenues

| Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget | \$ Inc (Dec) | % Inc (Dec) |
|-----------------------|-------------------|-------------------|-------------------|---------------------|-------------------|-----------------|----------------|
| Licenses and Taxes | 415,170 | 408,765 | 392,000 | 402,183 | 387,500 | (4,500) | -1.1% |
| Permits | 44,432 | 153,454 | 172,000 | 233,047 | 173,500 | 1,500 | 0.9% |
| Intergovernmental | 6,602,963 | 6,651,118 | 6,344,100 | 7,051,463 | 6,707,900 | 363,800 | 5.7% |
| Fines and Fees | 309,153 | 281,826 | 208,100 | 273,823 | 218,100 | 10,000 | 4.8% |
| Other Revenues | 35,582 | 167,750 | 31,000 | 150,364 | 71,000 | 40,000 | 129.0% |
| Total Revenues | 7,407,300 | 7,662,913 | 7,147,200 | 8,110,880 | 7,558,000 | 410,800 | 5.7% |

Budget Analysis

The FY 2020 budget includes an increase of 5.7% to General Fund revenues. State income tax, local use tax, video gaming tax, and circuit court fines were all increased to more closely match the past two years of actual receipts. In addition, sales tax revenues were increased due to the opening of Hobby Lobby and less revenues rebated for the development of Meijer. 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. Based on historical review of the budgets for these line items, it appeared the Village had been too conservative and so the budget was increased to realign with actual receipts. Overall, intergovernmental revenues increased by \$363,800.

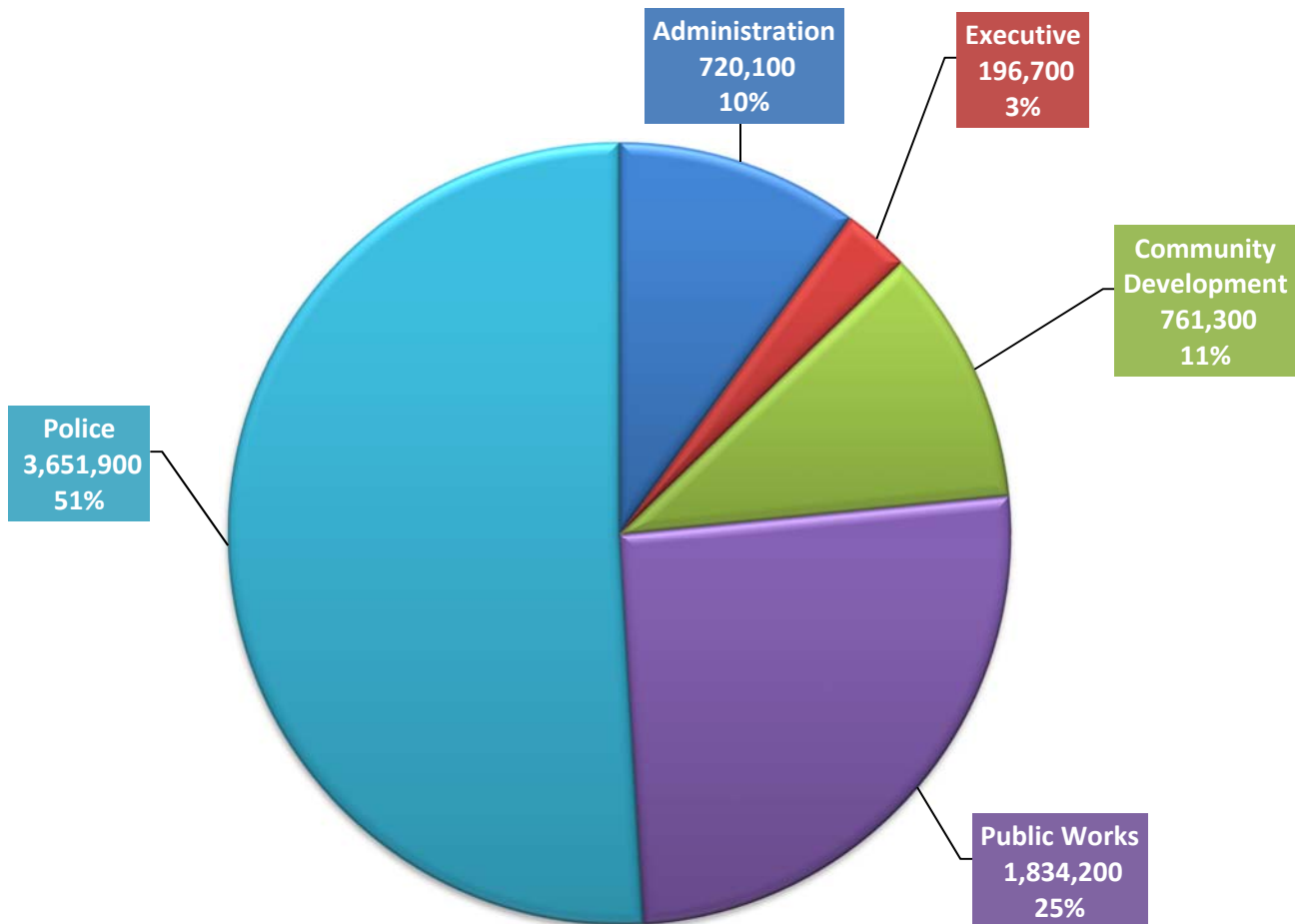
Fines and Fees and Other Revenues consist of circuit court fines, parking fines, zoning fines, impound fees, police vehicle fees, reimbursement of professional services, and investment income. Investments have seen regular interest rate increases and so the budget was increased by \$10k; circuit court fine revenue increased over the past couple years and so the budget was adjusted accordingly; and impound fees have been declining year over year, so the budget was reduced by another \$10k. Overall fines, fees, and other revenues were increased by \$50k.

Overall, based on the prior years' history of revenues and possible economic impacts, the budgeted revenues increased 5.7%, which is equivalent to \$410,800.

General Fund Expenditures

| Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget | \$ Inc (Dec) | % Inc (Dec) |
|-----------------------------------|-------------------|-------------------|-------------------|---------------------|-------------------|-----------------|----------------|
| Expenditures by Department | | | | | | | |
| Administration | 593,905 | 562,833 | 667,800 | 568,062 | 720,100 | 52,300 | 7.8% |
| Village Clerk ^ | 82,362 | - | - | - | - | - | 0.0% |
| Executive | 125,851 | 190,205 | 201,900 | 186,888 | 196,700 | (5,200) | -2.6% |
| Community Development | 528,836 | 606,279 | 734,600 | 699,885 | 761,300 | 26,700 | 3.6% |
| Public Works | 1,005,965 | 1,252,553 | 1,656,700 | 1,714,113 | 1,834,200 | 177,500 | 10.7% |
| Protective Services | 3,503,164 | 3,687,709 | 3,733,900 | 3,631,494 | 3,651,900 | (82,000) | -2.2% |
| Total Expenditures | 5,840,083 | 6,299,579 | 6,994,900 | 6,800,442 | 7,164,200 | 169,300 | 2.4% |

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



Administration

| Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget | \$ Inc (Dec) | % Inc (Dec) |
|-----------------------------|-------------------|-------------------|-------------------|---------------------|-------------------|-----------------|----------------|
| Personnel | 361,660 | 370,158 | 390,200 | 378,141 | 401,600 | 11,400 | 2.9% |
| Contractual services | 198,291 | 132,054 | 229,100 | 151,492 | 275,900 | 46,800 | 20.4% |
| Office expenses | 4,661 | 4,101 | 5,700 | 4,407 | 5,700 | - | 0.0% |
| Indirect employee | 11,050 | 15,059 | 19,700 | 15,665 | 18,300 | (1,400) | -7.1% |
| Capital outlay | - | 25,084 | 6,400 | 6,400 | 2,000 | (4,400) | -68.8% |
| Other expenditures | 18,243 | 16,377 | 16,700 | 11,957 | 16,600 | (100) | -0.6% |
| Total Administration | 593,905 | 562,833 | 667,800 | 568,062 | 720,100 | 52,300 | 7.8% |

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.

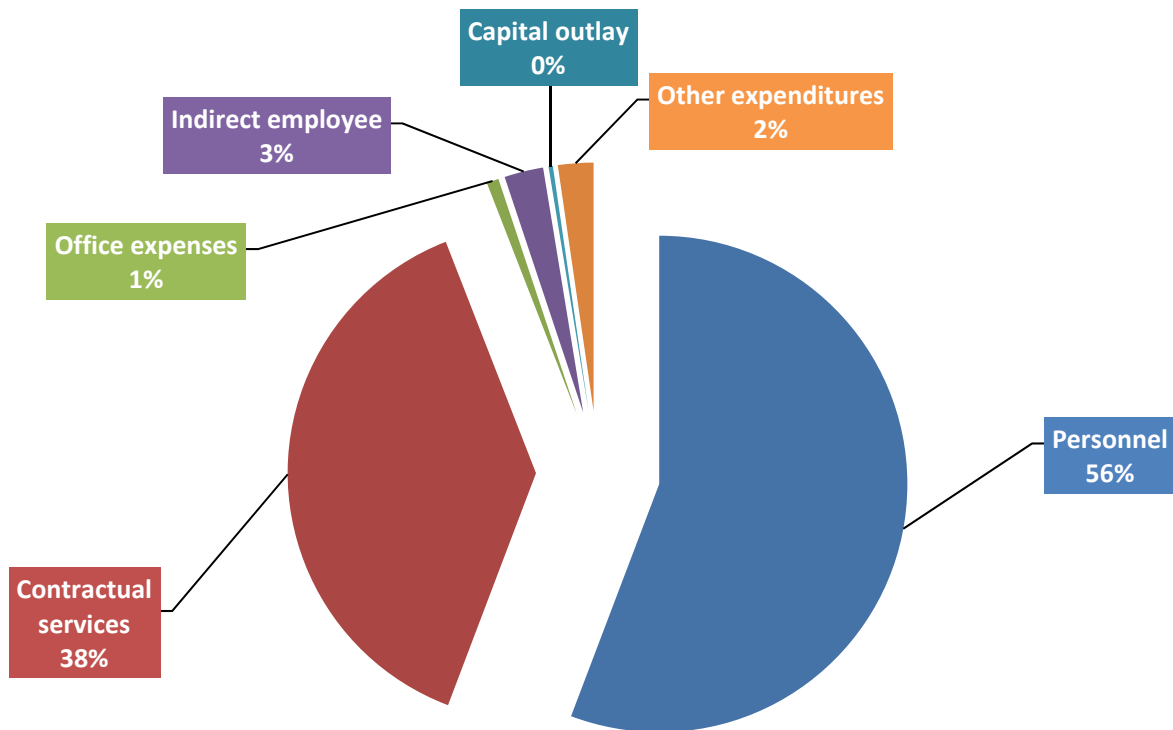
The Administration department provides support for all departments in handling general resident inquiries, employee benefits, risk management and insurance coverage, receipt and disbursement of Village funds, various financial reporting, policy development, and the issuance of various licenses.

Goals/Projects

- Conduct a comprehensive policing study to determine the most cost effective and efficient option for contracting police services ~ \$100k
- Update the employee handbook ~ \$2,500
- Investigate establishing a TIF for a retirement village along IL 173 ~ \$30k
- 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)

Budget Analysis

The FY 2020 budget includes funds to accomplish the current year goals/projects identified above as well as the replacement of two laptops to maintain efficient and current working equipment.



Executive

| Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget | \$ Inc (Dec) | % Inc (Dec) |
|------------------------|-------------------|-------------------|-------------------|---------------------|-------------------|-----------------|----------------|
| Personnel | 118,872 | 179,169 | 178,600 | 178,312 | 178,200 | (400) | -0.2% |
| Contractual services | - | - | 7,500 | - | - | (7,500) | -100.0% |
| Indirect employee | 6,418 | 9,693 | 15,800 | 8,576 | 15,700 | (100) | -0.6% |
| Capital outlay | 561 | 1,343 | - | - | 2,800 | 2,800 | 100.0% |
| Total Executive | 125,851 | 190,205 | 201,900 | 186,888 | 196,700 | (5,200) | -2.6% |

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.

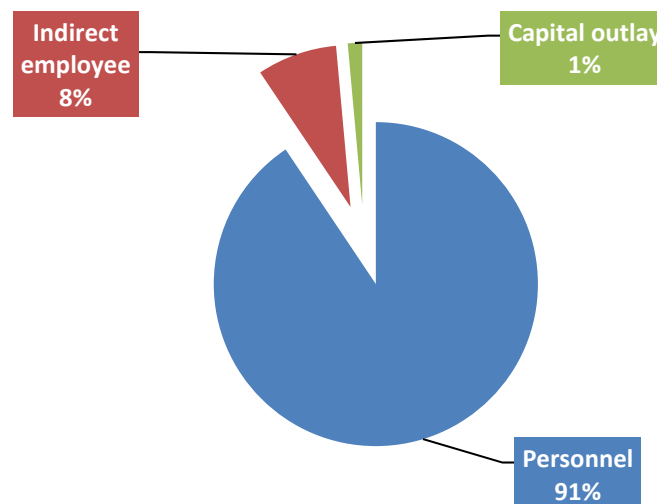
The Board of Trustees consists of six members and serves as the legislative department of the Village.

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 2020 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 replacement of six iPads utilized by the Board for review of meeting information prior to and during Board meetings.



Community Development

| Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget | \$ Inc (Dec) | % Inc (Dec) |
|--------------------------------|-------------------|-------------------|-------------------|---------------------|-------------------|-----------------|----------------|
| Personnel | 312,352 | 334,838 | 355,500 | 349,900 | 363,000 | 7,500 | 2.1% |
| Contractual services | 84,914 | 138,596 | 238,400 | 220,064 | 246,800 | 8,400 | 3.5% |
| Office expenses | 9,077 | 8,379 | 11,900 | 8,981 | 12,000 | 100 | 0.8% |
| Indirect employee | 40,652 | 43,121 | 49,200 | 44,112 | 48,700 | (500) | -1.0% |
| Capital outlay | 2,132 | - | 15,000 | 15,000 | 21,600 | 6,600 | 44.0% |
| Other expenditures | 79,709 | 81,345 | 64,600 | 61,828 | 69,200 | 4,600 | 7.1% |
| Total Community Develop | 528,836 | 606,279 | 734,600 | 699,885 | 761,300 | 26,700 | 3.6% |

Department Description

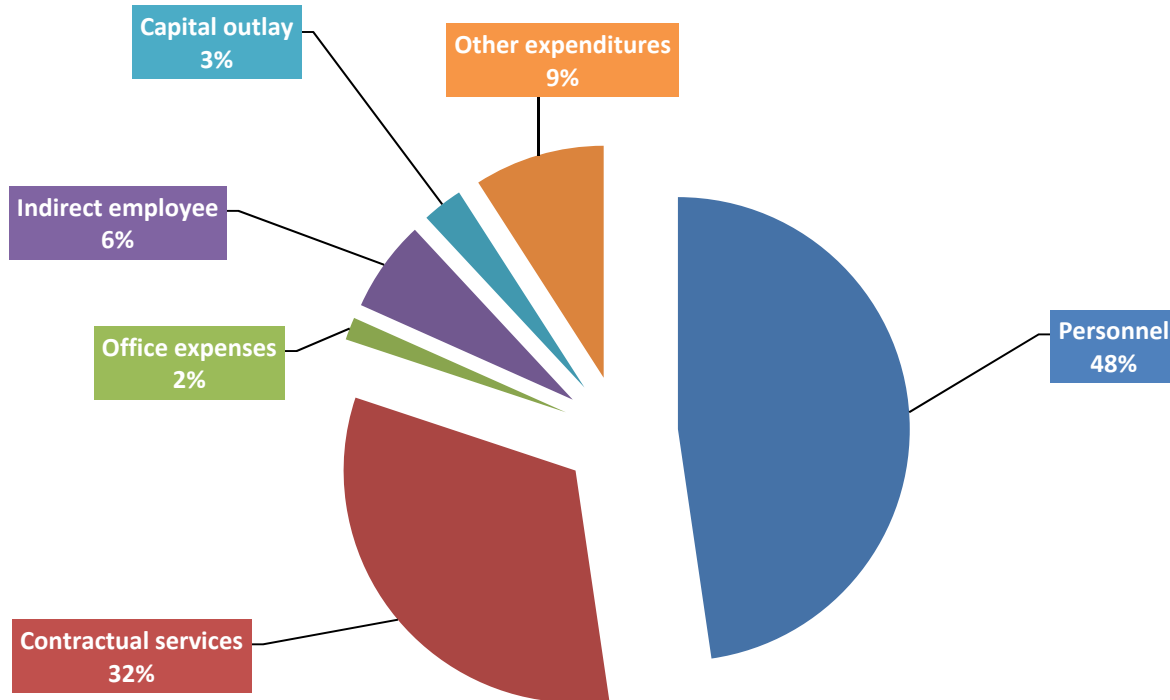
The Community Development Department is comprised of four full-time personnel: Community Development Director, Planning & Zoning Specialist, Code Enforcement Inspector, and Building Clerk. This department is responsible for the community development regulatory policies and economic development programs. 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 ~ \$18k
- Update the Village's 2020 comprehensive plan ~ \$15k
- Purchase and implement building permit and code enforcement software to streamline the processes and provide performance measurement management system ~ \$20k
- Establish a business district at the intersection of IL 251 and Harlem Road in order to incentivize façade improvements of the businesses ~ \$30k
- Business attraction ~ \$2k
 - o Attend at least 1 retail attraction event and specifically market the former JCP building
 - o Distribute 2 marketing packets advertising for sit down restaurants along IL 173
 - o Work with developers to fill vacant retail spaces along IL 173
- Increase Destination Machesney and Village Facebook followers by 10% each to increase visibility/presence of the Village within the region
- Organize five outdoor movie nights and a fall fest event ~ \$9k

Budget Analysis

The FY 2020 budget includes funds for the above referenced goals/projects in addition to continuing to coordinate and publish the semi-annual newsletter to keep residents informed of everything occurring throughout the Village.



Public Works

| Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget | \$ Inc (Dec) | % Inc (Dec) |
|---------------------------|-------------------|-------------------|-------------------|---------------------|-------------------|-----------------|----------------|
| Personnel | 334,001 | 341,200 | 386,800 | 359,662 | 411,800 | 25,000 | 6.5% |
| Contractual services | 432,969 | 455,497 | 582,600 | 517,501 | 622,300 | 39,700 | 6.8% |
| Office expenses | 2,629 | 3,424 | 6,500 | 5,168 | 6,100 | (400) | -6.2% |
| Indirect employee | 51,770 | 47,636 | 59,200 | 50,898 | 66,100 | 6,900 | 11.7% |
| Streets | 34,823 | 189,579 | 304,200 | 395,972 | 355,600 | 51,400 | 16.9% |
| Maintenance | 110,757 | 179,163 | 152,900 | 241,662 | 288,200 | 135,300 | 88.5% |
| Utilities | 2,434 | 2,567 | 4,000 | 3,314 | 4,000 | - | 0.0% |
| Parks | 7,667 | 8,333 | 17,000 | 15,463 | 19,500 | 2,500 | 14.7% |
| Equipment | 8,504 | 9,011 | 16,400 | 11,963 | 15,500 | (900) | -5.5% |
| Supplies | 3,666 | 4,303 | 12,400 | 11,057 | 8,900 | (3,500) | -28.2% |
| Capital outlay | - | 3,675 | 93,000 | 64,000 | 14,500 | (78,500) | -84.4% |
| Other expenditures | 16,745 | 8,165 | 21,700 | 37,453 | 21,700 | - | 0.0% |
| Total Public Works | 1,005,965 | 1,252,553 | 1,656,700 | 1,714,113 | 1,834,200 | 177,500 | 10.7% |

Department Description

The Public Works Department is comprised of four full-time personnel: Superintendent of Public Works, Public Works Foreman, and two 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

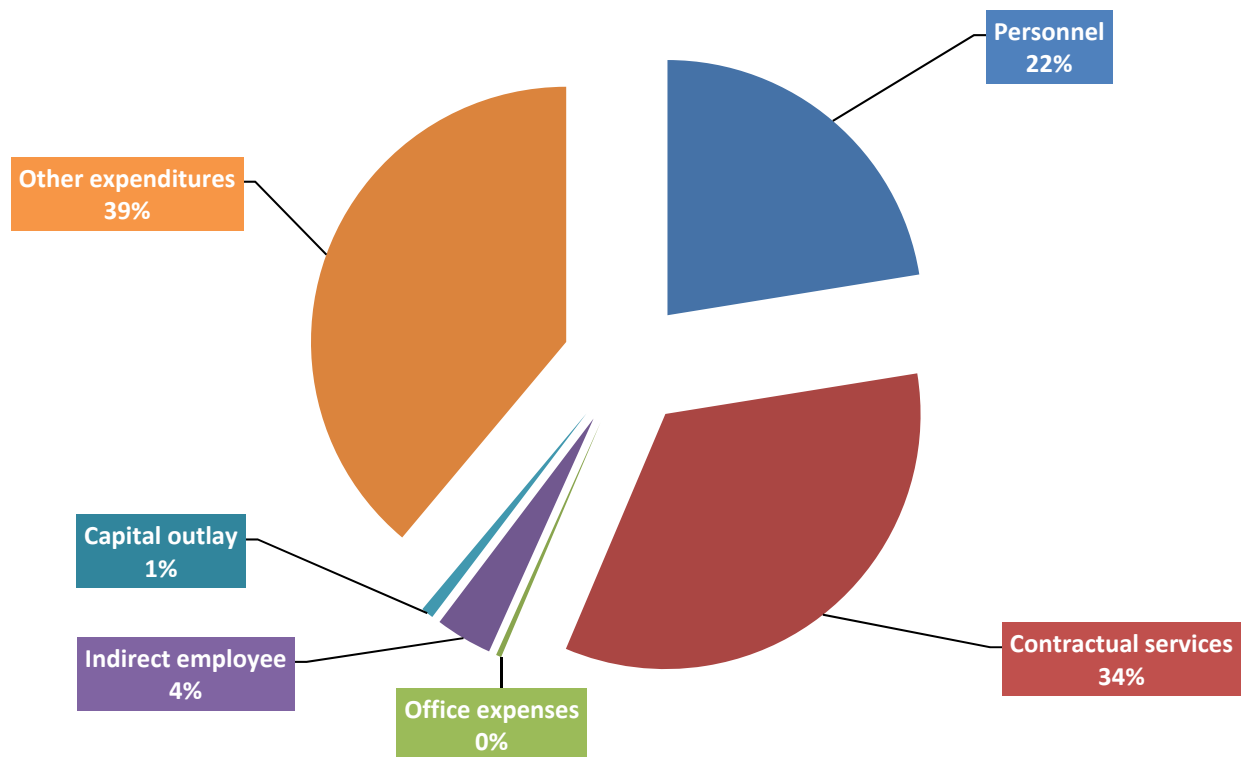
- Conduct a study and develop a park plan along the Rock River, utilizing current and anticipated lots owned by the Village ~ \$12,500
- Community services
 - o Maintain or improve current service levels
 - Remove as many hazard trees and replace damaged trees based on the budget allotment ~ \$48k
 - Establish a sidewalk repair and replacement program, covering a quadrant of the Village each year ~ \$16k
- Safety
 - 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 ~ \$20k
 - o Replace zero turn mower ~ \$10k

Public Works continued

- Beautification
 - o Landscaping along major corridors (IL 251 & 173) throughout Village ~ \$9k
 - o Improve welcome signs, enhance entryways to the Village, beautify 251 median ~ \$5k
- Miscellaneous
 - o Complete maintenance of brick paver roads to prolong durability ~ \$8k
 - o Make interior improvements to Village hall; update of woodwork throughout, paint main office area, upgrade police entry door, replace carpet and tile ~ \$56k

Budget Analysis

The FY 2020 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. 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, funds were budgeted to accomplish the above referenced goals/projects.



Protective Services

| Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget | \$ Inc (Dec) | % Inc (Dec) |
|----------------------------------|-------------------|-------------------|-------------------|---------------------|-------------------|-----------------|----------------|
| Personnel | 14,837 | 15,239 | 16,000 | 15,035 | 15,600 | (400) | -2.5% |
| Contractual services | 3,275,457 | 3,414,780 | 3,500,000 | 3,357,222 | 3,466,100 | (33,900) | -1.0% |
| Other contractual services | 68,117 | 85,679 | 73,900 | 148,628 | 62,400 | (11,500) | -15.6% |
| Office expenses | 744 | 737 | 1,400 | 1,236 | 1,400 | - | 0.0% |
| Capital outlay | 80,372 | 113,601 | 56,800 | 48,727 | 42,500 | (14,300) | -25.2% |
| Other expenditures | 63,637 | 57,673 | 85,800 | 60,646 | 63,900 | (21,900) | -25.5% |
| Total Protective Services | 3,503,164 | 3,687,709 | 3,733,900 | 3,631,494 | 3,651,900 | (82,000) | -2.2% |

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-seven sworn officers and one secretary. The officers consist of twenty 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. The part-time school resource officer employed by the Village and reimbursed by the School District, was eliminated in June 2019 due to the District closing the ninth grade campus and consolidating locations.

The Village submitted a two-year notice of termination in April 2018 to the Winnebago County Sheriff's Department, as provided by the terms of the agreement, in response to significant budget increases proposed by the County, which changed the fundamental terms of the agreement. The Village established an ad-hoc committee and is undergoing a policing study to determine the best outcome for the Village based on available cost options and opportunities for contracted services. Negotiations are anticipated to take place to either come to an agreement on new terms for a contract with the County or the contract will be terminated and the Village will look to other sources to provide protective services.

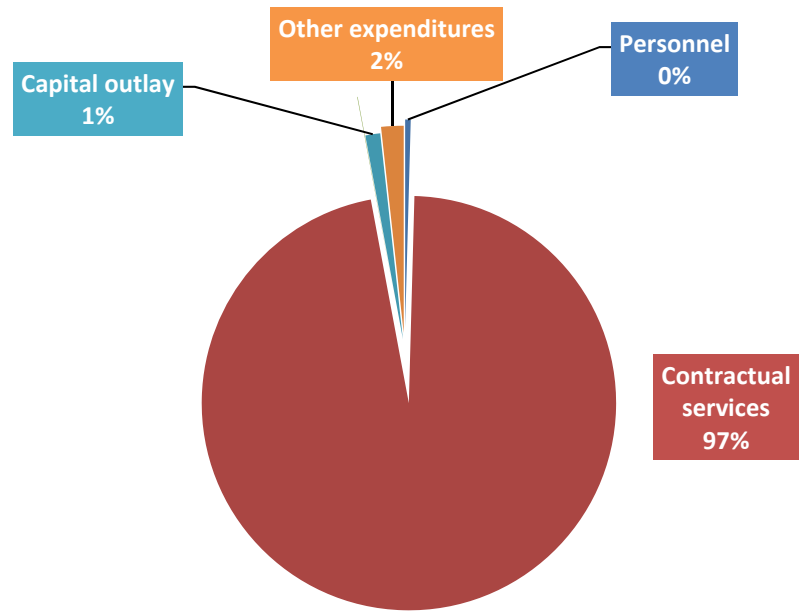
Goals/Projects

- Optimize police services contract (budgeted in the Administration department)
- Maintain adequate staffing levels
- Upgrade two squad cars to SUV's ~ \$28k and remainder budgeted in the Utility Tax Fund
- Replace three outdated radar units ~ \$3,900

Budget Analysis

The FY 2020 budget consists of estimates due to collective bargaining agreements lapsing mid-year and the unknown backpay that may be owed. The Village reduced the number of officers from twenty-two to twenty in the prior year, which caused the decline in the General Fund budget compared to the prior year. The Utility Tax Fund continues to pay for two of the twenty officers assigned to the Village.

Protective Services continued



Capital Projects Funds

CIP Fund

| Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget | \$ Inc (Dec) | % Inc (Dec) |
|-----------------------------------|-------------------|-------------------|-------------------|---------------------|-------------------|-----------------|----------------|
| REVENUES | 8,770 | 15,508 | 391,400 | 30,611 | 191,400 | (200,000) | -51.1% |
| EXPENDITURES | 23,245 | 109,922 | 755,700 | 29,654 | 2,043,700 | 1,288,000 | 170.4% |
| OTHER FINANCING SOURCES/(USES) | 334,842 | 385,727 | (75,000) | 500,000 | (59,000) | 16,000 | -21.3% |
| ENDING FUNDING BALANCE | 2,035,323 | 2,326,636 | 1,887,336 | 2,827,593 | 916,293 | | |

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 2020 budget consists of funds for the IL 173 infrastructure improvements, improvements to the Shore Drive boat launch, construction a new public works facility, and a transfer to the Flood Mitigation Fund for the local match required for receiving federal grants.

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 provide for additional parking to accommodate overflow boat trailer parking at the boat launch.

The Village has been temporarily utilizing a portion of a commercial building (formerly occupied by JCPenney) to operate and store equipment, however, the Village has been successful in leasing the remaining commercial building to tenants and so would like to move out to allow for a final tenant space, in hopes of selling the entire building to a developer. The Village has annually been transferring portions of surplus funds for several years into the CIP Fund in anticipation of needing to build a permanent space for the public works department. The Village has amassed various equipment and vehicles over the years that would be better served by being stored indoors, which is no longer an option at Village hall due to the minimal available space. Therefore, the Village budgeted funds to construct an approximately 10k square foot building in a centrally located industrial park within the

CIP Fund continued

Village to effectively respond to service calls, receive and store salt deliveries, and house the various equipment the Village has invested in over the past several years. Due to committing funds over the past several years, there will be no debt issuance necessary to design or build the new facility, nor an impact on current levels of service.

Finally, the Village has been very active in applying for Federal and State grants to acquire flood-prone properties along the Shore Drive area. There are currently 130 interested property owners on the voluntary buyout list and in order to receive Federal grants, the Village must find a means for providing a 25% local match. The Village anticipates applying for state funding, which is eligible to be used as the local match, however, it is a reimbursement grant. Therefore, the Village Board agreed to commit and transfer \$300k of CIP Funds to the Flood Mitigation Fund to use as seed money if grants are awarded. It is anticipated the Village would ultimately not need to spend the funds, but rather use it as short-term cash flow until the State reimburses the Village for the acquisition and demolition of properties.

Utility Tax Fund

| Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget | \$ Inc (Dec) | % Inc (Dec) |
|----------------------|-------------------|-------------------|-------------------|---------------------|-------------------|-----------------|----------------|
| REVENUES | 1,157,286 | 1,157,222 | 1,000,000 | 1,170,926 | 700,000 | (300,000) | -30.0% |
| EXPENDITURES | 556,193 | 195,372 | 286,500 | 492,768 | 305,900 | 19,400 | 6.8% |
| OTHER FINANCING USES | (533,200) | (400,000) | (800,000) | (800,000) | (1,073,238) | (273,238) | 34.2% |
| ENDING FUND BALANCE | 804,130 | 1,365,980 | 1,279,480 | 1,244,138 | 565,000 | | |

Fund Description

The Utility Tax Fund is primarily for additional infrastructure projects, but also provides for 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 2020 budget includes over \$1M of utility tax revenues to be transferred to the Road Fund for utilization and expansion of the major road reconstruction and maintenance projects for the 2019 construction season. At budget preparation time, no formal vote had been taken addressing the expiration of the utility tax, which would occur mid-way through the budget year. Therefore, revenues were only budgeted to be received through the expiration of the tax on December 31, 2019. However, on May 20, 2019, the Board voted to remove the ending date of the tax, thereby extending the tax indefinitely. In addition, the Board changed the restriction on utilization of the funds to 100% of the proceeds from the utility tax will be used for maintenance, re-construction, and related infrastructure on existing roads within the Village.

During the first two years of establishing the utility tax, 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, as well as any associated equipment costs, will continue to be paid for by the Utility Tax Fund only through the current year; the General Fund will then need to absorb approximately \$225k annually going forward. However, the Village reduced the number of officers in the prior year, providing a savings to the General Fund, and so essentially it will be a wash and no large impact on general operations of the Village.

Special Revenue Funds

Road Fund

| Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget | \$ Inc (Dec) | % Inc (Dec) |
|-------------------------|-------------------|-------------------|-------------------|---------------------|-------------------|-----------------|----------------|
| REVENUES | 3,695,410 | 3,469,447 | 3,020,300 | 3,555,543 | 3,193,500 | 173,200 | 5.7% |
| EXPENDITURES | 4,950,419 | 3,627,428 | 4,441,300 | 4,204,320 | 5,101,800 | 660,500 | 14.9% |
| OTHER FINANCING SOURCES | 829,808 | 400,000 | 800,000 | 800,000 | 1,073,238 | 273,238 | 34.2% |
| ENDING FUND BALANCE | 1,141,985 | 1,384,004 | 763,004 | 1,535,227 | 700,165 | | |

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; after completion of the FY 2020, the Village anticipates to be at 117% of the promised goal. Revenues and construction costs have both been favorable over the past several years, resulting in an early completion of the goal.

Budget Analysis

The FY 2020 budget includes the reconstruction of 0.57 miles of road, drainage construction of 0.63 miles, and resurfacing of approximately 6.10 miles of roads. The drainage improvements will provide a major savings in staff time and the elimination of two lift stations; currently after any major rainfall public works staff must pump the water off the road so it is passable. In addition, the two lift stations being removed will not only save on electricity bills but also the ongoing maintenance and repairs for the old equipment. The improvements of the roads and drainage facilities will be a welcome change for both the residents and the Village in terms of safety and efficiency as well as accomplishing a primary goal of the Village to focus on maintaining and improving infrastructure throughout the Village.

There were two debts issued, FY 2009 and FY 2015, that are paid from revenues within this fund. Please see the Debt section for additional information.

Motor Fuel Tax

| Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget | \$ Inc (Dec) | % Inc (Dec) |
|---------------------|-------------------|-------------------|-------------------|---------------------|-------------------|-----------------|----------------|
| REVENUES | 618,495 | 624,605 | 587,500 | 621,191 | 587,500 | - | 0.0% |
| EXPENDITURES | 585,846 | 486,209 | 580,000 | 552,036 | 551,000 | (29,000) | -5.0% |
| ENDING FUND BALANCE | 370,255 | 508,651 | 516,151 | 577,806 | 614,306 | | |

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 two and a half 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 2020 budget continues to include 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, which is budgeted under the public works department within the General Fund.

IL 251/173 TIF

Fund Description

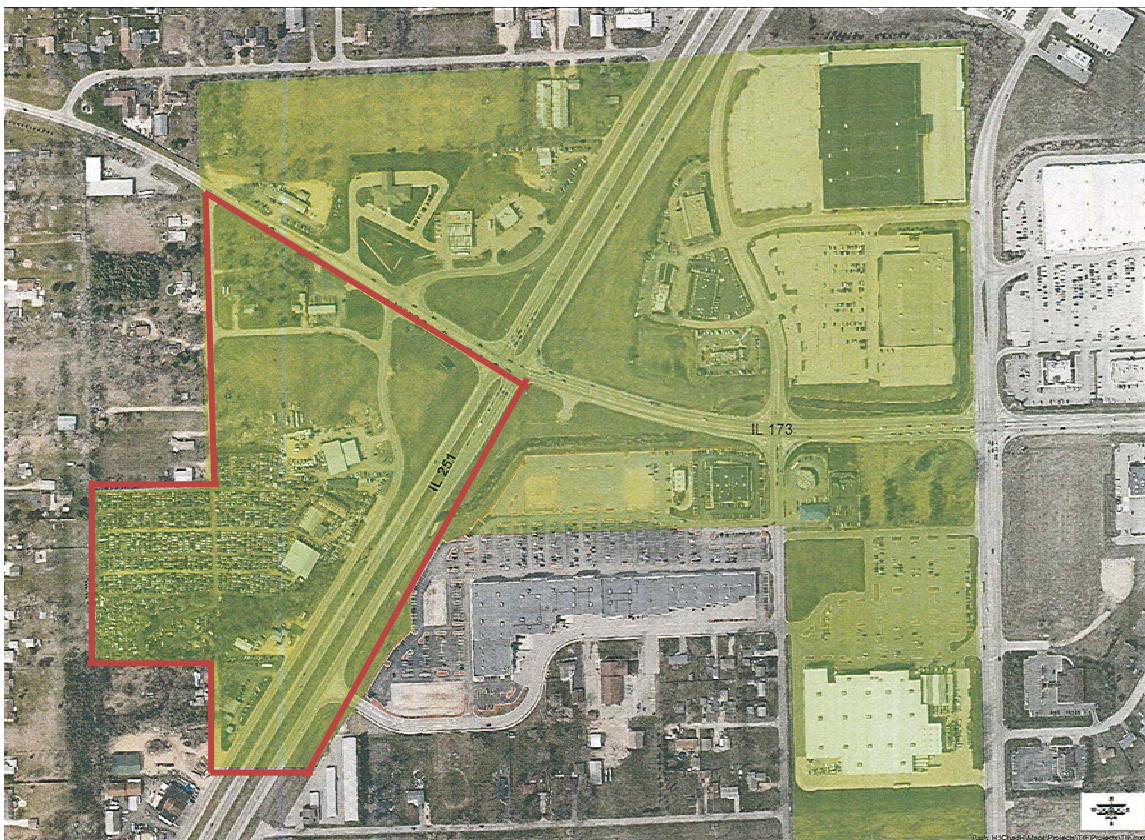
The IL 251/173 TIF Fund was created in 1991 to account for the project costs and resources related to the Tax Increment Financing (TIF) District located at the intersection of N. Second Street (IL Route 251) and IL 173. TIF expenditures are funded by incremental property taxes that result from improving 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 2020 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 surplus. The budget also includes expenditures for professional services in anticipation of possible development opportunities and a reimbursement of TIF eligible expenses up to \$150,000. With possible development occurring at the former Menards building, the Village budgeted \$70k to resurface a portion of the service drive running in front of the building. The fund balance is primarily comprised of 1.41 acres of vacant commercial land being held for resale by the Village, which is anticipated to be sold within the next year, 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 2020 budget anticipates continued activity and development of the Town Center, which is located in the center of this TIF, and has been a primary focus as an objective of the Village to continue economic development efforts to attract businesses to this area. In addition, contractual redevelopment obligations, developer incentives, and business district sales taxes will be payable based on redevelopment agreements with developers, as well as 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

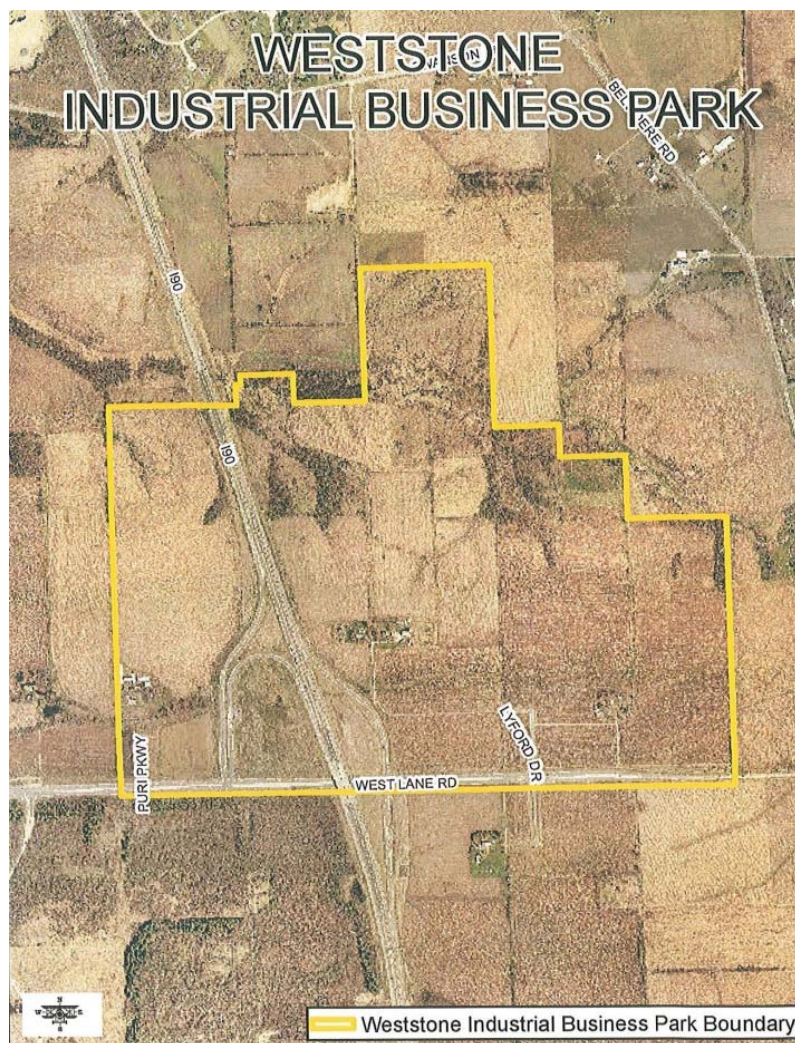
Fund Description

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 2020 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, \$475k to complete the construction of Quantum Ct, further extending the industrial park on the east side of I-90, and \$365k 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 2020 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 generated by the properties.

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 2020 budget includes expenditures for reimbursement of TIF eligible expenditures based on redevelopment agreements authorized by the Board. Funds were also included to extend Gregory Drive north to expand the marketability and readily buildable area within the TIF. In addition, Steele Drive will be resurfaced and so the additional road projects account for some of the deficit fund balance, but it is anticipated the costs will 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 114 parcels through receipt of grant funding since 2010.

Budget Analysis

The FY 2020 budget includes the remaining grant funds awarded to the Village through the Flood Mitigation Assistance (FMA) federal grant program and the flood mitigation program through the Illinois Department of Natural Resources (IDNR) to complete phase four of the flood buyout program; it is anticipated two properties will be purchased with FMA and IDNR funds. The Village anticipates applying for further grants to purchase flooded properties and will amend the budget if funding is awarded during the fiscal year.



Neighborhood Revitalization

Fund Description

The Neighborhood Revitalization Fund (previously known as the IHDA Housing Program Fund) is to account for grants received from the Illinois 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 seventeen years and two years in the Abandoned Property Program (APP).

Budget Analysis

The FY 2020 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 for three years towards addressing blight throughout the Village; those revenues and expenditures are also accounted for in this fund. FY 2020 is the final year of the three-year commitment and the Village has made substantial progress in cleaning up abandoned properties utilizing the various funding sources.

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 2020 budget anticipates \$527k 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 was eliminated in FY 2019 and merged with the General Fund. There was minimal activity in the Fund and the restricted nature of the monies relating to D.U.I. and drug fines and fees can still be clearly identified and expended appropriately within the General Fund, rather than unnecessarily having a separate Fund.

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. The rating has since remained unchanged.

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) – 2017 | \$317,457,130 |
| Legal debt limit – 8.625% of assessed valuation | \$ 27,380,677 |
| Amount of debt applicable to limit as of 4/30/18 | <u>\$ 7,714,569</u> |
| Legal Debt Margin | <u>\$ 19,666,108</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.
- f. **2018 Promissory Note** – The Village issued a 10 year note through local bank financing with Stillman Bank for \$900,000 with an interest rate of 3.40% for construction of a new road (Quantum Court) to expand the industrial business park within the Weststone TIF. Quantum Court extends west from the northerly end point of Greenlee Road, constructed in 2011, and allowed for the construction of a 100k SF building fronting Interstate I-90. 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 10/1/2028.

2. Other debt – Infrastructure improvements

- 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.

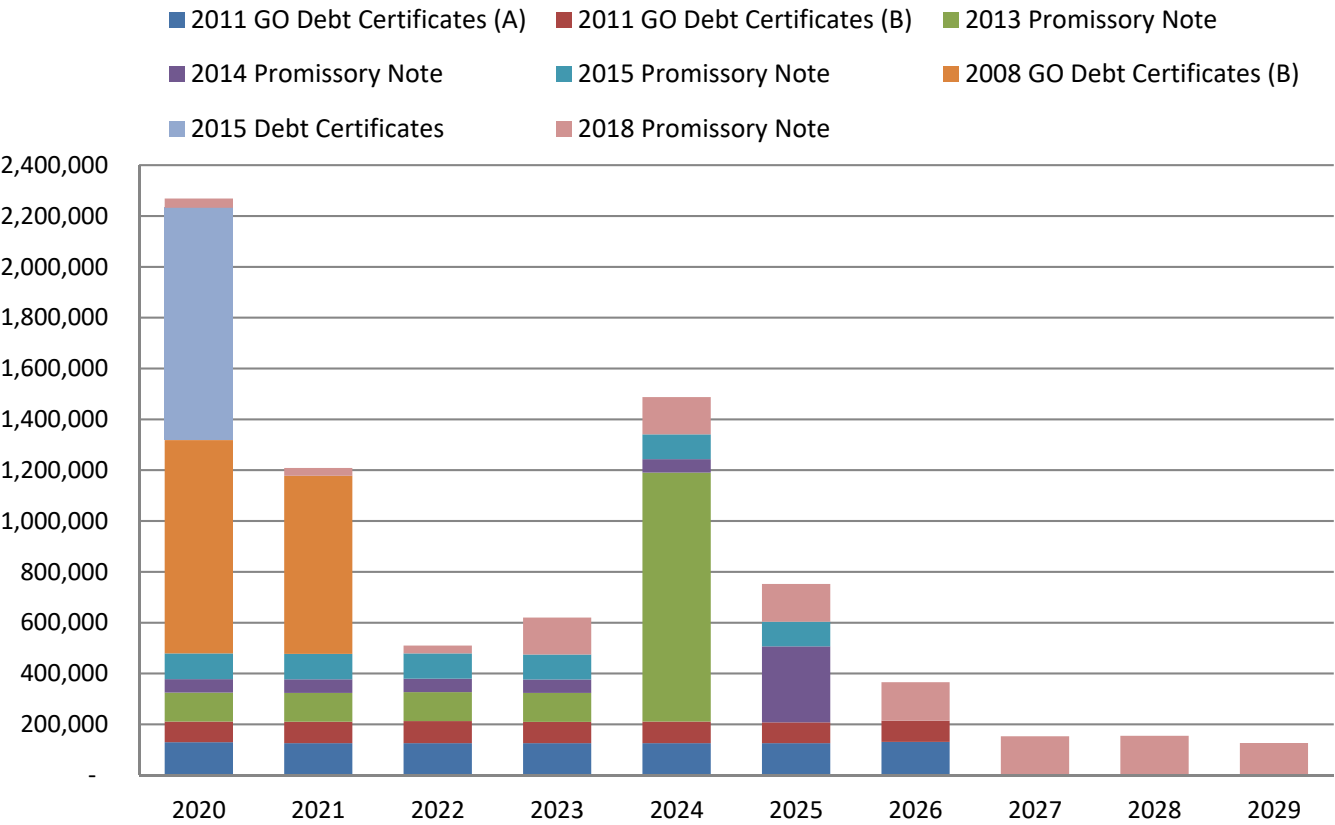
Outstanding debt continued

- 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 4/30/19 |
|-------------------------|-------------------|--|--|---------------|---------------|-------------------------------------|
| TIF Related Debt | | | | | | |
| 2011A | Debt Certificates | N. 2 nd Street TIF Improvements- Boulevard entrance | Business District Sales Tax | \$1,320,000 | 1/1/2026 | \$ 745,000 |
| 2011B | Debt Certificates | N. 2 nd Street TIF Improvements- Boulevard entrance | TIF Tax Increment | \$ 880,000 | 1/1/2026 | \$ 495,000 |
| 2013 | Promissory Note | Weststone IJRL TIF - Park 90 infrastructure | TIF Tax Increment | \$1,500,000 | 12/1/2022 | \$ 1,241,939 |
| 2014 | Promissory Note | N. 2 nd Street TIF – Practice Velocity redevelopment | TIF Tax Increment | \$ 600,000 | 6/1/2024 | \$ 476,853 |
| 2015 | Promissory Note | N. 2 nd Street TIF – purchase building for redevelopment | TIF Tax Increment and General Fund | \$ 900,000 | 12/1/2024 | \$ 551,787 |
| 2018 | Promissory Note | Weststone IJRL TIF – Park 90 infrastructure | TIF Tax Increment | \$ 900,000 | 10/1/2028 | \$ 900,000 |
| Other Debt | | | | | | |
| 2008B | Debt Certificates | Road improvements | Telecomm Tax & 1% road fund sales tax as necessary | \$6,700,000 | 12/1/2020 | \$ 1,445,000 |
| 2015 | Debt Certificates | Road improvements | 1% road fund sales tax | \$3,500,000 | 4/1/2020 | \$ 900,000 |

Principal and Interest Debt Payments (FY 2020 - FY 2029)



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 | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget |
|-----------------------------------|------------------------------|-------------------|-------------------|-------------------|---------------------|-------------------|
| Personnel | | | | | | |
| 00-01-421-10 | Salaries | 278,267 | 291,092 | 300,700 | 293,821 | 310,800 |
| 00-01-451-10 | Health insurance | 26,162 | 18,437 | 25,500 | 25,087 | 26,900 |
| 00-01-452-10 | Dental insurance | 2,040 | 2,053 | 2,100 | 1,982 | 2,000 |
| 00-01-453-10 | Unemployment taxes | 3,930 | 3,197 | 3,200 | 1,512 | 1,700 |
| 00-01-461-10 | Social security | 17,644 | 19,075 | 19,700 | 18,488 | 20,100 |
| 00-01-461-11 | Medicare | 4,127 | 4,461 | 4,600 | 4,321 | 4,700 |
| 00-01-462-10 | IMRF | 29,490 | 31,843 | 34,400 | 32,930 | 35,400 |
| Total Personnel | | 361,660 | 370,158 | 390,200 | 378,141 | 401,600 |
| Contractual services | | | | | | |
| 00-01-531-10 | Audit | 12,000 | 14,450 | 15,400 | 12,350 | 15,300 |
| 00-01-532-10 | Engineering | 27,117 | 15,374 | 20,000 | 10,132 | 20,000 |
| 00-01-533-10 | Legal | 129,571 | 81,543 | 75,000 | 61,203 | 75,000 |
| 00-01-540-10 | Credit card processing | 1,311 | 3,284 | - | - | - |
| 00-01-549-10 | Other professional | 28,292 | 17,403 | 118,700 | 67,807 | 165,600 |
| Total Contractual services | | 198,291 | 132,054 | 229,100 | 151,492 | 275,900 |
| Office expenses | | | | | | |
| 00-01-551-10 | Postage | 2,141 | 1,735 | 3,000 | 2,441 | 3,000 |
| 00-01-552-10 | Telephone | 2,050 | 2,064 | 1,700 | 1,766 | 1,700 |
| 00-01-553-10 | Publishing | 470 | 147 | 500 | 200 | 500 |
| 00-01-554-10 | Printing | - | 155 | 500 | - | 500 |
| Total Office expenses | | 4,661 | 4,101 | 5,700 | 4,407 | 5,700 |
| Indirect employee | | | | | | |
| 00-01-561-10 | Professional dues | 2,608 | 3,129 | 3,200 | 3,175 | 3,500 |
| 00-01-562-10 | Meals/travel | 1,853 | 3,033 | 3,500 | 1,589 | 3,500 |
| 00-01-563-10 | Training | 185 | 980 | 4,200 | 2,930 | 2,400 |
| 00-01-565-10 | Publications | 140 | 69 | 200 | 96 | 200 |
| 00-01-592-10 | Insurance-General | 6,264 | 7,848 | 8,600 | 7,875 | 8,700 |
| Total Indirect employee | | 11,050 | 15,059 | 19,700 | 15,665 | 18,300 |
| Capital outlay | | | | | | |
| 00-01-839-10 | Equipment | - | 25,084 | 6,400 | 6,400 | 2,000 |
| 00-01-849-10 | Vehicles | - | - | - | - | - |
| Total Capital outlay | | - | 25,084 | 6,400 | 6,400 | 2,000 |
| Other expenditures | | | | | | |
| 00-01-593-10 | Equipment lease | 1,945 | 2,043 | 3,600 | 2,246 | 3,900 |
| 00-01-651-10 | Office supplies | 1,728 | 3,010 | 4,000 | 2,787 | 4,000 |
| 00-01-651-20 | Computer expense | 6,004 | 7,060 | 5,100 | 4,944 | 4,700 |
| 00-01-942-10 | Principal-Capitalized leases | 5,811 | 1,233 | - | - | - |
| 00-01-942-11 | Interest-Capitalized leases | 666 | 23 | - | - | - |
| 00-01-949-10 | Miscellaneous | 2,089 | 3,008 | 4,000 | 1,980 | 4,000 |
| Total Other expenditures | | 18,243 | 16,377 | 16,700 | 11,957 | 16,600 |
| Total Administration | | 593,905 | 562,833 | 667,800 | 568,062 | 720,100 |

Executive

| Account Number | Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget |
|-----------------------------------|------------------------------|-------------------|-------------------|-------------------|---------------------|-------------------|
| Personnel | | | | | | |
| 00-03-431-10 | Mayor salary | 47,219 | 47,219 | 47,000 | 47,002 | 47,000 |
| 00-03-432-10 | Trustees salaries | 46,884 | 46,734 | 46,800 | 46,800 | 46,800 |
| 00-03-433-10 | Clerk salary | - | 60,165 | 60,000 | 60,002 | 60,000 |
| 00-03-434-10 | Treasurer salary | 5,425 | 5,425 | 5,400 | 5,402 | 5,400 |
| 00-03-451-11 | Mayor/Clerk health insurance | 2,994 | - | - | - | - |
| 00-03-452-11 | Mayor/Clerk dental insurance | 535 | 45 | - | 48 | 300 |
| 00-03-461-10 | Social security | 6,077 | 10,248 | 9,900 | 9,874 | 9,900 |
| 00-03-461-11 | Medicare | 1,421 | 2,396 | 2,300 | 2,310 | 2,300 |
| 00-03-462-10 | IMRF | 8,317 | 6,937 | 7,200 | 6,874 | 6,500 |
| Total Personnel | | 118,872 | 179,169 | 178,600 | 178,312 | 178,200 |
| Contractual services | | | | | | |
| 00-03-533-12 | Legal - Trustees | - | - | 7,500 | - | - |
| Total Contractual services | | - | - | 7,500 | - | - |
| Indirect employee | | | | | | |
| 00-03-949-20 | Mayor expense | 1,656 | 2,516 | 2,000 | 1,525 | 2,000 |
| 00-03-948-10 | Treasurer expense | 1,678 | 501 | 500 | 405 | 500 |
| 00-03-947-10 | Clerk expense | - | 3,946 | 5,800 | 4,726 | 5,600 |
| 00-03-562-10 | Trustee IML Attendance | 2,748 | 2,390 | 5,500 | 1,270 | 5,600 |
| 00-03-563-10 | Trustee Training | 336 | 340 | 2,000 | 650 | 2,000 |
| Total Indirect employee | | 6,418 | 9,693 | 15,800 | 8,576 | 15,700 |
| Capital outlay | | | | | | |
| 00-03-839-10 | Equipment | 561 | 1,343 | - | - | 2,800 |
| Total Capital outlay | | 561 | 1,343 | - | - | 2,800 |
| Total Executive | | 125,851 | 190,205 | 201,900 | 186,888 | 196,700 |

Community Development

| Account Number | Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget |
|------------------------------------|--------------------------|-------------------|-------------------|-------------------|---------------------|-------------------|
| Personnel | | | | | | |
| 00-04-421-10 | Salaries | 226,941 | 246,949 | 255,700 | 256,291 | 263,600 |
| 00-04-451-10 | Health insurance | 38,610 | 36,830 | 46,100 | 41,214 | 48,900 |
| 00-04-452-10 | Dental insurance | 1,948 | 2,256 | 1,900 | 2,028 | 1,900 |
| 00-04-453-10 | Unemployment taxes | 4,395 | 3,188 | 3,200 | 1,617 | 1,400 |
| 00-04-461-10 | Social security | 13,297 | 15,013 | 15,800 | 15,633 | 16,200 |
| 00-04-461-11 | Medicare | 3,110 | 3,511 | 3,700 | 3,487 | 3,800 |
| 00-04-462-10 | IMRF | 24,051 | 27,091 | 29,100 | 29,630 | 27,200 |
| Total Personnel | | 312,352 | 334,838 | 355,500 | 349,900 | 363,000 |
| Contractual services | | | | | | |
| 00-04-532-10 | Engineering | 25,367 | 21,544 | 32,900 | 17,285 | 30,000 |
| 00-04-533-10 | Legal-development | 9,975 | 15,214 | 29,200 | 23,327 | 28,000 |
| 00-04-533-12 | Legal-enforcement | 11,748 | 19,418 | 24,000 | 9,392 | 24,000 |
| 00-04-534-10 | WinGIS services | 8,666 | 8,814 | 9,200 | 6,532 | 6,700 |
| 00-04-534-11 | Ifiber | 7,200 | 7,200 | 7,500 | 7,200 | 7,500 |
| 00-04-535-10 | RMAP | 11,547 | 8,660 | 12,200 | 14,434 | 12,200 |
| 00-04-545-10 | Building permit fee-LP | - | 51,744 | 80,000 | 102,424 | 80,000 |
| 00-04-549-10 | Other professional | 1,651 | 890 | 30,000 | 30,000 | 45,000 |
| 00-04-550-20 | Website maintenance | - | 668 | 900 | 900 | 900 |
| 00-04-595-10 | Force mows | 8,760 | 4,444 | 12,500 | 8,570 | 12,500 |
| Total Contractual services | | 84,914 | 138,596 | 238,400 | 220,064 | 246,800 |
| Office expenses | | | | | | |
| 00-04-551-10 | Postage | 2,102 | 1,463 | 3,500 | 2,225 | 3,000 |
| 00-04-552-10 | Telephone | 2,802 | 2,627 | 2,900 | 2,316 | 3,000 |
| 00-04-553-10 | Publishing | 1,902 | 1,920 | 2,500 | 1,312 | 2,500 |
| 00-04-555-10 | Recording fees | 2,271 | 2,369 | 3,000 | 3,128 | 3,500 |
| Total Office expenses | | 9,077 | 8,379 | 11,900 | 8,981 | 12,000 |
| Indirect employee | | | | | | |
| 00-04-561-10 | Professional dues | 32,111 | 32,083 | 32,300 | 32,280 | 32,400 |
| 00-04-562-10 | Meals/travel | 1,602 | 1,578 | 6,000 | 2,500 | 5,500 |
| 00-04-563-10 | Training | 675 | 655 | 1,700 | 1,210 | 1,800 |
| 00-04-565-10 | Publications | - | 565 | 100 | 30 | 100 |
| 00-04-592-10 | Insurance-General | 6,264 | 8,240 | 9,100 | 8,092 | 8,900 |
| Total Indirect employee | | 40,652 | 43,121 | 49,200 | 44,112 | 48,700 |
| Capital outlay | | | | | | |
| 00-04-839-10 | Equipment | 2,132 | - | 15,000 | 15,000 | 21,600 |
| 00-04-849-10 | Vehicles | - | - | - | - | - |
| Total Capital outlay | | 2,132 | - | 15,000 | 15,000 | 21,600 |
| Other expenditures | | | | | | |
| 00-04-593-10 | Equipment lease | 1,945 | 2,016 | 2,800 | 2,205 | 2,800 |
| 00-04-651-10 | Office supplies | 1,192 | 1,898 | 2,500 | 1,608 | 2,500 |
| 00-04-651-20 | Computer expense | 3,129 | 2,570 | 4,300 | 4,439 | 5,200 |
| 00-04-655-10 | Auto maintenance/fuel | 987 | 1,445 | 2,200 | 2,640 | 2,400 |
| 00-04-913-10 | Donations | 12,750 | 12,424 | 13,800 | 10,500 | 8,500 |
| 00-04-948-10 | Special development | 493 | 636 | 2,500 | 2,500 | 2,500 |
| 00-04-948-20 | Marketing communications | 2,573 | 3,945 | 3,700 | 2,150 | 3,500 |
| 00-04-948-22 | Village newsletter | 9,630 | 9,420 | 10,000 | 9,680 | 10,000 |
| 00-04-948-23 | Reclaiming First | 25,000 | 25,000 | - | - | - |
| 00-04-948-26 | Winnebago County-AAR | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| 00-04-948-24 | Special events | - | - | - | 4,336 | 9,000 |
| 00-04-947-10 | Planning Commission | 2,010 | 1,980 | 2,300 | 1,770 | 2,300 |
| 00-04-949-10 | Miscellaneous | - | 11 | 500 | - | 500 |
| Total Other expenditures | | 79,709 | 81,345 | 64,600 | 61,828 | 69,200 |
| Total Community development | | 528,836 | 606,279 | 734,600 | 699,885 | 761,300 |

Public Works

| Account Number | Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget |
|-----------------------------------|---------------------------------|-------------------|-------------------|-------------------|---------------------|-------------------|
| Personnel | | | | | | |
| 00-05-421-10 | Salaries | 217,562 | 223,980 | 232,200 | 226,611 | 237,100 |
| 00-05-423-10 | Temp wages | 13,225 | 9,558 | 24,000 | 18,008 | 28,800 |
| 00-05-424-10 | Overtime wages | 13,695 | 19,264 | 22,000 | 14,061 | 22,000 |
| 00-05-451-10 | Health insurance | 39,371 | 35,890 | 48,100 | 48,596 | 67,500 |
| 00-05-452-10 | Dental insurance | 1,831 | 1,830 | 1,900 | 2,189 | 2,600 |
| 00-05-453-10 | Unemployment taxes | 4,861 | 3,836 | 4,600 | 2,606 | 2,000 |
| 00-05-461-10 | Social security | 14,358 | 15,340 | 17,300 | 15,071 | 17,400 |
| 00-05-461-11 | Medicare | 3,358 | 3,588 | 4,000 | 4,002 | 4,100 |
| 00-05-462-10 | IMRF | 25,449 | 27,207 | 31,800 | 27,666 | 29,300 |
| 00-05-465-10 | Uniform allowance | 291 | 707 | 900 | 852 | 1,000 |
| Total Personnel | | 334,001 | 341,200 | 386,800 | 359,662 | 411,800 |
| Contractual services | | | | | | |
| 00-05-532-10 | Engineering | 2,226 | 2,952 | 9,200 | 8,286 | 5,500 |
| 00-05-533-10 | Legal | - | 1,105 | 2,000 | 2,115 | 2,000 |
| 00-05-536-10 | Janitorial | 10,890 | 10,890 | 11,000 | 10,890 | 11,000 |
| 00-05-539-10 | Animal control | 53,708 | 59,440 | 71,500 | 50,918 | 56,000 |
| 00-05-549-10 | Other professional | 724 | 7,522 | 26,000 | 26,000 | 29,600 |
| 00-05-594-10 | Mosquito control | 24,585 | 32,384 | 33,200 | 33,178 | 34,200 |
| 00-05-595-10 | Mowing | 48,538 | 42,040 | 65,000 | 58,760 | 65,000 |
| 00-05-598-10 | Forestry | 35,295 | 47,465 | 51,000 | 51,000 | 48,000 |
| 00-05-599-11 | Street striping | 19,365 | 22,461 | 25,000 | 25,000 | 25,000 |
| 00-05-601-10 | Street sweeping | 18,450 | 12,300 | 20,000 | 20,000 | 20,000 |
| 00-05-602-10 | Contracted street signalization | 28,756 | 29,845 | 30,000 | 24,500 | 30,000 |
| 00-05-605-10 | Contracted street maintenance | 13,326 | 6,241 | 11,000 | 5,335 | 44,000 |
| 00-05-652-10 | J.U.L.I.E. | 3,977 | 3,091 | 2,900 | 2,295 | 2,600 |
| 00-05-916-10 | Mass transit | 173,129 | 177,761 | 224,800 | 199,224 | 249,400 |
| Total Contractual services | | 432,969 | 455,497 | 582,600 | 517,501 | 622,300 |
| Office expenses | | | | | | |
| 00-05-551-10 | Postage | 695 | 550 | 1,300 | 790 | 1,000 |
| 00-05-552-10 | Telephone | 1,934 | 2,476 | 4,200 | 3,583 | 4,100 |
| 00-05-553-10 | Publishing | - | 398 | 1,000 | 795 | 1,000 |
| Total Office expenses | | 2,629 | 3,424 | 6,500 | 5,168 | 6,100 |
| Indirect employee | | | | | | |
| 00-05-561-10 | Professional dues | 1,262 | 1,386 | 1,400 | 1,400 | 1,400 |
| 00-05-562-10 | Meals/travel | 186 | 175 | 1,500 | 500 | 1,700 |
| 00-05-563-10 | Training | 1,668 | 120 | 2,000 | 100 | 3,500 |
| 00-05-592-10 | Insurance-General | 48,654 | 45,955 | 54,300 | 48,898 | 59,500 |
| Total Indirect employee | | 51,770 | 47,636 | 59,200 | 50,898 | 66,100 |
| Streets | | | | | | |
| 00-05-514-10 | Street maintenance | 1,773 | 524 | 6,000 | 3,656 | 6,000 |
| 00-05-516-10 | Snow and ice control | 1,454 | 164,928 | 228,200 | 319,262 | 301,000 |
| 00-05-517-10 | Flood expense | - | 810 | 1,000 | 1,000 | 1,000 |
| 00-05-614-10 | Street supplies | 9,716 | 11,010 | 15,000 | 15,000 | 14,000 |
| 00-05-619-10 | Signalization maintenance | 801 | 131 | 1,000 | 17,635 | 13,400 |
| 00-05-618-10 | Traffic signs | 21,079 | 12,176 | 53,000 | 39,419 | 20,200 |
| Total Streets | | 34,823 | 189,579 | 304,200 | 395,972 | 355,600 |

Public Works

| Account Number | Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget |
|---------------------------------|--------------------------------------|-------------------|-------------------|-------------------|---------------------|-------------------|
| Maintenance | | | | | | |
| 00-05-519-10 | Lift station maintenance | 743 | 5,235 | 10,000 | 10,371 | 10,000 |
| 00-05-529-10 | Building maint-Village hall | 37,431 | 79,588 | 45,000 | 42,000 | 71,000 |
| 00-05-529-11 | JCP building maintenance | 16,853 | 34,176 | 33,200 | 135,000 | 134,300 |
| 00-05-529-12 | Building maint-Public works facility | - | - | - | - | 6,800 |
| 00-05-529-30 | Corridor program | 34,437 | 31,404 | 21,000 | 15,108 | 22,000 |
| 00-05-656-10 | MS4 maintenance | 260 | - | 4,000 | 2,983 | 4,000 |
| 05-05-655-10 | Auto maintenance | 4,211 | 5,362 | 10,000 | 10,000 | 10,000 |
| 00-05-655-20 | Fuel costs | 9,241 | 10,237 | 20,000 | 12,000 | 20,000 |
| 00-05-599-10 | Equipment maintenance | 7,581 | 13,161 | 9,700 | 14,200 | 10,100 |
| Total Maintenance | | 110,757 | 179,163 | 152,900 | 241,662 | 288,200 |
| Utilities | | | | | | |
| 00-05-575-10 | Water district charges | 304 | 317 | 500 | 528 | 500 |
| 00-05-576-10 | Nicor gas charges | 1,899 | 2,011 | 3,000 | 2,538 | 3,000 |
| 00-05-578-10 | Sanitary sewer charges | 231 | 239 | 500 | 248 | 500 |
| Total Utilities | | 2,434 | 2,567 | 4,000 | 3,314 | 4,000 |
| Parks | | | | | | |
| 00-05-597-30 | Parks maintenance | 7,667 | 8,333 | 17,000 | 15,463 | 19,500 |
| Total Parks | | 7,667 | 8,333 | 17,000 | 15,463 | 19,500 |
| Equipment | | | | | | |
| 00-05-573-20 | Tools | 5,501 | 3,248 | 5,000 | 2,000 | 4,000 |
| 00-05-573-30 | Safety equipment | 66 | 2,030 | 3,000 | 3,000 | 3,000 |
| 00-05-593-10 | Equipment leases | 972 | 1,596 | 2,000 | 1,580 | 2,000 |
| 00-05-596-10 | Equipment rental | 1,965 | 2,137 | 6,400 | 5,383 | 6,500 |
| Total Equipment | | 8,504 | 9,011 | 16,400 | 11,963 | 15,500 |
| Supplies | | | | | | |
| 00-05-615-10 | Miscellaneous supplies | 1,960 | 1,973 | 3,000 | 2,380 | 3,000 |
| 00-05-651-10 | Office supplies | 322 | 498 | 1,000 | 607 | 1,000 |
| 00-05-651-20 | Computer expense | 1,384 | 1,832 | 8,400 | 8,070 | 4,900 |
| Total Supplies | | 3,666 | 4,303 | 12,400 | 11,057 | 8,900 |
| Capital outlay | | | | | | |
| 00-05-839-10 | Equipment | - | 3,675 | 4,000 | 4,000 | 14,500 |
| 00-05-849-10 | Vehicles | - | - | 89,000 | 60,000 | - |
| Total Capital outlay | | - | 3,675 | 93,000 | 64,000 | 14,500 |
| Other expenditures | | | | | | |
| 00-05-942-10 | Principal-capitalized leases | 15,593 | 7,976 | 17,500 | 34,736 | 18,000 |
| 00-05-942-11 | Interest-capitalized leases | 535 | 89 | 3,200 | 2,217 | 2,700 |
| 00-05-949-10 | Miscellaneous | 617 | 100 | 1,000 | 500 | 1,000 |
| Total Other expenditures | | 16,745 | 8,165 | 21,700 | 37,453 | 21,700 |
| Total Public Works | | 1,005,965 | 1,252,553 | 1,656,700 | 1,714,113 | 1,834,200 |

Protective Services

| Account Number | Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget |
|---|--------------------------------|-------------------|-------------------|-------------------|---------------------|-------------------|
| Personnel | | | | | | |
| 00-08-425-11 | School resource officer | 13,849 | 14,342 | 15,000 | 14,515 | 15,000 |
| 00-08-453-10 | Unemployment taxes | 988 | 897 | 1,000 | 520 | 600 |
| Total Personnel | | 14,837 | 15,239 | 16,000 | 15,035 | 15,600 |
| Contractual services | | | | | | |
| 00-08-421-10 | Secretary | 29,411 | 35,033 | 41,100 | 39,585 | 39,300 |
| 00-08-425-10 | School resource officers | 215,640 | 226,010 | 238,900 | 238,919 | 244,500 |
| 00-08-441-10 | Management | 238,507 | 251,954 | 268,300 | 268,226 | 270,300 |
| 00-08-442-10 | Detectives | 442,310 | 463,933 | 483,300 | 483,274 | 494,400 |
| 00-08-443-10 | Patrol officers | 2,040,455 | 2,142,160 | 2,106,700 | 1,992,901 | 2,053,100 |
| 00-08-530-10 | Vehicle fuel & washes | 72,972 | 55,107 | 57,200 | 57,136 | 62,600 |
| 00-08-531-10 | 911 dispatch | 154,504 | 157,563 | 215,000 | 157,562 | 165,800 |
| 00-08-531-20 | Records costs | 68,794 | 70,156 | 76,600 | 70,155 | 83,200 |
| 00-08-535-10 | County Law Enf Liability Insur | - | - | - | 36,600 | 40,000 |
| 00-08-540-10 | Report forms | 800 | 800 | 800 | 801 | 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 | | 3,275,457 | 3,414,780 | 3,500,000 | 3,357,222 | 3,466,100 |
| Other contractual services | | | | | | |
| 00-08-533-10 | Legal | 62,367 | 85,679 | 72,400 | 148,628 | 62,400 |
| 00-08-549-10 | Other professional | 5,750 | - | 1,500 | - | - |
| Total Other contractual services | | 68,117 | 85,679 | 73,900 | 148,628 | 62,400 |
| Office expenses | | | | | | |
| 00-08-551-10 | Postage | 169 | 176 | 300 | 215 | 300 |
| 00-08-552-10 | Telephone | 575 | 561 | 1,100 | 1,021 | 1,100 |
| Total Office expenses | | 744 | 737 | 1,400 | 1,236 | 1,400 |
| Capital outlay | | | | | | |
| 00-08-839-10 | Equipment | 3,085 | 37,039 | 14,700 | 13,654 | 14,500 |
| 00-08-839-11 | Equipment-drug recovery | - | - | 5,000 | - | - |
| 00-08-839-13 | Laptops | - | 24,988 | 10,100 | 10,074 | - |
| 00-08-849-10 | Vehicles | 77,287 | 51,574 | 27,000 | 24,999 | 28,000 |
| Total Capital outlay | | 80,372 | 113,601 | 56,800 | 48,727 | 42,500 |
| Other expenditures | | | | | | |
| 00-08-592-10 | Insurance-General | 626 | 232 | 300 | 172 | 200 |
| 00-08-593-10 | Equipment lease | 498 | - | - | - | - |
| 00-08-652-10 | Office supplies | 1,191 | 1,495 | 3,000 | 1,842 | 2,700 |
| 00-08-653-10 | National Night Out | 3,070 | 3,276 | 3,500 | 2,478 | - |
| 00-08-839-11 | Field equipment & repairs | 36,388 | 29,763 | 37,000 | 27,251 | 30,000 |
| 00-08-655-10 | Vehicle maintenance | 16,483 | 17,556 | 22,500 | 23,514 | 24,500 |
| 00-08-839-21 | Starcom maintenance | 5,076 | 5,076 | 19,200 | 5,076 | 6,000 |
| 00-08-940-10 | Police academy | 305 | 275 | 300 | 313 | 500 |
| Total Other expenditures | | 63,637 | 57,673 | 85,800 | 60,646 | 63,900 |
| Total Protective Services | | 3,503,164 | 3,687,709 | 3,733,900 | 3,631,494 | 3,651,900 |

Capital Improvement Fund

| Account Number | Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget |
|--|-------------------------------|-------------------|-------------------|-------------------|---------------------|--------------------|
| REVENUES | | | | | | |
| 18-00-381-10 | Investment income | 8,117 | 14,855 | - | 29,958 | - |
| 18-00-384-10 | Assessment revenue | 653 | 653 | 600 | 653 | 600 |
| 18-00-395-10 | Grants | - | - | 200,000 | - | - |
| 18-00-396-10 | Developer reimbursement | - | - | 190,800 | - | 190,800 |
| Total REVENUES | | 8,770 | 15,508 | 391,400 | 30,611 | 191,400 |
| EXPENDITURES | | | | | | |
| General government | | | | | | |
| 18-00-532-10 | Engineering | 640 | 6,115 | 27,000 | 26,415 | 132,000 |
| Total General government | | 640 | 6,115 | 27,000 | 26,415 | 132,000 |
| Capital outlay | | | | | | |
| 18-00-811-10 | Land acquisition | 5,710 | 82,983 | 190,000 | 3,239 | - |
| 18-00-811-40 | Shore Drive Boat launch/Parks | 16,895 | - | 152,000 | - | 125,000 |
| 18-00-811-50 | Demolition of structures | - | 20,824 | - | - | - |
| 18-00-811-60 | 173 improvements | - | - | 386,700 | - | 386,700 |
| 18-00-839-12 | Facilities construction | - | - | - | - | 1,400,000 |
| Total Capital outlay | | 22,605 | 103,807 | 728,700 | 3,239 | 1,911,700 |
| Total EXPENDITURES | | 23,245 | 109,922 | 755,700 | 29,654 | 2,043,700 |
| Revenues Over (Under) Expenditures | | (14,475) | (94,414) | (364,300) | 957 | (1,852,300) |
| Other Financing Sources (Uses) | | | | | | |
| 18-00-399-10 | Transfer from General Fund | 431,450 | 400,000 | - | 500,000 | 241,000 |
| 18-00-943-35 | Transfer to Flood Mitigation | - | (14,273) | (75,000) | - | (300,000) |
| 18-00-943-60 | Transfer to Road Fund | (96,608) | - | - | - | - |
| Total Other Financing Sources (Uses) | | 334,842 | 385,727 | (75,000) | 500,000 | (59,000) |
| Net Increase (Decrease) in Fund Balance | | 320,367 | 291,313 | (439,300) | 500,957 | (1,911,300) |
| Beginning Fund Balance | | 1,714,956 | 2,035,323 | 2,326,636 | 2,326,636 | 2,827,593 |
| Ending Fund Balance | | 2,035,323 | 2,326,636 | 1,887,336 | 2,827,593 | 916,293 |

Utility Tax Fund

| Account Number | Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget |
|--|-------------------------------|-------------------|-------------------|-------------------|---------------------|--------------------|
| REVENUES | | | | | | |
| 12-00-343-11 | Utility tax | 1,156,373 | 1,151,808 | 1,000,000 | 1,162,000 | 700,000 |
| 12-00-381-10 | Investment income | 913 | 5,414 | - | 8,926 | - |
| Total REVENUES | | 1,157,286 | 1,157,222 | 1,000,000 | 1,170,926 | 700,000 |
| EXPENDITURES | | | | | | |
| General government | | | | | | |
| 12-00-516-01 | Rebates | 1,571 | 1,330 | 2,000 | 2,000 | 2,000 |
| Total General government | | 1,571 | 1,330 | 2,000 | 2,000 | 2,000 |
| Public safety | | | | | | |
| 12-00-513-01 | Personnel | 186,545 | 187,337 | 203,500 | 203,410 | 223,900 |
| Total Public safety | | 186,545 | 187,337 | 203,500 | 203,410 | 223,900 |
| Highways and streets | | | | | | |
| 12-00-510-01 | Street maintenance | - | - | - | - | - |
| Total Highways and streets | | - | - | - | - | - |
| Capital outlay | | | | | | |
| 12-00-500-01 | Street construction | 16,455 | - | - | - | - |
| 12-00-511-01 | Multi-use paths & walk ways | 351,622 | 6,705 | 1,000 | - | - |
| 12-00-512-01 | New commercial/indust streets | - | - | - | 207,358 | - |
| 12-00-514-01 | Public safety-equipment | - | - | 80,000 | 80,000 | 80,000 |
| Total Capital outlay | | 368,077 | 6,705 | 81,000 | 287,358 | 80,000 |
| Total EXPENDITURES | | 556,193 | 195,372 | 286,500 | 492,768 | 305,900 |
| Revenues Over (Under) Expenditures | | 601,093 | 961,850 | 713,500 | 678,158 | 394,100 |
| Other Financing Sources (Uses) | | | | | | |
| 12-00-943-60 | Transfer to Road Fund | (533,200) | (400,000) | (800,000) | (800,000) | (1,073,238) |
| Total Other Financing Sources (Uses) | | (533,200) | (400,000) | (800,000) | (800,000) | (1,073,238) |
| Net Increase (Decrease) in Fund Balance | | 67,893 | 561,850 | (86,500) | (121,842) | (679,138) |
| Beginning Fund Balance | | 736,237 | 804,130 | 1,365,980 | 1,365,980 | 1,244,138 |
| Ending Fund Balance | | 804,130 | 1,365,980 | 1,279,480 | 1,244,138 | 565,000 |

Build Machesney Road Fund

| Account Number | Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget |
|--|--------------------------------|--------------------|-------------------|--------------------|---------------------|--------------------|
| REVENUES | | | | | | |
| 40-00-325-20 | Telecommunication tax | 499,432 | 441,567 | 369,800 | 410,000 | 348,500 |
| 40-00-345-10 | Sales tax | 2,961,442 | 2,977,629 | 2,600,000 | 3,070,369 | 2,800,000 |
| 40-00-381-10 | Investment income | 1,056 | 4,787 | 500 | 13,562 | - |
| 40-00-399-40 | Intergovernmental agreements | 233,480 | 45,464 | 50,000 | 61,612 | 45,000 |
| Total REVENUES | | 3,695,410 | 3,469,447 | 3,020,300 | 3,555,543 | 3,193,500 |
| EXPENDITURES | | | | | | |
| General government | | | | | | |
| 40-00-532-10 | Engineering | 362,259 | 244,960 | 261,000 | 267,336 | 413,000 |
| 40-00-960-10 | Senior refunds | 169 | 161 | 200 | 162 | 200 |
| 40-00-941-10 | Administrative expense | 475 | 475 | 500 | 475 | 500 |
| Total General government | | 362,903 | 245,596 | 261,700 | 267,973 | 413,700 |
| Capital outlay | | | | | | |
| 40-00-811-10 | Land acquisition | 375 | - | - | - | 3,000 |
| 40-00-850-20 | Street construction | 2,629,315 | 1,127,354 | 1,881,800 | 1,670,991 | 1,757,300 |
| 40-00-850-30 | Street resurfacing | 645,413 | 626,918 | 657,200 | 624,995 | 1,175,000 |
| Total Capital outlay | | 3,275,103 | 1,754,272 | 2,539,000 | 2,295,986 | 2,935,300 |
| Debt service | | | | | | |
| 40-00-930-10 | Principal-2008 (Amalgamated) | 615,000 | 665,000 | 720,000 | 720,000 | 775,000 |
| 40-00-931-10 | Interest-2008 (Amalgamated) | 152,256 | 124,581 | 94,700 | 94,656 | 64,100 |
| 40-00-930-11 | Principal-2015 (Chase) | 500,000 | 800,000 | 800,000 | 800,000 | 900,000 |
| 40-00-931-11 | Interest-2015 (Chase) | 45,157 | 37,979 | 25,900 | 25,705 | 13,700 |
| Total Debt service | | 1,312,413 | 1,627,560 | 1,640,600 | 1,640,361 | 1,752,800 |
| Total EXPENDITURES | | 4,950,419 | 3,627,428 | 4,441,300 | 4,204,320 | 5,101,800 |
| Revenues Over (Under) Expenditures | | (1,255,009) | (157,981) | (1,421,000) | (648,777) | (1,908,300) |
| 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 | 533,200 | 400,000 | 800,000 | 800,000 | 1,073,238 |
| Total Other Financing Sources (Uses) | | 829,808 | 400,000 | 800,000 | 800,000 | 1,073,238 |
| Net Increase (Decrease) in Fund Balance | | (425,201) | 242,019 | (621,000) | 151,223 | (835,062) |
| Beginning Fund Balance | | 1,567,186 | 1,141,985 | 1,384,004 | 1,384,004 | 1,535,227 |
| Ending Fund Balance | | 1,141,985 | 1,384,004 | 763,004 | 1,535,227 | 700,165 |

Motor Fuel Tax Fund

| Account Number | Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget |
|--|----------------------|-------------------|-------------------|-------------------|---------------------|-------------------|
| REVENUES | | | | | | |
| 15-00-343-10 | Motor Fuel Tax | 617,690 | 621,755 | 587,500 | 613,000 | 587,500 |
| 15-00-381-10 | Investment income | 805 | 2,850 | - | 8,191 | - |
| Total REVENUES | | 618,495 | 624,605 | 587,500 | 621,191 | 587,500 |
| EXPENDITURES | | | | | | |
| Highways and streets | | | | | | |
| 15-00-516-10 | Snow and ice control | 307,336 | 195,259 | 270,000 | 250,387 | 240,000 |
| 15-00-572-10 | Street lighting | 278,510 | 290,950 | 310,000 | 301,649 | 311,000 |
| Total EXPENDITURES | | 585,846 | 486,209 | 580,000 | 552,036 | 551,000 |
| Net Increase (Decrease) in Fund Balance | | 32,649 | 138,396 | 7,500 | 69,155 | 36,500 |
| Beginning Fund Balance | | 337,606 | 370,255 | 508,651 | 508,651 | 577,806 |
| Ending Fund Balance | | 370,255 | 508,651 | 516,151 | 577,806 | 614,306 |

IL 251/173 TIF Fund

| Account Number | Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget |
|--|--------------------------------------|-------------------|-------------------|-------------------|---------------------|-------------------|
| REVENUES | | | | | | |
| 17-00-342-11 | Property tax | 972,048 | 983,124 | 952,660 | 982,407 | 983,000 |
| 17-00-390-10 | Developer reimbursements | - | - | - | - | - |
| 17-00-381-10 | Investment income | 650 | 5,204 | - | 8,968 | - |
| Total REVENUES | | 972,698 | 988,328 | 952,660 | 991,375 | 983,000 |
| EXPENDITURES | | | | | | |
| General government | | | | | | |
| 17-00-532-10 | Engineering | - | - | 25,000 | 1,737 | 13,000 |
| 17-00-533-10 | Legal | 6,777 | 806 | 20,000 | 16,216 | 20,000 |
| 17-00-549-10 | Professional services | 519 | 588 | 5,000 | 556 | 600 |
| 17-00-580-10 | Administrative expense | 198 | - | - | - | - |
| 17-00-590-10 | Surplus distrib. to taxing districts | 721,357 | 731,061 | 745,700 | 776,078 | 780,000 |
| 17-00-870-10 | Developer incentive | - | - | 100,000 | 223,748 | 150,000 |
| Total General government | | 728,851 | 732,455 | 895,700 | 1,018,335 | 963,600 |
| Capital outlay | | | | | | |
| 17-00-811-10 | Land development/acquisition | 10,758 | 10,811 | 10,900 | 10,957 | 11,200 |
| 17-00-850-20 | Street construction | - | - | - | - | 70,000 |
| Total Capital outlay | | 10,758 | 10,811 | 10,900 | 10,957 | 81,200 |
| Debt service | | | | | | |
| 17-00-930-10 | Principal | 285,000 | - | - | - | - |
| 17-00-931-10 | Interest | 10,973 | - | - | - | - |
| Total Debt service | | 295,973 | - | - | - | - |
| Total EXPENDITURES | | 1,035,582 | 743,266 | 906,600 | 1,029,292 | 1,044,800 |
| Revenues Over (Under) Expenditures | | (62,884) | 245,062 | 46,060 | (37,917) | (61,800) |
| Other Financing Sources (Uses) | | | | | | |
| 17-00-399-10 | Transfer from General Fund | 25,069 | 25,206 | 20,700 | 20,633 | 20,300 |
| 17-00-943-92 | Transfer to Debt Fund | - | - | - | - | - |
| Total Other Financing Sources (Uses) | | 25,069 | 25,206 | 20,700 | 20,633 | 20,300 |
| Net Increase (Decrease) in Fund Balance | | (37,815) | 270,268 | 66,760 | (17,284) | (41,500) |
| Beginning Fund Balance | | (103,277) | (141,092) | 129,176 | 129,176 | 111,892 |
| Ending Fund Balance | | (141,092) | 129,176 | 195,936 | 111,892 | 70,392 |

N. 2nd Street TIF Fund

| Account Number | Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget |
|--|----------------------------------|-------------------|-------------------|-------------------|---------------------|--------------------|
| REVENUES | | | | | | |
| 20-00-342-11 | Property tax | 306,209 | 311,489 | 316,000 | 319,362 | 325,000 |
| 20-00-342-13 | Business district sales tax | 110,450 | 91,204 | 80,000 | 93,691 | 80,000 |
| 20-00-381-10 | Investment income | 392 | 4,722 | - | 8,436 | - |
| 20-00-389-10 | Miscellaneous income | 5,500 | - | - | - | - |
| 20-00-394-10 | Rental income | - | 20,000 | 30,000 | 107,832 | 228,300 |
| Total REVENUES | | 422,551 | 427,415 | 426,000 | 529,321 | 633,300 |
| EXPENDITURES | | | | | | |
| General government | | | | | | |
| 20-00-532-10 | Engineering | 23,140 | 118,549 | 25,000 | 4,744 | 25,000 |
| 20-00-533-10 | Legal | 36,918 | 44,478 | 35,000 | 33,717 | 35,000 |
| 20-00-549-10 | Professional services | 8,052 | 4,209 | 10,000 | 10,556 | 10,000 |
| 20-00-830-10 | Contractual redevelop obligation | 110,269 | 132,416 | 136,000 | 135,321 | 139,000 |
| 20-00-840-10 | Leasehold improvements | 24,289 | 29,686 | - | 25,000 | 190,000 |
| 20-00-870-10 | Developer incentive | - | 595,713 | 183,000 | - | 383,000 |
| 20-00-949-10 | Administrative expense | 950 | 950 | 1,000 | 996 | 1,000 |
| 20-00-995-60 | BD Sales Tax Incentive - Ruby 10 | - | 1,756 | 6,000 | 2,400 | 4,000 |
| Total General government | | 203,618 | 927,757 | 396,000 | 212,734 | 787,000 |
| Capital outlay | | | | | | |
| 20-00-850-10 | Street maintenance | - | - | 8,000 | - | - |
| Total Capital outlay | | - | - | 8,000 | - | - |
| Debt service | | | | | | |
| 20-00-930-10 | Principal-2011 (Amalgamated) | 140,000 | 145,000 | 150,000 | 150,000 | 155,000 |
| 20-00-931-10 | Interest-2011 (Amalgamated) | 71,262 | 67,203 | 61,700 | 61,645 | 55,900 |
| 20-00-930-11 | Principal-2014 (IBT 1435) | 30,160 | 31,366 | 32,700 | 32,621 | 34,000 |
| 20-00-931-11 | Interest-2014 (IBT 1435) | 22,840 | 21,671 | 20,400 | 21,233 | 20,100 |
| 20-00-930-12 | Principal-2015 (IBT 1535) | 86,576 | 87,524 | 88,500 | 88,487 | 89,500 |
| 20-00-931-12 | Interest-2015 (IBT 1535) | 18,858 | 16,038 | 14,100 | 14,687 | 12,700 |
| Total Debt service | | 369,696 | 368,802 | 367,400 | 368,673 | 367,200 |
| Total EXPENDITURES | | 573,314 | 1,296,559 | 771,400 | 581,407 | 1,154,200 |
| Revenues Over (Under) Expenditures | | (150,763) | (869,144) | (345,400) | (52,087) | (520,900) |
| Other Financing Sources (Uses) | | | | | | |
| 20-00-399-10 | Transfer from General Fund | 136,055 | 134,711 | 31,600 | 31,936 | 32,500 |
| Total Other Financing Sources (Uses) | | 136,055 | 134,711 | 31,600 | 31,936 | 32,500 |
| Net Increase (Decrease) in Fund Balance | | (14,708) | (734,433) | (313,800) | (20,151) | (488,400) |
| Beginning Fund Balance | | 97,419 | 82,711 | (651,722) | (651,722) | (671,873) |
| Ending Fund Balance | | 82,711 | (651,722) | (965,522) | (671,873) | (1,160,273) |

Weststone IJRL TIF Fund

| Account Number | Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget |
|--|--------------------------------------|-------------------|-------------------|-------------------|---------------------|--------------------|
| REVENUES | | | | | | |
| 30-00-342-11 | Property tax | 463,394 | 456,354 | 450,000 | 443,337 | 433,000 |
| 30-00-381-10 | Investment income | 855 | 6,568 | - | 18,626 | - |
| 30-00-392-10 | Debt proceeds | - | - | - | 900,000 | - |
| Total REVENUES | | 464,249 | 462,922 | 450,000 | 1,361,963 | 433,000 |
| EXPENDITURES | | | | | | |
| General government | | | | | | |
| 30-00-532-10 | Engineering | 3,722 | 7,365 | 42,700 | 150,783 | 92,000 |
| 30-00-533-10 | Legal | 10,429 | 569 | 30,000 | 21,876 | 30,000 |
| 30-00-549-10 | Professional services | 4,665 | 420 | 10,000 | 14,456 | 15,000 |
| 30-00-830-10 | Contractual redevelopment obligation | 87,500 | 43,750 | 123,800 | 83,750 | 675,000 |
| Total General government | | 106,316 | 52,104 | 206,500 | 270,865 | 812,000 |
| Capital outlay | | | | | | |
| 30-00-850-10 | Street construction | - | - | 525,000 | 1,070,489 | 475,000 |
| 30-00-870-10 | Moving reimbursement | - | - | 50,000 | 50,000 | - |
| Total Capital outlay | | - | - | 575,000 | 1,120,489 | 475,000 |
| Debt service | | | | | | |
| 30-00-930-10 | Principal-2013 (IBT-1335) | 63,368 | 65,586 | 67,900 | 67,882 | 70,300 |
| 30-00-931-10 | Interest-2013 (IBT-1335) | 50,357 | 48,139 | 45,900 | 48,495 | 46,000 |
| 30-00-930-11 | Principal-2018 (SB) | - | - | - | - | - |
| 30-00-931-11 | Interest-2018 (SB) | - | - | - | - | 36,200 |
| Total Debt service | | 113,725 | 113,725 | 113,800 | 116,377 | 152,500 |
| Total EXPENDITURES | | 220,041 | 165,829 | 895,300 | 1,507,731 | 1,439,500 |
| Net Increase (Decrease) in Fund Balance | | 244,208 | 297,093 | (445,300) | (145,768) | (1,006,500) |
| Beginning Fund Balance | | (88,991) | 155,217 | 452,310 | 452,310 | 306,542 |
| Ending Fund Balance | | 155,217 | 452,310 | 7,010 | 306,542 | (699,958) |

North Willow Creek IRJL TIF Fund

| Account Number | Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget |
|--|-----------------------|-------------------|-------------------|-------------------|---------------------|-------------------|
| REVENUES | | | | | | |
| 31-00-342-11 | Property tax | 13,651 | 14,655 | 13,000 | 15,905 | 15,000 |
| 31-00-381-10 | Investment income | 22 | 135 | - | 238 | - |
| Total REVENUES | | 13,673 | 14,790 | 13,000 | 16,143 | 15,000 |
| EXPENDITURES | | | | | | |
| General government | | | | | | |
| 31-00-532-10 | Engineering | 2,298 | 3,652 | 500 | - | - |
| 31-00-533-10 | Legal | 190 | 330 | 1,000 | 473 | 1,000 |
| 31-00-549-10 | Professional services | - | 420 | 1,000 | - | - |
| Total General government | | 2,488 | 4,402 | 2,500 | 473 | 1,000 |
| Capital Outlay | | | | | | |
| 31-00-850-10 | Street construction | 1,140 | 49,448 | - | - | - |
| Total Capital outlay | | 1,140 | 49,448 | - | - | - |
| Total EXPENDITURES | | 3,628 | 53,850 | 2,500 | 473 | 1,000 |
| Net Increase (Decrease) in Fund Balance | | 10,045 | (39,060) | 10,500 | 15,670 | 14,000 |
| Beginning Fund Balance | | (5,991) | 4,054 | (35,006) | (35,006) | (19,336) |
| Ending Fund Balance | | 4,054 | (35,006) | (24,506) | (19,336) | (5,336) |

South Willow Creek IJRL TIF Fund

| Account Number | Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget |
|--|----------------------------------|-------------------|-------------------|-------------------|---------------------|-------------------|
| REVENUES | | | | | | |
| 32-00-342-11 | Property tax | 66,334 | 245,557 | 240,000 | 315,588 | 318,000 |
| 32-00-381-10 | Investment income | 262 | 2,829 | - | 5,466 | - |
| Total REVENUES | | 66,596 | 248,386 | 240,000 | 321,054 | 318,000 |
| EXPENDITURES | | | | | | |
| General government | | | | | | |
| 32-00-532-10 | Engineering | 10,900 | 16,350 | 25,000 | 26,000 | 22,000 |
| 32-00-533-10 | Legal | 2,794 | 636 | 20,000 | 19,378 | 10,000 |
| 32-00-549-10 | Professional services | 519 | 420 | 10,000 | 4,096 | 5,000 |
| 32-00-830-10 | Contractual redevelop obligation | - | 119,618 | 139,000 | 181,634 | 203,000 |
| Total General government | | 14,213 | 137,024 | 194,000 | 231,108 | 240,000 |
| Capital Outlay | | | | | | |
| 32-00-850-10 | Street construction | 2,280 | 198,796 | 250,000 | - | 430,000 |
| 32-00-850-30 | Street resurfacing | - | - | - | - | 65,000 |
| Total Capital outlay | | 2,280 | 198,796 | 250,000 | - | 495,000 |
| Total EXPENDITURES | | 16,493 | 335,820 | 444,000 | 231,108 | 735,000 |
| Net Increase (Decrease) in Fund Balance | | 50,103 | (87,434) | (204,000) | 89,946 | (417,000) |
| Beginning Fund Balance | | 92,031 | 142,134 | 54,700 | 54,700 | 144,646 |
| Ending Fund Balance | | 142,134 | 54,700 | (149,300) | 144,646 | (272,354) |

Flood Mitigation Fund

| Account Number | Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget |
|--|------------------------------|-------------------|-------------------|-------------------|---------------------|-------------------|
| REVENUES | | | | | | |
| 35-00-395-20 | Grants-IEMA | 2,833,663 | 767,218 | 299,600 | 277,059 | - |
| 35-00-395-25 | Grants-FMA | - | - | 467,500 | - | 331,000 |
| 35-00-395-30 | Grants-DCEO | 665,011 | - | - | - | - |
| 35-00-395-35 | Grants-IDNR | - | - | - | - | 108,900 |
| Total REVENUES | | 3,498,674 | 767,218 | 767,100 | 277,059 | 439,900 |
| EXPENDITURES | | | | | | |
| General government | | | | | | |
| 35-00-532-10 | Demo mgmt-Engineer-IEMA | 22,207 | 8,804 | 6,700 | 1,461 | - |
| 35-00-532-11 | Demo mgmt-Engineer-DCEO | 3,604 | - | - | - | - |
| 35-00-532-12 | Demo mgmt-Engineer-FMA | - | - | 6,000 | - | 3,000 |
| 35-00-533-10 | Legal-IEMA | 9,500 | 2,000 | 1,000 | 1,000 | - |
| 35-00-533-11 | Legal-DCEO | 1,637 | - | - | - | - |
| 35-00-533-12 | Legal-FMA | - | - | 4,000 | - | 2,000 |
| 35-00-534-20 | Appraisals-DCEO | 300 | - | - | - | - |
| 35-00-534-21 | Appraisals-IEMA | 9,025 | 1,875 | - | - | - |
| 35-00-534-22 | Appraisals-FMA | - | - | 2,000 | 800 | - |
| 35-00-534-30 | Closing costs-DCEO | 1,338 | - | - | - | - |
| 35-00-534-31 | Closing costs-IEMA | 18,202 | 3,832 | 1,900 | 1,916 | - |
| 35-00-534-32 | Closing costs-FMA | - | - | 8,000 | - | 4,000 |
| 35-00-549-20 | Project management-DCEO | 8,000 | - | - | - | - |
| 35-00-549-21 | Project management-IEMA | 38,000 | 22,148 | 4,400 | 4,400 | - |
| 35-00-549-22 | Project management-FMA | - | - | 2,000 | - | - |
| 35-00-551-11 | Postage-IEMA | 18 | - | - | - | - |
| 35-00-580-10 | Administrative expense | 663 | - | - | - | 2,500 |
| Total General government | | 112,494 | 38,659 | 36,000 | 9,577 | 11,500 |
| Capital outlay | | | | | | |
| 35-00-811-10 | Property acquisition-DCEO | 315,453 | - | - | - | - |
| 35-00-811-11 | Property acquisition-IEMA | 2,609,500 | 572,000 | 130,083 | 130,000 | - |
| 35-00-811-12 | Property acquisition-FMA | - | - | 476,000 | - | 388,000 |
| 35-00-811-31 | Relocation-IEMA | 47,265 | 15,400 | 21,800 | 10,064 | - |
| 35-00-811-32 | Relocation-FMA | - | - | 20,000 | - | - |
| 35-00-811-50 | Demo & site restoration-DCEO | 77,990 | - | - | - | - |
| 35-00-811-51 | Demo & site restoration-IEMA | 235,053 | 101,436 | 31,500 | 26,094 | - |
| 35-00-811-52 | Demo & site restoration-FMA | - | - | 74,500 | - | 39,600 |
| Total Capital outlay | | 3,285,261 | 688,836 | 753,883 | 166,158 | 427,600 |
| Total EXPENDITURES | | 3,397,755 | 727,495 | 789,883 | 175,735 | 439,100 |
| Revenues Over (Under) Expenditures | | 100,919 | 39,723 | (22,783) | 101,324 | 800 |
| Other Financing Sources (Uses) | | | | | | |
| 35-00-399-09 | Transfer from NR Fund | - | 50,000 | - | - | - |
| 35-00-399-18 | Transfer from CIP Fund | - | 14,273 | 75,000 | - | 300,000 |
| Total Other Financing Sources (Uses) | | - | 64,273 | 75,000 | - | 300,000 |
| Net Increase (Decrease) in Fund Balance | | 100,919 | 103,996 | 52,217 | 101,324 | 300,800 |
| Beginning Fund Balance | | (257,039) | (156,120) | (52,124) | (52,124) | 49,200 |
| Ending Fund Balance | | (156,120) | (52,124) | 93 | 49,200 | 350,000 |

Neighborhood Revitalization

| Account Number | Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget |
|--|------------------------------------|-------------------|-------------------|-------------------|---------------------|-------------------|
| REVENUES | | | | | | |
| 09-00-386-10 | Grants-Single Family Rehab (SFR) | - | 69,669 | 321,200 | 291,401 | 428,100 |
| 09-00-386-11 | Grants-Abandoned Prop. Prog. (APP) | - | 82,806 | 91,000 | 81,483 | 14,200 |
| 09-00-389-10 | Miscellaneous income | - | - | - | 9,225 | - |
| Total REVENUES | | - | 152,475 | 412,200 | 382,109 | 442,300 |
| EXPENDITURES | | | | | | |
| Contractual services | | | | | | |
| 09-00-533-10 | Legal-SFR | - | 51 | 3,100 | 1,010 | 3,100 |
| 09-00-533-11 | Legal-APP | - | 459 | 10,000 | 2,363 | - |
| 09-00-549-10 | Administration-SFR | - | 2,643 | 12,200 | 29,596 | 40,000 |
| 09-00-580-10 | APP Village contribution | - | - | 16,000 | 14,461 | 14,100 |
| 09-00-601-10 | SFR grant eligible costs | - | 92,244 | 241,200 | 291,401 | 428,100 |
| 09-00-650-10 | APP grant eligible costs | - | 82,806 | 91,000 | 81,483 | 14,200 |
| 09-00-701-10 | Abate Housing Blight costs | - | 35,487 | 57,700 | 15,606 | 86,700 |
| 09-00-811-30 | Relocation-SFR | - | - | 1,000 | - | - |
| Total EXPENDITURES | | - | 213,690 | 432,200 | 435,920 | 586,200 |
| Revenues Over (Under) Expenditures | | - | (61,215) | (20,000) | (53,811) | (143,900) |
| Other Financing Sources (Uses) | | | | | | |
| 09-00-399-10 | Transfer from General Fund | - | 109,017 | 100,000 | 100,000 | 100,000 |
| 09-00-943-35 | Transfer to Flood Mitigation Fund | - | (50,000) | - | - | - |
| Total Other Financing Sources (Uses) | | - | 59,017 | 100,000 | 100,000 | 100,000 |
| Net Increase (Decrease) in Fund Balance | | - | (2,198) | 80,000 | 46,189 | (43,900) |
| Beginning Fund Balance | | - | - | (2,198) | (2,198) | 43,991 |
| Ending Fund Balance | | - | (2,198) | 77,802 | 43,991 | 91 |

Sales Tax Rebate Fund

| Account Number | Description | 2016-17 Actual | 2017-18 Actual | 2018-19 Budget | 2018-19 Estimate | 2019-20 Budget |
|--|---------------------------------|-------------------|-------------------|-------------------|---------------------|-------------------|
| REVENUES | | | | | | |
| 14-00-345-10 | Sales tax | 527,660 | 541,713 | 521,300 | 542,329 | 527,500 |
| Total REVENUES | | 527,660 | 541,713 | 521,300 | 542,329 | 527,500 |
| EXPENDITURES | | | | | | |
| General government | | | | | | |
| 14-00-995-30 | Incentive - Machesney Crossings | 127,732 | 141,793 | 146,300 | 162,036 | 178,000 |
| 14-00-995-40 | Incentive - Menards | - | - | - | - | - |
| 14-00-995-50 | Incentive - First 173 Retail | 399,928 | 399,920 | 375,000 | 380,293 | 349,500 |
| Total EXPENDITURES | | 527,660 | 541,713 | 521,300 | 542,329 | 527,500 |
| Net Increase (Decrease) in Fund Balance | | - | - | - | - | - |
| Beginning Fund Balance | | - | - | - | - | - |
| Ending Fund Balance | | - | - | - | - | - |

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.

Audit – An examination of an organizations' financial statements and the utilizations of resources.

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.