

VILLAGE OF WOODRIDGE, ILLINOIS POPULAR ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2021



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The Village of Woodridge, Illinois is pleased to present its eighth issue of the Popular Annual Financial Report (PAFR) for the period ending December 31, 2021. The information contained within this report is based on the Village's Annual Comprehensive Financial Report (ACFR), which is a more detailed, inclusive report.

For a complete review of the Village's financial position, please consult the full audit report, which is available on the Village's website, https://www.woodridgeil.gov/my_government/finance/financial_reports.php

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 34,158, as of the 2020 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 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



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Woodridge Illinois

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

December 31, 2020

Christopher P. Merrill
Executive Director/CEO

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, 2020. The Village has received this award for the seventh 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 2021 PAFR Award.

WOODRIDGE'S LOCAL ECONOMY

The information presented in the financial statements is perhaps best understood when it is considered from the perspective of the specific environment within which the Village of Woodridge operates.

The housing market was very strong in 2021, as evidenced by the increase of Real Estate Transfer Tax revenues. The average selling price of a house was \$319,933, an increase of about \$20,000 over last year. Woodridge was very much in a seller's market, with almost 100% of the homes selling for at or above their asking price. The median length of time on the market was 9 days. The Village has a total of 13,104 households with a Median Household Income of \$85,192.

Over the years, the Village's assessed value of properties is \$1.378 billion in 2021. Of that amount, \$446 million was commercial and industrial related, up from \$437 million the year before and \$931 million was residential properties, up from \$911 million in 2020. The Village saw an increase in value of 4.85% when compared to 2020, and of this growth, \$5.8 million was from new construction.

The Village Board priorities continue to be crime prevention, maintenance of streets and storm water infrastructure, and the need to keep the tax base balanced against the needs to maintain property tax affordability and housing values. Pervasive factors affecting expenses are the price fluctuations of gasoline and petroleum products, winter road treatments such as salt and brine, health insurance costs, pension expenses, and succession and retention of employees. As Woodridge grows and matures, the Village will be challenged to continue to provide a high level of service as the economic benefits of new growth end. Incremental growth in the Village's revenue base and intergovernmental collaboration will be key components in meeting these challenges into the future.

More information on the Village's economy, financial trends, and demographics can be found on pages 162-184.

2021 WOODRIDGE AT-A-GLANCE

Population	34,158
Per Capita Personal Income	\$43,098
Median Age (years)	37.5
Unemployment Rate	2.8%
Average Home Value	\$320,000
Equalized Assessed Value - Tax Year 2021	\$1.4 billion
Total Sales Tax Revenue	\$7 million
Number of Full-time Employees (Village of Woodridge)	116
<i>Sources: Village of Woodridge records, Census Bureau, Bureau of Labor Statistics</i>	

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 only increased their levy by the amount of new growth in the Village the last few years. Before that, the levy remained flat for a number of years. 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, many of the Village's 2021 goals were put on hold as the Village Board and staff focused on managing staffing challenges resulting from the changing job market. The Village was also struck by an EF-3 tornado on June 20th, 2021, which required staff to redirect resources to manage emergency response and clean-up efforts. In spite of these challenges, the highlights from some of the Village's 2021 accomplishments are included below:

Partnered with other agencies to provide two COVID vaccine clinics and assisted residents in obtaining vaccines.

Staff supported the Biennial Census to ensure all of Woodridge was counted.

Maintained our Aa1 rating from Moody's and issued \$20 million in General Obligation Bonds to fund the Police and Public Works Facility Project.

Provided emergency service and clean-up efforts to residents and businesses impacted from the EF-3 tornado that hit a portion of the Village in 2021.

Facilitated the Cannabis referendum process and community engagement around the potential reconsideration of the cannabis sales ban.

FINANCIAL HIGHLIGHTS

CHANGES IN NET POSITION

A review of the changes in net position provides the reader with information on the results of the year's operations. 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, 2021, the Village's net position was \$122.1 million across all governmental and business-type activities. Of the total net position, \$98.4 million is the Village's investment in capital assets. These assets include streets, water mains, and sanitary sewers. An additional portion, \$4.8 million of the Village's net position represents resources that are subject to external restrictions on how they may be used including special levies, public safety, streets and highways, and debt service. The \$18.9 million in unrestricted net position represents unrestricted net position and can be used to meet the government's ongoing obligations to citizens and creditors.

The Village's combined total net position increased from \$118.3 million to \$122.1 million during fiscal year 2021. This increase is primarily due to total revenues exceeding total expenses by \$3.7 million.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	Dec-21	Dec-20	Dec-21	Dec-20	Dec-21	Dec-20
Current and Other Assets	\$ 78,424,834	58,039,899	13,675,162	11,046,727	92,099,996	69,086,626
Capital Assets	104,277,489	103,972,871	11,422,337	12,039,425	115,699,826	116,012,296
Total Assets	182,702,323	162,012,770	25,097,499	23,086,152	207,799,822	185,098,922
Deferred Outflows of Resources	11,624,342	13,024,073	1,659,755	1,660,407	13,284,097	14,684,480
Total Deferred Outflows of Resources	11,624,342	13,024,073	1,659,755	1,660,407	13,284,097	14,684,480
Long-Term Debt Outstanding	69,391,891	60,502,262	2,049,592	2,547,291	71,441,483	63,049,553
Other Liabilities	9,115,843	8,230,332	652,798	531,177	9,768,641	8,761,509
Total Liabilities	78,507,734	68,732,594	2,702,390	3,078,468	81,210,124	71,811,062
Deferred Inflows of Resources	16,639,607	9,162,008	1,136,580	462,365	17,776,187	9,624,373
Total Deferred Inflows of Resources	16,639,607	9,162,008	1,136,580	462,365	17,776,187	9,624,373
Net Position						
Net investment in capital assets	86,957,413	87,217,875	11,422,337	12,039,425	98,379,750	99,257,300
Restricted	4,846,769	3,988,162	-	-	4,846,769	3,988,162
Unrestricted	7,375,142	5,936,204	11,495,947	9,166,301	18,871,089	15,102,505
Total Net Position	99,179,324	97,142,241	22,918,284	21,205,726	122,097,608	118,347,967

GENERAL FUND BUDGET VS. ACTUAL REVENUES

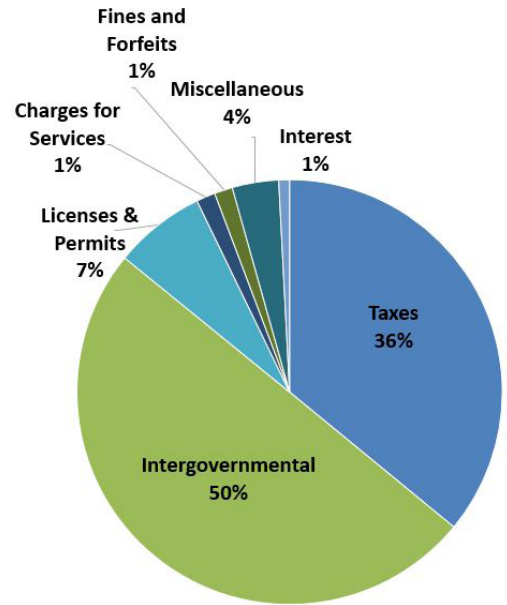
The General Fund is the Village’s largest operating fund. All revenues and expenditures not required to be reported for in another fund are in the General Fund. A breakdown of the General Fund revenues can be found on page 121 of the Annual Comprehensive Financial Report.

FY 2021 General Fund revenues totaled \$22.9 million. This is \$3.2 million more than budget. This favorable, but significant variance was caused by conservative revenue forecasts that anticipated poor performance during the pandemic.

In the General Fund, sales, property, income, and utility taxes are the four largest revenue sources, making up 74% of the total revenue. In 2021, these equaled \$17 million as follows:

1. Sales Taxes: \$7 million
2. Property Taxes: \$3.5 million
3. Income Taxes: \$3.9 million
4. Utility Taxes - \$2.6 million

General Fund Revenues



EXPENDITURES

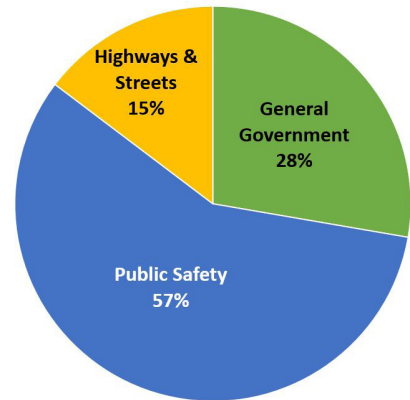
The General Fund spent a total of \$23.2 million in 2021, which is \$157 thousand favorable compared to the FY 2020 Budget. General Government expenditures were \$643 thousand lower than budget attributed to staffing shortages due to unfilled positions in several cost centers. Public Safety expenditures were under budget by \$199 thousand also due to position vacancies.

Offsetting these favorable variances, the Highways and Streets category, which is known as Public Works in the Village, was over budget by \$684 thousand as a result of the June 20, 2021 EF-3, tornado which impacted a portion of the Village, requiring emergency response, clean-up and reforestation efforts.

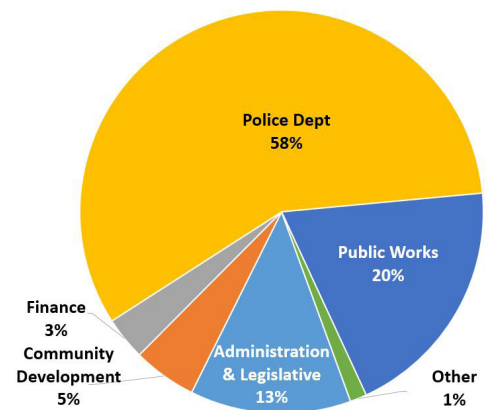
The complete General Fund expense budget vs. actual section begins on page 118 of the ACFR.

- Public Safety - \$13.36 million
- Public Works - \$4.5 million
- Administration & Legislative- \$3 million
- Community Development - \$967,340
- Finance - \$800,110
- Customer Service - \$218,360
- Sales Tax Rebates - \$309,320

Expenditures by Type



Expenditures by Department

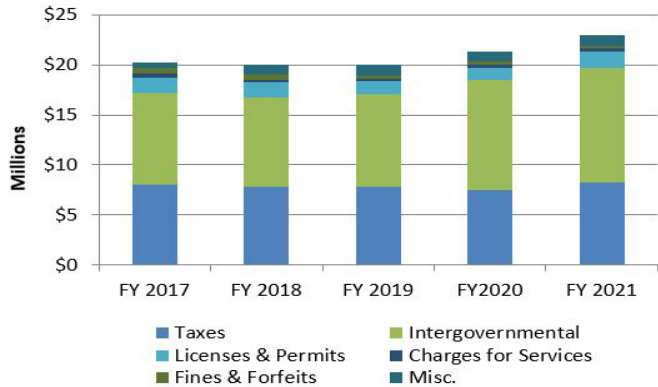


GENERAL FUND REVENUES VS. EXPENDITURES 5 YEAR COMPARISON - ACTUALS

REVENUES

- 2021 General Fund revenues are \$1.6 more than the 2020 as many revenue sources have rebounded following the COVID-19 economic shut down, including sales tax and income tax.
- FY 2021 revenues totaled \$22.9 million, which is the best revenue performance out of the past five years in the General Fund.
- The favorable variance compared to prior years is primarily due new legislation which now requires that State sales tax and Home Rule sales tax be collected from online sales.

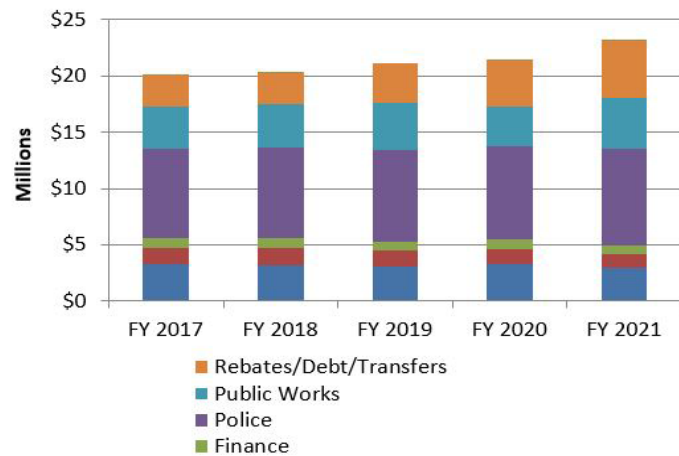
General Fund Revenues Five-Year Comparison



EXPENDITURES

- FY 2021 expenses totaled \$23.2 million. This represents a \$1.7 million increase compared to 2020 actuals, as the Police Pension Contribution increased \$700 thousand. The Village also incurred nearly \$800 thousand in tornado clean up and restoration expenses, following the EF-3 tornado that struck the Village and surrounding areas on June 20th, 2021.
- Over the past five years, General Fund expenses have increased \$3 million. The majority of this increase is related to the growth in the Village police pension contribution, which has increased over \$2 million over the past five years due to a change in the Village's Police Pension policy.

General Fund Expenditure Five-Year Comparison



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 134 of the ACFR includes information on the Capital Project Fund's revenues and expenditures compared to budget.

In 2021, the Village issued \$20 million in GO Bonds to help finance the Police and Public Works Facility Project. Excluding the bond issuance, FY 2021 revenues totaled \$3.7 million, which is \$612 thousand lower than FY 2021 Budget. Expenditures totaled \$2.8 million, which is \$7.1 million less than budget primarily due to delays in the Police and Public Works Facility Project.



Future Police and Public Works Facilities

Beginning Fund Balance	\$14,495,391
Revenues	3,678,399
2021 GO Bonds	20,157,327
Expenditures	(2,801,317)
Transfers Out to Debt Service Fund	(2,399,379)
Ending Balance	\$33,130,421

MOTOR FUEL TAX FUND

The Motor Fuel Tax (MFT) Fund is supported mainly by a per person state allocation which comes from the \$0.38 cent state tax on gallons sold. \$0.19 of this tax is deposited in the Transportation Renewal Fund, a portion of which is distributed to local governments based on population. The other \$0.19 comes to the Village in the form of Motor Fuel Tax. The Village received approximately \$39 per resident in 2021; this was a \$10,000 favorable increase in revenues compared to the FY 2021 Budget due to the State's inflationary increase to the Motor Fuel Tax.

The Village also has a \$0.4 cent per gallon local Motor Fuel Tax from which it received \$463,860 in revenues for the year. Total revenues in the MFT Fund were \$2.6 million, approximately \$245 thousand favorable to the FY 2021 Budget as the Village received two Rebuild IL Grant distributions, and the budget anticipated one payment.

This fund pays for the maintenance and construction of Village roads. In 2021, the Village spent approximately \$1.7 million on various road projects. See page 111 in the full audit for more information on the MFT Fund.

Beginning Fund Balance	\$2,089,552
Revenues	2,570,326
Expenditures	(1,730,489)
Ending Fund Balance	\$2,929,389

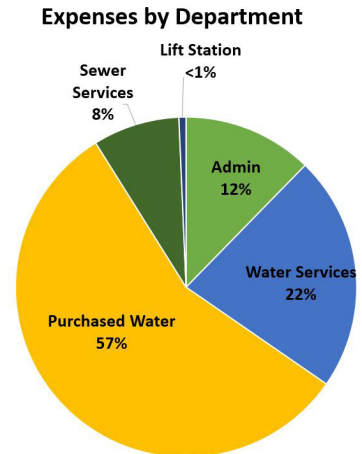
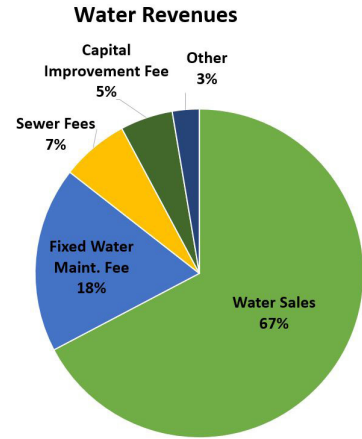
WATERWORKS & SEWERAGE FUND

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. Specialized personnel, trucks, tools and equipment are needed to maintain and operate these systems. The cost of the water itself is the largest part of all the costs in this fund, making up nearly half of all expenses. More information on the Water and Sewer Fund's revenue and expenses begins on page 149 of the full Annual Comprehensive Financial Report.

User fees provide the majority of the revenues in this fund. In 2021, the Village charged \$8.28 per 1,000 gallons of water, \$0.90 for sewer maintenance, a \$0.60 capital improvement fee, and a fixed water maintenance fee, which varies according to the size of the meter.

Water and Sewer Fund operating revenues totaled \$10.6 million, a \$470 thousand increase compared to the FY 2021 budget. Water consumption increased nearly \$357 thousand due to the COVID-19 stay-at-home orders, resulting in more sink, bathroom, shower, and washing machine use. In addition, the Village Board approved a \$0.30 increase to the Capital Improvement Fee to fund future infrastructure improvements.

Water and Sewer Fund operating expenses totaled \$9.2 million, \$3.8 million favorable to the FY 2021 Budget due to the re-budget of several capital projects, including repainting of one water tower, the 75th Street water main replacement, and Basin B interceptor capital.



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.

Many of the budgeted vehicles that were planned for replacement in 2021 were delayed due to supply chain issues. A fund breakdown is provided below.

Beginning Fund Balance	\$1,554,677
Revenues	\$611
Expenses	\$841
Transfers In	\$234,864
Ending Balance	\$1,798,311



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 Replacement	Municipal Garage	Police Pension
Beginning Fund Balance	\$1,189,776	\$645,534	\$285,593	\$2,505,201	\$309,379	\$45,868,605
Revenues	55,054	56,185	2,399,502	300,815	763,420	12,113,339
Expenditures	21,847	7,322	2,399,860	576,574	821,262	3,806,210
Difference	33,207	48,863	358	(275,759)	(57,842)	8,807,129
Ending Fund Balance	\$1,222,983	\$694,397	\$285,235	\$2,229,442	\$251,537	\$54,175,734

- 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 Village vehicles
- 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 is 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 Annual Comprehensive Financial Report as of the fiscal year ending December 31, 2021.