The background of the slide is a photograph of a stone building. A large, light-colored stone sign is mounted on the building, featuring the word 'Woodridge' in a large, serif font. The sign is partially obscured by the text overlay. The building's architecture includes stone columns and a clear sky is visible in the upper portion of the image.

Village of Woodridge

Popular Annual Financial Report

For the Year Ended
December 31, 2016

Village of Woodridge

Popular Annual Financial Report

For the Year Ended December 31, 2016

TABLE OF CONTENTS

Strategic Management Process	2
Village Profile	3
Village Demographics	4
Village Departments	5
Fund Structure	6
General Fund Revenues	6
General Fund Expenditures	7
General Fund Five-Year Comparison	7
Motor Fuel Tax Fund	8
Water and Sewer Fund	8
Capital Projects Fund	9
Other Village Funds	9
Financial Transparency	10

The Village of Woodridge, Illinois is pleased to present its fourth issue of the Popular Annual Financial Report (PAFR). The period reported is for the 2016 fiscal year. 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.

Financial reporting and transparency are a top priority for the Village as a way to provide open communication with residents and businesses. The PAFR is an unaudited report that summarizes the most significant data for the year ended December 31, 2016 and is consistent with GAAP. We hope this report provides Woodridge stakeholders a snapshot of the challenges and opportunities the Village of Woodridge is managing today and into the future. For a complete review of the Village's financial position, consult the 2016 CAFR on the Village's website listed above, or contact the Finance Department at 630-719-4717.

STRATEGIC MANAGEMENT PROCESS

The Strategic Management Process is an important step in developing the Village's goals for the coming year. Annually, Village officials hold a strategic planning session to discuss community needs and prioritize Village goals. Residents of Woodridge are given an opportunity to provide feedback through an annual Community Needs Survey and other public forums such as Town Meeting and Coffees with the Mayor and Board. Through these events, 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 the 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 four years, serves as a policy document, an operations guide, a financial plan and a communications device.

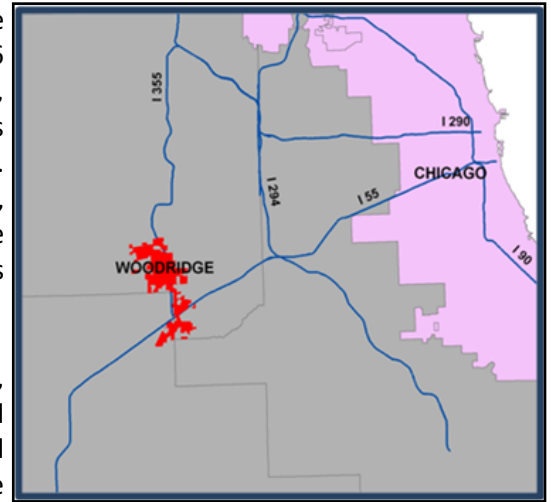
The FY2017 budget is available at: <http://www.vil.woodridge.il.us/DocumentCenter/View/2489>



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

Village Profile

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, 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. The Library offers 495 programs each year, including children's bilingual storytimes, summer lunch, art shows, and homebound delivery.

The Village of Woodridge offers many recreational opportunities for residents and visitors. The Woodridge Bikeway System provides over 21 miles of recreation and transportation opportunities to access businesses, schools, parks, forest preserves, municipal services, shopping areas, and regional bikeways. The Woodridge Park District coordinates 1,000 programs each year, manages 60 community and neighborhood parks and sites, woodlands, wetlands, bikeways and open space totaling 655 acres, and operates several recreation facilities, including Cypress Cove Family Aquatic Park, Village Greens Golf Course, the Athletic Recreation Center, and the Community Center.

Woodridge also 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, Morey Corporation, and Orbus, are several examples of major industry companies choosing Woodridge as their corporate headquarters.

Principal Village Officials

Mayor

Gina Cunningham-Picek

Village Clerk

Eileen Nystrom

Village Board:

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

Administration:

Peggy Halik	Interim Village Administrator
Nadine Alletto	Director of Finance
Christopher Bethel	Director of Public Works
Brian Cunningham	Chief of Police
Michael Mays	Director of Community Development



PAFR Distribution

This PAFR will be advertised in the Village's E-News, Facebook page, 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.

Village Demographics

The Village offers sustainable, high quality of life for residents and businesses! In addition to the Village's financial stability, the Village strives to provide superior customer service, responsive emergency services, and diverse programs and amenities. This section includes information on the principal employers in the Village as well as key demographic information.



Principal Employers

Employer:	Employees:	% of Total Village
The Morey Corp.	452	2.35%
Woodridge School Dist. 68	414	2.15%
Edward Don	400	2.08%
Wilton Industries, Inc.	395	2.06%
Orbus	363	1.89%
Enterprise Recovery Systems Inc. (ERS)	333	1.73%
Comcast	328	1.71%
Allstate Insurance Company	318	1.66%
Greencore	309	1.61%
Follett Educational Services	300	1.56%
TOTAL TOP 10	<u>3,612</u>	<u>18.80%</u>

Source: Village Community Development Department and U.S. Census Bureau

- **Population:** 32,971
- **Median Household Income:** \$88,774 per household
- **Median Age (years):** 37.9
- **Unemployment Rate - May 2016:** 4.0%
- **Median Home Value:** \$270,800
- **Number of Full Time Equivalent Employees—Village of Woodridge:** 122.25(3.98 per 1,000 residents)
- **Equalized Assessed Value Tax Levy Year 2016:** \$1,113,325,811
- **Total Number of Households:** 13,392
- **Number of Business Parks:** 11 parks, 13 mil. square feet of office and warehouse space

Sources: 2010 U.S. Census, ESRI Demographic and Income Profile, Illinois Department of Employment Security

Demographic and Economic Information Village of Woodridge, 2012-2016

	Population	Per Capita Personal Income	Unemployment Rate
2012	32,971	33,413	7.80%
2013	32,971	35,929	7.30%
2014	32,971	37,972	6.70%
2015	32,971	38,990	4.30%
2016	32,971	39,850	4.00%

Source: Village of Woodridge 2016 CAFR

Village Departments

The goals established for the budget year are addressed by the various departments who work together to coordinate Village services and accomplish strategic 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. 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 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** provides professional police services to the community and coordinates several outreach events and activities throughout the year, including open houses, community roll calls, and the Citizen's Police Academy.
- **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.

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 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 four tax levies — 2013-2016.

Village of Woodridge Fund Structure

The concept of fund accounting is fundamental to governmental accounting. A fund is a separate fiscal entity with its own resources, liabilities, and operating activity. Different funds are intended to achieve different objectives. The purposes of the seven fund types are described below.

- 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. The TIF Fund district is focused on redevelopment and the Motor Fuel Tax Fund provides for maintaining roads. Other examples include Special Service Area Funds and the State and Federal Drug Enforcement Fund.
- 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 used to account for funds from assets that the government holds as a trustee that it cannot use

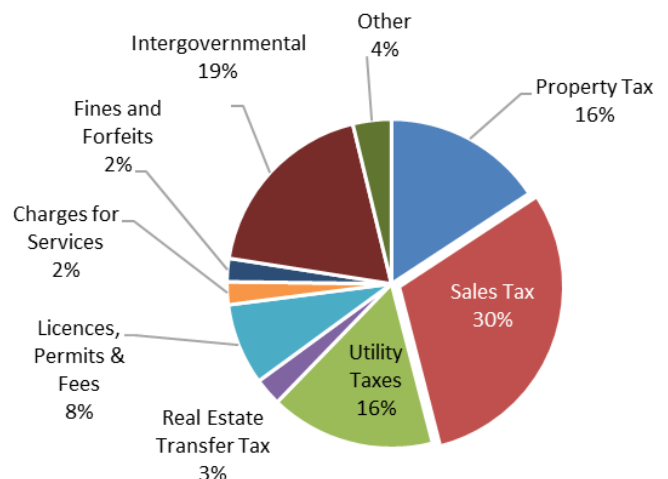
General Fund Revenues For the Year Ended December 31, 2016

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. In addition, all revenues and expenses not required to be reported for in another fund are in the General Fund.

The revenues in the fund, not including transfers, totaled \$21.1 million for the fiscal year. Four revenue sources provide 76% of revenues in the General Fund:

Sales Taxes: \$6.4 million
Property Taxes: \$3.3 million
Utility Taxes: \$3.4 million
Income Taxes: \$2.9 million

General Fund Revenues - Total \$21,116,322



These revenues support the day-to-day operations of Village departments and, when necessary, provides support to other funds. The Village is closely monitoring revenues from sales tax and income tax as these declined slightly in 2016. These decreases were offset by increases in other revenue sources, totaling \$770,000.

General Fund Expenditures - \$20,204,717

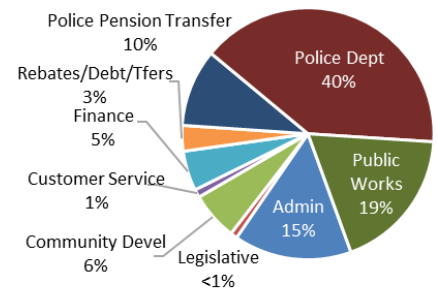
General Fund expenditures for 2016 totaled \$20.2 million. The revenues, on page six of this report, and expenditures shown here, are reported consistent with GAAP and agree with the Governmental Fund Statements on page 10 of the Comprehensive Annual Financial Report (available on the village website).

Reviewing expenditures by department, the Police Department represents 40% of the total at \$8.1 million. Public Works is 19% at \$3.7 million and Administration is 15% with \$3.1 million in expenses.

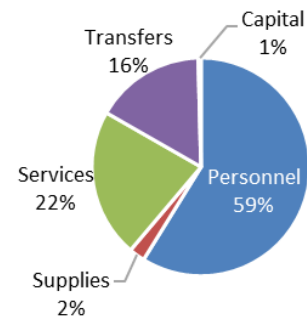
Reviewing expenditures by type, personnel costs are the largest expenditure at 59% of the total budget of \$12 million. The second largest expenditure is services at 25% of the budget. Expenditures here include professional services for attorneys, engineering, dispatch, and GIS. Transfers included here are made to the Police Pension Fund and Garage Fund. Rebates totaled \$660,000 and are for economic incentive agreements.

General Fund—Fund Balance
\$23,484,749

Expenditures by Department



Expenditures by Type

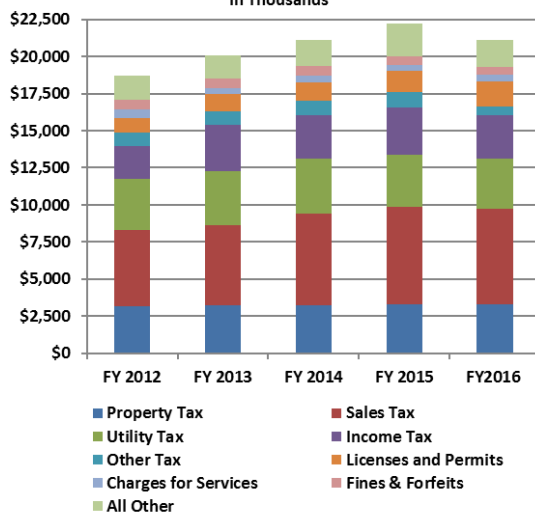


General Fund Revenues vs. Expenditures—5 Year Comparison

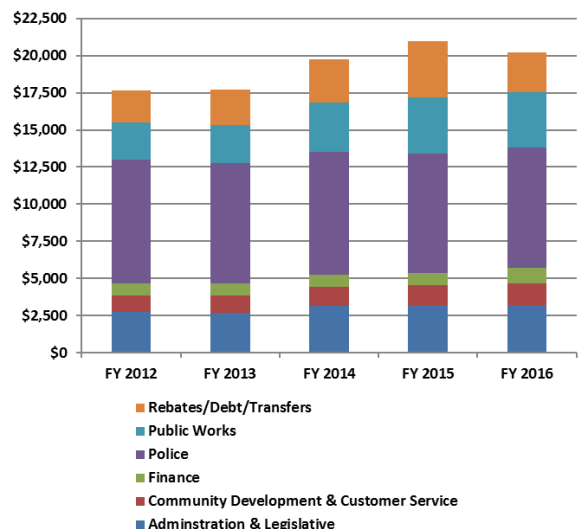
As illustrated on the revenue graph below, property taxes have been a fairly constant revenue source. Sales tax revenue has grown with the economic recovery as well as the addition of new businesses. Utility Tax revenue fluctuates with the economy and the weather. Income tax is a per capita allocation that is provided to the Village from the state. Licenses and permit revenue has increased due to new commercial construction and new residential subdivisions.

General Fund expenditures are shown by Department below. The Police Department is the largest of all departments primarily due to personnel expenses related to the sworn police officers who provide 24/7 police protection to the community. Public Works budget is the second largest budget due to the Village infrastructure and capital projects that they oversee, including stormwater management, road maintenance, and engineering projects.

**General Fund Revenue Comparison
in Thousands**



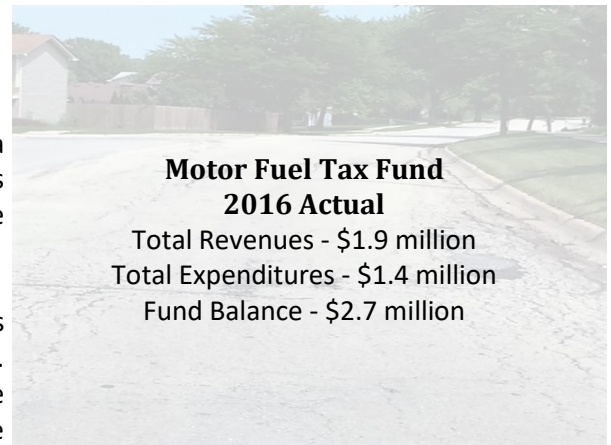
**General Fund Expenditure Comparison
in Thousands**



Motor Fuel Tax (MFT) Fund

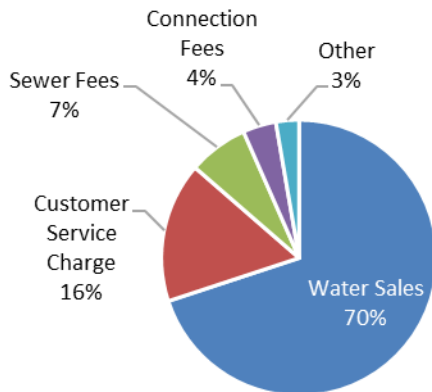
The Motor Fuel Tax (MFT) Fund is supported mainly by a per capita state allocation which comes from a state gasoline tax on gallons sold. This allocation has been declining in recent years as more efficient cars have reduced the amount of gasoline being purchased.

In 2016, the annual allocation received by the Village was approximately \$22.60 per resident, down about 1.4 cents from 2015. To address this continued decline in revenues needed to support the road program, on January 1, 2016, the Board approved an increase to the Village's Local Gas Tax to 4 cents and has allocated all of this to the MFT Fund. This has provided an additional \$745,000 in revenues to fund future road construction projects. The Village also researches and applies for grant funding when available. In 2016, the Village received over \$200,000 in grant funding for road projects.



Water & Sewer Fund Unrestricted Net Position—\$3.3 million, reflects net cash available

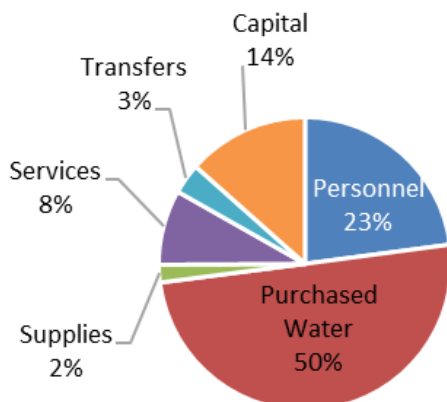
Water Revenues - Total \$10,070,065



The Water and Sewer Fund is used to account for the provision of potable water and 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. Infrastructure maintenance, repair, and replacement is needed to provide consistent and reliable service. Lastly, the cost of the water itself – a commodity that has risen in cost significantly over the last several years – is another part of all the costs associated with providing water.

The Woodridge water rate include a water use rate of \$8.18 per 1,000 gallons of water, a \$0.90 wastewater maintenance fee and a customer service charge which varies according to the size of the meter.

Expenses by Element - \$9,520,569



Capital Projects Fund

The Capital Projects Fund accounts for the acquisition of capital and improvements, engineering services for road construction projects, and debt payments. The Fund is supported by a portion of the 0.75% Home Rule Sales Tax, part of which is allocated for the Police and Public Works facility needs. 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). The Village also researches and applies for grant funding for capital projects. In 2016, the Village received a \$135,000 grant from the Illinois Environmental Protection Agency for an erosion control project.

The General Obligation Bond debt payments are currently being supported by the sales tax. The bonds were used for the acquisition of 44 acres of open space adjacent to the Village Hall and the Pine Ridge property, which has been redeveloped for senior housing.

In 2016, the following projects were completed or in progress:

- Enterprise Resource Planning system implementation—\$189,000
- Tree Purchase—\$160,000
- Streambank Stabilization—\$74,000
- Erosion Control Project—\$205,000
- Police Department and Public Works Facility Design—\$15,000
- Street resurfacing projects—\$57,000
- Bridge improvements—\$25,000

Capital Projects Fund 2016 Actual

Total Revenues - \$3 million
Total Expenditures - \$936,000
Fund Balance - \$10.6 million



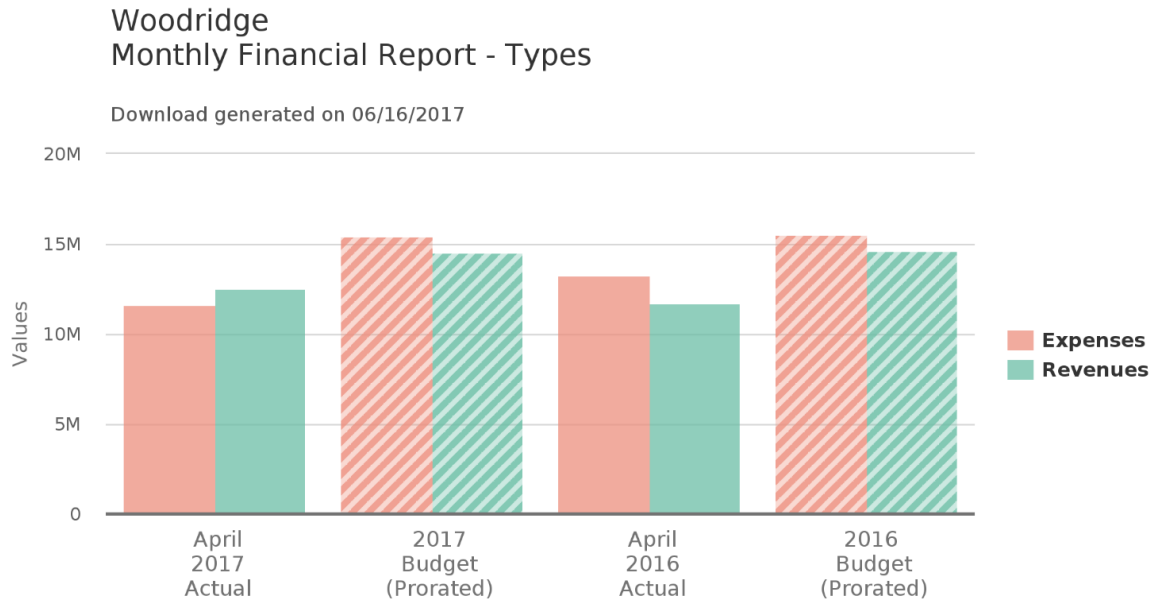
Other Village Funds

The chart below summarizes fund balances, revenues, and expenditures for 2016 for all other Village funds.

	STATE & FEDERAL DRUG ENFORCEMENT	TIF #2 - JANES AVENUE	SPECIAL SERVICE AREAS	DEBT SERVICE	EQUIPMENT REPLACEMENT	MUNICIPAL GARAGE	POLICE PENSION
Beginning Fund Balance	\$1,034,055	\$4,213,121	\$416,713	\$180,326	\$2,417,087	\$772,788	\$30,883,144
Revenues (+)	98,685	441,112	39,073	2,257,076	186,405	917,026	3,999,427
Expenses (-)	46,839	2,013,217	11,853	2,238,274	240,869	834,822	2,740,333
Difference	51,846	(1,572,105)	28,720	18,802	(54,464)	82,204	1,259,094
Ending Fund Balance	\$1,085,901	\$2,640,926	\$443,933	\$199,128	\$2,362,623	\$854,992	\$32,142,238

Financial Transparency

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. The Village has developed three reports for stakeholders to enhance their understanding and analysis of Woodridge's finances. The Annual Report provides a multi-year budget review, while the monthly financial reports compares year-to-date revenues with the prior period. The Village Checkbook report provides up-to-date accounts payable information. Visit <https://woodridge.opengov.com> to check out OpenGov 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 the Village an Award for Outstanding Achievement in Popular Annual Financial Reporting for its Popular Annual Financial Report. This is a prestigious national award recognizing conformance with the highest standards for preparation of state and

FitchRatings **AAA**
Community

In September 2016, 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 future borrowing rates low.

local government local reports.

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