

THE VILLAGE OF CHANNAHON

# *Popular Annual Financial Report*

Fiscal Year Ended April 30, 2020



*Where the Waters Meet*



An aerial photograph of a park or recreational area. In the upper left, there is a large, mature tree with a wide canopy. To its right, a building with a grey roof is partially visible. Below the tree and building, a paved path or walkway leads to a fenced-in area. The fence is made of dark posts and rails. The ground inside the fence appears to be a mix of grass and dirt. The background is filled with more trees and greenery.

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# A MESSAGE FROM

# the Mayor

## RESIDENTS AND BUSINESSES,

I am pleased to present the Village of Channahon's Popular Annual Financial Report (PAFR), which offers an easy-to-read summary of the recently completed Comprehensive Annual Financial Report (CAFR) for the fiscal year ended April 30, 2020.

The Village published its first PAFR last year to help spread awareness in the community about our financial operations. This report provides a brief breakdown of where the Village's revenue comes from and where those dollars are spent, as well as trends in the local economy. The PAFR, while not required by any regulatory body, has been prepared to communicate clear and concise financial information to our constituents.

For the fifteenth consecutive year, the Village was awarded the prestigious Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) of the United States and Canada for the fiscal year ended April 30, 2019. Our commitment to the GFOA award programs is a testament to our belief that sharing financial information in formats consistent with the highest standards in governmental financial reporting is imperative.

The complete 2020 CAFR document, which explores the Village's financial operations in full detail, can be found on the Village's website at [www.channahon.org](http://www.channahon.org).

The Village Board would like to express our gratitude to all who continue to nurture and support this incredible community; our devoted and hardworking professional staff; the many businesses

that have chosen to invest in Channahon; our organizations and volunteers who, without hesitation, answer the call for service; and, of course, our residents who have chosen to call Channahon their home. Ours is a community that pulls together in times of strife and need; it is this mentality and the support of one another, especially in the face of adversity, that makes Channahon the wonderful community that it is.

The Village of Channahon takes immense pride in what we've accomplished. As elected officials, it is our strong belief that maintaining effective communication with our residents and businesses promotes transparency and responsible government. We hope this report gives you a greater understanding of how we continuously strive to achieve one overarching goal: to improve the lives of all of our residents.

Respectfully,

Missey Moorman Schumacher  
Village President



## Channahon's Elected Officials



**Missey Moorman Schumacher**  
Village President  
Serving Channahon Since 2008  
Channahon Resident Since 1974



**Sam Greco**  
Finance & Human Resources  
Serving Channahon Since 1993  
Channahon Resident Since 1979



**Chantal Host**  
Safety/Emergency Support  
Serving Channahon Since 2015  
Channahon Resident Since 2004



**Scott McMillin**  
Natural Resources & Open Spaces  
Serving Channahon Since 2003  
Channahon Resident Since 1966



**Patricia Perinar**  
Community & Legislative Affairs  
Serving Channahon Since 2013  
Channahon Resident Since 1995



**Mark Scaggs**  
Public Works & Facility  
Serving Channahon Since 2013  
Channahon Resident Since 1971

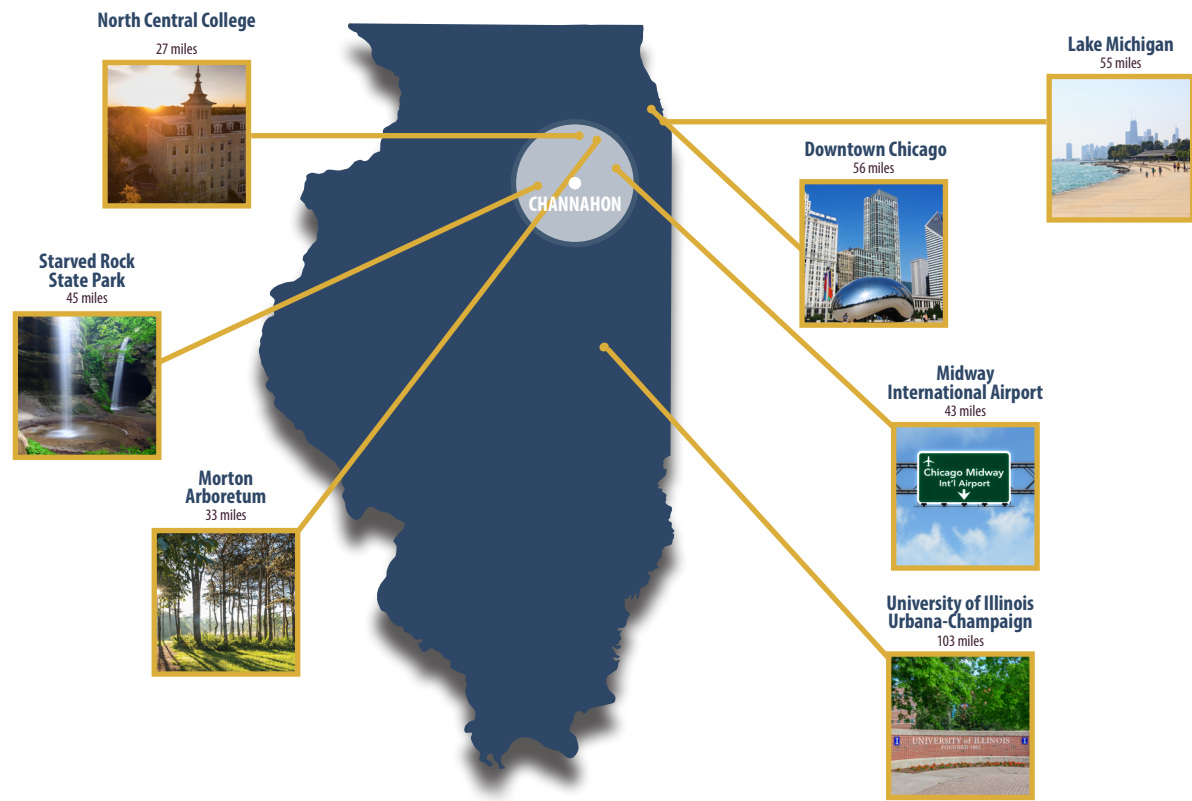


**Scott Slocum**  
Community Development  
Serving Channahon Since 2007  
Channahon Resident Since 1997



**Kristin Hall**  
Village Clerk  
Serving Channahon Since 2017  
Channahon Resident Since 2007

# Channahon at a Glance



The Village of Channahon's history dates back to when the Pottawatomie Indians who first settled here called the area Channahon, meaning "Meeting of the Waters."

Channahon grew along the I&M Canal at the intersection of three rivers - Des Plaines, Kankakee and DuPage. These three rivers flow together to form the Illinois River. In 1836, construction began on the I&M Canal and Channahon became the site for one of the original Locktender houses at Lock 6.

These natural features dominate Channahon's landscape today and are prominently highlighted by the various community and state parks, pathways and destinations that Channahon offers its residents.

As a home-rule municipality with an Aa2 bond rating, Channahon's mission is to continue to strengthen and maintain our Village as a family oriented, attractive community that provides economic diversity, high-quality schools, parks and public services for all of its residents.

# By the Numbers



13,498 ESTIMATED RESIDENTS



4,085 HOUSEHOLDS



\$98,429 MEDIAN HOUSEHOLD INCOME



37.7 MEDIAN RESIDENT AGE



82 MILES OF ROAD MAINTAINED



756,000 GALLONS OF WASTEWATER TREATED EACH DAY



1,146,773 COMMERCIAL SQUARE FEET PERMITTED



106 CONSTRUCTION PERMITS ISSUED



808 TONS OF SALT USED FOR SNOW REMOVAL



8,164 CALLS FOR POLICE SERVICE



3,226 BUILDING INSPECTIONS PERFORMED



40 PARKS, PRESERVES & SPECIAL USE FACILITIES

## Comprehensive Plan Update

The Village of Channahon received a grant from The Chicago Metropolitan Agency for Planning (CMAP) for an updated Comprehensive Plan that included professional assistance from CMAP staff and a planning consulting firm. The Village was one of only three projects in

Will County to be approved to receive this grant.

The grant money was used to develop a new comprehensive land plan. The award-winning planning firm of Houseal Lavigne Associates, along with the Village

of Channahon and CMAP, worked to gather community input and formulate a draft of the Re-Imagine Channahon Comprehensive Plan. The plan was unveiled for public comment in the summer of 2019 and was adopted by the Village of Channahon Board of Trustees on

Monday, December 16, 2019.

The Re-Imagine Channahon Comprehensive Plan is the Village's core guiding document that establishes official policy and direction to ensure positive momentum within the Village. The plan

is a vital resource for the community in helping inform future decision-making, building off past planning efforts while accounting for new issues, emerging trends and conditions that could affect the community moving forward. Re-Imagine Channahon provides a vision for the future

of Channahon and identifies the critical steps in making that vision a reality.

To view the Re-Imagine Channahon Comprehensive Plan in its entirety, please visit [www.Channahon.org](http://www.Channahon.org).

# Revenues & Expenditures

## General Fund Overview

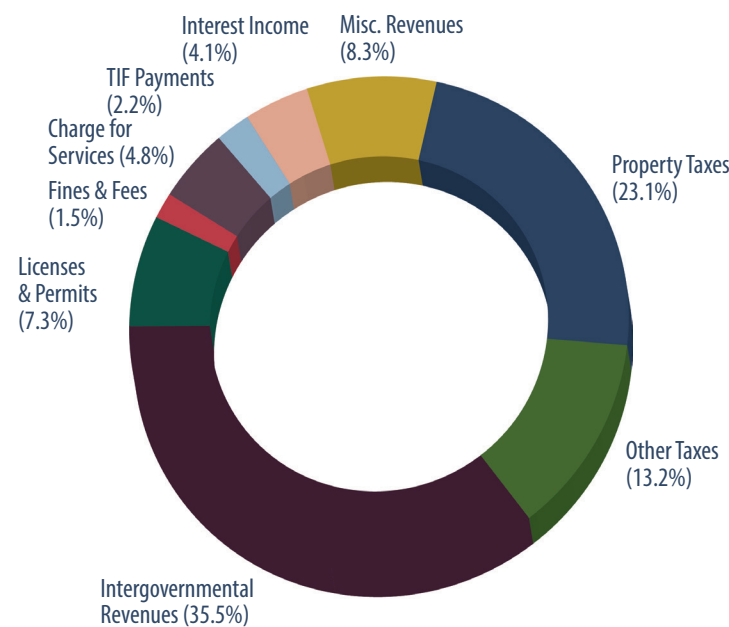
# General Fund Trends & Fund Balance

### What is the General Fund?

The General Fund is the general operating fund of the Village. It is used to pay for the services typically associated with government such as public safety, street and road maintenance, planning and community development and general administration of the Village. Other governmental funds are created to account for specific activities, which include special revenue, debt service and capital projects funds.

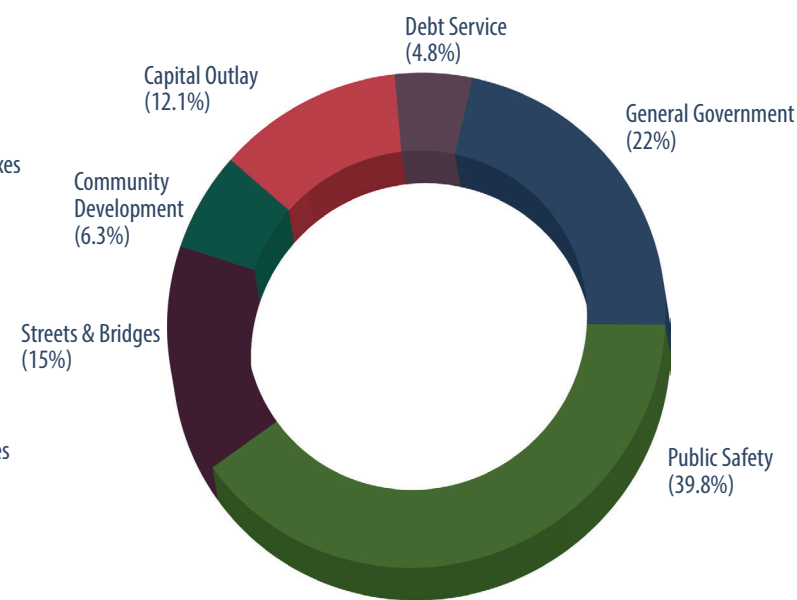
### FISCAL YEAR 2020 GENERAL FUND BREAKDOWN

#### WHERE DID THE MONEY COME FROM?



\*In this chart, **intergovernmental revenues** are revenues such as state and local sales tax, income tax, gaming taxes, etc.

#### HOW WAS THE MONEY SPENT?



### GENERAL FUND REVENUES TRENDS

SOURCE	FY 2019	FY 2020
Property Taxes	\$672,270	\$1,282,350
Other Taxes	\$1,337,050	\$1,210,703
Intergovernmental Revenues	\$3,344,284	\$3,242,618
Licenses and Permits	\$325,873	\$664,531
Fines and Fees	\$167,671	\$132,807
Charge for Services	401,387	\$441,268
TIF Payments	\$494,492	\$204,062
Interest Income	\$368,652	\$376,754
Miscellaneous Revenues	\$380,577	\$761,730
<b>GRAND TOTAL</b>	<b>\$7,492,256</b>	<b>\$9,139,045</b>

### GENERAL FUND EXPENDITURES TRENDS

SOURCE	FY 2019	FY 2020
General Government*	\$1,249,475	\$1,180,688
Public Safety	\$3,254,579	\$3,631,505
Streets and Bridges	\$1,297,953	1,367,256
Community Development	\$490,688	\$570,716
Capital Outlay**	\$717,705	\$1,099,761
Debt Service	\$440,042	\$437,885
<b>GRAND TOTAL</b>	<b>\$7,450,442</b>	<b>\$8,287,811</b>

\*Includes the following departments: Administration, Finance and Emergency Management  
 \*\* Includes: Various capital projects or capital items such as vehicles, and equipment for public safety

### Trend Breakdown

Capital outlay is money that is spent to maintain, upgrade, acquire or repair capital assets, or Village-owned property and equipment. The Village saw an increase in capital outlay expenses in FY 2020 due to the addition of Community Development and Police Department vehicles, landscaping materials for the Village's entrance sign, heavy equipment for Public Works, continuation of the Bridge Street Multi-Use Bike Path and the Dove Drive road construction.

### General Fund Fund Balance

Net Position is the difference between total assets and deferred outflows of resources and total liabilities and deferred inflows of resources. Deferred inflows and outflows of resources are amounts required to be reported by the Governmental Accounting Standards Board within the Village's annual report that represent revenues and expenses that relate to a future period. A positive net position means the Village has more money available (assets) than it owes (liabilities).

Over the course of the year, the Village Board of Trustees revised the Village budget to account for changes in projected revenues, the speeding up or delay of Village projects, and changes in costs for normal operations. The General Fund's amended and final budgeted revenues were \$7.1 million while expenses were approximately \$11.4 million. The projected difference of approximately \$4.3 million was primarily due to the capital outlay projects expected to be completed during the fiscal year. At the end of the fiscal year, actual revenues exceeded the budgeted amounts by \$2.0 million due to higher than anticipated State and local tax revenue, significant building permit fees, and interest income. Actual expenses were less than budgeted amounts by approximately \$2.3 million due to capital outlay expenses and miscellaneous operating costs that were less than anticipated.

	2019	2020
<b>Assets</b>		
Assets	\$17,253,879	\$17,883,628
Deferred outflows of resources	\$0	\$0
<b>Liabilities</b>		
Liabilities	\$1,743,447	\$685,528
Deferred inflows of resources (e.g. property taxes, sales taxes, income taxes)	\$1,558,099	\$2,343,807
<b>GENERAL FUND BALANCE</b>	<b>\$13,952,333</b>	<b>\$14,854,293</b>

### What This Means for Residents:

The Village takes great pride in its low debt-to-equity ratio and strong financial position. The Mayor, Village Board and staff work diligently each year to maximize revenues including those received from property taxes, other state and local taxes and grants. One of the largest expenses the Village's General Fund incurs relates to the Police Department, or public safety. Over the years, the Village has received numerous awards related to being one of the safest cities in the state. Most recently, the Village was rated the **2<sup>nd</sup> Safest City in Illinois** for 2019-2020 by Alarms.org and the National Council for Home Safety and Security.

# Water & Sewer Fund

# Property Taxes

## What is the Water & Sewer Fund?

The Water and Sewer Fund accounts for the revenue and expenses related to providing a safe, drinkable water supply for domestic and industrial usage, fire protection and for maintaining a dependable system for collecting and treating wastewater of the Village. The fund also accounts for the Village's refuse disposal operations.

## How does the Village use the property taxes it collects?

Property tax is one of the Village's largest revenue sources. The Village saw a fourth consecutive year of property value increases, a continuing sign of a strong and growing local economy. Property taxes are used to pay for Village services such as police protection or public safety, maintenance of streets and roads, and community development.

Although the Village can legally levy property taxes to raise revenues to pay debt service on municipal bonds, the Village has abated, or decreased, the property taxes and has pledged to use alternate revenue sources for repayment of the outstanding bonds.

### WATER & SEWER FUND REVENUES TRENDS

SOURCE	FY 2019	FY 2020
Water and Sewer Billings	\$2,770,801	\$2,951,678
Water Meters	\$52,313	\$66,925
Water System Recapture	\$88,481	\$2,750
Water and Sewer Tap/Turn-On Fees	\$1,253,416	\$1,314,565
Refuse Disposal	\$1,040,740	\$1,030,159
Misc. Income	\$190,708	\$182,516
<b>GRAND TOTAL</b>	<b>\$5,396,459</b>	<b>\$5,548,593</b>

### WATER & SEWER FUND EXPENDITURES TRENDS

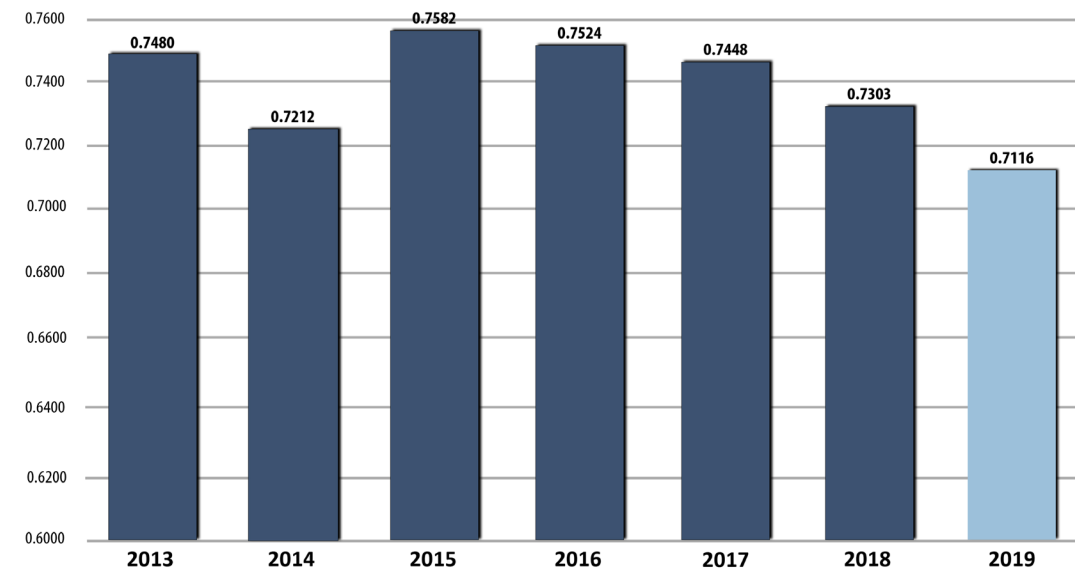
SOURCE	FY 2019	FY 2020
Salaries	\$701,712	\$750,409
Employee Benefits	\$149,246	\$172,069
Legal and Professional Fees	\$2,127	\$5,844
Engineering Fees	\$11,081	\$26,689
Sewage Transportation	\$197,865	\$183,552
Refuse Removal Contract	\$904,424	\$957,841
Utilities	\$368,835	\$366,399
Billing and Office	\$51,001	\$59,771
Repair and Maintenance	\$302,007	\$742,926
Depreciation	\$1,395,055	\$1,390,547
Chemical Supplies and Testing	\$32,553	\$23,014
Misc. Expenses	\$8,291	\$8,166
<b>GRAND TOTAL</b>	<b>\$4,124,197</b>	<b>\$4,687,227</b>

## Trend Breakdown

A significant portion of the expenses in the Water & Sewer Fund related to the construction of the wastewater treatment plant expansion. As the Village experiences growth from residential and industrial development, additional users of the utility services are indicative of the increase in revenues and expenses within this fund. Additional employees were also hired as a result of the community's growth. In addition, significant repair and maintenance expenses were incurred as a result of the aging infrastructure related to the water and sewer system.

### Did you know?

The Village of Channahon recently completed its wastewater treatment plant expansion. This expansion doubles the capacity of the existing treatment facility and allows the Village to more efficiently process wastewater and expand sludge-handling capabilities.



The Village has decreased property tax levy rates by **6.15%** since 2015.

## Water & Sewer Fund Net Position

The Village's Water & Sewer Fund net position increased by \$1.3 million. Current and other assets, which consist mainly of cash and investments, customer account receivables, intergovernmental receivables and other receivables (grants, shared taxes with other governmental bodies, etc.), increased by \$6.5 million, largely due to capital asset additions.

	2019	2020
<b>Assets</b>	<b>\$44,105,832</b>	<b>\$51,523,044</b>
Deferred outflows of resources (e.g. pensions)	\$455,618	\$371,531
<b>Liabilities</b>	<b>\$6,519,252</b>	<b>\$13,083,983</b>
Deferred inflows of resources (e.g. pensions)	\$186,496	\$324,157
<b>WATER &amp; SEWER FUND BALANCE</b>	<b>\$37,855,702</b>	<b>\$38,486,435</b>

The sign pictured here, which can be found at Channahon State Park, shares an important look into Channahon's history and ties to the Pottawatomie Indians that used to reside in the area. It reads:

*"The Channahon area was a favorite hunting place of the Indians and a contingent lingered here after the remaining Indians had been forced from the rest of Northern Illinois. The Village of Channahon is built on the site of one of the old Indian villages which existed in the area. The high land to the west of town, constituting a ridge which runs north toward Wisconsin, was used as an Indian trail above the surrounding wet prairie land. The settlement here was originally known as 'Snifton' but was later named Channahon, the Indian name meaning 'The Meeting of the Waters.'*

*Located here at Channahon State Park is the Locktenders House, Lock 6, Lock 7 and the DuPage River Dam."*





## Village of Channahon

This Popular Annual Financial Report is intended to provide summarized information in an easily understandable format related to the Village's financial condition based on the most recent audit. Comments or suggestions for improving the document should be sent to the Village of Channahon, Finance Department, 24555 S. Navajo Drive, Channahon, IL 60410.

## CONTACT US

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