

# VILLAGE OF WOODRIDGE, ILLINOIS

## POPULAR ANNUAL FINANCIAL REPORT

### For the Year Ended December 31, 2022



#### MAYOR

Gina Cunningham

#### BOARD OF TRUSTEES

Jennifer Anteliz

Mary Anne Blair

Joseph Kagann

Mike Krucek

Magin "Mike" Martinez

Kaleshia "Kay" Page

#### VILLAGE CLERK

Joseph Heneghan

#### INSIDE THE 2022 PAFR

Village Background.....	1
PAFR Award.....	2
Local Economy.....	2
Property Taxes.....	3
Budget Process.....	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 eighth issue of the Popular Annual Financial Report (PAFR) for the period ending December 31, 2022. 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 under Financial Reports.

## 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.

The Village maintains its strong AA+ and Aa1 credit ratings with Fitch and Moody's, respectively. Both agencies cite the Village's strong fiscal management, healthy fund balances, and low long-term liability burden as their key rating drivers. The Village's rating outlook is stable; however, a lack of revenue to support Woodridge's police pension obligations is a rating sensitivity that should be addressed in the near future.

## 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, 2022. The Village has received this award for the eighth 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 2022 PAFR Award.



## WOODRIDGE'S LOCAL ECONOMY

Woodridge's economy continues to grow and diversify. Over the past decade, Woodridge's office, research, light industrial and warehouse distribution sector has grown dramatically. Nine industrial business parks and various industrial sites — including the 920-acre Internationale Centre — offer over 13 million square feet of business space for new and existing industry. In 2022, there was a total of 13,314,442 square feet of industrial warehouse in the community, with over 7,500 employees and almost a 98% occupancy rate. As a result of the Village's economic development efforts and strategic location, the Village's assessed value has tripled over the last two decades to nearly \$1.4 billion.

The Village has several major employers that call Woodridge their home, including Edward Don & Company, MPS Chicago Inc., Eaton Corporation, Senior Midwest Direct, Champion Packaging & Distribution, Parker Hannifin Corporation, The Morey Corporation, Hendrickson International, Teledyne Storm Microwave, Home Run Inn Pizza and AMS Mechanical.

In 2022, the Village welcomed over twenty new businesses – both large and small. Eaton Corporation, a global power management company made up of approximately 85,000 employees worldwide, occupied a new 370,000 square foot industrial building constructed on the site of the former AMC Theater at 10000 Woodward Avenue. Everclean Car Wash opened its new facility at 6804 Route 53. Smaller businesses, such as A&O Beauty Supplies and A&O Braiding School, opened up in the 83rd Street center at the corner of Janes Avenue and 83rd Street, and Pho Noodle Station opened up in the Woodgrove Festival shopping center at 1001 75th Street.

### 2022 WOODRIDGE AT-A-GLANCE

Population	34,158
Per Capita Personal Income	\$44,630
Median Age (years)	38.2
Unemployment Rate	2.9%
Average Home Value	\$370,000
Equalized Assessed Value - Tax Year 2022	\$1.4 billion
Total Sales Tax Revenue	\$10.5 million
Number of Full-time Employees (Village of Woodridge)	114

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

## MAKING CENTS OF PROPERTY TAXES

The Village's 2021 Property Tax Levy, for revenues collected in FY 2022, totaled \$3,325,150, which was allocated to the Village's police pension contribution. 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.

## BUDGET PROCESS

The following graphic illustrates the process that the Village Board and staff undertake to prepare the annual budget. As you can see, this process takes six months from start to finish and includes budget meetings, staff preparation, and inter-department coordination.



## 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, 2022, the Village's net position was \$133 million across all governmental and business-type activities. Of the total net position, \$102.6 million is the Village's investment in capital assets. These assets include streets, water mains, and sanitary sewers. An additional portion, \$11.2 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 \$19.2 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 \$122 million to \$133 million during fiscal year 2022. This increase is primarily due to total revenues exceeding total expenses by \$8.3 million.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	Dec-22	Dec-21	Dec-22	Dec-21	Dec-22	Dec-21
Current and Other Assets	\$ 76,234,419	78,424,834	18,816,810	13,675,162	95,051,229	92,099,996
Capital Assets	117,237,572	104,277,489	10,548,619	11,422,337	127,786,191	115,699,826
Total Assets	193,471,991	182,702,323	29,365,429	25,097,499	222,837,420	207,799,822
Deferred Outflows of Resources	18,465,558	11,624,342	1,577,481	1,659,755	20,043,039	13,284,097
Total Assets and Deferred Outflows of Resources	211,937,549	194,326,665	30,942,910	26,757,254	242,880,459	221,083,919
Long-Term Debt Outstanding	80,638,351	69,391,891	1,875,135	2,049,592	82,513,486	71,441,483
Other Liabilities	11,100,339	9,115,843	613,673	652,798	11,714,012	9,768,641
Total Liabilities	91,738,690	78,507,734	2,488,808	2,702,390	94,227,498	81,210,124
Deferred Inflows of Resources	13,854,559	16,639,607	1,798,513	1,136,580	15,653,072	17,776,187
Total Liabilities and Deferred Inflows of Resources	105,593,249	95,147,341	4,287,321	3,838,970	109,880,570	98,986,311
Net Position						
Net Investment in Capital Assets	92,063,324	86,957,413	10,548,619	11,422,337	102,611,943	98,379,750
Restricted	9,839,251	4,846,769	1,327,715	-	11,166,966	4,846,769
Unrestricted	4,441,725	7,375,142	14,779,255	11,495,947	19,220,980	18,871,089
Total Net Position	106,344,300	99,179,324	26,655,589	22,918,284	132,999,889	122,097,608

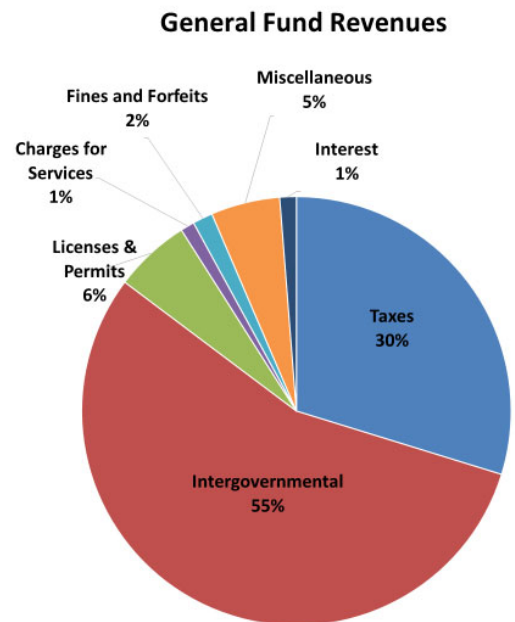
## GENERAL FUND REVENUES

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 117 of the Annual Comprehensive Financial Report.

FY 2022 General Fund revenues totaled \$28.6 million. At the end of the fiscal year, General Fund actual revenues were \$6,778,700 (or 31 percent) above the final budgeted amount. The Village recognized the first ARPA distribution in 2022 in the amount of \$2.3 million dollars. In addition, tax revenue performance greatly improved in 2022 compared to the previous two years.

In the General Fund, sales, property, income, and grants are the four largest revenue sources, making up nearly two-thirds of the total revenues. In 2022, these equaled \$18.8 million as follows:

1. Sales Taxes: \$8 million
2. Income Taxes: \$5 million
3. Property Taxes: \$3.5 million
4. Grants - \$2.3 million



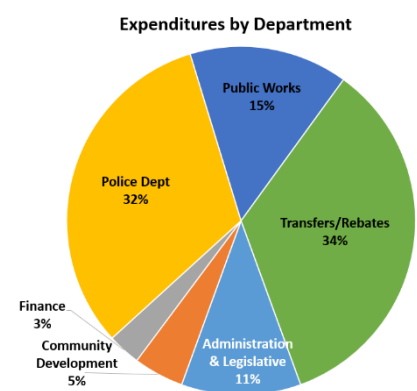
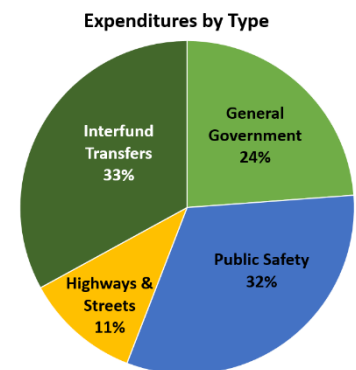
## EXPENDITURES

The General Fund spent a total of \$27.3 million in 2022, which is \$168,400 (less than one percent) over the final amended budget amount.

General Government expenditures were below budget by \$4,939 (less than one percent) primarily due to staffing shortages related to unfilled positions in several cost centers, as well as small budget-to-actual variances in the services category across several cost centers. In addition, the Highways and Streets expenditures were under budget by \$4,200 as a result of professional and repair and maintenance services ending the year lower than budget.

Offsetting these favorable variances, Public Safety expenditures were over budget by \$177,600 (or 1 percent). The budget vs. actual section begins on page 119 of the ACFR.

- Public Safety - \$8.7 million
- Public Works - \$4 million
- Administration & Legislative- \$3 million
- Community Development - \$1.3 million
- Finance - \$831,400
- Transfers/Rebates - \$9.4 million

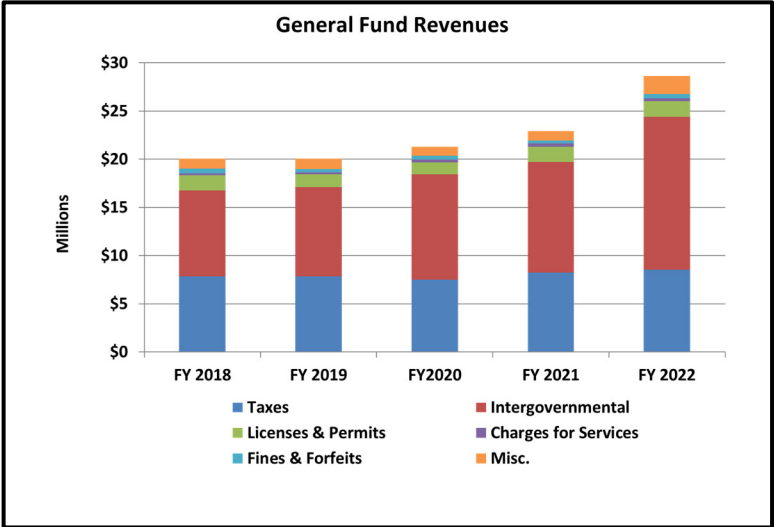


# GENERAL FUND

## 5 YEAR COMPARISON - ACTUALS

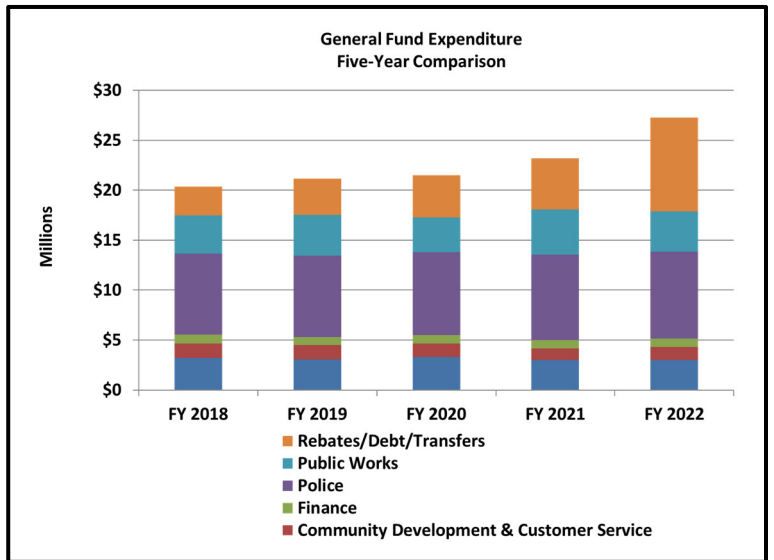
### REVENUES

- FY 2022 General Fund revenues are \$6.8 million higher than FY 2021 as tax revenues have recovered from the COVID-19 pandemic. In addition, the Village recognized the first ARPA distribution in the amount of \$2.3 million.
- FY 2022 revenues totaled \$28.6 million, which is the best revenue performance out of the past five years in the General Fund.
- With the exclusion of ARPA funds, 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.



### EXPENDITURES

- FY 2022 expenses totaled \$27.3 million. This represents a \$4.1 million increase compared to 2021 actuals primarily related to the addition of a one-time \$3.8 million transfer to the Water/Sewer Vehicle Replacement Fund to finance the Water Meter Replacement Project.
- Excluding the water meter transfer, General Fund expenses increased \$276,000 compared to FY 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 nearly \$2.7 million over the past five years due to a change in the Village's Police Pension policy.



## 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 the Police and Public Works facility 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 135 of the ACFR includes information on the Capital Project Fund's revenues and expenditures compared to budget.

In 2022, The Capital Projects Fund experienced a 26.3 percent or \$8.7 million decrease in fund balance as the Police and Public Works Facility Project expenses totaled nearly \$10 million in 2022.



*Design of new police facility scheduled to be completed in the fall of 2023.*

<b>Beginning Fund Balance</b>	<b>\$33,130,421</b>
Revenues	4,701,645
Expenditures	(11,519,522)
Other Financing Sources (Uses)	(1,907,887)
<b>Ending Balance</b>	<b>\$24,404,657</b>

## 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 \$69,000 decrease in revenues compared to the FY 2022 Budget as motor fuel consumption was lowered than expected. In addition, the State of Illinois froze the inflationary increase to Motor Fuel Tax.

The Village also has a \$0.4 cent per gallon local Motor Fuel Tax from which it received \$454,500 in revenues for the year. Total revenues in the MFT Fund were \$2.6 million, approximately \$116 thousand unfavorable to the FY 2022 Budget primarily attributed to lower fuel consumption.

This fund pays for the maintenance and construction of Village roads. In 2022, the Village spent approximately \$1.8 million on various road projects. See page 112 in the full audit for more information on the MFT Fund.

<b>Beginning Fund Balance</b>	<b>\$2,929,389</b>
Revenues	2,581,510
Expenditures	(1,788,640)
<b>Ending Fund Balance</b>	<b>\$3,722,259</b>

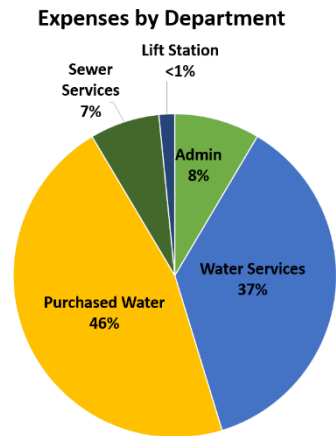
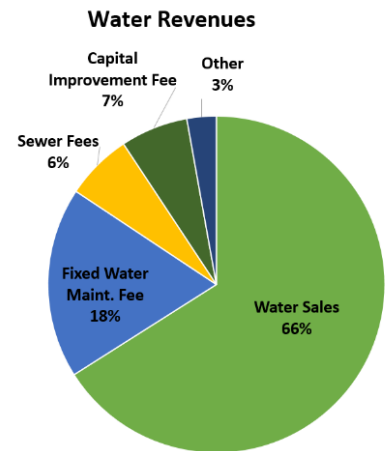
## WATER AND SEWER FUND

The Water and Sewer Fund is used to account for the purchase and re-sale 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 146 of the full Annual Comprehensive Financial Report.

User fees provide the majority of the revenues in this fund. In 2022, the Village charged \$8.49 per 1,000 gallons of water, \$0.90 for sewer maintenance, a \$0.90 capital improvement fee, and a fixed water maintenance fee, which varies according to the size of the meter.

Revenues increased \$318 thousand compared to the FY 2022 Budget primarily due to unbudgeted water rate increase in the amount of \$0.21. This was a pass-through increase from the DuPage Water Commission and City of Chicago, which is based on inflation.

Water and Sewer Fund operating expenses totaled \$9.8 million, excluding depreciation, which is \$4.7 million favorable to the FY 2022 Budget due to the re-budget of several capital projects, including 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 projects and vehicles that were planned for replacement in 2022 were re-budgeted to FY 2023. A fund breakdown is provided below.

<b>Beginning Fund Balance</b>	<b>\$1,798,311</b>
Non-operating Revenues	\$40,597
Expenses	\$0
Transfers In	\$4,075,912
<b>Ending Balance</b>	<b>\$5,914,820</b>



## OTHER VILLAGE FUNDS

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

	Drug Enforce- ment Funds	Special Service Areas	Debt Service	Equipment Replace- ment	Municipal Garage	Police Pension
<b>Beginning Fund Bal- ance</b>	<b>\$1,222,983</b>	<b>\$694,397</b>	<b>\$285,235</b>	<b>\$2,229,442</b>	<b>\$251,537</b>	<b>\$54,175,734</b>
Revenues	193,385	60,790	2,408,629	324,751	885,143	(2,589,902)
Expenditures	542,099	4,432	2,409,129	575,273	978,857	4,049,161
Difference	(348,714)	56,358	(500)	(250,522)	(93,714)	(6,639,063)
<b>Ending Fund Balance</b>	<b>\$874,269</b>	<b>\$750,755</b>	<b>\$284,735</b>	<b>\$1,978,920</b>	<b>\$157,823</b>	<b>\$47,536,671</b>

- 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 storm water 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, 2022.