



# Village of Woodridge

## Popular Annual Financial Report

### For the Year Ended December 31, 2015

#### Table of Contents

General Fund -Revenues	2
Property Taxes	2
Village Departments	3
General Fund - Expenditures	3
Fund Structure	4
Capital Projects Fund	4
MFT Fund	5
Water & Sewer Fund	5
Other Funds	6
5 Year Comparisons	6
Opengov - Financial Tool	7
Financial Recognition	7
Village - General Information	8
PAFR Distribution	8

## Village of Woodridge

The Village of Woodridge, Illinois is pleased to present its third issue of the Popular Annual Financial Report (PAFR). The period reported is for the fiscal year 2015. The purpose of this report is to present information regarding the Village's financial activity 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. The CAFR is available on the Village's website, [www.vil.woodridge.il.us](http://www.vil.woodridge.il.us).



### Key Village Board Goals 2015

- |                                    |                                   |
|------------------------------------|-----------------------------------|
| 1) INTERGOVERNMENTAL COLLABORATION | 4) ENGAGED DIVERSE COMMUNITY      |
| 2) SAFE, DESIRABLE NEIGHBORHOODS   | 5) FINANCIAL STABILITY            |
| 3) STRONG BUSINESS DEVELOPMENT     | 6) WELL MAINTAINED INFRASTRUCTURE |

**Mission Statement:** *To Achieve a High Quality of Life by Providing Superior Services in a Fiscally Responsible Manner.*

### Strategic Management Process:

#### GOAL DEVELOPMENT:

The **Strategic Management Process** is an important step in developing the village's goals for the coming year. Annually, the Village Officials discuss community needs, prioritize policy options and set goals. Residents of Woodridge are given an opportunity to provide feedback through the annual **Community Needs Survey** and other public forums such as the annual **Town Meeting** and various neighborhood **Topic Forums**. The changing needs of the Village residents are recognized and addressed through these processes. This valuable input is considered during the **Goal Setting Workshop**,

the core of the **Strategic Management Process**.

The goals that are set ultimately serve as a foundation for the annual budget. The budget, which has earned the Distinguished Budget Presentation Award by the Government Finance Officer's Association (GFOA) for the last 3 years, serves as a policy document, an operations guide, a financial plan and a communications device.

The **BUDGET** is available at:

<http://www.vil.woodridge.il.us/DocumentCenter/>.

# General Fund Revenues

For the Year Ended December 31, 2015

The General Fund is the Village's largest and most vital operating fund. Many of the goals established by the Strategic Management Process are made possible through the General Fund.

The revenues in the fund, not including transfers, totaled \$21.8 million for the fiscal year. Four revenue sources provide 76% of revenues in the General Fund.

These are:

**Sales Taxes:** \$6.5 million

**Property Taxes:** \$3.3 million

**Utility Taxes:** \$3.6 million

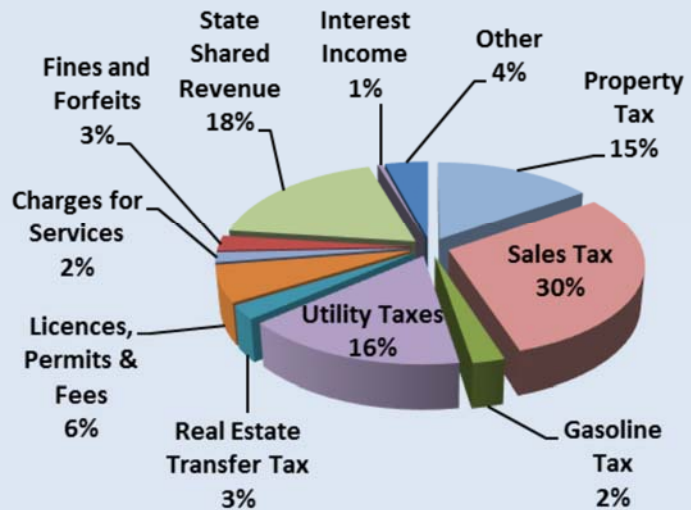
**Income Taxes:** \$3.2 million

(Income Tax is included in State Shared revenues)

These revenues support the day-to-day operations of Village departments and, when necessary, provides support to other funds.

At year-end total revenues ended \$1.9 million higher than what was budgeted.

## General Fund Revenues - Total \$21,845,838



The larger variances include:

- Sales Tax with \$586,000 higher than budget
- State Income Tax \$255,000 higher
- Real Estate Transfer Tax \$194,000 higher
- State Use Tax \$151,000 higher

All of these increases are the result of a better economy.

## Making Cents of Property Taxes



Other Districts  
0.08

Fire District  
0.09

Grade & High Schools  
0.71

Village  
0.03

Library  
0.03

Park District  
0.06

The dollar bill graphic represents how the average 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.

Because the Village has over 25,000 residents it is a Home Rule Community which means it is not bound by the property tax cap on non-home rule communities. 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 Board has voted for no increase in Property Taxes for the last 3 tax levies — 2013-2015 (the 2015 levy is collected in 2016).

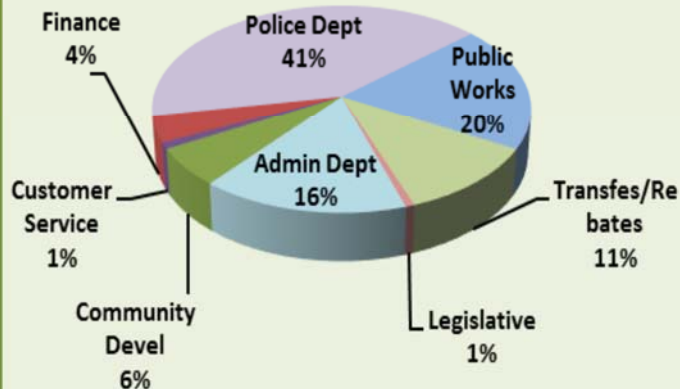
## Village Departments

The goals established for the budget year are addressed by the various departments that make up the Village of Woodridge governmental body. The various departments work together in addressing the goals. Below is an explanation of the areas of responsibility for each of the departments.

- **Legislative** includes the Mayor & Board as well as the Village Clerk's Office. This department was formed in conjunction with the new ERP implementation to separate the elected officials' duties from Administration.
- **Administration** directs the organization's efforts in meeting the policies and goals formulated by the Village Board through general support services, including business licensing and technology.
- **Community Development** administers the orderly growth of the community by following the goals and objectives established by the residents and Village Board, as well as planning, zoning and code enforcement.
- **Finance** conducts the financial affairs of the Village in accordance with Government Accounting Standards Board (GASB) and Generally Accepted Accounting Principles (GAAP). Functions include Payroll, Accounts Payable, Accounts Receivable and Water Billing.
- **Police** coordinates public safety efforts throughout the Village.
- **Public Works** is responsible for the Village's infrastructure as it relates to roadways, buildings, traffic control, forestry, storm water, fleet management, and water and sewer services.

## General Fund Expenditures - \$19,396,407

Expenditures by Department



Looking at expenditures by type, **Personnel costs** are by far the largest expenditure at 57% of the total or \$11 million.

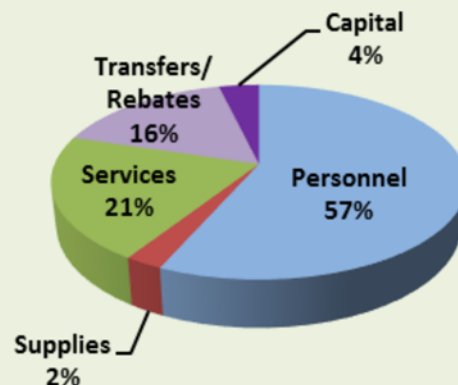
**Transfers** included here are made to the Police Pension Fund and Garage Fund for operational expenses. Rebates totaled \$682,000 and are for economic incentive agreements.

General Fund expenditures for 2015 totaled \$19.4 million. The revenues, on page 2, and expenditures shown here, are reported consistent with GAAP and agree with the Governmental Fund Statements on page 10 of the CAFR (available on the village website).

Looking at expenditures by department, the **Police Department** represents 41% of the total at \$8 million.

**Public Works** is 20% at \$3.8 million and **Administration** is 16% with \$3.1 million in expenses.

Expenditures by Type



## General Fund—Fund Balance - \$23,608,818



# Village of Woodridge Fund Structure - 7 Basic Fund Types

Below is an explanation of 7 basic fund types that enable the Village to conduct various functions.

- 1. General Fund** - the chief operating fund of the Village, includes Administration, Finance, Community Development, Police and Public Works. All governments have only one general fund.
- 2. Special Revenue Funds** - account for activities restricted to specific purposes. The Village has five of these funds. For example, the TIF Fund district is focused on redevelopment and the Motor Fuel Tax Fund provides for maintaining roads.
- 3. Capital Projects Funds** - account for construction and acquisition of major capital assets including vehicles and equipment. The Village has two of these funds: the Capital Projects Fund and the Vehicle and Equipment Replacement Fund.
- 4. Debt Service Funds** - provides for the repayment of long-term debt. The Village has one debt service fund.
- 5. Enterprise Fund** - the Water and Sewer Fund, the only Enterprise Fund, accounts for activities that operate much like a business in that services are supported by user fees.
- 6. Internal Service Fund** - the only internal service fund, the Garage Fund accounts for the operation of the village garage including fuel expenses. Expenditures are supported by the departments that use the Village Garage to maintain vehicles.
- 7. Fiduciary Fund** - is like a trust fund and accounts for the Police Pension Fund, which provides funding for police pensions.

## Overview of Other Major Governmental Funds, Enterprise Funds and Non-Major Funds

### Capital Projects Fund

#### Capital Projects Fund - 2015 Actual

Total Revenues - \$2.1 million

Total Expenditures - \$1.3 million

Fund Balance - \$10 million



44 acres adjacent to Village Hall known as Town Centre.

The Capital Projects Fund is supported by .25% Home Rule Sales Tax which is designated for community reinvestment. In addition, 10% of the state income tax allocation goes to this fund (the remaining Home Rule Sales Tax and 90% of income taxes go to the General Fund to support general operations). Two large projects that were financed with General Obligation Bonds are currently being supported by the Sales Tax. The first was the acquisition of 44 acres of open space adjacent to the Village Hall. This was purchased for \$14 million in 2008. In 2014 a portion of this debt was refinanced at a lower interest rate for a \$700,000 in interest savings over the life of the bonds. The Village shares ownership with the Park District who pays half of the debt. The second project was the acquisition of the Pine Ridge property which has been sold and is being developed as senior citizen housing.

Various other large projects are planned for and expensed in this fund. In September of 2015 the Village completed the first phase of replacing its enterprise resource planning system (ERP). The old computer system had been in use since 1997 and was outdated. Additionally, major road engineering and design is paid out of this fund for the MFT fund's road construction projects. Possible future projects include facility improvements for the Police and Public Works departments, which are currently in need of major remodeling and possible expansion.

## Motor Fuel Tax (MFT) Fund

The Motor Fuel Tax (MFT) Fund is supported mainly by a per capita state allocation which comes from a state gasoline tax on gallons sold. This allocation has been declining in recent years as more efficient cars have reduced the amount of gasoline being purchased. In addition, rising administration costs, including emission testing centers' costs, are taken off the top before being allocated. In 2015 the annual allocation received by the Village

was approximately \$24.03 per resident, down about 50 cents from 2014. Other revenues include a transfer from the General Fund of 1 cent of the Village's Local Gas Tax (per gallon), also declining as efficiencies increase.

To address this continued decline in revenues needed to support the road program, the Board approved an increase to the Village's Local Gas Tax from 1.5 cents to 4 cents and has allocated all of this to the MFT Fund beginning

### MFT Fund - 2015 - Actual:

Total Revenues - \$872,000

Total Expenditures - \$1.5 million

Fund Balance - \$2.1 million

in 2016. This will provide an estimated \$600,000 in additional revenues annually.



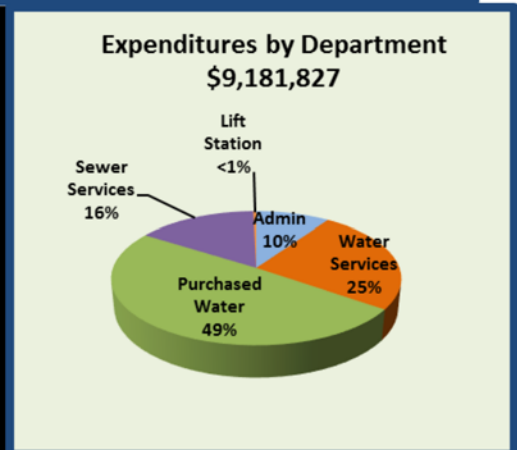
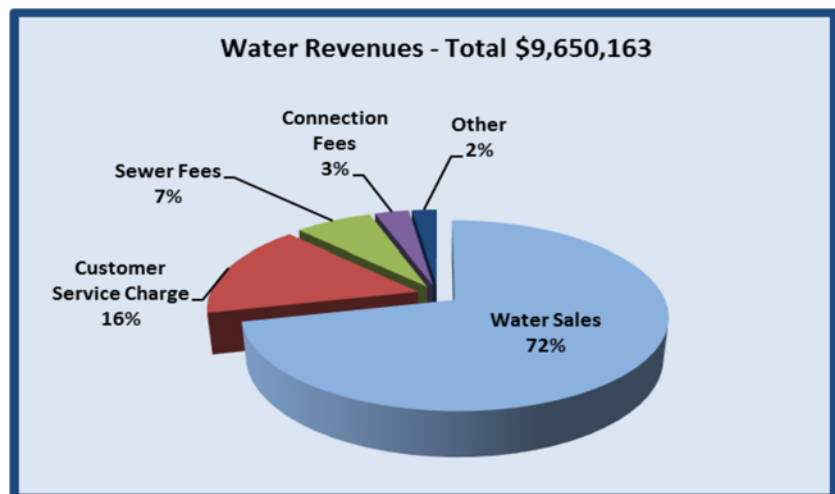
## Water & Sewer Fund

Unrestricted Net Position—\$1.6 million, reflects net cash available

### 2015 Operating Revenues & Expenditures—reported consistent with GAAP, Proprietary Funds Statement (CAFR pg 14)

The Water and Sewer Fund is an enterprise fund supported primarily by user fees. The last few years have seen significant increases in water rates due to the rising cost to purchase water from DuPage Water Commission (DWC). These dramatic rate increases were primarily the result of the City of Chicago raising their rates to the DWC. In fiscal year 2012 the cost to purchase water from DWC was \$2.04 per 1,000 gallons. In fiscal year 2015 it is \$4.85.

The Village was unable to absorb these increases and after years of not adjusting water rates the Village was forced to pass these increases on to the residents starting in Fiscal Year 2011. In addition to providing potable water to the residents, the fund also operates and maintains the waste water collection systems, which ultimately goes to a county treatment facility.



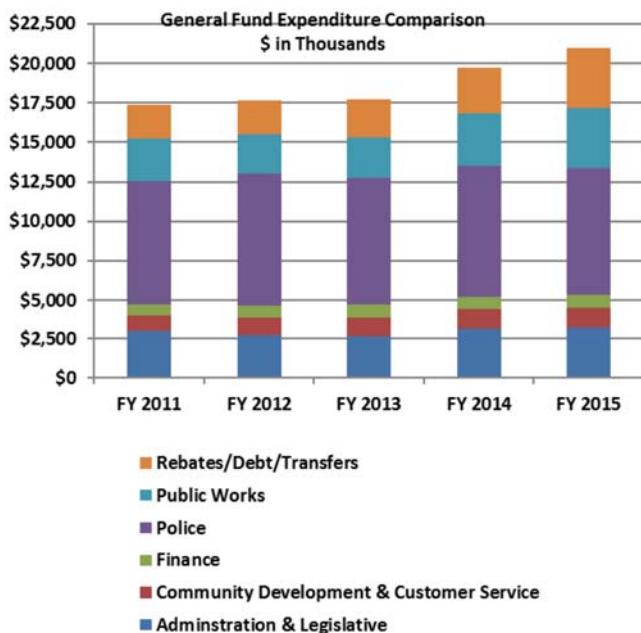
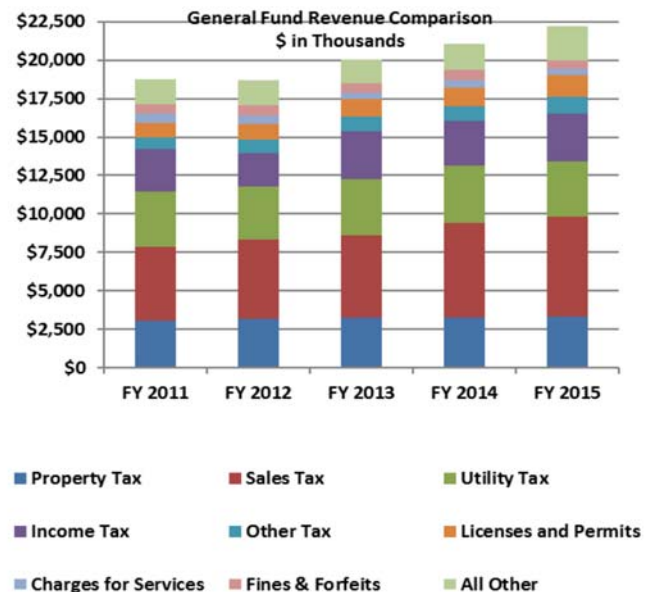
## Other Funds

The chart below summarizes fund balances, revenues, and expenditures for 2015.

	STATE & FEDERAL DRUG ENFORCEMENT	TIF #2 - JANES AVENUE	SPECIAL SERVICE AREAS	DEBT SERVICE	EQUIPMENT REPLACEMENT	MUNICIPAL GARAGE	POLICE PENSION
Beginning Fund Balance	\$908,346	\$3,879,336	\$383,013	\$162,436	\$2,385,279	\$429,529	\$31,520,237
Revenues (+)	201,030	536,546	37,280	2,089,751	363,889	1,010,798	1,962,499
Expenses (-)	75,321	202,761	3,580	2,071,861	332,081	794,760	2,599,592
Difference	125,709	333,785	33,700	17,890	31,808	216,038	(637,093)
Ending Fund Balance	\$1,034,055	\$4,213,121	\$416,713	\$180,326	\$2,417,087	\$645,567	\$30,883,144

## General Fund Revenues vs. Expenditures—5 Year Comparison

As illustrated on the **revenue** graph to the right, property taxes have been held to a fairly constant revenue source. Sales tax revenue has grown with the economic recovery as well as the addition of new businesses, with some of that revenue being offset by sales tax rebates. Utility Tax revenue fluctuates with the economy and the weather. Income tax is a per capita allocation that is provided to the Village from the state. The last three years of building permits have gone up with new commercial construction and new residential subdivisions, which are major source of license & permit revenues.



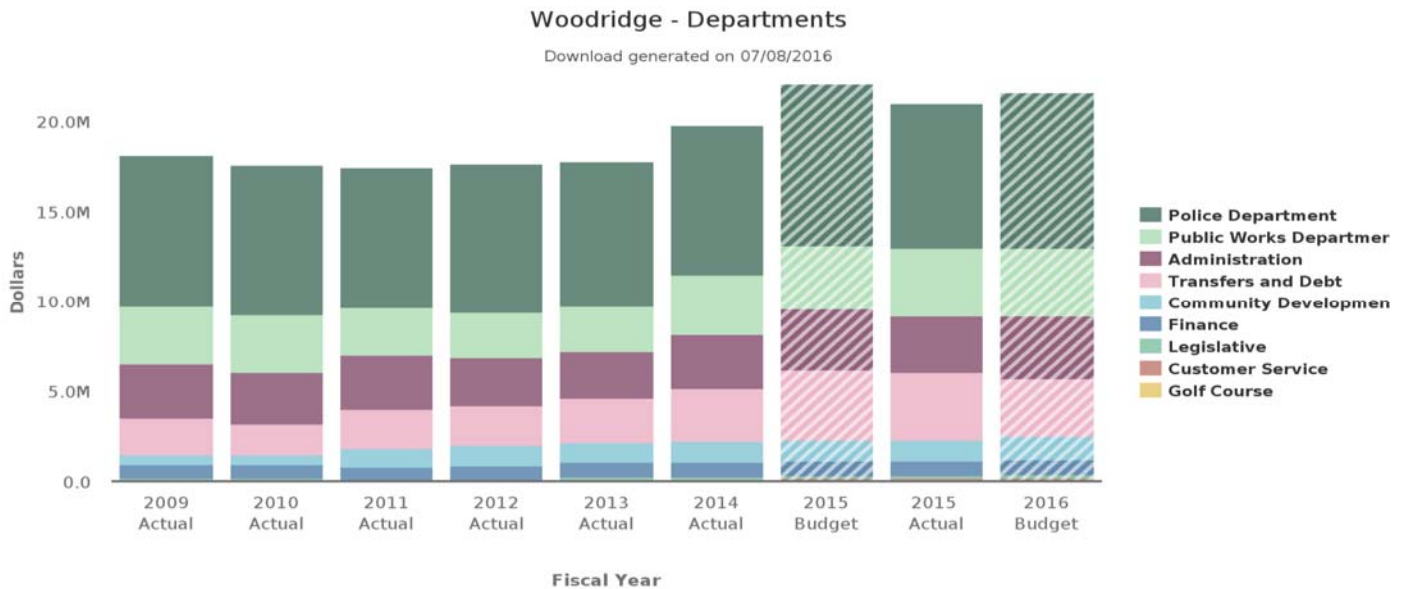
The **departmental expenses**, shown on the left, fluctuate depending on projects.

The large increase in All Other Revenues above and the majority of the increase in “Rebates/Debt/Transfers” to the left are an offsetting source of revenue and expense. Since the Village closed the Seven Bridges Golf Course Fund in 2014, the last debt payments are flowing through the general fund with Seven Bridges paying the cost. These add an additional \$485,000 to both revenues and expenses.



## Village Financial Data Online

The Village website hosts a powerful online tool that visually presents the Village's revenues and expenses—from multi-year budgetary trends to object-level details. Residents and staff can use the web-based software OpenGov to enhance access, understanding, and analysis of Woodridge's annual budget. Visit <https://woodridge.opengov.com> to check it out online. Below is an example of a graph that can be generated using the tool.



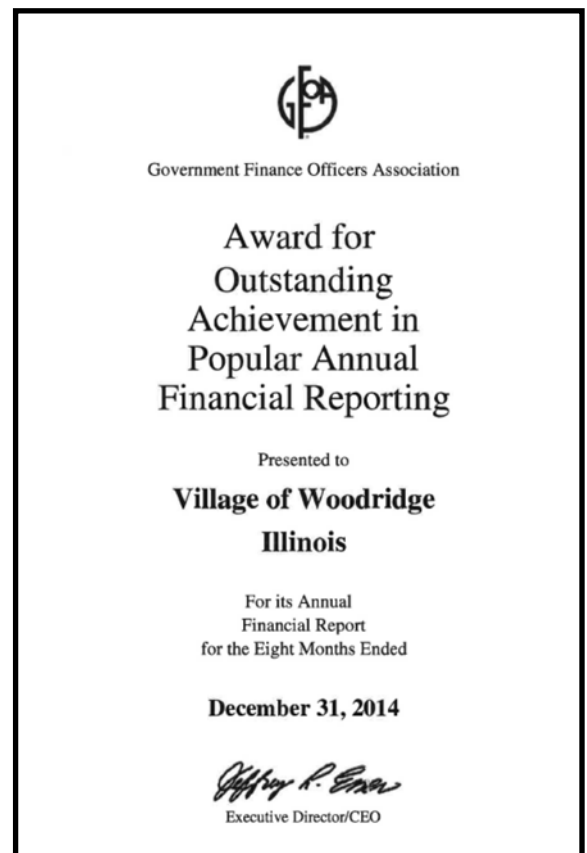
## Financial Recognition

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to The Village of Woodridge, Illinois for its Popular Annual Report for the fiscal period ended December 31, 2014. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government local reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Report whose contents conform to program standards of creativity, presentation, understandability and reader appeal.

An award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Popular Annual Financial Reporting re-

quirements, and we are submitting it to GFOA.



### Fitch Affirms Woodridge, IL's General Obligation Bonds at AAA—Outlook Stable

In March 2014 Fitch Ratings affirmed the Village's AAA rating on the Village's General Obligation (GO) bonds. This is the highest rating assigned by Fitch and reflective of the diverse revenue base, high reserve levels, strong economic base, and moderate long term liabilities of the Village. This is an important indicator of the financial strength of the Village and will serve to keep the future borrowing rates low.



## Village of Woodridge

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**[www.woodridge.il.us](http://www.woodridge.il.us)**



The Village of Woodridge, a home rule community as defined by the Illinois Constitution, was incorporated in 1959 and is located about 26 miles southwest of the City of Chicago in DuPage, Will and Cook counties, with a population of 32,971. 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, the construction and maintenance of highway, streets and infrastructure, and planning and development review. Fire protection is provided by independent Fire Protection districts. The Library, while it cannot issue general obligation bonds in its own name or levy its own property taxes, separately directs its own affairs, and therefore has its own financial statements.

The Village reports financial year-end results in the CAFR. The PAFR is an unaudited report that summarizes the most significant data for the year ended December 31, 2015 CAFR and is consistent with GAAP. For a complete review of the Village's financial position, consult the 2015 CAFR on the Village's website listed above, or contact the Finance Department at 630-719-4717.

### Principal Village Officials

#### Mayor

Gina Cunningham-Picek

#### Village Clerk

Eileene Nystrom

#### Village Board:

Greg Abbott	Mike Krucek
Pamela Beavers	Magin (Mike) Martinez
Mary Anne Blair	Kaleshia (Kay) Page

#### Administration:

Kathleen Rush	Village Administrator
Peggy Halik	Asst. Village Administrator
Nadine Alletto	Director of Finance
Christopher Bethel	Director of Public Works
Gina Grady	Chief of Police
Michael Mays	Director of Community Development

### PAFR Distribution

### Woodridge Numbers at a Glance:

- **Population:** 32,971
- **Median Income:** \$88,774 per household
- **Median Age (years):** 36.5
- **Unemployment Rate - May 2016:** 4.5%
- **Median Home Value:** \$237,250
- **Number of Full Time Equivalent Employees:** 131.25 (3.98 per 1,000 residents)
- **Equalized Assessed Value Tax Levy Year 2014:** \$1,048,618,606
- **Total Number of Households:** 13,392
- **Number of Business Parks:** 11 parks nearing 13 mil. square feet of office and warehouse space

If you have questions concerning this report or would like to offer your ideas on how to improve the information for future editions, please feel free to contact the Finance Department at (630) 719-4717.

This PAFR will be advertised in the Village's E-News as well as the Water Brief newsletters that go out with the water bills. It will be added to the PAFR link on the Finance Department's web page, as well as the Transparency page. Copies will be available at the Village Hall and at various Village events.