

VILLAGE OF BERKELEY,
ILLINOIS



Popular Annual Financial Report (PAFR)

FOR THE FISCAL YEAR ENDING APRIL 30, 2021



Government Finance Officers Association

**Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting**

Presented to

**Village of Berkeley
Illinois**

For its Annual Financial Report
for the Fiscal Year Ended

2020

Christopher P. Morrill

Executive Director/CEO

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Did you know..?

You can access the Village's financial information on our website (www.berkeley.il.us/finance). This page contains Annual Comprehensive Financial Reports (ACFR), Treasurer's Reports, Employee Compensation Reports, Village Budgets, and information about the Village's TIF Districts.

A MESSAGE FROM THE MAYOR

The Village of Berkeley is proud to present the Fiscal Year (FY) 2020-21 Popular Annual Financial Report (PAFR). The Village strongly believes in maintaining good communication with our residents to promote transparency and demonstrate good governance of the Village's finances.

This report is designed to provide a summary view of the Village's financial activities. The PAFR is intended to be easy to understand and contain a concise summarization of the Village's significant financial information that may be of interest to our stakeholders. The information in this report is based on the Village's FY 2020-21 Annual Comprehensive Financial Review (ACFR). The ACFR contains very detailed financial information about the Village's finances. While the ACFR is fully compliant with generally accepted accounting principles and has received an unmodified ("clean") opinion from independent auditors, the document may be overwhelming for many. As such, the Village is pleased to offer the PAFR as an alternative. To view the current ACFR or those from other years, please visit the Village Finance page: www.berkeley.il.us/finance

For the sixteenth consecutive year the Village of Berkeley has received the Certificate of Achievement for the Excellence in Financial Reporting award from the Government Finance Officers Association (GFOA) for our CAFR. The Certificate of Achievement is considered the highest form of recognition in the area of government accounting and financial reporting. Also, last year, the Village won its' first GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting. This award and initiative show the Village's commitment to providing fiscal accountability and transparency.

We hope that after reading and reviewing this report that our residents will have greater knowledge about the Village's financial condition. If you have any questions or comments regarding the information presented in this report, or any other Village financial report, please contact Village Administration at 708-449-8840.



**ROBERT E. LEE, JR.
MAYOR OF BERKELEY**

BOARDS AND COMMISSIONS

CONTACT YOUR VILLAGE BOARD

VILLAGE PRESIDENT

Robert E. Lee Jr.
RLee@berkeley.il.us

VILLAGE TRUSTEES

L.W. Hammar
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Jason Mathews
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Jerry Perez
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Diane Salemi
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Shafi Mohammed
SMohammed@berkeley.il.us

Sherry Graf-Stone
SGraf-Stone@berkeley.il.us

VILLAGE CLERK

Belia Nowak
BNowak@berkeley.il.us

The Village is operated under a trustee-administrator form of government. The Village President and Board of Trustees appoint a Village Administrator who is responsible for the day-to-day operations of the Village.



COMMITTEES & COMMISSIONS

Planning & Zoning Commission
Economic Development Commission
Board of Fire and Police Commissioners
Police Pension Board

For upcoming meeting dates and times, please visit the Village's website at www.berkeley.il.us

COMMUNITY PROFILE

Founded: 1924

**Population:
5,130***

**2020 EAV:
\$371,276,241**

Village Mission Statement

The Village of Berkeley is a great place to live. Berkeley residents enjoy safe and well-maintained neighborhoods, enriching activities and entertainment, and diverse group of people to call neighbors. These aspects continue to help Berkeley strive for ***A Bright Future.***

**Location: 14 Miles
West of Chicago**

**Total 2020 Annual
Budget:
\$28,160,871**

**Median
Household
Income: \$64,715***

***U.S. Census Bureau QuickFacts**



**Honoring Village Historian
Rosemarie Johnson**



Electric Nights Music Festival

FY 20-21 ACCOMPLISHMENTS & PROJECTS

The Village of Berkeley has tallied a significant number of accomplishments over the past year. The Village also continues to face the community and economic challenges arising from the Coronavirus Pandemic.

Accomplishments:

- Continued pursuit of grants for multiple capital projects in the community
- Welcomed Blended Nutrition, Shell, and Dream as new businesses to the community.
- Hosted four vaccine distribution events for Village residents and businesses.
- Concluded Fiscal Year 2021 with a significant surplus (\$1.3 million)
- Implemented Police Vehicle and Body-work cameras
- Relunched Village website



Launch of new Village website

Challenges:

- Implemented Coronavirus Financial Plan in anticipation of potential recession:
 - Froze hiring across all departments
 - Significantly reduced projected revenues
 - Reduced expenditures
- Internal and external coordination and implementation of Coronavirus regulatory direction from local, state, and federal governments.
- Delivering efficient and effective governmental services to residents



Industrial Pedestrian Connector Project

DIVIDING UP YOUR PROPERTY TAX DOLLAR

How are Property Taxes Determined?

The amount due that appears on tax bills, is based on the following equation: Equalized Assessed Value (EAV) / 100 x Tax Rate = Taxes Owed

The EAV is determined by the Township Assessors office and equals one-third of the property's fair market value minus any exemptions.

Red: School Districts (54.15%)

Blue: Village of Berkeley (30.10%)

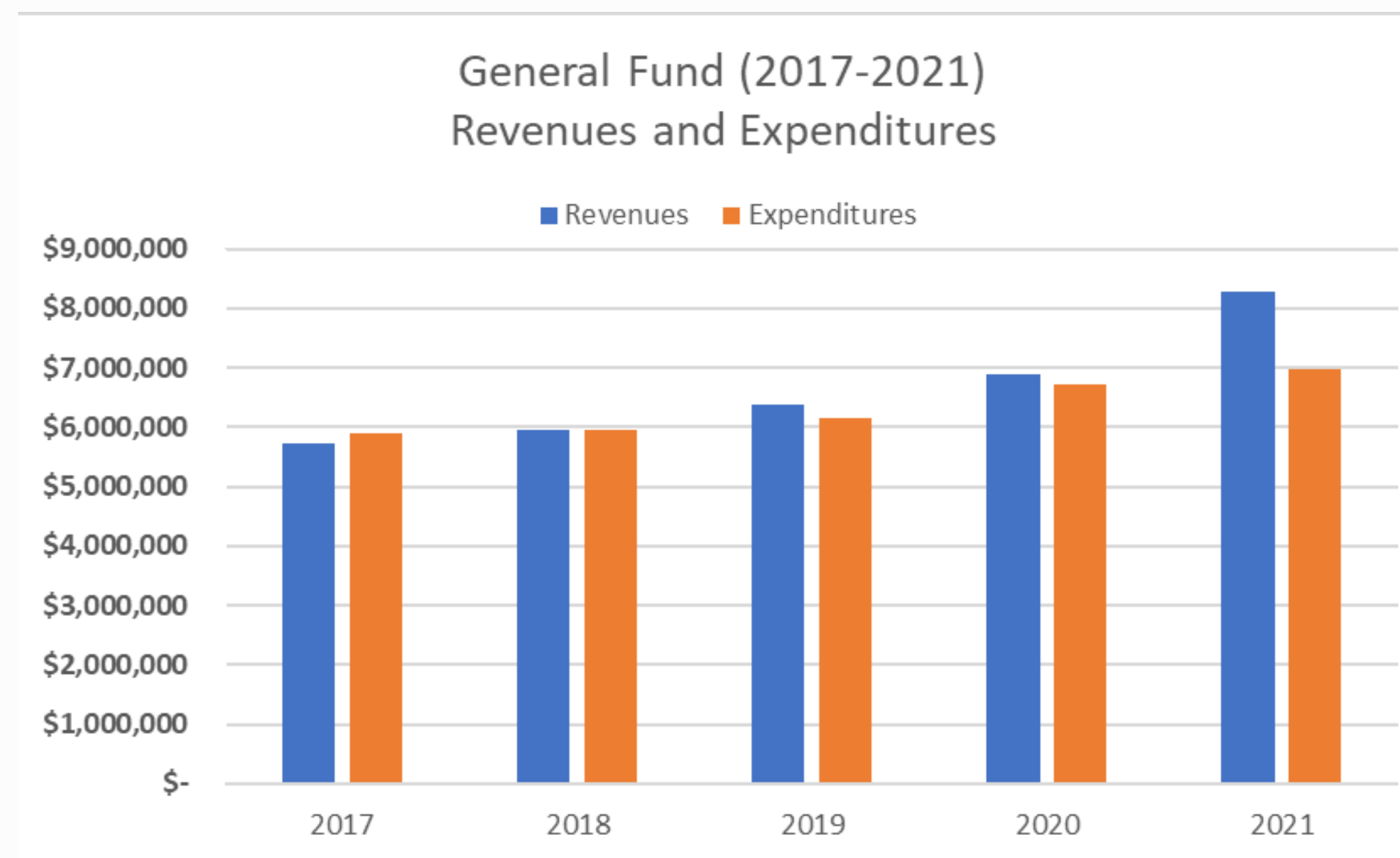
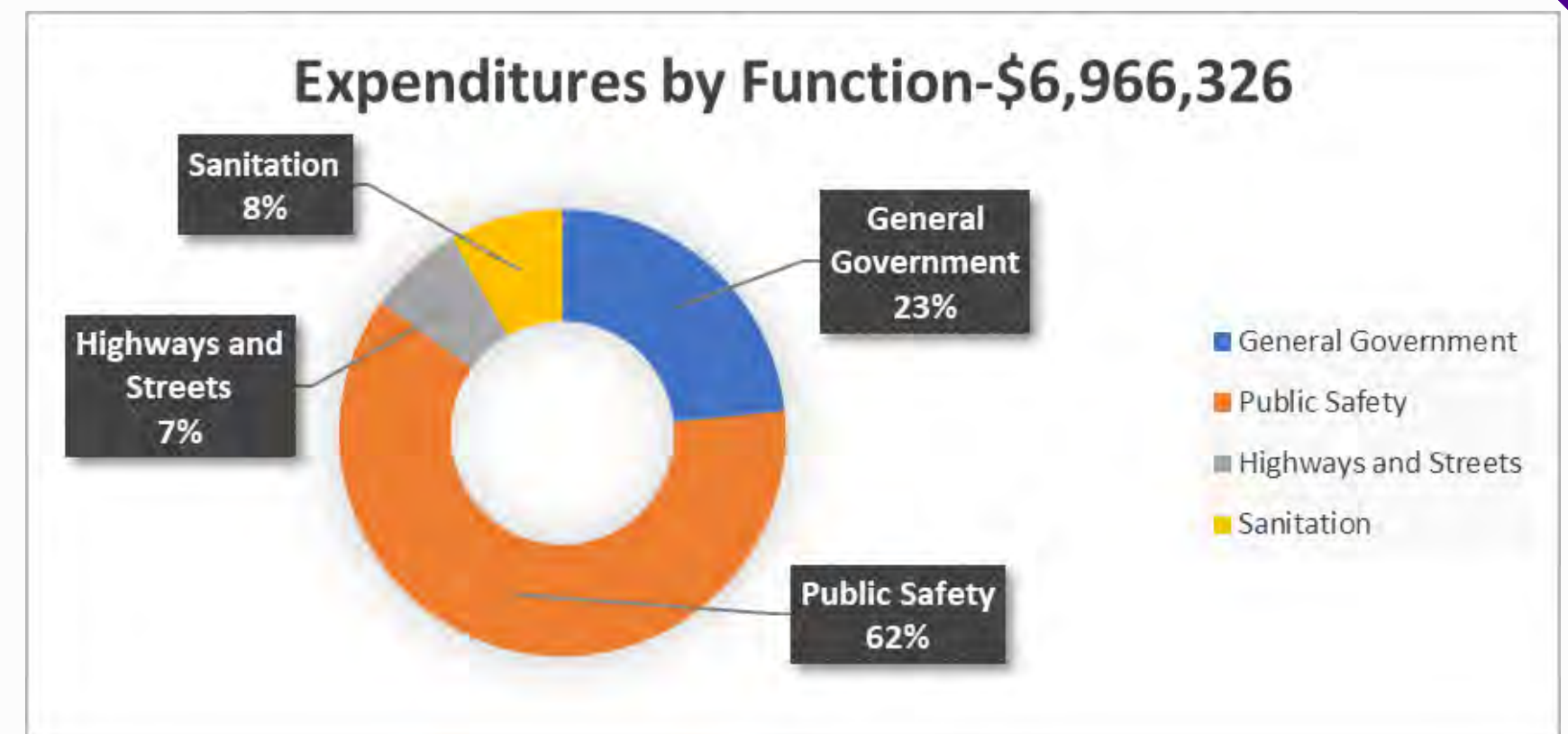
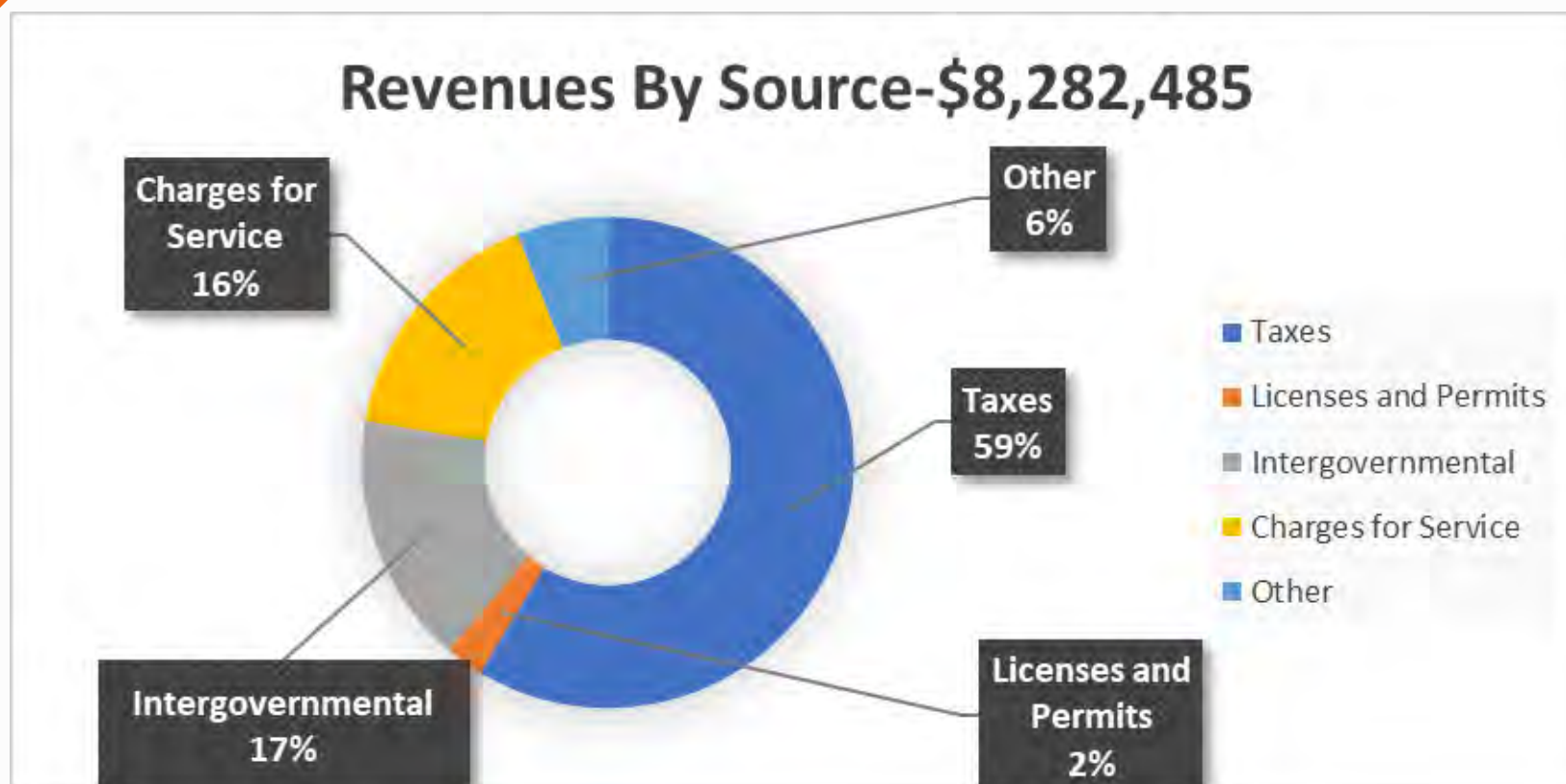
Yellow: Cook County (3.53%)

Green: All Other Taxing Districts (12.22%)



GENERAL FUND

The General Fund is the major operating fund for the Village. It is used to account for all financial sources except those accounted for in another fund. It provides funding for the majority of operating services including police, fire, public works, and administration functions of the Village. The primary sources for funding of these services are property taxes, income taxes, and sales taxes. All graphs are for fiscal year ended April 30, 2021. The general fund is primarily funded through property, sales, utility, income, replacement, local use, and other taxes.



	2017	2018	2019	2020	2021
Revenues	\$ 5,727,044	\$5,952,490	\$6,363,631	\$6,874,930	\$ 8,282,485
Expenditures	\$ 5,907,496	\$5,960,190	\$6,163,181	\$6,713,925	\$ 6,966,326
Net Change in Fund Balance	\$ (180,452)	\$ (7,700)	\$ 200,450	\$ 161,005	\$ 1,316,159

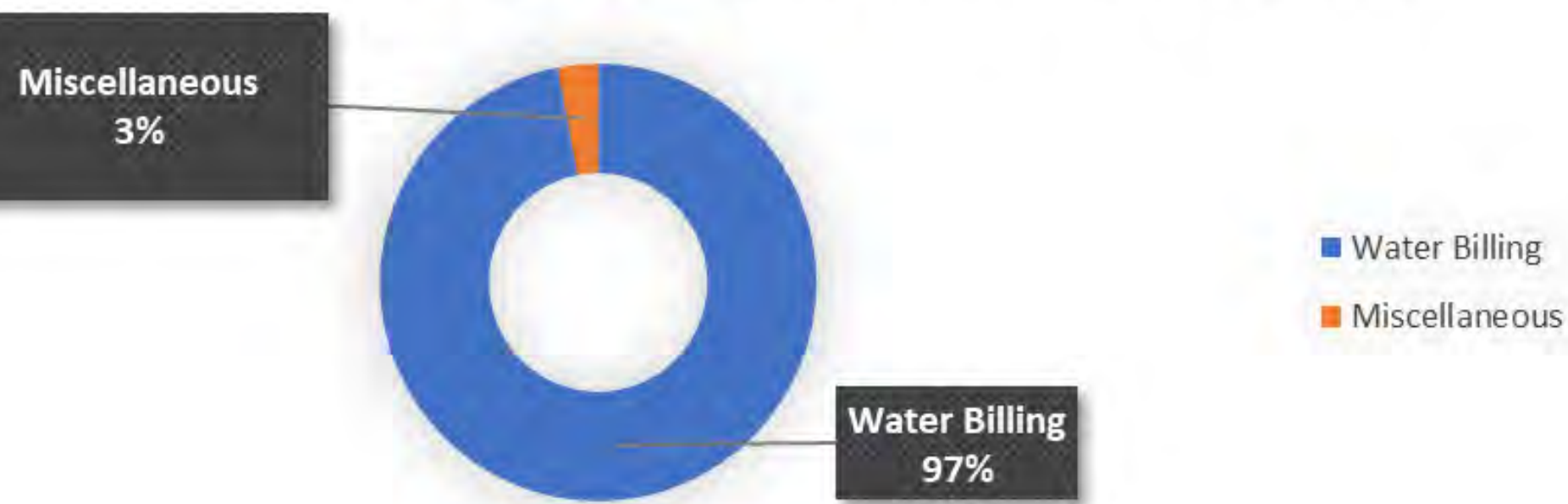
Please see the glossary, located on page 11, for an explanation of each expenditure and revenue source.

Other Major Village Funds

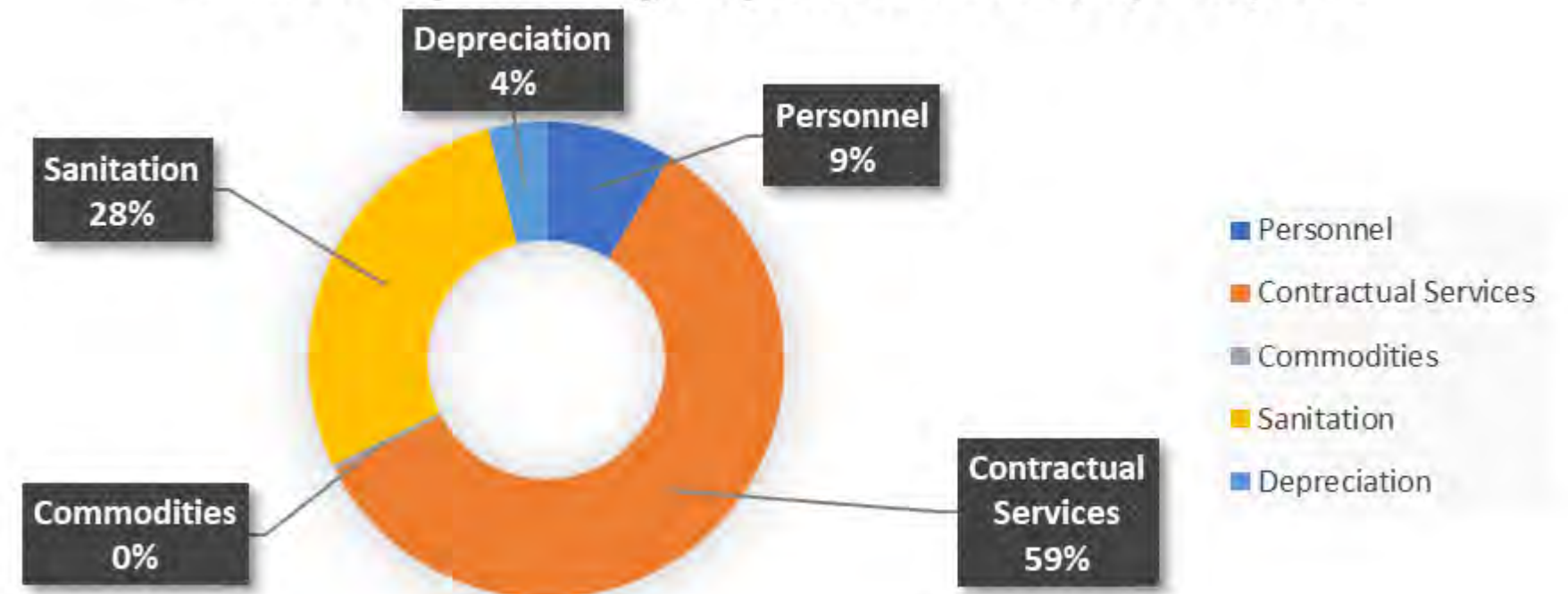
Water and Sewer Funds-This fund accounts for the revenue and operating and capital expenses associated with the provision of water and sewer service to residents and businesses in the community. Both funds are used for operating, repairing, and maintaining the Village's water and sewer facilities and infrastructure. The water fund had a \$163,153 positive change and the sewer fund had a \$36,766 negative change in net position for the year. As of 4/30/21, the water fund had a total net position of \$3,715,128 and the sewer fund had a total net position of \$2,477,709.

The Village purchases water through the Berkeley-Hillside Water Commission (BHWC) and the water source for the Village's water supply is Lake Michigan. The Village, through the BHWC, also pays a debt service to the Village of Melrose Park for infrastructure improvements related to the delivery of water to the Village. Sewer services to the Village are provided by the Chicago Metropolitan Water Reclamation District (MWRD).

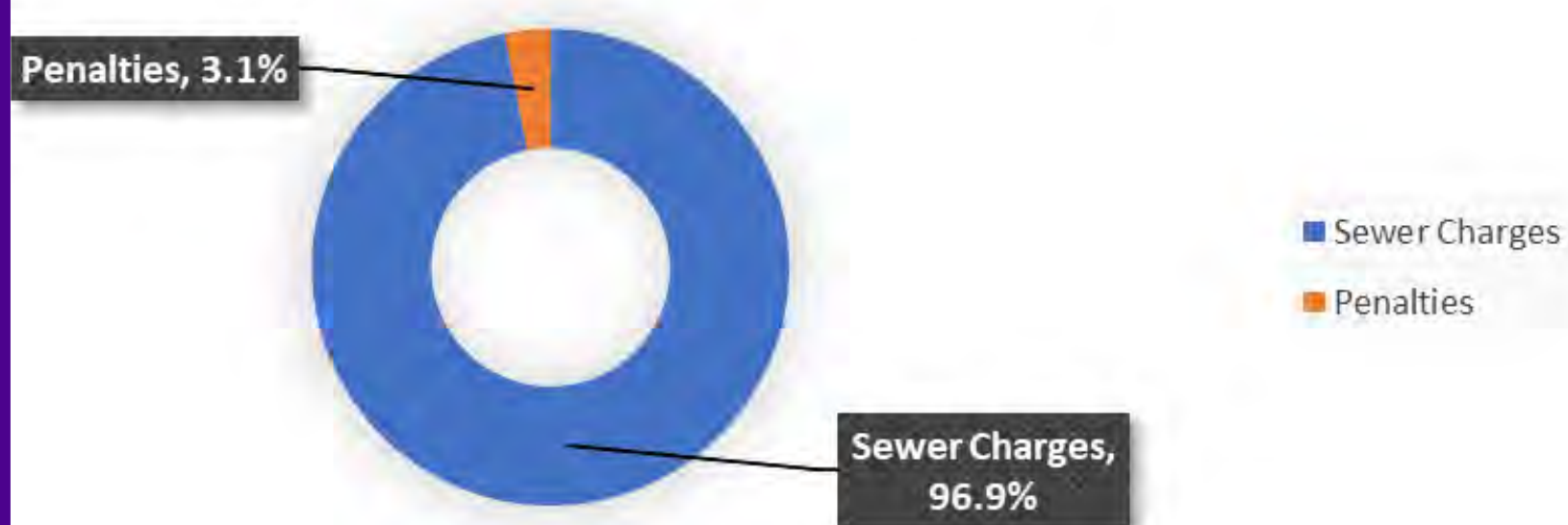
Water Operating Revenue-\$2,131,650



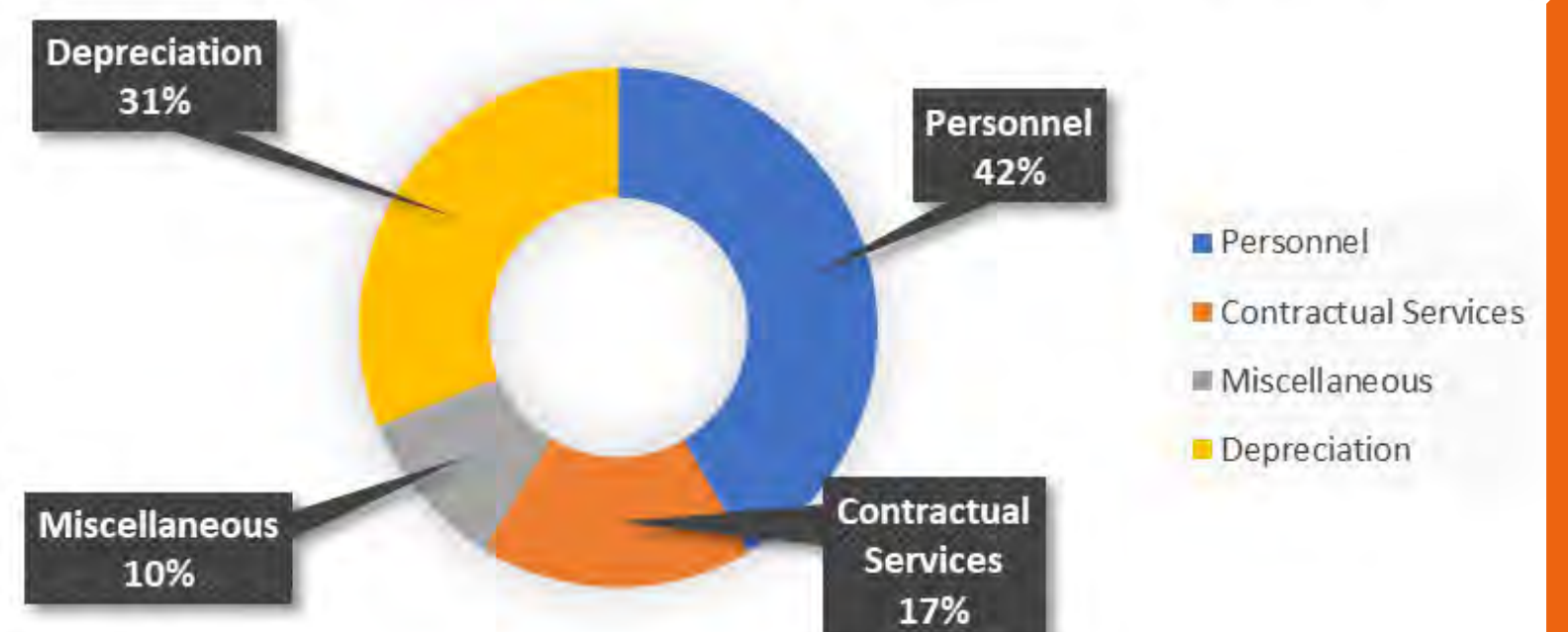
Water Operating Expenditures-\$1,968,497



Sewer Operating Revenue-\$348,827



Sewer Operating Expenditures-\$385,593



Other Major Village Funds-Continued

Capital Projects Reserve-This fund accounts for the finance of vehicle, equipment, and capital replacement at their scheduled time. A capital project/purchase is considered as such when the per unit cost is at least \$10,000, the useful life is at least one year, and is considered an inconsistent purchase (i.e. purchase made every three or five years).

During Fiscal Year 2021, some of the expenditures for this fund included the acquisition of 5829 Electric Avenue (*Land*) for future Village expansion, demolition of 1812 Taft Avenue (*Demolition*) which will be redeveloped, purchase of Village equipment (*Equipment*), and costs associated with various Village Capital Projects funded through grants (*Capital Projects*). Those Capital Projects include Proviso Drive Reconstruction, Industrial Pedestrian Connector, and Sidewalk Replacement Projects. Revenues included \$106,693 in reimbursements the Village received from grants corresponding to various Capital Project costs.

The Capital Projects Reserve Fund had a \$292,895 negative change and a total net position of \$1,387,462 as of April 30, 2021.



Did you know..?

As of 2021, the Village's three largest employers, in order of total employees are as follows:

- School District 87
- Preferred Meal Systems
- Vanee Foods

Statement of Net Position

The statement of net position provides a "snapshot" of where the Village stood financially at the close of the fiscal year ending on April 30, 2021. Net position presents information on all of the Village's assets and liabilities, along with deferred outflows and inflows of resources.

Current assets are usually used within the next year while capital assets refer to longer lived such as land, infrastructure, and equipment. Current liabilities are payable within one year (accounts payable, and wages payable) while long-term liabilities refer primarily to bonds payable, pension liabilities, and other long-term liabilities.

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating. Governmental activities are for the operation of the Village that relate to general government, public safety, and public works. Business-type activities refer to the Village's water and sewer provision operations. Total primary government refers to the entire Village (Governmental and Business-Type Activities). The Village's reported total unrestricted net position was \$3,012,420 as of April 30, 2021.

	Governmental Activities 2021	Business-Type Activities 2021	Total Primary Government 2021
Current and Other Assets	\$ 11,939,334	\$ 3,640,586	\$ 15,579,920
Capital Assets	\$ 21,500,587	\$ 2,865,634	\$ 24,366,221
Total Assets	\$ 33,439,921	\$ 6,506,220	\$ 39,946,141
Pension Items	\$ 2,369,752	\$ -	\$ 2,369,752
Unamortized Loss on Refunding	\$ 9,759	\$ 27,651	\$ 37,410
Deferred Outflows	\$ 2,379,511	\$ 27,651	\$ 2,407,162
Long-Term Liabilities	\$ 8,656,648	\$ 97,470	\$ 8,754,118
Current & Other Liabilities	\$ 560,723	\$ 28,205	\$ 588,928
Total Liabilities	\$ 9,217,371	\$ 125,675	\$ 9,343,046
Pension Items	\$ 2,220,831	\$ 153,600	\$ 2,374,431
Deferred Revenue	\$ 2,474,955	\$ -	\$ 2,474,955
Deferred Inflows	\$ 4,695,786	\$ 153,600	\$ 4,849,386
Net Position:			
Net Investment in Capital Assets	\$ 20,990,348	\$ 2,865,634	\$ 23,855,982
Restricted	\$ 1,292,199	\$ -	\$ 1,292,199
Unrestricted	\$ (376,272)	\$ 3,388,692	\$ 3,012,420
Total Net Position	\$ 21,906,275	\$ 6,254,326	\$ 28,160,601

GLOSSARY AND INFORMATION

General Fund Expenditure and Revenue Definitions (pg. 8)

- **Taxes** are the Village's largest revenue source and include many different types of taxes including property, home-rule sales, utility, and video gaming taxes.
- **Intergovernmental** is the second largest revenue source for the Village and includes other taxes levied by the Village including sales, income, replacement, and local use taxes.
- **Charges for Service** are fees generally charged for a service provided by the Village and include ambulance, administrative towing, and cable franchise fees, among others.
- **All other** revenues are derived from license and permit revenue including building permit and business license fees and reimbursements received by the Village through grants.
- **General Government** expenditures include Village Administration, Finance & Accounting, Human Resources, Budget & Purchasing, Payables & Receivables, and Risk Management.
- **Public Safety** expenditures include Fire, Police, Building & Zoning, Code Enforcement, and Paramedic Services. Expenditures in this category also include the Village's contribution towards its' Police Pension Obligation and Emergency Dispatch Services (through Cook County).
- **Public Works (highways, streets, & sanitation)** expenditures include the general operating cost of the department including administration, streets, sewers, forestry, and water.

Other Major Village Fund Expenditure Definitions (pg. 9)

- **Depreciation** is the systematic and rational allocation of the historical cost of a capital asset over its useful life. The estimated useful life assigned will directly affect the amount of depreciation expense reported each fiscal year.
- **Personnel** are costs associated with Village staff including salaries and other benefits.
- **Contractual Services** includes costs for providing the service (water and sewer) to residents. This includes payments for water and sewer costs to other governmental entities, maintenance related expenses to improve and maintain water and sewer infrastructure, and technology costs.
- **Sanitation** costs are associated with the infrastructure upgrades required to supply the Village with water from Melrose Park through the Berkeley-Hillside Water Commission.

Village Department Heads

- **Village Administrator**-Rudy Espiritu
- **Assistant to the Village Administrator**-Justyn Miller
- **Public Works Superintendent**-Joe Wagner
- **Police Chief**-Tim Larem
- **Fire Chief**-Rusty Grenier

STAY CONNECTED

Village Website

www.berkeley.il.us



- Pay your Village utility bill
- Access and view agendas, budgets, forms, permits, and other official documents
- View schedule of upcoming meetings and community events
- Stay up-to-date with the latest Village news
- And much more!



Social Media

www.facebook.com/officialberkeleyIL

- Get updates on the latest Village news
- Hear about community events
- Stay up-to-date on the latest Village projects

Notification Center



www.berkeleyalerts.bbcportal.com

- Register your email and cell phone number for real-time updates via email, text, or phone call, in case of an emergency, urgent service update, or upcoming Village event.

Berkeley Connects

<https://tinyurl.com/y4qezssz>

- Quarterly Village newsletter delivered to Village residents via USPS mail. Electronic copies of the newsletter can also be accessed on the Village's website.

