



VILLAGE OF WINNEBAGO

REGULAR BOARD MEETING AGENDA

Wednesday, September 16, 2026 at 6:00 PM

108 West Main Street and Virtually

To access meeting from any device: <https://global.gotomeeting.com/join/671034949>

Or by (Toll Free): 1 866 899 4679 | Access Code: 671-034-949

This meeting is being recorded

1. RECORDING OF THE MEETING

2. CALL TO ORDER

3. PLEDGE OF ALLEGIANCE

4. ROLL CALL & ESTABLISHMENT OF A QUORUM

5. MEETING GUIDELINES

Discussion and Vote to Allow an Absent Trustee to Vote By Phone or Other Allowable Means.

6. DISCLOSURE OF ANY CONFLICT OF INTEREST

7. CHANGES TO AGENDA

8. PUBLIC COMMENT: *Each speaker is limited to three (3) minutes. A maximum of thirty (30) minutes shall be generally allowed for public comment at each meeting.*

9. CONSENT AGENDA: *All items on the Consent Agenda denoted with an asterisk (*) are routine in nature and will be enacted in one motion. The Consent Agenda for this meeting includes:*

a. *Approval of Board Trustees Meeting Minutes from September 2, 2026

b. *Approval of Invoices Presented for Payment

10. PRESIDENT'S REPORT

11. TREASURER'S REPORT

a. Monthly Treasurer's Report (Presented at the second meeting of each month)

12. DEPARTMENT HEAD REPORTS

a. Administrator Report (*Written reports generally presented at the second meeting of each month*)

- b. Police Chief Report (*Written reports generally presented at the second meeting of each month*)
- c. Public Works Director Report (*Written reports generally presented at the second meeting of each month*)

13. ACTION ITEMS

- a. CY 2025 Audit Presentation
- b. A Resolution Authorizing the Extension of the Letter of Credit for Peak Storage
- c. A Resolution Approving an Additional Services Proposal with Fehr Graham for the Village's Water Rate Study
- d. Line-Item Transfer for Police Overtime Allowance
- e. A Resolution Authorizing the Replacement of a Public Works Garage Door

14. EXECUTIVE SESSION (CLOSED SESSION) Pursuant to 5ILCS 120/2(c)

15. NEW BUSINESS

16. UPCOMING MEETINGS

- a. Board of Trustees Meeting: October 7, 2026
- b. Committee of the Whole Meeting: October 7, 2026

17. ADJOURNMENT

**Posted: September 11, 2026 at 4:30 p.m. at 108 W. Main Street, Winnebago, IL
and online at www.villageofwinnebago.com Tel 815.335.2020 | Fax 815.415-8491
/s/ Joseph Dienberg, Village Administrator**

The Board of Trustees of the Village of Winnebago, September 02, 2026.

The online meeting link to GoToMeeting was made available to employees and the public to attend remotely.

1. RECORDING OF THE MEETING

The meeting was recorded.

2. CALL TO ORDER

The Board of Trustees of the Village of Winnebago met in person on September 02, 2026, at 6:00 p.m. with President Franklin J. Eubank, Jr. presiding.

3. PLEDGE OF ALLEGIANCE

The Board of Trustees and guests stood and recited the Pledge of Allegiance.

4. ROLL CALL & ESTABLISHMENT OF A QUORUM

PRESENT: Trustee Jason Ackerman, Trustee Jeremy Graham, Trustee John Kim, Trustee Adam LeFevre, and Trustee Mike McKinnon

ABSENT: Trustee Duane Springer

Guests present: Attorney Mary Gaziano, Village Administrator Joseph Dienberg, Treasurer Dana Novinson, Public Works Director Chad Insko, and Seth Uphoff, Edward Vock, attended remotely

5. MEETING GUIDELINES

Discussion and Vote to Allow an Absent Trustee to Vote By Phone or Other Allowable Means.

No trustees attended remotely.

6. DISCLOSURE OF ANY CONFLICT OF INTEREST

No disclosure of conflict of interest.

7. CHANGES TO AGENDA

No changes to the agenda.

8. PUBLIC COMMENT: *Each speaker is limited to three (3) minutes. A maximum of thirty (30) minutes shall be generally allowed for public comment at each meeting.*

No one requested an opportunity to address the Board.

9. CONSENT AGENDA: *All items on the Consent Agenda denoted with an asterisk (*) are routine in nature and will be enacted in one motion. The Consent Agenda for this meeting includes:*

Motion made by Trustee Graham, Seconded by Trustee LeFevre to approve the Consent Agenda.

Motion carried on a unanimous roll call vote of those present.

a. *Approval of Board Trustees Meeting Minutes from August 19, 2026

b. *Approval of Invoices Presented for Payment \$11,191.30

10. PRESIDENT'S REPORT

No report provided.

11. TREASURER'S REPORT

Monthly Treasurer's Report was not included in the packet. (Presented at the second meeting of each month)

12. DEPARTMENT HEAD REPORTS

The following Department Reports were not included in the packet (Presented at the second meeting of each month): Administrator Report, Police Chief Report, and Public Works Director Report.

13. ACTION ITEMS

- a. 2027 IPBC Health Insurance Renewal Premiums
Administrator Dienberg discussed the 2027 IPBC (Intergovernmental Personnel Benefit Cooperative) Health Insurance Premiums and noted the Village increase will be about nine (9) percent. This was lower than the budgeted increase. It was noted the Village's increase was less than some other communities because the claims for 2026 have been lower than projected.
Motion made by Trustee LeFevre, Seconded by Trustee Kim. to approve the renewal premiums for IPBC. Motion carried on a unanimous roll call vote of those present.
- b. A Resolution Authorizing the Extension of the Letter of Credit For Peak Storage
The Letter of Credit for Peak Storage remains open. It was noted the Village delayed Peak Storage as the permit for the Village construction wasn't received until late.
- c. A Resolution Accepting A Proposal from Benning Group, LLC For Professional Auditing Services for Fiscal Years 2026, 2027 and 2028.
A motion was made by Trustee Kim, Seconded by Trustee Graham.to adopt Resolution 2026-26R A RESOLUTION ACCEPTING A PROPOSAL FROM BENNING GROUP, LLC FOR PROFESSIONAL AUDITING SERVICES FOR FISCAL YEARS 2026, 2027, AND 2028.
Motion carried on a unanimous roll call vote of those present.

14. EXECUTIVE SESSION (CLOSED SESSION) Pursuant to 5ILCS 120/2(c)

None needed.

15. NEW BUSINESS

None mentioned.

16. UPCOMING MEETINGS

Board of Trustees Meeting: September 16, 2026
Committee of the Whole Meeting: September 16, 2026

17. ADJOURNMENT

Motion made by Trustee Kim, Seconded by Trustee Ackerman.to adjourn at 6:09 p.m. Motion carried on a voice vote.

UNAPPROVED

Sally Jo Huggins, Village Clerk

Treasurer's Report

September 16, 2026

Board Meeting

Cash Reports

Section 1: Cash Balances as of August 2026
 Bank Reconciliations Unavailable
 Credit Card July 2026 Recap

Budget Details

Section 2: Revenue & Expenditures Report –
 As of August 2026

Construction in Progress & other Tracking

Section 3: Large Purchase Tracking
 Grant Tracking
 Village Debt
 Village Revenue

SECTION 1:

CASH REPORTS

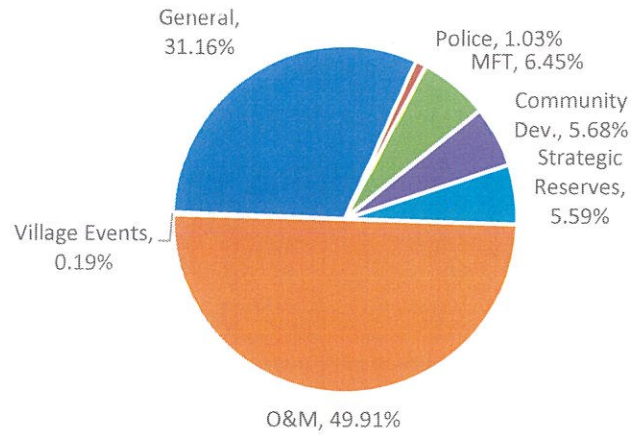
Cash Balances as of August 2026

Bank Reconciliations Unavailable

Credit Card Statement Recap July 2026

Cash Balances August 2026

Section 11. Item #a.



General Fund		Ending Balance
Bank First	\$	122,632.00
Illinois National Bank	\$	-
Illinois Funds - General	\$	1,932,934.79
General subtotal	\$	2,055,566.79
Police		
Illinois Funds-Police	\$	67,003.38
Illinois National Bank	\$	917.04
Subtotal	\$	67,920.42
Motor Fuel Tax Fund		
Bank First	\$	60,017.25
Illinois Funds	\$	365,310.33
Subtotal	\$	425,327.58
Community Development Fund		
Bank First	\$	374,538.74
Strategic Reserves		
Illinois Funds	\$	359,142.13
Bank First	\$	9,500.00
Subtotal	\$	368,642.13
Operations and Maintenance		
Bank First	\$	187,412.29
First National Holding	\$	250,000.00
Illinois National Bank	\$	971.37
Illinois Funds	\$	2,854,467.02
Subtotal	\$	3,292,850.68
Village Events (4th of July)		
Bank First	\$	12,781.19
Grand Total		\$ 6,597,627.53

Monthly Activity

8/28/2026

\$2,182.37

07/03/2026-08/03/2026

[illegible]

\$ 2,182.37

SECTION 2:

BUDGET DETAILS

Revenue & Expenditures Report August 2026

VILLAGE OF WINNEBAGO
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: AUGUST 31ST, 2026

66.67% OF FISCAL YEAR

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
FUND- 01 -GENERAL FUND					
=====					
REVENUES					
=====					
01-300 CORPORATE TAX W/C	341,622.00	9,840.57	194,349.10	56.89	147,272.90
01-303 AUDIT TAX W/C	300.00	9.05	178.81	59.60	121.19
01-304 POLICE TAX W/C	202,981.00	5,936.92	117,253.05	57.77	85,727.95
01-305 IMRF W/C TAX	300.00	9.05	178.81	59.60	121.19
01-306 REVENUE RECAPTURE	1,645.60	79.16	1,563.48	95.01	82.12
01-308 TORT JUDGEMENT-LIAB INS W/C	300.00	9.05	178.81	59.60	121.19
01-309 ROAD BRIDGE TRANSFER IN W/C	14,924.73	392.94	8,660.94	58.03	6,263.79
01-315 COM ED UTILITY TAX	100,000.00	0.00	59,232.51	59.23	40,767.49
01-320 HEAVY LOAD PERMITS	470.00	170.00	170.00	36.17	300.00
01-341 INCOME TAX/LGDF	529,788.00	32,456.17	399,414.82	75.39	130,373.18
01-342 PPRT - REPLACEMENT TAX	30,000.00	1,613.87	23,680.58	78.94	6,319.42
01-343 IGA WHS RESOURCE OFFICER	97,000.00	0.00	75,771.23	78.11	21,228.77
01-344 POLICE GRANTS	0.00	0.00	462.50	0.00 (	462.50)
01-345 SALES & RELATED TAX /MT	682,392.17	70,445.03	465,081.65	68.15	217,310.52
01-346 CANNABIS	4,733.40	475.42	3,322.78	70.20	1,410.62
01-347 POLICE TRAINING/CONF REIMBURS	0.00	0.00	0.00	0.00	0.00
01-348 POLICE SALARY REIMBRSMNT ILEAS	0.00	0.00	0.00	0.00	0.00
01-349 LOCAL USE TAX	12,730.20	1,111.08	16,403.95	128.86 (	3,673.75)
01-350 POLICE ADMIN. TOWING FINES	2,000.00	500.00	3,500.00	175.00 (	1,500.00)
01-351 POLICE FINES	10,000.00	944.00	7,927.59	79.28	2,072.41
01-353 DUI FINES/SPEC VEHICLE	2,200.00	14.00	121.00	5.50	2,079.00
01-370 OTHER REVENUE	0.00	0.00	0.00	0.00	0.00
01-371 GRANTS	0.00	0.00	0.00	0.00	0.00
01-375 ROCK 39 ADMIN	0.00	0.00	582.09	0.00 (	582.09)
01-381 INTEREST	80,000.00	0.00	47,020.87	58.78	32,979.13
01-382 VERIZON WATER TOWER RENT	4,950.00	412.50	3,300.00	66.67	1,650.00
01-385 VEHICLE/EQUIPMENT SALES	0.00	0.00	0.00	0.00	0.00
01-388 MISC INCOME	100.00	0.00	10.00	10.00	90.00
01-389 EXCISE TAX	25,000.00	2,159.18	17,439.63	69.76	7,560.37
01-399 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
=====					
TOTAL REVENUES	2,143,437.10	126,577.99	1,445,804.20	67.45	697,632.90
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EXPENDITURES

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GENERAL ADMINISTRATIVE

01-41-421 OFFICE SALARIES	0.00	0.00	916.31	0.00 (	916.31)
01-41-426 DEPUTY CLERK	52,070.03	3,271.44	28,731.96	55.18	23,338.07
01-41-427 TREASURER	57,330.00	4,389.00	37,212.00	64.91	20,118.00

VILLAGE OF WINNEBAGO
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: AUGUST 31ST, 2026

Section 11. Item #a.

66.67% OF FISCAL YEAR

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
01-41-429 VILLAGE ADMINISTRATOR	33,999.97	2,564.62	21,490.39	63.21	12,509.58
01-41-431 ELECTED OFFICIALS	33,600.00	2,800.00	22,400.00	66.67	11,200.00
01-41-451 HEALTH INSURANCE	20,000.00	1,608.48	12,961.81	64.81	7,038.19
01-41-452 HEALTH INS. DEDUCTIBLE REIMBUR	2,000.00	0.00	0.00	0.00	2,000.00
01 41 453 IDES/UNEMPLOYMENT INSURANCE	475.00	0.00	213.46	44.94	261.54
01-41-461 ADM SOCIAL SECURITY	10,974.00	807.56	6,866.58	62.57	4,107.42
01-41-463 ADM MEDICARE	2,566.50	188.89	1,606.09	62.58	960.41
01-41-465 IMRF BENEFITS	13,575.90	784.26	6,777.08	49.92	6,798.82
01-41-512 OFFICE & COMPUTER EQUIPMENT	5,000.00	0.00	1,442.74	28.85	3,557.26
01-41-521 GEOGRAPHIC INFO SYSTEM	2,000.00	0.00	2,037.38	101.87 (	37.38)
01-41-529 IT SERVICES	16,100.00	571.00	6,386.75	39.67	9,713.25
01-41-530 PROFESSIONAL SERVICES	11,000.00	0.00	3,230.00	29.36	7,770.00
01-41-531 AUDIT	28,700.00	14,350.00	28,700.00	100.00	0.00
01-41-532 ENGINEERING	6,200.00	53.00	4,376.75	70.59	1,823.25
01-41-533 LEGAL	27,500.00	0.00	0.00	0.00	27,500.00
01 41 534 LEXISL	9,000.00	0.00	0.00	0.00	9,000.00
01-41-551 POSTAGE	1,000.00	0.00	54.33	5.43	945.67
01-41-552 TELEPHONE & INTERNET	5,500.00	39.39	2,782.19	50.59	2,717.81
01-41-554 PUBLISHING/ADVERTISEMENTS	750.00	104.50	647.50	86.33	102.50
01-41-560 EMPLOYEE WELFARE	750.00	65.00	435.01	58.00	314.99
01-41-561 PROFESSIONAL ASSOC/MEMBERSHIP	1,950.00	360.00	1,384.80	71.02	565.20
01-41-562 TRAVEL EXPENSES	1,300.00	0.00	95.85	7.37	1,204.15
01-41-563 TRAINING/TUITION	3,210.00	0.00	487.17	15.18	2,722.83
01-41-564 CONFERENCES	6,410.00	0.00	2,128.29	33.20	4,281.71
01-41-565 VILLAGE WEBSITE	8,800.00	0.00	8,784.07	99.82	15.93
01-41-566 CODIFICATION OF ORDINANCES	25,000.00	0.00	43.44	0.17	24,956.56
01-41-593 EQUIP/SOFTWARE MAINT/LEASE	28,000.00	1,319.57	13,751.39	49.11	14,248.61
01-41-594 RISK MANAGEMENT DUES/FEES	10,600.00	0.00	0.00	0.00	10,600.00
01-41-595 IML RISK MNG CLAIMS HAIL 2020	0.00	0.00	0.00	0.00	0.00
01-41-653 BUILDING WATER USAGE	400.00	18.50	193.72	48.43	206.28
01-41-658 MISC. EXPENSES	300.00	67.50	188.37	62.79	111.63
01-41-659 OFFICE EXPENSE	6,500.00	199.06	4,274.62	65.76	2,225.38
01-41-660 PRINTING	500.00	0.00	0.00	0.00	500.00
01-41-661 OFFICE MAINTENANCE	4,000.00	353.00	2,388.62	59.72	1,611.38
01-41-702 PROPERTY TAX REFUNDS	950.00	283.68	283.68	29.86	666.32
01-41-831 LARGE EQUIP. PURCHASE-FIXED AS	0.00	0.00	0.00	0.00	0.00
01-41-832 CONTINGENCY	42,781.80	0.00	0.00	0.00	42,781.80
01-41-833 EQUIPMENT SINKING FUND	0.00	0.00	0.00	0.00	0.00
01-41-950 BANK FEES/CHARGES	300.00	0.00	110.81	36.94	189.19
01-41-959 TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
TOTAL GENERAL ADMINISTRATIVE	481,093.20	34,198.45	223,383.16	46.43	257,710.04

STREET DEPARTMENT

01-42-422 PUBLIC WORKS ASSISTANT	0.00	0.00	0.00	0.00	0.00
01-42-423 PART-TIME WAGES	2,984.31	235.13	1,625.60	54.47	1,358.71
01-42-424 SUPERVISOR STREETS/FLEETS	75,058.82	5,781.78	48,927.28	65.19	26,131.54
01-42-428 PUBLIC WORKS WAGES	111,956.87	7,066.15	68,461.39	61.15	43,495.48
01-42-451 HEALTH INSURANCE	24,000.00	1,818.06	14,593.13	60.80	9,406.87
01-42-452 HEALTH INS. DEDUCTIBLE REIMBUR	3,000.00	0.00	0.00	0.00	3,000.00
01-42-453 IDES/UNEMPLOYMENT INSURANCE	330.00	0.00	272.96	82.72	57.04

VILLAGE OF WINNEBAGO
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: AUGUST 31ST, 2026

66.67% OF FISCAL YEAR

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
01-42-461 ADM SOCIAL SECURITY	11,780.00	811.16	7,379.05	62.64	4,400.95
01-42-463 ADM MEDICARE	2,755.00	189.72	1,725.80	62.64	1,029.20
01-42-465 IMRF BENEFITS	14,573.00	985.47	9,003.90	61.78	5,569.10
01-42-470 UNIFORMS	1,500.00	0.00	167.00	11.13	1,333.00
01-42-510 MAINT. SERVICE - GROUNDS	4,000.00	682.00	4,094.79	102.37 (	94.79)
01-42-511 MAINT. SERVICE-BUILDING	20,000.00	238.65	2,549.64	12.75	17,450.36
01-42-512 OFFICE & COMPUTER EQUIPMENT	2,500.00	0.00	0.00	0.00	2,500.00
01-42-513 MAINT. SERVICE-VEHICLES	15,000.00	1,134.91	3,017.54	20.12	11,982.46
01-42-514 MAINT. SERVICE-STREET	95,000.00	3,800.00	34,667.39	36.49	60,332.61
01-42-515 MAINT. SERVICE-SIDEWALKS	50,000.00	339.92	39,312.09	78.62	10,687.91
01-42-518 MAINT. SERVICE -EQUIPMENT	20,000.00	0.00	9,963.17	49.82	10,036.83
01-42-520 STREET PROJECT	300,000.00	0.00	255,073.49	85.02	44,926.51
01-42-521 GEOGRAPHIC INF SYS	0.00	0.00	0.00	0.00	0.00
01-42-529 IT SERVICES	500.00	0.00	0.00	0.00	500.00
01-42-530 PROFESSIONAL SERVICES	1,200.00	0.00	965.25	80.44	234.75
01-42-532 ENGINEERING	10,000.00	0.00	3,676.25	36.76	6,323.75
01-42-535 TREE REMOVAL/TRIMMING	10,000.00	0.00	6,775.00	67.75	3,225.00
01-42-537 ENGINEERING - STREET PROJECTS	30,000.00	0.00	4,000.00	13.33	26,000.00
01-42-552 TELEPHONE & INTERNET	4,000.00	0.00	2,971.08	74.28	1,028.92
01-42-561 DUES/MEMBERSHIPS/SUBSCRIP	0.00	0.00	0.00	0.00	0.00
01-42-576 COM ED / STREET LIGHTS	46,000.00	3,933.83	29,495.79	64.12	16,504.21
01-42-593 EQUIP/SOFTWARE MAINT/LEASE	0.00	0.00	0.00	0.00	0.00
01-42-594 RISK MANAGMENT DUES FEES	13,800.00	0.00	0.00	0.00	13,800.00
01-42-599 STORM WATER MAINTENANCE	2,500.00	0.00	2,684.39	107.38 (	184.39)
01-42-651 OPERATING SUPPLIES	8,000.00	23.00	3,569.62	44.62	4,430.38
01-42-655 FUEL/GREASE/OIL	16,000.00	1,179.78	10,733.07	67.08	5,266.93
01-42-658 MISC.EXPENSES	300.00	0.00	0.00	0.00	300.00
01-42-659 OFFICE EXPENSE	500.00	0.00	272.86	54.57	227.14
01-42-830 SMALL EQUIP. PURCHASE OR RENTA	7,500.00	291.70	6,997.06	93.29	502.94
01-42-831 LARGE EQUIP. PURCHASE-FIXED AS	20,000.00	0.00	7,300.00	36.50	12,700.00
01-42-832 EQUIPMENT SINKING FUND	0.00	0.00	0.00	0.00	0.00
01-42-833 STREET SINKING FUND	0.00	0.00	0.00	0.00	0.00
01-42-959 TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
TOTAL STREET DEPARTMENT	924,738.00	28,511.26	580,274.59	62.75	344,463.41

POLICE

01-43-421 OFFICE SALARIES	0.00	0.00	0.00	0.00	0.00
01-43-422 POLICE CHIEF	114,419.76	8,759.60	74,268.00	64.91	40,151.76
01-43-423 PART-TIME OFFICERS	11,663.40	449.28	7,649.03	65.58	4,014.37
01-43-424 FULL-TIME OFFICERS	366,902.70	29,509.52	256,510.27	69.91	110,392.43
01-43-425 POLICE OVERTIME	15,000.00	417.68	16,234.00	108.23 (	1,234.00)
01-43-477 SCHOOL RESOURCE OFFICER	83,013.81	0.00	41,798.50	50.35	41,215.31
01-43-451 HEALTH INSURANCE	142,000.00	8,851.54	89,035.42	62.70	52,964.58
01-43-452 HEALTH INS. DEDUCTIBLE REIMBUR	4,000.00	0.00	0.00	0.00	4,000.00
01-43-453 IDES/UNEMPLOYMENT INSURANCE	1,055.00	0.00	783.27	74.24	271.73
01-43-461 ADM SOCIAL SECURITY	36,642.00	2,426.46	24,580.67	67.08	12,061.33
01-43-463 ADM MEDICARE	8,569.50	567.48	5,748.76	67.08	2,820.74
01-43-465 IMRF BENEFITS	45,329.70	2,967.27	29,821.71	65.79	15,507.99
01-43-470 QUARTERMASTER/UNIFORMS	6,500.00	295.99	2,310.82	35.55	4,189.18
01-43-471 VESTS	1,300.00	0.00	1,252.75	96.37	47.25

VILLAGE OF WINNEBAGO
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: AUGUST 31ST, 2026

Section 11. Item #a.

66.67% OF FISCAL YEAR

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
01-43-512 OFFICE & COMPUTER EQUIPMENT	5,000.00	3,102.43	3,102.43	62.05	1,897.57
01-43-513 IGA-RECORDS MANAGEMENT SFTWRE	5,630.00	0.00	5,434.00	96.52	196.00
01-43-514 A/V COMMUNICATIONS	24,000.00	16,800.00	23,443.00	97.68	557.00
01-43-516 POLICE GARAGE MAINTENANCE	2,000.00	0.00	1,303.36	65.17	696.64
01-43-520 SQUAD CAR MAINTENANCE (ALL)	10,000.00	320.00	6,948.60	69.49	3,051.40
01-43-521 GEOGRAPHIC INFO SYSTEM	0.00	0.00	0.00	0.00	0.00
01-43-523 SQD 120 MAINTENANCE	0.00	0.00	0.00	0.00	0.00
01-43-525 SQD 117 MAINTENANCE	0.00	0.00	0.00	0.00	0.00
01-43-529 IT SERVICES	2,200.00	0.00	100.00	4.55	2,100.00
01 43 530 PROFESSIONAL SERVICES	600.00	0.00	205.00	34.17	395.00
01-43-531 911 DISPATCH SERVICES	21,500.00	0.00	15,749.79	73.25	5,750.21
01-43-533 LEGAL	12,000.00	0.00	2,848.21	23.74	9,151.79
01-43-534 LEXIPOL	5,400.00	0.00	0.00	0.00	5,400.00
01-43-540 NEW HIRE PHYSICAL/PSYCH EXAMS	1,500.00	0.00	0.00	0.00	1,500.00
01-43-551 POSTAGE	250.00	0.00	6.08	2.43	243.92
01-43-552 TELEPHONE & INTERNET	3,800.00	0.00	2,469.36	64.98	1,330.64
01-43-553 CELL PHONES	4,400.00	237.64	1,900.96	43.20	2,499.04
01-43-561 PROFESSIONAL ASSOC/MEMBERSHIP	560.00	0.00	160.00	28.57	400.00
01-43-562 TRAVEL EXPENSES	350.00	0.00	102.95	29.41	247.05
01-43-563 TRAINING/TUITION	8,000.00	0.00	3,816.25	47.70	4,183.75
01-43-593 EQUIP/SOFTWARE MAINT/LEASE	5,400.00	2,073.25	4,208.64	77.94	1,191.36
01-43-594 RISK MANAGEMENT DUES/FEES	33,000.00	0.00	0.00	0.00	33,000.00
01-43-653 POLICE GARAGE WATER USAGE	250.00	16.54	142.37	56.95	107.63
01-43-655 FUEL/GREASE/OIL	18,000.00	0.00	13,251.61	73.62	4,748.39
01-43-658 MISC. EXPENSES	1,500.00	13.58	595.35	39.69	904.65
01-43-659 OFFICE EXPENSE	300.00	0.00	77.06	25.69	222.94
01-43-660 PRINTING	300.00	0.00	47.98	15.99	252.02
01-43-830 SMALL EQUIP. PURCH OR RENTAL	10,150.00	0.00	8,015.45	78.97	2,134.55
01-43-831 LARGE EQUIP. PURCH-FIXED ASSET	0.00	0.00	0.00	0.00	0.00
01-43-832 EQUIPMENT SINKING FUND	0.00	0.00	0.00	0.00	0.00
01-43-950 BANK FEES/CHARGES	120.00	0.00	83.45	69.54	36.55
01-43-953 GRANTS	0.00	0.00	0.00	0.00	0.00
01-43-959 TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
TOTAL POLICE	1,012,605.90	76,808.26	644,005.10	63.60	368,600.80
TOTAL EXPENDITURES	2,418,437.10	139,517.97	1,447,662.85	59.86	970,774.25
REVENUES OVER/(UNDER) EXPENDITURES	(275,000.00)	(12,939.98)	(1,858.65)	(273,141.35)	
FUND- 15 -MFT FUND					

VILLAGE OF WINNEBAGO
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: AUGUST 31ST, 2026

66.67% OF FISCAL YEAR

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
15-381 INTEREST	16,000.00	0.00	8,033.09	50.21	7,966.91
15-399 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES	150,299.20	11,424.43	96,514.80	64.22	53,784.40

EXPENDITURES

MFT

15-46-501 MISC EXPENSE	0.00	0.00	0.00	0.00	0.00
15-46-502 ENGINEERING - MFT	65,000.00	2,397.50	7,919.25	12.18	57,080.75
15-46-576 COM ED **	0.00	0.00	0.00	0.00	0.00
15-46-850 MFT ROAD PROJECT	425,000.00	0.00	0.00	0.00	425,000.00
15-46-950 BANK FEES/CHARGES	0.00	0.00	0.00	0.00	0.00
TOTAL MFT	490,000.00	2,397.50	7,919.25	1.62	482,080.75

TOTAL EXPENDITURES	490,000.00	2,397.50	7,919.25	1.62	482,080.75
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REVENUES OVER/(UNDER) EXPENDITURES	(339,700.80)	9,026.93	88,595.55	(428,296.35)	
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FUND- 17 -COMMUNITY DEV FUND

REVENUES

17-307 DEVELOPMENT ESCROW	40,000.00	0.00	0.00	0.00	40,000.00
17-329 PERMITS/INSPECTION FEES	20,000.00	1,860.00	7,490.00	37.45	12,510.00
17-330 CODE ENFORCEMENT FINES	0.00	0.00	0.00	0.00	0.00
17-331 ZONING FEES	2,500.00	0.00	0.00	0.00	2,500.00
17-332 PERMITS - SOLICITORS	0.00	100.00	1,300.00	0.00	(1,300.00)
17-371 GRANTS	0.00	0.00	0.00	0.00	0.00
17-381 INTEREST	9,000.00	0.00	6,405.85	71.18	2,594.15
17-382 VERIZON WATER TOWER RENT	9,900.00	825.00	6,600.00	66.67	3,300.00
17-385 LIGHTED DIAMOND FEES	500.00	360.00	1,020.00	204.00	(520.00)
17-386 UTV REGISTRATION FEES	0.00	0.00	0.00	0.00	0.00
17-387 FRANCHISE FEES	13,000.00	0.00	6,871.00	52.86	6,128.40
17-388 MISC INCOME	0.00	0.00	2,000.00	0.00	(2,000.00)
17-389 EXCISE TAX	5,000.00	431.84	3,487.95	69.76	1,512.05
17-390 LIQUOR LICENSE FEES	14,250.00	0.00	26,500.00	185.96	(12,250.00)
17-391 GAMING LICENSE FEE	8,500.00	0.00	8,250.00	97.06	250.00
17-392 VIDEO GAMING	90,000.00	8,054.11	60,182.99	66.87	29,817.01
17-399 TRANSFER IN	0.00	0.00	0.00	0.00	0.00

TOTAL REVENUES	212,650.00	11,630.95	130,108.39	61.18	82,541.61
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VILLAGE OF WINNEBAGO
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: AUGUST 31ST, 2026

Section 11. Item #a.

66.67% OF FISCAL YEAR

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
EXPENDITURES					
COMMUNITY DEVELOPMENT					
17-47-421 OFFICE SALARIES	26,475.00	1,548.89	14,026.21	52.98	12,448.79
17-47-422 CODE ENFORCEMENT OFFICER	12,480.00	960.00	6,720.00	53.85	5,760.00
17-47-423 BUILDING INSPECTOR	13,000.00	1,240.00	7,480.00	57.54	5,520.00
17-47-424 ELECTRICAL INSPECTOR	4,725.00	375.00	3,000.00	63.49	1,725.00
17-47-429 VILLAGE ADMINISTRATOR	32,999.97	2,563.84	21,483.87	65.10	11,516.10
17-47-450 CODE ENFORCEMENT FINE COSTS	0.00	0.00	0.00	0.00	0.00
17-47-451 HEALTH INSURANCE	11,000.00	867.84	6,942.72	63.12	4,057.28
17-47-452 HEALTH INS. DEDUCTIBLE REIMBUR	750.00	0.00	0.00	0.00	750.00
17 47 453 IDES/UNEMPLOYMENT INSURANCE	225.00	0.00	128.03	56.90	96.97
17-47-461 ADM SOCIAL SECURITY	3,980.40	278.26	2,387.70	59.99	1,592.70
17-47-463 ADM MEDICARE	930.90	65.09	558.46	59.99	372.44
17-47-465 IMRF BENEFITS	3,400.00	223.54	1,904.62	56.02	1,495.38
17-47-512 OFFICE & COMPUTER EQUIPMENT	250.00	0.00	0.00	0.00	250.00
17-47-529 IT SERVICES	350.00	0.00	0.00	0.00	350.00
17-47-530 PROFESSIONAL SERVICES	5,000.00	0.00	465.88	9.32	4,534.12
17-47-532 ENGINEERING	8,000.00	432.75	3,149.50	39.37	4,850.50
17-47-533 LEGAL	13,000.00	0.00	2,657.50	20.44	10,342.50
17-47-536 ENGINEERING - ESCROW REIMBURS	0.00	0.00	0.00	0.00	0.00
17-47-551 POSTAGE	200.00	2.85	60.46	30.23	139.54
17-47-554 PUBLISHING/ADVERTISEMENTS	2,000.00	0.00	662.63	33.13	1,337.37
17-47-561 PROFESSIONAL ASSOC/MEMBERSHIPS	3,000.00	0.00	1,875.00	62.50	1,125.00
17-47-576 COM ED **	2,200.00	0.00	208.38	9.47	1,991.62
17-47-593 EQUIP/SOFTWARE MAINT/LEASE	3,800.00	0.00	1,454.17	38.27	2,345.83
17-47-658 MISC. EXPENSES	500.00	299.00	478.33	95.67	21.67
17-47-659 OFFICE SUPPLIES	0.00	12.39	12.39	0.00	12.39
17-47-660 PRINTING	3,800.00	0.00	1,741.54	45.83	2,058.46
17-47-701 COMMUNITY DEVELOPMENT	100,000.00	8,500.00	14,750.00	14.75	85,250.00
17-47-706 PROPERTY TAX PAYABLE	1,400.00	0.00	1,340.52	95.75	59.48
17-47-800 MAINTENANCE SERVICE PARKS	3,500.00	0.00	137.50	3.93	3,362.50
17-47-832 PARK EQUIPMENT SINKING FUND	0.00	0.00	0.00	0.00	0.00
17-47-900 PRESIDENTIAL CONTINGENCY	1,200.00	0.00	747.86	62.32	452.14
17-47-911 COMMUNITY EXPENSES	1,400.00	137.50	974.13	69.58	425.87
17-47-912 COMMUNITY PROJECTS	0.00	0.00	0.00	0.00	0.00
17-47-950 BANK FEES/CHARGES	3,000.30	0.00	1,383.05	46.10	1,617.25
17-47-953 GRANTS	0.00	0.00	0.00	0.00	0.00
17-47-959 TRANSFER OUT	10,000.00	0.00	0.00	0.00	10,000.00
17-47-998 DEVELOPMENT ESCROW REFUND	40,000.00	0.00	0.00	0.00	40,000.00
TOTAL COMMUNITY DEVELOPMENT	312,566.57	17,506.95	96,730.45	30.95	215,836.12
TOTAL EXPENDITURES	312,566.57	17,506.95	96,730.45	30.95	215,836.12
REVENUES OVER/(UNDER) EXPENDITURES	(99,916.57)	(5,876.00)	33,377.94	(133,294.51)	

VILLAGE OF WINNEBAGO
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: AUGUST 31ST, 2026

66.67% OF FISCAL YEAR

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
FUND- 24 -STRATEGIC RESERVE CAPITAL					
=====					
REVENUES					
=====					
24-381 INTEREST	12,000.00	0.00	7,900.63	65.84	4,099.37
24-399 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES					
	12,000.00	0.00	7,900.63	65.84	4,099.37
=====					
EXPENDITURES					
=====					
STRATEGIC RESERVES					
24-45-530 PROFESSIONAL FEES	30,000.00	0.00	0.00	0.00	30,000.00
24-45-950 BANK FEES/CHARGES	0.00	0.00	0.00	0.00	0.00
24-45-959 TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
TOTAL STRATEGIC RESERVES	30,000.00	0.00	0.00	0.00	30,000.00
TOTAL EXPENDITURES					
	30,000.00	0.00	0.00	0.00	30,000.00
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REVENUES OVER/(UNDER) EXPENDITURES	(18,000.00)	0.00	7,900.63	(25,900.63)	

FUND- 51 -OPERATION & MAINTENANCE

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REVENUES					
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51-344 GRANTS	0.00	0.00	0.00	0.00	0.00
51-345 SALES TAX (1%)	500,103.29	54,014.94	337,680.30	67.52	162,422.99
51-361 WATER SALES	342,858.98	34,113.02	236,202.00	68.89	106,656.98
51-362 CAPITAL CHARGES	498,212.45	44,534.76	330,721.18	66.38	167,491.27
51-363 GARBAGE CHARGES	247,129.70	20,375.06	164,026.06	66.37	83,103.64
51-364 PRE-PAID WATER/SEWER	500.00	526.02	39.24	7.85	460.76
51-365 WATER FIXED ADMIN CHARGES	197,403.60	16,928.15	135,176.22	68.48	62,227.38
51-367 WATER HOOK-UP FEE	0.00	0.00	0.00	0.00	0.00
51-368 SEWER HOOK-UP FEE	0.00	0.00	0.00	0.00	0.00
51-373 ROCK 39 EQUIPMENT	5,000.00	0.00	4,237.92	84.76	762.08
51-374 ROCK 39 IGA	74,265.64	0.00	43,032.73	57.94	31,232.91
51-375 ROCK 39 FUEL/MILEAGE REIMB.	14,245.41	0.00	8,307.59	58.32	5,937.82
51-376 RECAPTURE FEES	18,000.00	0.00	0.00	0.00	18,000.00
51-381 INTEREST	100,000.00	0.00	63,314.12	63.31	36,685.88

VILLAGE OF WINNEBAGO
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: AUGUST 31ST, 2026

Section 11. Item #a.

66.67% OF FISCAL YEAR

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
51-382 VERIZON WATER TOWER RENT	4,950.00	412.50	3,300.00	66.67	1,650.00
51-385 VEHICLE/EQUIPMENT SALES	0.00	0.00	0.00	0.00	0.00
51-388 MISC INCOME	0.00	0.00	200.00	0.00 (	200.00)
51-390 LOSS ON DISPOSAL OF ASSETS	0.00	0.00	0.00	0.00	0.00
51-393 METER SALES	0.00	0.00	945.50	0.00 (	945.50)
51-395 UTIL INCOME/SHUT OFF NOTICE	2,000.00	878.75	6,455.56	322.78 (	4,455.56)
51-399 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUES	2,004,669.07	171,783.20	1,333,638.42	66.53	671,030.65

EXPENDITURES

O & M

51-44-421 OFFICE SALARIES	80,273.06	5,072.45	46,853.19	58.37	33,419.87
51-44-422 ROCK 39 SALARY	0.00	0.00	0.00	0.00	0.00
51-44-423 PART-TIME WAGES	6,963.39	548.62	3,793.00	54.47	3,170.39
51-44-425 METER READER/LAB ASSISTANT	0.00	0.00	0.00	0.00	0.00
51-44-426 DIRECTOR PUBLIC WORKS	85,814.82	6,601.14	55,952.52	65.20	29,862.30
51-44-428 PUBLIC WORKS WAGES	107,948.73	6,793.03	66,119.77	61.25	41,828.96
51-44-429 VILLAGE ADMINISTRATOR	33,000.00	2,563.84	21,483.87	65.10	11,516.13
51-44-451 HEALTH INSURANCE	25,000.00	1,962.94	15,729.39	62.92	9,270.61
51-44-452 HEALTH INS. DEDUCTIBLE REIMBUR	3,000.00	0.00	0.00	0.00	3,000.00
51-44-453 IDES/UNEMPLOYMENT INSURANCE	650.00	0.00	524.27	80.66	125.73
51-44-461 ADM SOCIAL SECURITY	19,468.00	1,337.88	12,040.27	61.85	7,427.73
51-44-463 ADM MEDICARE	4,553.00	312.88	2,815.88	61.85	1,737.12
51-44-465 IMRF BENEFITS	24,083.80	1,613.03	14,604.24	60.64	9,479.56
51-44-466 PENSION EXPENSE-GASB 68	0.00	0.00	0.00	0.00	0.00
51-44-470 UNIFORMS	1,500.00	0.00	299.92	19.99	1,200.08
51-44-512 OFFICE & COMPUTER EQUIPMENT	7,000.00	0.00	7,119.76	101.71 (	119.76)
51-44-519 MAINTENANCE SERVICE - EQUIPTME	35,000.00	0.00	1,740.36	4.97	33,259.64
51-44-521 GEOGRAPHIC INFO SYSTEMS	2,000.00	0.00	1,698.74	84.94	301.26
51-44-529 IT SERVICES	1,500.00	0.00	0.00	0.00	1,500.00
51-44-530 PROFESSIONAL SERVICES	1,500.00	0.00	0.00	0.00	1,500.00
51-44-531 SPECIAL AUDIT	0.00	0.00	2.17	0.00 (	2.17)
51-44-532 ENGINEERING	35,000.00	0.00	25,101.25	71.72	9,898.75
51-44-533 CELLULAR METER MONTHLY FEES	17,000.00	1,189.44	9,458.36	55.64	7,541.64
51-44-534 LEGAL	2,000.00	0.00	0.00	0.00	2,000.00
51-44-539 WATER UPGRADE ENGINEERING	75,000.00	8,641.50	29,793.25	39.72	45,206.75
51-44-540 PRE-EMPLOYMENT PHYSICAL	340.00	0.00	0.00	0.00	340.00
51-44-541 METER UPGRADE	10,000.00	508.24	9,530.01	95.30	469.99
51-44-542 WATER UPGRADE	950,000.00 (	1,793.59)	151,748.72	15.97	798,251.28
51-44-543 ALARM SYS./TELEPHONE/INTERNET	8,500.00	0.00	5,279.40	62.11	3,220.60
51-44-544 TEPA LOAN -WATER TOWER	98,000.00	0.00	97,939.84	99.94	60.16
51-44-551 POSTAGE	11,000.00	750.82	6,391.58	58.11	4,608.42
51-44-552 CELL PHONES	2,500.00	158.21	987.86	39.51	1,512.14
51-44-554 PUBLISHING/ADVERTISEMENTS	1,200.00	0.00	0.00	0.00	1,200.00

VILLAGE OF WINNEBAGO
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: AUGUST 31ST, 2026

Section 11. Item #a.

66.67% OF FISCAL YEAR

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
51-44-561 PROFESSIONAL ASSOC/MEMBERSHIPS	900.00	0.00	876.50	97.39	23.50
51-44-562 TRAVEL EXPENSES	300.00	0.00	0.00	0.00	300.00
51-44-563 TRAINING/TUITION	3,500.00	0.00	1,311.00	39.34	2,123.00
51-44-571 NI GAS / WELLS	2,400.00	133.12	2,092.32	87.18	307.68
51-44-573 GARBAGE	240,511.55	20,099.24	160,326.18	66.64	80,251.37
51-44-576 COM ED **	30,000.00	1,618.17	13,832.62	46.11	16,167.38
51-44-579 WATER ANALYSIS	5,500.00	705.00	3,520.00	64.00	1,980.00
51-44-580 EPA PERMIT FEES	3,500.00	0.00	585.00	16.71	2,915.00
51-44-593 EQUIP/SOFTWARE MAINT/LEASE	25,000.00	3,230.00	10,707.17	42.83	14,292.83
51-44-594 RISK MANAGEMENT DUES/FEES	19,800.00	0.00	0.00	0.00	19,800.00
51-44-651 OPERATING SUPPLIES	49,000.00	1,839.53	15,501.57	31.64	33,498.43
51-44-653 BUILDING WATER USAGE	1,000.00	65.61	565.40	56.54	434.60
51-44-654 WATER DEPOSIT REFUND EXPENSE	0.00	0.00	0.00	0.00	0.00
51-44-655 FUEL/GREASE/OIL	17,000.00	1,179.78	11,535.26	67.85	5,464.74
51-44-656 CHEMICALS	7,000.00	1,147.15	4,963.22	70.90	2,036.78
51-44-658 MISC EXPENSE	1,000.00	0.00	19.99	2.00	980.01
51-44-659 OFFICE EXPENSE	10,000.00	129.70	1,133.46	11.33	8,866.54
51-44-660 PRINTING	1,500.00	0.00	1,006.00	67.07	494.00
51-44-702 FOUR RIVERS SAN. AUTH. IGA	421,700.00	40,915.09	391,111.26	92.75	30,588.74
51-44-703 RECAPTURE FEES	18,000.00	0.00	0.00	0.00	18,000.00
51-44-829 ROCK 39 EQUIPMENT PURCHASES	5,000.00	0.00	0.00	0.00	5,000.00
51-44-830 SMALL EQUIP. PURCHASE OR RENTA	17,000.00	0.00	2,167.54	12.75	14,832.46
51-44-831 LARGE EQUIP. PURCHASE-FIXED AS	0.00	0.00	0.00	0.00	0.00
51-44-832 ASSETS CAPITALIZED	0.00	0.00	0.00	0.00	0.00
51-44-833 CONTINGENCY	108,696.72	0.00	0.00	0.00	108,696.72
51-44-834 EQUIPMENT SINKING FUND	0.00	0.00	0.00	0.00	0.00
51-44-950 BANK FEES/CHARGES	45,000.00	0.00	33,830.51	75.18	11,169.49
51-44-951 DEPRECIATION EXPENSE	260,000.00	0.00	0.00	0.00	260,000.00
51-44-953 GRANTS	0.00	0.00	0.00	0.00	0.00
51-44-959 TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
51-44-999 SPECIAL ITEM EXPENSE	0.00	0.00	0.00	0.00	0.00
TOTAL O & M	2,943,169.07	107,322.82	1,242,158.62	42.20	1,701,010.45

TOTAL EXPENDITURES	2,943,169.07	107,322.82	1,242,158.62	42.20	1,701,010.45
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REVENUES OVER/(UNDER) EXPENDITURES	(938,500.00)	64,460.38	91,479.80	(1,029,979.80)
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FUND- 90 -VILLAGE EVENTS

REVENUES

90-350 DONATIONS	7,000.00	0.00	5,793.71	82.77	1,206.29
90-351 FUNDRAISERS	0.00	0.00	0.00	0.00	0.00
90-352 MERCHANDISE SALES	5,000.00	0.00	0.00	0.00	5,000.00
90-353 FESTIVAL SALES	0.00	0.00	0.00	0.00	0.00
90-381 INTEREST	250.00	0.00	114.46	45.78	135.54

VILLAGE OF WINNEBAGO
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: AUGUST 31ST, 2026

Section 11. Item #a.

66.67% OF FISCAL YEAR

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	% OF BUDGET	BUDGET BALANCE
90-382 VENDOR FEES	0.00	0.00	0.00	0.00	0.00
90-386 UTV REGISTRATION FEES	1,300.00	0.00	1,800.00	138.46 (	500.00)
90-387 SPONSOR ADS	0.00	0.00	0.00	0.00	0.00
90-388 MISC. INCOME	0.00	0.00	0.00	0.00	0.00
90-399 TRANSFER IN	10,000.00	0.00	0.00	0.00	10,000.00
TOTAL REVENUES	23,550.00	0.00	7,708.17	32.73	15,841.83
=====					
EXPENDITURES					
=====					
<u>FOURTH OF JULY</u>					
90-48-423 FESTIVAL LABOR	0.00	0.00	0.00	0.00	0.00
90-48-530 SECURITY	0.00	0.00	0.00	0.00	0.00
90-48-554 PUBLISHING/ADVERTISING	0.00	0.00	0.00	0.00	0.00
90-48-560 ENTERTAINMENT	0.00	0.00	0.00	0.00	0.00
90-48-572 MERCHANDISE	5,000.00	0.00	0.00	0.00	5,000.00
90-48-651 OPERATIONS/ MISC SUPPLIES	0.00	0.00	0.00	0.00	0.00
90-48-655 CONCESSIONS	0.00	0.00	0.00	0.00	0.00
90-48-658 MISC EXPENSES	0.00	0.00	0.00	0.00	0.00
90-48-915 VENDOR TICKET SALES	0.00	0.00	0.00	0.00	0.00
90-48-916 FIREWORKS	18,500.00	0.00	9,910.00	53.57	8,590.00
TOTAL FOURTH OF JULY	23,500.00	0.00	9,910.00	42.17	13,590.00
TOTAL EXPENDITURES	23,500.00	0.00	9,910.00	42.17	13,590.00
=====					
REVENUES OVER/(UNDER) EXPENDITURES	50.00	0.00 (	2,201.83)		2,251.83

CONSTRUCTION IN PROGRESS

Large Purchase Tracking – Unavailable this
month

Grant Tracking

Village Debt

Village Revenue

Grant Applications/Progress Tracking

August 2026

Grant Title	Status	Vendor	Total	Rec'd	Notes
Safe Routes to School Grant Application Resolution 2025-24R Dated 08/13/25	In Progress	Fehr- Graham Grant Preparation	\$ 7,300.00		Grant Application Submitted by Fehr Graham

Fehr- Graham Invoices Received to Date \$7300.00 as of 12/31/25

NOTIFICATION OF GRANT APPROVAL RECEIVED 05/29/26 \$250,000.00

Village of Winnebago Debt Tracking

2026	IL EPA	Four Rivers Sanitation Authority			YTD
Pmt Due :	Jan/Jul	Jan/Jul	Feb/Aug	Jun/Dec	
Pmt Amt:	\$ 48,969.92	\$ 139,392.82	\$ 40,915.09	\$ 30,495.44	
Month	Water Tower	Fuller Creek Phase C	Fuller Creek Phase D&F	Future Costs	Total All Debt
Jan	\$ 803,205.43	\$ 3,117,834.84	\$ 979,460.55	\$ 824,229.58	\$ 5,724,730.40
Feb	\$ 803,205.43	\$ 3,117,834.84	\$ 947,164.71	\$ 824,229.58	\$ 5,692,434.56
Mar	\$ 803,205.43	\$ 3,117,834.84	\$ 947,164.71	\$ 824,229.58	\$ 5,692,434.56
Apr	\$ 803,205.43	\$ 3,117,834.84	\$ 947,164.71	\$ 824,229.58	\$ 5,692,434.56
May	\$ 803,205.43	\$ 3,117,834.84	\$ 947,164.71	\$ 824,229.58	\$ 5,692,434.56
Jun	\$ 803,205.43	\$ 3,117,834.84	\$ 947,164.71	\$ 800,987.36	\$ 5,669,192.34
Jul	\$ 762,247.48	\$ 3,005,723.08	\$ 947,164.71	\$ 800,987.36	\$ 5,516,122.63
Aug	\$ 762,247.48	\$ 3,005,723.08	\$ 914,584.67	\$ 800,987.36	\$ 5,483,542.59
Sep					
Oct					
Nov					
Dec					

PRJ: L171468

GL 119100

GL 119110

GL 119120

VILLAGE REVENUE

PROPERTY TAX						
01-300 Through 01-309						
	2026	2025	2024	2023	2022	2021
Dec		3,283	0	6,002	216	39
Nov		4,576	5,823		2,130	8,432
Oct		4,717	7,803	7,886	7,155	4,483
Sept		201,327	204,860	182,135	176,432	152,573
Aug	16,277	27,226	23,012	28,878	25,134	38,013
July	7,000	5,171	3,723	8,878	6,945	15,588
Jun	299,086	206,311	238,482	202,307	230,268	206,348
May	0	88,940	36,617	61,703	22,662	37,575
Apr	0	0	0			
Mar	0	0	0			
Feb	0	0	0			
Jan	0	1,012	0			
Actual	322,363	542,563	520,319	497,789	470,942	463,051
Projected	483,545	NOTES: Per W/C - Property Tax pmt for Nov w/b rec in Dec Dec Distribution includes annual interest				
Budgeted	562,073					
Bdgt vs Act.	57.35%					

HEAVY LOAD PERMITS						
01 328						
	2026	2025	2024	2023	2022	2021
Dec		0	0			300
Nov		0	75			
Oct		0	0	125	300	
Sept		375	75		225	
Aug	170	0	175		175	125
July	0	0	0		280	200
Jun	0	25	0		235	75
May	0	170	0		75	375
Apr	0	170	195			
Mar	0	0	25	50	150	
Feb	0	0		180		
Jan	0	0		25	125	125
Actual	170	740	545	380	1,565	1,200
Projected	470	NOTES: Single trip or 120 day permits for heavy vehicles				
Budgeted	470					
Bdgt vs Act.	36.17%					

PPRT						
01-342						
	2026	2025	2024	2023	2022	2021
Dec		4,155	1,770	2,949	5,034	2,084
Nov		0				
Oct		5,244	5,658	9,502	15,372	10,042
Sept		0				
Aug	1,614	870	1,384	1,848	1,303	766
July	6,366	5,065	7,419	11,463	11,413	6,027
Jun	0	0				
May	6,456	7,026	8,292	14,179	15,851	8,271
Apr	2,624	1,837	3,430	8,739	11,839	6,418
Mar	1,589	1,936	3,845	5,501	10,015	1,374
Feb	0	0				
Jan	5,031	4,698	6,521	11,104	7,647	3,802
Actual	23,681	30,833	38,319	65,286	78,474	38,784
Projected	35,521	NOTES: Projected Amount Calculated based on IML Projections for CY26				
Budgeted	30,000					
Bdgt vs Act.	78.94%					

COMED UTILITY TAX						
01-315						
	2026	2025	2024	2023	2022	2021
Dec		2,683	4,614	7,888	8,321	8,068
Nov		13,809	10,156	7,682	7,703	8,546
Oct		9,994	10,944	9,534	15,151	11,009
Sept		11,381	10,709	11,258	5,852	11,263
Aug	19,276	10,606	18,914	11,139	11,194	11,259
July	8,651	8,033	3,438	9,753	11,387	11,330
Jun	7,347	7,276	12,270	6,882	8,411	8,048
May	7,787	7,363	6,866	7,067	7,970	7,565
Apr	8,548	8,879	9,780	8,027	8,467	8,380
Mar	8,893	2,758	2,910	8,684	9,106	9,570
Feb	9,703	9,092	10,087	9,313	9,999	9,436
Jan	8,304	9,333	8,645	21,950	9,827	10,254
Actual	78,508	101,207	109,334	119,176	113,390	114,728
Projected	117,762	NOTES: Projected Calculated based on Monthly Average - Steady Year Over Year Decrease Attributed to Increased Solar Permits				
Budgeted	100,000					
Bdgt vs Act.	78.51%					

INCOME TAX/LGDF						
01-341						
	2026	2025	2024	2023	2022	2021
Dec		29,695	25,748	26,963	26,945	22,499
Nov		32,441	32,985	34,318	30,031	25,372
Oct		56,593	54,947	50,948	47,425	44,259
Sept		26,179	25,732	26,357	25,904	24,355
Aug	32,456	30,696	32,777	29,038	23,836	23,062
July	57,840	53,558	49,056	44,182	46,279	41,072
Jun	31,962	31,906	33,720	33,162	27,414	45,783
May	90,955	92,001	78,678	70,722	93,322	52,181
Apr	55,553	51,567	45,531	41,240	46,252	38,199
Mar	29,870	28,161	28,839	25,624	21,650	23,957
Feb	44,821	43,889	44,370	43,264	49,949	34,761
Jan	55,957	53,726	46,891	43,756	40,058	32,879
Actual	399,415	530,413	499,272	469,574	479,064	408,380
Projected	529,788	NOTES: Projected Amount Calculated based on IML Projections for CY26				
Budgeted	529,788					
Bdgt vs Act.	75.38%					

SALES TAX						
01-345						
	2026	2025	2024	2023	2022	2021
Dec		51,374	48,992	52,253	52,369	42,096
Nov		59,213	52,595	50,731	56,826	44,401
Oct		57,628	43,860	54,558	56,100	47,725
Sept		56,205	48,760	53,731	62,622	44,810
Aug	70,445	65,175	50,622	52,807	58,635	44,877
July	59,422	50,908	45,868	49,785	53,719	40,868
Jun	58,088	59,274	44,850	45,726	53,690	41,314
May	47,819	46,573	40,709	39,074	40,789	29,964
Apr	49,062	46,398	41,373	39,869	39,130	34,610
Mar	60,330	52,291	51,478	53,237	49,512	31,926
Feb	58,341	55,907	48,093	48,626	44,321	29,689
Jan	61,573	55,201	51,239	51,786	46,372	33,941
Actual	465,082	656,146	568,439	592,182	614,085	466,222
Projected	697,622	NOTES: Projected Calculated based on Monthly Average				
Budgeted	682,392					
Bdgt vs Act.	68.15%					

VILLAGE REVENUE

CANNABIS						
01-346						
	2026	2025	2024	2023	2022	2021
Dec		263	369	360	358	339
Nov		342	361	366	385	401
Oct		354	375	360	349	459
Sept		370	362	350	380	386
Aug	475	348	389	397	474	324
July	423	385	391	373	339	363
Jun	387	431	384	362	409	412
May	474	362	423	355	409	355
Apr	406	367	441	420	453	351
Mar	340	397	415	364	432	272
Feb	355	388	412	372	408	276
Jan	463	414	371	373	415	343
Actual	3,323	4,421	4,694	4,452	4,811	
Projected	4,528	NOTES: Projected Amount Calculated based on IML Projections for CY26				
Budgeted	4,733					
Bdgt vs Act	70.20%					

LOCAL USE TAX						
01-349						
	2026	2025	2024	2023	2022	2021
Dec		2,149	9,544	9,908	10,543	9,631
Nov		2,503	8,233	8,927	9,376	9,660
Oct		2,416	8,477	9,412	9,027	9,152
Sept		2,651	8,249	6,679	10,343	9,827
Aug	1,111	2,901	8,550	8,897	9,169	8,622
July	2,436	2,130	8,860	8,996	8,042	9,367
Jun	2,340	1,910	9,964	10,751	10,042	10,310
May	1,623	1,447	8,202	8,692	8,561	8,065
Apr	2,083	1,458	7,295	9,433	8,868	9,045
Mar	2,744	11,913	12,190	13,474	13,373	18,448
Feb	1,731	9,476	10,502	11,139	10,550	13,073
Jan	2,335	5,447	10,053	10,567	8,980	12,268
Actual	16,404	46,401	110,119	116,875	116,874	127,468
Projected	13,201	NOTES: Projected Amount Calculated based on IML Projections for CY26				
Budgeted	12,730					
Bdgt vs Act.	128.86%					

POLICE FINES - Winnebago Co						
01-351 and 01-353						
	2026	2025	2024	2023	2022	2021
Dec		550	931	164	926	1,817
Nov		341	814	1,568	1,065	1,738
Oct		400	907	2,966	649	885
Sept		1,026	907	1,363	458	1,111
Aug	958	747	756	1,507	649	449
July	735	899	1,061	2,535	846	1,412
Jun	2,698	859	1,190	1,743	261	412
May	289	351	2,150	572	1,553	128
Apr	1,148	1,447	1,109	106	1,246	1,505
Mar	906	1,050	982	836	460	169
Feb	817	637	518	334	365	253
Jan	474	774	245	1,696	469	1,324
Actual	8,024	9,080	11,569	15,390	8,946	11,202
Projected	12,035	NOTES: Projected Calculated based on Monthly Average				
Budgeted	12,200					
Bdgt vs Act.	65.77%					

EXCISE TAX (TELECOMMUNICATIONS)						
01-389 and 17-389						
	2026	2025	2024	2023	2022	2021
Dec		2,649	2,648	2,939	3,979	2,965
Nov		2,530	2,571	3,242	3,112	2,848
Oct		2,523	2,441	2,778	2,954	2,803
Sept		2,682	2,727	3,038	2,841	3,033
Aug	2,591	2,586	2,510	3,044	2,682	2,929
July	2,558	2,450	2,457	2,818	2,713	2,837
Jun	2,499	2,723	3,032	3,210	2,946	2,891
May	2,777	2,405	2,663	2,894	2,452	2,806
Apr	2,609	2,512	2,899	2,965	2,783	2,518
Mar	2,655	2,578	3,270	3,155	2,932	2,715
Feb	2,573	2,463	2,948	2,997	2,806	2,915
Jan	2,666	2,448	2,796	2,978	2,887	3,015
Actual	20,928	30,549	32,963	36,059	35,086	34,275
Projected	31,391		Police	Com Dev		
Budgeted	30,000		17439.65	3,488		
Bdgt vs Act.	69.76%	Projected	26159.475	5,232		

MFT (MOTOR FUEL TAX)						
15-343						
	2026	2025	2024	2023	2022	2021
Dec		5,663	5,922	6,292	5,674	6,366
Nov		5,302	5,608	5,340	5,675	5,743
Oct		5,682	5,695	5,984	6,014	6,169
Sept		6,047	5,914	5,511	5,620	6,570
Aug	5,573	5,592	5,670	5,766	6,027	5,992
July	4,971	5,184	5,779	5,874	6,301	6,101
Jun	5,327	4,925	5,119	5,656	6,084	5,888
May	5,055	5,066	5,207	5,538	6,021	5,989
Apr	4,410	5,036	4,770	4,751	6,026	5,074
Mar	5,302	5,462	5,261	4,655	3,784	4,675
Feb	5,537	5,191	4,891	4,905	6,202	4,987
Jan	5,752	5,492	6,173	6,755	6,863	6,309
Actual	41,920	64,640	60,008	67,028	70,291	69,861
Projected	64,004	NOTES: Projected Amount Calculated based on IML Projections for CY26				
Budgeted	63,328					
Bdgt vs Act.	66.21%					

TRF (TRANSPORTATION RENEWAL FUND)						
15-346						
	2026	2025	2024	2023	2022	2021
Dec		5,811	5,953	5,901	4,358	4,517
Nov		5,881	5,679	5,045	4,305	4,133
Oct		6,078	5,765	5,589	4,492	4,552
Sept		6,311	5,955	5,411	4,540	4,619
Aug	5,852	5,686	5,488	4,726	4,554	4,327
July	5,703	5,756	5,505	5,154	4,505	4,308
Jun	5,880	5,762	5,155	4,962	4,354	4,245
May	5,798	5,561	5,367	4,907	4,384	4,226
Apr	5,218	5,044	4,838	4,393	4,297	3,706
Mar	5,936	5,700	5,194	4,765	3,498	3,799
Feb	6,018	5,579	4,910	4,294	4,346	3,987
Jan	6,150	5,548	5,302	4,720	4,669	3,985
Actual	46,555	68,718	65,111	59,867	52,303	50,404
Projected	71,560	NOTES: Projected Amount Calculated based on IML Projections for CY26				
Budgeted	70,972					
Bdgt vs Act.	65.60%					

VILLAGE REVENUE

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VIDEO GAMING						
17-392						
	2026	2025	2024	2023	2022	2021
Dec		8,496	6,913	6,697	5,464	5,319
Nov		7,452	7,452	6,875	5,647	4,736
Oct		6,902	8,090	7,134	5,008	5,114
Sept		6,585	7,579	6,587	6,092	4,673
Aug	8,054	6,915	8,229	6,329	5,574	5,442
July	6,817	8,562	8,102	5,180	5,158	4,528
Jun	6,791	8,367	7,514	7,258	5,436	4,791
May	8,884	7,670	6,915	9,098	5,390	4,397
Apr	7,306	6,555	6,569	4,933	4,422	3,552
Mar	7,945	5,678	6,719	6,196	4,983	2,061
Feb	7,501	8,246	5,954	4,669	5,224	1,775
Jan	7,084	7,787	6,963	4,533	4,377	0
Actual	60,183	89,216	86,999	75,487	62,776	46,388
Projected	90,274	NOTES: Projected Calculated based on Monthly Average				
Budgeted	90,000					
Bdgt vs Act.	66.87%					

SALES TAX 1%						
51-345						
	2026	2025	2024	2023	2022	2021
Dec		38,922	35,762	38,046	38,493	30,409
Nov		43,487	39,951	39,292	43,052	32,348
Oct		42,432	32,493	39,007	43,183	32,546
Sept		39,688	38,038	40,358	49,674	32,263
Aug	54,015	48,433	38,710	40,872	45,368	31,665
July	44,145	37,068	34,068	36,614	40,368	27,624
Jun	42,981	42,270	33,720	33,874	39,561	28,890
May	33,174	32,726	29,507	28,165	30,033	20,584
Apr	34,225	33,417	29,388	30,116	26,274	22,599
Mar	43,815	39,316	38,180	38,095	37,605	20,761
Feb	41,971	40,395	36,761	37,025	34,000	19,183
Jan	43,354	42,715	37,989	38,685	32,282	21,192
Actual	337,680	480,869	424,556	440,149	459,883	320,065
Projected	506,520	NOTES: Projected Calculated based on Monthly Average				
Budgeted	500,103					
Bdgt vs Act.	67.52%					

GENERAL FUND MONTHLY TOTALS						
	2026	2025	2024	2023	2022	2021
Dec	0	93,686	103,260	107,549	87,982	108,809
Nov	0	106,976	105,265	107,433	91,228	82,238
Oct	0	126,702	137,217	146,677	125,449	95,689
Sept	0	96,614	101,412	108,167	93,674	83,832
Aug	128,138	115,322	107,171	107,468	91,966	107,357
July	145,431	117,489	127,370	134,172	112,064	86,673
Jun	404,406	104,219	100,092	103,145	108,834	69,915
May	158,180	145,832	142,984	169,428	109,582	79,705
Apr	122,034	110,943	110,693	117,793	99,522	84,277
Mar	107,327	102,973	110,089	107,170	88,262	78,870
Feb	118,340	116,437	115,891	118,034	90,151	80,308
Jan	136,804	126,516	142,540	113,893	96,626	86,740
Actual	1,320,661	1,363,709	1,403,985	1,440,930	1,195,339	1,044,415
Projected	1,925,863					
Budgeted	1,964,387					
Bdgt vs Act.						

	WATER SALES		ADMIN		CAPITAL	
	51-361		51-365		51-362	
	2026	2025	2026	2025	2026	2025
Dec		27,223		16,972		39,608
Nov		33,018		15,749		46,077
Oct		29,598		16,824		41,648
Sep		26,561		15,952		38,457
Aug	34,113	36,446	16,928	17,487	44,535	50,293
Jul	35,318	29,329	17,165	16,245	47,595	41,852
Jun	29,882	33,970	16,777	16,906	41,627	48,555
May	29,814	25,250	16,706	16,942	42,526	36,902
Apr	25,179	24,071	15,964	16,077	36,194	35,147
Mar	28,957	23,846	18,530	16,371	41,076	34,925
Feb	28,979	33,186	16,476	16,022	41,724	49,333
Jan	23,946	22,474	16,627	15,553	35,423	35,134
Actual	236,189	344,974	135,174	197,098	330,699	497,930
Projected	354,283	344,974	202,761	197,098	496,049	497,930
Budgeted	342,859	290,080	197,403	181,552	498,212	495,800
Bdgt vs Act.	68.89%	1.189237	0.684763	1.0856308	0.663772	1.004297

GENERAL FISCAL PROJECTIONS						
	2021	2022	2023	2024	2025	2026
Actual	1,044,415	1,195,339	1,440,930	1,403,985	1,363,709	1,320,661
Projected						
Budgeted						1,907,972
Bdgt vs Act						69.22%

O&M FISCAL PROJECTIONS						
	2021	2022	2023	2024	2025	2026
Actual	1,245,270	1,393,570	1,421,986	1,405,083	1,520,871	1,039,743
Projected						0
Budgeted						1,538,578
Bdgt vs Act						67.58%

General Administration

- Prepared board materials and meeting packets for the Zoning Board, Village Board, and Committee of the Whole throughout the month.
- Hosted Bimonthly Operations team meeting- involving cross-department coordination and long-range Village Board/Committee of the Whole Agenda Planning
- Attended Various ILCMA Committee Meetings that I serve on, including the Summer Conference Planning Committee and the Committee for Professional Conduct
- Attended “Key Stakeholder Training” for the Village’s ERP Financial software and utility billing software.
- Oversight of Utility Billing Processes.
- Managed a transition in the Administration Department through cross-training, candidate interviews, and shared front-office coverage following the departure of a Utility Billing Clerk.
- Attended NorthCOG Meeting.
- Attended Quarterly ILCMA Regional Meeting with other local managers and Administrators.
- Worked with IPBC on the Renewal Process

Budget/Capital Improvement Plan

- Continued Water Rate Study Process with Fehr Graham, attended Meetings.
- Continued discussions with other taxing bodies, beginning early discussions of shared facilities.
- Department Heads continued work on updating existing Vehicle Replacement Schedules
- Continued preparation of Budget Figures and Projections for CY2026/27
- Prepared initial departmental budgets and finalized the Village’s six-month financial projections as part of the CY2027 budget process, and presented projections to the Village Board.

Community Development

- Hosted Monthly Development Team meeting reviewing all active developments in the Village with the Village Building Official, Engineer, Director of Public Works, Deputy Clerk, FRSA, Win-Bur-Sew Chief.
- Participated in regional economic development and professional association meetings including collaboration with the Rockford Area Chamber on various development priorities.
- Met/Spoke with:
 - A National Fast Food Franchisee interested in building a freestanding building in the Village.
 - CBRE for the marketing of the Winnebago Highlands
 - Various owners of local properties on behalf of companies interested in said properties.
 - Contiguous Property Owners interested in annexing to the Village.
- Coordinated with the Village Attorney on next steps regarding the sale of Village Owned Property, including final closing information
- Hosted the first Comprehensive Plan and Unified Development Ordinance Steering Committee meeting and continued reviewing the community survey, project website, and existing-conditions report with Place Foundry.
- Continued housing outreach, including developer follow-up, regional economic development meetings, annexation discussions, and engagement with the Rockford Area Home Builders Association.
- Continued discussions related to the proposed TotalEnergies solar project and potential annexation into the Village.

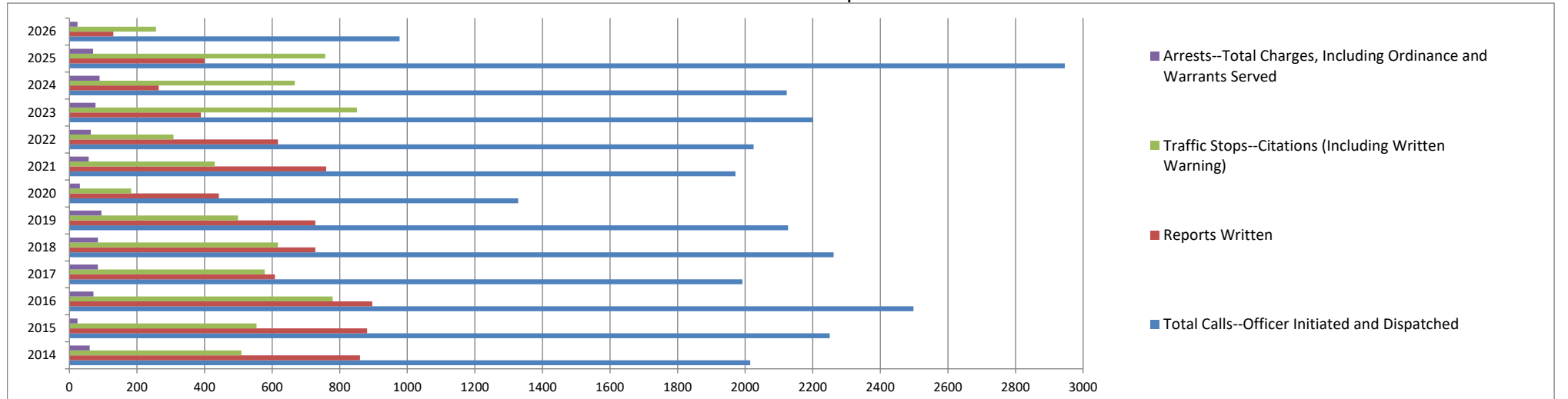
**Winnebago Police Department
2023/2024/2025/2026 Calls and Offenses**

Section 12. Item #b.

Offense Type	Jan-26	Feb-26	Mar-25	Apr-26	May-25	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Total 2026	Total 2025	Total 2024	Total 2023
Aggravated Battery (including Agg. Domestic)	0	0	1	0	0	0	0	1	0	0	0	0	2	0	0	2
Armed Robbery	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Assault (Includes Aggravated Offense)	0	0	0	1	0	0	0	0	0	0	0	0	1	2	2	2
Battery	0	0	11	0	0	1	1	0	0	0	0	0	13	4	2	7
Burglary/Burglary from Vehicle	0	0	0	0	0	0	0	1	0	0	0	0	1	3	0	0
Criminal Damage to Property	0	0	0	1	0	1	1	0	0	0	0	0	3	9	8	8
Criminal Damage to State Supported Property	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0
DUI Alcohol / Drugs Includes Agg. DUI	0	0	0	0	0	0	0	1	0	0	0	0	1	3	1	7
Disorderly Conduct	0	2	0	0	1	0	0	0	0	0	0	0	3	14	14	14
Fleeing to Elude (Aggravated)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	4
Domestic Trouble/Domestic Battery/OP Violation /Vio.Stalking Order	3	4	5	4	3	2	4	3	0	0	0	0	28	25	13	29
Hit and Run	0	0	0	0	0	0	0	0	0	0	0	0	0	1	4	2
Home Invasion	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0
ID Theft / Forgery / Decept. Prac.	4	0	0	0	0	0	0	0	0	0	0	0	4	7	9	11
Illegal Consumption / Minor in Possession of Alcohol	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1
Possession of Cannabis (Manu./Deliver)	0	0	0	0	0	0	0	0	0	0	0	0	0	1	4	8
Possession of Controlled Substance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0
Possession of Drug Paraphernalia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2
Reckless Conduct	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reckless Discharge of a Firearm	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reckless / Negligent Driving	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	1
Residential Burglary	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Resisting Obstructing Peace Officer	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	4
School Bus Arm Violation	2	2	0	0	0	0	0	0	0	0	0	0	4	0	0	2
Sexual Abuse/Assault	0	0	0	0	0	0	0	0	0	0	0	0	0	2	1	0
Suicide Attempt / Threat of Suicide / Mental Health Call	0	3	1	2	2	2	3	0	0	0	0	0	13	13	25	28
Suspended/Revoked Driver's License/Registration	1	5	3	3	5	1	3	4	0	0	0	0	25	46	94	29
No Valid Driver's License	0	0	0	0	0	0	0	0	0	0	0	0	0	4	2	4
Theft of Vehicle (Recover Stolen)	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	2
Theft Over \$500 / Retail Theft	2	0	0	1	2	0	0	0	0	0	0	1	6	3	1	1
Theft Under \$500.00 / Retail Theft	0	0	0	0	0	1	2	2	0	0	0	0	5	11	12	23
Unlawful Use of Weapon (Aggravated)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
Violation of Bail Bond	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0
Warrant Service	0	1	1	0	0	0	2	1	0	0	0	0	5	6	5	10

*Report does not reflect all calls, all reports written, or all arrests

Calls for Service / Reports Written



Winnebago Police Department

Traffic Speed Sign Data: August 2026

Location	Average Speed	Max Speed	Car Count
N. Elida Street	26.62	61	175669
W. McNair Road	25.29	71	24924
Winnebago High School	13.26	31	3601
Cunningham Road	32.10	68	105749
E. McNair Road	42.97	75	16975

These numbers also include first responders responding to calls for service

These numbers also include radar interference between in-car and stationary radar units

Police radar systems are useful tools for monitoring vehicle speeds, but **they're not foolproof**—especially when multiple radar units are operating near each other. Interference between radar signals can cause **false or inaccurate readings**, such as speeds being recorded from the wrong vehicle or no vehicle at all.

This is exactly why **trained police officers are essential** when it comes to using radar for enforcement. A radar sign or unmanned unit simply displays or collects speed data—but it **cannot distinguish between vehicles**, identify the source of a speed reading, or confirm its accuracy.

A police radar unit can give false readings due to **interference from another radar unit**—this is commonly referred to as **co-channel interference** or **mutual interference**. Here's how that happens in simple terms:

1. Same or Similar Frequencies

Police radar units typically operate on specific frequency bands (like X, K, or Ka bands). If two radar units are operating on the same or close frequencies in the same area, their signals can mix. One radar might accidentally **receive the signal** from the other unit instead of its own reflected signal.

2. Signal Confusion

Radar units measure speed by sending out a signal and calculating the Doppler shift in the signal that bounces back from a moving vehicle. If the radar receives a signal **from another radar unit**, it might interpret that signal as a reflected signal—causing it to show a **false speed reading**, even if there's no vehicle moving at that speed.

3. "Shadowing" and "Ghosting" Effects

Interference might cause the radar to display:

Shadowing: Detecting a vehicle behind the target vehicle, which may not exist or may be moving at a different speed.

Ghosting: Showing a speed reading when no vehicle is present—just the result of the interfering signal.

4. Mobile vs. Stationary Radars

This is more common when **two radar-equipped vehicles are near each other**—say, two patrol cars parked near one another or passing each other with radars on. The moving radar might pick up the stationary radar's signal or vice versa. In some cases, this adds all the signals together resulting in a high number that is not accurate.

A trained officer, on the other hand:

Visually confirms which vehicle is speeding before acting.

Can **spot and disregard false readings** caused by interference or unusual conditions.

Regularly tests the calibration of the radar to ensure it's working properly.

Documents their observations and provides credible, court-admissible evidence.

This is why tickets are not issued based on radar sign readings alone—those devices are for public awareness or traffic studies, not enforcement. Only a trained officer using a tested, calibrated and properly operated radar unit can issue a valid citation.

In short, the human element is what ensures speed enforcement is accurate, fair, and legally sound.

Section 12. Item #b.

Total from previous Years	\$ 109,500.00
Grand Total	\$111,500.00

**Village Engineer Report
for
Village of Winnebago**

**Village Board Meeting
September 16, 2026**

THE FOLLOWING REPORT OF ACTIVITIES IS PROVIDED TO THE VILLAGE BOARD FOR INFORMATIONAL PURPOSES:

Active Projects:

#24-1570 Resh Farm Stormwater – Agreement for the design of a new box culvert under Westfield Road was approved by the Village on September 9, 2024. On April 18, 2025, it was determined by IDOT that the submitted project does not qualify for the “General Maintenance” section but rather the “Construction” section. Revised materials were provided to the City for signature and then to IDOT for approval on April 23, 2025, with additional ESR materials being submitted in December 2025 and approved in February 2026. On August 10, following continued coordination with IDOT regarding revisions, the project was granted approval to let in early fall. Following discussions with the Village, it was determined to forgo bidding in 2026 and rather bid in early 2027.

Total Contract Value: \$48,900.00

Invoiced to Date: \$39,122.00

#26-125 Village of Winnebago 2026 General Engineering – Below is a breakdown of those phases which have been utilized to date for the Contract.

Total Contract Value: \$25,000.00

Invoiced to Date: \$9,198.25

#26-125 PH01 Village of Winnebago 2026 General Engineering (Development) - General coordination with Village Staff regarding development projects.

Total Phase Value: \$5,000.00

Invoiced to Date: \$3,518.50

#26-125 PH02 Village of Winnebago 2026 General Engineering (Site Plan Reviews) – Updating the estimate of cost for the Peak Storage irrevocable letter of credit at the request of Joey Dienberg.

Total Phase Value: \$5,000

Invoiced to Date: \$75.50

#26-125 PH03 Village of Winnebago 2026 General Engineering (Village Map Updates) – Updating Village water system map to indicate hydrant flows at the request of Chad Insko.

Total Phase Value: \$5,000

Invoiced to Date: \$1,290.25

#26-125 PH04 Village of Winnebago 2026 General Engineering (Public Works/Infrastructure) – General coordination with Village Staff regarding estimates of cost for Village completed projects at the request of Joey Dienberg.

Total Phase Value: \$5,000.00

Invoiced to Date: \$1,560.75

#26-125 PH05 Village of Winnebago 2026 General Engineering (Village Board/General Items) – Prepping Engineering Reports and general assistance.

Total Phase Value: \$5,000.00

Invoiced to Date: \$2,753.25

#26-320 Village of Winnebago Swift Street Construction Management – Below is a breakdown of those phases which have been utilized to date for this Contract.

Total Contract Value: \$7,500

Invoiced to Date: \$2,250.00

#26-320 Village of Winnebago Swift Street Improvements (Construction Management) –On June 26, Fehr Graham attended a meeting between ComEd and the Village to discuss pole relocations. On July 1, ComEd confirmed that award of the relocation project was forthcoming, with dates to be provided later. The pre-construction meeting for the project was held on July 15 with Village, Fehr Graham and Contractor representatives all in attendance. Village work has been completed for the project, and they are coordinating with the IEPA to obtain partial operating permit approval. Fehr Graham and the Village continue to work with ComEd to coordinate the relocation of their utility poles.

Total Project Value: \$7,500.00

Invoiced to Date: \$3,750.00

#26-987 Village of Winnebago Water Rate Study – Following Village award of the project to Fehr Graham on June 3, staff has initiated coordination with the respective Village staff to begin obtaining the necessary materials for the rate study. Models have been prepared, and a Kickoff Meeting between the Village and Fehr Graham was held on July 17. Fehr Graham continues to update the models and prepare deliverables to be presented to the Village.

Total Contract Value: \$25,055.00

Invoiced to Date: \$20,044.00

Please note, at the request of Dana Novinson with the Village, all engineering reports now include a breakdown of all phases for projects to aid in billing review. It is also worth noting that the invoiced totals were provided at the time of completion of this report and may not reflect the most current billing cycle total(s). Those projects indicating an invoiced-to-date value of “N/A” have not yet had an invoice.

Respectfully submitted,



Luke Ziegler
Project Engineer

LZ:ss

VILLAGE OF WINNEBAGO
Winnebago, Illinois

Annual Financial Report

December 31, 2025

(With Independent Auditor's Report Thereon)

ANNUAL FINANCIAL REPORT
DECEMBER 31, 2025

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DECEMBER 31, 2025

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Independent Auditor's Report

The Honorable President and
Members of the Board of Trustees
Village of Winnebago
Winnebago, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Winnebago, Illinois (the Village) as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Winnebago, Illinois, as of December 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further discussed in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Village of Winnebago, Illinois and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules listed in the table of contents as required supplementary information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial

reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the combining and individual nonmajor fund financial statements and schedules and also the supplemental schedules as listed in the table of contents but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



Freeport, Illinois
August 10, 2026

Management's Discussion and Analysis

December 31, 2025 (Unaudited)

This section of the Village of Winnebago's Annual Financial Report presents our discussion and analysis of the Village's financial activities for the year ended December 31, 2025.

FINANCIAL HIGHLIGHTS

- Net position and performance in total – The Village's total net position on December 31, 2025 was \$10,264,422.
- Governmental activity summary – Net position for governmental activities increased by \$157,043 during fiscal 2025.
- Business-type activity summary – Net position for business-type activities increased by \$623,957 during fiscal 2025 to \$2,386,543 from \$1,762,586 in 2024.
- General Fund summary – The Village's General Fund reported an increase of \$236,859 in fund balance for the period.
- Budget vs. actual – The Village's actual total revenues for the General Fund were \$48,391 more than the budgeted revenues. The actual expenditures were \$473,468 less than total budgeted expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

The basic financial statements include two kinds of statements, which present different views of the Village: government-wide financial statements and fund financial statements. The basic financial statements also include notes to the financial statements.

Government-wide financial statements provide both short and long-term information about the Village's overall financial status.

Fund financial statements focus on individual parts of the Village government, reporting Village operation in more detail than the government-wide financial statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by the required supplementary information section that further explains and supports the information in the financial statements.

In addition to all of the required financial statement elements, the Village has provided sections for the combining statements to provide detail on non-major funds and additional supplementary information.

Management's Discussion and Analysis

The following table summarizes the major features of the Village's financial statements:

GOVERNMENT-WIDE STATEMENTS		FUND STATEMENTS	
		Governmental Funds	Proprietary Funds
Scope	Entire Village government	Activities of the Village that are not proprietary such as public safety	Activities of the Village that operate similar to private business such as the water department
Required financial statements	-Statement of net position -Statement of activities	-Balance sheet -Statement of revenues, expenditures and changes in fund balances	-Statement of net position -Statement of revenues, expenses, and changes in net position -Statement of cash flows
Accounting basis	Accrual	Modified accrual	Accrual
Measurement focus	Economic resources	Current financial resources	Economic resources
Type of assets & liability information	All assets and liabilities; both financial and capital, short and long-term	Assets expected to be used and liabilities that come due during the year or shortly thereafter; no capital assets	All assets and liabilities; both financial and capital, short and long-term
Type of inflow & outflow information	All revenues and expenses during the year regardless of when cash is received or paid	Revenues for which cash is received during the year or shortly thereafter; expenditures for goods or services that have been received and payment is due during the year or shortly thereafter	All revenues and expenses during the year regardless of when cash is received or paid

Government-Wide Statements

The government-wide financial statements are designed to be corporate-like in that all governmental and business-type activities are consolidated into columns, which add to a total for the Primary Government. The focus of the Statement of Net Position is designed to disclose bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates the governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities is focused on both the gross and net cost of various activities (governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

Management's Discussion and Analysis

The governmental activities reflect the Village's basic services, including administration, financial services, police, and public works. Property taxes, telecommunications taxes, and shared state tax distributions finance the majority of these services. The business-type activities reflect private sector type operations, where the fee for service typically covers all or most of the cost of operation, including depreciation.

Fund Financial Statements

Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. The focus is on major funds, rather than fund types.

Governmental funds are presented on a sources and uses of liquid resources basis. This is the manner in which the budget is typically developed. Governmental funds provide a current resources (short-term) view that helps determine whether there are more or fewer current financial resources available to spend for Village operations.

Proprietary funds account for services that are generally fully supported by user fees charged to customers. Proprietary funds are presented on a total economic resource basis. Proprietary fund statements, like government-wide statements, provide both short and long term financial information.

While the total column on the business-type fund financial statements is the same as the business-type column on the government-wide financial statement, the governmental funds column requires reconciliation because of the different measurement focus (current financial resources/modified accrual versus total economic resources/full accrual), which is reflected on the page following each statement. The flow of current financial resources will reflect debt proceeds, proceeds from sales of capital asset disposals, and interfund transfers as other financial sources as well as capital outlay expenditures and debt principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations into the government activities column in the government-wide statements.

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure – streets, storm sewers, etc.) had not been reported nor depreciated in governmental financial statements. GASB Statement No. 34 required that these assets be valued and reported within the governmental column of the government-wide statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful lives or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity.

If the government develops the asset management system (the modified approach), which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its costs of maintenance in lieu of depreciation. The Village has elected to depreciate assets over their useful life. If a project is considered maintenance – a recurring cost that does not extend the asset's original useful life or

Management's Discussion and Analysis

expand its capacity – the cost of the project will be expensed. An “overlay” of a street will be considered maintenance whereas a “rebuild” of a street will be capitalized.

FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE

In accordance with GASB Statement No. 34, a comparative analysis of government-wide information is presented.

Statement of Net Position

The following table reflects the condensed Statement of Net Position on a comparative basis:

Table 1
Statement of Net Position
As of December 31, 2025 and 2024

	Governmental Activities		Business-type Activities		Total Government	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Current and other assets	\$ 4,073,828	3,792,955	3,461,471	3,059,988	7,535,299	6,852,943
Capital assets	4,771,160	4,751,697	4,943,610	5,059,434	9,714,770	9,811,131
Total assets	8,844,988	8,544,652	8,405,081	8,119,422	17,250,069	16,664,074
Deferred outflows of resources	190,896	352,235	80,677	142,883	271,573	495,118
Total assets and deferred outflows of resources	9,035,884	8,896,887	8,485,758	8,262,305	17,521,642	17,159,192
Liabilities	280,602	321,521	508,898	506,869	789,500	828,390
Liabilities - non-current	92,340	192,154	5,497,035	5,945,051	5,589,375	6,137,205
Deferred inflows of resources	785,063	662,376	93,282	47,799	878,345	710,175
Total liabilities and deferred inflows of resources	1,158,005	1,176,051	6,099,215	6,499,719	7,257,220	7,675,770
Net investment in capital assets	4,771,160	4,751,697	4,099,851	4,135,766	8,871,011	8,887,463
Restricted	347,319	329,869	-	-	347,319	329,869
Unrestricted	2,759,400	2,639,270	(1,713,308)	(2,373,180)	1,046,092	266,090
Total net position	\$ 7,877,879	7,720,836	2,386,543	1,762,586	10,264,422	9,483,422

For more detailed information see the Statement of Net Position.

Normal Impacts – Net Position

There are six common (basic) types of transactions that will generally affect the comparability of the Statements of Net Position summary presentation.

Net Results of Activities – Impacts (increases/decreases) current assets and unrestricted net position.

Management's Discussion and Analysis

Borrowing for Capital – Increases current assets and long-term debt.

Spending Borrowed Proceeds on New Capital – Reduces current assets and increases capital assets. There is a second impact, an increase in capital assets and an increase in related net debt will not change the net investment in capital assets

Spending of Non-borrowed Current Assets on New Capital – (a) Reduces current assets and increases capital assets; and (b) reduces unrestricted net position and increases net investment in capital assets.

Principal Payment on Debt – (a) Reduces current assets and reduces long-term debt; and (b) reduces unrestricted net position and increases net investment in capital assets.

Reduction of Capital Assets Through Depreciation – Reduces capital assets and net investment in capital assets.

Current Year Impacts – Net Position

The Village's combined net position at December 31, 2025 was \$10,264,422 for all funds. The increase was \$781,000. Total assets increased from \$16,664,074 to \$17,250,069, an increase of \$585,995. Current assets increased by \$682,356. The capital assets (net) decreased by \$96,361. Total deferred outflows of resources decreased by \$223,545.

The total current and long-term liabilities decreased by \$586,720. The deferred inflow of resources increased by \$168,170 to \$878,345.

The net position of business-type activities increased by \$623,957 during the period and ended at \$2,386,543. Unrestricted net position, available to finance the continuing operation of its business-type activities, is (\$1,713,308). The operating cost of the Village's business-type activities for the year ended December 31, 2025, was \$1,355,972.

The total net position at December 31, 2025 was \$10,264,422, of which \$8,871,011 is in investment in capital assets, another \$347,319 is restricted for capital improvements and highways and streets. The remaining is unrestricted net position of \$1,046,092, which is an increase of \$780,002 from the unrestricted net position of \$266,090 at December 31, 2024.

Statement of Changes in Net Position

The following chart reflects the condensed Statement of Changes in Net Position. For more detailed information see the Statement of Activities.

Management's Discussion and Analysis

Table 2
Changes in Net Position
As of December 31, 2025 and 2024

	Governmental Activities		Business-type Activities		Total Government	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024
REVENUES						
Program revenues:						
Charges for services	\$ 173,198	\$ 193,685	\$ 1,277,743	\$ 1,221,259	\$ 1,450,941	\$ 1,414,944
Grants and contributions:						
Operating	6,627	4,441	-	-	6,627	4,441
General revenues:						
Property taxes	541,551	521,331	-	-	541,551	521,331
Other taxes	1,542,034	1,504,772	487,582	434,053	2,029,616	1,938,825
Intergovernmental	16,640	20,429	81,934	91,454	98,574	111,883
Investment income	136,360	156,244	114,557	117,006	250,917	273,250
Miscellaneous	123,696	156,667	18,113	30,780	141,809	187,447
Total revenues received	2,540,106	2,557,569	1,979,929	1,894,552	4,520,035	4,452,121
EXPENSES						
General government	799,603	505,773	-	-	799,603	505,773
Public safety	927,013	906,970	-	-	927,013	906,970
Highways and streets	506,975	461,948	-	-	506,975	461,948
Culture and recreation	149,472	120,648	-	-	149,472	120,648
Water and sewer	-	-	1,355,972	1,354,532	1,355,972	1,354,532
Total expenses disbursed	2,383,063	1,995,339	1,355,972	1,354,532	3,739,035	3,349,871
Excess of revenues						
over (under) expenses	157,043	562,230	623,957	540,020	781,000	1,102,250
Transfers	-	(337,441)	-	337,441	-	-
Changes in net position	157,043	224,789	623,957	877,461	781,000	1,102,250
Beginning net position	7,720,836	7,496,047	1,762,586	885,125	9,483,422	8,381,172
Ending net position	\$ 7,877,879	\$ 7,720,836	\$ 2,386,543	\$ 1,762,586	\$10,264,422	\$ 9,483,422

Normal Impact – Changes in Net Position

Reflected below are eight common (basic) impacts on revenues and expense.

Revenues:

Economic Condition – Reflects a declining, stable or growing economic environment and has a substantial impact on state income, sales, telecommunications and utility tax revenues as well as public spending habits for items such as building permits and user fees including volumes of usage.

Management's Discussion and Analysis

Increase / Decrease in Village Approval Rates – While statutes set certain tax rates, the Village Board has authority to impose and periodically increase/decrease rates (building permit fees, etc.). The Village's property taxes are subject to tax caps, which generally limit Village increases to the lesser of the change in the Consumer Price Index or 5%.

Changing Patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring) – Certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year to year comparisons.

Market Impacts on Investment Income – The Village principally has cash and cash equivalents. There were no investments at December 31, 2025.

Expenses:

Changes in Programs – Within the functional expense categories (General Government, Public Safety, Highway and Streets, etc.) individual programs may be added, deleted, or expanded to meet changing community needs.

Changes in Authorized Personnel – Changes in service demand may cause the Village Board to increase or decrease authorized staffing.

Salary Increases (annual adjustments and step increases) – The Village strives to maintain a competitive salary range position in the marketplace.

Inflation – While overall inflation appears to be decreasing (the CPI was approximately 2.7% at December 31, 2025), the Village is a major consumer of certain commodities and services, which typically experience inflation at a rate that can be significantly different from CPI. Examples of such items include health insurance, fuel, electricity and operating supplies.

Current Year Impacts – Changes in Net Position**Governmental Activities****Revenues:**

Revenues from governmental activities total \$2,540,106. The largest source of revenue was from sales and use tax of \$708,536. Property tax was the next highest with revenue for the period of \$541,551. Income tax ranked third with \$532,444. The next highest source of income was motor fuel of \$134,220 then utility tax of \$100,178. The revenues from these five sources represent 79% of the governmental activity revenues. The Village also recognized \$173,198 in charges for services or 7% and \$136,360 in investment income or 5% of total revenue.

Management's Discussion and Analysis

Expenses:

The Village's total governmental activity expenses were \$2,383,063. The four major functional areas were general government \$799,603 or 34% of the total; highway and streets \$506,975 or 21% of the total; public safety of \$927,013 or 39% of the total; and culture and recreation \$149,472 or 6% of the total expenses of the Village.

Business-type ActivitiesRevenues:

Operating revenues from business-type activities total \$1,372,840. The largest source of revenue was \$543,704 or 40% from charges for water. Capital charges was the next highest with revenue for the year of \$496,933 or 36%. Garbage charges was next at \$237,564 or 17%. Intergovernmental income ranked fourth with \$81,934 or 6%.

Expenses:

The Village's total business-type activity operating expenses were \$1,355,972. The five major areas of operating expenses were wages and benefit expenses of \$354,695 (excluding IMRF-GASB 68 of \$66,776) or 26% of the total; garbage expenses of \$231,325 or 17% of the total; operating supplies of \$30,020 or 2% of the total; rental and small equipment of \$40,579 or 3%; interest expense on loans was \$92,585 or 7% of the total; and depreciation of \$307,909 or 23% of the total.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

At December 31, 2025, the governmental funds reported a combined fund balance of \$3,290,052, an increase of \$292,368 from the prior period. The General Fund balance increased by \$236,859. All other funds netted an increase of \$55,509.

The Village's cash and equivalents increased by \$651,265 for all governmental funds during the year ended December 31, 2025.

Management's Discussion and Analysis

General Fund Budgetary Highlights

General Fund	FY 25	FY 25	FY 25
	Original	Final	Actual
Budget	Budget		
Revenues:			
Taxes	\$ 1,896,002	1,896,002	1,935,987
Fines and other fees	18,470	18,470	12,395
Other	210,536	210,536	225,017
Total revenues	2,125,008	2,125,008	2,173,399
Expenditures:			
General government	459,935	459,935	354,422
Highways and streets	810,686	810,686	497,467
Public safety	963,801	974,026	932,762
Capital outlay	175,586	165,361	151,889
Total expenditures	2,410,008	2,410,008	1,936,540
Excess of revenues			
over (under) expenditures	(285,000)	(285,000)	236,859
Other financing sources (uses):			
Transfers in (out)	-	-	-
Total other financing sources	-	-	-
Net change in fund balance	\$ (285,000)	(285,000)	236,859

CAPITAL ASSETS

As allowed by GASB Statement No. 34, the Village has elected to capitalize its infrastructure assets prospectively. See Note 5 to the financial statements for more details.

Entity Wide
Change in Net Capital Assets

	Governmental Activities		Business-type Activities		Total Government	
	12/31/2025	12/31/2024	12/31/2025	12/31/2024	12/31/2025	12/31/2024
Land	\$ 88,625	88,625	68,264	68,264	156,889	156,889
Buildings and improvements	526,614	526,614	15,000	15,000	541,614	541,614
Equipment and vehicles	953,528	832,258	1,102,485	1,091,100	2,056,013	1,923,358
Software	21,564	21,564	10,782	10,782	32,346	32,346
Infrastructure	6,419,029	6,293,876	6,447,460	6,447,460	12,866,489	12,741,336
Construction in progress	-	-	179,691	55,188	179,691	55,188
Subtotals	8,009,360	7,762,937	7,823,682	7,687,794	15,833,042	15,450,731
Accumulated depreciation	(3,238,200)	(3,011,240)	(2,880,072)	(2,628,360)	(6,118,272)	(5,639,600)
Totals	\$ 4,771,160	4,751,697	4,943,610	5,059,434	9,714,770	9,811,131

Management's Discussion and Analysis

ECONOMIC FACTORS

In 2025, the Village of Winnebago continued its long-standing practice to budget revenues conservatively, while assuming 100% of the expense budget will be spent. This practice has led to a healthy Fund Balance in the General Fund, staying in compliance with the Village's fund balance policy.

The project to replace original water meters with cellular-read meters has been completed, eliminating the need for an errant water policy.

On November 6, 2018, 87% of the voters voting at the General Election voted "No" to continue to prohibit the selling and consumption at retail of alcoholic liquor in the Village of Winnebago, after a citizen referendum. The entire Village is now "wet", as opposed to just the area north of McNair Road, previously only property annexed in from Winnebago County. The Village held 9 licenses in 2025, which in addition to license fees, increases sales tax for the Village. The total license fees total \$19,717 for the year.

On March 11, 2019 the Village approved Video Gaming. The receipts have increased year over year and in 2025 were higher than predicted, coming in at \$88,513.

In 2024, The Village completed the road resurfacing project for Sheldon & Heeren Streets using funds from IDOT. The Village also began the Westfield Drainage Study project in 2025.

The Village also began the Water Looping Project near Clayton Court. The project is estimated to be completed in 2026.

The Village completed the renovation of Memorial Park with new equipment and landscaping which opened in Spring of 2024.

Long-Term Debt

In December of 2011, the Village signed an inter-governmental agreement (IGA) with the Rock River Water Reclamation District, now called Four Rivers Sanitation Authority, transferring the Village's sewage collection and processing system and its operation to the District. This agreement became effective on December 21, 2011. Since December of 2021, all cash payments have been made, with remaining amortized debt payments totaling approximately \$421,000 per year, to be paid through 2039.

In 2014 the Village obtained funding from the Illinois Environmental Protection Agency to build a new water tower, well house #3 and supporting SCADA system. The loan was secured at \$2.265 million with an APR of 1.995% for 20 years. The Village received loan forgiveness from the IEPA for \$650,000 of the loan. This reduced the annual payments to \$98,938 through 2035.

Management's Discussion and Analysis

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

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. Questions concerning this report or requests for additional financial information should be directed to Dana Novinson, Treasurer, Village of Winnebago, 108 West Main Street, Winnebago, Illinois, 61088.

VILLAGE OF WINNEBAGO

Statement of Net Position

December 31, 2025

Section 13. Item #a.

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	\$ 3,171,308	3,220,764	6,392,072
Receivables:			
Property taxes	543,125	-	543,125
Intergovernmental – State of Illinois	260,691	129,140	389,831
Other	22,627	-	22,627
Customers – utility users	-	89,347	89,347
Prepaid items	76,077	17,218	93,295
Due from other funds	-	5,002	5,002
Total current assets	4,073,828	3,461,471	7,535,299
Capital assets not being depreciated	88,625	2,447,948	2,536,573
Capital assets (net of accumulated depreciation)	4,682,535	2,495,662	7,178,197
Total assets	8,844,988	8,405,081	17,250,069
Deferred outflows of resources –			
Pension	190,896	80,677	271,573
Total deferred outflows of resources	190,896	80,677	271,573
Total assets and deferred outflows of resources	9,035,884	8,485,758	17,521,642
Liabilities and deferred inflows			
Accounts payable	56,635	40,163	96,798
Accrued payroll	32,045	9,026	41,071
Due to other funds	5,002	-	5,002
Equipment sinking funds	78,200	-	78,200
Current portion of long-term debt	108,720	459,709	568,429
Total current liabilities	280,602	508,898	789,500
Long-term liabilities –			
Net pension liability	72,743	29,231	101,974
Long-term debt, net of current maturities	19,597	5,467,804	5,487,401
Total long-term liabilities	92,340	5,497,035	5,589,375
Deferred inflows of resources			
Property taxes	543,125	-	543,125
Pension	241,938	93,282	335,220
Total deferred inflows of resources	785,063	93,282	878,345
Total liabilities and deferred inflows of resources	1,158,005	6,099,215	7,257,220
Net position			
Net investment in capital assets, net of related debt	4,771,160	4,099,851	8,871,011
Restricted for:			
Highways and streets	347,319	-	347,319
Unrestricted	2,759,400	(1,713,308)	1,046,092
Total net position	\$ 7,877,879	2,386,543	10,264,422

VILLAGE OF WINNEBAGO

Statement of Activities

For the Year Ended December 31, 2025

Section 13. Item #a.

Functions / Programs:	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Govern-mental Activities	Business-type Activities	Total
Governmental activities							
General government	\$ 799,603	12,395	-	-	(787,208)	-	(787,208)
Public safety	927,013	-	-	-	(927,013)	-	(927,013)
Highway and streets	506,975	-	-	-	(506,975)	-	(506,975)
Culture and recreation	149,472	160,803	6,627	-	17,958	-	17,958
Total governmental activities	2,383,063	173,198	6,627	-	(2,203,238)	-	(2,203,238)
Business-type activities							
Water and sewer	1,355,972	1,277,743	-	-	-	(78,229)	(78,229)
Total business-type activities	1,355,972	1,277,743	-	-	-	(78,229)	(78,229)
Total	\$ 3,739,035	1,450,941	6,627	-	(2,203,238)	(78,229)	(2,281,467)

General revenues

Property taxes	\$ 541,551	-	541,551
Sales and use tax	708,536	487,582	1,196,118
Income tax	532,444	-	532,444
Telecommunications tax	31,070	-	31,070
Personal property replacement tax	31,165	-	31,165
Cannabis tax	4,421	-	4,421
Utility tax	100,178	-	100,178
Motor fuel tax	134,220	-	134,220
Intergovernmental revenue	16,640	81,934	98,574
Unrestricted investment earnings	136,360	114,557	250,917
Miscellaneous	123,696	18,113	141,809
Total general revenues	2,360,281	702,186	3,062,467

Operating transfers

	-	-	-
Change in net position	157,043	623,957	781,000

Net position

Beginning	7,720,836	1,762,586	9,483,422
Ending	\$ 7,877,879	2,386,543	10,264,422

VILLAGE OF WINNEBAGO

Balance Sheet

Governmental Funds

December 31, 2025

Section 13. Item #a.

	General Fund	Motor Fuel Tax Fund	Non-major Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 2,118,722	335,945	716,641	3,171,308
Receivables:				
Property taxes	543,125	-	-	543,125
Intergovernmental –				
State of Illinois	252,291	11,902	8,400	272,593
Other	8,304	-	2,421	10,725
Prepaid items	76,077	-	-	76,077
Total assets	<u>\$ 2,998,519</u>	<u>347,847</u>	<u>727,462</u>	<u>4,073,828</u>
Liabilities – current				
Accounts payable	\$ 49,085	528	7,022	56,635
Accrued payroll	30,732	-	1,313	32,045
Due to other funds	5,002	-	-	5,002
Equipment sinking funds	66,200	-	12,000	78,200
Deferred revenue	62,543	-	6,226	68,769
Total current liabilities	<u>213,562</u>	<u>528</u>	<u>26,561</u>	<u>240,651</u>
Deferred inflows of resources				
Property taxes	543,125	-	-	543,125
Total liabilities and deferred inflows of resources	<u>756,687</u>	<u>528</u>	<u>26,561</u>	<u>783,776</u>
Fund balances				
Nonspendable – prepaid items	76,077	-	-	76,077
Restricted for highways and streets	-	347,319	-	347,319
Committed to community development	-	-	326,445	326,445
Committed to Fourth of July	-	-	14,865	14,865
Assigned	-	-	359,591	359,591
Unassigned	2,165,755	-	-	2,165,755
Total fund balances	<u>2,241,832</u>	<u>347,319</u>	<u>700,901</u>	<u>3,290,052</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,998,519</u>	<u>347,847</u>	<u>727,462</u>	<u>4,073,828</u>

VILLAGE OF WINNEBAGO

Reconciliation of Fund Balances of Governmental Funds to the
Governmental Activities in the Statement of Net Position
December 31, 2025

Fund balances of governmental funds	\$ 3,290,052
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Amounts reported for governmental activities in the statement of
net assets are different because:

Capital assets used in governmental activities are not financial
resources and therefore, are not reported in the
governmental funds:

Capital assets	8,009,360
Accumulated depreciation	(3,238,200)

Long-term liabilities are not due and payable in the current
period and therefore are not reported in
the governmental funds:

Compensated absences	(43,548)
Pension liability	(399,450)

Other long-term assets are not available to pay current period
expenditures and, therefore, are deferred in the funds:

Pension asset	190,896
Telecommunication taxes	62,986
Advance license sales	<u>5,783</u>

Net position of governmental activities	<u><u>\$ 7,877,879</u></u>
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VILLAGE OF WINNEBAGO
Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2025

	General Fund	Motor Fuel Tax Fund	Community Development Fund	Non-major Governmental Funds	Total Governmental Funds
Revenues					
Taxes	\$ 1,935,987	-	-	5,146	1,941,133
Licenses, fees and permits	12,395	-	-	159,770	172,165
Motor Fuel Tax allotment	-	134,220	-	-	134,220
Grants	16,640	-	-	-	16,640
Interest	92,359	16,191	-	27,811	136,361
Other	116,018	-	-	14,305	130,323
Total revenue	<u>2,173,399</u>	<u>150,411</u>	<u>-</u>	<u>207,032</u>	<u>2,530,842</u>
Expenditures					
Current:					
General government	354,422	-	-	-	354,422
Public safety	932,762	-	-	-	932,762
Highway and streets	497,467	7,808	-	-	505,275
Culture and recreation	-	-	-	168,973	168,973
Capital outlay	151,889	125,153	-	-	277,042
Total expenditures	<u>1,936,540</u>	<u>132,961</u>	<u>-</u>	<u>168,973</u>	<u>2,238,474</u>
Excess (deficiency) of revenues over (under) expenditures	<u>236,859</u>	<u>17,450</u>	<u>-</u>	<u>38,059</u>	<u>292,368</u>
Net change in fund balances	<u>236,859</u>	<u>17,450</u>	<u>-</u>	<u>38,059</u>	<u>292,368</u>
Fund balances, January 1	2,004,973	329,869	286,189	376,653	2,997,684
Accounting change (Note 1(c))	-	-	(286,189)	286,189	-
Restated fund balance, January 1	<u>2,004,973</u>	<u>329,869</u>	<u>-</u>	<u>662,842</u>	<u>2,997,684</u>
Fund balances, December 31	<u>\$ 2,241,832</u>	<u>347,319</u>	<u>-</u>	<u>700,901</u>	<u>3,290,052</u>

VILLAGE OF WINNEBAGO

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Governmental Activities in the Statement of Activities December 31, 2025

Net change in fund balances – total governmental funds	\$	292,368
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, they are capitalized and depreciated in the statement of activities:

Capital asset purchases capitalized	277,042
Depreciation expense	(257,580)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:

Telecommunication taxes	8,233
Advance license sales	1,033

Certain expenses reported in the statement of activities, such as compensated absences do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds:

Increase in pension liability and deferred inflows and outflows	(162,014)
Decrease in compensated absences	(2,039)

Change in net position of governmental activities	\$	157,043
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VILLAGE OF WINNEBAGO

Statement of Net Position

Proprietary Fund

December 31, 2025

Section 13. Item #a.

	Enterprise Fund – Water Fund
Current assets	
Cash and cash equivalents	\$ 3,220,764
Receivables – utility users, net of allowance of \$10,000	89,347
Receivables – grants and sales taxes	129,140
Prepaid items	17,218
Due from other funds	5,002
Total current assets	<u>3,461,471</u>
Noncurrent assets	
Fixed assets, net of accumulated depreciation	<u>4,943,610</u>
Total noncurrent assets	<u>4,943,610</u>
Total assets	<u>8,405,081</u>
Deferred outflows of resources – pension	<u>80,677</u>
Current liabilities	
Accounts payable	40,163
Accrued payroll	9,026
Current portion of long-term debt	459,709
Total current liabilities	<u>508,898</u>
Long-term liabilities	
Net pension liability	29,231
Long-term debt, net of current maturities	<u>5,467,804</u>
Total long-term liabilities	<u>5,497,035</u>
Total liabilities	<u>6,005,933</u>
Deferred inflows of resources – pension	<u>93,282</u>
Net position	
Invested in capital assets	4,099,851
Unrestricted deficit	<u>(1,713,308)</u>
Total net position	<u>\$ 2,386,543</u>

VILLAGE OF WINNEBAGO
Statement of Revenues, Expenses
and Changes in Net Position
Proprietary Fund
For the Year Ended December 31, 2025

	Enterprise Fund – Water Fund
Operating revenues	
Refuse and recycling revenue	\$ 237,564
Capital charge – sewer hook-up	496,933
Water revenue	543,704
Water deposit revenue (refunds)	(458)
Intergovernmental revenue	81,934
Miscellaneous revenue	13,163
Total operating revenues	<u>1,372,840</u>
Operating expenses	
Water department	816,738
Refuse and recycling expenses	231,325
Depreciation	307,909
Total operating expenses	<u>1,355,972</u>
Operating income (deficit)	<u>16,868</u>
Non-operating revenues (expenses)	
Interest income	114,557
Miscellaneous income	4,950
1% sales tax income	487,582
Total non-operating revenues (expenses)	<u>607,089</u>
Income before other financing sources (uses)	623,957
Net change in net position	623,957
Net position, January 1	<u>1,762,586</u>
Net position, December 31	<u><u>\$ 2,386,543</u></u>

VILLAGE OF WINNEBAGO
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2025

	Enterprise Fund – Water Fund
Cash flows from operating activities	
Receipts from customers	\$ 1,372,425
Payments to suppliers	(526,565)
Payments to employees	(341,012)
Payments for interest on Four Rivers intergovernmental agreement	(92,585)
Payments for interest on IEPA loan	(18,031)
Net cash flows from operating activities	<u>394,232</u>
Cash flows from capital and related financing activities	
Payments for principal on IEPA loan	(79,909)
Payments for principal on Four Rivers intergovernmental agreement	(329,022)
Purchase of and construction of fixed assets	(258,890)
Disposal of fixed assets	66,805
Net cash flows from capital financing activities	<u>(601,016)</u>
Cash flows from non-capital financing activities	
Miscellaneous non-operating revenue	4,951
Receipts from 1% sales tax	480,869
Net cash flows from non-capital financing activities	<u>485,820</u>
Cash flows from investing activities	
Interest on investments	114,557
Net cash flows from investing activities	<u>114,557</u>
Operating transfers	
Net increase in cash and cash equivalents	393,593
Cash and cash equivalents, beginning of year	2,827,171
Cash and cash equivalents, end of year	<u>\$ 3,220,764</u>
Reconciliation of operating loss to net cash provided by operating activities	
Net operating income (deficit)	16,868
Adjustment to reconcile net operating loss to net cash provided by operating activities:	
Depreciation expense	307,909
Increase (decrease) in cash flows due to changes in:	
Utility accounts receivable	(415)
Prepaid expenses	(762)
Deferred pension expense	107,689
Accounts payable	(9,827)
Accrued payroll	1,987
Compensated absences	11,697
Pension liability	(40,914)
Net cash flows from operating activities	<u>\$ 394,232</u>

Notes to Financial Statements

December 31, 2025

(1) Summary of Significant Accounting Policies

The accounting policies of the Village conform to U.S. generally accepted accounting principles as applicable to government units (herein referred to as GAAP). The Village of Winnebago's basic financial statements include the accounts of all Village operations that are controlled by or dependent on the Village. Control or dependence is determined by financial interdependency, selection of governing board, designation of management, accountability for fiscal matters and ability to significantly influence operations.

(a) Incorporation

The Village was incorporated in 1895. The Village of Winnebago, Illinois (Village) operates under a Board of Trustees form of government and provides services to the public such as public safety, water system, streets and general administrative services.

(b) Financial Reporting Entity

In evaluating how to define the government, for financial reporting purposes, the Village has considered all potential component units. The basic but not the only criterion for including a component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity is conducted within geographic boundaries of the Village and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the Village is able to exercise oversight responsibilities. The Village does not have any component units. This report includes all of the funds of the Village (the primary government). It includes all activities considered to be part of (controlled by or dependent on) the Village as set forth under GAAP criteria.

(c) Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all the non-fiduciary activities of the Village. For the most part, the effect of the interfund activity has been removed from these statements. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods,

Notes to Financial Statements

services, or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Earnings on investments not properly included among program revenues are reported as general revenue.

Separate financial statements are provided for governmental funds and enterprise funds.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied (intended to finance). Grants and similar items are recognized as revenue as soon as all the eligibility requirements imposed by the provider have been met.

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, fund balances, revenues and expenditures. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the Village:

Governmental Funds – The focus of the governmental funds' measurement (in the fund statements) is upon the determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income.

Governmental fund financial statements are reported using the modified accrual basis of accounting and the current financial resources measurement focus. Under this basis revenues are recognized in the accounting period in which they become measurable and available to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. However, the 60 days has been extended for revenues received from the State of Illinois which are delayed due to cash flow constraints of the state. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

Those revenues susceptible to accrual are property taxes, franchise taxes, state shared sales, income, motor fuel and utility taxes, interest revenue and charges for services.

Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

The Village reports unearned and unavailable revenue on its financial statements. Unavailable revenues arise when a potential revenue does not meet both the available criteria for recognition in the current period, under the modified accrual basis of accounting. Unearned revenues arises when a revenue is measurable but not earned under the accrual basis of

Notes to Financial Statements

accounting. Unearned revenues also arise when resources are received by the Village before it has a legal claim to them, such as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability and deferred inflows of resource for unearned and unavailable revenue are removed from the financial statements and revenue is recognized.

The following is a description of the governmental funds of the Village:

General Fund – The General Fund is the general operating fund of the Village. It is used for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of funds for the payment of general long-term debt principal, interest and related costs.

Proprietary Funds – The focus of the proprietary fund measurement is upon the determination of operating income, changes in net position, financial position and cash flows. Proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

A proprietary fund is a fund in which a fee is charged to external users of goods and services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges (c) establishes fees and charges based on pricing policy designed to recover similar costs.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The Village reports the following major governmental funds:

General Fund – The general fund is the general operating fund of the Village. It is used to account for all the financial resources except those required to be accounted for in another fund.

Motor Fuel Tax Fund – The Motor Fuel Tax Fund accounts for the maintenance activities of the Village's roads and bridges generated by the Village's share of state Motor Fuel Tax.

Notes to Financial Statements

The Community Development Fund changed from major to non-major in 2025 in comparison to 2024. The change was made according to a quantitative measurement calculation to determine whether a fund should be considered major or non-major.

The major proprietary fund is:

Water Fund – This fund accounts for the provision of water treatment and distribution to the residential and commercial users of the Village, and accounts for trash collection services provided to the residential and some commercial users of the Village.

(d) Cash and Cash Equivalents

Cash and cash equivalents consist of demand deposits, savings and money market accounts. As of December 31, 2025, the Village had no other investments.

For purposes of the statement of cash flows, the Village's proprietary funds consider cash on hand, demand deposits and short-term investments with original maturities of three months or less when purchased to be cash equivalents.

(e) Property Taxes

The Village annually establishes a legal right to revenue from property tax assessments upon enactment of a tax levy ordinance by the Village Board. Property taxes are recognized as a receivable at the time they are levied. Revenue from property tax is recognized as the taxes are collected in the year intended to finance or when they become available to be used to pay liabilities of the current period, generally considered to be within sixty days after year-end. Revenue from those taxes, which are not considered available is deferred.

The property tax calendar for the 2024 tax levy to finance 2025 operations were as follows:

Lien Date	January 1, 2025
Levy Date	December 10, 2024
First Installment Due	June 6, 2025
Second Installment Due	September 5, 2025

Tax bills were mailed at least 30 days prior to the first installment due date. Property taxes are billed and collected by the County Treasurer of Winnebago, Illinois.

Notes to Financial Statements

The Village's 2025 tax rates per \$100 of assessed valuation together with the related maximum tax rates are as follows:

Type of Levy	Rates Per \$100 of Assessed Valuation	
	Rates Per \$100	Legal Maximum
Village:		
Corporate	0.4351	0.4375
Police Protection	0.2625	0.6000
Chlorination	-	0.0200
IMRF	0.0004	None
Audit	0.0004	None
Liability Insurance	0.0004	None
Revenue Recapture Adj	0.0035	None
Total Village	<u>0.7023</u>	

The 2025 tax levy, which attached as an enforceable lien on property as of January 1, 2026, has been recorded as a receivable as of December 31, 2025 as the tax had been levied by the Village and extended by the County but would not collect until fiscal year 2026.

(f) Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The Village defines capital assets as assets with an estimated useful life in excess of one year and an initial and individual cost in excess of the following:

Equipment – \$2,500
Buildings and improvement – \$10,000
Infrastructure expenses – \$50,000

Infrastructure includes roads, bridges, curbs, sidewalks, lighting systems, gutters, draining systems, and the water and sewer system. The cost of infrastructure has been capitalized and depreciated beginning in fiscal year 2005. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Notes to Financial Statements

Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Land improvements	10 - 20
Building and improvements	10 - 40
Equipment and vehicles	4 - 7
Road improvements	10

(g) Budgets and Budgetary Accounting

Budgeted amounts are as originally adopted, or as amended by the Village Board of Trustees.

Unexpended budgeted amounts lapse at the end of each year. Spending control is established by the amount of expenditures budgeted for the fund, but management control is exercised at budgetary line items.

Budgeted amounts are shown on the GAAP basis.

(h) Receivables – Utility Users

Cycle billing procedures are followed in charging consumers for water and trash collection. Billings are issued on a monthly basis. Receivables at year-end consist of amounts actually billed less payments received plus an estimate of the unbilled amount due from the date of the last cycle billing to year-end.

(i) Prepaid Items

Payments made to vendors for services which will benefit periods beyond December 31, 2025 are recorded as prepaid items. Prepaid items recorded in governmental funds do not represent current resources that are available for appropriation and, thus, an equivalent portion of fund balance is reserved.

(j) Compensated Absences

Village employees are granted personal time for compensated absences in varying amounts. Accumulation of personal time is allowed. Upon termination, the employee is compensated for the unused personal time to a maximum of 40 hours for part-time employees and 80 hours for full-time employees.

(k) Interfund Activity

Interfund activity is reported either as loans, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon

Notes to Financial Statements

consolidation. Reimbursements are reported when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government wide-financial statements.

(l) Long-Term Obligations

In the Government-Wide Financial Statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities financial statements.

(m) Deferred Outflows / Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The Village's deferred inflows relates to property taxes levied in 2025 which will be collected during 2026 and deferred amounts to be recognized as reductions in pension expense over the next five years.

(n) Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

(o) Fund Balances / Net Position

In the fund financial statements GASB Statement No. 54 defined and requires the fund balance amounts to be reported within one of the following fund balance categories:

1. **Non-spendable** – amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.
2. **Restricted** – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are

Notes to Financial Statements

externally imposed by creditors, grantors, contributions, or the laws or regulations of other governments. The Village does not have a policy in place when both restricted and unrestricted resources are available for use.

3. **Committed** – amounts that can be used only for specified purposes determined by a formal action of the Village Board. The Village Board is the highest level of decision-making authority for the Village. Commitments may be modified, or rescinded only through the same type of action it employed to previously commit those amounts.
4. **Assigned** – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes.
5. **Unassigned** – all other spendable amounts

In the Government-Wide Financial Statements, restricted net assets are legally restricted by outside parties for a specific purpose. Invested in capital assets, net of related debt represents the book value of capital assets less any long-term debt issued to acquire or construct the capital assets. All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt” are classified as unrestricted net assets.

The Village has not established fund balance reserve policies for their governmental funds.

(p) Subsequent Events

The Village has assessed events that have occurred subsequent to December 31, 2025 through August 10, 2026, the date the financial statements were available to be issued for potential recognition and disclosure in the financial statements. No events have occurred that would require adjustment to or disclosure in the financial statements.

(2) Deposits

At December 31, 2025, the carrying amount of the Village’s deposits with financial institutions was \$1,013,384 and the bank balance was \$1,037,380. The primary difference between the book and bank balances was due to outstanding checks and deposits in transit. As of December 31, 2025, the government’s bank balance of \$1,037,380 was covered by federal depository insurance or collateral held by the Village’s agent in the Village’s name.

Statutes authorize the Village to invest in:

- 1) securities guaranteed by the full faith and credit of the United States of America
- 2) deposits or other investments constituting direct obligations of any bank as defined by the Illinois Banking Act;
- 3) short-term restrictions as defined in Illinois Revised Statutes Chapter 35, Paragraph 902, as amended;
- 4) money market funds registered under the Investment Company Act of 1940;

Notes to Financial Statements

- 5) short-term discount obligations of the Federal National Mortgage Association;
- 6) shares or other forms of securities legally issuable by savings and loan associations;
- 7) various share accounts of a credit union chartered under the laws of the State of Illinois or the laws of the United States provided the principal office of any such credit union is located within the State of Illinois;
- 8) a Public Treasurer's Investment Pool created under Section 17 of "An Act to revise the law in relation to the State Treasurer", approved April 23, 1873, as amended. Bank and savings and loan investments may only be in institutions which are insured by the Federal Deposit Insurance Corporation.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but operates in a manner consistent with Rule 2a7 of the Investment Act of 1940. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold. The Illinois Funds bank balance as of December 31, 2025 was \$5,378,688

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village does not have a deposit policy regarding custodial credit risk. As of December 31, 2025, none of the Village's deposits were exposed to custodial credit risk or uninsured and uncollateralized.

The Village investment policy does not specifically address concentration of credit risk.

(3) Property Taxes Receivable

Property taxes for 2024 attached as an enforceable lien on January 1, 2025, on property values assessed as of the same date. Taxes are levied by December of the same fiscal year (by passage of a Tax Levy Ordinance). Tax bills were prepared by Winnebago County and issued on or about May 2, 2025, and were payable in two installments on June 6, 2025 and September 5, 2025. Winnebago County collects such taxes and remits them to the Village periodically.

The Village has elected, under governmental accounting standards, to match its property tax revenues with the fiscal year that the tax levy is intended to finance. Therefore the entire 2025 tax levy has been recorded as a receivable and deferred revenue on the financial statements.

(4) Deferred Revenue

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

Notes to Financial Statements

At the end of the current fiscal year, the various components of deferred inflows, revenue and unearned revenue reported in governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>	<u>Total</u>
Property taxes receivable -			
General Fund	\$ 543,125	-	543,125
Other governmental units:			
General Fund	62,542	-	62,542
Other governmental funds	6,226	-	6,226
Total deferred revenue	<u>\$ 611,893</u>	<u>-</u>	<u>611,893</u>

(5) Capital Assets

The governmental activities capital asset activity for year ended December 31, 2025 is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 88,625	-	-	88,625
Construction in progress	-	-	-	-
Total capital assets not being depreciated	<u>88,625</u>	<u>-</u>	<u>-</u>	<u>88,625</u>
Capital assets being depreciated:				
Buildings and improvements	526,614	-	-	526,614
Equipment and vehicles	832,258	151,890	30,620	953,528
Software	21,564	-	-	21,564
Infrastructure	6,293,876	125,153	-	6,419,029
Total capital assets being depreciated	<u>7,674,312</u>	<u>277,043</u>	<u>30,620</u>	<u>7,920,735</u>
Accumulated depreciation	<u>(3,011,240)</u>	<u>(257,580)</u>	<u>(30,620)</u>	<u>(3,238,200)</u>
Total capital assets being depreciated, net	<u>4,663,072</u>	<u>19,463</u>	<u>-</u>	<u>4,682,535</u>
Governmental activities capital assets, net	<u>\$ 4,751,697</u>	<u>19,463</u>	<u>-</u>	<u>4,771,160</u>

Notes to Financial Statements

The business-type activities capital asset activity for the year ended December 31, 2025 is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 68,264	-	-	68,264
Construction in progress	55,188	124,503	-	179,691
Infrastructure	<u>2,324,496</u>	<u>-</u>	<u>-</u>	<u>2,324,496</u>
Total nondepreciable capital assets	<u>2,447,948</u>	<u>124,503</u>	<u>-</u>	<u>2,572,451</u>
Capital assets being depreciated:				
Buildings and improvements	15,000	-	-	15,000
Equipment and vehicles	1,091,100	72,887	61,500	1,102,487
Software	10,782	-	-	10,782
Infrastructure	<u>4,122,969</u>	<u>-</u>	<u>-</u>	<u>4,122,969</u>
Total capital assets being depreciated	<u>5,239,851</u>	<u>72,887</u>	<u>61,500</u>	<u>5,251,238</u>
Accumulated depreciation	<u>(2,628,365)</u>	<u>(307,909)</u>	<u>(56,195)</u>	<u>(2,880,079)</u>
Total capital assets being depreciated, net	<u>2,611,486</u>	<u>(235,022)</u>	<u>5,305</u>	<u>2,371,159</u>
Business-type activities capital assets, net	<u>\$ 5,059,434</u>	<u>(110,519)</u>	<u>5,305</u>	<u>4,943,610</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 31,174
Public safety	65,626
Highway and streets	<u>160,780</u>
Total governmental activities, depreciation expense	<u>\$ 257,580</u>
Business-type activities - Water operations	<u>\$ 307,909</u>

(6) Inter-Fund Transfers

Transfers and payments within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and assets acquisitions, or maintaining debt service on a routine basis. The following transfers occurred during the fiscal year:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose</u>
Community Development	Fourth of July	\$ 12,000	Fireworks event & UTV permits

Notes to Financial Statements

(7) Illinois Municipal Retirement Fund*Plan Description*

The Village's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The employer plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multiple-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Annual Comprehensive Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. That report is available for download at www.imrf.org.

Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

All three IMRF benefit plans have two tiers. Employees hired **before** January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired **on or after** January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96.

Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of (a) 3% of the original pension amount, or (b) 1/2 of the increase in the Consumer Price Index of the original pension amount.

Notes to Financial Statements

Employees Covered by Benefit Terms

As of December 31, 2025, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	12
Inactive plan members entitled to but not yet receiving benefits	11
Active plan members	18
	<u>41</u>

Contributions

As set by statute, the Village's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's annual contribution rate for calendar year 2025 was 8.37%. For the fiscal year ended December 31, 2025, the Village contributed \$107,723 to the plan. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The Village's net pension liability was measured as of December 31, 2025. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2025:

- The actuarial cost method used was Entry Age Normal.
- The asset valuation method used was Market Value of Assets.
- The inflation rate was assumed to be 2.25%.
- Salary increases were expected to be 2.85% to 13.75%, including inflation.
- The investment rate of return was assumed to be 7.25%.
- Projected retirement age was from the Experience-based Table of Rates, specific to the type of eligibility condition. Last updated for the 2020 valuation according to an experience study of the period 2017-2019.
- For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%), and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020.

Notes to Financial Statements

- For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
- For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
- The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic equity	32.5%	7.35%
International equity	18.00%	7.45%
Fixed income	24.00%	4.75%
Real estate	10.50%	6.25%
Alternative investments	14.00%	3.90-8.50%
Cash equivalents	1.00%	3.00%
Total	100.00%	

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine the Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 4.08%, and the resulting single discount rate is 7.25%.

Notes to Financial Statements

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2024	\$ 4,426,275	4,058,447	367,828
Changes for the year:			
Service cost	108,358	-	108,358
Interest on the total pension liability	318,604	-	318,604
Differences between expected and actual experience of the total pension liability	(48,650)	-	(48,650)
Changes of assumptions	-	-	-
Contributions - employer	-	107,723	(107,723)
Contributions - employees	-	134,202	(134,202)
Net investment income (loss)	-	554,835	(554,835)
Benefit payments, including refunds of employee contributions	(171,820)	(171,820)	-
Other (net transfer)	-	(271,423)	271,423
Net changes	206,492	353,517	(147,025)
Balances at December 31, 2025	<u>\$ 4,632,767</u>	<u>4,411,964</u>	<u>220,803</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower of 1% higher:

	Single Discount Rate Assumption		
	1% Decrease	Current	1% Increase
	6.25%	7.25%	8.25%
Total pension liability	\$ 5,221,931	4,632,767	4,165,505
Plan fiduciary net position	<u>4,411,964</u>	<u>4,411,964</u>	<u>4,411,964</u>
Net pension liability (asset)	<u>\$ 809,967</u>	<u>220,803</u>	<u>(246,459)</u>

Notes to Financial Statements

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2025, the Village recognized pension expense of \$336,513. At December 31, 2025, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts to be recognized in pension expense in future periods:		
Differences between expected and actual experience	\$ 144,673	40,098
Changes of assumptions	112	-
Net difference between projected and actual earnings on pension plan investments	<u>126,789</u>	<u>295,122</u>
Total deferred amounts to be recognized in pension expense in future periods	<u>271,574</u>	<u>335,220</u>
Pension contributions made subsequent to the measurement date	<u>-</u>	<u>-</u>
	<u>\$ 271,574</u>	<u>335,220</u>

Deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31	Net Deferred Outflows (Inflows) of Resources
2026	\$ 118,831
2027	(52,302)
2028	(76,596)
2029	(53,579)
2030	<u>-</u>
	<u>\$ (63,646)</u>

(8) Other Postemployment Benefits (OPEB)

The Village has determined the effects of OPEB are immaterial to the financial statements and therefore has not presented the OPEB liability.

(9) Risk Management

The Village is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. The

Notes to Financial Statements

Village is a member of the Illinois Municipal League Risk Management Association, (IMLRMA) joint risk management pool of Illinois municipalities through which property, general liability, automobile liability, crime, boiler and machinery, public officials' and workers' compensation coverage is provided in excess of specified limits for the members, acting as a single insurable unit. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

(10) Long-term Obligations

The outstanding obligations as of December 31, 2025 consist of the following:

	2025	Current Portion
Governmental activities:		
Compensated absences - Governmental activities	\$ 43,548	23,951
Pension liability - IMRF	157,512	84,769
	201,060	108,720
less current portion	(108,720)	
	<u>\$ 92,340</u>	
Business-type activities:	2025	Current Portion
Note payable - Illinois Environmental Protection Agency (IEPA), original debt of \$2,265,000 to upgrade potable water system. Semi-annual principal and interest payments of \$48,970, maturing 1/20/2034, interest rate is 1.955%.	\$ 843,759	81,511
Intergovernmental agreement - Four Rivers Sanitation Authority, original debt of \$4,675,725 for sewer system. Semi-annual principal and interest payments of \$541,246, maturing 7/20/2039, interest rate of 1.76%	3,228,994	223,216
Intergovernmental agreement - Four Rivers Sanitation Authority, original debt of \$1,374,543 for sewer system. Semi-annual principal and interest payments of \$40,915, maturing 2/28/2039, interest rate of 1.76%	979,461	64,876
Intergovernmental agreement - Four River Sanitation Authority, original debt of \$1,024,495 for future costs of Fuller Creek sewer trunk. Semi-annual principal and interest payments of \$30,495, maturing 6/19/2041, interest rate of 1.76%	824,230	46,689
Compensated absences - Business-type activities	17,008	9,355
Pension liability - IMRF	63,292	34,062
	5,956,744	459,709
less current portion	(459,709)	
	<u>\$ 5,497,035</u>	

Notes to Financial Statements

Future debt obligations at December 31, 2025 under IEPA notes payable are due as follows:

Year ending December 31	Principal	Interest	Total Payment
2026	\$ 81,511	16,428	97,939
2027	83,146	14,794	97,940
2028	84,813	13,127	97,940
2029	86,513	11,427	97,940
2030	88,248	9,692	97,940
2031-2035	419,528	21,201	440,729
Total	<u>\$ 843,759</u>	<u>86,669</u>	<u>930,428</u>

Future debt obligations at December 31, 2025 under the Four Rivers intergovernmental agreements are due as follows:

Year ending December 31	Principal	Interest	Total Payment
2026	\$ 223,216	55,526	278,742
2027	227,139	51,602	278,741
2028	231,132	47,610	278,742
2029	235,195	43,547	278,742
2030	239,328	39,413	278,741
2031-2035	1,261,237	132,470	1,393,707
2036-2040	811,747	25,023	836,770
Total	<u>\$ 3,228,994</u>	<u>395,191</u>	<u>3,624,185</u>

Year ending December 31	Principal	Interest	Total Payment
2026	\$ 64,876	16,954	81,830
2027	66,023	15,807	81,830
2028	67,190	14,640	81,830
2029	68,378	13,453	81,831
2030	69,586	12,244	81,830
2031-2035	366,824	42,327	409,151
2036-2040	276,584	9,821	286,405
Total	<u>\$ 979,461</u>	<u>125,246</u>	<u>1,104,707</u>

VILLAGE OF WINNEBAGO

Notes to Financial Statements

Year ending December 31	Principal	Interest	Total Payment
2026	\$ 46,689	14,302	60,991
2027	47,514	13,477	60,991
2028	48,354	12,637	60,991
2029	49,209	11,782	60,991
2030	50,079	10,912	60,991
2031-2035	263,991	40,964	304,955
2036-2040	288,164	16,791	304,955
2041-2045	30,230	266	30,496
Total	<u>\$ 824,230</u>	<u>121,131</u>	<u>945,361</u>

The compensated absences and pension liabilities are paid from general fund revenues. Notes payables are paid from utility revenues.

Long-term liability activity for the year ended December 31, 2025, was as follows:

	Beginning Balance	New Increases	Decreases	Ending Balance	Amount due within one year
Governmental activities:					
Compensated absences	\$ 41,509	43,548	41,509	43,548	23,951
Pension liability - IMRF	263,623	-	106,111	157,512	84,769
	<u>\$ 305,132</u>	<u>43,548</u>	<u>147,620</u>	<u>201,060</u>	<u>108,720</u>
Business-type activities:					
Notes payable - IEPA	\$ 923,688	-	79,929	843,759	81,511
Due to Four Rivers	3,448,369	-	219,375	3,228,994	223,216
Due to Four Rivers	1,043,209	-	63,748	979,461	64,876
Due to Four Rivers	870,108	-	45,878	824,230	46,689
Compensated absences	5,311	17,008	5,311	17,008	9,355
Pension liability - IMRF	104,206	-	40,914	63,292	34,062
	<u>\$ 6,394,891</u>	<u>17,008</u>	<u>455,155</u>	<u>5,956,744</u>	<u>459,709</u>

Notes to Financial Statements

(11) Legal Debt Margin

Illinois Compiled Statutes limits the amount of outstanding general obligation bonded debt of the municipality to no more than 8.625% of net assessed valuation. Based on total assessed valuation of \$78,116,356, the Village's legal debt margin is as follows:

Assessed Valuation	\$ 78,116,356
Statutory Debt Limitation (8.625% of Assessed Valuation)	\$ 6,737,536
Total Long-Term Debt:	
Four Rivers Loan	(5,032,685)
IEPA Loans	(843,759)
Exception to Indebtedness:	
Four Rivers Loan*	5,032,685
IEPA Loans*	843,759
Legal Debt Margin	<u>\$ 6,737,536</u>

* The Illinois General Assembly, pursuant to the Illinois Compiled Statutes (30 ILCS 350/15), does not consider alternate revenue source bonds in its computation of indebtedness as it relates to any statutory debt limitation. As of December 31, 2025, all of the Village's outstanding debt meets this definition.

(12) Intergovernmental Agreement with Four Rivers Sanitation Authority

In December of 2011, the Village entered into an intergovernmental agreement (IGA) with the Four Rivers Sanitation Authority (Four Rivers), formerly known as the Rock River Water Reclamation District, to transfer the Village's sewerage collection system processing plant and its operation to Four Rivers. Four Rivers assumed operational control and financial responsibility on February 6, 2012, with final legal approval of conveyance and transfer, given by the circuit court in Rockford on June 13, 2012.

Under terms of the IGA, Four Rivers will extend its Fuller Creek trunk to Winnebago, connect to the Village's collection system, and eliminate Village's sewage processing plant. In addition, Four Rivers will rehabilitate and upgrade the Village's collection system within the first seven years of the agreement. All operational costs associated with the current system are the responsibility of Four Rivers. All costs related to rehabilitation and upgrade of the Village's collection system, extension and upsizing of the Fuller Creek trunkline, and elimination/demolition of the Village's sewerage treatment facility (capital costs) are the responsibility of the Village. The Village relinquished all sewer related assets to Four Rivers on January 1, 2012.

In addition the Village must pay Four Rivers a one-time plant buy in fee of \$676,371 covering 1415 properties currently "served" by the Village's system. This fee was paid during fiscal year 2016 when the construction contract for extension of the Fuller Creek trunkline west of Meridian Road

Notes to Financial Statements

was awarded. Total costs to complete this project, including plant buy in fee, as indicated in the IGA is approximately \$10.6 million with a maximum cost not to exceed \$11.4 million. During 2018, the trunkline (\$4,675,725) and parallel trunk upgrades (\$1,374,543) were completed and recognized as a special item in the accompanying financial statements. Other costs were accrued as work was completed through 2022.

All costs associated with the IGA, including debt service, are expected to be paid from current reserves, one percent municipal sales tax revenue, and sewer capital fees billed by the Village to sewer customers on their monthly water bills. All costs associated with operation of the current sewer system are billed by Four Rivers quarterly based on water usage information from the Village water department.

The Village is responsible for obtaining financing for the project; however, Four Rivers has applied for low interest loans through the Illinois EPA covering associated costs. Principal and interest costs for loans secured by Four Rivers for the project will be passed on to the Village. Additional financing, as needed, will be obtained by the Village. The IGA also delineates future connection fees are to be collected from property owners who wish to connect to the Fuller Creek Trunk extension, a percentage of which will be reimbursed to the Village.

VILLAGE OF WINNEBAGO
Schedule of Revenues, Expenditures
and Changes in Fund Balances – Budget and Actual
General Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
Revenues				
Taxes	\$ 1,896,002	1,896,002	1,935,987	39,985
Fines and other fees	18,470	18,470	12,395	(6,075)
Other	210,536	210,536	225,017	14,481
Total revenues	<u>2,125,008</u>	<u>2,125,008</u>	<u>2,173,399</u>	<u>48,391</u>
Expenditures				
Current:				
General government	459,935	459,935	354,422	(105,513)
Highways and streets	810,686	810,686	497,467	(313,219)
Public safety	963,801	974,026	932,762	(41,264)
Capital outlay	175,586	165,361	151,889	(13,472)
Total expenditures	<u>2,410,008</u>	<u>2,410,008</u>	<u>1,936,540</u>	<u>(473,468)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(285,000)</u>	<u>(285,000)</u>	<u>236,859</u>	<u>521,859</u>
Net change in fund balances	<u>\$ (285,000)</u>	<u>(285,000)</u>	<u>236,859</u>	<u>521,859</u>
Fund balances, January 1			2,004,973	
Fund balances, December 31			<u>\$ 2,241,832</u>	

VILLAGE OF WINNEBAGO
Schedule of Revenues, Expenditures
and Changes in Fund Balances – Budget and Actual
Motor Fuel Tax Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
Revenues				
Intergovernmental -				
Motor fuel taxes	\$ 128,184	128,184	134,220	6,036
Interest	16,000	16,000	16,191	191
Total revenues	<u>144,184</u>	<u>144,184</u>	<u>150,411</u>	<u>6,227</u>
Expenditures				
Highways and streets				
Engineering	66,606	66,606	7,808	(58,798)
Capital outlay	<u>383,394</u>	<u>383,394</u>	<u>125,153</u>	<u>(258,241)</u>
Total expenditures	<u>450,000</u>	<u>450,000</u>	<u>132,961</u>	<u>(317,039)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(305,816)</u>	<u>(305,816)</u>	<u>17,450</u>	<u>323,266</u>
Net change in fund balances	<u>\$ (305,816)</u>	<u>(305,816)</u>	<u>17,450</u>	<u>323,266</u>
Fund balances, January 1			<u>329,869</u>	
Fund balances, December 31			<u>\$ 347,319</u>	

Notes to Required Supplementary Information

December 31, 2025

Legal Compliance and Accountability

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted (at the fund level) for the General and major Special Revenue funds – Motor Fuel Tax, non-major Special Revenue funds – Community Development, Fourth of July Fund, and Strategic Reserve Capital Fund on the modified accrual basis and Enterprise Fund – Water and Sewer on the accrual basis by line item within the fund. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at fiscal year-end.

The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

- A. The Village Finance Committee submits to the Village Board a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means for financing them.
- B. Public hearings are conducted to obtain taxpayer comments.
- C. Prior to January 1, the budget is legally enacted by Village Board action. This is the amount reported as original budget.
- D. The Village Board is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total appropriation of any fund must be approved by the Village Board as a supplemental appropriation ordinance.
- E. Budgets are adopted and formal budgetary integration is employed as management control device during the year for general, special revenue funds and enterprise funds.
- F. All budgets for these funds are adopted on a basis consistent with generally accepted accounting principles.
- G. Budgetary authority lapses at year-end.
- H. State law requires that “expenditures be made in conformity with appropriations/budget.” As under the budget act, transfers between line items, departments and funds may be made by administrative action. The final budget reflects all amendments made. The level of legal control is at the fund level.

VILLAGE OF WINNEBAGO
Schedule of Changes in the Net Pension Liability and Related Ratios
Illinois Municipal Retirement Fund
December 31, 2025

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability										
Service cost	\$ 108,358	\$ 91,028	83,580	78,276	67,347	80,782	82,110	75,969	80,704	80,998
Interest on the total pension liability	318,604	280,976	259,607	246,678	216,859	218,928	208,419	194,396	188,832	176,387
Differences between expected and actual experience of the total pension liability	(48,650)	288,364	64,915	(46,164)	225,351	(190,134)	(39,394)	10,711	(26,989)	(10,793)
Changes of assumptions	-	-	379	-	-	(23,299)	-	93,812	(82,895)	(14,353)
Benefit payments, including refunds of employee contributions	(171,820)	(128,224)	(106,695)	(99,519)	(107,927)	(108,280)	(102,759)	(87,553)	(78,654)	(78,867)
Net change in total pension liability	206,492	532,144	301,786	179,271	401,630	(22,003)	148,376	287,335	80,998	153,372
Total pension liability – beginning	4,426,275	3,894,131	3,592,345	3,413,074	3,011,444	3,033,447	2,885,071	2,597,736	2,516,738	2,363,366
Total pension liability – ending (a)	4,632,767	4,426,275	3,894,131	3,592,345	3,413,074	3,011,444	3,033,447	2,885,071	2,597,736	2,516,738
Plan fiduciary net position										
Contributions – employer	107,723	96,279	98,984	78,299	92,619	82,056	81,721	92,529	89,741	91,570
Contributions – employee	134,202	52,200	48,312	41,174	33,748	30,366	33,042	33,525	32,127	31,845
Net investment income (loss)	554,835	329,332	331,629	(382,698)	482,900	361,353	394,985	(104,038)	325,276	119,387
Benefit payments, including refunds of employee contributions	(171,820)	(128,224)	(106,695)	(99,519)	(107,927)	(108,280)	(102,759)	(87,553)	(78,654)	(78,867)
Other (net transfer)	(271,423)	168,545	77,886	(5,210)	(10,451)	2,259	3,822	29,647	(31,247)	7,547
Net change in plan fiduciary net position	353,517	518,132	450,116	(367,954)	490,889	367,754	410,811	(35,890)	337,243	171,482
Plan fiduciary net position – beginning	4,058,447	3,540,315	3,090,199	3,458,153	2,967,264	2,599,510	2,188,699	2,224,589	1,887,346	1,715,864
Plan fiduciary net position – ending (b)	4,411,964	4,058,447	3,540,315	3,090,199	3,458,153	2,967,264	2,599,510	2,188,699	2,224,589	1,887,346
Net pension liability – ending (a) - (b)	\$ 220,803	\$ 367,828	353,816	502,146	(45,079)	44,180	433,937	696,372	373,147	629,392
Plan fiduciary net position as a percentage of the total pension liability	95.23%	91.69%	90.91%	86.02%	101.32%	98.53%	85.69%	75.86%	85.64%	74.99%
Covered valuation payroll	<u>\$ 1,198,066</u>	<u>\$ 1,159,992</u>	<u>994,811</u>	<u>826,820</u>	<u>749,950</u>	<u>674,801</u>	<u>734,254</u>	<u>745,007</u>	<u>713,938</u>	<u>707,659</u>
Net pension liability as a percentage of covered valuation payroll	18.43%	31.71%	35.57%	60.73%	-6.01%	6.55%	59.10%	93.47%	52.27%	88.94%

VILLAGE OF WINNEBAGO
Multiyear Schedule of Contributions
Illinois Municipal Retirement Fund
December 31, 2025

Calendar Year Ending December 31,	Actuarially Determined Contribution (a)	Actual Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Valuation Payroll (c)	Actual Contribution as a % of Covered Payroll (b/c)
12/31/25	\$ 100,278	107,723	(7,445)	1,198,066	8.99%
12/31/24	96,279	96,279	-	1,159,992	8.30%
12/31/23	98,984	98,984	-	994,811	9.95%
12/31/22	78,300	78,299	1	826,820	9.47%
12/31/21	92,619	92,619	-	749,950	12.35%
12/31/20	82,056	82,056	-	674,801	12.16%
12/31/19	81,723	81,721	2	734,254	11.13%
12/31/18	92,530	92,529	1	745,007	12.42%
12/31/17	89,742	89,741	1	713,938	12.57%
12/31/16	91,571	91,570	1	707,659	12.94%

Notes to Schedule of Contributions

Illinois Municipal Retirement Fund

December 31, 2025

Illinois Municipal Retirement Fund Pension Plan – Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2025 Contribution Rate****(a) Valuation Date***

Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

(b) Methods and Assumptions Used to Determine 2025 Contribution Rates

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	Non-taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP, and ECO groups): 16-year closed period. Early retirement incentive plan liabilities: a period up to 10 years selected by the Township upon adoption of early retirement incentive. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 11 years for most employers (five employers were financed over 12 years; one employer was financed over 13 years; one employer was financed over 14 years; three employers were financed over 20 years; and four employers were financed over 21 years.
Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	2.75%
Price inflation	2.25%
Salary increases	3.25% to 13.75%, including inflation
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition; last updated for

Notes to Schedule of Contributions

the 2023 valuation pursuant to an experience study of the period 2020-2022.

Mortality

For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

(c) Other Information

There were no benefit changes during the year.

* Based on valuation assumptions used in the December 31, 2023, actuarial valuation.

VILLAGE OF WINNEBAGO

Combining Balance Sheet

Nonmajor Governmental Funds

December 31, 2025

Section 13. Item #a.

	Special Revenue Funds			Total
	Community Development Fund	Fourth of July Fund	Strategic Reserve Capital Fund	Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ 342,185	14,865	359,591	716,641
Accounts receivable	10,821	-	-	10,821
Total assets	<u>\$ 353,006</u>	<u>14,865</u>	<u>359,591</u>	<u>727,462</u>
Liabilities				
Accounts payable	\$ 7,022	-	-	7,022
Equipment sinking funds	12,000	-	-	12,000
Payroll liabilities	1,313	-	-	1,313
Deferred revenue – taxes	6,226	-	-	6,226
Total liabilities	<u>26,561</u>	<u>-</u>	<u>-</u>	<u>26,561</u>
Fund balances				
Committed to community development	326,445	-	-	326,445
Committed to Fourth of July	-	14,865	-	14,865
Assigned for community improvements	-	-	359,591	359,591
Total fund balances	<u>326,445</u>	<u>14,865</u>	<u>359,591</u>	<u>700,901</u>
Total liabilities and fund balances	<u>\$ 353,006</u>	<u>14,865</u>	<u>359,591</u>	<u>727,462</u>

VILLAGE OF WINNEBAGO
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2025

	Special Revenue Funds			Total Nonmajor Governmental Funds
	Community Development Fund	Fourth of July Fund	Strategic Reserve Capital Fund	
Revenues				
Taxes	\$ 5,146	-	-	5,146
Fees and charges	159,770	-	-	159,770
Interest	12,085	298	15,428	27,811
Other	6,378	7,927	-	14,305
Total revenue	183,379	8,225	15,428	207,032
Expenditures				
Culture and recreation	131,123	18,350	19,500	168,973
Total expenditures	131,123	18,350	19,500	168,973
Excess (deficiency) of revenues over (under) expenditures	52,256	(10,125)	(4,072)	38,059
Other financing sources (uses)				
Transfer in (out)	(12,000)	12,000	-	-
Total other financing sources (uses)	(12,000)	12,000	-	-
Net change in fund balances	40,256	1,875	(4,072)	38,059
Fund balances, January 1	-	12,990	363,663	376,653
Accounting change (Note 1(c))	286,189	-	-	286,189
Restated fund balances, January 1	286,189	12,990	363,663	662,842
Fund balances, December 31	\$ 326,445	14,865	359,591	700,901

VILLAGE OF WINNEBAGO
Schedule of Revenues, Expenditures
and Changes in Fund Balances – Budget and Actual
Community Development Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
Revenues				
Telecommunications taxes	\$ 4,800	4,800	5,146	346
Fees and charges	190,170	190,170	159,770	(30,400)
Interest	13,000	13,000	12,085	(915)
Other	1,800	1,800	6,378	4,578
Total revenues	209,770	209,770	183,379	(26,391)
Expenditures				
Culture and recreation:				
Contractual services:				
Office salaries	16,330	16,330	14,773	(1,557)
Payroll taxes	4,275	4,275	3,963	(312)
Village administrator	31,500	31,500	32,490	990
Employee benefits	5,600	4,013	3,202	(811)
Presidential project	1,200	1,200	1,182	(18)
Office expenses	800	1,100	780	(320)
IT services	350	350	285	(65)
Professional fees	20,500	24,500	22,185	(2,315)
Software	3,800	3,800	2,086	(1,714)
Code enforcement officer	13,980	13,980	11,520	(2,460)
Maintenance	3,425	3,425	3,320	(105)
Bank charges	2,400	3,100	2,817	(283)
Legal expenses	13,000	13,000	5,476	(7,524)
Printing	1,200	3,800	3,692	(108)
Dues	4,000	4,000	2,895	(1,105)
Development escrow refund	53,000	40,310	-	(40,310)
Engineering	5,000	11,090	12,084	994
Electricity	900	2,075	2,062	(13)
Community projects	4,000	4,000	389	(3,611)
Total contractual services	185,260	185,848	125,201	(60,647)
Supplies – community expenses	5,000	5,112	5,530	418
Miscellaneous	2,200	2,200	392	(1,808)
Total expenditures	192,460	193,160	131,123	(62,037)
Excess (deficiency) of revenues over (under) expenditures	17,310	16,610	52,256	35,646
Other financing sources (uses)				
Transfer in (out)	(15,000)	(14,300)	(12,000)	2,300
Net change in fund balance	\$ 2,310	2,310	40,256	37,946
Fund balance, January 1			286,189	
Fund balance, December 31			<u>\$ 326,445</u>	

VILLAGE OF WINNEBAGO
Schedule of Revenues, Expenditures
and Changes in Fund Balances – Budget and Actual
Fourth of July Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
Revenues				
Donations and other	\$ 3,850	3,850	7,927	4,077
Interest	225	225	298	73
Total revenues	<u>4,075</u>	<u>4,075</u>	<u>8,225</u>	<u>4,150</u>
Expenditures				
Culture and recreation –				
Fourth of July expenses	<u>18,250</u>	<u>18,250</u>	<u>18,350</u>	<u>100</u>
Total expenditures	<u>18,250</u>	<u>18,250</u>	<u>18,350</u>	<u>100</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,175)</u>	<u>(14,175)</u>	<u>(10,125)</u>	<u>4,050</u>
Other financing sources (uses)				
Transfer in (out)	<u>15,000</u>	<u>15,000</u>	<u>12,000</u>	<u>(3,000)</u>
Total other financing sources (uses)	<u>15,000</u>	<u>15,000</u>	<u>12,000</u>	<u>(3,000)</u>
Net change in fund balances	<u>\$ 825</u>	<u>825</u>	<u>1,875</u>	<u>1,050</u>
Fund balances, January 1			<u>12,990</u>	
Fund balances, December 31			<u>\$ 14,865</u>	

VILLAGE OF WINNEBAGO
Schedule of Revenues, Expenditures
and Changes in Fund Balances – Budget and Actual
Strategic Reserve Capital Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
Revenues				
Interest	\$ 17,750	17,750	15,428	(2,322)
Total revenues	<u>17,750</u>	<u>17,750</u>	<u>15,428</u>	<u>(2,322)</u>
Expenditures				
Culture and recreation –				
Professional fees	30,000	30,000	19,500	(10,500)
Total expenditures	<u>30,000</u>	<u>30,000</u>	<u>19,500</u>	<u>(10,500)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(12,250)</u>	<u>(12,250)</u>	<u>(4,072)</u>	<u>8,178</u>
Net change in fund balances	<u>\$ (12,250)</u>	<u>(12,250)</u>	<u>(4,072)</u>	<u>8,178</u>
Fund balances, January 1			363,663	
Fund balances, December 31			<u>\$ 359,591</u>	

VILLAGE OF WINNEBAGO

Schedule of Detailed Revenues and Expenditures – Budget and Actual

General Fund

For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
Revenues				
Taxes:				
Property taxes	\$ 547,627	547,627	541,551	(6,076)
Sales taxes	570,000	570,000	664,953	94,953
State income tax	499,000	499,000	532,444	33,444
Telecommunications tax	27,000	27,000	25,731	(1,269)
Local use tax	110,000	110,000	35,544	(74,456)
Cannabis tax	4,800	4,800	4,421	(379)
Utility tax	105,575	105,575	100,178	(5,397)
Replacement tax	32,000	32,000	31,165	(835)
Total taxes	<u>1,896,002</u>	<u>1,896,002</u>	<u>1,935,987</u>	<u>39,985</u>
Licenses, fees and permits	470	470	815	345
Police fines	18,000	18,000	11,580	(6,420)
Total fines and other fees	<u>18,470</u>	<u>18,470</u>	<u>12,395</u>	<u>(6,075)</u>
Other revenue:				
Grants	15,686	15,686	16,640	954
Interest	86,000	86,000	92,359	6,359
Miscellaneous	108,850	108,850	116,018	7,168
Total other revenue	<u>210,536</u>	<u>210,536</u>	<u>225,017</u>	<u>14,481</u>
Total revenues	<u>\$ 2,125,008</u>	<u>2,125,008</u>	<u>2,173,399</u>	<u>48,391</u>
Expenditures				
General government:				
Office salaries	\$ 36,500	36,500	32,650	(3,850)
Deputy clerk	41,000	41,000	41,277	277
Treasurer	54,600	54,600	54,721	121
Village administrator	31,563	31,563	32,394	831
Salaries – elected officials	33,600	33,600	30,633	(2,967)
Payroll taxes	15,900	15,900	15,177	(723)
Employee benefits	25,391	25,391	22,335	(3,056)
Employee welfare	750	750	396	(354)
Office equipment	37,000	36,500	22,723	(13,777)
Professional services	14,000	14,000	11,483	(2,517)
Engineering	6,200	6,200	5,105	(1,095)
Legal services	27,500	27,500	2,606	(24,894)
Postage	875	875	870	(5)
Telephone	4,100	4,500	4,494	(6)
Publishing	1,100	1,100	430	(670)

(Continued)

VILLAGE OF WINNEBAGO

Schedule of Detailed Revenues and Expenditures – Budget and Actual

General Fund

For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
General government (continued):				
Printing	\$ 500	1,000	994	(6)
Bank charges	300	300	256	(44)
Dues	2,285	2,285	1,915	(370)
Travel	1,000	1,000	1,135	135
Training and conferences	12,070	12,070	5,547	(6,523)
Codification of ordinance	33,400	33,400	11,535	(21,865)
Office maintenance	6,000	6,000	2,443	(3,557)
Audit and accounting services	28,700	28,700	27,300	(1,400)
IT services	14,100	13,700	10,100	(3,600)
Liability insurance	9,900	9,900	9,048	(852)
Office supplies	8,000	8,000	5,195	(2,805)
Building water usage	400	400	322	(78)
Miscellaneous expense	300	300	274	(26)
Property tax refunds	950	950	268	(682)
WINGIS	900	900	796	(104)
Contingency	11,051	11,051	-	(11,051)
Total general government	459,935	459,935	354,422	(105,513)
Highways and streets:				
Salaries	177,499	177,499	172,521	(4,978)
Employee benefits	38,587	38,587	33,380	(5,207)
Payroll taxes	14,300	14,300	13,444	(856)
Maintenance – buildings	20,000	20,000	3,398	(16,602)
Maintenance – vehicles	15,000	15,000	12,986	(2,014)
Maintenance – streets and sidewalks	100,500	76,874	52,908	(23,966)
Maintenance – equipment	25,000	32,575	27,621	(4,954)
Maintenance – service	59,500	59,500	53,400	(6,100)
Office & computer equipment	2,600	2,776	526	(2,250)
Professional fees	1,000	1,000	624	(376)
Engineering	24,000	33,725	33,702	(23)
Telephone	4,500	4,710	4,706	(4)
Electricity	42,000	45,380	45,377	(3)
IT services	500	500	-	(500)
Supplies	5,000	6,260	6,256	(4)
Uniforms	1,500	1,500	1,473	(27)
Gas and oil	17,000	17,000	13,210	(3,790)
Tree removal	8,000	9,300	9,300	-
Liability insurance	13,200	13,200	11,839	(1,361)

(Continued)

VILLAGE OF WINNEBAGO

Schedule of Detailed Revenues and Expenditures – Budget and Actual

General Fund

For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
Highways and streets (continued):				
WINGIS	\$ 1,000	1,000	796	(204)
Street projects	240,000	240,000	-	(240,000)
Capital outlay – equipment	80,000	80,000	74,683	(5,317)
Total highways and streets	<u>890,686</u>	<u>890,686</u>	<u>572,150</u>	<u>(318,536)</u>
Public safety:				
Police chief	109,000	109,000	109,214	214
Full time officers	353,948	353,948	377,535	23,587
Part time officers	12,600	12,600	8,524	(4,076)
Police overtime	18,000	18,000	14,276	(3,724)
School resource officer	81,158	81,158	70,262	(10,896)
Payroll taxes	44,650	44,650	44,845	195
Employee benefits	167,316	176,266	169,827	(6,439)
Uniforms	7,500	7,500	4,610	(2,890)
Computers and equipment	18,700	18,700	12,004	(6,696)
IT services	750	1,225	1,215	(10)
Office expense	300	300	12	(288)
Records management	5,434	5,434	-	(5,434)
Professional services	6,900	6,900	6,228	(672)
Vehicle maintenance	10,000	10,000	7,156	(2,844)
911 dispatch service	20,250	20,250	20,250	-
Legal	12,000	12,000	2,328	(9,672)
Postage	250	250	48	(202)
Bank charges	120	120	115	(5)
Telephone	7,825	8,325	7,593	(732)
Publishing and printing	300	300	33	(267)
Dues	550	550	240	(310)
Travel	350	350	96	(254)
Liability insurance	31,000	31,000	28,242	(2,758)
Water	400	400	163	(237)
Gas and oil	18,000	18,300	18,285	(15)
Miscellaneous	2,000	2,000	1,759	(241)
Alert-leads user fee	22,800	22,800	22,724	(76)
Police garage maintenance	2,000	2,000	624	(1,376)
Pre-employment physical	1,300	1,300	-	(1,300)
WINGIS	400	400	398	(2)
Training	8,000	8,000	4,156	(3,844)
Capital outlay - equipment	<u>95,586</u>	<u>85,361</u>	<u>77,206</u>	<u>(8,155)</u>
Total public safety	<u>1,059,387</u>	<u>1,059,387</u>	<u>1,009,968</u>	<u>(49,419)</u>
Total expenditures	<u>\$ 2,410,008</u>	<u>2,410,008</u>	<u>1,936,540</u>	<u>(473,468)</u>

VILLAGE OF WINNEBAGO
Schedule of Revenues, Expenses
and Changes in Net Position – Budget to Actual
Proprietary Fund Types
Enterprise Fund – Water Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
Operating revenues				
Water service income	\$ 518,208	518,208	543,704	25,496
Capital charge – sewer hook-up	475,000	475,000	496,933	21,933
Water deposit revenue	700	700	(458)	(1,158)
Garbage charges	235,069	235,069	237,564	2,495
Recapture and impact fees	18,000	18,000	-	(18,000)
Intergovernmental income	82,838	82,838	81,934	(904)
Miscellaneous revenue	1,500	1,500	13,163	11,663
Total operating revenues	1,331,315	1,331,315	1,372,840	41,525
Operating expenses				
Office salary	96,000	96,000	74,146	(21,854)
Part-time wages	7,200	7,200	6,306	(894)
Meter reader	-	-	(1,766)	(1,766)
Village Administrator	31,469	31,469	34,165	2,696
Plant operator	81,728	81,728	88,545	6,817
Public works wages	101,000	101,000	97,133	(3,867)
Health insurance	16,852	16,852	12,643	(4,209)
Payroll taxes	25,350	25,350	21,347	(4,003)
Employee benefits	26,000	26,000	22,176	(3,824)
IMRF – GASB 68	-	-	66,776	66,776
Building water usage	1,250	1,250	837	(413)
Alarm system	7,500	8,500	8,499	(1)
Chemicals	8,250	8,250	6,075	(2,175)
Engineering	128,000	128,000	13,185	(114,815)
Cellular meter monthly fees	14,500	15,700	15,694	(6)
Garbage expense	235,000	235,000	231,325	(3,675)
Liability insurance	19,132	19,132	16,971	(2,161)
Equipment maintenance	35,000	35,000	11,866	(23,134)
Office and computer equipment	8,000	8,000	3,554	(4,446)
Operating supplies	52,000	52,000	30,020	(21,980)
Uniforms	1,500	1,500	781	(719)
Bank charges	25,600	49,350	49,326	(24)
Postage	11,000	11,300	11,257	(43)
Pre-employment physical	340	340	79	(261)
Printing	1,500	2,290	2,283	(7)

(Continued)

VILLAGE OF WINNEBAGO
Schedule of Revenues, Expenses
and Changes in Net Position – Budget to Actual
Proprietary Fund Types
Enterprise Fund – Water Fund
For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
Operating expenses (continued)				
Professional fees	\$ 2,750	2,750	527	(2,223)
Publishing/advertising	1,200	1,200	-	(1,200)
WINGIS	2,000	2,000	1,989	(11)
Rental and small equipment	124,700	129,800	40,579	(89,221)
Telephone	2,400	2,400	1,809	(591)
Travel and training	2,925	2,925	715	(2,210)
Utilities	27,400	27,400	27,708	308
Membership	900	1,525	1,519	(6)
IT services	1,000	1,000	669	(331)
Water analysis	4,250	5,400	5,383	(17)
EPA permit fees	2,000	2,000	-	(2,000)
Fuel, grease and oil	17,000	17,000	13,226	(3,774)
Recapture fees	18,000	18,000	-	(18,000)
Miscellaneous	200	200	-	(200)
Water sewer upgrade	760,000	726,085	20,100	(705,985)
IEPA – interest expense	97,940	97,940	18,031	(79,909)
Four Rivers – interest expense	421,607	421,607	92,585	(329,022)
Depreciation	260,000	260,000	307,909	47,909
Contingency	1,647	1,647	-	(1,647)
Total operating expenses	<u>2,682,090</u>	<u>2,682,090</u>	<u>1,355,972</u>	<u>(1,326,118)</u>
Operating income	<u>(1,350,775)</u>	<u>(1,350,775)</u>	<u>16,868</u>	<u>1,367,643</u>
Non-operating revenues (expenses)				
Interest income	90,000	90,000	114,557	24,557
Miscellaneous income	4,950	4,950	4,950	-
1% sales tax income	<u>425,000</u>	<u>425,000</u>	<u>487,582</u>	<u>62,582</u>
Total non-operating revenues (expenses)	<u>519,950</u>	<u>519,950</u>	<u>607,089</u>	<u>87,139</u>
Income before other financing sources (uses)	<u>(830,825)</u>	<u>(830,825)</u>	<u>623,957</u>	<u>1,454,782</u>
Net change in net position	<u>\$ (830,825)</u>	<u>(830,825)</u>	<u>623,957</u>	<u>1,454,782</u>
Net position, January 1			<u>1,762,586</u>	
Net position, December 31			<u>\$ 2,386,543</u>	

VILLAGE OF WINNEBAGO

Assessed Valuations, Property Tax Rates, Extensions and Collections
December 31, 2025

	Tax Years					
	2025	2024	2023	2022	2021	2020
Assessed valuations	<u>\$ 78,116,356</u>	<u>\$ 69,653,376</u>	<u>63,176,565</u>	<u>57,921,896</u>	<u>54,963,537</u>	<u>52,165,958</u>
Property tax rates (per \$100 of assessed valuation):	Max	Actual	Actual	Actual	Actual	Actual
General	0.4375	0.4351	0.3312	0.3654	0.3796	0.3932
General – Audit	0.0000	0.0004	0.0005	0.0005	0.0005	0.0007
General – Liability	0.0000	0.0004	0.0005	0.0005	0.0005	0.0007
Police	0.6000	0.2625	0.4246	0.4359	0.4528	0.4717
Revenue Recapture	0.0000	0.0035	0.0023	0.0019	0.0044	0.0000
IMRF	0.0000	0.0004	0.0005	0.0005	0.0005	0.0007
Total tax rate		<u>0.7023</u>	<u>0.7596</u>	<u>0.8047</u>	<u>0.8383</u>	<u>0.8670</u>
Property tax extensions:						
General	\$ 339,884	\$ 230,692	230,847	219,871	209,301	205,117
General – Audit	312	348	316	290	275	365
General – Liability	312	348	316	290	275	365
Police	205,055	295,748	275,387	262,270	249,754	246,067
Revenue Recapture	2,734	1,602	1,200	2,548	1,319	-
IMRF	<u>312</u>	<u>348</u>	<u>316</u>	<u>290</u>	<u>275</u>	<u>365</u>
	<u>\$ 548,609</u>	<u>\$ 529,086</u>	<u>508,382</u>	<u>485,559</u>	<u>461,199</u>	<u>452,279</u>
Property tax collections:**						
General	\$ -	\$ 229,953	230,563	219,190	208,243	204,526
General – Audit	-	347	315	289	273	364
General – Liability	-	347	315	289	273	364
Police	-	294,800	275,047	261,457	248,492	245,357
Revenue Recapture	-	1,597	1,199	2,541	1,312	-
IMRF	<u>-</u>	<u>347</u>	<u>315</u>	<u>289</u>	<u>273</u>	<u>364</u>
	<u>\$ -</u>	<u>\$ 527,391</u>	<u>507,754</u>	<u>484,055</u>	<u>458,866</u>	<u>450,975</u>
Percentage of extensions collected	<u>-</u>	<u>100</u>	<u>99.88</u>	<u>99.69</u>	<u>99.49</u>	<u>99.71</u> %

**Includes mobile home privilege tax, protested and back taxes.

Note: This schedule is presented on the cash basis, which differs from the Village's financial statement presentation.

VILLAGE OF WINNEBAGO

Section 13. Item #a.

Schedule of Legal Debt Margin

December 31, 2025

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Assessed Valuation	<u>\$ 78,116,356</u>	<u>\$ 69,653,376</u>	<u>63,176,565</u>	<u>57,921,896</u>
Statutory Debt Limitation (8.625 % of Assessed Valuation)	6,737,536	6,007,604	5,448,979	4,995,764
Outstanding debt subject to debt limitation – None	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal Debt Margin	<u>\$ 6,737,536</u>	<u>\$ 6,007,604</u>	<u>5,448,979</u>	<u>4,995,764</u>



Agenda Item Executive Summary

Item Name Annual Audit Presentation Committee or Board Village Board

BUDGET IMPACT

Amount:	N/A	Budgeted:	N/A
List what fund:	N/A		

EXECUTIVE SUMMARY

The annual audit for the Village of Winnebago has been completed, and Jenny Blocker, Partner at Benning Group, LLC, will be in attendance at this meeting to present the highlights.

She will provide an overview of the key financial findings and is available to answer any questions the board may have regarding the audit results. The audit report reflects the Village's financial position, with increases in both total assets and net position compared to the previous year.

Ms. Blocker will also address any notable changes in revenues, expenditures, and fund balances to ensure full transparency and understanding of the Village's fiscal health.

ATTACHMENTS (PLEASE LIST)

2025 Audit Report

ACTION REQUESTED

- ☒ For Discussion Only
- ☐ Resolution
- ☐ Ordinance
- ☐ Motion:

MOTION:

Staff: Joseph Dienberg, Village Administrator Date: 09/16/2026



Agenda Item Executive Summary

Item Name A Resolution Authorizing the Extension of the Letter of Credit for Peak Storage Committee or Board Board

BUDGET IMPACT

Amount:	N/A	Budgeted:	N/A
List what fund:	N/A		

EXECUTIVE SUMMARY

The proposed resolution authorizes a one-year extension of the irrevocable Letter of Credit posted by Peak Storage. The existing Letter of Credit, in the amount of \$37,570.50, is set to expire in September 2026 and secures the future construction of the recreational walking path and other outstanding improvements associated with the development.

The Village deferred construction of the recreational path because it could conflict with future critical infrastructure improvements, including the planned water main loop. The Village's work occurred later in the year and did not leave sufficient time to practically update the plans. The obligation to construct the path remains in place.

At the Village's request, Fehr Graham prepared an updated Engineer's Opinion of Probable Cost for the outstanding improvements. The revised estimated cost is \$46,355.10 and is included with the resolution as Exhibit B. Based on this updated estimate, the Village has requested that the business owner provide a new Letter of Credit in the revised amount, extending the Village's financial security through September 2027.

Other required site improvements also remain incomplete, including landscaping, parking lot paving, and compliance with Winnebago County stormwater requirements. These items will remain conditions associated with the new Letter of Credit.

ATTACHMENTS (PLEASE LIST)

Draft Resolution (Extension of Letter of Credit for Peak Storage), Exhibit A (Draft), Updated Letter of Credit

ACTION REQUESTED

- ☐ For Discussion Only
☒ Resolution
☐ Ordinance
☒ Motion:

MOTION: I MOVE TO APPROVE RESOLUTION 2026-__ R, A RESOLUTION AUTHORIZING THE EXTENSION OF THE LETTER OF CREDIT FOR PEAK STORAGE

Staff: Joey Dienberg, Village Administrator Date: 9/16/2026

RESOLUTION NO. 2026- ____ R**A RESOLUTION AUTHORIZING THE EXTENSION OF THE LETTER OF CREDIT
FOR PEAK STORAGE**

WHEREAS, The Village of Winnebago approved the development of Peak Storage, located on Kasch Drive, which included critical infrastructure in the vicinity of the recreational walking path; and

WHEREAS, from the onset of the project, the Village recognized that construction of certain improvements in this area, including the recreational path, could conflict with future critical infrastructure improvements; and

WHEREAS, Village determined it prudent to defer those improvements until completion of the water main loop; and

WHEREAS, As a condition of approval, Peak Storage provided an irrevocable Letter of Credit in the amount of **\$37,570.50** to secure the future construction of the recreational path and associated infrastructure should additional development not occur; and

WHEREAS, Said Letter of Credit is scheduled to expire in September 2026; and

WHEREAS, because the Village's work on the Kasch Drive Water Main Loop occurred later in 2026, there was not sufficient time to practically complete the walking path; and

WHEREAS, The Village Board finds it in the best interest of the Village to extend the Letter of Credit for an additional one (1) year period, to September 2027, to maintain security for completion of all outstanding obligations; and

WHEREAS, Landscaping improvements, paving of the parking lot, and compliance with Winnebago County stormwater requirements remain outstanding, and shall be conditions tied to the extended Letter of Credit; and

WHEREAS, Village staff has communicated these requirements to the developer, and Peak Storage has acknowledged and agreed to complete said obligations within the timeframe of the extension, as outlined in the attached Letter of Credit Extension marked as Exhibit "A."

WHEREAS, at the Village's request, Fehr Graham prepared an updated Engineer's Opinion of Probable Cost for the outstanding improvements, establishing a revised estimated cost of \$46,355.10, which is attached hereto and incorporated herein as Exhibit "B"; and

NOW, THEREFORE, BE IT RESOLVED, By the President and Board of Trustees of the Village of Winnebago, Winnebago County, Illinois, as follows:

SECTION I: AUTHORIZATION

- A. The Village hereby authorizes the extension of the Letter of Credit posted by Peak Storage in the amount of \$46,355.10 for one (1) additional year, through September 2027.
- B. The Village President and Village Clerk are hereby authorized to execute the Letter of Credit Extension attached hereto as Exhibit “A” on behalf of the Village.

SECTION II: CONDITIONS OF EXTENSION

As a condition of this extension, the following items shall remain secured under the Letter of Credit and must be completed by Peak Storage within the extension period:

- A. Landscaping installation as required in accordance with the approved site plans.
- B. Paving of the parking lot as required in accordance with approved site plans.
- C. Compliance with Winnebago County stormwater requirements.

APPROVED this _____ day of _____, 2026

Franklin J. Eubank, Jr., President of the Board of Trustees
of the Village of Winnebago, Illinois

ATTEST:

Sally Jo Huggins, Village Clerk

PASSED: _____
APPROVED: _____
PUBLISHED IN
PAMPHLET FORM: _____

MUTUAL AGREEMENT
BETWEEN PEAK STORAGE LLC AS APPLICANT AND
VILLAGE OF WINNEBAGO AS BENEFICIARY
FOR
EXTENSION OF TIME RE: IRREVOCABLE STANDBY LETTER OF CREDIT
NUMBER TO BE ISSUED BY APPLICANT'S BANK

THE BELOW NAMED PARTIES HEREBY AGREE TO AN EXTENSION OF TIME REGARDING THE ABOVE IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER ____ initially issued for a period of one year commencing September 18, 2026 in the amount of ____ and expiring on September 18, 2026 for the purpose of guaranteeing the installation by Peak Storage LLC of a walking path and associated infrastructure within the parameters of the subject property on Kasch Drive located in the Village of Winnebago, IL, as depicted in the approved plans should additional development not occur. The agreement for the time of extension, conditioned upon a new Letter of Credit being issued by Applicant's bank, shall be for a period of one (1) year from its current expiration date to _____. This extension is being agreed upon due to the fact that construction of certain improvements in the area of, and including, the subject property owned by Peak Storage LLC, before expiration of the Letter of Credit on September 18, 2026, could conflict with the Village's critical infrastructure improvements involving water main looping contemplated for the area. Thus, it would be prudent to avoid installing the recreational path in the area of the subject property until the water main looping in the immediate area of the subject property is completed, provided that Peak Storage LLC, meets and adheres to the following conditions:

- 1) On or before the current expiration date of September 18, 2026 of the Letter of Credit, Peak Storage shall provide a new Irrevocable Standby Letter of Credit to the Village of Winnebago, listing the Village of Winnebago as beneficiary, in the amount of \$____, in a form acceptable to the Village Attorney, providing a new expiration date of _____.
- 2) Before the expiration of the new Irrevocable Standby Letter of Credit on _____, Peak Storage LLC shall complete the following:
 - a. Landscaping installation, as required in accordance with the terms of the approved site plans;
 - b. Paving of the parking lot, as required in accordance with the approved site plans.
 - c. Achieving compliance with Winnebago County storm water requirements.

This extension document shall be maintained with the original Irrevocable Standby Letter of Credit issued on September 18, 2024, as well as the new Irrevocable Standby Letter of credit issued, as referenced above, to evidence the history on this specific Irrevocable Standby Letter of Credit.

PEAK STORAGE LLC, Developer

By: _____

Dated: _____

Prepared by: Attorney Mary J. Gaziano, Village Attorney

**VILLAGE OF WINNEBAGO, IL,
a Municipal Corporation, Beneficiary**

By: _____
Franklin J. Eubank, Jr., Village President

Dated: _____

FEHR GRAHAM

ENGINEERING & ENVIRONMENTAL

ENGINEER'S OPINION OF PROBABLE COST
Peak Storage Recreation Path, Village of Winnebago
 PROJECT NO. 26-125 PH02 DATE: 8/24/2026

NO.	ITEM DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL
Peak Storage Recreation Path					\$ 38,310.00
1	AGGREGATE BASE COURSE, TYPE B, 7" (CA-2)	390	SY	\$ 30.00	\$ 11,700.00
2	AGGREGATE BASE COURSE, TYPE B, 3" (CA-6)	390	SY	\$ 25.00	\$ 9,750.00
3	HOT-MIX ASPHALT BINDER COURSE, IL-19.0, N50, 2.5"	60	TON	\$ 160.00	\$ 9,600.00
4	HOT-MIX ASPHALT SURFACE COURSE, MIX "D", N50, 1.5"	36	TON	\$ 160.00	\$ 5,760.00
5	STORM INLET ADJUSTMENT	1	EA	\$ 1,500.00	\$ 1,500.00
6					\$ -
7					\$ -
8					\$ -
9					\$ -
10					\$ -
11					\$ -
12					\$ -
13					\$ -
14					\$ -
15					\$ -
16					\$ -
17					\$ -

Subtotal	\$ 38,310.00
Construction Contingency (10%)	\$ 3,831.00
TOTAL ESTIMATED CONSTRUCTION COST	\$ 42,141.00

LETTER OF CREDIT CONTINGENCY (10%)	\$ 4,214.10
TOTAL PROBABLE LETTER OF CREDIT VALUE	\$ 46,355.10



Agenda Item Executive Summary

Item Name A Resolution Approving an Additional Services Proposal with Fehr Graham for the Village's Water Rate Study Committee or Board Board

BUDGET IMPACT

Amount:	\$25,055	Budgeted:	25,000
List what fund:	Operations and Maintenance (51)		

EXECUTIVE SUMMARY

The Village Board previously approved Fehr Graham's proposal to complete a comprehensive Water Rate Study for \$25,055. During development of the rate model, additional work was required to manually review, organize, and enter approximately 40 hours of water-billing data that was provided in PDF format.

Village staff also requested two additional modeling features: an analysis of interest revenue available to offset debt-service payments and a tool allowing the Village to evaluate how personnel expenses are allocated between the General Fund and Water Fund. These items were not included in the original scope of services.

Fehr Graham incurred more than \$5,000 in additional costs but is requesting an amendment of \$2,500 because the additional costs were not communicated to the Village before the work was performed. Approval of the amendment will increase the total authorized cost of the Water Rate Study from \$25,055 to \$27,555. Because this changes the agreement and total amount previously approved by the Village Board, formal Board approval is required.

ATTACHMENTS (PLEASE LIST)

Resolution, Additional Services Letter Dated September 8, 2026 Proposal Dated May 27, 2026, Proposal Dated May 6, 2026

ACTION REQUESTED

- ☐ For Discussion Only
☒ Resolution
☐ Ordinance
☒ Motion:

MOTION: MOTION: I MOVE TO APPROVE RESOLUTION 2026-__R, A RESOLUTION APPROVING AN ADDITIONAL SERVICES PROPOSAL WITH FEHR GRAHAM FOR THE VILLAGE'S WATER RATE STUDY

Staff: Joseph Dienberg, Village Administrator Date: 9/16/2026

RESOLUTION NO. 2026-__R**A RESOLUTION APPROVING AN ADDITIONAL SERVICES PROPOSAL WITH
FEHR GRAHAM FOR THE VILLAGE'S WATER RATE STUDY**

WHEREAS, the Village of Winnebago ("Village") previously adopted Resolution No. 2026-21R approving a proposal from Fehr Graham for completion of a comprehensive Water Rate Study in the amount of Twenty-Five Thousand Fifty-Five Dollars (\$25,055.00); and

WHEREAS, during development of the water rate model, additional work was required to review, organize, and manually enter water billing information provided in PDF format so the information could be sorted, queried, and incorporated into the model; and

WHEREAS, the Village also requested that the Water Rate Study include an analysis of interest revenue available to offset existing debt service payments and a mechanism to evaluate the allocation of personnel expenditures between the General Fund and the Water Fund; and

WHEREAS, these services were not included within the scope of the original proposal approved by the Village Board; and

WHEREAS, Fehr Graham submitted an Additional Services Proposal dated September 8, 2026, to complete this additional work for a lump-sum fee of Two Thousand Five Hundred Dollars (\$2,500.00); and

WHEREAS, approval of the Additional Services Proposal will increase the total authorized cost of the Water Rate Study from Twenty-Five Thousand Fifty-Five Dollars (\$25,055.00) to Twenty-Seven Thousand Five Hundred Fifty-Five Dollars (\$27,555.00); and

WHEREAS, the Village Board finds that approval of the Additional Services Proposal is in the best interests of the Village and its residents.

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Winnebago, Winnebago County, Illinois, as follows:

SECTION I: APPROVAL OF ADDITIONAL SERVICES PROPOSAL

The Additional Services Proposal dated September 8, 2026, from Fehr Graham for additional services related to the Village's Water Rate Study, attached hereto and incorporated herein as Exhibit "A," is hereby approved in the amount of Two Thousand Five Hundred Dollars (\$2,500.00).

SECTION II: AMENDED CONTRACT AMOUNT

The total amount authorized for the Water Rate Study is hereby increased from Twenty-Five Thousand Fifty-Five Dollars (\$25,055.00) to an amount not to exceed Twenty-Seven Thousand Five Hundred Fifty-Five Dollars (\$27,555.00).

SECTION III: CONTINUED EFFECT OF PRIOR RESOLUTION

Except as expressly amended by this Resolution and the Additional Services Proposal attached hereto as Exhibit "A," all other terms and conditions approved under Resolution No. 2026-21R shall remain unchanged and in full force and effect.

SECTION IV: AUTHORIZATION

The Village President, Village Administrator, Village Clerk, and other appropriate Village officials are hereby authorized and directed to execute the Additional Services Proposal and take any administrative actions necessary to implement and carry out the intent of this Resolution.

SECTION V: EFFECTIVE DATE

This Resolution shall be in full force and effect from and after its passage and approval as provided by law.

APPROVED this ____ day of _____, 2026.

ATTEST:

Sally Jo Huggins, Village Clerk

Franklin J. Eubank, Jr., Village President
Village of Winnebago, Illinois

PASSED: _____

APPROVED: _____

PUBLISHED IN PAMPHLET FORM: _____



September 8, 2026

Mr. Joey Dienberg
Village Administrator
Village of Winnebago
108 West Main Street
Winnebago, Illinois 61088

**Re: Proposal for Additional Engineering Services
Water Rate Study**

Dear Mr. Dienberg,

Please accept this proposal for additional engineering services related to the Village of Winnebago Water Rate Study. During development of the rate model, additional effort was required to prepare the Village's billing information for analysis. Additionally, two additional requests were made by the Village to incorporate two financial evaluations that were not included in the original scope.

Please see the following scope for these additional engineering services.

SCOPE OF SERVICES

Additional Water Rate Study Services

Fehr Graham provided the Village with a Request for Information (RFI) on June 10, 2026, detailing the needed billing data and financial records for the calibration of the water rate model. During the effort of obtaining this data, additional effort was required as follows:

- » Billing Data Management: Review, organize, and manually enter water billing information provided in PDF format so the data could be sorted, queried and incorporated into the rate model. This effort included approximately 40 hours of manual data processing that was not anticipated, as most billing software allows for exporting Excel data. Fehr Graham requested the data in Excel from Village staff, but was informed that the data could only be provided in PDF format, which required the manual entry hours to be completed.

Other additional scope items that will be incorporated into the water rate study and modeling efforts include the following:

- » Interest Revenue Analysis: Construct the model to maintain a set amount of interest revenue based on an assumed fund amount that is kept in investments to help offset existing debt service payments (e.g., IEPA Water Tower Loan Payment).
- » Personnel Expenditures Analysis: Construct a toggle within the water model to allow the Village to dictate the relative proportion of Personnel Expenditures between the General Fund and the Water Fund.

Between the additional time spent manually entering data from the PDF billing information and the additional modeling efforts listed above, Fehr Graham incurred more than \$5,000 in additional fees. Fehr Graham is only requesting \$2,500, as these additional costs were not properly communicated to Village staff prior to completing the additional work, as our staff was working to address the

September 8, 2026
 Mr. Joey Dienberg, Village of Winnebago
 Water Rate Study
 Page 2

additional scope items within the existing fee structure as a benefit to the Village until it became apparent that this was not possible.

EXCLUSIONS

- » Additional requests to incorporate into the model.
- » Additional modeling iterations.
- » Additional meeting attendance and presentations.
- » See original proposal document exclusions.

SCHEDULE

Following authorization of this amendment, Fehr Graham will continue the remaining work under the original agreement in accordance with the project schedule contingent on Village review timeframes.

FEES

Based on the information currently available, we are prepared to provide these services on a lump sum basis at the following fee schedule:

Additional Water Rate Study Services	\$ 2,500
--------------------------------------	-----------------

AUTHORIZATION

We appreciate the opportunity to provide you with this proposal and trust that the information we have provided is in line with your expectations. Please sign the authorization line below and return a copy to my attention to include this proposed scope and fee in the existing contract (Fehr Graham Project 26-987) and the associated terms and general conditions.

If you should have any questions, please do not hesitate to contact me.

Respectfully submitted,



Seth W. Gronewold, PE
 Principal

SWG:lar

CLIENT:

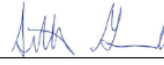
Signature _____

Name _____

Title _____

Date Accepted _____

CONSULTANT:

By  _____

Name Seth W. Gronewold, PE

Title Principal

Date Proposed September 8, 2026

"F:\BD\Proposals\2026\Luke Ziegler\Winnebago, Village of\Water Rate Study - Additional Services\Additional Services Proposal - Water Rate Study.docx"

May 27, 2026

Joey Dienberg, MPA
Village Administrator
Village of Winnebago
108 W. Main Street
Winnebago, Illinois 61088

**Re: Proposal for Professional Services
Water Rate Study, Winnebago, Illinois**

Dear Joey:

The purpose of this water rate study is to provide the Village with an overview of its Enterprise Fund, existing rate structure, proposed rate increases needed to support planned operational and capital expenditures, and the resulting impacts on customer bills. The study will also evaluate an alternative to the Village's current rate structure.

Fehr Graham is pleased to submit this proposal for professional services to complete a water rate study for the Village of Winnebago. The following scope of services aligns with the project approach provided in our submittal.

SCOPE OF SERVICES

Project Management. Our team will keep the Village's key staff informed of project status at every stage. We will manage the scope, budget and schedule to deliver the project within the agreed budget and timeline. Any potential changes or impacts to the project budget or schedule will be identified as early as possible and communicated directly to the Village's team. This task includes project controls, such as monthly invoicing to the Village of Winnebago.

Data Collection and Project Kickoff Meeting. Our team will ask for information before the meeting to ensure it is efficient and productive. This will allow our team to review the Village's rate study information, revenues and expenses, planned capital improvements and other pertinent data to get a head start. During the meeting, our team will work with Village staff to identify any required data that may not be available and determine what assumptions will be necessary. We will also discuss the construction of the financial model and the calibration process.

Construct Rate Model and Proposed Rate Structures. We will use a Microsoft Excel-based financial model to enter all the Village's historical financial data. Once entered, the model will be calibrated against historical water usage, rates and charges, debt schedules, and capital projects to assess the accuracy of projected line items throughout the forecast period. Key assumptions, such as inflation, population growth, changes in water usage, and non-revenue water, will be confirmed with Village staff to develop the Baseline Scenario and ensure the model's accuracy and precision remain within acceptable tolerances.

Once the financial model is calibrated, our team will lead a rate structure alternatives workshop for key Village personnel to review the major fixed and volumetric rate structure alternatives outlined in the American Water Works Association M1 Manual, "Principles of Water Rates, Fees, and Charges." At a minimum, we will compare the Village's existing rate structure with identified

alternatives, such as an inclining-block volumetric rate structure, to evaluate options for more equitably distributing expenditures across the customer base.

Our team will provide the Village with up to three rate scenarios:

1. Baseline Scenario, in which no rate increases are applied;
2. Scenario 1 – Existing Rate Structure, in which rate adjustments are made to the Village’s current rate structure to meet the target revenue requirement;
3. Scenario 2 – Inclining Block Rate Structure, in which the Village’s existing straight volumetric rate is broken into tier blocks with increasing rates.

For this assessment, we will prepare a financial model that incorporates core assumptions and variables, including inflation, to develop a 10-year forecast for the Water Fund. The forecast will incorporate the Village’s identified capital infrastructure projects, associated and/or proposed debt service, and planned operational expenditures to assess the rate increases needed to meet the projected revenue requirement. Additional rate scenarios or adjustments can be provided for an additional fee.

Sample Neighboring Rates and Bill Comparisons. We will prepare sample water bill comparisons with neighboring and similarly sized utilities to provide context for how the Village’s rates compare. These sample bills will reflect key user types, including typical meter sizes and water usage, to illustrate differences in rate structures and the financial impacts across customer classes. At the Village’s request, we will recommend updates to the existing connection fees based on the current fees used by North Park Public Water District (NPPWD). We will not perform a separate analysis to determine connection fees for the Village of Winnebago beyond matching NPPWD’s fees.

Report and Presentation. We will prepare a draft report outlining the study’s purpose and the assumptions used to complete the rate study. The report will summarize key discussions, project inputs, projected rates, and decisions made in coordination with Village staff. We will also prepare a draft PowerPoint presentation summarizing the rate scenarios and other key information for presentation to the Village Board or other Village representatives, as directed by Village staff.

We will prepare a final report and slide deck that incorporate any comments the Village provides and summarize decisions or direction from the Village Board regarding alternative rate scenarios. One Village Board meeting is budgeted. More meetings can be added for an additional charge.

EXCLUSIONS

The following items are **not** included in the scope of services proposed here within:

- » Wastewater surcharge rate analysis (Biochemical Oxygen Demand, Total Suspended Solids, Fats, Oils, and Grease, etc.). This is the responsibility of the Four Rivers Sanitation Authority (FRSA).
- » Sanitary sewer rate considerations beyond accounting for existing debt associated with payback of existing FRSA loans.
- » Legal amendment of the Village ordinance.
- » Design engineering.
- » Determination of a minimum fund balance policy.
- » No more than four unique sample customer bills will be evaluated.

- » Modeling and analysis for connection fee rates.
- » Construction engineering services.
- » Survey services.
- » Certified public accountant approval.
- » Software implementation of rate structure.
- » Capital improvement plan creation or updates for water system (and FRSA sewer system).
- » Economic and environmental studies.
- » Permitting.
- » No more than one presentation to the Village Board.
- » Funding and Grant applications.

Any of the above services can be performed at an additional cost to the project upon request.

SCHEDULE

Fehr Graham can begin this project immediately and complete the rate study by October 1, 2026, with a presentation to the Village Board to follow, assuming the project is awarded at the first meeting in June 2026.

FEES

Based on the information available at this time, we are prepared to complete the scope of work described above for a lump-sum fee of **\$25,055**.

**Reimbursables are not to exceed a 15% markup. Payment for the services rendered will be requested via a monthly invoice. Fehr Graham does not accept credit and/or debit card payments.*

AUTHORIZATION

We appreciate the opportunity to submit this proposal and trust it aligns with your expectations. If this proposal is acceptable, please sign the enclosed agreement and return a copy to my attention.

If you should have any questions, please do not hesitate to contact me.

Respectfully submitted,



Tim Chan, PE
Project Manager



Luke Ziegler
Project Engineer

TMC:kk

Enclosure

N:\Proposals\2026\Luke Ziegler\Winnebago, Village of\Water Rate Study\Proposals\Village of Winnebago - Water Utility Rate Study - 2026-05-27 Proposal.docx

**AGREEMENT
FOR PROFESSIONAL SERVICES**

Client Joey Dienberg, MPA, Village Administrator
 Village of Winnebago
 108 W. Main Street
 Winnebago, Illinois 61088

Description of Services:

Water Rate Study, Winnebago, Illinois

Fehr Graham will complete the scope of services as outlined in the proposal dated May 27, 2026, included herein.

COST:

The Fixed Fee for performing the above services is \$25,055.

**Reimbursables are not to exceed a 15% markup. Payment for the services rendered will be requested via a monthly invoice. Fehr Graham does not accept credit and/or debit card payments.*

**All plan reproduction and distribution costs along with publication and permit fees will be paid direct by Client and are not included in the above fees.*

The attached General Conditions are incorporated into and made a part of this Agreement.

ACCEPTED AND AGREED TO:

I/we, the undersigned, authorize Fehr Graham to provide services as outlined above, and also agree that I/we are familiar with and **ACCEPT THE TERMS OF THE ATTACHED GENERAL CONDITIONS.**

CLIENT:

Signature _____

Name _____

Title _____

Date Accepted _____

CONSULTANT:

By  _____

Name Chris DeSilva, PE

Title Business Unit Leader - Central Region

Date Proposed May 27, 2026

405.0026987.000

1. The Client requests the professional services of Fehr Graham hereinafter called "The Consultant" as described herein.
2. The Consultant agrees to furnish and perform the professional service described in this Agreement in accordance with accepted professional standards. Consultant agrees to provide said services in a timely manner, provided, however, that Consultant shall not be responsible for delays in completing said services that cannot reasonably be foreseen on date hereof or for delays which are caused by factors beyond his control or delays resulting from the actions or inaction of any governmental agency. Consultant makes no warranty, expressed or implied, as to his findings, recommendations, plans and specifications or professional advice except that they were made or prepared in accordance with the generally accepted engineering practices.
3. It is agreed that the professional services described in the Agreement shall be performed for Client's account and that Client will be billed monthly for said services. A 1½% per month service charge will be incurred by Client for any payment due herein and not paid within 30 days of such billing which is equal to an ANNUAL PERCENTAGE RATE OF 18%. Partial payments will be first credited to the accrued service charges and then to the principal.
4. The Client and the Consultant each binds himself, his partners, successors, executors, and assigns to the other party to this Agreement and to the partners, successor, executors, and assigns of such other party in respect to this Agreement.
5. The Client shall be responsible for payment of all costs and expenses incurred by the Consultant for his account, including any such monies that the Consultant may advance for Client's account for purposes consistent with this Agreement.
6. The Consultant reserves the right to withdraw this Agreement if not accepted within 30 days.
7. A claim for lien will be filed within 75 days of the date of an invoice for services (last day of services rendered) unless the account is paid in full or other prior arrangements have been made. All attorney fees incurred by the Consultant due to the filing of said lien or the foreclosure thereof shall be borne by the Client.
In the event suit must be filed by Consultant for the collection of fees for services rendered, Client will pay all reasonable attorney's fees and court costs.
If Client defaults in payment of fees or costs due under the terms of this Agreement and Consultant incurs legal expenses as a result of such failure, Client shall be responsible for payment for Consultant's reasonable attorney fees and costs so
8. The Consultant shall present, for the consideration of the Client, engineering and technical alternatives, based upon its knowledge and experience in accordance with accepted professional standards, with selection of alternatives and final decisions as requested by the client to be the sole responsibility of the Client.
9. Construction Phase Activities (When applicable) - In connection with observations of the work of the Contractor(s) while it is in progress the Consultant shall make visits to the site at intervals appropriate to the various stages of construction as the Consultant deems necessary in Agreement to observe as an experienced and qualified design professional the progress and quality of the various aspects of the Contractor(s)' work. Based on information obtained during such visits and on such observation, the Consultant shall endeavor to determine in general if such work is proceeding in accordance with the Contract Documents and the Consultant shall keep the Client informed of the progress of the work.
The purpose of the Consultant's visits to the site will be to enable the Consultant to better carry out the duties and responsibilities assigned to and undertaken by the Consultant during the Construction Phase, and, in addition, by exercise of the Consultant's efforts as an experienced and qualified design professional, to provide for the Client a greater degree of confidence that the completed work of the Contractor(s) will conform generally to the Contract Documents and that the integrity of the design concept as reflected in the Contract Documents has been implemented and preserved by the Contractor(s). The Consultant shall not, during such visits or as a result of such observations of Contractor(s)' work in progress, supervise, direct or have control over Contractor(s)' work nor shall the Consultant have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected by Contractor(s), for safety precautions and programs incident to the work of Contractor(s) or for any failure of Contractor(s) to comply with laws, rules, regulations, ordinances, codes, or orders applicable to Contractors(s) furnishing and performing their work. Accordingly, the Consultant can neither guarantee the performance of the construction contracts by Contractor(s) nor assume responsibility for Contractor(s)' failure to furnish and perform their work in accordance with the Contract Documents.
10. Estimates of Fees – When fees are on a time and material basis the estimated costs required to complete the services to be performed are made on the basis of the Consultant's experience, qualifications, and professional judgment, but are not guaranteed. If the costs appear likely to exceed the estimate in excess of 20%, the Consultant will notify the Client before proceeding. If the Client does not object to the additional costs within seven (7) days of notification, the increased costs shall be deemed approved by the Client.
11. The Consultant is responsible for the safety on site of his own employees. This provision shall not be construed to relieve the Client or the Contractor(s) from their responsibility for maintaining a safe work site. Neither the professional services of the Consultant, nor the presence of his employees or subcontractors shall be construed to imply that the Consultant has any responsibility for any activities on site performed by personnel other than the Consultant's employees or
12. Original survey data, field notes, maps, computations, studies, reports, drawings, specifications and other documents generated by the Consultant are instruments of service and shall remain the property of the Consultant. The Consultant shall provide copies to the Client of all documents specified in the Description of Services.
Any documents generated by the Consultant are for the exclusive use of the Client and any use by third parties or use beyond the intended purpose of the document shall be at the sole risk of the Client. To the fullest extent permitted by law, the Client shall indemnify, defend and hold harmless the Consultant for any loss or damage arising out of the unauthorized use of such documents.

13. No claim may be asserted by either party against the other party unless an action on the claim is commenced within two (2) years after the date of the Consultant's final invoice to the Client.
14. If a Client's Purchase Order form or acknowledgment or similar form is issued to identify the agreement, authorize open accounts for invoicing, provide notices, or document change orders, the preprinted terms and condition of said Purchase Order shall be superseded by the terms hereof.
15. Standard of Care – Services performed by Consultant under this agreement will be conducted in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions. No other representation expressed or implied, and no warranty or guarantee is included or intended in any report, opinion or document under this agreement.
16. Liability Insurance – Consultant will maintain such liability insurance as is appropriate for the professional services rendered as described in this Agreement. Consultant shall provide Certificates of Insurance to Client, upon Client's request.
17. Indemnification and Limitation of Liability – Client and Consultant each agree to indemnify and hold the other harmless, including their respective officers, employees, agents, members, and representatives, from and against liability for all claims, costs, losses, damages and expense, including reasonable attorney's fees, to the extent such claims, losses, damages or expenses are caused by the indemnifying party's acts, errors or omissions.
The Client understands that for the compensation herein provided Consultant cannot expose itself to liabilities disproportionate to the nature and scope hereunder. Therefore, the Client agrees to limit Consultant's liability to the Client arising from Consultant's professional acts, errors or omissions, such that the total aggregate liability of Consultant shall not exceed \$50,000 or Consultant's total fee for services rendered on this Project, whichever is less.
18. Allocation of Risk – Consultant and Client acknowledge that, prior to the start of this Agreement, Consultant has not generated, handled, stored, treated, transported, disposed of, or in any way whatsoever taken responsibility for any toxic substance or other material found, identified, or as yet unknown at the Project premises. Consultant and Client further acknowledge and understand that the evaluation, management, and other actions involving toxic or hazardous substances that may be undertaken as part of the Services to be performed by Consultant, including subsurface excavation or sampling, entails uncertainty and risk of injury or damage. Consultant and Client further acknowledge and understand that Consultant has not been retained to serve as an insurer of the safety of the Project to the Client, third parties, or the public.
Client acknowledges that the discovery of certain conditions and/or taking of preventative measures relative to these conditions may result in a reduction of the property's value. Accordingly, Client waives any claim against Consultant and agrees to indemnify, defend, and hold harmless Consultant and its subcontractors, consultants, agents, officers, directors, and employees from any claim or liability for injury or loss allegedly arising from procedures associated with environmental site assessment (ESA) activities or the discovery of actual or suspected hazardous materials or conditions. Client releases Consultant from any claim for damages resulting from or arising out of any pre-existing environmental conditions at the site where the work is being performed which was not directly or indirectly caused by and did not result from, in whole or in part, any act or omission of Consultant or subcontractor, their representatives, agents, employees, and invitees.
If, while performing the Services set forth in any Scope of Services, pollutants are discovered that pose unanticipated or extraordinary risks, it is hereby agreed that the Scope of Services, schedule, and costs will be reconsidered and that this Agreement shall immediately become subject to renegotiation or termination. Client further agrees that such discovery of unanticipated hazardous risks may require Consultant to take immediate measures to protect health and safety or report such discovery as may be required by law or regulation. Consultant shall promptly notify Client upon discovery of such risks. Client, however, hereby authorizes Consultant to take all measures Consultant believes necessary to protect Consultant and Client personnel and the public. Furthermore, Client agrees to compensate Consultant for any additional costs associated with such measures.
19. In the event of legal action to construe or enforce the provisions of this agreement, the prevailing party shall be entitled to collect reasonable attorney fees, court costs and related expenses from the losing party and the court having jurisdiction of the dispute shall be authorized to determine the amount of such fees, costs and expenses and enter judgment thereof.
20. Assignment - Neither party to this Agreement shall, without the prior written consent of the other party, which shall not be unreasonably withheld, assign the benefit or in any way transfer its obligations under this Agreement or any part hereof; provided, however, either Party may freely assign this Agreement to a parent, subsidiary or affiliate without the other party's consent. This Agreement shall inure to the benefit of and be binding upon the parties hereto, and except as otherwise provided herein, upon their executors, administrators, successors, and assigns.
21. Termination – The obligation to provide further services under this Agreement may be terminated by either party upon seven (7) days written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party. In the event of any termination, Consultant will be paid for all services rendered to the date of receipt of written notice of termination, at Consultant's established chargeout rates, plus for all Reimbursable Expenses including a 15% markup.
22. Provision Severable – The unenforceability or invalidity of any provisions hereof shall not render any other provisions herein contained unenforceable or invalid.
23. Governing Law and Choice of Venue – Client and Consultant agree that this Agreement will be governed by, construed, and enforced in accordance with the laws of the State of Illinois. If there is a lawsuit, Client and Consultant agree that the dispute shall be submitted to the jurisdiction of the Illinois District Court in and for Winnebago County, Illinois.

PROPOSAL

Water Rate Study

insight • experience • results



PREPARED FOR

Village of Winnebago

Village Administrator

JOEY DIENBERG

108 West Main Street

Winnebago, Illinois 61088

May 6, 2026

Joey Dienberg
Village Administrator
Village of Winnebago
108 West Main Street
Winnebago, Illinois 61088

RE: Water Rate Study Request for Proposal

Dear Joey,

Utilities across the nation face increasing challenges, including aging infrastructure, evolving regulatory mandates and rising supply costs. Managing the financial impact on a utility's customer base is critical to operating and maintaining a utility's infrastructure sustainably. By identifying and performing this Water Rate Study, the Village is taking a proactive step toward balancing necessary rate increases with the revenue required to support its operational, maintenance, debt and capital expenditures.

I, **Tim Chan, PE, will lead our team as Project Manager.** With a former employer, I led and completed more than 20 comprehensive utility rate studies across the Chicagoland area with an emphasis on evaluating long-term capital improvement project planning, analyzing alternative rate structures, and assessing impacts to customer sample bills and the equitability of financial impacts.

Our project approach emphasizes collaboration to identify and evaluate alternative rate structures, develop rates, and balance future capital and debt obligations, which can often lead to sudden rate hikes. It also lets the Village participate in the rate-setting process once we build the model so it can see the fiscal impacts of any rate increases on its diverse customer base.

We will help the Village of Winnebago with its water rate and fee program and maintain a fiscally sustainable utility.

Sincerely,



Tim Chan, PE
Project Manager
tim.chan@fehrgraham.com



Seth Gronewold, PE
Principal
sgronewold@fehrgraham.com



Business Organization

History

Fehr Graham was founded in September 1973 by professional engineers Allen Fehr and Joseph Graham. The firm was established by the merger of these two individuals' practices established in 1965 and 1962, respectively. Today, we proudly serve our valued clients from 12 office locations: Aurora, Champaign, East Peoria, Freeport, Rockford, Rochelle, and Springfield, Illinois; Cedar Rapids, Manchester and West Union, Iowa; and Monroe and Sheboygan, Wisconsin.

Professional Staff

Our staff of 250 is comprised of a wide range of experts, including professional engineers, landscape architects, professional geologists, environmental scientists, safety professionals, engineers-in-training, professional land surveyors, community planners and development specialists, engineering and environmental technicians, field inspectors, grant writers, and support technicians and assistants. Our staff has hands-on experience and applicable registrations and licenses in their areas of discipline.

Organization

Fehr Graham is a Limited Liability Company led by Kyle Saunders. Trilon Group owns Fehr Graham.



ZWEIG GROUP
HOT FIRM



No. 60 in 2025
No. 83 in 2024
No. 54 in 2023
No. 76 in 2022

ENR TOP 500



No. 435 in 2025
No. 474 in 2024
No. 471 in 2023
No. 494 in 2022

ENR MIDWEST
TOP DESIGN FIRM

No. 58 in 2025
No. 60 in 2024

Office Locations

ILLINOIS

Aurora

230 Woodlawn Avenue
Aurora, IL 60506

Champaign

1610 Broadmoor Drive
Champaign, IL 61821

East Peoria

140 East Washington Street
East Peoria, IL 61611

Freeport

101 West Stephenson Street
Freeport, IL 61032

Rochelle

515 Lincoln Highway
Rochelle, IL 61068

Rockford

200 Prairie Street, Suite 208
Rockford, IL 61107

Springfield

2160 South Sixth Street, Suite D-1
Springfield, IL 62703

IOWA

Cedar Rapids

200 5th Avenue SE, Suite 100
Cedar Rapids, IA 52401

Manchester

221 East Main Street, Suite 301
Manchester, IA 52057

West Union

128 South Vine Street
West Union, IA 52175

WISCONSIN

Monroe

1107 16th Avenue
Monroe, WI 53566

Sheboygan

909 North 8th Street, Suite 101
Sheboygan, WI 53081



The majority of the work to complete the study will be done at our **Rockford, Illinois** office.





Organizational Chart



Tim Chan, PE, will serve as the **Project Manager**, bringing a wealth of experience in executing Comprehensive Water and Sewer Rate Studies for municipal water and wastewater utilities. He has completed more than 22 studies across Chicagoland over the past decade. Tim also brings strong technical engineering expertise to support communities in long-term capital planning, in tandem with a proven track record of assisting communities through rate structure transitions to establish fair and equitable rates. Tim lives in the northwest Chicagoland suburbs and is based in our Rockford, Illinois, office.

Seth Gronewold, PE, will serve as the **Quality Assurance/Quality Control** for the study. Seth's experience serving a variety of utilities while navigating regulatory updates, permitting and state revolving funds helps to ensure a comprehensive study is completed and that deliverables are met in accordance with the project goals. As the Village Engineer, Seth will also ensure that a comprehensive study is completed and is inclusive of the future projects funded by the Water Fund.

Juliet Betke will serve as the **Lead Engineer** and brings a strong background in the environmental remediation and construction side of engineering design projects. Her experience includes leading a range of remediation projects while understanding the developer's project goals and budgetary restraints and ensuring compliance with state and local requirements. Juliet works with Tim on a variety of water- and wastewater-related projects, with an emphasis on non-revenue water and its impacts on utility rates. Juliet lives in the Rockford area and is based in our Rockford, Illinois, office.

Project Experience



Client Contact

Village of Elburn, Illinois

Phil VanBogaert

Superintendent of Public Works

630.365.5064

publicworks@elburn.il.us

Project Team

Jason Stoll, PE | Principal

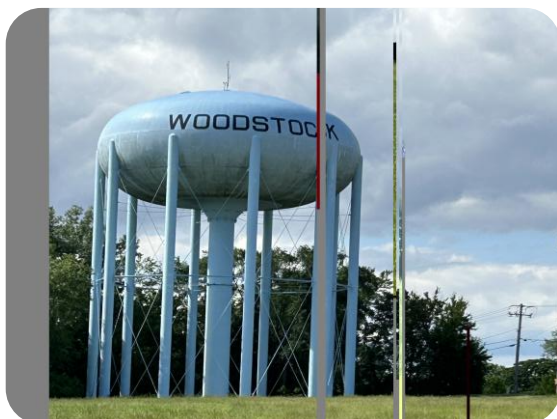
Karoline Qasem, PhD, PE, PMP, CFM | Project Manager

Andrew Barbeau, PE | Wastewater Engineer

Water System Analysis

Period of Services: October 2023 – January 2025

The Village of Elburn hired Fehr Graham to develop a Master Plan and to complete a comprehensive analysis to manage and optimize the community's water utility infrastructure, addressing system performance and future needs. We used ArcGIS and WaterGEMS to evaluate system conditions, update the Village's GIS database and model projected water demand. We also coordinated with subconsultants, held regular check-ins to keep the project on track and ensured accurate data for the water rate study. The resulting Water Works System Master Plan strengthens system reliability and efficiency and provides the Village with a strategic framework to support future development and ensure a consistent supply of high-quality water. The plan outlines clear capital improvement priorities to support the Village's long-term budget for upgrades. It positions the Village to make informed decisions that support sustainable growth.



Client Contact

City of Woodstock, Illinois

Brent Aymond

Public Works Director

815.338.6118

baymond@woodstockil.gov

Project Team

Chris DeSilva, PE | Senior Project Manager

Seth Gronewold, PE | Principal

Karoline Qasem, PhD, PE, PMP, CFM | Project Manager

Jennifer Buholzer, PE | Project Engineer

Margaret Trowbridge | Staff Engineer

Water and Sewer Master Plan and Rate Study

Period of Services: July 2024 – Present

The City of Woodstock hired Fehr Graham to review its Sanitary Sewer and Water Master Plans, prioritize projects and update costs to support long-term utility planning. Partnering with Baker Tilly, we are updating the City's utility plans and conducting a comprehensive rate study that aligns sanitary and water priorities in one place. We are integrating the latest data and regulatory requirements while addressing aquifer capacities, per- and polyfluoroalkyl substances impacts and future growth projections. Our team updated historic planning documents with cost estimates, identified opportunities across both utilities and developed rate scenarios that support the City's operational and financial goals. We worked closely with City staff to ensure our financial models reflect realistic market trends and local needs. Our recommendations will provide the City with a clear, sustainable path for infrastructure and financial planning.

Project Experience



Client Contact

Village of Winnebago, Illinois

Franklin Eubank Jr.

Village President

815.335.2020

feubank@villageofwinnebago.com

Project Team

Seth Gronewold, PE | Project Manager

Water User Rate Study

Period of Services: May 2021 – December 2021

Fehr Graham worked with the Village of Winnebago to complete a Water User Rate Study that evaluated the community's water utility rates and assessed future operational, maintenance and capital needs. The team reviewed physical conditions, economic factors and the condition of the water distribution system and projected demographic and economic trends that could affect long-term demand. These evaluations helped determine whether the Village's rates and charges adequately supported its operating, capital and debt obligations. The findings informed a rate structure that provided stable revenue for system operations, maintenance and upgrades. As a locally owned public utility operating on a long-term zero-profit basis, the water department funded improvements through user rates, capital contributions or debt. Fehr Graham applied established rate-setting principles to ensure the recommended rates were cost-based, equitable and easy for users to understand. The study ultimately aimed to support predictable revenue while balancing user affordability with the long-term financial sustainability of the water system.



Client Contact

Village of Forreston, Illinois

Tanya Shenberger

Village Clerk

815.938.2400

clerk2@villageofforreston.org

Project Team

Seth Gronewold, PE | Principal

Tim Chan, PE | Senior Project Manager

Juliet Betke | Lead Engineer

Comprehensive Water and Sewer Rate Study Phase I

Period of Services: January 2026 – Present

The Village of Forreston hired Fehr Graham to conduct a Phase I Water and Sewer Rate Study to help develop a long-term capital improvement plan and determine the revenue needed to finance proposed cash- and debt-funded projects. The study also reviews the rate increases required to sustainably operate the Village's water and sewer fund. The study further helps the village evaluate how proposed rate changes would affect its diverse customer base and begin discussions about alternative rate structures that would more fairly and equitably distribute the financial burden.



Project Understanding and Approach

✓ Project Understanding

The Village of Winnebago owns, operates and maintains the water utility infrastructure. Although the Village's sanitary system is in connection to Four Rivers Sanitation Authority and no longer operates its own system, there are existing debt-obligations that will extend through the next decade. This debt services have historically been supported through water user charges and a voter-approved sales tax which contributes to the water enterprise fund.

Over the past decade, utilities have faced increasing challenges balancing acceptable rate increases with aging infrastructure, unfunded mandates and rising supply costs. Now more than ever, fairly and equitably assessing water rates against a utility's unique customer base is crucial to maintaining sustainable fund balances that support operations, maintenance and capital improvement needs. We support the Village's decision to assess its water rates and fees to ensure the system remains financially sustainable and responsive to community needs as it continues to grow.

✓ Project Approach

- 1. Project Management.** Consistent communication and collaboration drive the success of any project. Our team will keep the Village's key staff informed of project status at every stage. We will manage the scope, budget and schedule to deliver the project within the agreed budget and timeline. Any potential changes or impacts to the project budget or schedule will be identified as early as possible and communicated directly to the Village's team. This task includes project control-related tasks, including invoicing to be routed to Village of Winnebago monthly.
- 2. Data Collection and Project Kickoff Meeting.** Our team will ask for information before the meeting to ensure it is efficient and productive. This will allow our team to review the Village's rate study information, revenues and expenses, planned capital improvements and other pertinent data to get a head start. During the meeting, our team will discuss with Village staff the required data that may be unavailable to determine which assumptions will be necessary. We will also discuss the construction of the financial model and the calibration process.
- 3. Construct Rate Model and Proposed Rate Structures.** We will use a Microsoft Excel-based financial modeling spreadsheet to input all the Village's historical financial data. Once inserted, the model will be calibrated against its historical water usage, rates and charges, debt schedule and capital projects to determine the accuracy of all projected line items through the forecast window. Key assumptions such as inflation, population growth, water usage changes, and non-revenue water will be confirmed with Village staff to build out the Baseline Scenario and ensure the model's accuracy and precision are within acceptable tolerances.

Once the financial model is calibrated, our team will lead a Rate Structure Alternatives workshop for key Village personnel to walk through the major fixed and volumetric rate structure alternatives outlined in the American Water Works Association M1 Manual, "Principles of Water Rates, Fees, and Charges." At a minimum, our team will compare the Village's existing rate structure to the identified alternatives, such as the implementation of an inclining block volumetric rate structure, that would more equitably distribute the Village's expenditures across its customer base.



Our team will provide the Village with up to three rate scenarios:

1. Baseline Scenario, in which no rate increases are applied;
2. Scenario 1 – Existing Rate Structure, in which rate adjustments are made to the Village’s current rate structure to meet the target revenue requirement;
3. Scenario 2 – Inclining Block Rate Structure, in which the Village’s existing straight volumetric rate is broken into tier blocks with increasing rates.

For the purposes of this assessment, we will prepare a financial model that incorporates the core assumptions and variables, including inflation, to better reflect the probable circumstances that would drive external factors relating to the Water Fund that projects a 10-year forecast that incorporates the Village’s identified capital infrastructure projects, associated and/or proposed debt service, and planned operational expenditures to assess the rate increases needed to meet the identified revenue requirement.

4. **Sample Neighboring Rates and Bill Comparisons.** We will prepare sample comparison water bills with neighboring and other similarly sized utilities to provide a contextual understanding of how the Village’s rates compare. These sample bills will reflect key user types outlining a typical meter size and water usage to observe the nuances of rate structures and the financial burdens placed across different customer classes.
5. **Report and Presentation.** We will prepare a draft report outlining the study’s purpose and the detailed assumptions to conduct the rate study. This report will include summaries of all pertinent discussions regarding the key inputs and projected rates and discussions with Village staff that result in decisions. We will prepare this draft report in tandem with a draft PowerPoint presentation outlining the rate scenarios and any other items for a formal presentation to the Village Board or similar, as directed by the Village of Winnebago staff.

We will prepare a final report and slide deck, incorporating any comments the Village receives, and summarizing decisions or directions provided by the Village Board regarding Alternative Rate Scenarios. One Village Board meeting is anticipated, though more can be requested if desired during final contract negotiations.



References



Village of Elburn, Illinois

Phil VanBogaert
Superintendent of Public Works
301 East North Street
Elburn, Illinois 60119
630.365.5064
publicworks@elburn.il.us



Village of Winnebago, Illinois

Franklin Eubank Jr.
Village President
108 West Main Street
Winnebago, Illinois 61088
815.335.2020
feubank@villageofwinnebago.com



City of Woodstock, Illinois

Brent Aymond
Public Works Director
326 Washington Street
Woodstock, Illinois 60098
815.338.6118
baymond@woodstockil.gov



Village of Forreston, Illinois

Tanya Shenberger
Village Clerk
301 North Walnut Avenue
Forreston, Illinois 61030
815.938.2400
clerk2@villageofforreston.org



Tim Chan, PE

Project Manager



EDUCATION

B.S. in Civil and Environmental Engineering
University of Illinois at Urbana-Champaign, 2015

Completed 24 credit hours of land surveying
classes at Northern Illinois University, 2017

PROFESSIONAL LICENSE

Professional Engineer
Illinois #062-071927

PROFESSIONAL ASSOCIATIONS

Illinois Section American Water Works Association
American Water Works Association

Tim Chan is proficient in assisting municipal water and wastewater utilities with every step of the planning, engineering and construction lifecycle process. His experience includes serving as a Project Manager and Potable Water Technical Process Lead for the company. He has completed more than 20 comprehensive water and sewer utility rate studies for the greater Chicagoland area.

WATER AND SEWER RATE STUDY PHASE I

Village of Forreston, Illinois

Tim serves as the Project Manager for the Water and Sewer Rate Study, which is intended to provide the Village with a comprehensive rate model that incorporates its annual revenues, expenditures, debt obligations and proposed Capital Improvement Plan (CIP) to determine its revenue requirements. The Phase I portion seeks to assess the necessary increases to its water and sewer rates and charges and the impacts on the Village's customers. A proposed Phase II is planned to evaluate alternative rate structures that would seek to more equitably distribute the cost burdens of the Village's infrastructure across its unique customer composition.

WATER TREATMENT PLANT (WTP) DESIGN

City of Vinton, Iowa

Tim served as the Technical Lead for the WTP improvements. He led the multidisciplinary team of electrical, HVAC, plumbing, site civil and process designers to replace the City's only WTP. Tim also led the technical design of the water treatment process, which includes aeration with pre-chlorination, pressurized horizontal sand/anthracite filters and chemical feed for fluoride, phosphate and post-chlorination.

NEW ELEVATED TANK NO. 4

City of Loves Park, Illinois

Tim served as the Water Modeling and Water Operations Lead for this project. Pressure Zone No. 2 had no elevated storage tanks and was primarily fed through pressure-reducing valves from the adjacent zones. To size the new elevated tank for Pressure Zone No. 2, Tim completed a water model update with hydrant testing to calibrate and update the City's older computer water model.

COMPREHENSIVE WATER AND SEWER RATE STUDY*

Village of Hanover Park, Illinois

Tim served as the Project Manager for the Village's Comprehensive Water and Sewer Rate Study, which included assisting with the development of a 10-year comprehensive CIP that was financially feasible within the identified maximum year-over-year rate increases.

VARIOUS WATER AND SEWER RATE STUDIES*

Greater Chicagoland Region

Tim has served as the Project Manager for more than 20 water and sewer rate studies across the Chicago area, including the City of Elmhurst, Village of Oswego, Village of Beach Park, Village of Carpentersville, Village of Lisle and City of Rolling Meadows.

WELL IMPROVEMENTS AND UPGRADES DESIGN-BUILD*

Village of Lake in the Hills, Illinois

Tim served as Project Manager for the upgrades to Well Nos. 12 and 14, which were part of a several-year CIP to address the aging mechanical and Supervisory Control and Data Acquisition (SCADA) infrastructure. The projects included replacing valves, piping, SCADA Programmable Logic Controllers and various instrumentation.

*Project completed with previous employer.

Seth W. Gronewold, PE

Principal



EDUCATION

B.S. in Civil Engineering
Bradley University, 2015

PROFESSIONAL LICENSES

Professional Engineer
Illinois #062-071468
Iowa #25539
Wisconsin #47315-6
Texas #135738
Michigan #6201311561
Florida #99994

CERTIFICATION

NBIS Program Manager
Illinois #01064, 2019
Iowa, 2020
Wisconsin, 2021

PROFESSIONAL ASSOCIATION

Illinois Section of American Water Works
Association

Seth Gronewold works with governmental clients, helping them with drinking water distribution systems, treatment, road, sanitary sewer, stormwater and culvert designs, and construction management. He manages field operations, design considerations and projects. He is proficient in hydraulics, grading plans, site and structural designs, and highway and utility engineering. Seth participates in large- and small-scale improvements, fulfilling project oversight.

WATER RATE STUDIES

- City of Woodstock, Illinois
- Village of Forreston, Illinois
- Village of Winnebago, Illinois
- Village of South Beloit, Illinois

WELL NO. 39 WATER TREATMENT FACILITY DESIGN

City of Rockford Water Department, Illinois

Seth served as Project Manager for the design of Well No. 39 Water Treatment Plant. He helped with preliminary and final designs along with securing a loan for the City through the Illinois Environmental Protection Agency (EPA).

WELL NO. 3 AND WATER TREATMENT PLANT NO. 2 DESIGN

Pingree Grove, Illinois

Seth served as Lead Design Engineer on this project. A loan application and project plan were prepared and submitted to the Illinois EPA for approval. Seth helped design the test well, as well as the bidding documents and services.

WELL NO. 34 WATER TREATMENT FACILITY

City of Rockford, Illinois

Seth served as Project Manager for the design of a water treatment plant and reservoir to replace the well house.

WELL NO. 8 TREATMENT FACILITY

Rochelle Municipal Utilities | Rochelle, Illinois

Seth served as the Lead Design Engineer for the design and construction of the new Well No. 8 well house and iron treatment plant.

WELL NO. 45 TREATMENT PLANT ADDITION

City of Rockford Water Department, Illinois

DEEP WELL NO. 19 AND TRANSMISSION MAIN DESIGN SERVICES

City of Crystal Lake, Illinois

WATER MAIN REPLACEMENT DESIGN, BIDDING AND CONSTRUCTION OBSERVATION

Village of Forreston, Illinois

JEFFERSON STREET WATER MAIN REPLACEMENT

City of Rockford Water Department, Illinois

EDGEBROOK WATER MAIN REPLACEMENT

City of Rockford Water Department, Illinois

SEMINARY STREET WATER MAIN REPLACEMENT

City of Rockford Water Department, Illinois

Juliet Betke

Lead Engineer



EDUCATION

B.S. in Environmental Engineering
University of Wisconsin-Platteville, 2021

PROFESSIONAL LICENSES

Asbestos Supervisor
Wisconsin #ACS-283405

Asbestos Professional
Illinois #100-21016

CERTIFICATION

NIOSH 52E – Sampling and Evaluating Airborne Asbestos Dust, 2025

Juliet Betke is experienced in the management and execution of a broad range of environmental assessments, including water, soil and hazardous materials, having served as a Project Manager for more than 100 public and private facilities across Illinois and Wisconsin. Her background and experience bring a unique lens to the planning, design and construction of water and wastewater infrastructure.

WATER AND SEWER RATE STUDY PHASE I

Village of Forreston, Illinois

Juliet serves as the Lead Engineer for the Water and Sewer Rate Study, which is intended to provide the Village with a comprehensive rate model, incorporating its annual revenues, expenditures, debt obligations and proposed Capital Improvement Plan to determine its revenue requirements. Her work includes building the water and sewer rate model, assessing impacts on sample bills and evaluating rate impacts for the Village's proposed capital outlay.

NEW ELEVATED TANK NO. 4

City of Loves Park, Illinois

Juliet served as the Project Engineer for Elevated Tank No. 4, which would serve Pressure Zone 2 without elevated storage. Her responsibilities included engineering design markups, coordinating with vendors, developing technical specifications and assisting with client coordination.

WATER TOWER NO. 2

Village of Pingree Grove, Illinois

Juliet served as the Project Engineer, and her responsibilities included the design of the site's civil utilities, stormwater management and site grading, engineering design markups of the tank and internal components, and coordination with the client on the future development of an on-site, new shallow well that would be routed to the Village's Water Treatment Plant.

SOUTHGATE SUBDIVISION WM REPLACEMENT AND FULL DEPTH RECLAMATION

City of St. Charles, Illinois

Juliet serves as the Project Engineer for a full-depth reclamation project, including water main replacement. She is designing the water main alignment and construction plans, which incorporate the City's identified sidewalk, curb, and gutter removals and replacements based on field inspections.

CREEKSIDE RESIDENCES DEVELOPMENT

Rockford Housing Development Corp. | City of Rockford, Illinois

Juliet served as the Project Engineer for a private development on an Illinois Environmental Protection Agency Brownfield site in Rockford. Her responsibilities included the stormwater system, utility connections for water and sewer, design capacities, site grading and client communications across multiple disciplines.



Cost Proposal

The following cost breakdown divides each item by task for the Village to consider. We are prepared to finalize the scope and fee through negotiation as needed. Reimbursable expenses are included within the tasks for the Project Kickoff Meeting and the planned Board Presentation for travel to and from our Rockford office.

Project Tasks		Fee
1	Project management	\$2,615
2	Data collection and project Kickoff Meeting	\$2,253
3	Construct rate model and proposed rate structures	\$8,615
4	Sample neighboring rates and bill comparisons	\$1,631
5	Report and presentation	\$9,941
Total Project Cost		\$25,055



EXCLUSIONS

The following items are **not** included in the scope of services proposed here within:

- » Determination of a Minimum Fund Balance Policy.
- » No more than four unique sample customer bills will be evaluated for the purposes of evaluating impacts of proposed rate adjustments.
- » Re-evaluation of connection/tap on fees.
- » Certified Public Accountant approval.
- » Billing software implementation of rate structure.
- » Water Master Planning for the purposes of developing a refined Capital Improvement Plan.
- » Economic and environmental studies.
- » Permitting.
- » Funding and grant applications.

Any of the above services can be performed at an additional cost to the project upon request.



Municipal Water Rate Study Example



Village of Winnebago

Water User Rate Study

Project No.: 21-467

October 2021



200 Prairie Street
Suite 208
Rockford, Illinois 61107

Prepared for:

Village of Winnebago
108 West Main Street
Winnebago, Illinois 61088

www.fehrgraham.com
Insight. Experience. Results.

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Exhibits

Exhibit A – General Location Map

Exhibit B – Village of Winnebago Water Utility Overview Map

Exhibit C – Current and Previous Water Rate Ordinance

Exhibit D – Financial Statements for FY2017, FY2018, FY2019 and FY2020

Exhibit E – Financial Projections Worksheet

ABBREVIATIONS

Ac.	Acre
Avg.	Average
CF or cu. Ft.	Cubic Feet
CWA	Clean Water Act
ct	Counts
DAF	Design Average Flow or Daily Average Flow
Dia.	Diameter
DMF	Design Maximum Flow or Daily Maximum Flow
DY20xx	Design Year 20xx
EPA	Environmental Protection Agency
FEMA	Federal Emergency Management Agency
FPA	Facilities Planning Area
°F	Degrees Fahrenheit
FRSA	Four Rivers Sanitation Authority
Ft.	Feet
FWS	Free Water Surface
FY	Fiscal Year
gal.	Gallons
gpcd	Gallons per capita per day
gpd	Gallons per day
gpm or GPM	Gallons per minute
HP	Horsepower
Hr.	Hour
IAC	Illinois Administrative Code
ID	Identification
IDNR	Illinois Department of Natural Resources
IEPA	Illinois Environmental Protection Agency
ISWS	Illinois State Water Survey
KW	Kilowatt
Lbs. or #	Pounds
L.F.	Linear Feet
MCL	Maximum contaminate limits
MG	Million gallons
MGD	Million gallons per day
mg/L	Milligrams per liter
MHI	Median household income

ABBREVIATIONS

mL	Milliliter
Mo.	Month
NPDES	National Pollutant Discharge Elimination System
O&M	Operation and Maintenance
O&M&R or OMR	Operation, Maintenance and Replacement
P.E.	Population Equivalent
pH	The negative logarithm of the hydrogen ion concentration
PLC	Programmable Logic Controller
ppd	Pounds per day
PWS	Public Water Supply
PWSLP	Public Water Supply Loan Program
SCADA	Supervisory Control and Data Acquisition
SF or sq. ft.	Square Feet
SHPO	State Historic Preservation Office
SWD	Side Water Depth
TDH	Total Dynamic Head
TMDL	Total Maximum Daily Load
USACOE	United States Army Corps of Engineers
USDA	United States Department of Agriculture
USEPA	United States Environmental Protection Agency
USGS	United States Geological Survey
UV	Ultraviolet (as in UV disinfection)
WQS	Water Quality Standards
WRF	Water Reclamation Facility
WTP	Water Treatment Plant

REFERENCES

1. U.S. Census Bureau, 2006-2018 Census data, (www.census.gov)

1.0 INTRODUCTION

1.1 Study Purpose and Scope

This report has been prepared at the direction of the Village of Winnebago, as authorized by an agreement with Fehr Graham executed May 10, 2021. The purpose of this report is to evaluate the current water utility rates and future maintenance and expansion needs of the system to provide recommendations for future water utility rates. The overall goal of this study is to determine the necessary rate adjustments, if needed, to keep the Village of Winnebago's water enterprise fund self-supporting.

This report will consider the following characteristics of the planning area to determine which future water rate adjustment approach is best suited to meet the present and future needs of the Village:

- Existing physical and economic characteristics.
- Existing water distribution infrastructure.
- Future physical, demographics and economic characteristics.

From the assessment of the above, the following considerations will be made to determine an appropriate rate structure that will provide the necessary financial resources to operate and maintain and improve the Village of Winnebago's water infrastructure.

It is important to distinguish that the Village of Winnebago Water Department is a Public Utility. Public utilities are usually owned by a city, county, or special governing district, and are operated on a zero-profit basis over the long term. However, during short periods of time a surplus or deficit may exist. A public utility is a locally owned organization since its customers are also its owners. Public utilities, like the Village of Winnebago Water Department, are capitalized or financed by issuing debt or soliciting funds from customers through capital contributions or user rates. Public utilities are typically tax-exempt organizations and are governed by a board or a council. The Village of Winnebago, including its water department, is governed by a publicly elected board of trustees.

1.2 Generally Accepted Rate Setting Principles

For practicality, utility providers should consider setting their usage rates around generally accepted or global principles and guidelines. With this in mind, utility rates should be:

- Cost-based, equitable, and set at a level that meets the utility's revenue requirements fully.
- Easy to understand and administer.
- Designed around generally accepted rate-setting techniques.
- Stable in their ability to provide adequate revenues to meet the utility's financial, operations and maintenance, and regulatory requirements.
- Established at levels that are stable from year to year.

This study was created utilizing these guiding principles to help develop cost-based rates that are equitable for the community while keeping the capital needs of the system in mind.

1.3 General Background

1.3.1 Project Location

The Village of Winnebago serves residents and other customers within and outside the corporate limits of the Village and is located in the southwest portion of Winnebago County, Illinois. See Exhibit A for a map of the general location of the Village of Winnebago.

1.3.2 Median Household Income

The current Median Household Income (MHI) for the Village of Winnebago according to the US Census 2019 American Community Survey data is \$83,005.00. This is 26% higher than the State of Illinois average MHI of \$65,886.

1.3.3 Historic and Future Population

The following table indicates an increase in population for the Village of Winnebago from 1990 through 2010, but growth has slowed since the economic recession of 2008. Based on the population trends, minimal population growth could be anticipated over the next 20 years. With these findings in mind, we will assume no more than 3% population growth over the next 20 years for the purposes of this report.

Table 1.3.3 - Population Data Over Time

Year	Population
1990	1,840
2000	2,958
2010	3,101
2019 (est.)	2,991

1.3.4 Existing and Future Water Demand

The Village of Winnebago produces and distributes potable water from three municipal water wells. Currently, the Village does not treat any water produced from its wells. Current system water supply data is shown in Table 1.3.4 for assessment of the water system. Water supplied over time has increased slightly, though increases could occur with population growth. For the purposes of this report, and using the data provided in Table 1.3.4 below, it can be assumed that increases to the average supply of water should be minimal for future planning purposes.

Table 1.3.4 - Average System Supply from Village of Winnebago Public Works

Year	Supply
2010	0.19 MGD
2015	0.19 MGD
2020	0.20 MGD

2.0 EXISTING FACILITIES AND RATE STRUCTURE

The Village of Winnebago is a municipal corporation that owns and operates the water distribution network. The Village's water infrastructure consists of three shallow water potable water wells, the main distribution network, system valves, fire hydrants, two elevated storage tanks, water services, and water meters.

2.1 Existing Water Distribution System

The Village's distribution system is generally depicted on the map provided in Exhibit B. The distribution system consists of a single pressure zone. The distribution system consists of approximately 27 miles of 4- to 12-inch water mains, control valves, fire hydrants, and two elevated storage tanks. Pipe materials are generally asbestos cement (transite), ductile iron, cast iron, and PVC.

2.2 Current Water System Revenues and Expenditures

2.2.1 Current Monthly Water Rate Structure

Currently, all water system charges including usage fee revenue, water meter fees, late payment penalties, water shut off/turn on fees, and connection fees are deposited into the water enterprise fund. This fund is the main financial vehicle for the Village of Winnebago's water supply operations paying for operational expenses and routine maintenance for the equipment. The Village's last rate increase took place in 2017, adopting new water rates. Refer to Exhibit C for copies of current and previous water and sewer rate ordinances. Garbage and recycling fees for the Village are collected through the water enterprise fund, but the expenses are also paid out of the same fund so this revenue generation can be considered a majority pass-through cost that should not be considered in future financial planning for the use of water department generated funds.

The current water rate fixed administrative fee structure can be seen in the following tables based on the most recent water rate ordinance passed by the Village Board in 2017:

Resident Monthly Fixed Water Administration Fees

	FY2017	FY2018	FY2019	FY2020	FY2021
<1" Service	\$4.70	\$4.90	\$5.00	\$5.00	\$5.00
1.25" to 1.5" Service	\$9.40	\$9.80	\$10.00	\$10.00	\$10.00
2" Service	\$15.04	\$15.68	\$16.00	\$16.00	\$16.00
3" Service	\$30.96	\$32.28	\$33.00	\$33.00	\$33.00

	FY2017	FY2018	FY2019	FY2020	FY2021
4" Service	\$45.43	\$47.36	\$48.00	\$48.00	\$48.00
6" Service	\$94.90	\$98.93	\$101.00	\$101.00	\$101.00

Non-Resident Monthly Fixed Water Administration Fees

	FY2017	FY2018	FY2019	FY2020	FY2021
<1" Service	\$7.05	\$7.35	\$7.50	\$7.50	\$7.50
1.25" to 1.5" Service	\$14.10	\$14.70	\$15.00	\$15.00	\$15.00
2" Service	\$22.56	\$23.52	\$24.00	\$24.00	\$24.00
3" Service	\$46.44	\$48.42	\$50.00	\$50.00	\$50.00
4" Service	\$68.15	\$71.04	\$72.00	\$72.00	\$72.00
6" Service	\$142.35	\$148.40	\$151.00	\$151.00	\$151.00

Resident Monthly Fixed Sewer Administration Fees

	FY2017	FY2018	FY2019	FY2020	FY2021
<1" Service	\$4.70	\$4.90	\$5.00	\$5.00	\$5.00
1.25" to 1.5" Service	\$9.40	\$9.80	\$10.00	\$10.00	\$10.00
2" Service	\$15.04	\$15.68	\$16.00	\$16.00	\$16.00
3" Service	\$30.96	\$32.28	\$33.00	\$33.00	\$33.00
4" Service	\$45.43	\$47.36	\$48.00	\$48.00	\$48.00
6" Service	\$94.90	\$98.93	\$101.00	\$101.00	\$101.00

Non-Resident Monthly Fixed Sewer Administration Fees

	FY2017	FY2018	FY2019	FY2020	FY2021
<1" Service	\$7.05	\$7.35	\$7.50	\$7.50	\$7.50
1.25" to 1.5" Service	\$14.10	\$14.70	\$15.00	\$15.00	\$15.00
2" Service	\$22.56	\$23.52	\$24.00	\$24.00	\$24.00
3" Service	\$46.44	\$48.42	\$50.00	\$50.00	\$50.00
4" Service	\$68.15	\$71.04	\$72.00	\$72.00	\$72.00
6" Service	\$142.35	\$148.40	\$151.00	\$151.00	\$151.00

In addition to the above administrative fees that both resident and non-resident users pay, there is a usage rate for the amount of water that residents are using based on readings of the water meter. These usage rates, based on every 1,000 gallons used, can be seen below in the following tables:

Resident Water Usage Rates

FY2017	FY2018	FY2019	FY2020	FY2021
\$2.80	\$3.20	\$3.30	\$3.30	\$3.30

Non-Resident Water Usage Rates

FY2017	FY2018	FY2019	FY2020	FY2021
\$4.20	\$4.80	\$4.95	\$4.95	\$4.95

2.2.2 Regional Water Rate Comparison

As seen in the table below, the average monthly cost for residential water usage in the Village of Winnebago is currently above the regional average when a comparison is performed of stated municipal or water district rates as of July 2021. However, with differences in population, demographics, household income, etc., among these communities, this comparison should not be the sole factor in determining whether a rate increase is or is not justified. The numbers in the table below are based on a 3/4" residential water meter and incorporate all of the fees that the individual communities have implemented through their water rate ordinances including administrative fees and capital fees. An important item for consideration is that while rates can be compared on paper, needs of each community can vary greatly depending on existing infrastructure needs. For example, some of the comparable communities may have to replace lead service lines, update wells, install water treatment, replace water main, etc. The Village of Winnebago is in a relatively unique position compared to surrounding communities due to the debt obligation to the Four Rivers Sanitation Authority that is being collected through a capital improvement water usage fee and the large amount of transite water main that exists within the Village. If the capital debt for the Four Rivers Sanitation Authority was removed from the water billing, the Village of Winnebago would be in the lower quarter of average monthly water billing when compared to regional water utilities.

Table 2.2.2A - Regional Water Billing Comparison Chart

Item	Average Bill for 4,000 Gallons	% of MHI	Average Bill for 6,000 Gallons	% of MHI
South Beloit - IAW	\$49.47	0.98%	\$58.63	1.16%
Rockton	\$29.88	0.40%	\$34.84	0.46%
Roscoe - NPW	\$32.37	0.42%	\$40.79	0.53%
Machesney Park - NPW	\$32.37	0.53%	\$40.79	0.77%
Loves Park	\$25.23	0.51%	\$29.22	0.59%
Rockford	\$31.96	0.87%	\$39.61	1.07%
Byron	\$33.84	0.66%	\$41.14	0.80%
Stillman Valley	\$33.34	0.68%	\$41.74	0.85%
Forreston	\$37.52	0.83%	\$49.96	0.83%
Freeport	\$33.84	1.02%	\$37.76	1.13%
Lena	\$18.10	0.39%	\$22.40	0.48%
Stockton	\$38.31	1.05%	\$46.31	1.27%
Galena	\$28.16	0.43%	\$39.08	0.61%
Pecatonica	\$49.49	1.05%	\$65.29	1.39%
Average	\$33.98	0.70%	\$41.45	0.85%
Village of Winnebago	\$45.00	0.65%	\$65.00	0.94%

Due to the variation in total monthly water bill totals for the surrounding communities, it was decided to analyze the usage rates that these local communities are charging consumers as this will eliminate outliers in the data due to capital fees or administrative fees that are not uniform across all municipalities or water districts. Although each community may have its usage fee structure set up with different units, for the purposes of this study they have all been converted to a per 1,000-gallon rate.

Table 2.2.2B - Regional Usage Fee Comparison Chart

Item	Usage Fee Per 1000-Gallons
South Beloit - IAW	\$4.57
Rockton	\$2.47
Roscoe - NPW	\$4.21
Machesney Park - NPW	\$4.21
Loves Park	\$3.87
Rockford	\$3.82
Byron	\$3.65
Stillman Valley	\$4.20
Forreston	\$7.72
Freeport	\$1.96
Lena	\$2.15
Stockton	\$4.00

Item	Usage Fee Per 1000-Gallons
Galena	\$5.46
Pecatonica	\$7.90
Average	\$4.30
Village of Winnebago	\$3.30

The average rate paid per 1,000-gallons is \$4.07 and the standard deviation of rates from the surrounding communities is \$1.45. The standard deviation can be used to determine a range of fees that would be considered normal. This is done by adding and subtracting one standard deviation from the average user fee. Therefore, charges outside of the range of \$2.62 and \$5.52 for each 1,000 gallons consumed would be abnormal for the area. The Village of Winnebago's current water rate structure falls closer to the lower end of the standard deviation for the average regional water usage rates. It is recommended that the Village increase to a rate structure that will stay within this standard deviation range within the next five years while still staying competitive with local municipalities and water districts.

2.2.3 Annual Operating Revenues

The reported rates mentioned above, and the Village's capital fee structure generated approximately \$870,000 annually for the water enterprise fund between 2017-2020. There is an additional revenue line item for Intergovernmental Revenue that is the "Rock 39" maintenance agreement. This item averages approximately \$66,000 annually. The Village of Winnebago also levys a 1% sales tax that generates an average of \$217,000 annually to the water enterprise fund. The Village's financial audits can be found in Exhibit D for 2017-2020.

2.2.4 Annual Operating Expenses

Due to the debt obligation that the Village of Winnebago has incurred from the connection to the Four Rivers Sanitation Authority, the average annual expenses over the last 4 years are consistently increasing as user rates and the capital fee having remained flat after increasing in 2019. In 2021, the Village will begin making payments on the third and final amortized debt obligation to FRSA and will owe a total of \$415,653 annually until 2038 when the first loan is paid in full. For budgetary purposes, the Village incurred the full amount of principal from these loans as an expense in 2018 for \$6,535,965. Although the Village did not make the full payment on this debt in 2018, it incurred the long-term debt against its total net position and is now paying interest on the loans as an annual operating expense and

making payments on the principal from cash reserves. For the purposes of this report, we have not included this large debt in the total net position of the Village and have shown the interest and principal being paid each year against the net position of the water enterprise fund. Another added expenditure to the water enterprise fund was the addition of an administrative staff member being paid out of the annual operating budget for the water department. This cost is reflected in all future estimations of annual expenses. In addition to the additional annual expenses, the future expenses also reflect an anticipated Consumer Price Index increase of 2% annually. This is in line with historical data over the previous 10-years and assumes that levels during the COVID-19 pandemic are outliers compared to historical data.

2.2.5 Appropriate Account Reserves

AWWA provides guidelines for appropriate reserve levels based on the size of the utility and its operating expenses. One metric that is used is to determine a length of time that the utility would like to have dedicated reserves to account for operating expenses. The typical range of time is one to three months of operating expenses. Excluding capital improvements, average monthly operating costs for the Village's water system are \$86,374. Assuming three months of operating expenses are to be kept on hand, the balance of the water fund must be at least \$259,121. The fund currently far exceeds this amount, so by this standard, the water enterprise fund is in good standing by AWWA guidelines.

2.2.6 Existing Debt Obligation to Four Rivers Sanitation Authority

Due to the deterioration of the existing wastewater treatment facilities in the Village of Winnebago, a decision was made and approved by the Village Board to connect the Village of Winnebago to the Four Rivers Sanitation Authority (Formerly known as Rock River Water Reclamation District). This decision did not come without a significant financial burden to the Village. The total cost incurred for this conversion was \$11,104,141.24. To date, the Village has paid 24.6% of this cost. The table below shows the debt obligations that the Village took on as part of the connection project.

Table 2.2.6 - Debt Obligation to Four Rivers Sanitation Authority

Project	Construction Amount	Loan Period	Annual Loan Payment
Rehabilitation	\$2,053,008.25	N/A	Paid in Full
Plant Buy-In	\$676,370.00	N/A	Paid in Full
Trunk Line Phase C	\$4,675,725.00	Jan 2019 - July 2038	\$278,785.64

Project	Construction Amount	Loan Period	Annual Loan Payment
Pump Stn Elim/Plant Conv.	\$1,374,542.99	Aug 2019 - Feb 2039	\$81,830.18
Parallel Trnk/Upgr.-Corners*	\$2,324,495.00	Dec. 2021 - Jun 2041	\$55,037.62
Lump Sum Cash Payment		Dec. 2021 - One Time	\$1,400,000.00
Totals	\$11,104,141.24		\$415,653.44

*\$1,400,000.00 Lump Sum cash payment taken from \$2,324,495.00 cost for the Parallel Trunk/Upgrade-Corners project cost.

Total financed debt obligation \$924,495.00.

The Village of Winnebago will be making bi-annual payments to the Four Rivers Sanitation Authority totaling \$415,653.44 per year until the first loan is paid off in July of 2038 when the annual obligation drops to \$136,867.80. In February 2039, the total annual payment amount will drop to \$55,037.62. For the sake of this analysis, we are not considering a scenario where this debt drops away from the annual expenses incurred by the Village of Winnebago due to the remaining length of the loans encompassing a much longer period than the recommended length of the rate increases in this analysis.

2.2.7 Existing Debt Obligation the Illinois Environmental Protection Agency

In 2014, the Village of Winnebago decided that there was a need for the construction of a new elevated storage tank to provide additional potable water storage capacity for residents. The total project cost was \$2,265,000 and the IEPA forgave \$650,000 making the total debt obligation for the project \$1,615,000. Upon completion of this project in 2014, the Village began making payments on the following schedule as seen in the table below. The Village pays for this debt obligation with both user-generated revenue and revenue from the annual 1% sales tax that is credited to the water enterprise fund. The current 1% sales tax is active through the year 2032. Should the sales tax not be extended by the citizens of the Village in 2032, the Village will be in a position where there is not enough revenue being generated to pay off debt obligations and fund future necessary capital improvements without supplemental increases in the water usage rates to offset the 1% sales tax loss.

Table 2.2.7 - Debt Obligation to Illinois Environmental Protection Agency

Project	Construction Amount	Loan Period	Annual Loan Payment
Water Tower	\$1,615,000	Jan 2014 - Jan 2035	\$97,940

3.0 CAPITAL IMPROVEMENT FINANCING AND USER RATE CALCULATIONS

The Village of Winnebago's desired water utility capital improvement plan, as detailed in Section 3.1, will require significantly higher capital expenditures than the current fund can support. If the projected projects are to take place at the pace that the Village desires, \$4,148,000 of the total capital improvement project costs would be spent over the next five years. In comparison, a minimal amount of capital expenditure has been spent over the past two years for water system improvements. The increase in spending cannot be accomplished solely through raising user charges. In order to provide rate recommendations, several methods will be used to calculate the proposed user rates. The following sections details the capital planning methodology and details each method used for capital financing. The section concludes with a summary of the calculations and recommended approach for updated the rate structure.

3.1 Capital Improvement Plan

The Village of Winnebago water department has identified a list of capital improvement needs to adequately upgrade the Village's water supply and distribution network. This section will detail the needs of the system and demonstrate the financial obligations that these projects incur on the Village.

3.1.1 Desired Water Utility Capital Improvement Projects

The following Table 3.1.1 details the desired water utility capital improvement projects that were identified in discussions with Village of Winnebago public works representatives. It is our understanding that these projects are intended to be completed over the next 10-15 years due to the required capital commitment for each. The public works department has also indicated that they desire to have an average net increase in position of \$75,000 each year to assist in the completion of smaller improvement projects that are not necessarily identified in the projects below. This money could also be used to cover non-routine operations and maintenance expenses.

Table 3.1.1 Desired Capital Improvement Projects

Capital Project	Estimated Project Cost
Well #5 Construction	\$1,200,000.00
Transite Water Main Replacement	\$3,000,000.00
Residential Water Main Replacement (Cunningham, Clayton, Swift, Winnebago, Pecatonica)	\$1,868,000.00
Swift/School Water Main Looping	\$334,000.00
McNair Water Main Replacement	\$172,000.00

Capital Project	Estimated Project Cost
Elida Water Main Looping	\$300,000.00
Soper Water Main Looping	\$405,000.00
Winnebago Water Main Looping	\$1,080,000.00
Winnebago Highlands Water Main Looping	\$450,000.00
Total Capital Project Costs	\$8,810,000.00

3.1.2 Current Capital Improvement Charges

Currently, the Village of Winnebago charges consumers a capital fee to fund its annual Four Rivers Sanitation Authority debt obligations that are based on user consumption. Setting a capital fee based on usage carries an implied risk that the utility may not cover the annual capital debt obligation should consumption levels be lower than the average that was used to establish the capital fee. In these situations, the utility would be operating at a deficit for capital expenditures. With this in mind, it is recommended that future capital charges for consumers are based on a flat fee structure instead of usage-based. The information below shows the Village's annual capital usage fee that is currently used to satisfy debt obligations for the Four Rivers Sanitation Authority. The Village of Winnebago also supplements its debt obligations through a 1% sales tax that is in place through 2032 and currently generates approximately \$210,000 in revenue annually. This will help to account for any shortages from the capital fee user rate and the existing IEPA SRF loan for the water tower.

Current Capital Improvement Usage Fee for Sewer Hookup

FY2017	FY2018	FY2019	FY2020	FY2021
\$6.20	\$6.20	\$6.70	\$6.70	\$6.70

3.1.3 Capital Requirements to Complete Capital Improvements

To adequately demonstrate the amount of capital needed for the completion of the CIP plan over the next 15 years, we have broken out multiple scenarios for how the Village can choose to modify its water rate structure to fund these projects.

Scenario 1 - Local Water Enterprise Fund Cash Pay-As-You-Go Approach

In this scenario, the Village of Winnebago would commit to completing the capital improvement plan by utilizing only local funds from the water enterprise account. Utilizing this approach, the Village would need to have approximately \$587,335.00 available annually to cover the project costs. With a current consumer base of approximately 1,130 users, it would cost Village of Winnebago water users

approximately \$43.31 per month to cover these capital expenses. Currently, the \$6.70 per 1,000-gallon charge is costing users approximately \$35.51 per month (assumed 5,300-gallon average consumption per month) to cover the Four Rivers Sanitation Authority debt obligation. Putting this additional fee on the users for a total of \$78.82 in monthly capital fees is not a feasible option for the Village to stay within the regional average billing totals for water utilities. This would also immediately raise the average water bill to over 1.41% of the Village's median household income compared to the current amount of 0.86% of MHI as mentioned in Section 1.3.2. This option was eliminated from consideration after discussions with Village staff.

Scenario 2 - Locally Funded Selective Project Approach over 5 years

In this scenario, the Village of Winnebago would pare down the Capital Improvement Plan to select projects that would have the greatest impact on the water system and could be constructed within the next five years. The projects included in this analysis are:

Locally Funded 5-Year Project Breakdown

Year	Project	Estimated Cost
FY22	McNair Water Main Replacement	\$172,500.00
FY23	Swift/School Water Main Looping	\$334,500.00
FY24	Residential Water Main Replacement	\$1,868,000.00
FY25	Transite Water Main Replacement	\$1,080,000.00
FY26	Well #5 Construction	\$1,200,000.00
	Total Capital Costs	\$4,655,000.00

To take on these projects within five years, the Village would need to be able to generate \$931,000.00 per year in additional capital fee revenue. Taking the same approach as Scenario 1, this would result in an additional capital charge of \$68.66 per month to users. This is a higher amount than what resulted from Scenario 1. This option was eliminated from consideration after discussions with Village staff.

Scenario 3 - Combined Local Funding and IEPA SRF Funded 5-year Plan

In this scenario, the Village would pay for the proposed projects with a mixture of both local user-generated revenues, and long-term, low-interest loans from the IEPA SRF program. The IEPA SRF program allows municipal water utilities to amortize costs over a period of 20 years at an annually established interest rate. Current rates are 1.11% but are subject to change annually. By using the IEPA

SRF approach to funding the capital improvement plan projects, the Village would be able to implement capital fees on a flat-fee basis as the projects are constructed. Planning processes involved in the IEPA SRF process help to determine the specifics of the loan amount, interest rate, and period. Any debt obligation incurred through an IEPA loan would require prior approval from the Village Board, which gives the community the input on the approach to this funding mechanism. These fees would only be added to the water rate structure once the projects are approved for design and construction. As this scenario is the most cost-effective for the consumer base, it will be the recommended approach to financing the capital improvement plan.

3.2 User Rate Calculations

As the capital improvement plan is financed using both local dollars and low-interest loans, the Village of Winnebago Public Works Department has also expressed a desire to increase its usage-based revenue to keep up with increasing costs of system maintenance. As regulatory requirements increase and equipment becomes more mechanically complex, the costs of operations and maintenance for the water system increase.

3.2.1 Current Financial Conditions

Upon a financial review of the Village of Winnebago's annual audits from 2017-2020, it can be noted that the Village's current rate structure is putting the water department in a net positive position of an average of \$125,212 annually. This annual increase in net position gives the water department added flexibility when it comes to operational and maintenance expenses. However, the costs of annual maintenance are increasing, and there is upcoming well maintenance required for Wells 2, 3 and 4 that has not previously been factored into future financial projections. At the end of 2021, the Village of Winnebago will begin making payments on the final phase of the Four Rivers Sanitation Authority project that will cost the water enterprise fund an additional \$55,000 annually. The public works department has expressed a desire to establish water rates at a level that is going to produce an additional \$75,000 of capital for projects that can be added to the current budgetary line item for water sewer upgrades of \$75,000 for a total anticipated capital expense averaging \$150,000. The Village's financial projections worksheet can be found in Exhibit E.

4.0 RECOMMENDATIONS

4.1 User Rate Increase

The overall goal for this user rate increase is to generate an additional \$75,000 annually in revenue for the water department to provide funding for the identified capital improvement projects list.

Throughout the course of this study it was determined that the following rate structure will need to be implemented for the Village of Winnebago over the next five years on a per 1,000-gallon basis:

Table 4.1 - Proposed User Rate Increase

Year	FY2022	FY2023	FY2024	FY2025	FY2026
Increase	10%	8%	8%	5%	3%
Rate	\$3.63	\$3.92	\$4.23	\$4.45	\$4.58

Table 4.2 - Proposed Water Administration Fixed-Fee Rate Increase

Year	FY2022	FY2023	FY2024	FY2025	FY2026
Increase	10%	8%	8%	5%	3%
Rate	\$5.50	\$5.94	\$6.42	\$6.74	\$6.94

This user rate increase also accounts for an additional \$300,000 in operations and maintenance expenses that the Village of Winnebago water department is anticipating for well and elevated storage tank maintenance activities. It should be noted that these rates are for a residential 3/4" water service and that the goals of this water rate study are only met should Section 4.4 of this report be accommodated. To adequately increase the revenue of the water system, all usage rates for the various service sizes should be modified to match the percentage increases proposed to the 3/4" water service usage rates.

4.2 Capital Improvement Plan Funding

Capital Improvement Plan funding should be paid for on a pay-as-you-go basis with a flat monthly user fee implemented to cover the established annual debt service for projects that are going to be financed through the IEPA SRF low-interest loan program. The figure below details the anticipated project costs and the monthly fee associated with them. It should be noted that the Village of Winnebago would not implement these fees until a loan agreement has been signed with the IEPA. This flat fee can be added to the water rate structure via a modification to the ordinance when the Village board authorizes the water department to proceed with the projects.

Table 4.3 - Capital Improvement Project Debt Obligation Breakdown

Project	Total Cost	Monthly Debt Service Flat Fee
Residential Water Main Replacement	\$1,868,000	\$7.61
Transite Water Main Replacement	\$1,080,000	\$4.40
Well #5 Construction	\$1,200,000	\$4.88

4.3 Current Capital Obligation Funding

Upon analysis of the current capital collection structure, the Village of Winnebago is currently collecting sufficient funds with its capital charge for the sewer connection to cover the annual debt service obligations to the FRSA loans. In 2020 the Village collected \$477,442 from this capital fee while expenses were \$360,615. Beginning in 2022 the Village will incur the full annual debt service obligation to FRSA for a total of \$415,653.44. Based on this information, the capital fee for the sewer connection is collecting sufficient funds to pay for this debt. The Village is using the 1% sales tax to assist in the annual debt service obligation of \$97,940 to the IEPA for the tower project completed in 2014. In 2020, sales tax revenue was \$248,647. This sales tax is funding both the IEPA debt service and supplementing additional water department expenses.

While the Village is currently generating enough revenue between the sales tax and the capital fee based on usage, we recommend that the Village considers implementing a flat fee structure to satisfy debt obligations in the future. This will mitigate risk from consumption variation that may result in the Village not generating enough revenue to cover its debt obligations without having to pull cash from reserves. For reference, a flat fee for both the FRSA and IEPA debts would be \$30.63/mo and \$7.22/mo respectively.

4.4 American Rescue Plan Act Funding

In 2021, the United States Federal Government announced the American Rescue Plan Act of 2021 which included an allotment of funds for municipalities across the nation. The funding is being administered through the State of Illinois and will consist of 2 payments. The first in 2021 and the second in 2022. The Village of Winnebago will be receiving a total of \$406,610 to be used for water, sewer or broadband projects. This funding can be used for a wide variety of capital improvements or operations and maintenance related expenses, but cannot be used to pay down existing debt obligations. After discussions with the Village of Winnebago regarding the allocation of the received ARPA funding, we

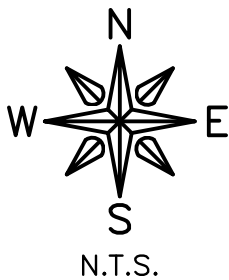
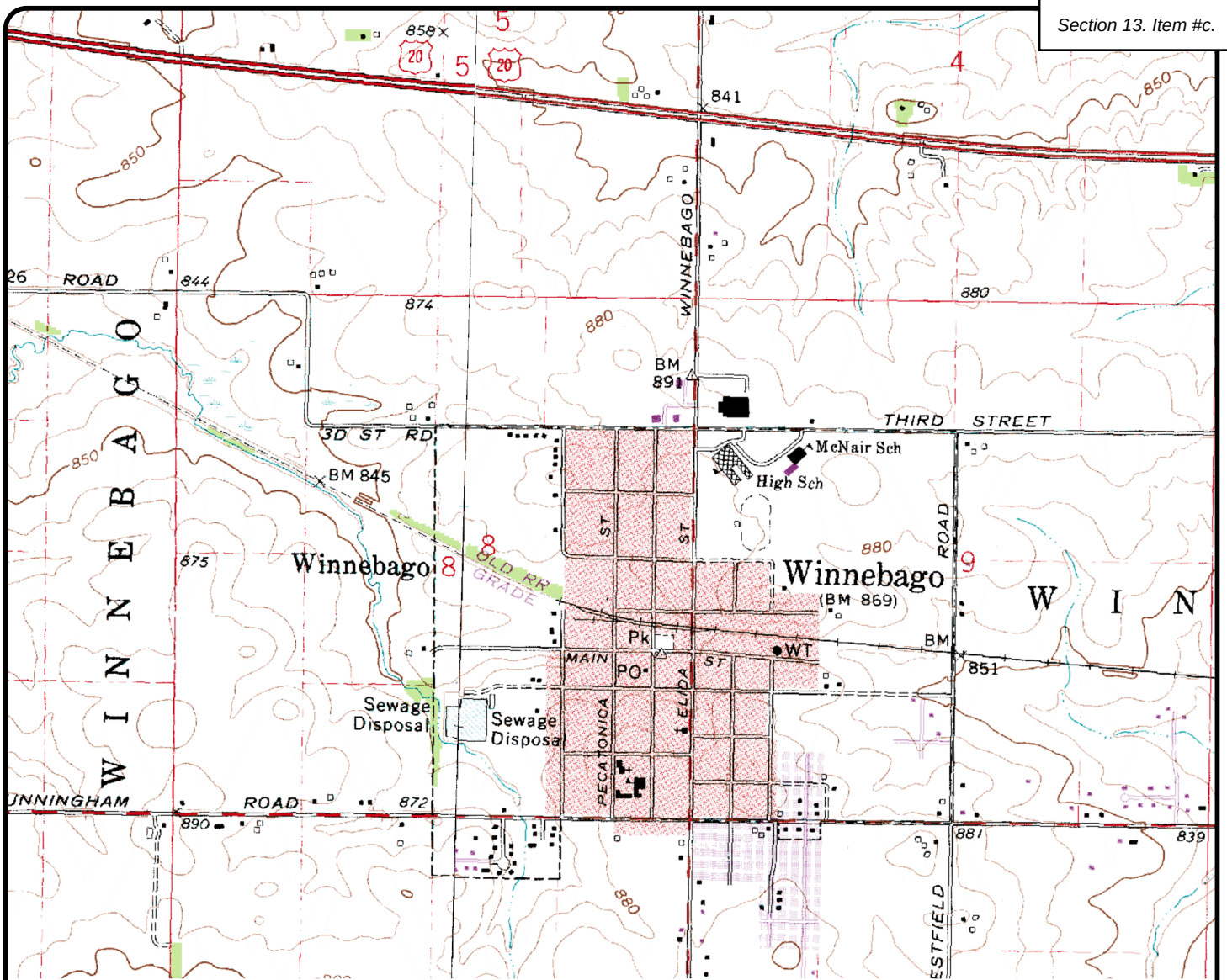
have factored in 50% of these funds to the total capital increase calculations. This has allowed the water department to recommend a much lower water rate increase than what would have been necessary should the ARPA funding not be allocated to water improvements. For reference, the rate increase structure required to obtain the minimum capital funding required by the water department would have been 15% in the first year followed by 12%, 12%, 8%, 5% in the subsequent four years.

O:\Winnebago, Village of\21-467 - Water User Rate Study\PA Final\21-467 - Winnebago Rate Study 10-29-2021.docx

Exhibits

Exhibit A

General Location Map



SITE LOCATION MAP VILLAGE OF WINNEBAGO WINNEBAGO, IL 61088

09/20/21

FEHR GRAHAM

ENGINEERING & ENVIRONMENTAL

ILLINOIS DESIGN FIRM NO. 184-003525

ILLINOIS

IOWA

WISCONSIN

Exhibit B

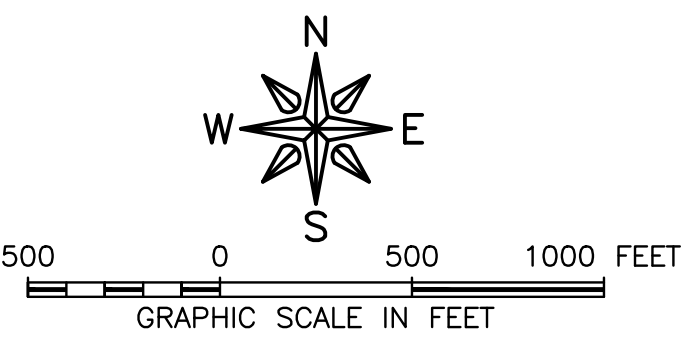
Village of Winnebago Water Utility Overview Map

WATER DISTRIBUTION MAP
VILLAGE OF
WINNEBAGO
WINNEBAGO COUNTY,
ILLINOIS



LEGEND

- VILLAGE LIMITS
- PLATTED LOT LINES
- UNPLATTED OWNERSHIP LINE
- EXISTING HYDRANT & NUMBER
- EXISTING VALVE
- WATER SERVICE 1 1/4"
- WATER MAIN 3"
- WATER MAIN 4"
- WATER MAIN 6"
- WATER MAIN 8"
- WATER MAIN 10"
- WATER MAIN 12"
- MUNICIPAL WELL LOCATION
- WATER TOWER LOCATION



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ILLINOIS DESIGN FIRM NO. 184-003525

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12/06/17

Exhibit C

Current and Previous Water Rate Ordinance

ORDINANCE NO. 2017 - 01

**AN ORDINANCE ESTABLISHING NEW WATER RATES AND FEES FOR THE USE OF
AND SERVICE SUPPLIED BY THE WATERWORKS SYSTEM OF THE VILLAGE OF
WINNEBAGO, SEWER CONNECTION FEES FOR ONLY THOSE PROPERTIES
IDENTIFIED IN THE INTERGOVERNMENTAL AGREEMENT BETWEEN THE
VILLAGE OF WINNEBAGO AND THE ROCK RIVER WATER RECLAMATION
DISTRICT; AND A CAPITAL FEE**

WHEREAS, the Village of Winnebago operates a potable water system within the Village, and has previously established rates for the usage of its water system; and

WHEREAS, the Village of Winnebago conveyed ownership of its sewer collection system and treatment facility to the Rock River Water Reclamation District by Intergovernmental Agreement (IGA) between the Village of Winnebago and Rock River Water Reclamation District dated December 21, 2011, with amendment thereto dated April 3, 2012, and with the acquisition approved by the Winnebago County Circuit Court in Case No. 2012-MR-339 on May 11, 2012; and

WHEREAS, Rock River Water Reclamation District operates the sewer system servicing the Village of Winnebago, as per the IGA; and

WHEREAS, the current ordinance 2011-06 as amended via Ordinance No. 2014-06, provided rates and fees through December 31, 2016, and a new ordinance is, thus, needed to provide for rates and fees after December 31, 2016; and

WHEREAS, the Board of Trustees of the Village of Winnebago feels it is in the best interest of the citizenry of the Village to establish a new ordinance providing for water rates and water meter, water connection, water administration, and water shutoff fees; sewer connection fees which apply only to those properties identified in Group Exhibit "A" to this ordinance, reflecting those properties served by the then sewage collection system identified in said exhibit at the time the aforesaid IGA was executed with the Rock River Water Reclamation District, and for which a plant buy-in fee was paid on behalf of each of the given properties by the Village of Winnebago; and a capital fee based on water usage to cover current and future capital improvements to the Village's waterworks system and to help subsidize the Village's approximate \$11,5000.00 debt incurred in conveying the Village's sewer collection system and treatment facility to the Rock River Water Reclamation District, which conveyance was at a significant savings of what would have been required for the Village to perform the necessary upgrades to its own sewer system required by the Illinois Environmental Protection Agency (IEPA); and

WHEREAS, the capital usage rate charge referenced above needs to be listed separately for water and sewer since not all properties have potential access to both water and sewer from the available infrastructure.

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Winnebago, as follows:

SECTION I – RATES AND FEES

A. IN GENERAL. The new rates and fees listed hereinbelow for the use of and for the service supplied by the Village of Winnebago shall be and hereby are established, with the rates and fees for users outside the Village of Winnebago corporate limits being 150% of the rate for the given service for users within the corporate limits of the Village of Winnebago, and with such rates and fees commencing at the beginning of the calendar year for each of the respective years listed.

B. WATERWORKS:

1. WATER METER FEES. Village resident customers must pay all associated costs for new water meter installation as determined at the time the connection permit application is submitted, and which are separate from connection fees referenced below. These costs shall include the material cost of the meter and necessary accessories, plus labor for installation and inspection. This water meter fee must be paid before the water service is turned on. For customers who are not Village residents, the cost shall be 150% of all associated costs for new water meter installation, as determined at the time the connection permit application is submitted, as referenced above. The water meter shall be the property of the Village of Winnebago, but the user shall be responsible for maintenance of the meter and replacement of the meter for any reason, including but not limited to, willful or malicious damage, negligence, or damage sustained by freezing or caused by hot water backing through the same, except for the normal scheduled replacement of the water meter by the Village after the meter's normal life expectancy which is generally 14-20 years,

2. WATER CONNECTION FEES. There shall be and hereby are established the following water connection fees based on the size of the service and whether the person or entity connecting is a Village resident or non-resident, established with the intent to collect from each new customer that customer's proportional cost of constructing the water supply, treatment, and distribution systems, and with the goal that the growth pay for itself, rather than using revenue from existing customers to subsidize the cost of meeting additional demand from new customers:

Resident Water Connection Fee Schedule

≤ 1-inch service	\$1,911.00
1.25 to 1.5-inch service	\$5,449.00
2-inch service	\$8,695.00
3-inch service	\$17,389.00
4-inch service	\$27,243.00
6-inch service	\$54,486.00

Non-Resident Water Connection Fee Schedule

≤ 1-inch service	\$2,866.00
1.25 to 1.5-inch service	\$8,173.00
2-inch service	\$13,042.00
3-inch service	\$26,084.00
4-inch service	\$40,864.00
6-inch service	\$81,729.00

The fees listed above shall not include any water used during construction. Further, if there is no Buffalo Box in place on the premises, then in addition to the above costs, \$1,500.00 shall be due. The fees listed above shall remain in effect until such time as they are amended by the Village Board of Trustees.

3. a) **MONTHLY FIXED WATER ADMINISTRATION FEES.** There shall be and hereby are established the following fixed monthly water administration fees based on water meter size to reflect the increased demand placed on the water system by higher levels of usage, and to be assessed as a base bill whether or not a given customer uses any water during a given billing period, as the monthly fixed charges are structured to cover overhead and administrative costs that remain relatively constant, such as administrative overhead, utility management, meter reading, billing, customer service, replacement of meters on a regular basis, and government-mandated permit and testing fees, with such monthly fixed water administration fees based on whether the customer is a resident or non-resident of the Village:

Resident Monthly Fixed Water Administration Fees

	FY 2017	FY 2018	FY 2019	FY2020	FY2021
< 1-inch service	\$4.70	\$4.90	\$5.00	\$5.00	\$5.00
1.25 to 1.5-inch	\$9.40	\$9.80	\$10.00	\$10.00	\$10.00
2-inch service	\$15.04	\$15.68	\$16.00	\$16.00	\$16.00
3-inch service	\$30.96	\$32.28	\$33.00	\$33.00	\$33.00
4-inch service	\$45.43	\$47.36	\$48.00	\$48.00	\$48.00
6-inch service	\$94.90	\$98.93	\$101.00	\$101.00	\$101.00

Non-Resident Monthly Fixed Water Administration Fees

	FY 2017	FY 2018	FY 2019	FY2020	FY2021
< 1-inch service	\$7.05	\$7.35	\$7.50	\$7.50	\$7.50
1.25 to 1.5-inch	\$14.10	\$14.70	\$15.00	\$15.00	\$15.00
2-inch service	\$22.56	\$23.52	\$24.00	\$24.00	\$24.00
3-inch service	\$46.44	\$48.42	\$50.00	\$50.00	\$50.00
4-inch service	\$68.15	\$71.04	\$72.00	\$72.00	\$72.00
6-inch service	\$142.35	\$148.40	\$151.00	\$151.00	\$151.00

b) A water administration fee shall also be assessed to non-metered water services that are used only for fire suppression based on the size of the service.

c) No water administration fee shall be assessed for water if the water is shut off, voluntarily or involuntarily, for the period of time that the water is shut off.

4. MONTHLY USAGE WATER RATES. In addition to the above water administration fees, there shall be the following rates established to be charged for each residential, commercial, industrial, and municipal user of the waterworks service for actual usage, per 1,000 gallons, as stated below, based on whether the user is a Village resident or non-resident, with such rates in effect from the bill mailed out February 1, 2017, covering the time period of December 30, 2016, through January 30, 2017, through services rendered through December 31st of fiscal year 2021.

Resident Water Usage Rates

FY 2017	FY 2018	FY 2019	FY2020	FY2021
\$2.80	\$3.20	\$3.30	\$3.30	\$3.30

Non-Resident Water Usage Rates

FY 2017	FY 2018	FY 2019	FY2020	FY2021
\$4.20	\$4.80	\$4.95	\$4.95	\$4.95

5. WATER SHUTOFF FEE:

a) For any water bill not paid by the 15th of any given month for which a late fee of 15% as described hereinbelow shall have been assessed, and not paid by the time the next month's bill is sent out, a second notice shall be sent with the next month's bill listing the amount currently overdue, the late payment penalty amount, the Village's water service shutoff policy, and the customer's due process rights. If the overdue balance is not paid within 15 days of said second notice, a Village Public Works employee shall post a shutoff tag on the customer's front door, and a \$25.00 tag fee shall be added to the respective customer's account. If the overdue balance and all subsequent fees are not paid within 48 hours of posting the shutoff tag, the Public Works Department personnel shall shut off the customer's water service, this shutoff shall be considered an involuntary shutoff, and a \$100.00 shutoff fee shall be added to the outstanding balance. This shutoff or disconnect fee shall include one turn off and one subsequent turn on of the water by a designated Village employee. Delinquent customers must pay the entire past due amount, late payment penalty, and the total of \$125.00 in additional fees as outlined above before water service shall be restored. In the event turn on of water, whether for initial service or restoration of water service, is requested for scheduling at a time other than normal Village business hours, an additional fee of \$50.00 shall be assessed, and such fee, along with all other charges referenced above must be paid before the water is turned on.

b) In the event water is temporarily shut off at the request of the customer the shutoff shall be considered as a voluntary shutoff and the shutoff fee shall be \$50.00. This shutoff or disconnect fee shall, likewise, include one turn off and one subsequent turn on of the water by a designated Village employee.

c) The water account holder or his or her designated representative must be present and sign the Village work order at the time the respective Village employee turns on the water.

C. SEWER

1. **SEWER CONNECTION FEES.** Only as to those properties referenced hereinbelow in this paragraph, there shall be and hereby are established the following sewer connection fees based on the water service size and whether the person or entity connecting is a Village resident or non-resident, established with the intent to collect from each new customer that customer's proportional cost of constructing the wastewater collection, treatment, and discharge systems, in accordance with the terms of the aforesaid IGA with the Rock River Water Reclamation District, and with the goal that the growth pay for itself, rather than using revenue from existing customers to subsidize the cost of meeting additional demand from new customers. These fees shall apply only to the properties as served by the then current sewage collection system identified in Exhibit B 2 of the IGA, as amended, between the Village of Winnebago and the Rock River Water Reclamation District because for these properties a plant buy-in fee to Rock River Water Reclamation District was paid by the Village of Winnebago. A copy of the map depicting the affected properties, as well as the listing of such properties marked Group Exhibit "A" is attached hereto, incorporated herein, and made a part hereof.

Resident Sewer Connection Fee Schedule

≤ 1-inch service	\$3,292.00
1.25 to 1.5-inch service	\$9,390.00
2-inch service	\$15,071.00
3-inch service	\$30,141.00
4-inch service	\$46,951.00
6-inch service	\$93,901.00

Non-Resident Sewer Connection Fee Schedule

≤ 1-inch service	\$4,938.00
1.25 to 1.5-inch service	\$14,085.00
2-inch service	\$22,606.00
3-inch service	\$45,212.00
4-inch service	\$70,426.00
6-inch service	\$140,852.00

In the event street repairs will be necessitated due to the sewer connection, in addition to the aforesaid connection fees, there shall also be a \$2,000.00 refundable deposit provided that the owner or developer makes the necessary street repairs necessitated by the sewer connection within one year from the date of such connection. If such repairs are not made within the prescribed time period, the \$2,000.00 deposit shall no longer be refundable, and rather shall become the property of the Village of Winnebago, Illinois, to be used to make the necessary street repairs. In addition, the owner and developer shall be jointly and severally liable to the Village for any difference in the deposit amount and the actual cost to the Village to make the necessary street repairs. The fees listed above shall remain in effect until such time as they are amended by the Village Board of Trustees.

2. MONTHLY FIXED SEWER ADMINISTRATION CHARGES. There shall be and hereby are established the following fixed monthly sewer administration charges based on water meter size to reflect the increased demand placed on the sewer system by higher levels of usage, and to be assessed as a base bill whether or not a given customer uses any water during a given billing period, as the monthly fixed charges are structured to cover overhead and administrative costs that remain relatively constant, such as administrative overhead, required reporting to the Rock River Water Reclamation District for the District's billing purposes, billing, and customer service, with such monthly fixed sewer administration charges based on whether the customer is a resident or non-resident of the Village:

Resident Monthly Fixed Sewer Administration Charges

	FY 2017	FY 2018	FY 2019	FY2020	FY2021
< 1-inch service	\$4.70	\$4.90	\$5.00	\$5.00	\$5.00
1.25 to 1.5-inch	\$9.40	\$9.80	\$10.00	\$10.00	\$10.00
2-inch service	\$15.04	\$15.68	\$16.00	\$16.00	\$16.00
3-inch service	\$30.96	\$32.28	\$33.00	\$33.00	\$33.00
4-inch service	\$45.43	\$47.36	\$48.00	\$48.00	\$48.00
6-inch service	\$94.90	\$98.93	\$101.00	\$101.00	\$101.00

Non-Resident Monthly Fixed Sewer Administration Charges

	FY 2017	FY 2018	FY 2019	FY2020	FY2021
< 1-inch service	\$7.05	\$7.35	\$7.50	\$7.50	\$7.50
1.25 to 1.5-inch	\$14.10	\$14.70	\$15.00	\$15.00	\$15.00
2-inch service	\$22.56	\$23.52	\$24.00	\$24.00	\$24.00
3-inch service	\$46.44	\$48.42	\$50.00	\$50.00	\$50.00
4-inch service	\$68.15	\$71.04	\$72.00	\$72.00	\$72.00
6-inch service	\$142.35	\$148.40	\$151.00	\$151.00	\$151.00

However, no fixed charges shall be assessed for sewer administration if the water is shut off, voluntarily or involuntarily, for the period of time that the water is shut off.

3. MONTHLY CAPITAL FEE. In addition to the above fixed water and sewer administration fees, there shall be the following capital fee, based on the water usage rate established to be charged for each residential, commercial, industrial, and municipal user of the Village's waterworks service to be assessed against any user of the Village's waterworks system and/or the sewer service provided by the Rock River Water Reclamation District, through the IGA referenced above, to cover current and future capital improvements to the Village's waterworks system, and to help subsidize the Village's approximate \$11,500,000.00 debt incurred in conveying the Village's sewer collection system and treatment facility to the Rock River Water Reclamation District, such that the District, rather than the Village assumed responsibility for the same upon acquisition. This capital usage rate charge is to be calculated on actual usage, per 1,000 gallons, as stated below, based on whether the user is a Village resident or non-resident.

Resident Capital Fee Usage Rates/1,000 gallons

FY 2017	FY 2018	FY 2019	FY2020	FY2021
\$6.20	\$6.20	\$6.70	\$6.70	\$6.70

Non-Resident Capital Fee Usage Rates/1,000 gallons

FY 2017	FY 2018	FY 2019	FY2020	FY2021
\$9.30	\$9.30	\$10.05	\$10.05	\$10.05

For any user that is a user of Rock River Water Reclamation's sewer services only, the following rates shall apply, depending upon whether such user is a Village resident or non-resident, and with the calculation based on the rate in effect at the time of the respective billing for 6,000 gallons of water usage per month, as there is no practical way to measure only sewer usage:

Resident Sewer User Only Sewer Capital Fee Usage Rates

FY 2017	FY 2018	FY 2019	FY2020	FY2021
\$37.20	\$37.20	\$40.20	\$40.20	\$40.20

Non-Resident Sewer User Only Sewer Capital Fee Usage Rates

FY 2017	FY 2018	FY 2019	FY2020	FY2021
\$55.80	\$55.80	\$60.30	\$60.30	\$60.30

D. LATE PAYMENT PENALTY

A service charge of 15% shall apply to any outstanding bill covered by this ordinance that is not paid in full by the 15th of a given month.

SECTION II - RECORDING OF ORDINANCE

A copy of this ordinance, properly certified by the Village Clerk, shall be filed in the office of the Recorder of deeds of Winnebago County, Illinois and shall be deemed notice to all owners of real estate of their liability for service supplied to any user of the Village's waterworks system and/or the services provided by the Rock River Water Reclamation District through the aforesaid IGA between the District and the Village of Winnebago on the user's respective property.

SECTION III- EFFECT ON PRIOR ORDINANCES

All ordinances and/or parts of ordinances previously passed and approved that are in conflict with the provisions of the instant ordinance are repealed insofar as they conflict with this ordinance.

SECTION IV- EFFECTIVE DATE OF ORDINANCE

This ordinance shall be in full force and effect upon its passage, approval, publication, and recording, as provided by law, and rates for services and fees described herein shall be applicable on bills mailed out on February 1, 2017, covering the time period of December 30, 2016 through January 30, 2017.

APPROVED:

Franklin J. Eubank ,Jr. President of the
Board of Trustees of the Village of Winnebago, Illinois

ATTEST:

Sally Jo Huggins, Village Clerk

PASSED: _____

APPROVED: _____

RECORDED: _____

Exhibit D

Financial Statements for FY2017, FY2018, FY2019 and FY2020

VILLAGE OF WINNEBAGO, ILLINOIS

Statement of Net Position

Proprietary Fund

December 31, 2017

	Enterprise Fund – Water Fund
Current assets	
Cash and cash equivalents	\$ 1,131,437
Receivables – utility users, net of allowance of \$10,000	76,138
Receivables – grants and sales taxes	52,365
Prepaid items	16,675
Total current assets	<u>1,276,615</u>
Noncurrent assets	
Fixed assets, net of accumulated depreciation	3,403,425
Total assets	<u>4,680,040</u>
Deferred outflows of resources – pension	17,894
Total assets and deferred outflows of resources	<u>\$ 4,697,934</u>
Liabilities – current	
Accounts payable	38,914
Accrued payroll	5,944
Current portion of long-term debt	69,542
Compensated absences	2,783
Total current liabilities	<u>117,183</u>
Long-term liabilities	
Net pension liability	70,898
Long-term debt, net of current maturities	1,371,199
Total long - term liabilities	<u>1,442,097</u>
Deferred inflows of resources – pension	53,188
Total liabilities and deferred inflows of resources	<u>1,612,468</u>
Net position	
Invested in capital assets	1,962,684
Unrestricted:	
Undesignated	1,018,782
Designated for long-term debt	104,000
Total unrestricted	<u>1,122,782</u>
Total net position	<u>3,085,466</u>
Total liabilities and net position	<u>\$ 4,697,934</u>

See accompanying notes to financial statements.

VILLAGE OF WINNEBAGO, ILLINOIS

Statement of Revenues, Expenses and Changes in Net Position

Proprietary Fund

For the Year Ended December 31, 2017

	<u>Enterprise Fund – Water Fund</u>
Operating revenues	
Refuse and recycling revenue	\$ 186,768
Capital charge – sewer hook-up	454,723
Water revenue	373,196
Water deposit revenue	(110)
Intergovernmental revenue	64,281
Miscellaneous revenue	<u>4,562</u>
Total operating revenues	<u>1,083,420</u>
Operating expenses	
Water department	375,675
Refuse and recycling expenses	181,513
Depreciation	<u>228,102</u>
Total operating expenses	<u>785,290</u>
Operating income	<u>298,130</u>
Non-operating revenues (expenses)	
Interest income	6,900
Gain on sale of capital assets	3,373
1% sales tax income	<u>208,891</u>
Total non-operating revenues (expenses)	<u>219,164</u>
Net increase in net position	517,294
Net position	
Net position – beginning	<u>2,568,172</u>
Net position – ending	\$ <u>3,085,466</u>

See accompanying notes to financial statements.

VILLAGE OF WINNEBAGO, ILLINOIS

Statement of Cash Flows

Proprietary Fund

For the Year Ended December 31, 2017

	Enterprise Fund - Water Fund
• Cash flows from operating activities	
Receipts from customers	\$ 1,084,014
Payments to suppliers	(565,665)
Payments to employees	(204,680)
Payments for interest to IEPA loan	(29,764)
Net cash flows from operating activities	<u>283,905</u>
• Cash flows from capital and related financing activities	
Payments to IEPA loan	(68,176)
Proceeds from sale of capital assets	3,373
Purchase of and construction of fixed assets	(79,608)
Net cash flows from capital financing activities	<u>(144,411)</u>
• Cash flows from non-capital financing activities	
Receipts from 1% sales tax	207,649
Net cash flows from non-capital financing activities	<u>207,649</u>
Cash flows from investing activities	
Interest on investments	6,900
Net increase in cash and cash equivalents	354,043
Cash and cash equivalents, beginning of year	777,394
Cash and cash equivalents, end of year	\$ <u>1,131,437</u>
Reconciliation of operating loss to net cash provided by operating activities	
Net operating income	298,130
Adjustment to reconcile net operating loss to net cash provided by operating activities:	
Depreciation expense	228,102
Increase (decrease) in cash flows due to changes in:	
Utility accounts receivable	594
Prepaid expenses	(1,823)
Deferred pension expense	3,720
Accounts payable	(249,518)
Accrued payroll	(110)
Compensated absences	749
Pension liability	4,061
Net cash flows from operating activities	\$ <u>283,905</u>

See accompanying notes to financial statements.

VILLAGE OF WINNEBAGO

Notes to Financial Statements

(10) Compensated Absences

The governmental and business-type activities compensated absences activity for the year ended December 31, 2017 was as follows:

		Beginning			Ending
		Balance	Additions	Reductions	Balance
Governmental activities	\$	<u>23,000</u>	<u>25,514</u>	<u>23,000</u>	<u>25,514</u>
Business-type activities	\$	<u>2,034</u>	<u>2,783</u>	<u>2,034</u>	<u>2,783</u>

(11) Notes Payable

Illinois Environmental Protection Agency Notes Payable

On January 22, 2014, the Village obtained financing from the Illinois Environmental Protection Agency (IEPA) for \$2,265,000 to upgrade its potable water system. A portion of the upgrade included construction of a new water tower. Construction began during the first quarter of 2014 and was completed in July 2015. The loan accrues interest at 1.995% and will mature on January 21, 2035.

Loan disbursements totaled \$2,122,296 and the Illinois Environmental Protection Agency forgave \$650,000 of the loan. The Village began repayment in July, 2015 with bi-annual payments. In 2017, payments of principal (\$68,175) and interest (\$29,765) were made.

Future debt obligations at December 31, 2017 under notes payable are due as follows:

Year ending December 31:	Principal	Interest	Total Payment
2018	69,542	28,398	97,940
2019	70,936	27,004	97,940
2020	72,359	25,581	97,940
2021	73,809	24,130	97,939
2022	75,289	22,651	97,940
2023-2027	399,674	89,996	489,670
2028-2032	441,412	48,287	489,699
2033-2036	<u>237,720</u>	<u>7,160</u>	<u>244,880</u>
Total	\$ <u>1,440,741</u>	<u>273,207</u>	<u>1,713,948</u>

VILLAGE OF WINNEBAGO, ILLINOIS

Schedule of Revenues, Expenses and Changes in Net Position – Budget to Actual

Proprietary Fund Types

Enterprise Fund – Water Fund

For the Year Ended December 31, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
Operating revenues				
Water service income	\$ 360,000	360,000	371,696	11,696
Capital charge – sewer hook-up	496,000	496,000	454,723	(41,277)
Water hook-up fees	31,065	31,065	1,500	(29,565)
Sewer hook-up fees	53,535	53,535	–	(53,535)
Water deposit revenue	1,000	1,000	(110)	(1,110)
Garbage charges	183,210	183,210	186,768	3,558
Recapture and impact fees	7,000	7,000	–	(7,000)
Intergovernmental income	59,759	59,759	64,281	4,522
Miscellaneous revenue	10,500	10,500	4,562	(5,938)
Total operating revenues	<u>1,202,069</u>	<u>1,202,069</u>	<u>1,083,420</u>	<u>(118,649)</u>
Operating expenses				
Office salary	49,659	49,659	40,509	(9,150)
Rock 39 salary	–	–	684	684
Part-time wages	6,250	6,250	–	(6,250)
Meter reader	25,636	25,636	20,265	(5,371)
Plant operator	71,791	71,791	57,275	(14,516)
Public works wages	38,769	38,769	27,097	(11,672)
Health insurance	40,968	40,968	28,905	(12,063)
Payroll taxes	17,635	17,635	11,716	(5,919)
Employee benefits	28,242	28,242	18,868	(9,374)
IMRF – GASB 68	–	–	7,781	7,781
Building water usage	250	1,050	965	(85)
Alarm system	4,000	4,000	3,061	(939)
Chemicals	6,250	6,250	4,577	(1,673)
Engineering	15,000	15,000	6,296	(8,704)
Garbage expense	225,000	225,000	181,513	(43,487)
Liability insurance	18,750	18,750	14,674	(4,076)
Equipment maintenance	10,000	10,000	8,413	(1,587)
Office and computer equipment	1,250	1,250	–	(1,250)
Operating supplies	50,000	49,200	26,365	(22,835)
Postage	7,500	7,500	3,996	(3,504)
Pre-employment physical	750	750	–	(750)
Printing	1,875	1,875	–	(1,875)
Professional fees	2,900	2,900	1,347	(1,553)

(Continued)

VILLAGE OF WINNEBAGO, ILLINOIS
Schedule of Revenues, Expenses
and Changes in Net Position – Budget to Actual
Proprietary Fund Types
Enterprise Fund – Water Fund
For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Over (Under) Budget
Operating expenses (continued)				
Publishing/advertising	\$ 1,250	1,250	79	(1,171)
WINGIS	2,175	2,175	1,753	(422)
Rental and small equipment	9,375	9,375	3,056	(6,319)
Telephone	3,375	3,375	2,733	(642)
Travel and training	2,500	2,500	685	(1,815)
Utilities	41,875	41,875	33,033	(8,842)
Water analysis	3,125	3,125	3,219	94
Fuel, grease and oil	15,625	15,625	5,573	(10,052)
Recapture fees	4,375	4,375	–	(4,375)
Impact fees	4,375	4,375	–	(4,375)
Water sewer upgrade	62,500	62,500	1,280	(61,220)
Sullivan's payback agreement	15,000	15,000	11,706	(3,294)
IEPA – interest expense	122,425	122,425	29,764	(92,661)
Equipment sinking fund	56,250	56,250	–	(56,250)
Depreciation	275,000	275,000	228,102	(46,898)
Contingency	63,448	63,448	–	(63,448)
Capital outlay	56,250	56,250	–	(56,250)
Total operating expenses	<u>1,361,398</u>	<u>1,361,398</u>	<u>785,290</u>	<u>(576,108)</u>
Operating income	<u>(159,329)</u>	<u>(159,329)</u>	<u>298,130</u>	<u>457,459</u>
Nonoperating income (expense)				
Interest income	4,400	4,400	6,900	2,500
Miscellaneous income	5,000	5,000	3,373	(1,627)
1% sales tax income	201,000	201,000	208,891	7,891
Total nonoperating income (expenses)	<u>210,400</u>	<u>210,400</u>	<u>219,164</u>	<u>8,764</u>
Income before other financing sources	51,071	51,071	517,294	466,223
Special item –				
Rock River Water Reclamation District				
costs related to intergovernmental				
agreement for sanitary system	<u>(375,000)</u>	<u>(375,000)</u>	<u>–</u>	<u>375,000</u>
Change in net assets	\$ <u>(323,929)</u>	<u>(323,929)</u>	<u>517,294</u>	<u>841,223</u>
Net position				
Beginning			<u>2,568,172</u>	
Ending		\$	<u>3,085,466</u>	

VILLAGE OF WINNEBAGO, ILLINOIS

Statement of Net Position

Proprietary Fund

December 31, 2018

	Enterprise Fund – Water Fund
Current assets	
Cash and cash equivalents	\$ 1,513,828
Receivables – utility users, net of allowance of \$10,000	75,988
Receivables – grants and sales taxes	57,127
Prepaid items	16,445
Due from other funds	5,002
Total current assets	<u>1,668,390</u>
Noncurrent assets	
Fixed assets, net of accumulated depreciation	3,585,908
Total assets	<u>5,254,298</u>
Deferred outflows of resources – pension	65,233
Total assets and deferred outflows of resources	<u>\$ 5,319,531</u>
Liabilities – current	
Accounts payable	105,287
Accrued payroll	6,372
Current portion of long-term debt	276,373
Total current liabilities	<u>388,032</u>
Long-term liabilities –	
Long-term debt, net of current maturities	7,764,160
Deferred inflows of resources – pension	36,596
Total liabilities and deferred inflows of resources	<u>8,188,788</u>
Net position	
Invested in capital assets	2,214,708
Unrestricted:	
Undesignated deficit	(5,232,965)
Designated for long-term debt	149,000
Total unrestricted	<u>(5,083,965)</u>
Total net position	<u>(2,869,257)</u>
Total liabilities and net position	<u>\$ 5,319,531</u>

See accompanying notes to financial statements.

VILLAGE OF WINNEBAGO, ILLINOIS

Statement of Revenues, Expenses and Changes in Net Position

Proprietary Fund

For the Year Ended December 31, 2018

	<u>Enterprise Fund – Water Fund</u>
Operating revenues	
Refuse and recycling revenue	\$ 201,060
Capital charge – sewer hook-up	449,614
Water revenue	425,881
Water deposit revenue	1,374
Intergovernmental revenue	59,936
Miscellaneous revenue	9,395
Total operating revenues	<u>1,147,260</u>
Operating expenses	
Water department	395,244
Refuse and recycling expenses	184,259
Depreciation	234,650
Total operating expenses	<u>814,153</u>
Operating income	<u>333,107</u>
Non-operating revenues (expenses)	
Interest income	24,875
Gain (loss) on sale of capital assets	(645)
Miscellaneous income	4,500
1% sales tax income	223,615
Total non-operating revenues (expenses)	<u>252,345</u>
Income before other financing sources (uses)	585,452
Other financing sources (uses) – operating transfers	<u>(4,210)</u>
Special item – Rock River Water Reclamation District –	
Costs related to intergovernmental agreement for sanitary system	<u>(6,535,965)</u>
Net decrease in net position	(5,954,723)
Net position	
Net position – beginning	3,085,466
Net position – ending	\$ <u>(2,869,257)</u>

See accompanying notes to financial statements.

VILLAGE OF WINNEBAGO, ILLINOIS

Statement of Cash Flows

Proprietary Fund

For the Year Ended December 31, 2018

	Enterprise Fund - Water Fund
Cash flows from operating activities	
Receipts from customers	\$ 1,137,886
Payments to suppliers	(277,662)
Payments to employees	(210,655)
Payments for interest to IEPA loan	(28,398)
Net cash flows from operating activities	<u>621,171</u>
Cash flows from capital and related financing activities	
Payments to IEPA loan	(69,542)
Purchase of and construction of fixed assets	(417,778)
Net cash flows from capital financing activities	<u>(487,320)</u>
Cash flows from non-capital financing activities	
Payments from other funds	(5,002)
Receipts from 1% sales tax	<u>228,377</u>
Net cash flows from non-capital financing activities	<u>223,375</u>
Cash flows from investing activities	
Miscellaneous income	4,500
Interest on investments	<u>24,875</u>
Net cash flows from investing activities	<u>29,375</u>
Operating transfers	<u>(4,210)</u>
Net increase in cash and cash equivalents	382,391
Cash and cash equivalents, beginning of year	<u>1,131,437</u>
Cash and cash equivalents, end of year	\$ <u>1,513,828</u>
Reconciliation of operating loss to net cash provided by operating activities	
Net operating income	333,107
Depreciation expense	234,650
Increase (decrease) in cash flows due to changes in:	
Utility accounts receivable	(9,374)
Prepaid expenses	230
Deferred pension expense	(47,339)
Accounts payable	66,373
Accrued payroll	428
Compensated absences	(1,725)
Pension liability	<u>44,821</u>
Net cash flows from operating activities	\$ <u>621,171</u>

See accompanying notes to financial statements.

VILLAGE OF WINNEBAGO, ILLINOIS

Notes to Financial Statements

(10) Long-term Obligations

The outstanding obligations as of December 31, 2018 consist of the following:

	2018	Current Portion
Governmental activities:		
Compensated absences – Governmental activities	\$ 28,160	15,488
Pension liability – IMRF	<u>564,061</u>	<u>78,707</u>
	592,221	<u>94,195</u>
less current portion	<u>(94,195)</u>	
	<u>\$ 498,026</u>	
	2018	Current Portion
Business-type activities:		
Note payable – Illinois Environmental Protection Agency (IEPA), original debt of \$2,265,000 to upgrade potable water system. semi-Annual principal and interest payments of \$48,970, due January 21, 2035, interest rate is 1.995%	\$ 1,371,199	70,936
Intergovernmental agreement – Rock River Water Reclamation District (RRWRD), original debt of \$4,675,725, for sewer system, Total principal and interest payments of \$541,246, due Jan. 20 and July 20, maturing July 20, 2038. Interest rate is 1.75%	4,675,725	185,917
Intergovernmental agreement – Rock River Water Reclamation District. The Village owes RRWRD an amount between \$1,860,240 and \$2,046,264, due December 21, 2021, based upon a 2012 contract.	1,860,240	-
Compensated absences – Business-type activities	1,058	1,058
Pension liability – IMRF	<u>132,311</u>	<u>18,462</u>
	8,040,533	<u>276,373</u>
less current portion	<u>(276,373)</u>	
	<u>\$ 7,764,160</u>	

VILLAGE OF WINNEBAGO, ILLINOIS

Notes to Financial Statements

Future debt obligations at December 31, 2018 under IEPA notes payable are due as follows:

<u>Year ending December 31:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2019	70,936	27,003	97,939
2020	72,359	25,581	97,940
2021	73,809	24,130	97,939
2022	75,289	22,651	97,940
2023	76,799	21,141	97,940
2024-2028	407,717	81,982	489,699
2029-2033	450,262	39,437	489,699
2034-2036	144,027	2,883	146,910
Total	\$ <u>1,371,199</u>	<u>244,808</u>	<u>1,616,007</u>

Future debt obligations at December 31, 2018 under the RRWRD intergovernmental agreement are due as follows:

<u>Year ending December 31:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2019	\$ 185,918	\$ 76,291	\$ 262,209
2020	201,059	77,683	278,742
2021	204,593	74,149	278,742
2022	208,189	70,553	278,742
2023	211,848	66,894	278,742
2024-2028	1,116,419	277,289	1,393,708
2029-2033	1,218,043	175,665	1,393,708
2034-2036	1,329,656	64,790	1,394,446
Total	\$ <u>4,675,725</u>	<u>\$ 883,314</u>	<u>\$ 5,559,039</u>

The compensated absences and pension liabilities are paid from general fund revenues. Notes payables are paid from utility revenues.

VILLAGE OF WINNEBAGO, ILLINOIS

Notes to Financial Statements

Long-term liability activities for the year ended December 31, 2018, was as follows:

	Beginning Balance	New Increases	Decreases	Ending Balance	Amount due within one year
Governmental activities:					
Compensated absences	\$ 25,514	28,160	25,514	28,160	15,488
Pension liability – IMRF	302,249	261,812	–	564,061	78,707
	<u>\$ 327,763</u>	<u>289,972</u>	<u>25,514</u>	<u>592,221</u>	<u>94,195</u>
Business-type activities:					
Notes payable – IEPA	\$ 1,440,741	–	69,542	1,371,199	70,935
Due to RRWRD	–	4,675,725	–	4,675,725	185,918
Due to RRWRD	–	1,860,240	–	1,860,240	–
Compensated absences	2,783	1,058	2,783	1,058	1,058
Pension liability – IMRF	70,898	61,413	–	132,311	18,462
	<u>\$ 1,514,422</u>	<u>6,598,436</u>	<u>72,325</u>	<u>8,040,533</u>	<u>276,373</u>

(11) Legal Debt Margin

The Village's aggregated indebtedness is subject to a statutory limitation by the State of Illinois 8.625% of its equalized assessed value. At December 31 2018, the statutory limit of the Village was \$4,101,091. The long-term obligations discussed above (Note 10) are not subject to the statutory limitation. Thus, the Village's legal debt margin is also \$4,101,091.

(12) Sales Tax Rebate

The Village has entered into an agreement with a developer within the Village. The agreement requires the Village to rebate a portion of the retail sales tax equal to 35% of annual retail sales tax revenue collected during the year by the Village as a result of sales generated by all businesses in the development commencing on sales made during November 2012 until \$600,000 has been rebated. Payment is to be made by December 18th each year. Rebates paid in 2018 were \$11,853.

VILLAGE OF WINNEBAGO, ILLINOIS

Schedule of Revenues, Expenses
and Changes in Net Position – Budget to Actual

Proprietary Fund Types

Enterprise Fund – Water Fund

For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Over (Under) Budget
Operating revenues				
Water service income	\$ 366,000	366,000	394,402	28,402
Capital charge – sewer hook-up	434,000	434,000	443,030	9,030
Water hook-up fees	3,900	3,900	31,479	27,579
Sewer hook-up fees	6,600	6,600	6,584	(16)
Water deposit revenue	1,000	1,000	1,374	374
Garbage charges	183,210	183,210	189,858	6,648
Recapture and impact fees	7,000	7,000	11,202	4,202
Intergovernmental income	64,400	64,400	59,936	(4,464)
Miscellaneous revenue	10,500	10,500	9,395	(1,105)
Total operating revenues	1,076,610	1,076,610	1,147,260	70,650
Operating expenses				
Office salary	49,659	49,659	42,135	(7,524)
Rock 39 salary	–	–	(684)	(684)
Part-time wages	6,250	6,250	–	(6,250)
Meter reader	25,636	25,636	18,697	(6,939)
Plant operator	71,791	71,791	57,591	(14,200)
Public works wages	38,769	38,769	29,549	(9,220)
Health insurance	36,910	36,910	32,005	(4,905)
Payroll taxes	17,635	17,635	11,611	(6,024)
Employee benefits	23,083	23,083	18,454	(4,629)
IMRF – GASB 68	–	–	(2,518)	(2,518)
Building water usage	1,250	1,250	409	(841)
Alarm system	4,000	4,000	3,153	(847)
Chemicals	6,250	6,250	3,707	(2,543)
Engineering	18,750	18,750	3,663	(15,087)
Garbage expense	225,000	225,000	184,259	(40,741)
Liability insurance	20,375	20,375	12,729	(7,646)
Equipment maintenance	10,000	10,000	8,381	(1,619)
Office and computer equipment	1,250	1,250	1,338	88
Operating supplies	43,750	43,750	16,575	(27,175)
Postage	5,000	5,000	4,525	(475)
Pre-employment physical	750	750	–	(750)
Printing	1,875	1,875	1,198	(677)
Professional fees	2,900	2,900	330	(2,570)

(Continued)

VILLAGE OF WINNEBAGO, ILLINOIS

Schedule of Revenues, Expenses
and Changes in Net Position – Budget to Actual

Proprietary Fund Types

Enterprise Fund – Water Fund

For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Over (Under) Budget
Operating expenses (continued)				
Publishing/advertising	\$ 1,250	1,250	123	(1,127)
WINGIS	2,250	2,250	1,515	(735)
Rental and small equipment	8,125	8,125	3,240	(4,885)
Telephone	3,375	3,375	2,826	(549)
Travel and training	2,500	2,500	856	(1,644)
Utilities	42,000	42,000	30,807	(11,193)
Water analysis	3,750	3,750	3,463	(287)
EPA permit fees	625	625	—	(625)
Fuel, grease and oil	12,500	12,500	7,735	(4,765)
Recapture fees	4,375	4,375	—	(4,375)
Impact fees	4,375	4,375	4,292	(83)
Water sewer upgrade	562,500	562,500	—	(562,500)
Sullivan's payback agreement	15,000	15,000	11,853	(3,147)
IEPA – interest expense	122,425	122,425	28,398	(94,027)
Depreciation	275,000	275,000	234,650	(40,350)
Contingency	66,500	66,500	37,288	(29,212)
Capital outlay	87,500	87,500	—	(87,500)
Total operating expenses	<u>1,824,933</u>	<u>1,824,933</u>	<u>814,153</u>	<u>(1,010,780)</u>
Operating income	<u>(748,323)</u>	<u>(748,323)</u>	<u>333,107</u>	<u>1,081,430</u>
Nonoperating income (expense)				
Interest income	6,000	6,000	24,875	18,875
Gain (loss) on disposal of assets	—	—	(645)	(645)
Miscellaneous income	5,000	5,000	4,500	(500)
1% sales tax income	205,000	205,000	223,615	18,615
Total nonoperating income (expenses)	<u>216,000</u>	<u>216,000</u>	<u>252,345</u>	<u>36,345</u>
Income before other financing sources	<u>(532,323)</u>	<u>(532,323)</u>	<u>585,452</u>	<u>1,117,775</u>
Operating financing sources –				
Operating transfers	<u>167,337</u>	<u>167,337</u>	<u>(4,210)</u>	<u>(171,547)</u>
Total other financing sources (uses)	<u>167,337</u>	<u>167,337</u>	<u>(4,210)</u>	<u>(171,547)</u>
Special item –				
Rock River Water Reclamation District				
costs related to intergovernmental				
agreement for sanitary system	<u>(275,000)</u>	<u>(275,000)</u>	<u>(6,535,965)</u>	<u>(6,260,965)</u>
Change in net assets	\$ <u>(639,986)</u>	<u>(639,986)</u>	<u>(5,954,723)</u>	<u>(5,314,737)</u>
Net position				
Beginning			<u>3,085,466</u>	
Ending		\$	<u>(2,869,257)</u>	

VILLAGE OF WINNEBAGO, ILLINOIS

Statement of Net Position

Proprietary Fund

December 31, 2019

	Enterprise Fund – Water Fund
Current assets	
Cash and cash equivalents	\$ 1,881,184
Receivables – utility users, net of allowance of \$10,000	80,387
Receivables – grants and sales taxes	54,386
Prepaid items	16,567
Due from other funds	5,002
Total current assets	2,037,526
Noncurrent assets	
Fixed assets, net of accumulated depreciation	3,444,356
Total assets	5,481,882
Deferred outflows of resources – pension	45,570
Total assets and deferred outflows of resources	\$ 5,527,452
Liabilities – current	
Accounts payable	63,387
Accrued payroll	7,026
Current portion of long-term debt	380,482
Total current liabilities	450,895
Long-term liabilities –	
Net pension liability	67,315
Long-term debt, net of current maturities	7,289,683
Total long - term liabilities	7,356,998
Deferred inflows of resources – pension	64,757
Total liabilities and deferred inflows of resources	7,872,650
Net position	
Invested in capital assets	2,144,123
Unrestricted:	
Undesignated deficit	(4,613,321)
Designated for long-term debt	124,000
Total unrestricted	(4,489,321)
Total net position	(2,345,198)
Total liabilities and net position	\$ 5,527,452

See accompanying notes to financial statements.

VILLAGE OF WINNEBAGO, ILLINOIS

Statement of Revenues, Expenses and Changes in Net Position

Proprietary Fund

For the Year Ended December 31, 2019

	Enterprise Fund – Water Fund
Operating revenues	
Refuse and recycling revenue	\$ 213,803
Capital charge – sewer hook-up	469,742
Water revenue	424,964
Water deposit revenue	711
Intergovernmental revenue	73,868
Miscellaneous revenue	23,467
Total operating revenues	<u>1,206,555</u>
Operating expenses	
Water department	508,407
Refuse and recycling expenses	188,515
Depreciation	252,386
Total operating expenses	<u>949,308</u>
Operating income	<u>257,247</u>
Non-operating revenues (expenses)	
Interest income	34,908
Gain (loss) on sale of capital assets	–
Miscellaneous income	4,875
1% sales tax income	227,029
Grant revenue	–
Total non-operating revenues (expenses)	<u>266,812</u>
Income before other financing sources (uses)	524,059
Other financing sources (uses) – operating transfers	<u>–</u>
Net increase in net position	524,059
Net position	
Net position – beginning	(2,869,257)
Net position – ending	<u>\$ (2,345,198)</u>

See accompanying notes to financial statements.

VILLAGE OF WINNEBAGO, ILLINOIS

Statement of Cash Flows

Proprietary Fund

For the Year Ended December 31, 2019

	Enterprise Fund – Water Fund
Cash flows from operating activities	
Receipts from customers	\$ 1,202,156
Payments to suppliers	(409,048)
Payments to employees	(224,281)
Payments for interest on RRWRD intergovernmental agreement	(76,317)
Payments for interest to IEPA loan	(26,973)
Net cash flows from operating activities	<u>465,537</u>
Cash flows from capital and related financing activities	
Payments for principal on IEPA loan	(70,966)
Payments for principal on RRWRD intergovernmental agreement	(185,934)
Purchase of and construction of fixed assets	(110,834)
Net cash flows from capital financing activities	<u>(367,734)</u>
Cash flows from non-capital financing activities	
Miscellaneous non-operating revenue	4,875
Receipts from 1% sales tax	229,770
Net cash flows from non-capital financing activities	<u>234,645</u>
Cash flows from investing activities	
Interest on investments	34,908
Net cash flows from investing activities	<u>34,908</u>
Operating transfers	<u>—</u>
Net increase in cash and cash equivalents	367,356
Cash and cash equivalents, beginning of year	1,513,828
Cash and cash equivalents, end of year	<u>\$ 1,881,184</u>
Reconciliation of operating loss to net cash provided by operating activities	
Net operating income	257,247
Depreciation expense	252,386
Increase (decrease) in cash flows due to changes in:	
Utility accounts receivable	(4,399)
Prepaid expenses	(122)
Deferred pension expense	19,663
Accounts payable	(41,898)
Accrued payroll	653
Compensated absences	120
Pension liability	(18,113)
Net cash flows from operating activities	<u>\$ 465,537</u>

See accompanying notes to financial statements.

VILLAGE OF WINNEBAGO, ILLINOIS

Notes to Financial Statements

(10) Long-term Obligations

The outstanding obligations as of December 31, 2019 consist of the following:

	2019	Current Portion
Governmental activities:		
Compensated absences – Governmental activities	\$ 29,111	16,011
Pension liability – IMRF	<u>347,900</u>	<u>85,289</u>
	377,011	<u>101,300</u>
less current portion	<u>(101,300)</u>	
	<u>\$ 275,711</u>	
Business-type activities:		
Note payable – Illinois Environmental Protection Agency (IEPA), original debt of \$2,265,000 to upgrade potable water system, semi-Annual principal and interest payments of \$48,970, due January 21, 2035, interest rate is 1.995%	\$ 1,300,233	72,359
Intergovernmental agreement – Rock River Water Reclamation District (RRWRD), original debt of \$4,675,725, for sewer system, Total principal and interest payments of \$541,246, due Jan. 20 and July 20, maturing July 20, 2038. Interest rate is 1.75%	4,489,791	201,090
Intergovernmental agreement – Rock River Water Reclamation District, original debt of \$1,860,240 due December 21, 2021, based upon a 2012 contract.	1,860,240	87,133
Compensated absences – Business-type activities	1,178	1,178
Pension liability – IMRF	<u>86,037</u>	<u>18,722</u>
	7,737,479	<u>380,482</u>
less current portion	<u>(380,482)</u>	
	<u>\$ 7,356,997</u>	

VILLAGE OF WINNEBAGO, ILLINOIS

Notes to Financial Statements

Future debt obligations at December 31, 2019 under IEPA notes payable are due as follows:

<u>Year ending December 31:</u>		<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2020	\$	72,359	25,581	97,940
2021		73,809	24,130	97,939
2022		75,289	22,651	97,940
2023		76,799	21,141	97,940
2024		78,339	19,601	97,940
2025-2029		415,892	73,807	489,699
2030-2034		459,290	30,409	489,699
2035-2036		48,456	484	48,940
Total	\$	<u>1,300,233</u>	<u>217,804</u>	<u>1,518,037</u>

Future debt obligations at December 31, 2019 under the RRWRD intergovernmental agreement are due as follows:

<u>Year ending December 31:</u>		<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2020		201,090	76,696	\$ 277,786
2021		204,625	74,161	278,786
2022		208,221	70,565	278,786
2023		211,881	66,905	278,786
2024		215,605	63,181	278,786
2025-2029		1,136,220	257,709	1,393,929
2030-2034		1,239,647	154,282	1,393,929
2035-2038		1,072,503	42,670	1,115,173
Total	\$	<u>\$ 4,489,792</u>	<u>\$ 806,169</u>	<u>\$ 5,295,961</u>

The compensated absences and pension liabilities are paid from general fund revenues.
Notes payables are paid from utility revenues.

VILLAGE OF WINNEBAGO, ILLINOIS

Notes to Financial Statements

Long-term liability activity for the year ended December 31, 2019, was as follows:

	Beginning Balance	New Increases	Decreases	Ending Balance	Amount due within one year
Governmental activities:					
Compensated absences	\$ 28,160	29,111	28,160	29,111	16,011
Pension liability – IMRF	564,061	–	216,161	347,900	85,289
	<u>\$ 592,221</u>	<u>29,111</u>	<u>244,321</u>	<u>377,011</u>	<u>101,300</u>
Business-type activities:					
Notes payable – IEPA	\$ 1,371,199	–	70,966	1,300,233	72,359
Due to RRWRD	4,675,725	–	185,934	4,489,791	201,090
Due to RRWRD	1,860,240	–	–	1,860,240	87,133
Compensated absences	1,058	1,178	1,058	1,178	1,178
Pension liability – IMRF	132,311	–	46,274	86,037	18,722
	<u>\$ 8,040,533</u>	<u>1,178</u>	<u>304,232</u>	<u>7,737,479</u>	<u>380,482</u>

(11) Legal Debt Margin

The Village's aggregated indebtedness is subject to a statutory limitation by the State of Illinois 8.625% of its equalized assessed value. At December 31 2019, the statutory limit of the Village was \$4,254,687. The long-term obligations discussed above (Note 10) are not subject to the statutory limitation. Thus, the Village's legal debt margin is also \$4,254,687.

(12) Sales Tax Rebate

The Village has entered into an agreement with a developer within the Village. The agreement requires the Village to rebate a portion of the retail sales tax equal to 35% of annual retail sales tax revenue collected during the year by the Village as a result of sales generated by all businesses in the development commencing on sales made during November 2012 until \$600,000 has been rebated. Payment is to be made by December 18th each year. Rebates paid during 2019 were \$45,356. Rebates remaining to be paid to the developer as of December 31, 2019 are \$244,592.

VILLAGE OF WINNEBAGO, ILLINOIS

Schedule of Revenues, Expenses and Changes in Net Position – Budget to Actual

Proprietary Fund Types Enterprise Fund – Water Fund

For the Year Ended December 31, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
Operating revenues				
Water service income	\$ 394,920	394,920	403,464	8,544
Capital charge – sewer hook-up	469,000	469,000	465,742	(3,258)
Water hook-up fees	3,900	3,900	21,500	17,600
Sewer hook-up fees	6,600	6,600	4,000	(2,600)
Water deposit revenue	1,000	1,000	711	(289)
Garbage charges	192,000	192,000	194,822	2,822
Recapture and impact fees	3,500	3,500	18,981	15,481
Intergovernmental income	67,133	67,133	73,868	6,735
Miscellaneous revenue	25,500	25,500	23,467	(2,033)
Total operating revenues	<u>1,163,553</u>	<u>1,163,553</u>	<u>1,206,555</u>	<u>43,002</u>
Operating expenses				
Office salary	50,071	50,071	43,878	(6,193)
Rock 39 salary	—	—	—	—
Part-time wages	6,250	6,250	3,006	(3,244)
Meter reader	26,149	26,149	20,460	(5,689)
Plant operator	73,228	73,228	60,189	(13,039)
Public works wages	39,545	39,545	30,014	(9,531)
Health insurance	51,293	51,293	38,156	(13,137)
Payroll taxes	14,878	14,878	12,264	(2,614)
Employee benefits	21,035	21,035	17,087	(3,948)
IMRF – GASB 68	—	—	1,550	1,550
Building water usage	625	625	566	(59)
Alarm system	4,000	4,000	3,250	(750)
Chemicals	6,250	6,250	5,061	(1,189)
Engineering	18,750	19,250	3,202	(16,048)
Garbage expense	236,025	236,025	188,515	(47,510)
Liability insurance	18,750	18,750	12,868	(5,882)
Equipment maintenance	10,000	9,500	10,493	993
Office and computer equipment	1,250	1,250	526	(724)
Operating supplies	43,750	43,750	42,401	(1,349)
Postage	5,000	5,000	4,321	(679)
Pre-employment physical	750	750	148	(602)
Printing	1,875	1,875	413	(1,462)
Professional fees	2,900	2,900	8,105	5,205

(Continued)

VILLAGE OF WINNEBAGO, ILLINOIS

Schedule of Revenues, Expenses
and Changes in Net Position – Budget to Actual

Proprietary Fund Types

Enterprise Fund – Water Fund

For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Over (Under) Budget
Operating expenses (continued)				
Publishing/advertising	\$ 1,250	1,250	72	(1,178)
WINGIS	2,250	2,250	1,318	(932)
Rental and small equipment	8,125	8,125	3,751	(4,374)
Special audit	—	—	—	—
Telephone	3,375	3,375	3,014	(361)
Travel and training	2,500	2,500	—	(2,500)
Utilities	42,000	42,000	30,733	(11,267)
Water analysis	4,375	4,375	3,050	(1,325)
EPA permit fees	625	625	—	(625)
Fuel, grease and oil	12,500	12,500	7,827	(4,673)
Recapture fees	4,375	19,375	18,981	(394)
Impact fees	—	—	—	—
Water sewer upgrade	31,250	31,250	1,109	(30,141)
Grant expense	—	—	—	—
Sullivan's payback agreement	15,000	15,000	11,883	(3,117)
IEPA – interest expense	122,425	122,425	26,973	(95,452)
RRWRD – interest expense	475,000	475,000	76,317	(398,683)
Equipment sinking fund	—	—	—	—
Depreciation	275,000	275,000	252,386	(22,614)
Contingency	91,214	76,214	5,421	(70,793)
Capital outlay	131,250	131,250	—	(131,250)
Total operating expenses	1,854,888	1,854,888	949,308	(905,580)
Operating income	(691,335)	(691,335)	257,247	948,582
Nonoperating income (expense)				
Interest income	20,000	20,000	34,908	14,908
Gain (loss) on disposal of assets	—	—	—	—
Miscellaneous income	4,500	4,500	4,875	375
1% sales tax income	215,000	215,000	227,029	12,029
Grant revenue	—	—	—	—
Total nonoperating income (expenses)	239,500	239,500	266,812	27,312
Income before other financing sources	(451,835)	(451,835)	524,059	975,894
Operating financing sources –				
Operating transfers	5,854	5,854	—	(5,854)
Total other financing sources (uses)	5,854	5,854	—	(5,854)
Change in net assets	\$ (445,981)	(445,981)	524,059	970,040
Net position				
Beginning			(2,869,257)	
Ending			\$ (2,345,198)	

VILLAGE OF WINNEBAGO, ILLINOIS

Statement of Net Position

Proprietary Fund

December 31, 2020

	Enterprise Fund – Water Fund
Current assets	
Cash and cash equivalents	\$ 2,099,861
Receivables – utility users, net of allowance of \$10,000	79,755
Receivables – grants and sales taxes	61,136
Prepaid items	17,008
Due from other funds	5,002
Total current assets	2,262,762
Noncurrent assets	
Fixed assets, net of accumulated depreciation	3,200,971
Total assets	5,463,733
Deferred outflows of resources – pension	31,772
Total assets and deferred outflows of resources	\$ 5,495,505
Liabilities – current	
Accounts payable	81,492
Accrued payroll	7,129
Current portion of long-term debt	303,486
Total current liabilities	392,107
Net pension liability	6,759
Long-term debt, net of current maturities	6,469,828
Total long-term liabilities	6,476,587
Deferred inflows of resources – pension	98,172
Total liabilities and deferred inflows of resources	6,966,866
Invested in capital assets	2,009,819
Unrestricted:	
Undesignated deficit	(3,650,180)
Designated for long-term debt	169,000
Total unrestricted	(3,481,180)
Total net position (deficit)	(1,471,361)

See accompanying notes to financial statements.

VILLAGE OF WINNEBAGO, ILLINOIS

Statement of Revenues, Expenses and Changes in Net Position

Proprietary Fund

For the Year Ended December 31, 2020

	<u>Enterprise Fund – Water Fund</u>
Operating revenues	
Refuse and recycling revenue	\$ 196,513
Capital charge – sewer hook-up	477,442
Water revenue	409,750
Water deposit revenue	711
Intergovernmental revenue	67,232
Miscellaneous revenue	9,154
Total operating revenues	<u>1,160,802</u>
Operating expenses	
Water department	596,542
Refuse and recycling expenses	192,105
Depreciation	247,835
Total operating expenses	<u>1,036,482</u>
Operating income	<u>124,320</u>
Non-operating revenues (expenses)	
Interest income	10,683
Gain (loss) on sale of capital assets	–
Miscellaneous income	4,500
1% sales tax income	248,637
Grant revenue	–
Total non-operating revenues (expenses)	<u>263,820</u>
Income before other financing sources (uses)	388,140
Other financing sources (uses) – operating transfers	<u>–</u>
Net increase in net position	388,140
Net position	
Net position – beginning	(2,345,198)
Prior period adjustment	485,697
Net position – ending	<u>\$ (1,471,361)</u>

See accompanying notes to financial statements.

VILLAGE OF WINNEBAGO, ILLINOIS

Statement of Cash Flows

Proprietary Fund

For the Year Ended December 31, 2020

	Enterprise Fund – Water Fund
Cash flows from operating activities	
Receipts from customers	\$ 1,161,434
Payments to suppliers	(417,943)
Payments to employees	(228,994)
Payments for interest on RRWRD intergovernmental agreement	(113,220)
Payments for interest on IEPA loan	(37,829)
Net cash flows from operating activities	<u>363,448</u>
Cash flows from capital and related financing activities	
Payments for principal on IEPA loan	(109,081)
Payments for principal on RRWRD intergovernmental agreement	(288,310)
Purchase of and construction of fixed assets	(4,450)
Net cash flows from capital financing activities	<u>(401,841)</u>
Cash flows from non-capital financing activities	
Miscellaneous non-operating revenue	4,500
Receipts from 1% sales tax	241,887
Net cash flows from non-capital financing activities	<u>246,387</u>
Cash flows from investing activities	
Interest on investments	10,683
Net cash flows from investing activities	<u>10,683</u>
Operating transfers	
Net increase in cash and cash equivalents	<u>218,677</u>
Cash and cash equivalents, beginning of year	1,881,184
Cash and cash equivalents, end of year	<u>\$ 2,099,861</u>
Reconciliation of operating loss to net cash provided by operating activities	
Net operating income	124,320
Depreciation expense	247,835
Increase (decrease) in cash flows due to changes in:	
Utility accounts receivable	632
Prepaid expenses	(441)
Deferred pension expense	13,798
Accounts payable	18,103
Accrued payroll	104
Compensated absences	3,767
Pension liability	(44,670)
Net cash flows from operating activities	<u>\$ 363,448</u>

See accompanying notes to financial statements.

VILLAGE OF WINNEBAGO, ILLINOIS

Notes to Financial Statements

Future debt obligations at December 31, 2020 under IEPA notes payable are due as follows:

Year ending December 31:	Principal	Interest	Total Payment
2021	\$ 37,088	11,882	48,970
2022	75,289	22,651	97,940
2023	76,799	21,141	97,940
2024	78,339	19,601	97,940
2025	79,909	18,031	97,940
2026-2030	424,230	65,469	489,699
2031-2035	419,498	21,201	440,699
Total	<u>\$ 1,191,152</u>	<u>179,976</u>	<u>1,371,128</u>

Future debt obligations at December 31, 2020 under the RRWRD intergovernmental agreement are due as follows:

Year ending December 31:	Principal	Interest	Total Payment
2021	\$ 204,593	74,149	278,741
2022	208,189	70,553	278,742
2023	211,848	66,894	278,741
2024	215,572	63,170	278,742
2025	219,360	59,381	278,741
2026-2030	1,156,009	237,698	1,393,708
2031-2035	1,261,238	132,470	1,393,708
2036-2040	811,893	25,023	836,916
Total	<u>\$ 4,288,701</u>	<u>729,339</u>	<u>5,018,040</u>

VILLAGE OF WINNEBAGO, ILLINOIS

Notes to Financial Statements

<u>Year ending December 31:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payment</u>
2021	\$ 59,434	22,397	81,831
2022	60,484	21,346	81,830
2023	61,554	20,277	81,831
2024	62,642	19,189	81,831
2025	63,749	18,081	81,830
2026-2030	336,052	73,099	409,151
2031-2035	366,824	42,327	409,151
2036-2039	276,584	9,821	286,405
Total	<u>\$ 1,287,323</u>	<u>226,537</u>	<u>1,513,860</u>

The compensated absences and pension liabilities are paid from general fund revenues. Notes payables are paid from utility revenues.

Long-term liability activity for the year ended December 31, 2020, was as follows:

	<u>Beginning Balance</u>	<u>New Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amount due within one year</u>
Governmental activities:					
Compensated absences	\$ 29,111	44,783	29,111	44,783	24,631
Pension liability – IMRF	347,900	-	311,672	36,228	9,057
	<u>\$ 377,011</u>	<u>44,783</u>	<u>340,783</u>	<u>81,011</u>	<u>33,688</u>
Business-type activities:					
Notes payable – IEPA	\$ 1,300,233	-	109,081	1,191,152	37,088
Due to RRWRD	4,489,791	-	201,090	4,288,701	204,593
Due to RRWRD	1,860,240	-	572,917	1,287,323	59,434
Compensated absences	1,178	4,945	1,178	4,945	1,178
Pension liability – IMRF	86,037	-	78,085	7,952	1,193
	<u>\$ 7,737,479</u>	<u>4,945</u>	<u>962,351</u>	<u>6,780,073</u>	<u>303,486</u>

VILLAGE OF WINNEBAGO, ILLINOIS

Schedule of Revenues, Expenses and Changes in Net Position – Budget to Actual

Proprietary Fund Types

Enterprise Fund – Water Fund

For the Year Ended December 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
Operating revenues				
Water service income	\$ 394,920	394,920	408,250	13,330
Capital charge – sewer hook-up	469,000	469,000	477,442	8,442
Water hook-up fees	15,000	15,000	1,500	(13,500)
Sewer hook-up fees	53,535	53,535	–	(53,535)
Water deposit revenue	2,000	2,000	711	(1,289)
Garbage charges	195,180	195,180	196,513	1,333
Recapture and impact fees	18,981	18,981	–	(18,981)
Intergovernmental income	68,610	68,610	67,232	(1,378)
Miscellaneous revenue	16,500	16,500	9,154	(7,346)
Total operating revenues	<u>1,233,726</u>	<u>1,233,726</u>	<u>1,160,802</u>	<u>(72,924)</u>
Operating expenses				
Office salary	41,209	41,209	45,664	4,455
Rock 39 salary	–	–	–	–
Part-time wages	1,500	2,000	2,755	755
Meter reader	21,543	21,543	19,381	(2,162)
Plant operator	60,925	60,925	64,800	3,875
Public works wages	30,673	30,673	30,911	238
Health insurance	39,236	39,196	37,066	(2,130)
Payroll taxes	12,203	13,523	13,706	183
Employee benefits	18,769	18,769	18,582	(187)
IMRF – GASB 68	–	–	(30,872)	(30,872)
Building water usage	500	600	769	169
Alarm system	1,233,226	2,780	3,839	1,059
Chemicals	6,000	6,000	5,182	(818)
Engineering	15,000	15,000	3,372	(11,628)
Garbage expense	192,000	192,000	192,105	105
Liability insurance	15,000	15,000	14,183	(817)
Equipment maintenance	12,000	12,000	13,075	1,075
Office and computer equipment	5,000	5,000	1,422	(3,578)
Operating supplies	45,000	45,000	50,513	5,513
Postage	4,000	4,000	4,586	586
Pre-employment physical	600	600	118	(482)
Printing	1,500	1,500	1,812	312
Professional fees	2,500	2,500	2,879	379

(Continued)

VILLAGE OF WINNEBAGO, ILLINOIS
Schedule of Revenues, Expenses
and Changes in Net Position – Budget to Actual
Proprietary Fund Types
Enterprise Fund – Water Fund
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Over (Under) Budget
Operating expenses (continued)				
Publishing/advertising	\$ 1,000	1,000	288	(712)
WINGIS	1,500	1,500	1,452	(48)
Rental and small equipment	6,500	6,500	2,357	(4,143)
Special audit	—	—	—	—
Telephone	2,700	2,700	2,505	(195)
Travel and training	6,000	6,000	752	(5,248)
Utilities	33,800	33,800	30,155	(3,645)
Water analysis	3,500	6,500	5,300	(1,200)
EPA permit fees	500	500	—	(500)
Fuel, grease and oil	12,000	12,000	7,410	(4,590)
Recapture fees	18,981	18,981	—	(18,981)
Impact fees	—	—	—	—
Water sewer upgrade	75,000	75,000	61,984	(13,016)
Water refunds	—	—	25	25
Grant expense	—	—	—	—
Sullivan's payback agreement	12,130	12,130	14,053	1,923
IEPA – interest expense	97,940	97,940	37,829	(60,111)
RRWRD – interest expense	401,409	401,409	113,220	(288,189)
Equipment sinking fund	—	—	—	—
Depreciation	220,000	220,000	247,835	27,835
Contingency	42,509	38,909	15,469	(23,440)
Capital outlay	52,500	52,500	—	(52,500)
Total operating expenses	<u>2,746,353</u>	<u>1,517,187</u>	<u>1,036,482</u>	<u>(480,705)</u>
Operating income	<u>(1,512,627)</u>	<u>(283,461)</u>	<u>124,320</u>	<u>407,781</u>
Nonoperating income (expense)				
Interest income	25,000	25,000	10,683	(14,317)
Gain (loss) on disposal of assets	—	—	—	—
Miscellaneous income	4,500	4,500	4,500	—
1% sales tax income	228,677	228,677	248,637	19,960
Grant revenue	—	—	—	—
Total nonoperating income (expenses)	<u>258,177</u>	<u>258,177</u>	<u>263,820</u>	<u>5,643</u>
Income before other financing source	<u>(1,254,450)</u>	<u>(25,284)</u>	<u>388,140</u>	<u>413,424</u>

(Continued)

VILLAGE OF WINNEBAGO, ILLINOIS
Schedule of Revenues, Expenses
and Changes in Net Position – Budget to Actual
Proprietary Fund Types
Enterprise Fund – Water Fund
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Over (Under) Budget
Operating financing sources –				
Operating transfers	24,004	24,004	–	(24,004)
Total other financing sources (uses)	24,004	24,004	–	(24,004)
Change in net assets	\$ (1,230,446)	(1,280)	388,140	389,420
Net position				
Beginning			(2,345,198)	
Prior period adjustment			485,697	
Ending			\$ (1,471,361)	

Exhibit E

Financial Projections Worksheet

		Actual - Previous 4 Years Available				Estimated - Next 7 Years, Starting with FY21						
		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Last year rate increase/Proposed Rate Increase							Years of Proposed Rate Increase					
	Total Annual Residential Pumpage Billed	74,239,919	68,839,694	70870382	73,580,985	73580985	73580985	73580985	73580985	73580985	73580985	73580985
	Average Demand (gallons/day)	203,397	188,602	194,165	204,391	204,391	204,391	204,391	204,391	204,391	204,391	204,391
	Number of Users	1,124	1,126	1,128	1,130	1,132	1,134	1,136	1,138	1,140	1,142	1,144
	Average Monthly Consumption Per User (Gallons)	5,429	5,024	5,164	5,426	5,417	5,407	5,398	5,388	5,379	5,369	5,360
	Administrative Fee	\$ 4.70	\$ 4.90	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.50	\$ 5.94	\$ 6.42	\$ 6.74	\$ 6.94	\$ 5.00
	User Charge per 1,000 Gals	\$ 2.80	\$ 3.20	\$ 3.30	\$ 3.30	\$ 3.30	\$ 3.63	\$ 3.92	\$ 4.23	\$ 4.45	\$ 4.58	\$ 4.76
	Capital Charge Per 1,000 Gals - Sewer Connection	\$ 6.20	\$ 6.20	\$ 6.70	\$ 6.70	\$ 6.70	\$ 6.70	\$ 6.70	\$ 6.70	\$ 6.70	\$ 6.70	\$ 6.70
	Capital Charge Per Month - Residential Water Main								\$ 7.61	\$ 7.61	\$ 7.61	\$ 7.61
	Capital Charge Per Month - Transite Main Replacement									\$ 4.40	\$ 4.40	\$ 4.40
	Capital Charge Per Month - Well #5										\$ 4.88	\$ 4.88
	Average Monthly Bill for Water Usage	\$ 53.56	\$ 52.13	\$ 56.64	\$ 59.26	\$ 59.17	\$ 61.36	\$ 63.27	\$ 72.94	\$ 78.70	\$ 84.39	\$ 83.33
	% MHI	0.77%	0.75%	0.82%	0.86%	0.86%	0.89%	0.91%	1.05%	1.14%	1.22%	1.20%
Operating Revenues												
	Refuse and Recycling Revenues	\$ 186,768	\$ 201,060	\$ 213,803	\$ 196,513	\$ 203,391	\$ 210,510	\$ 217,877	\$ 225,503	\$ 233,396	\$ 241,565	\$ 250,019
	Capital Charge - Sewer Hookup	\$ 454,723	\$ 449,614	\$ 469,742	\$ 477,442	\$ 480,000	\$ 480,000	\$ 480,000	\$ 480,000	\$ 480,000	\$ 480,000	\$ 480,000
	Capital Charge - Residential Water Main								\$ 103,922	\$ 104,105	\$ 104,287	\$ 104,470
	Capital Charge - Winnebago Road WM Looping									\$ 60,192	\$ 60,298	\$ 60,403
	Capital Charge - Well #5 Construction										\$ 66,876	\$ 66,993
	User charge (system) revenue	\$ 373,196	\$ 425,881	\$ 424,964	\$ 409,750	\$ 425,500	\$ 468,050	\$ 505,494	\$ 545,934	\$ 573,230	\$ 590,427	\$ 602,236
	Water Deposit Revenue	\$ (110)	\$ 1,374	\$ 711	\$ 711	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
	Intergovernmental Revenue	\$ 64,281	\$ 59,936	\$ 73,868	\$ 67,232	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000
	Miscellaneous Revenue	\$ 4,562	\$ 9,395	\$ 23,467	\$ 9,154	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
	Miscellaneous Fees											
	Total Operating Revenues	\$ 1,083,420	\$ 1,147,260	\$ 1,206,555	\$ 1,160,802	\$ 1,189,391	\$ 1,239,060	\$ 1,283,871	\$ 1,435,859	\$ 1,531,423	\$ 1,623,952	\$ 1,644,621
Operating Expenses												
	Water Department Operations	\$ 345,911	\$ 366,850	\$ 393,040	\$ 445,493	\$ 454,403	\$ 463,491	\$ 472,761	\$ 482,216	\$ 491,860	\$ 501,697	\$ 511,731
	IEPA SRF Loan Interest Expense	\$ 29,764	\$ 28,398	\$ 26,973	\$ 25,581	\$ 24,130	\$ 22,651	\$ 21,141	\$ 19,601	\$ 18,031	\$ 16,428	\$ 14,794
	Fuller Creek Phase C Loan Interest Expense			\$ 76,298	\$ 77,695	\$ 74,161	\$ 70,564	\$ 66,905	\$ 63,180	\$ 59,391	\$ 55,535	\$ 51,611
	Fuller Creek Phase D & F Loan Interest Expense			\$ 12,096	\$ 23,429	\$ 22,397	\$ 21,346	\$ 20,277	\$ 19,189	\$ 18,081	\$ 16,954	\$ 15,807
	Parallel Trunk/Upgr-Corners Loan Interest Expense					\$ 8,136	\$ 15,758	\$ 15,064	\$ 14,357	\$ 13,638	\$ 12,906	\$ 12,161
	Refuse and Recycling Expenses	\$ 181,513	\$ 184,259	\$ 188,515	\$ 192,105	\$ 198,829	\$ 205,788	\$ 212,990	\$ 220,445	\$ 228,160	\$ 236,146	\$ 244,411
	Well/Tower Maintenance Projects						\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
	Total Operating Expenses	\$ 557,188	\$ 579,507	\$ 696,922	\$ 764,303	\$ 782,055	\$ 859,597	\$ 869,137	\$ 878,988	\$ 889,161	\$ 899,667	\$ 910,516
Operating Income Before Depreciation		\$ 526,232	\$ 567,753	\$ 509,633	\$ 396,499	\$ 407,336	\$ 379,462	\$ 414,735	\$ 556,871	\$ 642,262	\$ 724,286	\$ 734,105
	Depreciation of Capital Items (Assumed 0.5% increase)	\$ 228,102	\$ 234,650	\$ 252,386	\$ 247,835	\$ 249,074	\$ 250,320	\$ 251,571	\$ 252,829	\$ 254,093	\$ 255,364	\$ 256,640
TOTAL OPERATING INCOME		\$ 298,130	\$ 333,103	\$ 257,247	\$ 148,664	\$ 158,262	\$ 129,143	\$ 163,164	\$ 304,042	\$ 388,169	\$ 468,922	\$ 477,465
Non Operating Revenues (Expenses)												
	Interest Income	\$ 6,900	\$ 24,875	\$ 34,908	\$ 10,683	\$ 15,000	\$ 17,000	\$ 19,000	\$ 21,000	\$ 23,000	\$ 25,000	\$ 27,000
	Gain (Loss) on Sale of Capital Assets	\$ 3,373	\$ (645)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Miscellaneous Income	\$ -	\$ 4,500	\$ 4,875	\$ 4,500	\$ 5,250	\$ 5,500	\$ 5,750	\$ 6,000	\$ 6,250	\$ 6,500	\$ 6,750
	1% Sales Tax Income	\$ 208,891	\$ 223,615	\$ 227,029	\$ 248,637	\$ 253,610	\$ 258,682	\$ 263,856	\$ 269,133	\$ 274,515	\$ 280,006	\$ 285,606
	Other (ARPA Funds)	\$ -	\$ -	\$ -	\$ -		\$ 203,305	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Non-Operating Income (Loss)	\$ 219,164	\$ 252,345	\$ 266,812	\$ 263,820	\$ 273,860	\$ 484,487	\$ 288,606	\$ 296,133	\$ 303,765	\$ 311,506	\$ 319,356



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Agenda Item Executive Summary

Item Name LINE-ITEM TRANSFER FOR POLICE OVERTIME ALLOWANCE Committee or Board Board

BUDGET IMPACT

Amount:	N/A	Budgeted:	N/A
List what fund:	N/A		

EXECUTIVE SUMMARY

The Village of Winnebago Police Department has exhausted its budgeted funding for police overtime as a result of ongoing staffing shortages and the need to maintain minimum operational coverage. The police overtime line item, **01-43-425**, is currently at approximately **108% of its budgeted appropriation**.

To ensure the Department can continue to meet operational and public-safety needs for the remainder of the fiscal year, a **\$10,000 line-item transfer** is requested from **01-43-424 – Full-Time Officer Salaries** to **01-43-425 – Police Overtime**.

The Department currently has **two vacant full-time police officer positions**. Until those positions can be filled, existing personnel must work additional hours and overtime to maintain necessary staffing levels and provide adequate coverage. The requested transfer will provide the Department with the funding necessary to continue addressing these staffing requirements while recruitment and hiring efforts continue.

This transfer is intended to address the Department's current staffing-related overtime needs and maintain continuity of police services without increasing the overall police personnel budget.

ATTACHMENTS (PLEASE LIST)

Line-item transfer

ACTION REQUESTED

- ☐ For Discussion Only
- ☐ Resolution
- ☐ Ordinance
- ☒ Motion:

MOTION: I MOVE TO APPROVE A \$10,000 LINE-ITEM TRANSFER FROM 01-43-424, FULL-TIME OFFICERS TO 01-43-425, POLICE OVERTIME TO MAINTAIN CONTINUITY OF POLICE SERVICES WITHOUT INCREASING THE OVERALL POLICE PERSONNEL BUDGET.

Staff: Jeff White, Chief of Police Date: 09/10/2026



Agenda Item Executive Summary

Item Name A Resolution Authorizing the Replacement of a Public Works Garage Door Committee or Board Board

BUDGET IMPACT

Amount:	15,000	Budgeted:	Yes
List what fund:	General Fund 01-42		

EXECUTIVE SUMMARY

An existing garage door at the Village of Winnebago Public Works facility has broken and requires replacement to allow the Public Works Department to continue normal operations. Funding for the planned replacement of garage doors was included in the Village's current budget; however, this door failed sooner than anticipated. Because the anticipated cost exceeds the Village Administrator's authorized spending limit, Village Board approval is required. The proposed resolution authorizes the Director of Public Works to solicit competitive quotes, select a qualified contractor, and proceed with the replacement at a total cost not to exceed \$15,000, including materials, labor, removal, installation, and related expenses.

ATTACHMENTS (PLEASE LIST)

Resolution

ACTION REQUESTED

- ☐ For Discussion Only
☒ Resolution
☐ Ordinance
☒ Motion:

MOTION: I MOVE TO APPROVE RESOLUTION 2026-___R, A RESOLUTION AUTHORIZING THE REPLACEMENT OF A PUBLIC WORKS GARAGE DOOR

Staff: Joseph Dienberg, Village Administrator Date: 9/16/2026

RESOLUTION NO. 2026-__R**A RESOLUTION AUTHORIZING THE REPLACEMENT OF A PUBLIC WORKS
GARAGE DOOR**

WHEREAS, the Village of Winnebago Public Works Department relies upon its garage facilities for the secure storage, maintenance, and deployment of vehicles and equipment necessary for daily operations; and

WHEREAS, an existing garage door at the Public Works facility has broken and requires replacement in order for the Public Works Department to continue normal operations; and

WHEREAS, funding for the planned replacement of garage doors was included in the Village's current budget; however, the failure of this door occurred sooner than anticipated; and

WHEREAS, the anticipated cost exceeds the Village Administrator's authorized spending limit, requiring approval by the Village Board; and

WHEREAS, the Village Board finds it appropriate to authorize the Director of Public Works to solicit competitive quotes and proceed with the replacement without unnecessary delay.

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Winnebago, Winnebago County, Illinois, as follows:

SECTION I: AUTHORIZATION

The Director of Public Works is authorized to solicit competitive quotes and select a qualified contractor to replace the broken garage door at the Public Works facility.

SECTION II: EXPENDITURE LIMIT

The total cost of the replacement, including materials, labor, removal, installation, and related expenses, shall not exceed Fifteen Thousand Dollars (\$15,000.00).

SECTION III: AUTHORIZATION

The Director of Public Works is authorized to execute any documents and take all actions reasonably necessary to carry out this Resolution.

SECTION IV: EFFECTIVE DATE

This Resolution shall be in full force and effect from and after its passage and approval as provided by law.

APPROVED this _____ day of _____, 2026.

ATTEST:

Sally Jo Huggins, Village Clerk

Franklin J. Eubank, Jr., Village President
Village of Winnebago, Illinois

PASSED: _____

APPROVED: _____

PUBLISHED IN PAMPHLET FORM: _____