

# Village of Montgomery, Illinois

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Annual Budget  
5/1/2014 – 4/30/2015



Matthew Brolley, Village President  
Jeff Zoepfel, Village Administrator  
Justin VanVooren, Director of Finance

Stan Bond, Trustee  
Theresa Sperling, Trustee  
Steve Jungermann, Trustee  
Denny Lee, Trustee  
Peter Heinz, Trustee  
Doug Marecek, Trustee

Village of Montgomery, Illinois  
Annual Budget Fiscal Year 2014 – 2015  
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# Chapter 1: *Introduction and Transmittal Letter*

## ***MONTGOMERY, ILLINOIS***

SETTLED IN 1835



# Chapter 1: *Introduction and Transmittal Letter*

## **MISSION STATEMENT:**

*To create an environment of service, leadership and civic commitment for a diverse, sustainable Village and vibrant, high-quality community life.*

## **GUIDLING PRINCIPLES:**

Our behavior is governed by our guiding principles and values, and our success depends on consistently living these values both as an organization and as a community.

- We act ethically, with integrity, honesty and are worthy of trust.
- We are respectful of people, property and the environment.
- We are open, cooperative, collaborative and value teamwork.
- We are accountable to ourselves, each other and the community.
- We embrace a standard of excellence and competence.
- We generate excitement, vitality and pride in our community.

## **OUR VISION:**

Our Downtown projects a beautiful sense of place, a vibrant center of retail, business services and social and recreational activity.

Our high-quality transportation network offers efficient mobility options and minimizes travel delays.

Montgomery stakeholders enjoy a rich palette of public services and amenities as a result of intergovernmental collaboration.

Quality open space and environmentally sound policies and actions exemplify our avid commitment to sustainability.

We are exceptional stewards of Village resources.

# Chapter 1: *Introduction and Transmittal Letter*



April 28, 2014

The Honorable Village President  
Members of the Board of Trustees  
Village Administrator  
Citizens of the Village of Montgomery

We are pleased to present to you the Village of Montgomery Budget for fiscal year 2014 – 2015. This budget represents the culmination of efforts by the Village President, Board of Trustees and staff to present a plan honoring our commitment to our residents to maintain financial strength, fiscal responsibility and plan for long-term sustainability of the Village. The following budget message presents an overview of the budget and the overall financial condition of the Village.

## ***INTRODUCTION***

This budget reflects our determination to allocate resources in a responsible and resourceful fashion. It was prepared to enable the Village Board, residents of Montgomery, investors, creditors, and other governmental units to gain the maximum understanding of the Village's programs and financial operations. The following principles guide the planning and spending decisions when compiling the annual budget:

- Provide funding for the improvement of the Village's streets, water and sewer infrastructure and municipal facilities.
- Maintain financial strength, fiscal responsibility and plan for long-term sustainability.
- Provide the highest possible services to the Village's citizens, visitors and businesses while keeping charges at a minimum.

The budget process is an opportunity for the Village to assess and evaluate how it commits its financial resources and makes decisions regarding their continued use. The process, if conducted effectively, will result in a clearly spelled out plan for the future of this organization and a general collective understanding of how and where limited fiscal resources will be directed. The Village President and Board of Trustees met in a number of workshops to review the fiscal year 2014 – 2015 budget. Topics during these workshops included an analysis of projected revenues and expenditures; discussion on capital projects and purchases; and analysis of current and future staffing needs. The final budget document presents the plan that will provide direction to staff and guide day to day performance as we continue to provide essential services to our residents.

# Chapter 1: *Introduction and Transmittal Letter*

A government budget containing special terminology, forms, charts and organization can become a challenge to the user. The main objective of this document is to communicate this information to the reader in a clear and understandable manner. This guide has been included to help the reader understand the organization of this document and to help inform the reader where to look for certain types of information. The Budget document is comprised of three (4) major sections; Introduction, Financial, and Appendices.

The Introduction section (Chapters 1 – 3) contains this letter, basic information about the Village, the budget process itself, a brief history of the community, personnel and property tax related information, and selected demographics.

The Financial section (Chapters 4 – 5) contains summary level budget information for the community as a whole, as well as explanatory budget material about each of the funds listed. The budget is presented as a collection of separate funds, each of which consists of a self-contained set of revenues, expenditures, interfund transfers, and fund equity amounts. In addition, it includes detailed accomplishments and goals for each department.

The Appendices (Chapter 6) include definitions of terms and acronyms and the classification of sources and uses of funds used throughout the report. These appendices are intended to assist the reader in gaining a basic understanding of the terminology and classification used due to the specialized nature of accounting and financial reporting for government entities.

## ***LEGAL REQUIREMENTS***

State law requires that all general-purpose local governments pass an appropriation ordinance within the first quarter of each fiscal year or an annual budget shall be adopted by the corporate authorities before the beginning of each fiscal year to which it applies. The Village has chosen to adopt sections 5/8-2-9.1 through and including sections 5/8-2-9.10 of Chapter 65 of the Illinois Compiled Statutes (Municipal Code) which provide for a municipality's financial operation under an annual budget in lieu of an appropriation ordinance. The annual budget represents the single most important policy adopted each year in any organization.

The corporate authorities shall make the tentative annual budget conveniently available to public inspection for at least ten days prior to the passage of the annual budget, by publication in the journal of the proceedings of the corporate authorities or in such other form as the corporate authorities may prescribe. Not less than one week after the publication of the tentative annual budget, and prior to final action on the budget, the corporate authorities shall hold at least one public hearing on the tentative annual budget, after which hearing or hearings the tentative budget may be further revised and passed without any further inspection, notice or hearing. Notice of this hearing shall be given by publication in a newspaper having a general circulation in the municipality at least one week prior to the time of the hearing.

The legal level of budgetary control is the level at which a government's management may not reallocate resources without special approval from the legislative body is at the department level. Although the Village is allowed to change direction and amend its budget during the year, the Village has chosen not to do so in the recent past. The same procedures delineated above, including availability for public

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inspection, publication of hearing notice, public hearing, and passage, would need to be followed if management deemed it necessary to amend the budget.

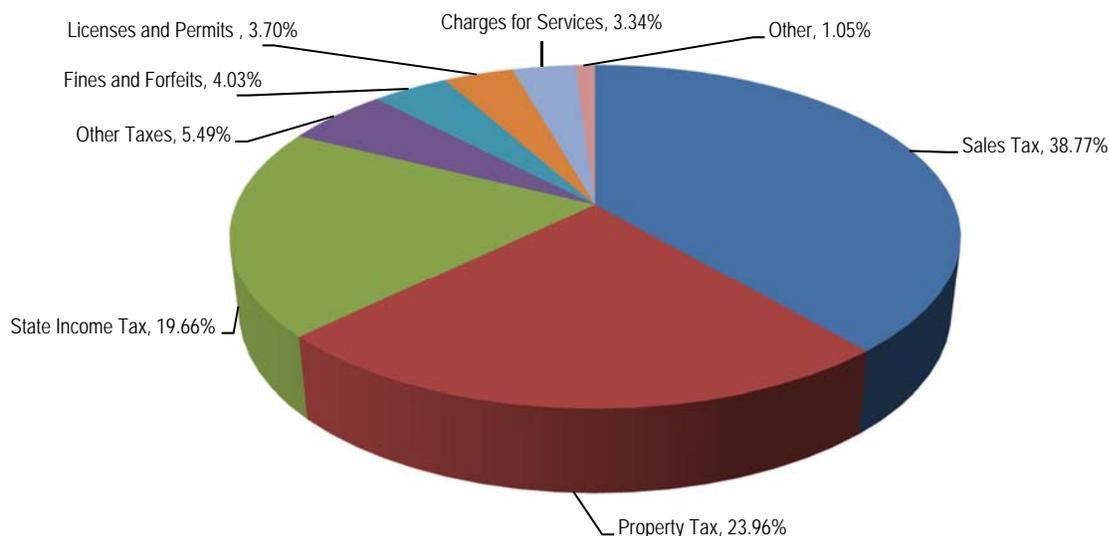
## **OVERALL FINANCIAL SUMMARY**

Mindful of the above principles, the current economic environment, future prognostications and the potential for the unexpected, Montgomery has seen only a minor increase in expenditures. Department heads are asked to reduce expenditures whenever possible. With assistance from staff, a balanced budget is hereby presented. A balanced budget is a budget in which revenues meet or exceed expenditures and, cash reserves or fund balance is not considered a revenue source. Various aspects of this budget and their implications are discussed at length throughout this document for your consideration. The following information will cover the major issues that have impacted both this and future years' budgets. This information will include key budget decisions and processes and talk about the impact of the economy.

The fiscal year 2014 – 2015 Budget was adopted on April 28, 2014 in compliance with State Statues. The fiscal year 2014 – 2015 Budget has projected total revenues of \$24,319,752 and total expenditures of \$24,889,218.

## **GENERAL FUND**

The General Fund is the basic operating fund of the Village. The General Fund includes revenues and expenditures of all governmental activities, except those funds that must be accounted for independently under Illinois law. Most of the major revenues the Village receives are allocated to this fund. The Village's revenues include the Village's property tax, sales tax, income tax, charges for services, licenses and permits, fines and forfeitures, intergovernmental, and investment income. Fiscal year 2014 – 2015 General Fund revenues are \$9,173,133 compared with total expenditures of \$9,158,459. The following graph shows the percentage of revenue received from each source.



# Chapter 1: *Introduction and Transmittal Letter*

## ALL FUNDS

The following tables detail the breakdown of revenues and expenditures by Fund showing a four year history. Funds included in this summary are the General, Motor Fuel Tax, Economic Development Loan, Forfeiture and Seizure, Emergency 911 (E-911), Capital Improvement, Lakewood Creek Project, Tax Increment Financing (TIF) #1, Tax Increment Financing (TIF) #2, Debt Service, Water, Water Improvement, Employee Insurance, Vehicle Reserve, Refuse, Police Pension, Police Gifts, and the Special Service Area Funds. The adopted budgets strategically provide for the usage of available fund balances to minimize the need for incremental funding in fiscal year 2014 – 2015.

### REVENUES - ALL FUNDS

REVENUES	Actual FY 2011	Actual FY 2012	Actual FY 2013	Budget FY 2014	Projected FY 2014	Budget FY 2015
General	\$ 8,713,636	\$ 9,129,426	\$ 9,393,471	\$ 9,435,635	\$ 10,070,131	\$ 9,173,133
Motor Fuel Tax	1,165,675	570,704	559,911	523,266	615,777	671,575
Economic Development Loan	32,224	32,284	20,651	1,230	10,223	14,560
Forfeiture and Seizure	29,238	31,131	47,937	29,500	37,362	16,400
E-911	83,377	85,745	100,775	40,000	79,031	-
Capital Improvement	2,584,774	1,359,898	1,334,744	1,358,550	1,455,012	1,460,758
Lakewood Creek Project	66,601	54,827	49,357	-	106,904	75,001
TIF #1	42,204	29,922	32,600	33,000	37,726	40,000
TIF #2	-	-	-	-	-	-
Debt Service	9,087,100	5,911,957	1,515,840	1,599,525	1,599,525	987,233
Water	3,530,642	4,462,388	3,979,113	4,411,000	4,032,028	4,499,585
Water Improvement	66,374	234,378	524,862	5,070,460	5,546,080	3,581,535
Employee Insurance	563,966	789,056	760,013	712,200	763,658	879,923
Vehicle Reserve	168,793	50,025	251,667	167,000	813,371	616,547
Refuse	-	-	-	-	103,000	1,239,842
Police Pension	857,172	568,209	1,038,675	639,780	838,262	662,500
Police Gifts	100	200	199	250	2,700	250
Special Service Areas	84,575	152,489	444,685	400,910	394,941	400,910
<b>TOTAL REVENUES</b>	<b>\$ 27,076,451</b>	<b>\$ 23,462,639</b>	<b>\$ 20,054,500</b>	<b>\$ 24,422,306</b>	<b>\$ 26,505,731</b>	<b>\$ 24,319,752</b>

Total revenues are \$102,554 or 0.42% less than the fiscal year 2013 – 2014 budget and \$4,265,252 or 21.27% more than the fiscal year 2012 – 2013 revenues. The change in revenue can be attributed mainly to the General, Water Improvement, and Vehicle Reserve Funds.

Although the General Fund shows a decrease above, that is after separating the Refuse Fund into its own fund. Therefore, the net increase is \$1,019,504 or 10.85% and is mainly due to sales tax from the new businesses opening in Montgomery, especially the new Sam's Club that will be opening during fiscal year 2014 – 2015.

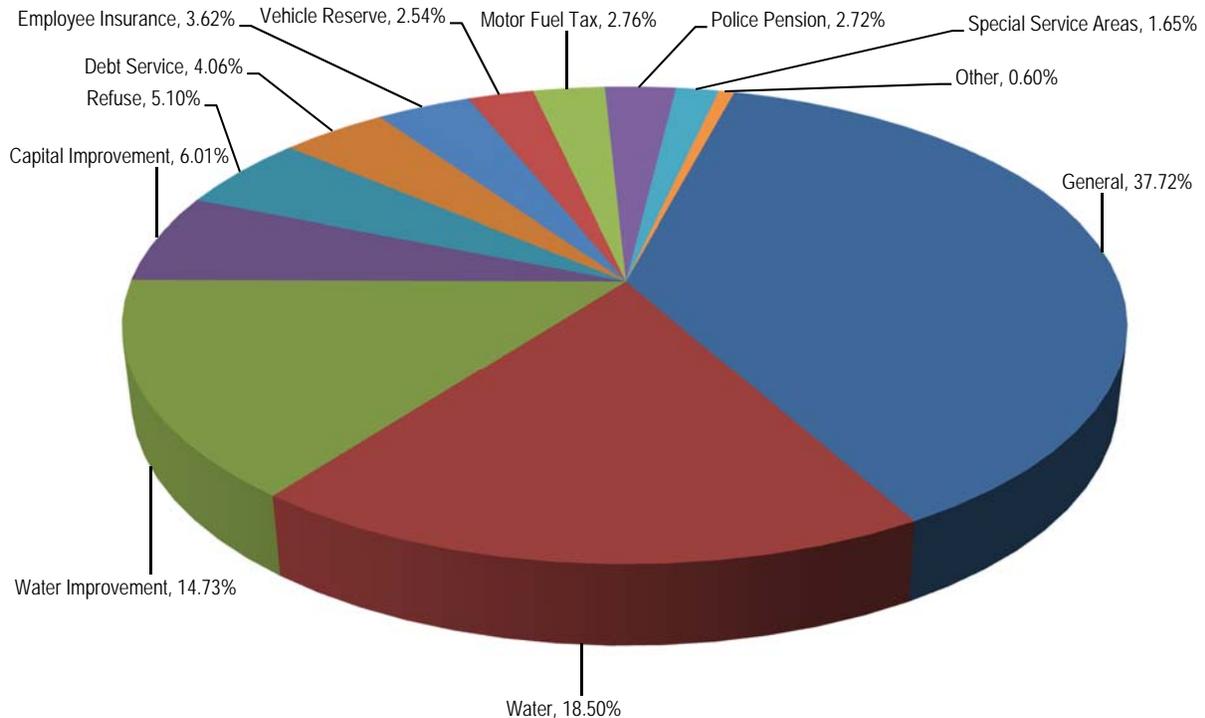
In addition, the Water Improvement Fund reflects \$4.8 million of bonds in fiscal year 2013 – 2014 and \$3.5 million of Illinois Environmental Protection Agency (IEPA) loans in fiscal year 2014 – 2015 to pay for the Boulder Hill water main project.

Lastly, the Village has made a concerted effort to rebuild the Vehicle Reserve Fund over the next 10 years by increasing the contributions, starting in fiscal year 2013 – 2014 and continuing in fiscal year 2014 –

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2015. There are also decreases in some revenues which are attributed mainly to the E-911 and Debt Service Funds. The E-911 Fund decreased by \$100,000 or 100% due to the outsourcing of Montgomery's 911 Dispatch Center in October 2013. Therefore, the Village will no longer receive these funds. In addition, the Village restructured its debt service schedule during fiscal year 2013 – 2014 and the decrease is noted in the amount of transfers in necessary to pay debt service in fiscal year 2014 – 2015.

The following chart shows the Village's total revenues for all funds classified by fund for fiscal year 2014 – 2015. The General Fund brings in the most revenue at 37.72% followed by the Water Fund at 18.50%, Water Improvement Fund at 14.73%, Capital Improvement Fund at 6.01%, and Refuse Fund at 5.10%.



Several of the Village's revenue sources are elastic revenues which are dependent on the economy and as such are expected to show increasing growth over the next few fiscal years due to the recovery in the economy.

# Chapter 1: Introduction and Transmittal Letter

## EXPENDITURES - ALL FUNDS

EXPENDITURES	Actual FY 2011	Actual FY 2012	Actual FY 2013	Budget FY 2014	Projected FY 2014	Budget FY 2015
General	\$ 7,927,998	\$ 8,769,221	\$ 9,017,391	\$ 9,308,280	\$ 10,047,192	\$ 9,158,459
Motor Fuel Tax	961,971	433,507	545,843	865,400	914,100	763,990
Economic Development Loan	7,705	1,225	1,859	2,500	4,200	5,000
Forfeiture and Seizure	18,304	24,888	61,203	10,750	55,215	29,750
E-911	73,185	90,505	127,091	150,000	122,000	39,500
Capital Improvement	1,871,174	1,544,518	1,633,626	1,705,525	1,634,325	1,233,233
Lakewood Creek Project	59,672	61,822	61,395	-	67,778	74,556
TIF #1	8,188	18,201	200	67,670	9,200	62,170
TIF #2	-	-	-	-	39,900	500
Debt Service	9,054,037	5,889,432	1,515,339	1,599,525	1,600,075	987,233
Water	3,765,340	3,979,210	4,843,776	3,623,400	4,033,822	3,959,363
Water Improvement	355,720	1,962,666	746,537	5,055,360	4,308,415	5,273,060
Employee Insurance	563,542	655,770	701,646	712,200	763,658	879,923
Vehicle Reserve	36,602	125,127	318,830	165,000	388,559	426,391
Refuse	-	-	-	-	-	1,239,592
Police Pension	341,978	358,183	375,739	235,500	434,753	395,498
Police Gifts	1,071	629	8,596	1,000	1,000	1,000
Special Service Areas	195,675	248,360	387,058	440,035	413,324	360,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 25,242,162</b>	<b>\$ 24,163,264</b>	<b>\$ 20,346,129</b>	<b>\$ 23,942,145</b>	<b>\$ 24,837,516</b>	<b>\$ 24,889,218</b>

Total expenditures are \$947,073 or 3.96% more than the fiscal year 2013 – 2014 budget and \$4,543,089 or 22.33% more than the fiscal year 2012 – 2013 expenditures. The change in expenditures can be mainly attributed to the General and Water Improvement Funds.

Although the General Fund shows a small increase above, that is after separating the Refuse Fund into its own fund. Therefore, the net increase is \$1,380,660 or 15.31% and is due to sales tax incentives from the new businesses opening in Montgomery, increasing Vehicle Reserve Fund contributions (shown as expenditures in the applicable departments), and the addition of staff.

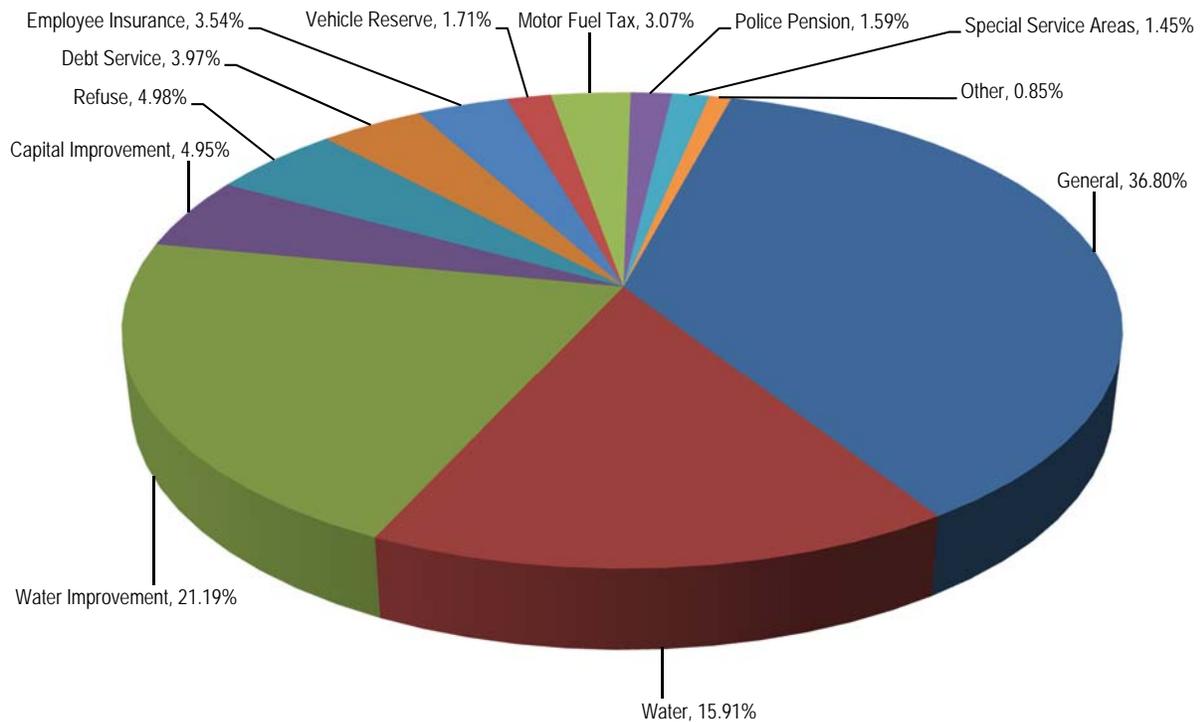
In addition, the Water Improvement Fund reflects costs associated with the Boulder Hill water main project of \$3.4 million in fiscal year 2013 – 2014 and \$4.7 million in fiscal year 2014 – 2015. This \$8.0 million project is the largest single expenditure in the budget for both fiscal years. Residents of Boulder Hill, an unincorporated subdivision which the Village supplies with water, saw an increase in their utility bills to pay for the aforementioned work.

There are also decreases in some expenditures which are attributed mainly to the Capital Improvement and Debt Service Funds. The Capital Improvement Fund collects utility taxes to pay for the debt service on the Village Hall and Police Station. The Village restructured this debt service during fiscal year 2013 – 2014 and the decrease is noted in the amount of transfers out of the Capital Improvement Fund and the actual debt service costs in the Debt Service Fund in fiscal year 2014 – 2015.

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The Village, as a service driven organization, continues to expend the greatest percentage of its budget on personal services (wages and benefits). For fiscal year 2014 – 2015, personal services expenditures are expected to total \$6,514,575 or 26.17% of total budgeted expenditures. This is an increase of 4.75% over the fiscal year 2013 – 2014 budgeted expenditures of \$6,218,890.

The following chart shows the Village's total expenditures for all funds classified by fund for fiscal year 2014 – 2015. The Village is a service provider and the General Fund is the main operating fund of the Village, accounting for 36.80% of all expenditures. The Water Improvement Fund expenditures account for 21.19%, the Water Fund accounts for 15.91% of expenditures and Capital Improvements account for 4.95%.



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## **PENSION FUNDS**

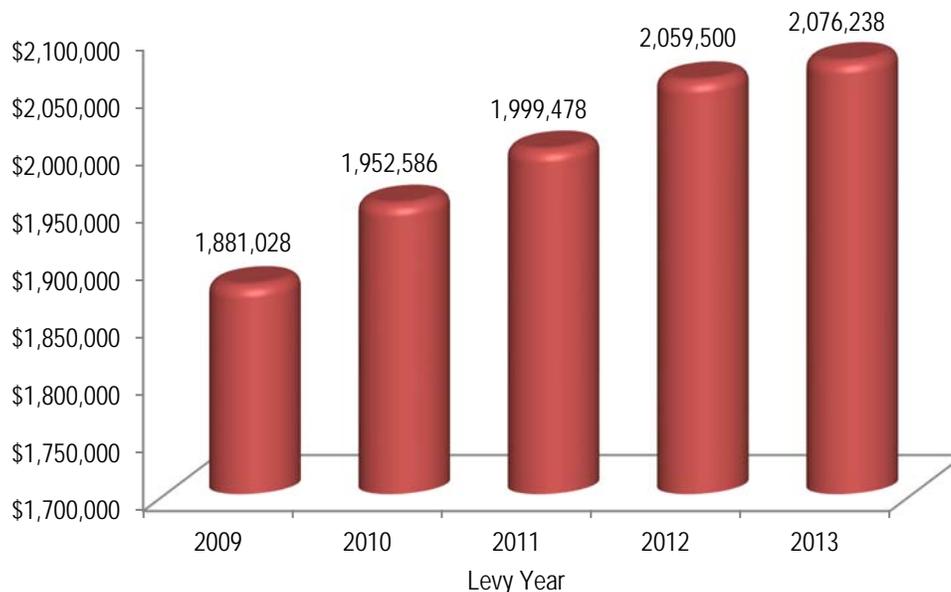
The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system and the Police Pension Plan which is a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. The Village is committed to making 100% of its annual required contribution to these funds.

All employees (other than those covered by the Police Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Employees covered by the Illinois Municipal Retirement Fund (IMRF) contribute 4.5% of their gross pay, while the Village contributes 12.94% (for calendar year 2014) of each employee's gross pay. The employer's share is expensed in each operating function, and is projected to stay level in fiscal year 2014 – 2015.

Full-time sworn police personnel are covered by the Montgomery Police Pension Plan. Employees covered by the Police Pension contribute 9.91% of their basic wages (no overtime), while the Village contributes 23.69% (for fiscal year 2014) of each employee's basic wages. The employer's contribution to the Police Pension Fund is expensed through the Police Department budget and is financed through General Fund revenues. The contribution is actuarially determined as adequate for funding pension payments and for amortizing any deficiency. Additional income is derived from investment earnings.

## **PROPERTY TAX LEVY**

The 2013 Property Tax Levy for all Village funds, excluding Special Service Areas, is projected at \$2,076,238. This represents an increase of 0.81% from the adopted 2012 levy. The levy has increased due to the new growth in the Village.



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## ***ECONOMIC OUTLOOK***

Municipal revenue streams traditionally have been reasonably constant and predictable. For municipalities in their growth stage, such as Montgomery, expenditure growth frequently exceeds revenue needed to fund new operating and capital programs. The budget cycle provides an opportunity to review lists of new services and programs which could be provided to residents and enhance the Village.

The Village has faced unprecedented challenges over the last couple of years under the Great Recession. Although the recession has ended, the economic recovery continues to be slow amid high unemployment and a decimated housing market with high inventories. The Village has seen the number of foreclosures drop and expects that trend to continue, while purchases of homes already foreclosed upon have been on the increase. The recent economic hardships has dramatically changed the landscape of municipal finance.

The Great Recession hit just as the Village was spending millions of dollars on capital improvements to pay for the dramatic increase in the Village's population. The Village had also seen an increase in the demand for services due to Montgomery's tremendous population growth and had to hire more employees. Health insurance and police pension contributions had increased more than 50% during this time period as well. The Village had to take action to reverse the trend before it depleted its financial reserves. Over the past four years the Village has reduced staffing; moved \$150,000 of snow removal expenditures to the Motor Fuel Tax Fund from the General Fund; reduced or removed salary increases; and eliminated the local Dispatch Center (savings of approximately \$200,000 to use regional dispatch center KenCom).

The Village moved to a pay for performance plan in fiscal year 2013 – 2014 whereby non-represented and Public Works Local 150 union employees will only be given an increase in November based solely on performance. The Police Patrol union employees will still receive the cost of living adjustment (COLA) and step increases as outlined in their contract.

Overall, the Village has taken numerous steps to eliminate the effects of the economic downturn. The Finance Department will continue to analyze the budget during fiscal year 2014 – 2015 as the economic recovery takes hold. The Village wants to ensure the recovery continues and revenue sources come in at or above expectations, while expenditures/expenses come in at or below expectations. A change either way will make it necessary for the Village to reexamine the budget during fiscal year 2014 – 2015.

## ***CONCLUSION***

The Village has big plans for its residents moving forward. The Village was awarded a \$100,000 grant through the Illinois Department of Commerce and Economic Opportunity to update its 10 year old comprehensive plan. The Go Montgomery 2035 Comprehensive Plan, which was completed during fiscal year 2013 – 2014, recognizes changes in economic climate, represents the Village's vision for the future, and serves as the Village's official policy guide for improvement and development. The Plan, which outlines the Village's vision, goals, and objectives, is intended to provide a common playbook for elected and appointed officials, businesses and developers, residents, and other local bodies of government. As a policy guide, it is meant to inform and share decisions about land use and development, transportation and infrastructure, parks and open space, and much more. As a representation of the community's

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development desires, the Plan will assist the Village's leadership in achieving the community's shared vision for its future.

The Village budgeted to update its Strategic Plan during fiscal year 2014 – 2015. A strategic planning retreat will be held to determine the vision and direction of the Village, as well as formally establish and prioritize Village goals.

The Village will utilize the results of the Go Montgomery 2035 Comprehensive Plan and Strategic Plan to move the Village forward both in the current year and the years to come.

### **AWARDS AND ACKNOWLEDGEMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Distinguished Budget Presentation Award to the Village of Montgomery for its annual budget for fiscal year 2013 – 2014. This was the second consecutive year the Village has received this prestigious award. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

The Distinguished Budget Presentation Award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for a third certificate.

In addition, the Village also received the Government Finance Officers Association of the United States and Canada (GFOA) Certificate of Achievement for Excellence in Financial Reporting award for its Comprehensive Annual Financial Report for the fiscal year ended April 30, 2013. This was the eleventh consecutive year that the Village has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

The preparation of this report would not have been possible without the efficient and dedicated services of the Village Administrator and staff of the Finance Department. I would also like to express my appreciation to each department and their staff who assisted and contributed to the preparation of this report. In addition, I would like to express my sincere appreciation to the Village President and Village Trustees for their unfailing support in maintaining the highest standards of professionalism in the management of the Village's finances. The entire Village staff is truly committed to the future of the Village and providing the most efficient and effective government services in a fiscally responsible and courteous manner.

Respectfully submitted,

Justin E. VanVooren, CMA, CPA  
Director of Finance

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## VILLAGE OF MONTGOMERY Principal Officials

---

### Village President

Matthew Brolley  
(Term expires April 2017)

### Village Trustees

Stan Bond  
(Term Expires April 2015)

Doug Marecek  
(Term Expires April 2015)

Pete Heinz  
(Term Expires April 2015)

Steve Jungermann  
(Term Expires April 2017)

Thersa Sperling  
(Term Expires April 2017)

Denny Lee  
(Term Expires April 2017)

### Village Clerk

Heidi Dziedzic  
(Term Expires April 2017)

### Management Staff

Jeff Zoephel

Village Administrator

Daniel Meyers

Chief of Police

Mike Pubentz

Director of Public Works

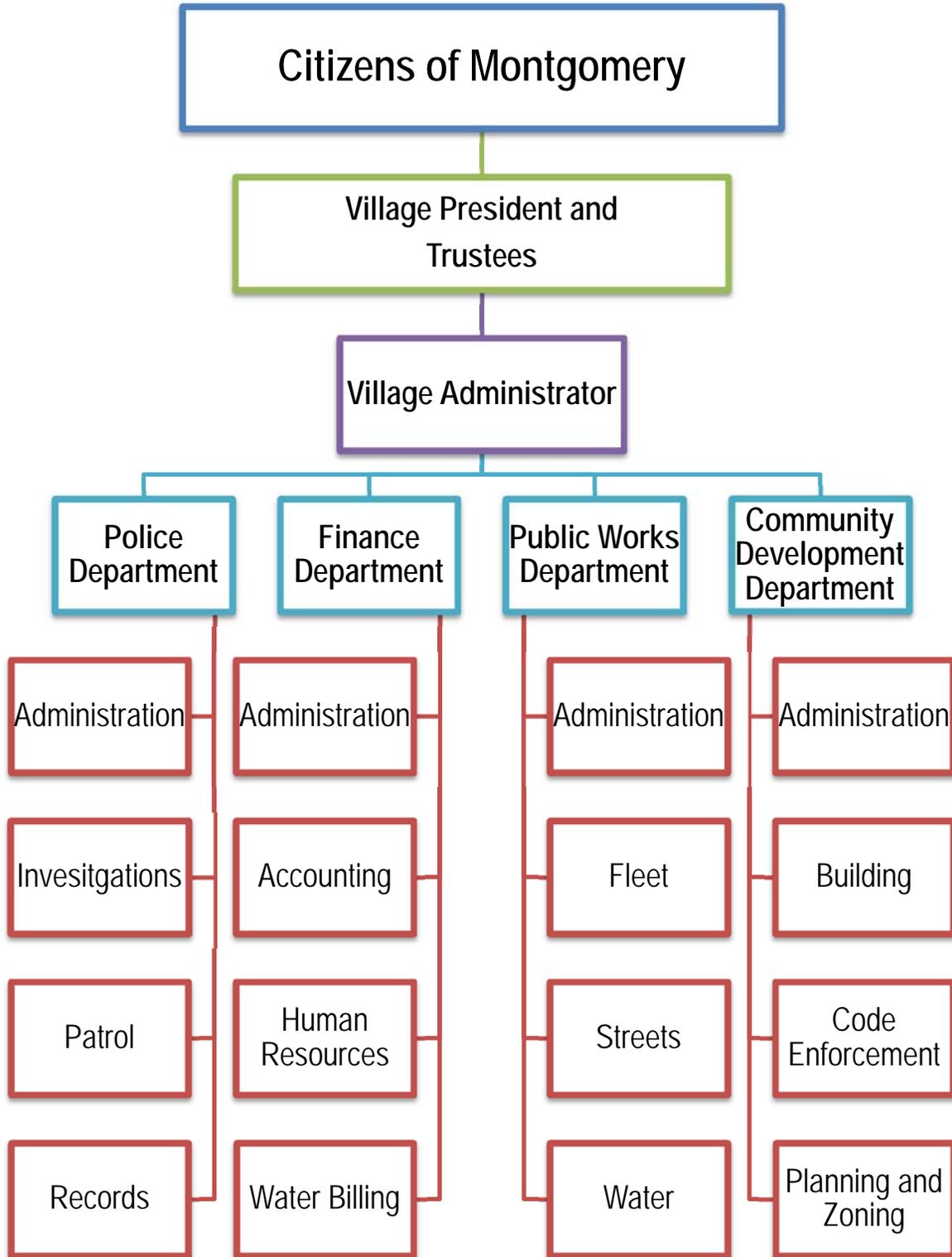
Justin VanVooren

Director of Finance

Richard Young

Director of Community Development

# Chapter 1: *Introduction and Transmittal Letter*



The above organizational chart shows the duties of each department within the Village of Montgomery. The Village contracts out their engineering services to Engineering Enterprises, Inc. (EEI), their legal services to Mickey, Wilson, Weiler, Renzi and Andersson; and their information technology services to Responsive Services.

## Chapter 1: *Introduction and Transmittal Letter*



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Village of Montgomery**

**Illinois**

For the Fiscal Year Beginning

**May 1, 2013**

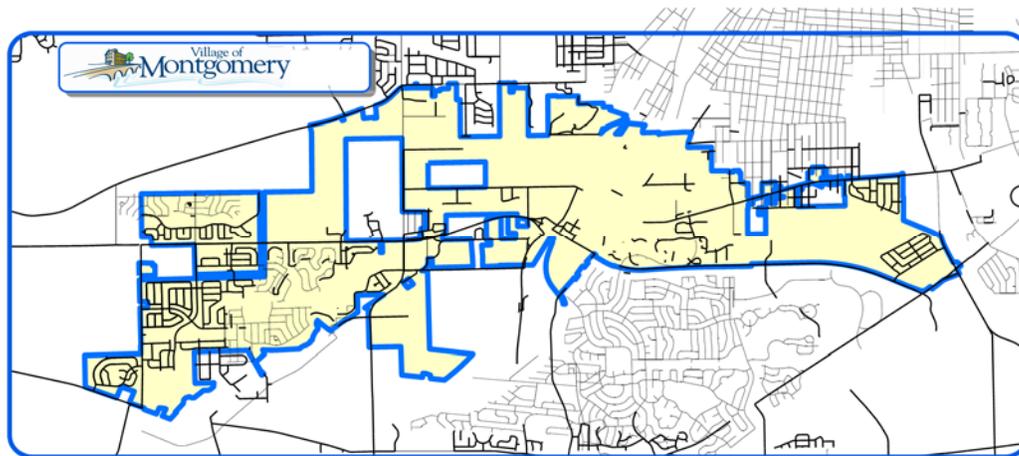
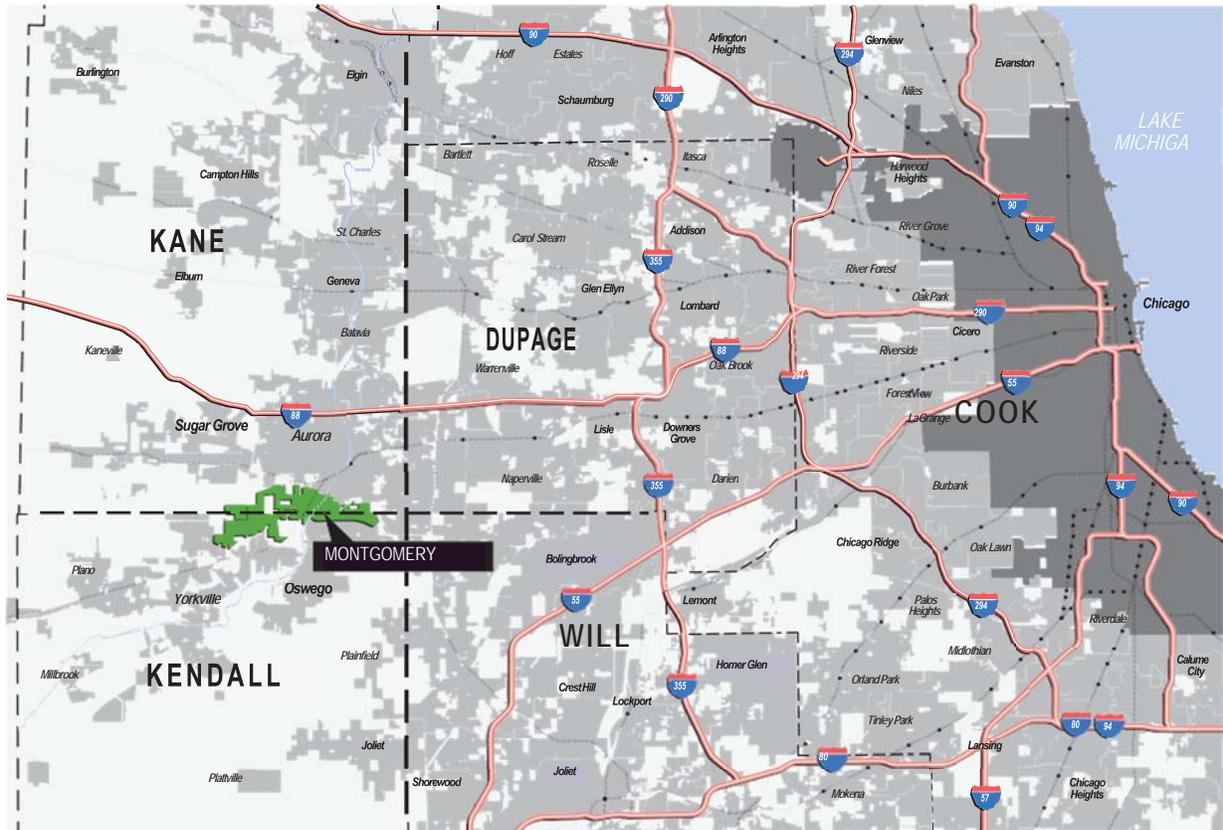
Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the **Village of Montgomery, Illinois** for its annual budget for the fiscal year beginning **May 1, 2013**. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

# Chapter 2: Village Profile

The Village of Montgomery is a growing community nestled along the banks of the Fox River in northern Illinois, located in both southern Kane and northern Kendall counties. Situated approximately 40 miles southwest of Chicago, the Village is bordered by Aurora to the north and east, Oswego and Boulder Hill to the south, Sugar Grove to the northwest, and Yorkville to the southwest. Montgomery also sits at a strategic nexus of multiple regional transportation routes. One of its primary assets is its access to major transportation corridors, including U.S. Route 30, U.S. Route 34, IL Route 47, and Interstate 88, which runs east-west approximately 3.5 miles north of the Village.



## Chapter 2: Village Profile

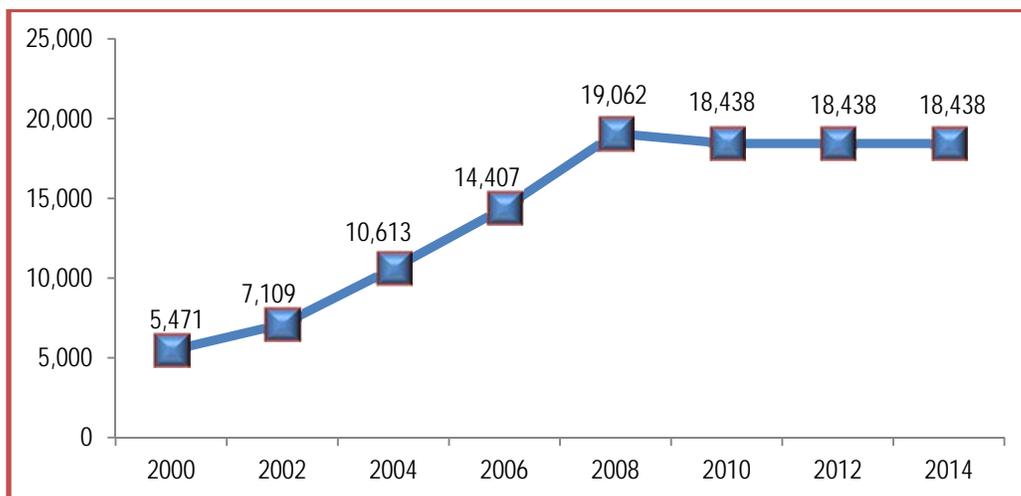
### HISTORY

Montgomery was founded in 1835 by entrepreneur Daniel Gray, who purchased several land grants from the Federal government and pursued industrial development along the Fox River. The settlement was called "Graystown" for several years, but eventually he persuaded the other settlers to call the little village "Montgomery" after the county in New York that he and several other settlers had come from. Daniel Gray was a man of much energy and enterprise. No sooner had he settled in the place than he commenced improvements on a grand scale. A store, foundry, reaper and header manufacturing shop over 100 feet in length, a second foundry built of stone, and one of the best stone grist-mills in the country, appeared in rapid succession. The stone grist mill, built by Gray in 1853, has been beautifully restored and is listed on the National Register of Historic Places. The Village of Montgomery was incorporated in 1858.

Montgomery's early growth continued to align with its industrial roots. After a brief setback in growth, due to the arrival of the McCormick Works at Chicago that out competed Montgomery's reaper plant, the construction of the Chicago, Burlington & Quincy (CB&Q) Railroad reinvigorated local industrial activity. The rail line shipped Montgomery's produce, spring water, and livestock to Chicago markets. In 1899, Riverview Park (later Fox River Park) opened as an amusement park, which drew crowds from as far as Morris and Chicago on express interurbans. The park was replaced in 1943 by United Wallpaper Company and then by AT&T. Lyon Metallic, Montgomery's first modern factory, moved to Montgomery from Chicago in 1906, drawing a reverse commute from Aurora and further stabilizing the economy. The introduction of Caterpillar, the world's leading manufacturer of construction and mining equipment, further cemented the Village's strong industrial core.

For many years, Montgomery maintained a fairly stable population of around 5,000 residents, with 5,471 residents at the 2000 decennial census. However, a sharp increase in residential development after 2000 has altered the industrial character and transformed Montgomery into a more suburban community of 18,438 residents by the 2010 decennial census. Despite an astounding population increase of 237% in just ten years, Montgomery has been successful in maintaining its warm, small-town atmosphere. The graph below shows Montgomery's population growth throughout the years.

*Montgomery's Population Growth*



## Chapter 2: *Village Profile*

### **GOVERNANCE**

Policy making and legislative authority are vested in the Village Board, which consists of the Village President and six Village Trustees. The President is elected at-large to a four-year term and the Trustees are elected at-large to staggered four-year terms. The Village Clerk is also elected to a four year term. The Village Board is responsible for, among other things, passing ordinances and resolutions, adopting the budget, and appointing a full-time professional Village Administrator. The Village Administrator is responsible for the day-to-day operations and staffing of the Village.



The Village Board, pictured from left to right, includes: front row – Village Trustee Pete Heinz, Village President Matt Brolley, Village Trustee Denny Lee; back row – Village Trustee Doug Marecek, Village Clerk Heidi Dziedzic, Village Trustee Steve Jungermann, Village Trustee Theresa Sperling, and Village Trustee Stan Bond.

The Village of Montgomery is committed to providing their citizens with a full range of services including police protection, the construction and maintenance of highways, streets and infrastructure, water treatment and distribution, planning and zoning, and general administrative services. These services are provided by

## Chapter 2: Village Profile

### *GOVERNANCE (Continued)*

56 full-time employees and 10 part-time employees out of three separate buildings. Village services are divided among five departments and within each department are specialized divisions, with further delineating responsibility centers.

Constructed in 2008, the Village Hall is located in Downtown Montgomery. It houses the Community Development, Finance, and Village Administrator's Departments, and meeting rooms for the Village Board and its committees. The Village provides assistance in building, permitting, zoning, and code enforcement through the Community Development Department. The Finance Department specializes in overseeing the daily finances, along with collecting water bills, accounts receivable, accounts payable, human resources, and information technology functions. The Village Administrator's Department centers on intergovernmental and interdepartmental work, along with coordinating all the community events.



A new Police Department Facility was built in 2005, providing officers with a better environment to keep the citizens safe. The Police Department keeps the community safe by providing protection and assistance to those in need.

The Public Works Department is concerned with residents' safety and they are always on call for water main leaks or breaks, snow storms, and downed trees.



## Chapter 2: *Village Profile*

### **COMMUNITY INVOLVEMENT**

Village of Montgomery residents are served by a number of other governmental entities. The Village of Montgomery comprises two counties (Kane and Kendall), four townships (Aurora, Bristol, Oswego, and Sugar Grove), two library districts, five fire protection districts, five school districts, and two park districts.

The Village of Montgomery is served by two library districts. The majority of Montgomery residents are served by the Oswego Public Library District which has a facility in nearby Oswego and the other within the Village boundaries, appropriately name the Montgomery Campus. The Sugar Grove Public Library District is located in Sugar Grove and serves Montgomery residents in the Foxmoor and Fairfield Way subdivisions. Both districts provide quality library service which meet the informational, educational, and recreational needs of district residents of all ages.

The Village of Montgomery does not have a municipal fire department. The Village is served by a total of five different fire protection districts including the Aurora Township Fire Protection District, Bristol-Kendall Fire Protection District, Montgomery-Countryside Fire Protection District, Oswego Fire Protection District, and the Sugar Grove Fire Protection District. The Districts ensure effective fire protection and emergency response to the residents of Montgomery.

Residents of Montgomery are served by five school districts, with four elementary schools located within in the Village's boundaries. The districts include Yorkville Community Unit School District #115, West Aurora School District #129, East Aurora School District #131, Kaneland Community Unit School District #302, and Oswego Community Unit School District #308. Together, these school districts provide a well-respected and highly regarded school system for Montgomery students. The Village's strong school system educates local youth and provides gathering places for the community. Montgomery schools also play a crucial role in building and maintaining home values due to increased demand from families who want to live within these school district boundaries and the Village.

Montgomery is served by both the Fox Valley Park District and the Oswegoland Park District. Montgomery is home to an impressive range of environmental and recreational amenities that contribute greatly to local quality of life, image, character, desirability, and aesthetic appeal. Together, the Fox Valley Park District, the Oswegoland Park District, and the Kendall County Forest Preserve District manage 21 parks, as well as one forest preserve, in the Village, comprising over 640 acres of designated park and open space land within the community. These include the Fox River, the Virgil Gilman and Fox River Trails, Blackberry Creek, Stuart Sports Complex, and numerous parks. Enhanced recreational opportunities, better open space connectivity, and a network of trails for biking and walking help make Montgomery a healthier community, by encouraging and providing for increased activity and recreation.



## Chapter 2: *Village Profile*

### *COMMUNITY INVOLVEMENT (Continued)*

The Village of Montgomery hosts many community events to help involve citizens and connect individuals. Many of these events would not be possible without the assistance of the Village's Beautification, Historic Preservation, and Intergovernmental and Community Committees.

Montgomery Fest is held annually on the second weekend in August. This two day event is held at Montgomery Park which is located next to the Fox River and across the street from the Village Hall. Activities during the Fest include a parade, food booths, craft fair, food vendors, car show, fishing derby, musical entertainment, talent show, and carnival rides.



The 5K and 10K River Run is held annually on the first weekend in October. This event attracts runners from around the Chicagoland area and begins and finishes in front of the Village Hall. Awards are given for age categories, but also for groups that run the race together.

Montgomery hosts many other events during the year such as the cemetery walk, eagle presentations, photo contests, the brick paver program, Easter egg hunt, senior activities, tree lighting ceremony, Festival of Trees, luncheons and open houses.



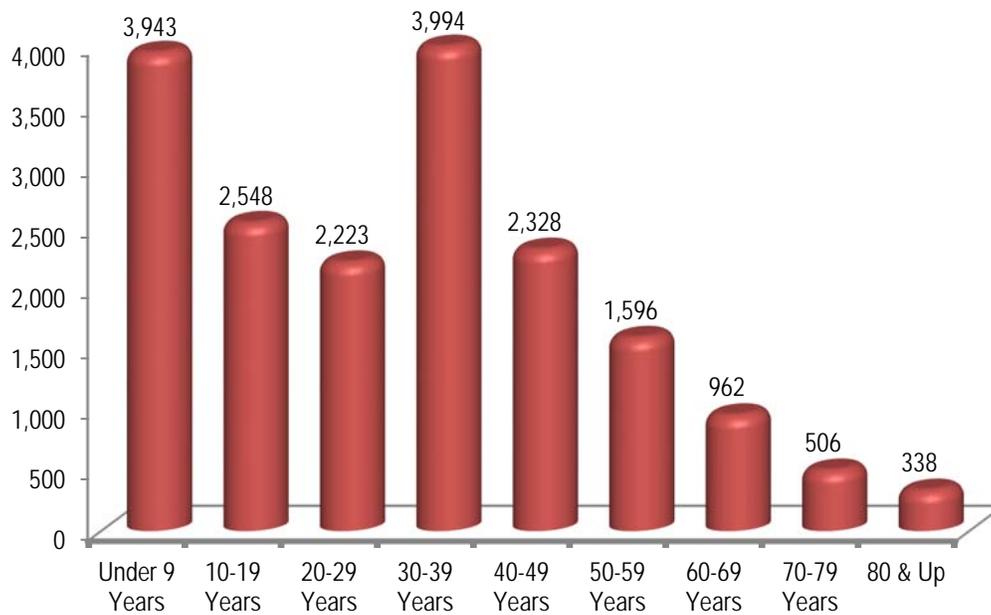
# Chapter 2: Village Profile

## DEMOGRAPHICS

### General

Population	18,438
Median Home Value	201,300
Median Household Income	66,239
% Below Poverty Below	3.14%
Median Age (Years)	31.2
Male Population	48.90%
Female Population	51.10%

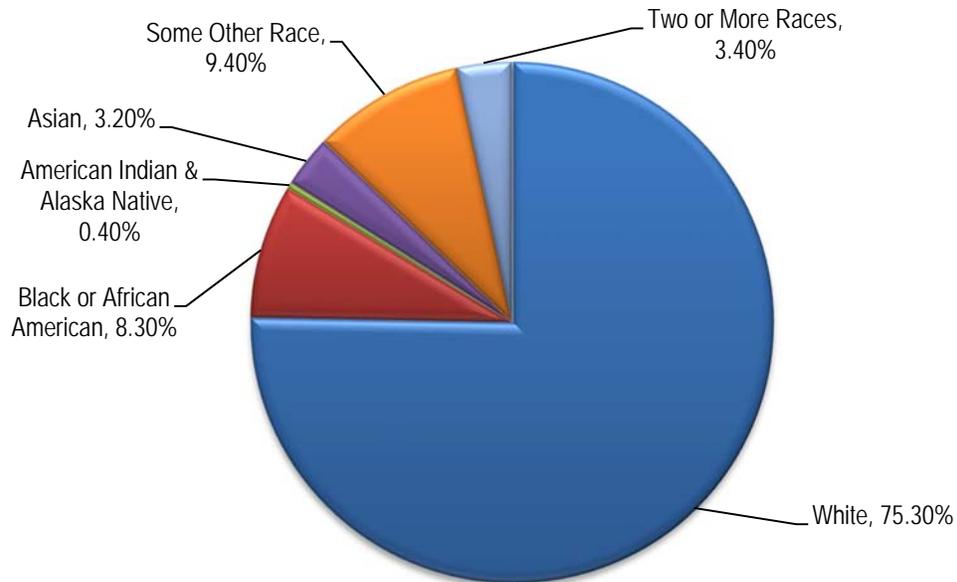
### Age



## Chapter 2: Village Profile

### DEMOGRAPHICS (Continued)

#### Race



# Chapter 3: *Budget Process and Organization*

## **BUDGET PROCESS**

The overall goal of the budget process is to present the Village Board with a budget that best addresses the needs and desires of the Village of Montgomery in the most efficient and effective manner possible. The budget process is an opportunity for the Village to assess and evaluate how it commits its financial resources and makes decisions regarding their continued use. The process, if conducted effectively, will result in a clearly spelled out plan for the future of this organization and a general collective understanding of how and where limited fiscal resources will be directed.

The budget serves as a policy document, financial plan, operations guide, and communications device. As a policy document, it contains a statement of entity-wide financial policies and non-financial goals and objectives of the Village. As a financial plan, it serves as the Village's primary instrument for promoting solvency, efficiency, and collective choices regarding the distribution and allocation of available resources. As an operations guide, it articulates the departmental action plans and how each of these plans will be accomplished. As a communications device, it contains information pertaining to key issues facing the Village, priorities for the coming year, accomplishments of prior years, and more.

The budget process for the Village of Montgomery involves the citizens, the Village President and Village Board, Village Administrator, Department Heads, supervisors and many others throughout the organization. Each person plays a critical role in the development of the budget for the upcoming year. Department Heads are responsible for evaluating the needs of their departments and divisions, soliciting input from supervisors and staff, and compiling those needs and priorities into a cohesive and straightforward budget request. The Village Board is critical in evaluating the budget, asking questions, and eventually approving the budget. Residents and their needs are, of course, the driving force behind the budget process. In addition, residents have opportunities to view the budget proposal and attend the Board meetings and public hearing when the budget is addressed.

The Village has adopted sections 5/8-2-9.1 through and including sections 5/8-2-9.10 of Chapter 65 of the Illinois Compiled Statutes (Municipal Code) providing for a municipality's financial operation under an annual budget in lieu of an appropriation ordinance. The budget process in the Village of Montgomery extends over seven months and culminates in April with the Village Board's adoption of the Village budget in advance of the beginning of the new fiscal year on May 1. The approved budget provides the authority to expend funds in the new fiscal year. Although much of the time and effort in preparing the budget takes place during the months of October through April, the development, implementation, monitoring and review of the Village's budget is part of a comprehensive process that occurs throughout the entire year.

In October, the Finance Department distributes budget worksheets to the operating departments. Each Department is responsible for submitting its own budget requests following detailed instructions. The operating departments prepare their budget requests and submit them to the Finance Department in January. Upon receipt of the departmental budget requests, the Finance Department compiles the draft budget. Revenue estimates are prepared by the Finance Department based upon historical trends, economic forecasts of authoritative sources, and anticipated activities and events in the community which are expected to have a local economic impact. The product is the budget as proposed by the Director of Finance to the Village Administrator.

## Chapter 3: *Budget Process and Organization*

### ***BUDGET PROCESS (Continued)***

The Village Administrator and Director of Finance meet with the director of each department individually in January to discuss each respective budget request. The Village Administrator reviews all departmental budget requests, ensures that they are consistent with the priorities and guidance of the Village Board, and fashions a feasible fiscal plan. The overall goal of the process is to have the Village Administrator recommend a balanced budget to the Village Board for review and adoption. A balanced budget is a budget in which revenues meet or exceed expenditures, and cash reserves or fund balance is not considered a revenue source. The Village will sometimes drawdown cash reserves or fund balance and then return the reserves to the desired levels.

The Village Board and staff conduct a series of meetings beginning in February and ending in April and a public hearing in April on various aspects of the budget in order to allow for input on the process by residents of the community and to meet the Village's statutory obligations. Opportunities to participate in public meetings are noticed in the local newspaper and on the Village's website. The Village Administrator, Finance Director, and Department Heads are present at the hearings to address the issues and concerns by the Village President, Trustees and general public.

Based upon staff recommendations and its own findings, the Village Board may direct additions, deletions, or revisions to the proposed budget. The Finance Director revises the proposed budget as directed by the Village Board and the Finance Director submits it to the Village Board for formal approval in April. The final budget is adopted by ordinance. As noted previously, the budget ordinance must be adopted prior to the start of the fiscal year and filed with the county clerk within 30 days of adoption.

The Village's current budgetary control is at the department level and a budget is adopted for every fund. Total expenditures may not exceed the total amount approved for each fund unless a budget amendment is approved by the Village Board. If necessary, the annual budget may be amended by the Village Board during the year, increasing or decreasing total revenues or expenditures for a particular fund. These budget amendments are usually necessary if anticipated expenditures are expected to exceed the total amount budgeted at the fund level due to changing priorities or unexpected occurrences.

The calendar on the following page illustrates the timeline of events that make up the entire budget process in the Village of Montgomery for fiscal year 2014 – 2015.

## Chapter 3: *Budget Process and Organization*

### *BUDGET CALENDAR (Bold Items Involve the Village Board)*

11/12/13	<b>Announce and review tax levy (Village Board Meeting)</b>
11/25/13	<b>Public hearing on tax levy (Village Board Meeting)</b>
12/04/13	Budget/CIP kickoff meeting (Staff Meeting)
12/09/13	<b>Public hearing and approval of tax levy (Village Board Meeting)</b>
12/04/13 – 1/07/14	Departments prepare budget and CIP requests
12/20/13	Personnel requests submitted to Director of Finance
12/20/13	Director of Public Works submits vehicle recommendations to Director of Finance
1/07/14	Budget requests submitted to Director of Finance
1/07/14	Revenue projections submitted to Director of Finance
1/07/14	CIP requests submitted to Director of Finance
1/07/14 – 1/22/14	Review of budget and CIP requests by Director of Finance
1/22/14	Budget and CIP Report submitted to Village Administrator
1/27/14 – 1/31/14	Village Administrator and Director of Finance meet with departments to discuss budget/CIP requests
2/18/14	<b>Review General Fund budget (Committee of the Whole Meeting)</b>
2/24/14	<b>Review Capital Improvement Fund budget/CIP (Village Board Meeting)</b>
3/10/14	<b>Review Water and Water Improvement Fund budgets/CIP (Village Board Meeting)</b>
3/18/14	<b>Review All Other Fund budgets (Committee of the Whole Meeting)</b>
4/01/14	Notice of public hearing published and budget/CIP put on display for citizen review
4/14/14	<b>Review budget/CIP; Public hearing conducted and first reading of budget/CIP ordinance (Village Board Meeting)</b>
4/28/14	<b>Second reading of budget/CIP ordinance and approval of budget/CIP (Village Board Meeting)</b>

## Chapter 3: *Budget Process and Organization*

### **CLASSIFICATION OF REVENUES AND EXPENDITURES**

The classification of revenues in the Village of Montgomery budget document is segregated by three levels of organization: fund, source, and account. The classification of expenditures in the Village of Montgomery budget document is segregated by six levels of organization: fund, function, organizational unit, character, object, and account. Each successive level of organization is more detailed and narrow in terms of the amount of expenditures. In other words, object codes are a subset of character codes and function codes are a subset of funds. This section explains this system of organization and identifies how the levels interrelate. The following are the glossary definition of each term:

**FUND:** A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations (e.g., General Fund).

**SOURCE:** Revenue classification according to how and where the revenues were raised.

**FUNCTION:** A group of related activities aimed at accomplishing a major service for which a government is responsible (e.g., Public Safety).

**ORGANIZATIONAL UNIT:** A responsibility center within a government (e.g., Police).

**CHARACTER:** Expenditure classification according to the periods expenditures are presumed to benefit. The three character groupings are (a) current – presumed to benefit the current fiscal period; (b) debt service – presumed to benefit prior fiscal periods as well as current and future periods; and (c) capital – presumed to benefit the current and future fiscal periods.

**OBJECT:** This classification is used to describe the service or commodity obtained as the result of a specific expenditure (e.g., Personal Services).

**ACCOUNT:** This classification is a further subdivision of the object classification above detailing what service or commodity is being obtained (e.g. Salaries and Wages – Regular).

### **ORGANIZATION OF FINANCIAL PRESENTATION**

Most of the financial information presented in this document appears in a tabular format, with the columns across the top of the table representing various fiscal years. For certain fiscal years, the data appears in multiple columns, reflecting the varying stages of the budget process. Each of those stages is explained below:

- FY11 Actual, FY12 Actual, and FY13 Actual – These columns refer to the actual expenditures from the three most recently completed fiscal years: FY11 (May 1, 2010 through April 30, 2011), FY12 (May 1, 2011 through April 30, 2012), and FY13 (May 1, 2012 through April 30, 2013). The source of this information is the Village's Comprehensive Annual Financial Report and financial software system.

# Chapter 3: Budget Process and Organization

## ORGANIZATION OF FINANCIAL PRESENTATION (Continued)

- FY14 Budget – This column refers to the amount approved by the Village Board for the current fiscal year.
- FY14 Projected – This column refers to staff’s estimate of the amount to be received or expended at the end of the current fiscal year. Assumptions are made about expenditures in the final few months of the fiscal year and added to year to date actual expenditures to arrive at an estimate for the entire year. This process of estimation is conducted separately by each director or staff person responsible for a given set of accounts and is reviewed by the Finance Department.
- FYE 15 Approved – This column refers to the amount approved by the Village Board for the upcoming fiscal year.

## FUND GROUPS AND BASIS OF BUDGETING

There are three fund categories used by the Village: 1) Governmental Funds, 2) Proprietary Funds, and 3) Fiduciary Funds. The three fund categories, as well as fund types underneath each category, are described below. See Table 2 – 1 below for a graphic of the fund categories and types.

Table 2 - 1

Fund category	Fund type	Measurement focus		Basis of accounting	
		Economic resources	Current financial resources	Accrual	Modified accrual
Governmental funds	General fund		X		X
	Special revenue fund		X		X
	Debt service fund		X		X
	Capital projects fund		X		X
	Permanent fund		X		X
Proprietary funds	Enterprise fund	X		X	
	Internal service fund	X		X	
	Pension (and other employee benefit) trust fund				
Fiduciary funds	Investment trust fund	X		X	
	Private-purpose trust fund	X		X	
	Agency fund	Not applicable		X	

## Chapter 3: *Budget Process and Organization*

### *FUND GROUPS AND BASIS OF BUDGETING (Continued)*

The Village establishes annual budgets for all of its funds except the agency funds. The Village prepares its governmental fund budgets on the same basis and its proprietary fund budgets on a different basis as the annual financial statements in accordance with accounting principles generally accepted in the United State of America (GAAP). GAAP are uniform minimum standards and guidelines for financial accounting and reporting. The primary authoritative body on the application of GAAP for state and local governments is the Governmental Accounting Standards Board.

The budgets of the governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Significant revenue sources which are susceptible to accrual include property taxes, other taxes, grants, charges for services, and interest. All other revenue sources are considered to be measurable and available only when cash is received. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due (e.g. upon employee retirement or termination or debt payment). General capital asset acquisitions are reported as expenditures in governmental funds.

The financial statements of the proprietary and fiduciary funds are reported using the economic resources measurement focus (except the agency funds which do not have a measurement focus) and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Under the budgetary basis of accounting, the receipt of long-term debt proceeds, capital outlays, and debt service principal payments are reported in revenues and expenses, while GAAP excludes those. Allocations for depreciation and amortization expense are included in operations for the financial statement presentation, but excluded for budgetary purposes.

Property taxes are recognized as revenues in the year for which they are levied. Nonexchange transactions, in which the Village gives (or receives) value without directly receiving (or giving) equal value in exchange, include various taxes, State shared revenues and various State, Federal and local grants. On an accrual basis, revenues from taxes are recognized when the Village has a legal claim to the resources. Grants, entitlements, State shared revenues and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Governmental funds are principally supported by taxes and intergovernmental revenues. The Village administers the following major governmental funds:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The services which are administered by the Village and accounted for in the general fund include general government, public safety and highways and streets.

## Chapter 3: *Budget Process and Organization*

### ***FUND GROUPS AND BASIS OF BUDGETING (Continued)***

The Capital Improvement Fund accounts for the acquisition, construction and improvement of major governmental capital assets (not being financed by proprietary funds). Activities are financed by utility taxes and developer contributions.

The Debt Service Fund is used to accumulate monies for the Village's general obligation alternate revenue source bonds (Series 2008, Series 2010, Series 2011, and Series 2014). Activities are financed by transfers from the Capital Improvement Fund.

In addition, the Village manages the following non-major governmental funds (fund type in parentheses):

- Motor Fuel Tax Fund (Special Revenue)
- Economic Development Loan Fund (Special Revenue)
- Forfeiture & Seizure Fund (Special Revenue)
- Emergency 911 Fund (Special Revenue)
- Lakewood Creek Special Assessment Project Fund (Capital Projects)
- Montgomery Preserve TIF #1 Fund (Special Revenue)
- Aucutt Road TIF #2 Fund (Special Revenue)
- Vehicle Reserve Fund (Capital Projects)
- Police Gift Fund (Special Revenue)
- Montgomery Crossing SSA Fund (Special Revenue)
- Blackberry Crossing SSA Fund (Special Revenue)
- Fairfield Way SSA Fund (Special Revenue)
- Arbor Ridge SSA Fund (Special Revenue)
- Foxmoor SSA Fund (Special Revenue)
- Saratoga Springs SSA Fund (Special Revenue)
- Orchard Prairie North SSA Fund (Special Revenue)
- Blackberry Crossing West SSA Fund (Special Revenue)
- Fieldstone Place SSA Fund (Special Revenue)
- Balmorea SSA Fund (Special Revenue)
- Marquis Point SSA Fund (Special Revenue)
- Ogden Hill SSA Fund (Special Revenue)

Proprietary Funds are financed and operated in a manner similar to a private business enterprise, where the intent of the governing body is that the cost of providing goods or services on a continuing basis be financed or recovered primarily through user fees and charges. The Village administers the following major enterprise fund:

The Water Fund (Water and Water Improvement Funds are consolidated in the financial statements) accounts for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

# Chapter 3: Budget Process and Organization

## FUND GROUPS AND BASIS OF BUDGETING (Continued)

In addition, the Village manages the following non-major proprietary funds (fund type in parentheses):

- Refuse Fund (Enterprise)
- Employee Insurance Fund (Internal Service)

The following matrix identifies the relationship between the major governmental and proprietary funds and departments:

Table 2 - 2

Fund	Administration	Community Development	Finance	Police	Public Works
General	X	X	X	X	X
Capital Improvement	X	X	X	X	X
Debt service			X		
Water			X		

Lastly, the Village administers fiduciary (pension trust and agency) funds for assets held by the Village in a fiduciary capacity on behalf of certain public safety employees, bondholders and other governments. There is not a direct relationship between the departments and fiduciary funds since these funds are held for others. The Village oversees the following fiduciary funds (fund type in parentheses):

- Police Pension Fund (Pension Trust)
- Talma Street SSA Fund (Agency)
- Escrow Fund (Agency)
- Flexible Benefits Fund (Agency)
- Lakewood Creek Special Assessment Agency Fund (Agency)
- Blackberry Crossing West SSA Agency Fund (Agency)
- Cornell Avenue SSA Fund (Agency)
- Temporary Certificate of Occupancy Fund (Agency)

# Chapter 4: *Goals and Policies*

## ***VILLAGE GOALS***

Consistent with the Village's mission statement are operational goals that provide direction for the Village policies and procedures as set by the Village President and Board of Trustees. These goals do not change from year to year and are the main consideration for all planning endeavors and projects undertaken by Village staff as directed by the Village Board. These operational goals are as follows:

- To maintain a safe and healthy atmosphere in which to live and work.
- To provide for the Village's long-term financial stability.
- To respond in an efficient and effective manner to community needs.

## ***STRATEGIC PLAN***

The Village recognizes the importance to develop and manage programs, services, and their related resources as efficiently and effectively as possible. One way to address this issue is the adoption of a Strategic Plan, which was last updated in 2006. The Village Board included an update to the Strategic Plan in the fiscal year 2014 – 2015 budget. The factors influencing an update are changes in the economic outlook, growth in the community, and the election of new Board members. The strategic planning retreat will be moderated by a third-party and held to determine the vision and direction of the Village, as well as formally establish and prioritize Village goals.

## ***FISCAL POLICIES***

The Village of Montgomery has a tradition of sound municipal financial management. These policies are designed to establish a framework for providing quality services to the community in an efficient and effective manner while maintaining long-term financial stability within the limitations established in the policies. The Village of Montgomery has a responsibility to its citizens to carefully account for public funds, to manage municipal finances wisely, and to plan for the funding of services and facilities required by the public. Although the subsequent policies are followed by the Village, most have not been formally adopted by the Village Board.

The fiscal policies of the Village of Montgomery have specific objectives designed to ensure the continued fiscal health of the Village. These objectives are:

- To maintain Board policy making ability by ensuring that important fiscal decisions are not driven by emergencies or financial problems.
- To provide the Board with precise and timely information so that policy decisions can be made in a judicious manner.
- To provide sound financial principles to guide the Board and management in making decisions.
- To use sound revenue policies which prevent undue reliance on a single source of revenue and which distributes the cost of municipal services fairly among all programs.
- To protect and maintain the Village's credit rating.
- To ensure legal compliance with the budget through systems of internal control.

# Chapter 4: *Goals and Policies*

## *FISCAL POLICIES (Continued)*

### **Budget Policies**

Illinois law requires that all general-purpose local governments pass an appropriation ordinance within the first quarter of each fiscal year or an annual budget shall be adopted by the corporate authorities before the beginning of each fiscal year to which it applies. The Village has chosen to adopt sections 5/8-2-9.1 through and including sections 5/8-2-9.10 of Chapter 65 of the Illinois Compiled Statutes (Municipal Code) which provide for a municipality's financial operation under an annual budget in lieu of an appropriation ordinance.

The budget process is an opportunity for the Village to assess and evaluate how it commits its financial resources and make decisions regarding their continued use. The process, if conducted effectively, will result in a clearly spelled out plan for the future of this organization and a general collective understanding of how and where limited fiscal resources will be directed. The annual budget should provide for the following:

1. The Village will adopt and maintain a balanced budget in which expenditures will not be allowed to exceed reasonably estimated revenues and other available funds at the same time maintaining recommended fund balances.
2. Budget development will be directed by and should allow for the implementation of specific goals and objectives as developed by each department.
3. The tentative annual budget shall be made conveniently available to public inspection prior to the passage of the annual budget. The Village shall hold at least one public hearing on the tentative annual budget prior to final action on the budget.
4. The Village will prepare and maintain a system of regular reports comparing actual revenues and expenditures to budgeted amounts.
5. Each department shall annually contribute for replacement of vehicles and equipment in order to maintain a "pay-as-you-go" basis for equipment replacement. Replacement cost and useful life for vehicles and equipment will be reevaluated on an annual basis.
6. The annual budget should effectively communicate meaningful and understandable information to the Village residents, Village Board, Village Staff, and other readers. To accomplish this goal the Village will prepare its annual budget in conformance with the Government Finance Officers Association's (GFOA) Distinguished Budget Presentation Award Program.

### **Reserve Policies**

The purpose of these policies is to enhance long-term financial planning and mitigate the risks associated with changes in revenues due to economic and local market conditions and unanticipated expenditures that may occur. The Village of Montgomery has established the following fund reserve policies:

# Chapter 4: *Goals and Policies*

## *FISCAL POLICIES (Continued)*

### Reserve Policies (Continued)

#### General Fund

1. The Village of Montgomery will strive to maintain a minimum unrestricted fund balance (committed, assigned, or unassigned) in the General Fund to fund operations for a period of at least three months ("Cash Flow Commitment"). The Cash Flow Commitment in the General Fund is adjusted with the adoption of the annual budget and is calculated as three months (25%) of current year expenditures.
2. If the fund balance is anticipated to fall below 25%, a plan will be developed and implemented to restore the fund balance to an acceptable level within a reasonable period of time.
3. The Village will spend the most restricted dollars before less restricted, in the following order:
  - a. Nonspendable (if funds become spendable),
  - b. Restricted,
  - c. Committed,
  - d. Assigned, and
  - e. Unassigned.

### Revenue Policies

The Village endeavors to maintain a broad-based, well-diversified, and stable portfolio of revenues to reduce the impacts of short-term fluctuations in any one revenue source. The revenue mix combines elastic and inelastic revenue sources to minimize the effects of an economic downturn. The Village also incorporates the following principles related to revenues as it furthers its financial planning and fulfills its fiscal responsibilities:

1. Each existing and potential revenue source will be examined annually on an objective, reasonable, and conservative basis. The Village will through the annual financial forecast process.
2. The Village will maintain a revenue monitoring system to assist in trend analysis and revenue forecasting.
3. All charges for services, fees, licenses, permits, etc. will be reviewed regularly to insure that rates are maintained at a level that correlates to the cost of providing such services and are competitive with others providing similar services in the area.
4. Enterprise fund fees and user charges shall be set at a level that fully supports the cost of providing the services, providing for debt service, and maintaining the capital structure of the systems. Water, sewer, and refuse rates will be reviewed annually and set at levels adequate to meet expenditures.

# Chapter 4: *Goals and Policies*

## *FISCAL POLICIES (Continued)*

### Revenue Policies (Continued)

5. One-time revenues will not be used to support operating expenditures, except in emergency situations. The identification of new, one-time revenue opportunities will be used to fund capital projects.
6. The Village will strive to strengthen its revenue base by bringing in additional commercial and industrial development with the assistance of the Montgomery Economic Development Corporation.
7. The Village will actively seek State and Federal grants.

### Expenditure Policies

1. The Village will maintain a level of expenditures which will provide for the public well-being and safety of the residents and businesses of the community.
2. Expenditures will be within the confines of generated revenue and/or reserve balances. Services will parallel and adjust to the Village's elastic and inelastic revenue sources in order to maintain the highest level of service.
3. The Village will project expenditures and will take into account anticipated increases in operating expenditures, significant changes in operating and staffing needs, and future capital projects and improvements that have been identified as needed for the community.
4. The annual operating budget will include the corresponding capital projects identified in the Five-Year Capital Improvement Program (CIP).
5. An employee compensation package consistent with sound economic policies will be maintained to recruit and to retain qualified employees. The Village will maintain a pay and benefit structure for its employees competitive with communities comparable to the Village.

### Cash Management Policies

1. The cash management system is designed to accurately monitor and forecast revenues and expenditures, thus enabling the Village to invest funds to the fullest extent possible. The Village attempts to match funds to projected disbursements.
2. An investment policy has been adopted by the Village Board as a separate document, and is incorporated into these financial policies by reference. The investment policy provides guidelines for the prudent investment of cash reserves and temporarily idle cash and outlines the policies for maximizing the efficiency of the cash management system.

# Chapter 4: *Goals and Policies*

## *FISCAL POLICIES (Continued)*

### **Cash Management Policies (Continued)**

3. In order to maximize interest earnings, the Village combines the cash of all funds excluding those that are legally required to be held separately.
4. Require that all bank deposits be collateralized with securities, as noted in the above policy, having a market value of 105% of the underlying deposits.
5. State statutes govern the investment of public funds and provide the general framework for investment activity and fiduciary responsibilities. The investment of Village funds must be in conformance with state statutes, local ordinances, and internal policies and procedures.
6. Criteria for selecting investments and the order of priority are: safety, liquidity, and return on investment.

### **Accounting, Auditing and Reporting Policies**

The Village will establish and maintain a high standard of accounting practices in conformance with accounting principles generally accepted in the United States of America (GAAP) for governmental entities as promulgated by the Governmental Accounting Standards Board (GASB). The Village also incorporates the following principles related to accounting, auditing and reporting as it furthers its financial planning and fulfills its fiscal responsibilities:

1. An audit of the Village's financial statements will be performed annually in accordance with auditing standards generally accepted in the United States of America (GAAS) by an independent firm of certified public accountants, who will publicly issue an opinion that will be incorporated into the financial statements.
2. The Village will submit its Comprehensive Annual Financial Report (CAFR) annually to the Government Finance Officers Association (GFOA) for the purpose of obtaining the Certificate of Achievement for Excellence in Financial Reporting Award.
3. Governmental funds will be reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recognized in the accounting period in which the liability is incurred.
4. The government-wide, proprietary fund, and fiduciary trust fund financial statements will be reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place.

# Chapter 4: *Goals and Policies*

## *FISCAL POLICIES (Continued)*

### Accounting, Auditing and Reporting Policies (Continued)

5. Fiduciary agency funds will be reported using the accrual basis of accounting to recognize receivables and payables. However, they do not have a measurement focus since they report only assets and liabilities, and do not report equity or changes in equity.
6. The Village will promote full disclosures in its financial statements in accordance with, but not limited to, the requirements of the Governmental Accounting Standards.

### Debt Administration Policies

As a non-home rule community, the statutory limit on the amount of general obligation debt outstanding cannot exceed 8.625% of equalized assessed valuation. The legal debt limit specifically excludes general obligation alternate revenue bonds and other debt which is being repaid by a revenue source other than property taxes. Maintaining significantly lower debt levels provides for greater flexibility in issuing additional bonds should the need arise.

1. The Village will confine long-term borrowing to those capital improvements or one-time obligations that cannot be financed from current revenues or reserves.
2. The Village will not use long-term borrowing to fund operating expenditures.
3. The Village will maintain communications with bond rating agencies about its financial condition. The Village will follow a policy of full disclosure on every financial report and bond prospectus.
4. The maturity date for any long-term debt will not exceed the reasonably expected useful life of the capital project financed.
5. The Village will consider the refunding of outstanding debt when at least a 3% present value savings can be obtained for an advance refunding and at least a 2% present value savings can be obtained for a current refunding, as long as it is beneficial to the Village.
6. Excess fund balance may be used to 1) fund planned capital projects, thereby avoiding debt; 2) abate annual debt service on outstanding obligations; or 3) pay down outstanding obligations.
7. Continuing disclosures will be filed annually as required by the Village's outstanding debt in accordance with Securities and Exchange Commission (SEC) Rule 15c2-12.

# Chapter 4: Goals and Policies

## FISCAL POLICIES (Continued)

### Capital Asset Policies

1. The Village of Montgomery invests a significant amount in capital assets in pursuit of its mission, as well as to maintain or improve the level of service expected by its citizens. These assets play an essential role in the Village's ability to diversify, expand and cope with growth, and improve environmental conditions. That level of service can only be assured if adequate consideration is given to maintaining and expanding public facilities and infrastructure. If a government fails to maintain its capital assets, equipment, facilities and infrastructure will deteriorate more quickly and necessitate costly emergency allocations of financial resources.
2. A capital asset policy has been adopted by the Village Board as a separate document, and is incorporated into these financial policies by reference. The objective of this policy is to establish and maintain capital asset records to comply with governmental financial reporting standards, to ensure adequate control and appropriate use of capital assets, and to provide accountability for property control.
3. When the Village constructs or acquires additional capital assets they are capitalized and reported at historical cost. The reported value excludes general maintenance and repairs that do not increase the capacity or materially extend its useful life beyond the original estimate. To be considered a capital asset for financial reporting purposes an item must have a useful life of greater than one year and be at or above the capitalization thresholds in the following table.

Description	Useful Life	Capitalization Threshold
Land (and inexhaustible land improvements)	N/A	\$ 1
Land improvements (exhaustible)	20	50,000
Buildings	20	50,000
Building improvements	20	50,000
Machinery and equipment	5 - 10	10,000
Vehicles	5 - 10	20,000
Infrastructure	25 - 50	100,000

4. The Village shall maintain a Five-Year Capital Improvement Program (CIP) in association with the Expenditure Policy noted above. Capital improvements will be made in accordance with the plan which will be updated on an annual basis. The CIP will provide for adequate design, construction, maintenance and replacement of the Village's capital plant and equipment subject to budgetary restrictions and will be used to identify and prioritize future capital needs and possible funding sources.

## Chapter 5: Executive Summary

### ALL FUNDS SUMMARY

The following tables represent the fiscal year 2013 – 2014 projected revenues and expenditures fiscal year 2014 – 2015 approved budget for the Village of Montgomery as a whole.

REVENUES	Estimated FY 2014	Budget FY 2015	Percent Change
General	\$ 10,070,131	\$ 9,173,133	-8.91%
Motor Fuel Tax	615,777	671,575	9.06%
Economic Development Loan	10,223	14,560	42.42%
Forfeiture and Seizure	37,362	16,400	-56.11%
E-911	79,031	-	-100.00%
Capital Improvement	1,455,012	1,460,758	0.39%
Lakewood Creek Project	106,904	75,001	-29.84%
TIF #1	37,726	40,000	6.03%
TIF #2	-	-	0.00%
Debt Service	1,599,525	987,233	-38.28%
Water	4,032,028	4,499,585	11.60%
Water Improvement	5,546,080	3,581,535	-35.42%
Employee Insurance	763,658	879,923	15.22%
Vehicle Reserve	813,371	616,547	-24.20%
Refuse	103,000	1,239,842	1103.73%
Police Pension	838,262	662,500	-20.97%
Police Gifts	2,700	250	-90.74%
Special Service Areas	394,941	400,910	1.51%
<b>TOTAL REVENUES</b>	<b>\$ 26,505,731</b>	<b>\$ 24,319,752</b>	

EXPENDITURES	Projected FY 2014	Budget FY 2015	Percent Change
General	\$ 10,047,192	\$ 9,158,459	-8.85%
Motor Fuel Tax	914,100	763,990	-16.42%
Economic Development Loan	4,200	5,000	19.05%
Forfeiture and Seizure	55,215	29,750	-46.12%
E-911	122,000	39,500	-67.62%
Capital Improvement	1,634,325	1,233,233	-24.54%
Lakewood Creek Project	67,778	74,556	10.00%
TIF #1	9,200	62,170	575.76%
TIF #2	39,900	500	-98.75%
Debt Service	1,600,075	987,233	-38.30%
Water	4,033,822	3,959,363	-1.85%
Water Improvement	4,308,415	5,273,060	22.39%
Employee Insurance	763,658	879,923	15.22%
Vehicle Reserve	388,559	426,391	9.74%
Refuse	-	1,239,592	0.00%
Police Pension	434,753	395,498	-9.03%
Police Gifts	1,000	1,000	0.00%
Special Service Areas	413,324	360,000	-12.90%
<b>TOTAL EXPENDITURES</b>	<b>\$ 24,837,516</b>	<b>\$ 24,889,218</b>	

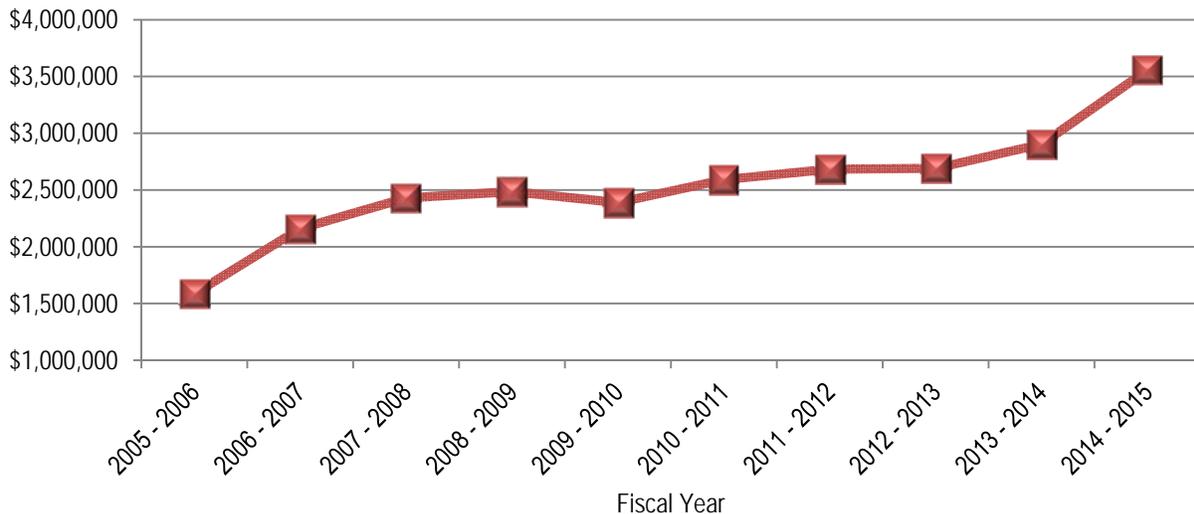
# Chapter 5: Executive Summary

## MAJOR REVENUES

The desire of the Village of Montgomery is to maintain a broad-based, well-diversified, and stable portfolio of revenues. The trend information in charts below includes audited revenues from fiscal year 2005 – 2006 through fiscal year 2012 – 2013, estimated revenues for fiscal year 2013 – 2014, and budgeted revenues for fiscal year 2014 – 2015. The following significant revenue sources explain approximately 75% of the total revenues budgeted for fiscal year 2014 – 2015.

### State sales tax (\$3,556,074 or 14.62%)

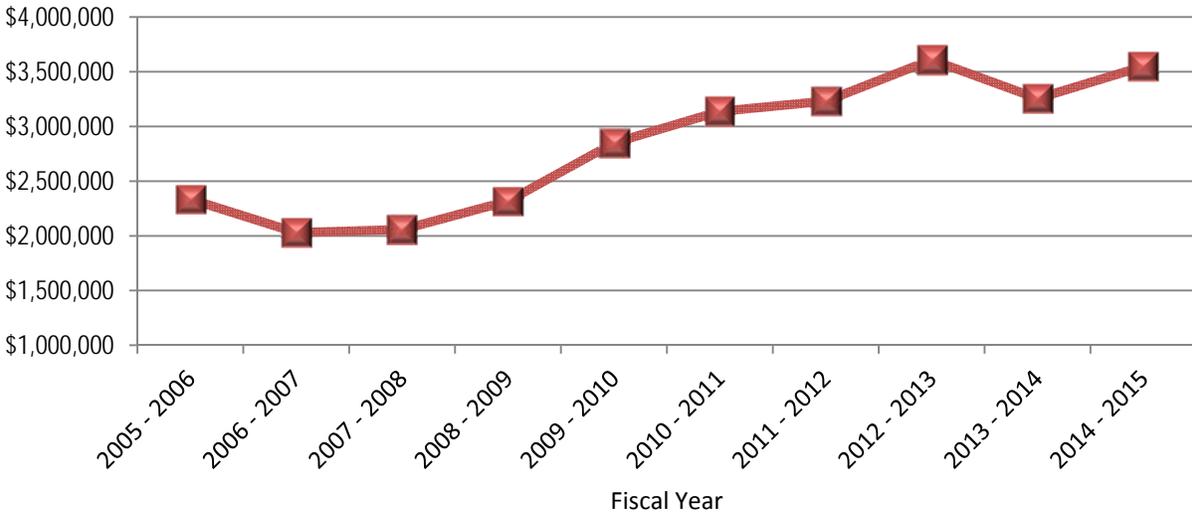
The Village's single largest revenue source is sales tax. The Village receives a one percent state sales tax on retail sales of tangible personal property within the Village. Sales tax is collected by the State is remitted to the Village three months after the liability occurs. Sales tax revenue has drastically increased in the last 10 years through the expansion of the commercial and retail sector in Montgomery. In fact, sales tax stayed fairly consistent even through the Great Recession. The decrease in fiscal year 2009 – 2010 is due to the loss of a major business while the increase in fiscal year 2014 – 2015 is due to the addition of a major business.



### Water revenue (\$3,550,393 or 14.60%)

The Village owns a water utility and charges residents a fee to use that water, which is the second largest revenue source for the Village. The Village also charges residents a fee to maintain the sanitary sewer lines that feed to the Fox Metro Water Reclamation District. The revenue is based upon the immediate prior year's usage by existing residents along with the additional housing units brought online by new permits. The fiscal year 2014 – 2015 budget includes an increase in the water rates of 4% as of May 1, 2014. The Village expects annual increases of approximately 4% in fiscal year 2015 – 2016 and 3% each year thereafter. This revenue stream is dependent on weather conditions and will vary based on how warm it is or how much rain the Village receives.

## Chapter 5: Executive Summary



### **Illinois Environmental Protection Agency loan (\$3,524,535 or 14.49%)**

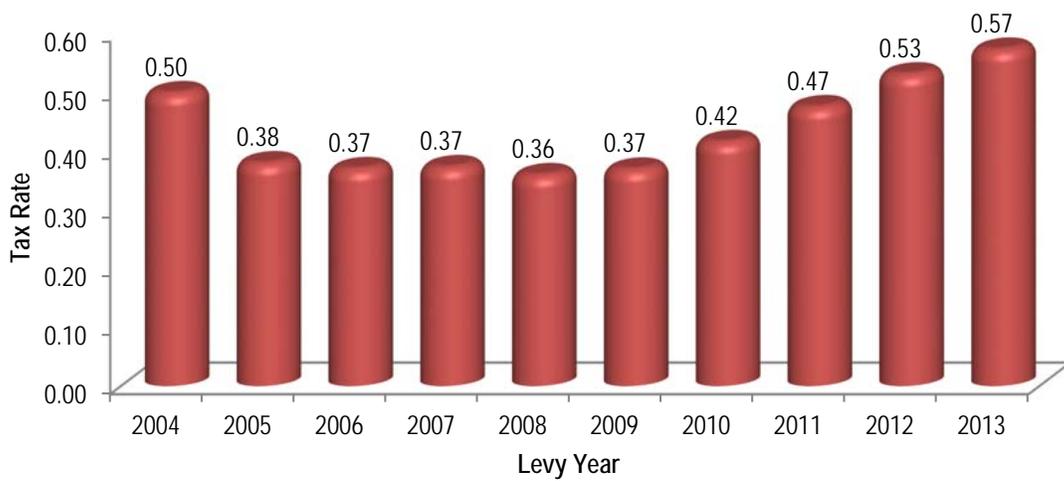
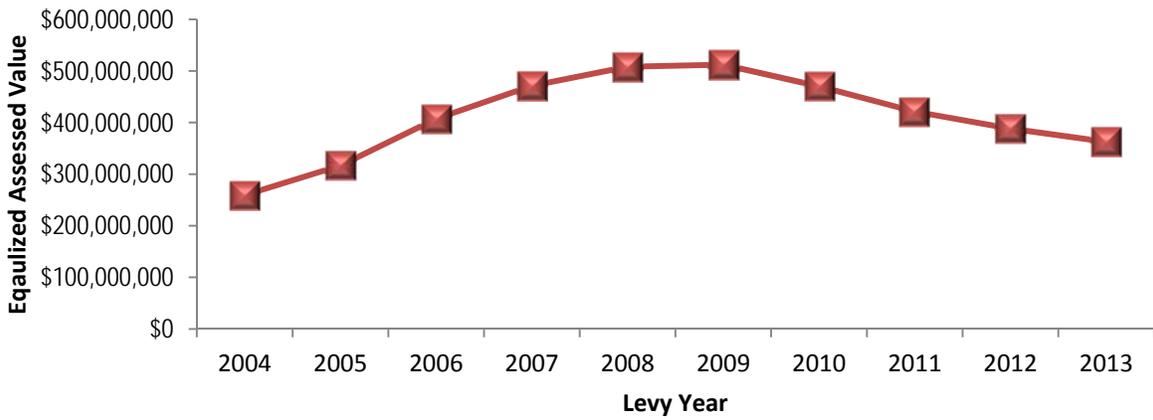
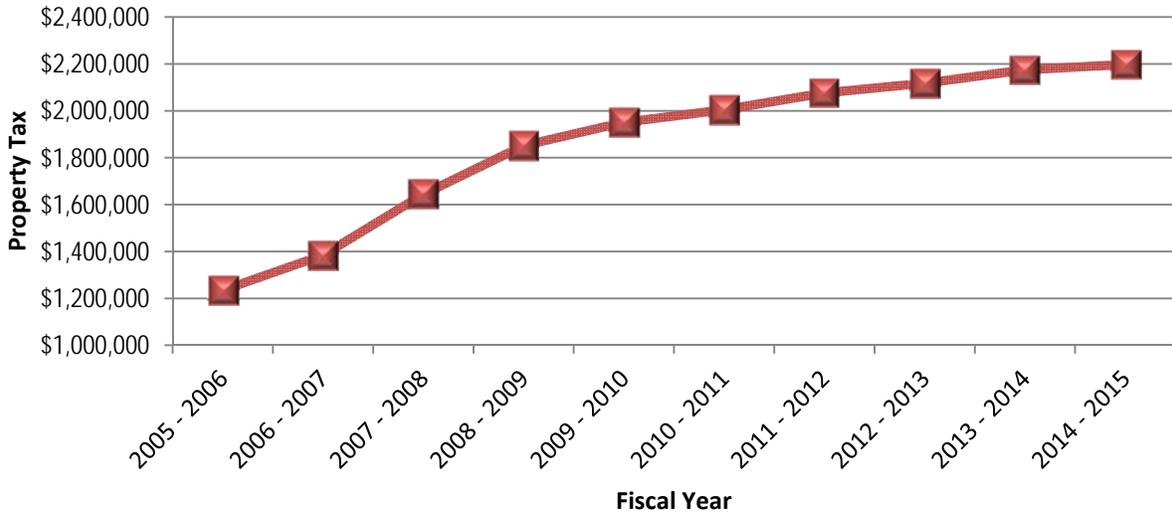
The third largest revenue source for the Village in fiscal year 2014 – 2015 is a long-term low interest loan from the Illinois Environmental Protection Agency. The loan will be used to pay for the second half of the Boulder Hill water main project discussed in the transmittal letter. Long-term borrowing depends on when capital projects are anticipated and are one-time in nature. Therefore, no historical data is available for this revenue source.

### **Property tax (\$2,197,963 or 9.04%)**

Local property tax revenues, the fourth largest revenue source, have risen in recent years as a result of the residential and commercial growth that took place before the Great Recession. The Village annually establishes a legal right to the property tax assessments upon the enactment of a tax levy ordinance by the Village Board. These tax assessments are levied in December and attach as an enforceable lien on the previous January 1. Tax bills are prepared by Kane and Kendall Counties and issued on or about May 15 and August 1, and are payable in two installments which are due on or about June 15 and September 1. Property taxes are billed, collected and remitted periodically by the County Treasurers to the Village. Both counties provide the Village with its levy year 2013 tax rate, which is collectible in calendar year 2014 and reflected in fiscal year 2015, in April 2014. The increase in total property tax revenue is limited by the Property Tax Extension Limitation Act (tax cap), which provides that operating levy increases cannot exceed the Consumer Price Index increase for the prior calendar year, plus new growth. New growth consists of annexations of property and new building activity.

The history of the property tax within Montgomery is rather interesting due to Montgomery's extreme population growth. The first graph on the next page shows sizable growth in revenue while residential development was taking place, but leveled off and has been fairly stable since fiscal year 2009 – 2010. The second graph depicts the equalized assessed value (1/3 of actual value and what property tax bills are based on) which started to go down shortly after the housing downturn. The third graph represents the direct tax rate paid by residents for Village property taxes only. There is an inverse relationship between equalized assessed value and the Village's direct tax rate due to the tax cap.

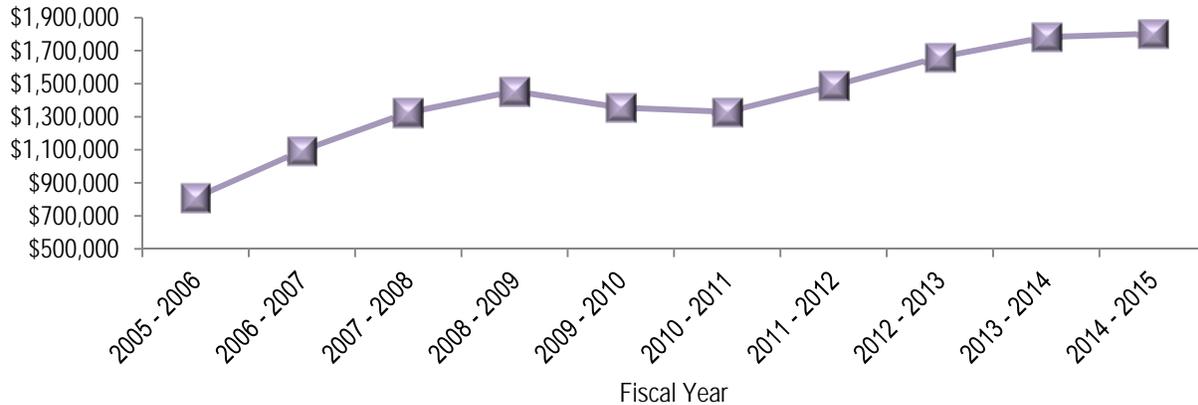
# Chapter 5: Executive Summary



# Chapter 5: Executive Summary

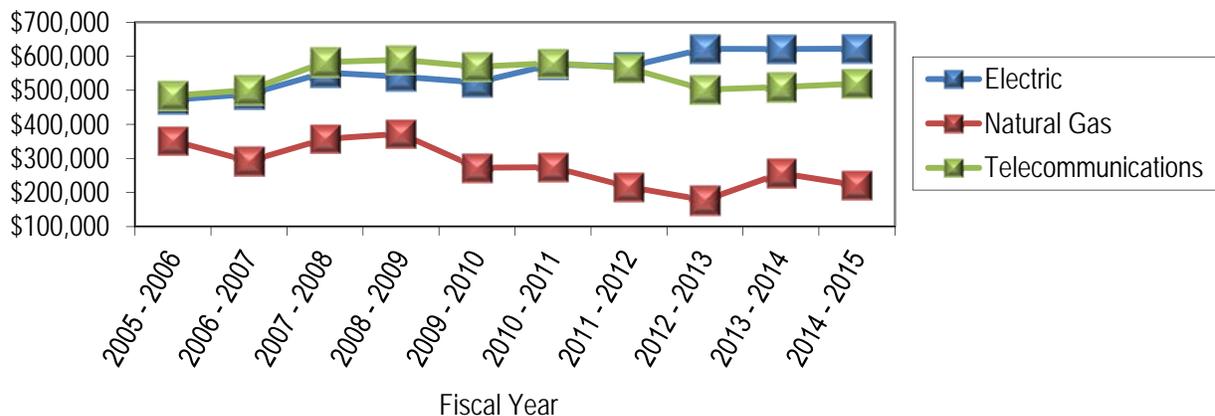
## State income tax (\$1,803,236 or 7.41%)

The Village's fifth largest revenue source is the State shared income tax which comes from the State of Illinois Local Government Distributive Fund (LGDF). LGDF is distributed on a per capita basis and the Illinois Municipal League estimates quarterly the amount each municipality receives per person. The Village has used its 2010 Census population of 18,438 residents for 12 months of the year. The Illinois Municipal League estimated the per capita collections for fiscal year 2014 – 2015 at \$97.80 per person. The 2.5% increase over fiscal year 2013 – 2014 reflects the continued economic recovery, as unemployment decreases and companies see profits increase.



## Utility taxes (\$1,362,731 or 5.60%)

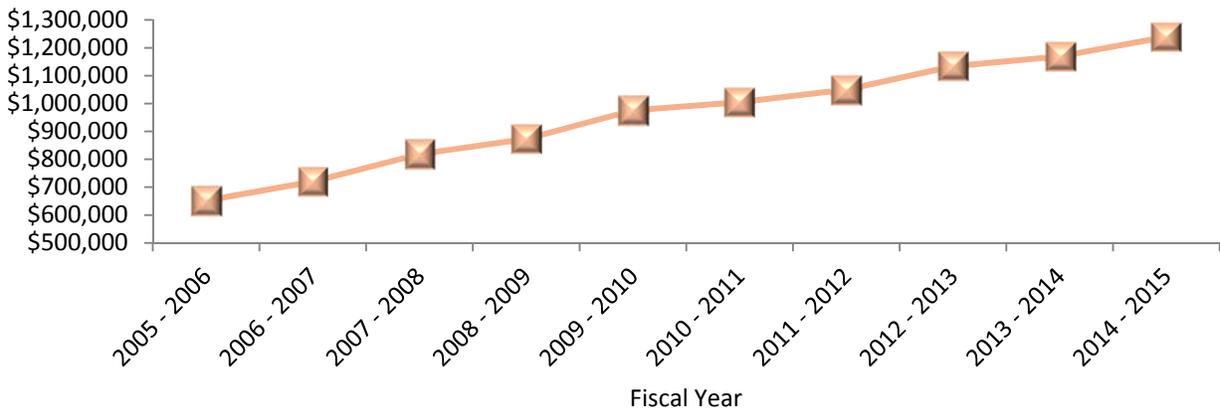
Utility taxes consist of three components. First, telecommunications tax of 6% appears on the local and cellular phone bills of residents and businesses within Village limits. Second, electricity tax of 5% appears on the electric bills. Third, natural gas tax of 5% appears on the natural gas bills. These revenue streams are somewhat unpredictable and will rise and fall due to the severity of climate changes (electricity and natural gas tax). Utility tax revenues have stagnated in recent years due to the slowdown in new residential and commercial development. The reduction in telecommunications tax is due to residents continuing to move to cell service only, while the reduction in natural gas tax is due to warmer winters over the last several years. The Village expects to see revenues increase slowly as the economy rebounds and residential and commercial development begins to recover.



# Chapter 5: Executive Summary

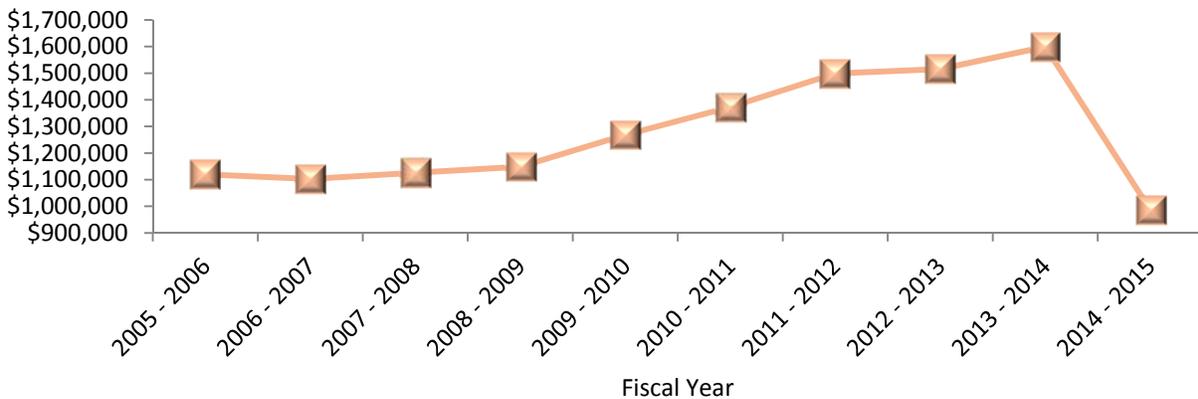
## Refuse revenue (\$1,239,592 or 5.10%)

The Village contracts with Republic Services (formerly Allied Waste) for a full range of refuse services. These services include refuse, recycling, and yard waste, as well as bulk items, large items, waste tires, and white goods (i.e. large appliances) for an additional fee. The Village charges residents, which is the sixth largest revenue source for the Village, for these services on their bi-monthly utility bill. The Village renewed its contract with Waste Management effective November 2011 which calls for annual increases of approximately \$0.70 per year. The rate for calendar year 2014 is \$18.17 per month, while an increase of \$0.75 has been budgeted as of January 1, 2015 to \$18.92 per month. The budgeted amount for direct customer refuse billing is based on the new contract rate and the existing number of homes.



## Transfers in – Debt Service Fund (\$987,233 or 4.06%)

The Debt Service Fund is used to accumulate monies for the Village's General Obligation Alternate Revenue Source Series 2008, 2010, 2011, and 2014 Bonds. The alternate revenue source bonds pledge income derived from sales and utility taxes. In addition, these bonds further pledge the full faith and credit of the Village should the alternate revenue source be insufficient. The Village abates the property taxes on the Series 2008, 2010, 2011, and 2014 Bonds and transfers money in from the Capital Improvement Fund to pay for this debt. Transfers into the Debt Service Fund will decrease in fiscal year 2014 – 2015 upon the restructuring of the Village's governmental debt which will more closely match our utility tax projections.



# Chapter 5: *Executive Summary*

## **MAJOR EXPENDITURES**

### **Personal Services**

The Village, as a service driven organization, continues to expend the greatest percentage of its budget on personal services (wages and benefits). For fiscal year 2014 – 2015, personal services expenditures are expected to total \$6,514,575 or 26.17% of total budgeted expenditures. This is an increase of 4.75% over the fiscal year 2013 – 2014 budgeted expenditures of \$6,218,890.

Performance based increases of 0% to 5% were budgeted for non-represented employees. The Village negotiated a new 3-year agreement during fiscal year 2014 with MAP #333 (Metropolitan Alliance of Police) representing patrol officers through April 30, 2016. This contract includes a cost of living increase of 2% each year as well as step increases. In addition, the Village has an existing agreement with IUOE Local 150 (International Union of Operating Engineers) representing Public Works field employees through April 30, 2015. This contract includes performance based increases of 1% to 4%.

The fiscal year 2014 – 2015 budget includes a reduction of 4.2 full-time equivalent (FTE) positions. FTE equal the total hours of all employees divided by 2,080 working hours in a year. The Assistant Village Administrator was eliminated in the Village Administrator's Department (-1.0). The Finance Department includes the replacement of a part-time water billing clerk with a full-time water billing clerk (0.5). The Police Department staffing will decrease overall with the elimination of dispatch operations during fiscal year 2013 – 2014 (-6.5). However, the number of full-time sworn officers is budgeted to increase (1.0). In addition, the promotion of a Sergeant to Lieutenant is budgeted during fiscal year 2014 – 2015. Lastly, Public Works will add a full-time maintenance worker (1.0), but eliminate one of the part-time seasonal employees (0.5).

Department	Actual				Budget	Change
	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY2014/15	
<b>General Government</b>						
Administration	4.000	4.000	2.000	3.380	2.380	(1.000)
Finance	4.500	4.500	5.000	5.500	6.000	0.500
Community Development	5.000	4.500	4.000	3.700	5.000	1.300
<b>General Government - Total</b>	<b>13.500</b>	<b>13.000</b>	<b>11.000</b>	<b>12.580</b>	<b>13.380</b>	<b>0.800</b>
<b>Public Safety</b>						
Sworn Officers	23.000	24.000	27.000	25.000	26.000	1.000
Civilians/Other	11.000	10.000	9.000	9.500	3.000	(6.500)
<b>Public Safety - Total</b>	<b>34.000</b>	<b>34.000</b>	<b>36.000</b>	<b>34.500</b>	<b>29.000</b>	<b>(5.500)</b>
<b>Public Works</b>						
Administration	2.000	2.000	2.000	2.000	2.000	-
Street Maintenance	7.000	9.000	9.000	8.500	9.000	0.500
Water Operations	2.000	2.000	2.000	3.000	3.000	-
Building Maintenance	1.000	1.000	1.000	1.000	1.000	-
Fleet Maintenance	1.500	1.500	1.000	1.000	1.000	-
<b>Public Works - Total</b>	<b>13.500</b>	<b>15.500</b>	<b>15.000</b>	<b>15.500</b>	<b>16.000</b>	<b>0.500</b>
<b>Total Village Employees</b>	<b>61.000</b>	<b>62.500</b>	<b>62.000</b>	<b>62.580</b>	<b>58.380</b>	<b>(4.200)</b>

# Chapter 5: Executive Summary

The Village includes a five-year staffing plan in its budget each year due to the amount spent on personal services. It also helps to anticipate future personnel costs.

Description	Approved FY 2015	Proposed FY 2016	Proposed FY 2017	Proposed FY 2018	Proposed FY 2019
<b>Village Administrator's Department</b>					
Village Administrator	1.00	1.00	1.00	1.00	1.00
Executive Assistant	0.88	0.88	0.88	0.88	0.88
Management Intern	0.50	0.50	0.50	0.50	0.50
	<u>2.38</u>	<u>2.38</u>	<u>2.38</u>	<u>2.38</u>	<u>2.38</u>
<b>Finance Department</b>					
Director of Finance	1.00	1.00	1.00	1.00	1.00
Human Resources Manager	1.00	1.00	1.00	1.00	1.00
Accounting Manager	1.00	1.00	1.00	1.00	1.00
Accounts Payable Clerk	1.00	1.00	1.00	1.00	1.00
Water Billing Clerk	2.00	2.00	2.00	2.00	2.00
Receptionist	-	1.00	1.00	1.00	1.00
IT Technician	-	-	-	-	-
	<u>6.00</u>	<u>7.00</u>	<u>7.00</u>	<u>7.00</u>	<u>7.00</u>
<b>Community Development</b>					
Director of Community Development	1.00	1.00	1.00	1.00	1.00
Senior Planner	1.00	1.00	1.00	1.00	1.00
Planner	-	1.00	1.00	1.00	1.00
Building Supervisor	1.00	1.00	1.00	1.00	1.00
Building Inspector	-	-	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Code Enforcement Officer	1.00	1.00	1.00	1.00	1.00
Building Clerk	-	-	0.50	1.00	1.00
	<u>5.00</u>	<u>6.00</u>	<u>7.50</u>	<u>8.00</u>	<u>8.00</u>
<b>Police</b>					
Chief of Police	1.00	1.00	1.00	1.00	1.00
Deputy Police Chief	1.00	1.00	1.00	1.00	1.00
Police Lieutenant	1.00	1.00	1.00	1.00	1.00
Police Sergeant	5.00	6.00	6.00	6.00	6.00
Police Officer	18.00	20.00	21.00	22.00	23.00
Management Analyst	1.00	1.00	1.00	1.00	1.00
Police Records Clerk	2.00	3.00	3.00	3.00	3.00
	<u>29.00</u>	<u>33.00</u>	<u>34.00</u>	<u>35.00</u>	<u>36.00</u>
<b>Public Works</b>					
Director of Public Works	1.00	1.00	1.00	1.00	1.00
Streets Supervisor	1.00	1.00	1.00	1.00	1.00
Utilities Supervisor	1.00	1.00	1.00	1.00	1.00
Water Plant Operator	2.00	3.00	3.00	3.00	3.00
Maintenance Worker I	2.00	3.00	3.00	3.00	3.00
Maintenance Worker II	4.00	4.00	4.00	4.00	4.00
Fleet Mechanic	1.00	1.00	1.00	1.00	1.00
Fleet Technician	-	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Customer Service Technician	-	1.00	1.00	1.00	1.00
Arborist	1.00	1.00	1.00	1.00	1.00
Building Maintenance Technician	1.00	1.00	1.00	1.00	1.00
Seasonal Help	1.00	1.00	1.00	1.00	1.00
Arborist Intern	-	0.50	0.50	0.50	0.50
Clerical Assistant	-	0.60	0.60	0.60	0.60
	<u>16.00</u>	<u>21.10</u>	<u>21.10</u>	<u>21.10</u>	<u>21.10</u>
<b>Total</b>	<u>58.38</u>	<u>69.48</u>	<u>71.98</u>	<u>73.48</u>	<u>74.48</u>
Employee's per 1,000 residents	3.17	3.77	3.90	3.99	4.04

# Chapter 5: *Executive Summary*

## Capital Outlay

The Village of Montgomery devotes the second largest portion of its annual budget to capital projects in order to maintain or improve the level of service expected by its citizens. That level of service can only be assured if adequate consideration is given to maintaining and expanding public facilities and infrastructure. If a government fails to maintain its capital assets, equipment, facilities and infrastructure will deteriorate more quickly and necessitate costly emergency allocations of financial resources.

Capital project costs can range from \$25,000 for the one-time acquisition of a piece of equipment to millions of dollars for the construction of new facilities. The total amount of capital outlay for fiscal year 2014 – 2015 is \$6,228,721 or 25.03% of total budgeted expenditures. Although more detail will be provided in the applicable fund, the two largest projects and the applicable percent of capital outlay expenditures are as follows:

- Boulder Hill water main project (\$4,688,390 or 75.27%) – This project began in fiscal year 2013 – 2014 and is expected to be substantially completed during fiscal year 2014 – 2015. The project replaces approximately 18,000 feet of water main in the unincorporated Boulder Hill Subdivision to remediate water main quality, small diameter water main, and water main looping issues.
- Vehicles (\$426,391 or 6.85%) – The Village budgets to replace a certain number of vehicles each year to ensure the safety of its employees while keeping repairs and maintenance under control. The fiscal year 2014 – 2015 budget includes the replacement of a total of 5 vehicles.

Capital outlay should not be confused with a Capital Improvement Program (CIP). A CIP, which assists in the long-term planning and future allocation of funds, is a blueprint for planning a community's capital expenditures and is one of the most important responsibilities of local government officials. It coordinates community planning, financial capacity and physical development. The CIP consists of a five year plan which identifies projects to be undertaken during that time while capital outlay represents the first year of the CIP. Projects outside of the first year act to serve as a guide only and are subject to change and modification in subsequent years. The development of this multi-year program helps create a plan to ensure the availability of funds linked to various capital improvements while also focusing on the maintenance and integrity of Village property.

## Debt Service Summary

The Village of Montgomery's commitment to its citizens and business community is to continue providing exceptional quality services in a cost-effective manner. To achieve that end, the Village has issued bonds and received loans to finance many infrastructure projects to meet the rapid and extraordinary economic and population growth in recent years. Since 2000, the Village's population has grown from just over 5,000 residents to 18,438 residents or a 237% increase in ten years.

The Village of Montgomery currently has general obligation alternate revenue bonds and Illinois Environmental Protection Agency (IEPA) loans outstanding as of the beginning of fiscal year 2014 – 2015. Principal and interest payments for outstanding debt, the third largest expenditure, account for \$1,974,865 or 7.93% of total budgeted expenditures. The fiscal year 2014 – 2015 debt service is split nearly even between governmental (\$987,233) and proprietary (\$987,632) debt. More detail will be provided in the applicable fund about the outstanding debt.

## Chapter 5: *Executive Summary*

### Debt Service Summary (Continued)

The Village issued \$3,335,000 of general obligation alternate revenue bonds (Series 2014) during fiscal year 2013 – 2014 to advance refund a portion of the Series 2010 general obligation alternate revenue bonds.

#### **General obligation bonds**

The Village has issued general obligation alternate revenue source bonds to provide for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. The alternate revenue source bonds pledge income derived from sales tax, utility taxes, and net water revenues. In addition, these bonds further pledge the full faith and credit of the Village should the alternate revenue source be insufficient. The Village abates the property taxes on the Series 2007, Series 2008, Series 2010, Series 2011, Series 2013, and Series 2014 bonds. The table below summarizes the status of the Village's general obligation bonds:

Debt Issuance	Total Debt Issued	Principal Outstanding (as of 4/30/14)	Principal Due for FY 2014 - 2015	Interest Due for FY 2014 - 2015	Proposed Funding Source for FY 2014 - 2015
Series 2007	\$ 3,020,000	\$ 1,675,000	\$ 305,000	\$ 66,613	Net water revenues (Water Fund)
Series 2008	2,000,000	2,000,000	-	100,450	Utility taxes (Capital Improvement Fund)
Series 2010	7,375,000	1,970,000	340,000	71,725	Utility taxes (Capital Improvement Fund)
Series 2011	4,410,000	3,825,000	300,000	96,400	Utility taxes (Capital Improvement Fund)
Series 2013	4,590,000	4,590,000	120,000	170,350	Net water revenues (Water Fund)
Series 2014	3,335,000	3,335,000	-	78,658	Utility taxes (Capital Improvement Fund)
<b>Total</b>	<b>\$ 24,730,000</b>	<b>\$ 17,395,000</b>	<b>\$ 1,065,000</b>	<b>\$ 584,196</b>	

# Chapter 5: *Executive Summary*

## Debt Service Summary (Continued)

### General obligation bonds (continued)

As of April 30, 2014, debt service requirements to maturity on the outstanding general obligation bonds, including interest are as follows:

Fiscal Year Ending April 30	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2015	\$ 640,000	\$ 329,847	\$ 969,847	\$ 425,000	\$ 236,062	\$ 661,062
2016	725,000	357,365	1,082,365	445,000	220,416	665,416
2017	755,000	333,365	1,088,365	460,000	204,026	664,026
2018	810,000	311,390	1,121,390	480,000	187,042	667,042
2019	1,375,000	283,090	1,658,090	500,000	169,318	669,318
2020	1,385,000	224,652	1,609,652	140,000	150,850	290,850
2021	1,025,000	165,508	1,190,508	145,000	146,650	291,650
2022	1,050,000	136,734	1,186,734	145,000	142,300	287,300
2023	1,085,000	106,753	1,191,753	150,000	137,950	287,950
2024	1,120,000	75,253	1,195,253	155,000	133,450	288,450
2025	1,160,000	38,913	1,198,913	160,000	128,800	288,800
2026	-	-	-	165,000	122,400	287,400
2027	-	-	-	175,000	115,800	290,800
2028	-	-	-	180,000	108,800	288,800
2029	-	-	-	190,000	101,600	291,600
2030	-	-	-	195,000	94,000	289,000
2031	-	-	-	205,000	86,200	291,200
2032	-	-	-	210,000	78,000	288,000
2033	-	-	-	220,000	69,600	289,600
2034	-	-	-	230,000	60,800	290,800
2035	-	-	-	240,000	51,600	291,600
2036	-	-	-	245,000	42,000	287,000
2037	-	-	-	255,000	32,200	287,200
2038	-	-	-	270,000	22,000	292,000
2039	-	-	-	280,000	11,200	291,200
	<u>\$ 11,130,000</u>	<u>\$ 2,362,870</u>	<u>\$ 13,492,870</u>	<u>\$ 6,265,000</u>	<u>\$ 2,853,064</u>	<u>\$ 9,118,064</u>

## Chapter 5: Executive Summary

### Debt Service Summary (Continued)

#### Illinois Environmental Protection Agency (IEPA) loans

The Village has entered into three loan agreements with the IEPA to provide low interest financing for waterworks and sewerage improvements. IEPA loans have been issued for business-type activities only. The IEPA loans pledge net water and sewer revenues. The table below summarizes the status of the Village's IEPA loans:

Debt Issuance	Total Debt Issued	Principal Outstanding (as of 4/30/14)	Principal Due for FY 2014 - 2015	Interest Due for FY 2014 - 2015	Proposed Funding Source for FY 2014 - 2015
2002 Loan	\$ 1,128,780	\$ 594,703	\$ 59,275	\$ 15,515	Net water revenues (Water Fund)
2011 Loan	4,310,177	4,032,630	201,098	49,781	Net water revenues (Water Fund)
<b>Total</b>	<b>\$ 5,438,957</b>	<b>\$ 4,627,333</b>	<b>\$ 260,373</b>	<b>\$ 65,296</b>	

As of April 30, 2014, debt service requirements to maturity on the outstanding IEPA loans, including interest are as follows:

Fiscal Year Ending April 30	Business-Type Activities		
	Principal	Interest	Total
2015	\$ 260,374	\$ 65,296	\$ 325,670
2016	264,492	61,178	325,670
2017	268,684	56,986	325,670
2018	272,952	52,718	325,670
2019	277,298	48,372	325,670
2020	281,725	43,945	325,670
2021	286,232	39,438	325,670
2022	290,821	34,849	325,670
2023	295,494	30,176	325,670
2024	224,965	25,915	250,880
2025	227,786	23,094	250,880
2026	230,642	20,238	250,880
2027	233,534	17,346	250,880
2028	236,462	14,418	250,880
2029	239,427	11,453	250,880
2030	242,429	8,451	250,880
2031	245,469	5,411	250,880
2032	248,547	2,333	250,880
	<b>\$ 4,627,333</b>	<b>\$ 561,617</b>	<b>\$ 5,188,950</b>

# Chapter 5: Executive Summary

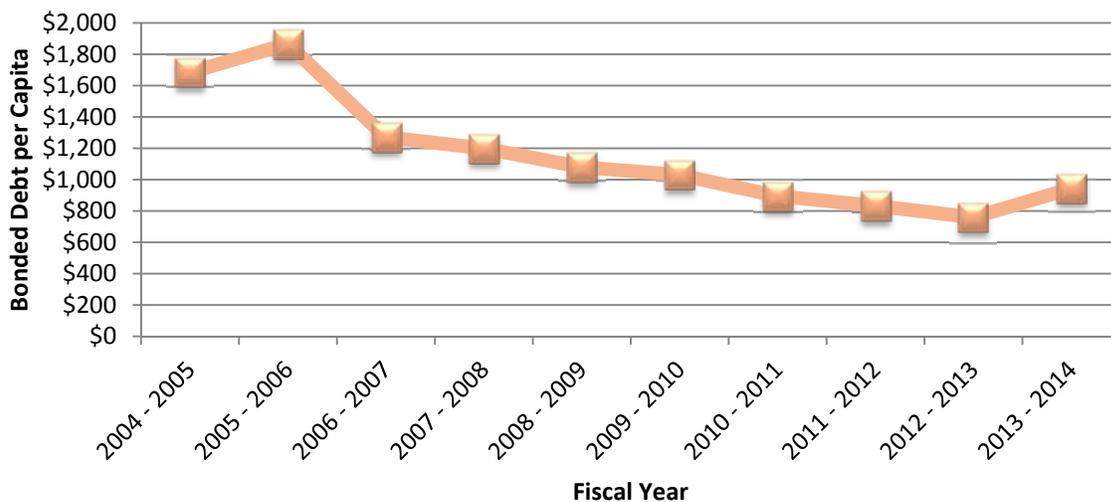
## Debt Service Summary (Continued)

### Legal debt margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, “no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained be the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality’s 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979”.

Assessed Valuation - 2013		\$ 362,547,353
Legal Debt Limit - 8.625% of Assessed Value		<u>\$ 31,269,709</u>
General Obligation Debt:		
Series 2007	\$ 1,675,000	
Series 2008A	2,000,000	
Series 2010	1,970,000	
Series 2011	3,825,000	
Series 2013	4,590,000	
Series 2014	3,335,000	
Total General Obligation Debt	<u>17,395,000</u>	
Less: Alternate Revenue Source Bonds	<u>(17,395,000)</u>	
Total Applicable Debt		<u>-</u>
Legal Debt Margin		<u>\$ 31,269,709</u>

The diagram indicates the bonded debt per capita for all of the Village’s General Obligation Debt. The earlier years show when the Village issued debt for infrastructure to meet the community’s rapid growth. The increased population and debt payments since have allowed the Village to reduce the bonded debt per capita over time.



## Chapter 6: Fund Summary

The Fund Summary contains information on all funds except the General Fund which is reviewed by Department in Chapter 7: Departmental Summary.

### **MOTOR FUEL TAX FUND**

The Motor Fuel Tax (MFT) Fund accounts for motor fuel tax revenues from the State of Illinois and expenditures related to the Village's annual road rehabilitation and construction program. The mission of the Motor Fuel Tax Fund is to utilize revenues from the State of Illinois to cost effectively maintain Village streets. Village streets are selected for resurfacing or major rehabilitation based on analysis conducted by the Public Works Department and engineering consultant. The annual program is awarded to an outside contractor based on the bid results received.

Motor Fuel Tax Funds are disbursed to the Village from the Illinois Department of Transportation on a per capita basis. Motor Fuel Taxes are derived from a tax on the privilege of operating motor vehicles upon public highways based on the consumption of motor fuel. Use of Motor Fuel Tax Funds is restricted to direct expenses associated with, but not limited to, street improvements and maintenance, storm sewers and bicycle parking facilities, paths, signs and markings based upon the appropriate Illinois State Statutes. Motor Fuel Tax operations include: micro-surfacing, concrete curb and gutter replacement, street rebuilding and improvements.

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>REVENUE</b>						
<b>Intergovernmental Revenue</b>						
Allotments - High Growth Cities	24,592	46,619	46,578	46,578	49,337	49,337
State Grant - Emergency Repair Program	635,000	-	-	-	-	-
State Grant - Douglas Road (LAFO)	-	-	-	37,748	37,748	-
State Grant - Webster Street Crossing (ICC)	-	-	-	-	-	100,000
Allotments - Motor Fuel Tax Per Capita (23.75) (24.30), Illinois Now \$74,095	505,733	523,908	513,151	433,290	528,592	522,138
<b>Total Intergovernmental Revenue</b>	<b>1,165,325</b>	<b>570,527</b>	<b>559,729</b>	<b>517,616</b>	<b>615,677</b>	<b>671,475</b>
<b>Charges for Services</b>						
Other Reimbursements - Streets	-	-	-	5,400	-	-
<b>Total Charges for Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,400</b>	<b>-</b>	<b>-</b>
<b>Investment Earnings</b>						
Investment Earnings - Interest Income	350	177	182	250	100	100
<b>Total Investment Earnings</b>	<b>350</b>	<b>177</b>	<b>182</b>	<b>250</b>	<b>100</b>	<b>100</b>
<b>Total Revenue</b>	<b>1,165,675</b>	<b>570,704</b>	<b>559,911</b>	<b>523,266</b>	<b>615,777</b>	<b>671,575</b>

## Chapter 6: Fund Summary

### **MOTOR FUEL TAX FUND (Continued)**

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>EXPENDITURES</b>						
<b>Purchased Services - Professional and Technical</b>						
Engineering Services - Municipal Projects	118,632	45,404	72,898	222,830	190,330	110,000
MFT Street Maintenance Program (35,000)						
Concord Bridge Maintenance (5,000)						
Mill Street Bridge Maintenance (30,000)						
Webster Street Railroad Crossing Repair (20,000)						
BNSF Quiet Zone Study (20,000)						
<b>Total Purchased Services - Professional and Technical</b>	<b>118,632</b>	<b>45,404</b>	<b>72,898</b>	<b>222,830</b>	<b>190,330</b>	<b>110,000</b>
<b>Purchased Services - Property</b>						
Infrastructure Repair and Maintenance - Streets and Alleys	722,192	317,383	366,124	482,570	583,770	488,990
MFT Street Maintenance Program (305,000)						
US Route 30 Widening (57,990 - FY15, FY16)						
Route 31 Interchange Improvements (6,000)						
Concord Bridge Maintenance (20,000)						
Webster Street Railroad Crossing Repair (100,000)						
<b>Total Purchased Services - Property</b>	<b>722,192</b>	<b>317,383</b>	<b>366,124</b>	<b>482,570</b>	<b>583,770</b>	<b>488,990</b>
<b>Supplies and Materials</b>						
Public Works Supplies - Snow Removal	121,147	70,720	106,821	160,000	140,000	165,000
Road Salt - (160,000)						
<b>Total Supplies and Materials</b>	<b>121,147</b>	<b>70,720</b>	<b>106,821</b>	<b>160,000</b>	<b>140,000</b>	<b>165,000</b>
<b>Total Expenditures</b>	<b>961,971</b>	<b>433,507</b>	<b>545,843</b>	<b>865,400</b>	<b>914,100</b>	<b>763,990</b>
<b>Net Income (Loss)</b>	<b>203,704</b>	<b>137,197</b>	<b>14,068</b>	<b>(342,134)</b>	<b>(298,323)</b>	<b>(92,415)</b>
<b>Beginning Fund Balance</b>	<b>386,547</b>	<b>590,251</b>	<b>727,448</b>	<b>741,516</b>	<b>741,516</b>	<b>443,193</b>
<b>Ending Fund Balance</b>	<b>590,251</b>	<b>727,448</b>	<b>741,516</b>	<b>399,382</b>	<b>443,193</b>	<b>350,778</b>

### **ECONOMIC DEVELOPMENT LOAN FUND**

The Economic Development Loan Fund accounts for the Community Development Revolving Loan Program initially funded by 2 grants from the Illinois Department of Commerce and Economic Opportunity (DCEO). The Village used the initial principal and interest repayments to fund 19 additional loans since 1984. Each of the participants in the program have to meet certain eligibility requirements set forth by DCEO. The Village currently has 2 loans outstanding in the amount of approximately \$1.42 million.

## Chapter 6: Fund Summary

### *ECONOMIC DEVELOPMENT LOAN FUND (Continued)*

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>REVENUE</b>						
<b>Investment Earnings</b>						
Interest Income - Cash and Investments	275	-	-	150	1,500	300
Interest Income - Loans	31,949	32,284	20,651	1,080	8,723	14,260
Total Investment Earnings	32,224	32,284	20,651	1,230	10,223	14,560
Total Revenue	32,224	32,284	20,651	1,230	10,223	14,560
<b>EXPENDITURES</b>						
<b>Purchased Services - Professional and Technical</b>						
Professional Services - Economic Development	7,705	1,225	1,859	2,500	4,175	5,000
Professional Services - General	-	-	-	-	25	-
Total Purchased Services - Professional and Technical	7,705	1,225	1,859	2,500	4,200	5,000
Total Expenditures	7,705	1,225	1,859	2,500	4,200	5,000
Net Income (Loss)	24,519	31,059	18,792	(1,270)	6,023	9,560
Beginning Fund Balance	1,527,488	1,552,007	1,583,066	1,601,858	1,601,858	1,607,881
Ending Fund Balance	1,552,007	1,583,066	1,601,858	1,600,588	1,607,881	1,617,441

### *FORFEITURE AND SEIZURE FUND*

The Forfeiture and Seizure Fund accounts for Kane and Kendall County court fines, written by Village of Montgomery officers, which are restricted for certain purposes including drug prevention, DUI prevention, and patrol car maintenance. Since the patrol car maintenance is paid for by the General Fund those fines have been moved accordingly in fiscal year 2014 – 2015.

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>REVENUE</b>						
<b>Fines and Forfeits</b>						
Village of Montgomery - Liquor Violation Fines				-		
Kane County - Drug Fines	708	850	628	750	500	650
Kane County - DUI Prevention	10,760	7,738	6,503	5,000	6,870	7,000
Kane County - Patrol Car Maintenance	12,616	17,266	29,227	15,000	17,811	-
Kane County - Article 36 Forfeiture	1,025	-	-	-	-	-
Kane County - E-Citation	5	2,450	4,760	3,000	3,408	3,500
Kendall County - Drug Fines	1,823	283	2,031	2,000	2,059	2,000
Kendall County - DUI Prevention	1,516	1,762	3,777	3,000	5,500	3,000
Kendall County - Patrol Car Maintenance	785	684	826	500	837	-
Kendall County - E-Citation	-	98	185	250	377	250
Total Fines and Forfeits	29,238	31,131	47,937	29,500	37,362	16,400
Total Revenue	29,238	31,131	47,937	29,500	37,362	16,400

## Chapter 6: Fund Summary

### FORFEITURE AND SEIZURE FUND (Continued)

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>EXPENDITURES</b>						
<b>Supplies and Materials</b>						
Police Supplies - Kane County Drug Fines	-	5,639	15,462	2,000	215	2,000
Police Supplies - Kane County DUI Prevention	-	-	-	500	-	500
Police Supplies - Kendall County DUI Prevention	55	-	-	500	-	500
Police Supplies - Kendall County Article 36 Forfeiture	-	-	-	250	-	250
Police Supplies - Kane County Article 36 Forfeiture	17,630	7,797	44,530	4,000	55,000	4,000
Police Supplies - Patrol Car Maintenance	619	11,452	1,211	3,500	-	-
<b>Total Supplies and Materials</b>	<b>18,304</b>	<b>24,888</b>	<b>61,203</b>	<b>10,750</b>	<b>55,215</b>	<b>7,250</b>
<b>Capital Outlay</b>						
Capital Outlay - Equipment (Police)	-	-	-	-	-	22,500
Field Based Reporting (0) (22,500)						
<b>Total Capital Outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,500</b>
<b>Total Expenditures</b>	<b>18,304</b>	<b>24,888</b>	<b>61,203</b>	<b>10,750</b>	<b>55,215</b>	<b>29,750</b>
<b>Net Income (Loss)</b>	<b>10,934</b>	<b>6,243</b>	<b>(13,266)</b>	<b>18,750</b>	<b>(17,853)</b>	<b>(13,350)</b>
<b>Beginning Fund Balance</b>	<b>119,918</b>	<b>130,852</b>	<b>137,095</b>	<b>123,829</b>	<b>123,829</b>	<b>105,976</b>
<b>Ending Fund Balance</b>	<b>130,852</b>	<b>137,095</b>	<b>123,829</b>	<b>142,579</b>	<b>105,976</b>	<b>92,626</b>

### E-911 FUND

The E-911 Fund accounts for Kane and Kendall County wireless 911 surcharge fees which are restricted to be used for emergency 911 (dispatch) enhancements. The Village outsourced its dispatch during fiscal year 2013 – 2014 to KenCom and will no longer received these revenues.

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>REVENUE</b>						
<b>Intergovernmental Revenue</b>						
Alloiments - Kane County Wireless 911 Surcharge	83,377	85,745	100,775	40,000	79,031	-
<b>Total Intergovernmental Revenue</b>	<b>83,377</b>	<b>85,745</b>	<b>100,775</b>	<b>40,000</b>	<b>79,031</b>	<b>-</b>
<b>Total Revenue</b>	<b>83,377</b>	<b>85,745</b>	<b>100,775</b>	<b>40,000</b>	<b>79,031</b>	<b>-</b>

## Chapter 6: Fund Summary

### *E-911 FUND (Continued)*

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>EXPENDITURES</b>						
<b>Supplies and Materials</b>						
Police Supplies - Other	2,385	5,505	42,131	-	-	-
Total Supplies and Materials	2,385	5,505	42,131	-	-	-
<b>Capital Outlay</b>						
Capital Outlay - Equipment (Police)	-	-	-	150,000	82,000	39,500
Field Based Reporting (60,000) (22,500)						
New World Database Server (0) (8,500)						
New World Test Server (0) (8,500)						
Total Capital Outlay	-	-	-	150,000	82,000	39,500
<b>Transfers</b>						
Transfer Out - General Fund	70,800	85,000	84,960	-	40,000	-
Total Transfers	70,800	85,000	84,960	-	40,000	-
Total Expenditures	73,185	90,505	127,091	150,000	122,000	39,500
Net Income (Loss)	10,192	(4,760)	(26,316)	(110,000)	(42,969)	(39,500)
Beginning Fund Balance	175,861	186,053	181,293	154,977	154,977	112,008
Ending Fund Balance	186,053	181,293	154,977	44,977	112,008	72,508

### **CAPITAL IMPROVEMENT FUND**

The Capital Improvement Fund accounts for the acquisition, construction and improvement of major governmental capital assets (not being financed by proprietary funds). Activities are financed by utility taxes, grants, rent on Village properties, and developer contributions.

It is important for the Village to maintain an adequate balance between contributions to capital improvements and non-capital expenditures. Both capital and non-capital expenditures play an important role in the long-range financial health of the Village and both must be planned for, implemented, and controlled with equal care to prevent them from precipitating future financial crises. The Village transfers a large percentage of the utility taxes to the Debt Service Fund to pay for debt issued to build the Police Station and Village Hall.

The Village does not have another large dedicated funding source for governmental capital improvement projects; thus, it is difficult for the Village to conduct a large number of capital improvement projects without the necessary funding available. However, the Village was able to budget for several smaller projects during fiscal year 2014 – 2015 including:

- Police Department video surveillance update to new technology
- Pavement Management Program to update the 5 year road maintenance plan
- Weather warning siren installation due to growth on the western side of the community
- Light Road crossing repair paid by a 100% grant from the Illinois Commerce Commission

# Chapter 6: Fund Summary

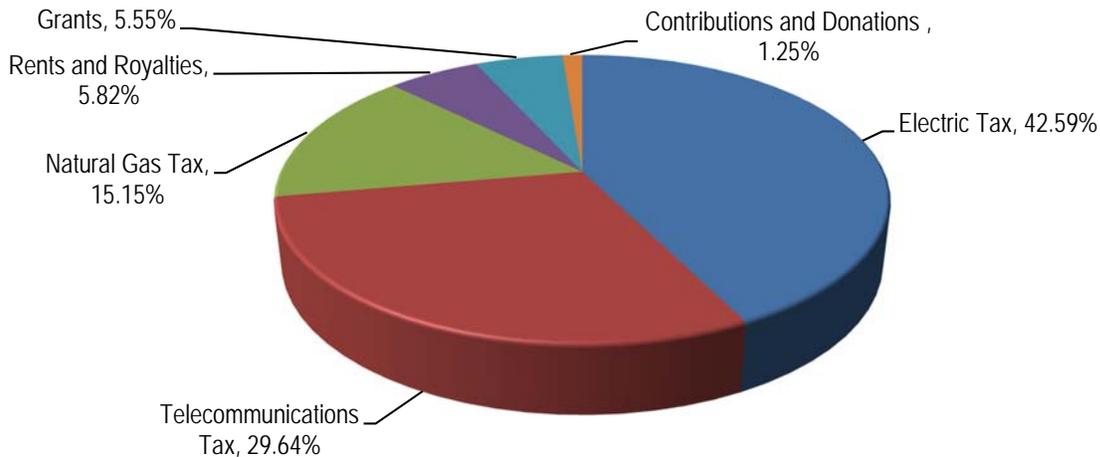
## **CAPITAL IMPROVEMENT FUND (Continued)**

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>REVENUE</b>						
<b>Taxes</b>						
Utility Tax - Electric	576,000	569,714	621,547	625,000	621,360	622,198
Utility Tax - Natural Gas	274,348	216,324	177,483	150,000	256,703	221,344
Utility Tax - Telecommunications	484,478	474,998	412,277	475,000	424,476	432,966
<b>Total Taxes</b>	<b>1,334,826</b>	<b>1,261,036</b>	<b>1,211,307</b>	<b>1,250,000</b>	<b>1,302,539</b>	<b>1,276,508</b>
<b>Intergovernmental Revenue</b>						
Federal Grants - Transportation Bill	-	10,185	-	-	-	-
State Grant - LAPP Baseline	142,044	-	5,999	-	-	-
State Grant - LAPP (River Street)	59,444	-	-	-	-	-
State Grant - Landmarks Illinois	25,241	2,390	-	-	-	-
State Grant - LAPP (Lakewood Creek)	5,272	32,843	-	-	-	-
Local Grant - ICC (Light Road)	-	-	7,000	96,000	32,000	81,000
<b>Total Intergovernmental Revenue</b>	<b>232,001</b>	<b>45,418</b>	<b>12,999</b>	<b>96,000</b>	<b>32,000</b>	<b>81,000</b>
<b>Charges for Services</b>						
Police Reimbursements - Mobile CAD/RMS Interface	-	16,120	-	-	16,112	-
Other Reimbursements - Impact Fee Study	1,200	-	-	-	-	-
Other Reimbursements - Sale of Village Hall	174,001	-	-	-	-	-
<b>Total Charges for Services</b>	<b>175,201</b>	<b>16,120</b>	<b>-</b>	<b>-</b>	<b>16,112</b>	<b>-</b>
<b>Investment Earnings</b>						
Interest Income - Cash and Investments	49	22	30	50	5	50
Interest Income - Mortgages	11,099	11,747	10,346	10,500	9,383	-
<b>Total Investment Earnings</b>	<b>11,148</b>	<b>11,769</b>	<b>10,376</b>	<b>10,550</b>	<b>9,388</b>	<b>50</b>
<b>Rents and Royalties</b>						
Rents and Royalties - Water Tower Rental	-	-	86,052	-	83,273	85,000
<b>Total Rents and Royalties</b>	<b>-</b>	<b>-</b>	<b>86,052</b>	<b>-</b>	<b>83,273</b>	<b>85,000</b>
<b>Contributions and Donations</b>						
Development Fees - Cambridge	7,340	8,157	-	-	-	-
Development Fees - Saratoga Springs	-	-	-	-	4,500	5,200
Development Fees - Orchard Prairie North	3,102	-	-	-	3,000	4,200
Development Fees - Marquis Pointe	-	-	-	-	3,400	6,800
Traffic Control Fees - Cambridge	4,950	4,455	-	-	-	-
Donations - Settlers Cottage	6,226	3,090	3,708	2,000	800	2,000
Developer Contributions - Saratoga	804,459	-	-	-	-	-
<b>Total Contributions and Donations</b>	<b>826,077</b>	<b>15,702</b>	<b>3,708</b>	<b>2,000</b>	<b>11,700</b>	<b>18,200</b>
<b>Long-Term Debt Issue</b>						
Bond Proceeds	5,521	-	-	-	-	-
Village Hall Proceeds	-	9,853	10,302	-	-	-
<b>Total Long-Term Debt Issue</b>	<b>5,521</b>	<b>9,853</b>	<b>10,302</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Revenue</b>	<b>2,584,774</b>	<b>1,359,898</b>	<b>1,334,744</b>	<b>1,358,550</b>	<b>1,455,012</b>	<b>1,460,758</b>

# Chapter 6: Fund Summary

## CAPITAL IMPROVEMENT FUND (Continued)

The chart below shows nearly 90% of the revenue for the fiscal year 2014 - 2015 Capital Improvement Fund comes from utility taxes (electric, natural gas, and telecommunications), while all other sources together account for just over 10%.



	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>EXPENDITURES</b>						
<b>Capital Outlay</b>						
Capital Outlay - Police Station Construction	-	-	-	-	-	30,000
Police Department Video Surveillance (30,000)	-	-	-	-	-	-
Capital Outlay - Public Works Facility Construction	-	-	-	-	-	125,000
Pavement Management Program (80,000)	-	-	-	-	-	-
Weather Warning Siren (45,000)	-	-	-	-	-	-
Vehicle Storage Building (105,000) (0)	-	-	-	-	-	-
Leaf Transfer Station Site Improvements (42,000) (0)	-	-	-	-	-	-
Capital Outlay - Village Hall Construction	33,030	-	-	-	2,300	-
Capital Outlay - Settler's Cottage	25,242	2,390	-	-	-	-
Capital Outlay - Baseline Road Realignment	288,655	10,185	5,999	-	-	-
Capital Outlay - River Street (Webster to Ashland)	95,441	-	-	-	-	-
Capital Outlay - Douglas Road	55,099	-	-	-	-	-
Capital Outlay - Light Road Crossing Repair	-	-	697	96,000	30,000	81,000
Engineering (6,000)	-	-	-	-	-	-
Construction (75,000)	-	-	-	-	-	-
Capital Outlay - Lakewood Creek Drive	-	32,843	-	-	-	-
Capital Outlay - NPDES MS4 Permit	-	-	-	10,000	2,500	10,000
Capital Outlay - Concord Bridge Maintenance	-	-	97,643	-	-	-
<b>Total Capital Outlay</b>	<b>497,467</b>	<b>45,418</b>	<b>104,339</b>	<b>106,000</b>	<b>34,800</b>	<b>246,000</b>
<b>Transfers</b>						
Transfer Out - Debt Service	1,372,500	1,499,100	1,515,840	1,599,525	1,599,525	987,233
Transfer Out	1,207	-	13,447	-	-	-
<b>Total Transfers</b>	<b>1,373,707</b>	<b>1,499,100</b>	<b>1,529,287</b>	<b>1,599,525</b>	<b>1,599,525</b>	<b>987,233</b>
<b>Total Expenditures</b>	<b>1,871,174</b>	<b>1,544,518</b>	<b>1,633,626</b>	<b>1,705,525</b>	<b>1,634,325</b>	<b>1,233,233</b>
<b>Net Income (Loss)</b>	<b>713,600</b>	<b>(184,620)</b>	<b>(298,882)</b>	<b>(346,975)</b>	<b>(179,313)</b>	<b>227,525</b>
<b>Beginning Fund Balance</b>	<b>(772,836)</b>	<b>(59,236)</b>	<b>(243,856)</b>	<b>(542,738)</b>	<b>(542,738)</b>	<b>(722,051)</b>
<b>Ending Fund Balance</b>	<b>(59,236)</b>	<b>(243,856)</b>	<b>(542,738)</b>	<b>(889,713)</b>	<b>(722,051)</b>	<b>(494,526)</b>

# Chapter 6: Fund Summary

## LAKWOOD CREEK PROJECT FUND

The Lakewood Creek Project Fund accounts for the revenue and expenditures restricted to capital improvements in the Lakewood Creek neighborhood. All public improvements have been made to the neighborhood and the fees paid for management of the Lakewood Creek Special Assessment now flow through this fund.

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>REVENUE</b>						
<b>Investment Earnings</b>						
Interest Income - Cash and Investments	1	1	1	-	2	1
Total Investment Earnings	1	1	1	-	2	1
<b>Transfers</b>						
Lakewood Creek SAA Fund	66,600	54,826	49,356	-	106,902	75,000
Total Transfers	66,600	54,826	49,356	-	106,902	75,000
Total Revenue	66,601	54,827	49,357	-	106,904	75,001
<b>EXPENDITURES</b>						
<b>Purchased Services - Professional and Technical</b>						
Other Professional Services	59,672	61,822	61,395	-	67,778	74,556
Total Purchased Services - Professional and Technical	59,672	61,822	61,395	-	67,778	74,556
Total Expenditures	59,672	61,822	61,395	-	67,778	74,556
Net Income (Loss)	6,929	(6,995)	(12,038)	-	39,126	445
Beginning Fund Balance	18,184	25,113	18,118	6,080	6,080	45,206
Ending Fund Balance	25,113	18,118	6,080	6,080	45,206	45,651

## TAX INCREMENT FINANCING (TIF) #1 FUND

The Tax Increment Financing (Montgomery Preserve TIF District) #1 Fund accounts for property taxes collected on the incremental increase in the base equalized assessed value and the projects undertaken with the district.

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>REVENUE</b>						
<b>Taxes</b>						
Property Tax - TIF	42,204	29,922	32,600	33,000	37,726	40,000
Total Taxes	42,204	29,922	32,600	33,000	37,726	40,000
Total Revenue	42,204	29,922	32,600	33,000	37,726	40,000
<b>EXPENDITURES</b>						
<b>Purchased Services - Professional and Technical</b>						
Reimbursable Services	6,732	4,381	200	-	-	-
Economic Development Services - TIF Consultant	1,456	1,151	-	-	1,700	2,000
Total Purchased Services - Professional and Technical	8,188	5,532	200	-	1,700	2,000
<b>Capital Outlay</b>						
Capital Outlay - Pearl Street Storm Sewer	-	7,795	-	43,670	7,500	36,170
Capital Outlay - Donated Land Maintenance	-	4,874	-	24,000	-	24,000
Total Capital Outlay	-	12,669	-	67,670	7,500	60,170
Total Expenditures	8,188	18,201	200	67,670	9,200	62,170
Net Income (Loss)	34,016	11,721	32,400	(34,670)	28,526	(22,170)
Beginning Fund Balance	4808	38,824	50,545	82,945	82,945	111,471
Ending Fund Balance	38,824	50,545	82,945	48,275	111,471	89,301

## Chapter 6: Fund Summary

### **TAX INCREMENT FINANCING (TIF) #2 FUND**

The Tax Increment Financing (Aucutt Road TIF District) #2 Fund accounts for property taxes collected on the incremental increase in the base equalized assessed value and the projects undertaken with the district.

REVENUE	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Taxes</b>						
Property Tax - TIF	-	-	-	-	-	-
Total Taxes	-	-	-	-	-	-
<b>EXPENDITURES</b>						
<b>Purchased Services - Professional and Technical</b>						
Engineering Services - Development (Village)	-	-	-	-	5,500	-
Legal Services - Development (Village)	-	-	-	-	8,500	500
Economic Development Services - TIF Consultant	-	-	-	-	25,000	-
Total Purchased Services - Professional and Technical	-	-	-	-	39,000	500
<b>Supplies and Materials</b>						
General Supplies - Postage	-	-	-	-	900	-
Total Supplies and Materials	-	-	-	-	900	-
Total Expenditures	-	-	-	-	39,900	500
Net Income (Loss)	-	-	-	-	(39,900)	(500)
Beginning Fund Balance	-	-	-	-	-	(39,900)
Ending Fund Balance	-	-	-	-	(39,900)	(40,400)

### **DEBT SERVICE FUND**

The Debt Service Fund is used to accumulate monies for the Village's general obligation alternate revenue source bonds (Series 2008, Series 2010, Series 2011, and Series 2014) for payment of the principal and interest on governmental debt (non-proprietary). Utility tax revenues are transferred from the Capital Improvement Fund to finance the annual payment requirements. Principal payments are due in December and interest payments are made twice a year in June and December. Activities are financed by transfers from the Capital Improvement Fund.

Governmental activities long-term debt payable through the Debt Service Fund at April 30, 2014 consists of:

General Obligation Alternate Revenue Source Bonds dated August 1, 2008 (Series 2008) due in annual installments of \$1,000,000 plus interest of 5.00% through December 1, 2019.

General Obligation Alternate Revenue Source Bonds dated June 1, 2010 (Series 2010) due in annual installments of \$670,000 to \$1,405,000 plus interest of 2.00% to 4.00% through December 1, 2017.

General Obligation Alternate Revenue Source Bonds dated December 15, 2011 (Series 2011) due in annual installments of \$205,000 to \$450,000 plus interest of 2.000% to 3.125% through December 1, 2024.

General Obligation Alternate Revenue Source Bonds dated April 29, 2014 (Series 2014) due in annual installments of \$630,000 to \$710,000 plus interest of 3.00% to 3.50% through December 1, 2024.

## Chapter 6: Fund Summary

### **DEBT SERVICE FUND (Continued)**

REVENUE	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Transfers</b>						
Transfer From Capital Improvement Fund	1,372,500	1,499,100	1,515,840	1,599,525	1,599,525	987,233
Total Transfers	1,372,500	1,499,100	1,515,840	1,599,525	1,599,525	987,233
<b>Long-Term Debt Issue</b>						
Bond Proceeds	7,375,000	4,410,000	-	-	-	-
Premium on Bonds	339,600	2,857	-	-	-	-
Total Long Term Debt	7,714,600	4,412,857	-	-	-	-
<b>Total Revenue</b>	<b>9,087,100</b>	<b>5,911,957</b>	<b>1,515,840</b>	<b>1,599,525</b>	<b>1,599,525</b>	<b>987,233</b>
<b>EXPENDITURES</b>						
<b>Debt Service</b>						
Principal Payment - 2002A	500,000	-	-	-	-	-
Principal Payment - 2005	240,000	245,000	-	-	-	-
Principal Payment - 2010	-	670,000	785,000	900,000	900,000	340,000
Principal Payment - 2011	-	-	295,000	290,000	290,000	300,000
Principal Payment - 2014	-	-	-	-	-	-
Interest Payment - 2002A	178,925	-	-	-	-	-
Interest Payment - 2005	195,025	216,300	-	-	-	-
Interest Payment - 2008	100,000	100,000	100,000	100,000	100,000	100,000
Interest Payment - 2010	122,113	244,225	230,825	207,275	207,275	71,275
Interest Payment - 2011	-	-	103,464	101,750	101,750	95,950
Interest Payment - 2014	-	-	-	-	-	78,658
Fiscal Agent Fees	875	1,050	1,050	500	1,050	1,350
Arbitrage	2,500	-	-	-	-	-
Bond Issuance Costs	114,613	-	-	-	-	-
Escrow Agent Payment	7,599,986	4,412,857	-	-	-	-
Total Debt Service	9,054,037	5,889,432	1,515,339	1,599,525	1,600,075	987,233
<b>Total Expenditures</b>	<b>9,054,037</b>	<b>5,889,432</b>	<b>1,515,339</b>	<b>1,599,525</b>	<b>1,600,075</b>	<b>987,233</b>
<b>Net Income (Loss)</b>	<b>33,063</b>	<b>22,525</b>	<b>501</b>	<b>-</b>	<b>(550)</b>	<b>-</b>
Beginning Fund Balance	-	33,063	55,588	56,089	56,089	55,539
Ending Fund Balance	33,063	55,588	56,089	56,089	55,539	55,539

### **WATER FUND**

The Water Fund (Water and Water Improvement Funds are consolidated in the financial statements) accounts for the provision of water and sewer services to the residents of the Village. All activities (revenues and expenses) necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection. The chart on the following page shows the Water Fund revenues and a summary of expenses. The detail of Water Administration and Water Plant Operations is included on subsequent pages, followed by the Water Improvement Fund.

## Chapter 6: Fund Summary

### **WATER FUND (Continued)**

REVENUE	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Charges for Services</b>						
Service Fees - Water Sales	3,138,206	3,230,775	3,609,191	4,000,000	3,256,481	3,550,393
Service Fees - Late Charges	84,625	72,303	96,741	80,000	80,498	90,577
Service Fees - Water Service Charges	186,775	187,595	195,496	190,000	188,768	293,115
Service Fees - Turn-On Fees	22,662	51,856	39,650	30,000	37,036	35,000
Service Fees - Sewer Maintenance Charges	35,402	35,633	36,048	35,000	36,117	87,500
Service Fees - BH Infrastructure Fee	-	-	-	-	412,628	415,000
Service Fees - Fox Metro Reading Fee	-	-	-	-	19,000	27,000
<b>Total Charges for Services</b>	<b>3,467,670</b>	<b>3,578,162</b>	<b>3,977,126</b>	<b>4,335,000</b>	<b>4,030,528</b>	<b>4,498,585</b>
<b>Investment Earnings</b>						
Investment Earnings - Interest Income	2,797	891	1,987	1,000	1,500	1,000
<b>Total Investment Earnings</b>	<b>2,797</b>	<b>891</b>	<b>1,987</b>	<b>1,000</b>	<b>1,500</b>	<b>1,000</b>
<b>Rents and Royalties</b>						
Rents and Royalties - Water Tower Rental	47,758	75,780	-	75,000	-	-
<b>Total Rents and Royalties</b>	<b>47,758</b>	<b>75,780</b>	<b>-</b>	<b>75,000</b>	<b>-</b>	<b>-</b>
<b>Transfers</b>						
Water Improvement Fund	12,417	807,555	-	-	-	-
<b>Total Transfers</b>	<b>12,417</b>	<b>807,555</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Revenue</b>	<b>3,530,642</b>	<b>4,462,388</b>	<b>3,979,113</b>	<b>4,411,000</b>	<b>4,032,028</b>	<b>4,499,585</b>
<b>EXPENSES</b>						
Water Utility - Administration	1,783,712	1,856,739	2,176,099	653,600	1,033,986	1,228,977
Water Utility - Utility Operations	1,981,628	2,122,471	2,667,677	2,969,800	2,999,836	2,730,386
<b>Total Expenses</b>	<b>3,765,340</b>	<b>3,979,210</b>	<b>4,843,776</b>	<b>3,623,400</b>	<b>4,033,822</b>	<b>3,959,363</b>
<b>Net Income (Loss)</b>	<b>(234,698)</b>	<b>483,178</b>	<b>(864,663)</b>	<b>787,600</b>	<b>(1,794)</b>	<b>540,222</b>
<b>Contributions</b>	<b>1,918,048</b>	<b>1,827,125</b>	<b>2,268,031</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in Net Assets</b>	<b>1,683,350</b>	<b>2,310,303</b>	<b>1,403,368</b>	<b>787,600</b>	<b>(1,794)</b>	<b>540,222</b>

### **Revenues**

The Village approved several rate increases for fiscal year 2014 – 2015 including:

- Water service charge from \$2.67 to \$4.00 for residents and \$5.34 to \$8.00 for non-residents to pay for a meter replacement program
- Sewer maintenance charge from \$1.00 to \$2.50 for residents to pay for required lift station upgrades
- Water consumption rate from \$4.90 to \$5.10 per thousand gallons for residents and \$6.03 to \$6.12 per thousand gallons for non-residents for operational cost increases

# Chapter 6: Fund Summary

## **WATER FUND (Continued)**

### **Water Administration**

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Personal Services - Salaries and Wages</b>						
Wages - Full-Time Employees	89,816	95,828	98,014	100,245	109,155	110,559
Director of Public Works - 60% (76,514)						
Public Works Secretary - 60% (34,045)						
Wages - Part-Time Employees	-	-	-	-	-	-
Public Works Secretary - 60% - New (10,109) (0)						
Wages - Overtime (General)	636	1,051	8	-	1,000	500
Holiday Pay	-	-	-	-	126	-
Bonus Pay	-	-	-	-	6,263	-
<b>Total Personal Services - Salaries and Wages</b>	<b>90,452</b>	<b>96,879</b>	<b>98,022</b>	<b>100,245</b>	<b>116,544</b>	<b>111,059</b>
<b>Personal Services - Employee Benefits</b>						
Insurance - Health	8,060	10,140	9,480	9,465	9,465	13,430
Insurance - Dental	650	600	720	555	555	1,004
Insurance - Life and AD&D						
Insurance - Workers' Compensation	600	600	600	600	600	600
Insurance - Unemployment	588	856	1,390	1,200	739	739
Retirement - Social Security	5,163	5,521	5,571	6,215	7,226	6,886
Retirement - Medicare	1,262	1,319	1,384	1,455	1,690	1,610
Retirement - IMRF	10,029	10,872	12,576	14,035	15,491	14,371
Education - Tuition Reimbursement	-	-	-	-	-	-
Education - Conferences and Training	132	99	600	1,200	1,808	1,200
Equipment - Clothing Allowance	120	120	120	120	240	240
<b>Total Personal Services - Employee Benefits</b>	<b>26,604</b>	<b>30,127</b>	<b>32,441</b>	<b>34,845</b>	<b>37,814</b>	<b>40,080</b>
<b>Purchased Services - Professional and Technical</b>						
Engineering Services - General	46,408	61,716	63,344	55,000	70,000	60,000
Information Technology Services - System Management	-	-	-	-	32,500	7,000
Water Testing Database						
Other Professional Services - Cash Management	216	216	216	250	216	216
<b>Total Purchased Services - Professional and Technical</b>	<b>46,624</b>	<b>61,932</b>	<b>63,560</b>	<b>55,250</b>	<b>102,716</b>	<b>67,216</b>
<b>Purchased Services - Property</b>						
Utilities - Telephone	2,347	2,498	2,341	3,000	3,000	3,000
Utilities - Cell Phone	552	718	729	1,200	1,200	2,640
Equipment Repair and Maintenance - Office						
Equipment Repair and Maintenance - Communications						
<b>Total Purchased Services - Property</b>	<b>2,899</b>	<b>3,216</b>	<b>3,070</b>	<b>4,200</b>	<b>4,200</b>	<b>5,640</b>
<b>Purchased Services - Other</b>						
Printing and Publishing - Legal Notices	-	-	518	500	500	500
Printing and Publishing - Publications	2,091	2,513	2,101	4,200	4,200	4,200
Consumer Confidence Report						
Public Water Notifications						
Door Hangers						
Miscellaneous						
Travel	-	-	743	1,750	500	1,750
Recruitment						
Other Purchased Services - Dues	429	444	604	2,700	2,700	3,000
Kane County Water Assoc. (100)						
APWA (500)						
AWWA (1,600)						
Other Purchased Services - Document Recording	-	-	-	-	516	500
<b>Total Purchased Services - Other</b>	<b>2,520</b>	<b>2,957</b>	<b>3,966</b>	<b>9,150</b>	<b>8,416</b>	<b>9,950</b>

# Chapter 6: Fund Summary

## **WATER FUND (Continued)**

### **Water Administration (Continued)**

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Supplies and Materials</b>						
General Supplies - Office	22	217	865	1,000	500	1,000
General Supplies - Agency						
General Supplies - Postage	2,531	3,526	3,708	4,000	4,000	4,000
General Supplies - Tools	-	-	83	500	500	500
General Supplies - Books and Periodicals	90	94	-	500	500	500
General Supplies - Safety						
General Supplies - Cleaning	-	-	-	1,000	500	1,000
<b>Total Supplies and Materials</b>	<b>2,643</b>	<b>3,837</b>	<b>4,656</b>	<b>7,000</b>	<b>6,000</b>	<b>7,000</b>
<b>Capital Outlay</b>						
Capital Outlay - Equipment (Computer)	2,873	-	-	-	-	400
Water Testing Tablets						
<b>Total Capital Outlay</b>	<b>2,873</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>400</b>
<b>Debt Service</b>						
Principal Payment - IEPA Low Interest Loan #1	-	-	-	57,720	57,721	59,275
Principal Payment - 2007 Refunding	-	-	-	290,000	290,000	305,000
Principal Payment - 2013 Loan	-	-	-	-	-	120,000
Principal Payment - IEPA Low Interest Loan #2	-	-	-	-	185,607	201,098
Interest Payment - IEPA Low Interest Loan #1	20,898	19,446	17,956	17,070	17,069	15,515
Interest Payment - 2007 (Refunding)	105,218	94,899	84,069	77,620	77,618	66,163
Interest Payment - 2013 Loan	-	-	-	-	80,231	169,900
Interest Payment - IEPA Low Interest Loan #2	-	-	60,829	-	48,850	49,781
Fiscal Agent Fees	700	350	350	500	1,200	900
<b>Total Debt Service</b>	<b>126,816</b>	<b>114,695</b>	<b>163,204</b>	<b>442,910</b>	<b>758,296</b>	<b>987,632</b>
<b>Amortization and Depreciation</b>						
Amortization Expense	638	638	7,844	-	-	-
Depreciation Expense	1,481,643	1,542,458	1,799,336	-	-	-
<b>Total Amortization and Depreciation</b>	<b>1,482,281</b>	<b>1,543,096</b>	<b>1,807,180</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Water - Administration</b>	<b>1,783,712</b>	<b>1,856,739</b>	<b>2,176,099</b>	<b>653,600</b>	<b>1,033,986</b>	<b>1,228,977</b>

Business-type activities long-term debt payable through the Water Fund at April 30, 2014 consists of:

General Obligation Alternate Revenue Source Bonds dated December 3, 2007 (Series 2007) due in annual installments of \$5,000 to \$365,000 plus interest of 3.95% through December 1, 2018.

General Obligation Alternate Revenue Source Bonds dated June 11, 2013 (Series 2013) due in annual installments of \$120,000 to \$280,000 plus interest of 3.00% to 4.00% through December 1, 2038.

Illinois Environmental Protection Agency Loan (2002) for \$1,128,780 for new construction. The loan bears interest at 2.675% and requires semiannual payments through December 1, 2022.

Illinois Environmental Protection Agency Loan (2011) for \$4,310,177 for rehabilitation of the water treatment plant, drilling of well #15, installation of well #15 water main, and improvements to well #14. The loan bears interest at 1.25% and requires semiannual payments of through April 19, 2032.

# Chapter 6: Fund Summary

## WATER FUND (Continued)

### Water Plant Operations

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Personal Services - Salaries and Wages</b>						
Wages - Full-Time Employees	273,475	296,416	317,593	362,590	329,040	359,473
Water Plant Supervisor (90,866)						
Maintenance Worker II (55,145)						
Maintenance Worker II (57,931)						
Water Plant Operator (63,864)						
Water Plant Operator (49,761)						
Water Plant Operator - New (49,024) (0)						
Maintenance Worker 1 - New (41,906)						
Customer Service Technician - New (41,906) (0)						
Overtime - General	44,099	56,682	55,591	47,500	47,500	45,000
Holiday Pay	-	-	-	-	2,000	2,000
Bonus Pay	-	-	-	-	25,000	-
<b>Total Personal Services - Salaries and Wages</b>	<b>317,574</b>	<b>353,098</b>	<b>373,184</b>	<b>410,090</b>	<b>403,540</b>	<b>406,473</b>
<b>Personal Services - Employee Benefits</b>						
Insurance - Health	49,300	79,440	74,520	63,950	63,950	63,971
Insurance - Dental	3,580	4,680	4,950	3,310	3,310	3,229
Insurance - Workers' Compensation	5,000	6,000	6,000	6,000	6,000	6,000
Insurance - Unemployment	2,089	3,375	5,880	4,170	1,847	2,216
Retirement - Social Security	21,040	22,943	22,927	25,430	26,019	25,201
Retirement - Medicare	4,921	5,366	5,362	5,950	6,101	5,894
Retirement - IMRF	38,388	44,482	48,842	57,415	70,381	52,598
Education - Conferences and Training	1,508	2,443	2,533	3,300	3,300	7,750
IPSI Supervisor Training (3,000)						
CDL and IEPA Training (1,450)						
Equipment - Clothing Allowance	800	1,000	1,200	1,200	1,200	1,600
<b>Total Personal Services - Employee Benefits</b>	<b>126,626</b>	<b>169,729</b>	<b>172,214</b>	<b>170,725</b>	<b>182,108</b>	<b>168,459</b>
<b>Purchased Services - Property</b>						
Utilities - Electric	255,031	284,250	256,657	325,000	275,000	300,000
Utilities - Telephone	2,347	2,498	2,561	2,250	2,250	2,250
Utilities - Cell Phone	2,241	2,231	2,403	2,500	2,500	2,500
Building Repair and Maintenance - Other	70,950	100,344	92,463	80,000	100,000	100,000
Lime Softening (+20,000)						
Vehicle Repair and Maintenance						
Sewer Repair and Maintenance - Lift Stations	6,990	7,230	7,562	15,000	8,000	15,000
Sewer Repair and Maintenance - Sanitary Sewer	59,441	65,975	52,591	60,000	72,500	60,000
Water Utility Repair and Maintenance - Hydrants	17,718	20,991	15,507	40,000	40,000	32,000
Water Utility Repair and Maintenance - Water Meters	1,450	37,206	24,462	5,000	25,000	15,000
Water Utility Repair and Maintenance - Service Pipes	9,393	15,801	19,708	25,000	32,500	20,000
Water Utility Repair and Maintenance - Storage Tank	-	-	-	5,000	2,000	5,000
Water Utility Repair and Maintenance - Wells and Pumps	1,780	33	-	1,000	1,000	1,000
Water Utility Repair and Maintenance - Watermains	75,264	55,669	93,535	90,000	130,000	100,000
Water Mains (+10,000)						
Water Utility Repair and Maintenance - Valves	1,234	14,158	12,962	16,000	16,000	16,000
Water Utility Repair and Maintenance - Spoils Disposal	8,625	16,015	17,280	20,000	20,000	20,000
<b>Total Purchased Services - Property</b>	<b>512,464</b>	<b>622,401</b>	<b>597,691</b>	<b>686,750</b>	<b>726,750</b>	<b>688,750</b>

# Chapter 6: Fund Summary

## **WATER FUND (Continued)**

### **Water Plant Operations (Continued)**

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Purchased Services - Other</b>						
Travel	-	-	343	-	-	-
Other Purchased Services - Sludge Removal	61,875	52,262	51,857	90,000	65,000	65,000
Other Purchased Services - Water Testing	10,029	15,368	17,013	20,000	20,000	20,000
Other Purchased Services - Leak Survey Leak survey (+10,000)	12,620	5,307	6,888	20,000	6,000	27,000
Other Purchased Services - JULIE Notification	2,851	6,190	6,328	7,500	7,500	8,000
Other Purchased Services - SCADA Maintenance	2,090	7,500	4,833	7,500	7,500	7,500
<b>Total Purchased Services - Other</b>	<b>89,465</b>	<b>86,627</b>	<b>87,262</b>	<b>145,000</b>	<b>106,000</b>	<b>127,500</b>
<b>Supplies and Materials</b>						
General Supplies - Safety	-	-	118	500	100	500
General Supplies - Uniforms	3,806	3,806	3,842	4,500	4,500	4,500
Vehicle Supplies - Tools Tool Replacement (1,000) New Tools (1,000)	1,569	698	1,202	2,000	2,000	2,000
Public Works Supplies - Water Chemicals	200,871	217,682	219,034	200,000	200,000	200,000
Public Works Supplies - JULIE Marking Supplies (3,000)	1,411	2,545	1,464	3,000	3,000	3,000
<b>Total Supplies and Materials</b>	<b>207,657</b>	<b>224,731</b>	<b>225,660</b>	<b>210,000</b>	<b>209,600</b>	<b>210,000</b>
<b>Capital Outlay</b>						
Capital Outlay - Equipment (Computer) Water Supervisor (1,400) Water Operator (1,400) Water Operator (1,400)	-	-	-	-	-	4,200
Capital Outlay - Equipment (Public Works) VXU Replacement (20,000) Leak Detection Equipment (20,000) (0)	5,872	-	-	15,000	15,000	20,000
<b>Total Capital Outlay</b>	<b>5,872</b>	<b>-</b>	<b>-</b>	<b>15,000</b>	<b>15,000</b>	<b>24,200</b>
<b>Transfers</b>						
Transfer Out - General Fund	600,660	665,885	718,560	782,235	806,838	867,757
Transfer Out - Vehicle Reserve Fund Fleet Replacement - 10 year average (236,336) (232,864)	121,310	-	-	-	-	237,247
Transfer Out - Water Improvement Fund	-	-	493,106	550,000	550,000	-
Transfer Out - Water Bond Fund	-	-	-	-	-	-
<b>Total Transfers</b>	<b>721,970</b>	<b>665,885</b>	<b>1,211,666</b>	<b>1,332,235</b>	<b>1,356,838</b>	<b>1,105,004</b>
<b>Total Water - Water Operations</b>	<b>1,981,628</b>	<b>2,122,471</b>	<b>2,667,677</b>	<b>2,969,800</b>	<b>2,999,836</b>	<b>2,730,386</b>

# Chapter 6: Fund Summary

## **WATER IMPROVEMENT FUND**

The Water Improvement Fund (Water and Water Improvement Funds are consolidated in the financial statements) accounts for the acquisition, construction and improvement of major proprietary capital assets being finance by the Water Fund. These improvements are financed through the administration of services charges in the Water Fund and the issuance of long-term debt to pay for certain improvements over the useful life of those assets.

REVENUE	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Intergovernmental Revenue</b>						
State Grants - DCEO (Third Street Water Main)	-	-	639	30,000	39,361	-
State Grants - DCEO (Well #15))	1,619	198,381	-	-	-	-
<b>Total Intergovernmental Revenue</b>	<b>1,619</b>	<b>198,381</b>	<b>639</b>	<b>30,000</b>	<b>39,361</b>	<b>-</b>
<b>Charges for Services</b>						
Other Reimbursements - Water Meters	21,215	25,227	14,777	18,000	17,303	27,000
Other Reimbursements - Tap and Footage Fees	43,540	10,770	16,340	20,000	85,000	30,000
<b>Total Charges for Services</b>	<b>64,755</b>	<b>35,997</b>	<b>31,117</b>	<b>38,000</b>	<b>102,303</b>	<b>57,000</b>
<b>Transfers</b>						
Transfer From Water Fund	-	-	493,106	550,000	550,000	-
<b>Total Transfers</b>	<b>-</b>	<b>-</b>	<b>493,106</b>	<b>550,000</b>	<b>550,000</b>	<b>-</b>
<b>Long Term Debt</b>						
IEPA Loan	-	-	-	-	93,131	3,524,535
Alternate Revenue Bonds - Series 2013	-	-	-	4,452,460	4,761,285	-
<b>Total Long Term Debt</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,452,460</b>	<b>4,854,416</b>	<b>3,524,535</b>
<b>Total Revenue</b>	<b>66,374</b>	<b>234,378</b>	<b>524,862</b>	<b>5,070,460</b>	<b>5,546,080</b>	<b>3,581,535</b>
<b>EXPENSES</b>						
<b>Capital Outlay</b>						
Capital Outlay - WTP Maintenance	8,340	-	-	-	-	-
Capital Outlay - Well Rehab and Maintenance	43,327	6,560	155	-	-	-
Capital Outlay - Elevated Storage Tank Construction	-	-	-	-	-	-
Capital Outlay - Watermain Replacement	9,922	53,878	112,013	242,000	220,000	-
Capital Outlay - Water Meters (New Construction)	24,455	3,220	-	18,000	18,000	16,225
Capital Outlay - Water Meters (Residential Retrofit)	-	-	-	-	28,000	-
Capital Outlay - Water Meters (Commercial Retrofit)	-	-	1,100	26,000	1,576	27,590
Capital Outlay - Well #15	1,619	-	-	-	105,500	-
Capital Outlay - Sanitary Sewer Televising	419	63,703	26,610	50,000	1,113	50,000
Capital Outlay - Orchard Road Watermain Relocation	15,638	441,407	52,623	-	-	-
Capital Outlay - Water Meters (Replacement Program)	3,273	-	-	-	-	18,775
Capital Outlay - Water Meters (Commercial Replacement)	70	-	2,947	-	-	-
Capital Outlay - Replacement and Rehab Reserve	236,240	294,559	550,908	201,900	270,000	187,080
Engineering (26,400)						
Construction (175,500)						

## Chapter 6: Fund Summary

### **WATER IMPROVEMENT FUND (Continued)**

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>EXPENSES (Continued)</b>						
<b>Capital Outlay (Continued)</b>						
Capital Outlay - Lime WTP Improvements	-	291,784	-	-	1,000	-
Well 14 Motor Control Upgrade	-	-	-	30,000	30,000	-
Boulder Hill Water System Improvements	-	-	181	4,452,460	3,436,142	4,688,390
Engineering (652,460)						
Construction (3,800,000)						
Autoflusher - Jefferson Street	-	-	-	17,500	17,750	-
Autoflusher - Helene Rieder Street	-	-	-	17,500	17,750	-
Chlorine System Improvements	-	-	-	-	-	230,000
Engineering (2,500)						
Construction (15,000)						
West Tank Generator	-	-	-	-	-	25,000
Engineering (2,500)						
Construction (15,000)						
Jefferson Street Lift Station Rehabilitation	-	-	-	-	-	30,000
Engineering (30,000)						
Construction (0)						
<b>Total Capital Outlay</b>	<b>343,303</b>	<b>1,155,111</b>	<b>746,537</b>	<b>5,055,360</b>	<b>4,146,831</b>	<b>5,273,060</b>
<b>Debt Service</b>						
Issuance Costs	-	-	-	-	161,584	-
<b>Total Debt Service</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>161,584</b>	<b>-</b>
<b>Transfers</b>						
Transfer Out - Water Fund	12,417	807,555	-	-	-	-
<b>Total Transfers</b>	<b>12,417</b>	<b>807,555</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenses</b>	<b>355,720</b>	<b>1,962,666</b>	<b>746,537</b>	<b>5,055,360</b>	<b>4,308,415</b>	<b>5,273,060</b>
<b>Change in Net Assets</b>	<b>(289,346)</b>	<b>(1,728,288)</b>	<b>(221,675)</b>	<b>15,100</b>	<b>1,237,665</b>	<b>(1,691,525)</b>
<b>Beginning Net Assets</b>	<b>1,119,952</b>	<b>830,606</b>	<b>(897,682)</b>	<b>(1,119,357)</b>	<b>(1,119,357)</b>	<b>118,308</b>
<b>Ending Net Assets</b>	<b>830,606</b>	<b>(897,682)</b>	<b>(1,119,357)</b>	<b>(1,104,257)</b>	<b>118,308</b>	<b>(1,573,217)</b>

The main capital outlay project in the Water Improvement Fund for fiscal year 2014 – 2015 is the Boulder Hill water main project. This project began in fiscal year 2013 – 2014 and is expected to be substantially completed during fiscal year 2014 – 2015. The project replaces approximately 18,000 feet of water main in the unincorporated Boulder Hill Subdivision to remediate water main quality, small diameter water main, and water main looping issues. In addition, the Village is two additional multi-year projects this year including:

- Water meter replacement program – Ultimately, this program will result in the replacement of nearly all meters in the Village. Many of the meters currently installed are reaching the end of their useful life and usage is not as accurate as it used to be.
- Jefferson Street lift station rehabilitation – This lift station has reached the end of its useful design life and needs to be rehabilitated. In addition, other improvements will be made to the sanitary sewer system to reduce inflow and infiltration.

## Chapter 6: Fund Summary

### EMPLOYEE INSURANCE FUND

The Employee Insurance Fund accounts for the internal contributions (employer and employee) for providing group health, dental, and life insurance to Village employees. This internal service fund is reported as part of the governmental activities since it provides services primarily to the Village's governmental funds/activities.

REVENUE	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Charges for Services</b>						
Internal Service Fees - Employer Medical Insurance Contributions	508,257	664,200	614,160	569,070	569,070	684,074
Internal Service Fees - Employer Dental Insurance Contributions	38,690	39,900	41,100	32,130	32,150	42,968
Internal Service Fees - Employee Medical Insurance Contributions	-	65,864	64,654	80,000	67,500	70,523
Internal Service Fees - Cobra Medical Insurance Contributions	4,174	3,384	-	-	11,010	-
Internal Service Fees - Retiree Medical Insurance Contributions	12,845	15,708	40,100	31,000	83,928	77,496
Internal Service Fees - Employer Life Insurance Contributions	-	-	-	-	-	4,862
Total Charges for Services	563,966	789,056	760,014	712,200	763,658	879,923
 Total Revenue	 563,966	 789,056	 760,014	 712,200	 763,658	 879,923
<b>EXPENSES</b>						
<b>Purchased Services - Other</b>						
Insurance - Medical (HMO)	557,869	650,986	694,286	678,500	720,593	832,093
Insurance - Medical (PPO)	-	-	3,309	-	10,915	-
Insurance - Dental	5,672	4,784	4,051	33,700	32,150	42,968
Insurance - Life	-	-	-	-	-	4,862
Total Purchased Services - Other	563,541	655,770	701,646	712,200	763,658	879,923
 Total Expenses	 563,541	 655,770	 701,646	 712,200	 763,658	 879,923
 Net Income (Loss)	 425	 133,286	 58,368	 -	 -	 -
 Beginning Fund Balance	 (425)	 -	 133,286	 191,654	 191,654	 191,654
 Ending Fund Balance	 -	 133,286	 191,654	 191,654	 191,654	 191,654

## Chapter 6: Fund Summary

### VEHICLE RESERVE FUND

The Vehicle Reserve Fund accounts for contributions made to pay for the replacement of vehicles and equipment. The Village estimates the useful life of each vehicle, replacement cost at the end of its useful life, and transfers the applicable amounts from the General Fund and Water Fund. The Village began rebuilding this fund in fiscal year 2013 – 2014 by contributing a ten year average of the annual reserve contributions and expects the Vehicle Reserve Fund to be fully funded by 2024. The Village expects to replace two Police Squad cars, a Public Works Fleet Services Pickup, a Public Works Single Axle Dump a Public Works Skid Steer, and pay the second year of a 3 year lease of six Police sport utility vehicles.

REVENUE	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Charges for Services</b>						
Internal Service Fees - Vehicle Reserve Contributions	145,950	50,000	241,933	165,000	638,498	605,546
Other Reimbursements - Miscellaneous	22,843	25	9,734	2,000	174,873	10,001
<b>Total Charges for Services</b>	<b>168,793</b>	<b>50,025</b>	<b>251,667</b>	<b>167,000</b>	<b>813,371</b>	<b>615,547</b>
<b>Investment Earnings</b>						
Investment Earnings - Interest Income	-	-	-	-	-	1,000
<b>Total Investment Earnings</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,000</b>
<b>Total Revenue</b>	<b>168,793</b>	<b>50,025</b>	<b>251,667</b>	<b>167,000</b>	<b>813,371</b>	<b>616,547</b>
<b>EXPENSES</b>						
<b>Capital Outlay</b>						
Capital Outlay - Vehicles	36,602	125,127	318,830	165,000	388,559	426,391
Community Development - Replacement of Explorer (27,675) (0)						
Police - Replacement of Crown Vic (46,125) (0)						
Police - Replacement of Crown Vic (46,125) (0)						
Police - Replacement of Trailblazer (53,300)						
Police - Replacement of Trailblazer (53,300) (0)						
Police - Replacement of Crown Vic (46,125)						
Public Works - Replacement of Pickup (46,125)						
Public Works - Replacement of Single Axle Dump (112,750) (0)						
Public Works - Replacement of Double Axle Dump (205,000) (0)						
Public Works - Replacement of Single Axle Dump (112,750) (117,875)						
Public Works - Replacement of Air Compressor (28,700) (0)						
Public Works - Replacement of Skid Steer (46,125) (55,000)						
Police - Lease of 6 vehicles (107,966 - FY15, FY16)						
Public Works - New Utilities Supervisor Pickup (38,950) (0)						
Public Works - Replacement of Service Tech Van (32,000) (0)						
Public Works - Replacement of Building Tech Van (32,000) (0)						
<b>Total Purchased Services - Other</b>	<b>36,602</b>	<b>125,127</b>	<b>318,830</b>	<b>165,000</b>	<b>388,559</b>	<b>426,391</b>
<b>Total Expenses</b>	<b>36,602</b>	<b>125,127</b>	<b>318,830</b>	<b>165,000</b>	<b>388,559</b>	<b>426,391</b>
<b>Net Income (Loss)</b>	<b>132,191</b>	<b>(75,102)</b>	<b>(67,163)</b>	<b>2,000</b>	<b>424,812</b>	<b>190,156</b>
<b>Beginning Fund Balance</b>	<b>-</b>	<b>132,191</b>	<b>57,089</b>	<b>(10,074)</b>	<b>(10,074)</b>	<b>414,738</b>
<b>Ending Fund Balance</b>	<b>132,191</b>	<b>57,089</b>	<b>(10,074)</b>	<b>(8,074)</b>	<b>414,738</b>	<b>604,894</b>

## Chapter 6: Fund Summary

### **REFUSE FUND**

The Refuse Fund accounts for refuse services contracted by the Village for the benefit of its citizens, but performed by a private entity. This fund is financed by fees charged to residents on their bi-monthly utility bill. The revenue and expense was included in the General prior to fiscal year 2014 – 2015, but will now be included as a non-major enterprise fund in the financial statements.

REVENUE	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Charges for Services</b>						
Service Fees - Refuse Removal	-	-	-	-	-	1,239,592
Total Charges for Services	-	-	-	-	-	1,239,592
<b>Investment Earnings</b>						
Investment Earnings - Interest Income	-	-	-	-	-	250
Total Investment Earnings	-	-	-	-	-	250
<b>Transfers</b>						
Transfer From General Fund	-	-	-	-	103,000	-
Total Transfers	-	-	-	-	103,000	-
Total Revenue	-	-	-	-	103,000	1,239,842
<b>EXPENSES</b>						
<b>Purchased Services - Other</b>						
Other Purchased Services - Solid Waste Disposal	-	-	-	-	-	1,239,592
Total Purchased Services - Other	-	-	-	-	-	1,239,592
Total Expenses	-	-	-	-	-	1,239,592
Change in Net Assets	-	-	-	-	103,000	250
Beginning Net Assets	-	-	-	-	-	103,000
Ending Net Assets	-	-	-	-	103,000	103,250

### **POLICE PENSION FUND**

The Police Pension Fund accounts for the resources necessary to provide retirement and disability pension benefits to full-time sworn police personnel. Although this is a single-employer pension plan, the defined benefits and employer and employee contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

Financing is provided by the Village contributions, employee payroll withholdings, and investment income. Employees are required to contribute 9.91% of their base salary, while the Village is required to contribute the remaining amounts necessary to finance the plan, including the costs of administering the plan (as determined annually by an actuary). The pension fund has their own board which contracts for professional investment management, approves expenditures, and reviews requests for retirement and/or disability pensions.

# Chapter 6: Fund Summary

## **POLICE PENSION FUND (Continued)**

REVENUE	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Approved	FY14 Projected	FY15 Approved
<b>Taxes</b>						
Property Tax - Police Pension	238,428	324,493	331,778	389,780	388,546	444,913
Total Taxes	238,428	324,493	331,778	389,780	388,546	444,913
<b>Investment Earnings</b>						
Interest Income - Cash and Investments	179,990	249,387	195,984	100,000	216,176	487,500
Investment Income - Realized Gain/Loss	2,868	(123,054)	(3,134)	-	35,083	-
Investment Income - Unrealized Gain/Loss	300,863	(31,080)	357,658	-	35,083	-
Total Investment Earnings	483,721	95,253	550,508	100,000	286,342	487,500
<b>Contributions and Donations</b>						
Employee Contributions - Police Pension	135,023	148,463	156,389	150,000	163,374	175,000
Total Contributions and Donations	135,023	148,463	156,389	150,000	163,374	175,000
 Total Revenue	 857,172	 568,209	 1,038,675	 639,780	 838,262	 1,107,413
<b>EXPENSES</b>						
<b>Personal Services - Employee Benefits</b>						
Retirement - Police Pension Payments (Retirees)	267,934	280,929	291,408	150,590	296,194	305,080
Retirement - Police Pension Payments (Widows)	20,816	20,816	20,790	20,820	20,816	20,816
Retirement - Refund of Contributions	-	-	-	-	49,666	-
Retirement - Police Pension Payments (Disability)	44,602	44,602	44,602	44,590	44,602	44,602
Education - Conferences and Training	150	437	-	1,000	-	2,000
Total Personal Services - Employee Benefits	333,502	346,784	356,800	217,000	411,278	372,498
<b>Purchased Services - Professional and Technical</b>						
Legal Services - Other	88	175	983	5,000	2,500	2,500
Accounting and Auditing Services - General	1,184	1,300	-	1,500	1,420	-
Accounting and Auditing Services - Actuary Report	4,086	800	1,500	2,500	1,500	1,500
Professional Services - Cash Management	1,278	7,262	14,491	5,000	15,048	16,000
Total Purchased Services - Professional and Technical	6,636	9,537	16,974	14,000	20,468	20,000
<b>Purchased Services - Other</b>						
Travel	-	-	-	1,000	1,000	1,000
Dues	1,699	1,862	1,965	2,000	2,007	2,000
Total Purchased Services - Other	1,699	1,862	1,965	3,000	3,007	3,000
<b>Supplies and Materials</b>						
General Supplies - Office	141	-	-	1,500	-	-
Total Supplies and Materials	141	-	-	1,500	-	-
 Total Expenses	 341,978	 358,183	 375,739	 235,500	 434,753	 395,498
 Net Income (Loss)	 515,194	 210,026	 662,936	 404,280	 403,509	 711,915
 Beginning Fund Balance	 5,433,196	 5,948,390	 6,158,416	 6,821,352	 6,821,352	 7,224,861
 Ending Fund Balance	 5,948,390	 6,158,416	 6,821,352	 7,225,632	 7,224,861	 7,936,776

## Chapter 6: Fund Summary

### ***POLICE GIFT FUND***

The Police Gift Fund accounts for contributions from donors to be used for educational and equipment purchases for the police force.

REVENUE	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Contributions and Donations</b>						
Donations - Other	100	200	199	250	2,700	250
Total Contributions and Donations	100	200	199	250	2,700	250
<b>Total Revenue</b>						
	100	200	199	250	2,700	250
<b>EXPENDITURES</b>						
<b>Supplies and Materials</b>						
Police Supplies - DARE Program	-	-	276	-	-	-
Police Supplies - Other	1,071	629	8,320	1,000	1,000	1,000
Total Supplies and Materials	1,071	629	8,596	1,000	1,000	1,000
<b>Total Expenditures</b>						
	1,071	629	8,596	1,000	1,000	1,000
Net Income (Loss)	(971)	(429)	(8,397)	(750)	1,700	(750)
Beginning Fund Balance	16,573	15,602	15,173	6,776	6,776	8,476
Ending Fund Balance	15,602	15,173	6,776	6,026	8,476	7,726

### ***SPECIAL SERVICE AREA FUNDS***

The Village has numerous Special Service Areas (SSA) throughout the Village. SSA's are a financing technique that allows the cost of a subdivision's continuing maintenance costs to be borne by the subdivision itself (rather than the Village as a whole). The amount is added to each resident's property tax bill and is only for the cost of the maintenance of the subdivision's public areas (examples include: stormwater basins, landscaping, etc.). It is not a fixed amount and cannot be paid off as the maintenance is a continuing cost. By ordinance, the Village has established SSA's for each new neighborhood.

Activation of an SSA takes place once the Village has adequate certainty that the development will be ready for acceptance within the next calendar year. Once accepted, the Developer/Homeowners Association discontinues maintenance responsibility of the stormwater basins, which is then transferred to the Village. When an SSA is activated for a development, the tax the residents pay toward the SSA will only be used for the SSA and any surplus will be put in a reserve fund for future use on that neighborhood only.

The following is a list of all SSA's currently controlled by the Village:

- Montgomery Crossing
- Blackberry Crossing
- Fairfield Way
- Arbor Ridge
- Foxmoor
- Saratoga Springs
- Orchard Prairie North
- Blackberry Crossing West
- Fieldstone Place
- Balmorea
- Marquis Pointe
- Ogden Hill

# Chapter 6: Fund Summary

## MONTGOMERY CROSSING SSA FUND

REVENUE	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Taxes</b>						
Property Tax - Montgomery Crossing SSA	-	-	32,316	65,345	65,121	65,345
Total Taxes	-	-	32,316	65,345	65,121	65,345
<b>Contributions and Donations</b>						
Developer Contribution - Closeout	-	-	9,860	-	-	-
Total Contributions and Donations	-	-	9,860	-	-	-
Total Revenue	-	-	42,176	65,345	65,121	65,345
<b>EXPENDITURES</b>						
<b>Purchased Services - Property</b>						
Grounds Maintenance - Subdivision	41,800	43,835	60,746	58,810	60,000	55,000
Total Purchased Services - Property	41,800	43,835	60,746	58,810	60,000	55,000
<b>Transfers</b>						
Transfer Out - General Fund	-	-	11,350	-	-	-
Total Transfers	-	-	11,350	-	-	-
Total Expenditures	41,800	43,835	72,096	58,810	60,000	55,000
Net Income (Loss)	(41,800)	(43,835)	(29,920)	6,535	5,121	10,345
Beginning Fund Balance	226,350	184,550	140,715	110,795	110,795	115,916
Ending Fund Balance	184,550	140,715	110,795	117,330	115,916	126,261

## BLACKBERRY CROSSING SSA FUND

REVENUE	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Taxes</b>						
Property Tax - Blackberry Crossing SSA	25,759	25,007	21,590	18,005	18,342	18,005
Total Taxes	25,759	25,007	21,590	18,005	18,342	18,005
Total Revenue	25,759	25,007	21,590	18,005	18,342	18,005
<b>EXPENDITURES</b>						
<b>Purchased Services - Property</b>						
Grounds Maintenance - Subdivision	13,968	11,988	12,392	16,205	18,500	18,000
Total Purchased Services - Property	13,968	11,988	12,392	16,205	18,500	18,000
Total Expenditures	13,968	11,988	12,392	16,205	18,500	18,000
Net Income (Loss)	11,791	13,019	9,198	1,800	(158)	5
Beginning Fund Balance	22,693	34,484	47,503	56,701	56,701	56,543
Ending Fund Balance	34,484	47,503	56,701	58,501	56,543	56,548

## Chapter 6: Fund Summary

### FAIRFIELD WAY SSA FUND

REVENUE	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Taxes</b>						
Property Tax - Fairfield Way SSA	171	-	67,151	65,215	64,989	65,215
Total Taxes	171	-	67,151	65,215	64,989	65,215
<b>Total Revenue</b>	171	-	67,151	65,215	64,989	65,215
<b>EXPENDITURES</b>						
<b>Purchased Services - Property</b>						
Grounds Maintenance - Subdivision Crack Sealing (79,200)	77,360	38,589	40,599	137,895	112,000	50,000
Total Purchased Services - Property	77,360	38,589	40,599	137,895	112,000	50,000
<b>Total Expenditures</b>	77,360	38,589	40,599	137,895	112,000	50,000
<b>Net Income (Loss)</b>	(77,189)	(38,589)	26,552	(72,680)	(47,011)	15,215
<b>Beginning Fund Balance</b>	272,497	195,308	156,719	183,271	183,271	136,260
<b>Ending Fund Balance</b>	195,308	156,719	183,271	110,591	136,260	151,475

### ARBOR RIDGE SSA FUND

REVENUE	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Taxes</b>						
Property Tax - Arbor Ridge SSA	8,104	26,482	23,400	28,240	22,669	28,240
Total Taxes	8,104	26,482	23,400	28,240	22,669	28,240
<b>Total Revenue</b>	8,104	26,482	23,400	28,240	22,669	28,240
<b>EXPENDITURES</b>						
<b>Purchased Services - Property</b>						
Grounds Maintenance - Subdivision	24,992	22,453	18,937	25,420	20,000	35,000
Total Purchased Services - Property	24,992	22,453	18,937	25,420	20,000	35,000
<b>Total Expenditures</b>	24,992	22,453	18,937	25,420	20,000	35,000
<b>Net Income (Loss)</b>	(16,888)	4,029	4,463	2,820	2,669	(6,760)
<b>Beginning Fund Balance</b>	36,530	19,642	23,671	28,134	28,134	30,803
<b>Ending Fund Balance</b>	19,642	23,671	28,134	30,954	30,803	24,043

## Chapter 6: Fund Summary

### FOXMOOR SSA FUND

REVENUE	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Taxes</b>						
Property Tax - Foxmoor SSA	301	-	75,969	67,400	67,341	67,400
Total Taxes	301	-	75,969	67,400	67,341	67,400
Total Revenue	301	-	75,969	67,400	67,341	67,400
<b>EXPENDITURES</b>						
<b>Purchased Services - Property</b>						
Grounds Maintenance - Subdivision	14,290	56,445	80,302	60,660	60,000	65,000
Total Purchased Services - Property	14,290	56,445	80,302	60,660	60,000	65,000
Total Expenditures	14,290	56,445	80,302	60,660	60,000	65,000
Net Income (Loss)	(13,989)	(56,445)	(4,333)	6,740	7,341	2,400
Beginning Fund Balance	152,183	138,194	81,749	77,416	77,416	84,757
Ending Fund Balance	138,194	81,749	77,416	84,156	84,757	87,157

### SARATOGA SPRINGS SSA FUND

REVENUE	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Approved	FY14 Projected	FY15 Approved
<b>Taxes</b>						
Property Tax - Saratoga Springs SSA	14,242	12,258	11,960	7,530	7,311	7,530
Total Taxes	14,242	12,258	11,960	7,530	7,311	7,530
<b>Contributions and Donations</b>						
Developer Contributions		-	3,800	-	-	-
Total Contributions and Donations	-	-	3,800	-	-	-
Total Revenue	14,242	12,258	15,760	7,530	7,311	7,530
<b>EXPENDITURES</b>						
<b>Purchased Services - Property</b>						
Grounds Maintenance - Subdivision	4,443	5,507	2,851	6,780	10,000	7,500
Total Purchased Services - Property	4,443	5,507	2,851	6,780	10,000	7,500
Total Expenditures	4,443	5,507	2,851	6,780	10,000	7,500
Net Income (Loss)	9,799	6,751	12,909	750	(2,689)	30
Beginning Fund Balance	19,172	28,971	35,722	48,631	48,631	45,942
Ending Fund Balance	28,971	35,722	48,631	49,381	45,942	45,972

# Chapter 6: Fund Summary

## ORCHARD PRAIRIE NORTH SSA FUND

REVENUE	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Taxes</b>						
Property Tax - Orchard Prairie SSA	16,697	27,205	19,800	22,480	22,455	22,480
Total Taxes	16,697	27,205	19,800	22,480	22,455	22,480
Total Revenue	16,697	27,205	19,800	22,480	22,455	22,480
<b>EXPENDITURES</b>						
<b>Purchased Services - Property</b>						
Grounds Maintenance - Subdivision	8,738	23,191	25,349	20,230	21,000	25,000
Total Purchased Services - Property	8,738	23,191	25,349	20,230	21,000	25,000
Total Expenditures	8,738	23,191	25,349	20,230	21,000	25,000
Net Income (Loss)	7,959	4,014	(5,549)	2,250	1,455	(2,520)
Beginning Fund Balance	15,704	23,663	27,677	22,128	22,128	23,583
Ending Fund Balance	23,663	27,677	22,128	24,378	23,583	21,063

## BLACKBERRY CROSSING WEST SSA FUND

REVENUE	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Taxes</b>						
Property Tax - Blackberry Crossing SSA	-	-	102,990	62,995	62,977	62,995
Total Taxes	-	-	102,990	62,995	62,977	62,995
Total Revenue	-	-	102,990	62,995	62,977	62,995
<b>EXPENDITURES</b>						
<b>Purchased Services - Property</b>						
Grounds Maintenance - Subdivision	-	-	89,261	56,700	47,000	40,000
Total Purchased Services - Property	-	-	89,261	56,700	47,000	40,000
Total Expenditures	-	-	89,261	56,700	47,000	40,000
Net Income (Loss)	-	-	13,729	6,295	15,977	22,995
Beginning Fund Balance	59,841	59,841	59,841	73,570	73,570	89,547
Ending Fund Balance	59,841	59,841	73,570	79,865	89,547	112,542

## Chapter 6: Fund Summary

### FIELDSTONE PLACE SSA FUND

REVENUE	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Taxes</b>						
Property Tax - Fieldstone Place SSA	19,301	20,999	7,982	4,230	4,230	4,230
Total Taxes	19,301	20,999	7,982	4,230	4,230	4,230
<b>Transfers</b>						
Transfer In	-	-	11,350	-	-	-
Total Transfers	-	-	11,350	-	-	-
Total Revenue	19,301	20,999	19,332	4,230	4,221	4,230
<b>EXPENDITURES</b>						
<b>Purchased Services - Property</b>						
Grounds Maintenance - Subdivision	10,084	18,572	6,122	3,810	4,500	4,500
Total Purchased Services - Property	10,084	18,572	6,122	3,810	4,500	4,500
Total Expenditures	10,084	18,572	6,122	3,810	4,500	4,500
Net Income (Loss)	9,217	2,427	13,210	420	(279)	(270)
Beginning Fund Balance	(6,226)	2,991	5,418	18,628	18,628	18,349
Ending Fund Balance	2,991	5,418	18,628	19,048	18,349	18,079

### BALMOREA SSA FUND

REVENUE	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Approved	FY14 Projected	FY15 Approved
<b>Taxes</b>						
Property Tax - Balmorea SSA	-	5,500	18,459	27,470	27,471	27,470
Total Taxes	-	5,500	18,459	27,470	27,471	27,470
Total Revenue	-	5,500	18,459	27,470	27,471	27,470
<b>EXPENDITURES</b>						
<b>Purchased Services - Property</b>						
Grounds Maintenance - Subdivision	-	8,739	17,779	24,725	24,000	28,000
Total Purchased Services - Property	-	8,739	17,779	24,725	24,000	28,000
Total Expenditures	-	8,739	17,779	24,725	24,000	28,000
Net Income (Loss)	-	(3,239)	680	2,745	3,471	(530)
Beginning Fund Balance	-	-	(3,239)	(2,559)	(2,559)	912
Ending Fund Balance	-	(3,239)	(2,559)	186	912	382

## Chapter 6: Fund Summary

### MARQUIS POINTE SSA FUND

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>REVENUE</b>						
<b>Taxes</b>						
Property Tax - Marquis Pointe SSA	-	12,969	17,436	12,000	12,022	12,000
Total Taxes	-	12,969	17,436	12,000	12,022	12,000
Total Revenue	-	12,969	17,436	12,000	12,022	12,000
<b>EXPENDITURES</b>						
<b>Purchased Services - Property</b>						
Grounds Maintenance - Subdivision	-	19,041	21,370	10,800	18,324	12,000
Total Purchased Services - Property	-	19,041	21,370	10,800	18,324	12,000
Total Expenditures	-	19,041	21,370	10,800	18,324	12,000
Net Income (Loss)	-	(6,072)	(3,934)	1,200	(6,302)	-
Beginning Fund Balance	-	-	(6,072)	(10,006)	(10,006)	(16,308)
Ending Fund Balance	-	(6,072)	(10,006)	(8,806)	(16,308)	(16,308)

### OGDEN HILL SSA FUND

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>REVENUE</b>						
<b>Taxes</b>						
Property Tax - Marquis Pointe SSA	-	12,969	17,436	12,000	12,022	12,000
Total Taxes	-	12,969	17,436	12,000	12,022	12,000
Total Revenue	-	12,969	17,436	12,000	12,022	12,000
<b>EXPENDITURES</b>						
<b>Purchased Services - Property</b>						
Grounds Maintenance - Subdivision	-	19,041	21,370	10,800	18,324	12,000
Total Purchased Services - Property	-	19,041	21,370	10,800	18,324	12,000
Total Expenditures	-	19,041	21,370	10,800	18,324	12,000
Net Income (Loss)	-	(6,072)	(3,934)	1,200	(6,302)	-
Beginning Fund Balance	-	-	(6,072)	(10,006)	(10,006)	(16,308)
Ending Fund Balance	-	(6,072)	(10,006)	(8,806)	(16,308)	(16,308)

## Chapter 7: Departmental Summary

The Departmental Summary contains information on the General Fund while all other funds are included in Chapter 6: Fund Summary. The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The services which are administered by the Village and accounted for in the general fund include general government, public safety and highways and streets. The following presents the General Fund as a whole, while the subsequent pages will show each Department and the Divisions within each Department.

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>REVENUE</b>						
Property Taxes	2,004,421	2,076,569	2,117,906	2,181,800	2,174,696	2,197,963
Other Taxes	4,333,207	4,584,885	4,802,715	4,879,795	5,168,737	5,862,969
Licenses and Permits	337,455	337,287	331,004	326,170	386,790	339,846
Intergovernmental Revenue	41,237	11,500	40,491	103,200	109,230	10,730
Charges for Services	1,632,320	1,665,523	1,660,973	1,472,970	1,833,703	306,225
Fines and Forfeits	303,888	381,017	376,980	411,000	317,705	369,900
Investment Earnings	18,028	22,098	11,777	10,000	10,000	15,000
Rents and Royalties	161	80	3,186	1,600	2,000	2,000
Contributions and Donations	42,919	50,467	48,439	49,100	67,270	68,500
Transfers	-	-	-	-	-	-
<b>Total Revenue</b>	<b>8,713,636</b>	<b>9,129,426</b>	<b>9,393,471</b>	<b>9,435,635</b>	<b>10,070,131</b>	<b>9,173,133</b>
<b>EXPENDITURES</b>						
Elected Officials	114,401	135,504	129,414	140,715	157,906	176,258
Village Administrator	425,857	692,819	353,230	490,555	415,903	377,242
Finance	425,897	540,367	539,991	585,420	371,160	518,956
Community Development						
Planning and Zoning	330,006	296,119	155,474	282,370	307,039	317,610
Code Enforcement and Inspections	190,638	216,798	291,361	273,195	274,660	319,255
Economic Development	640,950	661,378	640,301	646,360	699,856	1,096,044
Police						
Administration	412,936	397,961	404,352	525,380	554,626	573,951
Support Services	646,652	719,892	786,208	549,340	506,530	426,077
Patrol	1,951,505	2,328,109	2,548,070	2,639,730	2,824,641	3,022,652
Investigations	300,062	261,083	265,440	141,615	244,657	259,029
Police Commission	6,525	11,228	12,086	4,960	6,683	9,383
ESDA	2,535	1,777	1,329	2,200	2,200	2,200
Public Works						
Administration	104,904	115,995	119,952	118,135	129,990	123,610
Streets	1,585,355	1,587,223	1,879,837	1,954,025	2,389,363	906,447
Vehicle Maintenance	205,570	244,978	292,196	198,400	230,879	243,326
Buildings and Grounds	160,815	157,581	229,122	391,260	527,921	425,919
Stormwater	15,968	15,451	5,489	25,000	40,000	40,000
Legal Services	145,483	168,763	183,795	157,620	182,178	170,500
Engineering Services	261,939	216,195	179,744	182,000	181,000	150,000
<b>Total Expenditures</b>	<b>7,927,998</b>	<b>8,769,221</b>	<b>9,017,391</b>	<b>9,308,280</b>	<b>10,047,192</b>	<b>9,158,459</b>
Net Income (Loss)	785,638	360,205	376,080	127,355	22,939	14,674
Beginning Fund Balance	2,030,183	2,815,821	3,176,026	3,552,106	3,552,106	3,575,045
Ending Fund Balance	2,815,821	3,176,026	3,552,106	3,679,461	3,575,045	3,589,719

# Chapter 7: Departmental Summary

## REVENUES

The General Fund revenues are as follows:

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Taxes</b>						
Property Tax - Corporate	959,754	938,470	959,811	954,720	951,689	932,755
Property Tax - Police Pension	238,428	324,493	331,778	389,780	388,546	444,913
Property Tax - Social Security	248,368	255,173	260,915	225,000	224,283	219,821
Property Tax - IMRF	198,690	216,688	221,551	225,000	224,283	219,821
Property Tax - Insurance	233,458	216,688	221,551	265,000	264,170	258,928
Sales Tax	2,590,760	2,684,106	2,690,164	2,694,000	2,902,870	3,556,074
State Income Tax	1,330,267	1,489,230	1,661,642	1,758,985	1,782,864	1,803,236
Per Capita (94.70) (97.80)						
Other Taxes - Road and Bridge Tax	125,723	125,057	122,300	122,300	121,725	121,725
Other Taxes - Corporate Replacement Tax	56,657	51,111	50,674	35,000	57,991	57,991
Other Taxes - Road and Bridge Replacement Tax	10,099	6,665	6,283	3,500	8,228	7,249
Other Taxes - Local Use Tax	250,488	264,029	303,898	298,695	317,628	328,196
Per Capita (17.55) (17.80)						
Other Taxes - Video Gaming Tax	-	-	-	-	14,261	24,000
Fees - Infrastructure Maintenance Fee	94,936	89,744	90,054	89,615	84,895	86,223
<b>Total Taxes</b>	<b>6,337,628</b>	<b>6,661,454</b>	<b>6,920,621</b>	<b>7,061,595</b>	<b>7,343,433</b>	<b>8,060,932</b>
<b>Licenses and Permits</b>						
Licenses - Liquor Licenses	25,191	22,550	30,880	30,000	23,000	22,500
Licenses - Pull Tab Licenses	1,098	1,077	1,005	-	1,005	1,005
Licenses - Amusement Machine Licenses	3,500	2,950	2,600	1,200	1,275	-
Licenses - Tobacco Licenses	900	200	300	300	350	300
Licenses - Contractors	21,500	17,625	18,250	15,000	23,125	25,000
Permits - Building Permits	101,131	103,008	45,963	75,000	120,000	75,000
Permits - Oversized Vehicle Permit	4,675	3,350	2,225	1,500	7,000	3,000
Permits - Solicitor	990	210	660	300	1,500	500
Permits - Other	245	100	-	-	165	100
Fees - Cable Franchise Fee	178,225	186,217	229,121	202,870	209,370	212,441
<b>Total Licenses and Permits</b>	<b>337,455</b>	<b>337,287</b>	<b>331,004</b>	<b>326,170</b>	<b>386,790</b>	<b>339,846</b>
<b>Intergovernmental Revenue</b>						
Federal Grants - FEMA (Snow Removal)	29,523	-	-	-	-	-
State Grants - Body Armor (Police)	1,588	1,850	2,120	1,800	1,800	1,800
State Grants - ILCC Tobacco (Police)	375	7,689	1,430	1,400	1,430	1,430
State Grants - Traffic Safety Grant (Police)	2,911	1,961	2,401	-	14,000	2,500
State Grants - DCEO Comprehensive Plan (Comm Dev)	-	-	3,015	100,000	92,000	5,000
Local Grants - EAB (PW)	-	-	10,000	-	-	-
Local Grants - Community Policing (PD)	-	-	1,743	-	-	-
Police Reimbursements - CAD/RMS Interface	6,840	-	19,782	-	-	-
<b>Total Intergovernmental Revenue</b>	<b>41,237</b>	<b>11,500</b>	<b>40,491</b>	<b>103,200</b>	<b>109,230</b>	<b>10,730</b>

# Chapter 7: Departmental Summary

## REVENUES (Continued)

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Charges for Services</b>						
Service Fees - Refuse Removal	1,004,890	1,050,053	1,133,823	1,118,795	1,169,342	-
Inspection Fees - Plumbing Inspections	16,780	19,538	16,285	18,000	12,000	12,000
Inspection Fees - Engineering Inspections	12,300	13,275	11,950	12,000	8,000	7,000
Inspection Fees - Reinspections	1,234	-	150	150	500	2,000
Planning Fees - Plan Commission Applications	4,150	3,200	4,959	3,500	5,000	5,000
Salable Items - History Books	183	35	-	-	-	-
Salable Items - Miscellaneous	1,528	627	(28)	25	25	25
Salable Items - Rain Barrels	425	3,090	3,785	4,000	1,000	4,000
Professional Service Reimbursements - Dispatch Service	294,771	296,616	195,879	50,000	311,045	-
Professional Service Reimbursements - Engineering Service	128,366	105,565	84,111	100,000	145,698	100,000
Professional Service Reimbursements - Legal Service	20,191	12,093	18,040	25,000	31,250	30,000
Professional Service Reimbursements - Planning Service	24,467	15,363	6,817	20,000	6,907	10,000
Professional Service Reimbursements - Printing and Publishing	178	-	-	7,500	-	-
Professional Service Reimbursements - Building Plan Reviews	-	-	-	5,000	-	-
Police Reimbursements - Training	2,257	8,504	9,480	7,500	7,500	7,500
Police Reimbursements - Special Duty	38,763	31,063	-	2,500	3,500	3,500
Police Reimbursements - LEADS	6,168	6,168	9,252	3,000	7,196	7,200
Police Reimbursements - Other	3,607	4,953	2,691	2,000	3,000	3,000
Police Reimbursements - Firing Range	6,164	180	2,328	2,000	2,000	-
Other Reimbursements - Streets	8,547	15,945	14,318	1,500	19,000	15,000
Other Reimbursements - Insurance	23,947	38,396	105,034	55,000	55,000	55,000
Other Reimbursements - Miscellaneous	33,404	32,866	28,717	20,000	25,000	25,000
Other Reimbursements - Lawn Services (Kaneland Schools)	-	3,817	2,340	2,000	7,125	7,500
Other Reimbursements - Credit Card Fees	-	4,176	10,972	10,000	13,615	12,500
Other Reimbursements - Mowing	-	-	70	3,500	-	-
<b>Total Charges for Services</b>	<b>1,632,320</b>	<b>1,665,523</b>	<b>1,660,973</b>	<b>1,472,970</b>	<b>1,833,703</b>	<b>306,225</b>
<b>Fines and Forfeits</b>						
Police Reimbursements - Tow Impoundment Fee	123,900	193,100	149,500	200,000	150,000	155,000
Village - Court Fines	25,868	24,074	35,925	30,000	26,037	30,000
Kane County - Court Fines	142,233	150,002	177,675	168,000	125,182	150,000
Kane County - Patrol Car Maintenance	-	-	-	-	-	17,500
Kendall County - Court Fines	11,787	13,566	12,530	12,000	15,186	15,000
Kendall County - Patrol Car Maintenance	-	-	-	-	-	800
Code Enforcement Fines	100	275	1,350	1,000	1,300	1,600
<b>Total Fines and Forfeits</b>	<b>303,888</b>	<b>381,017</b>	<b>376,980</b>	<b>411,000</b>	<b>317,705</b>	<b>369,900</b>
<b>Investment Earnings</b>						
Investment Earnings - Interest Income	18,028	22,098	11,777	10,000	10,000	15,000
<b>Total Investment Earnings</b>	<b>18,028</b>	<b>22,098</b>	<b>11,777</b>	<b>10,000</b>	<b>10,000</b>	<b>15,000</b>
<b>Rents and Royalties</b>						
Rents and Royalties - Municipal Building Rental	161	80	3,186	1,600	2,000	2,000
<b>Total Rents and Royalties</b>	<b>161</b>	<b>80</b>	<b>3,186</b>	<b>1,600</b>	<b>2,000</b>	<b>2,000</b>
<b>Contributions and Donations</b>						
Donations - Montgomery Fest	31,324	37,857	31,307	30,350	46,000	45,000
Donations - DARE	-	-	-	-	-	-
Donations - Beautification	6,325	5,870	7,065	5,000	2,500	5,000
Donations - Fun Run	1,555	1,760	5,144	7,500	10,350	10,000
Donations - Garage Sale	-	1,730	1,237	-	3,851	2,500
Donations - Seller's Cottage	1,527	-	-	3,250	-	1,500
Donations - HPC Brick Paver Program	-	800	1,120	-	300	500
Donations - Senior Luncheon	2,188	2,450	2,566	3,000	2,169	2,000
Donations - Parkway Tree Program	-	-	-	-	2,100	2,000
<b>Total Contributions and Donations</b>	<b>42,919</b>	<b>50,467</b>	<b>48,439</b>	<b>49,100</b>	<b>67,270</b>	<b>68,500</b>
<b>Total Revenue</b>	<b>8,713,636</b>	<b>9,129,426</b>	<b>9,393,471</b>	<b>9,435,635</b>	<b>10,070,131</b>	<b>9,173,133</b>

# Chapter 7: *Departmental Summary*

## ***ELECTED OFFICIALS***

### **Village President and Board of Trustees**

Policy making and legislative authority are vested in the Village Board, which consists of the Village President and six Village Trustees. The President is elected at-large to a four-year term and the Trustees are elected at-large to staggered four-year terms. The legislative branch of the Village is responsible for interpreting the wishes of the community and determining the policies under which the Village operates.

### **Boards, Commissions, and Committees**

- **The Beautification Committee** works on beautification projects throughout the Village of Montgomery, such as banners and flower plantings. The Beautification Committee has big plans for fiscal year 2014 – 2015, including new programs. They are planning new and enhanced flower beds in several parts of town, including the “Welcome to Montgomery” signs that serve as gateways to our community. Also, the Beautification Committee sponsors the annual holiday decorations recognition program.
- **The Board of Fire and Police Commissioners** functions only in matters pertaining to the police department since Montgomery does not have a municipal fire department. The activities of the Commission are included in the Police Department budget. The Police Commission is responsible for the following:
  - Advertise, accept applications, and conduct testing of police applicants in order to establish an eligibility list for the Police Department.
  - Conduct testing of current officers in order to establish an eligibility list for promotions within the Police Department.
  - Determine disciplinary action regarding officers when charges are brought by the Chief of Police against any member of the Police Department.
- **The Historic Preservation Commission** operates Settler’s Cottage Museum. In 2006, the Historic Preservation Committee began working to restore a 1840s home in downtown Montgomery. This house is the oldest remaining structure in the Village and was originally owned by Daniel Gray, the founder of Montgomery. They actively seek donations of photos and other historic memorabilia that they catalogue and preserve for future generations. The Historic Preservation Committee organizes two major events each year; the Car Show during Montgomery Fest in August and the Cemetery Walk in October.
- **The Intergovernmental & Community Committee** works to plan two major events each year, the Community Open House and the annual Montgomery Fest celebration. The Community Open House gives residents an opportunity to meet the Village President, Village Trustees, Department Heads and staff members. The event showcases various services provided by the Village. Montgomery Fest is a weekend of old-fashioned family fun. It is held the second weekend in August along the banks of the Fox River. Highlights of the Fest include musical performances, carnival rides, a wide range of food vendors, free pony rides and petting zoo, a fishing derby, a car show and a parade.
- **The Plan Commission** was created to provide guidance, direction and control of the growth and development or redevelopment of the Village and contiguous territory. The activities of the Commission are included in the Community Development Department budget. Duties of the Plan Commission include:

# Chapter 7: *Departmental Summary*

## ***ELECTED OFFICIALS (Continued)***

- Prepare and recommend to the Board of Trustees a Comprehensive Plan for the present and future development or redevelopment of the Village and contiguous unincorporated territory, including reasonable standards of design for subdivisions and for re-subdivisions of unimproved land.
- Designate land suitable for annexation to the municipality and recommend a zoning classification for such land upon annexation.
- Cooperate with municipal or regional planning commissions and other agencies or groups to further the local planning program and assure harmonious and integrated planning for the area.
- **The Police Pension Board**, as provided by State Statute, operates the Police Pension Fund for full-time sworn police officers, invests the Police Pension Funds, maintains records, grants pensions, and considers applications for disability pensions.
- **The Revolving Loan Committee** considers requests from businesses seeking financial assistance through the Village's Economic Development Loan Fund and makes recommendations to the Board of Trustees regarding granting such loans. The Revolving Loan is accounted for in the Economic Development Loan Fund which was established during the fiscal year ended April 30, 1985, through a \$500,000 grant received through the Illinois Department of Commerce and Economic Opportunity. The Village received an additional \$300,000 grant during the fiscal year ended April 30, 1991.
- **The Zoning Board of Appeals** was created to hear and decide an appeal from an administrative order, requirement, decision or determination made by the Zoning Officer. The activities of the Board are included in the Community Development Department budget. is vested with the following jurisdiction and authority:
  - To hear and decide all other matters referred to it upon which it is required to decide.
  - To hear all applications for variations and thereafter submit reports of findings and recommendations thereon to the Village Board.
  - The concurring vote of four members of the Zoning Board of Appeals is necessary to reverse any requirement, decision or determination of the Zoning Officer, or to decide in favor of the applicant in any manner upon which it is required to decide.

## **Village Clerk**

The Village Clerk is also elected to a four year term. The Village Clerk is responsible for the maintenance of the official records of the Village as required by statute and by the Village President and Board of Trustees. The Clerk acts as custodian of the Village seal which is required on many documents, publishes legal notices, oversees Village elections, and performs other duties as stated in Statutes or Ordinances.

## **Overview**

The budget included on the next page contains expenditures for all of the above unless specifically stated otherwise. The Village Board will undertake a Strategic Plan during fiscal year 2014 – 2015 to direct the future actions of the Board and Village staff. In addition, several community events will be accounted for separately for the first time during fiscal year 2014 – 2015 rather than combined together.

# Chapter 7: Departmental Summary

## *ELECTED OFFICIALS (Continued)*

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Personal Services - Salaries and Wages</b>						
Wages - Elected Officials	51,100	55,000	60,000	61,200	61,200	61,200
Total Personal Services - Salaries and Wages	51,100	55,000	60,000	61,200	61,200	61,200
<b>Personal Services - Employee Benefits</b>						
Retirement - Social Security	3,168	3,410	3,720	3,795	3,794	3,794
Retirement - Medicare	741	798	870	890	887	887
Retirement - IMRF	2,601	3,617	4,027	5,545	1,225	932
Education - Conferences and Training	979	5,258	1,361	2,000	3,800	7,545
Equipment - Clothing Allowance	53	91	-	-	-	-
Total Personal Services - Employee Benefits	7,542	13,174	9,978	12,230	9,706	13,158
<b>Purchased Services - Professional and Technical</b>						
Information Technology Services - System Management	396	121	176	500	800	500
Information Technology Services - Software Maintenance	-	-	-	-	700	700
Other Professional Services - Photography	-	700	-	-	250	250
Other Professional Services	-	-	-	-	-	20,000
Other Professional Services - Recording of Meetings	1,425	1,500	1,350	1,500	2,325	1,500
Total Purchased Services - Professional and Technical	1,821	2,321	1,526	2,000	4,075	22,950
<b>Purchased Services - Property</b>						
Utilities - Telephone	1,326	1,488	1,587	1,450	1,400	1,560
Utilities - Cell Phone	1,235	935	1,021	750	1,270	1,080
Building Repair & Maintenance - Other	-	-	-	1,900	1,900	2,760
Total Purchased Services - Property	2,561	2,423	2,608	4,100	4,570	5,400
<b>Purchased Services - Other</b>						
Printing and Publishing - Legal Notices	415	1,671	65	-	-	-
Printing and Publishing - Publications	2,764	1,236	1,494	1,200	3,520	3,100
Travel	-	775	352	2,000	2,000	1,700
Community Relations - Montgomery Fest	27,982	29,786	33,331	32,500	41,000	40,000
Community Relations - Other Community Events	11,286	11,224	16,579	11,000	14,000	3,400
Community Relations - Senior Services	-	-	-	-	-	3,000
Community Relations - River Run	-	-	-	-	-	10,000
Other Purchased Services - Dues	7,943	14,956	2,400	9,000	9,000	11,145
Other Purchased Services - Document Recording	-	-	-	-	200	200
Total Purchased Services - Other	50,390	59,648	54,221	55,700	69,720	72,545
<b>Supplies and Materials</b>						
General Supplies - Office	769	856	520	200	1,100	350
General Supplies - Postage	-	(6)	12	25	25	50
General Supplies - Books and Periodicals	85	323	-	150	360	355
General Supplies - Kitchen	133	211	18	250	150	250
Total Supplies and Materials	987	1,384	550	625	1,635	1,005
<b>Capital Outlay</b>						
Capital Outlay - Equipment (Office)	-	356	-	-	-	-
Capital Outlay - Equipment (Computer)	-	1,198	531	4,860	7,000	-
Total Capital Outlay	-	1,554	531	4,860	7,000	-
Total Elected Officials	114,401	135,504	129,414	140,715	157,906	176,258

# Chapter 7: Departmental Summary

## VILLAGE ADMINISTRATOR'S DEPARTMENT

### Departmental Description

The Village Administrator's Department provides a direct link between Montgomery residents, the Board of Trustees and Village staff. The Department organizes and prepares information for the Village Board, responds to citizen requests, and works with Montgomery's other taxing bodies. The department is led by the Village Administrator, who is responsible to the Village President and Board of Trustees for the proper administration of all day-to-day affairs, departments, and offices of the Village.

### Goals

- ❖ Serve as a primary and effective resource to residents, visitors and businesses.
- ❖ Provide exceptional customer service to all customers (internal and external).
- ❖ Continually look for ways to improve the level of service provided to the community.
- ❖ Empower all levels of the organization to participate in the exchange of ideas and suggestions. Employees are encouraged to take responsibility and accountability for actions.
- ❖ Communicate information in a timely manner with all levels of the organization and the public in an open and honest manner.
- ❖ Encourage public participation.

### Department Responsibilities

➤ Promote an overall customer service culture.
➤ Communicate with residents, community groups, and other agencies.
➤ Ensure the delivery of services in a cost effective manner.
➤ Provide clear, concise reports and recommendations to the Village Board.
➤ Manage and respond to Village Board issues.
➤ Provide vision, guidance, and oversight to departments.
➤ Identify and prioritize legislative initiatives and direct lobbying efforts.
➤ Participate in community leadership efforts.
➤ Plan and coordinate Village events.
➤ Respond to citizen inquiries, complaints, and concerns in a professional manner.
➤ Develop a motivated workforce through professional employee evaluations and training.

### Fiscal Year 2013 – 2014 Accomplishments

- ✓ Grew Montgomery's Facebook page to over 2,000 followers. Providing residents with continued communication and updates.
- ✓ Organized and planned annual community events including: the 10<sup>th</sup> Annual 5K River Rund with the addition of a 10K race, the Cemetery Walk, Concerts in the Park, Senior Luncheons, Montgomery Fest, Tree Lighting Ceremony, Festival of Trees, and an Easter Egg Hunt.
- ✓ Continued hosting electronic recycling events and started hosting paper shredding.
- ✓ Continued the battery recycling program.
- ✓ Developed a Leadership Team made up of Department Directors and other key staff to promote a progressive and innovative local government, which provides administrative support and direction to the Village departments.

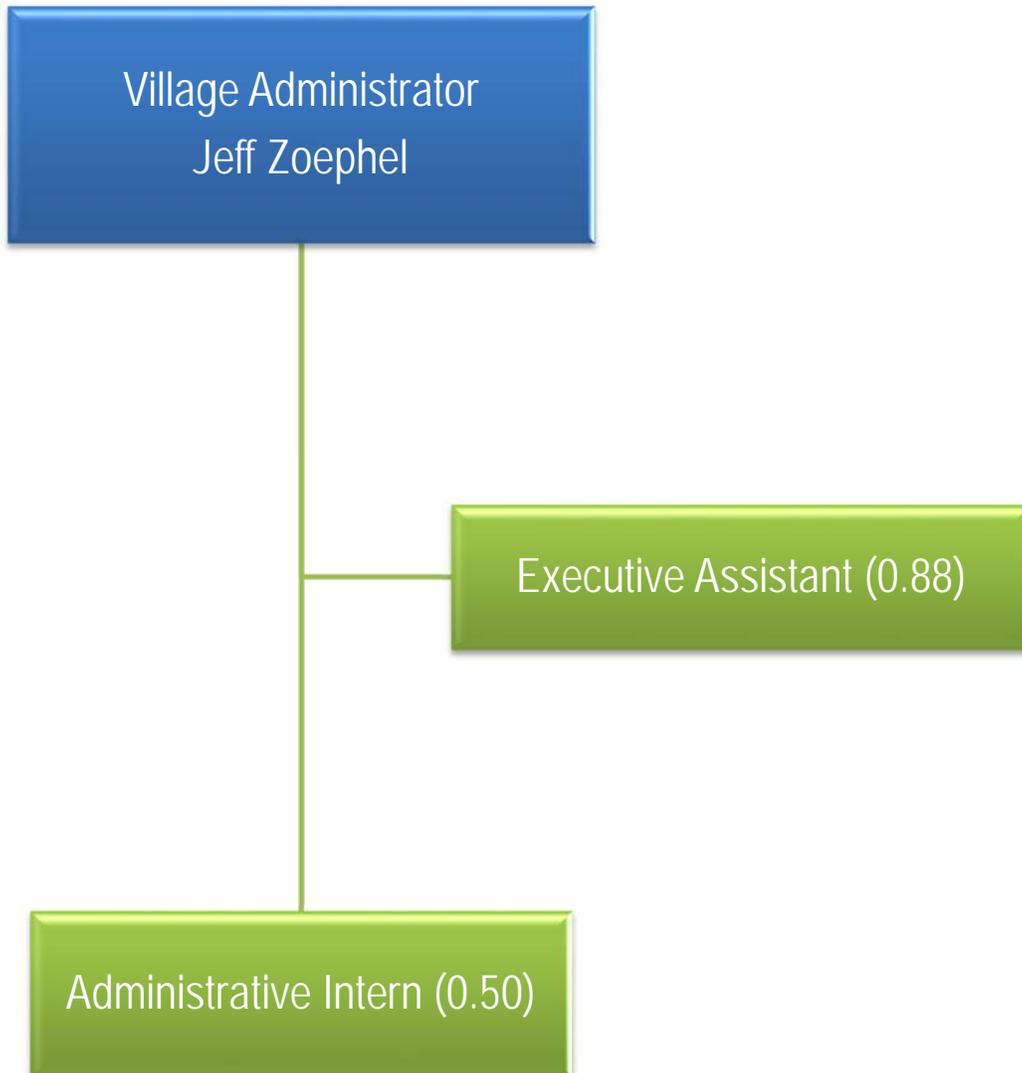
# Chapter 7: Departmental Summary

## VILLAGE ADMINISTRATOR'S DEPARTMENT (Continued)

### Projects to be Completed in Fiscal Year 2014 – 2015

- ❖ The Village Administrator's Department will continue to successfully plan community events creating a welcoming atmosphere to all citizens and visitors of Montgomery.
- ❖ Continue hosting electronic recycling events for residents and add additional recycling if available.
- ❖ Continue to enhance citizen/government interaction through the Village website and social media tools.
- ❖ Explore opportunities to coordinate services with other governmental and non-profit organizations.
- ❖ Work with the Village Board to create policies that will help grow Montgomery.

### Organization Chart



# Chapter 7: Departmental Summary

## VILLAGE ADMINISTRATOR'S DEPARTMENT (Continued)

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Personal Services - Salaries and Wages</b>						
Wages - Full-Time Employees	257,278	340,753	136,964	277,830	235,815	194,917
Wages - Part-Time Employees	-	11,082	18,250	18,500	7,462	12,619
Overtime - General	-	-	567	-	543	-
Holiday Pay	-	-	-	-	206	-
Severance Pay	-	132,849	-	-	-	-
Bonus Pay	-	-	1,609	-	537	-
<b>Total Personal Services - Salaries and Wages</b>	<b>257,278</b>	<b>484,684</b>	<b>157,390</b>	<b>296,330</b>	<b>244,563</b>	<b>207,536</b>
<b>Personal Services - Employee Benefits</b>						
Insurance - Health	31,200	28,260	26,520	31,595	31,595	28,509
Insurance - Dental	2,320	1,560	1,680	1,635	1,635	1,673
Insurance - Workers' Compensation	1,500	2,000	2,500	1,500	1,500	1,500
Insurance - Unemployment	1,327	1,344	5,060	500	1,034	1,108
Retirement - Social Security	12,528	19,007	12,490	18,375	15,163	12,867
Retirement - Medicare	3,822	5,211	4,146	4,300	3,546	3,009
Retirement - IMRF	29,259	42,855	37,008	41,490	32,002	26,855
Education - Conferences and Training	1,942	2,020	7,564	5,500	3,000	5,225
Equipment - Clothing Allowance	64	-	51	-	-	-
Equipment - Vehicle Allowance	7,200	6,923	-	-	-	-
<b>Total Personal Services - Employee Benefits</b>	<b>91,162</b>	<b>109,180</b>	<b>97,019</b>	<b>104,895</b>	<b>89,475</b>	<b>80,746</b>
<b>Purchased Services - Professional and Technical</b>						
Information Technology Services - System Management	49,604	47,256	56,210	45,000	38,000	40,000
Information Technology Services - Website	525	17,632	-	3,430	3,430	4,100
Information Technology Services - Software Maintenance	1,657	1,166	4,805	3,150	3,150	5,300
Other Professional Services	-	-	2,672	-	-	-
<b>Total Purchased Services - Professional and Technical</b>	<b>51,786</b>	<b>66,054</b>	<b>63,687</b>	<b>51,580</b>	<b>44,580</b>	<b>49,400</b>
<b>Purchased Services - Property</b>						
Utilities - Natural Gas	-	348	712	-	900	300
Utilities - Telephone	2,368	2,770	3,705	2,300	3,720	3,720
Utilities - Cell Phone	1,120	2,060	1,001	1,500	1,300	1,920
Equipment Repair and Maintenance - Office	8,295	8,986	8,688	11,650	11,650	11,650
Rental - Equipment	1,908	1,908	1,896	1,910	1,910	1,910
<b>Total Purchased Services - Property</b>	<b>13,691</b>	<b>16,072</b>	<b>16,002</b>	<b>17,360</b>	<b>19,480</b>	<b>19,500</b>
<b>Purchased Services - Other</b>						
Insurance - Official Bonds	1,843	1,531	1,541	2,000	1,530	1,600
Printing and Publishing - Publications	-	44	-	100	95	100
Travel	149	1,898	1,157	4,950	3,000	4,050
Community Relations - Historic Preservation	1,527	2,530	2,357	3,250	750	3,250
Community Relations - Chamber of Commerce	-	427	797	1,000	1,000	1,000
Other Purchased Services - Messenger/Delivery	20	42	22	50	50	50
Other Purchased Services - Dues	1,885	2,052	2,049	3,540	1,750	2,110
Other Purchased Services - Document Destruction	200	475	160	600	300	600
<b>Total Purchased Services - Other</b>	<b>5,624</b>	<b>8,999</b>	<b>8,083</b>	<b>15,490</b>	<b>8,475</b>	<b>12,760</b>
<b>Supplies and Materials</b>						
General Supplies - Office	3,408	3,631	3,244	3,100	2,700	2,500
General Supplies - Postage	1,179	1,008	2,364	1,000	1,350	1,000
General Supplies - Books and Periodicals	794	982	1,015	800	850	800
<b>Total Supplies and Materials</b>	<b>5,381</b>	<b>5,621</b>	<b>6,623</b>	<b>4,900</b>	<b>4,900</b>	<b>4,300</b>
<b>Capital Outlay</b>						
Capital Outlay - Equipment (Office)	450	1,514	3,875	-	3,000	-
Capital Outlay - Furnishings	299	-	302	-	310	-
Capital Outlay - Computer	186	695	249	-	1,120	3,000
<b>Total Capital Outlay</b>	<b>935</b>	<b>2,209</b>	<b>4,426</b>	<b>-</b>	<b>4,430</b>	<b>3,000</b>
<b>Total Village Administrator's Department</b>	<b>425,857</b>	<b>692,819</b>	<b>353,230</b>	<b>490,555</b>	<b>415,903</b>	<b>377,242</b>

# Chapter 7: Departmental Summary

## FINANCE DEPARTMENT

### Departmental Description

The Finance Department is responsible for maintaining the integrity of the financial systems, records and functions of the Village in accordance with applicable laws, ordinances, policies and procedures. The Finance Department's primary functions include all accounting services, investment and cash management activities and coordination of capital financing, purchasing, budget preparation and control, payroll processing, risk management, and overall information technology coordination.

The Accounting Division is responsible for the accurate recording and reporting of the Village's financial activity. To accomplish this, staff coordinates all aspects of the accounts payable and accounts receivable processes and works with all Village departments to ensure proper purchasing procedures are followed. Staff also monitors financial activity to ensure the budget is followed. The Accounting Division is also responsible for the preparation and presentation of the annual audit and property tax levy.

The Human Resources Division is responsible for the coordination of all personnel related matters. Duties range from the oversight of the hiring process, processing of the bi-weekly payroll, and coordination of employee benefit programs and risk management.

The Utility Billing Division is responsible for invoicing residents for water usage, sanitary sewer maintenance and garbage service on a bi-monthly basis. This division is also responsible for the investigation and resolution of customer concerns regarding utility bills.

### Goals

- ❖ Provide centralized public financial services in accordance with established financial policies.
- ❖ Emphasize customer service in the ongoing development of more cost-effective programming.
- ❖ Properly account for and report all financial activities and adhere to all applicable laws and regulations.
- ❖ Develop and implement policies and procedures to ensure employee satisfaction.

<b>Finance Department Responsibilities</b>
➤ Account for the revenues and expenditures of all Village funds.
➤ Prepare annual and interim financial reports.
➤ Oversee, maintain, and account for debt service and investments of the Village.
➤ Oversee, maintain, and account for all pension funds.
➤ Provide support and assistance to external and internal audits and to other departments.
➤ Produce and print the Village's Capital Improvements Program, Annual Operating Budget, and Comprehensive Annual Financial Report.
➤ Monitor budget and capital improvements program.
➤ Pay all Village debts and liabilities through accounts payable functions.
➤ Process all water bills.
➤ Provide customer service to external and internal Village customers.
➤ Responsible for all Human Resource functions.

# Chapter 7: Departmental Summary

## FINANCE DEPARTMENT (Continued)

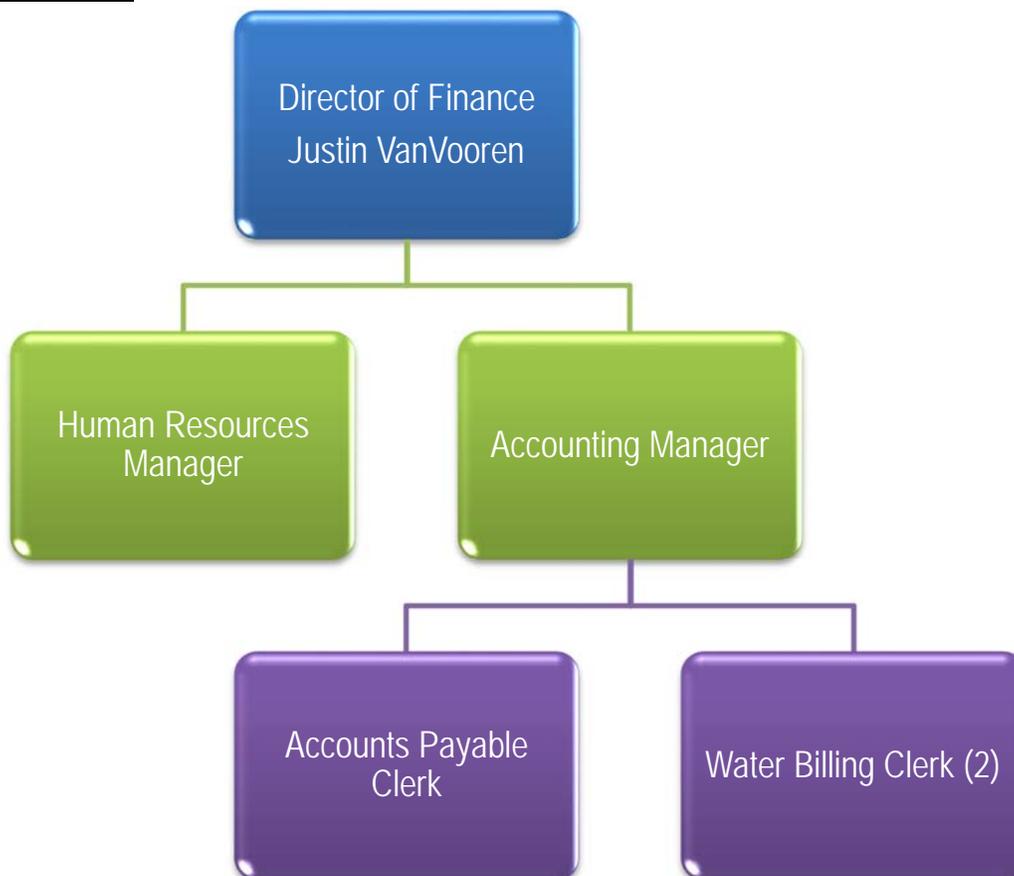
### Fiscal Year 2013 – 2014 Accomplishments

- ✓ Promoted the online water bill payment service and direct debit of water bills.
- ✓ Successfully completed the fiscal year 2014 – 2015 Annual Budget.
- ✓ Received the GFOA Budget Award for 2014.
- ✓ Received the GFOA CAFR Award for 2013.
- ✓ Successfully hired a new Director of Finance, Human Resources Manager, and Water Billing Clerk.
- ✓ Implemented a new performance evaluation system.

### Projects to be Completed in Fiscal Year 2014 – 2015

- ❖ Fiscal year 2015 – 2016 Annual Budget Preparation
- ❖ Fiscal year 2013 – 2014 Popular Annual Financial Report (PAFR)
- ❖ Fiscal year 2013 – 2014 Comprehensive Annual Financial Report (CAFR)
- ❖ Labor negotiations with Local 150 Operating Engineers (Public Works Employees)
- ❖ Fine tune self-service and training programs for Village employees.
- ❖ Hire an Accounting Manager and Accounts Payable Clerk
- ❖ Coordinate the Village Board Strategic Plan

### Organization Chart



# Chapter 7: Departmental Summary

## FINANCE DEPARTMENT (Continued)

### Finance Department – Accounting

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Personal Services - Salaries and Wages</b>						
Wages - Full-Time Employees	215,492	209,624	255,618	229,370	171,921	282,491
Wages - Merit Increase Pool	-	-	-	60,000	-	-
Overtime - General	1,209	680	637	1,000	1,469	500
Holiday Pay	-	-	-	-	210	-
<b>Total Personal Services - Salaries and Wages</b>	<b>216,701</b>	<b>210,304</b>	<b>256,255</b>	<b>290,370</b>	<b>173,600</b>	<b>282,991</b>
<b>Personal Services - Employee Benefits</b>						
Insurance - Health	26,700	33,840	36,600	36,580	36,580	62,078
Insurance - Dental	2,140	2,100	2,520	2,115	2,115	3,847
Insurance - Workers' Compensation	1,500	1,500	1,750	1,500	1,500	2,000
Insurance - Unemployment	1,572	5,361	4,875	500	1,960	1,477
Retirement - Social Security	12,633	12,390	13,520	17,975	10,750	17,545
Retirement - Medicare	3,127	2,979	3,588	4,205	2,514	4,103
Retirement - IMRF	24,503	24,596	32,843	40,585	22,946	36,619
Education - Conferences and Training	3,393	964	6,520	4,900	3,454	6,400
Equipment - Clothing Allowance	448	-	188	-	-	-
Equipment - Vehicle Allowance	1,200	1,200	-	-	-	-
Other Benefits - Health Club Reimbursement	-	-	1,000	1,000	1,000	1,000
Other Benefits - Flu/Hepatitis Shots	4,446	-	-	-	-	-
Other Benefits - Flex Spending	-	-	-	-	1,150	600
<b>Total Personal Services - Employee Benefits</b>	<b>81,662</b>	<b>84,930</b>	<b>103,404</b>	<b>109,360</b>	<b>83,969</b>	<b>135,669</b>
<b>Purchased Services - Professional and Technical</b>						
Information Technology Services - System Management	9,614	13,695	8,602	10,000	10,000	10,000
Information Technology Services - Software Maintenance	28,035	32,063	27,807	33,000	32,641	30,073
Accounting and Auditing Services - General	28,887	23,087	31,293	30,000	24,600	27,200
Other Professional Services - Management Consultants	1,250	2,210	2,220	-	1,110	-
Other Professional Services - Cash Management	25,095	26,234	26,975	27,500	23,426	25,000
<b>Total Purchased Services - Professional and Technical</b>	<b>92,881</b>	<b>97,289</b>	<b>96,897</b>	<b>100,500</b>	<b>91,777</b>	<b>92,273</b>
<b>Purchased Services - Property</b>						
Utilities - Telephone	2,315	2,770	3,705	2,500	3,720	3,840
Utilities - Cell Phone	1,038	1,271	1,259	1,500	1,120	920
Utilities - T1 Line	9,835	7,885	2,386	10,000	9,000	2,700
Utilities - Internet Access	1,055	912	4,084	750	912	912
Equipment Repair and Maintenance - Office	187	-	99	-	176	-
<b>Total Purchases Services - Property</b>	<b>14,430</b>	<b>12,838</b>	<b>11,533</b>	<b>14,750</b>	<b>14,928</b>	<b>8,372</b>

# Chapter 7: Departmental Summary

## FINANCE DEPARTMENT (Continued)

### Finance Department – Accounting (Continued)

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Purchased Services - Other</b>						
Insurance - Liability	188,018	325,717	262,473	285,000	247,193	319,701
Insurance - Deductible Payments	2,297	5,000	6,254	3,000	4,000	4,000
Printing and Publishing - Legal Notices	2,787	2,198	3,577	4,100	3,403	2,400
Travel	3	-	1,259	2,000	300	2,200
Personnel Administration - Recruitment	2,732	1,440	2,680	12,000	2,000	2,500
Personnel Administration - Physicals/Testing	1,838	3,756	2,958	2,000	1,525	1,000
Employee Relations - Employee Recognition Ceremony (ME)	2,821	2,054	1,197	2,500	1,350	1,000
Employee Relations - Gifts/Flowers	985	677	644	1,000	1,000	1,000
Employee Relations - Benefits Fair	223	358	141	500	-	350
Employee Relations - Take Your Child to Work Day	-	17	-	150	-	-
Employee Relations - Employee Appreciation/Family Picnic	-	-	-	500	500	2,000
Other Purchased Services - Messenger/Delivery	189	104	140	250	175	200
Other Purchased Services - Dues	2,325	1,740	2,105	1,850	1,600	2,770
<b>Total Purchased Services - Other</b>	<b>204,218</b>	<b>343,061</b>	<b>283,428</b>	<b>314,850</b>	<b>263,046</b>	<b>339,121</b>
<b>Supplies and Materials</b>						
General Supplies - Office	3,719	4,173	3,055	4,500	4,000	4,000
General Supplies - Agency	-	-	136	1,500	-	-
General Supplies - Postage	1,495	1,897	2,051	3,000	2,500	2,200
General Supplies - Books and Periodicals	242	308	342	250	-	-
<b>Total Supplies and Materials</b>	<b>5,456</b>	<b>6,378</b>	<b>5,584</b>	<b>9,250</b>	<b>6,500</b>	<b>6,200</b>
<b>Capital Outlay</b>						
Capital Outlay - Equipment (Computer)	32,423	25,027	38,107	15,000	6,000	300
<b>Total Capital Outlay</b>	<b>32,423</b>	<b>25,027</b>	<b>38,107</b>	<b>15,000</b>	<b>6,000</b>	<b>300</b>
<b>Transfers and Charges</b>						
Service Charges	(230,400)	(239,460)	(268,080)	(268,660)	(268,660)	(345,970)
<b>Total Transfers and Charges</b>	<b>(230,400)</b>	<b>(239,460)</b>	<b>(268,080)</b>	<b>(268,660)</b>	<b>(268,660)</b>	<b>(345,970)</b>
<b>Total Finance - Accounting</b>	<b>417,371</b>	<b>540,367</b>	<b>527,128</b>	<b>585,420</b>	<b>371,160</b>	<b>518,956</b>

# Chapter 7: Departmental Summary

## FINANCE DEPARTMENT (Continued)

### Finance Department – Utility Billing

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Personal Services - Salaries and Wages</b>						
Wages - Full-Time Employees	46,417	49,382	80,663	79,130	102,849	85,987
Wages - Part-Time Employees	24,618	37,637	38,385	30,320	24,100	-
Overtime - General	8,365	8,324	8,143	7,500	3,000	3,000
Holiday Pay	-	-	-	-	379	-
<b>Total Personal Services - Salaries and Wages</b>	<b>79,400</b>	<b>95,343</b>	<b>127,191</b>	<b>116,950</b>	<b>130,328</b>	<b>88,987</b>
<b>Personal Services - Employee Benefits</b>						
Insurance - Health	4,640	5,400	15,720	15,770	15,770	16,816
Insurance - Dental	350	300	960	925	925	1,087
Insurance - Workers' Compensation	1,000	1,500	1,250	1,250	1,250	1,000
Insurance - Unemployment	886	1,385	2,143	250	1,830	1,019
Retirement - Social Security	4,920	5,857	7,768	7,255	8,080	5,517
Retirement - Medicare	1,151	1,370	1,817	1,700	1,890	1,290
Retirement - IMRF	8,937	11,210	16,242	16,375	16,645	11,515
Education - Conferences and Training	-	125	-	750	500	750
Equipment - Clothing Allowance	-	-	63	-	-	-
<b>Total Personal Services - Employee Benefits</b>	<b>21,884</b>	<b>27,147</b>	<b>45,963</b>	<b>44,275</b>	<b>46,890</b>	<b>38,994</b>
<b>Purchased Services - Professional and Technical</b>						
Information Technology Services - System Management	1,210	2,563	2,277	1,500	3,500	3,000
Information Technology Services - Software Maintenance	-	-	-	3,000	560	3,000
<b>Total Purchased Services - Professional and Technical</b>	<b>1,210</b>	<b>2,563</b>	<b>2,277</b>	<b>4,500</b>	<b>4,060</b>	<b>6,000</b>
<b>Purchased Services - Property</b>						
Utilities - Telephone	1,576	1,886	2,809	1,800	3,200	3,000
Utilities - Cell Phone	686	1,236	1,919	750	750	750
Equipment Repair and Maintenance - Office	187	-	-	-	-	-
Equipment Repair and Maintenance - Other	5,876	1,888	7,297	2,500	4,300	3,000
<b>Total Purchased Services - Property</b>	<b>8,325</b>	<b>5,010</b>	<b>12,025</b>	<b>5,050</b>	<b>8,250</b>	<b>6,750</b>
<b>Purchased Services - Other</b>						
Printing and Publishing - Publications	-	-	-	-	-	-
Printing and Publishing - Forms and Maps	9,521	3,363	5,079	10,000	11,000	10,000
Travel	-	-	-	100	-	-
<b>Total Purchased Services - Other</b>	<b>9,521</b>	<b>3,363</b>	<b>5,079</b>	<b>10,100</b>	<b>11,000</b>	<b>10,000</b>
<b>Supplies and Materials</b>						
General Supplies - Office	3,399	8,533	7,825	3,000	8,000	8,000
General Supplies - Agency	-	-	-	-	100	-
General Supplies - Postage	27,167	27,846	29,943	32,000	32,000	32,000
General Supplies - Books and Periodicals	-	-	-	150	-	-
<b>Total Supplies and Materials</b>	<b>30,566</b>	<b>36,379</b>	<b>37,768</b>	<b>35,150</b>	<b>40,100</b>	<b>40,000</b>
<b>Capital Outlay</b>						
Capital Outlay - Equipment (Computer)	-	2,700	-	-	-	-
<b>Total Capital Outlay</b>	<b>-</b>	<b>2,700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transfers and Charges</b>						
Service Charges	(142,380)	(172,505)	(217,440)	(216,025)	(240,628)	(190,731)
<b>Total Transfers and Charges</b>	<b>(142,380)</b>	<b>(172,505)</b>	<b>(217,440)</b>	<b>(216,025)</b>	<b>(240,628)</b>	<b>(190,731)</b>
<b>Total Accounting - Utility Billing</b>	<b>8,526</b>	<b>-</b>	<b>12,863</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Chapter 7: *Departmental Summary*

## **COMMUNITY DEVELOPMENT DEPARTMENT**

### **Departmental Description**

The Community Development Department is responsible for ensuring that correct procedures and codes are used and followed for the planning and permitting of all residential and commercial developments in the Village. The main responsibility of the Community Development Department is to assist developers, local businesses and citizens through the approval process from beginning to end. The Department is responsible for providing efficient, smart, sustainable and timely planning of Montgomery's existing, ongoing and future development. This is done through the use of well-established and innovative planning and building practices and techniques. The department also provides customer service assistance and public education throughout any planning and development process.

The Building Division, a division of the Community Development Department, is responsible for building permits and inspections, contractor licenses, temporary use permits, enforcing building-related portions of the Village Code of Ordinances, and enforcing property maintenance codes.

The Planning Division follows the goals and vision for the Village as set by the Comprehensive Plan. Staff reviews individual developments as they are proposed to ensure that they meet the guidelines set forth in the plan. To accomplish this, staff coordinates all aspects of the plan review including land use, engineering, landscaping, legal issues, and economic development. In addition, the Planning Division serves as staff liaison providing information to the Plan Commission.

The mission of the Economic Development Division is to create a business-friendly environment so that existing businesses will choose to remain and new businesses will locate to Montgomery. This is accomplished through work hard to help your company access needed data, identify potential sites, coordinate any Village approvals, connect you with other partner organizations, or just welcome you to the community. The Village works cooperatively with the Montgomery Economic Development Corporation to provide the latest economic development information.

### **Goals**

- ❖ Provide effective code enforcement, professional permitting and building inspection services, and planning services.
- ❖ Create a greater on-line presence with permit applications and submittal checklists.
- ❖ Provide additional focus on economic development.
- ❖ Apply for grants and alternative funding through a variety of state and federal programs.
- ❖ Protect and enhance environmental quality throughout the community.
- ❖ Encourage public and private actions that will conserve energy resources, and encourage the use of renewable energy resources.
- ❖ Promote, encourage, and provide exceptional customer service.
- ❖ Promote protection of public infrastructure and preparedness for emergency management.
- ❖ Provide a business friendly environment for local businesses.
- ❖ Promote a diversified economic base that can provide adequate employment opportunities, satisfy the needs for commercial goods and business services, and support the fiscal responsibilities of the Village.

# Chapter 7: Departmental Summary

## COMMUNITY DEVELOPMENT DEPARTMENT (Continued)

### Community Development Responsibilities

➤ Improve the efficiency and effectiveness of the review, permitting and inspection process.
➤ Evaluate updated building codes to verify that buildings are safe for owners and residents.
➤ Update Village ordinances to reflect current trends.
➤ Enforce regulations and zoning requirements.
➤ Develop and maintain vacant property database.
➤ Update and maintain a GIS mapping system for the Village.
➤ Maintain and update the Zoning Map and Street Maps.

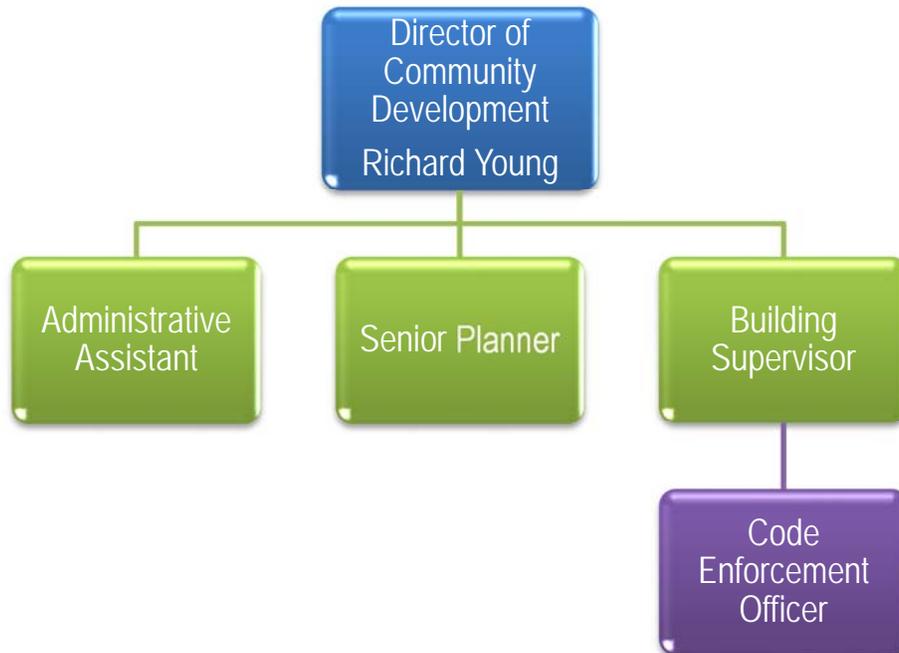
### Fiscal Year 2013 – 2014 Accomplishments

- ✓ Completed a new Comprehensive Plan for the Village of Montgomery
- ✓ Opening of a 136,085 square foot warehouse-style Sam's Club located in the Ogden Hill shopping center at U.S. Route 34 and U.S. Route 30
- ✓ Implemented a tax increment financing district for the Aucutt Road Corridor

### Projects to be Completed in Fiscal Year 2014 – 2015

- ❖ Enhance public education regarding various code enforcement concerns
- ❖ Update the Boundary Line Agreement with the City of Aurora and Village of Sugar Grove
- ❖ Prepare a coordinated economic development strategy with the Montgomery Economic Development Corporation
- ❖ Begin implementation of the Go To Montgomery 2035 Comprehensive Plan

### Organization Chart



# Chapter 7: Departmental Summary

## COMMUNITY DEVELOPMENT DEPARTMENT (Continued)

### Community Development – Planning and Zoning

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Personal Services - Salaries and Wages</b>						
Wages - Full-Time Employees	217,461	185,337	56,746	65,650	99,658	182,064
Wages - Boards and Committees	1,925	3,055	1,015	3,185	1,925	3,185
<b>Total Personal Services - Salaries and Wages</b>	<b>219,386</b>	<b>188,392</b>	<b>57,761</b>	<b>68,835</b>	<b>101,583</b>	<b>185,249</b>
<b>Personnel Services - Employee Benefits</b>						
Insurance - Health	31,200	39,720	26,520	10,785	10,785	17,231
Insurance - Dental	2,320	2,340	1,800	530	550	1,172
Insurance - Workers' Compensation	1,500	1,500	-	500	500	1,000
Insurance - Unemployment	1,555	1,425	1,153	300	739	1,108
Retirement - Social Security	13,548	11,621	3,482	4,270	6,298	11,485
Retirement - Medicare	3,168	2,718	814	1,000	1,473	2,686
Retirement - IMRF	24,599	20,474	7,269	9,640	13,115	23,559
Education - Tuition Reimbursement	485	-	-	-	-	-
Education - Conferences and Training	3,214	1,652	1,749	1,460	3,500	2,720
Equipment - Clothing Allowance	-	75	-	-	-	-
Equipment - Vehicle Allowance	1,200	508	-	-	-	-
<b>Total Personal Services - Employee Benefits</b>	<b>82,789</b>	<b>82,033</b>	<b>42,787</b>	<b>28,485</b>	<b>36,960</b>	<b>60,961</b>
<b>Purchased Services - Professional and Technical</b>						
Information Technology Services - System Mgmt	1,859	2,563	1,639	4,000	1,800	3,000
Information Technology Services - Software Maint	400	400	400	8,400	8,400	9,600
Planning Services - General	730	-	3,537	5,000	18,000	10,000
Planning Services - Development (Reimbursable)	15,114	11,055	9,465	20,000	2,800	20,000
Planning Services - Municipal Projects	-	-	23,065	130,000	127,000	-
<b>Total Purchased Services - Professional and Technical</b>	<b>18,103</b>	<b>14,018</b>	<b>38,106</b>	<b>167,400</b>	<b>158,000</b>	<b>42,600</b>
<b>Purchased Services - Property</b>						
Utilities - Telephone	2,315	2,770	3,105	1,800	1,600	3,200
Utilities - Cell Phone	797	739	1,029	800	800	1,600
Equipment Repair and Maintenance - Office	187	-	-	-	300	500
<b>Total Purchased Services - Property</b>	<b>3,299</b>	<b>3,509</b>	<b>4,134</b>	<b>2,600</b>	<b>2,700</b>	<b>5,300</b>
<b>Purchased Services - Other</b>						
Printing and Publishing - Legal Notices	1,162	364	617	2,500	1,400	2,000
Printing and Publishing - Publications	265	472	260	500	325	500
Travel	41	176	1,000	1,000	1,100	3,950
Other Purchased Services - Messenger/Delivery	18	-	-	-	-	-
Other Purchased Services - Dues	1,227	650	1,233	1,850	1,400	2,200
Other Purchased Services - Document Recording	687	443	645	2,000	250	1,000
<b>Total Purchased Services - Other</b>	<b>3,400</b>	<b>2,105</b>	<b>3,755</b>	<b>7,850</b>	<b>4,475</b>	<b>9,650</b>
<b>Supplies and Materials</b>						
General Supplies - Office	2,139	2,530	1,341	2,500	2,459	3,500
General Supplies - Postage	205	184	299	400	500	400
General Supplies - Books and Periodicals	106	261	232	300	250	300
General Supplies - Uniforms	-	277	-	-	-	-
General Supplies - Rain Barrels	-	2,610	4,841	4,000	112	4,000
<b>Total Supplies and Materials</b>	<b>2,450</b>	<b>5,862</b>	<b>6,713</b>	<b>7,200</b>	<b>3,321</b>	<b>8,200</b>
<b>Capital Outlay</b>						
Capital Outlay - Equipment (Office)	579	-	1,658	-	-	4,250
Capital Outlay - Equipment (Furnishings)	-	-	560	-	-	-
Capital Outlay - Equipment (Computer)	-	200	-	-	-	1,400
<b>Total Capital Outlay</b>	<b>579</b>	<b>200</b>	<b>2,218</b>	<b>-</b>	<b>-</b>	<b>5,650</b>
<b>Total Community Development - Planning and Zoning</b>	<b>330,006</b>	<b>296,119</b>	<b>155,474</b>	<b>282,370</b>	<b>307,039</b>	<b>317,610</b>

# Chapter 7: Departmental Summary

## COMMUNITY DEVELOPMENT DEPARTMENT (Continued)

### Community Development – Code Enforcement and Inspections

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Personal Services - Salaries and Wages</b>						
Wages - Full-Time Employees	108,045	116,843	130,380	125,195	127,349	178,060
Wages - Part-Time Employees	-	1,068	32,773	32,995	30,904	-
Overtime - General	289	386	845	1,000	750	750
Holiday Pay	-	-	-	-	311	-
<b>Total Personal Services - Salaries and Wages</b>	<b>108,334</b>	<b>118,297</b>	<b>163,998</b>	<b>159,190</b>	<b>159,314</b>	<b>178,810</b>
<b>Personal Services - Employee Benefits</b>						
Insurance - Health	22,680	29,220	26,520	25,795	25,795	43,119
Insurance - Dental	1,720	1,680	1,800	1,500	1,500	2,473
Insurance - Workers' Compensation	1,500	1,500	2,000	2,500	2,500	2,500
Insurance - Unemployment	1,031	1,427	3,790	500	1,108	1,108
Retirement - Social Security	6,714	7,091	9,895	9,870	9,877	11,086
Retirement - Medicare	1,570	1,658	2,314	2,310	2,310	2,593
Retirement - IMRF	12,187	13,736	21,024	22,290	21,135	23,138
Education - Conferences and Training	319	425	1,445	980	550	400
Equipment - Uniform Allowance	75	225	94	160	150	150
<b>Total Personal Services - Employee Benefits</b>	<b>47,796</b>	<b>56,962</b>	<b>68,882</b>	<b>65,905</b>	<b>64,925</b>	<b>86,567</b>
<b>Purchased Services - Professional and Technical</b>						
Information Technology Services - System Management	1,738	5,016	4,895	4,000	3,100	3,500
Information Technology Services - Software Maintenance	-	7,750	23,250	-	-	-
Inspection Services - General	2,523	378	100	5,000	-	3,000
Inspection Services - Plumbing	19,400	17,951	13,800	16,000	14,000	13,000
Inspection Services - Elevator	1,201	2,379	3,559	2,500	2,500	2,500
Inspection Services - Sewer	1,000	1,060	800	3,000	700	3,000
<b>Total Purchased Services - Professional and Technical</b>	<b>25,862</b>	<b>34,534</b>	<b>46,404</b>	<b>30,500</b>	<b>20,300</b>	<b>25,000</b>
<b>Purchased Services - Property</b>						
Utilities - Telephone	1,576	1,886	2,959	3,000	3,700	3,000
Utilities - Cell Phone	434	721	2,023	1,500	1,000	1,500
Utilities - Internet Access	-	-	-	1,500	500	1,500
Equipment Repair and Maintenance - Office	187	-	-	-	300	500
Grounds Repair and Maintenance - Mowing Violations	3,095	693	630	4,000	2,000	3,000
<b>Total Purchased Services - Property</b>	<b>5,292</b>	<b>3,300</b>	<b>5,612</b>	<b>10,000</b>	<b>7,500</b>	<b>9,500</b>
<b>Purchased Services - Other</b>						
Printing and Publishing - Publications	20	20	-	100	30	100
Printing and Publishing - Forms and Maps	231	80	1,033	600	200	600
Travel	-	-	-	-	1,460	300
Other Purchased Services - Dues	200	120	775	650	340	500
<b>Total Purchased Services - Other</b>	<b>451</b>	<b>220</b>	<b>1,808</b>	<b>1,350</b>	<b>2,030</b>	<b>1,500</b>
<b>Supplies and Materials</b>						
General Supplies - Office	1,828	1,917	2,108	2,500	1,500	2,500
General Supplies - Agency	-	-	-	500	500	500
General Supplies - Postage	502	619	1,573	2,000	400	1,000
General Supplies - Books and Periodicals	-	-	135	300	300	300
General Supplies - Safety	242	113	247	200	350	200
General Supplies - Uniforms	-	566	594	750	700	750
Vehicle Supplies - Gas & Oil	208	-	-	-	-	-
<b>Total Supplies and Materials</b>	<b>2,780</b>	<b>3,215</b>	<b>4,657</b>	<b>6,250</b>	<b>3,750</b>	<b>5,250</b>
<b>Capital Outlay</b>						
Capital Outlay - Equipment (Office)	100	270	-	-	-	-
Capital Outlay - Equipment (Computer)	23	-	-	-	-	1,400
<b>Total Capital Outlay</b>	<b>123</b>	<b>270</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,400</b>
<b>Transfers</b>						
Transfer to Vehicle Reserve Fund	-	-	-	-	16,841	11,228
<b>Total Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,841</b>	<b>11,228</b>
<b>Total Community Development - Code Enforcement and Inspections</b>	<b>190,638</b>	<b>216,798</b>	<b>291,361</b>	<b>273,195</b>	<b>274,660</b>	<b>319,255</b>

# Chapter 7: Departmental Summary

## COMMUNITY DEVELOPMENT DEPARTMENT (Continued)

### Community Development – Economic Development

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Purchased Services - Professional and Technical</b>						
Economic Development Services - Political Consultant	1,777	105	4,830	2,000	1,953	2,000
Economic Development Services - Marketing	-	-	446	-	-	-
Economic Development Services - Econ Dev Corp	55,000	55,000	55,000	55,000	93,000	90,000
<b>Total Purchased Services - Professional and Technical</b>	<b>56,777</b>	<b>55,105</b>	<b>60,276</b>	<b>57,000</b>	<b>94,953</b>	<b>92,000</b>
<b>Other</b>						
Other - Economic Development Incentives	584,173	606,273	580,025	589,360	604,903	1,004,044
<b>Total Other</b>	<b>584,173</b>	<b>606,273</b>	<b>580,025</b>	<b>589,360</b>	<b>604,903</b>	<b>1,004,044</b>
<b>Total Community Development - Economic Development</b>	<b>640,950</b>	<b>661,378</b>	<b>640,301</b>	<b>646,360</b>	<b>699,856</b>	<b>1,096,044</b>

# Chapter 7: Departmental Summary

## ***POLICE DEPARTMENT***

### **Departmental Description**

The Montgomery Police Department provides protection and policing services to over 18,000 residents and businesses within the Village limits. The department strives hard to provide exceptional services, demonstrate community pride, and maintain public safety throughout the community. The Police Department is active in the community in the following areas: traffic and DUI enforcement, crime prevention, neighborhood watch, and gang prevention.

### **Mission Statement**

The Village of Montgomery Police Department is committed to providing exceptional public service by protecting the life, liberty and property of citizens in the Village. We strive to build community partnerships that preserve public trust, foster mutual respect and enhance the quality of life for all.

### **Values**

Members of the Montgomery Police Department are committed to our citizens and to each other. We will:

- ❖ Be courteous. We will on all occasions be courteous and considerate toward all members of the public and to each other.
- ❖ Be honest. We will base our integrity on truthfulness and will tell the truth on all records, statements, and testimony.
- ❖ Respect diversity. We will treat the public and each other the same, regardless of sex, race, religion, age, sexual orientation, ethnicity, disability or national origin.
- ❖ Emphasize integrity. We will be honest, morally upright and sincere in the use of the power and authority that has been given to us.
- ❖ Foster cooperation. We will help each other succeed by assisting each other at every opportunity by following the highest standards and best practices of the law.

### **Police Department Responsibilities**

➤ Ensure implementation of policies that meet national accreditation standards.
➤ Manage all departmental training; ensure compliance with mandated training standards.
➤ Promote and organize Community Policing.
➤ Proactively address community problems.
➤ Maintain a visible presence in the community.
➤ Respond to emergency and non-emergency calls for service.
➤ Assist in the safe and expedient movement of vehicular and pedestrian traffic.
➤ Investigate adult and juvenile-related crimes.
➤ Proactively enforce and investigate narcotics and vice.
➤ Process crime scenes and prepare evidence for laboratory analysis.
➤ Manage detention center operations.
➤ Make safety a part of the organizational culture.

# Chapter 7: *Departmental Summary*

## *POLICE DEPARTMENT (Continued)*

### Fiscal Year 2013 – 2014 Accomplishments

- ✓ Awarded a Grant from the Illinois Liquor Commission in the amount \$2050.00 for Tobacco and Liquor compliance checks.
- ✓ Awarded over \$19,000.00 in Grant money from IDOT for the upcoming 2013-2014 year's traffic enforcement campaigns.
- ✓ Participated in the 2013-2014 Click It or Ticket IDOT Campaign where we won 1st place for Departments in our size category.
- ✓ Sgt. Liz Palko was named one of the 2013 Rising Shields of Law Enforcement by the Illinois Association of Chiefs of Police.
- ✓ Officer Anthony Bertellotti became the First Master Firearms Instructor for the Police Department with over 200 hours of Firearms Training.
- ✓ Successful transition to KenCom Dispatch Center in October of 2013.
- ✓ Officer Jason Stransky promoted to Sergeant in August of 2013.

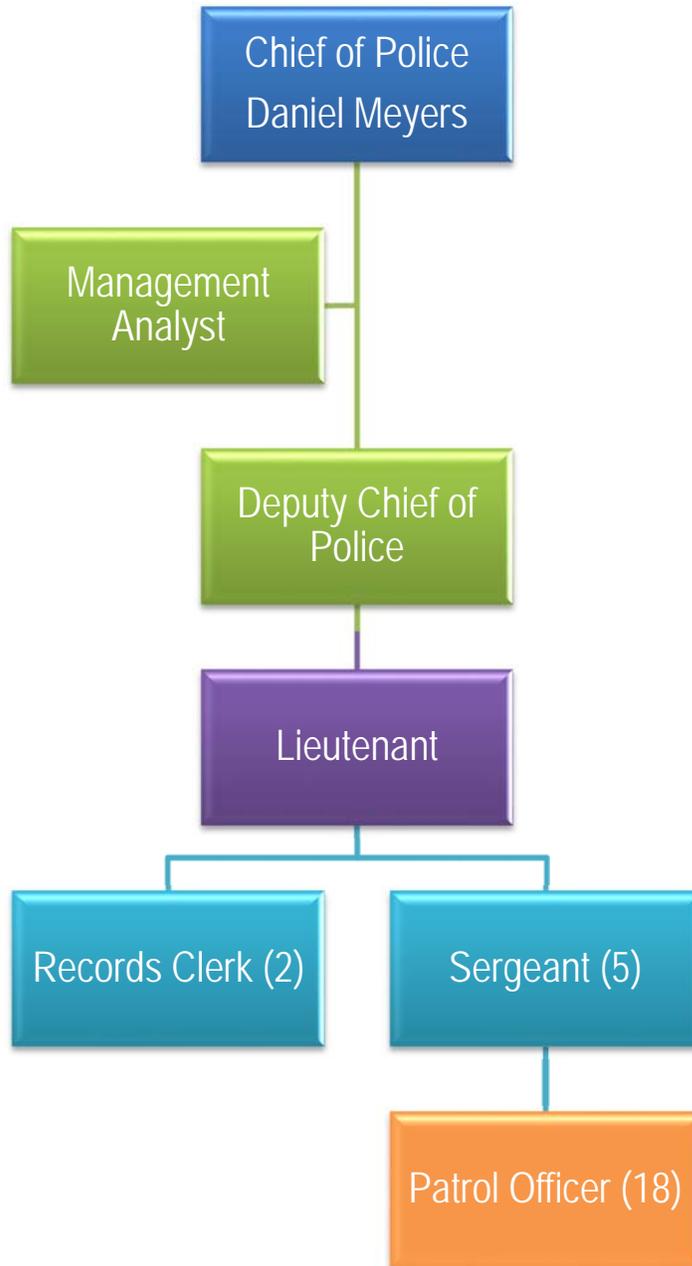
### Projects to be Completed in Fiscal Year 2014 – 2015

- ❖ Reduce Crime and Fear
- ❖ Enhance the Departments Performance
- ❖ Strengthen Relationships w/Law Enforcement Agencies and Civilian Partners
- ❖ Advance Deployment of Technology
- ❖ Plan and Prioritize Capital Needs

# Chapter 7: Departmental Summary

## POLICE DEPARTMENT (Continued)

### Organization Chart



### Statistical Summary

	2006	2007	2008	2009	2010	2011	2012	2013
Physical Arrests	508	565	703	845	930	912	2,221	994
Parking Violations	621	547	597	670	826	786	1,316	1,273
Traffic Violations	3,243	2,978	4,715	4,314	3,940	4,023	4,141	2,474

# Chapter 7: Departmental Summary

## POLICE DEPARTMENT (Continued)

### Police Department – Administration

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Personal Services - Salaries and Wages</b>						
Wages - Full-Time Employees	157,049	162,456	172,319	271,435	255,502	288,538
Overtime - Reimbursable Services	6,557	-	-	-	1,049	-
Holiday Pay	-	2,248	629	-	-	-
<b>Total Personal Services - Salaries and Wages</b>	<b>163,606</b>	<b>164,704</b>	<b>172,948</b>	<b>271,435</b>	<b>256,551</b>	<b>288,538</b>
<b>Personal Services - Employee Benefits</b>						
Insurance - Health	30,900	27,900	36,600	39,070	39,070	43,209
Insurance - Dental	2,440	1,680	2,520	2,225	2,225	2,974
Insurance - Workers' Compensation	1,500	1,500	2,500	2,500	2,500	2,500
Insurance - Unemployment	1,014	1,427	2,305	500	1,108	1,108
Retirement - Social Security	9,688	10,037	10,424	16,830	15,906	17,889
Retirement - Medicare	2,375	2,347	2,472	3,940	3,720	4,184
Retirement - IMRF	5,883	6,424	7,499	7,990	5,530	7,934
Education - Tuition Reimbursement	200	-	-	-	-	-
Education - Conferences and Training	8,887	4,125	3,473	2,560	3,400	3,500
Equipment - Clothing Allowance	1,075	1,075	1,075	1,880	1,608	1,875
<b>Total Personal Services - Employee Benefits</b>	<b>63,962</b>	<b>56,515</b>	<b>68,868</b>	<b>77,495</b>	<b>75,067</b>	<b>85,173</b>
<b>Purchased Services - Professional and Technical</b>						
Information Technology Services - System Management	30,087	32,956	27,121	15,000	42,000	30,000
Information Technology Services - Software Maintenance	70,938	56,859	60,919	71,500	66,000	75,740
<b>Total Purchased Services - Professional and Technical</b>	<b>101,025</b>	<b>89,815</b>	<b>88,040</b>	<b>86,500</b>	<b>108,000</b>	<b>105,740</b>
<b>Purchased Services - Property</b>						
Utilities - Natural Gas	7,178	6,544	2,390	15,000	9,145	6,000
Utilities - Telephone	19,076	16,777	17,623	10,000	28,000	14,000
Utilities - Cell Phone	1,260	982	1,807	2,750	3,500	3,000
Utilities - Pager	353	-	217	-	-	-
Utilities - Leads/IMN Access	13,625	13,577	13,247	17,000	15,000	15,000
Building Repair and Maintenance - Other	7,132	6,178	37	-	3,800	4,000
Equipment Repair and Maintenance - Office	630	724	-	4,100	4,100	4,100
Equipment Repair and Maintenance - Other	6,226	8,393	7,104	13,000	13,000	13,000
Equipment Repair and Maintenance - Communications	15,367	16,862	15,710	10,000	16,163	10,000
<b>Total Purchased Services - Property</b>	<b>70,847</b>	<b>70,037</b>	<b>58,135</b>	<b>71,850</b>	<b>92,708</b>	<b>69,100</b>
<b>Purchased Services - Other</b>						
Travel	-	-	1,131	1,200	1,200	1,500
Other Purchased Services - Animal Control	4,100	2,700	3,600	4,000	4,000	4,000
Other Purchased Services - Dues	958	923	1,775	1,800	2,200	1,800
Other Purchased Services - Document Destruction	500	1,205	700	1,200	1,200	1,500
<b>Total Purchased Services - Other</b>	<b>5,558</b>	<b>4,828</b>	<b>7,206</b>	<b>8,200</b>	<b>8,600</b>	<b>8,800</b>
<b>Supplies and Materials</b>						
General Supplies - Office	3,651	4,026	4,372	3,000	5,200	4,000
General Supplies - Agency	85	1,129	19	500	400	-
General Supplies - Postage	2,083	1,534	1,917	1,200	1,200	1,200
General Supplies - Books and Periodicals	395	624	521	800	800	800
General Supplies - Safety	84	-	580	600	600	600
Kane County Article 36	-	-	275	-	-	-
<b>Total Supplies and Materials</b>	<b>6,298</b>	<b>7,313</b>	<b>7,684</b>	<b>6,100</b>	<b>8,200</b>	<b>6,600</b>
<b>Capital Outlay</b>						
Capital Outlay - Equipment (Computer)	1,640	4,749	1,471	3,800	5,500	10,000
	1,640	4,749	1,471	3,800	5,500	10,000
	412,936	397,961	404,352	525,380	554,626	573,951

# Chapter 7: Departmental Summary

## POLICE DEPARTMENT (Continued)

### Police Department – Support Services

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Personal Services - Salaries and Wages</b>						
Wages - Full-Time Employees	362,764	363,031	365,258	218,610	160,248	105,672
Wages - Part-Time Employees	46,313	51,774	60,189	40,240	60,000	11,960
Overtime - General	82,550	105,278	138,958	45,000	30,263	2,000
Holiday Pay	29,624	31,976	31,799	8,500	6,222	-
Bonus Pay	-	-	-	-	45,366	-
<b>Total Personal Services - Salaries and Wages</b>	<b>521,251</b>	<b>552,059</b>	<b>596,204</b>	<b>312,350</b>	<b>302,099</b>	<b>119,632</b>
<b>Personal Services - Employee Benefits</b>						
Insurance - Health	71,880	112,260	104,880	47,015	47,015	26,393
Insurance - Dental	5,360	6,840	7,080	2,600	2,600	1,887
Insurance - Workers' Compensation	5,000	5,000	5,500	750	750	1,000
Insurance - Unemployment	5,014	8,428	14,923	2,095	2,064	1,080
Retirement - Social Security	32,361	33,764	36,740	19,370	18,730	7,417
Retirement - Medicare	7,568	7,897	8,592	4,530	4,380	1,735
Retirement - IMRF	54,982	60,712	75,900	43,730	34,217	13,933
Education - Conferences and Training	1,160	1,838	480	500	50	-
Equipment - Clothing Allowance	3,938	3,563	4,838	2,500	1,125	-
<b>Total Personal Services - Employee Benefits</b>	<b>187,263</b>	<b>240,302</b>	<b>258,933</b>	<b>123,090</b>	<b>110,931</b>	<b>53,445</b>
<b>Purchased Services - Professional and Technical</b>						
Professional Services - Dispatch Services	-	-	-	110,000	126,500	253,000
<b>Total Purchased Services - Professional and Technical</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>110,000</b>	<b>126,500</b>	<b>253,000</b>
<b>Purchased Services - Property</b>						
Utilities - Cell Phone	392	222	701	250	1,300	-
Equipment Repair and Maintenance - Office	2,736	4,884	2,448	2,400	4,000	-
<b>Total Purchased Services - Property</b>	<b>3,128</b>	<b>5,106</b>	<b>3,149</b>	<b>2,650</b>	<b>5,300</b>	<b>-</b>
<b>Purchased Services - Other</b>						
Other Purchased Services - Dues	81	145	-	-	-	-
<b>Total Purchased Services - Other</b>	<b>81</b>	<b>145</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Supplies and Materials</b>						
General Supplies - Office	3,941	3,841	3,292	1,000	1,700	-
General Supplies - Agency	1,788	-	-	-	-	-
General Supplies - Safety	-	213	40	250	-	-
<b>Total Supplies and Materials</b>	<b>5,729</b>	<b>4,054</b>	<b>3,332</b>	<b>1,250</b>	<b>1,700</b>	<b>-</b>
<b>Capital Outlay</b>						
Capital Outlay - Equipment (Office)	-	-	-	-	-	-
Capital Outlay - Equipment (Police)	-	-	9,550	-	-	-
Capital Outlay - Equipment (Computer)	-	3,226	-	-	-	-
<b>Total Capital Outlay</b>	<b>-</b>	<b>3,226</b>	<b>9,550</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transfers and Charges</b>						
Service Charges	(70,800)	(85,000)	(84,960)	-	(40,000)	-
<b>Total Transfers and Charges</b>	<b>(70,800)</b>	<b>(85,000)</b>	<b>(84,960)</b>	<b>-</b>	<b>(40,000)</b>	<b>-</b>
<b>Total Police - Support Services</b>	<b>646,652</b>	<b>719,892</b>	<b>786,208</b>	<b>549,340</b>	<b>506,530</b>	<b>426,077</b>

# Chapter 7: Departmental Summary

## POLICE DEPARTMENT (Continued)

### Police Department – Patrol

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Personal Services - Salaries and Wages</b>						
Wages - Full-Time Employees	1,023,941	1,171,856	1,259,249	1,370,575	1,290,706	1,507,521
Wages - Part-Time Employees	31,535	30,643	63,492	35,000	70,000	56,000
Wages - Temporary Employees	1,590	6,583	14,878	10,000	13,000	12,480
Overtime - General	179,037	194,999	216,001	190,000	225,000	170,000
Overtime - Reimbursable Services	16,136	12,620	(96)	2,500	500	2,500
Holiday Pay	100,891	108,071	102,220	120,000	110,000	110,000
Bonus Pay	2,500	2,000	-	-	1,000	-
<b>Total Personal Services - Salaries and Wages</b>	<b>1,355,630</b>	<b>1,526,772</b>	<b>1,655,744</b>	<b>1,728,075</b>	<b>1,710,206</b>	<b>1,858,501</b>
<b>Personal Services - Employee Benefits</b>						
Insurance - Health	143,937	203,640	162,960	193,045	193,045	234,191
Insurance - Dental	11,000	12,540	10,920	10,880	10,880	15,247
Insurance - Workers' Compensation	18,000	19,000	18,500	19,000	19,000	22,000
Insurance - Unemployment	11,275	17,267	27,769	4,000	10,921	10,328
Retirement - Social Security	87,324	92,703	96,034	107,140	106,033	115,227
Retirement - Medicare	20,423	21,714	22,460	25,060	24,798	26,948
Retirement - Police Pension	238,428	324,493	331,778	389,780	388,546	444,913
Education - Conferences and Training	4,579	15,507	24,357	15,500	17,000	16,500
Equipment - Clothing Allowance	12,950	13,650	15,215	16,500	14,700	15,400
<b>Total Personal Services - Employee Benefits</b>	<b>547,916</b>	<b>720,514</b>	<b>709,993</b>	<b>780,905</b>	<b>784,923</b>	<b>900,754</b>
<b>Purchased Services - Property</b>						
Utilities - Cell Phone	995	1,312	2,365	1,650	4,000	2,350
Equipment Repair and Maintenance - Office	1,375	1,581	1,661	1,500	1,500	1,500
<b>Total Purchased Services - Property</b>	<b>2,370</b>	<b>2,893</b>	<b>4,026</b>	<b>3,150</b>	<b>5,500</b>	<b>3,850</b>
<b>Purchased Services - Other</b>						
Insurance - Bonds	40	-	-	-	-	-
Travel	-	40	120	600	600	600
<b>Total Purchased Services - Other</b>	<b>40</b>	<b>40</b>	<b>120</b>	<b>600</b>	<b>600</b>	<b>600</b>
<b>Supplies and Materials</b>						
General Supplies - Office	513	538	485	500	500	500
General Supplies - Agency	4,016	9,503	9,856	6,000	6,000	6,500
General Supplies - Safety	807	1,605	1,186	1,500	2,042	2,000
Vehicle Supplies - Gas and Oil						
Vehicle Supplies - Gas & Oil	7,605	-	-	-	-	-
Police Supplies - Lock-Up	1,969	6,996	4,140	3,500	3,500	3,500
Police Supplies - Community Policing	463	3,051	2,620	2,500	2,649	2,500
Police Supplies - K-9						
<b>Total Supplies and Materials</b>	<b>15,373</b>	<b>21,693</b>	<b>18,287</b>	<b>14,000</b>	<b>14,691</b>	<b>15,000</b>
<b>Capital Outlay</b>						
Capital Outlay - Equipment (Police)	5,536	6,197	9,900	5,000	5,000	5,500
<b>Total Capital Outlay</b>	<b>5,536</b>	<b>6,197</b>	<b>9,900</b>	<b>5,000</b>	<b>5,000</b>	<b>5,500</b>
<b>Transfers</b>						
Transfer to Vehicle Reserve Fund	24,640	50,000	150,000	108,000	303,721	238,447
<b>Total Transfers</b>	<b>24,640</b>	<b>50,000</b>	<b>150,000</b>	<b>108,000</b>	<b>303,721</b>	<b>238,447</b>
<b>Total Police - Patrol</b>	<b>1,951,505</b>	<b>2,328,109</b>	<b>2,548,070</b>	<b>2,639,730</b>	<b>2,824,641</b>	<b>3,022,652</b>

# Chapter 7: Departmental Summary

## POLICE DEPARTMENT (Continued)

### Police Department – Investigations

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Personal Services - Salaries and Wages</b>						
Wages - Full-Time Employees	190,643	159,097	171,809	79,040	153,578	157,981
Overtime - General	27,637	9,335	4,454	10,000	20,000	14,000
Overtime - Reimbursable Services	13,113	5,999	-	1,000	250	1,000
Holiday Pay	19,378	15,804	13,931	9,000	15,000	14,000
Bonus Pay	-	1,983	-	-	-	-
<b>Total Personal Services - Salaries and Wages</b>	<b>250,771</b>	<b>192,218</b>	<b>190,194</b>	<b>99,040</b>	<b>188,828</b>	<b>186,981</b>
<b>Personal Services - Employee Benefits</b>						
Insurance - Health	22,320	33,840	31,560	15,770	15,770	33,631
Insurance - Dental	1,780	2,100	2,160	925	925	2,174
Insurance - Workers' Compensation	2,000	2,000	2,000	1,000	1,000	2,000
Insurance - Unemployment	-	-	-	250	739	739
Retirement - Social Security	11,039	13,347	13,363	6,140	12,707	11,593
Retirement - Medicare	2,743	3,162	3,357	1,440	2,988	2,711
Education - Conferences and Training	-	711	439	500	1,000	1,000
Equipment - Clothing Allowance	1,750	1,400	1,400	750	1,400	1,400
<b>Total Personal Services - Employee Benefits</b>	<b>41,632</b>	<b>56,560</b>	<b>54,279</b>	<b>26,775</b>	<b>36,529</b>	<b>55,248</b>
<b>Purchased Services - Property</b>						
Utilities - Cell Phone	900	735	1,168	1,000	1,700	1,300
Equipment Repair and Maintenance - Office	458	527	554	500	1,400	500
Rental - Vehicle	3,232	5,707	8,482	8,000	8,000	8,000
<b>Total Purchased Services - Property</b>	<b>4,590</b>	<b>6,969</b>	<b>10,204</b>	<b>9,500</b>	<b>11,100</b>	<b>9,800</b>
<b>Purchased Services - Other</b>						
Travel	-	-	-	200	-	-
<b>Total Purchased Services - Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>200</b>	<b>-</b>	<b>-</b>
<b>Supplies and Materials</b>						
General Supplies - Office	849	1,629	2,326	1,200	1,600	1,200
General Supplies - Agency	687	1,306	1,353	1,000	1,200	1,000
General Supplies - Books and Periodicals	-	-	113	200	200	200
Police Supplies - Investigation and Evidence	1,533	2,401	6,971	3,700	5,200	4,600
<b>Total Supplies and Materials</b>	<b>3,069</b>	<b>5,336</b>	<b>10,763</b>	<b>6,100</b>	<b>8,200</b>	<b>7,000</b>
<b>Total Police - Investigations</b>	<b>300,062</b>	<b>261,083</b>	<b>265,440</b>	<b>141,615</b>	<b>244,657</b>	<b>259,029</b>

# Chapter 7: Departmental Summary

## **POLICE DEPARTMENT (Continued)**

### **Police Department – Police Commission**

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Personal Services - Salaries and Wages</b>						
Wages - Boards and Committees	490	280	805	950	700	700
Total Personal Services - Salaries and Wages	490	280	805	950	700	700
<b>Personal Services - Employee Benefits</b>						
Retirement - Social Security	30	17	50	60	43	43
Retirement - Medicare	7	4	12	10	10	10
Education - Conferences and Training						
Total Personal Services - Employee Benefits	37	21	62	70	53	53
<b>Purchased Services - Professional and Technical</b>						
Legal Services - Police Commission	1,586	614	500	750	750	750
Total Purchased Services - Professional and Technical	1,586	614	500	750	750	750
<b>Purchased Services - Other</b>						
Personnel Administration - Recruitment	4,037	9,682	10,048	2,500	3,800	7,000
Other Purchased Services - Dues	375	375	375	380	880	380
Total Purchased Services - Other	4,412	10,057	10,423	2,880	4,680	7,380
<b>Supplies and Materials</b>						
General Supplies - Agency	-	256	296	310	500	500
Total Supplies and Materials	-	256	296	310	500	500
Total Police - Police Commission	6,525	11,228	12,086	4,960	6,683	9,383

### **Police Department – ESDA**

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Purchased Services - Property</b>						
Equipment Repair and Maintenance - Other	2,134	1,469	1,329	2,000	2,000	2,000
Total Purchased Services - Property	2,134	1,469	1,329	2,000	2,000	2,000
<b>Supplies and Materials</b>						
General Supplies - Agency	401	308	-	200	200	200
Total Supplies and Materials	401	308	-	200	200	200
Total Police - ESDA	2,535	1,777	1,329	2,200	2,200	2,200

# Chapter 7: Departmental Summary

## **PUBLIC WORKS DEPARTMENT**

### **Departmental Description**

The Public Works Department is responsible for managing, maintaining, operating, and repairing the Village's infrastructure, facilities, and related assets, which include public streets, sidewalks, street lighting, traffic control signs, storm sewer and drainage systems, water distribution and pumping facilities, sanitary sewer collection and lift stations, parkways, municipal buildings and grounds, parkway trees, and municipal fleet. In addition, the Public Works provides a free brush removal service, leaf pick-up service, parkway tree trimming service and removal and replacement of Village-owned trees, a coordinated effort to clear away snow and provide safe, accessible streets throughout the Village.

### **Goals**

- ❖ Promote energy conservation at all Village facilities.
- ❖ Implement effective road and sidewalk projects.
- ❖ Provide a safe environment for the public and our employees.
- ❖ Serve the public by providing the most cost effective, high quality service possible.
- ❖ Sustain a highly qualified workforce.
- ❖ Promote teamwork and effective communication.

### **Public Works Departmental Responsibilities**

➤ Administer the refuse and recycling contracts.
➤ Provide snow and ice removal services.
➤ Maintain the storm water management system.
➤ Administer brush and leaf collection programs.
➤ Administer the landscape maintenance contracts.
➤ Administer the set-up and support of special events.
➤ Install, maintain, and repair traffic signs and pavement markings.
➤ Manage capital improvement projects.
➤ Maintain sanitation of streets through contracted street sweeping.
➤ Install traffic control zones for construction, special events, and emergency plans.
➤ Provide meeting room set-ups.
➤ Oversee the maintenance of public buildings.

### **Fiscal Year 2013 – 2014 Accomplishments**

- ✓ Sidewalk replacement 3100 sq. ft.
- ✓ Pavement resurfacing 1.14 miles
- ✓ Tree removals 452 trees
- ✓ Tree planting 142 trees
- ✓ Hydrant Maintenance and Painting 300 hydrants
- ✓ 3rd Avenue drainage improvements (culvert replacements, ditch grading)
- ✓ Lakewood West flood reduction/basin discharge improvements
- ✓ Well 8 rehabilitation

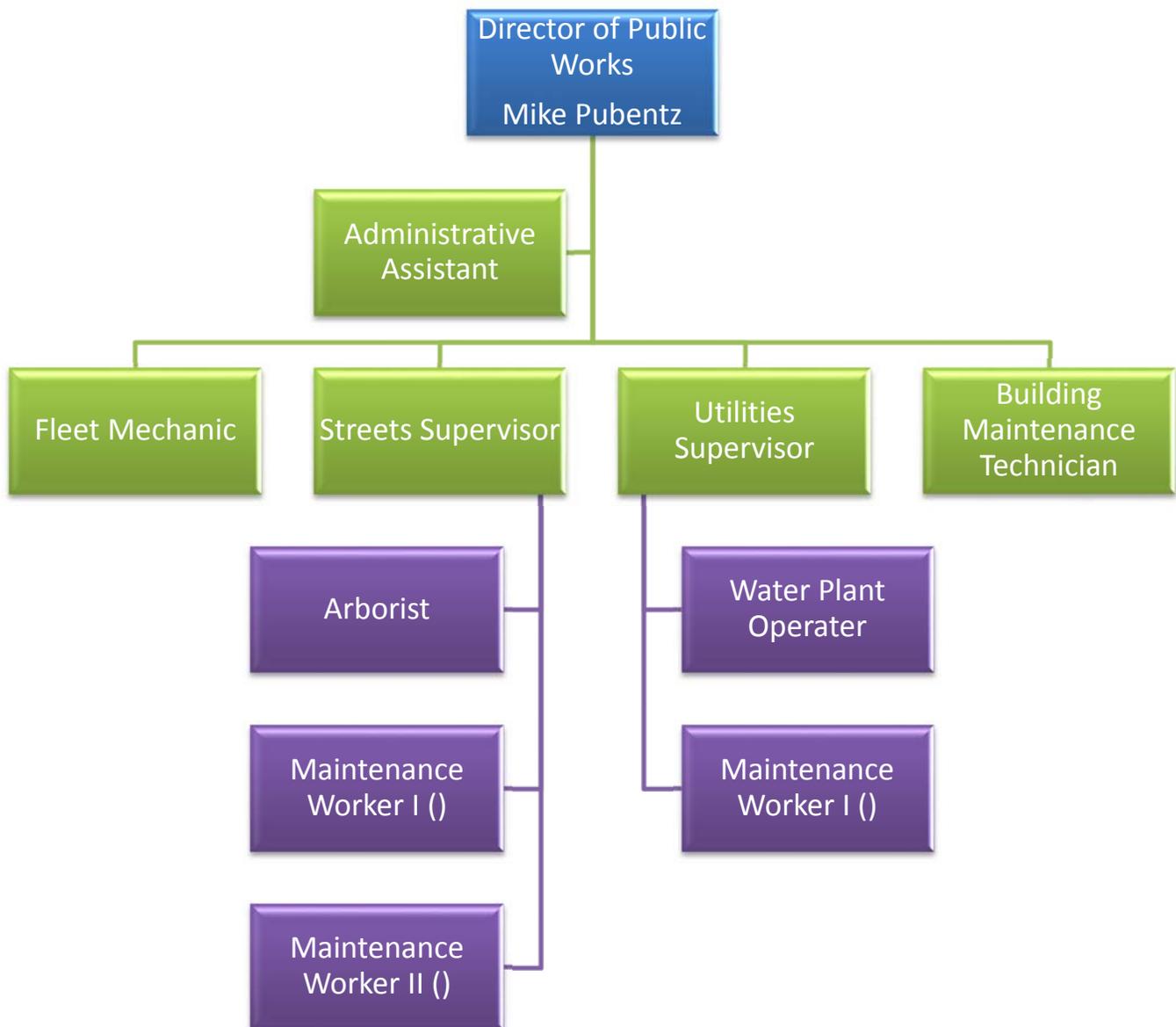
# Chapter 7: Departmental Summary

## PUBLIC WORKS DEPARTMENT (Continued)

### Projects to be Completed in Fiscal Year 2014 – 2015

- ❖ Sidewalk replacement 4800 sq. ft.
- ❖ Pavement resurfacing 1.3miles
- ❖ Tree removals 400 trees
- ❖ Tree planting 150 trees
- ❖ Hydrant Maintenance and Painting 300 hydrants
- ❖ Water system leak survey 120 miles
- ❖ Well 10 and Well 13 rehabilitation

### Organization Chart



# Chapter 7: Departmental Summary

## PUBLIC WORKS DEPARTMENT (Continued)

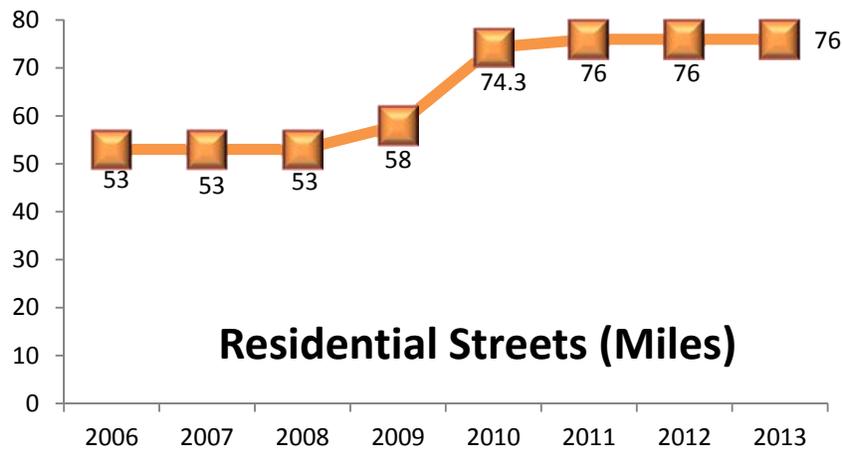
### Statistical Summary

#### Water Statistics

	2006	2007	2008	2009	2010	2011	2012	2013
New Connections	636	782	251	49	85	63	62	30
Water Main Breaks	60	56	55	67	55	57	53	56
Average Daily Consumption	2,389,921	2,459,795	2,642,000	2,583,000	2,694,800	2,721,750	2,441,000	2,156,394
Peak Daily Consumption	4,596,000	4,332,000	4,539,000	4,120,000	4,159,000	4,200,590	3,907,000	3,563,800
Water Mains (Miles)	-	-	-	-	110	114	114	117
Fire Hydrants	-	-	-	-	1,050	1,372	1,372	1,680
Storage Capacity (Millions of Gallons)	-	-	-	-	4.8	4.8	4.8	5.8

#### Streets Statistics

	2006	2007	2008	2009	2010	2011	2012	2013
Resurfacing	-	-	-	-	2.00	1.50	0.60	1.14
Reconstruction	0.53	1.75	1.50	1.25	0.40	-	-	-
Streets (Miles)	53	53	53	58	74	76	76	76



# Chapter 7: Departmental Summary

## PUBLIC WORKS DEPARTMENT (Continued)

### Public Works – Administration

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Approved	FY14 Projected	FY15 Approved
<b>Personal Services - Salaries and Wages</b>						
Wages - Full-Time Employees	66,166	71,352	70,388	66,835	74,427	76,470
Wages - Overtime (General)	34	57	8	100	600	500
Holiday Pay	-	-	-	-	84	-
Bonus Pay	-	-	-	-	4,175	-
<b>Total Personal Services - Salaries and Wages</b>	<b>66,200</b>	<b>71,409</b>	<b>70,396</b>	<b>66,935</b>	<b>79,286</b>	<b>76,970</b>
<b>Personal Services - Employee Benefits</b>						
Insurance - Health	5,540	6,720	6,360	6,310	6,310	11,404
Insurance - Dental	470	420	480	370	370	669
Insurance - Workers' Compensation	400	400	400	400	400	400
Insurance - Unemployment	392	571	926	250	739	739
Retirement - Social Security	3,867	4,124	4,179	4,150	4,916	4,772
Retirement - Medicare	941	983	1,032	970	1,150	1,116
Retirement - IMRF	7,458	8,087	9,354	9,370	10,629	9,960
Education - Conferences and Training	594	471	775	750	700	750
Equipment - Clothing Allowance	80	80	80	80	160	160
<b>Total Personal Services - Employee Benefits</b>	<b>19,742</b>	<b>21,856</b>	<b>23,586</b>	<b>22,650</b>	<b>25,374</b>	<b>29,970</b>
<b>Purchased Services - Professional and Technical</b>						
Information Technology Services - System Management	14,624	14,638	19,297	13,900	13,900	13,900
<b>Total Purchased Services - Professional and Technical</b>	<b>14,624</b>	<b>14,638</b>	<b>19,297</b>	<b>13,900</b>	<b>13,900</b>	<b>13,900</b>
<b>Purchased Services - Property</b>						
Utilities - Cell Phone	280	745	879	200	750	750
Equipment Repair and Maintenance - Office	1,585	2,153	2,032	10,000	5,000	5,000
<b>Total Purchased Services - Property</b>	<b>1,865</b>	<b>2,898</b>	<b>2,911</b>	<b>10,200</b>	<b>5,750</b>	<b>5,750</b>
<b>Purchased Services - Other</b>						
Travel	88	85	321	150	150	150
Dues	150	274	306	500	830	630
<b>Total Purchased Services - Other</b>	<b>238</b>	<b>359</b>	<b>627</b>	<b>650</b>	<b>980</b>	<b>780</b>
<b>Supplies and Materials</b>						
General Supplies - Office	1,872	3,958	2,520	3,000	3,000	3,000
General Supplies - Postage	318	732	589	700	600	700
General Supplies - Books and Periodicals	45	145	26	100	100	100
<b>Total Supplies and Materials</b>	<b>2,235</b>	<b>4,835</b>	<b>3,135</b>	<b>3,800</b>	<b>3,700</b>	<b>3,800</b>
<b>Capital Outlay</b>						
Capital Outlay - Computer	-	-	-	-	1,000	-
<b>Total Capital Outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,000</b>	<b>-</b>
<b>Transfers and Charges</b>						
Service Charges	-	-	-	-	-	(7,560)
<b>Total Transfers and Charges</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7,560)</b>
<b>Total Public Works - Administration</b>	<b>104,904</b>	<b>115,995</b>	<b>119,952</b>	<b>118,135</b>	<b>129,990</b>	<b>123,610</b>

# Chapter 7: Departmental Summary

## PUBLIC WORKS DEPARTMENT (Continued)

### Public Works – Streets

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Personal Services - Salaries and Wages</b>						
Wages - Full-Time Employees	195,186	194,447	219,211	185,065	229,834	231,524
Overtime - General	32,506	25,395	28,095	30,000	30,000	30,000
Overtime - Snow Removal	38,769	16,618	27,103	49,000	95,000	50,000
Holiday Pay	-	-	-	-	917	-
Bonus Pay	-	-	-	-	2,884	-
<b>Total Personal Services - Salaries and Wages</b>	<b>266,461</b>	<b>236,460</b>	<b>274,409</b>	<b>264,065</b>	<b>358,635</b>	<b>311,524</b>
<b>Personal Services - Employee Benefits</b>						
Insurance - Health	31,700	22,800	21,480	42,320	42,320	62,140
Insurance - Dental	2,320	1,260	1,320	2,375	2,375	3,847
Insurance - Workers' Compensation	3,000	2,000	3,000	3,000	3,000	4,000
Insurance - Unemployment	2,731	3,351	6,570	1,000	2,437	1,477
Retirement - Social Security	14,399	14,138	15,369	16,370	22,235	19,314
Retirement - Medicare	3,367	3,306	3,594	3,830	5,200	4,517
Retirement - IMRF	26,159	27,414	32,836	36,970	37,904	40,311
Education - Conferences and Training	-	-	614	1,000	1,000	1,000
Equipment - Clothing Allowance	800	600	600	600	800	800
<b>Total Personal Services - Employee Benefits</b>	<b>84,476</b>	<b>74,869</b>	<b>85,383</b>	<b>107,465</b>	<b>117,271</b>	<b>137,406</b>
<b>Purchased Services - Property</b>						
Utilities - Electric	87,313	78,241	83,362	95,000	81,374	85,443
Utilities - Cell Phone	1,038	1,653	1,806	1,750	1,900	1,750
Infrastructure Repair and Maintenance - Sidewalks and Curbs	13,777	20,130	27,446	35,000	48,000	40,000
Infrastructure Repair and Maintenance - Streets and Alleys	12,417	22,432	31,419	25,000	25,000	25,000
Infrastructure Repair and Maintenance - Street Striping	15,103	15,393	23,556	22,000	22,000	22,000
Infrastructure Repair and Maintenance - Traffic Signals	11,564	34,549	15,579	20,000	28,000	20,000
Infrastructure Repair and Maintenance - Bridges	-	318	-	2,000	-	2,000
Infrastructure Repair and Maintenance - Street Lights	42,758	38,301	60,895	45,000	45,000	45,000
Rental - Equipment	132	1,875	758	3,000	1,000	3,000
<b>Total Purchased Services - Property</b>	<b>184,102</b>	<b>212,892</b>	<b>244,821</b>	<b>248,750</b>	<b>252,274</b>	<b>244,193</b>
<b>Purchased Services - Other</b>						
Other Purchased Services - Printing and Publications	-	-	154	500	100	500
Other Purchased Services - Insect Spraying	38,654	35,463	30,989	40,000	35,000	40,000
Other Purchased Services - Solid Waste Disposal	975,157	1,011,721	1,122,613	1,118,795	1,169,247	-
Other Purchased Services - Leaf Pickup	350	21	82	2,000	1,000	2,000
Other Purchased Services - Street Sweeping	-	-	-	10,000	8,500	10,000
<b>Total Purchased Services - Other</b>	<b>1,014,161</b>	<b>1,047,205</b>	<b>1,153,838</b>	<b>1,171,295</b>	<b>1,213,847</b>	<b>52,500</b>
<b>Supplies and Materials</b>						
General Supplies - Office	-	240	7	-	-	-
General Supplies - Tools	1,389	999	1,709	1,000	1,000	2,000
General Supplies - Books and Periodicals	-	125	-	250	200	250
General Supplies - Safety	4,982	2,860	5,361	6,200	5,000	6,200
General Supplies - Uniforms	2,964	5,230	5,751	3,000	6,200	5,000
General Supplies - Recycling Bins	8,594	1,812	7,910	4,000	5,000	4,000
Public Works Supplies - Snow Removal	-	-	166	-	1,500	10,000
Public Works Supplies - Street Signs	18,226	4,531	8,548	8,000	7,500	9,000
<b>Total Supplies and Materials</b>	<b>36,155</b>	<b>15,797</b>	<b>29,452</b>	<b>22,450</b>	<b>26,400</b>	<b>36,450</b>
<b>Capital Outlay</b>						
Capital Outlay - Equipment (Public Works)	-	-	-	-	-	5,750
<b>Total Capital Outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,750</b>
<b>Transfers</b>						
Transfer to Vehicle Reserve Fund	-	-	91,934	140,000	317,936	118,624
Transfer to Refuse Fund	-	-	-	-	103,000	-
<b>Total Transfers</b>	<b>-</b>	<b>-</b>	<b>91,934</b>	<b>140,000</b>	<b>420,936</b>	<b>118,624</b>
<b>Total Public Works - Highways and Streets</b>	<b>1,585,355</b>	<b>1,587,223</b>	<b>1,879,837</b>	<b>1,954,025</b>	<b>2,389,363</b>	<b>906,447</b>

# Chapter 7: Departmental Summary

## PUBLIC WORKS DEPARTMENT (Continued)

### Public Works – Vehicle Maintenance

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Personal Services - Salaries and Wages</b>						
Wages - Full-Time Employees	34,856	51,186	58,960	58,475	62,408	60,570
Wages - Part-Time Employees	34,554	3,777	-	-	-	-
Overtime - General	2,755	7,005	9,134	3,000	8,500	5,000
Holiday Pay	-	-	-	-	407	-
<b>Total Personal Services - Salaries and Wages</b>	<b>72,165</b>	<b>61,968</b>	<b>68,094</b>	<b>61,475</b>	<b>71,315</b>	<b>65,570</b>
<b>Personal Services - Employee Benefits</b>						
Insurance - Health	14,100	19,620	15,840	15,770	15,770	16,816
Insurance - Dental	1,120	1,200	1,080	925	925	1,087
Insurance - Workers' Compensation	1,500	1,750	1,000	1,000	1,000	1,000
Insurance - Unemployment	633	1,221	1,153	250	369	369
Retirement - Social Security	4,704	3,896	4,359	3,810	4,922	4,065
Retirement - Medicare	1,100	911	1,019	890	1,134	951
Retirement - IMRF	8,550	7,583	9,307	8,610	10,218	8,485
Education - Conferences and Training	258	1,581	1,844	2,000	1,800	2,200
Equipment - Clothing Allowance	300	200	200	200	200	200
<b>Total Personal Services - Employee Benefits</b>	<b>32,265</b>	<b>37,962</b>	<b>35,802</b>	<b>33,455</b>	<b>36,338</b>	<b>35,173</b>
<b>Purchased Services - Professional and Technical</b>						
Information Technology Services - System Management	1,345	-	-	1,450	1,606	1,500
<b>Total Purchaed Services - Professional and Technical</b>	<b>1,345</b>	<b>-</b>	<b>-</b>	<b>1,450</b>	<b>1,606</b>	<b>1,500</b>
<b>Purchased Services - Property</b>						
Utilities - Cell Phone	429	599	1,050	600	700	600
Vehicle Repair and Maintenance	85,353	107,175	102,204	90,000	105,000	90,000
Vehicle Repair and Maintenance (Reimbursable)	4,099	8,850	-	10,000	10,000	10,000
Rental Equipment	600	-	609	7,000	3,500	7,000
<b>Total Purchased Services - Property</b>	<b>90,481</b>	<b>116,624</b>	<b>103,863</b>	<b>107,600</b>	<b>119,200</b>	<b>107,600</b>
<b>Supplies and Materials</b>						
General Supplies - Office	9	-	-	-	-	-
General Supplies - Tools	970	4,554	5,058	3,000	3,000	3,000
General Supplies - Uniforms	1,450	1,621	1,651	2,600	2,600	2,800
Vehicle Supplies - Tools	1,333	23	2,762	2,300	2,300	2,500
Vehicle Supplies - Tires	10,082	14,566	9,486	10,000	15,000	13,000
Vehicle Supplies - Gas and Oil	119,871	146,592	159,123	135,000	135,000	140,000
Vehicle Supplies - Gas and Oil (Reimbursable)	4,599	4,048	5,957	5,000	8,000	5,000
<b>Total Supplies and Materials</b>	<b>138,314</b>	<b>171,404</b>	<b>184,037</b>	<b>157,900</b>	<b>165,900</b>	<b>166,300</b>
<b>Capital Outlay</b>						
Capital Outlay - Equipment (Public Works)	-	-	-	-	-	28,000
Capital Outlay - Equipment (Computer)	-	-	12,360	-	-	1,400
<b>Total Capital Outlay</b>	<b>-</b>	<b>-</b>	<b>12,360</b>	<b>-</b>	<b>-</b>	<b>29,400</b>
<b>Transfers and Charges</b>						
Service Charges	(129,000)	(142,980)	(111,960)	(163,480)	(163,480)	(162,217)
<b>Total Transfers and Charges</b>	<b>(129,000)</b>	<b>(142,980)</b>	<b>(111,960)</b>	<b>(163,480)</b>	<b>(163,480)</b>	<b>(162,217)</b>
<b>Total Public Works - Vehicle Maintenance</b>	<b>205,570</b>	<b>244,978</b>	<b>292,196</b>	<b>198,400</b>	<b>230,879</b>	<b>243,326</b>

# Chapter 7: Departmental Summary

## PUBLIC WORKS DEPARTMENT (Continued)

### Public Works – Buildings and Grounds

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Personal Services - Salaries and Wages</b>						
Wages - Full-Time Employees	44,839	362	49,255	95,235	93,462	99,457
Wages - Temporary	-	-	-	25,500	15,823	20,800
Overtime - General	-	-	-	2,000	500	1,000
Holiday Pay	-	-	-	-	364	-
<b>Total Personal Services - Salaries and Wages</b>	<b>44,839</b>	<b>362</b>	<b>49,255</b>	<b>122,735</b>	<b>110,149</b>	<b>121,257</b>
<b>Personal Services - Employee Benefits</b>						
Insurance - Health	14,100	11,400	18,600	15,830	15,830	11,136
Insurance - Dental	1,120	600	1,200	1,260	1,260	598
Insurance - Workers' Compensation	1,000	1,000	2,000	2,000	2,000	2,000
Insurance - Unemployment	-	-	-	500	739	1,332
Retirement - Social Security	2,584	678	3,489	7,610	8,329	7,518
Retirement - Medicare	604	159	816	1,780	1,947	1,758
Retirement - IMRF	4,701	277	7,506	13,615	17,505	12,999
Education - Conferences and Training	322	189	515	3,000	3,000	3,000
Equipment - Clothing Allowance	200	-	-	400	400	400
<b>Total Personal Services - Employee Benefits</b>	<b>24,631</b>	<b>14,303</b>	<b>34,126</b>	<b>45,995</b>	<b>51,010</b>	<b>40,741</b>
<b>Purchased Services - Property</b>						
Utilities - Electric	-	-	-	-	-	-
Utilities - Cell Phone	288	36	1,119	600	1,200	1,200
Building Repair and Maintenance - Custodial	326	38,429	31,660	45,000	45,000	60,000
Building Repair and Maintenance - Other	84,631	95,737	85,461	85,000	80,000	85,000
Equipment Repair and Maintenance - Other	-	-	-	-	-	5,000
Grounds Repair and Maintenance - Lawn Care	20,771	53,408	32,206	65,000	65,000	75,000
Grounds Repair and Maintenance - Trees and Parkways	27,744	24,599	50,872	80,000	90,000	80,000
Grounds Repair and Maintenance - Detention Basins	29,494	17,933	28,824	30,000	60,000	48,000
Grounds Repair and Maintenance - Basin Maintenance	264	-	-	-	400	-
<b>Total Purchased Services - Property</b>	<b>163,518</b>	<b>230,142</b>	<b>230,142</b>	<b>305,600</b>	<b>341,600</b>	<b>354,200</b>
<b>Purchased Services - Other</b>						
Community Relations - Beautification	8,523	13,901	15,602	11,000	11,000	15,000
Community Relations - Beautification (Reimbursable)	7,887	3,153	2,891	5,000	3,900	5,000
<b>Total Purchased Services - Other</b>	<b>16,410</b>	<b>17,054</b>	<b>18,493</b>	<b>16,000</b>	<b>14,900</b>	<b>20,000</b>
<b>Supplies and Materials</b>						
General Supplies - Tools	-	-	-	3,000	3,000	3,000
General Supplies - Cleaning	953	191	32	500	2,000	500
Building Supplies - Consumable	6,909	5,632	5,926	7,000	3,000	7,000
Building Supplies - Durable	2,435	837	2,733	4,500	3,000	4,500
<b>Total Supplies and Materials</b>	<b>10,297</b>	<b>6,660</b>	<b>8,691</b>	<b>15,000</b>	<b>11,000</b>	<b>15,000</b>
<b>Capital Outlay</b>						
Capital Outlay - Equipment (Public Works)	-	-	-	-	-	11,000
Capital Outlay - Equipment (Computer)	-	-	2,995	-	-	-
Capital Outlay - Construction	-	-	6,500	20,000	28,332	25,000
Capital Outlay - General Government	-	-	-	-	105,000	-
<b>Total Capital Outlay</b>	<b>-</b>	<b>-</b>	<b>9,495</b>	<b>20,000</b>	<b>133,332</b>	<b>36,000</b>
<b>Transfers and Charges</b>						
Service Charges	(98,880)	(110,940)	(121,080)	(134,070)	(134,070)	(161,279)
<b>Total Transfers and Charges</b>	<b>(98,880)</b>	<b>(110,940)</b>	<b>(121,080)</b>	<b>(134,070)</b>	<b>(134,070)</b>	<b>(161,279)</b>
<b>Total Public Works - Buildings and Grounds</b>	<b>160,815</b>	<b>157,581</b>	<b>229,122</b>	<b>391,260</b>	<b>527,921</b>	<b>425,919</b>

# Chapter 7: *Departmental Summary*

## *PUBLIC WORKS DEPARTMENT (Continued)*

### **Public Works – Stormwater Management**

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
Purchased Services - Property						
Sewer Repair and Maintenance - Storm Sewer	15,968	15,451	5,489	25,000	40,000	40,000
Total Purchased Services - Property	15,968	15,451	5,489	25,000	40,000	40,000
Total Public Works - Stormwater Management	15,968	15,451	5,489	25,000	40,000	40,000

## Chapter 7: Departmental Summary

### LEGAL SERVICES

The Village of Montgomery contracts their legal services to the law firm of Mickey, Wilson, Weiler, Renzi and Andersson, P.C. The Village Attorney is called upon to advise Village staff and the Village Board on legal issues pertaining to the Village with respect to ordinances, contracts, and matters involving personnel. In addition, the Village contracts with other attorneys as necessary regarding specialized matters including, but not limited to, negotiation of union contracts.

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Purchased Services - Professional and Technical</b>						
Legal Services - General	59,206	95,326	62,435	60,000	73,233	70,000
Legal Services - Development (Reimbursable)	17,437	12,205	18,075	25,000	20,160	25,000
Legal Services - Development (Village)	5,274	11,029	23,014	2,500	25,752	10,000
Legal Services - Traffic Court	19,846	23,152	41,130	35,000	36,890	35,000
Legal Services - Liquor Commission	-	783	765	120	600	500
Legal Services - Police Pension	-	-	598	-	-	-
Legal Services - Labor Issues	43,720	26,268	37,778	35,000	25,543	30,000
<b>Total Purchased Services - Professional and Technical</b>	<b>145,483</b>	<b>168,763</b>	<b>183,795</b>	<b>157,620</b>	<b>182,178</b>	<b>170,500</b>
<b>Total Legal</b>	<b>145,483</b>	<b>168,763</b>	<b>183,795</b>	<b>157,620</b>	<b>182,178</b>	<b>170,500</b>

### ENGINEERING SERVICES

The Village of Montgomery contracts their engineering services to Engineering Enterprises Inc. (EEI). EEI is responsible for the design, review and inspection of development projects and infrastructure projects. EEI coordinates with the Community Development Department regarding residential and commercial properties including grades and drainage, parking lots and driveway construction, erosion control, and other development items. EEI also coordinates with the Public Works Department regarding Village infrastructure projects including transportation, water works, wastewater, stormwater management, and other infrastructure items.

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Budget	FY14 Projected	FY15 Approved
<b>Purchased Services - Professional and Technical</b>						
Engineering Services - General	92,112	135,220	71,019	70,000	90,000	90,000
Engineering Services - Development (Reimbursable)	165,745	80,975	91,949	100,000	80,000	45,000
Engineering Services - Development (Village)	1,327	-	16,776	10,000	11,000	15,000
Engineering Services - Intergovernmental	-	-	-	1,000	-	-
Engineering Services - Municipal Projects	2,755	-	-	1,000	-	-
<b>Total Purchased Services - Professional and Technical</b>	<b>261,939</b>	<b>216,195</b>	<b>179,744</b>	<b>182,000</b>	<b>181,000</b>	<b>150,000</b>
<b>Total Engineering</b>	<b>261,939</b>	<b>216,195</b>	<b>179,744</b>	<b>182,000</b>	<b>181,000</b>	<b>150,000</b>

## Chapter 8: *Appendix*



### ***ACRONYMS***

***CAFR = Comprehensive Annual Financial Report:*** The official annual financial report of a government that contains, at a minimum, three sections: 1) introductory, 2) financial, and 3) statistical, and whose financial section provides information on each individual fund.

***CBA = Collective Bargaining Agreement:*** A legal contract between the Village and a verified representative of a recognized bargaining unit for specific terms and condition of employment.

***COW = Committee of the Whole:*** The entire membership of a legislative body, sitting in a deliberative rather than a legislative capacity, for informal debate and preliminary consideration of matters awaiting legislative action.

***EAV = Equalized Assessed Valuation:*** A value that is established for real property and adjusted for comparability across the State. The EAV is used as a basis for levying property taxes.

***EPA = Environmental Protection Agency:*** Federal agency whose mission is to protect human health and the environment.

***FICA = Federal Insurance Contributions Act:*** United States federal payroll (or employment) tax imposed on both employees and employers to fund Social Security and Medicare.

## Chapter 8: *Appendix*

### *ACRONYMS (Continued)*

**FTE = Full-Time Equivalent:** Used in relation to employees, the number of employee hours worked to equal one full-time employee (e.g. one FTE is equal to 2,080 hours).

**FTO = Field Training Officer:** An experienced or senior Patrol Officer who is responsible for the training and evaluation of a probationary Patrol Officer.

**GAAP = Generally Accepted Accounting Principles:** Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of an entity. GAAP encompass the conventions, rules and procedures necessary to define accepted accounting practice at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provide a standard by which to measure financial presentations. The primary authoritative body on the application of GAAP to state and local governments is the Governmental Accounting Standards Board (GASB).

**GIS = Geographic information system:** Application that allows users to create interactive queries (user created searches), analyze spatial information, edit data, maps, and present the results of all these operations.

**GFOA = Government Finance Officers Association:** The GFOA is the professional association of state/provincial and local finance officers in the United States and Canada, and has served the public finance profession since 1906. GFOA members are dedicated to the sound management of government financial resources.

**GASB = Governmental Accounting Standards Board:** Ultimate authoritative accounting and financial reporting standard-setting body for state and local governments.

**HOA = Home Owners Association:** An organization in a subdivision, planned community or condominium that makes and enforces rules for the properties in its jurisdiction. HOAs also collect monthly or annual dues to pay for upkeep of common areas like parks, tennis courts, elevators and swimming pools and can levy special assessments on homeowners when the association lacks sufficient reserves to pay for unexpected repairs.

**ICMA = International City/County Management Association:** The ICMA is the professional association of city, town, and county managers. ICMA creates excellence in local governance by developing and fostering professional management to build sustainable communities that improve people's lives worldwide.

**IDOT = Illinois Department of Transportation:** The Illinois agency responsible for the planning, construction, operation and maintenance of Illinois' extensive transportation network, which encompasses highways and bridges, airports, public transit, rail freight and rail passenger systems.

**IEPA = Illinois Environmental Protection Agency:** The Illinois agency responsible for establishing a unified, state-wide program for restoring, protecting, and enhancing the quality of the environment, and to assure that adverse effects upon the environment are fully considered and borne by those who cause them.

## Chapter 8: *Appendix*

### *ACRONYMS (Continued)*

**ILCMA = Illinois City/County Management Association:** The ILCMA is the Illinois branch of the ICMA. Its purpose is to for the purpose of support and improve municipal and county management and strengthen local government in Illinois.

**IML = Illinois Municipal League:** Illinois' statewide community-focused lobbying and educational organization whose special interest is the people so municipalities can have a powerful resource and voice in Springfield.

**JULIE = Joint Utility Locating Information for Excavators:** JULIE Inc. provides Illinois excavators and underground utility owners with a continuously improving, one-call message handling and delivery service committed to protecting underground utilities and the safety of people working or living near them.

**MFT = Motor Fuel Tax:** A state-shared tax on the sale of motor fuel. The tax is assessed on each gallon of gasoline sold at retail, and distributed to local government on a per capita basis.

**TIF = Tax Increment Financing District:** A legal entity created by a local resolution to promote improvements, jobs, etc. The taxes generated from the assessed value "increment" above the base year is used to finance the costs of the improvements which generate the increased assessed valuation.

## Chapter 8: *Appendix*

### **DEFINITIONS**

**Abatement:** A complete or partial cancellation of a levy imposed by a government. Abatements usually apply to property tax levies, special assessments and service charges.

**Account:** A term used to identify an individual asset, liability, expenditure control, revenue control or fund balance.

**Account classification:** Expenditure classification which is a further subdivision of the object classification detailing what service or commodity is being obtained (e.g. Salaries and Wages – Regular).

**Accountability:** Term used by the GASB to describe a government's duty to justify the raising and spending of public resources. The GASB has identified accountability as the "paramount objective" of financial reporting "from which all other objectives must flow."

**Accounting system:** The methods and records established to identify, assemble, analyze, classify, record and report transactions and to maintain accountability for the related assets and liabilities.

**Accounts payable:** A short-term liability account reflecting amounts owed to private persons or organizations for goods and services received by a government.

**Accounts receivable:** An asset account reflecting amounts due from private persons or organizations for goods and services furnished by a government (but not including amounts due from other funds or other governments).

**Accrual basis of accounting:** Method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

**Action plan:** A series of actions, tasks or steps designed to achieve an objective or goal.

**Activity:** Specific and distinguishable service performed by one or more organizational components of a government to accomplish a function for which the government is responsible (e.g., police is an activity within the public safety function).

**Ad valorem tax:** A tax based on value (e.g., a property tax).

**Additions:** Term used to describe increases in the net position of fiduciary funds.

**Adopted budget:** The budget document that has been approved by the Village Board.

**Advance refunding:** Transaction in which new debt is issued to refinance existing debt (old debt) before the date the outstanding debt becomes due or callable. Proceeds of the advance refunding debt (new debt) are deposited in escrow with a fiduciary and used to redeem the underlying bonds (old debt) at their maturity or call date, to pay interest on the bonds being refunded (old debt), or to pay interest on the advance refunding bonds (new debt).

## Chapter 8: *Appendix*

### *DEFINITIONS (Continued)*

**Agency funds:** One of four types of fiduciary funds. Agency funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities). Agency funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

**Agent multiple-employer defined benefit pension plan:** Group of single-employer plans with pooled administrative and investment functions, but separate actuarial valuations and contribution rates.

**Amortization:** (1) The portion of the cost of a limited-life or tangible asset charged as an expense during a particular period. (2) The reduction of a debt by regular payments of principal and interest sufficient to retire the debt by maturity.

**Appropriated budget:** Expenditure authority created by the appropriation bills or ordinances that are signed into law and related estimated revenues. The appropriated budget would include all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes.

**Assessed valuation:** A valuation set upon real estate or other property by a government for use as a basis for levying property taxes. (Note: Property values are established by the Kane County Assessor)

**Assets:** Resources with present service capacity that the government presently controls.

**Assigned fund balance:** The portion of the net position of a governmental fund that represents resources set aside ("earmarked") by the government for a particular purpose.

**Audit:** A systematic collection of sufficient, competent evidential matter needed to attest to the fairness of the presentation of the Village's financial statements. The audit tests the Village's accounting system to determine whether the internal accounting controls are both available and being used effectively.

**Availability criterion:** Requirement under the modified accrual basis of accounting that revenues be recognized only when they are collected or collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

**Availability period:** Designated period immediately following the close of the fiscal year by the end of which cash must be collected for related revenue to be recognize in accordance with the availability criterion of modified accrual accounting.

**Balance sheet:** That portion of the Village's financial statement that discloses the assets, liabilities, reserves and balances of a specific governmental fund as of a specific date.

**Balanced budget:** A plan (budget) setting forth the current proposed expenditures for a given period and the proposed revenues being equal.

## Chapter 8: *Appendix*

### *DEFINITIONS (Continued)*

**Basic financial statements:** Minimum combination of financial statements and note disclosures required for fair presentation in conformity with GAAP.

**Basis of accounting:** Timing of recognition for financial reporting purposes (when the effects of transactions or events should be recognized in financial statements).

**Basis of budgeting:** Method used to determine when revenues and expenditures are recognized for budgetary purposes.

**Bond:** A written promise to pay a sum of money (called principal or face value) on a specific date (called the maturity date) at a specified interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation and revenue bonds. These are most frequently used for construction of large capital projects, such as buildings, streets, and water and sewer systems.

**Bond credit rating:** Assessment of the credit quality of a particular debt. A bond rating evaluates the willingness and ability of the issuer to repay the debt with periodic interest when due and to meet other obligations under the bond contract.

**Bonded debt:** That portion of indebtedness represented by outstanding bonds.

**Boundary agreement:** A legal document approved by two communities delineating a geographic boundary which the parties will not cross to develop property.

**Budget:** A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. The term usually refers to a financial plan for a single fiscal year. The budget is the primary means by which the expenditure and service levels of the Village are controlled.

**Budget amendment:** A legal procedure utilized by the Village staff and Village Board to revise the budget.

**Budget calendar:** The schedule of key dates or milestones which the Village follows in the preparation, adoption and administration of the budget.

**Budget document:** The instrument used by the budget-making authority to present a comprehensive financial plan of operations to the Village Board.

**Budget message:** The opening section of the budget that provides the Village Board and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and the views and recommendations of the Budget Officer.

**Budget policies:** General and specific guidelines adopted by the Village Board that govern financial plan preparation and administration.

## Chapter 8: *Appendix*

### *DEFINITIONS (Continued)*

**Budgetary control:** The policies and procedures employed by a government or enterprise for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

**Budgetary reporting:** In the context of financial reporting, requirement to present budget-to-actual comparisons in connection with general purpose external financial reporting. Budgetary reporting is required in connection with the basic financial statements for both the General Fund and individual major special revenue funds with annual appropriated budgets. Budgetary reporting also is required within the comprehensive annual financial report (CAFR) to demonstrate compliance at the legal level of control for all governmental funds with annual appropriated budgets.

**Business-type activities:** One of two classes of activities reported in the government-wide financial statements. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. These activities usually are reported in enterprise funds.

**Callable bond:** A type of bond with a feature that permits the issuer to pay the obligation before the stated maturity date by giving notice of redemption in a manner specified in the bond contract.

**Capital assets:** Land, land improvements, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

**Capital budget:** A plan of proposed capital outlays and the means of financing them for the current fiscal year period.

**Capital expenditures:** A purchase of any item over a specified amount depending on the type of asset (capitalization threshold) with a useful life of more than one year. Items purchased meeting the threshold are depreciated over their useful life.

**Capital improvement program (CIP):** A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from the long-term work program or otherwise. It sets forth each project and specifies the resources estimated to be available to finance the projected expenditures.

**Capital projects fund:** Governmental fund type used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

**Capital outlay:** Money spent to expand property, plant and equipment with the expectation that they will benefit the company over a long period of time (more than one year).

**Capitalization threshold:** Dollar value at which a government elects to capitalize tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. Generally, capitalization thresholds are applied to individual items rather than groups of items.

## Chapter 8: *Appendix*

### **DEFINITIONS (Continued)**

**Cash:** In the context of cash flows reporting, not only currency on hand, but also demand deposits with banks or other financial institutions. Cash also includes deposits in other kinds of accounts or cash management pools that have the general characteristics of demand deposit accounts in that the governmental enterprise may deposit additional cash at any time and also effectively may withdraw cash at any time without prior notice or penalty.

**Cash equivalent:** In the context of cash flows reporting, short-term, highly liquid investments that are both (a) readily convertible to known amounts of cash and (b) so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Generally, only investments with original maturities of three months or less meet this definition. For this purpose “original maturity” means maturity as of the date the investment is acquired.

**Cash management:** The management of cash necessary to pay for government services while investing temporary cash excesses in order to earn interest revenue. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds in order to achieve the balance of the highest interest and return, liquidity and minimal risk with these temporary cash balances.

**Certificate of Achievement for Excellence in Financial Reporting Program:** A voluntary program sponsored by the Government Finance Officers Association (GFOA) to encourage governments to publish efficiently organized and easily readable high quality comprehensive annual financial reports (CAFR) and to provide technical assistance and peer recognition to the finance officers preparing them.

**Certificate of deposit:** A negotiable or non-negotiable receipt for monies deposited in a bank of financial institution for a specified period for a specified rate of interest.

**Character classification:** Expenditure classification according to the periods expenditures are presumed to benefit. The three character groupings are (a) current – presumed to benefit the current fiscal period; (b) debt service – presumed to benefit prior fiscal periods as well as current and future periods; and (c) capital – presumed to benefit the current and future fiscal periods.

**Charges for services:** The payment of a fee for direct receipt of a public service by the party benefiting from the service.

**Classified presentation:** Separate reporting of the current and noncurrent portions of assets and liabilities to permit the calculation of working capital. A classified presentation is required for the proprietary fund statement of net position.

**Committed fund balance:** The portion of the net position of a governmental fund that represents resources whose use is subject to a legally binding constraint that is imposed by the government itself at its highest level of decision-making authority and that remains legally binding unless removed in the same manner.

**Commodities:** Expendable materials and operating supplies necessary to conduct operations.

## Chapter 8: *Appendix*

### **DEFINITIONS (Continued)**

**Comparable communities:** Other Cities, Villages, and/or Towns which are composed of similar characteristics such as population, economy, or location.

**Comparative data:** Information from prior fiscal periods provided to enhance the analysis of financial data of the current fiscal period.

**Comprehensive framework of internal control:** Structure of internal control that provides for (a) a favorable control environment, (b) the continuing assessment of risk, (c) the design, implementation, and maintenance of effective control-related policies and procedures, (d) the effective communication of information, and (e) the ongoing monitoring of the effectiveness of control-related policies and procedures as well as the resolution of potential problems identified by controls.

**Comprehensive Plan:** A legal statement of community policy which dictates goals and aspirations in terms of community development in the areas of transportation, utilities, land use, recreation, and housing.

**Connection fees:** Fees charged to join or to extend an existing utility system. These are also referred to as tap-on fees.

**Contractual services:** Services rendered to Village departments and agencies by private firms, individuals, or other government agencies.

**Current financial resources measurement focus:** Measurement focus where the aim of a set of financial statements is to report the near-term (current) inflows, outflows, and balances of expendable financial resources. The current financial resources measurement focus is used solely for reporting the financial position and results of operations of governmental funds.

**Current refunding:** Refunding transaction in which the proceeds of the refunding debt are applied immediately to redeem the debt to be refunded.

**Debt:** A financial obligation resulting from the borrowing of money. Debts of government include bonds, notes, and land contracts.

**Debt ratios:** Comparative statistics illustrating the relation between the issuer's outstanding debt and such factors as its tax base, income or population. These ratios often are used as part of the process of determining the credit rating of an issue, especially with general obligation bonds.

**Debt service fund:** Governmental fund type used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**Debt service requirements:** The amounts of revenue which must be provided for a debt service fund so that all principal and interest payments can be made in full and on schedule.

**Deductions:** Term used to describe decrease in the net position of fiduciary funds.

## Chapter 8: *Appendix*

### **DEFINITIONS (Continued)**

**Defeasance:** In the context of financial reporting, the netting of outstanding liabilities and related assets on the statement of financial position. Defeased debt is no longer reported as a liability on the face of the statement of position. Most refundings result in the defeasance of the refunded debt.

**Deferred inflows of resources:** An acquisition of net position by the government that is applicable to a future reporting period. This meets the definition of a liability because it represents a present obligation to sacrifice resources that the government has little or no discretion to avoid. An example would be property taxes levied in the current year to finance the subsequent year's budget.

**Deferred outflows of resources:** A consumption of net position by the government that is applicable to a future reporting period. This meets the definition of an asset because it represents access to present service capacity that is under the government's control. An example would be a deferred charge on refunding for the difference between the carrying amount of the new debt and old debt.

**Deficit:** The excess of expenditures or expenses over revenues or income during a single accounting period.

**Defined benefit pension plan:** Pension plan having terms that specify the amount of pension benefits to be provided at a future date or after a certain period of time; the amount specific usually is a function of one or more factors such as age, years of service, and compensation.

**Department:** A major administrative division of the Village which indicates overall management responsibility for an operation or group of related operations within a functional area.

**Depreciation:** The allocation of the cost of a capital asset over the useful service life attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence. This method of cost allocation is used in proprietary funds.

**Derived tax revenues:** Nonexchange revenues that result from assessments imposed on exchange transactions (for example, income taxes, sales taxes, and other assessments on earnings or consumption).

**Developer fees:** Fees charged to developers to cover, in whole or in part, the anticipated cost of improvements that will be necessary as a result of development (e.g., parks, capital improvements, etc.)

**Direct debt:** Debt of the government preparing statistical information, in contrast to debt of other, overlapping governments.

**Direct expense:** Expense that is specifically associated with a service, program, or department and, thus, is clearly identifiable to a particular function.

**Disbursement:** Payment for goods and services in cash or by check.

**Division:** An organizational unit within a department for purposes of administration and cost accounting.

## Chapter 8: *Appendix*

### **DEFINITIONS (Continued)**

**Economic resources measurement focus:** Measurement focus where the aim of a set of financial statements is to report all inflows, outflows, and balances affecting or reflecting an entity's net position. The economic resources measurement focus is used for proprietary and trust funds, as well as for government-wide financial reporting. It also is used by business enterprises and nonprofit organizations in the private sector.

**Effectiveness:** Term used by auditors to describe the degree to which an entity, program, or procedure is successful at achieving its goals and objectives.

**Efficiency:** Term used by auditors to describe the degree to which an entity, program, or procedure is successful at achieving its goals and objectives with the least use of scarce resources.

**Employer contributions:** Term used in the context of pension and other postemployment benefits to describe contributions actually made by the employer in relation to the annual required contribution (ARC) of the employer.

**Enterprise fund:** Proprietary fund type established to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

**Equity accounts:** Those accounts presenting the difference between assets and liabilities of the fund.

**Estimated actual value of taxable property:** Fair value of taxable real or personal property or a surrogate measure of fair value if actual fair value information is not available. In practice, fair value is often referred to as market value. The estimated actual value of taxable property may be determined in a variety of manners, such as through a system that tracks changes in market values by monitoring property sales or by dividing the assessed value of property by an assumed assessment percentage.

**Estimated revenue:** The amount of projected revenue to be collected during the fiscal year.

**Exchange transactions:** Transactions in which each party receives and surrenders essentially equal values.

**Exchange-like transactions:** Transactions in which there is an identifiable exchange between the reporting government and another party, but the values exchanged may not be quite equal or the direct benefits of the exchange may not be exclusively for the parties to the exchange. Examples include certain fees for regulatory or professional licenses and permits, certain tap fees, certain developer contributions, certain grants and donations, and other transactions that, regardless of the label applied to them, are based on an exchange of similar but not equal values.

## Chapter 8: *Appendix*

### **DEFINITIONS (Continued)**

**Expenditures:** The payment of cash or the transfer of property or services for the purpose of acquiring an asset, service, or settling a loss. Expenditures include current operating expenses requiring the present or future use of net current assets, debt service and capital outlays, intergovernmental grants, and shared revenues. Under the current financial resources measurement focus, decreases in net financial resources not properly classified as other financing uses.

**Expenses:** Outflows or other using up of assets or incurrences of liabilities (or a combination of both) from delivering or producing goods, rendering services or carrying out other activities that constitute the entity's ongoing major or central operations.

**Fiduciary funds:** Funds used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government's own programs. The fiduciary fund category includes pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

**Final amended budget:** Original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes applicable to the fiscal year, whenever signed into law or otherwise legally authorized.

**Financial resources:** Resources that are or will become available for spending. Financial resources include cash and resources ordinarily expected to be converted to cash (e.g., receivables, investments). Financial resources also may include inventories and prepaids (because they obviate the need to expend current available financial resources).

**Financial section:** One of the three basic sections of a comprehensive annual financial report. The financial section is used to present the independent auditor's report on the financial statements; management's discussion and analysis; the basic financial statements (including the notes to the financial statements); required supplementary information; combining statements, individual fund statements and schedules; and supplementary information, as needed.

**Financial statement:** A tabulation of amounts, derived from accounting records and expressed in words and dollars, that displays either 1) the financial position of the reporting unit at a moment in time or 2) inflows and outflows of resources from transactions or other events during a period of time.

**Fines and forfeitures:** A sum of money imposed or surrendered as a penalty for violating a law.

**Fiscal accountability:** Responsibility of governments to justify that their actions in the current period have complied with public decisions concerning the raising and spending of public moneys in the short term.

**Fiscal policy:** The Village's policies with respect to revenues, spending, and debt management as these relate to government services, programs and capital investment. Fiscal policy provides an agreed upon set of principles for the planning and programming of government budgets and their funding.

## Chapter 8: *Appendix*

### **DEFINITIONS** *(Continued)*

**Fiscal year:** A 12 month period to which the Village's annual operating budget applies and at the end to which the Village determines its financial position and the results of its operation. The Village has specified May 1 to April 30 as its fiscal year.

**Forecast:** To calculate or predict (some future event or condition) usually as a result of study and analysis of available pertinent data.

**Full faith and credit:** A pledge of the general taxing power of a government to repay debt obligations (typically used in reference to bonds).

**Function:** A group of related activities aimed at accomplishing a major service for which a government is responsible (e.g., Public Safety).

**Fund:** A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations (e.g., General Fund).

**Fund balance:** Net position of a governmental fund (difference between assets, liabilities, deferred outflows of resources, and deferred inflows of resources). Changes in fund balances are the result of the difference of revenues to expenditures. Fund balances increase when revenues exceed expenditures and decrease when expenditures exceed revenues.

**Fund balance policy:** Policy to maintain fund balance at a predetermined target level.

**Fund classifications:** One of three categories (governmental, proprietary, and fiduciary) used to classify fund types.

**Fund financial statements:** Basic financial statements presented on the basis of funds, in contrast to government-wide financial statements.

**Fund type:** One of eleven categories into which all individual funds can be categorized. Governmental fund types include the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds. Proprietary fund types include enterprise funds and internal service funds. Fiduciary fund types include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

**General fund:** One of five governmental fund types. The general fund typically serves as the chief operating fund of a government. The general fund is used to account for all financial resources not accounted for in some other fund.

## Chapter 8: *Appendix*

### *DEFINITIONS (Continued)*

**General obligation bonds:** Bonds that finance a variety of public projects such as streets, buildings, and improvements; the repayment of these bonds is usually made from the Debt Service Fund, and these bonds are backed by the full faith and credit of the issuing government.

**General obligation alternate revenue bonds:** General obligation bonds payable from a pledged alternate revenue with the full faith and credit of the issuing government acting as back-up security.

**General revenues:** All revenues not reported as program revenues in the government-wide statement of activities.

**Goal:** A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless; that is, it is not concerned with a specific achievement in a given period.

**Governmental activities:** Activities generally financed through taxes, intergovernmental revenues, and other nonexchange revenues. These activities are usually reported in governmental funds and internal service funds.

**Governmental funds:** Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

**Government-wide financial statements:** Financial statements that incorporate all of a government's governmental and business-type activities. There are two basic government-wide financial statements: the statement of net position and the statement of activities.

**Grant:** A contribution by one governmental unit to another. The contribution is usually made to aid in the support of a specified function, but it is sometimes also for general purposes.

**Home rule community:** Under the 1970 Illinois Constitution, home rule shifts greater responsibility for local government decision making from the state level to the local level enabling communities to find local solutions to local problems. Home rule communities may exercise any power and perform any function pertaining to its government and affairs including, but not limited to, the power to regulate for the protection of the public health, safety, morals and welfare, to license, to tax, and to incur debt, unless exempted by the State. Municipalities with a population of more than 25,000 are automatically home rule units, while those with less than 25,000 residents require approval of a referendum in order to achieve Home Rule status.

**Impact fees:** Fees charged to developers to cover, in whole or in part, the anticipated cost of improvements that will be necessary as a result of development.

**Imposed nonexchange revenues:** Revenues that result from assessments imposed on nongovernmental entities, including individuals, other than assessments on exchange transactions (for example, property taxes and fines).

## Chapter 8: *Appendix*

### **DEFINITIONS (Continued)**

**Improvement:** Addition made to, or change made in, a capital asset, other than maintenance, to prolong its life or to increase its efficiency or capacity. The cost of the addition or change normally is added to the book value of the asset.

**Income:** A term used in proprietary fund type accounting to represent (1) revenues, or (2) the excess of revenues over expenses.

**Indirect expenses:** Expenses that cannot be specifically associated with a given service, program, or department and thus, cannot be clearly associated with a particular functional category.

**Inflow of resources:** An acquisition of net position by the government that is applicable to the reporting period.

**Infrastructure:** Long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams, and lighting systems.

**Interfund activity:** Activity between funds of the primary government, including blended component units. Interfund activities are divided into two broad categories: reciprocal and nonreciprocal. Reciprocal interfund activity comprises interfund loans and interfund services provided and used. Nonreciprocal interfund activity comprises interfund transfers and interfund reimbursements.

**Interfund loans:** Amounts provided between funds with a requirement for repayment.

**Interfund reimbursements:** Repayments by one fund or blended component unit of a primary government to another for expenditures or expenses incurred on its behalf.

**Interfund services provided and used:** Sales and purchases of goods and services between funds and blended component units of the primary government for a price approximating their external exchange value.

**Interfund transfers:** Flow of assets (such as cash or goods) between funds without equivalent flow of assets in return and without a requirement for repayment.

**Intergovernmental revenue:** Funds received from federal, state and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

**Internal control framework:** Integrated set of policies and procedures designed to assist management to achieve its goals and objectives. To be truly comprehensive, a government's internal control framework must (a) provide a favorable control environment, (b) provide for the continuing assessment of risk, (c) provide for the design, implementation, and maintenance of effective control-related policies and procedures, (d) provide for the effective communication of information, and (e) provide for the ongoing monitoring of the effectiveness of control-related policies and procedures as well as the resolution of potential problems identified by controls.

## Chapter 8: *Appendix*

### *DEFINITIONS (Continued)*

**Internal service fund:** Proprietary fund type that may be used to report any activity that provides goods or services to other funds, departments, or agencies of the primary government, or to other governments, on a cost-reimbursement basis.

**Intrafund transfers:** Flow of assets (such as cash or goods) between accounts within the same fund without equivalent flow of assets in return and without a requirement for repayment.

**Introductory section:** First of three essential components of any comprehensive annual financial report. The introductory section typically provides general information on a government's structure and personnel as well as information useful in assessing the government's economic condition. The key of the introductory section is the letter of transmittal.

**Legal debt margin:** Excess of the amount of debt legally authorized over the amount of debt outstanding.

**Legal level of budgetary control:** Level at which a government's management may not reallocate resources without approval from the legislative body.

**Levy (verb):** To impose taxes, special assessments, or service charges for the support of governmental activities.

**Levy (noun):** The total amount of taxes, special assessments or service charges imposed by the Village.

**Liabilities:** Present obligations to sacrifice resources that the government has little or no discretion to avoid.

**Line-item budget:** Budget typically used by governmental entities in which budgeted financial statement elements are grouped by administrative entities and objects. These budget item groups are usually presented in an incremental fashion that is in comparison to previous period. This form of budgeting allows for good financial.

**Long-term debt:** Bonded debt and other long-term obligations, such as benefit accruals, due beyond one year.

**Major fund:** Governmental fund or enterprise fund reported as separate column in the basic fund financial statements and subject to a separate opinion in the independent auditor's report. The general fund is always a major fund. Otherwise, major funds are funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds for the same item. Any other governmental or enterprise fund may be reported as a major fund if the government's officials believe that fund is particularly important to financial statement users.

**Measurement focus:** Types of balances (and related changes) reported in a given set of financial statements (i.e., economic resources, current financial resources, assets and liabilities resulting from cash transactions).

## Chapter 8: *Appendix*

### **DEFINITIONS (Continued)**

**Metra:** Commuter rail system serving northeast Illinois.

**Modified accrual basis of accounting:** Basis of accounting used in conjunction with the current financial resources measurement focus that modifies the accrual basis of accounting in two important ways 1) revenues are not recognized until they are measurable and available, and 2) expenditures are recognized in the period in which governments in general normally liquidate the related liability rather than when the liability is first incurred (if earlier). All governmental funds are accounted for using the modified accrual basis of accounting.

**Municipal:** Of or pertaining to the Village or its government.

**Municipal bonds:** Bonds issued by governments to raise funds to typically pay for capital projects or for other purposes it cannot or does not desire to pay for immediately with funds on hand.

**Net general obligation debt:** General obligation debt reduced by the amount of any accumulated resources restricted to repaying the principal of such debt.

**Net investment in capital assets:** One of three components of net position that must be reported in both government-wide and proprietary fund financial statements. It consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of borrowing attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets or related debt also should be included. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount should not be included.

**Non-exchange transaction:** Transaction in which a government either 1) gives value (benefit) to another party without directly receiving equal value in exchange, or 2) receives value (benefit) from another party without directly giving equal value in exchange.

**Non-home rule community:** Any Illinois community not deemed to be a home rule community.

**Nonoperating revenues and expenses:** In the context of the proprietary fund operating statement, revenues and expenses not qualifying as operating items (e.g., taxes, grants that are not equivalent to contracts for services, and most interest revenue and expense).

**Nonspendable fund balance:** The portion of the net position of a governmental fund that cannot be spent either because the underlying resources are not in spendable form or because the government is legally or contractually required to maintain the resources intact.

**Non-union employees:** Employed individuals who are not represented by collective bargaining units.

## Chapter 8: *Appendix*

### *DEFINITIONS (Continued)*

**Object classification:** A means of identifying and analyzing the obligations incurred in terms of the nature of the goods or services purchased (e.g., personal services, commodities, contractual services, capital outlays), regardless of the agency involved or purpose of the programs for which they are used.

**Objective:** A result expressed in specific, well-defined, and measurable terms, that is achievable within a specific time frame.

**Operating budget:** A financial plan, which presents proposed expenditures for a fiscal year and estimates the revenues to finance them.

**Operating revenues and expenses:** Cost of goods sold and services provided to customers and the revenue thus generated.

**Ordinance:** Law enacted by a municipal government, such as a village board. Ordinances govern matters not already covered by state or federal laws such as zoning, safety and building regulations.

**Organizational chart:** A flow chart showing the chain of command and structure of the organization.

**Organizational unit:** A responsibility center within a government (e.g., Police).

**Original budget:** First complete appropriated budget. The original budget may be adjusted by reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes before the beginning of the fiscal year. The original budget should also include actual appropriation amounts automatically carried over from prior years by law. For example, a legal provision may require the automatic rolling forward of appropriations to cover prior-year encumbrances.

**Other financing sources:** Increases in the net position of a government fund other than revenues. Only items identified as other financing sources in authoritative accounting standards may be classified as such.

**Other financing uses:** Decreases in the net position of a government fund other than expenditures. Only items identified as other financing uses in authoritative accounting standards may be classified as such.

**Outflow of resources:** A consumption of net position by the government that is applicable to the reporting period.

**Overlapping debt:** The outstanding long-term debt instruments of governments that geographically overlap, at least in part, the government preparing the statistical section. That is, debt of another government that at least some of the reporting government's taxpayers will also have to pay in whole or in part. Lower levels of government are not required to treat debt of the state as overlapping debt, even though it technically meets this definition.

**Overlapping governments:** Other local governments located wholly or in part within the geographic boundaries of the reporting government.

## Chapter 8: *Appendix*

### *DEFINITIONS (Continued)*

**Overlapping rate:** An amount or percentage applied to a unit of a specific revenue (e.g. property tax) base by other governments that overlap, at least in part, the government preparing the statistical section.

**Own-source revenues:** Revenues that are generated by a government itself (e.g., tax revenues, water and sewer charges, investment income) rather than provided from some outside source (e.g., intergovernmental aid and shared revenues).

**Pension benefits:** Retirement income and all benefits other than healthcare (disability benefits, death benefits, life insurance) that are provided through a defined benefit pension plan to plan members and beneficiaries after termination of employment or during retirement.

**Pension plan:** Arrangement for the provision of pension benefits in which all assets accumulated for the payment of benefits may legally be used to pay benefits (including refunds of member contributions) to any of the plan members or beneficiaries, as defined by the terms of the plan.

**Pension trust fund:** Fiduciary fund type used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans and defined contribution pension plans.

**Per capita:** By or for each individual person. Per capita in Montgomery is based on a population of 18,438 residents as provided in the 2010 Census.

**Performance measurement:** Commonly used term for service efforts and accomplishments reporting.

**Personal services:** Costs related to compensating Village employees, including salaries, wages and benefits.

**Perspective differences:** Differences between the basis of budgeting and GAAP that result when the structure used for budgeting differs from the fund structure used for GAAP financial reporting.

**Pledged revenues:** Funds generated from revenues and obligated to debt service or to meet other obligations specified by the bond contract.

**Primary government:** Term used in connection with defining the financial reporting entity. A state government or general purpose local government. Also, a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. The primary government is the focus of the financial reporting entity.

**Primary users of general-purpose external financial reports:** Types of financial statement users whose needs guide the development of GAAP. For state and local governments, the primary users of general-purpose external financial reports are (a) those to whom government is primarily accountable (the citizenry), (b) those who directly represent the citizens (legislative and oversight bodies), and (c) those who lend or who participate in the lending process (investors and creditors).

## Chapter 8: *Appendix*

### **DEFINITIONS** *(Continued)*

**Productivity:** A measure of service output compared to resource input invested.

**Program:** Group activities, operations, or organizational units directed to attaining specific purposes or objectives.

**Program revenue:** In the context of the government-wide statement of activities, revenues that derive directly from the program itself or from parties outside the reporting government's taxpayers or citizenry, as a whole; they reduce the net cost of the function to be financed from the government's general revenues.

**Property tax:** A tax imposed by municipalities upon owners of property within their jurisdiction based on the value of such property and a tax rate (so many dollars per \$100 of assessed value of the property).

**Property Tax Extension Limitation Act (Tax Cap):** The operating tax levy increase cannot exceed the Consumer Price Index increase for the prior calendar year, plus new growth. New growth consists of annexations of property and new building activity.

**Proprietary funds:** Funds that focus on the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds.

**Public-entity risk pool:** Cooperative group of governmental entities joining together to finance an exposure, liability, or risk. Risk may include property and liability, workers' compensation, or employee health care. A pool may be a stand-alone entity or included as part of a larger governmental entity that acts as the pool's sponsor.

**Refunding:** Issuance of new debt whose proceeds are used to repay previously issued debt. The proceeds may be used immediately for this purpose (a current refunding), or they may be placed with an escrow agent and invested until they are used to pay principal and interest on the old debt at some later date (an advance refunding).

**Reserve:** An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

**Resolution:** A written motion adopted by a municipal government.

**Restricted fund balance:** The portion of the net position of a governmental fund that represents resources subject to externally enforceable constraints.

**Restricted net position:** One of three components of net position that must be reported in both government-wide and proprietary fund financial statements. It consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability or deferred inflow of resources relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability/deferred inflow of resources or if the liability will be liquidated with the restricted assets reported.

## Chapter 8: *Appendix*

### **DEFINITIONS (Continued)**

**Revenues:** Funds that the government receives as income. It includes such items as tax receipts, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues and interest income.

**Revenue source:** Revenue classification according to how and where the revenues were raised.

**Risk management:** An organized attempt to protect a government's assets against accidental loss in the most economical method.

**Risk sharing pool:** One of four different types of public-entity risk pools. An arrangement by which governments pool risks and funds and share in the cost of losses.

**Special assessment:** A compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

**Special Revenue Fund:** Governmental fund type used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects and exclusive of resources held in trust for individuals, private organizations, or other governments.

**State shared revenues:** Certain derived tax revenues in the State of Illinois that are shared with municipal governments including income, motor fuel, personal property replacement, and use taxes.

**Statistical section:** Third of three essential components of any comprehensive annual financial report, it 1) provides information on financial trends, 2) provides information on revenue capacity, 3) provides information on debt capacity, 4) provides demographic and economic information, and 5) provides operating information.

**Strategic goal:** An overall accomplishment the organization should achieve which should act as a motivating force as well as a measure of performance and achievement for those working in an organization.

**Strategic planning:** An organization's process of defining its strategy, or direction, and making decisions on allocating its resources to pursue this strategy, including its capital and people.

**Supplementary information:** Financial information presented together with basic financial statements that is not included within the scope of the audit of those statements. When the presentation of certain supplementary information is mandated by GASB it is referred to as required supplementary information.

**Surplus:** The excess of revenues or income over expenditures or expenses during a single accounting period.

**Tap-on fees:** Fees charged to join or to extend an existing utility system. These are also referred to as connection fees.

## Chapter 8: *Appendix*

### *DEFINITIONS (Continued)*

**Taxes:** Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments.

**Tax levy:** The total amount to be raised by general property taxes for operating and debt service purposes.

**Tax rate:** The amount of tax levied for each \$100 of assessed valuation.

**Transfers in/out:** Amounts transferred from one fund to another to assist in financing the services of the recipient fund.

**Trust Funds:** Funds used to account for assets held by a government in a trustee capacity for individuals, private organizations, other governments and/or other funds.

**Unassigned fund balance:** The difference between total fund balance in a governmental fund and its nonspendable, restricted, committed, and assigned components.

**Unearned revenue:** A liability for resources obtained prior to revenue recognition.

**Unrestricted fund balance:** The difference between total fund balance in a governmental fund and its nonspendable and restricted components.

**Unrestricted net position:** One of three components of net position that must be reported in both government-wide and proprietary fund financial statements. It is the difference between total net position and its two other components (net investment in capital assets and restricted net position).

**Voluntary nonexchange transactions:** Transactions that result from legislative or contractual agreements, other than exchanges, entered into willingly by the parties to the agreement (for example, certain grants and private donations).

Note – some definitions in this glossary were taken from the GFOA publication *Governmental Accounting, Auditing and Financing Reporting; Using the GASB 34 Model*, 2005 edition.



Thank you for reading the Village of Montgomery fiscal year 2014 – 2015 Annual Budget.