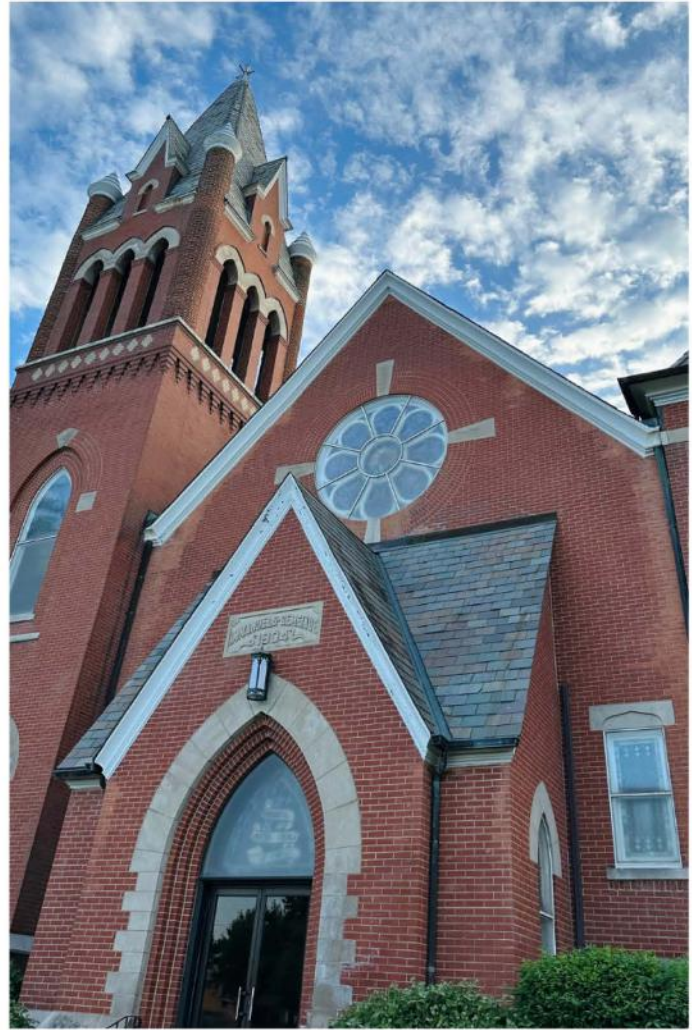


ANNUAL BUDGET | FISCAL YEAR 2024



VILLAGE OF PEOTONE, ILLINOIS

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The FY2024 Budget document describes the financial resources available to the Village used to provide services to the community. In addition, the budget document serves as a goal setting and policy document and includes the Village's goals, policies, and procedures approved by the Village Board as part of the budget approval process.

This document is organized in a format that provides several levels of financial and operational information about the Village's Fiscal Year 2024 Budget. Immediately preceding the sections described below is an introduction to the Village's governing body, the history of the Village, a community profile, and demographic information. Also included is a description of the Village's strategic priorities and a Village-wide organizational chart.

Introduction

The Introduction section contains the Budget Message from the Village Administrator, providing a broad overview of the FY2024 Budget, assumptions and trends considered when compiling the budget, FY2023 highlights, and FY2024 major initiatives reflected in the budget. Also included in this section is a description of the Village's budget process and timeline and a summary of the Village's financial policies. A description of the Village's financial structure, which is based on generally accepted accounting principles, is also presented in this section.

Budget Summary & Financial Overview

The Budget Summary & Financial Overview section provides an analysis of fund balance in each of the Village's funds. Revenue and expenditure summaries and trends are reflected in this section to provide information regarding the Village's funding sources and how those sources are spent. A personnel summary is included providing information related to positions and total employee compensation.

Summary and detailed information related to the Village's multi-year capital improvement program, the Village's general obligation and other debt, and the Village's Long Term Financial Forecast is also included in this section.

General Fund

The General Fund section provides a detailed analysis of the Village's main operating fund. General Fund revenues are described in detail and comparisons to prior years are presented when applicable. This section also contains information related to each operating department, including the following departments:

- ✓ Administration
- ✓ Police
- ✓ Planning & Zoning
- ✓ Building
- ✓ Public Works

Information presented for each department includes the department's mission statement and objectives, an organizational chart, FY2023 highlights and accomplishments, FY2024 strategic goals, performance measures, and a summary of departmental expenditures by type with a comparison to prior years.

Other Funds

This section contains a summary description and a detailed revenue and expenditure budget schedule for each of the Village's budgeted funds, other than the General Fund, including the following:

- ✓ Motor Fuel Tax (Special Revenue)
 - ✓ Downtown Business District (Special Revenue)
 - ✓ TIF 1 (Special Revenue)
 - ✓ TIF 2 (Special Revenue)
 - ✓ Capital Improvements (Capital Project)
 - ✓ Vehicle Service (Internal Service)
-
-

Appendix

The appendix contains a schedule of position salaries by department, as well as supplementary information related to the principal property taxpayers located within the Village, employment by industry and a variety of statistics comparing the Village of Peotone to other municipalities of like size and demographics. Also included is a description of the acronyms utilized throughout this document and a glossary to assist readers with understanding the terms listed in this document.

On-Line Access

To access the Fiscal Year 2024 budget on-line, visit the Village's website at [Document Center - Financial Reports](#).

The Village of Peotone is governed by elected officials including the Mayor, six Trustees, and the Village Clerk. The Mayor and Trustees are elected at large to a four-year term; the Village Clerk is appointed. Elected and appointed officials as of April 1, 2023 are listed below.

Elected Officials

Dr. Peter March - Mayor
Term Expires May 2025

Stacey Hartwell - Village Clerk
Term Expires April 2025

Trustees

Patrick Bowden
Term Expires May 2023



Gary Hudson
Term Expires May 2023

Michael Jones
Term Expires May 2023

Shelley Marevka
Term Expires May 2025

Julie Sluis
Term Expires May 2023

Nicholas Strba
Term Expires May 2025



Executive Staff*

Aimee L. Ingalls, Village Administrator

David DeMik, Chief of Police

Robert Hennke, Public Works Manager

*The Treasurer is a contracted position and therefore not reflected as Executive Staff.

The Village of Peotone was established in 1856 and is known for its peaceful, rural and historic charm that has withstood the test of time. Peotone is located in Will County along Interstate 57 and IL Route 50, 45 miles southwest of Chicago, 100 miles northeast of Champaign/Urbana, and 170 miles east of the Quad Cities in Illinois and Iowa.

With an active railroad running through town, its closeness in proximity to Interstate Highway 57 and Downtown Chicago, Peotone is an ideal location for business and residential growth.

The Village's current estimated population is 4,182. Many current residents were born and raised in the Village, upholding its safe and family oriented community values, while appreciating and protecting its scenic, natural land.

The Village takes pride in its history and the Village's Historical Society works to preserve and celebrate that history. The Peotone Windmill, established 1872, is one of the rare German Style Windmills still standing in America today. The Historical Society hosts an Open Mill regularly and an annual Mill-fest to celebrate the Village's history. The annual fest gathers the whole town for a unique experience with historic booths, vendors, and contests.



Peotone's unique name is derived from the Potawatomi language meaning "come here."



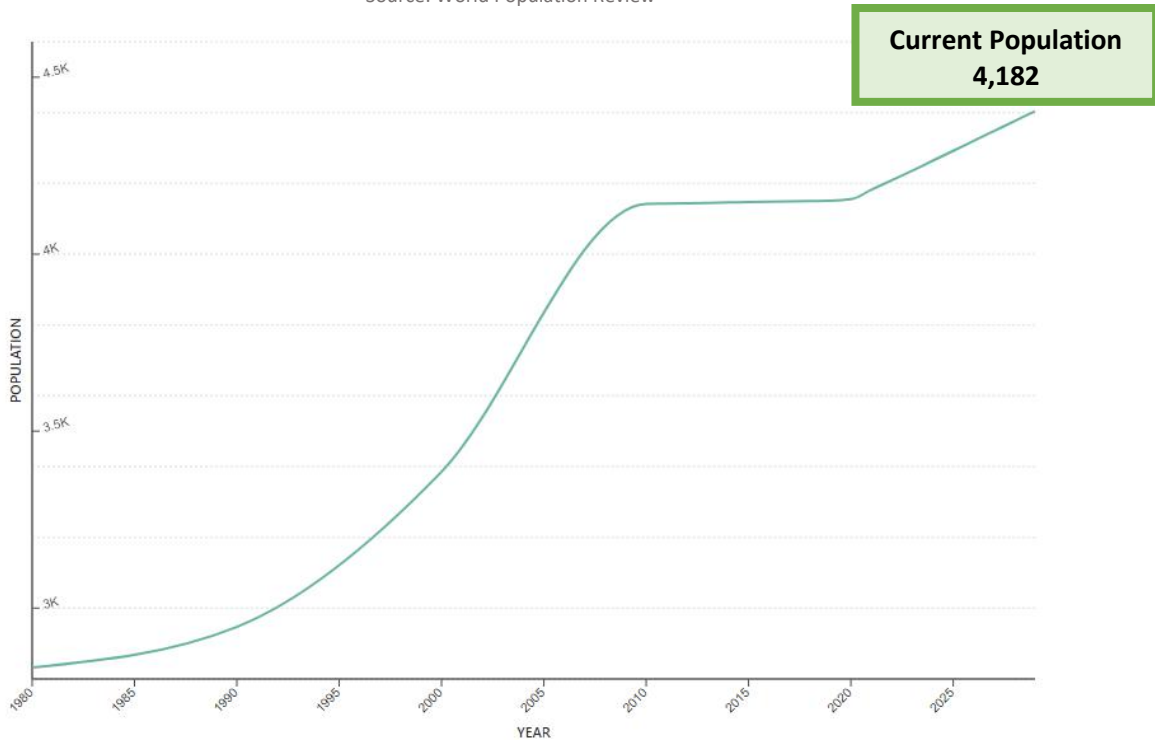
Since 1904, Peotone has been the home of the annual Will County Fair. The Will County Fair gathers an attendance of over 72,700 people bringing in over \$300,000 in revenue. Fair participants can enjoy contests from baking to livestock, a demolition derby, vendors, live music and performances, games, rides and so much more.

This timeless Village contains local shops that are personable and always friendly, beautiful historic buildings and homes in a peaceful, rural community. The Village of Peotone's historic charm, matched with its up and coming business district, makes it a unique and wonderful place to live.

Community Profile and Demographics

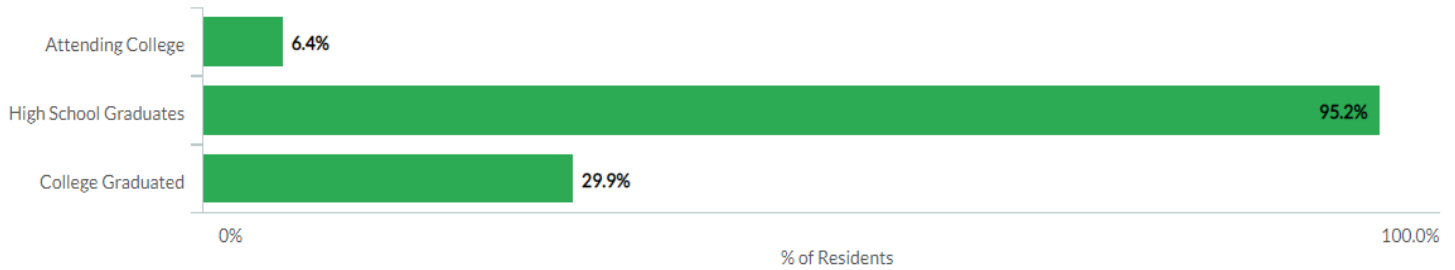
Peotone, Illinois Population 2023

Source: World Population Review

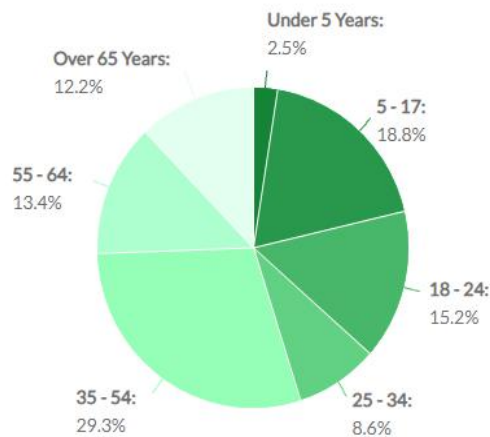


**Current Population
4,182**

EDUCATIONAL ATTAINMENT OF ADULT

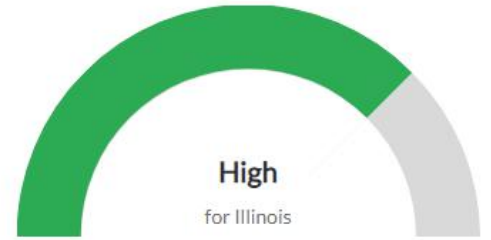
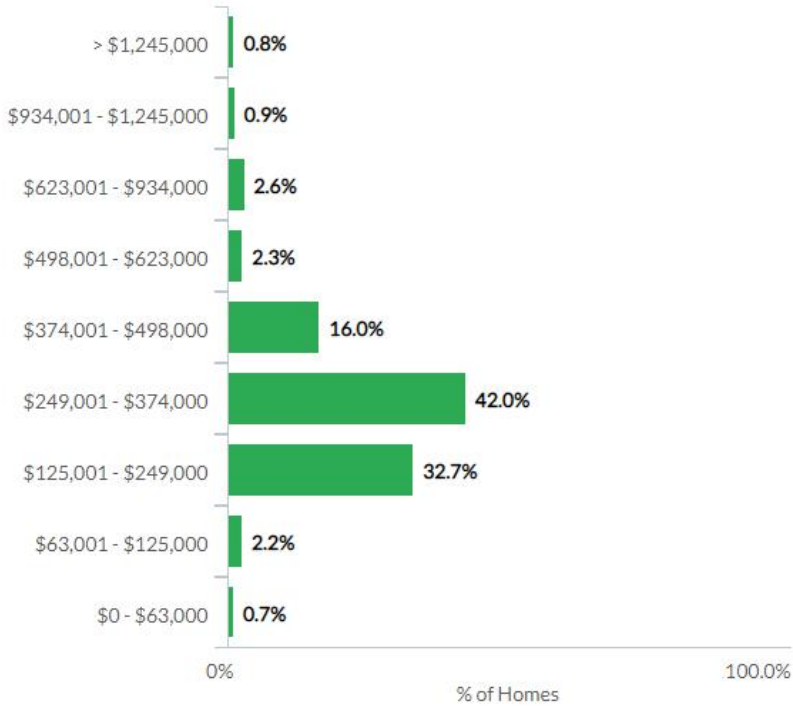


Age



Source: Neighborhood Scout

Peotone, IL Home Prices

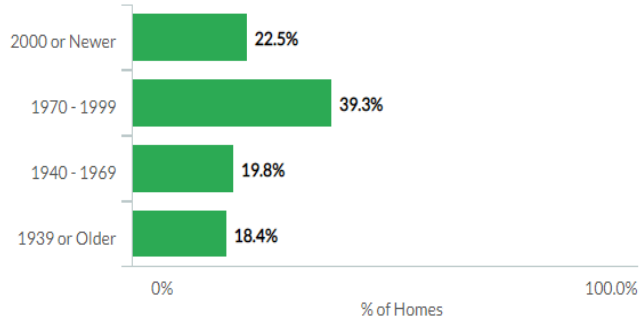


Median Home Value
\$279,934

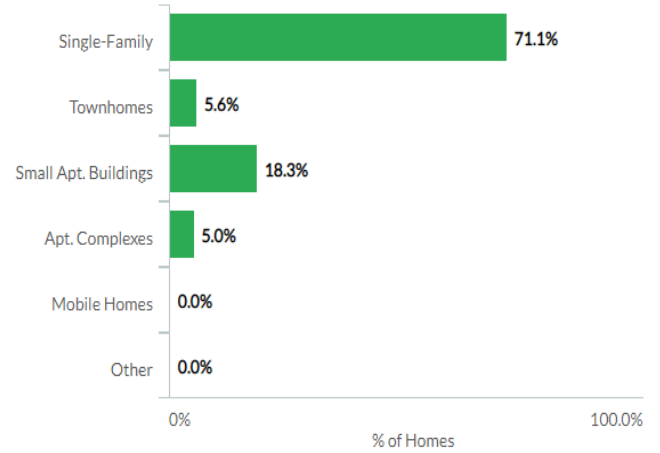


Number of Homes And Apartments:
1,519

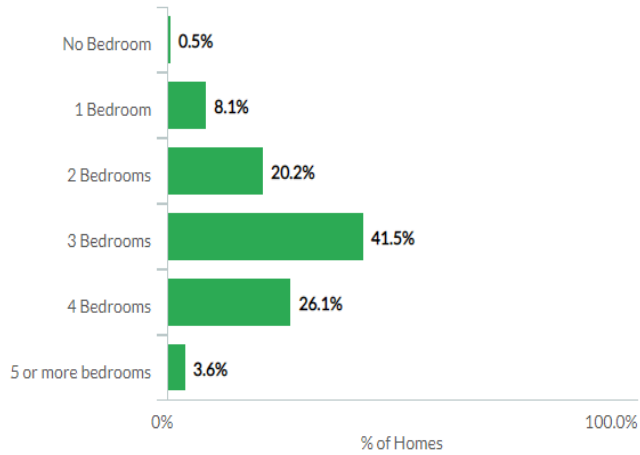
Age of Homes



Types of Homes

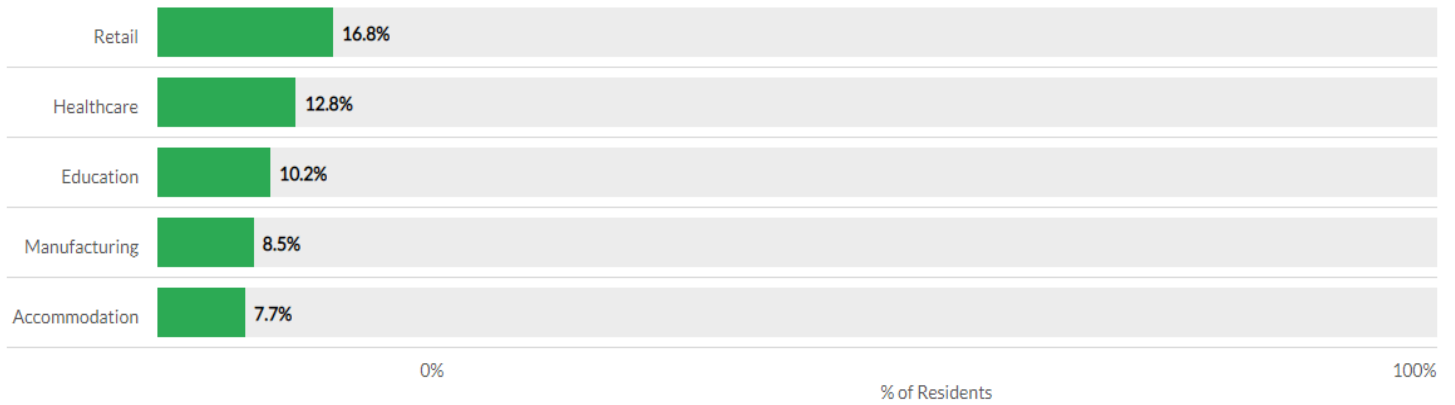


Home Size



EMPLOYMENT INDUSTRIES

[View all industries](#)



INCOME i

Per capita Income



Median household income



Individuals Below Poverty Level
4.9%

The FY2024 budget is based on the strategic vision of the Village Board of Trustees. Based on the Board’s direction, Village staff compiled specific goals and objectives that will assist the Board in adhering to its vision. Department goals and objectives can be found within the operating department narratives included in this document.

Village of Peotone Strategic Vision

Accessible & Engaged

- Provide effective and efficient services to our residents, continuously improve service levels, engage and support staff, and provide accessible community engagement.

Financially-Viable Future

- Act as a responsible and transparent steward of public dollars, create a strong financial structure through financial planning with diverse sources of revenue.

Enterprising Infrastructure Management

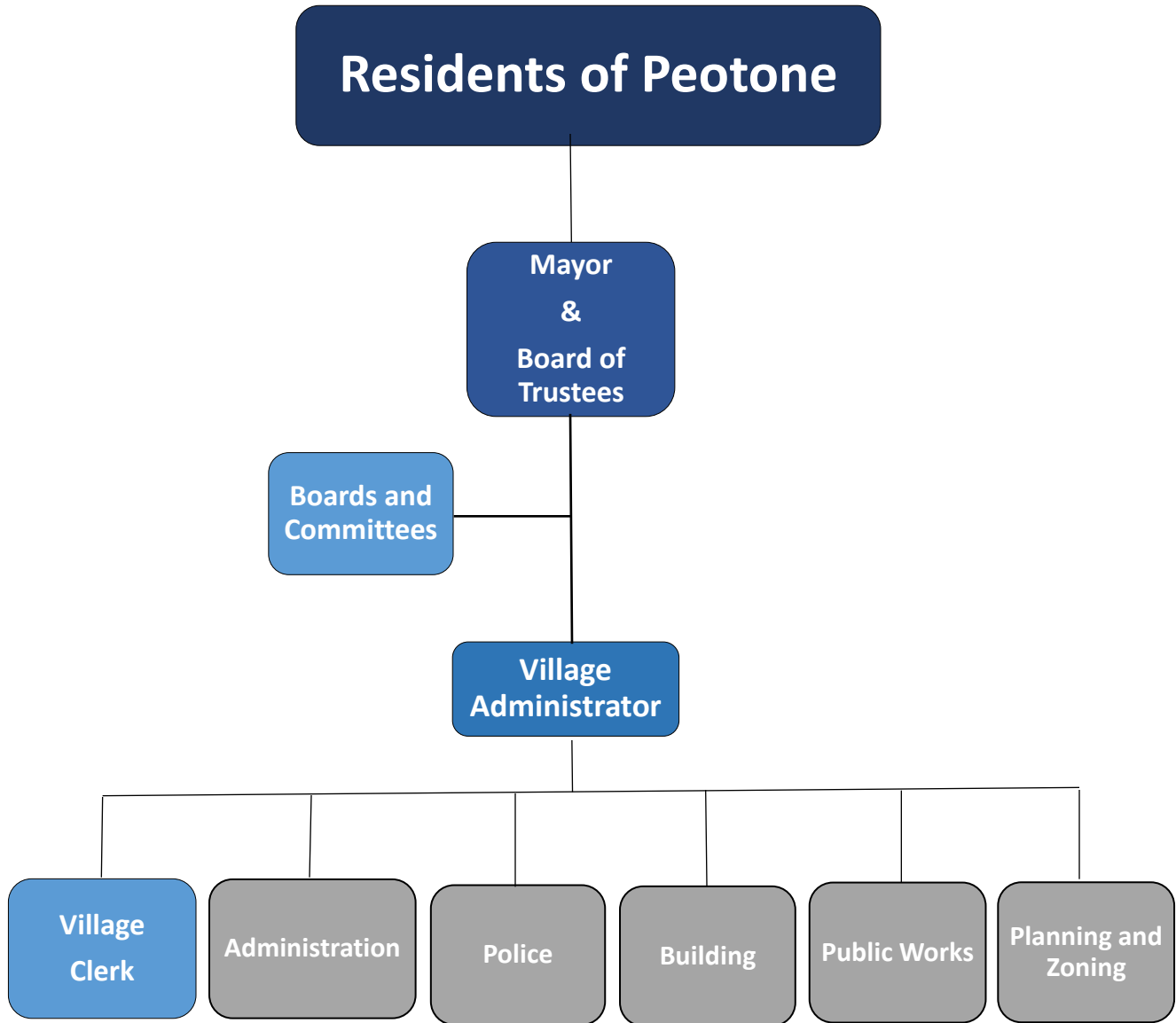
- Regularly assess the condition of Village infrastructure, identify capital maintenance and improvement needs, secure funding sources to meet the needs of the community.

Community-Focused Development

- Maintain strong neighborhood character and create complementary value for the community through focused residential and commercial development.

Secure and Flourishing Neighborhoods

- Proactively protect the safety and well being of Village residents and commercial entities by minimizing the impacts of criminal activity on the community.



Legend:

Elected Officials

Appointed Members

Village Staff



March 13, 2023

Honorable Mayor March and Board of Trustees:

We are pleased to present the Fiscal Year 2024 Budget (effective April 1, 2023 – March 31, 2024). This document is an important tool for sound fiscal management, provides a policy that sets the financial course of the Village for the coming year and defines the services we provide to the community.

The Village of Peotone Board of Trustees has established a commitment to exceptional service delivery. The FY2024 budget provides the community with a high level of essential municipal services, including the safety of its residents, development and redevelopment of the Village and funding for the improvement of the Village's infrastructure and municipal facilities. The Village boasts significant operating flexibility, a diversified revenue structure and well-funded reserves in the General Fund.

Fiscal Year 2023 Overview

FY2023 projected revenues, across all funds, amount to \$7,978,873, net of interfund transfers. This amount includes one-time ARPA revenues of approximately \$558,628, as well as bond proceeds in the amount of \$3,050,000.

FY2023 budgeted revenues included Rebuild Illinois grant proceeds in the amount of \$3,200,000; the Village was not awarded this grant. The FY2023 budget did not include bond proceeds as the bonds were issued to replace the revenue from the grant that was not awarded. After reducing the FY2023 budget by the amount of the Rebuild Illinois grant proceeds and reducing the FY2023 projected amount by the one-time ARPA revenues and the bond proceeds, FY2023 projected revenues exceed the FY2023 budget by approximately \$405,000 partially due to the following:

- ✓ Sales, Use and Cannabis Tax revenues recorded in the General Fund exceeded the amount budgeted by approximately \$130,000
- ✓ Sales Tax revenues recorded in the Business Development District Fund exceeded the amount budgeted by approximately \$42,000
- ✓ State Income Tax exceeded the amount budgeted by approximately \$128,000
- ✓ Video Gaming Tax exceeded the amount budgeted by approximately \$24,000
- ✓ License, Permit and Inspection revenues exceeded the amount budgeted by approximately \$56,000

FY2023 projected expenditures, across all funds, amount to \$6,161,269, net of interfund transfers. Projected employee-related expenditures amount to \$2,500,820, or approximately 49%, of total projected expenditures, net of capital outlay and interfund transfers.

FY2023 projected expenditures include capital outlay of approximately \$1.04 million and include spending for projects such as stormwater management, road and sidewalk improvements, and vehicle and equipment purchases.



Major Accomplishments

- ✓ **Approved the Travel Center Construction.** The Village worked on this commercial development for the last several years by creating a TIF and Business Development District, annexing and rezoning property, executing an annexation agreement and authorizing a TIF redevelopment agreement for a 22-acre development with significant revenue generating benefits to the Village. As part of the development project, the Village will fund the engineering and construction of improvements to 88th Avenue, the intersection of 88th Avenue and Wilmington Peotone Road, turn lanes onto I-57 on Wilmington Peotone Road and widening the I-57 ramps. Funding of these improvements will be provided by the proceeds of the General Obligation (Alternative Revenue) Bonds, Series 2022 issued in December 2022. (Strategic Priorities: Financially Viable Future and Enterprising Infrastructure Management).
- ✓ **Obtained Major Downtown Development Grant Award.** The Village was awarded a \$2.5 million in grant to begin Phase II of the downtown redevelopment plan. (Strategic Priorities: Enterprising Infrastructure Management, Secure and Flourishing Neighborhoods, and Community-Focused Development).
- ✓ **Railroad Street and Parking Lot - Phase I Downtown Redevelopment Plan.** The Village's historic downtown area had become tired with many buildings in disrepair and failing street, sidewalk and lighting infrastructure. Approximately two years ago, the Village Board created a master plan for downtown redevelopment. Phase I was completed in FY2023, including a total rebuild of Railroad Street and a parking lot for 40 cars with attractive and functional lighting and landscaping. (Strategic Priorities: Enterprising Infrastructure Management, Secure and Flourishing Neighborhoods, and Community-Focused Development).
- ✓ **Implemented online pay options via the Village's website.** The Village implemented the option to pay amounts due to the Village online by visiting the Village's website. (Strategic Priority: Accessible and Engaged).
- ✓ **Demolished Second Street Saloon.** A structure that was in grave disrepair and threatened the downtown with blight was demolished and a pocket park is now provided within the site. (Strategic Priority: project (Strategic Priorities: Enterprising Infrastructure Management, Secure and Flourishing Neighborhoods, and Community-Focused Development).
- ✓ **Installed Ahlborn Street Storm sewer.** Ahlborn Street lacked stormwater infrastructure, and this caused tremendous flooding on the street and in people's homes. The Village negotiated easements with surrounding landowners and added storm capacity solving the existing flooding issues. Financially Viable Future and Enterprising Infrastructure Management).
- ✓ **Installed new sidewalk along the major corridor of Wilmington Peotone Road.** Pedestrian infrastructure was needed to create a safe and connected place for people to walk and bike. The Village negotiated rights to place sidewalk in County right of way and the new sidewalk was installed. (Strategic Priority: Enterprising Infrastructure Management, Secure and Flourishing Neighborhoods).
- ✓ **Parkway Tree Planting.** The Emerald Ash Borer caused a loss of over 400 parkway trees and the Village Board made a strong commitment to not only replace but add to the Village's urban forestry. The Village has partnered with the Morton Arboretum to ensure the planting of a diverse and appropriate parkway tree stock. The Village continued that commitment to beautify the community by planting over 100 parkway trees in FY2023. (Strategic Priority: Secure and Flourishing Neighborhoods).
- ✓ **Increased Funding Status of Village of Peotone Police Pension Fund.** As of April 1, 2020, the funding status of the Police Pension Fund was 22.3% when comparing the actuarial value of assets to the actuarial liability. As of April 1, 2022, the funding status had increased to 42.6%. This was due in part to a continued commitment of the Village Board to make contributions to the fund at or above the actuarially determined recommended contribution as well as a change in assumptions based on the 2022 experience study performed for the Illinois Police Officers' Pension Investment Fund (IPOPFI). (Strategic Priorities: Financially Viable Future)



Fiscal Year 2024 Overview

FY2024 budgeted revenues are estimated at \$4,967,474, net of interfund transfers. While the Village took a conservative approach when estimating FY2024 revenues, various non-property tax revenues reflected in the General, Motor Fuel and Business Development District Funds are anticipated to increase as compared to FY2022 actual and FY2023 projected amounts. License, permit and inspection revenues are expected to increase as compared to prior year due to the continue development and redevelopment within the Village.

Due to a restructuring of the Village's investment portfolio, as well as the current interest rate environment, we anticipate a significant increase in investment income as compared to prior years. Total investment income reflected in the FY2024 budget amounts to approximately \$331,000, based on cash and investment balances of approximately \$12,000,000.

In addition, due to growth in the Village's equalized assessed valuation (EAV), the FY2024 budget reflects an increase in property tax revenues of approximately \$65,000, including incremental property taxes reflected in the Village's TIF Funds. The FY2024 Budget does not include any new revenue sources or increases the rate assessed on existing sources. Based on this EAV growth, the Village anticipates that the rate per \$100 of EAV will remain consistent as compared to the prior year, meaning the amount reflected on a homeowner's tax bill that is paid to the Village may not increase.

Total FY2024 budgeted expenditures for all funds amounts to \$8,567,921, net of interfund transfers. With the exception of the FY2024 capital outlay budget, costs related to personnel are the largest expenditure category, at approximately 28% of total budgeted expenditures.

The variance between FY2024 estimated revenues and budgeted expenditures is due to the inclusion of a significant capital project in the TIF 2 Fund budget. The funding for this project is bond proceeds from the issuance of General Obligation Bonds (Alternative Revenue Source), Series 2022 in December 2022 (FY2023). Based upon the issuance date, the revenue is reflected in FY2023 ending fund balance within the TIF 2 Fund.

Major capital projects included in the FY2024 Budget include the items listed below. Additional information on these projects is reflected in the Capital Improvement Program section of this document.

- ✓ Improvements – I-57/88th & Wilmington Peotone Road – Engineering and Construction - \$3,068,716
- ✓ Paving – Mill Trace - \$415,350
- ✓ Purchase of Police Vehicles, including Installation of Equipment - \$94,540

Closing Comments

The FY2024 Budget was developed to be consistent with current Village policies and provides for a balance between providing exceptional services to our residents and remaining fiscally responsible with ample financial reserves. As we move forward, we will continue to review the Village's organizational structure and operations to identify opportunities for improvement so that we can provide services to our residents as effectively and efficiently.

While primary responsibility for preparation of the budget document and Budget Ordinance lies with the Village's core budget team, including myself and the Village's Financial Consultant, we would like to thank the Village Board for the responsible manner in which it conducts the fiscal affairs of the Village. We would also like to thank a larger



group of talented individuals who contributed significantly to the successful creation of this budget, including the Administrative Oversight Committee, Trustee Pat Bowden, Trustee Julie Sluis and Trustee Gary Hudson, Public Works Manager, Robert Henke, Police Chief David DeMik, and clerical assistant, Kate White.

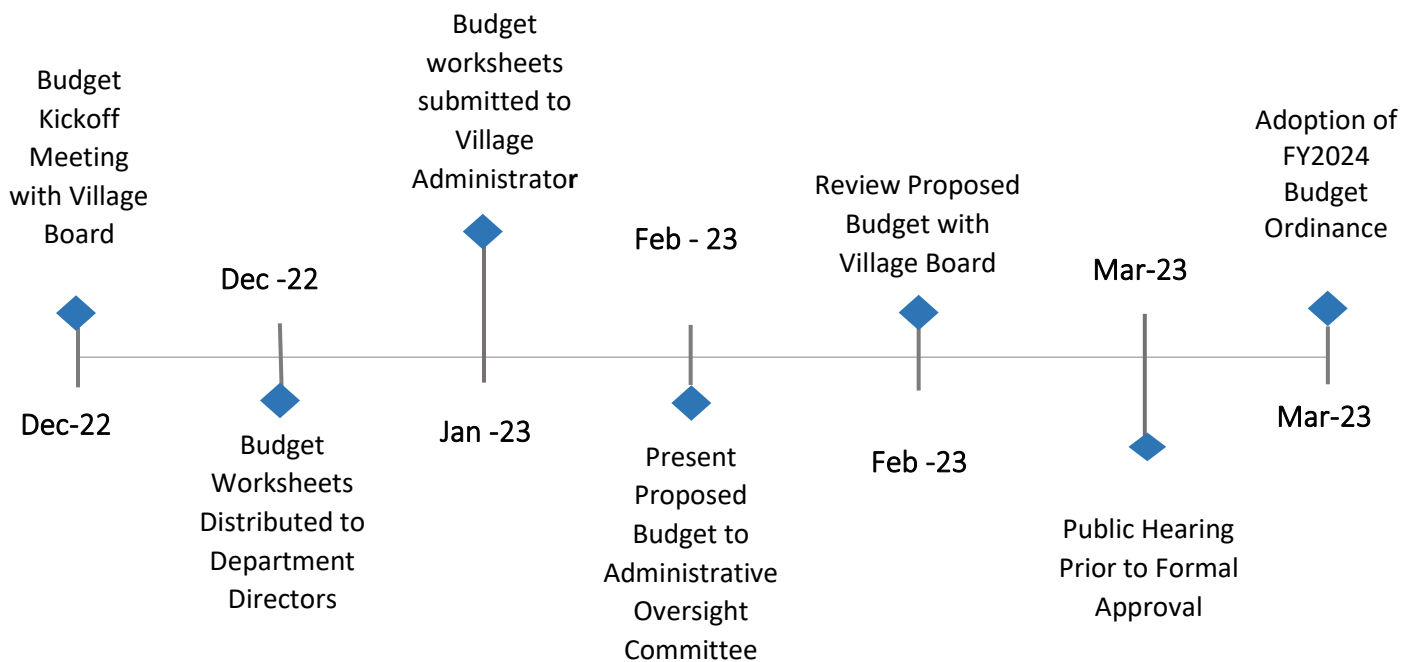
Sincerely,

Aimee Ingalls
Village Administrator

Budget Guidelines and Schedule

The Village’s annual budget is prepared in a manner that meets the overall strategic goals of the Village Board. The Village’s FY2024 Budget includes the provision of quality services to its residents and the maintenance and improvement of its infrastructure and other capital assets, while maintaining adequate reserves in order to remain a fiscally sound community. In April 2022, the Board approved a fund balance policy for its General Fund. This policy defines a minimum fund balance that the Village must maintain in its General Fund; the annual budget is formulated to meet the requirements of this policy. The Village makes every effort to draft an operating budget that does not exceed the operating revenues available within the budget year. The Village Administrator and Treasurer work with the department heads throughout the budget process to ensure a financially sound proposed budget is prepared.

Below is a timeline of the FY2024 budget process. Prior to formal approval of the budget and in accordance with statutory requirements, a public hearing is held. The tentative budget is made available and may be inspected by the public at the Village Hall prior to the public hearing. The hearing is open to the public and any person desiring to appear and provide comments on the tentative budget will be heard. The budget is legally enacted by approval of a Budget Ordinance by the Village Board. Post-adoption amendments to the approved budget that are necessary due to unforeseen or unplanned expenditures are brought to the Board for approval on an as needed basis.



Budgetary Policies and Basis of Presentation

Annual budgets are adopted for the Village's general, special revenue, capital projects, and internal service funds. The Village does not prepare or report on the budget for the Police Pension Fund. The budget is prepared on the cash basis of accounting and may differ from the Village's annual audited financial statements, which are on the accrual/modified accrual basis of accounting. The budget is considered balanced if current year revenues and excess reserves on hand exceed current year expenditures. Expenditures may not legally exceed the budgeted amounts at the fund level. The Village Administrator has the authority to amend the budget within an individual fund. Budget appropriations lapse at year-end, therefore expenditures not substantially incurred by the end of the fiscal year end (March 31) must be appropriated in the next fiscal year budget. Once the budget is adopted, the Village Board can amend it by ordinance if deemed necessary. Amendments are presented at the end of each quarter, if necessary. The following are significant financial policies of the Village currently approved by the Village Board.

Other Financial Policies

The Village continually reviews its established, Board approved financial policies and periodically recommends new policies or changes to existing policies for approval by the Village Board. Staff is currently drafting purchasing, capital asset, and revenue policies and will bring these policies to the Village Board for approval prior to the next budget cycle. In addition, the Village is updating its investment policy and will bring the updated policy to the Board for formal approval.

General Fund Balance Policy

In the context of financial reporting, the term "Fund Balance", sometimes referred to as "reserves" is used to describe the net position of governmental funds calculated in accordance with generally accepted accounting principles (GAAP). A fund balance policy establishes a minimum level of available funds required to provide financial stability, cash flow for operations, and the assurance that the Village will be able to respond to emergencies with fiscal strength. More detailed financial reporting as it relates to fund balances and the increased disclosures will aid the user of the financial statements in understanding the availability of resources. It is essential to maintain adequate levels of funding to mitigate current/future risks (e.g., revenue shortfalls and anticipated expenditures) and are crucial in long-term financial planning. Credit rating agencies carefully monitor levels of unassigned General Fund balance to evaluate the Village's continued creditworthiness.

In April 2022, the Village Board approved a Fund Balance Policy for its General Fund. The overall goal of the policy is to support long-term financial strategies, where fiscal sustainability is the highest priority, while also building funds for future growth. The purpose of the policy is to establish guidelines in providing for an unrestricted fund (reserve) balance in the Village's General Fund. Policy considerations include the following:

- ✓ The General Fund is the primary operating fund of the Village. The fund balance in this fund is intended to serve as a measure of the financial resources available to the Village at a given point in time.
- ✓ An adequate fund balance may ensure that the Village can mitigate current and future revenue shortfalls and/or unanticipated expenditures.
- ✓ Fund balance is an important consideration in long-term financial planning. In addition, credit rating agencies utilize fund balance levels to evaluate a government's continued creditworthiness.

The policy states that fund balance shall be designated for the purposes and amounts as follows.

- ✓ Minimum Contingency Balance - to provide available funding in the case of emergencies or extreme contingencies; this balance shall be set at 25% of the ensuing year's General Fund expenditure budget, net of budgeted capital projects and one-time significant items.
- ✓ Target Additional Balance - to maintain a fund balance of approximately 5% above the Minimum Contingency Balance of the ensuing year's General Fund expenditure budget, net of budgeted capital projects and one-time significant items.
- ✓ Unrestricted Fund Balance – all fund balance above and beyond those balances reserved in the Minimum Contingency Balance and the Target Additional Balance.
- ✓ The Target Additional Balance shall be permitted to be used to fund one-time capital projects or achieve specific objectives by approval of the Board but shall not otherwise be used on an annual basis to fund recurring operating expenditures. The Target Additional Balance shall provide a buffer between the Village's Unrestricted Fund Balance and the Minimum Contingency Balance.
- ✓ The Minimum Contingency Balance, as well as the Target Additional Balance, will be considered as part of the annual budget process and an analysis, based on the proposed budget and to include prior year's fund balance, shall be presented to the Village Board prior to approval of the annual budget.
- ✓ Shortages from the requirements of this policy shall be built up to policy levels within two fiscal years. Shortage is defined as having less than the total of the Minimum Contingency Balance and the Target Additional Balance at fiscal year-end. Shortage may also be defined as a projection at the time of budget preparation that would indicate the policy requirements will not be met at the current fiscal year end.
- ✓ Any Unrestricted Fund Balance may be included in the subsequent year's budget, if necessary, to cover budgeted expenditures that exceed budgeted revenues.
- ✓ Use of the General Fund's Minimum Contingency Balance or Target Additional Balance is prohibited as a funding source for recurring operating expenditures.

Debt Management Policy

In April 2022, the Village Board approved a Debt Management Policy to provide comprehensive guidelines for debt management and capital planning, and to facilitate the issuance of appropriate financings. It is the objective of the policy to enhance the Village's reputation for managing its debt in a conservative and prudent manner and to help ensure the Village's credit worthiness.

While the use of bond counsel and financial advisors is encouraged, the primary responsibility for developing financing recommendations rests with Village Administrator. The responsibilities of the Village Administrator shall be to:

- Maintain the best possible credit rating for each general obligation or other debt financing issuance.
- Take all practical precautions to avoid any financial decisions that will negatively impact current credit ratings on existing or future debt issues.
- Consider careful market timing to minimize debt interest cost.
- Determine the amortization schedule that will best fit within the overall debt structure of the Village's debt and related tax levy at the time the new debt is issued.

The Village's Bond Counsel will issue an opinion as to the legality and tax-exempt status of all obligations. Bond Counsel is also responsible for the preparation of the ordinance authorizing the issuance of obligations and other related documents required for the bond closing. Bond Counsel will review and respond to any tax objections raised related to bond issues they have prepared.

If determined necessary, the Village shall seek advice of a Financial Advisor on the structuring of the bonds to be issued, on available financing options to consider and how the choices will impact future debt issuances. The

Financial Advisor will also coordinate and execute the bond sales and closings, including distribution of Official Statements, and will coordinate the bond rating process when necessary.

The laws of the State of Illinois establish the Village's power and authority to contract debt, borrow money and issue bonds for public improvement projects and the Village shall comply with these laws throughout any debt issuance. Under these provisions, the Village may issue debt to pay for the cost of acquiring, constructing, reconstructing, improving, extending, and equipping such projects, or to refund bonds. As provided in Illinois Compiled Statutes, the Village shall, at no time, become indebted in any manner, or for any purpose, in a total amount exceeding 8.625% of the value of taxable property within the Village.

Long-term obligations will not be used for operating purposes, and the life of the obligations will not exceed the useful life of the projects financed. The Capital Improvement Program prepared by the Village, and updated as part of the annual budget process, will outline the needs for the issuance of the debt.

The Village shall design financing schedules and repayment of debt to take best advantage of market conditions and, as practical, to recapture or maximize its credit capacity for future use and to moderate the impact to the taxpayer. When feasible and economical, debt obligations should be issued by competitive sale rather than negotiated sale.

The Village will be mindful of the potential benefits of bank qualification and will strive to limit its annual debt issuance to less than \$10 million when possible.

The Village will strive to issue debt as exempt, general obligation debt to minimize interest costs. On an annual basis, the Village will determine if alternative revenues are available to fund the annual debt service costs, thereby allowing the Village to abate any related property tax levy, if advisable.

The Village shall prepare the appropriate disclosures as required by the Securities and Exchange Commission, the federal government, the State of Illinois, rating agencies, underwriters, investors, agencies, taxpayers and other appropriate entities and persons to ensure compliance with applicable laws and regulations.

The Village shall consider refunding outstanding debt when legally permissible and financially advantageous, with a target net present value savings of approximately 2.0%.

The Village acknowledges its ongoing fiduciary responsibilities to actively manage the proceeds of debt issued for public purposes in a manner that is consistent with Illinois State Statutes that govern the investment of public funds. The management of public funds shall enable the Village to respond to changes in markets or changes in payment or construction schedules to optimize returns, ensure liquidity and minimize risk.

The Village will strive to maintain and/or to improve its bond rating.

The Village's policy is to minimize the cost of arbitrage rebate and yield restrictions while strictly complying with the law. The Village will contract with an arbitrage rebate service provider to maintain a system for computing and tracking any arbitrage rebate liability.

Investment Policy

As required by State statute, the Village has formal investment policies for both Village and Police Pension investments that provide guidelines for the prudent investment of funds in compliance with state statutes.

The policies address safety, liquidity, and return on investment and require a periodic review of the investment portfolios. Investments must be made with the judgement and care under circumstances then prevailing which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable preservation of their capital, as well as the income to be derived.

The policies address ethics and conflict of interest. The Finance Director/Treasurer and any other investment officers of the Village, as well as Village employees in policy-making positions, shall refrain from personal business activity that could conflict, or give the appearance of a conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

No person acting as Finance Director/Treasurer or other financial officer for the Village, or who is employed in any similar capacity by or for the Village, may (1) have any interest, directly or indirectly, in any investments in which the Village is authorized to invest, (2) have any interest, directly or indirectly, in the sellers, sponsors, or managers of those investments or (3) receive, in any manner, compensation of any kind from any investments in which the Village is authorized to invest.

Authorized and suitable investment, as well as investment restrictions, listed in the policies are as per Illinois State Statute. Collateral at 110 % is required on any deposits with a single institution that exceeds \$250,000.

The investment portfolios shall be diversified to eliminate the risk of loss resulting from concentration of assets in a specific maturity, a specific issuer or a specific class of securities. All security transactions entered into by the Village shall be conducted on a deliver-versus-payment or receipt-vs-payment basis. Securities shall be held by a safekeeping agent designated by the Village and evidenced by safekeeping receipts.

Police Pension Funding Policy

The Village Board's established policy is to annually contribute 100% of the actuarially determined recommended contribution to the Police Pension Fund. A portion of the funding is derived from the annual property tax levy, with the remainder coming from general revenues of the Village. The FY2024 budget reflects a levy for 50% of recommended contribution, with the other 50% being funded by general revenues of the Village.

Basis of Presentation and Measurement Focus

The finances of the Village are organized and operated on the basis of “funds”, independent fiscal and accounting entities with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and demonstrates compliance with finance-related legal and contractual provisions. The Village prepares a budget for seven funds which are reflected as governmental funds in its financial statements. The Village’s enterprise funds were closed in FY2022; the Village has no other proprietary funds as its Vehicle Service Fund is classified as a governmental fund. In addition, the budget for the Police Pension Fund, a fiduciary fund, is not included in the Village’s formally approved budget ordinance.

Governmental Funds

Governmental funds are used to account for the Village’s general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting, where revenues are recognized when “measurable and available”. Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after fiscal year-end. The Village recognizes property taxes when they become both measurable and available. For all other government fund revenues, a one-year availability period is used for revenue recognition. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due. Governmental funds include the following fund types:

- ✓ *General Fund*: primary operating fund, accounting for all financial resources, except those required to be accounted for in another fund
- ✓ *Special Revenue Funds*: account for revenue sources that are restricted to expenditures for a specific purpose (not including expendable trusts or major capital projects)
- ✓ *Debt Service Funds*: account for the servicing of general obligation long-term debt not being financed by proprietary or nonexpendable trust funds, including accounting for property taxes levied for the payment of principal and interest on all general obligation debt, as well as the payment of these obligations
- ✓ *Capital Projects Funds*: account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds

Proprietary Funds

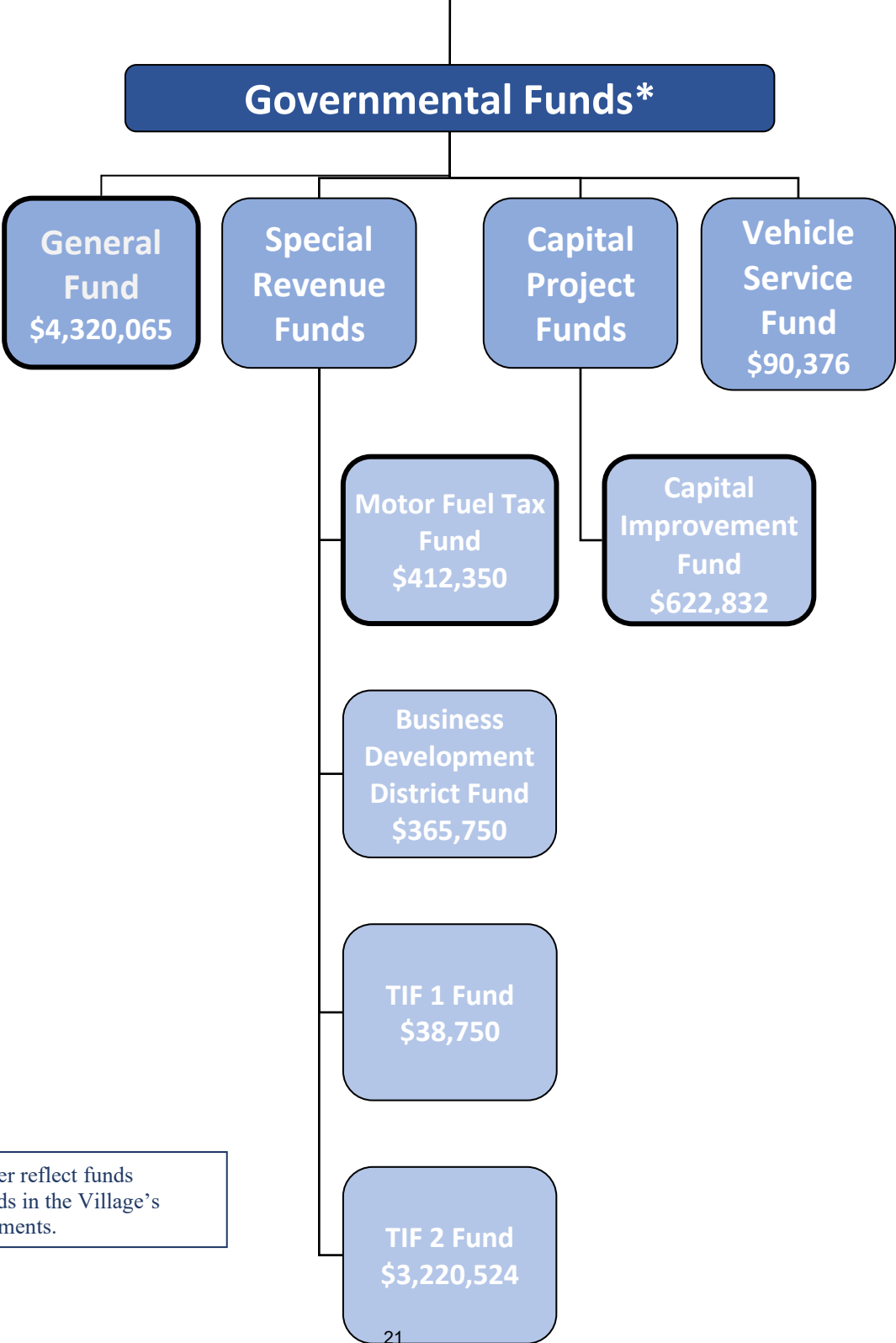
Proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Proprietary funds include the following fund types:

- ✓ *Enterprise Funds*: account for those operations that are financed and operated in a manner similar to private business or where the Board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability
- ✓ *Internal Service Funds*: account for operations that provide services to other departments or agencies of the Village, or to other governments, on a cost-reimbursement basis

Fiduciary Funds

Fiduciary funds account for assets held by the Village in a trustee capacity or as an agent on behalf of others and use the same measurement focus and basis of accounting as proprietary funds.

**FY2024 Budgeted Expenditures
\$9,070,647**



*Funds with bold border reflect funds classified as major funds in the Village's FY2022 financial statements.

Major Governmental Funds

Governmental funds are classified as either major or non-major funds. Major governmental funds reflect those funds that have revenues, expenditures, assets, or liabilities of that fund that are at least 10 percent of the corresponding totals, excluding extraordinary items, for all governmental funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds for the same item. The Village can report any fund that does not meet these requirements as a major fund if this presentation better reflects the purpose and financial condition of that fund. The Village has three major governmental funds, as follows:

- ✓ *General Fund (always classified as major):* accounts for most of the Village’s day-to-day operations
- ✓ *Motor Fuel Tax Fund:* accounts for the Village’s share of State imposed taxes on gasoline and the subsequent sending of these revenues
- ✓ *Capital Improvements Fund:* accounts for public improvements and large multi-year projects that are funded by a variety of sources

Non-Major Governmental Funds

The Village has four funds which do not meet the major fund classification requirements listed above and are therefore classified as non-major funds, as follows:

- ✓ *Business Development District Fund:* accounts for the receipt and subsequent spending of the Village’s 1% business district tax
- ✓ *TIF 1 and TIF 2 Funds:* accounts for the incremental property taxes generated within the boundaries of the TIF District and the subsequent spending of these revenues of TIF eligible projects
- ✓ *Vehicle Service Fund:* accounts for the maintenance and purchase of vehicles purchased by the Village

The following chart summarizes the relationship between operating departments and fund spending.

Operating Departments					
Fund	Administration	Police	Building	Public Works	Planning & Zoning
General	X	X	X	X	X
Motor Fuel Tax				X	
Business Development District	X				X
TIF 1	X				X
TIF 2	X				X
Capital Improvement	X	X		X	
Vehicle Service		X		X	

Fund Balance Analysis & Changes in Fund Balance

Fund Balance Analysis

In governmental funds, the difference between the assets and liabilities is reported as fund balance. The Village's governmental funds balance sheet included in its audited annual financial statements may reflect fund balance categorized as follows:

Non-spendable – portion of fund balance that is not available to be spent, either short-term or long-term, in either form or through legal restrictions

Restricted – portion of fund balance that is subject to external enforceable legal restrictions

Committed – portion of fund balance where the constraint on spending the fund balance is self-imposed by formal action of the highest level of decision-making authority

Assigned – portion of fund balance constrained by the Village's intent to use fund balance for a specific purpose

Unassigned – available expendable resources that are not the object of management plans, i.e., assignments.

Changes in Fund Balance

General Fund – Projected fund balance at the end of FY2024 is forecasted at approximately \$10.8 million, or 263% of annual recurring operating expenditures. Based upon a conservative estimate of FY2023 revenues, fund balance at the end of FY2024 is projected at approximately \$200,000 less than fund balance at the end of FY2023. This is a fund balance decrease of less than 2%.

Motor Fuel Tax Fund – The FY2024 budget includes a planned drawdown on fund balance in the Motor Fuel Tax Fund of approximately \$238,000. FY2023 ending fund balance reflects Build Illinois revenues that the Village has received over the last few years. This drawdown on fund balance will be utilized to fund the Village's annual road improvement program.

Business Development District Fund – The Village's Business Development District Fund receives funding from a 1% business district sales tax enacted by the Village. FY2023 revenues also included ARPA funds in the amount of \$234,857. Fund balance at the end of FY2024 is estimated at \$275,245, approximately 9% less than FY2023 projected ending fund balance. The drawdown on fund balance is to fund projects that will further enhance the downtown area.

TIF 1 Fund – Projected fund balance at the end of FY2023 is estimated at \$62,314. This amount reflects FY2023 revenues received of \$22,864, approximately \$22,000 less than budgeted, offset by actual expenditures of \$9,000, as compared to budgeted expenditures of \$68,000. Fund balance at the end of FY2024 is estimated at \$46,964, with FY2024 revenues remaining consistent as compared to FY2023 revenues and FY2024 budgeted expenditures of approximately \$39,000.

TIF 2 Fund – In December 2022, the Village issued general obligation bond for the purpose of funding improvements within the TIF district. Estimated fund balance at the end on FY2023 amounts to approximately \$3,028,000; this balance will be depleted in FY2024 as the spending of bond proceeds occurs. Fund balance at the end of FY2024 is estimated at \$174,115.

Capital Improvement Fund – The Village's Capital Improvement Fund receives funding through interfund transfers from the General and Motor Fuel Tax Funds, as well as periodic developer donations, and State and Federal funding awarded for specific projects. Fund balance in this fund fluctuates depending on the timing of the receipt and subsequent expenditure of funds. Estimated fund balance at the end of FY2024 amounts to \$251,495. Any remaining fund balance at the end of a fiscal year is utilized to fund future capital projects.

Fund Balance Analysis & Changes in Fund Balance

Vehicle Service Fund – The Vehicle Service Fund was originally established to reflect expenses related to the purchase and maintenance of the Village’s police, public works and water fleet. Upon sale of the Village water system to a private water service provider, the need for this fund no longer existed, as all expenses of the fund were for governmental type purposes. The Vehicle Service Fund is currently combined with General Fund for financial reporting purposes and will be closed at the end of FY2024, as the estimated remaining fund balance of \$90,376 has been budgeted as an interfund transfer to the General Fund.

A detailed view of fund balance for each of the Village’s budgeted funds can be found on the following pages.



Village of Peotone, Illinois
 Fiscal Year 2024 Budget
Fund Balance Analysis

	Projected Fund Balance FY2023	Budgeted Revenues	Budgeted Expenditures	Projected Fund Balance FY2024
General Operating				
General Fund	\$ 10,967,322	\$ 4,122,627	\$ 4,320,065	\$ 10,769,884
Special Revenue				
Motor Fuel Tax Fund	468,627	174,016	412,350	230,293
Business Development District Fund	301,293	339,702	365,750	275,245
TIF 1 Fund	62,314	23,400	38,750	46,964
TIF 2 Fund	3,028,708	365,931	3,220,524	174,115
Capital Projects				
Capital Improvement Fund	429,803	444,524	622,832	251,495
Internal Service				
Vehicle Service Fund	90,376	-	90,376	-
TOTAL ALL FUNDS	\$ 15,348,443	\$ 5,470,200	\$ 9,070,647	\$ 11,747,997



Village of Peotone, Illinois
Fiscal Year 2024 Budget
Changes in Fund Balance

	Audited Fund Balance FY2021	Audited Fund Balance FY2022	Projected Fund Balance FY2023	Projected Fund Balance FY2024
General Operating				
General Fund	\$ 12,208,901	\$ 11,951,199	\$ 10,967,322	\$ 10,769,884
Special Revenue				
Motor Fuel Tax Fund	700,648	659,872	468,627	230,293
Business Development District Fund	226,346	361,298	301,293	275,245
TIF 1 Fund	79,768	48,450	62,314	46,964
TIF 2 Fund	4,954	19,285	3,028,708	174,115
Capital Projects				
Capital Improvement Fund	577,745	415,542	429,803	251,495
Internal Service				
Vehicle Service Fund	106,057	130,144	90,376	-
TOTAL ALL FUNDS	\$ 13,904,421	\$ 13,585,792	\$ 15,348,443	\$ 11,747,997



Village of Peotone, Illinois
Fiscal Year 2024 Budget
Revenue and Expenditure Summary - by Fund

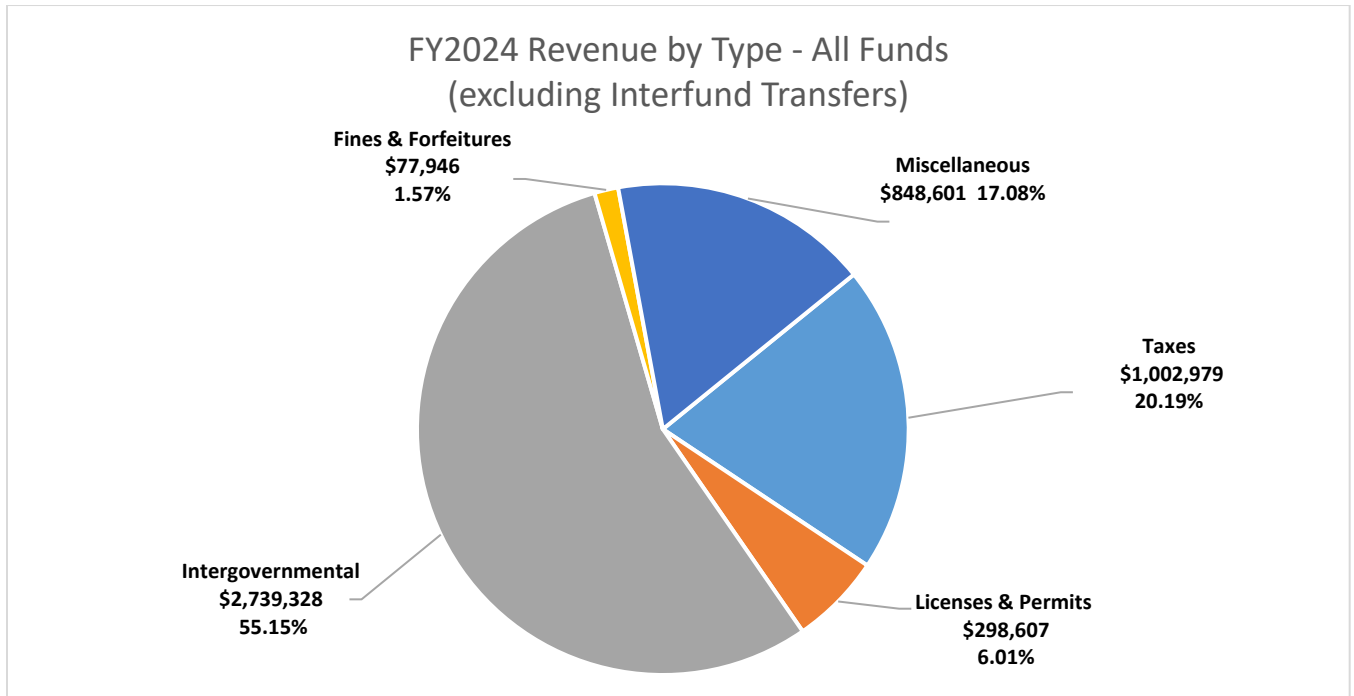
	FY2024 Budgeted Revenues	FY2024 Budgeted Expenditures	Variance
General			
General Fund	\$ 4,122,627	\$ 4,320,065	\$ (197,438)
Special Revenue			
Motor Fuel Tax Fund	174,016	412,350	(238,334)
Business Development District Fund	339,702	365,750	(26,048)
TIF 1 Fund	23,400	38,750	(15,350)
TIF 2 Fund	365,931	3,220,524	(2,854,593)
Capital Projects			
Capital Improvement Fund	444,524	622,832	(178,308)
Internal Service			
Vehicle Service Fund	-	90,376	(90,376)
TOTAL ALL FUNDS	\$ 5,470,200	\$ 9,070,647	\$ (3,600,447)



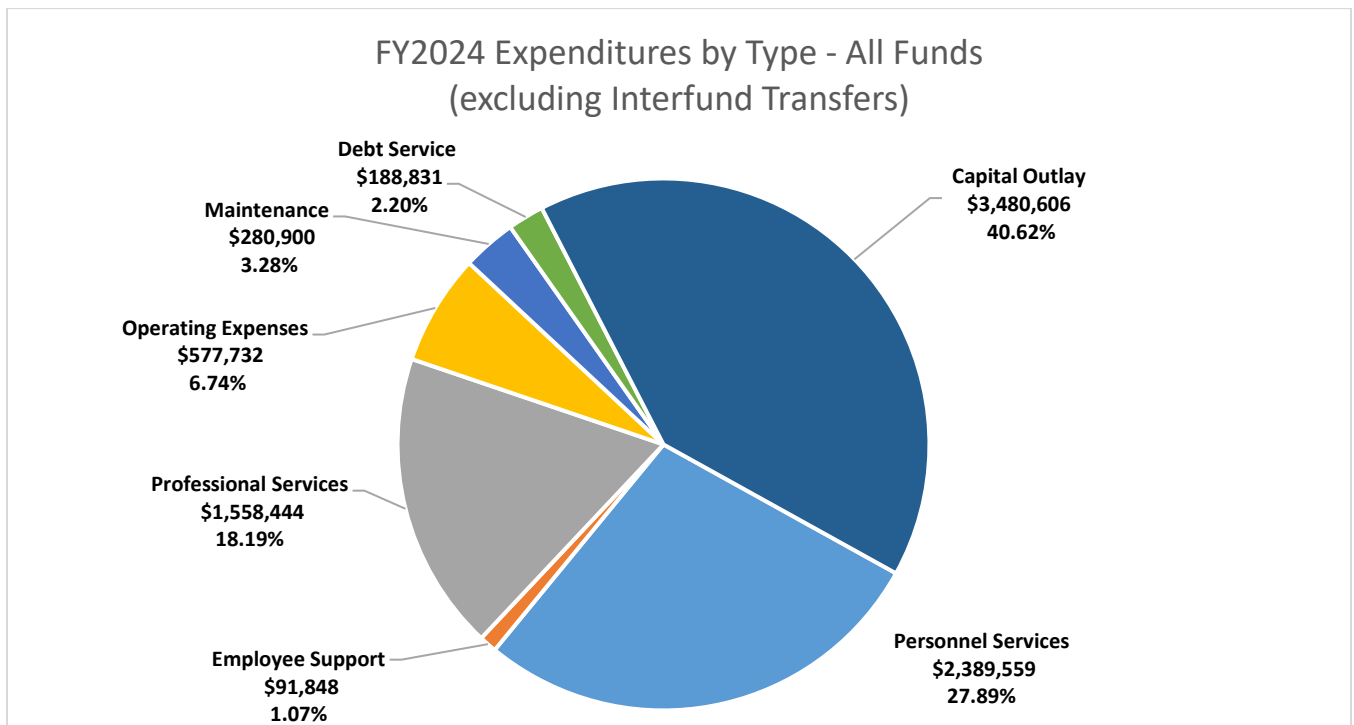
Summary of Revenues, Expenditures and Changes in Fund Balance - All Funds

	FY2021 Actual	FY2022 Actual	FY2023 Amended Budget	FY2023 Projected	FY2024 Budget
Revenues					
Taxes	\$ 904,677	\$ 902,000	\$ 863,308	\$ 967,843	\$ 1,002,979
Licenses and Permits	279,382	254,205	212,902	262,536	298,607
Intergovernmental	2,521,205	2,647,175	5,923,683	3,339,526	2,739,328
Fines And Forfeitures	79,616	49,653	45,000	76,282	77,946
Miscellaneous Revenues	245,694	146,334	110,555	277,686	848,614
Total Revenues	\$ 4,030,574	\$ 3,999,367	\$ 7,155,448	\$ 4,923,873	\$ 4,967,474
Expenditures					
Personnel Services	2,365,156	2,389,442	2,470,082	2,500,820	2,389,559
Employee Support	39,781	42,162	67,900	59,320	91,848
Professional Services	693,717	740,663	1,042,700	1,099,728	1,558,444
Operating Expenses	425,484	469,895	551,558	533,031	577,732
Maintenance	289,596	319,074	646,500	887,281	280,900
Debt Service	42,753	44,891	41,385	42,753	188,831
Capital Outlay	75,796	324,800	4,286,550	1,038,336	3,480,606
Total Expenditures	\$ 3,932,284	\$ 4,330,926	\$ 9,106,675	\$ 6,161,269	\$ 8,567,921
Excess (Deficiency) of Revenues Over Expenses:	98,290	(331,559)	(1,951,227)	(1,237,397)	(3,600,447)
Other Financing Sources (Uses)					
Transfers In	2,500	12,930	17,500	436,499	502,726
Transfers Out	(2,500)	-	-	(436,499)	(502,726)
Bond Proceeds	-	-	-	3,055,000	-
Bond Issuance Costs	-	-	-	(54,950)	-
Total Other Financing Sources (Uses)	\$ -	\$ 12,930	\$ 17,500	\$ 3,000,050	\$ -
Net Income (Loss)	98,290	(318,629)	(1,933,727)	1,762,653	(3,600,447)
Beginning Fund Balance	13,806,129	13,904,420	13,585,790	13,585,790	15,348,443
Ending Fund Balance	\$ 13,904,419	\$ 13,585,790	\$ 11,652,063	\$ 15,348,443	\$ 11,747,997

Total FY2024 revenues for all budgeted Village funds amount to \$5,470,200 (including Interfund Transfers) and total FY2024 expenditures for all budgeted Village funds amount to \$9,070,647 (including Interfund Transfers). Total revenues and total expenditures include interfund transfers between funds in the total amount of \$502,726.



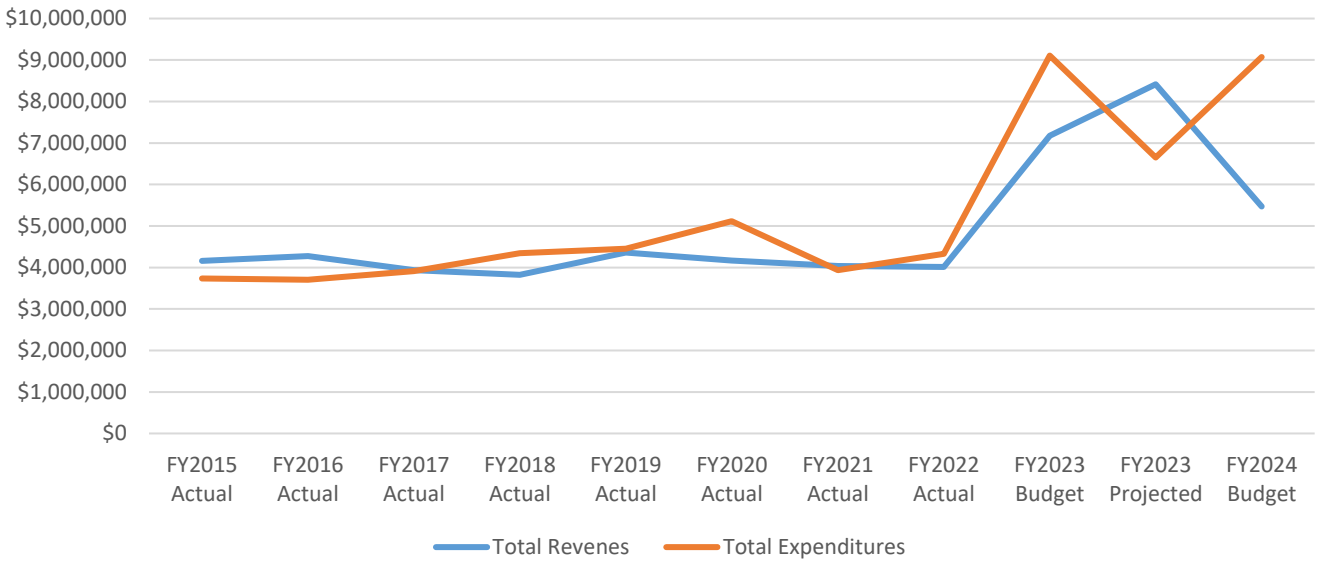
Below is a summary of FY2024 revenues and expenditures by type, net of Interfund Transfers.



Village Wide Revenues and Expenditures

Total FY2024 revenues for all budgeted Village funds amount to \$5,470,200 and total FY2024 expenditures for all budgeted Village funds amount to \$9,070,647, including interfund transfers. Below is a historical trend of total Village-wide revenues and expenditures, shown over the last ten years.

Village Wide - Historical Revenues and Expenditures

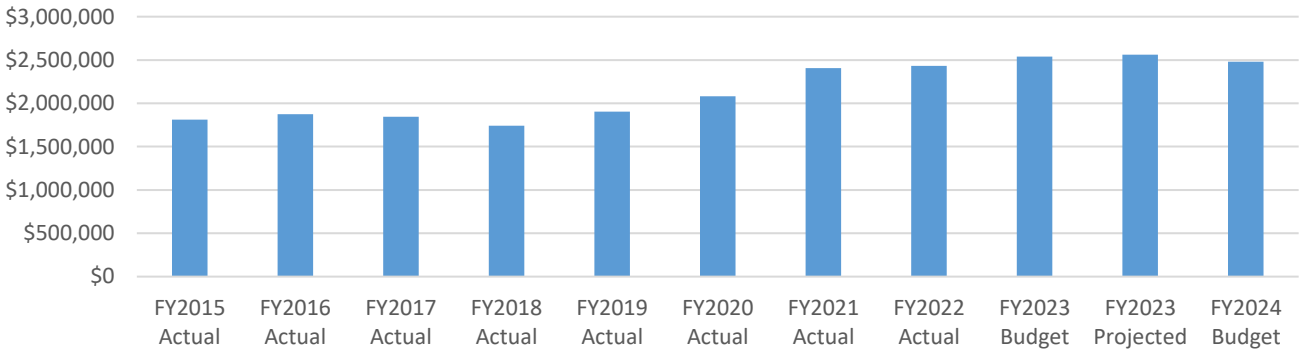


The increase in total revenues when comparing FY2022 Actual and FY2023 Projected is mostly due to the receipt of bond proceeds in the amount of \$3,050,000. These proceeds were received in December 2022 (FY2023) and will be spent in FY2024 as the project is anticipated to be completed in the upcoming year.

The increase in total expenditures when comparing FY2023 Projected to FY2024 Budget is mostly due to the inclusion of the bond-funded project in the FY2024 budget. This project is reflected in the TIF 2 Fund and is anticipated to be complete by the end of FY2024.

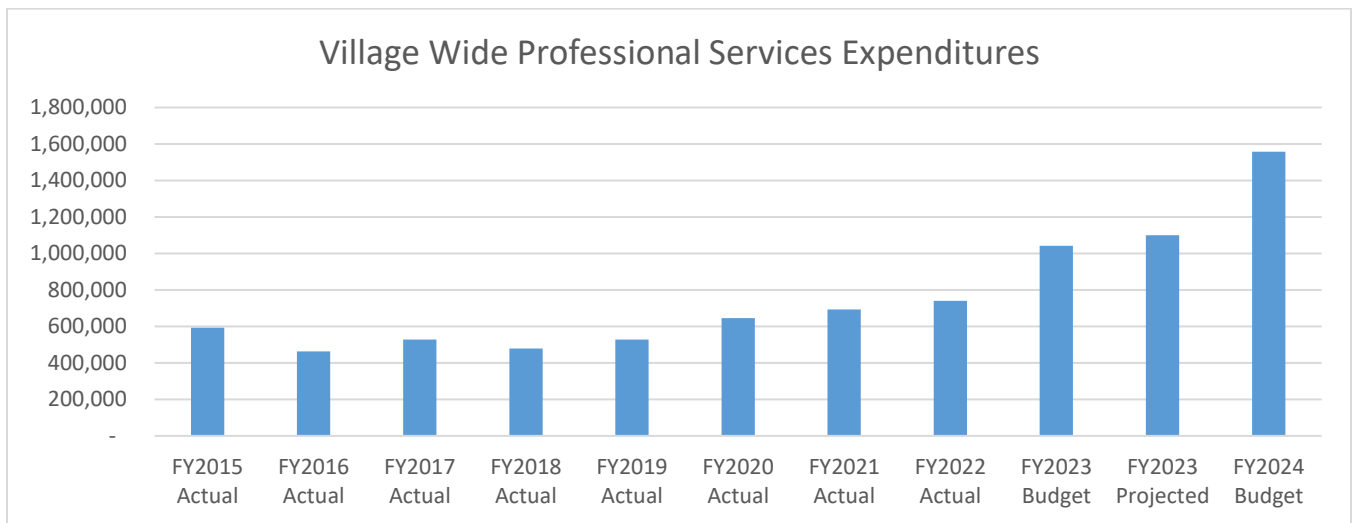
Below is a history of the Village’s Personnel expenditures for the last ten years. This expenditure category has grown approximately 37% since FY2015, for an average annual increase of approximately 3.7%. The slight decline when comparing FY2023 Projected to FY2024 Budget is due to the outsourcing of the Treasurer position and a decrease in the recommended Village contribution to the Police Pension Fund, offset by the addition of one new full-time position.

Village Wide Personnel Expenditures



Below is a history of the Village’s Professional Services expenditures for the last ten years. The FY2024 budget amounts to \$1,558,444. This expenditure fluctuates each year based on maintenance and new construction projects included in the annual budget, as well as the consulting needs of the Village. The FY2024 Budget includes capital project related engineering fees of approximately \$750,000.

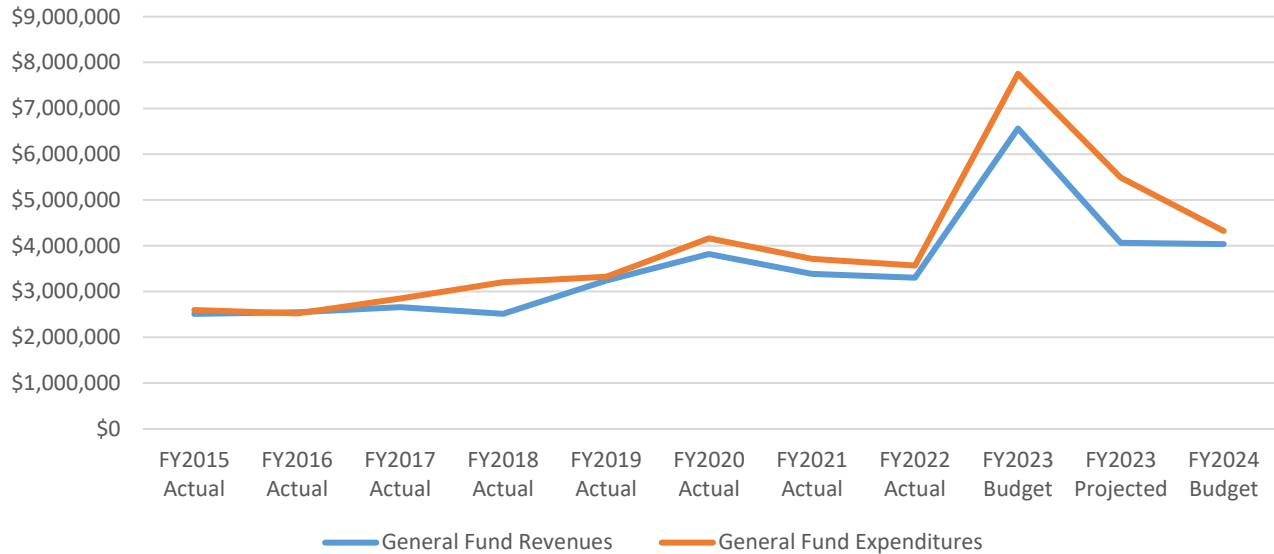
Village Wide Professional Services Expenditures



General Fund Revenues and Expenditures

Total FY2024 revenues for the General Fund amount to \$4,122,627 and total FY2024 expenditures for the General Fund amount to \$4,320,065, including interfund transfers. Below is a historical trend of total General fund revenues and expenditures shown over the last ten years.

General Fund - Historical Revenues and Expenditures



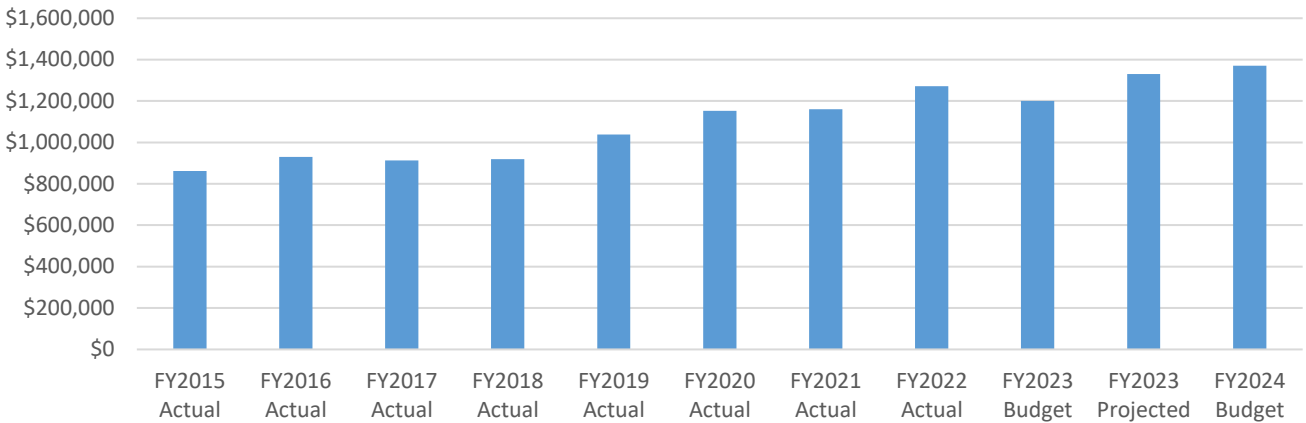
The significant increase in revenues and expenditures in the FY2023 budget is related to the inclusion of grant proceeds in the amount of \$3,200,000 that were not received, as well as capital outlay budgeted for the project that was to be funded by the grant proceeds. Since the Village was not awarded the grant, the project did not occur.

The increase in revenues when comparing FY2022 Actual to FY2023 Projected is partially due to the reclassification of a portion of ARPA grant proceeds from deferred revenue to revenue as ARPA allowable expenditures occurred the General Fund in FY2023. In addition, a transfer from the Business Development District Fund to the General Fund occurred in FY2023 to cover the cost of a capital improvement project that was budgeted in the General Fund.

General Fund Revenues

Sales, Use and Cannabis Tax revenue, combined, represent the largest source of General Fund revenue. For purposes of this analysis, these revenues are reported as one amount as prior to FY2024, these revenues were combined in a single GL account and not identified individually. Below are the historical combined revenues from these three sources since FY2015.

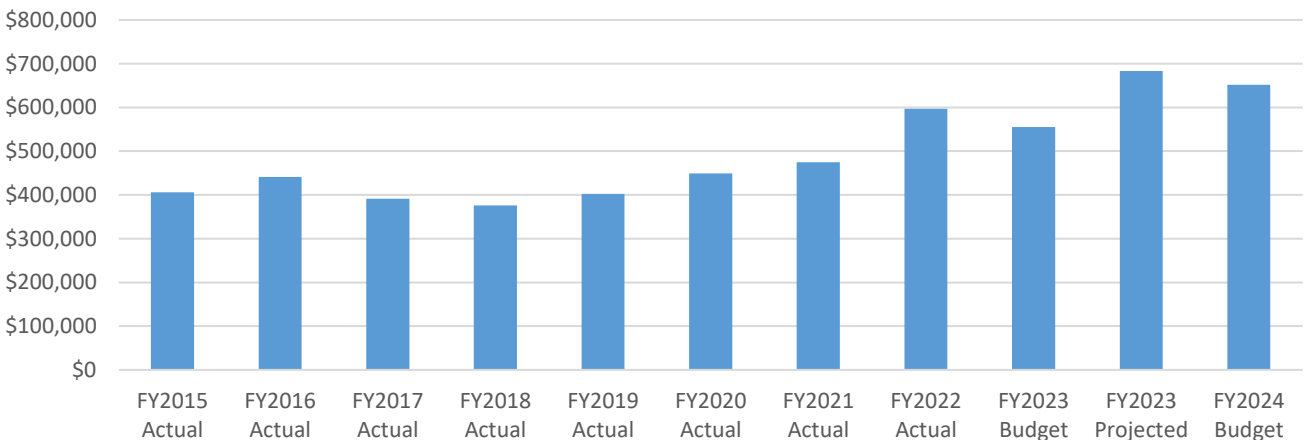
Municipal Sales Tax (including Sales, Use and Cannabis Tax)



These revenues sources have grown approximately 60% when comparing FY2015 Actual to FY2024 Budget. Approximately 65% of the Village’s Municipal Sales Tax collections are derived from the three auto dealerships located within the Village.

While State action could affect this revenue source, Income Tax revenue over the last ten years has shown to be a stable, steadily increasing source of revenue for the Village. This revenue is distributed to the Village on a per capita basis. The chart below shows the historical income tax revenues collected since FY2015.

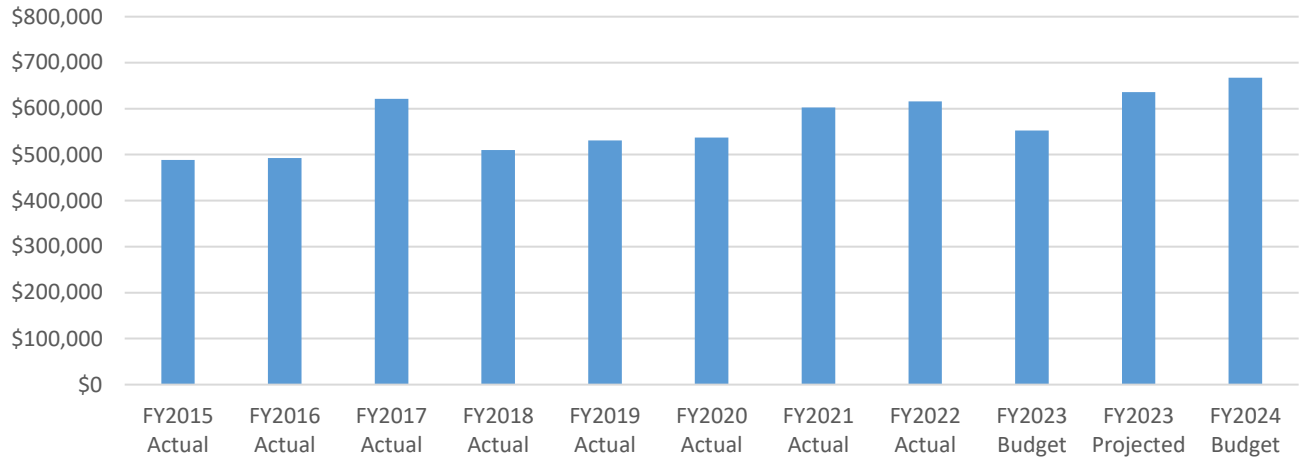
Income Tax



The FY2023 Projected and FY2024 Budget are based in per capita amounts published by the Illinois Municipal League (IML). The slight decline when comparing FY2023 Projected to FY2024 Budget is based on a conservative per capita rate for the State’s fiscal year 2023 and 2024.

The chart below shows the historical property tax (including Road & Bridge) revenues recorded in the General Fund since FY2015.

Property Tax (including Road & Bridge)



The Village’s property tax levy fluctuates each year based on growth in the Village’s EAV, as well as changes in the recommended contribution to the Police Pension Fund. The Village strives to minimize its reliance on property taxes while maintaining a consistent level of service to its residents.

The total cost of compensation for the Village’s personnel represents the largest component of the Village’s recurring operating expenditure budget. The FY2024 Budget reflects a total personnel count of 18 full-time and 9 part-time employees (positions).

The Village’s full-time employee population consists of both union and non-union employees (positions), as shown below. The Village’ union employees are members of one of two bargaining units, including the following:

- ✓ International Brotherhood of Teamsters Local 700 – Sworn personnel – 8 members
- ✓ International Union of Operating Engineers Local 399 – Clerical Administration and Public Works – 4 members

Sworn Personnel - The current sworn personnel contract, effective April 1, 2019, expires on March 31, 2024. This contract provides for a 3.0% rate increase beginning on April 1, 2019 through 2023. Officers not at the top of their salary range are eligible for a merit increase on their anniversary dates that averages 4.0%.

Full-Time Public Works Personnel - The current full-time public works personnel contract, effective April 1, 2022, expires on March 31, 2027. This contract provides for a 4.5% hourly rate increase on April 1, 2022, a \$1.00 hourly rate increase on April 1, 2023, a \$.95 hourly rate increase on April 1, 2024 and 2025 and a 4.0% hourly rate increase on April 1, 2026.

Full-time Clerical Personnel – The current contract for full-time clerical personnel, effective April 1, 2021, expires on March 31, 2024. This contract provides for a 3.0% hourly rate increase on April 1, 2021, 2022 and 2023.

Non-Union Personnel – The FY2024 compensation budget reflects hourly rate/salary increases of 3.0% for all full-time and part-time non-union personnel.

Total full-time and part-time positions reflected in the FY2024 budget, as well full-time equivalent allocations, by department are reflected below, along with a comparison to FY2022 actual and FY2023 projected.

Department	FY2022 Actual			FY 2023 Projected			FY2024 Budget		
	FT	PT	FTE	FT	PT	FTE	FT	PT	FTE
Administration	3.00	1.00	3.50	3.00	1.00	3.50	2.00	2.00	3.00
Police	11.00	5.00	11.50	11.00	5.00	11.50	11.00	5.00	11.50
Building	-	1.00	0.50	-	1.00	0.50	1.00	1.00	1.50
Public Works	4.00	1.00	4.50	4.00	1.00	4.50	4.00	1.00	4.50
Total Personnel	18.00	8.00	20.00	18.00	8.00	20.00	18.00	9.00	20.50

Personnel Budget

The FY2024 Budget reflects total compensation and employee support costs in the amount of \$2,481,407. All personnel related costs are reflected in the expenditure budget of the General Fund. Total compensation costs include salaries (including overtime and add pays such as longevity and education), the Village’s contribution to IMRF, Social Security, Medicare and the Police Pension Fund, the Village’s share of health, dental, vision and life insurance premium costs and uniforms, dues and subscriptions, recruitment costs and training and travel costs.

When compiling the annual personnel budget, the Village uses a streamlined total compensation model that serves as a strategic budgeting tool for salaries and benefits.

Personnel Changes

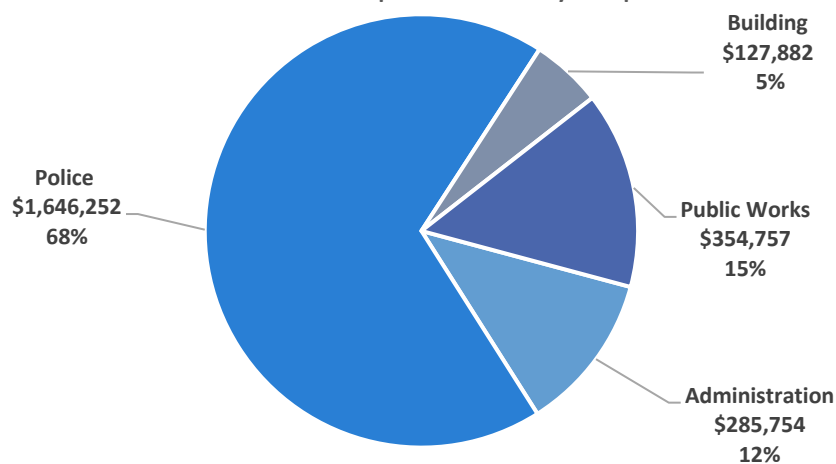
The FY2024 budget reflects the following personnel changes.

- ✓ The Village Clerk position was transitioned from an elected position to an appointed position and was filled with an internal candidate. The Clerical Support position held by the internal candidate was transitioned from one full-time position to two Clerical Support part-time positions.
- ✓ Funding for the Village Treasurer position was not included in the FY2024 budget; responsibilities of the Treasurer position were outsourced to an independent consulting firm.
- ✓ The position of Building & Zoning Coordinator was added and is reflected in the Building Department budget.

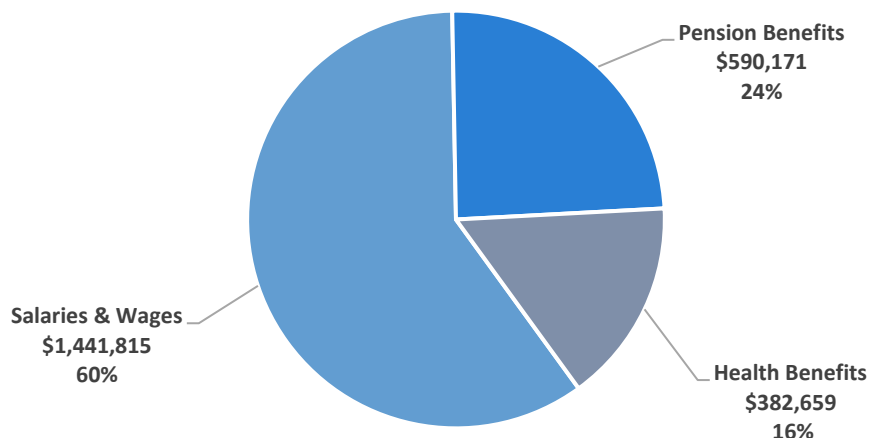
Personnel Costs – Total Compensation

Total personnel cost of compensation, by department and by type, is reflected below.

FY2024 Total Compensation by Department



FY2024 Salaries and Benefits by Type



In addition to the salary adjustment amounts noted above, the FY2024 Budget reflects the following personnel assumptions:

- ✓ 5% assumed increase in health, dental and vision insurance premiums as of the Village’s July 1, 2023 renewal date
- ✓ Illinois Municipal Retirement Fund (IMRF) contribution rate for non-public safety employees is .83 % as of January 1, 2023 and assumed at the same rate effective January 1, 2024
- ✓ Police Pension contributions assumed at \$474,941 based on results of the April 30, 2022 actuarial valuation, funded by property taxes, as well as general revenues of the Village

PPO Medical benefits for employees and retirees are provided through the Village’s participation in the Intergovernmental Personnel Benefit Cooperative (IPBC). The IPBC is a cooperative entity established to jointly administer some or all the personnel benefit programs offered by its members to their employees and retirees. The Village pays the full premium for health, dental, vision and life insurance for all active employees. Retirees who remain on the Village’s plan are required to cover the full costs of any benefits they choose to enroll in.

Schedules of total wages, including salaries, overtime and add pays by department, can be found below. Salaries by position for each department can be found in the Appendix section of this document.

**VILLAGE OF PEOTONE
EMPLOYEE SALARIES BY DEPARTMENT
FISCAL YEAR 2024**

Department	FY 2021 Actual	FY2022 Actual	FY2023 Budget	FY 2023 Projected	FY2024 Budget
Administration	\$ 220,965	\$ 227,306	\$ 233,369	\$ 203,762	\$ 219,052
Police	776,209	823,763	855,176	876,326	886,328
Building	4,259	9,601	18,000	4,425	90,724
Public Works	292,425	218,856	235,080	229,254	245,711
Total	\$ 1,293,858	\$ 1,279,527	\$ 1,341,625	\$1,313,766	\$ 1,441,815



The Village does not currently have a formal Board approved Capital Asset Policy but is in the process of developing one, which will be brought to the Board for approval in the coming months. This Capital Asset Policy will provide a framework for capital planning and financial reporting in conformance with best practices.

The Village's current five-year Capital Improvement Plan (CIP) identifies capital projects that support the Village's strategic goals and include projects such as the purchase, construction and/or improvement of land, buildings, streets, vehicles, machinery, and equipment. To be included in the CIP, the project must have a monetary value of \$10,000 or more and have a useful life of at least one year. The annual capital budget is derived from the multi-year CIP and authorizes and provides the basis for control of the expenditures related to the plan.

Each year, as part of the overall budget process, the department heads and Village Administrator meet to review and evaluate the projects identified for the upcoming budget year, as well as future years. Projects for the upcoming budget year are prioritized based on the Village's overall goals, department priorities and anticipated funding. The updated CIP, based on the consensus of staff, is presented to the Village Board for review and tentative approval. Proposed funding sources for the upcoming budget year are also presented to the Village Board. The Board may choose to add, delete, modify and/or move projects to another budget year. The tentatively approved CIP is then added to the annual budget that will be brought to the Board for formal approval.

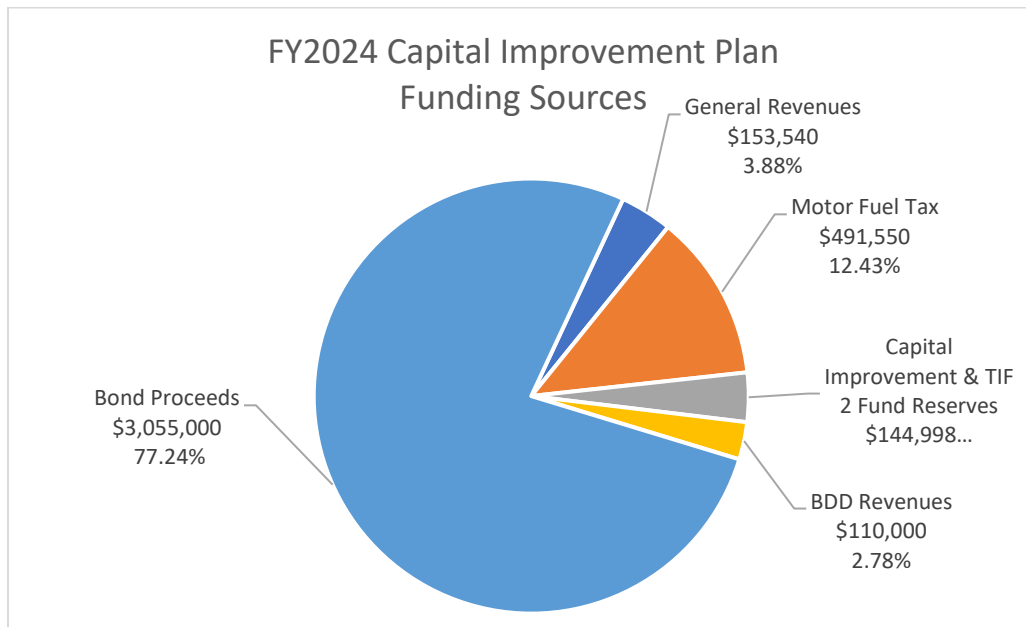
Potential funding sources for the CIP include, but are not limited to, general obligation and alternative revenue bond proceeds, debt certificates and lease proceeds, federal and state grant funding, motor fuel tax proceeds, developer donations, and pay-as-you-go contributions from the Village's operating funds. Operating funds that may contribute to the annual capital budget include the General and Motor Fuel Tax Fund.

The Village's FY2024 capital improvement program amounts to \$3,955,088 reflecting projects budgeted in the General, Capital Improvement, Business Development District and TIF 2 Funds. While the majority of capital projects are reflected in Capital Outlay line items within the FY2024 budget, engineering costs for road improvement costs, in the amount of \$474,482, are classified as Engineering Services and are reflected in Professional Services line items.

A summary of the Village's FY2024 CIP, as well as funding sources, is provided below. Immediately is a summary of the larger budgeted projects, as well as the Village's detailed five (5) year CIP.



The chart below displays the funding sources for the Village’s FY2024 capital improvement projects.





Improvements – I-57/88th & Wilmington Peotone Road – Engineering and Construction - \$3,068,716

The Village is ushering in one of the largest commercial developments to date with the Peotone Travel Center, a 22-acre development with a two-story convenience store, three restaurants in the convenience store, a lounge, approximately 180 overnight truck parking spaces, diesel fuel, video gaming, and a three-story hotel.

As part of this development, the Village is constructing off-site improvements along the project area by upgrading 88th Avenue, the intersection of 88th Avenue and Wilmington Peotone Road, turn lanes onto I-57 on Wilmington Peotone Road and widening the I-57 ramps to accommodate truck traffic and prevent back up onto the interstate. These upgrades are required by the Illinois Department of Transportation and Will County Department of Transportation. Funding for this project is provided by proceeds of the General Obligation (Alternative Revenue) Bonds, Series 2022, issued in December 2022, in the amount of \$3,055,000. As 88th Avenue is a Village-owned road, the Village anticipates operating expenses for pavement maintenance of approximately \$80,000 over a 10 - 12 year lifespan.

Paving – Mill Trace - \$415,350

As part of the annual street improvement program, the Mill Trace subdivision roads will be resurfaced for the first time since the subdivision was established in the 1970's. Motor Fuel Tax revenues will provide the funding for this project. The Village anticipates operating expenses for pavement maintenance of approximately \$50,000 over a 10 - 12 year lifespan.

Purchase of Police Vehicles, including Installation of Equipment - \$94,540

Regular fleet upgrades are required to keep employees and residents safe. The Village maximizes the life of fleet vehicles with consistent maintenance. Older vehicles are rotated out of commission as needed. The F2024 Budget includes the replacement of two existing vehicles, along with necessary equipment. Funding for the purchase of these vehicles is the remaining balance in the Village's Vehicle Service Fund. The Village anticipates operating expenses for the maintenance of these vehicles of approximately \$20,000 over the expected five year life span.

Village of Peotone, Illinois
Fiscal Year 2024 Budget
Five Year Capital Improvement Plan

	FY2024	FY2025	FY2026	FY2027	FY2028
General Fund					
Equipment - Miscellaneous	18,000				
Squad car and equipment	94,540	94,540	60,000	60,000	60,000
Lawn Tractor	26,000				
Equipment - Miscellaneous	15,000				
Front Loader		185,000			
Skid Steer w/Snow Pusher		65,000			
Truck w/Spreader & Plow		51,000	51,000	51,000	
Comprehensive Plan Update		10,000			
Brush Chipper			95,000		
Village Hall - Space Needs Study			20,000		
<i>Total General Fund</i>	<u>153,540</u>	<u>405,540</u>	<u>226,000</u>	<u>111,000</u>	<u>60,000</u>
Capital Improvements Fund					
Paving - West Street South - Engineering	50,000				
Paving - Mill Trace - Engineering	49,482				
Paving - Mill Trace	412,350				
Sidewalk - Oak Street & Corning Avenue - Engineering	15,000				
Sidewalk - Oak Street - Construction	54,000				
Sidewalk - Corning Avenue - Construction	22,000				
Storm Water Study	20,000				
Paving - W Crawford - Engineering		12,672			
Paving - W Crawford		79,200			
Storm Sewer - West Main		410,000			
Storm Sewer - Conrad Street		850,000			
Sidewalk Program - TBD		50,000	50,000	50,000	50,000
Paving - Conrad Street		390,000			
Village Hall - Building Improvements		50,000	50,000		
Paving - E Crawford			205,000		
Salt Dome (1,000 Ton)			165,000		
Storm Sewer - Royal Lane			289,000		
Hauert Street Storm Sewer				300,000	
Paving - Gull Landings Paving				453,200	
Reconstruction - West Street South				250,000	
Paving - South Street Route 50 to South 2nd					439,000
<i>Total Capital Improvements Fund</i>	<u>622,832</u>	<u>1,841,872</u>	<u>759,000</u>	<u>1,053,200</u>	<u>489,000</u>
Business Development District Fund					
Façade Improvement Program - Downtown	10,000	10,000	10,000	10,000	10,000
Property Acquisition	100,000				
Streetscape Construction - Downtown		3,000,000			
Directional Signs		10,000			
Market Study - Downtown		10,000			
<i>Total Business Development District Fund</i>	<u>110,000</u>	<u>3,030,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
TIF 2 Fund					
Improvements - I-57/88th & W-P Road - Engineering PHIII	350,000				
Improvements - I-57/88th & W-P Road	2,718,716				
TIF Expansion		30,000			
<i>Total TIF 2 Fund</i>	<u>3,068,716</u>	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 3,955,088</u>	<u>\$ 5,307,412</u>	<u>\$ 995,000</u>	<u>\$ 1,174,200</u>	<u>\$ 559,000</u>

General obligation bonds are issued for general government activities, are direct obligations, and pledge the full faith and credit of the Village towards their repayment. Periodically, the Village may issue long-term general obligation debt to provide funds for the acquisition and construction of major capital improvements. Best practices indicate that long-term debt should only be issued to fund projects or improvements that have a useful life beyond the term of the applicable debt.

In addition to the issuance of general obligation bonds, the Village may, from time to time, take advantage of other legally available debt instruments to fund the purchase or construction of long-term capital assets or shorter-term vehicles and equipment.

General Obligation Bonds

As of April 1, 2023, the Village’s long-term general obligation debt consisted of General Obligation Bonds (Alternative Revenue Source), Series 2022 in the principal amount of \$3,055,000. The bonds carry an annual coupon rate of 4.84%, with a maturity date of December 1, 2042. The bonds maturing on or after December 1, 2027 are subject to redemption prior to maturity at the option of the Village. The purpose of the issuance was to finance improvements to the Interstate 57 interchange within the Village’s TIF District 2.



Below is a debt service schedule for the Series 2022 general obligation bonds, including principal and interest payments.

Fiscal Year	Total Debt Service	Fiscal Year	Total Debt Service
FY2024	\$140,058	FY2025	\$147,862
FY2026	187,862	FY2027	235,926
FY2028	241,570	FY2029	241,730
FY2030	246,648	FY2031	251,082
FY2032	255,032	FY2033	258,498
FY2034	261,480	FY2035	268,978
FY2036	270,750	FY2037	277,038
FY2038	282,600	FY2039	287,436
FY2040	291,546	FY2041	294,930
FY2042	302,588	FY2043	309,278



Legal Debt Margin and Debt Per Capita

Based on Illinois Compiled Statutes, as well as the Village's non-home rule status, the legal debt limit for the Village is 8.625% of Equalized Assessed Valuation (EAV). Based on the Village's 2022 EAV of \$109,777,206, the Village's legal debt limit is \$9,468,284. The Village's FY2024 Budget does not include the issuance of any general obligation debt.

Capital Leases

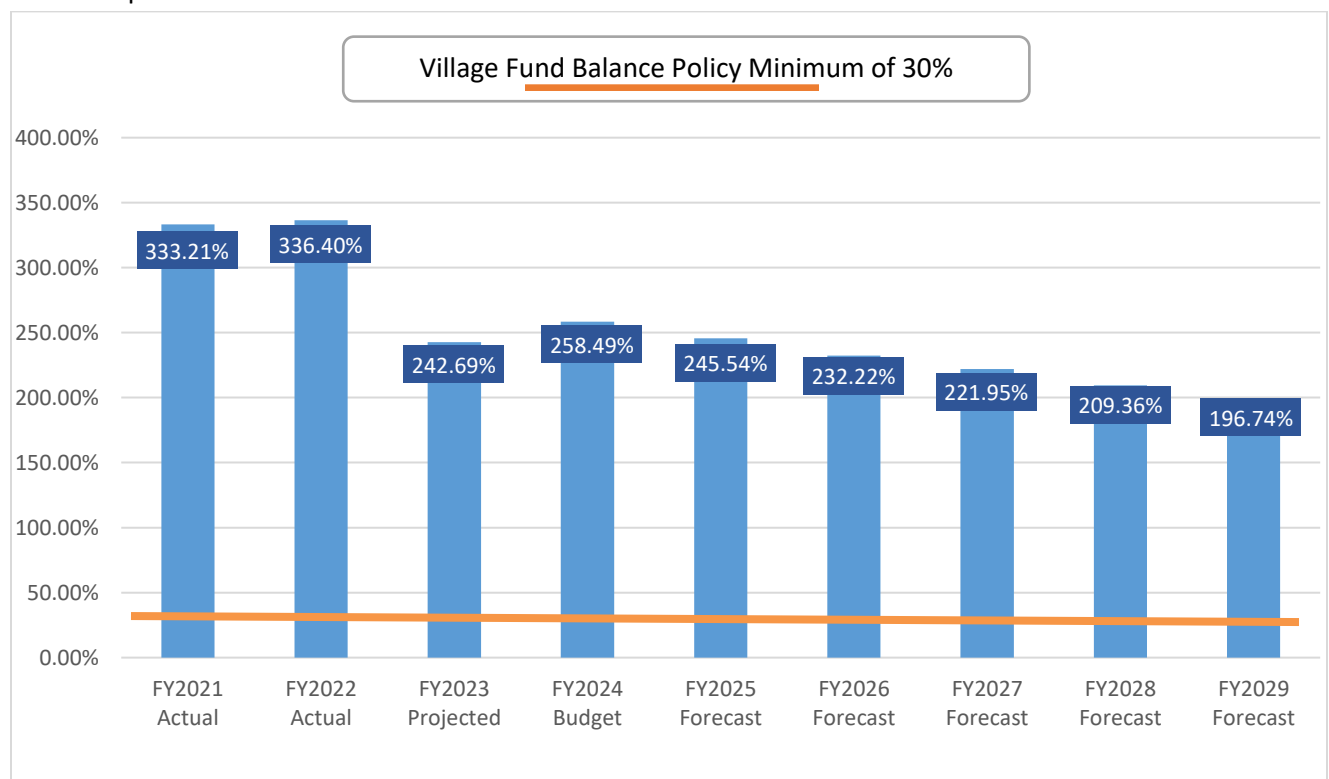
The Village entered into a lease agreement for the acquisition of a street sweeper. The lease agreement was entered into on October 30, 2019 and matures on December 31, 2025, with annual payments of \$42,753. The 5th of seven lease payments is reflected in the FY2024 budget.

In October 2018, Aqua America Inc. (“Aqua”) purchased the Village’s water and wastewater assets. Beginning on that date, Aqua became responsible for billing the Village’s 3,000+ water customers, as well as for the operation, maintenance of and improvements to the system. Sale proceeds, in the amount of approximately \$12,000,000, were recorded in the Village’s General Fund. The majority of the proceeds are still on hand, with a projected fund balance at the end of FY2023 of approximately \$10.8 million, or approximately 263% of annual recurring operating expenditures within the General Fund. The goal of the Board is to continue to maintain a significant portion of this balance in the General Fund by issuing balanced budgets each year and only drawing on fund balance for one-time capital projects or unplanned, emergency purchases. Future spending will be carefully considered and new revenue sources may be considered if needed.

When forecasting future fund balance in the General Fund, various assumptions were made, including the following.

- ✓ No new revenue sources or debt proceeds are reflected in the forecast
- ✓ Existing revenues are forecasted to grow by 2.5% each year
- ✓ Operating expenditures are forecasted to grow by 3.0% each year
- ✓ Annual General Fund capital outlay is capped at \$50,000 beginning in FY2025
- ✓ Annual transfers to the Capital Improvement Fund are capped at \$50,000 beginning in FY2025

Based on the assumptions listed above, below is a snapshot of the Village’s long-term financial forecast for the General Fund. The forecast reports on two years of audited results, the current year’s preliminary results, the projected budget year, and projections for five additional years and includes a forecast of revenues, expenditures, and anticipated fund balance.





Village of Peotone, Illinois
 Fiscal Year 2024 Budget
 General Fund Summary

	FY2021	FY2022	FY2023	FY2023	FY2024
	Actual	Actual	Amended Budget	Projected	Budget
Revenues					
Taxes	\$ 827,152	\$ 878,017	\$ 802,208	\$ 928,267	\$ 963,687
Licenses and Permits	244,398	218,573	187,750	243,468	266,607
Intergovernmental	1,989,568	2,030,439	5,415,507	2,539,361	2,225,935
Fines And Forfeitures	79,436	49,625	45,000	76,282	77,946
Miscellaneous Revenues	245,105	121,668	110,000	276,958	498,076
Total Revenues	\$ 3,385,658	\$ 3,298,323	\$ 6,560,465	\$ 4,064,336	\$ 4,032,251
Expenditures					
Personnel Services	2,365,156	2,389,442	2,470,082	2,500,820	2,389,559
Employee Support	39,781	42,162	67,900	59,320	91,848
Professional Services	577,458	528,750	774,000	810,400	783,712
Operating Expenses	425,484	469,895	546,558	529,815	571,732
Maintenance	213,382	77,520	618,500	576,000	280,900
Debt Service	42,753	44,891	41,385	42,753	48,773
Capital Outlay	46,410	16,296	3,235,000	965,604	153,540
Total Expenditures	\$ 3,710,424	\$ 3,568,956	\$ 7,753,425	\$ 5,484,712	\$ 4,320,065
Excess (Deficiency) of Revenues Over Expenditures	(324,766)	(270,633)	(1,192,960)	(1,420,376)	(287,814)
Other Financing Sources (Uses)					
Transfers In	-	12,930	-	436,499	90,376
Transfers Out	(2,500)	-	-	-	-
Total Other Financing Sources (Uses)	\$ (2,500)	\$ 12,930	\$ -	\$ 436,499	\$ 90,376
Net Change in Fund Balance	(327,266)	(257,703)	(1,192,960)	(983,877)	(197,438)
Beginning Fund Balance	12,536,167	12,208,901	11,951,199	11,951,199	10,967,322
Ending Fund Balance	\$ 12,208,901	\$ 11,951,199	\$ 10,758,239	\$ 10,967,322	\$ 10,769,884

The General Fund is the primary operating fund of the Village that accounts for all financial activity that is not required to be accounted for in a separate fund. The General Fund reflects the activity of the administrative and operating departments of the Village including Administration (including the Village Board), Police, Building, Public Works and Planning and Zoning.

Village resources recorded in the General Fund are those that are defined as general purpose in nature, such as sales tax and other general revenues.

Total FY2024 General Fund revenues amount to \$4,032,251, net of interfund transfers. Below is a breakdown of General Fund revenues by type for FY2021 through FY2024.

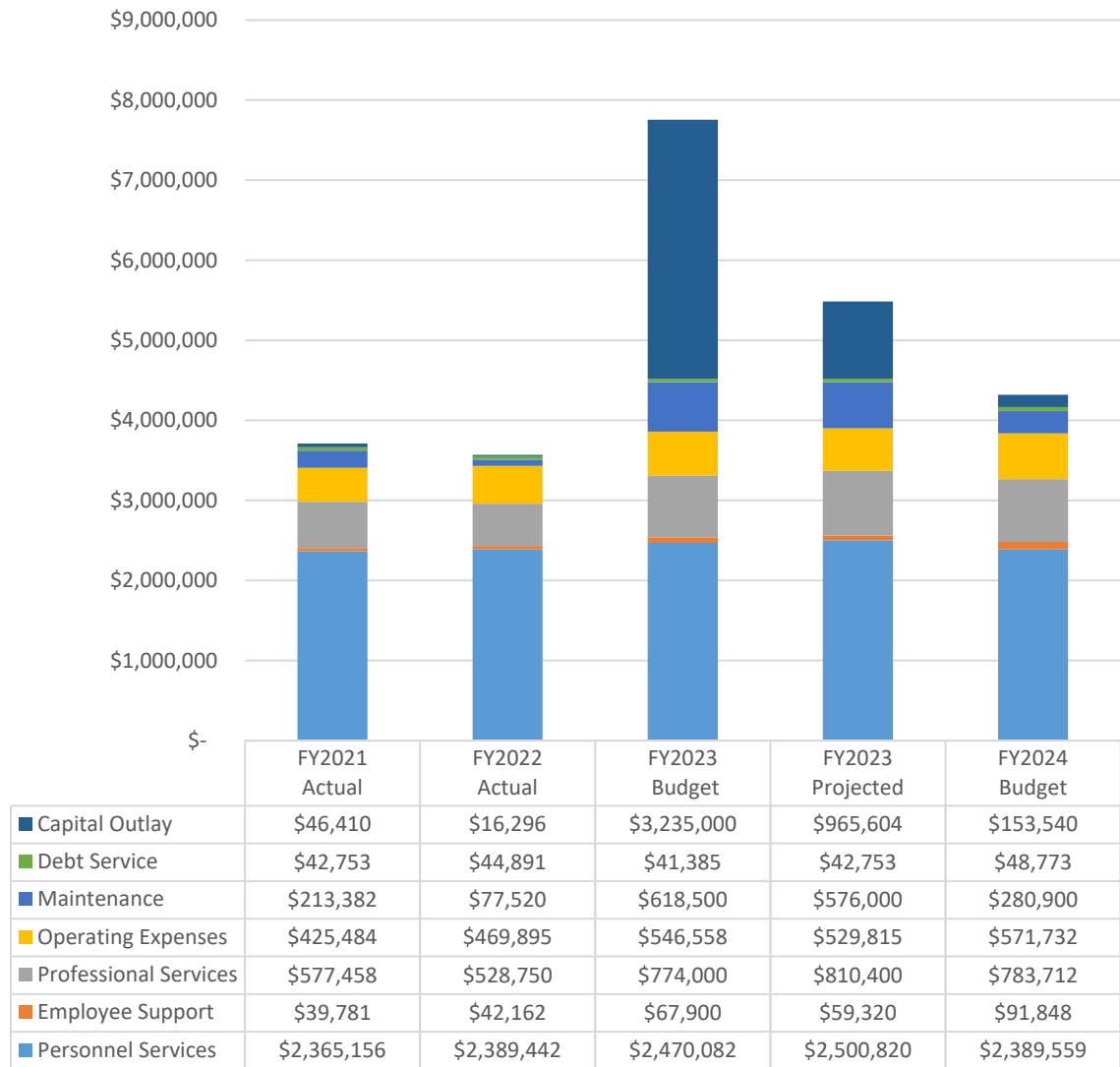
General Fund Revenues by Type



*Includes Interest Income

Total FY2024 General Fund expenditures, net of transfers to other funds, amount to \$4,320,065, net of interfund transfers. Below is a breakdown of General Fund expenditures by types for FY2021 through FY2024.

General Fund Expenditures by Type



A consolidated summary of General Fund revenues, expenditures, and changes in fund balance for FY2021 – FY2024 can be found on the following page.



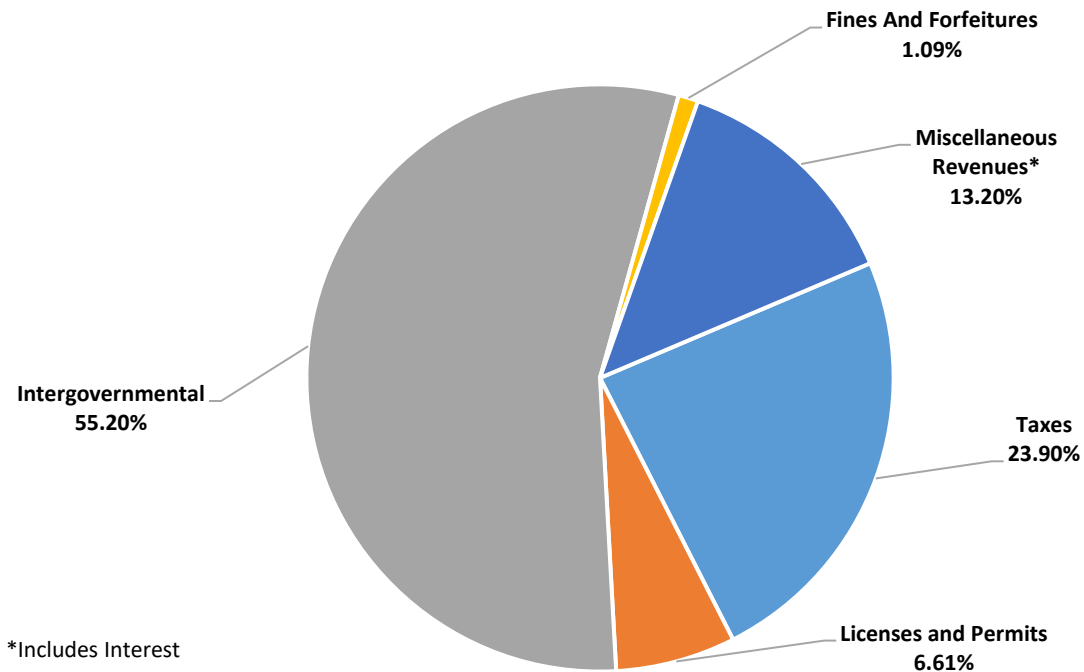
Village of Peotone, Illinois
Fiscal Year 2024 Budget
General Fund Revenues

	FY2021 Actual	FY2022 Actual	FY2023 Amended Budget	FY2023 Projected	FY2024 Budget
<i>Taxes</i>					
Property Tax	\$ 555,904	\$ 569,130	\$ 504,208	\$ 588,000	\$ 619,150
Road and Bridge Tax	46,700	46,757	48,000	47,883	47,855
Utility Tax - Electric	224,548	262,131	250,000	292,384	160,386
Utility Tax - Gas	-	-	-	-	94,044
Utility Tax - Telecomm	-	-	-	-	33,875
Utility Tax - Water	-	-	-	-	8,377
Total Taxes	\$ 827,152	\$ 878,017	\$ 802,208	\$ 928,267	\$ 963,687
<i>Licenses, Permits & Inspections</i>					
Liquor License	16,000	15,625	16,000	22,513	20,507
Contractor License	13,750	12,550	12,000	14,650	15,000
Business Registrations	4,005	4,230	4,000	15,500	19,100
Dog License	1,005	970	750	900	1,000
Vehicle License	70,369	76,120	75,000	73,245	74,000
Building Permits	113,819	88,632	60,000	90,000	110,000
Inspection Fee	24,680	19,610	20,000	25,000	27,000
Other Permits	770	836	-	1,660	-
Total Licenses, Permits & Inspections	\$ 244,398	\$ 218,573	\$ 187,750	\$ 243,468	\$ 266,607
<i>Intergovernmental</i>					
Personal Property Replacement Tax	31,845	73,086	89,231	94,000	88,302
Retailers Occupation Tax	1,160,133	1,272,303	1,200,000	1,159,869	1,194,665
Auto Rental Tax	-	-	50	-	-
Use Tax	-	-	-	163,836	169,113
Cannabis Tax	-	-	-	6,406	7,242
State Income Tax	474,828	596,709	555,000	682,933	651,519
Video Gaming Tax	33,988	80,666	80,000	103,839	115,094
Grant Funds	288,773	7,675	3,491,226	328,478	-
Total Intergovernmental	\$1,989,568	\$2,030,439	\$5,415,507	\$2,539,361	\$ 2,225,935
<i>Fines & Forfeitures</i>					
Circuit Clerk Fines	21,133	26,691	40,000	28,237	29,946
Other Fines	56,890	15,720	-	15,070	14,000
Police Forfeiture Revenue	-	-	-	47	-
P/T Police Collections	1,413	7,214	5,000	32,928	34,000
Total Fines & Forfeitures	\$ 79,436	\$ 49,625	\$ 45,000	\$ 76,282	\$ 77,946
<i>Miscellaneous Revenues</i>					
Interest Income	62,430	(71,351)	20,000	70,000	330,004
Reimbursements	95,769	6,513	-	6,226	-
Resouce Officer Reimbursement	-	-	-	25,055	38,570
Cable & Water Franchise Fees	71,032	107,913	75,000	109,527	106,834
Christmas in the Village	4,250	6,700	10,000	6,650	7,000
Miscellaneous Income	11,624	71,893	5,000	59,500	15,668
Total Miscellaneous Revenues	\$ 245,105	\$ 121,668	\$ 110,000	\$ 276,958	\$ 498,076
<i>Other Financing Sources</i>					
Transfer Income	-	12,930	-	436,499	90,376
Total Other	\$ -	\$ 12,930	\$ -	\$ 436,499	\$ 90,376
Total General Fund Revenues	\$3,385,658	\$3,311,253	\$6,560,465	\$4,500,835	\$ 4,122,627

Revenues by Source – General Fund

Total FY2024 revenues for the Village’s General Fund amount to \$4,032,251, net of interfund transfers, or approximately 81% of the Village’s total FY2024 revenues. The following is a summary of the major revenue sources of the General Fund for FY2024.

**FY2024 Revenues by Source - General Fund
(excluding Interfund Transfers)**



Intergovernmental	Taxes	Miscellaneous Revenues*
\$963,687	\$963,687	\$532,076
Licenses & Permits	Fines & Forfeitures	
\$266,607	\$43,946	

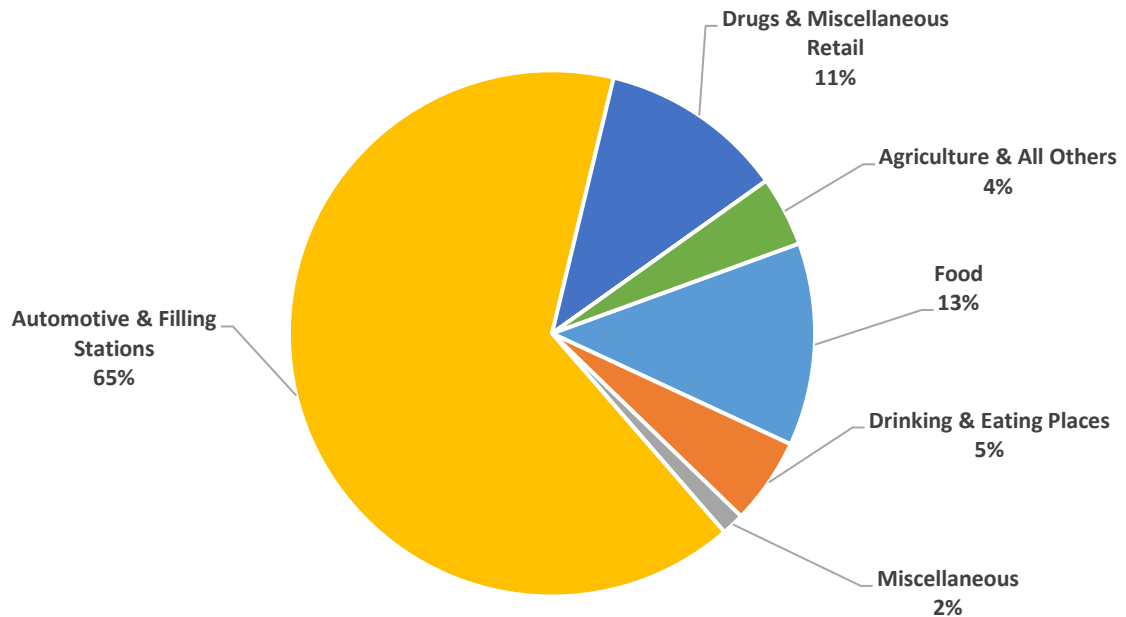
FY2024 General Fund revenues, by line item, can be found on the previous page, along with a comparison to FY2021 and FY2022 actuals and budget and projection amounts for FY2023.

Sales, Use and Cannabis Tax

Sales, Use and Cannabis tax combined is the largest revenue source for the Village, representing approximately 34% of total FY2024 General Fund revenues. The Village’s sales tax revenue consists of a 1% sales tax received from the State of Illinois, while Use and Cannabis taxes are distributed on a per capita basis. Each of these taxes are received monthly, generally lagging two to three months behind the State’s collection month.

Below is a snapshot of sales tax collections by Standard Industrial Classification (SIC Code) for calendar year 2022 (the most current information available). As shown, almost two thirds of the total sales taxes received on an annual basis are generated from the car dealerships within the Village’s boundaries. Due to the small amount of sales tax received, the categories of General Merchandise, Apparel, Furniture and Household and Radio, Lumber, Building, Hardware and Manufacturers have been combined into the category of Miscellaneous.

General Fund Sales Tax Collections by SIC Code



Automotive & Filing Stations	Food	Drugs & Miscellaneous Retail
\$760,073	\$145,558	\$132,741
Drinking & Eating Places	Agriculture & All Others	Miscellaneous
\$62,020	\$50,170	\$16,195

Based on current trends, FY2024 Sales, Use and Cannabis Taxes are projected at \$1,194,665, \$169,113 and \$7,242, respectively. The combined total of \$1,371,020 amounts to an increase of approximately 3% as compared to FY2023 Projected.

Income Tax

The Village receives income tax from the State of Illinois on a per capita basis through the Local Government Distributive Fund (LGDF). For budgetary purposes, the Village projects income tax revenues utilizing assumptions provided by the Illinois Municipal League (IML). IML projects estimated income tax collections based on economic projections that historically have been consistent with actual receipts.

The Village estimates its per capita revenues on the 2020 Certified Census population of 4,150. The Village’s FY2024 income tax revenue estimate is based on an average per capita amount of \$157 and the FY2023 projections is based on an average per capita of \$164.

Grant Revenues – ARPA

The Village received its allocation of American Rescue Plan (ARPA) funds September 2021 and September 2022, in the total amount of \$558,627. These amounts were recorded as deferred revenue until eligible expenditures were incurred. The Village completed a large storm sewer project in FY2023 that was budgeted in the General Fund and utilized ARPA funds as a partial funding source. Therefore, \$323,771 of ARPA funds was recorded in the General Fund in FY2023.

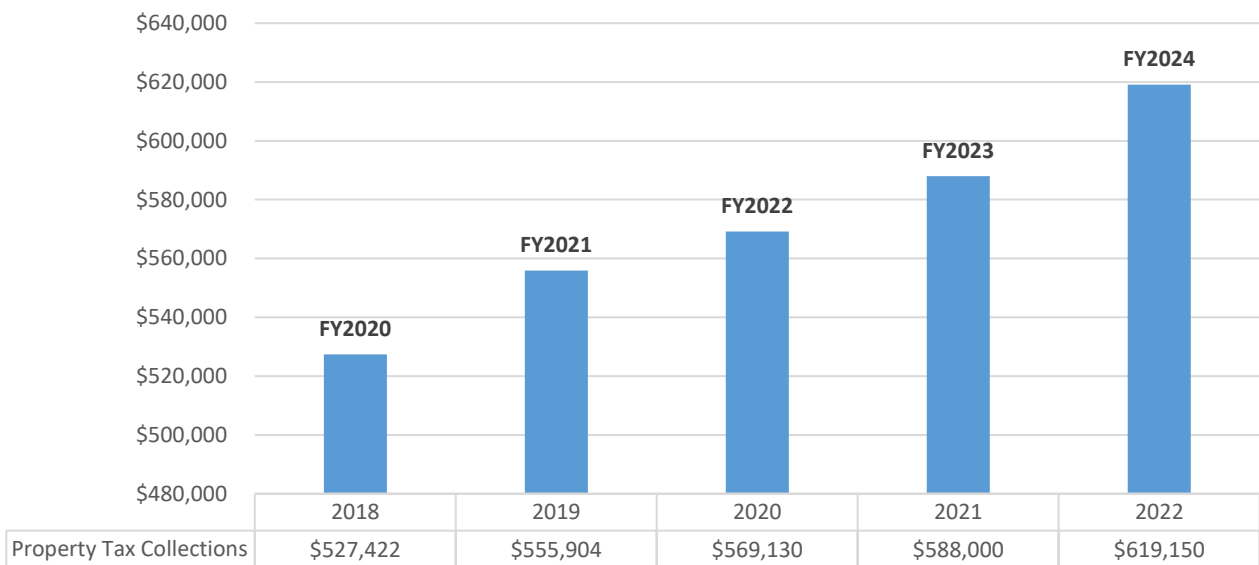
Property Tax

The Village of Peotone is a non-home rule municipality subject to the limitations imposed by the Illinois Property Tax Extension Law (PTELL). The Village levies property taxes for the purposes of general corporate, audit, IMRF, Social Security, tort/liability insurance, police protection, Medicare, and police pension. On average, the annual property tax levy has increased approximately 3% per year for the last five years, within the allowable limits provided by PTELL.

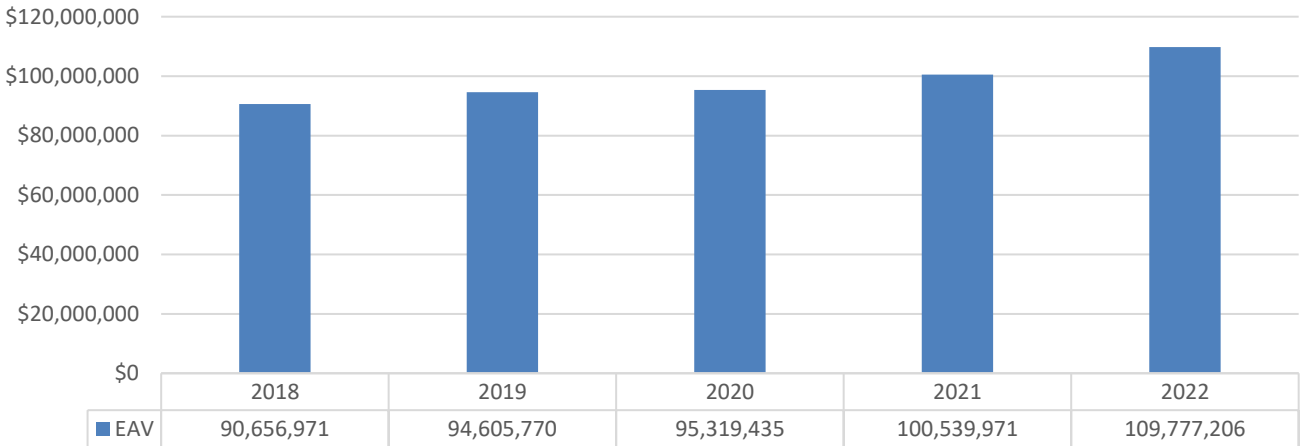
For tax levy year 2021, collected in FY2023, the Village’s tax rate equals \$.5870; for tax levy year 2022 which will be collected by the Village in FY2024, the tax rate is estimated at \$.5701. On average, for every \$100 of assessed valuation, the Village will receive approximately \$.57. With a total 2022 tax rate of \$6.4458, approximately 8.8% of the resident’s total tax bill is allocated to the Village.

The total 2021 property tax levy was approximately \$19,000 higher than the 2020 property tax levy; the total tax levy for tax year 2021 (collected in FY2023) amounted to \$600,000. On an annual basis, actual collections may vary from the amount of the approved levy. Below is a history of the Village’s actual property tax collections for FY2020 – FY2022, projected collections for FY2023 and the FY2024 property tax budget, as well as the history of the Village’s EAV and property tax rate over five fiscal years.

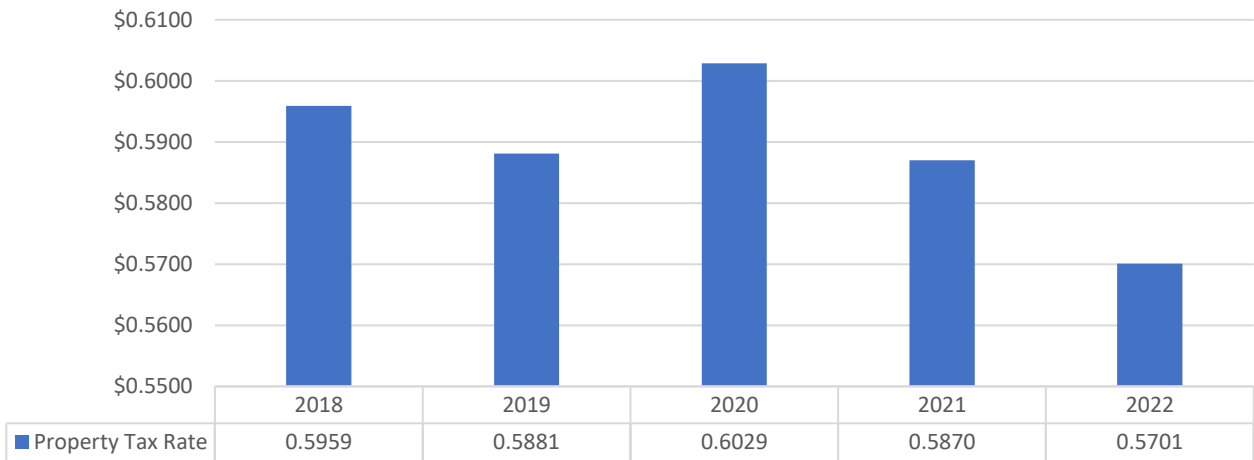
Property Tax Collections by Tax Year



Village EAV by Tax Year



Village Property Tax Rate

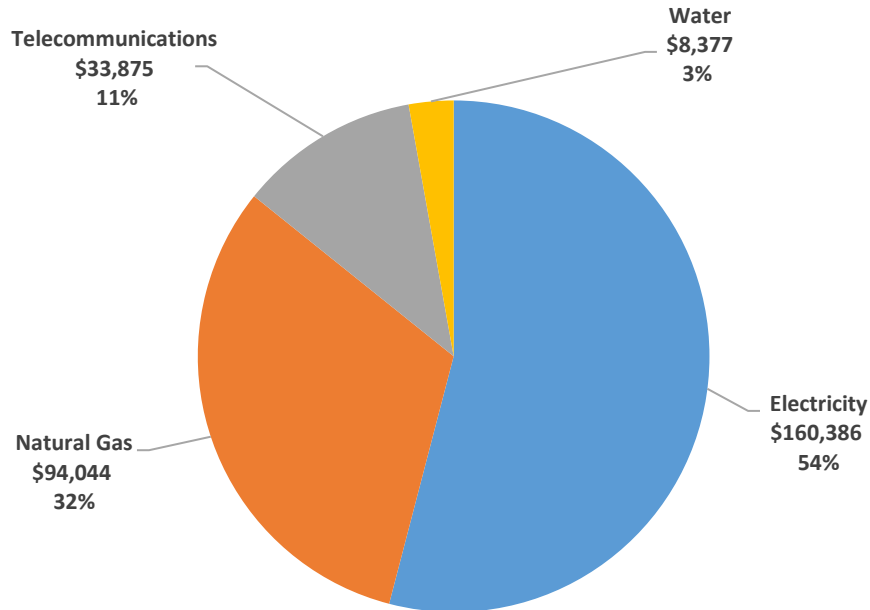


Note: A two-year lag exists between levy year and collection fiscal year.

Utility Taxes

Utility taxes, in the total amount of \$296,682, represent approximately 7.4% of total FY2024 General Fund revenues. The Village has four utility taxes – electricity, telecommunications and water. Electricity Tax is assessed at a variable rate of 0.282 – 0.574 cents, depending on the number of kWh used. Natural Gas Tax is assessed at a rate of 5.0% of gross charges. Telecommunications Tax is assessed at a rate of 6% of gross charges and Water Tax is assessed at a rate of 3% of gross receipts. As each of these taxes is based on usage, revenues will fluctuate with weather conditions, new technologies and consumer demand. The breakdown of Utility Tax revenues is reflected below.

FY2024 Utility Tax by Type



In prior years, the Village recorded all utility taxes in a single GL; beginning with FY2024, utility taxes will be recorded in individual GL accounts. In total, utility tax collections have been increasing each fiscal year, with FY2024 estimated approximately 32% higher than FY2021 actual collections.

Permits and Fees

The FY2024 Budget reflects \$266,607 in revenue from various permit and license fees, including building permits, contractor licenses, liquor licenses, business registrations, vehicle and dog licenses, inspections and other miscellaneous charges. This amounts to approximately 6.6% of total General Fund revenues. These revenues have been growing consistently over the last five years, as development within the Village continues.

Miscellaneous Revenues

The Village classifies interest income, franchise fees, reimbursements and miscellaneous receipts as Miscellaneous Revenues. The total amount categorized in Miscellaneous Revenue in the FY2024 budget is \$848, 614, or 13% of total General Fund revenues. The two largest components are Interest Income in the amount of \$330,004 and Franchise Fees in the amount of \$106,834.



Village of Peotone, Illinois
Fiscal Year 2024 Budget
General Fund - Expenditures - All Departments

	FY2021	FY2022	FY2023	FY2023	FY2024
	Actual	Actual	Amended Budget	Projected	Budget
<i>Administration</i>					
Personnel Services	\$ 343,468	\$ 345,413	\$ 351,449	\$ 321,987	\$ 262,590
Employee Support	11,703	16,172	22,030	9,925	24,130
Professional Services	125,530	133,803	153,000	226,900	258,712
Operating Expenses	178,246	185,248	196,708	199,040	207,905
Maintenance	6,019	8,657	30,000	30,000	12,500
Capital Outlay	1,701	-	3,000	-	18,000
Total Administration	\$ 666,669	\$ 689,292	\$ 756,187	\$ 787,852	\$ 783,837
<i>Police</i>					
Personnel Services	\$ 1,604,725	\$ 1,698,464	\$ 1,731,738	\$ 1,791,938	\$ 1,611,000
Employee Support	20,988	16,728	29,045	32,545	49,043
Professional Services	171,417	160,775	175,500	177,500	239,000
Operating Expenses	95,761	110,714	135,250	146,641	170,932
Maintenance	27,305	37,138	64,000	37,500	53,900
Capital Outlay	-	154	-	151,105	94,540
Total Police	\$ 1,920,197	\$ 2,023,972	\$ 2,135,533	\$ 2,337,229	\$ 2,218,415
<i>Building</i>					
Personnel Services	\$ 4,585	\$ 10,482	\$ 19,477	\$ 19,477	\$ 128,028
Employee Support	-	-	2,200	2,200	3,500
Professional Services	87,125	71,587	102,500	63,000	131,500
Operating Expenses	1,707	2,378	8,300	6,100	17,127
Maintenance	1,100	-	2,500	3,000	3,000
Total Building	\$ 94,517	\$ 84,446	\$ 134,977	\$ 93,777	\$ 283,155
<i>Public Works</i>					
Personnel Services	\$ 412,377	\$ 335,083	\$ 367,418	\$ 367,418	\$ 387,941
Employee Support	5,091	4,013	6,200	6,225	6,850
Professional Services	34,570	46,711	179,000	179,000	56,500
Operating Expenses	143,002	160,831	187,600	159,334	168,968
Maintenance	178,957	31,725	522,000	505,500	211,500
Debt Service	42,753	44,891	41,385	42,753	48,773
Capital Outlay	44,708	14,922	32,000	32,000	41,000
Total Public Works	\$ 861,459	\$ 638,176	\$ 1,335,603	\$ 1,292,230	\$ 921,533
<i>Planning & Zoning</i>					
Employee Support	2,000	5,250	8,425	8,425	8,325
Professional Services	158,815	115,875	164,000	164,000	98,000
Operating Expenses	6,768	10,724	18,700	18,700	6,800
Capital Outlay	-	1,220	3,200,000	782,499	-
Total Planning & Zoning	\$ 167,583	\$ 133,069	\$ 3,391,125	\$ 973,624	\$ 113,125
Other Financing Uses					
Transfer Out - TIF 2 Fund	\$ 2,500	\$ -	\$ -	\$ -	\$ -
Total General Fund Expenditures	\$ 3,712,924	\$ 3,568,956	\$ 7,753,425	\$ 5,484,712	\$ 4,320,065

Mission and Objectives

The Administration Department serves the community as a center of current resources and information. As the first point of contact for the initiation of all community projects and development in the Village, the Administration Department connects all departments and residents to their needs. The Administration Department plays an intricate role in connecting all other departments by organizing and streamlining information and updates for the community.

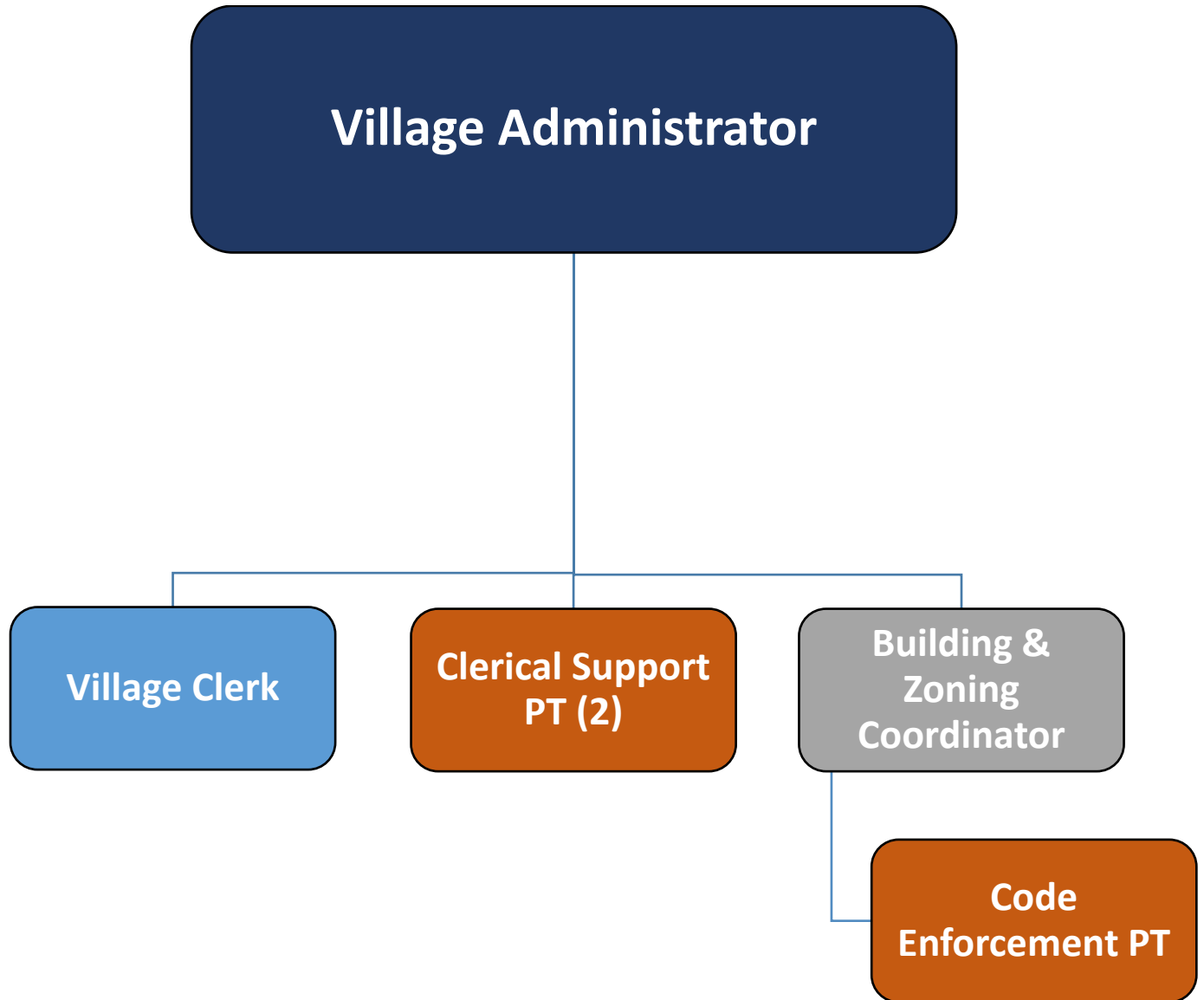


Engaging with and keeping the community informed about local development and special announcements is an important priority of the Administration Department.

The Administration Department is where the human resources and finance operations are located. Functions such as benefits, payroll, accounts payable/receivable, budget and audit function are overseen by the Administration Department.

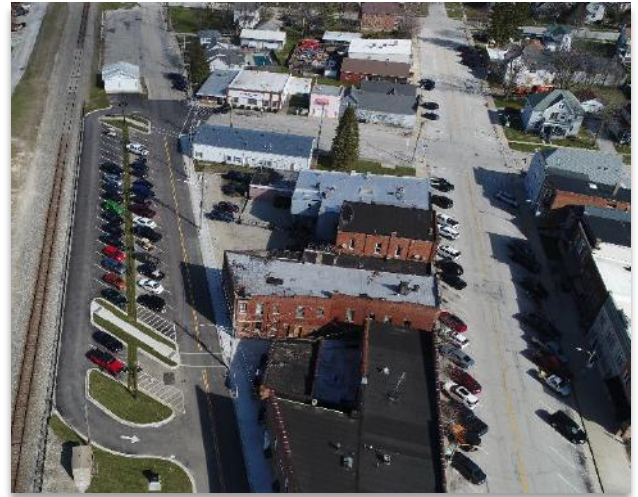
The Administration Department is the liaison to the Mayor and Board of Trustees. The Clerk and Village Administrator coordinate agendas and public hearings.

Since the Village Administrator directly oversees the Building and Zoning and Planning Departments, an overview of the functions and activities of these departments is included in this section. Operations such as business and residential development, inspections, code enforcement, building and zoning projects, special events, licensing and more are all managed by the Administration Department.



FY2023 Highlights and Accomplishments

- ✓ **Special Event Management:** Expanded the Village’s special event calendar to include other organization’s community events, therefore increasing the audience for community event information.
- ✓ **Fiscal Policy:** Fund balance policy for the Village’s General Fund was approved by the Board to establish financial management goals.
- ✓ **Social Media Policy:** Developed a social media policy to ensure staff, elected and appointed officials communicate appropriately and effectively.
- ✓ **Labor Agreements:** The Village approved long-term labor agreements with its bargaining units without need for mediation through 2025.
- ✓ **Downtown Streetscape Project-Phase I & II:** Phase I consisted of improvements to the Railroad Street Parking Lot to add more efficient parking, accommodate pedestrian foot traffic, and add aesthetic elements such as lighting, brick crossings, trees, curb, gutter, and sidewalks. The style of Railroad Street will be utilized in Phase II when improving Main Street and Second Street. Funding for Phase II is a grant in the amount of \$2.5 million.
- ✓ **Peotone Travel Center:** This 22-acre development at I-57 and Wilmington Peotone Road boasts a two-story convenience store with truck lounge and three restaurants, over 180 overnight parking spaces, a three story hotel, and stand-alone restaurant pad.



Below are Administration goals and objectives that are reflected in the FY2024 Budget.

Strategic Vision					
FY2024 Department Goals	Accessible & Engaged	Financially Viable Future	Enterprising Infrastructure Management	Community Focused Development	Secure & Flourishing Neighborhoods
Identify Long-term Bike Trail Plan	✓	✓		✓	✓
Phase I and II Downtown Streetscape	✓		✓	✓	
Enhance Public Areas Pocket Park			✓	✓	✓
Identify Revenue Enhancement & Expenditure Reduction Opportunities		✓			
Peotone Travel Center		✓	✓		
Expand Special Event Calendar & Communication Plans	✓			✓	✓

Below are performance measures for the Administration Department, including the Building, Planning and Zoning, reflecting the attainment of the department’s prior year goals.

Performance Measures						
Village Strategic Vision: Accessible & Engaged						
		FY2018	FY2019	FY2020	FY2021	FY2022
Output	FOIA Requests	32	56	38	25	44
Output	FOIA Extensions	0	0	0	0	0
Output	Building Permits Issued	135	526	437	230	149
Output	Agendas	44	58	58	56	54
Village Board Strategic Vision: Community Focused Development						
		FY2018	FY2019	FY2020	FY2021	FY2022
Output	Liquor Licenses	12	12	13	13	15

Below are Administration Full Time Equivalents (FTE’s), including positions charged to the Building Department:

	FY2019	FY2020	FY2021	FY2022	FY2023
Full Time Equivalents (FTE’s)	3.0	3.0	3.0	4.0	4.0

Below is a summary of Administration, Building, and Planning and Zoning expenditures by type.

	FY2021 Actual	FY2022 Actual	FY2023 Amended Budget	FY2023 Projected	FY2024 Budget
Personnel Services	\$ 343,468	\$ 345,413	\$ 351,449	\$ 321,987	\$ 262,590
Employee Support	11,703	16,172	22,030	9,925	24,130
Professional Services	125,530	133,803	153,000	226,900	258,712
Operating Expenses	178,246	185,248	196,708	199,040	207,905
Maintenance	6,019	8,657	30,000	30,000	12,500
Capital Outlay	1,701	-	3,000	-	18,000
Total - Administration	\$ 666,669	\$ 689,292	\$ 756,187	\$ 787,852	\$ 783,837

	FY2021 Actual	FY2022 Actual	FY2023 Amended Budget	FY2023 Projected	FY2024 Budget
Personnel Services	\$ 4,585	\$ 10,482	\$ 19,477	\$ 19,477	\$ 128,028
Employee Support	-	-	2,200	2,200	3,500
Professional Services	87,125	71,587	102,500	63,000	131,500
Operating Expenses	1,707	2,378	8,300	6,100	17,127
Maintenance	1,100	-	2,500	3,000	3,000
Total Expenditures - General Fund - Building	\$ 94,517	\$ 84,446	\$ 134,977	\$ 93,777	\$ 283,155

	FY2021 Actual	FY2022 Actual	FY2023 Amended Budget	FY2023 Projected	FY2024 Budget
Employee Support	\$ 2,000	\$ 5,250	\$ 8,425	\$ 8,425	\$ 8,325
Professional Services	158,815	115,875	164,000	164,000	98,000
Operating Expenses	6,768	10,724	18,700	18,700	6,800
Capital Outlay	-	1,220	3,200,000	782,499	-
Total Expenditures - General Fund - Planning & Zoning	\$ 167,583	\$ 133,069	\$ 3,391,125	\$ 973,624	113,125



Village of Peotone, Illinois
Fiscal Year 2024 Budget
General Fund - Administration - Expenditures

	FY2021	FY2022	FY2023	FY2023	FY2024
	Actual	Actual	Amended Budget	Projected	Budget
<i>Personnel Services</i>					
Salaries	\$ 220,820	\$ 226,159	\$ 233,369	\$ 203,815	\$ 197,328
Overtime	145	114	-	92	-
Social Security	16,737	17,339	17,853	17,853	15,095
IMRF	16,674	12,582	9,043	9,043	1,330
Unemployment Tax	538	358	500	500	219
Employee Insurance	88,555	88,860	90,684	90,684	48,618
<i>Employee Support</i>					
Travel	10	3,526	6,000	2,000	9,000
Training	1,010	2,140	3,925	3,925	4,000
Dues/Subscriptions	10,683	10,505	12,105	4,000	11,130
<i>Professional Services</i>					
Legal Services	51,258	52,658	70,000	70,000	70,000
Audit Services	18,000	19,715	19,000	19,000	17,750
Investment Management Fees	-	-	-	2,400	2,880
Miscellaneous Engineering	29,795	19,150	25,000	25,000	25,000
Other Professional Services	26,478	42,280	39,000	110,500	143,082
<i>Operating Expenses</i>					
General Insurance	14,134	20,537	22,500	26,990	20,855
Telephone/Fax	9,276	7,848	8,000	8,000	9,300
Utilities	-	-	1,000	30	-
Rental	750	500	750	750	750
Postage	1,875	2,978	3,000	2,000	3,000
Printing/Publishing	9,172	6,335	10,000	10,000	14,000
Community Relations	-	617	1,500	1,500	1,500
Office Supplies	4,301	3,695	4,000	4,800	5,000
Other Supplies	2,913	2,241	2,500	1,000	2,500
Sundry Expense	276	901	1,000	500	1,000
Christmas in the Village	2,532	9,183	10,000	11,012	10,000
Sales Tax/Property Tax Rebates	133,017	130,414	132,458	132,458	140,000
<i>Maintenance</i>					
Building Maintenance	2,757	3,353	17,500	17,500	-
Equipment Maintenance	3,262	5,304	12,500	12,500	12,500
<i>Capital Outlay</i>					
Improvements Other than Buildings	1,701	-	3,000	-	3,000
Equipment	-	-	-	-	15,000
Total Expenditures -					
General Fund - Administration	\$ 666,669	\$ 689,292	\$ 756,187	\$ 787,852	\$ 783,837



Village of Peotone, Illinois
Fiscal Year 2024 Budget
General Fund - Building - Expenditures

	FY2021 Actual	FY2022 Actual	FY2023 Amended Budget	FY2023 Projected	FY2024 Budget
<i>Personnel Services</i>					
Salaries	\$ 4,259	\$ 9,601	\$ 18,000	\$ 18,000	\$ 90,724
Social Security	295	810	1,377	1,377	6,941
IMRF	-	-	-	-	540
Unemployment Tax	32	71	100	100	146
Employee Insurance	-	-	-	-	29,677
<i>Employee Support</i>					
Travel	-	-	500	500	1,500
Training	-	-	1,000	1,000	1,000
Dues/Subscriptions	-	-	700	700	1,000
<i>Professional Services</i>					
Legal Services	-	1,570	20,000	8,000	20,000
Other Professional Services	87,125	70,017	82,500	55,000	111,500
<i>Operating Expenses</i>					
General Insurance	985	1,326	2,500	2,500	10,427
Telephone/Fax	98	98	-	-	-
Postage	7	199	1,000	200	1,000
Printing/Publishing	301	568	1,600	200	2,500
Office Supplies	59	30	200	200	200
Other Supplies	169	156	2,000	2,000	2,000
Gas & Oil	88	-	1,000	1,000	1,000
<i>Maintenance</i>					
Building Maintenance	1,100	-	1,000	1,000	1,000
Equipment Maintenance	-	-	1,500	2,000	2,000
Total Expenditures -					
General Fund - Building	\$ 94,517	\$ 84,446	\$ 134,977	\$ 93,777	\$ 283,155



Village of Peotone, Illinois
Fiscal Year 2024 Budget

General Fund - Planning & Zoning - Expenditures

	FY2021 Actual	FY2022 Actual	FY2023		
			Amended Budget	FY2023 Projected	FY2024 Budget
<i>Employee Support</i>					
Travel	\$ -	\$ -	\$ 500	\$ 500	\$ 1,000
Training	-	-	1,000	1,000	1,000
Dues/Subscriptions	2,000	5,250	6,925	6,925	6,325
<i>Professional Services</i>					
Legal Services	22,313	10,696	40,000	40,000	50,000
TIF Services	10,660	-	-	-	-
Engineering	125,843	105,180	100,000	100,000	20,000
Other Professional Services	-	-	24,000	24,000	28,000
<i>Operating Expenses</i>					
Telephone/Fax	63	-	-	-	-
Postage	-	120	300	300	300
Printing/Publishing	5,705	4,910	12,400	12,400	500
Other Supplies	1,000	5,694	6,000	6,000	6,000
<i>Capital Outlay</i>					
Improvements Other than Buildings	-	1,220	3,200,000	782,499	-
Total Expenditures -					
General Fund - Planning & Zoning	\$ 167,583	\$ 133,069	\$ 3,391,125	\$ 973,624	\$ 113,125

	FY2021 Actual	FY2022 Actual	FY2023		
			Amended Budget	FY2023 Projected	FY2024 Budget
Employee Support	\$ 2,000	\$ 5,250	\$ 8,425	\$ 8,425	\$ 8,325
Professional Services	158,815	115,875	164,000	164,000	98,000
Operating Expenses	6,768	10,724	18,700	18,700	6,800
Capital Outlay	-	1,220	3,200,000	782,499	-
Total Expenditures -					
General Fund - Planning & Zoning	\$ 167,583	\$ 133,069	\$ 3,391,125	\$ 973,624	113,125

Mission and Objectives

The officers of the Peotone Police Department perform in a manner that protects and promotes the public's trust, confidence, and sense of safety and security.

The Department is structured on a team concept with an emphasis on residential patrol, balanced with traffic enforcement to provide safety throughout the Village. The Department provides outreach programs like GREAT for the Village's youth, and a variety of crime prevention programs for Seniors and Homeowners. Officers are committed to a community-oriented approach to police services.

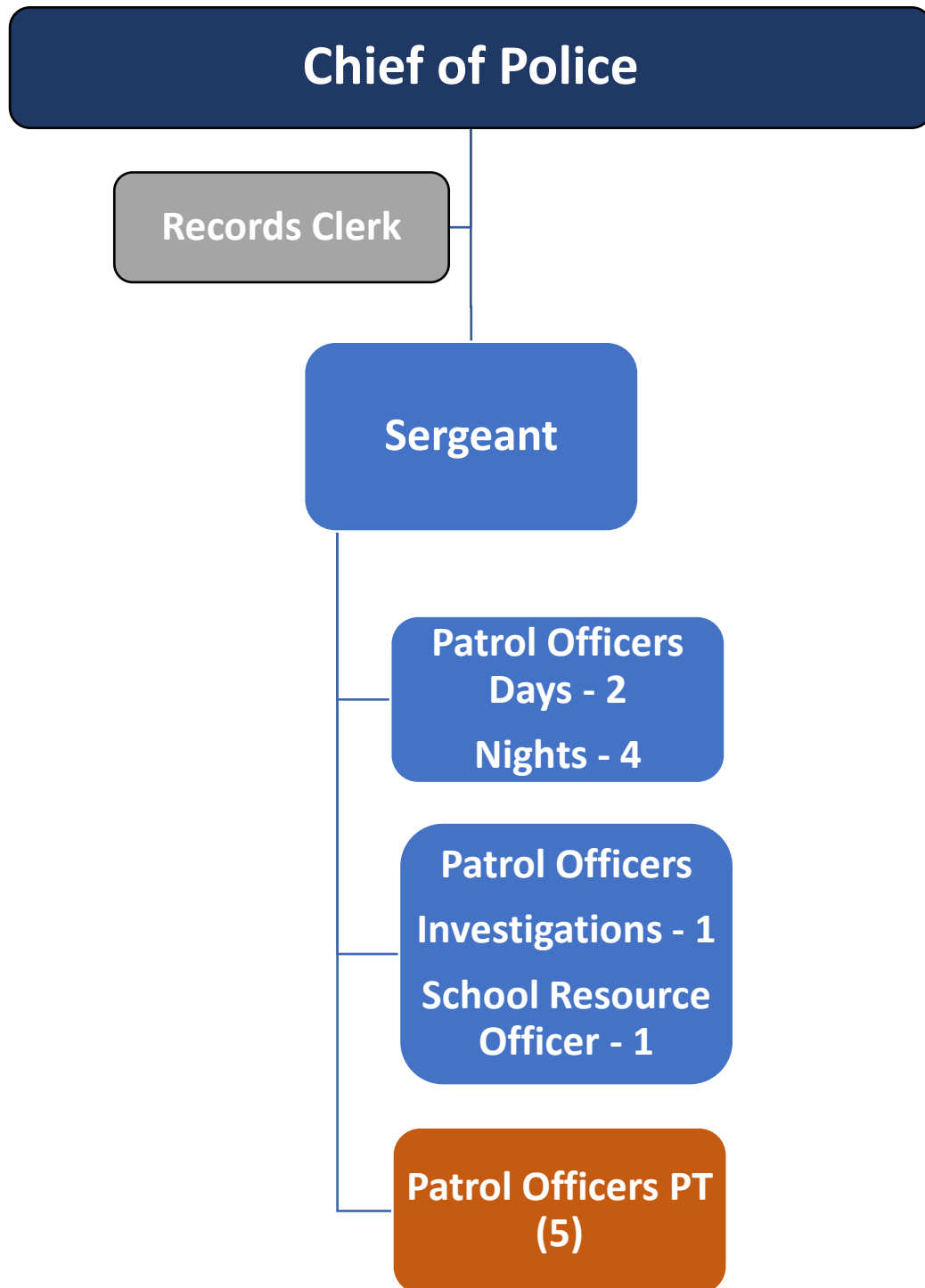
The Police Department is structured under four divisions:

- ✓ **Patrol:** Patrol is responsible for providing continuous protection and service to the entire Village. Many officers have additional specialties including Field Training Officer, Evidence Technician, Truck Enforcement Officer, Juvenile Officer, Crisis Intervention, and School Resource Services.
- ✓ **Investigations:** This division is responsible for the investigation of criminal cases and significant incidents. The unit collects information and intelligence about criminal matters to use in preventing and solving crimes. Officers are assigned to Investigations from the Patrol Division. Every investigator receives training in evidence collection, interview and interrogation, lead homicide certifications, juvenile law, and numerous other specialty areas. Detectives are members of the Will/Grundy Major Crimes Task Force.



- ✓ **Records:** This division is responsible for processing and organizing a variety of police reports and radio messages to maintain accurate, current files of all incidents, traffic enforcement, traffic accidents, and other related items, as well as preparing for hearings and court.

- ✓ **Community Policing/SRO:** The department's School Resource Officer teaches the Gang Resistance Education and Training (GREAT) program at local schools. This division is the liaison with local businesses, community groups and residents to provide crime prevention education.



Police FY2023 Highlights and Accomplishments

- ✓ **Police Department Facility Security and Technology Upgrade:** FY2023 included funding for facility equipment upgrades for the police facility access control and multiple monitoring systems for investigations and patrol use.
- ✓ **License Plate Recognition (LPR) Camera Program:** The Police department received approval for five (5) Flock Public Safety LPR cameras. These cameras will help Officers monitor known criminals as they enter town. These cameras will also assist detectives in identifying offenders of crimes that occurred.

Below are Police goals and objectives that are reflected in the F2024 budget.

Strategic Vision					
FY2024 Department Goals	Accessible & Engaged	Financially Viable Future	Enterprising Infrastructure Management	Community Focused Development	Secure & Flourishing Neighborhoods
Expansion of LPR Cameras throughout the Village	✓		✓		✓
Implement Virtual Reality Training for Safe-T Act Compliance	✓				✓
Review and Assessment of Current Ordinances	✓	✓	✓	✓	✓
Continue Fleet Update and Expansion	✓	✓			✓
Implement Lexipol Law Enforcement Policy, Training and DTBs	✓				✓
Expand Traffic and Truck Enforcement	✓			✓	✓
New Community Outreach Programs	✓			✓	✓

Below are Police performance measures that reflect the attainment of the department’s prior year goals.

Performance Measures						
Village Strategic Vision: Accessible & Engaged						
		FY2019	FY2020	FY2021	FY2022	FY2023
Output	Average Response Time (minutes)	2	2	2	2	2
Output	Emergency Calls for Police Service	376	358	395	399	499
Output	Total Calls for Service	10,585	7,150	5,470	6,094	8,457
Output	Officer Complaints	0	0	0	0	0
Village Strategic Vision: Secure & Flourishing Neighborhoods						
		FY2019	FY2020	FY2021	FY202s	FY2023
Output	Index Crimes	26	41	7	16	17
Output	Citations Issued	446	245	273	272	824
Output	Felony & Misdemeanor Arrests	56	33	37	25	58

Below are Police Full Time Equivalents (FTE’s):

	FY2019	FY2020	FY2021	FY2022	FY2023
Full Time Equivalents (FTE’s)	11.5	11.5	11.5	11.5	11.5

Below is a summary of Police expenditures by type.

	FY2021 Actual	FY2022 Actual	FY2023 Amended Budget	FY2023 Projected	FY2024 Budget
Personnel Services	1,604,725	1,698,464	1,731,738	1,791,938	1,611,000
Employee Support	20,988	16,728	29,045	32,545	49,043
Professional Services	171,417	160,775	175,500	177,500	239,000
Operating Expenses	95,761	110,714	135,250	146,641	170,932
Maintenance	27,305	37,138	64,000	37,500	53,900
Capital Outlay	-	154	-	151,105	94,540
Total - Police	\$ 1,920,197	\$ 2,023,972	\$ 2,135,533	\$ 2,337,229	\$ 2,218,415



Village of Peotone, Illinois
Fiscal Year 2024 Budget
General Fund - Police - Expenditures

	FY2021	FY2022	FY2023	FY2023	FY2024
	Actual	Actual	Amended Budget	Projected	Budget
<i>Personnel Services</i>					
Salaries	\$ 739,128	\$ 758,600	\$ 855,176	\$ 855,176	\$ 763,720
Straight Overtime	364	1,238	-	-	-
Overtime	36,717	63,926	-	60,000	89,330
Social Security	58,410	63,482	65,421	65,421	65,258
IMRF	4,024	3,031	2,147	2,147	1,089
Unemployment Tax	2,122	1,205	1,200	1,400	803
Employee Insurance	178,888	206,074	237,802	237,802	215,859
Police Pension	585,071	600,909	569,992	569,992	474,941
<i>Employee Support</i>					
Travel	119	585	1,500	1,500	2,500
Training	9,059	7,372	12,500	12,500	25,438
Dues/Subscriptions	6,553	6,054	8,545	8,545	8,855
Uniforms/Uniform Maintenance	5,257	2,717	6,500	10,000	12,250
<i>Professional Services</i>					
Legal Services	18,110	17,100	20,000	20,000	20,000
Other Professional Services	152,841	143,276	154,000	156,000	217,500
Animal Control	466	398	1,500	1,500	1,500
<i>Operating Expenses</i>					
General Insurance	49,867	60,453	66,000	77,191	88,632
Telephone/Fax	8,753	11,418	10,500	10,500	11,000
Utilities	484	412	1,000	400	-
Rental	1,250	500	1,000	1,000	1,100
Postage	1,248	416	1,200	1,500	1,000
Printing/Publishing	396	693	1,500	1,500	2,350
Office Supplies	3,493	2,893	4,000	4,000	4,000
Other Supplies	8,578	4,774	4,000	4,500	6,750
Food/Prisoners	-	114	50	50	100
Gas & Oil	21,144	28,784	45,000	45,000	55,000
Sundry Expense	548	256	1,000	1,000	1,000
<i>Maintenance</i>					
Building Maintenance	1,616	2,513	10,000	10,000	-
Equipment Maintenance	25,689	34,625	54,000	27,500	53,900
<i>Capital Outlay</i>					
Equipment	-	154	-	151,105	94,540
Total Expenditures -					
General Fund - Police	\$ 1,920,197	\$ 2,023,972	\$ 2,135,533	\$ 2,337,229	\$ 2,218,415

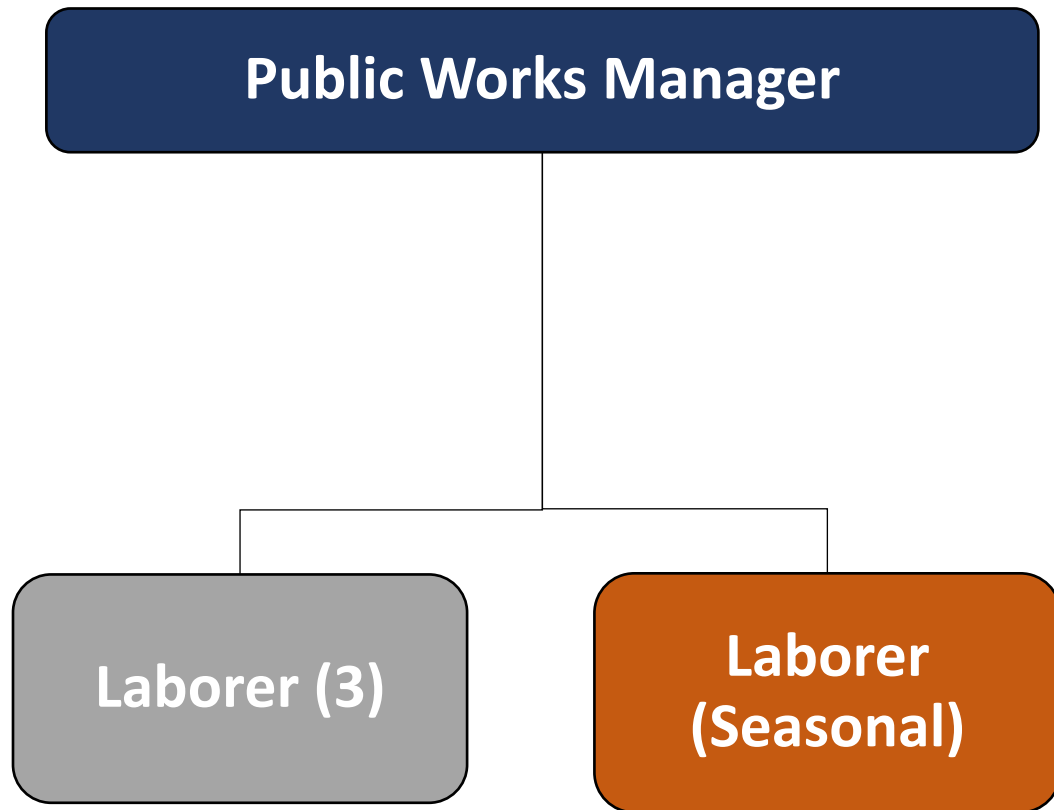
Mission and Objectives

The Department of Public Works is comprised of a highly dedicated staff who serve the community through routine maintenance projects. Their role in the community consists of landscaping enhancement, street maintenance, and residential assistance. The Department of Public Works is committed to their mission of making the Village of Peotone a nice place to live.



This department accomplishes its mission through the following divisions that preside over the maintenance and improvement functions of the Village:

- ✓ **Residential Assistance:** The Department of Public Works runs a Village-wide weekly branch pick-up service for all residents. The department also assists residents who call in with any land or street maintenance needed within their jurisdiction. Public Works also oversees the Village’s mosquito abatement program.
- ✓ **Safety & Sanitation:** The Public Works Department is responsible for keeping the Village clean and safe. The department routinely carries out street sweeping responsibilities. In addition, the department is responsible for preventative and emergency maintenance of Village owned buildings, removal of snow and ice, and maintenance of all streets and sidewalks.
- ✓ **Building & Street Maintenance:** The department maintains three Village owned buildings and are responsible for approximately 22 miles of streets. This includes the maintenance of street signs, streetlights, storm sewers, and snow removal.
- ✓ **Landscape Improvement:** Public Works is responsible for the planting and maintenance of trees on Village rights-of-way as well as the trees, plants and grass on all Village-owned properties, cutting grass, and enhancing the downtown business district with beautiful hanging flowers. The department is also responsible for the annual brush-chipping program for the removal of diseased trees, storm damage clean up and monitoring public trees for infestations, as well as the annual leaf collection program.



Public Works FY2023 Highlights and Accomplishments

- ✓ **Tree City USA Award:** Public Works has planted 110 new trees in Village parkways, earning the Tree City USA Arbor Day Foundation award and Growth Award.
- ✓ **GIS Mapping:** Public Works has begun a new initiative of GIS mapping to develop a database of the different districts within the Village.
- ✓ **Repairs & Improvements:** Storm sewer improvements have been achieved on Ahlborn Street. In addition, Wilmington Road now has an additional sidewalk with flashing safety signals for pedestrians crossing in this high traffic conjoining subdivision and business area. The Public Works Department also completed the resurfacing of Garfield and Mill Avenue streets.
- ✓ **Residential Branch Pick-Up Service:** The Public Works Department has implemented a new weekly branch pick-up service for the community.



Below are Public Works goals and objectives that are reflected in the FY2024 budget.

Strategic Vision					
FY2024 Department Goals	Accessible & Engaged	Financially Viable Future	Enterprising Infrastructure Management	Community Focused Development	Secure & Flourishing Neighborhoods
Complete 2023 Road Program	✓	✓	✓	✓	✓
Gulls Landing Sidewalk Maintenance		✓	✓		✓
Tree planting in Village parkways			✓	✓	✓
Corning Ave. sidewalk improvement	✓	✓	✓		✓

Below are Public Works performance measures that reflect the attainment of the department’s prior year goals.

Performance Measures						
Village Strategic Vision: Accessible & Engaged						
		FY2018	FY2019	FY2020	FY2021	FY2022
Output	Parkway trees trimmed	55	32	24	23	44
Output	Snow Plowing Events	8	7	11	9	12
Output	Response Time % (48 hours)	100%	100%	100%	100%	100%
Output	JULIE locate requests	57	63	77	65	80

Output	Citizen Requests for Service	10	14	19	22	28
Village Strategic Vision: Secure & Healthy Neighborhoods						
		FY2018	FY2019	FY2020	FY2021	FY2022
Output	Parkway trees removed	22	14	13	11	13
Output	Number of parkway trees planted	34	54	63	56	107

Below are Public Works Full Time Equivalentents (FTE's):

	FY2018	FY2019	FY2020	FY2021	FY2022
Full Time Equivalentents (FTE's)	4.5	4.5	4.5	4.5	4.5

Below is a summary of Public Works expenditures by type.

	FY2021 Actual	FY2022 Actual	FY2023 Amended Budget	FY2023 Projected	FY2024 Budget
Personnel Services	\$ 412,377	\$ 335,083	\$ 367,418	\$ 367,418	\$ 387,941
Employee Support	5,091	4,013	6,200	6,225	6,850
Professional Services	34,570	46,711	179,000	179,000	56,500
Operating Expenses	143,002	160,81	187,600	159,334	168,968
Maintenance	178,957	31,725	522,000	505,500	211,500
Debt Service	42,753	44,891	41,385	42,753	48,773
Capital Outlay	44,708	14,922	32,000	32,000	41,000
Total – Public Works	\$ 861,459	\$ 638,176	\$ 1,335,603	\$ 1,292,230	\$ 921,533



General Fund - Public Works - Expenditures

	FY2021 Actual	FY2022 Actual	FY2023 Amended Budget	FY2023 Projected	FY2024 Budget
<i>Personnel Services</i>					
Salaries	\$ 273,664	\$ 205,622	\$ 235,080	\$ 235,080	\$ 228,798
Straight Overtime	43	105	-	-	-
Overtime	18,761	13,234	-	-	20,000
Social Security	22,346	16,462	17,984	17,984	19,032
IMRF	24,688	12,872	8,093	8,093	1,745
Unemployment Tax	842	407	750	750	365
Employee Insurance	72,033	86,380	105,511	105,511	118,001
<i>Employee Support</i>					
Travel	-	-	500	500	500
Training	-	-	1,000	1,000	1,500
Dues/Subscriptions	303	496	700	725	850
Uniforms/Uniform Maintenance	4,788	3,517	4,000	4,000	4,000
<i>Professional Services</i>					
Legal Services	-	1,500	4,000	4,000	4,000
Engineering	12,103	11,606	108,000	108,000	20,000
Other Professional Services	22,468	33,605	67,000	67,000	32,500
<i>Operating Expenses</i>					
General Insurance	43,217	47,862	50,500	32,884	26,068
Telephone/Fax	10,436	14,398	14,500	9,500	9,000
Utilities	1,280	37	2,000	-	-
Street Lighting	64,742	64,640	70,000	70,000	70,000
Rental	1,000	500	2,000	2,000	2,000
Printing/Publishing	445	895	1,500	1,500	1,500
Office Supplies	-	-	-	50	-
Other Supplies	6,369	10,258	12,000	8,000	30,000
Gas & Oil	11,976	18,741	30,000	30,000	25,000
Sundry Expense	37	-	500	800	800
Drainage District Assessment	3,500	3,500	4,600	4,600	4,600
<i>Maintenance</i>					
Street Light Maintenance	9,109	632	10,000	7,500	10,000
Building Maintenance	1,387	1,976	10,000	7,500	82,500
Equipment Maintenance	28,502	15,163	30,000	20,000	30,000
Street Maintenance	3,336	7,801	346,000	346,000	57,000
Sidewalk Maintenance	101,598	294	114,000	114,000	15,000
Snow/Leaf Removal	34,600	5,055	10,000	10,000	15,000
Ground Upkeep	424	804	2,000	500	2,000
<i>Debt Service</i>					
Interest Expense	8,705	9,705	6,020	7,388	6,020
Debt Retirement	34,049	35,186	35,365	35,365	42,753
<i>Capital Outlay</i>					
Buildings & Permanent Improvements	43,686	2,850	2,000	2,000	-



General Fund - Public Works - Expenditures

	FY2021 Actual	FY2022 Actual	FY2023 Amended Budget	FY2023 Projected	FY2024 Budget
Improvements Other than Buildings	-	256	5,000	5,000	-
Equipment	1,023	11,816	25,000	25,000	41,000
Total Expenditures -					
General Fund - Public Works	\$ 861,459	\$ 638,176	\$ 1,335,603	\$ 1,292,230	\$ 921,533

The Motor Fuel Tax (MFT) Fund accounts for the Village's share of the State imposed tax on gasoline. In July 2019, the State increased the MFT rate from \$0.19 per gallon, \$0.38 per gallon. This rate may be adjusted annually based on changes in the Consumer Price Index. The original per gallon amount of \$0.19 will continue to be distributed to units of local government based on the existing per capita formula. Receipts from the additional \$0.19 per gallon are deposited into the State's Transportation Renewal Fund (TRF), with the additional diesel fuel rate completely dedicated to the State of Illinois. In total, units of local government will receive approximately 15.7% of the revenue generated from the additional \$0.19 per gallon.

MFT revenues are restricted for use in road maintenance and improvement programs authorized by the State and the Illinois Department of Transportation (IDOT). The Village generally transfers MFT funds to the Capital Improvements Fund to provide a recurring funding source for the annual Road Program.

For budgetary purposes, the Village uses MFT revenue estimates provided by the Illinois Municipal League (IML). IML's current revenue estimates are prepared based on three factors, including pre-pandemic motor fuel consumption trends, any enduring effects of the pandemic on 2022 fuel consumption and the overall economic forecast. The FY2024 budget for motor fuel tax amounts to \$173,855. This is an increase of approximately \$3,016 or 1.77%, when compared to FY2023 projections.

Rebuild Illinois Funds

In 2019, the Illinois Department of Transportation (IDOT) was authorized to implement a \$1.5 billion grant program using proceeds from general obligation bonds authorized in the Rebuild Illinois Capital Program to provide municipalities with funds for infrastructure improvements. Funding will be allotted to municipalities based on the regular per capita MFT formula. IDOT awarded and disbursed funds twice each year over a three-year period, with exact dates varying depending on the timing of bond sales. The use of these funds is restricted to bondable capital improvements and are generally limited to new construction, although major reconstruction projects may be considered. The Village's total allocation was \$272,974. These revenues are being utilized to partially fund the Village's annual road program.

The FY2024 Motor Fuel Tax Fund budget can be found on the following page.



Village of Peotone, Illinois
 Fiscal Year 2024 Budget
Motor Fuel Tax Fund

	FY2021 Actual	FY2022 Actual	FY2023 Amended Budget	FY2023 Projected	FY2024 Budget
Revenues					
<i>Intergovernmental</i>					
Motor Fuel Tax	\$ 283,427	\$ 164,867	\$ 165,680	\$ 170,839	\$ 173,855
Grant Funds	37,546	161,561	54,496	64,820	-
<i>Miscellaneous Revenues</i>					
Interest Income	257	277	200	205	161
Total Revenues	\$ 321,230	\$ 326,704	\$ 220,376	\$ 235,864	\$ 174,016
Expenditures					
<i>Professional Services</i>					
Engineering	95,451	125,926	44,200	115,828	-
<i>Maintenance</i>					
Street Maintenance	76,214	241,554	28,000	311,281	-
<i>Capital Improvements</i>					
Acquisitions	-	-	377,550	-	-
Total Expenditures	\$ 171,665	\$ 367,480	\$ 449,750	\$ 427,109	\$ -
Excess (Deficiency) of					
Revenues Over Expenditures	149,565	(40,776)	(229,374)	(191,245)	174,016
Other Financing Sources (Uses)					
Transfers Out	-	-	-	-	(412,350)
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ (412,350)
Net Income (Loss)	149,565	(40,776)	(229,374)	(191,245)	(238,334)
Beginning Fund Balance	551,083	700,648	659,872	659,872	468,627
Ending Fund Balance	\$ 700,648	\$ 659,872	\$ 430,498	\$ 468,627	\$ 230,293

In late 2019, the Village of Peotone approved a plan to designate a Business District and to impose a Business District tax pursuant to the Illinois Business District Development and Redevelopment Law. The purpose of the Business District is to strengthen the tax base, assure opportunities for development or redevelopment, and to attract sound and stable commercial growth. The Business District area covers the majority of the footprint of the Village boundaries.

The revenue generated by the District includes a Business District Tax of 1% of the selling price of tangible personal property with the Business District. The revenues generated by the Business District Tax can only be used within the Business District in support of redevelopment goals and the District expires in 23 years. Eligible projects for the Business District Fund include:

- ✓ Creation of studies or plans
- ✓ Acquisition of property
- ✓ Clearing and grading of land
- ✓ Demolition of existing buildings
- ✓ Installation or repair of infrastructure
- ✓ Renovation of existing buildings or construction of new buildings
- ✓ The ability to borrow money against revenue from the district
- ✓ Reimbursement of cost related to the implementation of the Plan

The FY2024 Business District Fund budget can be found on the following page.



Village of Peotone, Illinois
Fiscal Year 2024 Budget
Business Development District Fund

	FY2021	FY2022	FY2023	FY2023	FY2024
	Actual	Actual	Amended Budget	Projected	Budget
Revenues					
<i>Intergovernmental</i>					
Retailer's Occupation Tax	\$ 210,665	\$ 290,309	\$ 288,000	\$ 329,649	\$ 339,538
Grant Funds	-	-	-	234,857	-
<i>Miscellaneous Revenues</i>					
Interest Income	41	107	50	133	164
Total Revenues	\$ 210,706	\$ 290,416	\$ 288,050	\$ 564,639	\$ 339,702
Expenditures					
<i>Professional Services</i>					
Legal Fees	-	14,531	20,000	7,000	10,000
Accounting Services	-	-	1,000	-	750
Engineering	-	-	100,000	100,000	180,000
Other Professional Services	19,069	30,456	50,000	50,000	70,000
<i>Operating Expenses</i>					
Sundry Expense	-	-	-	3,216	5,000
<i>Capital Outlay</i>					
Improvements other than Buildings	-	-	-	-	-
Acquisitions	-	110,476	355,000	27,928	100,000
Total Expenditures	\$ 19,069	\$ 155,463	\$ 526,000	\$ 188,144	\$ 365,750
Excess (Deficiency) of Revenues Over Expenditures	191,637	134,952	(237,950)	376,494	(26,048)
Transfers Out	-	-	-	(436,499)	-
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ (436,499)	\$ -
Net Income (Loss)	191,637	134,952	(237,950)	(60,005)	(26,048)
Beginning Fund Balance	34,709	226,346	361,298	361,298	301,293
Ending Fund Balance	\$ 226,346	\$ 361,298	\$ 123,348	\$ 301,293	\$ 275,245

In 2019 and 2020 respectively, the Village Board approved ordinances adopting tax increment financing within the areas designated as the TIF 1 and TIF 2 Redevelopment Areas. Based upon adoption of these ordinances, the Village established the TIF 1 and TIF 2 Funds within which all revenues and expenditures related to TIF activities are recorded. Currently, revenues recorded in these funds include incremental property taxes and interest income. In addition, bond proceeds were recorded in the TIF 2 Fund in FY2023 to fund a significant road project within the redevelopment area. More information on this project is included in the Capital Improvement Plan section of this document.

The FY2024 TIF 1 and TIF2 Fund budgets can be found on the following pages.



Village of Peotone, Illinois
Fiscal Year 2024 Budget
TIF 1 Fund

	FY2023				
	FY2021	FY2022	Amended	FY2023	FY2024
	Actual	Actual	Budget	Projected	Budget
Revenues					
<i>Taxes</i>					
Property Taxes	\$ 74,188	\$ 8,064	\$ 45,000	\$ 22,843	\$ 23,374
<i>Miscellaneous Revenues</i>					
Interest Income	26	24	50	21	26
Total Revenues	\$ 74,215	\$ 8,089	\$ 45,050	\$ 22,864	\$ 23,400
Expenditures					
<i>Professional Services</i>					
Legal Fees	-	-	1,000	-	1,000
Accounting Services	-	-	1,000	-	750
Engineering	-	-	1,000	-	1,000
Other Professional Services	855	39,406	40,000	9,000	15,000
<i>Operating Expenses</i>					
Sundry Expense	-	-	5,000	-	1,000
<i>Capital Outlay</i>					
Acquisitions	-	-	20,000	-	20,000
Total Expenditures	\$ 855	\$ 39,406	\$ 68,000	\$ 9,000	\$ 38,750
Excess (Deficiency) of					
Revenues Over Expenditures	73,360	(31,318)	(22,950)	13,864	(15,350)
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -
Net Income (Loss)	73,360	(31,318)	(22,950)	13,864	(15,350)
Beginning Fund Balance	6,408	79,768	48,450	48,450	62,314
Ending Fund Balance	\$ 79,768	\$ 48,450	\$ 25,500	\$ 62,314	\$ 46,964



Village of Peotone, Illinois
Fiscal Year 2024 Budget
TIF 2 Fund

	FY2021 Actual	FY2022 Actual	FY2023 Amended Budget	FY2023 Projected	FY2024 Budget
Revenues					
<i>Taxes</i>					
Property Taxes	\$ 3,337	\$ 15,918	\$ 16,100	\$ 16,733	\$ 15,918
<i>Miscellaneous Revenues</i>					
Reimbursements	-	-	-	-	350,000
Interest Income	2	6	5	140	13
Total Revenues	\$ 3,339	\$ 15,924	\$ 16,105	\$ 16,873	\$ 365,931
Expenditures					
<i>Professional Services</i>					
Legal Fees	-	-	1,000	-	1,000
Accounting Services	-	-	1,000	-	750
Engineering	-	-	1,000	-	350,000
Other Professional Services	885	1,592	7,500	7,500	10,000
<i>Debt Service</i>					
Interest Expense	-	-	-	-	140,058
<i>Capital Outlay</i>					
Improvements to Streets	-	-	-	-	2,718,716
Total Expenditures	\$ 885	\$ 1,592	\$ 10,500	\$ 7,500	\$ 3,220,524
Excess (Deficiency) of Revenues Over Expenditures	2,454	14,331	5,605	9,373	(2,854,593)
Other Financing Sources (Uses)					
Transfers In	2,500	-	-	-	-
Bond Proceeds	-	-	-	3,055,000	-
Bond Issuance Costs	-	-	-	(54,950)	-
Total Other Financing Sources (Uses)	\$ 2,500	\$ -	\$ -	\$ 3,000,050	\$ -
Net Income (Loss)	4,954	14,331	5,605	3,009,423	(2,854,593)
Beginning Fund Balance	-	4,954	19,285	19,285	3,028,708
Ending Fund Balance	\$ 4,954	\$ 19,285	\$ 24,890	\$ 3,028,708	\$ 174,115



The Capital Improvements Fund accounts for revenue and expenditures related to the Village's annual road improvement program, as well as other right of way, street, sidewalk/pathway and facility improvements and the purchase (or lease) of machinery and equipment. The main revenue sources of this fund include federal and state funding, transfers from the Motor Fuel Tax and General Funds, as well as developer donations.

The FY2024 Capital Improvements Fund budget can be found on the following page.



Village of Peotone, Illinois
Fiscal Year 2024 Budget
Capital Improvements Fund

	FY2021 Actual	FY2022 Actual	FY2023 Amended Budget	FY2023 Projected	FY2024 Budget
Revenues					
<i>Licenses, Permits & Inspections</i>					
Building Permit Development Fees - Admin	\$ 12,600	\$ 12,580	\$ 8,880	\$ 13,068	\$ 11,000
Building Permit Development Fees - Police	22,384	23,052	16,272	6,000	21,000
<i>Miscellaneous Revenues</i>					
Interest Income	232	193	150	193	174
Total Revenues	\$ 35,216	\$ 35,825	\$ 25,302	\$ 19,261	\$ 32,174
Expenditures					
<i>Professional Services</i>					
Engineering	-	-	-	-	114,482
Other Professional Services	-	-	-	-	20,000
<i>Capital Outlay</i>					
Improvements - Admin	14,036	25,230	65,000	5,000	-
Improvements Police	6,216	54,555	137,000	-	-
Improvements to Streets	9,134	118,243	20,000	-	488,350
Total Expenditures	\$ 29,386	\$ 198,028	\$ 222,000	\$ 5,000	\$ 622,832
Excess (Deficiency) of					
Revenues Over Expenditures	5,830	(162,203)	(196,698)	14,261	(590,658)
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	412,350
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ 412,350
Net Income (Loss)	5,830	(162,203)	(196,698)	14,261	(178,308)
Beginning Fund Balance	571,915	577,745	415,542	415,542	429,803
Ending Fund Balance	\$577,745	\$ 415,542	\$ 218,844	\$429,803	\$ 251,495

The Vehicle Service Fund, which was established prior to the sale of the Village's enterprise assets, will be closed at the end of FY2024 as the fund only provides services to governmental activities. An interfund transfer to the General Fund, in the amount of \$90,376, is reflected in the fund's FY2024 budget and will deplete the remaining fund balance in the fund.

The FY2024 Vehicle Service Fund budget can be found on the following page.



Village of Peotone, Illinois
 Fiscal Year 2024 Budget
Vehicle Service Fund

			FY2023		
	FY2021	FY2022	Amended	FY2023	FY2024
	Actual	Actual	Budget	Projected	Budget
Revenues					
<i>Fines & Forfeitures</i>					
Circuit Clerk Fines	\$ 180	\$ 28	\$ -	\$ -	\$ -
<i>Miscellaneous Revenues</i>					
Interest Income	30	39	100	36	-
Miscellaneous Income - Police	-	20	-	-	-
Miscellaneous Income - Public Works	-	24,000	-	-	-
Total Revenues	\$ 210	\$ 24,087	\$ 100	\$ 36	\$ -
Expenditures					
<i>Capital Outlay</i>					
Equipment - Police	-	-	25,000	-	-
Equipment - Public Works	-	-	52,000	39,804	-
Total Expenditures	\$ -	\$ -	\$ 77,000	\$ 39,804	\$ -
Excess (Deficiency) of					
Revenues Over Expenditures	210	24,087	(76,900)	(39,768)	-
Other Financing Sources (Uses)					
Transfer Income	-	-	17,500	-	-
Transfer Out	-	-	-	-	(90,376)
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ 17,500	\$ -	\$ (90,376)
Net Income (Loss)	210	24,087	(59,400)	(39,768)	(90,376)
Beginning Fund Balance	105,847	106,057	130,144	130,144	90,376
Ending Fund Balance	\$ 106,057	\$ 130,144	\$ 70,744	\$ 90,376	\$ -

**VILLAGE OF PEOTONE
EMPLOYEE SALARY SCHEDULE BY DEPARTMENT
FISCAL YEAR 2024**

Title	Budget FY2023	Estimated Actual FY2023	Budget FY2024
Administration Department			
Village Administrator	106,090	106,090	109,262
Village Treasurer/Human Resources	52,245	18,935	-
Clerical Support*	42,634	29,612	-
Village Clerk*	-	14,968	50,346
Clerical Support PT	-	-	18,521
Police Department			
Police Chief	77,250	77,250	109,990
Sergeant	86,886	86,886	89,988
Patrol Officer	76,610	76,610	79,221
Patrol Officer	74,110	39,078	56,117
Patrol Officer	54,219	54,219	57,021
Patrol Officer	59,085	59,085	59,689
Patrol Officer	56,178	56,178	58,790
Patrol Officer	75,110	75,110	77,721
Patrol Officer	73,360	73,360	76,971
Patrol Officer	59,085	59,085	59,898
Records Clerk	47,712	47,712	49,147
Patrol Officer PT (5)	30,000	30,000	22,446
Building Department			
Building & Zoning Coordinator	-	-	65,000
Code Enforcement PT	18,000	4,425	25,724
Public Works Department			
Public Works Manager	72,405	72,405	74,577
General Laborer FT	53,123	53,123	56,763
General Laborer FT	34,320	34,320	37,939
General Laborer FT	37,232	37,232	40,997
General Laborer PT	18,000	15,161	15,435

*The elected Clerk position was changed to an appointment Clerk position and filled by an existing employee. The FT Clerical Support position was eliminated and two (2) PT Clerical Support positions were added.



Village of Peotone, Illinois
 Fiscal Year 2024 Budget
Tax Year 2021 Principal Property Tax Payers

Tax Payer	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Chicago Title Land Trust Co.	1,155,636	1	1.14%
First Bank of Manhattan	\$1,052,702	2	1.04%
Peotone Ind Properties LLC	\$967,456	3	0.96%
Bult James Pearl	\$872,590	4	0.86%
Dralle Chevrolet	\$648,980	5	0.64%
Double Black Diamond LLC	\$579,382	6	0.57%
Peotone Kotara Partners LLC	\$576,225	7	0.57%
Macs Convenience Stores LLC	\$501,635	8	0.50%
Vitrus Properties LLC	\$484,626	9	0.48%
Aqua Illinois Inc	\$465,335	10	0.46%
WIM FMB Portfolio Owner LLC	\$392,771		0.39%
	<u>\$7,697,338</u>		<u>7.61%</u>

Data Source: Will County Clerk's Office

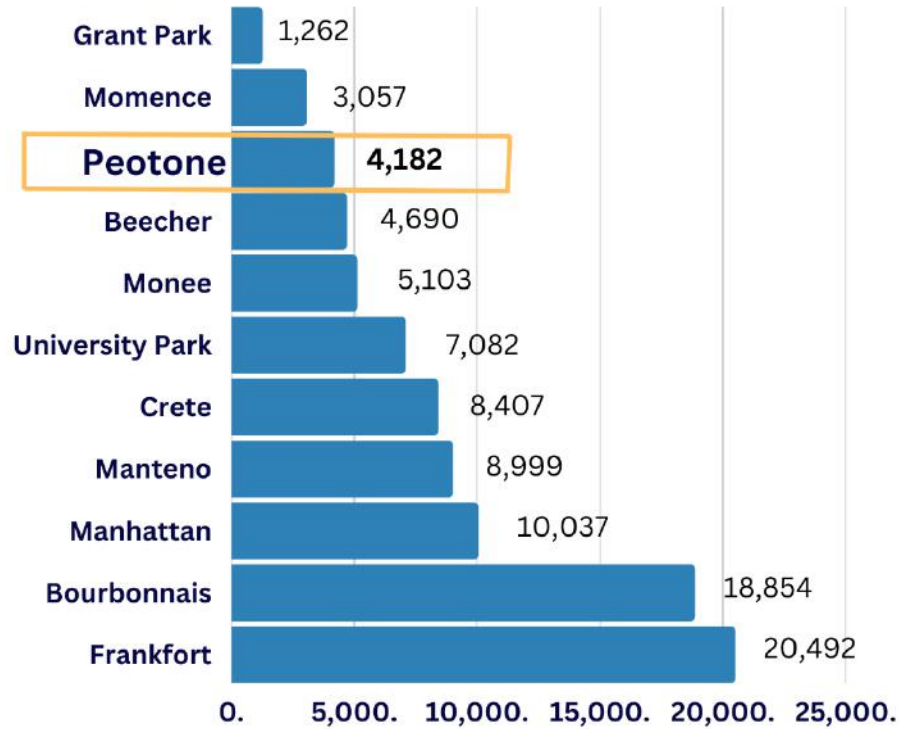


Village of Peotone, Illinois
 Fiscal Year 2024 Budget
Employment by Industry

Occupation	Percent of Population
Health Care & Social Assistance	15.30%
Educational Services	9.32%
Retail Trade	15.80%
Accommodation & Food Services	7.95%
Arts, Entertainment & Recreation	2.37%
Manufacturing	9.18%
Transportation & Warehousing	7.19%
Utilities	1.04%
Professional, Scientific & Technical Services	4.97%
Construction	6.20%
Public Administration	4.78%
Administrative, Support & Waste Management Services	2.84%
Other Services, Except Public Administration	3.88%
Real Estate & Rental & Leasing	2.74%
Finance & Insurance	1.09%
Wholesale Trade	2.70%
Information	2.65%
	100.00%

Source: DataUSA

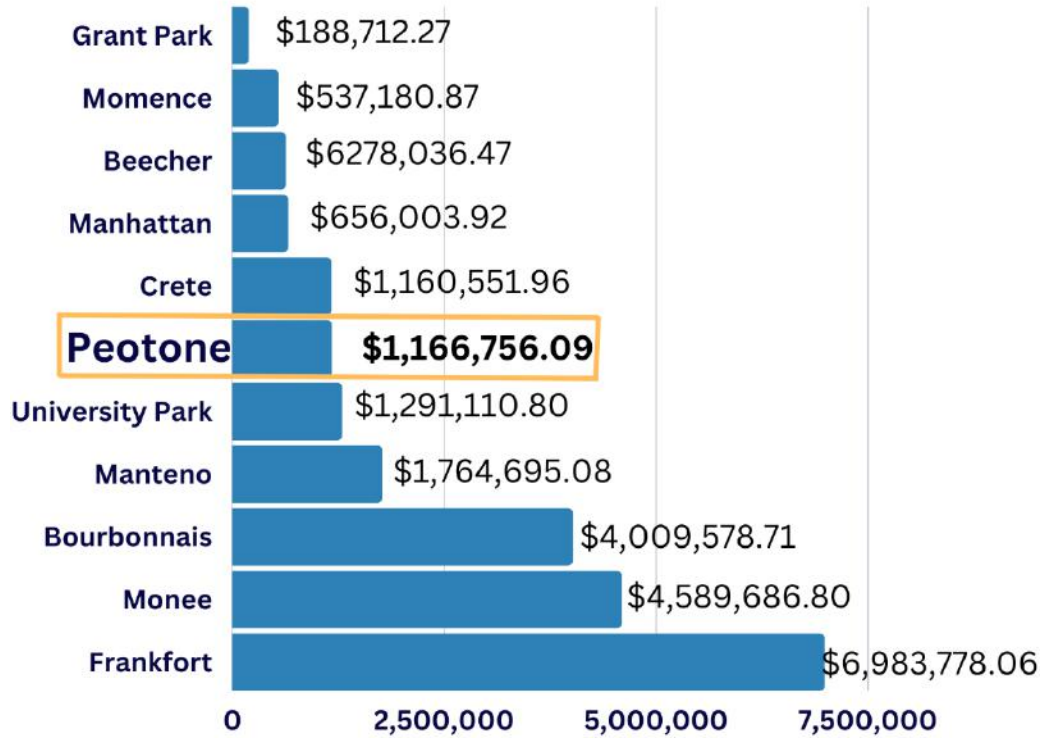
Population



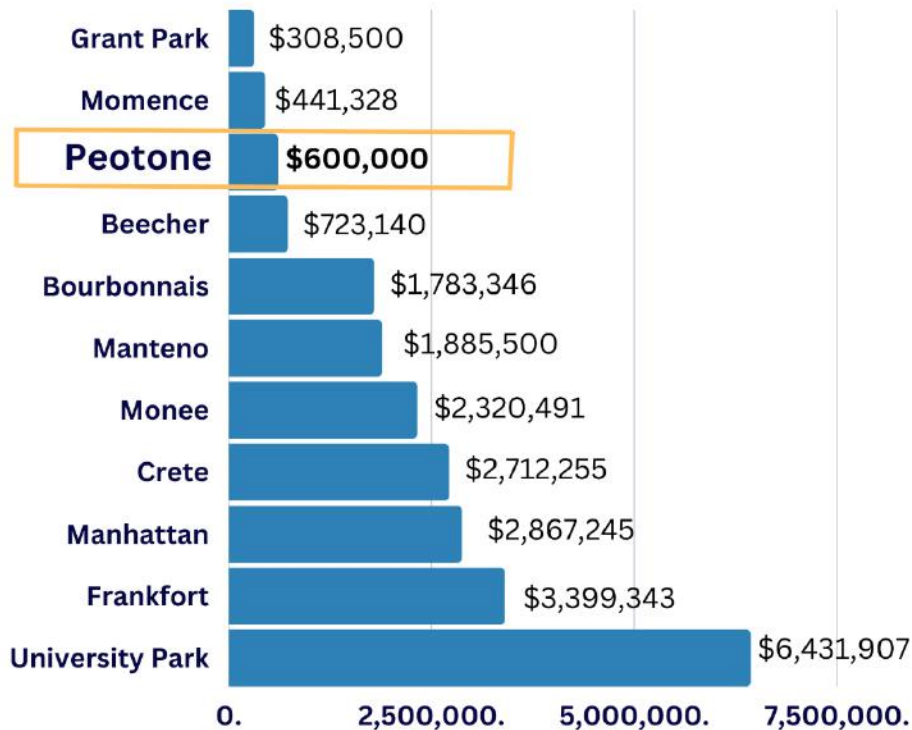
Income Tax



Sales Tax



Property Tax



ARPA: American Rescue Plan Act. This act was signed into law to provide for COVID-19 related relief, as well as economic stimulus.

CALEA: The Commission on Accreditation for Law Enforcement Officers. Credentialing authority through the joint efforts of law enforcement's major executive associations. The CALEA Accreditation program seals are reserved for use by those public safety agencies that have demonstrated compliance with CALEA Standards and have been awarded CALEA Accreditation by the Commission.

CARES Act: Coronavirus Aid, Relief, and Economic Security Act. This act was created by the Treasury Department to provide payments to State and Local governments navigating the impact of the COVID-19 pandemic.

CIP: Capital Improvement Plan. A five-year plan that projects proposed capital expenditures.

CPI: Consumer Price Index

EAV: Equalized assessed valuation. The equalized assessed value, or EAV, is the result of applying the state equalization factor to the assessed value of a parcel of property. Tax bills are calculated by multiplying the EAV (after any deductions for homesteads) by the tax rate.

FEMA: Federal Emergency Management Agency

FICA: Federal Insurance Contribution Act. FICA tax is a tax levied in equal amounts on employees and employers to fund old-age, survivors, and disability claims. This tax is composed of two elements: 6.2% Social Security tax and 1.45% Medicare tax.

FY: Fiscal Year. Declared twelve-month accounting period designated April 1 – March 31.

GAAP: Generally Accepted Accounting Principles. Uniform minimum standards for financial accounting and reporting. The primary authoritative body on the application of G.A.A.P. to state and local governments is the Governmental Accounting Standards Board.

GFOA: Government Finance Officers' Association. An organization representing municipal finance officers and other individuals and organizations associated with public finance.

GASB: Governmental Accounting Standards Board. The oversight board responsible for establishing financial reporting requirements for governmental and public agencies.

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

IML: Illinois Municipal League. Established in 1914, the League offers membership to any city, village, or incorporated town in the state of Illinois and provides a common meeting ground, provides a formal voice for

municipalities, promotes competence and integrity in government, and offers programs that provide knowledge, experience, and assistance for municipal officials.

IMRF: Illinois Municipal Retirement Fund. Established in 1941, a program that provides employees of local governments and school districts in Illinois with a sound and efficient system for payment of retirement disability, and death benefits.

IPBC: Intergovernmental Personnel Benefit Cooperative. IPBC is a cooperative entity established to jointly administer some or all the personnel benefit programs offered by its members to their employees and retirees. The Village's HMO Medical benefits for employees and retirees are provided through this entity.

IRMA: Intergovernmental Risk Management Agency. A member-owned self-governed risk pool providing insurance coverage, claims administration, litigation management, and risk management services to assist members in preventing losses and reducing their overall cost of risk, at substantial savings to public entities.

LGDF: Local Government Distributive Fund. Illinois municipalities and counties receive a percentage of total state income tax revenues through this fund on a per capita basis.

LPR: License Plate Recognition. A system which provides real time alerts to patrol officers.

MFT: Motor Fuel Tax; a revenue collected on a per capita basis. Since October 1, 1977, Illinois has imposed a motor fuel use tax on fuel used by interstate commercial motor vehicles. The Illinois Department of Revenue collects funds annually to help, in part, build and maintain roads and highways. Programs such as railroad crossing protection, boating safety, and vehicle emission testing also benefit from motor fuel taxes.

OPEB: Other Post-Employment Benefits. The Village's defined benefit OPEB plan, provides for all permanent full-time general and public safety employees of the Village. The plan provides eligible retirees coverage; however, they pay 100% of the premium cost. Coverage ends when the retiree stops paying for it.

PT: Part Time. An employee who is employed in a position that requires the performance of duty for less than one thousand hours per year. An employee who is hired for a specific position with no specific date upon which employment ends.

PPE: Personal Protective Equipment

RMS: Records Management System

TIF: Tax Increment Financing. A financial tool used by local governments to fund economic development.

A

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

Accrual Basis of Accounting: Revenues are recognized in the accounting period they are earned and become measurable. Expenses are recognized in the accounting period in which the liability is incurred.

Appropriation: An authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is limited to the time it may be expended. The appropriation provides the legal authorization for corporate authorities (municipalities) to expend funds.

Assets: Property that has a monetary value.

Assessed Valuation: A judgment of the worth of real estate or other property by the County Assessor as a basis for levying taxes.

Audit: An examination that reports on the accuracy of the annual financial report prepared by the Village; usually prepared by a private firm retained by the Village.

B

Balanced Budget: The budget is balanced when the sum of estimated revenues and appropriated fund balances is equal to expenditures.

Bond: A written promise to pay a specified sum of money at a fixed time in the future, carrying interest at a fixed rate, usually payable periodically.

Bonded Debt: A portion of money owed (indebtedness) represented by outstanding bonds.

Budget: A one-year financial document embodying an estimate of proposed expenditures for a given period and the proposed means of financing them with available revenues and resources. This is the actual working document for Village operations.

Budget Adjustment/Amendment: A procedure for the Village Board to revise the budget after it has been approved.

Budget Document: The instrument used to present a comprehensive financial plan of operations of the Village.

C

Capital Assets: Assets of significant value with a useful life of several years. Capital assets are also known as fixed assets. Tangible or intangible assets such as land, easements, buildings, vehicles, equipment, machinery, infrastructure, and improvements to any of these items used in the operation of the Village.

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

Capital Outlay/Expenditure: Expenditures that result in the acquisition of or addition to fixed assets such as the purchase of equipment, machinery, land, and buildings.

Capital Projects: A specific identifiable improvement or purpose for which expenditures are proposed within the capital budget or capital improvement program. Examples include new roads, watermain improvements, buildings, and large-scale remodeling projects.

Cash Management: The management of cash necessary to pay for government services while investing temporary cash excesses 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 to achieve the highest interest and return available for temporary cash balances.

Chart of Accounts: The classification system used by the Village to organize the accounting for various funds.

Commodities: Budgetary class of consumable items used by Village departments such as office supplies, replacement parts for equipment, and gasoline.

Contingency: A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted for.

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

D

Debt: An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of governments include bonds, time warrants, and notes.

Debt Service Fund: A fund established to account for the accumulation of resources for, and the payment of, bonds and general long-term debt principal and interest according to a predetermined schedule.

Deficit: The excess of expenditures over revenues during an accounting period.

Depreciation: The process of estimating and recording the lost usefulness, expired useful life or diminution of service from a fixed asset that cannot or will not be restored by repair and will be replaced. The cost of the fixed asset's lost usefulness is the depreciation or the cost to reserve in order to replace the item at the end of its useful life.

Department: A major administrative organizational unit of the Village, which indicates overall management responsibility for one or more activities, for example, the Public Works or Police Department. Also, a budgetary unit of division used to separate expenditures by Village operating departments.

E

Encumbrance: The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for future expenditures.

Enterprise Fund: A separate fund used to account for services supported primarily by service charges, for example, water and sewer funds. Enterprise funds are used to account for operations that are financed and operated in a manner like private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the public on a continuing basis are financed or recovered through user fees. Enterprise funds are also used to account for operations 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.

Equalized Assessed Valuation: The Board of Review, on a county basis, reviews the assessed valuation of all townships and may assign multipliers to make assessed valuations from township to township equal. If necessary, the State will then assign multipliers for counties in order that all property will be assessed at 33 1/3 % of market value.

Estimated Actual: The amount projected to be spent or collected during the current Fiscal Year.

Estimated Revenue: The amount projected to be collected during the Fiscal Year.

Expenditures: The outflow of funds paid or to be paid for an asset obtained or goods and services obtained, regardless of when the expense is actually paid. An encumbrance is not an expenditure, rather, it reserves funds to be expended.

F

Fiduciary Fund: Funds that are used when a government holds or manages financial resources in an agent or fiduciary capacity such as the Police Pension Fund.

Fiscal Year: A designated twelve-month period designated by the calendar year in which it ends for budgeting and record keeping purposes. The Village's Fiscal Year begins May 1st and ends April 30th.

Fixed Assets: Assets of a long-term character (held more than one year) which are intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment. See also *Capital Assets*.

Full Accrual Accounting: A method of accounting that requires income and expenditures to be accounted for as and when they are earned or incurred, not when the money is received or paid.

Full Faith and Credit: A pledge of the general taxing power of a government to repay debt obligation (typically used in reference to bonds).

Full-time Equivalent: The ratio of total number of paid hours during a period (full-time or part-time) by the number of working hours in that year.

Fund: A budgetary and accounting entity that is segregated from other funds for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. A fund is the largest budgetary unit and is used to account for significant projects

Fund Accounting: The organization of Village accounts on the basis of funds and account groups, each of which are considered a separate accounting entity. Government resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled.

Fund Balance: The excess of a fund's assets over its liabilities and reserves, which is held in reserve for future emergency spending.

Fund Type: In governmental accounting, all funds are classified into eight generic fund types: General, Special Revenue, Debt Service, Capital Projects, Special Assessment, Enterprise, Internal Service, and Trust and Agency.

G

General Fund: The fund that is available for any legal authorized purposes and which is typically used to account for all revenue and all activities except those required to be in accounted for in another fund.

General Obligation Bonds: Bonds that finance a variety of public projects such as streets, buildings, and improvements. Repayment of the bonds is typically from property taxes. The Village pledges to repay this municipal bond and the bond is backed with the full faith and credit of the Village.

Governmental Fund: Funds which are used to account for activities that are primarily supported by taxes, grants and similar revenue sources including the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds.

Grant: A contribution of assets (usually cash) by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the state and federal governments. Grants are usually made for specified purposes.

I

IMRF Pension Fund: The Illinois Municipal Retirement Fund provides retirement benefits for all retired non-sworn City employees and their beneficiaries.

Incremental Property Tax: the difference between the amount of property tax revenue generated before TIF designation and the amount of property tax revenue generated after designation.

Intergovernmental Revenues: Revenues from other governments in the form of grants, entitlements, shared revenues, or payments in lieu of taxes.

Internal Service Fund: A fund used to account for the financing of goods and services provided by one department or agency to other departments or agencies of a government on a cost reimbursement basis.

Investment: Securities and real estate purchased and held for the production of income in the form of interest, dividends, rentals, or base payments.

L

Levy: (Verb) To impose taxes, special assessments, or service charges for the support of government activities. (Noun) The total amount of taxes, special assessments or services charges imposed by a government.

Line-Item Budget: A budget format that lists each expenditure category (salary, materials, telephone service, travel, etc.) separately, along with the dollar amount budgeted for each specified category.

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

M

Major Fund: A fund in which revenues, expenditures, assets, or liabilities of that fund are at least 10 percent of the corresponding totals, excluding extraordinary items, for all governmental funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds for the same item. These funds include the General Fund and the Capital Improvements Fund.

Modified Accrual Accounting: A method of accounting that requires income and expenditures to be accounted for when available and measurable and expenditures are recorded when the liability is incurred.

M

Non-Major Fund: Funds that do not meet the criteria of a major fund and account for assets held by the Village as an agent for individuals, private organizations, and other governments. These funds include the Hotel/Motel Tax Fund, Motor Fuel Tax Fund, Downtown Business District Fund and the Storm Water Management Fund.

O

Operating Budget: The portion of the budget that pertains to daily operations that provide basic government services; presents proposed expenditures for the fiscal year and the revenues to fund them. See also *General Fund*.

Ordinance: A formal legislative enactment by the governing board of a municipality.

Outlays: Checks issued, interest accrued on the public debt, or other payments made, offset by refunds and reimbursements.

P

Pension Trust Fund: A trust fund used to account for public employee retirement systems.

Performance Measures: Objective and/or quantitative indicators used to show the amount of work accomplished, the efficiency with which tasks are completed and the effectiveness of a department or program.

Property Tax: Taxes levied on real property according to the property's valuation and the tax rate.

Proprietary Fund: A fund which is used to account for activities that involve business-like interactions either within the Village or outside the Village. These activities are similar to what would be found in the private sector, and reporting resembles what would be used by a private business.

R

Rating: The credit worthiness of a municipality as evaluated by independent agencies.

Retained Earnings: An equity account reflecting the accumulated earnings of the Village's enterprise funds.

Reserve: An account used to indicate that a portion of a fund's balance is legally restricted for a specific purpose and, is, therefore, not available for general appropriation.

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

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

S

Special Assessment Funds: A fund used to account for the financing of public improvements or services deemed to benefit the properties against which special assessments are levied.

Special Revenue Fund: A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

Surplus: An excess of the assets of a fund over its liabilities and reserves.

T

Tax Levy: The total amount to be raised by general property taxes for operating and debt service purposes specified in the Tax Levy Ordinance.

Tax Levy Ordinance: The annual ordinance that identifies the amount of property taxes to be levied.

Tax Rate: The amount of tax levied for each \$100 of equalized assessed valuations. The tax rate multiplied by the equalized assessed valuation equals the tax levy.

TIF District: A value capture revenue tool that uses taxes on future gains in real estate values to pay for new infrastructure improvements. TIFs are authorized by state law in nearly all 50 states and begin with the designation of a geographic area as a TIF District.

Transfers In/Out: A legally authorized funding transfer between funds in which one fund is responsible for the initial receipt and the other fund is responsible for the actual disbursement.

U

User Fees: Fees that are levied by the municipality on users of a service. User fees are designed to place the cost of a municipal service or program on the beneficiaries (users) of that service. For example, water rates are user fees charged to users of Lake Michigan Water.