

Village of Willowbrook, IL

POPULAR ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
APRIL 30 2023





Village Government	1-3
Village Revenues	4
Village Expenses	5
Financial Statements	6-7
General Fund Snapshot	8
Pension Obligations	9
Financial Policies	10
Major Initiatives	11-12
A Message from Your Finance Department	13





835 Midway Drive
Willowbrook, IL 60527
630.323.8215

January 4, 2024

To the Mayor, Board of Trustees and Willowbrook Residents and Businesses:

The Popular Annual Financial Report (PAFR) of the Village of Willowbrook (Village) for the year ended April 30, 2023, is hereby submitted providing a brief overview and analysis of the Village's results for the year ended April 30, 2023. The Government Finance Officers Association (GFOA) is the entity that administers the PAFR program, which is a prestigious, national award program recognizing local governments for conforming to the program's standards of creativity, presentation and usefulness to the reader. The Village intends to submit this PAFR to the GFOA for consideration of the award. Information presented in this PAFR is derived from the Village's 2023 Annual Comprehensive Financial Report (ACFR), which is the Village's annual audited financial statements. The Village's ACFR for April 30, 2023 received an unmodified (clean) audit opinion from the Village's independent auditors, which indicates the Village's financial statements are fairly presented, in all material respects, and in conformity with Generally Accepted Accounting Principles (GAAP).

We hope you find this report useful and insightful. If you have any questions or comments regarding this PAFR, or any other Village report, please contact me at shalloran@willowbrook.il.us.

Sincerely,

Sean Halloran
Village Administrator



The Village of Willowbrook, incorporated in 1960, is a home rule municipality under the Illinois Constitution. The Village is located approximately 16 miles southwest of downtown Chicago in southeast DuPage County and encompasses 2.3 square miles.



The Village provides a full range of services, including public safety, roadway maintenance, public improvements, planning and zoning, engineering and inspection, parks and recreation, and water services.

An elected Mayor and Board of six Trustees govern the Village. The mayor is the Village's chief executive officer and is elected to a four-year term. The Trustees serve staggered four-year terms. The governing body is elected on a non-partisan, at-large basis. The Village Board appoints a Village Administrator for direction of day-to-day operations. As of April 30, 2023, the Village has 44 full time equivalent employees including 27 budgeted sworn Police Department personnel plus seasonal positions, as needed.

Village of Willowbrook Fast Facts

Population (U.S. Census Bureau)	9,236
Per Capita Personal Income	\$57,615
Total Taxable Assessed Value (2022 Levy)	\$521,043,575
Fiscal Year 2023 Expenses	\$19.6 Million
Fiscal Year 2023 Revenues	\$21.5 Million
Village Full Time Equivalent Employees	44
Village Outstanding General Obligation Debt	\$12,681,075
Village Bond Rating	AAA by Standard & Poor's

VILLAGE OF WILLOWBROOK, ILLINOIS**List of Principal Officials as of April 30, 2023**

LEGISLATIVE

Frank A. Trilla, Mayor

BOARD OF TRUSTEES

Mark Astrella, Trustee

Sue Berglund, Trustee

Umberto Davi, Trustee

Michael Mistele, Trustee

Gayle Neal, Trustee

Gregory Ruffolo, Trustee

Deborah Hahn, Clerk

ADMINISTRATIVE

Sean Halloran, Village Administrator

Lora Flori, Chief Financial Officer

Michael Krol, Director of Community Development

Dustin Kleefisch, Director of Parks and Recreation

Lauren Kaspar, Chief of Police

Local Economy

Sales taxes, the Village's largest revenue source, has been slowly rising over the past decade. The Village is fortunate to have a strong industrial and retail base with businesses such as Willowbrook Ford, Whole Foods, Target, Trane, Midtronics, and the Town Center and the Willows developments. Fiscal year 2023 was a strong year regarding sales taxes.

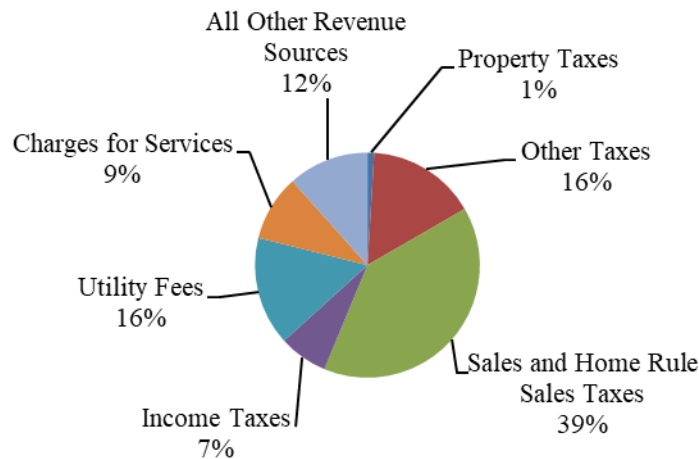
Income taxes have also been rising over the past 6-8 years, except that the State of Illinois took portions of the municipal share ranging from 5-10% to fill their own budget shortfalls in FY 18 – FY 20. The pandemic did not have a detrimental effect on income taxes; to the contrary, FY 23 income tax revenue exceeded the prior six years. Building permits have risen steadily each year until FY 21 when commercial activity paused during the pandemic. In FY 21, the Village implemented a Home Rule Sales Tax of 1%. The Village does not have a general property tax to finance operations, however a small property tax (approximately \$77,000) is levied for special (park) recreation needs.



The Village had one Tax Increment Financing (TIF) District at Plainfield Road and Route 83 that was established in 1990 to promote a high-quality retail development, the Village Town Center, which expired during fiscal year 2014-15. The development has a positive financial impact on the Village through receipts of sales taxes and places of eating taxes. Some of the larger retailers in the center include Michael's, Staples, and Bed Bath and Beyond. Restaurants include Portillo's, Panera Bread Co., Buffalo Wild Wings, Meatheads, Chipotle Grill and Chick-Fil-A.

During fiscal year 2016-17 the Village established its first business district, located at Route 83 and Plainfield Road. The district encompasses the Village Town Center as noted above and the adjacent property to the north of Plainfield Road, known as The Willows. The Willows contains the former K-Mart site, which underwent extensive redevelopment and was substantially completed during fiscal year 2018-19. The development is anchored by a Pete's Fresh Market grocery store and Ulta Beauty. Additional businesses in The Willows include Lumes Restaurant, Firehouse Subs, AT&T, and others.

Revenues by Source-Governmental Activities



FY 2022-2023 Revenues: \$21,497,003

Property Taxes

Taxes collected from property owners based upon assessed valuation and tax rate (for special park recreation needs) \$ 207,332

Other Taxes

Taxes collected for utilities, hotel/motel, places for eating, and other miscellaneous taxes 3,378,443

Sales and Home Rule Sales Taxes

Sales tax is imposed on a seller's receipts from sales of tangible personal property for use or consumption 8,509,938

Income Taxes

The Village receives a portion of the state income tax receipts based on a per-capita basis 1,506,879

Utility Fees

The Village provides water services, which has a separately determined user fee and funding mechanism 3,357,775

Charges for Services

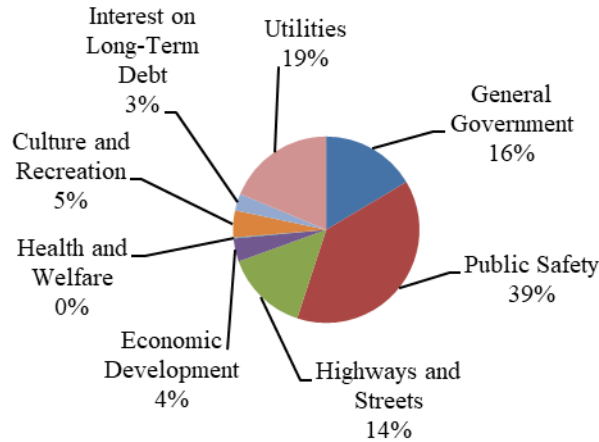
Includes fines and forfeitures, permits, park and recreation fees, and other miscellaneous charges for services 2,042,521

All Other Revenue Sources

Includes telecom infrastructure fees, fines and forfeits, interest income, miscellaneous revenue and operating/capital grants 2,494,115

Total \$ **21,497,003**

Expenses by Source-Governmental Activities



FY 2022-2023 Expenses: \$19,628,714

General Government

Includes general administrative services (Board and clerk, administration, planning and economic development, Finance, building and zoning, hotel/motel, etc.)

\$ 3,229,585

Public Safety

Includes police services (approximately 16% of total are police pension expenses)

7,574,269

Highways and Streets

Includes engineering, building, equipment repair, snow removal, street lighting, storm water, and street maintenance, etc.

2,832,118

Economic Development

Includes Route 83/Plainfield Rd. Business District expenses

789,947

Health and Welfare

Includes pest control services

30,938

Culture and Recreation

Includes parks and recreation services

921,378

Interest on Long-Term Debt

Includes interest costs on all Village governmental long-term debt

572,531

Utilities

Includes water services

3,677,948

Total

\$ 19,628,714

Village Financial Data

The tables on the next page are condensed forms of the financial statements within the Comprehensive Annual Financial Report. The Village's Annual Comprehensive Financial Report (ACFR) contains very detailed information and data.

The Annual Comprehensive Financial Report should be read in conjunction with this PAFR. Interested users may obtain a complete copy by visiting the Village's website at www.willowbrookil.org. The PAFR is consistent with Generally Accepted Accounting Principles, however, it is not intended to act as a complete set of financial statements.

The Statement of Net Position (the Village's Balance Sheet) and Statement of Activities (the Village's Income Statement) are divided between governmental and business-type activities to distinguish functions of the Village which are principally supported by taxes and intergovernmental revenues (governmental activities) from those functions which are intended to recover all or a significant portion of their costs through user-fees and charges (business-type activities). The governmental activities include general government, public safety, highways and streets, economic development, health and welfare and culture and recreation. The business-type activities include water services.



Financial Highlights

- During FY 2023, net position increased by \$1,868,289. This was due to increases in the governmental activities of \$2.2 Million and decreases in business-type activities of \$282,765. The governmental activities increase was largely due to additional revenues received because of the imposition of home rule sales tax and other revenues performing better than anticipated. Normal operations of the Water Fund contributed to the business-type activities change.
- The Village's governmental activities long-term liabilities increased by \$13.7 Million from \$19.1 Million to \$32.8 Million. Pension and Other Postemployment Benefit (OPEB) liabilities reported in accordance with accounting standards accounted for \$17.6 Million, or 54%, of the total governmental activities long term debt.
- General Fund Summary – The Village's General Fund reported a net increase (after transfers) of \$527,256. Transfers out to fund capital projects accounted for the majority of General Fund transfers out during the year. The General Fund's total ending fund balance was \$11,781,453; \$130,348 was restricted for Special Recreation and \$224,257 was non-spendable, leaving \$11,426,848 as unrestricted.

Village Condensed Statement of Net Position				
		2023	2022	2021
Current Assets, Other Assets and Deferred Outflows	\$	39,845,887	27,790,681	20,845,232
Capital Assets		19,662,474	17,165,631	17,196,506
Total Assets/Deferred Outflows		59,508,361	44,956,312	38,041,738
Current Liabilities and Deferred Inflows		4,707,596	5,112,879	6,573,963
Noncurrent Liabilities		33,181,354	20,092,311	15,702,177
Total Liabilities and Deferred Inflows		37,888,950	25,205,190	22,276,140
Net position				
Net Investment in Capital Assets		15,093,856	12,776,096	12,528,584
Restricted		3,274,290	3,735,499	3,154,940
Unrestricted (Deficit)		3,251,265	3,239,527	82,074
Total Net Position		21,619,411	19,751,122	15,765,598

The Statement of Revenues, Expenses and Changes in Net Position below summarizes the reasons behind the change in the Village's net position. Revenues include program revenues (charges for services and grants that directly relate to the provision of certain Village services) and general revenues (majority of which are property taxes and state shared revenues).

Village Changes in Net Position					
		2023	2022	2021	% Change from 2021-2023
Revenues	\$	21,497,003	19,210,467	15,912,432	35.1%
Expenses		19,628,714	15,224,943	12,887,022	52.3%
Change in Net Position		1,868,289	3,985,524	3,025,410	
Net Position - Beginning		19,751,122	15,765,598	12,740,188	55.0%
Net Position - Ending		21,619,411	19,751,122	15,765,598	37.1%

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund. As of April 30, 2023, the General Fund maintains a balance of \$11,781,453, an increase of \$527,256 over the previous year's fund balance attributable to higher revenues. The ending General Fund unrestricted, unassigned fund balance on April 30, 2023, amounted to \$11,426,848.

As a measure of the General Fund's liquidity, it is useful to compare unassigned fund balance to total General Fund expenditures. Unassigned fund balance represents about 362 days of operating expenditures. This exceeds the target level of fund balance set by the Village Board, which is currently at 120 days of operating expenditures.

Fiscal Year End	2022	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund Fund Balance (in millions)	\$11.8*	\$11.3	\$8.5	\$5.5	\$5.3	\$5.0	\$6.2	\$6.0	\$5.7	\$4.6

*Unassigned fund balance totals \$11,426,848

The Village's FY2022-23 total administrative budget, including transfers, was \$23.0 million, which was approximately \$3.9 million, or 20.1%, higher than the FY2021-22 total administrative budget. The General Fund budget of \$11.2 million accounted for 50.4% of the total administrative budget and was slightly lower than the FY2021-22 budget of \$12.7 million. Total actual General Fund revenues were approximately \$1.0 million higher than budget, while total General Fund expenditures were \$0.1 million, or 1.3%, more than budget.



The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Sheriff's Law Enforcement Personnel Fund (SLEP), an agent multiple-employer defined benefit plan, which is administered by IMRF; and the Police Pension Plan, which is a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

In December of 2010, the Illinois General Assembly approved pension reform legislation that requires the Village's pension plans to be 90% funded by the year 2040. Employee contributions to the IMRF, SLEP and Police Pension plans are based on a percentage of pensionable base salary, and are 4.50%, 6.50% and 9.91%, respectively. The Village is responsible to contribute amounts that vary each year based on the funding requirements calculated by independent actuaries for each of the plans. The Village endeavors each year to contribute the Police pension fund an amount that exceeds the State minimum contribution. The funding goal for all funds is 100% funded by 2040. The below amounts reflect the pension related activity reported in the Village's FY 2023 ACFR.

Police Pension Fast Facts

Total Assets - \$25,898,218
Total Pension Liability - \$40,692,521
Percent Funded – 63.64%

IMRF Pension Fast Facts

Total Assets - \$11,991,054
Total Pension Liability - \$14,416,291
Percent Funded – 83.18%

SLEP Pension Fast Facts

Total Assets - \$1,120,139
Total Pension Liability - \$962,374
Percent Funded – 116.39%



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

- The Village uses several processes and planning documents to accomplish its financial planning. The Village adopts an annual operating budget as well as an annual appropriation.
- A five-year operating budget is prepared along with the annual budget that contains projections for revenues and expenses. Also, a five-year Capital Improvement Plan is updated annually and used to aid future capital decisions.
- With economic growth remaining fairly level, and because of achieving home rule status, it is important that the Village Board continue to address long-term revenue policies and strategies.
- The goal is to maintain reserves in the General Fund while still providing a high level of services to residents and businesses.
- The General Fund's unrestricted fund balance is targeted to be maintained at 40 to 50% of estimated operating expenditures. If the unrestricted balance falls below the minimum, a plan will be developed to return to the minimum balance within a reasonable period. One-time revenues shall not be used to fund current operations.



Willowbrook is a great place to live and work. The Village of Willowbrook is dedicated to maintaining and improving the delivery of its services thereby enhancing the quality of life for its residents and the operating environment for its businesses.

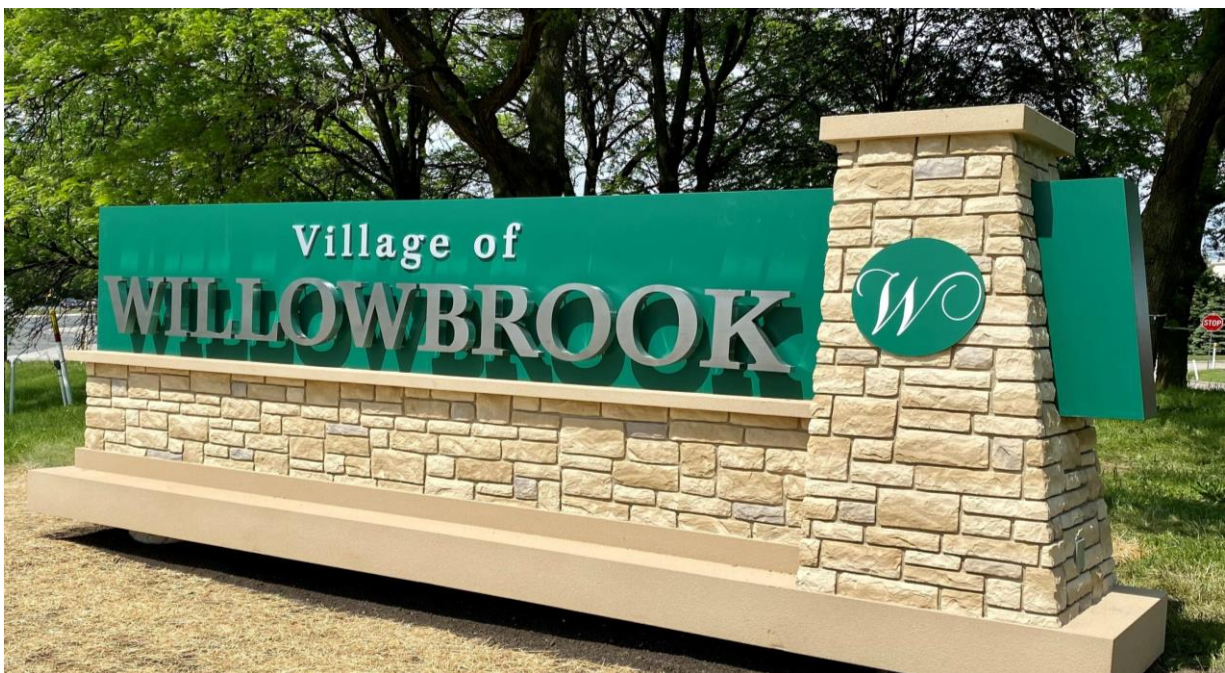
The Village's major initiatives in 2022-2023 were:

- Administration: Village management continued to improve communication and increase efficiencies. Village staff issued the first edition of its new newsletter, the "*Village View*", to all residents to improve communication and better engage residents and the community. Village staff adopted a new "Employee Handbook" to improve internal communication and evaluated existing procedures and processes to increase overall efficiencies. Village management continued to pursue grant opportunities to reduce capital expenditures. The Community Resource Center, a capital project partially funded by DCEO, was completed and opened in February 2023.
- Community Development: Community Development continued to improve its processes. In FY2022-23, staff implemented the Village's first Geographic Information System (GIS) based software, which has increased the quality of customer service and simplified the mapping process. For the first time, the department began using a workflow function within the permit software allowing staff to track review time and identify any inefficiencies. Village staff also completed the Unified Development Ordinance, a zoning code update, which the Village Board adopted in January 2023.



- Finance: The Village successfully managed the transition of outsourcing the Chief Financial Officer and Senior Staff Accountant positions. In addition to the transition, the payroll process was improved minimizing errors and increasing efficiencies and invoice processing was decentralized resulting in a smoother flow of information between departments. The Village also joined the Intergovernmental Risk Management Agency (aka IRMA) to assist in preventing losses and reducing the overall cost of risk at substantial savings to the Village.
- Parks and Recreation: Parks and Recreation continued to work with nearby park districts, school districts, youth groups, and surrounding agencies to better serve residents and maximize cost savings. A new Director of Parks and Recreation was hired to bring in more internal programs through contracted vendors, partnerships, and/or internal staffing. In FY2022-23, the Village began managing the Active Adult Program, a potential sponsorship for local businesses, and engaged the services of Active Network whereby residents can register for programs and events.

- Police: In FY2022-23, the Police Department (Department) added new positions, joined various agencies, and continued their focus on existing programs. A Deputy Chief of Police Administration was hired to assist in improving performance through job profile analysis. A police officer was assigned as a Task Force Officer for the Drug Enforcement Agency (DEA). The Task Officer's primary role is to assist in combatting the region's growing drug problem. The department did, however, see an increase in its forfeiture funds in FY2022-23 due to the newly assigned Task Force Officer. The Police Department joined the DuPage County Metropolitan Enforcement Group to partner with its neighbors and be a valuable resource for its officers and their investigations. The Department continued to expand its inventory of body cameras, which are also a valuable tool for its law enforcement officers in solving and investigating crimes. The Police Department remained focused on its Community Oriented Police (COPS) unit during FY2022-23. COPS is a group of officers formed for the sole purpose of decreasing crime by increasing awareness in the community. The Police Department was awarded a Commonwealth Edison grant during the fiscal year. The grant funds were used to purchase an automatic license plate recognition system and speed signs.
- Public Works: Village management continued to identify ways to minimize project costs. Road work and other public service projects were outsourced to minimize staffing levels and capital equipment outlay. The Village joined the Suburban Tree Consortium which has lowered tree planting and purchasing costs. The Village retained a consulting firm to assist Village management in determining the best funding medium for a stormwater project that is too costly for the property owners using a Special Service Area. The Village subsequently approved a General Obligation bond to fund this project.





The preparation of this report could not have been accomplished without the dedicated services of Village staff. We would like to express our appreciation to the staff that contributed to the preparation of this report. Recognition should also be given to the Mayor and Board of Trustees for their interest and support in planning and conducting the operations of the Village in a responsible manner.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Willowbrook for its annual comprehensive financial report for the fiscal year ended April 30, 2022. This was the 34th year that the Village has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report.

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. The Village's website contains additional information, including the Village's audits, budgets, Village Board agendas and minutes, as well as other useful information. Questions regarding this report or requests for additional information should be directed to:

Finance Department

835 Midway Drive

Willowbrook, IL 60527

630.323.8215