



INTRODUCTION

Village of Villa Park, Illinois

May 1, 2017–April 30, 2018

Adopted April 24, 2017

INTRODUCTION

This section of the budget document is divided into six (6) categories as follows:

1) Budget Message

The Village Manager's Budget Message presents highlights and overviews of the current year's budget. It also discusses prior years' accomplishments, current year financial targets, strategic planning and other financial impacts on the proposed budget.

2) Budgetary Policies

Provides an overview of the policies established in preparing the proposed budget.

3) The Budget Process

Describes the legal authority in establishing the budget; how it is presented and justified; and the adoption and execution of the budget.

4) Strategic Plan & Mission Statement

Describes the process of the Village Board's establishment of the future vision of Villa Park.

5) Board Goals & Objectives

Summarizes the major goals and objectives established by the Village Board to be utilized in preparing the proposed budget.

6) Financial Policies

Provide overview of the guidance and direction used to develop the proposed budget and manage the fiscal resources of the Village.

7) Local Economic Condition and Outlook

Provides a snapshot of the current state of the Village and economic development efforts throughout the community.

8) Village History

A brief summary of the historical development of Villa Park



Village of Villa Park

20 South Ardmore Avenue, Villa Park, Illinois 60181-2696

Deborah Bullwinkel, Village President
Hosanna Korynecky, Village Clerk
Rich Keehner, Jr., Village Manager

www.invillapark.com

Phone (630) 834-8500
Fax (630) 834-8967
TDD (630) 834-8589

Budget Message Fiscal Year 2018

April 24, 2017

**Honorable President and Board of Trustees
Village of Villa Park
20 South Ardmore Avenue
Villa Park, Illinois**

Ladies and Gentlemen:

We are pleased to submit the Annual Budget for the fiscal year beginning May 1, 2017 and ending April 30, 2018. This budget is a financial plan aimed at maintaining current service levels under a slow and fragile economic recovery while addressing the goals of the Village Board. The general corporate operating fund is in balance with a positive operating income of \$22,819,248 for FY2018, compared to a projected year end operating income of \$22,303,209 for FY2017.

The budget has been prepared in accordance with all applicable local, state, and federal laws. The Village of Villa Park operates under the Budget Officer Act, which requires that the budget be adopted prior to May 1 of each year. All required hearings and budget information meetings have been completed. The Village Board adopted the FY 2018 budget on April 24, 2017.

Budgeting entails multiple planning efforts, including strategic planning and capital improvements planning, all of which feed into the annual budget. Several workshop meetings have been held with the Village Board to obtain feedback and direction in completing the annual operating budget. Balancing the budget continues to be a challenge as revenue increases more slowly relative to operating expenses and capital needs. With the state continuing the deal, but not to deal with its dire financial situation, it remains unclear if the state will reduce the revenue sources we have relied upon for decades. For the last two years, the state has operated without a budget. Various proposals would redirect our revenues to the state. There has not been agreement by legislators on budget or revenue issues; it is likely that this uncertainty will continue for the foreseeable future.

Preparation of the annual budget document began in November for the Finance staff. Budget forms, spending guidelines, and deadlines were presented to Village departments in November. Budget requests were submitted by the departments in early January. Review and analysis by the Finance Director, Budget Officer, and Village Manager began at that time. Budget meetings

were held with each department and additional meetings were held to make necessary adjustments to the Budget to bring it into balance. The budget schedule requires Village Board approval of the document in April, following the necessary hearings and notifications.

BUDGET SUMMARY

The FY 2018 budget anticipates \$48,411,502 (excluding interfund transfers) in total revenues which represents an 8% increase from the previous year budgeted revenue of \$44,758,578. Higher revenue estimates primarily occur in the Corporate, Stormwater Buyout Fund, and Wastewater fund. Funds with decreased revenues include Capital Projects, Debt Service, Street Improvements, and Water Supply Funds. The corporate fund proposes an increase of 4.2% from FY2017 budgeted revenues.

The budget anticipates \$53,914,867 in total expenditures (excluding interfund transfers) which represents an 8% overall increase over last year's budgeted expenditures of \$50,151,359. About 63% of the total increase is related to increases in capital spending, most notably from road bond referendum projects and newly funded underground utility projects.

This budget has been constructed to accomplish the following:

- Providing sufficient funding to allow staff to maintain current service levels for our residents while recognizing that staffing levels are still well below 2009 levels.
- Maintain current staffing levels to ensure the public safety of both residents and businesses.
- Continue to ensure that the Village can provide adequate response to weather related and man-made emergencies.
- Continue to provide funding from the Corporate Fund for needed building repairs, equipment replacement and priority initiatives.
- Continue to focus on development and property code enforcement in both residential and commercial areas.
- Continue funding for repair and enhancement of public spaces and recreational facilities to improve the quality of life for Village residents.
- Continue to search for new funding sources to provide funding for local road and other infrastructure projects.
- Replacing deteriorating vehicles and equipment to ensure an adequate fleet.

BUDGET HIGHLIGHTS / KEY PROJECTS

This year's budget contains many key projects and initiatives such as:

- The Village is making significant investment in streets, spending \$8 million for road improvements, including \$5.5 million in referendum bond projects.
- Continued focus on tree and stump removals, restoration, and tree plantings.
- Continued improvements to the Prairie Path and Great Western Trail, with specific attention to the Great Western Trail head at Villa Avenue.
- First season of the community garden plots at Westmore Park.

- Continued investment in our vehicles and equipment. For Public Works, we will replace a several vehicles, including a 2000 Sterling L8500, 1995 1 ton pickup, 1993 backhoe, 1998 Navistar 4900, and a 2008 Ford F450. For the Fire Department, we will purchase a Ford F-250 and will place the order for a Fire Engine. For Police, we will purchase three replacement squads. We will also purchase a zero-turn mower for Parks and Recreation.
- Continued investment in technology. We continue to invest in technology improvements that will streamline service provision, and make better information available to personnel. This year, we will complete the installation of a VOIP phone system, which will better connect personnel at various Village facilities.
- Continued focus on economic development, including a focus on our key business corridors.
- Continue the façade assistance program.

OUTLOOK

The State of Illinois continues to have significant budget issues. For two years, the state is continuing operations without an adopted budget, utilizing spending by authority of court orders. Without a state budget in place, it remains unclear whether the state will redirect revenues that have traditionally been shared with local governments. Further, some key agenda items of the Governor would have a negative impact on ongoing property tax revenues by freezing the total property tax levy. As such, the Village Manager has prepared a contingency plan of spending reductions that could be considered. As of mid-April, 2017, the Illinois General Assembly and Governor have not agreed to a spending plan, so current and future revenue adjustments are not known. Once the impact of the revenue reductions are known, then the contingency plan will be discussed by the Village Board for consideration.

The local economy continues to show some signs of improvement as evidenced by Sales Tax growth and an increase in the number of building permits issued. These signs are offset by continued decreases in the Village's Equalized Assessed Valuation (EAV) and reduced water usage. Revenue estimates continue to be conservative due to continuing uncertainty in the local and national economy. This year's budget was balanced by modest revenue increases and fiscal restraint with operating and capital expenses. There continues to be a focus on increasing the Village's overall collection rate for ambulance calls, which has improved notably over the past year. The Village is continuing its wellness program for employees. In fact, our health insurance rates (effective July 1, 2016) remain flat. We have budgeted increases in some health insurance due to known, anticipated, or possible changes in employee coverage selections.

Some major revenues in the Corporate Fund are projected to grow, including Sales Tax (\$647,000, or 11% higher than last year's budget), Use Tax (\$97,300, 23%), and Ambulance Fees (\$145,000, 46%). Housing vacancies and conservation continue to lower water consumption, but these decreases were anticipated when the Village implemented a new water and wastewater rate structure (needed due to significant water cost increases from the City of Chicago and DuPage Water Commission, our water suppliers), and is conducting an updated rate study to ensure adequate and appropriate rates going forward. We continue to see declines in utility tax revenue (-\$257,500, 15%), which is consistent with historical trends, which are expected to continue. Property tax revenue that is available for general purposes has declined by \$235,500, or 16%, due to an increase in property taxes being allocated to public safety pensions and tax levies for other funds. The revenue needed to maintain Village pools and provide

recreation programs continues to be closely watched and modest rate increases are introduced as necessary.

The Village continues to maintain the balance between providing funds for capital replacement, keeping operating expenses down, maintaining services for our residents and funding the long term obligations of our public safety pensions. As the economic recovery continues, a major factor in balancing the operating budgets is continued restraint in filling previously vacated positions. However, the lower staff levels continue to challenge the delivery of Village services.

The State of Illinois continues to struggle with its significant financial challenges. Governor Rauner has focused attention on shoring up the state's financial outlook, which may have significant impacts on local governments. The Village receives funds through the State of Illinois, including state shared revenue sources (income tax, motor fuel tax, personal property replacement tax) and other taxes collected by the state on our behalf (sales tax, non-home rule sales tax and telecommunications tax.) Last year, Governor Rauner's budget proposal called for a decrease in income tax revenue of \$1.1 million annually. The State did not adopt a comprehensive spending plan, operating on consent decrees and court orders, but also did not take away these revenues. We remain focused on the state's budget developments to minimize the impact on the Village. To prepare for an eventual loss in state distributed revenue, staff has prepared a potential action plan to address a loss of \$1.1 million in revenues.

FY 2018 Financial Targets

For FY 2018, Village staff has continued to focus on the three financial targets, which are consistent with Village Board policies and recommendations, in preparation of the budget. These targets are intended to maintain the fiscal integrity of the Village by living within its financial means.

To that end, the proposed budget adheres to the following financial targets:

1. Balance operating expenditures with revenues anticipated during the budget year.

Staff is proposing a balanced corporate fund budget with revenues of \$22,899,248 and total corporate fund expenses of \$22,882,897. This includes \$1,868,500 in transfers to other funds for capital investment, operations and equipment. The expected fiscal year end corporate fund balance is \$9,140,795.

The Corporate Fund contains all of the unreserved fund balances. Funds not needed for operating purposes or as minimum reserves can be transferred to other funds as needed. Other funds generally have reserved or "earmarked" balances which must be used within the limits of each fund's purpose.

2. Maintain a fund balance (reserves) in the Village corporate fund equal to a minimum 90 day operating cost in the general operating fund.

In Fiscal Year 2017, operational costs of \$58,698 per day were required to maintain Village services. A 90 day fund balance required \$5,282,854 in reserves. We are projecting a fund balance of \$9,124,444 to end Fiscal Year 2017 which equates to 155 days balance.

In Fiscal Year 2018, operational costs of \$62,693 per day will be required to maintain Village services (corporate fund) which includes transfers to other funds. A 90 day fund balance will now require \$5,642,358 in reserves. We are projecting a fund balance of \$9,140,795 to end Fiscal Year 2018 which equates to 146 days balance.

3. Submit a budget with minimal increases in non-labor expenditures and non-capital expenditures in the operating budget.

Many previous operating cuts will continue to be maintained for FY 2018, although strategic priorities will drive increased efforts in certain areas. Capital spending has been removed from the operating budget since FY11-12 and budgeted in one of the capital funds as appropriate (Street Improvement, Other Capital, Equipment Replacement, Land and Building, Building Improvement Fund, Storm Water) as funds become available. No increases in staffing levels are proposed, although some realignment of positions will continue due to retirements and other factors. Cost increases are expected due to inflation and negotiated wage increases.

Budget Balancing Efforts for FY 2018

As revenue growth remains modest, it remains a challenge to balance the budget through cost control alone. The direction given to staff by the Village Manager's Office was to minimize cost increases for contractual items, commodities and supplies. As the costs of labor, equipment and materials continue to increase, staff continues to look for ways to increase revenue, control spending and operate more efficiently. Staff has and will continue to actively seek grants to boost revenue where possible.

This fiscal year we will continue our effort to target uncollected revenue through a state program and hiring of a new collections agency. There is still a considerable amount of money due to the Village that has not been collected. Even a modest increase in collection rates can reduce the pressure on the corporate fund and provide additional revenue for much needed capital purchases.

Several expense accounts may increase significantly, most notably pension contributions and health insurance (benefits). To offset their impacts, we continuously seek cost containment methods and ways to increase our efficiency. Significant staffing changes have occurred during the past few years as the Village continues to consolidate and modify service delivery. Our mission is to maintain and to preserve our essential services.

FUND SUMMARIES

The next several pages of this message provide an overview of the budget for each major fund or fund type.

General Fund

The General Corporate Fund budget as proposed represents a 4.3% increase in expenditures from the previous fiscal year budget, to \$22,882,897. The \$946,889 increase includes nearly \$325,000

in higher contributions to the Police and Fire pension funds. The operating portion of the increase is due to increases in salaries, benefits, commodities and contractual services.

Revenues are expected to increase overall by 4.2% to \$22,899,248 from the FY 2017 budget, with most revenue sources moderately increasing or remaining relatively unchanged. Increases are projected in Utility Tax, Sales Tax, and Red Light Photo Enforcement.

The Village attained its goal of a 90 day fund balance in FY13-14 after several years well below that amount, mainly through continued cost containment. The Parks, Recreation and Swimming Pool Funds are partially funded through transfers from the corporate fund. In FY 2011-12 the Village began to take steps to see that these funds increase their self-sufficiency through modest fee increases and cost containment. This has allowed the total corporate transfer to these funds to remain relatively unchanged for the last few years and the upcoming fiscal year.

The corporate fund transfers for equipment replacement and capital projects funds are determined annually. Other than the Street Improvement Fund, which receives about \$1.7 million annually through a dedicated 0.5% sales tax, the capital funds do not have their own designated revenue sources. These funds have relied on grants, bond issues, and Corporate Fund transfers. In FY12-13 the Village began funding vehicle replacement through auctions and sales of fuel inefficient and confiscated vehicles. This will continue in FY2018, although additional revenue will be needed to fully fund the Village's equipment replacement needs. In FY2018 there are corporate fund transfers proposed to the Other Capital Projects Fund, Equipment Replacement Fund and Building Improvement Fund to help fund capital needs.

Parks Fund

The Parks Fund budget as proposed includes a 1.9% increase in expenditures from the FY2017 budget to \$954,237. The Parks Fund projects a negative fund balance of at the end of FY2018. Its main sources of revenue include property taxes, corporate fund transfers, reimbursements from other funds and Hotel/Motel Tax Fund revenues. This fund must be watched closely since increases in expenses must generally be covered by the corporate fund, which also must cover any deficits.

Recreation Fund

The Recreation Fund budget as proposed includes an 8.1% increase in expenditures, to \$1,654,093. The increased expenses are primarily due to employee wages and benefits to reflect more staffing for youth camps. The Recreation Fund projects a negative fund balance at the end of FY2018 due to lower property tax revenue and program revenue. The Recreation Fund relies on program fees, rentals, property tax, and transfers from the Corporate Fund. This fund must be watched closely since increases in expenses must generally be covered by the corporate fund, which also must cover any deficits.

Other Fund Recap

Debt Service

In FY17, the Village refunded 2008 debt certificates that were paid from the North Avenue TIF (TIF 3). These Alternate Revenue Bonds will use the Village's Non-Home Rule Debt Service Extension Base levies to issue rollover bonds each year to cover that year's debt service payment. Faced with insufficient TIF increment dollars in the North Avenue TIF, the Village

developed this plan to maintain level property tax supported debt payments while paying down the TIF debt.

In November, 2014, Villa Park voters authorized issuing \$23 million in debt to repair streets throughout Villa Park. To take advantage of historically low interest rates, the Village issued a series of bonds in December, 2014, and February, 2015. The bond proceeds were deposited in the Road Improvement Fund. Debt payments, and associated property tax revenue began in FY2016. The Series 2014 bonds were issued in the amount of \$9,405,000 (par value) with maturities from 2026 (FY2027) through 2034 (FY2035) with a true interest cost of about 3.65%. The Series 2015 bonds were issued in the amount of \$8,850,000 (par value) with maturities from 2015 (FY2016) through 2025 (FY2026) with a true interest cost of 2.15%. The referendum authorization to issue the remaining \$4,745,000 expires in November, 2019. The remaining \$4,745,000 in referendum bonds will be structured to result in level debt service payments (and level impact on property tax payers) through 2034, incorporating other potential refundings of debt.

In FY11-12 the Village refinanced Sugar Creek Golf Course debt certificates by refunding Debt Certificates 2003A and issuing \$1,120,000 in Refunding Debt Certificate 2011D. The Village has been working with the Elmhurst Park District to ensure that the golf course generates sufficient revenue to repay its debt obligations.

Future Debt

In April, 2017, voters approved a referendum for the Library to issue \$10.6 million to renovate, furnish and equip the Villa Park Public Library. These bonds will be issued in two tranches in 2017 and 2018. These bonds will count against the Village's bond limits, but paid by the Library.

Also in April, 2017, voters approved a referendum for an additional 0.5% Non-Home Rule Sales Tax. These dollars will be used for underground infrastructure, which could include IEPA low interest loans, Alternate Revenue Bonds, or cash payments for current projects, once dollars have been generated.

The Village plans to issue the final tranche of the 2014 road referendum bond in 2018 or 2019, depending on market conditions and other factors.

Other Special Revenue Funds

The Village's special revenue funds include the Motor Fuel Tax Fund, Hotel/Motel Tax Fund, NEDSRA Special Recreation District Fund and the six Tax Increment Financing Funds. One TIF Fund (Target TIF) was closed on April 24, 2017.

Motor Fuel Tax (MFT) proceeds are used for general street maintenance and other eligible street related activities established by State statute.

The Hotel/Motel Tax fund revenues are transferred into the Parks Fund each year and there is no change in this practice this year.

The Northeast DuPage Special Recreation Association (NEDSRA) Fund transfers property taxes to another taxing body and eligible expenditures are then reimbursed to the Village by the NEDSRA. There is an amount reserved each year that is used to reimburse the Village for

eligible recreation related capital expenditures. In FY13-14 the Village constructed a skate park with the use of NEDSRA Funds and an OSLAD grant. The cost of the project exceeded available grant and NEDSRA funds, resulting in a negative fund balance. Restoring the fund balance will take several years through reimbursements for the cost of the skate park.

The TIF funds derive their revenue through property taxes. With a continued overall decrease in the Village's EAV, property tax revenues for some of the TIFs have decreased. TIF District #2 (Ovaltine TIF) is nearing expiration, but generates revenue to fund economic development activities and infrastructure improvements. An adjacent TIF (Kenilworth TIF, #5) was recently established. Capital improvements in TIF #5 will be funded by cash from TIF #2. TIF District #3 (North Avenue TIF) has experienced the greatest decrease in property tax revenue. Annual TIF increment has been insufficient to cover increasing debt payments. As a result, the 2008 debt certificates refunded (see previous discussion in the Debt Service Fund) in FY17, and we will begin to levy for the two remaining bonds. This strategy was developed to minimize the impact on taxpayers, rolling all tax supported debt into a single plan with level annual debt service payments. TIF District #4 (St. Charles Road TIF) produces little revenue, which has been used for economic development activities. TIF #6 (North Ardmore/Vermont TIF) was recently established to help develop the area around the Village's Metra commuter lot.

Capital Improvements Funds

These funds are comprised of all capital improvement funds excluding the Street Improvement Fund and Equipment Replacement Fund. They include the Capital Projects Fund, Land & Building Project Fund, Building Improvements Fund and the Stormwater Buyout Fund. The balances in these funds had been previously restored from the proceeds of a FY10-11 bond issue. A portion of the bond issue proceeds were used to fund building repairs and vehicle replacement in FY11-12 thru FY12-13.

Additional funding for capital projects will be provided by the voter approved non-home rule sales tax, which goes into effect July 1, 2017. Due to timing of the referendum after the budget process, this new revenue was not budgeted. Budget amendments will be required if those new dollars will be spent during this fiscal year. As of this writing, we have not determined which capital improvement fund will be used to track this new revenue source, or if an additional fund will be created.

Capital Projects Fund

The Capital Projects Fund proposes several capital projects using resident fees, fund balance and transfers from other funds. This year, we have budgeted final items for the north side sidewalk project.

Building Improvement Fund

The Building Improvement Fund proposes several capital projects funded by corporate fund transfer. There are several facility improvements included in this year's budget, including swim pool improvements, Fire station overhead door replacement, among others.

Storm Water Buyout Fund

The Storm Water Fund derives funding from storm water permit related fees and grants. Projects in this year's budget include construction of the South Monterey Stormwater Improvement Project with funding from the Illinois Green Infrastructure Grant (IGIG), Washington Corridor

Green Infrastructure Improvement Project, updating floodplain maps, watershed improvements, buyout of 546 S. Euclid, and the design of several other projects.

Street Improvements Fund

The Street Improvements Fund is where the majority of road reconstruction and resurfacing projects are budgeted. Ongoing funding for the Street Improvement Fund is primarily received from the one-half cent sales tax that is earmarked for projects in this fund. The other major funding sources are grants and general obligation bonds.

In November, 2014, voters approved issuing \$23,000,000 in bonds for road improvements, which was discussed in the Debt Service Fund section.

The total proposed expenditure for FY2018 is \$8,121,298 (including grants). Bond proceeds will fund \$5,462,625 of road projects. The remaining budget will be used for maintenance and construction activity funded by other non-road bond sources.

Equipment Replacement Fund

The Village's Equipment Replacement Program seeks to ensure that an adequate number of automobiles, trucks and equipment are provided to meet the current and future service needs of the Village. This program involves rehabilitation of existing vehicles, the purchase of new vehicles, and the re-purposing of vehicles that still have useful life remaining.

In FY18, we will replace several Public Works vehicles, three police vehicles, a zero turn mower for Parks and Recreation, and will make a deposit on Fire Engine, which will be received in a future budget year.

Non-capital equipment includes online permit program, phone system upgrade, and replacing Fire MDTs, among others, for a total of \$182,895.

FY 2018-22 Capital Improvement Program

The FY 2018-2022 five year CIP is a multi-year planning instrument used by the Village to identify needed capital projects and to coordinate the financing and timing of these capital improvements in such a way which maximizes the return to the public. The first year of the CIP, which is called the capital budget, is incorporated into the operating budget which, in turn, allocates funds for specific facilities, equipment and infrastructure improvements. The proposed capital budget will include \$17,535,030 for engineering, and construction. Revenues to fund this program will come from referendum approved bond proceeds, a dedicated one half-cent non home rule sales tax, water and sewer funds, grants, drainage fees, TIF revenues and corporate fund transfers.

- 2017 Street Improvement Program (Construction) \$2,268,100
- ADA Sidewalk Improvements (Construction) \$50,000
- Astor and Myrtle Improvement Project (Construction) \$2,110,575
- Biermann Avenue Combined Sewer Separation Project (Construction) \$551,060
- Central and Myrtle Improvement Project (Construction) \$1,401,599
- College Streets Improvement Project (Construction) \$3,599,600
- Division Street Improvement Project (Design) \$61,700
- Drainage Assistance Program (Construction) \$40,000

• IEPA Wastewater Loan Projects (Construction)	\$1,313,060
• Jackson Pond Improvement Project (Design / Partial Construction)	\$680,000
• Michigan Avenue Improvement Project (Kenilworth to Central) (Partial Design)	\$35,336
• Michigan Avenue Improvement Project (Madison to Jackson) (Partial Construction)	\$783,643
• Michigan Avenue Improvement Project (Park to Madison) (Partial Construction)	\$884,399
• Monterey Stormwater Quality Improvement Project (Construction)	\$84,600
• North Avenue and Ardmore Drainage Improvement Project (Design)	\$45,000
• Ridge Road Improvement Project (Construction)	\$829,452
• Roosevelt Road Improvement Project (Construction)	\$144,906
• Sidewalk Improvement Program (Construction)	\$50,000
• St. Charles Road Bridge Improvement Project (Partial Design)	\$150,000
• Summit Avenue Resurfacing Project (Construction)	\$804,000
• Washington Corridor Green Infrastructure Improvements (Construction)	\$1,080,000
• Purchase of a New Fire Engine for Station 82	\$540,000
• Purchase of a New 2018 Ford F-250 XL 4X4 Pick-up Truck for the Fire Department	\$28,000
TOTAL	\$17,535,030

Enterprise Funds

Enterprise Funds include the Water, Wastewater and the Swimming Pool Funds. The Water and Wastewater Funds are overseen by the Public Works Department and oversight for the Swimming Pool Fund is performed by the Parks and Recreation Department. The following is a brief overview of each fund:

The **Water Fund** budgeted operating expenses are projected to decrease by \$44,581, while capital (including engineering) will increase by \$1,201,987. The Village's water rate structure adopted in FY 13-14 incorporates the recommendations of a 2013 study which presented a plan for funding of future operating and capital costs. The successor study is being completed and will be presented in FY17 to ensure our rate plan is sufficient and appropriate. Expenses in the Water Fund include repayment of Illinois Environmental Protection Agency (IEPA) loans for previously completed projects. We are anticipating an additional IEPA water loan in the amount of \$2,468,000 to fund a portion of a capital expense. This low interest (2%) loan will then be repaid over 20 years.

The **Wastewater Fund** budgeted expenses are projected to increase by \$1,536,003 due to capital investment. Expenses in the new Combined Sewer Separation cost center total \$1,605,582. The rates in the Wastewater Fund are being reviewed along with the Water Fund rate study. The expenses in the Wastewater Fund include repayment of Illinois Environmental Protection Agency (IEPA) loans for previously completed projects.

The **Swimming Pool Fund** proposed operating budget for FY2018 is \$282,358, an \$1,515 increase from the previous fiscal year's budget. The swimming pool derives its revenues from user fees and a transfer from the corporate fund. A combination of fee increases and cost

containment continues to be the focus for ongoing financial stability. Additional capital investment of \$50,000 is planned in the Buildings Fund for various improvements.

Personnel Summary

In FY2015, two departments underwent structural changes. In an effort to streamline operations and focus on successful implementation of the road referendum projects, the Public Works Department has reorganized into two divisions: Operations and Engineering. The Finance Department was reorganized to two divisions, Operations and Accounting. In both departments, personnel were shifted for better oversight and management.

The Village is negotiating three union contracts that expired April 30, 2017.

Conclusion

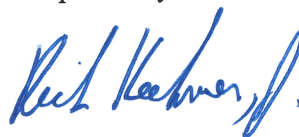
The Village's cost containment efforts coupled with a conservative revenue increase have allowed the Village to maintain the corporate fund balance above the 90 day minimum. Keeping the fund balance at acceptable levels continues to be a challenge due to the overall slow recovery of revenues and inflationary pressures on Village operating costs. Staff is again presenting a conservative budget, but with some attention to priority programs and capital needs. We will continue to focus on maximizing collection of money already owed to the Village rather than increasing fees. These efforts will hopefully continue to produce additional revenues that can be used to fund previously deferred projects and initiatives. It is both the Village Board's and staff's goal to provide quality, cost effective Village services.

We are very pleased with the accomplishments of the Village Board and staff during this past year. We improved service levels in several areas through streamlining and increased inter-departmental cooperation, in spite of a slower than expected economic recovery. We thank the Board for their continued support and their willingness to accept new methods and procedures to accomplish our goals.

There are several keys to sustaining the re-establishment of our financial strength: supporting our existing businesses, re-establishing our housing stock, improving the physical appearance of the Village, and attracting new businesses and redevelopment. Staff continues to work in unison with the Village Board to meet our goals. We look forward to the challenges of the upcoming year and will continue to plan for major projects and initiatives throughout the community.

Finally, we would like to extend our sincere appreciation to Village staff members who contributed many hours of dedicated work to produce this document. We would also like to thank the Village Board members for their input into the budget process and for providing staff with the budget guidelines.

Respectfully submitted,



Rich Keehner, Jr.
Village Manager

Service Goals Status Updates for the 2017 Budget

- Increase involvement with North Avenue Townhome owners and tenants to resolve ongoing code enforcement issues. - Accomplished.
- Implementation of new business. – Accomplished. The Village marketed and sold the Village owned 2.1 acres on North Ave. which created new development including 20,000 sq. ft. of retail space.
- Continue growth of the Crime Free Housing Program, comprised of Police, Fire and Community Development designed to combat crime and property maintenance issues within the Village’s multi-family housing communities. – Accomplished resulting in several evictions.
- Apply and receive an IRMA grant to offset the cost of the Stryker Power Pro XT Cot and Power Load System on Medic 82. - Accomplished
- Implement a Spanish CPR/AED program. – Accomplished.
- Continue to implement/assist with Crime-Free Housing Program. – Accomplished.
- Complete construction of the 2016 Street Improvement Project, the 2016 N. Princeton Ave. Improvement Project, the High Ridge Road Improvement Project, the Ardmore Ave. Streetscape Project, the North Side Sidewalk Project, the 2016 Sidewalk Improvement Project and the East Park Blvd. Improvement Project. – Accomplished.
- Complete engineering design and initiate construction of the South Michigan Ave. Improvement Project and the South Summit Ave. Resurfacing Project. – Accomplished.
- Renovate the Depot changing it from a storage unit to an accessible facility suitable for programming and rentals. – Accomplished.
- Showcase the newly renovated Cortesi Memorial Park by scheduling summer concerts, early childhood events and family ice skating. – Accomplished.

Highlighted Accomplishments of the 2017 Budget

- Forty-four (44) new businesses opened this year and grand openings were performed, many which were coordinated with the Villa Park Chamber. New businesses include the Harley Davidson Wildfire Event Center, Chipotle, Firehouse Subs, Dunkin donuts, AT&T, T-Mobile, Sprint and Victoria's Mexican Cocina to name a few.
- Successfully completed year two of the seven-year Street Improvement Program.
- Received the GFOA Certificate of Achievement for Excellence in Financial Reporting for the thirtieth consecutive year.
- Received the GFOA Award for Distinguished Budget Presentation for the twenty-fourth consecutive year.
- Continued the Senior Fire Safety Program by performing over 350 blood pressure screenings on the first Friday of each month at the Community Recreation Building and donated and installed smoke and carbon monoxide detectors for seniors in need.
- New Part-time officers hired and continue to supplement patrol in the high visibility areas.
- Applied for and received a FEMA Assistance to Firefighter Grant in the amount of \$189,000 for the purchase of (26) new Self-Contained Breathing Apparatus (SCBA) and a Compressor Fill Station.
- Hosted the Annual Fire Prevention Week Open House where over 400 adults and children learned the importance of working smoke detectors in the home.
- Completed renovation of the entire Depot, changing it from a storage unit to an accessible facility suitable for programming and rentals.
- Diversified summer recreation program opportunities by offering 22 new programs.
- The Recreation Department worked with both the Villa Park Police Department and the

Villa Park Fire Department to offer a rare behind the scenes look at what it is like to “Be a Police Officer” (22 participants) and “Be a Firefighter” (16 participants).

- Removed and relocated the Ajax missile from Cortesi Park to the VFW.
- Completed construction of the 2016 Street Improvement Project, the 2016 North Princeton Avenue Improvement Project, the High Ridge Road Improvement Project (75% STP), and the East Park Boulevard Improvement Project. (Referendum and Non-Referendum Funds)
- Ensured an adequate and safe supply of drinking water by taking water samples at 370 locations.
- Completed construction of the North Side Sidewalk Project (80% STP-TCM).
- Completed construction of the 2016 Sidewalk Improvement Program.
- Purchased and planted replacement parkway trees.

FY 2017 Awards and Recognition

- Designated “Tree City USA” for the 32nd consecutive year.
- Jefferson swim pool received #1 ranking by DuPage County Health Department.
- Lufkin swim pool received #1 ranking by DuPage County Health Department.
- Received the GFOA Distinguished Budget award for the 24th consecutive year. Received the GFOA Excellence in Financial Reporting award for the 30th consecutive year.

Goals for FY 2018

- Complete construction of the 2017 Street Improvement Program. (Referendum Funds)
- Complete construction of the 2017 South Michigan Avenue Improvement Project (Madison to Park), the South Summit Avenue Resurfacing Project (75% STP), and the Central Boulevard Improvement Project. (Referendum and Non-Referendum Funds)
- Complete engineering design and construction of the road portion of the College Streets Improvement Project. (Referendum and Non-Referendum Funds)
- Complete engineering design of the Astor & Myrtle Improvement Project, the South Michigan Avenue Improvement Project (Jackson to Madison), and the South Michigan Avenue Improvement Project (Central to Kenilworth). (Referendum Fund)
- Continue to support the DuPage Mayors and Managers Conference to achieve satisfactory results concerning agreed upon legislative action projects.
- Continue to provide quality events within the Village and to promote community involvement.
- Complete construction of the 2017 Sidewalk Improvement Program.
- Improve communication with the business community i.e. use of email, social media, meetings, etc.
- Continue to work with developers, brokers, retailers and the business community to promote new development.
- Conduct Business Meetings for Roosevelt Rd, North Ave, St. Charles Rd and various other Village areas.
- Examine the possibilities of new revenue sources and maximizing collections of existing sources.
- Televisе sanitary sewers for future road projects prior to street reconstruction to identify areas in need of repair.
- Televisе sanitary sewers for future road projects prior to street reconstruction to identify areas in need of repair.
- Continue to implement the rain barrel program to promote water conservation.

- Establish community garden plots (\$10,000 grant).
- Continue the Tree Adoption Program.
- Continue to provide electronic recycling services on a monthly basis.
- Establish a new skate rink on the South end of town (Lufkin Pool Parking lot).
- Continue removal and replacing of trees on the Prairie Path.
- Preschool and childcare programs will meet new DCFS requirements which require additional staff training and more college level education completed.
- Increase promotion of athletic and fitness programs by distributing an exclusive quarterly school newsletter.
- Replace playground and shelter, and remove and replace the old pier with a new accessible pier at North Terrace Park.
- Improve communication with parents of recreation participants by expanding use of Simplified Alerts text messaging.
- Work with the Union Pacific on renovation of landscape retaining walls at Metra station.
- Reinstate the 6th grade fire safety classes and Operation Lifesaver in all Villa Park elementary schools.
- Improve the delivery of real-time information by utilizing multiple forms of social media.
- Improve facility comfort by replacing chairs and chaise that are 15+ years old at the pools.

VILLAGE OF VILLA PARK, ILLINOIS
Budgetary Policies
Fiscal Year 2017

For FY 2017 the Village Board established financial targets and goals to be met by staff in the preparation of the budget. These targets and goals are intended to maintain the fiscal integrity of the Village by living within its financial means.

1. Balance operating expenditures with revenues anticipated during the new budget year.

Staff shall submit a balanced proposed budget. The budget can be changed in any manner desired by the Village Board.

2. Creation of a fund balance reserve in the Village's general operating funds equal to 90 days of operating expenditures.

In Fiscal Year 2017, operational costs of \$60,073 per day will be required to maintain Village services (corporate fund). A 90 day fund balance requires \$5,406,570 in reserves. We are projecting a fund balance of \$8,902,196 to end Fiscal Year 2017 which equates to 148 days balance. Any positive budget variances will further increase the corporate fund balance.

3. The proposed budget should include service goals.

These goals will help management define and measure the qualitative and/or quantitative accomplishments and progress of each department. This is the seventeenth year the Village has established service goals.

4. Adhere to the financial management policies of the Village.

These policies assist in maintaining a favorable financial picture and the fiscal integrity of the Village.

5. Basis of Budgeting

The Village of Villa Park generally uses the cash basis for budgeting for all fund types, in that encumbrances and depreciation are not budgeted. Village expenditures may not exceed the amounts appropriated. In the case of an emergency or a contingency, which was not reasonably foreseeable, a budget amendment would be required. The Village's budget is constructed on a fiscal year basis (May 1 – April 30).

The budget must present a complete financial plan for the Village; setting forth all estimated expenditures, revenues, and other financing sources for the ensuing budget year, together with the corresponding figures for the previous fiscal year. In estimating the anticipated revenues, consideration must be given to any unexpected surpluses and the historical percentage of tax collections. Further, the

budget must show a balanced relationship between the total proposed expenditures and the total anticipated revenues with the inclusion of beginning funds.

6. Basis of Accounting (reported in the Comprehensive Annual Financial Report)

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measureable and available.

More discussion and information on the Measurement Focus, Basis of Accounting and Financial Statement Presentation can be found in the Notes to the Financial Statements, Note 1 (Summary of Significant Accounting Policies) of the Village's Comprehensive Annual Financial Report.

VILLAGE OF VILLA PARK, ILLINOIS
The Budget Process
Fiscal Year 2017

The Village follows these procedures in establishing the budgetary data:

- 1) The Village of Villa Park has adopted the Budget Officer System established in Illinois Compiled Statutes (ILCS 65, 5/8-2-9.1 through 5/8-2-9.10) providing for an annual municipal budget in lieu of the passage of an appropriation ordinance.
- 2) Public budget hearings are conducted before the Village Board approves the budget.
- 3) Upon adoption, the approved budget becomes the authorization to expend funds in the new budget year.
- 4) The Budget Ordinance must be adopted prior to the start of the fiscal year and then filed with the County Clerk within 30 days of adoption.
- 5) At any time during the fiscal year the budget may be amended by a 2/3 vote of the Village Board. The Board may delete, add to, change or create sub-classes within object classes or even object classes themselves.
- 6) A budget is an annual plan of estimated expenditures and the proposed means of financing them. It is the method by which the Village delivers its services and programs to its residents for the fiscal year starting May 1st, and ending the following April 30th. After the budget is adopted, it then becomes a control mechanism by which to measure the resources expended to meet the approved objectives and to measure the adequacy of the fiscal plan.

This budget document represents the culmination of many months of review by Village staff and elected officials of preliminary reports and budget material. These preliminary materials are and have been available for public review at the Village Hall and on the Village's website: www.invillapark.com.

The budget is prepared under the joint efforts of the Village Manager's Office and the Finance Department and Village Departments. The Village Manager is responsible for presenting the document to the Village Board. The budget requests for the upcoming year are submitted by each department to the Finance Department in early January.

Listed below are the approximate dates for the preparation and adoption of the budget:

**Village of Villa Park, IL
FY16/17 Budget Preparation Calendar**

DAY	DATE	ACTIVITY	Staff	Village Board
Tuesday	12/8/2015	Budget worksheets and budget preparation manual distributed to all department heads.	x	
		Budget worksheets and budget preparation manual distributed to Boards and Commissions.	x	
Tuesday	12/8/2015	Discuss budget preparation process after Village Manager's staff meeting.	x	
Thursday	1/7/2016	Budget and Capital Improvement Program (CIP) worksheets due to Finance Department.	x	
Monday to Friday	1-18-16 to 1-29-16	Budget meetings with Department and Division heads to review draft copies of Budget and CIP.	x	
Monday to Friday	2-1-16 to 2-22-16	Prepare budget revisions summary reports and transmittal letter.	x	
Friday	2/26/2016	Distribute recommended Budget and CIP to Board and departments.	x	x
Monday	3/14/2016	Budget Workshop - operations	x	x
Monday	3/21/2016	Budget Workshop - capital	x	x
Monday	3/28/2016	Public Hearing (publish notice at least 1 week before hearing, make document available at least 1 week before hearing)	x	x
Monday	3/28/2016	First reading of Budget Approval.	x	x
Monday	4/11/2016	Second reading of Budget Approval. Board adopts Budget and five-year Capital Improvement Program.	x	x

Subsequent to the adoption of the budget, the budgeted expenditures are recorded in the general ledger and provide management with an ongoing visual indication of the amount of still available balances. Each month budget reports are sent to department heads for their review and they recommend budget adjustments between their department line items when their operations cause a line item to exceed the budget amount. During the year, the Village Board may authorize budget amendments by a 2/3 majority vote.

Strategic Plan & Mission Statement

In August 2013, the Village Board and staff held a meeting in order to update the Village's strategic plan. In order to develop the plan, it was necessary to identify the vision for the community as shared by the staff and elected officials. A draft document has been prepared and submitted to the Village Board. It will be incorporated in future planning documents once formally adopted.

New mission statement:

“The Village is committed to providing superior municipal services in a responsive, effective, and fiscally responsible manner while maintaining a good quality of life for our residents and businesses alike.”

From the foundation of the mission statement, the Board and staff proceeded to identify two key result areas that formed the foundation of the strategic plan:

- **SUFFICIENT FUNDING** - To provide revenues for accelerating maintenance and improvement to Village infrastructure.
- **ECONOMIC DEVELOPMENT** - Assist property owners with development within the Village of Villa Park. This is particularly important in the Transit Oriented Development project area and the Tax Increment Financing Districts.

The Village of Villa Park adopted a new comprehensive plan in 2009. The Village's long term focus based on this plan sought a Village with a high quality-of-life, a healthy and attractive atmosphere, and a distinct identity by creating sustainable land use patterns; establishing an efficient and sustainable multi-modal transportation network; developing superior community facilities; building modern utilities infrastructure; nurturing a strong, diverse and self-sufficient economic base; and by fostering a diverse housing stock and preserving its historical legacy.

VILLAGE OF VILLA PARK, ILLINOIS

Board Goals and Objectives

Prior to the beginning of the budget process, the Village established goals and objectives for the upcoming fiscal year. The primary purpose of these goals and objectives is to set forth clear, concise and effective guidelines for managing the affairs of the Village and for establishing mechanisms necessary to ensure the orderly growth of the Village. The following is a summary of the goals and objectives:

- Enhance public safety in the community through education, police protection, prosecution of offenses, and continued implementation of the Crime Free Housing Program.
- Improve the public infrastructure through street reconstruction, resurfacing, and water/sewer projects throughout the community.
- Attract new business development to the Village of Villa Park in order to improve the local economy and the Village's tax base.
- Continue with North Avenue and St. Charles Road corridor redevelopment projects in order to revitalize those business areas.
- Provide cost effective programs and amenities for the community's benefit through Parks and Recreation programs.
- Continue increased property maintenance enforcement through the community to address blighted parcels.

FINANCIAL POLICIES

Financial policies provide guidance and direction while developing the operating, capital, and other budgets and managing the fiscal resources of the Village. Their framework lends to responsible long range planning. With these tools the Village continues its quality accounting practices per the Government Finance Officers' Association (GFOA) and Government Accounting Standards Board (GASB) guidelines.

The Village must follow general budget legal requirements established by Illinois law, DuPage County regulations and Municipal Code when preparing the annual budget.

Statutory Limitations

Illinois Compiled Statutes (50ILCS 330/), Illinois Municipal Budget Law and DuPage County filing requirements have regulations that certain timelines be met during the Village's budget process. According to State statute, a municipal government must adopt its annual budget (in lieu of the annual appropriation ordinance) prior to the start of the fiscal year because the Village operates under the Budget Officer provisions. The budget ordinance and certified estimate of revenues must be filed with the County Clerk's Office within 30 days of the adoption of the ordinance. In connection with the adoption of the Ordinance the State requires that..."Such budget and appropriations ordinance shall be prepared in tentative form by some person or persons designated by the governing body, and in such tentative form shall be made conveniently available to public inspection for at least thirty days prior to final action thereon."

The statute also requires at least one public hearing be held as to the budget and appropriation ordinance prior to final adoption and that public notice be given at least 7 days prior to the public hearing. The Statute allows for a municipality to pass a continuing annual budget ordinance. The Village of Villa Park held its public hearing on March 28, 2016, for the FY 2017 annual budget.

Other statutory deadlines require that the government file its Tax Levy with the County Clerk's Office on or before the last Tuesday in December. In addition the government must file a "Truth in Taxation Certification" with its Tax Levy signed by the governing body's chief financial officer.

Basis of Accounting and Budgeting

The budget is prepared using the cash basis for both governmental and proprietary funds.

- Accruals and depreciation are not budgeted.
- Capital purchases in proprietary funds are budgeted as expenses.
- For all funds, compensated absences expenditures are not recorded as earned; instead, all continuing positions are budgeted at 100% annually. Any differences relating to use of leave time or other accruable leave is immaterial.
- Operating funds budget authority lapse at year end.

Budget Amendments

- Pursuant to 65 ILCS 5/8-2-9.6, by a vote of two-thirds of the members of the corporate authorities then holding office, the annual budget of the Village of Villa Park may be revised by deleting, adding to, changing or creating sub-classes within object classes and object classes themselves. No revision of the budget shall be made increasing the budget in the event funds are not available to effectuate the purpose of the revision.
- Budget transfers between funds require Board approval.
- The Budget Officer is authorized to make transfers between departments (within the same fund).
- Budgetary transfer authority within department non-personnel line items in the same fund is delegated to the Finance Director.

Operating Budget Preparation

- Develop a balanced budget whereby the sum of all revenues and others sources added to available fund balance does not exceed requested expenditures unless short term inter-fund borrowing will maintain fund liquidity and provide for cash resources to maintain operations.
- As directed by the Board of Trustees the Village of Villa Park is to adhere to a minimum 90 day operating cash balance to maintain General Fund balance per fiscal policy.
- Maintain Enterprise Fund working capital (Cash and Investments less Current Liabilities) balances at a level to pay for current operations.
- Assumptions used in developing the Revenue Projection and Long-Range Forecasts:
 - Corporate fund revenue growth will be modest, but an increase is projected in several revenue accounts.
 - A slow but steady growth in revenues tied to economic activity is expected over the next few years.
 - The EAV has increased for FY18, reversing a trend of declines every year since 2008.
 - Water consumption will continue to decline.
 - Projections assume no changes in State shared revenue formulas.

Revenues

- The Village maintains a broad-based, well diversified portfolio of revenues.
- Forecasted revenues are adjusted annually.
- In establishing the revenue estimates, various techniques and assumptions were used including the following:
 - Historical representations,
 - Economic factors, including inflation, retail sales and interest rates,
 - Legislative environment, and
 - Historical research by the Illinois Municipal League.

- Property Taxes have been increased to capture all new or improved Equalized Assessed Valuation (EAV) into the Levy calculation. New EAV is defined as annexed property, expired TIF EAV, or permitted property improvements.
- Based upon the Five Year Financial Forecasts the base Levy (prior year's EAV) will be increased by an index to CPI.
- Projected property tax receipts for FY18 are based on the 2016 tax levy, which will be billed and paid by residents during CY2017.
- All Village rates and fees are reviewed annually and adjusted if necessary.

Capital Projects

- Project costs of \$25,000 or more with a life of at least 20 years are included in the CIP. Other capital items are budgeted annually in one of the capital funds or directly in one of the enterprise funds.
- Impacts on the Village's future operating costs must be considered when planning projects and those costs/savings incorporated within the respective department's operating budgets.
- Capital Projects are adopted in whole with the intent that each project retains its budget authority until project completion.
- All projects must have identified and approved funding sources. Revenues to fund the program can come from TIF funds, user fees, grants, loans, bond issue proceeds, motor fuel taxes, private funding sources, enterprise funds, sale of assets, the non-home rule sales tax, or other special revenue sources.

Debt Management

- The Village has a legal debt limitation not to exceed 8.625% of the total equalized assessed valuation (EAV) of the taxable property within the Village boundaries.
- Debt service funds are established to account for the accumulation of resources for the repayment of general long-term debt principal and interest (other than repayments financed by proprietary funds).
- The Village's Debt Service fund is legal in nature and is established in accordance with state statutes and bond indentures
- When advantageous to the Village the type of debt to be issued is General Obligation Debt with annual abatements to the Debt Service Levy based upon acquiring debt service resources from alternate revenue sources.
- Long-term debt is not to be issued to finance current operations.
- The maturity date of any debt will not exceed the reasonable expected useful life of the project financed.
- User fees related to enterprise fund debt must provide sufficient revenue to repay the principal and interest on that debt.

Investments

- The Village of Villa Park's Investment and Internal Control Policy is adopted by the Board of Trustees. In accordance with that policy, public funds will be invested in a manner which will provide the maximum security of principal invested with secondary emphasis on providing the highest yield while meeting the daily cash needs of the Village.
- The Investment and Internal Control Policy is reviewed annually and updated as needed. The current Policy was approved with Resolution 11-54 on August 8, 2011.
- All investments will conform to applicable State and Village statutes governing the investment of public funds.
- The Village's investment portfolio is reported to the Village Board each month.

Capital Assets

- The Village of Villa Park's capitalization policy is for items that have a life of at least two years and minimum cost of \$5,000.
- General capital assets are long-lived assets of the Village as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. In the case of the initial capitalization of general infrastructure assets (i.e., those reported by the governmental activities) the Village chose to include all such items regardless of their acquisition date. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.
- Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation basis for proprietary fund capital assets are the same as those used for the general capital assets.
- Depreciated on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:
 - Building and Improvements 35 Years
 - Vehicles and Equipment 2-30 Years
 - Streets 35 Years
 - Storm and Sanitary Sewers and Water Mains 40-50 Years
 - Bridges 25-50 Years

LOCAL ECONOMIC CONDITION AND OUTLOOK

Villa Park, "The Garden Village," is strategically located adjacent to interstate highways and rail lines. It is just 17 miles west of downtown Chicago and only 12 miles from O'Hare Airport. The Village is located in east central DuPage County, one of the fastest growing counties in the nation.

The Village currently has a land area of 4.6 square miles and a population of 21,904 (2010 U.S. Census). The Village is empowered to levy a property tax on real property located within its boundaries. The Village also has the power by state statute to extend its corporate limits by annexation, which is done periodically when deemed appropriate by the Village Board.

Villa Park operates under the Village Board/Manager form of government. Policy making and legislative authority are vested in the Village Board, which consists of a President and a six-member board of trustees. The board is responsible, among other things, for passing ordinances, adopting the budget, appointing committees and hiring the Village Manager. The Village Manager is responsible for carrying out the policies and ordinances of the Village Board, for overseeing the day-to-day operations of the village and for appointing the heads of the village's departments. The Village President and Trustees are elected on a village-wide basis and hold office for a term of four years.

The Village of Villa Park's labor force of 15,966, accounts for 3.1% of the total labor force for DuPage. Based on employment figures supplied by the Illinois Department of Employment Security in February 2017, Villa Park's annual unemployment rate was 4.4%. Approximately 70.2% of the Village's labor force work in the private sector - mostly in retail trade or business services. Villa Park's largest employers are either retail businesses (Wal-Mart, Target, Supreme Lobster, and Jewel Foods) or public administration (School Districts 45 and 88 and the Village of Villa Park). MTS Titan Electric LLC, ConXAll Corporation, First Student are the largest industrial employers.

There are a number of new buildings presently under construction and several are planned for 2017. The self-wash carwash facility on North Ave. and Addison Road was razed and is under construction with a new WashU fully automated, state of the art car wash facility. The vacant property along North Ave. at the North Park Plaza is under construction with a new Wendy's restaurant. The Ingersoll Rand property at North Ave. and Ellsworth was recently purchased by CSI and is planned for redevelopment. Also, the salvage/junk yard on North Ave. is under contract and planned for redevelopment.

More Brewing Company has completely renovating a building on S. Villa Ave. in the heart of the Olde Town Villa Ave. business district. This has sparked a great deal of interest in this area. There is also a project planned for the Great Western Trailhead on Villa Ave. to identify the beginning of this great trail.

The Village owned property on the north side of North Ave. sold and is under construction with a new 20,000 square foot free standing building that will include Pet Supply Plus. In addition, the 2.7 acres of Village owned property on the north side of North Ave. is under contract with XSport Fitness for a new 22,000 sq. foot fitness facility.

Multiple building owners have applied for the new Façade Assistance Program in the Kenilworth TIF which provides 50% of the investment up to \$20,000. The area along Villa between St. Charles Road and Park Blvd. will continue to see new awnings, windows, doors, lighting, signage and painting.

New businesses have moved into the Village and ribbon cutting ceremonies have been coordinated with the Chamber of Commerce including Dunkin Donuts, Firehouse Subs, Harley Davidson Wildfire event center and rider academy, Guidance Realty, Before U Demo, Strong U Gym, Jackson Hewitt and Victoria's Mexican Cocina. A total of 54 businesses received their certificate of occupancy in 2016.

HISTORY OF THE VILLAGE OF VILLA PARK

At the turn of the century, an electric railway called The Aurora, Elgin and Chicago streaked across the prairie farmland. This land was owned by German farmers: the Cables, Meyers, Karnstedt and Biermanns. They had settled here in the 1850's and 1860's.

Two subdivisions sprang up - Villa Park in 1908 and Ardmore in 1910. Summit Avenue was the dividing line. In 1914, the two were incorporated as Ardmore. In 1917, the name was changed to Villa Park.

Two wealthy men, 'Colonel' J.L. Calhoun and Charles C. Heisen, figured prominently in the early development. The Wander Company of Bern, Switzerland opened its only American plant, Ovaltine, in 1917.

The population boomed in the 1920's. The Aurora, Elgin and Chicago Railroad was largely responsible for the rapid growth. Professional and business people were attracted to 'country' living. Buyers of lots were given inducements of 20 apple trees or 200 baby chicks. Schools were built, churches opened, community organizations were formed and a 5¢ newspaper was introduced. Members of the Women's Club gathered books in a little red wagon for a library.

In the 1930's, when many banks closed, the Villa Park Trust & Savings Bank survived. The village grew rapidly during the post World War II period. The population soared from 8,000 to its peak of 25,000 in 1965. New churches came, businesses flourished, parks were created and a beautiful new library was built.

Today, Villa Park provides a good life for its 21,904 residents. They enjoy a 'small town' atmosphere, excellent schools, outstanding police and fire protection, 'state of the art' paramedic service and exceptional recreational facilities. Transportation is good and health services are outstanding. Service clubs are very active.

Villa Park residents are comfortable with a wide variety of housing and convenient shopping. An active society enabled Villa Park to have both Chicago, Aurora and Elgin Railroad stations placed on the National Register of Historic Places. Both railroad stations are located on the Illinois Prairie Path, a national Historic Trail. In 1988, Villa Park received the coveted Governor's Hometown Honorable Mention Award for their three-year volunteer campaign to install ornamental memorial lighting on the Villa Park Prairie Path.

Business people and our community leaders continue to address problem areas in the village while planning for the future of Villa Park.

