



REPORT TO RDA, APC, & VILLAGE BOARD

AGENDA ITEM: Budget Amendment #4 – Adjustments to Tax Increment District (TID) #2 Fund Budget - 2025
MEMO DATE: December 09, 2025
PRESENTING COMMITTEES: RDA, APC, & Village Board
COMMITTEE CONTACT:
STAFF CONTACT: Finance Director-John Jacobs
REPORT PREPARED BY: Finance Director-John Jacobs

AGENDA ITEM: Budget Amendment #4 – Adjustments to Tax Increment District (TID) #2 Fund Budget - 2025

OBJECTIVES: Make corrections to the 2025 budget for omissions made to specific line items that were adopted by the Village Board in Nov. 2024 for the original 2025 adopted budget. The identified omissions are in the TID #2 Fund.

ISSUE BACKGROUND/PREVIOUS ACTIONS:

- **Omission #1 & #2: TID #2 FUND:** The 2024B General Obligation Promissory Notes were issued on 10/30/2024, and the debt proceeds were received at that time. There was a 2024 budget for both the revenue proceeds and the capital expenditures. However, since the 2024 borrowing issuance took place in late 2024, none of the expenditures for capital projects occurred in 2024.
- When the 2025 budget was adopted in November 2024, there was no budget inserted and adopted into the 2025 budget at that time for 2025 capital projects that were to be expended in 2025.
- Therefore, the 2025 expenditure budget should be amended for TID #2 capital projects to insert in the approved contracts for both engineering and construction costs.
- No 2025 budget amendment is necessary for "revenues", since the borrowing proceeds had already occurred and were recorded correctly in 2024.

PROPOSAL: Amend the 2025 original adopted budget for these previous budgeting omissions presented by the former Finance Director to the Village Board in November 2024, when the original 2025 budget was adopted.

RECOMMENDED ACTION: Recommend the following 2025 budget amendments as follows:

- **TID #2 FUND:**
 - **Account #452-51100-300-001: Professional Engineering Services**
 - Original 2025 Budget = \$0.00
 - Plus: 2025 Budget Amendment = \$147,693.00
 - Amended 2025 Budget = \$147,693.00

Breakdown:

• Lift Station #8 – Construction/Engineering Contract	\$57,719.00
• Kronenwetter Drive - Construction/Engineering Contract	\$43,502.00
• Flanner Rd/Jamroz Rd – Design/Engineering Contract	\$45,000.00
• WPS – Lift Station #8 invoice/move power lines	\$972.00
• Illinois Central – Railroad Permits invoice	<u>\$500.00</u>
• TOTAL COSTS	<u>\$147,693.00</u>

- **TID #2 FUND:**

- **Account #452-51350-300-001: Construction Costs**

- Original 2025 Budget = \$0.00
 - Plus: 2025 Budget Amendment = \$5,061,061.00
 - Amended 2025 Budget = \$5,061,061.00

- Breakdown:**

- Lift Station #8 – Construction Contract \$2,885,962.00
 - Kronenwetter Drive - Construction Contract \$2,175,099.00
 - TOTAL COSTS \$5,061,061.00

TOTAL EXPENDITURE ADDITIONS = \$5,208,754.00

OTHER OPTIONS CONSIDERED: N/A

TIMING REQUIREMENTS/CONSTRAINTS: Present these 2025 budget amendments to RDA, APC, and the Village Board for consideration before the fiscal year ended 12/31/2025. These 2025 budget amendments would then be reflected in the Village's 2025 audited financial statements when presented to the Village Board in 2026.

ATTACHMENTS (describe briefly): 2026 Adopted Budget – TID #2 Budget – Pages 146 & 147

VILLAGE OF KRONENWETTER
2026 Proposed Budget
Tax Increment District (TID) #2 Fund - Fund #452

Account Name	Actual 12/31/2022	Actual 12/31/2023	Actual (Pre-Audit) 12/31/2024	Original Budget 12/31/2025	Amended Budget 12/31/2025	Year-to-Date Actual 8/31/2025	Estimated Year-end 12/31/2025	Dept. Request 2026	Proposed Budget 2026
Beginning Fund Balance (Deficit), January 1st	\$ (1,190,955.99)	\$ (423,812.94)	\$ 509,567.22	\$ 7,808,025.48	\$ 7,808,025.48	\$ 7,808,025.48	\$ 7,808,025	\$ 2,691,862	\$ 2,691,862
<u>REVENUES:</u>									
Property Tax Increment (TID)	\$ 739,897.04	\$ 951,012.83	\$ 844,012.16	\$ 844,012.52	\$ 844,012.52	\$ 880,339.33	\$ 880,339	\$ 958,874	\$ 956,640
State Exempt Computer Aid	41,799.91	41,799.91	41,799.91	41,799.91	41,799.91	41,799.91	41,800	41,800	41,800
Personal Property State Aid	2,495.22	2,495.22	2,495.22	3,301.15	3,301.15	3,301.15	3,301	3,301	3,301
Interest on Investments	6,919.52	30,219.61	84,917.80	310,401.00	310,401.00	86,161.24	125,000	75,000	75,000
Miscellaneous Revenue	1,000.00	2.55	11.56	-	-	-	-	-	-
Proceeds from Long-Term Debt Issued	-	-	6,390,000.00	-	-	-	-	-	-
Debt Premium Proceeds	-	-	301,937.45	250,768.00	250,768.00	-	-	-	-
REVENUES	\$ 792,111.69	\$ 1,025,530.12	\$ 7,665,174.10	\$ 1,450,282.58	\$ 1,450,282.58	\$ 1,011,601.63	\$ 1,050,440	\$ 1,078,975	\$ 1,076,741
<u>EXPENDITURES:</u>									
<u>TID Admin. Staff:</u>									
Salaries & Wages:	\$ 6,631.82	\$ 13,879.69	\$ 16,190.03			\$ 5,544.38			
Administrator	included above	included above	included above	\$ 1,236.00	\$ 1,236.00	included above	\$ 193	\$ 1,160	\$ 1,160
Public Works Director	included above	included above	included above	4,763.75	4,763.75	included above	4,733	4,932	4,932
Community Development Director	included above	included above	included above	865.63	865.63	included above	886	912	912
Finance Director/Treasurer	included above	included above	included above	901.76	901.76	included above	943	3,028	3,028
FICA Taxes	474.96	656.65	1,235.11	594.19	594.19	412.59	517	768	768
Retirement	432.24	511.16	1,083.71	535.93	535.93	385.43	404	504	504
Health Insurance	804.88	883.46	3,082.47	633.77	633.77	1,357.84	1,479	1,479	1,479
Finance Director/Treasurer - Contracted Services	-	-	-	-	-	-	3,331	-	-
Miscellaneous	-	-	-	-	-	67.75	68	-	-
Mileage	-	19.65	-	-	-	229.16	229	-	-
<u>RDA Committee/TIF Joint Review Board Wages:</u>									
RDA Committee - Wages	-	-	-	600.00	600.00	-	144	230	230
RDA Committee - FICA Taxes	-	-	-	-	-	-	11	18	18
<u>TID Misc. Expenditures:</u>									
Legal Fees	7,596.00	2,275.50	3,478.63	-	-	-	-	-	-
Bank/Investment Fees/WDOR Fees	2,053.59	1,900.24	150.00	1,000.00	1,000.00	150.00	150	500	500
Office Supplies	1.27	140.09	110.42	100.00	100.00	191.86	200	200	200
TID Assessment/Revaluation Fees	-	-	-	-	-	-	1,265	8,808	8,808
TID Audit Fees	1,920.00	1,980.00	1,499.20	4,000.00	4,000.00	210.00	4,000	4,400	4,400
TID Consulting Fees	-	9,032.12	12,709.62	10,000.00	10,000.00	-	-	-	-
<u>Capital Projects:</u>									
<u>Engineering Costs:</u>	3,500.00	59,309.20	220,462.66	-	-	94,921.71			
Design/Engineering-Flanner Rd/Jamroz Rd - 2025 budget						included above	45,000	-	-
Constr./Engineering-Lift Station #8 - 2025 budget						included above	57,719	-	-
Constr./Engineering-Kronenwetter Drive - 2025 budget						included above	43,502	-	-
Constr./Engineering-Flanner Rd/Jamroz Rd - 2026 budget							-	12,400	12,400

VILLAGE OF KRONENWETTER
2026 Proposed Budget
Tax Increment District (TID) #2 Fund - Fund #452

Account Name	Actual 12/31/2022	Actual 12/31/2023	Actual (Pre-Audit) 12/31/2024	Original Budget 12/31/2025	Amended Budget 12/31/2025	Year-to-Date Actual 8/31/2025	Estimated Year-end 12/31/2025	Dept. Request 2026	Proposed Budget 2026
Construction Costs:	-	-	-	-	-	208,574.40			
Construction-Lift Station #8 - 2025 budget						included above	2,885,962		
Construction-Kronenwetter Drive - 2025 budget						included above	2,175,099		
Construction-Flanner Rd/Jamroz Rd - 2026 budget								620,000	620,000
Debt Service:									
Principal	-	-	-	690,000.00	690,000.00	690,000.00	690,000	690,000	690,000
Interest	1,553.88	1,561.64	-	250,768.00	250,768.00	122,268.06	250,768	239,750	239,750
Debt Issuance Costs/Fiscal Charges	-	-	106,713.99	1,000.00	1,000.00	-	-	-	-
Transfer to General Fund	-	0.56	-						
EXPENDITURES	\$ 24,968.64	\$ 92,149.96	\$ 366,715.84	\$ 966,999.03	\$ 966,999.03	\$ 1,124,313.18	\$ 6,166,603	\$ 1,589,089	\$ 1,589,089
NET CHANGE IN FUND BALANCE	767,143.05	933,380.16	7,298,458.26	483,283.55	483,283.55	(112,711.55)	(5,116,163)	(510,114)	(512,348)
Ending Fund Balance (Deficit), December 31st	\$ (423,812.94)	\$ 509,567.22	\$ 7,808,025.48	\$ 8,291,309.03	\$ 8,291,309.03	\$ 7,695,313.93	\$ 2,691,862	\$ 2,181,748	\$ 2,179,514
Restricted Fund Balance - 2024B G.O. Note Proceeds							\$ 912,531		\$ 280,131
Unrestricted Fund Balance							\$ 1,779,331		\$ 1,899,383
Total Fund Balance, December 31st							\$ 2,691,862		\$ 2,179,514

Computation of Balance Remaining for 2024B G.O. Note Proceeds - TID #2 portion only

	Total	Debt Service Premium	CIP Projects Portion
2024B General Obligation Note Proceeds	\$ 6,390,000	\$ 270,187	\$ 6,119,813
Less: Lift Station #8 - Constr./Engineering	(57,719)	-	(57,719)
Less: Lift Station #8 - Construction	(2,885,962)	-	(2,885,962)
Less: Kronenwetter Drive - Constr./Engineering	(43,502)	-	(43,502)
Less: Kronenwetter Drive - Construction	(2,175,099)	-	(2,175,099)
Less: Flanner Rd/Jamroz Rd - Design/Engineering	(45,000)	-	(45,000)
Less: Use Proceeds for 2025 Interest Payments	(250,768)	(250,768)	-
Balance of G.O. Notes Proceeds at 12/31/25	\$ 931,950	\$ 19,419	\$ 912,531
Less: Use Proceeds for 2026 Interest Payments	(19,419)	(19,419)	-
Balance of G.O. Notes Proceeds in 2026, before 2026 CIP Budget approved	\$ 912,531	\$ -	\$ 912,531
Less: Flanner Rd./Jamroz Rd - Construction (2026 budget)	(620,000)	-	(620,000)
Less: Flanner Rd./Jamroz Rd - Constr./Engineering (2026 budget)	(12,400)	-	(12,400)
Balance of G.O. Note Proceeds in 2026, if Flanner Rd./Jamroz Rd. is approved in 2026 budget	\$ 280,131	\$ -	\$ 280,131