

# VILLAGE OF WOODRIDGE, ILLINOIS

## POPULAR ANNUAL FINANCIAL REPORT

### FOR THE YEAR ENDED DECEMBER 31, 2019



#### MAYOR

Gina Cunningham

#### BOARD OF TRUSTEES

Greg Abbott

Mary Anne Blair

Mike Krucek

Magin "Mike" Martinez

Kaleshia "Kay" Page

Cameron Hendricks

#### VILLAGE CLERK

Joseph Kagann

#### INSIDE THE 2019 PAFR

Village Background .....	1
PAFR Awards.....	2
Local Economy .....	2
Property Taxes .....	3
Accomplishments.....	3
Changes in Net Position .....	4
General Fund Overview.....	5
General Fund Five-Year.....	6
Capital Projects Fund .....	7
MFT Fund .....	7
Water and Sewer Fund .....	8
Other Village Funds.....	9
PAFR Publication.....	9

The Village of Woodridge, Illinois is pleased to present its seventh issue of the Popular Annual Financial Report (PAFR) for the period ending December 31, 2019. The PAFR is an unaudited report that summarizes the most significant data and information on the Village's financial position in a simple and easy to read format. The information contained within this report is based on the Village's Comprehensive Annual Financial Report (CAFR), which is a more detailed, inclusive report. For a complete review of the Village's financial position, please consult the full audit, which is available on the Village's website, [www.vil.woodridge.il.us](http://www.vil.woodridge.il.us), or contact the Finance Department at (630) 719-4717.

#### VILLAGE BACKGROUND

The Village of Woodridge is located in northern Illinois and was incorporated in 1959. It is located about 26 miles southwest of the City of Chicago in DuPage, Will and Cook counties, with a population of 32,971, as of the 2010 census. The Village operates under the Strong Mayor with an Administrator form of government. Policy making and legislative authority are vested in the Village Board, which consists of a Mayor and a six-member Board of Trustees. The Village Administrator oversees the day-to-day operations and appoints the directors of the Village departments.

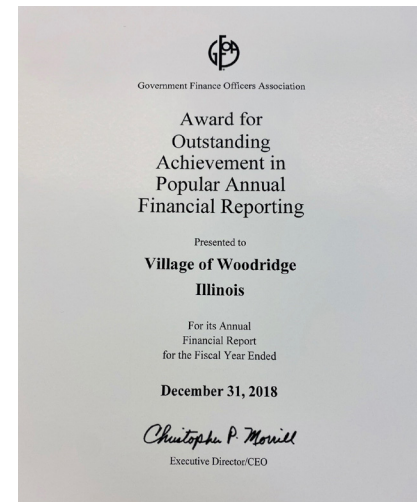


The Village provides a wide range of services, including police protection, water distribution and sewer collection services, construction and maintenance of highway, streets and infrastructure, and planning and development review. Fire protection is provided by independent Fire Protection districts. The Woodridge Library is a separate unit of government.

Woodridge enjoys a healthy business environment, offering diverse shopping opportunities for local and regional customers. Woodridge is home to more than 13 million square feet of warehouse and industrial space, including one of the largest business parks in the Chicago area – International Centre. Edward Don, Home Run Inn Pizza, and NextTerra Wine Company are several examples of major industry companies choosing Woodridge as their corporate headquarters.

## WOODRIDGE PAFR RECOGNIZED

The Government Finance Officers Association (GFOA) has given an Award of Outstanding Achievement in Popular Annual Financial Reporting to the Village of Woodridge for its Popular Annual Financial Report for the fiscal year ending December 31, 2018. The Village has received this award for the sixth consecutive year. This prestigious national award recognizes conformance with the highest standards for preparations of state and local government financial reports. The Village has submitted this report to the GFOA for consideration of the 2019 PAFR Award.



## WOODRIDGE'S LOCAL ECONOMY

The Village's financial position is strong with a high-level of reserves, robust economic resource base, and superior operating performance. However, these strengths will be challenged in months to come by the COVID-19 Pandemic. The Village is anticipating significant revenue losses to sales tax and income tax, which are two of our major revenue sources. To offset this projected revenue loss, the Village has taken initial steps to mitigate the financial impact by ceasing discretionary spending and implementing a hiring freeze.

Prior to COVID-19, the Village had a record-setting year in 2019 for development activity. Over 30 new businesses located in Woodridge and a number of vacant spaces were occupied in 2019. In addition, Woodridge had a strong year in residential development with a total of 80 new single-family and townhome building permits issued. This marks the second highest number of home permits issued in a year since the recession, second only to 2016 with 81 permits issued.

The median sales prices for single-family and townhome properties increased by 6.5% to \$320,000 in 2019. These strong housing market indicators are a result of new and diverse housing products available on the market in Woodridge, including the Pulte Homes' Uptown at Seven Bridges and Hobson Hill Subdivision, M-I Homes' Woodview Townhomes development, and Gallagher & Henry's Farmingdale Village Unit 26 Subdivision.

The I-55 and I-355 corridors remain a robust location for logistics, transportation, and office-warehouse users. In 2019, there was a total of 12,758,721 square feet of office warehouse space in the community, with over 8,500 employees and 97% occupancy rate. Recently, the headquarters for Unilogic Group, a full service warehouse and logistics firm, occupied the 130,000 square foot former Wilton Industries office-warehouse building at 75th Street and I-355. Additionally, UNIS Fulfillment occupied the vacant 135,000 square feet in the Union Pointe Business Park in 2019. Additional economic and performance data, often presented with ten-year trend data, can be found in the statistical section of the full CAFR report.

### WOODRIDGE AT-A-GLANCE

Population	32,971
Per Capita Personal Income	\$40,768
Median Age (years)	37.6
Unemployment Rate	2.1%
Median Home Value	\$320,000
Equalized Assessed Value - Tax Year 2019	\$1.3 billion
Total Sales Tax Revenue	\$7.6 million
Number of Full-time Employees (Village of Woodridge)	122.39

Sources: Village of Woodridge records, Census Bureau, Bureau of Labor Statistics

## MAKING CENTS OF PROPERTY TAXES

The dollar bill graphic represents how a typical Woodridge homeowner's property tax dollars are distributed to various taxing bodies. As you can see, the Village receives only 3 cents of every dollar paid in property taxes.

Since the Village has over 25,000 residents, it is a Home Rule Community. As such, it is not bound by property tax caps. However, the Village Board has been cognizant of the impact of property taxes on its residents

and has kept their levy at or below the tax cap in an effort to reduce the residential tax burden. The Village has no authority or control over property tax levies of the other taxing districts.



## VILLAGE DEPARTMENT ACCOMPLISHMENTS AND INITIATIVES

Over the past fiscal year, the Village accomplished many of the goals set forth in the 2019 Budget:

Hosted a Citizens Leadership Academy for the third year in a row

Implemented recurring credit card payments as an option for utility billing customers

Collaborated with Chamber630 to create, market, and manage the first ever Restaurant Week

Completed a \$1 million comprehensive streetscape improvement in the TIF district

Hosted active shooter training for more than 60 Woodridge businesses

## FINANCIAL HIGHLIGHTS

### *CHANGES IN NET POSITION*

The Statement of Net Position reports information on all of the Village's assets and liabilities, with the difference between them reported as net position. The net position serves as a useful indicator of a government's financial position. Governmental activities include services such as police, street maintenance, construction, forestry, code enforcement, economic development, planning and zoning, and general administrative services. Business-type activities include water and sanitary sewer services.

The table below shows that, as of December 31, 2019, the Village's net position was \$108 million across all governmental and business-type activities. Of the total net position, \$79 million is the Village's investment in capital assets. These assets include streets, water mains, and sanitary sewers. The \$7 million in unrestricted net position may be used to finance ongoing obligations.

Compared to 2018, the Village's combined total net position decreased from \$113.5 million to \$107.9 million. Although still strong, the Village's net position has decreased nearly 5 percent. The major contributors for this decrease is due to an increase in total liability related to the \$5 million General Obligation bond issuance, as well as the increase in IMRF net pension liability.

For more information on the Village's net position, please refer to pages 16 and 17 of the CAFR.

	Net Position		
	Governmental Activities	Business-type Activities	Total
	Dec-19	Dec-19	Dec-19
Current and Other Assets	\$ 59,358,714	9,561,052	68,919,766
Capital Assets	96,768,802	10,449,804	107,218,606
Total Assets	156,127,516	20,010,856	176,138,372
Deferred Outflows of Resources	15,151,134	959,111	16,110,245
Total Deferred Outflows of Resources	15,151,134	959,111	16,110,245
Long-Term Debt Outstanding	66,723,547	2,020,688	68,744,235
Other Liabilities	9,210,896	660,619	9,871,515
Total Liabilities	75,934,443	2,681,307	78,615,750
Deferred Inflows of Resources	5,512,897	216,139	5,729,036
Total Deferred Inflows of Resources	5,512,897	216,139	5,729,036
Net Position			
Net investment in capital assets	78,807,420	10,449,804	89,257,224
Restricted	3,780,822	-	3,780,822
Unrestricted	7,243,068	7,622,717	14,865,785
Total Net Position	89,831,310	18,072,521	107,903,831



# GENERAL FUND OPERATING RESULTS

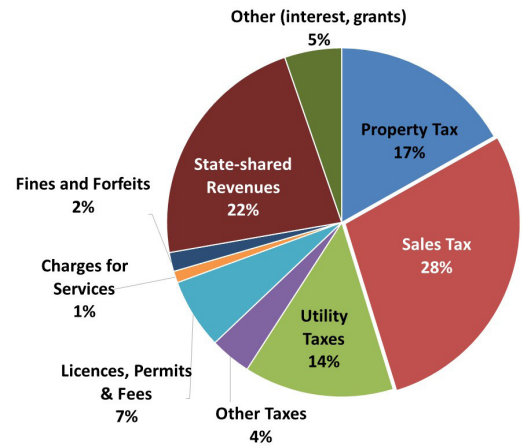
## REVENUES

The General Fund is the Village's largest operating fund. All revenues and expenditures not required to be reported for in another fund are in the General Fund. A breakdown of the General Fund revenues can be found on page 103 of the CAFR.

FY2019 General Fund revenues, excluding transfers, totaled \$20.1 million. This is \$460 thousand less than last year primarily due to the declines in state sales tax revenues, building permits, Village fines and charges for services. Sales, property, utility, and income taxes are the four largest revenue sources, making up 81% of the total revenue in the General Fund. In 2019, these equaled \$15.8 million as follows:

1. Sales Taxes: \$5.7 million
2. Property Taxes: \$3.4 million
3. Utility Taxes: \$2.8 million
4. Income Taxes: \$3.2 million

General Fund Revenues



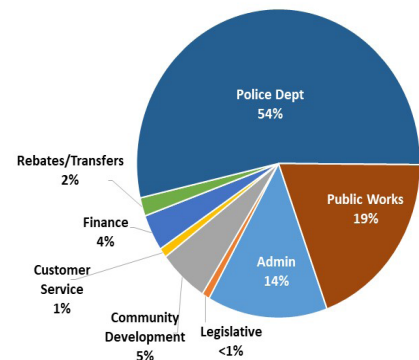
## EXPENDITURES

The General Fund spent a total of \$21.1 million in 2019. The Police and Public Works departments comprise the majority of the General Fund's budget due to the services they provide, including 24/7 police presence, snow removal, engineering, forestry, and stormwater maintenance. The breakdown by department is summarized below.

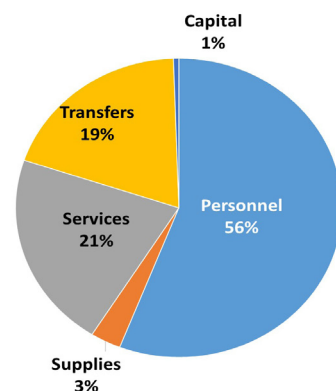
- Police Department - \$11.4 million
- Public Works - \$4.1 million
- Administration - \$2.9 million
- Community Development - \$1.2 million
- Finance - \$806,000
- Rebates/Transfers - \$408,000
- Customer Service - \$211,000
- Legislative - \$185,000

As a service delivery organization, personnel costs make up the majority of a local government's budget, as illustrated in the Expenditures by Type graph to the right. In 2019, personnel expenditures totaled 54% or \$12 million. The second largest expenditure is services at 26%, which includes professional services for attorneys, engineering, dispatch, and GIS. Transfers included here are made to the Police Pension Fund and Garage Fund. Rebates totaled \$408,000 and are for economic incentive agreements that the Village entered into in order to bring strong economic development opportunities to the Village.

Expenditures by Department



Expenditures by Type

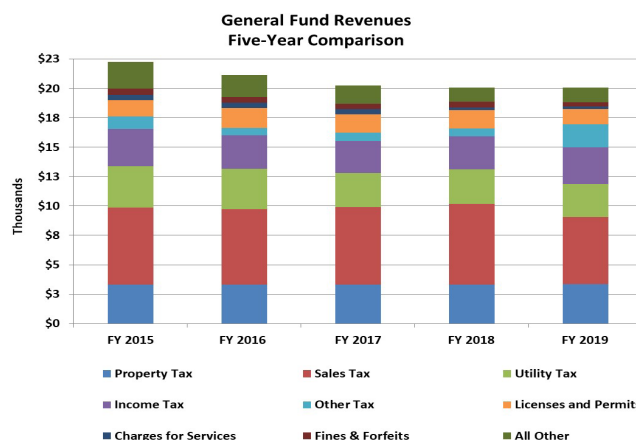


# GENERAL FUND REVENUES VS. EXPENDITURES

## 5 YEAR COMPARISON

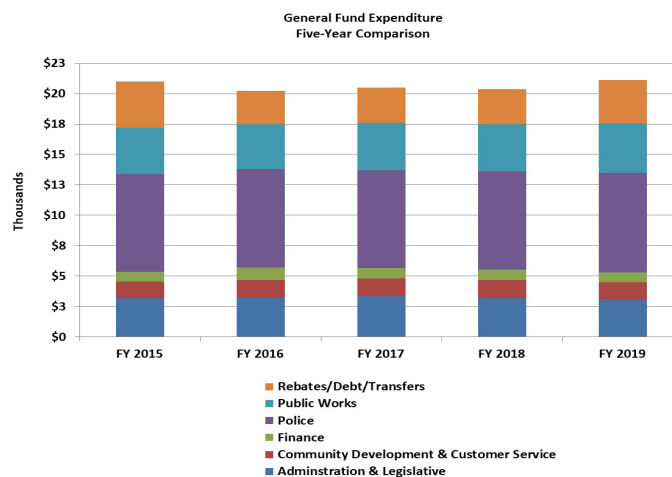
### REVENUES

- As the chart to the right illustrates, revenues are \$2.2 million less than 2015 levels.
- This decline is primarily due to the elimination of the Water Utility Tax in 2016, as well as decreases in sales tax due to store closings.
- There has been limited growth in other areas, such as licenses, permits, fines, and fees



### EXPENDITURES

- Over the past five years, General Fund expenditures have stayed fairly consistent, increasing only \$162 thousand over that time
- The majority of this increase is related to the growth in the Village police pension contribution, which has increased \$1.5 million over the past five years.
- To offset the Village's growing police pension costs and help balance the General Fund, the Village Board and staff have worked to reduce expenses in the General Fund over the last few years. A few of these measures include moving all Capital over \$20,000 to the Capital Projects Fund and reducing operating expenses across all Village departments.



### VILLAGE DEPARTMENTS

- Legislative - the Village Board participates in community engagement activities and sets policy and strategic goals for the Village Departments
- Administration - directs the organization's efforts in meeting the policies and goals formulated by the Village Board
- Community Development - administers the orderly growth of the community by following the goals and objectives established by the residents and Village Board
- Finance - conducts the financial affairs of the Village in accordance with Government Accounting Standards Board (GASB) and Generally Accepted Accounting Principles (GAAP)
- Police - provides law enforcement, maintenance of order, and preservation of property and crime prevention
- Public Works - designs, constructs, manages and maintains the Village's infrastructure and related assets, including the Village water system

## CAPITAL PROJECTS FUND

Capital improvement projects over \$20,000 are budgeted for in the Capital Projects Fund. The Fund is supported by a portion of the 0.75% Home Rule Sales Tax, part of which is allocated for future Police and Public Works facility needs and 10% of the state income tax revenues. The Village regularly applies for grants that, when awarded, reduce the amount of Village funding needed. Page 121 of the CAFR includes information on the Capital Project Fund's revenues and expenditures.

In 2019, revenues totaled \$8.6 million, \$5 million of which is from the 2019 General Obligation bond issuance for the Village's future Police and Public Works facility project. In 2019, the Village purchased 12.69 acres of land for the future site, which cost approximately \$3.4 million. Total 2019 expenditures in this fund were \$6.8 million, which included the following projects:



83rd Street Bridge

Facilities - Land Acquisiton	\$3,425,555
Storm Water Management Improvements	\$939,160
83rd Street Bridge	\$62,560
Janes Avenue Resurfacing	\$74,850
Street Light Improvements	\$48,820

## MOTOR FUEL TAX FUND

The Motor Fuel Tax (MFT) Fund is supported mainly by a per person state allocation which comes from the .38 cent state tax on gallons sold. In July of 2019, the State of Illinois increased the State's MFT by \$0.19. Revenues from this increase are deposited the Transportation Renewal Fund, a portion of which is distributed to local governments based on population. The Village received approximately \$33 per resident in 2019; this was a \$206,000 increase in revenues from 2018 due to the State's increase to the Motor Fuel Tax. The Village also has a 4 cent per gallon local Motor Fuel Tax in which it received \$524,900 in revenues for the year.

Total revenues in the MFT Fund were \$1.7 million, approximately \$100,000 higher than 2018. This fund pays for the maintenance and construction of Village roads. In 2019, the Village spent approximately \$2 million on various road projects. See page 102 in the CAFR for more information on the MFT Fund.

Beginning Fund Balance	\$2,135,850
Revenues	\$1,615,354
Expenditures	\$1,855,726
Ending Fund Balance	\$1,895,478

## WATER & SEWER FUND

The Water and Sewer Fund is used to account for the purchase and resale of water, as well as the transporting of sanitary waste to a county wastewater treatment plant. Qualified personnel, trucks, tools and equipment are needed to maintain and operate these systems. The cost of the water itself – a commodity that has risen in cost significantly over the last several years – is the largest part of all the costs in this fund, making up nearly half of all expenses.

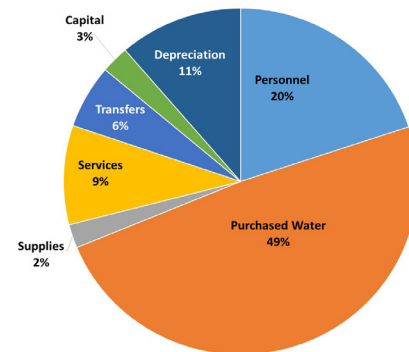
User fees provide the majority of the revenues in this fund. In 2019, the Village charged \$8.28 per 1,000 gallons of water, \$0.90 for sewer maintenance, as well as a fixed water maintenance fee, which varies according to the size of the meter.

Water and Sewer Fund operating revenues totaled \$9.7 million, approximately \$170,000 less than 2018 due to lower water sale revenues and connection fees.

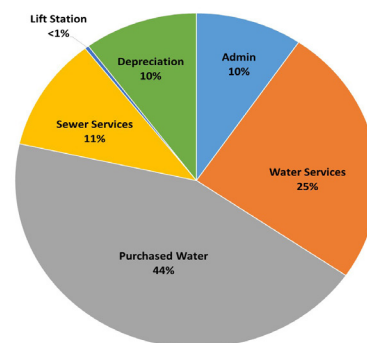
Water and Sewer Fund operating expenses totaled \$8.95 million, a \$155,000 increase primarily related to a decrease in capital expenses.

More information on the Water and Sewer Fund's revenue and expenses begins on page 132 of the CAFR.

**Expenses by Element**



**Expenses by Department**



## WATER AND SEWER EQUIPMENT REPLACEMENT FUND

The Water and Sewer Equipment and Replacement Fund accounts for the funding of vehicles and equipment used in water and sewer operations so that the Village can continue to use a pay-as-you-go approach to ensure that sufficient funds are available to make purchases when needed. A fund breakdown is provided below.

Beginning Fund Balance	\$1,122,125
Revenues	\$19,341
Expenses	\$0
Transfer In	\$203,056
Ending Balance	\$1,344,522





## OTHER VILLAGE FUNDS

The Village has a number of small funds which are summarized below:

	State & Federal Drug Enforcement	Special Service Areas	Debt Service	Equipment Replace- ment	Municipal Garage	Police Pension
Beginning Fund Balance	\$1,247,970	\$537,204	\$279,928	\$2,583,654	\$258,013	\$33,457,750
Revenues	158,044	61,034	1,788,201	349,216	890,040	9,713,698
Expenditures	205,616	6,242	1,783,130	243,645	945,191	3,466,101
Difference	(47,572)	54,792	5,071	105,571	(55,151)	6,247,597
Ending Fund Balance	\$1,200,398	\$591,996	\$284,999	\$2,689,225	\$202,862	\$39,705,347

- State and Federal Drug Enforcement Funds - used to account for monies received and expended for drug enforcement activities within the Village.
- Special Service Area Funds - used to account for taxes levied for the maintenance of stormwater management for the areas of Seven Bridges, Richfield Place, and Timber's Edge.
- Debt Service Fund - used to accumulate monies for the payment of the Village's long-standing general obligation bonds.
- Equipment Replacement - accounts for funds designated for the eventual replacement of certain capital equipment.
- Municipal Garage - accounts for the cost of operating a maintenance facility for vehicle equipment used by other Village departments.
- Police Pension - used to account for the accumulation of resources to pay police pension costs. Funding consists of an annual required contribution by the Village from sworn police based on 9.91% of their salary, as well as investment earnings.

## PAFR Publication

The PAFR will be advertised in the Village's E-News and Facebook page. The document is available for download on the Village's website, and hard copies are available at Village Hall by request. If you have questions concerning this report, please contact the Village of Woodridge Finance Department at (630) 719-2902.

The financial data in this report is derived from Generally Accepted Accounting Principles (GAAP), but is not intended to be a complete financial statement of the Village of Woodridge. The summary financial data provided here in the Popular Annual Financial Report (PAFR) was taken from the Village of Woodridge Comprehensive Financial Report (CAFR) as of the fiscal year ending December 31, 2019.