AGENDA
Committee of the Whole
Board Room
33 S. Arlington Heights Rd
June 22, 2026
7:00 PM

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL OF MEMBERS

IV. APPROVAL OF MINUTES

V. NEW BUSINESS

A. Review of the 12-month Period Ending 12/31/2025 Annual Financial Report - Lindsey Fish, Principal, Sikich, LLP

B. Review of the 2027-2031 Capital Improvement Program

C. Operating Fund Overview/Recommended Budget Ceilings – 2027

VI. OTHER BUSINESS

VII. PUBLIC COMMENT

Anyone wishing to speak on a subject not on the Agenda may speak at this time. Please limit your comments to three minutes.

VIII. ADJOURNMENT

The Village of Arlington Heights is committed to digital accessibility for all users. Persons with disabilities requiring auxiliary aids or services, such as an American Sign Language interpreter or written materials in accessible formats, should contact the Health & Human Services Department — located at 33 S. Arlington Heights Road, Arlington Heights, IL 60005 — at 847-368-5760 or ADA@vah.com.

VILLAGE OF ARLINGTON HEIGHTS
INC. 1887

Committee of the Whole
6/22/2026

Item: Review of the 12-month Period Ending 12/31/2025 Annual Financial Report - Lindsey Fish, Principal, Sikich, LLP

Department: Finance

Item Description:

The Village recently completed the annual financial audit for Fiscal Year 2025 and Lindsey Fish, from the Village's audit firm, Sikich, will be presenting a summary of the 2025 audit. The auditors report that the audit received a clean, unmodified opinion – the highest level of assurance which can be given.

The Government Finance Officers Association (GFOA) awarded the Certificate of Achievement in Excellence in Financial Reporting to the Village for its Annual Comprehensive Financial Report (ACFR) for the period ending December 31, 2024 – the thirty-sixth consecutive year that the Village received this prestigious award. Finance will submit the completed 2025 ACFR to the GFOA award program.

ATTACHMENTS:

1. 25-8100 Final Audit - VOAH

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

ANNUAL COMPREHENSIVE
FINANCIAL REPORT

For the Year Ended
December 31, 2025



VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

33 South Arlington Heights Road
Arlington Heights, Illinois 60005

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

ANNUAL COMPREHENSIVE
FINANCIAL REPORT

For the Year Ended
December 31, 2025

Prepared by the Finance Department

Melissa Gallagher, Finance Director/Treasurer
Mary Juarez, Assistant Finance Director
Alexis Smulson, Accounting Manager
Kevin Baumgartner, Budget Coordinator/Accountant

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INTRODUCTORY SECTION

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

PRINCIPAL OFFICERS

DECEMBER 31, 2025

VILLAGE BOARD

Jim Tinaglia, Village President

Colin Gilbert	Robin La Bedz
James Bertucci	Tom Schwingbeck, Jr.
Wendy Dunnington	Greg Zyck
Bill Manganaro	Carina Santa Maria

ADMINISTRATION

Village Manager, Randy Recklaus

Village Attorney..... Hart Passman

Village Clerk..... Magdalena Mattio

Deputy Village Manager..... Diana Mikula

Director of Human Resources..... Kelly Livingston

Finance Director/Treasurer..... Melissa Gallagher

Chief of Police..... Nicholas Pecora

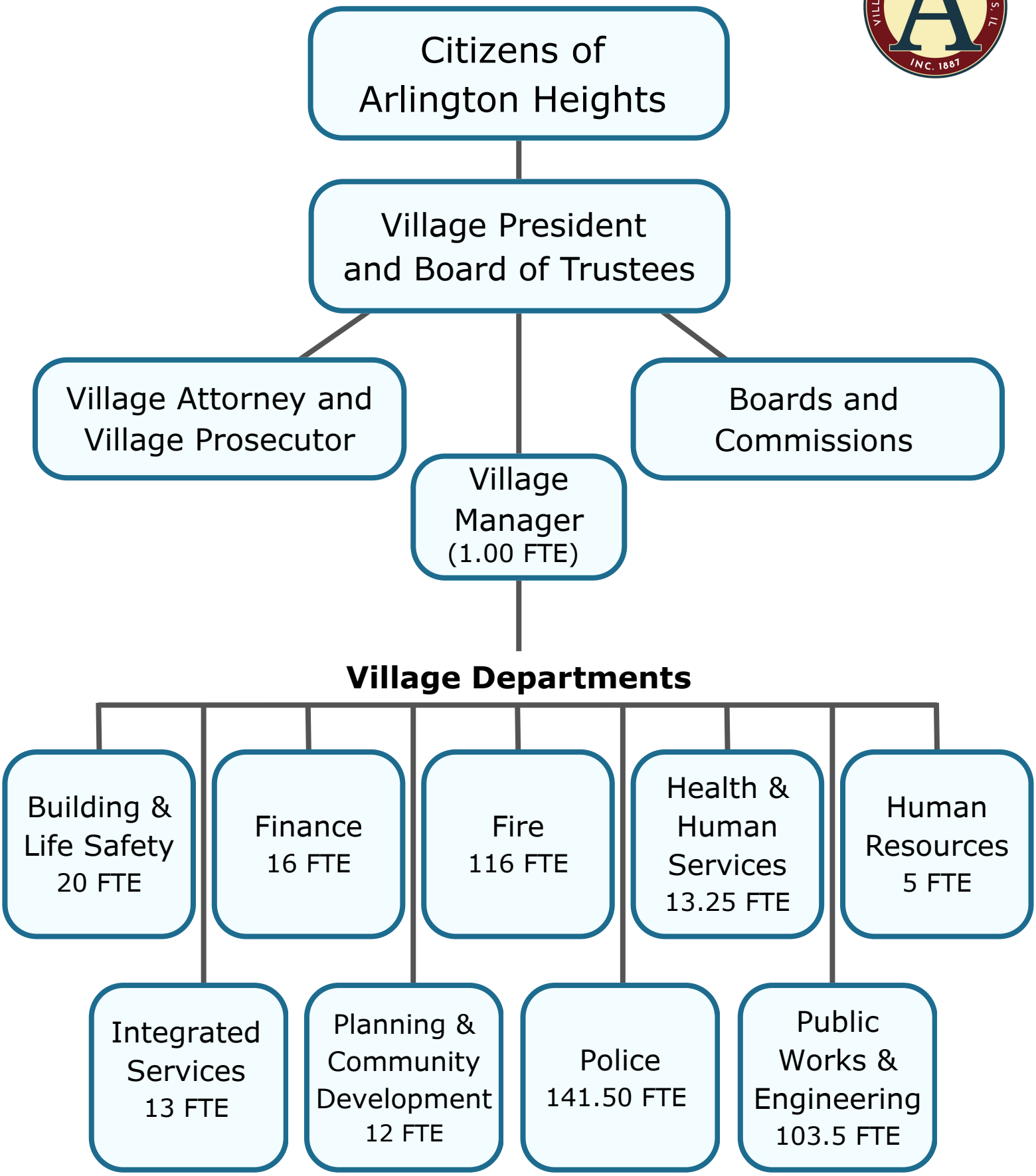
Fire Chief.....Lance Harris

Director of Planning & Community Development..... Emily Rodman

Director of Building & Life Safety..... Ron Weber

Director of Health & Human Services.....Mila Tsagalis

Director of Public Works & Engineering .....Cris Papierniak


Citizens of Arlington Heights
Village President and Board of Trustees
Village Attorney and Village Prosecutor
Boards and Commissions
Village Manager (1.00 FTE)
Village Departments
Building & Life Safety 20 FTE
Finance 16 FTE
Fire 116 FTE
Health & Human Services 13.25 FTE
Human Resources 5 FTE
Integrated Services 13 FTE
Planning & Community Development 12 FTE
Police 141.50 FTE
Public Works & Engineering 103.5 FTE

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Arlington Heights
Illinois

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morrill

Executive Director/CEO

Village of Arlington Heights

33 South Arlington Heights Road
Arlington Heights, Illinois 60005
847-368-5000
www.vah.com

June 8, 2026

The Honorable Jim Tinaglia, Village President
Members of the Board of Trustees
Village Manager of the Village of Arlington Heights
Citizens of the Village of Arlington Heights

The Annual Comprehensive Financial Report (ACFR) of the Village of Arlington Heights (Village) for the year ended December 31, 2025, is hereby submitted as required by the Illinois Compiled Statutes. State law requires that the Village issue annually a report on its financial position and activity presented in conformance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by an independent firm of certified public accountants.

This report consists of management's representations concerning the finances of the Village of Arlington Heights. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Village established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Village of Arlington Heights' financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Village's comprehensive framework of internal controls was designed to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Village's financial statements have been audited by Sikich LLP, a firm of licensed certified public accountants. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and, evaluating the overall financial statement presentation. The independent auditor's report is presented as the first component of the financial section of this report. The objective of the independent audit is to obtain reasonable assurance that the financial statements are free from material misstatement and to express an opinion on the fair presentation of the financial statements in accordance with generally accepted accounting principles (GAAP). The independent auditor concluded that there was a reasonable basis for rendering an unmodified ("clean") opinion on the Village's financial statements for the year ended December 31, 2025.

Generally accepted accounting principles (GAAP) require management to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

Profile of the Village of Arlington Heights

The Village of Arlington Heights is located 25 miles northwest of the City of Chicago in Cook County, Illinois. Arlington Heights was incorporated in 1887 and is a strong, longstanding municipality of the northwest suburbs. The Village's 2020 Census places the population at 77,676 and the Village has an area of approximately 16.6 square miles. The Village is a home rule community as defined by the Illinois Constitution. Arlington Heights is a very livable community with excellent schools, an outstanding park and library system, dependable village services, a diverse housing stock and easy access to the major expressways and O'Hare International Airport. There are approximately 23,041 owner-occupied units and 8,642 rental units with considerable high-rise and multi-family residential development in and around the Downtown area.

The Village has a well-established reputation as a preeminent community located in the northwestern corridor of the Chicago metropolitan area. There is now relatively little undeveloped land in the Village. The Village's economic base is somewhat diversified with income and housing indices well above State levels. While primarily considered a residential community, there is a sizable commercial base and a large retail sector. The Equalized Assessed Value of the property in the Village is split 76% residential and 24% commercial and industrial.

The Village operates under the council-manager form of government. Policymaking and legislative authority are vested in the Village Board, which consists of a President and eight Trustees. The Village Board is responsible, among other things, for passing ordinances, adopting the budget, appointing members to Boards and Commissions and hiring the Village Manager, Village Attorney, and Prosecuting Attorney. The Village Manager is responsible for carrying out the policies and ordinances of the Village Board, for overseeing the day-to-day operations of the Village and for appointing employees including the heads of the Village's departments. Board members are elected for four-year staggered terms with four Board members elected every two years. The President is elected to a four-year term. The President and Village Trustees are elected at large.

The Village provides a full range of general government services including public safety, planning and community development, community services and public works, as well as construction and maintenance of the Village's facilities and infrastructure. In addition to the Village's general governmental activities, the Village provides water and sewer services, Senior Center, Health Services, and maintains several parking garages and surface parking lots.

Additional demographic information about the Village can be found in the statistical section of this report.

Information Useful in Assessing Economic Condition

Economic Overview

In our local economy, the demand for new development has notably increased. The Village's efforts to redevelop the South Arlington Heights Road Gateway corridor continued in 2025 with the Arlington Gateway Project on Arlington Heights Road and Algonquin. This project will feature 300 residential units and over 25,000 square feet of commercial space to open in 2026. The developer of the Gateway project, Bradford Allen, has purchased additional land along Arlington Heights Road with

the intention of further significant development activity in the near future. The proposed redevelopment of International Plaza in TIF IV has come back to the forefront over the past year with renewed discussions with that developer underway. Interest in downtown Arlington Heights has also continued with several restaurants currently in the development process, and other developers making inquiries.

The Village remains financially healthy, with strong reserves, and a solid Aa1 bond rating from Moody's. The Village continually monitors impacts to the Village and its financial outlook. Most recently, the State of Illinois eliminated a long-existing 1% municipal tax on grocery purchases leaving municipalities with the decision to replace it with a local municipal tax on groceries. The impact would have created a sizable budget gap to the Village. After review and consideration, the Village Board approved retaining the municipal tax on grocery purchases and will see no disruption in this important revenue stream to the General Fund. The General Fund's key revenue sources – property taxes 29%, sales taxes (includes home rule) (28%), and income taxes (16%) remain strong and continue to provide a stable and diversified revenue base supporting the Village's operations and services.

Long-Term Financial Planning and Major Initiatives

On a biennial basis the Village Board completes a strategic plan for the next two years. After the Board's goals and objectives are established, Staff develops a two-year Business Plan that reflects the Board's stated goals. The Village's annual budget and financial planning process begins with the preparation of a biennial five-year capital improvement program and an annual separate three-year operating fund projection. These long-range planning documents forecast revenue and expenditure trends, enabling the Village to anticipate structural budget pressures and support informed financial decision-making.

The Village maintains dedicated revenue sources in its Capital Projects Fund to ensure that its capital infrastructure and the Village facilities are maintained at a high level. An internal service fund, the Fleet Fund, is also funded through annual operating transfers from the effected departments based on a vehicle depreciation schedule. The Village's current financial condition has remained healthy, as the key operating funds—the General Fund and the Water & Sewer Fund—have both maintained prudent reserve levels.

The Village's balanced approach to financial management and long-term planning, together with ongoing evaluation of state and federal economic trends, helps preserve financial stability while supporting continued investment in the community. The Village's strength is reflected in new business activity and a continued commitment to strategic development, positioning Arlington Heights as a destination for commercial growth and investment.

In 2025, an extension was granted for Mylo Arlington Heights which is an approved $66 million redevelopment of two vacant office buildings into a mixed-use, transit-oriented apartment development located at 116-120 W. Eastman in downtown Arlington Heights. The project aims to bring 135 residential units and ground-floor commercial space and beginning soon.

In 2025, notable project reviews for future projects included façade renovations for the Courtyard Marriott at 100 W. Algonquin Road, a large addition to an existing manufacturing facility known as Tasty Breads at 600 W. University Drive, and numerous new single-family homes, teardowns, and renovations.

With the signing of a memorandum of understanding (MOU) with the Chicago Bears Football Club in late 2024, and the re-shifting of their focus back to Arlington Heights, the redevelopment of the former Arlington Park site remains a major focus of staff activity on a week-to-week basis. In 2025, the Village re-engaged with the Village's consulting teams as part of ongoing efforts to inform long-term planning and investment decisions. In September the Village received the preliminary Economic Impact Report submitted by the Chicago Bears Football Club for the redevelopment of the former Arlington Park site with a modern NFL stadium and complementary mixed-use district. In line with the Village's commitment to transparency and due diligence, the Report was also independently peer reviewed by the Village's consultant, Hunden Partners. Both reports are publicly available on the Village's website.

Further studies are currently underway to evaluate the costs associated with required infrastructure improvements, as well as traffic and transportation impacts. These reports will be shared with the public as they become available and will play a critical role in the Village's ongoing review of the development proposal. As the site plan continues to take shape in the months ahead, all findings will help inform a thoughtful, community-centered approach to this potential transformation of a key site in our Village.

The Village maintains a focused economic development program that supports redevelopment initiatives, business retention, and new investment opportunities. The components include business retention, business attraction, business assistance and special programs. This results in increased property values, increased sales tax revenues, higher employment rates and a stable economic base. Arlington Heights also enjoys a thriving Downtown area, which contains a mix of multi-story housing, office space, restaurants, retailers, specialty stores and business services. Tax Increment Financing (TIF) Districts were instrumental in creating this vital commercial area in the Downtown area.

Part of the Village's economic development program is to provide the opportunity for businesses to apply for the non-residential property tax incentive programs through Cook County. Cook County offers the Class 6b property tax abatement to incentivize re-occupancy of vacant industrial properties. This incentive lasts for 12 years. Businesses applying for a Class 6b tax abatement provide a 10% rebate to the Village of their property tax savings over the first five years of the incentive, in order to fund the Zero Interest Loan program or other economic development activities as approved. Additionally, the application fee ($1,000) for the Class 6b incentive also goes towards funding the Zero Interest Loan program in order to assist in attracting and retaining other businesses. Cook County also offers the Class 7c property tax abatement to incentivize the re-occupancy or redevelopment of vacant properties. Unlike the industrial focus of the Class 6b program, the 7c incentives are strictly for commercial properties. This incentive lasts for five years, assessing the property at 10% over the first three years, 15% in the fourth year, and 20% in the fifth and final year. Applicants are also allowed up to one renewal. As with the 6b program, municipal approval is initially required, and then final approval goes through Cook County.

Village staff, following specific directives of the Village Board and the Village Manager, were involved in a variety of projects throughout the year ended December 31, 2025; these projects reflect the Village's commitment to ensuring its citizens are able to live and work in a desirable environment. The most significant capital investments included in the plan are summarized below and reflect the Village's continued commitment to maintaining infrastructure, supporting service delivery, and planning for long-term community needs:

- More than $7.5 million for ongoing street resurfacing and roadway reconstruction improvements to preserve infrastructure conditions, improve safety, and extend the useful life of Village roadways.

- More than $35 million invested since Fiscal Year 2013 through the Storm Water Control Fund in projects across the community, representing a significant long-term investment in flood mitigation and infrastructure protection. Storm water management remains critical to protecting homes, businesses, and public infrastructure while improving community resiliency. In 2025 alone, $5.5 million in storm water improvements were completed.
- $12.6 million for water and sewer rehabilitation and replacement projects, including continued lead service line replacement efforts and investments to maintain reliable utility infrastructure.
- Nearly $6.2 million toward replacement of Village vehicles and equipment to support public safety operations, service delivery, and long-term fleet reliability.
- $1.0 million in redevelopment funding within the South Arlington Heights TIF area, including infrastructure improvements such as sewer replacements to support ongoing redevelopment efforts.
- Approximately $780,000 in redevelopment funding within the Hickory Kensington TIF area to advance redevelopment objectives and infrastructure improvements.
- More than $2.0 million for municipal parking lot improvements to maintain facilities, address long-term maintenance needs, and support accessibility for residents and visitors.
- Nearly $700,000 in technology investments, including hardware and software upgrades, to enhance operational efficiency, security, and service delivery.

Collectively, these investments reflect the Village's focus on maintaining and improving infrastructure, supporting redevelopment, and planning proactively for future operating and capital needs.

Other Initiatives and Efforts

Within the organization, some major long-term projects began to reach conclusion over the past year. The Village Board approved the purchase of a new ambulance in 2024 to strengthen emergency medical services in response to increasing demand. In 2025, the Village implemented a streaming tax to help support the placement of a fifth ambulance into service within the community. Ambulance calls have increased by approximately 15% over the past 10 years, with each year establishing a new peak in service demand. Sustained increases in call volumes place greater pressure on emergency response resources and can affect response times. To address these growing needs while limiting reliance on property taxes, the Village explored alternative revenue sources. The streaming tax was selected as it effectively modernizes and replaces the long-standing cable franchise tax, providing a revenue source more reflective of changing consumer habits and media consumption patterns.

The Arlington Heights Police Department is nationally accredited by the Commission on Accreditation for Law Enforcement Agencies (CALEA). The department has a history of excellence with maintaining a continuous accreditation since 2008.

In 2025, the Village continued to develop a disciplined financial approach for the coming year and beyond. These efforts include advancing an aggressive capital replacement program and addressing ongoing operational needs. A key part of this planning is the continuation of a five-year water and sewer funding plan, which will support the significantly expanded watermain replacement schedule through 2029.

In recent years the Village has made significant strategic investments in IT and GIS technology to ensure the Village remains efficient, secure, and connected. These changes have laid the foundation for continued innovation, improved transparency, and better service to residents and businesses.

The major effort to update the Village's ERP system is now in the optimization phase. In 2025, staff led several projects to advance the Village's Geographic Information System (GIS), including a water utility data quality improvement initiative, enhanced mapping visualizations to support redevelopment projects, and fire district mapping to better illustrate critical emergency operations.

The Water Meter Replacement Project, initiated in 2024, continued during the year and will replace all residential water meters while implementing a new software system designed to improve the accuracy and reliability of meter readings.

Relevant Financial Policies and Practices

Cash management policies and practices – Investments are made in accordance with State statutes and the Village's Investment Policy. The Finance Department periodically reviews the Village's Investment Policy to ensure that it falls within allowable investment limits as outlined by Illinois State Statutes.

Temporarily idle cash during the year was invested in money market funds, Treasury Bills, Commercial paper, the Illinois Metropolitan Investment Fund (IMET), Illinois Trust, IPRIME, and the Illinois State Treasurer's pool (Illinois Funds). Investment income includes appreciation in the fair value of investments. Increases in fair value during the current year, however, do not necessarily represent trends that will continue, nor is it always possible to realize such amounts, especially in the case of temporary changes in the fair value of investments that the Village intends to hold to maturity.

The public safety pension funds can usually earn a higher rate of interest because their investment term is longer and they are permitted to invest a portion of their monies in equities. However, annual Police and Fire pension fund losses or gains are smoothed over a three-year period. Police and Firefighters' pension funds are covered by separate policies because these funds are governed by separate boards.

Fund Balance – The Village maintains a year-end fund balance reserve policy in the General Fund of at least 25% of General Fund expenditures, up to a maximum of 40% of unrestricted and unassigned reserves. At December 31, 2025, the Village's General Fund unassigned balance was 40.2%

Risk management – The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of Illinois municipalities which have formed an association to pool its risk management needs. The Village offers to its employees four basic types of health insurance plans: a Blue Advantage HMO plan comprised of a smaller, more localized network, a self-insured PPO plan, a Core PPO and a high deductible PPO, which are all administered by a third party. All of the Village's health plan options are offered to retirees who pay their insurance premiums in full that are under 65 years of age. Medicare-eligible retirees, who pay their insurance premiums in full, are offered a separate fully-insured group retiree medical plan. The Village is protected from catastrophic losses in the self-insured plan through the purchase of a stop-loss insurance policy. One of the functions of the Village's risk management operation is to organize various health and safety programs to minimize insurance related losses.

Pension and other post-employment benefits – The Village's sworn police officers participate in the Police Pension Employees Retirement System (PPERS), which is a single employer, defined benefit plan governed by a five-member pension board. The Village's sworn firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS), which is a single employer,

defined benefit plan governed by a five-member pension board. The defined benefits and employee contribution levels of both pension funds are governed by Illinois State statutes. The Village is authorized to approve the actuarial assumptions used to determine employer contribution levels. The most recent actuarial valuation as of January 1, 2025 for the year ending December 31, 2025 reflects funding levels of 96.2% (from 87.3% in 2024) for the Police Pension Fund and 86.2% (from 77.2% in 2024) for the Firefighters' Pension Fund on an actuarial basis.

The Village also provides pension benefits for its non-public safety employees. These benefits are provided through a statewide plan managed by the Illinois Municipal Retirement Fund (IMRF). The Village has no obligation in connection with employee benefits offered through this plan beyond its contractual payments to IMRF. The actuarial valuation for the Village's portion of IMRF as of December 31, 2024 reflects a funding level of 94.9% (from 94.4% in 2023). It should be noted that the IMRF's funding level is just for the Village's active IMRF participants as IMRF retirees' pensions are 100% funded. The measurement date for IMRF is one year prior. Additional information on the Village's pension arrangements can be found in Note #15 (Defined Benefit Pension Plans) in the financial statements.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village for its Annual Comprehensive Financial Report (ACFR) for period ended December 31, 2024. This was the thirty-sixth consecutive year that the Village received this prestigious award. In order to be awarded a Certificate of Achievement, the Village published an easily readable and efficiently organized ACFR. This report satisfied both GAAP and applicable legal requirements.

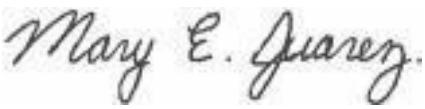
A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation especially to Alexis Smulson, Accounting Manager, Kevin Baumgartner, Budget Coordinator/Accountant and all other members of the Department who assisted and contributed to the preparation of this report.

The Village President and Board of Trustees and Village Manager are also acknowledged and thanked for their continued support, leadership, and commitment to maintaining the highest standards of professionalism, fiscal stewardship, and long-term financial sustainability for the Village of Arlington Heights.

Respectfully submitted,





Melissa Gallagher
Finance Director/Treasurer

Mary E. Juarez
Assistant Finance Director

FINANCIAL SECTION

SIKICH®

Certified Public Accountants & Advisors
Members of American Institute of Certified Public Accountants

1415 West Diehl Road, Suite 400
Naperville, IL 60563
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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor
Members of the Board of Trustees
Village of Arlington Heights
Arlington Heights, Illinois

Report on the Audit of the Financial Statements

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 Arlington Heights, 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, based on our audit and the report of other auditors, 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 Arlington Heights, Illinois as of December 31, 2025, and the respective changes in financial positions and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Northwest Water Commission (NWWC), which represent 6.10%, 13.40%, and 0.51% of the assets, net position, and revenues of the business-type activities, respectively. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Village's investment in joint venture, is based on the report of the other auditor. The financial statements of the NWWC were not audited in accordance with *Government Auditing Standards.*

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village and to meet our other ethical responsibilities, in accordance with the 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 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities 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 GAAS and *Government 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 GAAS and *Government 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents 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 GASB, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Village as of and for the year ended December 31, 2024, and we expressed unmodified opinions on those basic financial statements. That audit was conducted for purposes of forming an opinion on the basic financial statements as a whole. The 2024 comparative information included on certain combining and individual financial statements and schedules is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2024 basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements from which it has been derived.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, supplemental information, and statistical section, 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 8, 2026, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Sikich CPA LLC

Naperville, Illinois
June 8, 2026

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees
Village of Arlington Heights, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Arlington Heights, Illinois (the Village) as of and for the year ended December 31, 2025, and the related notes to financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated June 8, 2026. The financial statements of the Northwest Water Commission (NWWC) were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Northwest Water Commission.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sikich CPA LLC

Naperville, Illinois
June 8, 2026

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

The VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2025

The Village of Arlington Heights (the "Village") management's discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget) and, (5) identify individual fund issues or concerns.

Since Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Transmittal Letter (beginning on Page iii) and the Village's financial statements (beginning on Page 3).

Financial Highlights

- The Village's net position totaled $333,291,108 on December 31, 2025, which includes $236,287,340 net investment in capital assets, and $64,562,162 in unrestricted net position.
- The Village's total net position increased by $19.8 million or 6.3% during the calendar year ending December 31, 2025. The governmental net position increased by $13.9 million and the business-type activities net position increased by $5.9 million.
- The Village's combined Governmental Funds ending balance was $100,505,843 at December 31, 2025.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was $35,779,916 or 40.2% of General Fund operating expenditures.

USING THE FINANCIAL SECTION OF THIS ANNUAL COMPREHENSIVE REPORT

The financial statement's focus is on both the Village as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year-to-year or government to government) and enhance the Village's accountability.

Government-Wide Financial Statements

The government-wide financial statements (see Pages 8-11) are designed to emulate the corporate sector 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 (the "Unrestricted Net Position") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates 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 (see Pages 10-11) is focused on both the gross and net cost of various activities (including 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.

The governmental activities reflect the Village's basic services, including police, fire, planning and community development, building, health and human services, public works and engineering, and administration. Property taxes, shared State sales, local utility and shared State income, home rule sales and food and beverage taxes finance the majority of these services. The business-type activities reflect private sector type operations (Water & Sewer Fund and Solid Waste Disposal Fund), where the fee for service typically covers all or most of the cost of operations, including depreciation.

Fund Financial Statements
A fund is a grouping of related accounts that is used to maintain control over resources that were segregated for specific activities or objectives. The Fund Financial Statements allow the demonstration of source and uses and/or budgeting compliance associated therewith. Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is now on major funds, rather than fund types. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds
The Governmental Major Fund presentation (see Pages 12-13 and 15) is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clean and appropriate focus of any analysis of a government. The focus of governmental funds is narrower than that of the Government-Wide Financial Statements. The Village maintains 15 individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General, Debt Service and Capital Projects Funds, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds
The Village maintains two different types of proprietary funds. Enterprise Funds are used to report the same functions presented in Business-Type Activities in the Government-Wide Financial Statements. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the Village's various functions. The Village uses internal service funds to account for its fleet operations, self-insurance and technology programs.

Proprietary Fund Financial Statements (see Pages 17-21) provide the same type of information as the Government-Wide Financial Statements, only in more detail. The Water & Sewer Fund and Lead Service Line Replacement Fund are considered major funds of the Village and is presented in separate columns in the Proprietary Fund Financial Statements. The Solid Waste Disposal Fund and Arts, Entertainment and Events Fund are the Village's non-major enterprise funds. The Internal Service Funds are combined in a single, aggregate presentation in the Proprietary Fund Financial Statements. Individual fund data for the Internal Service Funds is presented elsewhere in the report.

Fiduciary Funds
The Fund Financial Statements also allow the government to address its Fiduciary Funds (Police Pension Fund and Firefighters' Pension Fund, see Pages 22-23). While these funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the Government-Wide Statements.

While the Business-type Activities column on the Proprietary Fund Financial Statements is the same as the Business-type column at the Government-Wide Financial Statement, the Governmental Funds Total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement (see Pages 14 and 16). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financing sources, as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligation (bonds and others) into the Governmental Activities column (in the Government-wide statements). The reconciliation also includes the Internal Service Funds' activities given that the Internal Service Funds serve primarily the Governmental Funds.

Notes to the Financial Statements
The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and Fund Financial Statements. The Notes to the Financial Statements can be found on pages 24-81 of this report.

Other Information
In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information including the major governmental fund budgetary schedules and data concerning the Village's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on Pages 82-94 of this report. The combining and individual fund statements for the governmental, enterprise internal service funds and fiduciary funds are presented on Pages 95-149 of this report, immediately following the required supplementary information.

GOVERNMENT-WIDE STATEMENTS

Statement of Net Position
The Village's combined net position increased by $19.8 million from 2024, increasing from $313.5 million to $333.3 million. The largest portion of the Village's net position ($236.3 million) reflects its investment in capital assets (e.g., land, infrastructures, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The Village used these capital assets to provide services to citizens; consequently, these assets are not available for future spending. The following analysis will look at net position and net expenses of the governmental and business-type activities separately. The total net position for the governmental activities increased by $13.9 million from $203.4 million to $217.3 million. The business-type activities net position increased by $5.9 million from $110.0 million to $115.9 million. Table 1 reflects the condensed Statement of Net Position comparing 2025 to 2024. Table 2 focuses on the changes in net position of the governmental and business-type activities.

Table 1: Statement of Net Position as of December 31, 2025 (In Millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Assets						
Current & Other Assets	$ 199.6	$ 201.0	$ 70.3	$ 67.3	$ 269.9	$ 268.3
Capital Assets	233.3	225.4	$ 49.3	$ 44.9	282.6	270.3
Total Assets	**432.9**	**426.4**	**119.6**	**112.2**	**552.5**	**538.6**
Deferred Outflows of Resources	**17.6**	**26.1**	**3.0**	**4.0**	**20.6**	**30.1**
Liabilities						
Current Liabilities	11.9	14.6	2.4	1.3	14.3	15.9
Long-Term Liabilities	133.2	178.4	4.1	4.7	137.3	183.1
Total Liabilities	**145.1**	**193.0**	**6.5**	**6.0**	**151.6**	**199.0**
Deferred Inflows of Resources	**88.1**	**56.1**	**0.1**	**0.1**	**88.2**	**56.2**
Net Position						
Net Investment in Capital Asset	195.5	186.8	48.7	44.9	244.2	222.8
Restricted	32.4	54.3	0.0	0.0	32.4	54.3
Unrestricted	(10.6)	(37.7)	67.2	65.1	56.6	36.3
Total Net Position	**$217.3**	**$ 203.4**	**$ 115.9**	**$110.0**	**$ 333.2**	**$ 313.4**

Note: The General Obligation Bonds, Series 2020, were issued as governmental activities debt to fund capital asset acquisitions for the business-type activities. Therefore, the total column includes the outstanding balance for these bonds (and related amounts), while the governmental activities column does not include these amounts in the calculation of the net investment of capital assets.

Normal Impacts on Net Position

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation.

Net Results of Activities – which will impact (increase/decrease) current assets and unrestricted net position.

Borrowing for Capital – which will increase current assets and long-term debt.

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

Spending of Non-borrowed Current Assets on New Capital – which will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net position and increase invested in capital assets, net of related debt.

Principal Payment on Debt – which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net position and increase invested in capital assets, net of related debt.

Reduction of Capital Assets through Depreciation – which will reduce capital assets and invested in capital assets, net of related debt.

Current Year Impacts on Net Position

The Village's $19.8 million increase of combined net position (which is the Village's bottom line) was the result of the governmental activities net position increasing by $13.9 million and the business-type activities net position increasing $5.9 million.

The governmental activities total assets increase of $6.5 million is due to a $1.4 million decrease in current and other assets and a $7.9 million increase in capital assets. The governmental activities current assets increase is from several factors. The cash and investments line is lower due to property tax receipts from the 2nd installment delayed to the Village. The Village's pension funds-IMRF, Police Pension Fund, and Fire Pension Fund-experienced investment gains in 2025. Deferred outflows are lower for all three pension funds. Investment gains show up as deferred inflows of resources, reducing pension expense over time. The pension items deferred outflows are determined by actuarial valuations, the balances are derived from the variances between the expected and actual non-investment experience, investment earnings, and assumption changes.

The decrease in total liabilities of $47.9 million is primarily attributable to the maturity of general obligation bonds and lower accounts payable at year-end. For governmental activities, noncurrent liabilities overall decreased by $4.6 million with debt maturity, $113,348 for subscription-based IT arrangements, $1.7 million for IMRF liability, $19.8 for the Police Pension Liability, $17.3 million for the Fire Pension Liability, and $803,575 for OPEB.

Retirees and their dependents who are 65 or older and Medicare eligible, are no longer included in the Village's medical and prescription plan which thereby decreases the OPEB liability. As required by the Governmental Accounting Standards Board (GASB) Statement No. 75, the Village must now recognize the full liability associated with explicit and implicit post-employment benefits. The only explicit OPEB offered by the Village is 100% lifetime health insurance coverage for public safety officers disabled on the job as mandated by the State. The Village's implicit OPEB liability arises from implicit rate subsidies under which health care premiums are typically based on a blended premium for active employees and retirees under 65. Under the Village's current benefit package, retirees up to the age of 64 can participate in the Village's health care plan, but must pay 100% of the premium. However, as retiree costs are actuarially more significant than active employee's health care costs, the Village implicitly subsidizes the under 64 retiree rates. On a bi-annual basis, the Village must hire an actuary to calculate the value of the explicit OPEB cost and implicit subsidy.

Deferred Inflows of Resources increased by $32.0 million for governmental activities which was related to the IMRF, Public Safety Pensions and OPEB; and remained unchanged for business-type activities. The Village reports the deferred inflows of resources related to the 2025 property tax levy, which was levied in December 2025, but will not be collected and distributed to the Village until calendar year 2026.

Changes in Net Position

The Village's combined change in net position increased by $19.8 million from $313.4 million to $333.2 million in 2025. The Village's total revenue (net of transfers) increased by $2.6 million. The Village's cost of all programs increased by $4.6 million primarily from the increase capital improvement activities. The following table shows the condensed revenues and expenses of the Village's activities:

Table 2: Changes in Net Position for the Year Ended December 31, 2025 (In Millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Revenue						
Program Revenues						
Charges for Services	$ 12.2	$ 13.9	$ 27.2	$ 25.3	$ 39.4	$ 39.2
Operating Grants	5.9	5.9	0.0	0.7	5.9	6.6
Capital Grants	0.1	0.0	0.0	0.0	0.1	0.0
General Revenues						
Property Taxes & Replacement Taxes	42.5	42.6	0.0	0.0	42.5	42.6
Other Taxes	57.3	52.3	1.1	1.0	58.4	53.3
Other Revenue	6.3	8.9	3.1	2.5	9.4	11.4
Total Revenues	**$ 124.3**	**$ 123.6**	**$ 31.4**	**$ 29.5**	**$ 155.7**	**$ 153.1**
Expenses						
Governmental Activities						
General Government	2.0	2.6	0.0	0.0	2.0	2.6
Public Safety	62.5	59.5	0.0	0.0	62.5	59.5
Highways & Streets	28.2	26.4	0.0	0.0	28.2	26.4
Community Development	8.7	7.0	0.0	0.0	8.7	7.0
Health & Welfare	2.7	2.4	0.0	0.0	2.7	2.4
Interest	1.8	1.4	0.0	0.0	1.8	1.4
Business Type						
Water & Sewer	0.0	0.0	26.9	26.7	26.9	26.7
Solid Waste Disposal	0.0	0.0	1.8	1.9	1.8	1.9
Arts, Ent. & Events	0.0	0.0	1.2	1.1	1.2	1.1
Lead Service Line Replacement	0.0	0.0	0.0	2.2	0.0	2.2
Total Expenses	**$ 105.9**	**$ 99.3**	**$ 30.0**	**$ 32.0**	**$ 135.9**	**$ 131.3**
Change in Net Position Before Transfers	$ 18.4	$ 24.3	$ 1.4	$ (2.5)	$ 19.8	$ 21.8
Transfers	$ (4.5)	$ (15.5)	$ 4.5	$ 15.5	$ -	$ -
Change in Net Position	13.9	8.8	5.9	13.0	19.8	21.8
Beginning Net Position	203.4	199.8	110.0	97.4	297.2	297.2
Restatement	0.0	(5.2)	0.0	(0.4)	0.0	(5.6)
Beginning Net Position - As Restated	203.4	194.6	110.0	97.0	313.4	291.6
Ending Net Position	**$ 217.3**	**$ 203.4**	**$ 115.9**	**$ 110.0**	**$ 333.2**	**$ 313.4**

(See independent auditor's report.)

Normal Impacts on Revenues and Expenses

There are eight basic impacts on revenues and expenses as reflected below.

Revenues:

Economic Condition – which can reflect a declining, stable, or growing economic environment and has a substantial impact on state income, sales and utility tax revenue as well as public spending habits for building permits, elective user fees and volumes of consumption.

Increase/Decrease in Village-Approved Rates – while certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (property taxes, water, sewer, building fees, home rule sales tax, prepared food tax, etc.)

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's investment portfolio is managed using a similar average maturity to most governments. Market conditions may cause investment income to fluctuate.

Expenses:

Introduction of New Program – within the functional expense categories (General Government, Public Safety and Streets and Highways, etc.), individual programs may be added or deleted to meet changing community needs.

Increase/Decrease in Authorized Personnel – changes in service demand may cause the Village Board to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent approximately 80% of the Village's General Fund and approximately 39% of Water & Sewer Fund operating costs.

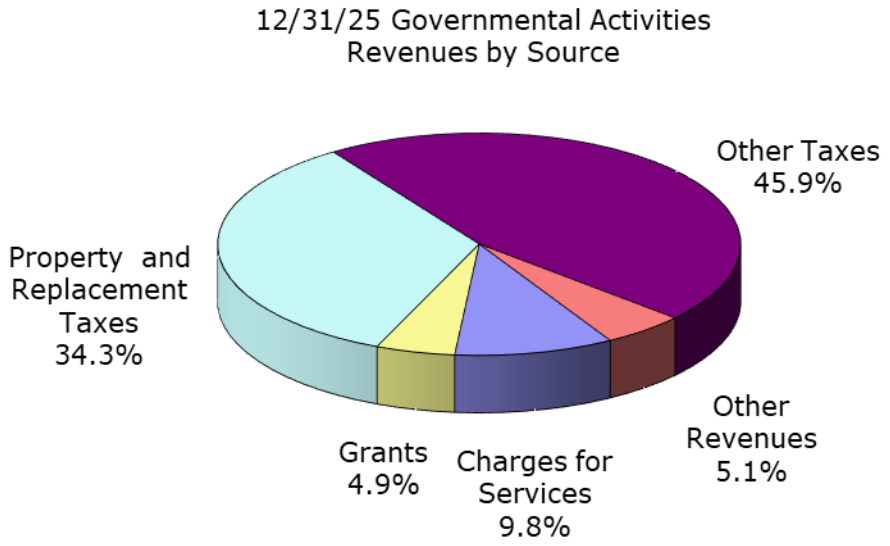
Salary Increases (annual adjustments and merit) – the ability to attract and retain human and intellectual resources requires the Village to strive to approach a competitive salary range position in the marketplace.

Inflation – while overall inflation appears to be reasonably modest, the Village is a major consumer of certain commodities such as supplies, fuels and parts. Some functions may experience unusual commodity-specific increases.

Current Year Impacts

Governmental Activities

Revenues:



For the fiscal year ended December 31, 2025, revenues from Governmental Activities totaled $124.4 million, which was $700,000 (net of transfers) slightly higher than the prior year of a net increase of $520,000 in 2024. Property and Replacement tax receipts of $42.6 million, which represents 34.3% of the total Governmental Activity revenue, remained relatively level when compared to the prior year due to a 2.46% Property Tax increase over the prior year extended levy.

During the fiscal year, Other taxes was one of the Village's largest revenue categories coming in at $57.3 million and representing 45.9% of total Government Activity revenue. Other Taxes includes Sales and Home Rule taxes, which when combined brought in $31.8 million during the calendar year. There is a noticeable decline in Use Tax from the prior year. This is primarily a result of changes made to the Leveling the Playing Field Act, effective January 1, 2025. This downward trend will be compounded by legislation passed as part of the State of Illinois' budget that converts out-of-state servicepeople who have nexus in Illinois from remitting Service Use Tax to remitting Sales tax (Municipal Retailer's Occupation Tax) in effect at the destination. In future budgets, Use tax will be combined with Sales taxes.

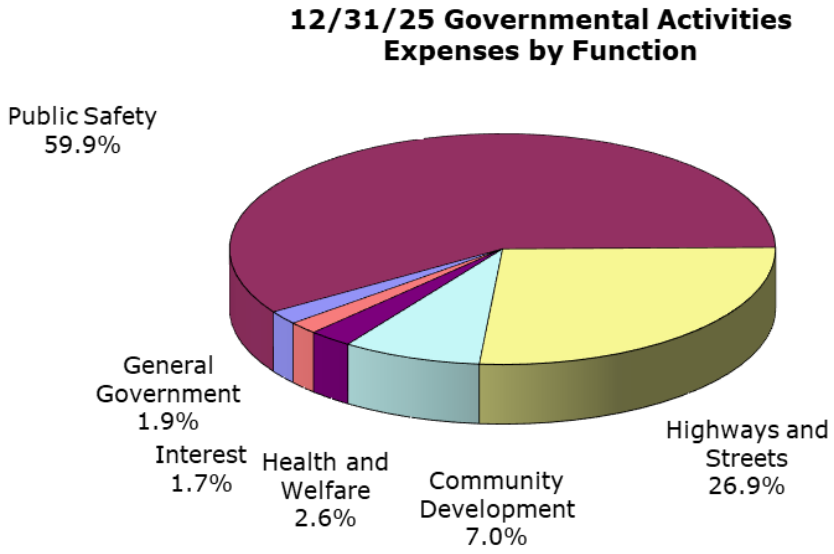
Food and Beverage Taxes also decreased slightly by $12,464 or less than 1.0% over the prior year from, $2,609,939 to $2,597,475. Other Taxes also includes Income Taxes of $14.0 million, which increased by $817,459 over the prior year. Municipalities receive a share of the statewide income tax by the State of Illinois and is distributed based on population. Income tax receipts have remained strong. Other taxes, also contains the telecommunications tax, use tax, and other miscellaneous taxes total. Telecommunication tax receipts came in higher at $1.8 million from $1.6 million in the prior year by $161,344. The Streaming tax, implemented in the last quarter, generated $133,048 compared to the $40,000 budget. The Streaming tax was enacted to help replace some of the lost revenue from taxpayers "cutting

the cord" with cable and moving to streaming services instead. Electric and natural gas utility tax receipts decreased by about $35,223 due to fluctuations in usage and weather.

Charges for Services came in at $12.2 million or 9.8% of total Government Activity revenue. These revenues include Building Permits, Engineering Service charges, Ambulance Fees, Cable Franchise Fees, General Fund Service Charges to the Municipal Parking Fund, TIF, Water & Sewer Funds, and the Solid Waste Disposal Fund (SWANCC), parking lot fees and fines, and other charges.

Operating Grants and Contributions totaled $5,975,391, while Capital Grants and Contributions totaled $100,000, with both remaining relatively consistent with prior-year amounts.

Expenses:



For the year ended December 31, 2025, expenses from Governmental Activities totaled $105.9 million. Expenses increased $6.6 million over the prior year for planned capital asset activity, and pension amounts recorded as expenses.

Police and Fire pension property tax levies are collected in the General Fund and paid to these respective pension funds as an employer contribution, and are shown as pension expenses in the Police and Fire Departments.

Business-Type Activities

Revenues:

The total revenue (Charges for services), excluding transfers in, for the business-type activities came in at $25.1 million for Water and sewer, $2.0 million for Solid waste disposal, and $700,000 for Arts, entertainment, and events. This is an increase of $1.8 million from the prior year due to Water and sewer rates increasing at 2.75% per the Village's five-year rate plan.

Expenses:

Expenses from business-type activities came in at $29.9 million which is approximately $2.0 million lower than the prior year. This is due to a decrease in planned capital expenditures Lead Service Line Replacement Fund.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

Governmental Funds

At December 31, 2025, the Governmental Funds Balance Sheet (as presented on Page 11-12) reported a combined fund balance of $100,505,844, which is a 1.1% decrease from the beginning of the year balance of $101,718,684. The change is primarily attributable to capital infrastructure projects completed in 2025. Of the total fund balance, $35,779,916 is unassigned indicating availability for continuing Village services. The General Fund is the only fund that would report a positive amount in unassigned fund balance. Restricted fund balance reflects amounts that can be spent only for specific purposes stipulated by creditors, grantors, contributors, or imposed by law through enabling legislation adopted by the Village.

Restricted fund balances totaling $48,448,772 include $1,586,809 for debt service, $16,595,034 for capital projects, $2,513,176 for public safety (Foreign Fire Insurance and Drug Forfeiture Funds), $5,390,267 for highways and streets (MFT Fund), $538,890 for Stormwater Control, and $21,824,596 for community development (TIF Funds).

Assigned fund balances are intended to be used by the Village for specific purposes and are designated by the Village's Finance Director for reporting purposes. Assigned fund balances totaling $16,080,248 includes $7,256,717 for public parking, $6,637,865 for Capital Projects and $2,185,666 for other purposes.

The General Fund is the Village's primary operating fund and the largest source of day-to-day service delivery. Revenues net of transfers came in over expenditures by $4,487,701. Sales tax revenues performed better than the prior year by $3.1 million, home rule sales taxes by $1.8 million. Total internet sales receipts, from Amazon, E-Bay, Google, Etsy, Door Dash and others came to just over $2.2 million. Income Taxes increased by $817,459 from the prior year but are still are remaining strong due to a lower level of unemployment.

The Debt Service Fund is used to account for the general long-term debt. The total fund balance of the Debt Service Fund of $2,277,509 decreasing slightly from the ending balance of $2,273,974.

The Capital Projects Fund accounts for the costs of capital improvement and equipment replacement. The ending fund balance for the Fund was $22.7 million as compared to the prior year at $21.6 million.

Proprietary Funds

At December 31, 2025, the Proprietary Funds (as presented on Pages 17-21) total net position for Water and sewer was $109.6 million, and Non-major enterprise was $6.4 million for a total of $116.0 million – an increase of $6.0 million from the prior year.

In the Water & Sewer Fund, current and other assets increased by $2.5 million. The enterprise funds cash position increased by $2.2 million. As new water meters were installed in 2025, inventory decreased from the prior year.

GENERAL FUND BUDGETARY HIGHLIGHTS

Table 3: General Fund Budgetary Highlights

	Original Budget	Final Budget	Actual
Revenues	$ 91,442,400	$ 91,442,400	$ 93,529,442
Expenditures	91,642,400	92,149,834	89,041,741
Excess of Revenues Over Expenditures	$ (200,000)	$ (707,434)	$ 4,487,701
Other Financing Sources (Uses)	200,000	(4,400,000)	(4,369,000)
Net Changes in Fund Balance	**$ -**	**$ (5,107,434)**	**$ 118,701**

Revenues performed 2.3% above budget, while expenditures were 3.4% below budget, contributing to stronger-than-anticipated financial results. Over the course of the fiscal year, the Village amended the General Fund expenditure budget at various times for a total of $507,434 or less than 1% over the original budget. The expenditure budget amendments can be summarized as follows:

$ 507,034	Encumbrance rollover-purchase orders for goods ordered the prior year, but not received until this fiscal year
$ 400	Miscellaneous Budget Amendments
$4,600,000	Surplus Operating Transfer Out
$5,107,434	Total General Fund expenditure budget amendments.

The General Fund performed better than anticipated in 2025 and concluded the year with a surplus. In accordance with prior practice and the Village's reserve policies, amounts above the 40% reserve target are strategically allocated, with Village Board approval, to support one-time investments such as capital improvements, pension liability reduction, and other long-term financial needs.

The Village Board approved $4.6 million in transfers, primarily for capital investments, including $3.555 million to the Capital Projects Fund, $500,000 to the Fleet Fund, $500,000 to the Municipal Parking Fund, and $45,000 for the celebration of the 250th Anniversary of the United States.

The General Fund is the all-purpose governmental fund, which handles the operations of the Village not accounted for in a separate fund. The General Fund's Total Assets for 2025 were $73.8 million and increase of approximately $725,000 from the prior year. Cash and investments totaled $23.3 million, decreased from the prior year of $32.4 million primarily due to the delay in the 2nd installment of property tax bills from Cook County. Total liabilities decreased by $64,604 from the prior year. Total liabilities and deferred inflows of resources totaled $36.4 million. The ending fund balance for the General Fund at December 31, 2025 was $37,371,023.

The General Fund's primary revenue sources—property taxes (29%), sales taxes, including home rule sales tax (28%), and income taxes (16%)—account for 73% of total General Fund revenues and continue to provide a stable and diversified revenue base. Property tax revenues totaled $26.2 million in 2025, compared to $25.7 million in the prior year. Other taxes totaled $19.7 million, exceeding budget by $2.4 million, primarily due to stronger-than-anticipated home rule sales tax collections.

For licenses and permits, revenue totaled $2.5 million in 2025 compared to $3.0 million in the prior year. Building permit revenue reached $1.4 million, exceeding the 2025 budget estimate of $1.2 million; however, it was lower than the $1.6 million recorded in the prior year. Building permit activity can fluctuate annually based on market conditions, redevelopment activity, and the timing and scale of construction projects.

Intergovernmental revenues include income taxes, state sales taxes, use taxes, and personal property replacement taxes. Total intergovernmental revenues were $34.9 million, representing an increase of $1.8 million over the prior year. The increase was primarily driven by stronger-than-anticipated income tax revenues of $817,459 and sales and use tax revenues of $1.1 million. Personal property replacement taxes declined by $166,060, reflecting continued reductions in this revenue source from the State of Illinois.

Grant revenues totaled $872,734, exceeding the budgeted amount of $616,000. Charges for services generated $88,440 in revenue compared to the budgeted $25,000. Fines and fee revenues were budgeted at $7.0 million and totaled $8.1 million. Miscellaneous revenues were budgeted at $634,000 and came in at $818,616. Investment earnings totaled $1.4 million, slightly below the budgeted amount of $1.5 million.

The General Fund's budgeted expenditures totaled $92.1 million, while actual expenditures were $89.0 million, resulting in expenditures coming in $3.1 million, or 3.4%, under budget. Personal services expenditures, including salaries, overtime, and benefits, were 2.5% below budget. Savings in personal services were attributable in part to the timing associated with filling vacant positions, normal employee turnover, and the hiring of new employees at salary levels lower than those of departing employees. Staffing transitions and recruitment timelines created temporary savings while departments continued to maintain service levels and support operational needs.

Several commodity categories also trended lower than anticipated, including street and sidewalk supplies, telecommunications, equipment maintenance, and other supply-related line items. The Village worked with several telecommunications providers during 2025 to achieve cost savings. In addition, contingency expenditures were below budget, as the full amount of contingency funding was not needed during the year.

CAPITAL ASSETS

At the end of 2025, the Village had a combined total of $282.5 million invested in a broad range of capital assets including police and fire equipment, buildings, Village facilities, roads, and water and sewer lines. The following tables summarize the changes in Capital Assets which are presented in detail on Pages 37-39 in the Notes to the Financial Statements. Table 4 shows that total capital assets had a net increase (including additions and deletions) of $12.2 million due to roadway improvements, fleet, and equipment purchases. Table 5 focuses on the changes in capital assets of the governmental and business-type activities.

Table 4: Capital Assets at Year End Net of Depreciation (In Millions)

	Governmental Activities		Business-Type Activities		Total Primary	
	2025	2024	2025	2024	2025	2024
Land	13.0	13.0	2.9	2.9	16.0	16.0
Land Right-of-Way	87.2	86.6	--	--	87.2	86.6
Construction in Progress	0.5	0.0	--	--	0.5	0.0
Building	59.3	62.1	6.1	6.4	65.4	68.5
Machinery & Equipment	14.8	10.3	0.9	0.9	15.6	11.2
Infrastructure (Streets)	57.7	51.9			57.7	51.9
Software	0.8	1.5	--	--	0.8	1.5
Underground Systems (Water & Sewer)	--	--	39.5	34.8	39.5	34.8
Total Capital Assets,	**$233.2**	**$225.4**	**$49.3**	**$45.0**	**$282.5**	**$270.3**

Table 5: Change in Capital Assets (In Millions)

	Governmental Activities	Business-Type Activities	Total
Beginning Balance	$225.4	$45.0	$270.3
Additions			
Depreciable	14.2	6.2	20.4
Amortizable	0.0	-	0.0
Non-Depreciable	1.1	-	1.1
CIP	-	-	-
Retirements			
Depreciable	(1.2)	-	(1.2)
Amortizable	(0.0)	-	(0.0)
Non-Depreciable	-	-	-
CIP	-	-	-
Depreciation	(6.6)	(1.8)	(8.4)
Amortization	(0.7)	-	(0.7)
Retirement	1.1	-	1.1
Ending Balance	**$233.2**	**$49.4**	**$282.5**

The governmental activities net capital assets increased by $7.8 million due primarily from the additions of fleet, equipment, and roadway infrastructure. Depreciation Expense and Amortization was $9.1 million for the current year for both governmental and business-type activities.

DEBT OUTSTANDING

As of December 31, 2025, total General Obligation Bonds (five issuances) outstanding for governmental activities amounted to $55,060,000. Of this amount, $21.5 million for reconstruction of public buildings, $1.2 million is for road improvements, $7.1 million for Storm Water Sewer Improvements, and the remaining amount of $25.3 million for Parking Lot Infrastructure Improvements, Water Main Replacements and other infrastructure.

The Village, under its home rule authority, does not have a legal debt limit. The Village of Arlington Heights holds an Aa1 bond rating from Moody's Investor's Service. This is the second-highest possible rating on Moody's scale, reflecting low credit risk, a large tax base, and strong financial flexibility. Additional information on the Village's long-term debt can be found in the Notes to the Financial Statements on Pages 41-44.

ECONOMIC FACTORS AND NEXT YEAR'S 2026 BUDGET

The Village ended Fiscal Year 2025 in good financial condition, supported by strong revenues, expenditures on track to budget, and reserve levels that continue to provide flexibility for future capital investments, and long-term financial stability.

The Fiscal Year 2025 budget was adopted by the Village Board on December 1, 2025. The budget demonstrates a continued commitment to fiscal responsibility with a property tax adjustment lower than current inflation. The budget reflects careful planning that balances the Village's current needs while investing in future initiatives and Village Board Strategic Priorities. The $224.3 million budget supports essential services, ongoing infrastructure investment, and community priorities while maintaining the Village's long-standing tradition of sound financial management.

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 Melissa Gallagher, Finance Director/Treasurer, Village of Arlington Heights, and 33 S. Arlington Heights Road, Arlington Heights, IL 60005.

BASIC FINANCIAL STATEMENTS

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

STATEMENT OF NET POSITION

December 31, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	$ 124,376,131	$ 43,957,943	$ 168,334,074
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	54,850,195	-	54,850,195
Other taxes	9,861,786	-	9,861,786
Customer accounts	-	4,978,557	4,978,557
CDBG rehabilitation loans	1,784,009	-	1,784,009
Grants	282,838	-	282,838
Leases	2,223,467	-	2,223,467
Accrued interest	2,460	-	2,460
Other	4,626,180	-	4,626,180
Due from fiduciary funds	1,069,854	-	1,069,854
Prepaid expenses	258,500	158,722	417,222
Inventory	408,118	754,662	1,162,780
Investment in joint venture	-	20,385,662	20,385,662
Capital assets not being depreciated nor amortized	100,660,828	2,926,027	103,586,855
Capital assets being depreciated and amortized (net of accumulated depreciation and amortization)	132,526,243	46,425,812	178,952,055
Total assets	432,930,609	119,587,385	552,517,994
DEFERRED OUTFLOWS OF RESOURCES			
Asset retirement obligation items	-	805,000	805,000
IMRF items	6,804,770	1,962,745	8,767,515
Police pension items	5,178,093	-	5,178,093
Firefighters' pension items	2,539,054	-	2,539,054
OPEB items	3,105,880	268,497	3,374,377
Total deferred outflows of resources	17,627,797	3,036,242	20,664,039
Total assets and deferred outflows of resources	450,558,406	122,623,627	573,182,033

(This statement is continued on the following page.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

STATEMENT OF NET POSITION (Continued)

December 31, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Accounts payable	$ 4,921,124	$ 2,214,714	$ 7,135,838
Accrued payroll	2,496,118	196,582	2,692,700
Accrued interest payable	183,679	-	183,679
Deposits payable	2,365,602	-	2,365,602
Claims payable	1,856,262	-	1,856,262
Unearned revenue	40,013	-	40,013
Noncurrent liabilities			
Due within one year	8,833,613	200,153	9,033,766
Due in more than one year	124,441,932	3,923,851	128,365,783
Total liabilities	145,138,343	6,535,300	151,673,643
DEFERRED INFLOWS OF RESOURCES			
IMRF items	32,786	9,557	42,343
Police pension items	21,233,112	-	21,233,112
Firefighters' pension items	16,823,786	-	16,823,786
OPEB items	3,908,670	148,450	4,057,120
Leases	2,266,422	-	2,266,422
Property taxes	43,794,500	-	43,794,500
Total deferred inflows of resources	88,059,276	158,007	88,217,283
Total liabilities and deferred inflows of resources	233,197,619	6,693,307	239,890,926
NET POSITION			
Net investment in capital assets*	195,477,826	48,749,263	236,287,340
Restricted for			
Debt service	1,586,809	-	1,586,809
Capital projects	587,252	-	587,252
Public safety	2,513,176	-	2,513,176
Highways and streets	5,390,267	-	5,390,267
Community development	21,814,211	-	21,814,211
Stormwater control	538,890	-	538,890
Unrestricted (deficit)	(10,547,644)	67,181,057	64,573,162
TOTAL NET POSITION	$ 217,360,787	$ 115,930,320	$ 333,291,107

*General Obligation Bonds Series 2020 were issued as governmental activities debt to fund capital asset acquisitions for the business-type activities. Therefore, the total column includes the outstanding balance for these bonds (including unamortized premium and unspent proceeds), while the governmental activities column does not include these amounts in the calculation of the net investment in capital assets.

See accompanying notes to financial statements.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2025

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	$ 2,047,062	$ 3,598,397	$ 1,404,581	$ -
Public safety	62,502,512	5,730,373	529,512	100,000
Highways and streets	28,142,662	1,009,079	3,787,770	-
Community development	8,712,005	1,886,474	253,528	-
Health and welfare	2,735,265	8,880	-	-
Interest	1,844,659	-	-	-
Total governmental activities	105,984,165	12,233,203	5,975,391	100,000
Business-Type Activities				
Water and sewer	26,956,836	25,090,161	-	-
Solid waste disposal	1,819,291	2,018,339	-	-
Arts, entertainment, and events	1,186,403	70,000	-	-
Total business-type activities	29,962,530	27,178,500	-	-
TOTAL PRIMARY GOVERNMENT	$ 135,946,695	$ 39,411,703	$ 5,975,391	$ 100,000

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	$ 2,955,916	$ -	$ 2,955,916
	(56,142,627)	-	(56,142,627)
	(23,345,813)	-	(23,345,813)
	(6,572,003)	-	(6,572,003)
	(2,726,385)	-	(2,726,385)
	(1,844,659)	-	(1,844,659)
	(87,675,571)	-	(87,675,571)
	-	(1,866,675)	(1,866,675)
	-	199,048	199,048
	-	(1,116,403)	(1,116,403)
	-	(2,784,030)	(2,784,030)
	(87,675,571)	(2,784,030)	(90,459,601)
General Revenues			
Taxes			
Property	41,901,052	-	41,901,052
Utility	4,637,028	-	4,637,028
Home rule sales	12,362,427	-	12,362,427
Hotel/motel	1,176,433	-	1,176,433
Food and beverage	2,597,475	1,056,177	3,653,652
Telecommunications	1,836,583	-	1,836,583
Foreign fire insurance	232,929	-	232,929
Other	175,012	-	175,012
Intergovernmental - unrestricted			
Shared income taxes	14,008,426	-	14,008,426
Shared sales taxes	19,433,105	-	19,433,105
Shared use taxes	798,357	-	798,357
Replacement taxes	657,580	-	657,580
Investment income	5,076,930	1,860,048	6,936,978
Miscellaneous	1,266,976	1,144,557	2,411,533
Gain on sale of capital assets	-	67,310	67,310
Transfers (out)	(4,545,000)	4,545,000	-
Total	101,615,313	8,673,092	110,288,405
CHANGE IN NET POSITION	13,939,742	5,889,062	19,828,804
NET POSITION, JANUARY 1	203,421,045	110,041,258	313,462,303
NET POSITION, DECEMBER 31	$ 217,360,787	$ 115,930,320	$ 333,291,107

See accompanying notes to financial statements.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

GOVERNMENTAL FUNDS

BALANCE SHEET

December 31, 2025

	General	Debt Service	Capital Projects	Nonmajor	Total
ASSETS					
Cash and investments	$ 23,304,688	$ 1,499,605	$ 21,570,927	$ 36,955,467	$ 83,330,687
Receivables (net, where applicable, of allowances for uncollectibles)					
Property taxes	35,482,451	7,273,223	6,494,735	5,599,786	54,850,195
Other taxes	8,734,251	-	813,067	314,468	9,861,786
CDBG rehabilitation loans	-	-	-	1,784,009	1,784,009
Zero interest loans	-	-	-	384,237	384,237
Grants	-	-	21,522	261,316	282,838
Leases	2,223,467	-	-	-	2,223,467
Accrued interest	2,460	-	-	-	2,460
Other	2,656,040	-	-	240,087	2,896,127
Due from other funds	222,002	-	-	-	222,002
Due from fiduciary funds	1,069,854	-	-	-	1,069,854
Prepaid items	42,214	-	33,767	67,000	142,981
Inventory	53,927	-	-	-	53,927
TOTAL ASSETS	$ 73,791,354	$ 8,772,828	$ 28,934,018	$ 45,606,370	$ 157,104,570

(This statement is continued on the following page.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

GOVERNMENTAL FUNDS

BALANCE SHEET (Continued)

December 31, 2025

	General	Debt Service	Capital Projects	Nonmajor	Total
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ 1,573,252	$ 319	$ 419,948	$ 1,334,207	$ 3,327,726
Accrued payroll	2,400,555	-	-	13,661	2,414,216
Deposits payable	2,365,602	-	-	-	2,365,602
Due to other funds	-	-	-	222,002	222,002
Unearned revenue	-	-	24,272	15,741	40,013
Total liabilities	6,339,409	319	444,220	1,585,611	8,369,559
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	-	2,168,246	2,168,246
Property taxes	27,814,500	6,495,000	5,800,000	3,685,000	43,794,500
Leases	2,266,422	-	-	-	2,266,422
Total deferred inflows of resources	30,080,922	6,495,000	5,800,000	5,853,246	48,229,168
Total liabilities and deferred inflows of resources	36,420,331	6,495,319	6,244,220	7,438,857	56,598,727
FUND BALANCES					
Nonspendable					
Prepaid items	42,214	-	33,767	67,000	142,981
Inventory	53,927	-	-	-	53,927
Restricted					
Debt service	-	1,586,809	-	-	1,586,809
Capital projects	-	-	16,007,782	587,252	16,595,034
Public safety	-	-	-	2,513,176	2,513,176
Highways and streets	-	-	-	5,390,267	5,390,267
Community development	-	-	-	21,814,211	21,814,211
Stormwater control	-	-	-	538,890	538,890
Assigned					
Debt service	313,541	690,700	-	-	1,004,241
Wellness program	7,799	-	-	-	7,799
Disabled citizens programs	1,016	-	-	-	1,016
Emergency assistance programs	256,817	-	-	-	256,817
Senior center maintenance	238,000	-	-	-	238,000
Canine unit donation	127,793	-	-	-	127,793
TIF refund	550,000	-	-	-	550,000
Capital projects	-	-	6,648,249	-	6,648,249
Public parking	-	-	-	7,256,717	7,256,717
Unassigned	35,779,916	-	-	-	35,779,916
Total fund balances	37,371,023	2,277,509	22,689,798	38,167,513	100,505,843
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 73,791,354	$ 8,772,828	$ 28,934,018	$ 45,606,370	$ 157,104,570

See accompanying notes to financial statements.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

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	$ 100,505,843
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	233,187,071
Less internal service funds	(14,534,013)
Certain revenues are reported as unavailable in governmental funds but reported as revenue on the statement of activities	2,168,246
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Bonds payable	(55,060,000)
Unamortized premium on bonds	(4,086,857)
Net pension liability - IMRF	(5,390,929)
Net pension liability - police pension	(8,736,671)
Net pension liability - firefighters' pension	(29,241,202)
Total OPEB liability	(21,783,913)
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings, and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	6,804,770
Deferred inflows of resources	(32,786)
Differences between expected and actual experiences, assumption changes, and net differences between projected and actual earnings for the Police Pension Plan are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	5,178,093
Deferred inflows of resources	(21,233,112)
Differences between expected and actual experiences, assumption changes, and net differences between projected and actual earnings for the Firefighters' Pension Plan are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	2,539,054
Deferred inflows of resources	(16,823,786)
Differences between expected and actual experiences, assumption changes, and net differences between projected and actual earnings for the Postemployment Benefit Plan are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	3,057,865
Deferred inflows of resources	(3,854,523)
Compensated absences payable are not due and payable in the current period and, therefore, are not reported in governmental funds	(8,175,390)
Less internal service funds	300,310
SBITAs payable are not due and payable in the current period and, therefore, are not reported in governmental funds	(571,132)
Less internal service funds	434,348
Accrued interest on long-term liabilities is reported as a liability on the statement of net position	(183,679)
The net position of the internal service funds are included in the governmental activities in the statement of net position	52,893,180
NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 217,360,787

See accompanying notes to financial statements.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES

For the Year Ended December 31, 2025

	General	Debt Service	Capital Projects	Nonmajor	Total
REVENUES					
Taxes	$ 45,880,714	$ 6,354,532	$ 8,763,423	$ 3,920,270	$ 64,918,939
Licenses and permits	2,524,862	-	-	-	2,524,862
Intergovernmental	34,897,468	-	-	4,607,515	39,504,983
Grants	872,734	-	-	253,528	1,126,262
Charges for services	88,440	-	-	2,597,927	2,686,367
Fines and fees	7,021,974	-	-	-	7,021,974
Investment income	1,424,633	145,060	2,002,631	1,504,606	5,076,930
Miscellaneous	818,617	586	91,280	356,493	1,266,976
Total revenues	93,529,442	6,500,178	10,857,334	13,240,339	124,127,293
EXPENDITURES					
Current					
General government	5,000,330	-	-	262,328	5,262,658
Public safety	60,653,091	-	-	570,064	61,223,155
Highways and streets	15,585,478	-	-	4,854,703	20,440,181
Community development	5,204,351	-	-	1,492,927	6,697,278
Health and welfare	2,567,491	-	-	-	2,567,491
Capital outlay	-	-	8,052,697	8,296,789	16,349,486
Debt service					
Principal retirement	31,000	4,645,000	113,348	-	4,789,348
Interest and fiscal charges	-	2,542,343	6,194	-	2,548,537
Total expenditures	89,041,741	7,187,343	8,172,239	15,476,811	119,878,134
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,487,701	(687,165)	2,685,095	(2,236,472)	4,249,159
OTHER FINANCING SOURCES (USES)					
Transfers in	200,000	690,700	3,855,000	500,000	5,245,700
Transfers (out)	(4,600,000)	-	(5,448,000)	(690,700)	(10,738,700)
SBITA issuance	31,000	-	-	-	31,000
Total other financing sources (uses)	(4,369,000)	690,700	(1,593,000)	(190,700)	(5,462,000)
NET CHANGE IN FUND BALANCES	118,701	3,535	1,092,095	(2,427,172)	(1,212,841)
FUND BALANCES, JANUARY 1	37,252,322	2,273,974	21,597,703	40,594,685	101,718,684
FUND BALANCES, DECEMBER 31	$ 37,371,023	$ 2,277,509	$ 22,689,798	$ 38,167,513	$ 100,505,843

See accompanying notes to financial statements.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2025

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	$ (1,212,841)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated or amortized in the statement of activities	8,972,547
Depreciation and amortization in the statement of activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds	
Depreciation for tangible capital assets	(4,864,442)
Amortization for intangible capital assets	(128,235)
Certain revenues are reported as unavailable in governmental funds but reported as revenue on the statement of activities	241,614
The repayment of the principal portion of general obligation bonds is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	4,645,000
The repayment of the principal portion of SBITA payable is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	144,348
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Amortization of premium on long-term debt	663,863
Change in compensated absences liability	(517,365)
Change in accrued interest payable	40,015
The change in the Illinois Municipal Retirement Fund net pension liability and deferred outflows and inflows of resources is not a source or use of a financial resource	(1,040,232)
The change in the Police Pension Plan net pension liability and deferred outflow/inflows of resources is not a source or use of a financial resource	1,731,486
The change in the Firefighters' Pension Plan net pension liability and deferred outflow/inflows of resources is not a source or use of a financial resource	204,767
The change in the total OPEB liability and deferred outflow/inflows of resources is not a source or use of a financial resource	(761,576)
The issuance of long-term debt is reported as an other financing source in governmental funds but as an increase of principal outstanding on the statement of activities	
SBITAs issued	(31,000)
The change in net position of internal service funds is reported in governmental activities	5,851,793
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 13,939,742

See accompanying notes to financial statements.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

December 31, 2025

	Water and Sewer	Nonmajor Enterprise	Total	Governmental Activities Internal Service
CURRENT ASSETS				
Cash and cash equivalents	$ 39,632,561	$ 4,325,382	$ 43,957,943	$ 41,045,444
Receivables				
Customer accounts	4,666,505	312,052	4,978,557	-
Other	-	-	-	1,345,816
Prepaid expenses	7,600	151,122	158,722	115,519
Inventory	754,662	-	754,662	354,191
Total current assets	45,061,328	4,788,556	49,849,884	42,860,970
NONCURRENT ASSETS				
Capital assets				
Nondepreciable capital assets	2,450,827	475,200	2,926,027	-
Depreciable capital assets	135,416,360	2,573,608	137,989,968	34,374,189
Accumulated depreciation	(90,126,978)	(1,437,178)	(91,564,156)	(19,840,176)
Net capital assets	47,740,209	1,611,630	49,351,839	14,534,013
Other assets				
Investment in joint venture	20,385,662	-	20,385,662	-
Total other assets	20,385,662	-	20,385,662	-
Total noncurrent assets	68,125,871	1,611,630	69,737,501	14,534,013
Total assets	113,187,199	6,400,186	119,587,385	57,394,983
DEFERRED OUTFLOWS OF RESOURCES				
Asset retirement obligation items	805,000	-	805,000	-
IMRF items	1,962,745	-	1,962,745	-
OPEB items	268,497	-	268,497	48,015
Total deferred outflows of resources	3,036,242	-	3,036,242	48,015
Total assets and deferred outflows of resources	116,223,441	6,400,186	122,623,627	57,442,998

(This statement is continued on the following page.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF NET POSITION (Continued)

December 31, 2025

	Water and Sewer	Nonmajor Enterprise	Total	Governmental Activities Internal Service
CURRENT LIABILITIES				
Accounts payable	$ 2,184,609	$ 30,105	$ 2,214,714	$ 1,593,398
Accrued payroll	196,582	-	196,582	81,902
Claims payable	-	-	-	1,856,262
Compensated absences payable	139,335	-	139,335	60,062
SBITAs payable	-	-	-	434,348
Total OPEB liability	60,818	-	60,818	17,326
Total current liabilities	2,581,344	30,105	2,611,449	4,043,298
LONG-TERM LIABILITIES				
Compensated absences payable	557,342	-	557,342	240,248
Net pension liability - IMRF	1,571,906	-	1,571,906	-
Total OPEB liability	744,603	-	744,603	212,125
Asset retirement obligations	1,050,000	-	1,050,000	-
Total long-term liabilities	3,923,851	-	3,923,851	452,373
Total liabilities	6,505,195	30,105	6,535,300	4,495,671
DEFERRED INFLOWS OF RESOURCES				
IMRF items	9,557	-	9,557	-
OPEB items	148,450	-	148,450	54,147
Total deferred inflows of resources	158,007	-	158,007	54,147
Total liabilities and deferred inflows of resources	6,663,202	30,105	6,693,307	4,549,818
NET POSITION				
Net investment in capital assets	47,162,633	1,586,630	48,749,263	13,298,953
Unrestricted	62,397,606	4,783,451	67,181,057	39,594,227
TOTAL NET POSITION	$ 109,560,239	$ 6,370,081	$ 115,930,320	$ 52,893,180

See accompanying notes to financial statements.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION

For the Year Ended December 31, 2025

	Water and Sewer	Nonmajor Enterprise	Total	Governmental Activities Internal Service
OPERATING REVENUES				
Charges for services	$ 25,090,161	$ 2,088,339	$ 27,178,500	$ 24,021,300
Contributions	-	-	-	4,879,516
Fines	-	-	-	28,926
Miscellaneous	578,263	-	578,263	296,271
Total operating revenues	25,668,424	2,088,339	27,756,763	29,226,013
OPERATING EXPENSES				
Operations	25,175,184	2,937,296	28,112,480	24,357,616
Depreciation and amortization	1,781,652	68,398	1,850,050	2,318,000
Total operating expenses	26,956,836	3,005,694	29,962,530	26,675,616
OPERATING INCOME (LOSS)	(1,288,412)	(917,355)	(2,205,767)	2,550,397
NON-OPERATING REVENUES (EXPENSES)				
Investment income	1,683,247	176,801	1,860,048	1,510,603
Increase in joint venture	392,881	-	392,881	-
Food and beverage tax	-	1,056,177	1,056,177	-
Intergovernmental	-	-	-	-
Reimbursements	-	-	-	83,622
Interest expense and fiscal charges	-	-	-	5,523
Gain (loss) on sale of capital assets	67,310	-	67,310	(131,006)
Other income	36,505	136,908	173,413	784,654
Total non-operating revenues (expenses)	2,179,943	1,369,886	3,549,829	2,253,396
INCOME BEFORE TRANFERS AND CAPITAL CONTRIBUTIONS	891,531	452,531	1,344,062	4,803,793
TRANSFERS				
Transfers in	5,000,000	45,000	5,045,000	948,000
Transfers (out)	-	(500,000)	(500,000)	-
Total transfers	5,000,000	(455,000)	4,545,000	948,000
CAPITAL CONTRIBUTIONS	-	-	-	100,000
CHANGE IN NET POSITION	5,891,531	(2,469)	5,889,062	5,851,793
NET POSITION, JANUARY 1	103,668,708	6,372,550	110,041,258	47,041,387
NET POSITION, DECEMBER 31	$ 109,560,239	$ 6,370,081	$ 115,930,320	$ 52,893,180

See accompanying notes to financial statements.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2025

	Water and Sewer	Nonmajor Enterprise	Total	Governmental Activities Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	$ 24,489,824	$ 2,172,824	$ 26,662,648	$ 5,221,945
Receipts from interfund services	-	-	-	23,916,789
Payments to suppliers	(16,089,450)	(2,684,997)	(18,774,447)	(21,405,215)
Payments to employees	(7,169,981)	(255,642)	(7,425,623)	(3,040,017)
Net cash from operating activities	1,230,393	(767,815)	462,578	4,693,502
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Interfund transfers	5,000,000	(455,000)	4,545,000	948,000
Intergovernmental	-	-	-	-
Food and beverage tax receipts	-	1,056,177	1,056,177	-
Net cash from noncapital financing activities	5,000,000	601,177	5,601,177	948,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital assets purchased	(5,612,354)	(80,253)	(5,692,607)	(6,289,851)
Gain on sale of capital assets	67,310	-	67,310	-
Long-term debt principal payments	-	-	-	(431,596)
Long-term debt interest payments	-	-	-	5,523
Net cash from capital and related financing activities	(5,545,044)	(80,253)	(5,625,297)	(6,715,924)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	1,683,247	176,801	1,860,048	1,510,603
Net cash from investing activities	1,683,247	176,801	1,860,048	1,510,603
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,368,596	(70,090)	2,298,506	436,181
CASH AND CASH EQUIVALENTS, JANUARY 1	37,263,965	4,395,472	41,659,437	40,609,263
CASH AND CASH EQUIVALENTS, DECEMBER 31	$ 39,632,561	$ 4,325,382	$ 43,957,943	$ 41,045,444

(This statement is continued on the following page.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS (Continued)

For the Year Ended December 31, 2025

	Water and Sewer	Nonmajor Enterprise	Total	Governmental Activities Internal Service
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	$ (1,288,412)	$ (917,355)	$ (2,205,767)	$ 2,550,397
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Depreciation and amortization	1,781,652	68,398	1,850,050	2,318,000
Other income	36,505	136,908	173,413	868,276
Change in assets and liabilities				
Receivables	(1,215,105)	(52,423)	(1,267,528)	(405,856)
Prepaid expenses	-	19,046	19,046	295,766
Inventories	991,982	-	991,982	(40,395)
Accounts payable	625,194	-	625,194	(5,371)
Accrued payroll	29,731	(22,389)	7,342	8,316
Unearned revenue	-	-	-	(937,052)
Compensated absences payable	(24,386)	-	(24,386)	(83,532)
IMRF items	303,330	-	303,330	-
OPEB items	(10,098)	-	(10,098)	(5,430)
Claims payable	-	-	-	130,383
NET CASH FROM OPERATING ACTIVITIES	$ 1,230,393	$ (767,815)	$ 462,578	$ 4,693,502
NONCASH TRANSACTIONS				
Investment in joint venture	$ 392,881	$ -	$ 392,881	$ -
Capital assets in accounts payable	577,576	-	577,576	800,712
Capital contributions	-	-	-	100,000
Loss on sale of capital assets	-	-	-	(131,006)
TOTAL NONCASH TRANSACTIONS	$ 970,457	$ -	$ 970,457	$ 769,706

See accompanying notes to financial statements.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET POSITION

December 31, 2025

	Pension Trust Funds
ASSETS	
Cash and cash equivalents	$ 7,717,842
Investments held in the Illinois Firefighters' Pension Investment Fund	180,694,676
Investments held in the Illinois Police Officers' Pension Investment Fund	220,728,432
Total assets	409,140,950
LIABILITIES	
Accounts payable	22,634
Due to Village	1,069,854
Deferred revenue	103,479
Total liabilities	1,195,967
NET POSITION RESTRICTED FOR PENSION BENEFITS	$ 407,944,983

See accompanying notes to financial statements.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

FIDUCIARY FUNDS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the Year Ended December 31, 2025

	Pension Trust Funds
ADDITIONS	
Contributions	
Employer	$ 11,453,000
Participants	2,641,604
Other	17,385
Total contributions	14,111,989
Investment income	
Net appreciation in fair value of investments	56,946,021
Interest income	3,992,711
Subtotal	60,938,732
Less investment expense	(513,156)
Net investment income	60,425,576
Total additions	74,537,565
DEDUCTIONS	
Administrative	147,872
Pension benefits and refunds	21,240,539
Total deductions	21,388,411
NET INCREASE	53,149,154
NET POSITION RESTRICTED FOR PENSION BENEFITS	
January 1	354,795,829
December 31	$ 407,944,983

See accompanying notes to financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Arlington Heights, Illinois (the Village) was incorporated in 1887. The Village provides services to the community that include police, fire, water and sewer utility, community development, street maintenance, and general services.

The accounting policies of the Village conform to accounting principles generally accepted in the United States of America, as applicable to governments (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies:

a. Reporting Entity

The Village is a municipal corporation governed by an elected eight-member board. As required by GAAP, these financial statements present the Village (the primary government). Management has determined that there are two fiduciary component units that are required to be included in the financial statements of the Village as pension trust funds.

Police Pension Employees Retirement System

The Village's police employees participate in Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's Mayor, one elected by pension beneficiaries and two elected police employees constitute the pension board. The Village is obligated to fund all PPERS costs not funded by PPERS participants based upon actuarial valuations, which creates a financial burden on the Village. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels, which results in the PPERS being fiscally dependent upon the Village. PPERS is reported as a pension trust fund. PPERS does not issue a stand-alone financial report.

Firefighters' Pension Employees Retirement System

The Village's sworn firefighters participate in Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's Mayor, one elected pension beneficiary and two elected fire employees constitute the pension board. The Village is obligated to fund all FPERS costs not funded by FPERS participants based upon actuarial valuations, which creates a financial burden on the Village.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

Firefighters' Pension Employees Retirement System (Continued)

The State of Illinois is authorized to establish benefit levels, and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels, which results in the FPERS being fiscally dependent on the Village. FPERS is reported as a pension trust fund. FPERS does not issue a stand-alone financial report.

b. Fund Accounting

The Village uses funds to report on its financial position and the change in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. The minimum number of funds are maintained consistent with legal and managerial requirements.

Funds are classified into the following categories: governmental, proprietary, and fiduciary.

Governmental funds are used to account for all or most of the Village's general activities, including the collection and disbursement of committed, restricted, or assigned monies (special revenue funds), the funds committed, restricted, or assigned for the acquisition or construction of capital assets (capital projects funds), and the funds committed, restricted, or assigned for the servicing of long-term debt (debt service funds). The General Fund is used to account for all activities of the Village not accounted for in some other fund.

Enterprise funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the Village (internal service funds).

Fiduciary funds are used to account for fiduciary activities (e.g., assets held on behalf of outside parties, including other governments). The Village utilizes pension trust funds which are generally used to account for assets that the Village holds in a fiduciary capacity.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these statements. Interfund services provided and used are not eliminated on these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment, or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

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

The Debt Service Fund is used to account is used to account for the servicing of general long-term debt not being financed by proprietary funds.

The Capital Projects Fund accounts for financial resources that are restricted, committed, or assigned to expenditure for miscellaneous capital improvement projects and equipment replacement. Major projects include: road improvements, curb replacement, paving maintenance, and sidewalk replacement/installation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

The Village reports the following major proprietary funds:

The Water and Sewer Fund accounts for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, billing, and collection. The Lead Service Line Replacement Fund, a sub-fund of the Water and Sewer Fund, accounts for the costs from the state mandate eliminating all public lead water service lines by the year 2044.

Additionally, the Village reports the following Internal Service Funds:

Internal Service Funds account for operations that provide services to other departments or agencies of the Village, or to other governments, on a cost-reimbursement basis.

The Health and Life Insurance Fund is used to account for all costs associated with self-insurance risks for health and life insurance.

The General Liability Insurance Fund is used to account for all costs associated with self-insurance risks for general liability and property loss.

The Workers' Compensation Fund is used to account for all costs associated with self-insurance risks for workers' compensation.

The Fleet Operations Fund is used to account for all costs associated with maintaining and servicing the vehicles and equipment operated by various departments within the Village.

The Technology Fund is used to account for all costs associated with providing technology services to all departments for the operations of the Village.

The internal service funds are reported as part of the governmental activities on the government-wide financial statements as the services provided predominantly benefit the Village's governmental funds/activities.

The Village reports pension trust funds as fiduciary funds to account for the Police Pension Fund and Firefighters' Pension Fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Non-operating revenue/expenses are incidental to the operations of these funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, generally 60 days except for sales taxes and telecommunication taxes which use 90 days. The Village recognizes property taxes when they become both measurable and available in the year for which they are levied (i.e., intended to finance). Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Property taxes, sales taxes owed from the state at year end, franchise taxes, licenses, charges for services, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

In applying the susceptible to accrual concept to intergovernmental revenues (e.g., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidelines. There are, however, essentially two types of revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Village; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The Village reports unearned revenue and deferred/unavailable revenue on its financial statements. Deferred/unavailable revenues arise when a potential revenue does not meet the available criteria for recognition in the current period, under the modified accrual basis of accounting. Unearned revenue arises when a revenue is measurable but not earned under the accrual basis of accounting. Unearned revenues also arise when resources are received by the Village before it has a legal claim to them or prior to the provision of services, 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 or deferred inflow of resources for unearned and deferred/unavailable revenue are removed from the financial statements and revenue is recognized.

e. Cash and Investments

For purposes of the statement of cash flows, the Village considers cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust funds are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

f. Interfund Receivables/Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (current portion of interfund loans) or "advances to/from other funds" (noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances are offset by nonspendable fund balance in applicable governmental funds.

Interfund service transactions are accounted for as revenues, expenditures, or expenses.

Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Property Taxes

Property taxes for 2025 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 fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about February 1, 2026 and August 1, 2026 and are payable in two installments, on or about March 1, 2026 and September 1, 2026. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 2% of the tax levy, to reflect actual collection experience. Since the 2025 levy is intended to fund the 2026 fiscal year, the levy has been recorded as a receivable and deferred inflow of resources.

h. Inventories and Prepaid Items/Expenses

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund inventories are recorded as expenditures when consumed rather than when purchased.

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses. Prepaid items/expenses are recorded as expenditures/expenses when consumed rather than when purchased.

i. Tangible and Intangible Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads and bridges) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost in excess of $25,000 (with the exception of $10,000 for vehicles) and an estimated useful life of greater than of one year.

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Tangible and Intangible Capital Assets (Continued)

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

Assets	Years
Buildings and improvements	10-40
Machinery, equipment, and vehicles	3-20
Infrastructure	40
Underground systems	40

Intangible assets represent the Village's right-to-use a leased asset. These intangible assets, as defined by GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, are for subscription contracts of nonfinancial assets including software and are amortized over the shorter of the lease term or useful life of the intangible asset.

j. Compensated Absences

In accordance with GASB Statement No. 101, *Compensated Absences*, vested or accumulated vacation and sick leave that is due to employees who have retired or terminated by the end of the year is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated vacation and sick leave of proprietary funds and governmental activities is recorded as an expense and liability of those funds as the benefits accrue to employees. The entire balance of vacation leave is recognized as a liability at year end.

A liability is recognized for the portion of accumulating sick leave benefits that is estimated to be more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The Village has determined that routine sick leave usage and sick leave eligible for conversion to Village-funded health insurance benefits represent the primary components subject to this assessment. Routine sick leave usage is considered the most reliable indicator of amounts more likely than not to be utilized. Accordingly, the Village estimates the liability for sick leave based on one year of expected future usage per employee, with current year usage serving as the basis for the estimate.

For employees with greater than 20 years of service, the Village has determined that it is more likely than not that accrued sick leave will be utilized for post-employment health insurance benefits. As such, a liability is recognized for 100% of eligible accumulated sick leave for these employees, reflecting the expectation that such benefits will be fully utilized upon retirement.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt, and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund financial statements. Bond premiums and discounts, as well as the unamortized loss on refunding, are deferred and amortized over the life of the bonds. Bonds payable are reported net of any applicable bond premium or discount.

Issuance costs are reported as expenses.

The unamortized loss on refunding is reported as a deferred outflow of resources.

In the fund financial statements, governmental funds recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

l. 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 assets 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 financial 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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

m. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for a specific purpose, or externally imposed by outside entities. Fund balance can also be restricted by enabling legislation. Committed fund balance is constrained by formal actions of the

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Fund Balance/Net Position (Continued)

Village Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions include ordinances approved by the Board of Trustees. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Village's Finance Director through the fund balance policy adopted by the Village Board of Trustees. Any residual fund balance of the General Fund is reported as unassigned. Deficit fund balances of other governmental funds are also reported as unassigned.

The Village has established a fund balance reserve policy for its General Fund. The policy requires unassigned fund balances to be maintained in the General Fund equivalent to 25% of the fund's annual operating expenditures.

The Stormwater Fund reports restricted fund balance for capital projects (stormwater management projects) as established by the enabling ordinance.

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the Village considers committed funds to be expended first followed by assigned and then unassigned funds.

In the government-wide financial statements, restricted net positions are legally restricted by outside parties for a specific purpose. Net position can also be restricted by enabling legislation. Net investment in capital assets represents the book value of capital assets less any outstanding long-term debt to acquire or construct the capital assets as well as any other non-debt capital related liabilities.

n. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS

The Village and pension funds categorize the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

a. Village Investments

The Village's investment policy authorizes the Village to invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and The Illinois Funds.

The Village's investment policy limits their deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance. Additionally, the Village maintains a list of approved security brokers/dealers selected by creditworthiness (e.g., a minimum capital requirement of $10,000,000 and at least five years of operation).

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity, and rate of return.

The Village maintains a cash pool that is available for use by all funds, except the pension trust funds. Investments are separately held by several of the Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

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's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 102% of the fair market value of the funds secured, with the collateral held by the Village, an independent third party, the Federal Reserve Bank of Chicago, or with an irrevocable line of credit at the Federal Home Loan Bank of Chicago.

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments (Continued)

Investments

The following table presents the investments and maturities of the Village's securities subject to interest rate risk as of December 31, 2025:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less than 1	1-5	6-10	Greater than 10
U.S. Treasury securities	$ 35,432,061	$ 2,821,894	$ 32,610,167	$ -	$ -
U.S. agency securities	16,632,538	-	15,662,545	357,734	612,259
Commercial paper	249,816	249,816	-	-	-
Municipal bonds	925,397	-	925,397	-	-
Corporate bonds	15,300,209	420,362	14,879,847	-	-
TOTAL	$ 68,540,021	$ 3,492,072	$ 64,077,956	$ 357,734	$ 612,259

The Village has the following recurring fair value measurements as of April 30, 2025: The U.S. agency securities, U.S. Treasury securities, commercial paper, municipal bonds, and the corporate bonds are valued using quoted matrix pricing models (Level 2 inputs).

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for cash requirements for ongoing operations in shorter-term securities, money market mutual funds or similar investment pools.

The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by prequalifying the financial institution, intermediaries and advisors with which the Village will conduct business, and diversifying the investment portfolio so that potential losses on individual investments will be minimized. The Illinois Funds and IMET are rated AAA. The Village's U.S. agency securities are rated AA+, U.S. Treasury securities are rated AA+, commercial paper is rated A-, municipal bonds are rated AA+, and the corporate bonds are rated BBB+ to AA+ by Standard & Poor's.

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments (Continued)

Investments (Continued)

participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held in a custodial account with the trust department of an approved financial institution. The Illinois Funds and IMET are not subject to custodial credit risk.

The Illinois Metropolitan Investment Fund (IMET) is a local government investment pool. Created in 1996 as a not-for-profit trust formed under the Intergovernmental Cooperation Act and the Illinois Municipal Code. IMET was formed to provide Illinois government agencies with safe, liquid, attractive alternatives for investing and is managed by a Board of Trustees elected from the participating members. IMET offers participants two separate vehicles to meet their investment needs. The IMET Core Fund is designed for public funds that may be invested for longer than one year. The Core Fund carries the highest rating available (AAAf/bf) from Moody's for such funds. Member withdrawals can be made from the core fund with a five day notice. The IMET Convenience Fund (CVF) is designed to accommodate funds requiring high liquidity, including short term cash management programs and temporary investment of bond proceeds. It is comprised of collateralized and FHLB LoC backed bank deposits, FDIC insured certificates of deposit and US government securities. Member withdrawals are generally on the same day as requested. Investments in IMET are valued at IMET's share price, which is the price the investment could be sold.

Concentration of credit risk is the risk that the Village has a high percentage of its investments invested in one type of investment. The Village's investment policy requires diversification of investments to avoid overconcentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities and authorized investment pools) but has no set percentage limits.

3. RECEIVABLES

The following receivables are included in other taxes receivable on the statement of net position at December 31, 2025:

GOVERNMENTAL ACTIVITIES	
Municipal sales tax	$ 4,970,821
Home rule sales tax	3,252,269
Motor fuel tax	314,468
Other taxes	1,324,228
TOTAL GOVERNMENTAL ACTIVITIES	$ 9,861,786

The following receivables are included in other receivables on the statement of net position:

GOVERNMENTAL ACTIVITIES	
Franchise fees	$ 242,909
Utility taxes	482,768
Grants	41,531
Zero interest loans	384,237
Stormwater	231,915
IRMA	1,327,313
Miscellaneous	1,915,507
TOTAL GOVERNMENTAL ACTIVITIES	$ 4,626,180

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2025, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	$ 13,023,280	$ -	$ -	$ 13,023,280
Land right of way	86,586,224	566,902	-	87,153,126
Construction in progress	-	484,422	-	484,422
Total capital assets not being depreciated	99,609,504	1,051,324	-	100,660,828
Tangible capital assets being depreciated				
Buildings and improvements	125,895,562	-	-	125,895,562
Machinery, equipment, and vehicles	30,836,622	6,545,715	1,233,821	36,148,516
Infrastructure	104,406,133	7,629,149	-	112,035,282
Total tangible capital assets being depreciated	261,138,317	14,174,864	1,233,821	274,079,360

4. CAPITAL ASSETS (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES (Continued)				
Intangible capital assets being amortized				
Software	$ 2,834,938	$ 31,000	$ 34,008	$ 2,831,930
Total intangible capital assets being amortized	2,834,938	31,000	34,008	2,831,930
Less accumulated depreciation for				
Buildings and improvements	63,828,834	2,750,677	-	66,579,511
Machinery, equipment, and vehicles	20,532,626	1,970,289	1,102,815	21,400,100
Infrastructure	52,517,281	1,859,489	-	54,376,770
Total accumulated depreciation	136,878,741	6,580,455	1,102,815	142,356,381
Less accumulated amortization for				
Software	1,332,452	730,222	34,008	2,028,666
Total accumulated amortization	1,332,452	730,222	34,008	2,028,666
Total tangible and intangible capital assets being depreciated and amortized, net	125,762,062	6,895,187	131,006	132,526,243
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	$ 225,371,566	$ 7,946,511	$ 131,006	$ 233,187,071

Depreciation expense was charged to functions/programs of the governmental activities as follows:

GOVERNMENTAL ACTIVITIES	
General government	$ 588,158
Public safety	1,109,913
Highways and streets	2,696,181
Community development	365,427
Health and welfare	104,763
Internal service	1,716,013
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	$ 6,580,455

4. CAPITAL ASSETS (Continued)

Amortization expense was charged to functions/programs of the governmental activities as follows:

GOVERNMENTAL ACTIVITIES	
General government	$ 128,235
Internal service	601,987
TOTAL AMORTIZATION EXPENSE - GOVERNMENTAL ACTIVITIES	$ 730,222

	Beginning Balances	Increases	Decreases	Ending Balances
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	$ 2,926,027	$ -	$ -	$ 2,926,027
Total capital assets not being depreciated	2,926,027	-	-	2,926,027
Capital assets being depreciated				
Buildings and improvements	19,094,219	-	-	19,094,219
Machinery and equipment	6,486,955	105,253	-	6,592,208
Underground systems	106,200,506	6,103,035	-	112,303,541
Total capital assets being depreciated	131,781,680	6,208,288	-	137,989,968
Less accumulated depreciation for				
Buildings and improvements	12,677,918	365,415	-	13,043,333
Machinery and equipment	5,629,413	68,928	-	5,698,341
Underground systems	71,441,775	1,380,707	-	72,822,482
Total accumulated depreciation	89,749,106	1,815,050	-	91,564,156
Total capital assets being depreciated, net	42,032,574	4,393,238	-	46,425,812
BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS, NET	$ 44,958,601	$ 4,393,238	$ -	$ 49,351,839

Depreciation expense was charged to business-type activities as follows:

BUSINESS-TYPE ACTIVITIES	
Water and sewer	$ 1,746,652
Arts, entertainment, and events	68,398
TOTAL DEPRECIATION EXPENSE - BUSINESS-TYPE ACTIVITIES	$ 1,815,050

5. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and injuries to the Village's employees. These risks, along with medical claims for employees and retirees, are provided for through a limited self-insured program. The Village is self-insured for the first $100,000 for property claims, $100,000 per employee for medical claims, $100,000 for errors and omissions, and $100,000 for workers' compensation claims.

The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of Illinois municipalities and special districts in Northeastern Illinois which have formed an association under the Illinois Intergovernmental Cooperation Statute to pool its risk management needs.

IRMA administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration and litigation management services; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

Each member appoints one delegate along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of IRMA beyond its representation on the Board of Directors.

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience. Each member assumes the first $10,000 (higher optional deductibles available) of each occurrence, and IRMA has self-insurance retentions at various amounts above that level. The Village has chosen an optional higher deductible of $100,000. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits. The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in the appropriate funds. The coverages provided by IRMA are generally consistent with the coverages in the prior year.

Premiums are paid into the internal service funds by the departments of the General Fund and other funds based upon historical cost estimates. The total claims liability remaining as of December 31, 2025 was $1,856,262.

There were no insurance claims that exceeded the amount of insurance coverage during the last three years.

5. RISK MANAGEMENT (Continued)

A reconciliation of claims liability for the current year and that of the preceding year follows:

	Health and Life Insurance	General Liability Insurance	Workers' Compensation	Total
UNPAID CLAIMS, DECEMBER 31, 2023	$ 1,597,141	$ 2,943	$ 51,750	$ 1,651,834
Claims incurred - 2024	9,826,661	-	-	9,826,661
Claims payments - 2024	(9,713,021)	(2,943)	(3,976)	(9,719,940)
UNPAID CLAIMS, DECEMBER 31, 2024	1,710,781	-	47,774	1,758,555
Claims incurred - 2025	11,334,445	15,100	-	11,349,545
Claims payments - 2025	(11,204,064)	-	(47,774)	(11,251,838)
UNPAID CLAIMS, DECEMBER 31, 2025	$ 1,841,162	$ 15,100	$ -	$ 1,856,262

6. COMMUNITY DEVELOPMENT BLOCK GRANT REHABILITATION LOANS

The Village makes loans to village residents for the rehabilitation of single-family housing. Initial funding for these loans was from Community Development Block Grant (CDBG) Fund. These loans are title transfer loans which are due in full when the housing unit is sold. Repayments of principal on these receivables, which are recorded in the CDBG Fund, are used to make additional rehabilitation loans. Loan activity for the current year is summarized as follows:

	Interest Rates	Beginning of Year	Loans Made	Loan Repayments	Loan Write-Off	End of Year
CDBG rehab loans	0%	$ 1,802,399	$ -	$ 18,390	$ -	$ 1,784,009

7. LONG-TERM DEBT

a. General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. Any general obligation bonds issued for proprietary funds are reported in the proprietary funds if they are expected to be repaid from proprietary revenues. In addition, general obligation bonds have been issued to refund general obligation bonds.

7. LONG-TERM DEBT (Continued)

b. Changes in Long-Term Liabilities

The following is a summary of changes in general obligation bonds for the year ended December 31, 2025:

Issue	Fund Debt Retired By	Balances January 1	Additions	Reductions/ Refunding	Balances December 31	Current
GOVERNMENTAL ACTIVITIES						
$32,900,000 General Obligation Bonds, Series 2016, due in annual installments ranging from $645,000 to $2,315,000 with interest at 3.00% to 4.00%. The last payment is due December 1, 2036.	Debt Service	$ 23,035,000	$ -	$ 1,580,000	$ 21,455,000	$ 1,670,000
$9,530,000 General Obligation Refunding Bonds, Series 2018, due in annual installments ranging from $240,000 to $665,000 with interest at 3.50% to 5.00%. The last payment is due December 1, 2038.	Debt Service	7,490,000	-	410,000	7,080,000	435,000
$7,985,000 General Obligation Refunding Bonds, Series 2019, due in annual installments of $640,000 to $2,265,000 with interest at 5.00%. The last payment is due December 1, 2026.	Debt Service	2,895,000	-	1,650,000	1,245,000	1,245,000
$11,650,000 General Obligation Bonds, Series 2020, due in annual installments ranging from $500,000 to $1,960,000 with interest at 4.00%. The last payment is due December 1, 2030.	Debt Service	7,530,000	-	695,000	6,835,000	670,000
$18,775,000 General Obligation Bonds, Series 2024, due in annual installments ranging from $310,000, to $1,920,000 with interest at 4.00% to 5.00%. The last payment is due December 1, 2039.	Debt Service	18,755,000	-	310,000	18,445,000	965,000
TOTAL GOVERNMENTAL ACTIVITIES		$ 59,705,000	$ -	$ 4,645,000	$ 55,060,000	$ 4,985,000

7. LONG-TERM DEBT (Continued)

b. Changes in Long-Term Liabilities (Continued)

The following is a summary of changes in long-term liabilities for the year ended December 31, 2025:

	Debt Retired by	Balances January 1, Restated*	Additions	Reductions	Balances December 31	Current Portion at December 31
GOVERNMENTAL ACTIVITIES						
General obligation bonds	Debt Service	$ 59,705,000	$ -	$ 4,645,000	$ 55,060,000	$ 4,985,000
Unamortized bond premium		4,750,720	-	663,863	4,086,857	-
Compensated absences*		7,741,556	433,834	-	8,175,390	1,635,078
Total OPEB liability	General/ Internal Service	22,833,866	-	820,502	22,013,364	1,662,250
SBITA liabilities	General/ Internal Service	1,116,076	31,000	575,944	571,132	551,285
Net pension liability - IMRF	General	7,117,281	-	1,726,352	5,390,929	-
Net pension liability - Police Pension	General	28,560,595	-	19,823,924	8,736,671	-
Net pension liability - Firefighters' Pension	General	46,559,467	-	17,318,265	29,241,202	-
TOTAL GOVERNMENTAL ACTIVITIES		$ 178,384,561	$ 464,834	$ 45,573,850	$ 133,275,545	$ 8,833,613
BUSINESS-TYPE ACTIVITIES						
Compensated absences*		$ 721,063	$ -	$ 24,386	$ 696,677	$ 139,335
Net pension liability - IMRF	Water and Sewer	2,075,281	-	503,375	1,571,906	-
Total OPEB liability	Water and Sewer	900,387	-	94,966	805,421	60,818
Asset retirement obligation	Water and Sewer	1,050,000	-	-	1,050,000	-
TOTAL BUSINESS-TYPE ACTIVITIES		$ 4,746,731	$ -	$ 622,727	$ 4,124,004	$ 200,153

*The amounts displayed as additions or reductions represents the net change in the liability.

7. LONG-TERM DEBT (Continued)

c. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year Ending December 31,	General Obligation Bonds Governmental Activities Principal	Interest
2026	$ 4,985,000	$ 2,204,150
2027	5,195,000	1,995,000
2028	5,395,000	1,794,425
2029	5,600,000	1,585,825
2030	3,820,000	1,368,900
2031	3,960,000	1,227,775
2032	4,115,000	1,075,975
2033	3,795,000	898,125
2034	3,955,000	737,375
2035	3,620,000	569,725
2036	3,770,000	419,975
2037	2,420,000	270,725
2038	2,510,000	175,538
2039	1,920,000	76,800
TOTAL	$ 55,060,000	$ 14,400,313

d. Legal Debt Margin

The Village is a home rule municipality.

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal debt margin.

"The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent:...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts."

To date, the General Assembly has set no limits for home rule municipalities.

7. LONG-TERM DEBT (Continued)

e. Asset Retirement Obligations

The Village has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon various water wells at the end of their estimated useful lives in accordance with federal, state, and/or local requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The estimated useful lives of the water wells is 30 years. The Village had $1,050,000 in asset retirement obligations and $805,000 in deferred outflows as of December 31, 2025.

f. SBITA Liabilities

In accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*, the Village's SBITA's outstanding at year end are as follows:

In 2022, the Village entered into a SBITA for five years for its financial software. At December 31, 2025, the Village reported a SBITA asset of $2,458,114 and liability in the amount of $434,348. Principal reduction of $431,596 was reported for the year ended December 31, 2025.

In 2024, the Village entered into a SBITA for three years for its general government software. At December 31, 2025, the Village reported a SBITA asset of $342,816 and liability in the amount of $136,784. Principal reduction of $113,348 was reported for the year ended December 31, 2025.

In 2025, the Village entered into a SBITA for two years for its survey software. At December 31, 2025, the Village reported a SBITA asset of $24,900 and no liability, as this arrangement was paid in full as of year end. Principal reduction of $24,900 was reported for the year ended December 31, 2025.

In 2025, the Village entered into a SBITA for two years for its survey software. At December 31, 2025, the Village reported a SBITA asset of $6,100 and no liability, as this arrangement was paid in full as of year end. Principal reduction of $6,100 was reported for the year ended December 31, 2025.

Annual debt service requirements to maturity are as follows:

Fiscal Year Ending December 31,	Governmental Activities	
	Principal	Interest
2026	$ 551,285	$ 5,376
2027	19,847	77
TOTAL	$ 571,132	$ 5,453

8. CONTINGENT LIABILITIES

a. Litigation

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Village's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

b. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

c. Northwest Water Commission

The Village's water purchase contract with the Northwest Water Commission (NWWC) provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

d. Solid Waste Agency of Northern Cook County

The Village's contract with the Solid Waste Agency of Northern Cook County (SWANCC) provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

9. ECONOMIC INCENTIVES/TAX ABATEMENTS

The Village participates in Cook County's Class 6b property tax incentive program. The purpose of the Class 6b program is to encourage industrial development throughout Cook County by offering a real estate tax incentive for the development of new industrial facilities, the rehabilitation of existing industrial structures, and the industrial reutilization of abandoned buildings. The goal of the Class 6b program is to attract new industry, stimulate expansion and retention of existing industry, and increase employment opportunities.

Under the incentive provided by Class 6b, qualifying industrial real estate is eligible for the Class 6b level of assessment from the date that new construction or substantial rehabilitation is completed and initially assessed or, in the case of abandoned property, from the date of substantial re-occupancy. Properties receiving a Class 6b incentive are assessed at 10% of market value for the first ten years, 15% in the 11th year, and 20% in the 12th and final year of the incentive. This constitutes a substantial reduction in the level of assessment and results in significant tax savings. In the absence of this incentive, industrial real estate would normally be assessed at 25% of its market value.

9. ECONOMIC INCENTIVES/TAX ABATEMENTS (Continued)

The Village has granted Class 6b incentives to businesses that, as a result, have occupied abandoned properties, constructed new buildings, or expanded existing facilities. In many instances, the program has produced more property tax revenue for the Village and the other impacted taxing districts than would have been generated if the development had not occurred.

The Village's share of the abatement granted to the Class 6b properties was $295,449 for the fiscal year ended December 31, 2025.

10. COMMITMENTS

a. Northwest Water Commission

The Village has committed to purchase water from NWWC. The Village expects to pay the following minimum amounts:

Year Ending December 31,	Amount
2026	$ 4,263,381
2027	4,369,966
2028	4,479,215
2029	4,591,195

These amounts have been calculated using the Village's current allocation percentage of 38.30%. In future years, this allocation percentage will be subject to change.

NWWC has entered into water supply agreements with four member municipalities. The agreements are irrevocable and may not be terminated or amended except as provided in the general resolution. Each member is obligated, on a "take or pay" basis, to purchase or in any event to pay for a minimum annual quantity of water.

The obligation of the Village to make all payments as required by this agreement is unconditional and irrevocable, without regard to performance or nonperformance by NWWC of its obligations under this agreement.

10. COMMITMENTS (Continued)

b. Solid Waste Agency of Northern Cook County

The Village has committed to pay its share of the annual operating costs and fixed costs of SWANCC. The Village's share of dual costs is funded through user fees collected by refuse haulers. The Village expects to pay the following amounts:

Year Ending December 31,	Amount
2026	$ 1,790,709
2027	1,860,774
2028	1,944,303

These amounts have been calculated using the Village's allocation percentage of 12.53%. In future years, the allocation percentage will be subject to change.

11. JOINT VENTURES

a. Solid Waste Agency of Northern Cook County

The Village is a member of SWANCC which consists of 23 municipalities. SWANCC is a municipal corporation and public body politic and corporate established pursuant to the Intergovernmental Cooperation Act of the State of Illinois. SWANCC is empowered to plan, construct, finance, operate, and maintain a solid waste disposal system to serve its members.

SWANCC is governed by a Board of Directors which consists of the Mayor or President from each member municipality. Each director has an equal vote. The officers of SWANCC are appointed by the Board of Directors. The Board of Directors determines the general policy of SWANCC, makes all appropriations, approves contracts, provides for the issuance of debt, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the agency agreement or the by-laws.

Complete financial statements can be obtained from the Solid Waste Agency of Northern Cook County administrative office at 77 W. Hintz Road, Suite 200, Wheeling, Illinois, 60090, or online at www.swancc.org.

Revenues of the system consist of (1) all receipts derived from solid waste disposal contracts or any other contracts for the disposal of waste; (2) all income derived from the investment of monies; and (3) all income, fees, service charges, all grants, rents, and receipts derived by SWANCC from the ownership and operation of the system. SWANCC covenants to establish fees and charges sufficient to provide revenues to meet all its requirements.

11. JOINT VENTURES (Continued)

a. Solid Waste Agency of Northern Cook County (Continued)

SWANCC has entered into solid waste disposal contracts with the member municipalities. The contracts are irrevocable and may not be terminated or amended except as provided for in the contract. Each member is obligated, on a "take or pay" basis, to deliver a minimum amount of solid waste to the system. The obligation of the Village to make all payments as required by this contract is unconditional and irrevocable, without regard to performance or nonperformance by SWANCC of its obligations under the contract. The contract does not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation.

The Village made payments totaling $1,816,321 to SWANCC for the year ended December 31, 2025. The payments have been recorded in the Solid Waste Fund. The Village does not have an equity interest in SWANCC at December 31, 2025.

b. Northwest Water Commission

Description of Joint Venture

The Village is a member of NWWC, which consists of four municipalities. NWWC is a municipal corporation and public body politic and corporate established pursuant to the Intergovernmental Cooperation Act of the State of Illinois. NWWC is empowered to plan, construct, improve, extend, acquire, finance, operate, and maintain a water supply system to serve its members and other potential water purchasers.

NWWC is governed by a Board of Commissioners which consists of one appointed representative from each member municipality. Each commissioner has an equal vote. The officers of NWWC are appointed by the Board of Commissioners. The Board of Commissioners determines the general policy of NWWC, makes all appropriations, approves contracts for sale or purchase of water, provides for the issuance of debt, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the agency agreement or the by-laws.

Complete financial statements can be obtained from the Northwest Water Commission, 1525 North Wolf Road, Des Plaines, Illinois 60016.

Revenues of the system consist of (1) all receipts derived from the Water Supply Agreements or any other contract for the supply of water; (2) all income derived from the investment of monies; and (3) all income, fees, water service charges, and all grants, rents, and receipts derived by NWWC from the ownership and operation of the system and the sale of water. NWWC covenants to establish fees and charges sufficient to provide revenues to meet all its obligations.

11. JOINT VENTURES (Continued)

b. Northwest Water Commission (Continued)

Description of Joint Venture (Continued)

NWWC has entered into water supply agreements with the four member municipalities for a term of 40 years, extending to 2059. The agreements are irrevocable and may not be terminated or amended except as provided for in the General Resolution. Each member is obligated, on a "take or pay" basis, to purchase or in any event to pay for a minimum annual quantity of water.

NWWC has entered into an agreement with the City of Evanston (the City) under which the City has agreed to sell quantities of Lake Michigan water sufficient to meet the projected water needs of the members through the year 2035.

The obligation of the Village to make payments required by this agreement is payable from the Village's Water and Sewer Fund.

In accordance with the joint venture agreement, the Village remitted $4,586,506 to NWWC for the year ended December 31, 2025. The Village has an equity interest in NWWC in the amount of $20,385,662 as of December 31, 2025.

12. INDIVIDUAL FUND DISCLOSURES

a. Due From/To Other Funds

Individual fund interfund receivables/payables are as follows:

Receivable Fund	Payable Fund	Amount
General	Nonmajor Governmental	$ 222,002
TOTAL		$ 222,002

The purposes of significant due from/due to other funds are as follows:

- $222,002 due from Nonmajor Governmental Funds to the General Fund is for a short-term loan. Repayment is expected within one year.

12. INDIVIDUAL FUND DISCLOSURES (Continued)

b. Due From/To Fiduciary Funds

Individual fund interfund receivables/payables are as follows:

Receivable Fund	Payable Fund	Amount
General	Police Pension	$ 2,667
General	Fire Pension	1,067,187
TOTAL		$ 1,069,854

The purposes of significant due from/due to other funds are as follows:

- $1,069,854 due from the Police and Fire Pension Funds to the General Fund are for property tax allocations.

c. Interfund Transfers

Interfund transfers between funds for the year ended December 31, 2025 were as follows:

	Transfers In	Transfers Out
General		
Capital Projects	$ -	$ 3,555,000
Nonmajor Governmental	-	500,000
Nonmajor Enterprise	200,000	45,000
Internal Service	-	500,000
Total General	200,000	4,600,000
Debt Service		
Nonmajor Governmental	690,700	-
Total Debt Service	690,700	-
Capital Projects		
General	3,555,000	-
Water and Sewer	-	5,000,000
Internal Service	-	448,000
Nonmajor Enterprise	300,000	-
Total Capital Projects	3,855,000	5,448,000
Nonmajor Governmental		
General	500,000	-
Debt Service	-	690,700
Total Nonmajor Governmental	500,000	690,700

12. INDIVIDUAL FUND DISCLOSURES (Continued)

c. Interfund Transfers (Continued)

	Transfers In	Transfers Out
Water and Sewer		
Capital Projects	$ 5,000,000	$ -
Total Water and Sewer	5,000,000	-
Nonmajor Enterprise		
General	45,000	200,000
Capital Projects	-	300,000
Total Nonmajor Enterprise	45,000	500,000
Internal Service		
General	500,000	-
Capital Projects	448,000	-
Total Internal Service	948,000	-
TOTAL	$ 11,238,700	$ 11,238,700

The purpose of significant transfers is as follows:

- $200,000 transferred to the General Fund from the Nonmajor Enterprise Funds to cover operating expenses. This transfer will not be repaid.
- $690,700 transferred to the Debt Service Fund from the Nonmajor Governmental Funds for bond payments. This transfer will not be repaid.
- $300,000 transferred to the Capital Projects Fund from the Nonmajor Enterprise Funds to cover capital expenses. This transfer will not be repaid.
- $5,000,000 transferred to the Water and Sewer Fund from the Capital Projects Fund to cover water capital expenses. This transfer will not be repaid.
- $448,000 transferred to the Internal Service Funds from the Capital Projects Fund for general fleet expenses. This transfer will not be repaid.

13. LESSOR DISCLOSURES

In accordance with GASB Statement No. 87, *Leases*, the Village's lessor activity is as follows:

The Village entered into a lease arrangement on September 1, 2019, to lease tower space. Payments ranging from $2,400 to $3,063 are due to the Village in monthly installments, through August 2049. The lease agreement is noncancelable and maintains an interest rate of 1.50%.

The Village entered into a lease arrangement on September 1, 2013, to lease tower space. Payments ranging from $2,283 to $4,124 are due to the Village in monthly installments, through December 2042. The lease agreement is noncancelable and maintains an interest rate of 1.40%.

The Village entered into a lease arrangement on January 1, 2021, to lease space. Payments ranging from $300 to $473 are due to the Village in monthly installments, through December 2030. The lease agreement is noncancelable and maintains an interest rate of 1.055%.

The Village entered into a lease arrangement on May 1, 2010, to lease space. Payments ranging from $758 to $47,425 are due to the Village in monthly installments, through April 2033. The lease agreement is noncancelable and maintains an interest rate of 1.117%.

The Village entered into a lease arrangement on September 3, 2025, to lease space. Payments of $450 are due to the Village in monthly installments through August 30, 2030. The lease agreement is noncancelable and maintains an interest rate of 3.155%.

During the fiscal year, the Village collected $146,014 and $30,158 in principal and interest, respectively, for the lessor agreements. The remaining lease receivable and offsetting deferred inflow of resources for these agreement are $2,223,467 and $2,266,422, respectively, as of December 31, 2025.

14. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the Village provides postemployment health care and life insurance benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions, and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the Village's governmental and business-type activities.

14. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Benefits Provided

The Village provides postemployment health care and life insurance benefits to its retirees and certain disabled employees. To be eligible for benefits, an employee must qualify for retirement under one of the Village's retirement plans. All health care benefits are provided through the Village's health insurance plans. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; and prescriptions. Upon a retiree reaching age 65 years, Medicare becomes the primary insurer and the Village's plan becomes secondary. For certain disabled employees who qualify for health insurance benefits under the Public Safety Employee Benefits Act (PSEBA), the Village is required to pay 100% of the cost of basic health insurance for the employee and their dependents until the retiree becomes eligible for Medicare.

c. Membership

At December 31, 2024 (most recent data available), membership consisted of:

Retirees and beneficiaries currently receiving benefits	77
Terminated employees entitled to benefits but not yet receiving them	-
Duty disabled participants	18
Active employees	487
TOTAL	582
Participating employers	1

d. Total OPEB Liability

The Village's total OPEB liability of $22,818,785 was measured as of December 31, 2025 and was determined by an actuarial valuation as of December 31, 2024.

14. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Actuarial Assumptions and Other Inputs

The total OPEB liability at December 31, 2025 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The total OPEB liability was rolled forward by the actuary using updated procedures to December 31, 2025, including updating the discount rate, as noted below.

Actuarial cost method	Entry-age normal
Actuarial value of assets	Not applicable
Salary increases	3.00%
Discount rate	4.83%
Healthcare cost trend rates	6.75% Initial 4.50% Ultimate

The discount rate was based on The Bond Buyer 20-Bond GO Index, which is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

f. Changes in the Total OPEB Liability

	Total OPEB Liability
BALANCES AT JANUARY 1, 2025	$ 23,734,253
Changes for the period	
Service cost	1,134,163
Interest	933,206
Benefit changes	-
Differences between expected and actual experience	-
Assumption changes*	(1,259,769)
Benefit payments	(1,723,068)
Net changes	(915,468)
BALANCES AT DECEMBER 31, 2025	$ 22,818,785

*There were changes in assumptions related to the discount rate.

14. OTHER POSTEMPLOYMENT BENEFITS (Continued)

g. Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the Village calculated using the discount rate of 4.83% as well as what the Village total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.83%) or 1 percentage point higher (5.83%) than the current rate:

	1% Decrease (3.83%)	Current Discount Rate (4.83%)	1% Increase (5.83%)
Total OPEB liability	$ 24,515,966	$ 22,818,785	$ 21,262,696

The table below presents the total OPEB liability of the Village calculated using the healthcare rate of 4.50% to 6.75% as well as what the Village's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (3.50% to 5.75%) or 1 percentage point higher (5.50% to 7.75%) than the current rate:

	1% Decrease (varies)	Current Healthcare Rate (varies)	1% Increase (varies)
Total OPEB liability	$ 20,729,941	$ 22,818,785	$ 25,243,853

h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2025, the Village recognized OPEB expense of $746,048. At December 31, 2025, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,030,518	$ 1,907,089
Changes in assumptions	2,343,859	2,150,031
TOTAL	$ 3,374,377	$ 4,057,120

14. OTHER POSTEMPLOYMENT BENEFITS (Continued)

h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

Year Ending December 31,	
2026	$ (150,884)
2027	(166,457)
2028	(166,457)
2029	(166,457)
2030	(96,923)
Thereafter	64,435
TOTAL	$ (682,743)

15. DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system (cost-sharing plan); the Police Pension Plan, which is a single-employer pension plan; and the Firefighters' Pension Plan, which is also a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for all three plans are governed by ILCS and can only be amended by the Illinois General Assembly. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at www.imrf.org. The Police and Firefighters' Pension Plans do not issue separate reports.

The table below is a summary for all pension plans as of and for the year ended December 31, 2025:

	(Village only) IMRF	Police Pension	Firefighters' Pension	Total
Net pension liability	$ 6,962,835	$ 8,736,671	$ 29,241,202	$ 44,940,708
Deferred outflows of resources	8,767,515	5,178,093	2,539,054	16,484,662
Deferred inflows of resources	42,343	21,233,112	16,823,786	38,099,241
Pension expense/(income)	3,274,810	3,015,514	6,501,233	12,791,557

15. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

All employees (other than those covered by the Police and Firefighters' Pension Plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

IMRF is considered to be a cost-sharing multiple-employer defined benefit plan from the Village's perspective, since the Library also participates in the plan with the Village.

Plan Membership

At December 31, 2024, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	548
Inactive employees entitled to but not yet receiving benefits	270
Active employees	391
TOTAL	1,209

The IMRF data included in the table above includes membership of both the Village and the Arlington Heights Memorial Library (the Library).

All employees (other than those covered by the Police or Firefighters' Pension Plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

15. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership (Continued)

Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all are established by state statute.

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The actual and required employer contribution for the year ended December 31, 2025 was 8.02% of covered payroll.

Actuarial Assumptions

The Village's net pension liability was measured as of December 31, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2024
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	2.85% to 13.75%
Interest rate	7.25%
Cost of living adjustments	3.25%
Asset valuation method	Fair value

15. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

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.

Discount Rate

The discount rate used to measure the total pension liability at December 31, 2024 was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Long-Term Expected Rate of Return

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 on the next page.

15. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Long-Term Expected Rate of Return (Continued)

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic equity	33.50%	4.35%
International equity	18.00%	5.40%
Fixed income	24.50%	5.20%
Real estate	10.50%	6.40%
Alternative investments	12.50%	4.85 to 6.25%
Cash equivalents	1.00%	3.60%
TOTAL	100.00%	

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2024	$ 222,326,404	$ 209,878,014	$ 12,448,390
Changes for the period			
Service cost	2,635,873	-	2,635,873
Interest	15,716,822	-	15,716,822
Difference between expected and actual experience	4,682,058	-	4,682,058
Changes in assumptions	-	-	-
Employer contributions	-	3,356,843	(3,356,843)
Employee contributions	-	1,390,675	(1,390,675)
Net investment income	-	21,955,470	(21,955,470)
Benefit payments and refunds	(13,721,175)	(13,721,175)	-
Other (net transfer)	-	(648,782)	648,782
Net changes	9,313,578	12,333,031	(3,019,453)
BALANCES AT DECEMBER 31, 2024	$ 231,639,982	$ 222,211,045	$ 9,428,937

15. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (Continued)

There were changes in assumptions related to mortality rates since the previous measurement date.

The table presented above includes amounts for both the Village and the Library. The Village's collective shares of the net pension liability at January 1, 2024 the employer contributions, and the net pension liability at December 31, 2024, were $9,192,562, $2,479,029, and $6,962,835, respectively. The Library's collective shares of the net pension liability at January 1, 2024, the employer contributions, and the net pension liability at December 31, 2024, were $3,255,828, $877,814, and $2,466,102, respectively.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2025, the Village recognized pension expense of $3,274,810.

At December 31, 2025, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 3,285,411	$ -
Changes in assumption	-	42,343
Net difference between projected and actual earnings on pension plan investments	3,626,849	-
Employer contributions subsequent to the measurement date	1,855,255	-
TOTAL	$ 8,767,515	$ 42,343

15. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

$1,855,255 reported as deferred outflows of resources related to pensions resulting from the Village contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the reporting year ending December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Year Ending December 31,	
2026	$ 3,654,259
2027	6,017,040
2028	(1,919,301)
2029	(882,081)
2030	-
Thereafter	-
TOTAL	$ 6,869,917

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 7.25% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset) - Village	$ 27,466,732	$ 6,962,835	$ (6,368,011)
Net pension liability (asset) - Library	9,728,189	2,466,102	(2,255,427)
Net pension liability (asset) - Total	$ 37,194,921	$ 9,428,937	$ (8,623,438)

15. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan

Plan Administration

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the Village President, one member is elected by pension beneficiaries, and two members are elected by active police employees.

Plan Membership

At December 31, 2025, the measurement date, membership consisted of:

Inactive plan members currently receiving benefits	132
Inactive plan members entitled to but not yet receiving benefits	19
Active plan members	106
TOTAL	257

Benefits Provided

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive 2.50% of salary for each year of service. The monthly benefit shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension, and 3% compounded annually thereafter.

15. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the greater of the average monthly salary obtaining by dividing the total salary during the 48 consecutive months of service within the last of 60 months in which the total salary was the highest by the number of months in that period; or the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period.

Police officers' salary for pension purposes is capped at $106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. The Village has chosen a policy to fund 100% of the past service costs by 2040. For the year ended December 31, 2025, the Village's contribution was 33.99% of covered payroll.

15. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Illinois Police Officers' Pension Investment Fund

The Illinois Police Officers' Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police pension funds. IPOPIF was created by Public Act 101-0610 and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds as defined in 40 ILCS 5/22B-105. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory.

Deposits with Financial Institutions

The plan retains all of its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the plan. The excess of available cash is required to be transferred to IFPIF for purposes of the long-term investment for the plan. Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Fund's deposits may not be returned to it. At December 31, 2025, all of the Fund's bank balances were collateralized in accordance with their investment policy.

Investments

Investments of the plan are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual report. For additional information on IPOPIF's investments, please refer to their annual report. A copy of that report can be obtained from IPOPIF at 456 Fulton Street, Suite 402, Peoria, Illinois 61602 or at www.ipopif.org.

Fair Value Measurement

The plan categorizes fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The plan held no investments subject to fair value measurement at December 31, 2025.

15. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Net Asset Value

The Net Asset Value (NAV) of the plan's pooled investment in IPOPIF was $220,728,432 at December 31, 2025. The pooled investments consist of the investments as noted in the target allocation table available at https://ipopif.org. Investments in IFPIF are valued at IFPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at December 31, 2025. The Plan may redeem shares with a seven calendar day notice. IPOPIF may, at its sole discretion and based on circumstances, process redemption requests with fewer than a seven calendar day notice. Regular redemptions of the same amount on a particular day of the month may be arranged with IPOPIF.

Investment Policy

IPOPIF's investment policy was originally adopted by the Board of Trustees on December 17, 2021. IPOPIF has the authority to invest trust fund assets in any type of security subject to the requirements and restrictions set forth in the Illinois Pension Code and is not restricted by the Pension Code sections that pertain exclusively to the Article 3 participating police pension funds. IPOPIF shall be subject to the provisions of the Illinois Pension Code including, but not limited to, utilization of emerging investment managers and utilization of businesses owned by minorities, women and persons with disabilities.

Investment Rate of Return

For the year ended December 31, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 17.79%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

The discount rate used to measure the total pension liability at December 31, 2025 was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

15. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2025	$ 225,646,155	$ 197,085,560	$ 28,560,595
Changes for the period			
Service cost	3,430,644	-	3,430,644
Interest	14,800,080	-	14,800,080
Difference between expected and actual experience	1,371,152	-	1,371,152
Changes in assumptions	-	-	-
Changes in benefit terms	-	-	-
Employer contributions	-	4,747,000	(4,747,000)
Employee contributions	-	1,322,672	(1,322,672)
Other contributions	-	4,003	(4,003)
Net investment income	-	33,352,125	(33,352,125)
Benefit payments and refunds	(11,789,013)	(11,789,013)	-
Administrative expense	(69,060)	(69,060)	-
Net changes	7,743,803	27,567,727	(19,823,924)
BALANCES AT DECEMBER 31, 2025	$ 233,389,958	$ 224,653,287	$ 8,736,671

As of December 31, 2025, the plan fiduciary net position as a percentage of the total pension liability was 96.26%.

15. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2025
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	Graded by years of service
Interest rate	6.75%
Cost of living adjustments	3.00% (Tier 1) 3.00% (Tier 2)
Asset valuation method	Fair value

Mortality assumptions were based upon the PubS-2010 base rates projected generationally with Scale MP2021.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the Village calculated using the discount rate of 6.75% as well as what the Village's net pension (asset) liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net pension liability (asset)	$ 40,197,301	$ 8,736,671	$ (17,037,777)

15. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2025, the Village recognized pension expense of $3,015,514. At December 31, 2025, the Village reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 4,801,823	$ -
Changes in assumptions	376,270	472,572
Net difference between projected and actual earnings on pension plan investments	-	20,760,540
TOTAL	$ 5,178,093	$ 21,233,112

Changes in the net pension liability related to the difference in actual and expected experience or changes in assumptions regarding future events, are recognized in pension expense over the expected remaining service life of all employees (active and retired) in the plan. Differences in projected and actual earnings over the measurement period are recognized over a five-year period.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the police pension will be recognized in pension expense as follows:

Year Ending December 31,	
2026	$ 597,967
2027	(7,482,612)
2028	(5,439,318)
2029	(3,731,056)
2030	-
Thereafter	-
TOTAL	$ (16,055,019)

15. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan

Plan Administration

Firefighter sworn personnel are covered by the Firefighters' Pension Plan, a single-employer defined benefit pension plan sponsored by the Village. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-101) and may be amended only by the Illinois legislature. The Village accounts for the Firefighters' Pension Plan as a pension trust fund.

The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the Village President, one member is elected by pension beneficiaries, and two members are elected by active firefighter employees.

Plan Membership

At December 31, 2025, the measurement date, membership consisted of:

Inactive plan members currently receiving benefits	111
Inactive plan members entitled to but not yet receiving benefits	3
Active plan members	113
TOTAL	227

Benefits Provided

The following is a summary of benefits of the plan as provided for in ILCS:

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension, and 3% compounded annually thereafter.

15. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Benefits Provided (Continued)

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the greater of the average monthly salary obtaining by dividing the total salary during the 48 consecutive months of service within the last of 60 months in which the total salary was the highest by the number of months in that period; or the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period.

Firefighters' salary for pension purposes is capped at $106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with fewer than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. Contributions are recognized when due pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Firefighters' Pension Plan. The costs of administering the Firefighters' Pension Plan are financed through investment earnings. The Village is required to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Firefighters' Pension Plan. The Village has chosen a policy to fund 100% of the past service costs by 2040. For the year ended December 31, 2025, the Village's contribution was 47.36% of covered payroll.

15. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Illinois Firefighters' Pension Investment Fund

The Illinois Firefighters' Pension Investment Fund (IFPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate firefighter pension funds. IFPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IFPIF by Illinois suburban and downstate firefighter pension funds is mandatory.

Deposits with Financial Institutions

The plan retains all of its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the plan. The excess of available cash is required to be transferred to IFPIF for purposes of the long-term investment for the plan.

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Fund's deposits may not be returned to it. The Fund's investment policy requires that any funds deposited directly in financial institutions should be made with fully federally insured financial institutions and that any deposits in excess of FDIC insurance should be collateralized at 110% of the fair market value of the deposits. The collateral will be held in a safekeeping by a third party and evidenced by a written agreement.

Investments

Investments of the plan are combined in a commingled external investment pool and held by IFPIF. A schedule of investment expenses is included in IFPIF's annual report. For additional information on IFPIF's investments, please refer to their annual report. A copy of that report can be obtained from IFPIF at 1919 South Highland Avenue, Building A, Suite 237, Lombard, Illinois 60148 or at www.ifpif.org.

15. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Fair Value Measurement

The plan categorizes fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The plan held no investments subject to fair value measurement at December 31, 2025.

Net Asset Value

The net asset value (NAV) of the plan's pooled investment in IFPIF was $180,694,676 at December 31, 2025. The pooled investments consist of the investments as noted in the target allocation table available at www.ifpif.org. Investments in IFPIF are valued at IFPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at December 31, 2025. The plan may redeem shares by giving notice by 5:00 pm central time on the 1st of each month. Requests properly submitted on or before the 1st of each month will be processed for redemption by the 14th of the month. Expedited redemptions may be processed at the sole discretion of IFPIF.

Investment Policy

IFPIF's current investment policy was adopted by the Board of Trustees on June 17, 2024. IFPIF is authorized to invest in all investments allowed by ILCS. The IFPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 4 of the Illinois Pension Code.

Investment Rate of Return

For the year ended December 31, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 17.55%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

15. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability at December 31, 2025, was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2025	$ 204,269,736	$ 157,710,269	$ 46,559,467
Changes for the period			
Service cost	4,213,559	-	4,213,559
Interest	13,442,636	-	13,442,636
Difference between expected and actual experience	(1,906,131)	-	(1,906,131)
Changes in assumptions	2,043,436	-	2,043,436
Changes in benefit terms	-	-	-
Employer contributions	-	6,706,000	(6,706,000)
Employee contributions	-	1,318,932	(1,318,932)
Other contributions	-	13,382	(13,382)
Net investment income	-	27,073,451	(27,073,451)
Benefit payments and refunds	(9,451,526)	(9,451,526)	-
Administrative expense	(78,812)	(78,812)	-
Net changes	8,263,162	25,581,427	(17,318,265)
BALANCES AT DECEMBER 31, 2025	$ 212,532,898	$ 183,291,696	$ 29,241,202

There were changes in assumptions related to the retirement rate.

As of December 31, 2025, the plan fiduciary net position as a percentage of the total pension liability was 86.24%.

15. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2025
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	Graded by years of service
Interest rate	6.75%
Cost of living adjustments	3.00% (Tier 1) 3.00% (Tier 2)
Asset valuation method	Fair value

Mortality assumptions were based upon the PubS-2010 base rates projected generationally with Scale MP2021.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 6.75% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net pension liability	$ 57,534,383	$ 29,241,202	$ 5,954,361

15. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2025, the Village recognized pension expense of $6,501,233. At December 31, 2025, the Village reported deferred outflows of resources and deferred inflows of resources related to the firefighters' pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 757,942	$ 2,511,637
Changes in assumption	1,781,112	-
Net difference between projected and actual earnings on pension plan investments	-	14,312,149
TOTAL	$ 2,539,054	$ 16,823,786

Changes in the net pension liability related to the difference in actual and expected experience, or changes in assumptions regarding future events, are recognized in pension expense over the expected remaining service life of all employees (active and retired) in the plan. Differences in projected and actual earnings over the measurement period are recognized over a five-year period.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the firefighters' pension will be recognized in pension expense as follows:

Year Ending December 31,	
2026	$ 236,344
2027	(6,598,525)
2028	(4,656,652)
2029	(3,268,789)
2030	2,890
Thereafter	-
TOTAL	$ (14,284,732)

15. DEFINED BENEFIT PENSION PLANS (Continued)

b. Fiduciary Funds Summary Financial Information

The following is summary financial information for the Police Pension Plan and the Firefighters' Pension Plan.

Statement of Net Position

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and cash equivalents	$ 4,031,001	$ 3,686,841	$ 7,717,842
Investments			
Investments held in the Illinois Firefighters' Pension Investment Fund	-	180,694,676	180,694,676
Investments held in the Illinois Police Officers' Pension Investment Fund	220,728,432	-	220,728,432
Total assets	224,759,433	184,381,517	409,140,950
LIABILITIES			
Accounts payable	-	22,634	22,634
Due to Village	2,667	1,067,187	1,069,854
Deferred revenue	103,479	-	103,479
Total liabilities	106,146	1,089,821	1,195,967
NET POSITION	$ 224,653,287	$ 183,291,696	$ 407,944,983

15. DEFINED BENEFIT PENSION PLANS (Continued)

b. Fiduciary Funds Summary Financial Information (Continued)

Schedule of Changes in Net Position

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	$ 4,747,000	$ 6,706,000	$ 11,453,000
Employee	1,322,672	1,318,932	2,641,604
Other	4,003	13,382	17,385
Total contributions	6,073,675	8,038,314	14,111,989
Invest income			
Net appreciation in fair value of investments	32,870,123	24,075,898	56,946,021
Interest income	661,266	3,331,445	3,992,711
Less investment expense	(179,264)	(333,892)	(513,156)
Net investment income	33,352,125	27,073,451	60,425,576
Total additions	39,425,800	35,111,765	74,537,565
DEDUCTIONS			
Administrative	69,060	78,812	147,872
Pension benefits and refunds	11,789,013	9,451,526	21,240,539
Total deductions	11,858,073	9,530,338	21,388,411
NET INCREASE	27,567,727	25,581,427	53,149,154
NET POSITION RESTRICTED FOR PENSIONS			
January 1	197,085,560	157,710,269	354,795,829
December 31	$ 224,653,287	$ 183,291,696	$ 407,944,983

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property taxes	$ 26,920,500	$ 26,920,500	$ 26,186,363
Other taxes	18,004,000	18,004,000	19,694,351
Licenses and permits	2,806,900	2,806,900	2,524,862
Intergovernmental	33,457,900	33,457,900	34,897,468
Grants	616,000	616,000	872,734
Charges for services	25,000	25,000	88,440
Fines and fees	7,428,100	7,428,100	7,021,974
Investment income	1,550,000	1,550,000	1,424,633
Miscellaneous	634,000	634,000	818,617
Total revenues	91,442,400	91,442,400	93,529,442
EXPENDITURES			
Current			
General government	5,250,600	5,251,000	5,000,330
Public safety	61,586,900	61,625,683	60,653,091
Highways and streets	16,427,700	16,874,437	15,585,478
Community development	5,785,700	5,807,214	5,204,351
Health and welfare	2,591,500	2,591,500	2,567,491
Debt service			
Principal retirement	-	-	31,000
Total expenditures	91,642,400	92,149,834	89,041,741
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(200,000)	(707,434)	4,487,701
OTHER FINANCING SOURCES (USES)			
Transfers in	200,000	200,000	200,000
Transfers (out)	-	(4,600,000)	(4,600,000)
SBITA issuance	-	-	31,000
Total other financing sources (uses)	200,000	(4,400,000)	(4,369,000)
NET CHANGE IN FUND BALANCE	$ -	$ (5,107,434)	118,701
FUND BALANCE, JANUARY 1			37,252,322
FUND BALANCE, DECEMBER 31			$ 37,371,023

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2016	2017	2018*	2019	2020	2021	2022	2023	2024	2025
Actuarially determined contribution	$ 3,257,572	$ 3,170,250	$ 2,473,709	$ 2,023,617	$ 2,619,117	$ 2,132,099	$ 2,199,349	$ 1,642,355	$ 2,383,236	$ 1,855,255
Contributions in relation to the actuarially determined contribution	3,257,572	3,170,250	2,473,709	2,023,617	2,619,117	2,132,099	2,199,349	1,642,355	2,383,236	1,855,255
Additional contributions	-	-	4,069	-	-	437,112	251,465	630,078	4,877	-
CONTRIBUTION DEFICIENCY (EXCESS)	$ -	$ -	$ -	$ -	$ -	$ -	$ (251,465)	$ (630,078)	$ (4,877)	$ -
Covered payroll	$ 24,924,034	$ 25,690,842	$ 19,447,399	$ 20,055,727	$ 20,735,143	$ 20,200,789	$ 21,050,942	$ 21,878,375	$ 22,716,022	$ 23,120,530
Contributions as a percentage of covered payroll	13.07%	12.34%	12.74%	10.09%	12.63%	12.72%	11.64%	10.39%	10.51%	8.02%

Notes to the Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 19 years; the asset valuation method was five-year smoothed fair value; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 2.75% to 13.75% compounded annually and postretirement benefit increases of 2.75% compounded annually.

*Beginning December 31, 2018, the information above is presented for the Village only. Prior years include the Library information.

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially determined contribution	$ 2,779,725	$ 3,839,961	$ 3,878,094	$ 4,016,824	$ 4,108,483	$ 4,072,578	$ 3,757,141	$ 4,189,711	$ 4,746,648	$ 5,284,733
Contributions in relation to the actuarially determined contribution	4,500,000	3,994,000	5,379,000	4,017,000	4,209,000	4,073,000	4,114,000	3,986,418	4,190,000	4,747,000
CONTRIBUTION DEFICIENCY (EXCESS)	$ (1,720,275)	$ (154,039)	$ (1,500,906)	$ (176)	$ (100,517)	$ (422)	$ (356,859)	$ 203,293	$ 556,648	$ 537,733
Additional contributions	$ -	$ -	$ -	$ 1,500,000	$ 1,250,000	$ -	$ 2,000,000	$ -	$ 600,000	$ -
Covered payroll	$ 10,722,080	$ 10,917,682	$ 11,153,797	$ 11,316,038	$ 11,175,270	$ 11,733,708	$ 12,332,522	$ 12,981,534	$ 13,445,275	$ 13,966,808
Contributions as a percentage of covered payroll	41.97%	36.58%	48.23%	35.50%	37.66%	34.71%	33.36%	30.71%	31.16%	33.99%

Notes to the required supplementary information

Actuarial cost method	Entry-age normal
Amortization method	Level % of pay (closed)
Remaining amortization period	15 years
Asset valuation method	Three-year smoothed fair value
Inflation	2.50%
Salary increases	Graded by years of service
Investment rate of return	6.75%
Retirement age	Graded by age (5% at age 50 to 100% at age 65)
Mortality	PubS-2010 base rates projected generationally with Scale MP2021

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially determined contribution	$ 3,235,984	$ 4,734,724	$ 4,852,647	$ 4,952,007	$ 5,030,110	$ 4,912,161	$ 5,255,147	$ 5,880,365	$ 6,705,279	$ 7,225,272
Contributions in relation to the actuarially determined contribution	5,100,000	4,889,000	6,353,000	4,953,000	5,130,000	4,913,000	4,962,000	5,372,130	5,881,000	6,706,000
CONTRIBUTION DEFICIENCY (EXCESS)	$ (1,864,016)	$ (154,276)	$ (1,500,353)	$ (993)	$ (99,890)	$ (839)	$ 293,147	$ 508,235	$ 824,279	$ 519,272
Additional contributions	$ -	$ -	$ -	$ 1,500,000	$ 1,250,000	$ -	$ 2,000,000	$ -	$ 600,000	$ -
Covered payroll	$ 10,623,394	$ 10,874,876	$ 11,626,566	$ 11,281,241	$ 11,851,132	$ 12,133,125	$ 12,439,265	$ 13,560,042	$ 13,998,580	$ 14,160,885
Contributions as a percentage of covered payroll	48.01%	44.96%	54.64%	43.90%	43.29%	40.49%	39.89%	39.62%	42.01%	47.36%

Notes to the required supplementary information

Actuarial cost method	Entry-age normal
Amortization method	Level % of pay (closed)
Remaining amortization period	15 years
Asset valuation method	Three-year smoothed fair value
Inflation	2.50%
Salary increases	Graded by years of service
Investment rate of return	6.75%
Retirement age	Graded by age (3% at age 50 to 100% at age 65)
Mortality	PubS-2010 base rates projected generationally with Scale MP2021

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND

Last Ten Fiscal Years

MEASUREMENT DATE, DECEMBER 31,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
TOTAL PENSION LIABILITY										
Service cost	$ 2,940,458	$ 2,941,583	$ 2,931,782	$ 3,057,662	$ 3,224,894	$ 2,907,221	$ 3,092,823	$ 3,183,044	$ 3,366,785	$ 3,430,644
Interest	9,907,311	10,273,549	10,728,873	11,029,601	11,492,531	11,947,829	13,092,468	13,676,468	14,281,506	14,800,080
Changes in benefit terms	-	-	-	(15,185)	-	-	-	-	-	-
Differences between expected and actual experience	(1,217,235)	495,807	(3,899,982)	1,459,100	1,302,495	3,979,655	4,680,826	2,963,434	1,542,599	1,371,152
Changes of assumptions	236,267	(712,451)	2,333,982	(107,864)	98,722	8,179,515	(1,767,196)	-	-	-
Benefit payments, including refunds and member contributions	(6,053,746)	(6,607,121)	(7,136,881)	(8,064,669)	(8,919,945)	(9,658,478)	(10,296,202)	(10,515,799)	(11,101,610)	(11,789,013)
Administrative expense	-	-	-	(37,141)	(53,509)	(52,684)	(31,926)	(26,299)	(34,371)	(69,060)
Net change in total pension liability	5,813,055	6,391,367	4,957,774	7,321,504	7,145,188	17,303,058	8,770,793	9,280,848	8,054,909	7,743,803
Total pension liability - beginning	150,607,659	156,420,714	162,812,081	167,769,855	175,091,359	182,236,547	199,539,605	208,310,398	217,591,246	225,646,155
TOTAL PENSION LIABILITY - ENDING	$ 156,420,714	$ 162,812,081	$ 167,769,855	$ 175,091,359	$ 182,236,547	$ 199,539,605	$ 208,310,398	$ 217,591,246	$ 225,646,155	$ 233,389,958
PLAN FIDUCIARY NET POSITION										
Contributions - employer	$ 4,500,000	$ 3,994,000	$ 5,379,000	$ 5,267,000	$ 4,209,000	$ 4,073,000	$ 6,114,000	$ 3,986,418	$ 4,790,000	$ 4,747,000
Contributions - member	1,036,023	1,151,412	1,144,554	1,304,981	1,210,559	1,146,864	1,224,154	2,030,248	1,430,170	1,322,672
Contributions - other	355,856	1,127	11,828	5,650	748	530,584	873,309	3,491	2,007	4,003
Net investment income	6,685,207	17,098,096	(6,034,752)	26,104,148	18,366,519	26,574,971	(23,697,367)	23,637,510	22,923,891	33,352,125
Benefit payments, including refunds of member contributions	(6,053,746)	(6,607,121)	(7,136,881)	(8,064,669)	(8,919,945)	(9,658,478)	(10,296,202)	(10,515,799)	(11,101,610)	(11,789,013)
Administrative expense	(37,365)	(43,276)	(34,640)	(37,166)	(53,509)	(52,684)	(31,926)	(26,299)	(34,371)	(69,060)
Net change in plan fiduciary net position	6,485,975	15,594,238	(6,670,891)	24,579,944	14,813,372	22,614,257	(25,814,032)	19,115,569	18,010,087	27,567,727
Plan fiduciary net position - beginning	108,357,041	114,843,016	130,437,254	123,766,363	148,346,307	163,159,679	185,773,936	159,959,904	179,075,473	197,085,560
PLAN FIDUCIARY NET POSITION - ENDING	$ 114,843,016	$ 130,437,254	$ 123,766,363	$ 148,346,307	$ 163,159,679	$ 185,773,936	$ 159,959,904	$ 179,075,473	$ 197,085,560	$ 224,653,287
EMPLOYER'S NET PENSION LIABILITY	$ 41,577,698	$ 32,374,827	$ 44,003,492	$ 26,745,052	$ 19,076,868	$ 13,765,669	$ 48,350,494	$ 38,515,773	$ 28,560,595	$ 8,736,671

MEASUREMENT DATE, DECEMBER 31,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Plan fiduciary net position as a percentage of the total pension liability	73.42%	80.12%	73.77%	84.73%	89.53%	93.10%	76.79%	82.30%	87.34%	96.26%
Covered payroll	$ 10,722,080	$ 10,917,682	$ 11,153,797	$ 11,316,038	$ 11,175,270	$ 11,733,708	$ 12,332,522	$ 12,981,534	$ 13,445,275	$ 13,966,808
Employer's net pension liability as a percentage of covered payroll	387.80%	296.50%	394.50%	236.30%	170.70%	117.30%	392.10%	296.70%	212.40%	62.60%

Notes to Required Supplementary Information

Year Ended December 31, 2025 - There were no changes in assumptions.

Year Ended December 31, 2024 - There were no changes in assumptions.

Year Ended December 31, 2023 - There were no changes in assumptions.

Year Ended December 31, 2022 -There were changes in assumptions related to mortality rates.

Year Ended December 31, 2021 - There were changes in assumptions related to mortality rates.

Year Ended December 31, 2020 - There were changes in assumptions related to mortality rates.

Year Ended December 31, 2019 - There were changes in assumptions related to mortality rates. In addition, there were changes in plan benefits required under PA-101-0610 (SB 1300).

Year Ended December 31, 2018 - There were changes in assumptions related to mortality rates.

Year Ended December 31, 2017 - There were changes in assumptions related to retirement rates and termination rates.

Year Ended December 31, 2016 - There were changes in assumptions related to marital status rates and termination rates.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS' PENSION FUND

Last Ten Fiscal Years

MEASUREMENT DATE, DECEMBER 31,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
TOTAL PENSION LIABILITY										
Service cost	$ 3,459,315	$ 3,419,246	$ 3,524,860	$ 3,677,732	$ 3,703,881	$ 3,758,807	$ 4,066,105	$ 3,813,335	$ 4,062,413	$ 4,213,559
Investment income	9,234,329	9,618,402	9,793,838	10,133,648	10,454,457	10,772,140	11,801,187	12,471,648	13,034,173	13,442,636
Changes in benefit terms	-	-	-	(140,839)	-	-	-	-	-	-
Differences between expected and actual experience	(1,336,382)	(2,422,578)	(843,543)	(1,350,024)	(1,740,361)	780,407	2,063,546	1,097,541	(1,704,014)	(1,906,131)
Changes of assumptions	228,889	(1,287,282)	(832,861)	(113,594)	99,604	8,242,761	805,981	-	-	2,043,436
Benefit payments, including refunds and member contributions	(6,222,695)	(6,552,552)	(6,832,215)	(7,210,277)	(7,617,823)	(7,913,187)	(8,508,695)	(8,814,870)	(9,151,344)	(9,451,526)
Administrative expense	-	-	-	(28,405)	(28,116)	(73,219)	(129,528)	(51,691)	(27,322)	(78,812)
Net change in total pension liability	5,363,456	2,775,236	4,810,079	4,968,241	4,871,642	15,567,709	10,098,596	8,515,963	6,213,906	8,263,162
Total pension liability - beginning	141,084,908	146,448,364	149,223,600	154,033,679	159,001,920	163,873,562	179,441,271	189,539,867	198,055,830	204,269,736
TOTAL PENSION LIABILITY - ENDING	$ 146,448,364	$ 149,223,600	$ 154,033,679	$ 159,001,920	$ 163,873,562	$ 179,441,271	$ 189,539,867	$ 198,055,830	$ 204,269,736	$ 212,532,898
PLAN FIDUCIARY NET POSITION										
Contributions - employer	$ 5,100,000	$ 4,889,000	$ 6,353,000	$ 6,203,000	$ 5,130,000	$ 4,913,000	$ 6,962,000	$ 5,372,130	$ 6,481,000	$ 6,706,000
Contributions - member	989,862	1,021,422	1,065,390	1,097,478	1,141,126	1,145,403	1,168,906	1,217,137	1,284,080	1,318,932
Contributions - other	20	5,406	641	1,299	6,208	94,381	-	11,690.00	16,949.00	13,382
Net investment income	6,915,387	12,680,482	(3,662,611)	17,090,656	13,683,719	14,996,271	(21,375,427)	18,563,778	15,330,016	27,073,451
Benefit payments, including refunds of member contributions	(6,222,695)	(6,552,552)	(6,832,215)	(7,210,277)	(7,617,823)	(7,913,187)	(8,508,695)	(8,814,870)	(9,151,344)	(9,451,526)
Administrative expense	(62,158)	(27,283)	(28,953)	(28,405)	(28,116)	(73,219)	(129,528)	(51,691)	(27,322)	(78,812)
Net change in plan fiduciary net position	6,720,416	12,016,475	(3,104,748)	17,153,751	12,315,114	13,162,649	(21,882,744)	16,298,174	13,933,379	25,581,427
Plan fiduciary net position - beginning	91,097,803	97,818,219	109,834,694	106,729,946	123,883,697	136,198,811	149,361,460	127,478,716	143,776,890	157,710,269
PLAN FIDUCIARY NET POSITION - ENDING	$ 97,818,219	$ 109,834,694	$ 106,729,946	$ 123,883,697	$ 136,198,811	$ 149,361,460	$ 127,478,716	$ 143,776,890	$ 157,710,269	$ 183,291,696
EMPLOYER'S NET PENSION LIABILITY	$ 48,630,145	$ 39,388,906	$ 47,303,733	$ 35,118,223	$ 27,674,751	$ 30,079,811	$ 62,061,151	$ 54,278,940	$ 46,559,467	$ 29,241,202

MEASUREMENT DATE, DECEMBER 31,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Plan fiduciary net position as a percentage of the total pension liability	66.79%	73.60%	69.29%	77.91%	83.11%	83.24%	67.26%	72.59%	77.21%	86.24%
Covered payroll	$ 10,623,394	$ 10,874,876	$ 11,626,566	$ 11,281,241	$ 11,851,132	$ 12,133,125	$ 12,439,265	$ 13,560,042	$ 13,998,580	$ 14,160,885
Employer's net pension liability as a percentage of covered payroll	457.80%	362.20%	406.90%	311.30%	233.50%	247.90%	498.90%	400.30%	332.60%	206.50%

Notes to Required Supplementary Information

Year Ended December 31, 2025 - There were changes in assumptions related to the retirement rate.

Year Ended December 31, 2024 - There were no changes in assumptions.

Year Ended December 31, 2023 - There were no changes in assumptions.

Year Ended December 31, 2022 -There were changes in assumptions related to mortality rates.

Year Ended December 31, 2021 - There were changes in assumptions related to mortality rates.

Year Ended December 31, 2020 - There were changes in assumptions related to mortality rates.

Year Ended December 31, 2019 - There were changes in assumptions related to mortality rates. In addition, there were changes in plan benefits required under PA-101-0610 (SB 1300).

Year Ended December 31, 2018 - There were changes in assumptions related to mortality rates.

Year Ended December 31, 2017 - There were changes in assumptions related to retirement rates and termination rates.

Year Ended December 31, 2016 - There were changes in assumptions related to marital status rates and termination rates.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

SCHEDULE OF THE VILLAGE'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Ten Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019*	2020	2021	2022	2023	2024
Employer's proportion of net pension liability (asset)	73.85%	73.85%	73.85%	73.85%	73.85%	73.85%	73.85%	73.85%	73.85%	73.85%
Employer's proportionate share of net pension liability (asset)	$ 16,955,133	$ 17,742,985	$ 3,784,058	$ 22,559,933	$ 10,898,733	$ 44,609	$ (15,148,152)	$ 16,926,241	$ 9,192,562	$ 6,962,835
Employer's covered payroll	18,148,759	18,553,451	19,122,774	19,447,399	20,055,727	20,735,143	20,200,789	21,050,942	21,878,375	22,716,022
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	93.42%	95.63%	19.79%	116.00%	54.34%	0.22%	(74.99%)	80.41%	42.02%	30.65%
Plan fiduciary net position as a percentage of the total pension liability	86.40%	86.35%	97.10%	83.82%	92.46%	99.97%	109.90%	89.34%	94.40%	94.87%

*Prior to 2019, the Library was presented as a component unit of the Village. Beginning January 1, 2019, IMRF is presented as a cost-sharing plan with the Library. Information above for 2015 through 2018 is estimated based on allocation used in 2019.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN

Last Eight Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2018	2019	2020	2021	2022	2023	2024	2025
TOTAL OPEB LIABILITY								
Service cost	$ 650,191	$ 570,040	$ 741,577	$ 787,662	$ 844,877	$ 1,065,686	$ 1,077,273	$ 1,134,163
Interest	726,304	983,165	779,169	536,660	506,620	1,029,593	1,012,916	933,206
Benefit changes	-	-	(866,236)	-	-	-	(6,124,696)	-
Differences between expected and actual experience	3,749,195	-	(3,274,902)	-	(346,840)	-	869,401	-
Changes in assumptions	(1,191,261)	3,921,667	2,213,789	506,106	(1,824,294)	783,865	776,278	(1,259,769)
Benefit payments	(1,028,719)	(1,107,830)	(1,134,306)	(1,053,223)	(1,206,430)	(1,377,463)	(1,489,408)	(1,723,068)
Net change in total OPEB liability	2,905,710	4,367,042	(1,540,909)	777,205	(2,026,067)	1,501,681	(3,878,236)	(915,468)
Total OPEB liability - beginning	21,627,827	24,533,537	28,900,579	27,359,670	28,136,875	26,110,808	27,612,489	23,734,253
TOTAL OPEB LIABILITY - ENDING	$ 24,533,537	$ 28,900,579	$ 27,359,670	$ 28,136,875	$ 26,110,808	$ 27,612,489	$ 23,734,253	$ 22,818,785
Covered-employee payroll	$ 44,727,544	$ 41,876,464	$ 41,370,995	$ 42,612,126	$ 41,364,577	$ 42,605,514	$ 48,148,896	$ 49,593,363
Employer's total OPEB liability as a percentage of covered-employee payroll	54.85%	69.01%	66.13%	66.03%	63.12%	64.81%	49.29%	46.01%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

There was a change in assumptions related to the discount rate, mortality assumptions, and the withdrawal, disability, and retirement rates in 2018.

There was a change in assumptions related to the discount rate in 2019.

There was a change in assumptions related to the discount rate and healthcare cost trend rates in 2020.

There was a change in benefits related to the elimination of the Affordable Care Act Excise Tax.

There was a change in assumptions related to the discount rate in 2021.

There was a change in assumptions related to the discount rate and healthcare cost trend rates in 2022.

There was a change in assumptions related to the discount rate in 2023.

There was a change in assumptions related to the discount rate in 2024.

There were changes in benefit terms related to eliminating the subsidy for PSEBA retirees once the become eligible for Medicare in 2024.

There was a change in assumptions related to the discount rate in 2025.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Annual money-weighted rate of return, net of investment expense	6.28%	14.90%	(5.03%)	21.27%	13.37%	16.60%	(12.52%)	15.53%	12.61%	17.79%

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS
FIREFIGHTERS' PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Annual money-weighted rate of return, net of investment expense	7.70%	13.24%	(3.35%)	16.55%	11.30%	(13.43%)	3.19%	13.40%	11.00%	17.55%

(See independent auditor's report.)

BUDGETS

The Village of Arlington Heights operates under the Budget Officer Act as outlined in the Illinois Compiled Statutes. Under this law the Village Board is required to adopt the budget prior to the beginning of the fiscal year to which it applies. The Village's fiscal year is January 1 through December 31. The law also provides that the budget shall serve as the Village's annual appropriation ordinance.

All departments submit budget requests to the Village Manager so that a budget may be prepared. The Village Manager's budget includes the proposed expenditures and a means for financing them. A number of internal budget review meetings are held with the Village Manager, Finance Department Staff and Department Directors to review budget proposals in September.

At two Committee-of-the-Whole (the Committee) meetings in November, the Village Manager submits to the Committee the proposed operating budget for the fiscal year commencing the following January 1. At the first Village Board of Trustees meeting in December, a Public Hearing is conducted to obtain any additional citizen comments. Following the Public Hearing, the Board of Trustees considers the proposed operating budget for the fiscal year commencing the following January 1 as approved by the Committee.

Prior to January 1, the Budget, which by State law also serves as the appropriation ordinance, is adopted by the Board of Trustees and constitutes the legal budget of the Village. Each year the Village Board reviews and approves budget amendments as necessary.

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the General, Special Revenue, Debt Service, Capital Projects, Enterprise, Internal Service, and Pension Trust funds. The annual appropriated budget is legally enacted and provides for a legal level of control at the object level. All annual appropriations lapse at fiscal year-end.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

General Fund - to account for resources traditionally associated with governments that are not accounted for in another fund.

DEBT SERVICE FUND

Debt Service Fund - to accumulate monies for payment of principal and interest on general obligation bonds.

CAPITAL PROJECTS FUND

Capital Projects Fund - to account for the costs of miscellaneous capital improvement projects and equipment replacement. Financing is provided by earmarking revenues to provide for the costs associated with the projects. Major projects include: road improvements, curb replacement, paving maintenance, and sidewalk replacement/installation.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

GENERAL FUND

BALANCE SHEET

December 31, 2025
(with comparative actual)

	2025	2024
ASSETS		
Cash and investments	$ 23,304,688	$ 32,364,449
Receivables (net, where applicable, of allowances for uncollectibles)		
Property taxes	35,482,451	26,930,500
Other taxes	8,734,251	7,805,407
Accrued interest	2,460	2,279
Leases	2,223,467	2,373,708
Other	2,656,040	3,216,095
Due from other funds	222,002	200,001
Due from fiduciary funds	1,069,854	1,399
Prepaid items	42,214	81,430
Inventory	53,927	87,429
TOTAL ASSETS	$ 73,791,354	$ 73,062,697
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
LIABILITIES		
Accounts payable	$ 1,573,252	$ 1,171,027
Accrued payroll	2,400,555	1,776,653
Deposits payable	2,365,602	2,101,864
Due to fiduciary funds	-	1,335,741
Unearned revenue	-	18,728
Total liabilities	6,339,409	6,404,013
DEFERRED INFLOWS OF RESOURCES		
Property taxes	27,814,500	26,930,500
Leases	2,266,422	2,475,862
Total deferred inflows of resources	30,080,922	29,406,362
Total liabilities and deferred inflows of resources	36,420,331	35,810,375
FUND BALANCES		
Nonspendable		
Prepaid items	42,214	81,430
Inventory	53,927	87,429
Unrestricted		
Assigned		
Debt service	313,541	-
Wellness programs	7,799	3,609
Disabled citizens programs	1,016	2,018
Emergency assistance programs	256,817	284,086
Senior center maintenance	238,000	238,000
Canine unit donation	127,793	127,793
TIF refund	550,000	450,000
Unassigned	35,779,916	35,977,957
Total fund balances	37,371,023	37,252,322
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 73,791,354	$ 73,062,697

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

GENERAL FUND

SCHEDULE OF REVENUES - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
TAXES				
Property taxes	$ 26,920,500	$ 26,920,500	$ 26,186,363	$ 25,715,026
Other taxes				
Hotel tax	925,000	925,000	1,176,433	1,038,147
Food/beverage tax	2,657,000	2,657,000	2,597,475	2,609,939
Sales tax - home rule	7,746,000	7,746,000	9,271,820	7,483,183
Telecommunications tax	1,706,000	1,706,000	1,836,583	1,675,344
Natural gas utility tax	2,100,000	2,100,000	2,006,087	1,735,585
Electric utility tax	2,800,000	2,800,000	2,630,941	2,666,164
Other taxes	70,000	70,000	175,012	39,158
Total other taxes	18,004,000	18,004,000	19,694,351	17,247,520
Total taxes	44,924,500	44,924,500	45,880,714	42,962,546
LICENSES AND PERMITS				
Business licenses	650,000	650,000	417,776	642,801
Liquor licenses	400,000	400,000	441,250	426,924
Public chauffeur licenses	100	100	-	-
Multi-dwelling licenses	263,000	263,000	-	-
Building permits	1,200,000	1,200,000	1,368,348	1,606,459
Electrical permits	105,000	105,000	118,634	132,474
Plumbing permits	80,000	80,000	73,540	94,001
Sign permits	12,000	12,000	14,080	11,950
Elevator permits	55,000	55,000	47,673	60,408
Occupancy permits	15,000	15,000	8,305	10,000
Driveway permits	300	300	-	-
Air conditioner permits	15,000	15,000	18,949	30,830
Swimming pool permits	3,000	3,000	12,518	7,722
Chimney permits	1,000	1,000	-	-
Wrecking permits	7,500	7,500	3,789	6,625
Total licenses and permits	2,806,900	2,806,900	2,524,862	3,030,194
INTERGOVERNMENTAL				
Shared income taxes	13,506,000	13,506,000	14,008,426	13,190,967
Shared sales taxes	16,136,000	16,136,000	19,433,105	16,362,720
Shared use taxes	2,915,900	2,915,900	798,357	2,737,220
Replacement tax	900,000	900,000	657,580	823,640
Total intergovernmental	33,457,900	33,457,900	34,897,468	33,114,547

(This statement is continued on the following pages.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

GENERAL FUND

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
GRANTS				
Training reimbursement	$ 50,000	$ 50,000	$ 51,889	$ 60,191
Task force reimbursement	20,000	20,000	16,264	21,353
Emergency responses reimbursement	-	-	-	8,110
Counselor in the park	11,000	11,000	-	-
Library services	138,000	138,000	138,000	138,000
Other grants	397,000	397,000	666,581	1,170,192
Total grants	616,000	616,000	872,734	1,397,846
CHARGES FOR SERVICES				
Escrow deposits	20,000	20,000	57,737	82,865
Guaranteed bonds	5,000	5,000	30,703	30,041
Total charges for services	25,000	25,000	88,440	112,906
FINES AND FEES				
Traffic court fines	140,000	140,000	126,679	116,785
Parking fines	500,500	500,500	757,373	488,502
Compliance ticket fines	100	100	19,750	12,250
Other fines	15,500	15,500	25,250	1,825
Cable franchise fees	1,250,000	1,250,000	992,375	1,104,231
Special PW detail fees	10,000	10,000	13,746	17,349
Plan commission hearings	15,000	15,000	55,695	46,810
Reinspections	-	-	850	1,175
Rezoning fees	10,000	10,000	-	-
Plan exam fees	100,000	100,000	24,778	66,805
Fire plan examination fees	60,000	60,000	46,525	41,381
Engineering service fees	225,000	225,000	81,338	294,327
Ambulance service fees	4,375,000	4,375,000	4,080,584	5,209,414
Special police detail	175,000	175,000	210,288	206,795
Police counselor fees	390,000	390,000	395,259	427,944
Police records fees	12,000	12,000	16,500	14,260
Special fire detail	25,000	25,000	43,550	36,175
False alarm fees	-	-	24,500	25,250
Chemical user fees	10,000	10,000	-	-
Criminal registration fees	-	-	2,740	2,140
DUI administration charges	65,000	65,000	27,900	22,700
Weed cutting fees	10,000	10,000	8,880	10,005
Liens	-	-	57,549	-
Other fees	40,000	40,000	9,865	17,360
Total fines and fees	7,428,100	7,428,100	7,021,974	8,163,483
INVESTMENT INCOME	1,550,000	1,550,000	1,424,633	1,672,299

(This statement is continued on the following page.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

GENERAL FUND

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
MISCELLANEOUS				
Damage claims	$ 32,000	$ 32,000	$ 21,494	$ 21,372
Equipment sales	5,000	5,000	5,199	3,111
Scrap sales	4,000	4,000	27,836	1,837
Sale of plans bid specs	1,000	1,000	-	-
Rents and concessions	102,500	102,500	214,683	209,009
Train station rents	35,000	35,000	19,910	23,370
Traffic signal maintenance	34,000	34,000	39,752	39,173
Hearts of gold awards	10,000	10,000	7,815	9,945
Premium sponsor	-	-	-	8,413
NWCH in lieu of property taxes	318,000	318,000	317,457	302,340
Senior center donations	1,500	1,500	12,839	12,389
Radon testing	-	-	30	70
Disabled citizen donations	500	500	-	-
Wellness programs	3,000	3,000	4,190	4,542
Wellness home visits	2,500	2,500	220	395
Emergency assistance	25,000	25,000	10,059	32,922
Bad debt recovery	10,000	10,000	1,598	13,742
Lease revenue	-	-	600	600
Other income	50,000	50,000	134,935	138,651
Total miscellaneous	634,000	634,000	818,617	821,881
TOTAL REVENUES	$ 91,442,400	$ 91,442,400	$ 93,529,442	$ 91,275,702

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

GENERAL FUND

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
GENERAL GOVERNMENT				
Board of Trustees	$ 169,000	$ 169,400	$ 165,477	$ 147,037
Village Manager	1,904,700	1,904,700	1,915,277	1,873,501
Human resources	650,200	650,200	639,111	590,856
Finance	2,336,600	2,336,600	2,131,162	2,284,914
Boards and commissions	190,100	190,100	149,303	193,752
Total general government	5,250,600	5,251,000	5,000,330	5,090,060
PUBLIC SAFETY				
Police	32,571,200	32,604,784	31,582,805	30,344,057
Fire	29,015,700	29,020,899	29,070,286	27,686,932
Total public safety	61,586,900	61,625,683	60,653,091	58,030,989
HIGHWAYS AND STREETS				
Public works	16,427,700	16,874,437	15,585,478	15,583,507
COMMUNITY DEVELOPMENT				
Planning and community development	2,251,400	2,272,914	2,058,179	2,186,876
Building	3,534,300	3,534,300	3,146,172	3,106,579
Total community development	5,785,700	5,807,214	5,204,351	5,293,455
HEALTH AND WELFARE				
Senior services	704,900	704,900	702,057	703,364
Health services	1,886,600	1,886,600	1,865,434	1,877,326
Total health and welfare	2,591,500	2,591,500	2,567,491	2,580,690
DEBT SERVICE				
Principal retirement	-	-	31,000	-
Total debt service	-	-	31,000	-
TOTAL EXPENDITURES	$ 91,642,400	$ 92,149,834	$ 89,041,741	$ 86,578,701

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
GENERAL GOVERNMENT				
Board of Trustees				
Salaries	$ 30,900	$ 30,900	$ 30,939	$ 30,900
Fringe benefits	3,000	3,000	2,691	3,466
Contractual services	133,200	133,600	127,313	111,355
Commodities	1,900	1,900	4,534	1,316
Total board of trustees	169,000	169,400	165,477	147,037
Integrated services				
Salaries	913,400	913,400	904,479	886,200
Fringe benefits	305,300	305,300	299,249	290,520
Contractual services	676,600	676,600	705,100	688,432
Commodities	9,400	9,400	6,449	8,349
Total integrated services	1,904,700	1,904,700	1,915,277	1,873,501
Human resources				
Salaries	310,100	310,100	312,612	306,396
Fringe benefits	148,300	148,300	147,469	141,128
Contractual services	165,100	165,100	157,729	124,596
Commodities	3,300	3,300	1,744	3,250
Other charges	23,400	23,400	19,557	15,486
Total human resources	650,200	650,200	639,111	590,856
Finance				
Salaries	1,116,300	1,116,300	1,064,220	1,110,808
Fringe benefits	463,900	463,900	460,120	479,168
Contractual services	319,500	319,500	433,708	482,686
Commodities	20,900	20,900	19,536	21,385
Other charges	416,000	416,000	153,578	190,867
Total finance	2,336,600	2,336,600	2,131,162	2,284,914
Boards and commissions				
Contractual services	125,000	125,000	119,323	160,878
Commodities	4,300	4,300	1,370	923
Other charges	60,800	60,800	28,610	31,951
Total boards and commissions	190,100	190,100	149,303	193,752
Total general government	5,250,600	5,251,000	5,000,330	5,090,060

(This statement is continued on the following pages.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
PUBLIC SAFETY				
Police				
Salaries	$ 18,456,100	$ 18,456,100	$ 17,629,690	$ 17,061,021
Grant salaries	-	-	-	38,261
Fringe benefits	10,331,800	10,331,800	10,289,508	9,647,400
Contractual services	3,201,300	3,202,943	3,181,770	3,165,950
Commodities	582,000	613,941	481,837	431,425
Total police	32,571,200	32,604,784	31,582,805	30,344,057
Fire				
Salaries	15,394,800	15,394,800	15,547,418	14,948,580
Fringe benefits	11,104,900	11,104,900	11,098,176	10,522,182
Contractual services	2,121,500	2,121,500	2,072,572	1,902,623
Commodities	394,500	399,699	352,120	313,547
Total fire	29,015,700	29,020,899	29,070,286	27,686,932
Total public safety	61,586,900	61,625,683	60,653,091	58,030,989
HIGHWAYS AND STREETS				
Public works				
Salaries	6,840,700	6,840,700	6,259,806	6,196,267
Fringe benefits	3,016,700	3,016,700	2,934,560	3,097,068
Contractual services	4,858,200	5,063,801	4,989,582	4,705,767
Commodities	1,712,100	1,953,236	1,401,530	1,584,405
Total highways and streets	16,427,700	16,874,437	15,585,478	15,583,507
COMMUNITY DEVELOPMENT				
Planning and community development				
Salaries	1,312,600	1,312,600	1,215,185	1,310,272
Fringe benefits	581,100	581,100	560,187	560,680
Contractual services	161,200	161,200	132,585	154,759
Commodities	10,000	10,000	9,040	6,522
Other charges	186,500	208,014	141,182	154,643
Total planning and community development	2,251,400	2,272,914	2,058,179	2,186,876
Building services				
Salaries	2,253,800	2,253,800	1,991,044	1,921,816
Fringe benefits	860,500	860,500	825,018	807,764
Contractual services	390,800	390,800	295,353	357,482
Commodities	29,200	29,200	34,757	19,517
Total building services	3,534,300	3,534,300	3,146,172	3,106,579
Total community development	5,785,700	5,807,214	5,204,351	5,293,455

(This statement is continued on the following page.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
HEALTH AND WELFARE				
Senior services				
Salaries	$ 406,100	$ 406,100	$ 404,547	$ 382,918
Fringe benefits	136,300	136,300	134,680	138,317
Contractual services	118,200	118,200	112,272	134,244
Commodities	12,400	12,400	13,413	8,432
Other charges	31,900	31,900	37,145	39,453
Total senior services	704,900	704,900	702,057	703,364
Health services				
Salaries	1,141,400	1,141,400	1,114,132	1,079,203
Fringe benefits	387,200	387,200	413,822	418,129
Contractual services	245,900	245,900	209,773	269,440
Commodities	35,500	35,500	34,879	35,524
Other charges	76,600	76,600	92,828	75,030
Total health services	1,886,600	1,886,600	1,865,434	1,877,326
Total health and welfare	2,591,500	2,591,500	2,567,491	2,580,690
DEBT SERVICE				
Principal retirement	-	-	31,000	-
Total debt service	-	-	31,000	-
TOTAL EXPENDITURES	$ 91,642,400	$ 92,149,834	$ 89,041,741	$ 86,578,701

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Taxes				
Property	$ 6,497,000	$ 6,497,000	$ 6,354,532	$ 6,409,463
Investment income	150,000	150,000	145,060	214,644
Miscellaneous	-	-	586	-
Total revenues	6,647,000	6,647,000	6,500,178	6,624,107
EXPENDITURES				
Debt service				
Principal retirement	4,645,000	4,645,000	4,645,000	5,435,000
Interest and fiscal charges	2,546,200	2,546,200	2,542,343	1,753,004
Total expenditures	7,191,200	7,191,200	7,187,343	7,188,004
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(544,200)	(544,200)	(687,165)	(563,897)
OTHER FINANCING SOURCES (USES)				
Transfers in	690,700	690,700	690,700	690,200
Total other financing sources (uses)	690,700	690,700	690,700	690,200
NET CHANGE IN FUND BALANCE	$ 146,500	$ 146,500	3,535	126,303
FUND BALANCE, JANUARY 1			2,273,974	2,147,671
FUND BALANCE, DECEMBER 31			$ 2,277,509	$ 2,273,974

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

CAPITAL PROJECTS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Taxes				
Property	$ 5,800,000	$ 5,800,000	$ 5,672,816	$ 5,622,336
Other	2,582,000	2,582,000	3,090,607	2,494,394
Grants	480,000	480,000	-	2,059,809
Investment income	1,060,000	1,060,000	2,002,631	1,556,454
Miscellaneous	-	-	91,280	12,804
Total revenues	9,922,000	9,922,000	10,857,334	11,745,797
EXPENDITURES				
Capital outlay				
Contractual services	120,000	120,000	458	350,088
Equipment	1,913,500	2,121,688	1,441,106	1,895,274
Construction	10,136,200	14,930,931	6,611,133	12,790,631
Debt service				
Principal retirement	-	-	113,348	98,695
Interest and fiscal charges	-	-	6,194	130,593
Total expenditures	12,169,700	17,172,619	8,172,239	15,265,281
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,247,700)	(7,250,619)	2,685,095	(3,519,484)
OTHER FINANCING SOURCES (USES)				
Transfers in	300,000	3,855,000	3,855,000	800,000
Transfers (out)	(5,448,000)	(5,448,000)	(5,448,000)	(18,000,000)
SBITA issuance	-	-	-	342,816
Bond issuance	-	-	-	18,755,000
Premium on bond issuance	-	-	-	1,816,984
Proceeds from sale of capital assets	-	-	-	3,205
Total other financing sources (uses)	(5,148,000)	(1,593,000)	(1,593,000)	3,718,005
NET CHANGE IN FUND BALANCE	$ (7,395,700)	$ (8,843,619)	1,092,095	198,521
FUND BALANCE, JANUARY 1			21,597,703	21,399,182
FUND BALANCE, DECEMBER 31			$ 22,689,798	$ 21,597,703

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Motor Fuel Tax Fund - to account for the activities involved with street maintenance and construction. Financing is provided by the Village's share of state gasoline taxes. State law requires these gasoline taxes to be used to maintain streets.

Community Development Block Grant (CDBG) Fund - to account for the revenue and expenditures associated with CDBG. The grant is provided by the U.S. Department of Housing and Urban Development to develop urban communities by expanding economic opportunities and providing housing and a suitable living environment. The beneficiaries of the CDBG Program must be individuals with low and/or moderate incomes.

Affordable Housing Fund - to account for the revenues and expenditures restricted for the creation and preservation of Attainable Housing.

Zero Interest Loan Fund - to account for the revenue derived from the Cook County Class 6/7 property tax abatements which are restricted to provide financial assistance to prospective and existing business within the Village.

Foreign Fire Insurance Fund - to account for revenue derived from a 2% tax of the gross receipts from out-of-state businesses engaged in providing fire insurance within the Village.

Criminal Investigations Fund - to account for revenues awarded by criminal courts and expenditures for police investigations.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

SPECIAL REVENUE FUNDS (Continued)

TIF IV Fund - to account for revenues and expenditures associated with the formation and redevelopment of the Village's Tax Increment Financing District Number IV on the northeast corner of Arlington Heights Road and Golf Road.

TIF V Fund - to account for revenues and expenditures associated with the formation and redevelopment of the Village's Tax Increment Financing District Number V on the southeast corner of Arlington Heights Road and Palatine Road.

Hickory Kensington TIF Fund - to account for revenues and expenditures associated with the formation and redevelopment of the Village's Hickory Kensington Tax Increment Financing District.

South Arlington Heights Road TIF Fund - to account for revenues and expenditures associated with the formation and redevelopment of the Village's South Arlington Heights Road Tax Increment Financing District.

CAPITAL PROJECTS FUNDS

Municipal Parking Operations Fund - to account for revenues and expenditures associated with the Village's parking system.

Stormwater Control Fund - to account for the costs of constructing the second portion of the Weller Creek Flood Control Project. Financing was provided by the $14,200,000 Series 1993 Corporate Purpose bonds.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

December 31, 2025

	Special Revenue Funds				
	Motor Fuel Tax	Community Development Block Grant	Affordable Housing	Zero Interest Loan	Foreign Fire Insurance
ASSETS					
Cash and investments	$ 5,257,673	$ 1,306	$ 1,353,730	$ 1,950,794	$ 537,760
Receivables (net, where applicable, of allowances for uncollectibles)					
Property taxes	-	-	-	-	-
Other taxes	314,468	-	-	-	-
CDBG rehabilitation loans	-	1,784,009	-	-	-
Zero interest loans	-	-	-	384,237	-
Grants	-	261,316	-	-	-
Other	-	-	-	-	-
Prepaid items	-	-	-	-	-
TOTAL ASSETS	$ 5,572,141	$ 2,046,631	$ 1,353,730	$ 2,335,031	$ 537,760
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ 181,874	$ 40,620	$ -	$ -	$ 11,032
Accrued payroll	-	-	-	-	-
Due to other funds	-	222,002	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	181,874	262,622	-	-	11,032
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	1,784,009	-	384,237	-
Property taxes	-	-	-	-	-
Total deferred inflows of resources	-	1,784,009	-	384,237	-
Total liabilities and deferred inflows of resources	181,874	2,046,631	-	384,237	11,032
FUND BALANCES					
Nonspendable					
Prepaid items	-	-	-	-	-
Restricted					
Capital projects	-	-	-	-	-
Public safety	-	-	-	-	526,728
Highways and streets	5,390,267	-	-	-	-
Community development	-	-	1,353,730	1,950,794	-
Stormwater control	-	-	-	-	-
Assigned					
Public parking	-	-	-	-	-
Total fund balances	5,390,267	-	1,353,730	1,950,794	526,728
TOTAL LIABILITIES, DEFERRFED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 5,572,141	$ 2,046,631	$ 1,353,730	$ 2,335,031	$ 537,760

Special Revenue Funds					Capital Projects		
Criminal Investigations	TIF IV	TIF V	Hickory Kensington TIF	South Arlington Heights Road TIF	Municipal Parking Operations	Stormwater Control	Total
$ 2,009,699	$ 5,702,804	$ 3,476,226	$ 5,590,640	$ 2,024,067	$ 7,348,343	$ 1,702,425	$ 36,955,467
-	755,515	2,277,614	1,996,326	570,331	-	-	5,599,786
-	-	-	-	-	-	-	314,468
-	-	-	-	-	-	-	1,784,009
-	-	-	-	-	-	-	384,237
-	-	-	-	-	-	-	261,316
500	-	-	-	-	7,672	231,915	240,087
-	-	-	67,000	-	-	-	67,000
$ 2,010,199	$ 6,458,319	$ 5,753,840	$ 7,653,966	$ 2,594,398	$ 7,356,015	$ 1,934,340	$ 45,606,370
$ 23,751	$ 5,752	$ -	$ 73,147	$ 119,937	$ 69,896	$ 808,198	$ 1,334,207
-	-	-	-	-	13,661	-	13,661
-	-	-	-	-	-	-	222,002
-	-	-	-	-	15,741	-	15,741
23,751	5,752	-	73,147	119,937	99,298	808,198	1,585,611
-	-	-	-	-	-	-	2,168,246
-	700,000	1,555,000	1,080,000	350,000	-	-	3,685,000
-	700,000	1,555,000	1,080,000	350,000	-	-	5,853,246
23,751	705,752	1,555,000	1,153,147	469,937	99,298	808,198	7,438,857
-	-	-	67,000	-	-	-	67,000
-	-	-	-	-	-	587,252	587,252
1,986,448	-	-	-	-	-	-	2,513,176
-	-	-	-	-	-	-	5,390,267
-	5,752,567	4,198,840	6,433,819	2,124,461	-	-	21,814,211
-	-	-	-	-	-	538,890	538,890
-	-	-	-	-	7,256,717	-	7,256,717
1,986,448	5,752,567	4,198,840	6,500,819	2,124,461	7,256,717	1,126,142	38,167,513
$ 2,010,199	$ 6,458,319	$ 5,753,840	$ 7,653,966	$ 2,594,398	$ 7,356,015	$ 1,934,340	$ 45,606,370

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended December 31, 2025

	Special Revenue				
	Motor Fuel Tax	Community Development Block Grant	Affordable Housing	Zero Interest Loan	Foreign Fire Insurance
REVENUES					
Taxes	$ -	$ -	$ -	$ -	$ 232,929
Intergovernmental	3,546,156	-	-	-	-
Grants	-	253,528	-	-	-
Charges for services	-	-	-		-
Investment income	23,587	-	50,486	73,794	18,313
Miscellaneous	-	18,390	80,620	257,483	-
Total revenues	3,569,743	271,918	131,106	331,277	251,242
EXPENDITURES					
Current					
General government	-	-	-	262,328	-
Public safety	-	-	-	-	243,698
Highways and streets	3,969,372	-	-	-	-
Community development	-	271,918	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	3,969,372	271,918	-	262,328	243,698
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(399,629)	-	131,106	68,949	7,544
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers (out)	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
NET CHANGE IN FUND BALANCES	(399,629)	-	131,106	68,949	7,544
FUND BALANCES, JANUARY 1	5,789,896	-	1,222,624	1,881,845	519,184
FUND BALANCES, DECEMBER 31	$ 5,390,267	$ -	$ 1,353,730	$ 1,950,794	$ 526,728

Special Revenue					Capital Projects		
Criminal Investigations	TIF IV	TIF V	Hickory Kensington TIF	South Arlington Heights Road TIF	Municipal Parking Operations	Stormwater Control	Total
$ -	$ 204,228	$ 1,529,163	$ 1,549,972	$ 403,978	$ -	$ -	$ 3,920,270
461,359	-	-	-	-	-	600,000	4,607,515
-	-	-	-	-	-	-	253,528
-	-	-	-	-	920,639	1,677,288	2,597,927
56,933	219,493	149,415	209,105	111,168	437,807	154,505	1,504,606
-	-	-	-	-	-	-	356,493
518,292	423,721	1,678,578	1,759,077	515,146	1,358,446	2,431,793	13,240,339
-	-	-	-	-	-	-	262,328
326,366	-	-	-	-	-	-	570,064
-	-	-	-	-	885,331	-	4,854,703
-	31,569	1,130,513	30,959	27,968	-	-	1,492,927
-	-	429,935	2,234	1,028,624	1,290,530	5,545,466	8,296,789
326,366	31,569	1,560,448	33,193	1,056,592	2,175,861	5,545,466	15,476,811
191,926	392,152	118,130	1,725,884	(541,446)	(817,415)	(3,113,673)	(2,236,472)
-	-	-	-	-	500,000	-	500,000
-	-	-	-	-	-	(690,700)	(690,700)
-	-	-	-	-	500,000	(690,700)	(190,700)
191,926	392,152	118,130	1,725,884	(541,446)	(317,415)	(3,804,373)	(2,427,172)
1,794,522	5,360,415	4,080,710	4,774,935	2,665,907	7,574,132	4,930,515	40,594,685
$ 1,986,448	$ 5,752,567	$ 4,198,840	$ 6,500,819	$ 2,124,461	$ 7,256,717	$ 1,126,142	$ 38,167,513

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

MOTOR FUEL TAX FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Intergovernmental				
Motor fuel tax revenues	$ 3,300,000	$ 3,300,000	$ 3,546,156	$ 3,452,710
Investment income	50,000	50,000	23,587	64,303
Total revenues	3,350,000	3,350,000	3,569,743	3,517,013
EXPENDITURES				
Current				
Highways and streets				
Repairs and maintenance	3,923,700	4,177,569	3,969,372	4,417,945
Total expenditures	3,923,700	4,177,569	3,969,372	4,417,945
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(573,700)	(827,569)	(399,629)	(900,932)
OTHER FINANCING SOURCES (USES)				
Transfers (out)	-	-	-	(165,000)
Total other financing sources (uses)	-	-	-	(165,000)
NET CHANGE IN FUND BALANCE	$ (573,700)	$ (827,569)	(399,629)	(1,065,932)
FUND BALANCE, JANUARY 1			5,789,896	6,855,828
FUND BALANCE, DECEMBER 31			$ 5,390,267	$ 5,789,896

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Intergovernmental				
Federal grants	$ 330,700	$ 330,700	$ 253,528	$ 348,959
Program income	50,000	50,000	18,390	81,111
Total revenues	380,700	380,700	271,918	430,070
EXPENDITURES				
Current				
Community development				
Planning and community development				
Salaries	65,900	65,900	65,900	62,300
CDBG program				
Other charges	314,800	357,439	206,018	367,770
Total expenditures	380,700	423,339	271,918	430,070
NET CHANGE IN FUND BALANCE	$ -	$ (42,639)	-	-
FUND BALANCE, JANUARY 1			-	-
FUND BALANCE, DECEMBER 31			$ -	$ -

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

AFFORDABLE HOUSING FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Investment income	$ 29,000	$ 29,000	$ 50,486	$ 49,368
Miscellaneous	100,000	100,000	80,620	106,340
Total revenues	129,000	129,000	131,106	155,708
EXPENDITURES				
Current				
Health and welfare				
Contractual service	30,000	30,000	-	-
Total expenditures	30,000	30,000	-	-
NET CHANGE IN FUND BALANCE	$ 99,000	$ 99,000	131,106	155,708
FUND BALANCE, JANUARY 1			1,222,624	1,066,916
FUND BALANCE, DECEMBER 31			$ 1,353,730	$ 1,222,624

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

ZERO INTEREST LOAN FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Investment income	$ 39,000	$ 39,000	$ 73,794	$ 72,063
Miscellaneous				
Loan repayments	363,000	363,000	257,483	460,951
Total revenues	402,000	402,000	331,277	533,014
EXPENDITURES				
Current				
General government				
Integrated services				
Contractual services	449,500	449,500	262,328	85,667
Total expenditures	449,500	449,500	262,328	85,667
NET CHANGE IN FUND BALANCE	$ (47,500)	$ (47,500)	68,949	447,347
FUND BALANCE, JANUARY 1			1,881,845	1,434,498
FUND BALANCE, DECEMBER 31			$ 1,950,794	$ 1,881,845

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

FOREIGN FIRE INSURANCE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Taxes				
Foreign fire insurance tax	$ 130,000	$ 130,000	$ 232,929	$ 205,480
Investment income	17,500	17,500	18,313	21,581
Total revenues	147,500	147,500	251,242	227,061
EXPENDITURES				
Current				
Public safety				
Contractual	125,000	125,500	58,843	65,995
Commodities	225,000	260,500	184,855	176,484
Total expenditures	350,000	386,000	243,698	242,479
NET CHANGE IN FUND BALANCE	$ (202,500)	$ (238,500)	7,544	(15,418)
FUND BALANCE, JANUARY 1			519,184	534,602
FUND BALANCE, DECEMBER 31			$ 526,728	$ 519,184

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

CRIMINAL INVESTIGATIONS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Intergovernmental	$ 100,000	$ 100,000	$ 461,359	$ 377,638
Investment income	50,000	50,000	56,933	59,264
Total revenues	150,000	150,000	518,292	436,902
EXPENDITURES				
Current				
Public safety				
Other charges	376,900	376,900	326,366	288,997
Total expenditures	376,900	376,900	326,366	288,997
NET CHANGE IN FUND BALANCE	$ (226,900)	$ (226,900)	191,926	147,905
FUND BALANCE, JANUARY 1			1,794,522	1,646,617
FUND BALANCE, DECEMBER 31			$ 1,986,448	$ 1,794,522

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

TIF IV FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Taxes				
Property	$ 550,000	$ 550,000	$ 204,228	$ 708,916
Investment income	120,000	120,000	219,493	208,461
Total revenues	670,000	670,000	423,721	917,377
EXPENDITURES				
Current				
Community development				
Contractual services	50,000	51,367	31,169	61,810
Other expenditures	-	-	400	400
Capital outlay	3,300,000	3,300,000	-	-
Total expenditures	3,350,000	3,351,367	31,569	62,210
NET CHANGE IN FUND BALANCE	$ (2,680,000)	$ (2,681,367)	392,152	855,167
FUND BALANCE, JANUARY 1			5,360,415	4,505,248
FUND BALANCE, DECEMBER 31			$ 5,752,567	$ 5,360,415

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

TIF V FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Taxes				
Property	$ 1,555,000	$ 1,555,000	$ 1,529,163	$ 1,577,922
Investment income	160,000	160,000	149,415	171,673
Total revenues	1,715,000	1,715,000	1,678,578	1,749,595
EXPENDITURES				
Current				
Community development				
Contractual services	15,000	20,518	113	4,961
Other charges				
Administrative service charges	30,000	30,000	30,000	30,000
Economic development charges	-	-	400	400
Reserve for tax refunds	100,000	100,000	100,000	100,000
TIF surplus distribution	1,000,000	1,000,000	1,000,000	1,000,000
Capital outlay	782,600	791,860	429,935	204,306
Total expenditures	1,927,600	1,942,378	1,560,448	1,339,667
NET CHANGE IN FUND BALANCE	$ (212,600)	$ (227,378)	118,130	409,928
FUND BALANCE, JANUARY 1			4,080,710	3,670,782
FUND BALANCE, DECEMBER 31			$ 4,198,840	$ 4,080,710

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

HICKORY KENSINGTON TIF FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Taxes				
Property	$ 1,000,000	$ 1,000,000	$ 1,549,972	$ 1,029,573
Investment income	170,000	170,000	209,105	186,669
Total revenues	1,170,000	1,170,000	1,759,077	1,216,242
EXPENDITURES				
Current				
Community development				
Contractual services	15,000	42,855	15,959	37,703
Other expenditures	90,000	90,000	15,000	15,000
Capital outlay	2,400,000	3,292,737	2,234	730,701
Total expenditures	2,505,000	3,425,592	33,193	783,404
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,335,000)	(2,255,592)	1,725,884	432,838
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	165,000
Total other financing sources (uses)	-	-	-	165,000
NET CHANGE IN FUND BALANCE	$ (1,335,000)	$ (2,255,592)	1,725,884	597,838
FUND BALANCE, JANUARY 1			4,774,935	4,177,097
FUND BALANCE, DECEMBER 31			$ 6,500,819	$ 4,774,935

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

SOUTH ARLINGTON HEIGHTS ROAD TIF

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Taxes				
Property	$ 350,000	$ 350,000	$ 403,978	$ 750,395
Investment income	-	-	111,168	101,006
Total revenues	350,000	350,000	515,146	851,401
EXPENDITURES				
Current				
Community development				
Contractual services	100,000	120,316	12,968	42,798
Other charges	15,000	15,000	15,000	15,000
Capital outlay	1,125,000	2,428,664	1,028,624	114,757
Total expenditures	1,240,000	2,563,980	1,056,592	172,555
NET CHANGE IN FUND BALANCE	$ (890,000)	$ (2,213,980)	(541,446)	678,846
FUND BALANCE, JANUARY 1			2,665,907	1,987,061
FUND BALANCE, DECEMBER 31			$ 2,124,461	$ 2,665,907

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

MUNICIPAL PARKING OPERATIONS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Charges for services	$ 980,100	$ 980,100	$ 920,639	$ 891,378
Investment income	278,000	278,000	437,807	409,605
Miscellaneous	-	-	-	-
Total revenues	1,258,100	1,258,100	1,358,446	1,300,983
EXPENDITURES				
Current				
Highways and streets				
Personal services	535,600	535,600	454,807	456,081
Contractual services	435,400	444,900	345,836	351,246
Commodities	104,900	104,900	84,688	87,858
Capital outlay	1,137,000	1,832,641	1,290,530	333,570
Total expenditures	2,212,900	2,918,041	2,175,861	1,228,755
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(954,800)	(1,659,941)	(817,415)	72,228
OTHER FINANCING SOURCES (USES)				
Transfers in	-	500,000	500,000	2,500,000
Total other financing sources (uses)	-	500,000	500,000	2,500,000
NET CHANGE IN FUND BALANCE	$ (954,800)	$ (1,159,941)	(317,415)	2,572,228
FUND BALANCE, JANUARY 1			7,574,132	5,001,904
FUND BALANCE, DECEMBER 31			$ 7,256,717	$ 7,574,132

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

STORMWATER CONTROL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
REVENUES				
Charges for services	$ 1,630,400	$ 1,630,400	$ 1,677,288	$ 1,606,250
Intergovernmental	2,300,000	2,300,000	600,000	845,000
Investment income	100,000	100,000	154,505	194,303
Total revenues	4,030,400	4,030,400	2,431,793	2,645,553
EXPENDITURES				
Capital outlay				
Contractual services	-	-	-	3,729
Capital outlay	4,930,000	8,650,018	5,545,466	1,665,609
Total expenditures	4,930,000	8,650,018	5,545,466	1,669,338
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(899,600)	(4,619,618)	(3,113,673)	976,215
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(690,700)	(690,700)	(690,700)	(690,200)
Total other financing sources (uses)	(690,700)	(690,700)	(690,700)	(690,200)
NET CHANGE IN FUND BALANCE	$ (1,590,300)	$ (5,310,318)	(3,804,373)	286,015
FUND BALANCE, JANUARY 1			4,930,515	4,644,500
FUND BALANCE, DECEMBER 31			$ 1,126,142	$ 4,930,515

(See independent auditor's report.)

PROPRIETARY FUNDS

Enterprise Funds are established to account for the financing of self-supporting activities of the Village that render services on a user charge basis.

WATER AND SEWER FUND

This fund is used to account for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, and improvements.

LEAD SERVICE LINE REPLACEMENT FUND

This fund is used to account for the costs from the state mandate eliminating all public lead water service lines by the year 2044. This is a sub-fund of the Water and Sewer Fund.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

WATER AND SEWER FUND

COMBINING SCHEDULE OF NET POSITION

December 31, 2025
(with comparative actual)

	Water and Sewer	Lead Service Line Replacement	Total 2025	Total 2024
CURRENT ASSETS				
Cash and investments	$ 10,710,205	$ 28,922,356	$ 39,632,561	$ 37,263,965
Receivables				
Customer accounts	4,488,989	177,516	4,666,505	3,451,400
Accrued interest				
Prepaid expenses	7,600	-	7,600	7,600
Inventory	754,662	-	754,662	1,746,644
Total current assets	15,961,456	29,099,872	45,061,328	42,469,609
NONCURRENT ASSETS				
Capital assets				
Nondepreciable capital assets	2,450,827	-	2,450,827	2,450,827
Depreciable capital assets	135,416,360	-	135,416,360	129,313,326
Accumulated depreciation	(90,126,978)	-	(90,126,978)	(88,380,326)
Net capital assets	47,740,209	-	47,740,209	43,383,827
Other assets				
Investment in joint venture	20,385,662	-	20,385,662	19,992,781
Total noncurrent assets	68,125,871	-	68,125,871	63,376,608
Total assets	84,087,327	29,099,872	113,187,199	105,846,217
DEFERRED OUTFLOWS OF RESOURCES				
Asset retirement obligation items	805,000	-	805,000	840,000
IMRF items	1,962,745	-	1,962,745	2,781,947
OPEB items	268,497	-	268,497	334,571
Total deferred outflows of resources	3,036,242	-	3,036,242	3,956,518
Total assets and deferred outflows of resources	87,123,569	29,099,872	116,223,441	109,802,735

(This statement is continued on the following page.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

WATER AND SEWER FUND

COMBINING SCHEDULE OF NET POSITION (Continued)

December 31, 2025
(with comparative actual)

	Water and Sewer	Lead Service Line Replacement	Total 2025	Total 2024
CURRENT LIABILITIES				
Accounts payable	$ 1,459,723	$ 724,886	$ 2,184,609	$ 1,067,870
Accrued payroll	196,582	-	196,582	166,852
Compensated absences payable	139,335	-	139,335	144,213
Total OPEB liability	60,818	-	60,818	56,502
Total current liabilities	1,856,458	724,886	2,581,344	1,435,437
LONG-TERM LIABILITIES				
Compensated absences payable	557,342	-	557,342	576,850
Asset retirement obligations	1,050,000	-	1,050,000	1,050,000
Net pension liability - IMRF	1,571,906	-	1,571,906	2,075,281
Total OPEB liability	744,603	-	744,603	843,885
Total long-term liabilities	3,923,851	-	3,923,851	4,546,016
Total liabilities	5,780,309	724,886	6,505,195	5,981,453
DEFERRED INFLOWS OF RESOURCES				
IMRF items	9,557	-	9,557	22,918
OPEB items	148,450	-	148,450	129,656
Total deferred inflows of resources	158,007	-	158,007	152,574
Total liabilities and deferred inflows of resources	5,938,316	724,886	6,663,202	6,134,027
NET POSITION				
Net investment in capital assets	47,162,633	-	47,162,633	43,296,931
Unrestricted	34,022,620	28,374,986	62,397,606	60,371,777
TOTAL NET POSITION	$ 81,185,253	$ 28,374,986	$ 109,560,239	$ 103,668,708

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

WATER AND SEWER FUND

COMBINING SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	Water and Sewer Fund		
	Original Budget	Final Budget	2025 Actual
OPERATING REVENUES			
Charges for services	$ 25,353,500	$ 25,353,500	$ 24,915,761
Miscellaneous	56,000	56,000	578,263
Total operating revenues	25,409,500	25,409,500	25,494,024
OPERATING EXPENSES			
Personal services	7,688,600	7,688,600	7,468,558
Contractual services	3,280,500	3,287,368	3,324,225
Northwest Water Commission	4,565,300	4,565,300	4,586,506
Commodities	852,100	874,972	1,787,277
Charges for services	1,478,900	1,249,100	1,198,866
Other	12,177,300	17,525,150	11,383,091
Total operating expenses	30,042,700	35,190,490	29,748,523
OPERATING INCOME (LOSS)	(4,633,200)	(9,780,990)	(4,254,499)
NON-OPERATING REVENUES (EXPENSES)			
Investment income	500,000	500,000	663,516
Other income	22,000	22,000	33,389
Total non-operating revenues (expenses)	522,000	522,000	696,905
INCOME (LOSS) BEFORE TRANSFERS	(4,111,200)	(9,258,990)	(3,557,594)
TRANSFERS			
Transfers in	-	-	-
CHANGE IN NET POSITION (BUDGETARY BASIS)	$ (4,111,200)	$ (9,258,990)	(3,557,594)
ADJUSTMENTS TO GAAP BASIS			
Assets capitalized			(6,103,035)
Depreciation and amortization			1,781,652
Pension expense			303,330
Increase in joint venture			(392,881)
Gain on sale of capital assets			(67,310)
Total adjustments to GAAP basis			(4,478,244)
CHANGE IN NET POSITION (GAAP BASIS)			920,650
NET POSITION, JANUARY 1, AS REPORTED			80,264,603
Change in accouting principle			-
NET POSITION, JANUARY 1, AS RESTATED			80,264,603
NET POSITION, DECEMBER 31			$ 81,185,253

Lead Service Line Replacement Fund			Total			
Original Budget	Final Budget	2025 Actual	Original Budget	Final Budget	2025 Actual	2024 Actual
$ -	$ -	$ 174,400	$ 25,353,500	$ 25,353,500	$ 25,090,161	$ 22,818,489
-	-	-	56,000	56,000	578,263	597,562
-	-	174,400	25,409,500	25,409,500	25,668,424	23,416,051
-	-	-	7,688,600	7,688,600	7,468,558	6,112,812
-	-	-	3,280,500	3,287,368	3,324,225	3,312,826
-	-	-	4,565,300	4,565,300	4,586,506	4,446,013
-	-	-	852,100	874,972	1,787,277	1,576,830
-	-	-	1,478,900	1,249,100	1,198,866	1,183,121
4,500,000	4,554,193	1,226,366	16,677,300	22,079,343	12,609,457	11,637,685
4,500,000	4,554,193	1,226,366	34,542,700	39,744,683	30,974,889	28,269,287
(4,500,000)	(4,554,193)	(1,051,966)	(9,133,200)	(14,335,183)	(5,306,465)	(4,853,236)
180,000	180,000	1,019,731	680,000	680,000	1,683,247	1,530,381
12,500	12,500	3,116	34,500	34,500	36,505	790,430
192,500	192,500	1,022,847	714,500	714,500	1,719,752	2,320,811
(4,307,500)	(4,361,693)	(29,119)	(8,418,700)	(13,620,683)	(3,586,713)	(2,532,425)
5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	16,000,000
$ 692,500	$ 638,307	4,970,881	$ (3,418,700)	$ (8,620,683)	1,413,287	13,467,575
		-			(6,103,035)	(1,519,288)
		-			1,781,652	2,229,422
					303,330	-
		-			(392,881)	(504,166)
		-			(67,310)	(36,124)
		-			(4,478,244)	169,844
		4,970,881			5,891,531	13,297,731
		23,404,105			103,668,708	90,789,133
		-			-	(418,156)
		23,404,105			103,668,708	90,370,977
		$ 28,374,986			$ 109,560,239	$ 103,668,708

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

WATER AND SEWER FUND

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL -
BUDGETARY BASIS

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
PERSONAL SERVICES				
Finance				
Salaries	$ 607,100	$ 607,100	$ 565,841	$ 594,051
Overtime	500	500	683	6,425
Workers' compensation	1,500	1,500	1,500	1,400
Medical insurance	188,500	188,500	188,500	174,200
IMRF	48,600	48,600	45,424	45,878
FICA	37,700	37,700	33,138	35,276
Medicare	8,800	8,800	7,750	8,250
OPEB expense (income)	16,000	16,000	(10,098)	8,545
Water utility operations				
Salaries	4,199,400	4,199,400	4,078,791	3,949,902
Overtime	496,300	496,300	497,140	408,208
Workers' compensation	332,200	332,200	332,200	319,400
Medical insurance	1,037,300	1,037,300	1,037,300	948,433
IMRF	355,500	355,500	358,778	331,160
FICA	291,100	291,100	268,757	257,826
Medicare	68,100	68,100	62,854	60,298
Comp/sick time	-	-	-	95,420
Total personal services	7,688,600	7,688,600	7,468,558	7,244,672
CONTRACTUAL SERVICES				
Finance				
Other services	28,500	28,500	16,049	-
Bank services	15,000	15,000	48,201	137,215
Travel and training	1,000	1,000	-	-
Postage	80,000	80,000	90,835	95,784
Printing	10,000	10,000	13,913	15,326
IT service charge	44,100	44,100	44,100	45,700
Water utility operations				
Professional services	189,300	191,471	162,283	102,602
General insurance	39,300	39,300	39,300	48,200
Equipment maintenance	65,000	65,000	54,531	83,446
Radio maintenance				
Building maintenance	10,000	10,000	15,341	1,281
Pumping station maintenance	35,000	35,000	23,573	31,060
Sewer collection system	62,200	66,897	38,653	59,254
Water distribution system	577,000	577,000	586,835	542,752
Meter installation	367,000	367,000	355,663	394,676
Equipment rental	165,000	165,000	163,292	208,277
Utility services	350,000	350,000	538,573	503,418
Disposal services	39,000	39,000	39,000	51,065

(This statement is continued on the following pages.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

WATER AND SEWER FUND

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL - (Continued)
BUDGETARY BASIS

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
CONTRACTUAL SERVICES (Continued)				
Water utility operations (Continued)				
Other services	$ 35,900	$ 35,900	$ 35,626	$ 34,159
Software licenses	154,500	154,500	80,053	68,404
Dues	5,000	5,000	5,521	4,709
Travel and training	39,300	39,300	24,858	27,735
Postage	2,000	2,000	186	2,010
Printing	4,000	4,000	2,260	2,275
Annual consumer report	1,500	1,500	1,200	-
Service charge	167,400	167,400	167,400	201,000
Claims and refunds	10,000	10,000	1,150	2,979
Vehicle/equipment lease charge	718,100	718,100	718,100	583,800
Telephone services	65,400	65,400	57,729	65,699
Total contractual services	3,280,500	3,287,368	3,324,225	3,312,826
NORTHWEST WATER COMMISSION	4,565,300	4,565,300	4,586,506	4,446,013
COMMODITIES				
Finance				
Office supplies and equipment	100	100	-	-
Water utility operations				
Publications and periodicals	500	500	162	344
Office supplies and equipment	5,500	5,500	5,657	2,378
Data system supplies	18,000	18,000	5,259	993
Clothing	28,600	28,600	28,600	26,479
Petroleum products	102,400	102,400	93,801	89,233
Water distribution supplies	179,100	179,100	127,880	248,030
Meter/backflow devices	187,200	203,936	1,240,022	833,150
Pumping and storage supplies	33,300	33,300	28,220	17,554
Sewer collection supplies	44,600	44,600	26,492	43,202
Agricultural supplies	11,000	11,000	9,288	1,720
Building supplies	38,900	38,900	25,067	17,722
Chemicals	21,900	21,900	20,169	20,395
Other equipment and supplies	11,000	17,136	17,356	104,151
Small tools and equipment	43,000	43,000	42,473	17,164
Street and sidewalk supplies	127,000	127,000	116,831	154,315
Total commodities	852,100	874,972	1,787,277	1,576,830

(This statement is continued on the following page.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

WATER AND SEWER FUND

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL - (Continued)
BUDGETARY BASIS

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
CHARGES FOR SERVICES				
Water utility operations				
Administrative service charge	$ 1,178,900	$ 1,178,900	$ 1,178,900	$ 1,178,900
Operating contingency	300,000	70,200	-	-
Other	-	-	19,966	4,221
Total charges for services	1,478,900	1,249,100	1,198,866	1,183,121
OTHER				
Capital outlay				
Water utility operations				
Office equipment	15,000	15,000	14,547	1,601
Other equipment	1,229,000	1,530,651	514,062	389,683
Building improvements	39,000	53,100	35,093	8,850
Construction in progress	10,894,300	15,926,399	10,819,389	9,006,671
Total other	12,177,300	17,525,150	11,383,091	9,406,805
TOTAL OPERATIONS	30,042,700	35,190,490	29,748,523	27,170,267
ADJUSTMENTS TO GAAP BASIS				
Assets capitalized	-	-	(6,103,035)	(1,519,288)
Pension expense	-	-	303,330	(1,131,860)
Total adjustments to GAAP Basis	-	-	(5,799,705)	(2,651,148)
TOTAL OPERATING EXPENSES EXCLUDING DEPRECIATION AND AMORTIZATION - GAAP BASIS	$ 30,042,700	$ 35,190,490	$ 23,948,818	$ 24,519,119

(See independent auditor's report.)

NONMAJOR ENTERPRISE FUNDS

Solid Waste Disposal Fund - to account for all provision of solid waste disposal services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing, and related debt service billing and collection.

Arts, Entertainment and Events Fund - to account for costs associated with Village presentations or participation in art, theatrical, and new community events.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

NONMAJOR ENTERPRISE FUNDS

COMBINING STATEMENT OF NET POSITION

December 31, 2025

	Solid Waste Disposal	Arts, Entertainment, and Events	Total
CURRENT ASSETS			
Cash and investments	$ 2,660,439	$ 1,664,943	$ 4,325,382
Receivables			
Customer accounts	204,936	107,116	312,052
Prepaid expenses	151,122	-	151,122
Total current assets	3,016,497	1,772,059	4,788,556
CAPITAL ASSETS			
Nondepreciable capital assets	-	475,200	475,200
Depreciable capital assets	-	2,573,608	2,573,608
Accumulated depreciation	-	(1,437,178)	(1,437,178)
Net capital assets	-	1,611,630	1,611,630
Total assets	3,016,497	3,383,689	6,400,186
DEFERRED OUTFLOWS OF RESOURCES			
None	-	-	-
Total deferred outflows of resources	-	-	-
Total assets and deferred outflows of resources	3,016,497	3,383,689	6,400,186
CURRENT LIABILITIES			
Accounts payable	-	30,105	30,105
Total liabilities	-	30,105	30,105
NET POSITION			
Net investment in capital assets	-	1,586,630	1,586,630
Unrestricted	3,016,497	1,766,954	4,783,451
TOTAL NET POSITION	$ 3,016,497	$ 3,353,584	$ 6,370,081

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

NONMAJOR ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For the Year Ended December 31, 2025

	Solid Waste Disposal	Arts, Entertainment, and Events	Total
OPERATING REVENUES			
Charges for services	$ 2,018,339	$ 70,000	$ 2,088,339
Total operating revenues	2,018,339	70,000	2,088,339
OPERATING EXPENSES			
Operations	1,819,291	1,118,005	2,937,296
Depreciation	-	68,398	68,398
Total operating expenses	1,819,291	1,186,403	3,005,694
OPERATING INCOME (LOSS)	199,048	(1,116,403)	(917,355)
NON-OPERATING REVENUES (EXPENSES)			
Investment income	112,430	64,371	176,801
Food and beverage tax	-	1,056,177	1,056,177
Other income	130,614	6,294	136,908
Total non-operating revenues (expenses)	243,044	1,126,842	1,369,886
INCOME BEFORE TRANSFERS	442,092	10,439	452,531
TRANSFERS			
Transfers in	-	45,000	45,000
Transfers (out)	(500,000)	-	(500,000)
Total transfers	(500,000)	45,000	(455,000)
CHANGE IN NET POSITION	(57,908)	55,439	(2,469)
NET POSITION, JANUARY 1	3,074,405	3,298,145	6,372,550
NET POSITION, DECEMBER 31	$ 3,016,497	$ 3,353,584	$ 6,370,081

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

NONMAJOR ENTERPRISE FUNDS

COMBINING STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2025

	Solid Waste Disposal	Arts, Entertainment, and Events	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	$ 2,101,499	$ 71,325	$ 2,172,824
Payments to suppliers	(1,802,628)	(882,369)	(2,684,997)
Payments to employees	-	(255,642)	(255,642)
Net cash from operating activities	298,871	(1,066,686)	(767,815)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Interfund transfers	(500,000)	45,000	(455,000)
Food and beverage tax receipts	-	1,056,177	1,056,177
Net cash from noncapital financing activities	(500,000)	1,101,177	601,177
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital assets purchased	-	(80,253)	(80,253)
Net cash from capital and related financing activities	-	(80,253)	(80,253)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	112,430	64,371	176,801
Net cash from investing activities	112,430	64,371	176,801
NET DECREASE IN CASH AND CASH EQUIVALENTS	(88,699)	18,609	(70,090)
CASH AND CASH EQUIVALENTS, JANUARY 1	2,749,138	1,646,334	4,395,472
CASH AND CASH EQUIVALENTS, DECEMBER 31	$ 2,660,439	$ 1,664,943	$ 4,325,382
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	$ 199,048	$ (1,116,403)	$ (917,355)
Adjustments to reconcile operating income (loss) to net cash from operating activities			
Depreciation	-	68,398	68,398
Other income	130,614	6,294	136,908
Change in assets and liabilities			
Receivables	(47,454)	(4,969)	(52,423)
Prepaid expenses	16,663	2,383	19,046
Accounts payable	-	(22,389)	(22,389)
NET CASH FROM OPERATING ACTIVITIES	$ 298,871	$ (1,066,686)	$ (767,815)
NONCASH TRANSACTIONS			
Capital assets in accounts payable	$ -	$ 25,000	$ 25,000
TOTAL NONCASH TRANSACTIONS	$ -	$ 25,000	$ 25,000

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

SOLID WASTE DISPOSAL FUND

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
OPERATING REVENUES				
Charges for services	$ 1,935,000	$ 1,935,000	$ 2,018,339	$ 1,917,175
Total operating revenues	1,935,000	1,935,000	2,018,339	1,917,175
OPERATING EXPENSES				
Operations	1,751,400	1,751,400	1,819,291	1,927,631
Total operating expenses	1,751,400	1,751,400	1,819,291	1,927,631
OPERATING INCOME (LOSS)	183,600	183,600	199,048	(10,456)
NON-OPERATING REVENUES (EXPENSES)				
Investment income	122,000	122,000	112,430	128,603
Other income	-	-	130,614	118,417
Total non-operating revenues (expenses)	122,000	122,000	243,044	247,020
INCOME BEFORE TRANSFERS	305,600	305,600	442,092	236,564
TRANSFERS				
Transfers (out)	(500,000)	(500,000)	(500,000)	(500,000)
Total transfers	(500,000)	(500,000)	(500,000)	(500,000)
CHANGE IN NET POSITION	$ (194,400)	$ (194,400)	(57,908)	(263,436)
NET POSITION, JANUARY 1			3,074,405	3,337,841
NET POSITION, DECEMBER 31			$ 3,016,497	$ 3,074,405

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

ARTS, ENTERTAINMENT, AND EVENTS FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
OPERATING REVENUES				
Special events	$ 34,500	$ 34,500	$ 53,500	$ 34,587
Fines and fees	22,900	22,900	16,500	18,000
Total operating revenue	57,400	57,400	70,000	52,587
OPERATING EXPENSES				
Operations				
Personal services	293,000	293,000	255,642	222,156
Contractual	700,200	700,200	548,218	517,907
Commodities	151,300	235,300	187,490	107,720
Capital outlay	108,000	535,711	231,908	235,064
Total operating expenses	1,252,500	1,764,211	1,223,258	1,082,847
OPERATING INCOME (LOSS)	(1,195,100)	(1,706,811)	(1,153,258)	(1,030,260)
NON-OPERATING REVENUES (EXPENSES)				
Investment income	71,000	71,000	64,371	76,183
Food and beverage tax	1,088,700	1,088,700	1,056,177	1,010,042
Other income	-	-	6,294	3,151
Total non-operating revenues (expenses)	1,159,700	1,159,700	1,126,842	1,089,376
INCOME (LOSS) BEFORE TRANSFERS	(35,400)	(547,111)	(26,416)	59,116
TRANSFERS				
Transfers in	65,000	110,000	45,000	-
Total transfers	65,000	110,000	45,000	-
CHANGE IN NET POSITION (BUDGETARY BASIS)	$ 29,600	$ (437,111)	18,584	59,116
ADJUSTMENTS TO GAAP BASIS				
Assets capitalized			(105,253)	-
Depreciation			68,398	57,873
Total adjustments to GAAP basis			(36,855)	57,873
CHANGE IN NET POSITION (GAAP BASIS)	$ 29,600	$ (437,111)	55,439	1,243
NET POSITION, JANUARY 1			3,298,145	3,296,902
NET POSITION, DECEMBER 31			$ 3,353,584	$ 3,298,145

(See independent auditor's report.)

INTERNAL SERVICE FUNDS

Health and Life Insurance Fund - to account for all costs associated with self-insurance risks for health and life insurance.

General Liability Insurance Fund - to account for all costs associated with self-insurance risks for general liability and property loss.

Workers' Compensation Fund - to account for all costs associated with self-insurance risks for general liability and property loss.

Technology Fund - to account for all costs associated with providing technology services to all departments for the operations of the Village.

Fleet Operations Fund - to account for all costs associated with maintaining and servicing the vehicles and equipment operated by the various departments within the Village.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF NET POSITION

December 31, 2025

	Health and Life Insurance	General Liability Insurance	Workers' Compensation	Technology	Fleet Operations	Total
CURRENT ASSETS						
Cash and investments	$ 8,606,529	$ 6,566,904	$ 6,849,471	$ 3,933,784	$ 15,088,756	$ 41,045,444
Receivables						
Other	-	265,463	1,061,850	-	18,503	1,345,816
Prepaid items	-	-	-	115,519	-	115,519
Inventory	-	-	-	-	354,191	354,191
Total current assets	8,606,529	6,832,367	7,911,321	4,049,303	15,461,450	42,860,970
CAPITAL ASSETS						
Depreciable and amortizable capital assets	-	-	-	2,458,114	31,916,075	34,374,189
Accumulated depreciation and amortization	-	-	-	(1,805,961)	(18,034,215)	(19,840,176)
Net capital assets	-	-	-	652,153	13,881,860	14,534,013
Total assets	8,606,529	6,832,367	7,911,321	4,701,456	29,343,310	57,394,983
DEFERRED OUTFLOWS OF RESOURCES						
OPEB items	16,533	-	5,582	18,408	7,492	48,015
Total deferred outflows of resources	16,533	-	5,582	18,408	7,492	48,015
Total assets and deferred outflows of resources	8,623,062	6,832,367	7,916,903	4,719,864	29,350,802	57,442,998

(This statement is continued on the following page.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF NET POSITION (Continued)

December 31, 2025

	Health and Life Insurance	General Liability Insurance	Workers' Compensation	Technology	Fleet Operations	Total
CURRENT LIABILITIES						
Accounts payable	$ 501,612	$ 17,440	$ 117,549	$ 222,493	$ 734,304	$ 1,593,398
Accrued payroll	4,748	-	-	23,144	54,010	81,902
Claims payable	1,841,162	15,100	-	-	-	1,856,262
Compensated absences payable	2,587	-	-	47,628	9,847	60,062
SBITAs payable	-	-	-	434,348	-	434,348
Total OPEB liability	-	-	19	5,068	12,239	17,326
Total current liabilities	2,350,109	32,540	117,568	732,681	810,400	4,043,298
LONG-TERM LIABILITIES						
Compensated absences payable	10,347	-	-	190,512	39,389	240,248
Total OPEB liability	-	-	234	62,052	149,839	212,125
Total long-term liabilities	10,347	-	234	252,564	189,228	452,373
Total liabilities	2,360,456	32,540	117,802	985,245	999,628	4,495,671
DEFERRED INFLOWS OF RESOURCES						
OPEB items	4,374	-	13,790	15,641	20,342	54,147
Total deferred inflows of resources	4,374	-	13,790	15,641	20,342	54,147
Total liabilities and deferred inflows of resources	2,364,830	32,540	131,592	1,000,886	1,019,970	4,549,818
NET POSITION						
Net investment in capital assets	-	-	-	57,317	13,241,636	13,298,953
Unrestricted	6,258,232	6,799,827	7,785,311	3,661,661	15,089,196	39,594,227
TOTAL NET POSITION	$ 6,258,232	$ 6,799,827	$ 7,785,311	$ 3,718,978	$ 28,330,832	$ 52,893,180

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For the Year Ended December 31, 2025

	Health and Life Insurance	General Liability Insurance	Workers' Compensation	Technology	Fleet Operations	Total
OPERATING REVENUES						
Charges for services	$ 13,985,900	$ 500,000	$ 2,719,700	$ 2,304,500	$ 4,511,200	$ 24,021,300
Contributions	4,879,516	-	-	-	-	4,879,516
Fines	-	-	-	-	28,926	28,926
Miscellaneous	-	-	-	-	296,271	296,271
Total operating revenues	18,865,416	500,000	2,719,700	2,304,500	4,836,397	29,226,013
OPERATING EXPENSES						
Personal services	178,907	-	156,045	1,063,110	1,561,309	2,959,371
Contractual services	5,836,942	376,521	1,542,216	734,146	281,558	8,771,383
Commodities	144	-	531	5,891	583,066	589,632
Insurance claims	11,998,399	(105,357)	(118,437)	-	-	11,774,605
Supplies	-	-	-	262,625	-	262,625
Total operating expenses	18,014,392	271,164	1,580,355	2,065,772	2,425,933	24,357,616
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	851,024	228,836	1,139,345	238,728	2,410,464	4,868,397
Depreciation and amortization	-	-	-	601,987	1,716,013	2,318,000
OPERATING INCOME (LOSS)	851,024	228,836	1,139,345	(363,259)	694,451	2,550,397
NON-OPERATING REVENUES (EXPENSES)						
Investment income	282,656	245,992	227,976	148,396	605,583	1,510,603
Reimbursements	-	-	83,622	-	-	83,622
Interest expense and fiscal charges	-	-	-	5,523	-	5,523
Gain (loss) on sale of capital assets	-	-	-	-	(131,006)	(131,006)
Other income	342,429	-	51,284	264	390,677	784,654
Total non-operating revenues (expenses)	625,085	245,992	362,882	154,183	865,254	2,253,396

(This statement is continued on the following page.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION (Continued)

For the Year Ended December 31, 2024

	Health and Life Insurance	General Liability Insurance	Workers' Compensation	Technology	Fleet Operations	Total
INCOME (LOSS) BEFORE TRANFERS AND CAPITAL CONTRIBUTIONS	$ 1,476,109	$ 474,828	$ 1,502,227	$ (209,076)	$ 1,559,705	$ 4,803,793
TRANSFERS						
Transfers in	-	-	-	-	948,000	948,000
Total transfers	-	-	-	-	948,000	948,000
CAPITAL CONTRIBUTIONS	-	-	-	-	100,000	100,000
CHANGE IN NET POSITION	1,476,109	474,828	1,502,227	(209,076)	2,607,705	5,851,793
NET POSITION, JANUARY 1	4,782,123	6,324,999	6,283,084	3,928,054	25,723,127	47,041,387
NET POSITION, DECEMBER 31	$ 6,258,232	$ 6,799,827	$ 7,785,311	$ 3,718,978	$ 28,330,832	$ 52,893,180

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2025

	Health and Life Insurance	General Liability Insurance	Workers' Compensation	Technology	Fleet Operations	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers and users	$ 5,221,945	$ -	$ -	-	-	$ 5,221,945
Receipts from interfund services	13,985,900	312,590	2,104,964	2,304,764	5,208,571	23,916,789
Payments to suppliers	(17,457,773)	(322,230)	(1,776,412)	(1,276,116)	(572,684)	(21,405,215)
Payments to employees	(186,159)	-	(163,489)	(1,020,232)	(1,670,137)	(3,040,017)
Net cash from operating activities	1,563,913	(9,640)	165,063	8,416	2,965,750	4,693,502
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Interfund transfers	-	-	-	-	948,000	948,000
Net cash from noncapital financing activities	-	-	-	-	948,000	948,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Capital assets purchased	-	-	-	160,488	(6,450,339)	(6,289,851)
Long-term debt principal payments	-	-	-	(431,596)	-	(431,596)
Long-term debt interest payments	-	-	-	5,523	-	5,523
Net cash from capital and related financing activities	-	-	-	(265,585)	(6,450,339)	(6,715,924)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest received	282,656	245,992	227,976	148,396	605,583	1,510,603
Net cash from investing activities	282,656	245,992	227,976	148,396	605,583	1,510,603
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,846,569	236,352	393,039	(108,773)	(1,931,006)	436,181
CASH AND CASH EQUIVALENTS, JANUARY 1	6,759,960	6,330,552	6,456,432	4,042,557	17,019,762	40,609,263
CASH AND CASH EQUIVALENTS, DECEMBER 31	$ 8,606,529	$ 6,566,904	$ 6,849,471	$ 3,933,784	$ 15,088,756	$ 41,045,444

(This statement is continued on the following page.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF CASH FLOWS (Continued)

For the Year Ended December 31, 2025

	Health and Life Insurance	General Liability Insurance	Workers' Compensation	Technology	Fleet Operations	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES						
Operating income (loss)	$ 851,024	$ 228,836	$ 1,139,345	$ (363,259)	$ 694,451	$ 2,550,397
Depreciation and amortization	-	-	-	601,987	1,716,013	2,318,000
Other income	342,429	-	134,906	264	390,677	868,276
Adjustments to reconcile operating income (loss) to net cash from operating activities						
Change in assets and liabilities						
Inventories	-	-	-	-	(40,395)	(40,395)
Receivables	2,908	(78,053)	(312,208)	-	(18,503)	(405,856)
Prepaid expenses	323,022	-	-	(115,519)	88,263	295,766
Accounts payable/other liabilities	(78,601)	26,987	(39,894)	(157,935)	244,072	(5,371)
Accrued payroll	799	-	(3,524)	(78)	11,119	8,316
Unearned revenue	-	(187,410)	(749,642)	-	-	(937,052)
Compensated absences payable	(770)	-	(3,510)	36,475	(115,727)	(83,532)
OPEB items	(7,281)	-	(410)	6,481	(4,220)	(5,430)
Claims payable	130,383	-	-	-	-	130,383
NET CASH FROM OPERATING ACTIVITIES	$ 1,563,913	$ (9,640)	$ 165,063	$ 8,416	$ 2,965,750	$ 4,693,502
NONCASH TRANSACTIONS						
Capital assets in accounts payable	$ -	$ -	$ -	$ 160,488	$ 640,224	$ 800,712
Capital contributions	-	-	-	-	100,000	100,000
Loss on sale of capital assets	-	-	-	-	(131,006)	(131,006)
TOTAL NONCASH TRANSACTIONS	$ -	$ -	$ -	$ 160,488	$ 609,218	$ 769,706

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

HEALTH AND LIFE INSURANCE FUND

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
OPERATING REVENUES				
Charges for services	$ 13,942,000	$ 13,942,000	$ 13,985,900	$ 12,530,200
Contributions	3,825,900	3,825,900	4,879,516	3,777,586
Total operating revenues	17,767,900	17,767,900	18,865,416	16,307,786
OPERATING EXPENSES				
Personal services	673,500	673,500	178,907	177,618
Contractual services	5,748,600	5,748,600	5,836,942	5,027,753
Commodities	600	600	144	687
Insurance claims	11,031,000	11,031,000	11,998,399	10,447,940
Total operating expenses	17,453,700	17,453,700	18,014,392	15,653,998
OPERATING INCOME	314,200	314,200	851,024	653,788
NON-OPERATING REVENUES (EXPENSES)				
Investment income	200,000	200,000	282,656	268,824
Other income	-	-	342,429	832
Total non-operating revenues (expenses)	200,000	200,000	625,085	269,656
CHANGE IN NET POSITION	$ 514,200	$ 514,200	1,476,109	923,444
NET POSITION, JANUARY 1, AS REPORTED			4,782,123	3,860,559
Change in accouting principle			-	(1,880)
NET POSITION, JANUARY 1, AS RESTATED			4,782,123	3,858,679
NET POSITION, DECEMBER 31			$ 6,258,232	$ 4,782,123

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

GENERAL LIABILITY INSURANCE FUND

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
OPERATING REVENUES				
Charges for services	$ 500,000	$ 500,000	$ 500,000	$ 613,000
Total operating revenues	500,000	500,000	500,000	613,000
OPERATING EXPENSES				
Contractual services	393,600	393,600	376,521	382,051
Insurance claims	300,000	300,000	(105,357)	166,133
Total operating expenses	693,600	693,600	271,164	548,184
OPERATING INCOME (LOSS)	(193,600)	(193,600)	228,836	64,816
NON-OPERATING REVENUES (EXPENSES)				
Investment income	217,000	217,000	245,992	258,582
Other income	-	-	-	2,943
Total non-operating revenues (expenses)	217,000	217,000	245,992	261,525
CHANGE IN NET POSITION	$ 23,400	$ 23,400	474,828	326,341
NET POSITION, JANUARY 1			6,324,999	5,998,658
NET POSITION, DECEMBER 31			$ 6,799,827	$ 6,324,999

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

WORKERS' COMPENSATION FUND

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
OPERATING REVENUES				
Charges for services	$ 2,720,000	$ 2,720,000	$ 2,719,700	$ 2,615,400
Total operating revenues	2,720,000	2,720,000	2,719,700	2,615,400
OPERATING EXPENSES				
Personal services	192,100	192,100	156,045	162,536
Contractual services	1,628,600	1,628,600	1,542,216	1,559,478
Commodities	1,600	1,600	531	352
Insurance claims	1,225,000	1,225,000	(118,437)	586,333
Total operating expenses	3,047,300	3,047,300	1,580,355	2,308,699
OPERATING INCOME (LOSS)	(327,300)	(327,300)	1,139,345	306,701
NON-OPERATING REVENUES (EXPENSES)				
Investment income	187,000	187,000	227,976	228,965
Reimbursements	-	-	83,622	65,096
Other income	-	-	51,284	4,045
Total non-operating revenues (expenses)	187,000	187,000	362,882	298,106
CHANGE IN NET POSITION	$ (140,300)	$ (140,300)	1,502,227	604,807
NET POSITION, JANUARY 1, AS REPORTED			6,283,084	5,679,691
Change in accouting principle			-	(1,414)
NET POSITION, JANUARY 1, AS RESTATED			6,283,084	5,678,277
NET POSITION, DECEMBER 31			$ 7,785,311	$ 6,283,084

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

TECHNOLOGY FUND

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
OPERATING REVENUES				
Charges for services	$ 2,304,500	$ 2,304,500	$ 2,304,500	$ 2,370,500
Total operating revenues	2,304,500	2,304,500	2,304,500	2,370,500
OPERATING EXPENSES				
Operations				
Personal services	1,069,700	1,069,700	1,063,110	1,083,686
Contractual services	1,198,700	1,198,700	734,146	693,193
Commodities	6,600	6,600	5,891	5,590
Capital outlay	369,500	767,480	694,221	1,205,473
Total operating expenses	2,644,500	3,042,480	2,497,368	2,987,942
OPERATING INCOME (LOSS)	(340,000)	(737,980)	(192,868)	(617,442)
NON-OPERATING REVENUES (EXPENSES)				
Investment income	185,000	185,000	148,396	176,259
Other income	-	-	264	3,162
Total non-operating revenues (expenses)	185,000	185,000	148,660	179,421
CHANGE IN NET POSITION (BUDGETARY BASIS)	$ (155,000)	$ (552,980)	(44,208)	(438,021)
ADJUSTMENTS TO GAAP BASIS				
Principal on SBITA liability			(431,596)	(437,389)
Amortization			601,987	601,987
Interest expense and fiscal charges			(5,523)	8,529
Total adjustments to GAAP basis			164,868	173,127
CHANGE IN NET POSITION (GAAP BASIS)	$ (155,000)	$ (552,980)	(209,076)	(611,148)
NET POSITION, JANUARY 1, AS REPORTED			3,928,054	4,609,653
Change in accouting principle			-	(70,451)
NET POSITION, JANUARY 1, AS RESTATED			3,928,054	4,539,202
NET POSITION, DECEMBER 31			$ 3,718,978	$ 3,928,054

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

FLEET OPERATIONS FUND

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
OPERATING REVENUES				
Charges for services	$ 4,511,200	$ 4,511,200	$ 4,511,200	$ 4,087,000
Fines	-	-	28,926	29,526
Miscellaneous	130,000	130,000	296,271	312,408
Total operating revenues	4,641,200	4,641,200	4,836,397	4,428,934
OPERATING EXPENSES				
Personal services	1,585,600	1,585,600	1,561,309	1,571,676
Contractual services	427,800	441,400	281,558	319,484
Commodities	544,700	544,700	583,066	579,474
Capital outlay	6,003,400	13,916,475	6,284,641	3,696,878
Total operating expenses	8,561,500	16,488,175	8,710,574	6,167,512
OPERATING INCOME (LOSS)	(3,920,300)	(11,846,975)	(3,874,177)	(1,738,578)
NON-OPERATING REVENUES (EXPENSES)				
Investment income	507,000	507,000	605,583	697,723
Other income	-	-	390,677	40,321
Total non-operating revenues (expenses)	507,000	507,000	996,260	738,044
INCOME (LOSS) BEFORE TRANFERS AND CAPITAL CONTRIBUTIONS	(3,413,300)	(11,339,975)	(2,877,917)	(1,000,534)
TRANSFERS				
Transfers in	448,000	948,000	948,000	800,000
Total transfers	448,000	948,000	948,000	800,000
CAPITAL CONTRIBUTIONS	-	-	100,000	-
CHANGE IN NET POSITION (BUDGETARY BASIS)	$ (2,965,300)	$ (10,391,975)	(1,829,917)	(200,534)
ADJUSTMENTS TO GAAP BASIS				
Assets capitalized			(6,284,641)	(3,696,878)
Depreciation			1,716,013	1,273,529
Gain (loss) on sale of capital assets			131,006	22,498
Total adjustments to GAAP basis			(4,437,622)	(2,400,851)
CHANGE IN NET POSITION (GAAP BASIS)	$ (2,965,300)	$ (10,391,975)	2,607,705	2,200,317
NET POSITION, JANUARY 1, AS REPORTED			25,723,127	23,617,376
Change in accouting principle			-	(94,566)
NET POSITION, JANUARY 1, AS RESTATED			25,723,127	23,522,810
NET POSITION, DECEMBER 31			$ 28,330,832	$ 25,723,127

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

FLEET OPERATIONS FUND

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			
	Original Budget	Final Budget	Actual	2024 Actual
PERSONAL SERVICES				
Salaries	$ 1,047,500	$ 1,047,500	$ 1,027,800	$ 1,050,052
Overtime	67,200	67,200	50,428	39,407
Workers' compensation	63,900	63,900	63,900	61,400
Medical insurance	231,500	231,500	231,500	236,200
IMRF	85,200	85,200	113,022	80,245
Social Security	69,100	69,100	63,928	64,615
Medicare	16,200	16,200	14,951	15,111
Comp/sick time	-	-	-	13,795
OPEB expense	5,000	5,000	(4,220)	10,851
Total personal services	1,585,600	1,585,600	1,561,309	1,571,676
CONTRACTUAL SERVICES				
Equipment maintenance	36,300	49,900	35,978	19,782
Vehicle equipment maintenance	268,600	268,600	136,183	180,624
Vehicle damage	35,000	35,000	26,495	38,172
Equipment rental	2,600	2,600	1,685	913
Disposal services	2,100	2,100	-	-
Other services	-	-	-	10,286
Dues	1,700	1,700	1,817	1,787
Travel and training	7,400	7,400	5,600	6,020
Postage	200	200	-	-
Printing	100	100	-	-
IT/GIS service charge	44,100	44,100	44,100	45,700
Vehicle and equipment lease charge	29,700	29,700	29,700	16,200
Total contractual services	427,800	441,400	281,558	319,484

(This schedule is continued on the following page.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

FLEET OPERATIONS FUND

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
COMMODITIES				
Publications and periodicals	$ 100	$ 100	$ 39	$ 336
Office supplies and equipment	500	500	451	396
Clothing	6,700	6,700	6,938	6,725
Petroleum products	1,100	1,100	264	803
Non Village fuel resale	175,000	175,000	115,307	104,196
Vehicle maintenance supplies	341,000	341,000	442,754	446,073
Other equipment and supplies	15,300	15,300	12,450	16,533
Small tools and equipment	5,000	5,000	4,863	4,412
Total commodities	544,700	544,700	583,066	579,474
CAPITAL OUTLAY	6,003,400	13,916,475	6,284,641	3,696,878
TOTAL OPERATIONS	$ 8,561,500	$ 16,488,175	8,710,574	6,167,512
ADJUSTMENTS TO GAAP BASIS				
Assets capitalized			(6,284,641)	(3,696,878)
TOTAL OPERATING EXPENSES EXCLUDING DEPRECIATION - GAAP BASIS			$ 2,425,933	$ 2,470,634

(See independent auditor's report.)

FIDUCIARY FUNDS

POLICE PENSION FUND

This fund is used to account for the resources necessary to provide retirement and disability benefits to personnel of the Arlington Heights Police Department. Revenues are provided by the following: Village contributions, employee contributions, and investment income.

FIREFIGHTERS' PENSION FUND

This fund is used to account for the resources necessary to provide retirement and disability benefits to personnel of the Arlington Heights Fire Department. Revenues are provided by the following: Village contributions, employee contributions, and investment income.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

PENSION TRUST FUNDS

COMBINING STATEMENT OF FIDUCIARY NET POSITION

December 31, 2025

	Pension Trust		
	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and cash equivalents	$ 4,031,001	$ 3,686,841	$ 7,717,842
Investments held in the Illinois Firefighters' Pension Investment Fund	-	180,694,676	180,694,676
Investments held in the Illinois Police Officers' Pension Investment Fund	220,728,432	-	220,728,432
Total assets	224,759,433	184,381,517	409,140,950
LIABILITIES			
Accounts payable	-	22,634	22,634
Due to Village	2,667	1,067,187	1,069,854
Deferred revenue	103,479	-	103,479
Total liabilities	106,146	1,089,821	1,195,967
NET POSITION RESTRICTED FOR PENSIONS	$ 224,653,287	$ 183,291,696	$ 407,944,983

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

PENSION TRUST FUNDS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the Year Ended December 31, 2025

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	$ 4,747,000	$ 6,706,000	$ 11,453,000
Participants	1,322,672	1,318,932	2,641,604
Other	4,003	13,382	17,385
Total contributions	6,073,675	8,038,314	14,111,989
Investment income			
Net appreciation value of investments	32,870,123	24,075,898	56,946,021
Interest income	661,266	3,331,445	3,992,711
Subtotal	33,531,389	27,407,343	60,938,732
Less investment expense	(179,264)	(333,892)	(513,156)
Net investment income	33,352,125	27,073,451	60,425,576
Total additions	39,425,800	35,111,765	74,537,565
DEDUCTIONS			
Administrative	69,060	78,812	147,872
Pension benefits and refunds	11,789,013	9,451,526	21,240,539
Total deductions	11,858,073	9,530,338	21,388,411
NET INCREASE	27,567,727	25,581,427	53,149,154
NET POSITION RESTRICTED FOR PENSION BENEFITS			
January 1	197,085,560	157,710,269	354,795,829
December 31	$ 224,653,287	$ 183,291,696	$ 407,944,983

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

POLICE PENSION FUND

SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
ADDITIONS				
Contributions				
Employer	$ 4,747,000	$ 4,747,000	$ 4,747,000	$ 4,790,000
Plan members	1,350,000	1,350,000	1,322,672	1,430,170
Other	-	-	4,003	2,007
Total contributions	6,097,000	6,097,000	6,073,675	6,222,177
Investment income				
Net appreciation in fair value of investments	2,000,000	2,000,000	32,870,123	20,072,675
Interest earned	2,500,000	2,500,000	661,266	3,264,464
Subtotal	4,500,000	4,500,000	33,531,389	23,337,139
Less investment expense	(150,000)	(150,000)	(179,264)	(413,248)
Net investment income	4,350,000	4,350,000	33,352,125	22,923,891
Total additions	10,447,000	10,447,000	39,425,800	29,146,068
DEDUCTIONS				
Administrative	55,700	55,700	69,060	34,371
Pension benefits and refunds	11,745,400	11,745,400	11,789,013	11,101,610
Total deductions	11,801,100	11,801,100	11,858,073	11,135,981
NET INCREASE (DECREASE)	$ (1,354,100)	$ (1,354,100)	27,567,727	18,010,087
NET POSITION RESTRICTED FOR PENSION BENEFITS				
January 1			197,085,560	179,075,473
December 31			$ 224,653,287	$ 197,085,560

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

FIREFIGHTERS' PENSION FUND

SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION - BUDGET AND ACTUAL

For the Year Ended December 31, 2025
(with comparative actual)

	2025			2024
	Original Budget	Final Budget	Actual	Actual
ADDITIONS				
Contributions				
Employer	$ 6,706,000	$ 6,706,000	$ 6,706,000	$ 6,481,000
Plan members	1,250,000	1,250,000	1,318,932	1,284,080
Other	-	-	13,382	16,949
Total contributions	7,956,000	7,956,000	8,038,314	7,782,029
Investment income				
Net appreciation in fair value in investments	2,000,000	2,000,000	24,075,898	12,411,686
Interest earned	1,500,000	1,500,000	3,331,445	3,101,281
Subtotal	3,500,000	3,500,000	27,407,343	15,512,967
Less investment expense	(120,000)	(120,000)	(333,892)	(182,951)
Net investment income	3,380,000	3,380,000	27,073,451	15,330,016
Total additions	11,336,000	11,336,000	35,111,765	23,112,045
DEDUCTIONS				
Administrative	77,500	77,500	78,812	27,322
Pension benefits and refunds	9,581,500	9,581,500	9,451,526	9,151,344
Total deductions	9,659,000	9,659,000	9,530,338	9,178,666
NET INCREASE	$ 1,677,000	$ 1,677,000	25,581,427	13,933,379
NET POSITION RESTRICTED FOR PENSION BENEFITS				
January 1			157,710,269	143,776,890
December 31			$ 183,291,696	$ 157,710,269

(See independent auditor's report.)

SUPPLEMENTAL INFORMATION

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

LONG-TERM DEBT REQUIREMENTS

GENERAL OBLIGATION BONDS, SERIES 2016

December 31, 2025

Date of Issue	February 10, 2016
Date of Maturity	December 1, 2036
Authorized Issue	$32,900,000
Denomination of Bonds	$5,000
Interest Rates	3% to 4%
Paying Agent	Depository Trust Company
Purpose of Issue	Construction of new police station
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal	Tax	Requirements			Interest Due on			
Year	Levy	Principal	Interest	Totals	June 1	Amount	December 1	Amount
2026	2025	$ 1,670,000	$ 750,850	$ 2,420,850	2026	$ 375,425	2026	$ 375,425
2027	2026	1,710,000	700,750	2,410,750	2027	350,375	2027	350,375
2028	2027	1,760,000	649,450	2,409,450	2028	324,725	2028	324,725
2029	2028	1,810,000	596,650	2,406,650	2029	298,325	2029	298,325
2030	2029	1,865,000	542,350	2,407,350	2030	271,175	2030	271,175
2031	2030	1,920,000	486,400	2,406,400	2031	243,200	2031	243,200
2032	2031	1,980,000	428,800	2,408,800	2032	214,400	2032	214,400
2033	2032	2,060,000	349,600	2,409,600	2033	174,800	2033	174,800
2034	2033	2,140,000	267,200	2,407,200	2034	133,600	2034	133,600
2035	2034	2,225,000	181,600	2,406,600	2035	90,800	2035	90,800
2036	2035	2,315,000	92,600	2,407,600	2036	46,300	2036	46,300
		$ 21,455,000	$ 5,046,250	$ 26,501,250		$ 2,523,125		$ 2,523,125

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

LONG-TERM DEBT REQUIREMENTS

GENERAL OBLIGATION BONDS, SERIES 2018

December 31, 2025

Date of Issue	September 11, 2018
Date of Maturity	December 1, 2038
Authorized Issue	$9,530,000
Denomination of Bonds	$5,000
Interest Rates	3.50% to 5.00%
Paying Agent	UMB Bank, National Association, St. Louis MO
Purpose of Issue	Various capital improvements
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal	Tax	Requirements			Interest Due on			
Year	Levy	Principal	Interest	Totals	June 1	Amount	December 1	Amount
2026	2025	$ 435,000	$ 259,150	$ 694,150	2026	$ 129,575	2026	$ 129,575
2027	2026	455,000	237,400	692,400	2027	118,700	2027	118,700
2028	2027	470,000	221,475	691,475	2028	110,738	2028	110,737
2029	2028	485,000	205,025	690,025	2029	102,513	2029	102,512
2030	2029	505,000	188,050	693,050	2030	94,025	2030	94,025
2031	2030	520,000	170,375	690,375	2031	85,188	2031	85,187
2032	2031	540,000	152,175	692,175	2032	76,088	2032	76,087
2033	2032	560,000	133,275	693,275	2033	66,638	2033	66,637
2034	2033	580,000	113,675	693,675	2034	56,838	2034	56,837
2035	2034	600,000	93,375	693,375	2035	46,688	2035	46,687
2036	2035	620,000	72,375	692,375	2036	36,188	2036	36,187
2037	2036	645,000	49,125	694,125	2037	24,563	2037	24,562
2038	2037	665,000	24,938	689,938	2038	12,469	2038	12,469
		$ 7,080,000	$ 1,920,413	$ 9,000,413		$ 960,211		$ 960,202

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

LONG-TERM DEBT REQUIREMENTS

GENERAL OBLIGATION REFUNDING BONDS, SERIES 2019

December 31, 2025

Date of Issue	September 18, 2019
Date of Maturity	December 1, 2026
Authorized Issue	$7,985,000
Denomination of Bonds	$5,000
Interest Rates	1.515%
Paying Agent	Depository Trust Company
Purpose of Issue	Partial refunding of 2011, Public Buildings Projects
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal	Tax	Requirements			Interest Due on			
Year	Levy	Principal	Interest	Totals	June 1	Amount	December 1	Amount
2026	2025	$ 1,245,000	$ 62,250	$ 1,307,250	2026	$ 31,125	2026	$ 31,125
		$ 1,245,000	$ 62,250	$ 1,307,250		$ 31,125		$ 31,125

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

LONG-TERM DEBT REQUIREMENTS

GENERAL OBLIGATION BONDS, SERIES 2020

December 31, 2025

Date of Issue	September 2, 2020
Date of Maturity	December 1, 2030
Authorized Issue	$11,650,000
Denomination of Bonds	$5,000
Interest Rates	4%
Paying Agent	UMB Bank, National Association, St. Louis MO
Purpose of Issue	Various capital improvements
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal	Tax	Requirements			Interest Due on			
Year	Levy	Principal	Interest	Totals	June 1	Amount	December 1	Amount
2026	2025	$ 670,000	$ 273,400	$ 943,400	2026	$ 136,700	2026	$ 136,700
2027	2026	1,815,000	246,600	2,061,600	2027	123,300	2027	123,300
2028	2027	1,890,000	174,000	2,064,000	2028	87,000	2028	87,000
2029	2028	1,960,000	98,400	2,058,400	2029	49,200	2029	49,200
2030	2029	500,000	20,000	520,000	2030	10,000	2030	10,000
		$ 6,835,000	$ 812,400	$ 7,647,400		$ 406,200		$ 406,200

(See independent auditor's report.)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

LONG-TERM DEBT REQUIREMENTS

GENERAL OBLIGATION BONDS, SERIES 2024

December 31, 2025

Date of Issue	October 2, 2024
Date of Maturity	December 1, 2039
Authorized Issue	$18,775,000
Denomination of Bonds	$5,000
Interest Rates	4.00% to 5.00%
Paying Agent	UMB Bank, National Association, Kansas City, Missouri
Purpose of Issue	Various capital improvements
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal	Tax	Requirements			Interest Due on			
Year	Levy	Principal	Interest	Totals	June 1	Amount	December 1	Amount
2026	2025	$ 965,000	$ 858,500	$ 1,823,500	2026	$ 429,250	2026	$ 429,250
2027	2026	1,215,000	810,250	2,025,250	2027	405,125	2027	405,125
2028	2027	1,275,000	749,500	2,024,500	2028	374,750	2028	374,750
2029	2028	1,345,000	685,750	2,030,750	2029	342,875	2029	342,875
2030	2029	950,000	618,500	1,568,500	2030	309,250	2030	309,250
2031	2030	1,520,000	571,000	2,091,000	2031	285,500	2031	285,500
2032	2031	1,595,000	495,000	2,090,000	2032	247,500	2032	247,500
2033	2032	1,175,000	415,250	1,590,250	2033	207,625	2033	207,625
2034	2033	1,235,000	356,500	1,591,500	2034	178,250	2034	178,250
2035	2034	795,000	294,750	1,089,750	2035	147,375	2035	147,375
2036	2035	835,000	255,000	1,090,000	2036	127,500	2036	127,500
2037	2036	1,775,000	221,600	1,996,600	2037	110,800	2037	110,800
2038	2037	1,845,000	150,600	1,995,600	2038	75,300	2038	75,300
2039	2038	1,920,000	76,800	1,996,800	2039	38,400	2039	38,400
		$ 18,445,000	$ 6,559,000	$ 25,004,000		$ 3,279,500		$ 3,279,500

STATISTICAL SECTION

STATISTICAL SECTION

This part of the Village of Arlington Heights' annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information displays about the Village's overall financial health.

Contents	Page(s)
Financial Trends These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have been changed over time.	152-163
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the property tax.	164-167
Debt Capacity These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.	168-171
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	172-173
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.	174-176

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2016	2017	2018*	2019
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	$ 142,096,216	$ 149,053,177	$ 152,560,713	$ 155,122,107
Restricted	18,509,205	24,218,253	28,327,246	35,183,379
Unrestricted	(39,209,690)	(44,770,477)	(59,581,979)	(56,415,754)
TOTAL GOVERNMENTAL ACTIVITIES	$ 121,395,731	$ 128,500,953	$ 121,305,980	$ 133,889,732
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	$ 26,986,838	$ 27,007,689	$ 26,289,779	$ 29,772,932
Restricted	-	-	-	-
Unrestricted	19,093,045	20,027,518	21,386,688	19,819,331
TOTAL BUSINESS-TYPE ACTIVITIES	$ 46,079,883	$ 47,035,207	$ 47,676,467	$ 49,592,263
PRIMARY GOVERNMENT				
Net investment in capital assets**	$ 169,083,054	$ 176,060,866	$ 178,850,492	$ 184,895,039
Restricted	18,509,205	24,218,253	28,327,246	35,183,379
Unrestricted	(20,116,645)	(24,742,959)	(38,195,291)	(36,596,423)
TOTAL PRIMARY GOVERNMENT	$ 167,475,614	$ 175,536,160	$ 168,982,447	$ 183,481,995

*The Village implemented GASB Statement No. 75 for the fiscal period ended December 31, 2018.

**General Obligation Bonds Series 2020 were issued as governmental activities debt to fund capital asset acquisitions for the business-type activities. Therefore, the primary government balances include the outstanding balance for these bonds (including unamortized premium and unspent proceeds), while the governmental activities column does not include these amounts in the calculation of the net investment in capital assets.

Data Source

Audited Financial Statements

2020	2021	2022	2023	2024	2025
$ 154,273,910	$ 161,981,905	$ 167,868,942	$ 174,654,515	$ 186,778,541	$ 195,477,826
34,208,521	42,337,453	30,845,551	32,603,820	54,328,757	32,430,605
(40,467,843)	(31,283,970)	(8,640,468)	(7,446,763)	(37,686,253)	(10,547,644)
$ 148,014,588	$ 173,035,388	$ 190,074,025	$ 199,811,572	$ 203,421,045	$ 217,360,787
$ 32,517,538	$ 36,802,195	$ 43,120,419	$ 45,495,470	$ 44,871,705	$ 48,749,263
-	-	-	-	-	-
28,575,496	38,148,156	44,631,665	51,928,407	65,169,553	67,181,057
$ 61,093,034	$ 74,950,351	$ 87,752,084	$ 97,423,877	$ 110,041,258	$ 115,930,320
$ 186,791,448	$ 183,169,408	$ 190,994,742	$ 199,386,764	$ 231,650,246	$ 236,287,340
34,208,521	42,337,453	30,845,551	32,603,820	54,328,757	32,430,605
(11,892,347)	6,864,186	35,991,197	44,481,644	27,483,300	64,573,162
$ 209,107,622	$ 232,371,047	$ 257,831,490	$ 276,472,228	$ 313,462,303	$ 333,291,107

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2016	2017	2018	2019
EXPENSES				
Governmental activities				
General government	$ 3,445,379	$ 5,608,591	$ 6,495,468	$ 5,364,493
Public safety	48,437,685	46,568,027	49,573,397	49,917,159
Highways and streets	20,548,648	19,554,637	25,126,598	25,021,840
Community development	7,143,680	8,003,031	2,312,172	5,212,443
Health and welfare	3,130,134	4,031,072	7,010,034	2,424,569
Interest	2,097,362	1,971,409	1,881,323	2,366,030
Total governmental activities expenses	84,802,888	85,736,767	92,398,992	90,306,534
Business-type activities				
Water and sewer	21,138,874	18,016,038	18,246,576	17,931,202
Solid waste disposal	1,117,379	1,283,229	1,468,304	1,577,690
Arts, entertainment, and events	752,236	876,108	820,253	887,553
Lead service line replacement*	-	-	-	-
Total business-type activities expenses	23,008,489	20,175,375	20,535,133	20,396,445
TOTAL PRIMARY GOVERNMENT EXPENSES	$ 107,811,377	$ 105,912,142	$ 112,934,125	$ 110,702,979
PROGRAM REVENUES				
Governmental activities				
Charges for services				
General government	$ 4,637,586	$ 4,356,699	$ 4,649,160	$ 6,347,691
Public safety	2,979,377	2,963,757	3,760,239	3,985,006
Highways and streets	3,218,925	3,885,739	5,238,289	1,397,660
Community development	1,592,920	1,575,254	16,692	2,056,866
Health and welfare	22,905	21,214	1,479,730	42,343
Operating grants and contributions	-	2,605,115	2,757,894	3,340,537
Capital grants and contributions	2,464,157	875,699	297,950	1,970,000
Total governmental activities program revenues	14,915,870	16,283,477	18,199,954	19,140,103
Business-type activities				
Charges for services				
Water and sewer	17,256,513	18,858,921	18,967,266	19,259,539
Solid waste disposal	1,676,467	1,946,842	1,892,921	1,965,249
Art, entertainment, and events	130,121	126,166	131,426	135,258
Operating grants and contributions	-	-	-	-
Capital grants and contributions	-	-	-	-
Total business-type activities program revenues	19,063,101	20,931,929	20,991,613	21,360,046
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	$ 33,978,971	$ 37,215,406	$ 39,191,567	$ 40,500,149
NET REVENUE (EXPENSE)				
Governmental activities	$ (69,887,018)	$ (69,453,290)	$ (74,199,038)	$ (71,166,431)
Business-type activities	(3,945,388)	756,554	456,480	963,601
TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)	$ (73,832,406)	$ (68,696,736)	$ (73,742,558)	$ (70,202,830)

2020	2021	2022	2023	2024	2025
$ 3,600,858	$ 4,214,032	$ 4,576,247	$ 4,311,008	$ 2,641,548	$ 2,047,062
42,532,970	41,568,604	60,741,249	60,917,013	59,476,927	62,502,512
22,991,086	23,098,121	23,621,473	28,425,010	26,377,584	28,142,662
5,156,663	5,098,029	4,855,162	5,836,404	7,061,575	8,712,005
2,265,578	2,212,596	3,033,550	2,566,834	2,377,847	2,735,265
1,887,498	1,870,744	1,628,720	1,419,218	1,427,232	1,844,659
78,434,653	78,062,126	98,456,401	103,475,487	99,362,713	105,984,165
19,409,330	17,909,075	18,530,516	20,482,355	26,748,541	26,956,836
1,522,125	1,615,341	1,659,483	1,830,568	1,927,631	1,819,291
453,799	774,766	947,629	1,328,424	1,140,720	1,186,403
-	-	-	570,812	2,230,880	-
21,385,254	20,299,182	21,137,628	24,212,159	32,047,772	29,962,530
$ 99,819,907	$ 98,361,308	$ 119,594,029	$ 127,687,646	$ 131,410,485	$ 135,946,695
$ 4,912,266	$ 5,638,509	$ 5,773,760	$ 4,111,227	$ 4,307,133	$ 3,598,397
3,456,755	4,582,496	5,297,823	5,138,837	6,564,040	5,730,373
941,971	801,674	785,523	1,091,363	1,004,284	1,009,079
1,918,652	2,101,097	2,217,759	1,892,435	2,056,749	1,886,474
37,889	54,715	56,171	52,417	10,005	8,880
5,854,802	4,559,833	4,378,182	5,237,549	5,940,688	5,975,391
-	4,149,817	2,418,215	-	-	100,000
17,122,335	21,888,141	20,927,433	17,523,828	19,882,899	18,308,594
20,769,646	21,711,866	22,024,055	22,650,747	23,322,655	25,090,161
1,915,616	1,969,866	1,970,484	2,122,314	1,917,175	2,018,339
73,690	101,067	159,712	129,354	52,587	70,000
-	-	-	-	749,000	-
32,047,772	3,102,920	4,322,762	756,800	-	-
54,806,724	26,885,719	28,477,013	25,659,215	26,041,417	27,178,500
$ 71,929,059	$ 48,773,860	$ 49,404,446	$ 43,183,043	$ 45,924,316	$ 45,487,094
$ (61,312,318)	$ (56,173,985)	$ (77,528,968)	$ (85,951,659)	$ (79,479,814)	$ (87,675,571)
33,421,470	6,586,537	7,339,385	1,447,056	(6,006,355)	(2,784,030)
$ (27,890,848)	$ (49,587,448)	$ (70,189,583)	$ (84,504,603)	$ (85,486,169)	$ (90,459,601)

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2016	2017	2018	2019
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities				
Taxes				
Property	$ 33,774,122	$ 35,031,674	$ 36,975,524	$ 37,873,650
Utility	5,195,181	4,988,209	5,417,711	5,220,745
Home rule sales	6,999,693	6,667,772	7,155,629	7,201,491
Food and beverage	1,944,185	1,970,860	2,076,857	2,079,454
Hotel	1,096,755	1,043,795	1,078,944	1,109,349
Telecommunications	3,116,898	2,586,731	2,437,145	2,356,604
Foreign fire insurance	129,877	131,628	129,452	134,895
Other	335,157	297,053	304,679	61,304
Intergovernmental				
Sales	12,377,718	12,064,683	12,927,772	12,914,676
Use	1,807,251	2,027,665	2,027,665	2,488,121
Replacement	430,829	464,689	422,905	523,154
ARPA	-	-	-	-
Shared income tax	7,310,634	6,897,965	7,192,128	7,993,678
Investment earnings	435,523	828,070	1,616,187	1,720,017
Miscellaneous	1,051,604	1,057,718	2,006,603	1,638,848
Transfers	500,000	500,000	479,988	434,197
Total governmental activities	76,505,427	76,558,512	82,249,189	83,750,183
Business-type activities				
Investment earnings	21,865	41,816	93,529	139,045
Food and beverage	649,046	656,954	692,286	693,535
Miscellaneous	39,990	-	499,882	553,812
Transfers	(500,000)	(500,000)	(479,988)	(434,197)
Total business-type activities	210,901	198,770	805,709	952,195
TOTAL PRIMARY GOVERNMENT	$ 76,716,328	$ 76,757,282	$ 83,054,898	$ 84,702,378
CHANGE IN NET POSITION				
Governmental activities	$ 6,618,409	$ 7,105,222	$ 8,050,151	$ 12,583,752
Business-type activities	(3,734,487)	955,324	1,262,189	1,915,796
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	$ 2,883,922	$ 8,060,546	$ 9,312,340	$ 14,499,548

*The lead service line replacement activity is presented with the water and sewer activity starting in fiscal year 2025.

Data Source

Audited Financial Statements

2020	2021	2022	2023	2024	2025
$ 39,097,436	$ 39,175,623	$ 41,074,218	$ 40,222,393	$ 41,813,632	$ 41,901,052
4,892,355	4,943,577	4,921,899	4,579,657	4,401,749	4,637,028
6,206,316	8,757,129	9,609,418	9,733,165	9,977,577	12,362,427
1,577,787	2,139,900	2,301,416	2,497,517	2,609,939	2,597,475
408,888	641,947	937,369	917,624	1,038,147	1,176,433
1,868,788	1,684,735	1,651,598	1,683,886	1,675,344	1,836,583
151,399	157,551	180,396	197,188	205,480	232,929
20,109	50,558	40,442	44,861	39,157	175,012
12,480,915	15,162,957	15,993,182	15,414,286	16,362,720	19,433,105
3,290,912	2,961,695	3,151,457	3,052,746	2,737,220	798,357
470,094	816,967	1,652,822	1,394,467	823,640	657,580
-	-	1,463,626	877,691	2,389,981	-
8,161,144	9,939,827	12,657,093	12,406,362	13,190,967	14,008,426
410,745	75,345	1,341,626	4,678,577	4,981,693	5,076,930
4,116,654	1,730,316	1,291,043	3,238,786	1,483,087	1,266,976
(8,545,232)	(6,650,000)	(3,700,000)	(5,250,000)	(15,500,000)	(4,545,000)
74,608,310	81,588,127	94,567,605	95,689,206	88,230,333	101,615,313
25,914	14,898	335,812	955,672	1,735,167	1,860,048
519,327	713,530	977,357	1,033,326	1,010,042	1,056,177
794,733	492,282	449,179	985,739	796,684	1,211,867
8,545,232	6,650,000	3,700,000	5,250,000	15,500,000	4,545,000
9,885,206	7,870,710	5,462,348	8,224,737	19,041,893	8,673,092
$ 84,493,516	$ 89,458,837	$ 100,029,953	$ 103,913,943	$ 107,272,226	$ 110,288,405
$ 13,295,992	$ 25,414,142	$ 17,038,637	$ 9,737,547	$ 8,750,519	$ 13,939,742
43,306,676	14,457,247	12,801,733	9,671,793	13,035,538	5,889,062
$ 56,602,668	$ 39,871,389	$ 29,840,370	$ 19,409,340	$ 21,786,057	$ 19,828,804

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2016	2017	2018	2019
GENERAL FUND				
Nonspendable	$ 192,691	$ 117,663	$ 345,557	$ 285,700
Assigned	844,034	1,524,370	1,205,581	808,622
Unassigned	30,271,109	29,005,220	29,154,102	29,784,407
TOTAL GENERAL FUND	$ 31,307,834	$ 30,647,253	$ 30,705,240	$ 30,878,729
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable	$ 232,130	$ 178,480	$ 46,394	$ 20,075
Restricted	18,683,413	24,378,960	37,423,894	38,005,083
Assigned	13,329,568	31,177,516	8,418,536	5,486,796
TOTAL ALL OTHER GOVERNMENTAL FUNDS	$ 32,245,111	$ 55,734,956	$ 45,888,824	$ 43,511,954

Data Source

Audited Financial Statements

2020	2021	2022	2023	2024	2025
$ 178,689	$ 251,657	$ 170,301	$ 301,083	$ 168,859	$ 96,141
1,520,029	844,796	819,136	1,004,577	1,105,506	1,494,966
28,888,256	29,561,812	31,529,456	32,849,661	35,977,957	35,779,916
$ 30,586,974	$ 30,658,265	$ 32,518,893	$ 34,155,321	$ 37,252,322	$ 37,371,023
$ 64,243	$ 8,411	$ -	$ 85,072	$ 67,000	$ 100,767
47,908,521	47,458,344	30,845,551	32,603,820	54,328,757	48,438,387
6,671,873	6,077,199	25,094,365	26,383,014	10,070,605	14,595,666
$ 54,644,637	$ 53,543,954	$ 55,939,916	$ 59,071,906	$ 64,466,362	$ 63,134,820

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2016	2017	2018	2019
REVENUES				
Taxes	$ 52,461,991	$ 52,586,094	$ 55,446,489	$ 56,037,492
Licenses and permits	6,529,300	6,211,862	6,382,208	4,834,759
Intergovernmental	22,252,920	24,022,799	22,424,922	28,544,577
Grants	2,267,546	985,445	3,055,844	685,589
Charges for services	5,192,297	5,909,847	8,127,866	3,225,423
Fines and fees	710,352	664,035	625,309	5,944,102
Investment income	355,443	689,104	1,312,157	1,720,017
Miscellaneous	1,071,368	1,074,637	2,015,330	1,464,130
Total revenues	90,841,217	92,143,823	99,390,125	102,456,089
EXPENDITURES				
General government	4,680,170	4,471,299	4,552,993	4,946,789
Public safety	46,071,577	46,398,789	50,975,181	52,144,753
Highways and streets	13,114,009	12,623,702	13,500,715	13,962,880
Community development	5,955,261	7,974,896	2,186,836	4,686,797
Health and welfare	2,331,430	2,280,772	6,610,045	2,228,965
Capital outlay	14,224,083	19,935,951	34,512,902	19,259,834
Debt service				
Principal retirement	5,215,000	4,995,000	5,240,000	5,650,000
Interest and fiscal charges	2,459,907	2,094,718	2,078,904	2,110,912
Other charges	-	-	-	110,752
Total expenditures	94,051,437	100,775,127	119,657,576	105,101,682
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,210,220)	(8,631,304)	(20,267,451)	(2,645,593)
OTHER FINANCING SOURCES (USES)				
Transfers in	915,000	6,898,372	1,711,000	2,924,649
Transfers (out)	(415,000)	(8,398,372)	(1,231,012)	(2,490,452)
Bonds issued	32,900,000	-	9,530,000	7,985,000
Bond premium (discount)	2,022,953	-	469,318	1,516,526
Payment to escrow agent	-	-	-	(9,493,511)
SBITA issuance	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Total other financing sources (uses)	35,422,953	(1,500,000)	10,479,306	442,212
NET CHANGE IN FUND BALANCES	$ 32,212,733	$ (10,131,304)	$ (9,788,145)	$ (2,203,381)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	12.58%	8.81%	8.09%	7.93%

Data Source

Audited Financial Statements

2020	2021	2022	2023	2024	2025
$ 54,223,078	$ 57,551,020	$ 60,716,756	$ 59,876,291	$ 61,761,025	$ 64,918,939
3,372,026	4,076,369	4,252,704	2,684,480	3,030,194	2,524,862
27,165,106	31,886,916	37,643,594	36,399,511	37,789,895	39,504,983
3,222,027	5,833,446	4,205,983	2,121,590	3,806,614	1,126,262
2,779,841	2,847,254	2,540,566	3,166,054	2,610,534	2,686,367
5,222,196	6,449,661	7,274,848	6,696,407	8,163,483	7,021,974
410,745	75,345	1,341,626	4,678,577	4,981,693	5,076,930
1,566,432	1,685,847	1,310,548	2,843,448	1,483,087	1,266,976
97,961,451	110,405,858	119,286,625	118,466,358	123,626,525	124,127,293
5,084,688	5,235,495	5,020,397	5,291,532	5,175,727	5,262,658
50,011,598	51,089,154	56,458,920	55,169,764	58,562,465	61,223,155
13,322,453	13,582,872	14,543,933	15,742,280	16,470,092	20,440,181
4,941,849	5,147,502	5,180,769	5,467,777	7,031,597	6,697,278
2,277,085	2,331,983	2,356,962	2,443,924	2,580,690	2,567,491
8,974,970	16,717,911	15,787,272	17,051,229	22,515,210	16,349,486
5,690,000	5,075,000	5,335,000	5,350,634	5,533,695	4,789,348
1,977,545	2,405,333	2,146,782	1,972,409	1,883,597	2,548,537
154,600	-	-	-	-	-
92,434,788	101,585,250	106,830,035	108,489,549	119,753,073	119,878,134
5,526,663	8,820,608	12,456,590	9,976,809	3,873,452	4,249,159
1,383,100	4,293,561	1,793,300	1,317,843	4,355,200	5,245,700
(9,928,332)	(14,143,561)	(9,993,300)	(6,567,843)	(20,655,200)	(10,738,700)
11,650,000	-	-	-	18,755,000	-
2,209,497	-	-	-	1,816,984	-
-	-	-	-	-	-
-	-	-	34,008	342,816	31,000
-	-	-	7,601	3,205	-
5,314,265	(9,850,000)	(8,200,000)	(5,208,391)	4,618,005	(5,462,000)
$ 10,840,928	$ (1,029,392)	$ 4,256,590	$ 4,768,418	$ 8,491,457	$ (1,212,841)
9.03%	8.03%	7.48%	7.19%	6.91%	6.62%

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

POLICE PENSION FUND
TAX LEVIES AND CONTRIBUTIONS

Last Ten Levy Years

Levy Year	Annual Actuarial Requirement from Actuary	Actual Amount Levied	Percentage of Annual Required Contribution from Actuary	Recognized for Annual Required Contribution from Actuary	Actual Revenue Recognized in Fiscal Year
2014*	$ 2,779,725	$ 4,500,000	162%	$ 4,500,000	12/31/2015*
2016	3,839,961	3,994,000	104%	3,994,000	2017
2017	3,878,094	3,879,000	100%	3,879,000	2018
			Additional Contribution	1,500,000	
				5,379,000	
2018	4,016,824	4,017,000	100%	4,017,000	2019
			Additional Contribution	1,250,000	
				5,267,000	
2019	4,108,483	4,209,000	102%	4,209,000	2020
2020	4,072,578	4,073,000	100%	4,073,000	2021
2021	3,749,954	4,114,000	110%	4,114,000	2022
			Additional Contribution	2,000,000	
				6,114,000	
2022	3,757,141	3,911,000	104%	3,911,000	2023
2023	4,189,711	4,190,000	100%	4,190,000	2024
			Additional Contribution	600,000	
				4,790,000	
2024	4,746,648	4,747,000	100%	4,747,000	2025

*For the eight months ended December 31, 2015.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

FIREFIGHTERS' PENSION FUND
TAX LEVIES AND CONTRIBUTIONS

Last Ten Levy Years

Levy Year	Annual Actuarial Requirement from Actuary	Actual Amount Levied	Percentage of Annual Required Contribution from Actuary	Recognized for Annual Required Contribution from Actuary	Actual Revenue Recognized in Fiscal Year
2014*	$ 3,235,984	$ 5,100,000	158%	$ 5,100,000	12/31/2015*
2016	4,734,724	4,889,000	103%	4,889,000	2017
2017	4,852,647	4,853,000	100%	4,853,000	2018
			Additional Contribution	1,500,000	
				6,353,000	
2018	4,952,007	4,953,000	100%	4,953,000	2019
			Additional Contribution	1,250,000	
				6,203,000	
2019	5,030,110	5,130,000	102%	5,130,000	2020
2020	4,912,161	4,913,000	100%	4,913,000	2021
2021	4,828,817	4,962,000	103%	4,962,000	2022
			Additional Contribution	2,000,000	
				6,962,000	
2022	5,255,147	5,256,000	100%	5,256,000	2023
2023	5,880,365	5,881,000	100%	5,881,000	2024
			Additional Contribution	600,000	
				6,481,000	
2024	6,705,279	6,706,000	100%	6,706,000	2025

*For the eight months ended December 31, 2015.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Railroad Property	Total Equalized Assessed Value	Estimated Actual Taxable Value	Total Direct Tax Rate
2015	$ 1,766,744,791	$ 565,748,059	$ 113,315,940	$ 1,242,969	$ 2,447,051,759	$ 7,341,889,466	$ 1.9250
2016	2,155,373,008	620,835,250	119,444,421	1,264,483	2,896,917,162	8,691,620,648	1.6650
2017	2,165,564,338	654,570,030	125,103,734	1,289,820	2,946,527,922	8,840,467,813	1.6960
2018	2,146,460,365	645,525,173	125,564,273	1,384,950	2,918,934,761	8,757,680,051	1.7580
2019	2,418,574,182	794,052,203	152,530,437	1,510,759	3,366,667,581	10,101,012,844	1.5400
2020	2,409,134,826	805,015,324	172,043,750	1,574,501	3,387,768,401	10,164,321,635	1.5460
2021	2,218,613,995	741,225,232	160,549,092	1,574,501	3,121,962,820	9,366,825,143	1.6940
2022	2,760,052,434	782,262,140	180,630,018	1,877,409	3,724,822,001	11,175,583,561	1.4050
2023	2,832,306,311	824,531,813	187,414,926	2,028,747	3,846,281,797	11,539,999,391	1.4030
2024	2,860,505,171	721,775,216	191,615,977	1,924,293	3,775,820,657	11,328,594,830	1.4615

Note: Property is assessed at 33.33% of actual value.

Data Source

Cook County Tax Extension Office

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Levy Years

Tax Levy Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Tax rates per $100 of EAV										
Village direct rates										
Village of Arlington Heights	1.3590	1.1820	1.2170	1.2650	1.1080	1.1120	1.2190	0.9980	1.0090	1.0529
Arlington Heights Memorial Library	0.5660	0.4830	0.4790	0.4930	0.4320	0.4340	0.4750	0.4070	0.3940	0.4086
Total Village direct rate	1.9250	1.6650	1.6960	1.7580	1.5400	1.5460	1.6940	1.4050	1.4030	1.4615
Overlapping rates										
County (including Forest Preserve)	0.6210	0.5960	0.5580	0.5490	0.5130	0.5110	0.5040	0.5120	0.4610	0.4591
Metro Reclamation District	0.4260	0.4060	0.4020	0.9600	0.3890	0.3780	0.3820	0.3740	0.3450	0.3404
School District #25	3.9900	3.4240	3.4880	3.6170	3.2460	3.3340	3.7090	3.4370	3.4300	3.6518
School District #214	2.8810	2.5270	2.5630	2.6690	2.3560	2.3820	2.6640	2.3520	2.4450	2.5744
School District #512	0.4660	0.4190	0.4250	0.4430	0.4030	0.4090	0.4570	0.4100	0.4130	0.4336
Park District's	0.6260	0.4880	0.4940	0.5140	0.4570	0.4690	0.5210	0.4640	0.4810	0.4972
Wheeling Township	0.0550	0.0410	0.0430	0.0430	0.0380	0.0370	0.0410	0.0360	0.0370	0.0365
Other	0.0410	0.0320	0.0340	0.0360	0.0330	0.0310	0.0340	0.0280	0.0290	0.0288
Total Tax Rate Per $100 of EAV	11.0310	9.5980	9.7030	10.5890	8.9750	9.0970	10.0060	9.0180	9.0440	9.4833

Data Source

Cook County Tax Extension Office

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Ten Years Ago

	2025 (based on 2024 EAV)			2016 (based on 2015 EAV)		
Taxpayer	**Equalized Assessed Value***	**Rank**	**Percentage of Total Village Equalized Assessed Valuation**	**Equalized Assessed Value**	**Rank**	**Percentage of Total Village Equalized Assessed Valuation**
Luther Village	$ 50,442,117	1	1.336%	$ 43,520,328	1	1.778%
Robert F Rohrman	38,892,372	2	1.030%	12,935,796	9	0.529%
CBFC Development LLC (Former Arlington Park Racetrack)	37,372,053	3	0.990%	33,334,764	2	1.362%
United Airlines	30,643,131	4	0.812%			
TLC Management Co	23,455,173	5	0.621%			
JRK Property Holdings	23,331,684	6	0.618%			
Town and Country Chicago	22,822,125	7	0.604%	21,164,121	4	0.865%
Stonebridge Village	22,082,826	8	0.585%			
AmCap Northpoint LLC	20,625,009	9	0.546%	18,913,185	5	0.773%
200 Arlington Place	20,298,189	10	0.538%			
First American CPII				11,894,865	10	0.486%
New Plan Excel Realty Trust				32,278,677	3	1.319%
Marriott				13,815,819	6	0.565%
Tanglewood Apartments				13,127,643	8	0.536%
Hamilton Partners				13,668,171	7	0.559%
	$ 289,964,679		7.680%	$ 214,653,369		8.772%

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

Data Source

Official statements

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Levy Year	Tax Levied	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2015	$ 33,248,168	$ 33,087,784	99.52%	$ -	$ 33,087,784	99.52%
2016	34,236,930	33,676,536	98.36%	-	33,676,536	98.36%
2017	35,851,769	35,067,225	97.81%	-	35,067,225	97.81%
2018	36,923,947	36,039,985	97.61%	-	36,039,985	97.61%
2019	37,535,586	37,163,947	99.01%	-	37,163,947	99.01%
2020	37,908,532	37,533,200	99.01%	-	37,533,200	99.01%
2021	38,295,160	37,916,000	99.01%	-	37,916,000	99.01%
2022	36,807,430	36,766,346	99.89%	-	36,766,346	99.89%
2023	38,803,860	38,235,677	98.54%	-	38,235,677	98.54%
2024	39,757,050	38,031,241	95.66%	-	38,031,241	95.66%

Data Source

Cook County Tax Extension Office

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	Gross General Obligation Bonds	SBITAs Payable	Gross General Obligation Bonds	Leases			
2016	$ 66,254,370	$ -	$ -	$ -	$ 66,254,370	2.14%	$ 882.20
2017	60,911,366	-	-	-	60,911,366	1.96%	811.06
2018	65,182,632	-	-	-	65,182,632	1.78%	715.44
2019	59,337,907	-	-	-	59,337,907	1.58%	790.11
2020	67,132,280	-	-	-	67,132,280	2.22%	893.89
2021	61,499,590	-	-	-	61,499,590	1.54%	791.75
2022	55,606,894	-	-	-	55,606,894	1.39%	715.88
2023	49,852,815	1,300,815	-	-	51,153,630	1.12%	658.55
2024	64,455,720	1,116,076	-	-	65,571,796	1.45%	880.22
2025	59,146,857	571,132	-	-	59,717,989	1.26%	789.96

Details of the Village's outstanding debt can be found in the notes to financial statements.

See the schedule of Demographic and Economic Information for personal income and population data.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available In Debt Service Fund	Less: Debt Payable from Enterprise Revenue	Total	(1) Percentage of Estimated Actual Taxable Value of Property	(2) Per Capita
2016	$ 66,254,370	$ 1,310,129	$ -	$ 64,944,241	0.88%	$ 864.76
2017	60,911,366	1,307,322	-	59,604,044	0.69%	793.65
2018	65,182,632	1,940,429	-	63,242,203	0.72%	842.10
2019	59,337,907	2,182,035	-	57,155,872	0.65%	761.05
2020	67,132,280	2,098,100	-	65,034,180	0.64%	865.96
2021	61,499,590	1,937,002	-	59,562,588	0.59%	766.81
2022	55,606,894	1,820,239	-	53,786,655	0.57%	692.45
2023	49,852,815	2,147,671	-	47,705,144	0.43%	614.16
2024	64,455,720	1,256,341	-	63,199,379	0.55%	848.37
2025	59,146,857	1,586,809	-	57,560,048	0.51%	761.42

Details of the Village's outstanding debt can be found in the notes to financial statements.

(1) See the schedule of Assessed Value and Actual Value of Taxable Property for property value data. These ratios are calculated using levy year data.

(2) See the schedule of Demographic and Economic Information for population data. These ratios are calculated using calendar year data.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

December 31, 2025

Governmental Unit	Gross Debt	Percentage Debt Applicable to the Village of Arlington Heights*	Village of Arlington Heights Share of Debt
Village of Arlington Heights	$ 59,717,989	100.000%	$ 59,717,989
Total direct debt	59,717,989		59,717,989
Community College District 512	212,340,000	15.549%	33,016,747
Arlington Heights School District 25	96,120,000	96.697%	92,945,156
Cook County School District 15	154,325,000	3.228%	4,981,611
Cook County School District 21	74,045,000	22.963%	17,002,953
Cook County School District 59	13,270,000	12.752%	1,692,190
Prospect Heights School District 23	9,180,000	35.658%	3,273,404
Arlington Heights School District 214	16,415,000	32.672%	5,363,109
Cook County School District 57	17,585,000	4.588%	806,800
Cook County	1,634,990,000	1.807%	29,544,269
Forest Preserve of Cook County	75,290,000	1.807%	1,360,490
Metropolitan Water Reclamation District of Greater Chicago	2,693,351,000	1.837%	49,476,858
Arlington Heights Park District	14,045,000	96.530%	13,557,639
Buffalo Grove Park District	17,716,000	3.518%	623,249
Prospect Heights Park District	4,670,000	5.228%	244,148
Mount Prospect Park District	19,302,635	3.056%	589,889
Palatine Park District	12,725,000	1.102%	140,230
Salt Creek Park District	6,448,000	31.481%	2,029,895
Total overlapping debt	5,071,817,635		256,648,637
TOTAL DIRECT AND OVERLAPPING DEBT	$ 5,131,535,624		$ 316,366,626

*Determined by ratio of assessed value of property subject to taxation in overlapping unit to value of property subject to taxation in the Village. Percentages are based on 2023 Equalized Assessed Valuations.

Data Source

Cook County Tax Extension Office

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

LEGAL DEBT MARGIN

December 31, 2025

The Village is a home rule municipality.

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal debt margin.

"The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property . . . (2) if its population is more than 25,000 and less than 500,000 an aggregate property . . . (2) if its population is more than 25,000 and less than 500,000 an aggregate of one per cent: . . . Indebtedness which is outstanding on effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum . . . Shall not be included in the forgiving percentage amounts."

To date the General Assembly has set no limits for home rule municipalities.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Calendar Years

Fiscal Year	(1) Population	(1) Personal Income	Per Capita Personal Income	(2) Unemployment Rate
2016	75,101	$ 3,024,842,977	$ 40,277	4.90%
2017	75,101	3,024,842,977	40,277	4.40%
2018	75,101	3,024,842,977	40,277	3.90%
2019	75,101	3,024,842,977	40,277	3.70%
2020**	75,101	3,024,842,977	40,277	8.10% *
2021	77,676	3,987,885,840	51,340	5.30%
2022	77,676	4,185,182,880	53,880	3.60%
2023	77,676	4,560,513,312	58,712	3.60%
2024	74,495	4,534,585,145	60,871	4.00%
2025	75,596	4,749,394,296	62,826	4.30%

*Unemployment rate (not seasonally adjusted) through March 2021.
**At time of data compilation, 2020 census results were not yet available.

Data Sources

(1) U.S. Bureau of the Census
(2) Illinois Department of Employment Security

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Ten Years Ago

	2025			2016		
Employer	**Rank**	**Number of Employees**	**Percentage of Total Village Employment**	**Rank**	**Number of Employees**	**Percentage of Total Village Employment**
Northwest Community Healthcare	1	3,750	9.38%	2	4,000	10.51%
Arlington Heights High School District # 214	2	1,750	4.38%	3	1,669	4.38%
Amazon	3	1,250	3.13%			
Clearbrook	4	1,250	3.13%	4	1,000	2.63%
United Airlines	5	1,000	2.50%			
Frito-Lay (Pepsi Co)	6	1,000	2.50%			
Lutheran Home	7	850	2.13%			
GE Healthcare	8	650	1.63%			
Pace	9	600	1.50%	10	350	0.92%
Paddock Publications (Daily Herald)	10	500	1.25%	5	550	1.44%
Alexian Brothers Health System (AMITA)				6	500	1.31%
Kroeschell Inc				9	450	1.18%
Level 3 Communications				7	500	1.31%
Paylocity Corp				8	500	1.31%
Arlington International Racecourse (Seasonal)				1	4,500	11.82%
		12,600	31.53%		14,019	36.81%

Data Sources

Illinois Manufacturers Directory, Illinois Services Directory, and a selective telephone survey.

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Fiscal Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
GENERAL GOVERNMENT										
Manager's office	5.00	5.50	5.50	5.50	5.50	5.50	5.50	6.00	7.00	7.00
Human resources	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.50	5.00	5.00
Legal	2.75	2.75	2.75	2.75	2.75	1.75	1.75	1.25	-	-
Finance	17.50	17.50	17.50	17.00	17.00	16.50	16.50	16.50	16.00	16.00
IT	5.00	6.00	5.00	5.00	6.00	6.00	7.00	7.00	7.00	7.00
GIS	1.00	-	-	-	-	-	-	-	-	-
PUBLIC SAFETY										
Police										
Officers	109.00	109.00	109.00	109.00	109.00	109.00	109.00	109.00	109.00	109.00
Civilian	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	32.50	32.50
Fire										
Firefighters and officers	108.00	108.00	108.00	108.00	108.00	108.00	108.00	108.00	108.00	114.00
Civilian	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
COMMUNITY DEVELOPMENT										
Planning and community development	10.00	10.00	10.00	10.00	10.00	10.00	10.00	11.00	11.00	12.00
Building	17.00	17.00	17.50	17.50	18.00	18.00	19.00	19.00	19.50	20.00
HEALTH AND WELFARE										
Health services	10.00	10.00	9.50	9.50	9.50	9.50	9.50	9.50	9.50	9.50
Senior services	3.50	3.50	3.50	3.50	3.50	3.50	3.75	3.75	4.00	3.75
HIGHWAYS AND STREETS										
Public works	42.25	42.25	41.25	42.25	42.25	42.25	42.25	42.50	44.25	44.25
Engineering	10.00	10.00	10.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
OTHER PUBLIC WORKS										
Water utility operations	40.75	40.75	40.75	40.75	40.75	40.75	40.75	40.50	40.50	40.75
Fleet services	10.50	10.50	10.50	10.50	10.50	10.50	10.50	10.50	9.50	9.50
TOTAL	428.25	428.75	426.75	426.25	427.75	426.25	428.50	430.00	433.75	441.25

Data Source

Village of Arlington Heights Finance Department

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
PUBLIC SAFETY										
Police										
Service calls	25,919	32,732	22,875	21,823	20,084	19,566	29,134	28,325	25,544	26,557
Total crime reported	2,559	2,189	1,937	2,049	1,615	1,769	2,315	2,261	2,241	1,883
Arrests	824	657	592	840	558	599	679	583	528	600
Citations issued	27,935	24,944	23,306	21,423	12,832	17,961	22,344	19,720	15,281	18,098
Fire										
Service calls (EMS)	7,581	7,369	7,515	8,063	7,433	8,126	8,367	8,690	8,770	8,993
Service calls (non-EMS)	2,620	2,676	2,814	2,644	2,256	2,323	1,719	2,621	2,714	2,648
PUBLIC WORKS										
Snow removal (miles)	51,044	18,541	60,762	62,784	13,862	49,135	42,372	22,254	31,222	47,270
Streets resurfaced (miles)	7.08	5.80	6.00	9.73	5.50	6.45	7.10	9.00	8.20	6.80
WATER										
Water main breaks	228	240	244	252	163	188	153	169	281	344
Sewer repairs	20	13	12	15	8	16	87	108	11	3
Average daily consumption	7.51 MGD	7.41 MGD	7.41 MGD	7.41 MGD	7.33 MGD	7.11 MGD	7.57 MGD	7.66 MGD	7.52 MGD	7.60 MGD

MGD - Million Gallons Daily

Data Source

Various Village Departments

VILLAGE OF ARLINGTON HEIGHTS, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
PUBLIC SAFETY										
Police										
Police stations	1	1	1	1	1	1	1	1	1	1
Marked police vehicles	44	44	33	35	35	35	35	37	32	32
Unmarked police vehicles	19	19	29	25	25	25	25	25	21	21
Police motorcycles	4	4	4	4	4	4	4	4	4	4
Fire										
Fire stations	4	4	4	4	4	4	4	4	4	4
Fire pumpers	5	5	5	5	5	5	5	5	5	5
Fire ladder trucks	2	2	2	2	2	2	2	2	2	2
Rescue squads	4	4	4	4	4	4	4	4	4	4
Ambulances	6	6	6	6	6	6	6	6	6	7
Utility vehicles	1	1	1	1	1	1	2	2	2	2
Boats with trailer	1	1	1	1	1	1	1	1	1	1
TRS rescue trailers	1	1	1	1	1	1	-	-	-	-
Public education trailers	1	1	1	1	1	1	2	2	2	2
Hazardous material vehicles	1	1	1	1	1	1	1	1	1	1
Administrative vehicles	8	8	8	8	8	8	8	8	8	9
PUBLIC WORKS										
Streets (miles)	241	241	241	241	241	241	241	241	241	241
Streetlights	3,865	3,865	3,865	3,865	3,865	3,865	3,865	3,865	3,865	3,865
Traffic signals	9,784	9,784	9,784	9,784	9,784	9,784	9,784	9,784	9,784	9,784
WATER										
Water mains (miles)	260	260	260	260	260	263	263	263	263	263
Fire hydrants	3,318	3,318	3,329	3,318	3,318	3,318	3,318	3,318	3,318	3,318
Storage capacity (gallons)	31,000,000	31,000,000	31,000,000	31,000,000	31,000,000	31,000,000	31,000,000	31,000,000	31,000,000	29,000,000
WASTEWATER										
Sanitary sewers (miles)	255	261	255	265	265	178	178	178	179	179
Storm sewers (miles)	213	228	213	236	236	195	194	194	194	194

Data Source

Various Village Departments

VILLAGE OF ARLINGTON HEIGHTS
INC. 1887

Committee of the Whole
6/22/2026

Item: Review of the 2027-2031 Capital Improvement Program
Department: Finance

Item Description:
A detailed five-year CIP process is completed on a biennial basis as part of the Village's planning and budgeting process. The Village's internal CIP Review Team, comprised of representatives from departments, evaluates capital needs by reviewing the Village Board's Strategic Priorities, adopted plans and studies, asset management data, regulatory requirements, and long-term operational objectives. The review process also incorporates community input, economic conditions, development trends, and anticipated funding availability.

Through this collaborative effort, projects are identified, prioritized, and matched with potential funding sources to develop a comprehensive five-year Capital Improvement Program. The CIP serves as a long-range planning and financial management tool that guides future capital investment decisions and supports the Village's annual budgeting process.

The Capital Improvement Plan (CIP) includes capital improvements—generally $10,000 or more—that have a long useful life and addresses maintenance, replacement, and operational needs. The 2027-2031 CIP proposes $226.5 million in total capital improvement investments over the next five years. All projects are proposed projects and subject to Village Board approval. Project timelines may change due to funding availability, construction, or other priorities.

Recommendation:
It is recommended that the Village Board accept the 2027-2031 Capital Improvement Program and approve the first year of the program totaling $44,374,400 be incorporated into the Village's Proposed 2027 Budget.

ATTACHMENTS:
1. 2027-2031 Capital Improvement Program



2027 – 2031 CAPITAL IMPROVEMENT PROGRAM

JUNE 2026

VILLAGE OF ARLINGTON HEIGHTS
2027 – 2031
Capital Improvement Program

June 2026

VILLAGE BOARD

Jim Tinaglia, Village President

James J. Bertucci	Bill Manganaro
Wendy Dunnington	Carina H. Santa Maria
Colin Gilbert	Thomas F. Schwingbeck, Jr.
Robin LaBedz	Greg Zyck

CAPITAL IMPROVEMENT PROGRAM COMMITTEE

Randall R. Recklaus	Village Manager
Melissa Gallagher (Chairman)	Finance Director/Treasurer
Mary Ellen Juarez	Assistant Finance Director
Kevin Baumgartner	Accountant/Budget Coordinator
Diana Mikula	Deputy Village Manager
Cris Papierniak	Director of Public Works
Robert Horne	Assistant Director of Public Works
Nanci Julius	Assistant Village Engineer
Chester Gorecki	Superintendent of Maintenance
Scott Schweda	Superintendent of Utilities
Ashley Karr	Administrative Services Foreman
Emily Rodman	Director of Planning & Community Development
Michael Lysicatos	Deputy Director of Planning & Community Development
Nick Pecora	Chief of Police
Greg Czernecki	Deputy Chief of Police
Valerie Andrews	Deputy Chief of Police
Jaime Rickerson	Administrative Service Officer
Lance Harris	Fire Chief
Andrew Benkert	Deputy Fire Chief
Catherine Miarnowski	Administrative Analyst

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VILLAGE OF ARLINGTON HEIGHTS
2027-2031 CIP
EXECUTIVE SUMMARY

A Capital Improvement Program (CIP) is a financial planning, budgeting, and management tool that identifies public facility, infrastructure, and equipment replacement and repairs, and schedules these requirements for funding and implementation. The development of the CIP is a collaborative and strategic process that incorporates input from staff, feedback from the public, and direction from the Village Board, including alignment with the Village Board's Strategic Priorities and community goals. The process includes evaluating infrastructure needs, operational impacts, project timing, available funding sources, and long-term financial sustainability. Through a series of reviews and discussions, the process ultimately leads to two key products:

- A capital improvement plan
- A capital improvement budget

The former is the multi-year plan that identifies all capital projects that are proposed for funding during that period (subject to annual revision). The latter is the capital spending budget for the upcoming fiscal year.

The CIP lists each proposed capital project, the year when it is anticipated to start, the amount expected to be expended on the project each year, and the proposed sources of financing. Based on these individual project details, summaries of capital expenditures in each year are prepared. These are then matched with funding available from all sources, including current revenues, grants, and other intergovernmental assistance as well as borrowing. Thus, a Capital Improvement Program represents a balance between project requests and current and future financing capabilities.

Roadways, sidewalks, buildings, vehicles, and equipment require ongoing reinvestment and replacement to maintain safe, reliable infrastructure, support efficient service delivery, extend longevity, and meet the needs of residents and Village employees. Timely investment in infrastructure and capital assets helps maintain service levels, protect existing assets, and reduce the risk of more costly repairs or replacements in the future. Deferring necessary maintenance or replacement activities typically increases long-term costs and can negatively impact operations, service delivery, and overall asset condition.

This "Executive Summary" provides a general overview of the 2027-2031 Capital Improvement Program for the Village of Arlington Heights. Following this section are multi-year presentations for each Village fund that has capital expenditures, including capital project request sheets for each 2027 through 2031 project listed in the fund. The project request sheets provide a justification for the expenditure, and identify the funding source and the fiscal year the expenditure is anticipated to occur.

CIP PROCESS

A detailed five-year CIP process is completed on a biennial basis as part of the Village's planning and budgeting process. The Village's internal Capital Improvement Program (CIP) Review Team, which includes staff from Village departments, reviews the Village Board's Strategic Priorities, adopted plans and studies, asset management information, regulatory requirements, and long-term operational needs. The CIP Review Team also considers community input, economic conditions, development trends, and anticipated funding availability when evaluating capital needs. Through this collaborative process, the CIP Review Team develops and updates the detailed five-year Capital Improvement Program, identifies and prioritizes projects, and evaluates funding sources to support their implementation. Existing and ongoing projects included in the CIP are re-evaluated annually to confirm their continued relevance, timing, scope, and funding needs.

The Village's website, Facebook page, and other social media platforms were utilized to gather capital project ideas and feedback from residents. The resident survey was intended to provide an opportunity for community input and identify potential areas of interest or concern. While the survey results are considered as part of the planning process, the survey was not designed as a scientific measure of community preferences, but rather as a broad solicitation of ideas to help inform the Capital Improvement Program. A summary and detailed list of these online submissions can be found in the last section of the CIP book titled, "CIP Resident Submissions".

The detailed five-year CIP is developed during even-numbered years, with special emphasis on the first two years of the plan. This reflects the multi-year nature of many of the capital projects that are included in the CIP. During the years in which a detailed CIP is not formally presented to the Village Board, the following activities continue to occur as part of the ongoing capital planning and review process:

A. Staff provides the Village Board with a summary update showing any changes in estimated costs from the prior year.

B. After the local election process that occurs every two years, each Department prepares a presentation for the "new" Village Board. This is followed by the Village Board's biennial goal setting process. After the Board's goals and objectives are established, Staff develops a two-year business plan that reflects the Board's stated goals.

Detailed five-year CIP plans and summary updates are sent to the Village Board for review, discussion, possible modification, and approval.

Projects included in the five-year CIP have been prioritized as follows:

Obligated (OBLG) – the Village has entered into a contract or agreement to complete the project or the project is obligated by State, Federal, or other environmental regulations.

Replacement/Maintenance (R/M) – this is part of an ongoing infrastructure or equipment maintenance program or scheduled replacement program.

Essential (ESST) – projects that, in staff's opinion, are necessary to continue providing basic services, or are necessary to maintain the health, safety, and welfare of the community.

Discretionary (DISC) – projects that are needed or desired, but do not fall into any of the other three categories.

2027-2031 CAPITAL IMPROVEMENT PROGRAM SUMMARY

The Capital Improvement Plan (CIP) includes capital improvements-generally $10,000 or more-that have a long useful life and addresses maintenance, replacement, and operational needs. **The 2027-2031 CIP proposes $226.5 million in total capital improvement investments over the next five years.** All projects are proposed projects and subject to Village Board approval. Project timelines may change due to funding availability, construction, or other priorities.

The first year of the CIP, known as the capital improvement budget, outlines specific projects and appropriates funding for those projects. This year is typically adopted in conjunction with the Village's annual budget. Projects and financing sources outlined for subsequent years are not authorized until the annual budget for those years is legally adopted. The ensuing years serve as a guide for future planning and are subject to further review and modification.

The Village has continued to prudently plan for the future by investing in our infrastructure. This includes an ongoing commitment to maintain Village streets at a high level (averaging $14 million annually), and to maintain the recent large increase in the amount spent on the water main replacement program (averaging $4.9 million annually). In addition, the residential water meter replacement project is nearing completion and the mandated removal of all lead service lines by 2037 (about $4 million annually).

The Village's Street resurfacing and reconstruction programs remain as key components of the CIP, with about **40%** of the proposed 2027 capital budget expenditures designated for these programs.

A cornerstone of the Village's Capital Improvement Program is the continued investment in maintaining and improving the community's roadway infrastructure. Over the five-year period from 2027 through 2031, the Village plans to invest more than **$74.8 million** through the General Fund, Capital Projects Fund, and Motor Fuel Tax Fund in roadway maintenance, preservation, and reconstruction initiatives.

These investments include the Village's in-house paving program, roadway patching, annual street resurfacing and reconstruction projects, pavement crack sealing, surface treatments, and street rehabilitation efforts designed to extend pavement life and improve overall roadway conditions. A major component of this investment will be the **$5.7 million reconstruction of Campbell Street in 2027**, a significant infrastructure project that will enhance safety, mobility, and the long-term reliability of this important corridor. Through these investments, the Village will continue to maintain and improve its streets, helping provide safer and smoother roadways for residents, businesses, and visitors.

Exhibits A, B and C provide CIP summary information and demonstrate the Village's focus on roadway improvement projects. **Exhibit A** shows a pie chart broken down

by expenditure type for 2027 totaling $44.4 million. **Exhibit B** is a multi-year bar chart of the 2027-2031 CIP by type of project. **Exhibit C** presents detailed information on the 2027-2031 CIP by type and by project name. **Exhibit D** is a multi-year presentation of CIP expenditures summarizing actual and projected expenditures from 2027 through 2031. **Exhibit E** is a summary of total street expenses from 2020 through 2031.

The Village primarily funds its capital improvement program through dedicated revenue sources, including property taxes, home rule sales taxes, tax increment financing (TIF) revenues, federal and state grants, utility and parking fees, interfund transfers, and investment income. The Village uses a planned debt schedule, which replaces retiring debt every five-years with a new bond opportunity. In 2024, the Village sold a bond that generated $20.448 million in proceeds to cover the cost of the Village's Street and Sidewalk Programs in the Capital Projects Fund over the next three years. The next succeeding $20 million bond sale opportunity in late 2029 could be considered for future capital improvement projects for $2 million, and $18 million toward a potential $20 million Senior Center building rehabilitation project. The balance of the project cost could come from one-time transfers from other fund reserves. See **Exhibit F** for the Village's Debt Service - Total Principal and Interest Outstanding.

How to Use this CIP Document

Begin with this **Executive Summary** for an overview of key priorities and funding strategies. Review the **Summary Charts** to review trends, then explore the **Fund Sections** for project information by funding source with individual project pages showing detailed information on project scope, timing, costs, and funding.



To provide a clear sense of available resources and proposed capital projects, the sections that follow are divided by fund. A narrative summary of each fund's key projects and issues is provided at the beginning of each fund section. As mentioned earlier, multi-year presentations of each fund's revenues and expenditures are included, as well as project request sheets for each 2027 through 2031 project. If a

fund includes both operating and capital expenses, projected operating expenses are shown through the last year of the CIP. The last three sections of the CIP show other non-major funds, a list of unfunded projects which the CIP Review Team felt were important to track, but were beyond the five-year horizon of the CIP, or marked as unfunded due to a high expense and an undetermined funding source, and then a summary/list of CIP resident submissions.

Summary by Fund:

The Capital Projects Fund accounts for a variety of capital improvement projects including street resurfacing/rehabilitation, sidewalk repair/replacement, operational equipment replacement, traffic signal improvements, and other miscellaneous projects. Financing for this fund is provided primarily by property taxes, a ¼% home-rule sales tax, General Fund surplus transfers, an annual transfer-in of $300,000 from the SWANCC Fund, and grant revenues.

Every five years, as existing debt matures, the Village evaluates the issuance of new debt to provide bond proceeds for future capital improvements. This disciplined approach allows the Village to reinvest in critical infrastructure while maintaining a stable property tax-supported debt levy over time. By aligning new debt with retiring obligations, the Village can address long-term capital needs in a financially prudent manner, promote intergenerational equity, and minimize sudden impacts on taxpayers.

The Capital Improvement Program includes several recurring annual programs focused on maintaining and extending the useful life of Village facilities, including Roof Maintenance, HVAC Maintenance, and Equipment Maintenance and Refurbishment. These programs encompass both routine annual repairs, periodic major replacements, and minor updates.

The Capital Improvement Program supports 14 Village-owned buildings. Building maintenance and repair projects are budgeted within the Capital Projects Fund through a planned multi-year approach, with reserves available to address both current and future capital maintenance needs. Reserve balances may fluctuate from year-to-year based on the timing, scope, and funding requirements of planned capital projects, facility improvements, and major replacement activities.

In 2027 to 2031, total street expenses across all funds that support roadway improvements average approximately $14 million per year. As identified through a pavement study, this level of annual spending is necessary to maintain our streets in "good" condition. A new road condition assessment will be completed in 2027 and will provide guidance for future roadway maintenance priorities and expenditure estimates. The Village has continued to increase its street program through planned increases and leveraging federal funding. To provide a consolidated view of the total amount the Village spends on streets each year, see **Exhibit E** which is a summary of total street expenses from 2020 through 2031.

The Emergency Operations Center (EOC) for the Village serves as a centralized location for strategic coordination, resource allocation, and communication during disasters and major incidents. The EOC would support incident operations in managing information, planning, and logistics at a location separate from the incident and field work. The current EOC is approaching the end of its serviceable life as technology is the largest

expenditure. In 2027, $30,000 is budgeted for preliminary project work and in 2028 $960,000 is budgeted for the EOC capital improvement.

The CIP includes ongoing investments to enhance safety and security at Village facilities. Planned improvements include security cameras, safety mirrors, glass partitions, automatic locking systems, and other building security enhancements designed to improve employee and visitor safety. The program follows a phased approach to address remaining security upgrades throughout Village Hall, with funding of $23,000 in 2027 for the remaining first-floor improvements, $20,000 in 2028 for second-floor improvements, and $16,000 in 2029 for third-floor improvements. In addition, an annual allocation of $5,000 is included to address immediate security needs and emerging safety concerns as they arise.

The ADA Transition Plan is a federally required document for local governments with 50 or more employees that identifies and prioritizes the removal of barriers to accessibility in public facilities, services, and transportation. This project – $100,000 in 2027 and $100,000 in 2028 – will complete a key component of the Plan by inventorying pedestrian crossings throughout the Village and developing a program of improvements within public rights-of-way. The project supports the Village Board's Strategic Priorities for 2026 and 2027 and will help guide future investments to improve accessibility throughout the community.

The Motor Fuel Tax (MFT) Fund serves as a primary funding source for the Village's Street Rehabilitation Program, supporting annual roadway maintenance and rehabilitation projects as well as major street reconstruction projects.

The Motor Fuel Tax (MFT) is a tax assessed by the State of Illinois on the privilege of operating motor vehicles. The tax is based on the consumption (purchase) of motor fuel. As of July 1, 2025, Illinois' motor fuel taxes are $0.483 per gallon of gasoline ($0.19 per gallon of gasoline/local share + $0.293 per gallon of gasoline dedicated to the State's Transportation Renewal Fund).

Municipalities collectively receive approximately 49.1% of the local government share of statewide MFT revenues distributed to the on a per capita basis (population). The balance is shared with Cook County, all other counties and road districts and townships.

Under the fiscal year 2027 state budget, the Illinois Legislature approved a six-month pause on the automatic, inflation-linked increase to the state's motor fuel tax which would have increased it on July 1, 2026 by $0.013 or 1.3 cents. The planned inflation adjustment will be suspended for six months and the state's base motor fuel tax for gasoline will remain at $0.483 during this period. Based on current projections, the Village anticipates receiving approximately $3.5 million in MFT allotments annually.

These revenues are sufficient to fund the Village's annual street rehabilitation program, which is projected at $3.0 million per year from 2028 through 2031. In addition to the annual program, major roadway investments include the $5.7 million Campbell Street Reconstruction project in 2027 and the $3.0 million Hintz Road Reconstruction project in 2031.

The Water & Sewer Fund – The Water & Sewer Fund maintains and improves the Village's critical infrastructure of 232 miles of water mains within the Village limits and 2.7 million linear feet of sewer lines. The Village is responsible for keeping an

estimated 4,350 fire hydrants and 3,400 main line valves throughout the Village in working condition, performed through annual maintenance programs.

In 2024, staff developed a five-year water and sewer rate adjustment plan for the Village Board's review and its subsequent approval. The approved plan increases water and sewer rates by 2.75% per year for five years. According to a 2024 survey, the average combined water and sewer rate in nearby communities is $12.48 per 1,000 gallons. The Village's current combined rate is $10.61, and after five years, the Village's combined rate will still be slightly below this current average level at $12.15 per 1,000 gallons by 2029. It is also reasonable to expect that neighboring communities will continue to increase their water and sewer rates over the next five years.

The Village is on a path to be able to sustain its goal of replacing over $4 million, or the industry standard of 1% of its water main system on an annual basis. In 2027, the project budget for the watermain replacement program is $4.7 million and increases by $100,000 to 2031.

The Storm Water Control Fund - Since the Storm Water Control Fund was established in FY2013, more than $40 million will have been invested through the 2026 Proposed Budget, marking a significant accomplishment for the Village in completing these projects. This includes $3.9 million on Backyard Drainage Improvements, $1.2 million on the Overhead Sewer program, $500,000 for flood studies, $4.5 million on the Storm Water Rehab/Replacement program, $6.4 million on debt service costs, and $23.5 million on storm water projects identified in the flood studies. During this time period the Village has received nearly $6.0 million in grants for these projects, which represents over 25% of their cost.

Storm water control and management remains a vital component of protecting the community and infrastructure from flooding and ensuring long-term sustainability. With the majority of the flood control portion of the projects now completed, the fund will focus on rebuilding reserves to support future improvements. As new projects are identified, additional sources of revenue may need to be considered to maintain progress and address emerging needs.

In 2025, the Village completed Phase III of the $2.6 million St. Ponding Area – Race Ave & Chicago Ave Project. This area currently does not have a modern storm sewer system. The recommended improvement included larger storm pipes and more storage to meet current standards. The Village also completed the Forest Avenue Stormwater construction project. This project created an underground detention vault under an existing park district facility. The project cost was $3.5 million and provided an additional 3.0 acre-feet of stormwater storage.

The Lead Service Line Replacement Fund – This fund was established in 2021, with initial funding provided through the transfers-in of General Fund surplus monies of $4.0 million in 2021, $3.0 million in 2022, and $5.75 million in 2023. In 2024, $11.0 million was transferred-in from the Capital Projects Fund as part of the overall 2024 bond issue plan, and in 2025 an additional $5 million was transferred-in from this fund.

Initial cost expenditure estimates for the Lead Service Line Replacement Program have been refined as additional project experience and data have become available. This is favorable for the Village as the initial estimates were higher by $5 million to $10

million. Current projections indicate lower overall costs than originally anticipated due to the Village's incorporation of lead service line replacements into ongoing water and sewer infrastructure projects, the use of multi-year contracts, economies of scale achieved through larger project scopes, completion of certain work by Village staff, and efficiencies gained through long-term program planning and implementation.

In some sections of the Village's water system, lead services are fairly common due to the age of construction. The Village continues to be in full compliance with all regulations due to our treatment program that effectively coats the inside of all water lines, both private and public. Every year, the Village completes, tests and passes the required lead testing program through the IEPA.

As required by law, all lead service lines are to be identified and ultimately replaced. The Village has completed its lead service line inventory and continues its Lead Service Line Replacement Program in accordance with state and federal requirements. The Village's long-term funding plan shows that all lead service lines in the Village will be replaced by 2037. The public portion of the water service line is the pipe between the water main and the water valve or b-box. The private portion is the pipe from the b-box to the water meter inside a home or business. Maintenance of the private portion of the water service line has historically been the responsibility of the business or homeowner.

In 2023, the Village sought partial funding for this program through the Federal Infrastructure Plan, which had made $15 billion available for lead water service line replacement. The Federal government is utilizing the IEPA SRF program to distribute the money, and the loans have a 49% forgivable grant portion, until the funding runs out. The Village did not qualify for the first round of this grant funding which was based on economic need; however, we will continue to apply for these and other potential grant funding sources.

In 2024, the Village Board approved a cost-sharing program designed for residents interested in replacing their private portion of an existing lead water service line. Under the program, the Village will replace the public portion of the line, and will provide up to $2,500, or 50% (whichever is less) for the eligible costs associated with the replacement of the private water service, from the parkway shutoff valve (b-box) to the water meter (private).

Residents may pay their portion in full, or they can elect to participate in a payment plan to cover the costs associated with the replacement of their private portion of the lead service line for a maximum of three years. All participating residents are required to submit a completed application to the Village's Finance Department.

The Municipal Parking Operations Fund covers the costs associated with maintaining the public parking facilities, as well as the operating costs to collect fees and enforce parking regulations.

The Village currently utilizes a manual, cash-based paybox system for parking payments in public garages and designated surface lots. The Parking Kiosks project will modernize the parking payment system by implementing kiosks that support multiple payment methods, including credit card, contactless, and mobile or web-based payment options. The upgraded system will improve convenience for residents and visitors, reduce payment errors, and provide greater flexibility in how parking fees are collected. For Village staff, the system will reduce the handling and processing of

cash, improve operational efficiency, and allow more staff time to be dedicated to parking enforcement and customer service activities.

The estimated capital cost for the parking kiosk equipment is $143,000 in 2027. Implementation of the system will also require an ongoing software subscription and maintenance agreement, with recurring operating costs to be incorporated into future annual budgets. This investment supports the long-term modernization of the Village's parking operations and provides a scalable platform to accommodate future parking management needs.

Prior to the pandemic, parking fees and fines generated approximately $1.3 million annually. These revenues currently total about $950,000 per year, representing roughly 75% of pre-pandemic levels. Ongoing maintenance and repair costs for the parking garages will require additional support as inflationary pressures impact our program costs. Transfers from General Fund reserves have helped maintain the fund's financial stability during a period of changing parking demand. However, expenditures continue to outpace revenues as parking activity and related revenue streams have not fully recovered to pre-pandemic levels, reflecting lasting changes in travel and commuting patterns. The Village will continue to monitor fund performance and evaluate strategies to ensure the long-term sustainability of parking operations and capital investments.

Other Funds include the Criminal Investigations, TIF IV, TIF V, the Hickory/Kensington TIF, Fleet, and Technology Funds.

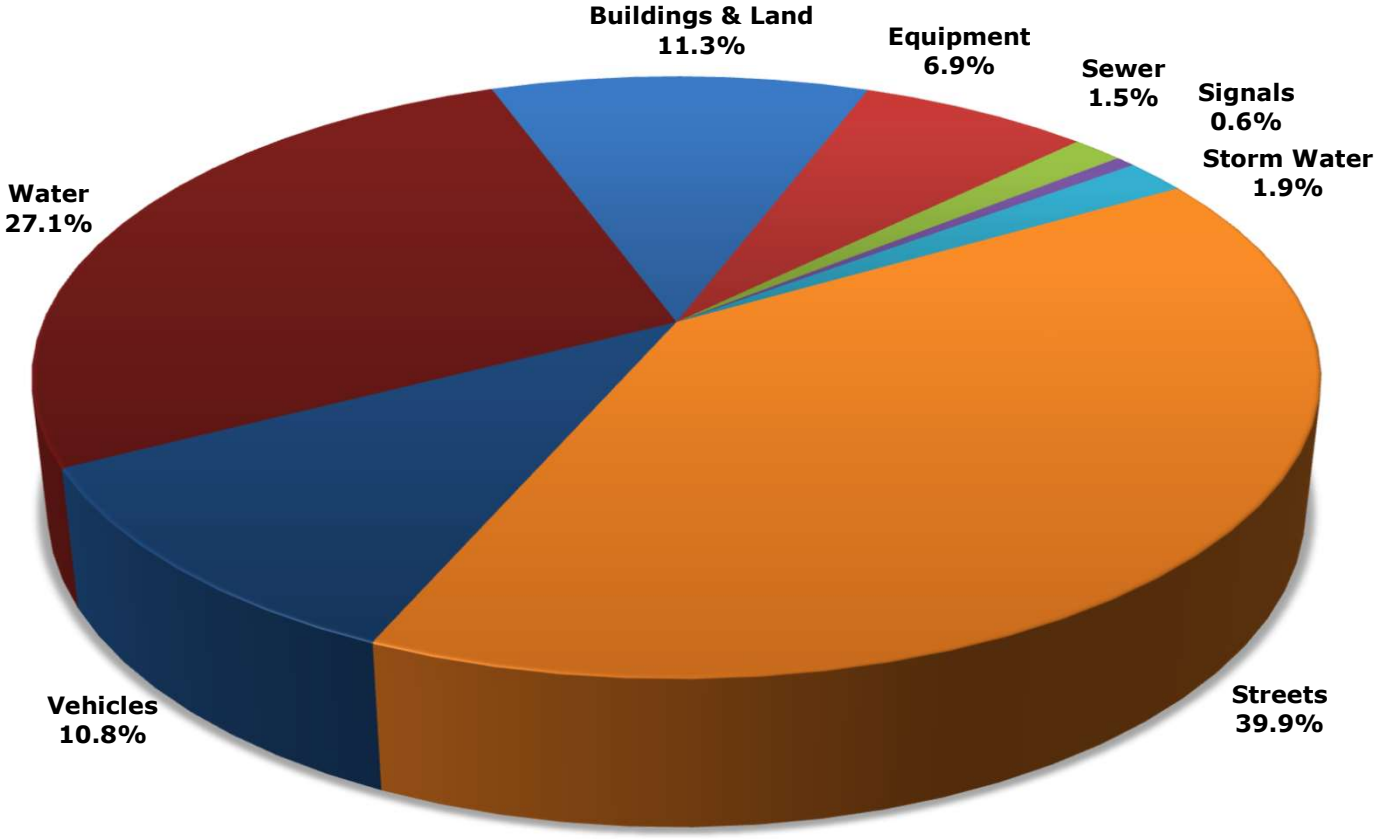
Technology Fund - The Village utilizes MGP Partners to provide GIS programming and GIS-related projects. Through this partnership, the Village may participate in MGP's shared services program, with $60,000 programmed in 2027 to provide access to a dedicated Business Analyst and Developer. By leveraging existing technology investments, the program provides a cost-effective approach to improving operational efficiency and supporting the Village's ongoing digital transformation efforts in our M365 environment.

CIP APPROVAL AND IMPLEMENTATION

After a detailed review, the CIP Review Team finalizes the prioritization and the balance CIP is presented to the Village Manager. The CIP is reviewed by the Committee of the Whole in June, which recommends to the Village Board for final approval. The CIP serves as financial planning tool for future budgets and capital expenditures. The capital expenditures are monitored throughout the year during the budget process.

The CIP Review Team has reviewed the proposed capital funds and projects and recommends approval of the 2027 Capital Improvement Budget in the amount of $44,374,400. This amount to be budgeted for 2027 represents the first year of the Village's five-year Capital Improvement Program, which outlines $226.5 million in planned capital investments over five years to maintain infrastructure, support Village services, and address long-term community needs.

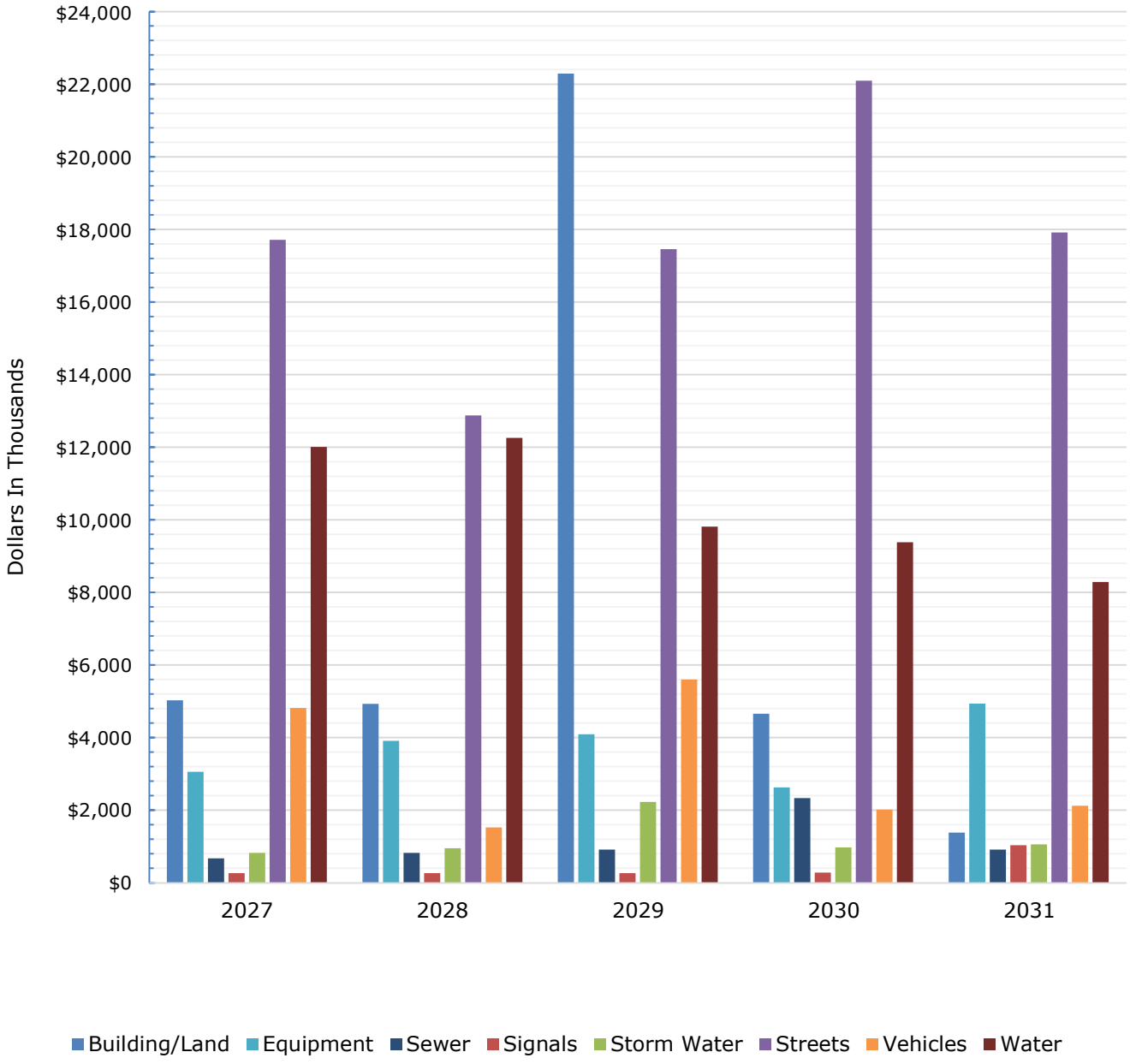
WHERE THE MONEY GOES
CAPITAL EXPENDITURES BY TYPE
FISCAL YEAR 2027



CATEGORY	2027 PROPOSED CIP	%
Buildings & Land	$5,023.6	11.3%
Equipment	3,056.1	6.9%
Sewer	675.0	1.5%
Signals	261.4	0.6%
Storm Water	825.0	1.9%
Streets	17,713.9	39.9%
Vehicles	4,814.4	10.8%
Water	12,005.0	27.1%
Total	**$44,374.4**	**100.0%**

(Shown in Thousands)

VILLAGE OF ARLINGTON HEIGHTS
2027-2031 CAPITAL IMPROVEMENT PROGRAM
SUMMARY BY TYPE



VILLAGE OF ARLINGTON HEIGHTS
2027-2031 CAPITAL IMPROVEMENT PROGRAM
BY TYPE AND PROJECT NAME
(shown in thousands)

Project Name	Project #	2027	2028	2029	2030	2031	Total Project
Building/Land							
Parking Structure Maintenance/Repairs	BL0006	678.0	664.0	855.0	550.0	670.0	3,417.0
TIF IV Redevelopment	BL1605	500.0	1,000.0	-	1,000.0	-	2,500.0
Hickory Kensington TIF District Redevelopment	BL1801	1,500.0	1,500.0	1,500.0	1,500.0	-	6,000.0
Municipal Parking Lot Improvements	BL2102	50.0	175.0	-	50.0	-	275.0
TIF V Redevelopment	BL2103	500.0	500.0	-	-	-	1,000.0
Senior Center Redevelopment	BL2501	-	-	18,115.0	-	-	18,115.0
Municipal Building Security Improvements	BL2603	28.0	25.0	21.0	5.0	5.0	84.0
Metropolis Roof Replacement	BL2604	-	-	205.4	-	-	205.4
Metropolis Bathroom Refurbishment	BL2605	117.6	-	-	-	-	117.6
Metropolis Theater Improvements	BL8001	75.0	75.0	75.0	75.0	75.0	375.0
Overhead Door Replacement	BL9004	95.0	200.0	82.5	500.0	25.0	902.5
Public Works Annex Improvements	BL9302	170.0	50.0	50.0	50.0	50.0	370.0
Building Equipment Replacement	BL9504	365.0	25.0	25.0	30.0	30.0	475.0
Municipal Buildings Refurbishing	BL9505	515.0	80.0	255.0	265.0	50.0	1,165.0
Roof Maintenance Program	BL9506	280.0	512.0	50.0	80.0	357.3	1,279.3
Heating Plant/Air Conditioner Replacement	BL9601	50.0	50.0	350.0	80.0	50.0	580.0
Ongoing Maintenance to Brick Exteriors	BL9603	45.0	45.0	185.0	345.0	45.0	665.0
Historical Society Museum - Building Repairs	BL9604	55.0	25.0	525.0	125.0	25.0	755.0
		5,023.6	**4,926.0**	**22,293.9**	**4,655.0**	**1,382.3**	**38,280.8**
Equipment							
Operational Equipment - Information Technology	EQ0103	150.0	150.0	150.0	150.0	150.0	750.0
Metropolis Theater Capital Equipment	EQ0603	45.0	46.0	47.0	48.0	49.0	235.0
Patrol Vehicle Equipment Replacement Program	EQ0803	96.0	107.0	132.0	47.0	37.0	419.0
Operational Equipment - Municipal Parking Fund	EQ0901	10.0	10.0	10.0	10.0	10.0	50.0
SCADA Enhancements	EQ1525	80.0	30.0	30.0	75.0	75.0	290.0
Pumps & Motor Controls Rehab and Replacement	EQ1530	200.0	350.0	90.0	60.0	70.0	770.0
Body Worn Cams/Dash Cams/TASER/Digital Evidence Storage	EQ2201	653.6	653.6	653.6	653.6	837.0	3,451.4
Electric Vehicle Fleet Upgrades	EQ2203	25.0	25.0	25.0	25.0	25.0	125.0
Lead Service Line Replacement: Capital Equipment/Supplies	EQ2303	116.8	119.1	121.5	123.9	126.4	607.7
Fire Turnout Gear Replacement	EQ2401	136.5	143.5	151.0	159.5	167.5	758.0
Village Hall UPS Battery Backup Replacement	EQ2502	-	-	-	10.0	-	10.0
Emergency Operations Center (EOC)	EQ2601	30.0	960.0	-	-	-	990.0
Parking Kiosks	EQ2602	143.0	-	-	-	-	143.0
Network Attached Storage (NAS) to Modernize Backup Process	EQ2603	15.0	-	-	-	-	15.0
MGP - M365 Shared Services	EQ2604	60.0	-	-	-	-	60.0
Replacement of SCBA Equipment	EQ2605	-	-	1,432.5	-	-	1,432.5
Operational Equipment - Public Works & Engineering	EQ9401	318.7	166.5	194.0	250.0	164.0	1,093.2
Operational Equipment - Police Department	EQ9501	244.0	218.0	210.0	186.0	198.0	1,056.0
Operational Equipment - Fire Department	EQ9502	288.0	507.1	508.5	510.0	230.0	2,043.6
Office Equipment	EQ9503	170.0	57.0	54.0	30.0	32.0	343.0
Operational Equipment - Municipal Fleet Services	EQ9701	60.0	51.0	70.0	75.0	49.5	305.5
IT Equipment Replacement	EQ9708	214.5	314.5	214.5	214.5	214.5	1,172.5
Emergency Generator Upgrades and Replacement	EQ9902	-	-	-	-	2,500.0	2,500.0
		3,056.1	**3,908.3**	**4,093.6**	**2,627.5**	**4,934.9**	**18,620.4**
Sewer							
Backyard Drainage Improvements	SW1102	300.0	300.0	300.0	300.0	300.0	1,500.0
Storm Sewer Rehab/Replacement Program	SW1520	400.0	450.0	500.0	550.0	550.0	2,450.0
Enhanced Overhead Sewer Program	SW1801	85.0	85.0	85.0	85.0	85.0	425.0
Manhole Rehabilitation	SW2004	75.0	75.0	75.0	85.0	85.0	395.0
Stormwater Lift Station Maintenance / Replacement	SW2501	-	75.0	1,300.0	-	80.0	1,455.0
Sanitary Lift Station Maintenance / Replacement	SW2502	-	-	90.0	1,500.0	80.0	1,670.0
Storm Water Facility Maintenance	SW2601	25.0	25.0	25.0	25.0	25.0	125.0
Backyard Drainage Cost Share Program	SW2602	15.0	15.0	15.0	15.0	15.0	75.0
Sewer Rehab/Replacement Program	SW9001	600.0	750.0	750.0	750.0	750.0	3,600.0
		1,500.0	**1,775.0**	**3,140.0**	**3,310.0**	**1,970.0**	**11,695.0**
Signals							
Traffic Signal Maintenance	SG0302	156.4	157.7	159.0	160.3	161.6	795.0
Traffic Signal Replacements	SG2601	25.0	25.0	25.0	30.0	30.0	135.0
Utility Cabinet Replacements	SG2602	80.0	80.0	80.0	90.0	90.0	420.0
Traffic Signal Upgrades - Arlington Heights Road	SG2603	-	-	-	-	750.0	750.0
		261.4	**262.7**	**264.0**	**280.3**	**1,031.6**	**2,100.0**

VILLAGE OF ARLINGTON HEIGHTS
2027-2031 CAPITAL IMPROVEMENT PROGRAM
BY TYPE AND PROJECT NAME
(shown in thousands)

Project Name	Project #	2027	2028	2029	2030	2031	Total Project
Streets							
Street Light Cable Replacement	ST0001	100.0	100.0	100.0	100.0	100.0	500.0
Paver Brick Maintenance	ST0501	100.0	100.0	100.0	100.0	100.0	500.0
Downtown Street Furniture	ST1401	50.0	50.0	50.0	50.0	20.0	220.0
Downtown Streetscape Improvements	ST1535	150.0	-	-	-	-	150.0
Northwest Highway (Rt. 14) Corridor Landscaping Improvements	ST1620	15.0	210.0	25.0	-	-	250.0
Rand Road Corridor Identification Enhancement	ST1720	315.0	-	-	-	-	315.0
Surface Treatment - Streets	ST1802	531.7	511.2	563.7	548.0	466.5	2,621.1
LED Street Lighting Conversions	ST1901	200.0	200.0	200.0	25.0	30.0	655.0
South Arlington Heights Road Corridor	ST1903	500.0	250.0	3,500.0	3,500.0	3,000.0	10,750.0
Bike Plan/Bike Route Pavement Marking	ST1904	25.0	25.0	25.0	25.0	25.0	125.0
Vail Ave Promenade	ST2001	450.0	-	-	-	-	450.0
Weber Dr/Old Wilke Rd Street Reconstruction	ST2102	721.1	-	-	-	-	721.1
Sustainable Bike Plan Improvements	ST2201	10.0	10.0	10.0	10.0	10.0	50.0
Other Sustainable Initiatives	ST2203	25.0	25.0	25.0	25.0	25.0	125.0
Downtown ADA Compliance	ST2301	100.0	500.0	100.0	500.0	100.0	1,300.0
Dryden Avenue Reconstruction	ST2303	369.1	-	553.7	-	1,614.9	2,537.7
Hintz Road Reconstruction	ST2305	-	711.0	-	-	3,000.0	3,711.0
Kennicott Avenue Reconstruction	ST2306	400.0	-	3,000.0	-	-	3,400.0
Thomas Street Resurfacing	ST2307	662.0	994.0	-	7,903.0	-	9,559.0
Windsor Drive Resurfacing	ST2308	1,100.0	-	-	-	-	1,100.0
Self-Assessment for Village ADA Transition Plan	ST2602	100.0	100.0	-	-	-	200.0
Campbell Street Reconstruction	ST2603	5,700.0	-	-	-	-	5,700.0
Street Program	ST9008	5,000.0	5,100.0	5,200.0	5,300.0	5,400.0	26,000.0
Street Rehabilitation Program	ST9009	-	3,000.0	3,000.0	3,000.0	3,000.0	12,000.0
Sidewalk & Curb Replacement	ST9011	700.0	750.0	750.0	750.0	750.0	3,700.0
Pavement Crack Sealing Program	ST9201	225.0	237.0	249.0	261.5	275.0	1,247.5
Green Corridor Beautification	ST9903	165.0	-	-	-	-	165.0
		17,713.9	**12,873.2**	**17,451.4**	**22,097.5**	**17,916.4**	**88,052.4**
Vehicles							
Vehicle and Special Equipment Replacement - Public Works	VH9501	1,644.0	912.3	1,013.0	599.3	560.7	4,729.3
Vehicle and Special Equipment Replacement - Water & Sewer	VH9502	1,216.0	69.0	1,450.1	885.7	560.7	4,181.5
Vehicle Replacement - Police Department	VH9503	215.6	454.0	554.0	469.5	561.8	2,254.9
Vehicle Replacement - Fire Department	VH9504	1,513.4	7.1	2,583.9	62.2	334.7	4,501.3
Vehicle Replacement - Municipal Parking Operations	VH9508	-	36.9	-	-	99.7	136.6
Vehicle Replacement - Building & Life Safety Department	VH9510	38.2	42.1	-	-	-	80.3
Vehicle Replacement - Health & Human Services Department	VH9514	187.2	-	-	-	-	187.2
		4,814.4	**1,521.4**	**5,601.0**	**2,016.7**	**2,117.6**	**16,071.1**
Water							
Water Tank Repainting	WA1101	1,900.0	2,500.0	-	1,000.0	-	5,400.0
Deep Well Rehabilitation	WA1102	60.0	100.0	20.0	17.5	-	197.5
Commercial Meter Replacements	WA2001	400.0	400.0	400.0	400.0	400.0	2,000.0
Risk & Resiliency Plan	WA2101	700.0	350.0	100.0	100.0	50.0	1,300.0
Lead Service Line Replacement: Professional Services	WA2301	3,995.0	3,854.0	4,139.2	2,611.9	2,486.9	17,087.0
Water Valve & Hydrant Replacement Program	WA2501	50.0	50.0	50.0	50.0	50.0	250.0
Lead Service Line Replacement - Rebates	WA2601	200.0	200.0	200.0	200.0	200.0	1,000.0
Watermain Replacement Program	WA9001	4,700.0	4,800.0	4,900.0	5,000.0	5,100.0	24,500.0
		12,005.0	**12,254.0**	**9,809.2**	**9,379.4**	**8,286.9**	**51,734.5**
		44,374.4	**37,520.6**	**62,653.1**	**44,366.4**	**37,639.7**	**226,554.2**

VILLAGE OF ARLINGTON HEIGHTS
2027-2031 CAPITAL IMPROVEMENT PROGRAM
SUMMARY BY YEAR
(in thousands)

CAPITAL SPENDING	ACTUAL 2021	ACTUAL 2022	ACTUAL 2023	ACTUAL 2024	ACTUAL 2025	ESTIMATED ACTUAL 2026	PROP BUDGET 2027	PROP BUDGET 2028	PROP BUDGET 2029	PROP BUDGET 2030	PROP BUDGET 2031	TOTAL 2027-2031
BUILDINGS & LAND	974.4	2,011.5	4,032.8	5,204.5	2,737.4	10,823.5	**5,023.6**	4,926.0	22,293.9	4,655.0	1,382.3	**38,280.8**
EQUIPMENT	1,082.7	2,230.3	3,182.1	3,651.0	3,239.7	3,548.7	**3,056.1**	3,908.3	4,093.6	2,627.5	4,934.9	**18,620.4**
SEWER	398.3	395.2	401.2	201.5	1,226.1	5,219.0	**675.0**	825.0	915.0	2,335.0	915.0	**5,665.0**
SIGNALS	235.3	17.0	126.6	57.4	423.8	1,628.8	**261.4**	262.7	264.0	280.3	1,031.6	**2,100.0**
STORM WATER CONTROL	5,016.2	3,254.2	1,148.6	1,665.6	5,545.5	2,088.0	**825.0**	950.0	2,225.0	975.0	1,055.0	**6,030.0**
STREETS	9,767.5	9,034.3	10,577.2	13,522.9	9,206.4	17,712.2	**17,713.9**	12,873.2	17,451.4	22,097.5	17,916.4	**88,052.4**
VEHICLES	1,080.4	619.2	1,596.0	3,696.9	6,284.6	7,947.9	**4,814.4**	1,521.4	5,601.0	2,016.7	2,117.6	**16,071.1**
WATER	4,113.6	4,396.2	6,690.5	10,959.6	11,600.3	17,014.7	**12,005.0**	12,254.0	9,809.2	9,379.4	8,286.9	**51,734.5**
TOTAL CAPITAL SPENDING	**22,668.4**	**21,957.9**	**27,755.0**	**38,959.3**	**40,263.8**	**65,982.8**	**44,374.4**	**37,520.6**	**62,653.1**	**44,366.4**	**37,639.7**	**226,554.2**

CAPITAL FUNDING	ACTUAL 2021	ACTUAL 2022	ACTUAL 2023	ACTUAL 2024	ACTUAL 2025	ESTIMATED ACTUAL 2026	PROP BUDGET 2027	PROP BUDGET 2028	PROP BUDGET 2029	PROP BUDGET 2030	PROP BUDGET 2031	TOTAL 2027-2031
Capital Projects Fund	6,675.6	7,769.8	8,116.4	14,685.9	8,062.6	18,693.2	**14,416.2**	13,486.9	33,595.5	18,948.6	11,905.4	**92,352.6**
Motor Fuel Tax Fund	3,911.9	2,689.7	4,388.5	4,417.9	3,969.4	4,300.8	**5,856.4**	3,157.7	3,159.0	3,160.3	6,161.6	**21,495.0**
Storm Water Control Fund	5,016.2	3,254.1	1,148.6	1,665.6	5,545.5	2,088.0	**875.0**	950.0	2,225.0	975.0	1,055.0	**6,080.0**
Water & Sewer Fund	4,867.9	5,105.6	6,793.0	9,406.8	11,383.1	14,817.8	**9,007.5**	9,625.0	6,650.0	9,167.5	9,363.3	**43,813.3**
Lead Service Line Replacement Fund	0.0	0.0	570.8	2,230.9	1,226.4	7,482.7	**4,311.8**	4,173.1	4,460.7	2,935.8	2,813.3	**18,694.7**
Municipal Parking Operations Fund	205.0	126.7	1,404.1	342.2	1,305.5	1,725.6	**886.0**	679.0	920.0	615.0	685.0	**3,785.0**
Fleet Operations Fund	1,110.2	619.2	1,403.9	3,696.9	6,284.6	7,947.9	**4,814.4**	1,521.4	5,901.0	2,016.7	2,117.6	**16,371.1**
Arts, Entertainment & Events Fund	72.9	69.3	210.7	235.1	234.3	599.1	**237.6**	121.0	327.4	123.0	124.0	**933.0**
Technology Fund	246.8	905.8	1,192.8	1,205.5	688.7	296.2	**289.5**	314.5	214.5	224.5	214.5	**1,257.5**
TIF IV Fund 263	495.9	0.0	0.0	0.0	0.0	5,935.0	**665.0**	1,000.0	0.0	1,000.0	0.0	**2,665.0**
TIF V Fund 264	0.0	1,354.5	1,251.6	204.3	430.9	472.6	**815.0**	500.0	0.0	0.0	0.0	**1,315.0**
TIF HK Fund 266	0.0	0.0	954.9	730.7	2.2	0.0	**1,500.0**	1,500.0	1,500.0	1,500.0	0.0	**6,000.0**
TIF S AH Rd Fund 267	54.5	57.4	42.8	114.8	1,028.6	1,375.9	**500.0**	250.0	3,500.0	3,500.0	3,000.0	**10,750.0**
Criminal Investigations Fund	11.5	5.8	276.9	22.8	101.9	248.0	**200.0**	242.0	200.0	200.0	200.0	**1,042.0**
TOTAL CAPITAL FUNDING	**22,668.4**	**21,957.9**	**27,755.0**	**38,959.3**	**40,263.8**	**65,982.8**	**44,374.4**	**37,520.6**	**62,653.1**	**44,366.4**	**37,639.7**	**226,554.2**

SUMMARY OF TOTAL STREET EXPENSES AND BUDGETS
STREET PAVEMENT STUDY RECOMMENDS $8.5 MILLION PER YEAR (2016 DOLLARS)
2018 THROUGH 2031

FUND	DESCRIPTION	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 ACTUAL	2024 ACTUAL	2025 ACTUAL	2026 EST. ACTUAL	2027 BUDGET	2028 BUDGET	2029 BUDGET	2030 BUDGET	2031 BUDGET
GENERAL	IN-HOUSE PAVING PROGRAM*	$ 460,000	$ 460,000	$ 460,000	$ 460,000	$ 513,000	$ 518,000	$ 503,000	$ 528,200	$ 554,600	$ 582,300	$ 611,400	$ 642,000
GENERAL	ROADWAY PATCHING PROGRAM**	550,000	550,000	550,000	550,000	492,500	492,500	572,500	600,600	630,600	662,200	695,300	730,000
	OPERATIONS SUBTOTAL	$ 1,010,000	$ 1,010,000	$ 1,010,000	$ 1,010,000	$ 1,005,500	$ 1,010,500	$ 1,075,500	$ 1,128,800	$ 1,185,200	$ 1,244,500	$ 1,306,700	$ 1,372,000
CAPITAL PROJECTS FUND	STREET PROGRAM***	$ 3,141,665	$ 4,186,013	$ 4,914,395	$ 4,272,419	$ 7,569,197	$ 3,356,296	$ 9,744,200	$ 8,252,200	$ 6,805,000	$ 8,753,700	$ 13,203,000	$ 7,014,900
CAPITAL PROJECTS FUND	PAVEMENT CRACK SEALING PROGRAM	200,000	200,000	2,000	200,000	200,000	200,000	225,000	225,000	237,000	249,000	261,500	275,000
CAPITAL PROJECTS FUND	SURFACE TREATMENT	132,011	131,092	309,200	266,560	382,063	330,000	400,000	531,700	511,200	563,700	548,000	466,500
	SUBTOTAL	$ 3,473,676	$ 4,517,105	$ 5,225,595	$ 4,738,979	$ 8,151,260	$ 3,886,296	$ 10,369,200	$ 9,008,900	$ 7,553,200	$ 9,566,400	$ 14,012,500	$ 7,756,400
MFT	STREET REHABILITATION PROGRAM****:	$ 2,283,396	$ 3,785,036	$ 2,645,641	$ 4,290,916	$ 4,360,578	$ 3,618,867	$ 4,145,700	$ 5,700,000	$ 3,000,000	$ 3,000,000	$ 3,000,000	$ 6,000,000
	CIP SUBTOTAL	$ 5,757,072	$ 8,302,141	$ 7,871,236	$ 9,029,895	$ 12,511,838	$ 7,505,163	$ 14,514,900	$ 14,708,900	$ 10,553,200	$ 12,566,400	$ 17,012,500	$ 13,756,400
	TOTAL STREET CAPITAL & MAINT. BUDGET	**$ 6,767,072**	**$ 9,312,141**	**$ 8,881,236**	**$ 10,039,895**	**$ 13,517,338**	**$ 8,515,663**	**$ 15,590,400**	**$ 15,837,700**	**$ 11,738,400**	**$ 13,810,900**	**$ 18,319,200**	**$ 15,128,400**

*New in-house paving/edge grinding program in PW initiated in FY2013 AT $300K.
**An additional $200k of funding for the roadway patching program began in 2016. This is covered by an annual $200k transfer to the General Fund from the SWANCC Fund.
***Reduction in program in 2020 due to transfer of property taxes to General Fund during COVID19 pandemic.
****Received $4.9m grant starting in 2020 to support temporary additional efforts.

DEBT SUMMARY

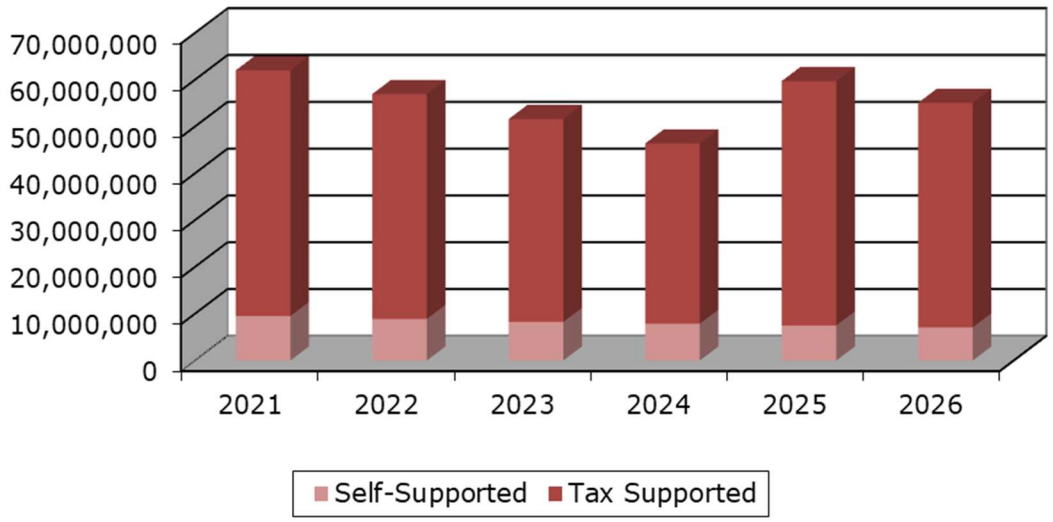
OVERVIEW AND DEBT FINANCING PRINCIPLES

The Village of Arlington Heights has historically taken a conservative approach to debt financing. The goal of the Village's debt policy is to maintain the ability to provide high quality essential village services in a cost-effective manner. Policy makers weigh this goal against maintaining the ability to borrow at the lowest possible rates. The Village has used the following guidelines before financing projects with long-term debt:

- Staff conservatively projects the revenue sources to pay off the debt.
- The financing of the improvement will not exceed its useful life.
- The benefits of the improvement must outweigh its costs, including the interest costs of financing.

Through the application of these guidelines, the Village Board tests any demand on debt financing. Furthermore, the Village uses debt only to provide financing for essential and necessary capital projects. The chart below shows a brief history of the Village's outstanding bond debt.

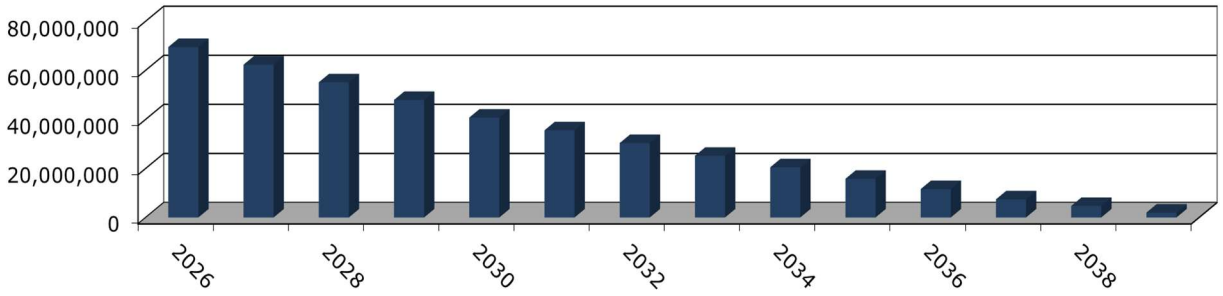
VILLAGE OF ARLINGTON HEIGHTS
Outstanding Bond Debt (Principal Only)
Fiscal Years Ending 2021 through 2026



DEBT SUMMARY

The Village will continue paying down its debt aggressively over the next few years as is shown below:

Total Principal & Interest Outstanding
2026 through 2039
Includes Self-Supported (Storm Sewer) and Tax Supported Debt



LEGAL DEBT MARGIN

The Village is a home rule municipality.

> Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin.
>
> "The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property:..(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: …Indebtedness which is outstanding on the effective day (July, 1971) of this Constitution or which is thereafter approved by referendum…shall not be included in the foregoing percentage amounts."

To date the General Assembly has set no limits for home rule municipalities.

TYPES OF VILLAGE DEBT

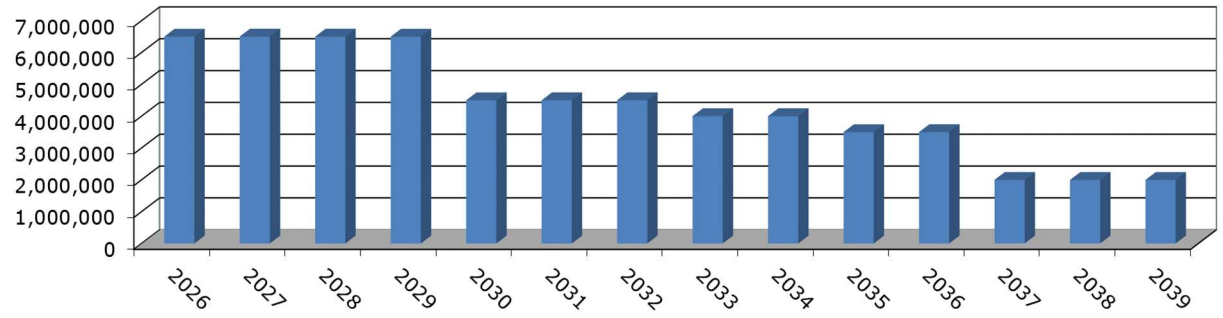
The Village's general obligation bond rating is Aa1 from Moody's Investors Service. A general obligation bond has the full faith and credit of the Village pledged. The general obligation alternate revenue bonds, which are a pledge of a specific revenue source, (i.e., utility taxes, sales taxes, water revenues) and a tax levy, carry the same rating. However, all other types of debt instruments are of a lesser credit quality and therefore have higher relative interest rates. An approximate ranking is as follows:

General Obligation/General Obligation Alternate Revenue
Water and Sewer Revenue
Installment Contract
Special Service Area
Special Assessment

DEBT SUMMARY

The chart below will help us visualize and manage our annual tax supported debt service:

Tax Supported Debt Service Payments by Fiscal Year
2026 Through 2039



CONCLUSION

The Village issues new debt only after careful consideration of the benefits of the capital project being financed and a conservative analysis of the revenue sources required to pay off the debt. By following these practices and by monitoring the total debt burden, the Village has been able to maintain a high bond rating, which equates to lower interest costs. The Village's overall financial health is good, and by following sound financial and management policies, the Village's Board and staff will emphasize continued efforts toward maintaining and improving the Village's financial performance in the coming years.

The schedules on the following page provide summaries of outstanding bond issues and future debt service requirements.

DEBT SUMMARY

SUMMARY OF OUTSTANDING BOND ISSUES

AS OF December 31, 2025

ISSUE	PURPOSE	AMOUNT ISSUED	MATURITY DATE	PRINCIPAL OUTSTANDING
2016 G. O. Police Station Bonds	Design and build new police station	32,900,000	12/1/2036	21,455,000
2018 G. O. Storm Sewer Bonds	Improvement of storm sewer infrastructure	9,530,000	12/1/2038	7,080,000
2019 G. O. Refunding Bonds	Partial Refunding of 2011 Refunding Bonds	7,985,000	12/1/2026	1,245,000
2020 G. O. Water Main, St., Parking Bonds	Water Main replacement, street and parking infrastructure	13,700,000	12/1/2030	6,835,000
2024 G. O. Lead Service & Capital	Lead Service Lines replacement, parking infrastructure, 5th ambulance	18,755,000	12/1/2039	18,445,000
TOTAL ALL BONDS				**55,060,000**

ANNUAL DEBT SERVICE REQUIREMENTS

(PRINCIPAL AND INTEREST)

ISSUE	FUNDING SOURCE	2022 ACTUAL	2023 ACTUAL	2024 BUDGET	2025 BUDGET	2026 BUDGET
2012A Partial Refunding of 2004 Public Bldg	Property Tax	1,402,500	0	0	0	**0**
2016 Police Building	Property Tax	2,535,150	2,422,300	2,451,400	2,378,300	**2,420,900**
2019 Partial Refunding of 2011 Partial Refunding	Property Tax	1,039,250	2,552,250	2,523,000	1,794,800	**1,307,300**
2020 Water Main, Streets, & Parking	Property Tax	1,521,800	1,523,400	1,523,200	996,200	**943,400**
2024 Lead Service & Capital	Property Tax	0	0	0	1,327,200	**1,823,500**
SUBTOTAL - PROPERTY TAX		6,498,700	6,497,950	6,497,600	6,496,500	**6,495,100**
2010 Refunding of 2002A NWCDS Building	Northwest Central Dispatch Rent	289,100	0	0	0	**0**
2018 Storm Sewer Improvements	Storm Water Utility Fee	692,300	692,900	689,200	689,700	**694,200**
SUBTOTAL - OPERATING REVENUE		981,400	692,900	689,200	689,700	**694,200**
TOTAL		7,480,100	7,190,850	7,186,800	7,186,200	**7,189,300**

CAPITAL PROJECTS FUND

2027 Key Projects

1.	Annual Street Program	$5,000,000
	Annual Street Program – *Grant-related projects*	
a.	Weber Dr/Old Wilke Street Reconstruction	$721,100
b.	Dryden Avenue Reconstruction	$369,100
c.	Kennicott Avenue Reconstruction	$400,000
d.	Thomas Street Resurfacing	$662,000
e.	Windsor Drive Resurfacing	$1,100,000
	Total Street Program	$8,252,200
2.	Sidewalk & Curb Replacement	$700,000
3.	Surface Treatment	$531,700

Key Information

1. The Village's spending on street expenses is funded through three funds: General Fund, Motor Fuel Tax Fund, and Capital Projects Fund. As identified through a pavement study, at least $8.5 million in annual spending is necessary to maintain our streets in "good" condition. Total roadway spending is projected for 2027 to be $15.8 million with nearly $9.5 million from the Capital Projects Fund including Sidewalk & Curb Replacements and Surface Treatments.

2. The ongoing Sidewalk Program is for the replacement and refurbishment of a portion of the Village's sidewalk system on an annual basis.

3. The ongoing Surface Treatment Program is for the application of asphalt emulsions to preserve asphalt street pavements and extend the life of the pavement.

CAPITAL PROJECTS FUND (401)

5 YEAR CAPITAL IMPROVEMENT PROGRAM (CIP)

ACCOUNT DESCRIPTION	Pg#	PROJ	2024 ACTUAL	2025 ACTUAL	2026 ESTIMATED ACTUAL	2026 BUDGET	2027 BUDGET	2028 BUDGET	2029 BUDGET	2030 BUDGET	2031 BUDGET
REVENUES											
TAXES - PROPERTY TAXES			5,622,336	5,672,816	5,800,000	5,800,000	**6,000,000**	6,000,000	6,000,000	6,000,000	6,000,000
HOME RULE SALES TAX			2,494,394	3,090,607	3,200,000	2,666,700	**3,300,000**	3,425,000	3,545,000	3,650,000	3,760,000
GRANTS			2,059,809	0	1,397,000	590,000	**108,000**	401,500	0	0	0
INTEREST INCOME			1,556,454	1,205,474	1,100,000	1,100,000	**1,100,000**	1,100,000	1,100,000	1,060,000	1,060,000
OTHER			16,009	91,280	0	0	**0**	0	0	0	0
BOND PROCEEDS			20,571,984	797,157	0	0	**0**	0	20,000,000	0	0
REIMBURSEMENTS			0	0	2,520,000	0	**0**	0	0	4,000,000	0
TRANSFER IN FROM GENERAL FUND			500,000	3,550,000	0	0	**0**	0	0	0	0
TRANSFER IN FROM SWANCC FUND			300,000	300,000	300,000	300,000	**300,000**	300,000	300,000	300,000	300,000
TOTAL REVENUES			33,120,986	14,707,335	14,317,000	10,456,700	**10,808,000**	11,226,500	30,945,000	15,010,000	11,120,000
EXPENDITURES											
OPERATING EXPENDITURES											
Contractual Services	-		113,100	120,000	120,000	120,000	**0**	0	0	0	0
SUBTOTAL - OPERATING EXPENDITURES			113,100	120,000	120,000	120,000	**0**	0	0	0	0
BUILDING & LAND											
Overhead Door Replacement	4	BL9004	25,047	35,430	42,500	42,500	**47,500**	100,000	82,500	500,000	25,000
Public Works Annex Improvements	5	BL9302	8,622	10,012	10,000	10,000	**95,000**	20,000	20,000	20,000	20,000
Building Equipment Replacement	6	BL9504	53,474	83,952	70,000	70,000	**365,000**	25,000	25,000	30,000	30,000
Municipal Buildings Refurbishing	7	BL9505	182,170	197,233	478,000	478,029	**515,000**	80,000	255,000	265,000	50,000
Roof Maintenance Program	8	BL9506	3,221,407	524,183	793,200	793,189	**280,000**	512,000	35,000	80,000	289,000
Heating Plant/Air Conditioner Replacement	9	BL9601	84,855	545	994,500	994,456	**50,000**	50,000	50,000	80,000	50,000
Ongoing Maintenance to Brick Exteriors	10	BL9603	35,000	38,549	40,000	40,000	**40,000**	40,000	130,000	340,000	40,000
Historical Society Museum - Building Repairs	11	BL9604	92,540	12,743	50,000	50,000	**55,000**	25,000	525,000	125,000	25,000
Police Station - Architect	-	BL1601	0	0	124,000	123,967	**0**	0	0	0	0
Municipal Parking Lot Improvements	12	BL2102	64,643	45,000	175,000	175,000	**0**	175,000	0	0	0
Electric Vehicle Charging	-	BL2201	0	0	0	38,000	**0**	0	0	0	0
Senior Center Rehab	13	BL2501	0	0	0	0	**0**	0	18,115,000	0	0
Municipal Building Security Improvements	14	BL2603	0	0	0	0	**28,000**	25,000	21,000	5,000	5,000
SUBTOTAL - BLDG & LAND			3,767,758	947,647	2,777,200	2,815,141	**1,475,500**	1,052,000	19,258,500	1,445,000	534,000
EQUIPMENT											
Operational Equipment - Public Works	15	EQ9401	333,917	118,956	103,500	103,500	**163,700**	91,500	109,000	165,000	74,000
Operational Equipment - Police Department	18	EQ9501	69,727	0	85,000	85,000	**144,000**	98,000	110,000	86,000	98,000
Operational Equipment - Fire Department	21	EQ9502	794,035	509,259	309,700	331,739	**288,000**	507,100	508,500	510,000	230,000
Office Equipment	24	EQ9503	72,521	132,032	115,000	115,000	**155,000**	42,000	39,000	15,000	17,000
Operational Equipment - Municipal Fleet Services	27	EQ9701	60,937	90,720	56,000	56,000	**60,000**	51,000	70,000	75,000	49,500
Operational Equipment - Information Technology	29	EQ0103	109,198	114,758	150,000	150,000	**150,000**	150,000	150,000	150,000	150,000
Patrol Vehicle Equipment Replacement Program	30	EQ0803	92,213	51,758	115,000	115,000	**96,000**	85,000	132,000	47,000	37,000
Body Worn Cams/Dash Cams/TASERs/Digital Evidence	31	EQ2201	257,877	266,135	456,300	456,300	**553,600**	553,600	553,600	553,600	737,000
Electric Vehicle Fleet Upgrades	32	EQ2203	0	19,035	25,000	25,000	**25,000**	25,000	25,000	25,000	25,000
Flock Safety LPR	-	EQ2301	15,000	0	0	0	**0**	0	0	0	0
Fire Turnout Gear Replacement Program	33	EQ2401	89,850	157,490	132,900	132,900	**136,500**	143,500	151,000	159,500	167,500
Emergency Operations Center (EOC)	34	EQ2601	0	0	0	0	**30,000**	960,000	0	0	0
Replacement of SCBA Equipment	35	EQ2605	0	0	0	0	**0**	0	1,432,500	0	0
SUBTOTAL - EQUIPMENT			1,895,275	1,460,142	1,548,400	1,570,439	**1,801,800**	2,706,700	3,280,600	1,786,100	1,585,000
SIGNALS											
Algonquin and New Wilke Intersection Improvement	-	SG1701	0	0	846,900	846,900	**0**	0	0	0	0
Pedestrian / Bicycle Crossing - Lake Cook / Wilke Rd	-	SG1801	0	3,279	0	0	**0**	0	0	0	0
Kensington Road at Waterman Avenue Traffic Signal	-	SG2301	0	70,000	626,800	600,000	**0**	0	0	0	0
Traffic Signal Replacements	36	SG2601	0	0	0	0	**25,000**	25,000	25,000	30,000	30,000
Utility Cabinet Replacements	37	SG2602	0	0	0	0	**80,000**	80,000	80,000	90,000	90,000
Traffic Signal Upgrades - Arlington Heights Road	38	SG2603	0	0	0	0	**0**	0	0	0	750,000
SUBTOTAL - SIGNALS			0	73,279	1,473,700	1,446,900	**105,000**	105,000	105,000	120,000	870,000
STREETS											
Street Program	39	ST9008	6,359,318	3,030,940	5,140,400	5,140,414	**5,000,000**	5,100,000	5,200,000	5,300,000	5,400,000
Weber Dr/Old Wilke Rd Street Reconstruction	40	ST2102	0	0	0	653,485	**721,100**	0	0	0	0
Wilke Road Resurfacing & Multi-Use Path Ext.	-	ST2103	1,229,531	53,399	290,900	290,947	**0**	0	0	0	0
Dryden Avenue Reconstruction	41	ST2303	0	0	60,000	60,000	**369,100**	0	553,700	0	1,614,900
Euclid Avenue Resurfacing	-	ST2304	(33,328)	171,622	2,711,700	2,711,659	**0**	0	0	0	0
Hintz Road Reconstruction	42	ST2305	0	43,624	484,300	484,301	**0**	711,000	0	0	0
Kennicott Avenue Reconstruction (Contingency List	43	ST2306	0	56,711	798,900	798,862	**400,000**	0	3,000,000	0	0
Thomas Street Resurfacing (Partial Funding)	44	ST2307	0	0	0	0	**662,000**	994,000	0	7,903,000	0
Windsor Drive Resurfacing	45	ST2308	0	0	258,000	258,000	**1,100,000**	0	0	0	0
Wilke-Kirchhoff Barrier Safety Project	-	ST2309	13,676	0	0	0	**0**	0	0	0	0
Street Program Subtotal			7,569,197	3,356,296	9,744,200	10,397,668	**8,252,200**	6,805,000	8,753,700	13,203,000	7,014,900
Sidewalk & Curb Replacement	46	ST9011	550,000	600,000	650,000	650,000	**700,000**	750,000	750,000	750,000	750,000
Pavement Crack Sealing Program	47	ST9201	200,000	200,000	225,000	225,000	**225,000**	237,000	249,000	261,500	275,000
Street Light Cable Replacement	48	ST0001	19,335	19,619	20,000	20,000	**100,000**	100,000	100,000	100,000	100,000
Paver Brick Maintenance	49	ST0501	26,020	130,719	100,000	100,000	**100,000**	100,000	100,000	100,000	100,000
Downtown Street Furniture	50	ST1401	10,000	18,600	20,000	95,000	**50,000**	50,000	50,000	50,000	20,000
Downtown Streetscape Improvements	51	ST1535	0	0	0	150,000	**150,000**	0	0	0	0
Northwest Hwy (Rt. 14) Corridor Landscaping Impr	52	ST1620	39,101	23,235	15,000	15,000	**15,000**	210,000	25,000	0	0
Rand Road Corridor Identification Enhancement	-	ST1720	42,604	15,556	412,000	460,007	**0**	0	0	0	0
Downtown Outdoor Living Room	-	ST1725	20,000	0	0	20,000	**0**	0	0	0	0
Kensington Road & Multi Use Path Improvements	-	ST1801	0	46,224	0	0	**0**	0	0	0	0
Surface Treatment - Streets	53	ST1802	382,063	330,000	400,000	400,000	**531,700**	511,200	563,700	548,000	466,500
LED Street Light Conversions	54	ST1901	64,090	63,250	64,000	64,000	**200,000**	200,000	200,000	25,000	30,000
South Arlington Heights Road Corridor	-	ST1903	6,150	0	0	8,201	**0**	0	0	0	0
Bike Plan/Bike Route Pavement Marking	55	ST1904	15,841	(5,000)	20,000	20,000	**25,000**	25,000	25,000	25,000	25,000
Vail Promenade	56	ST2001	38,622	113,560	36,300	36,324	**450,000**	0	0	0	0
Windsor Drive Road Diet	-	ST2101	23,092	0	0	0	**0**	0	0	0	0
Sustainable Bike Plan Improvements	57	ST2201	0	24,890	95,100	95,110	**10,000**	10,000	10,000	10,000	10,000
Other Sustainable Initiatives	58	ST2203	0	0	0	0	**25,000**	25,000	25,000	25,000	25,000
Downtown ADA Compliance	59	ST2301	16,757	567,107	593,800	593,799	**100,000**	500,000	100,000	500,000	100,000
Downtown Entry Features	-	ST2401	0	77,500	18,500	18,500	**0**	0	0	0	0
Multi-Use Path in ComED ROW	-	ST2501	0	0	480,000	480,000	**0**	0	0	0	0
Self-Assessment for Village ADA Transition Plan	60	ST2602	0	0	0	0	**100,000**	100,000	0	0	0
SUBTOTAL - STREETS			9,022,872	5,581,557	12,893,900	13,848,609	**11,033,900**	9,623,200	10,951,400	15,597,500	8,916,400
TOTAL CAPITAL EXPENDITURES			14,685,905	8,062,624	18,693,200	19,681,089	**14,416,200**	13,486,900	33,595,500	18,948,600	11,905,400
Bond Issuance Costs	-		123,460	0	0	0	**0**	0	0	0	0
OPERATING TRANSFER OUT											
Bond Proceeds - Water & Sewer Fund	-		5,000,000	0	0	0	**0**	0	0	0	0
Bond Proceeds - Lead Service Line Replacement	-		11,000,000	5,000,000	0	0	**0**	0	0	0	0
Bond Proceeds - Municipal Parking Fund	-		2,000,000	0	0	0	**0**	0	0	0	0
Bond Proceeds - Fleet Fund	-		0	448,000	0	0	**0**	0	0	0	0
OPERATING TRANSFER OUT Subtotal	-		18,000,000	5,448,000	0	0	**0**	0	0	0	0
OPERATING CONTINGENCY	-		0	0	0	200,000	**0**	0	0	0	0

CAPITAL PROJECTS FUND (401)

5 YEAR CAPITAL IMPROVEMENT PROGRAM (CIP)

ACCOUNT DESCRIPTION	Pg#	PROJ	2024 ACTUAL	2025 ACTUAL	2026 ESTIMATED ACTUAL	2026 BUDGET	2027 BUDGET	2028 BUDGET	2029 BUDGET	2030 BUDGET	2031 BUDGET
TOTAL EXPENDITURES			32,922,465	13,630,624	18,813,200	20,001,089	**14,416,200**	13,486,900	33,595,500	18,948,600	11,905,400
BEGINNING FUND BALANCE			21,404,182	21,602,703	22,679,414	22,679,414	**18,183,214**	14,575,014	12,314,614	9,664,114	5,725,514
REVENUES OVER (UNDER) EXPENDITURES			198,521	1,076,711	(4,496,200)	(9,544,389)	**(3,608,200)**	(2,260,400)	(2,650,500)	(3,938,600)	(785,400)
ENDING FUND BALANCE			21,602,703	22,679,414	18,183,214	13,135,024	**14,575,014**	12,314,614	9,664,114	5,725,514	4,940,114
Fund Balance as a Percent of Expenditures							**101%**	**91%**	**29%**	**30%**	**41%**

PROJECTS WITH SECOND FUND SOURCE AND/OR FUNDED WITH GRANTS

Overhead Door Replacement	BL9004	Ongoing program partially funded with Water & Sewer Fund revenue.
Public Works Annex Improvements	BL9302	Ongoing program partially funded with Water & Sewer Fund revenue.
Municipal Buildings Refurbishing	BL9505	Ongoing program also funded with Fleet Fund revenue.
Roof Maintenance Program	BL9506	Ongoing program also funded with Water & Sewer Fund revenue.
Ongoing Maintenance to Brick Exteriors	BL9603	Ongoing program partially funded with Parking Fund revenue.
Operational Equipment - Public Works	EQ9401	Ongoing program partially funded with Water & Sewer Fund revenue.
Operational Equipment - Police Department	EQ9501	Ongoing program partially funded with Criminal Investigation Fund revenue.
Patrol Vehicle Equipment Replacement Program	EQ0803	Ongoing program partially funded with Criminal Investigation Fund revenue.
Traffic Signal Imprv at Northwest Hwy/Wilke	SG0802	80% of the right-of-way portion of the project - grant through NWMC amounting to $651,941.
Pedestrian / Bicycle Crossing - Lake Cook / Wilke Rd	SG1801	Portions of this project are funded by the Capital Projects Fund, "Invest in Cook" Funding, and TAPL Grant from CMAP.
Rand Road Corridor Identification Enhancement	ST1720	Program partially funded from the TIF V Fund revenue.
Weber Dr/Old Wilke Rd Street Reconstruction	ST2102	Portions of this project are funded by the Capital Projects Fund, Federal STP Grant, and the City of Rolling Meadows.
Wilke Road Resurfacing & Multi-Use Path Ext.	ST2103	Portions of this project are funded by the Capital Projects Fund, Federal STP Grant, and the City of Rolling Meadows.
Arthur Avenue Reconstruction	ST2302	Portions of this project are funded by the Capital Projects Fund and Federal STP Grant.
Dryden Avenue Reconstruction	ST2303	Portions of this project are funded by the Capital Projects Fund and Federal STP Grant.
Euclid Avenue Resurfacing	ST2304	Portions of this project are funded by the Capital Projects Fund, Federal STP Grant, and Cook County.
Hintz Road Reconstruction	ST2305	Portions of this project are funded by the Capital Projects Fund, Motor Fuel Tax Fund, and Federal STP Grant.
Kennicott Avenue Reconstruction (contingency list)	ST2306	Portions of this project are funded by the Capital Projects Fund and is on a contingency list for a Federal STP Grant.
Thomas Street Resurfacing (contingency list)	ST2307	Portions of this project are funded by the Capital Projects Fund and is on a contingency list for a Federal STP Grant.
Windsor Drive Resurfacing	ST2308	Portions of this project are funded by the Capital Projects Fund and is on a contingency list for a Federal STP Grant.

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Overhead Door Replacement
TYPE:	Building/Land
PROJECT #:	BL9004
ACCOUNT #:	401-7101-550200-
PROJECT STRINGS:	BL9004-BUILDING-MAINT
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Various Municipal Buildings
DESCRIPTION:	Replace and repair damaged and deteriorated overhead doors throughout all Village buildings. Main Overhead Doors: Police 4, Fire Stations 26, Public Works 15
JUSTIFICATION:	Public Works provides the maintenance and replacement for 45 main overhead doors, 39 secondary overhead doors, and 3 access gates. Replacement of overhead doors at Village facilities.
COMMENTS:	Ongoing, active program. 2026: Overhead door repairs at Village Facilities 2027: Overhead door repairs at Village Facilities 2028: Replacement of OH doors at PW facilities 2029: Replacement of OH doors at Police facilities 2030: Complete Replacement of OH doors at FS2 2031: Overhead door repairs at Village facilities

FUND SOURCE:	Capital Projects	Water & Sewer	
Orig. Budg. 2026:	42.5K	42.5K	0.0K
Rev. Budg. 2026:	42.5K	42.5K	0.0K
Est. Act. 2026:	42.5K	42.5K	0.0K
Projected Budg. 2027:	47.5K	47.5K	0.0K
Projected Budg. 2028:	100.0K	100.0K	0.0K
Projected Budg. 2029:	82.5K	0.0K	0.0K
Projected Budg. 2030:	500.0K	0.0K	0.0K
Projected Budg. 2031:	25.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	755.0K	147.5K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 902.5K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Public Works Annex Improvements
TYPE:	Building/Land
PROJECT #:	BL9302
ACCOUNT #:	401-7101-550200-
PROJECT STRINGS:	BL9302-BUILDING-MAINT
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	2101 E. Davis Street (Old Treatment Plant Site)
DESCRIPTION:	Miscellaneous work to upgrade site and existing building for use by Public Works and Engineering Department as a general equipment and materials storage site. Provide drainage, paving, erosion control, security and lighting improvements. The addition of a Police evidence facility has been discussed and was added due to long term storage needs.
JUSTIFICATION:	Improve and maintain site usage and characteristics for material storage, handling, separation to comply with environmental regulations.
COMMENTS:	Ongoing, active program. ($20k/$30k) 2027: Replacement annex storage tent ($20k), Annex site improvements ($100k) 2028: Regular maintenance, Material handling 2029: Regular maintenance, Material handling 2030: Regular maintenance, Material handling 2031: Regular maintenance, Material handling

FUND SOURCE:	Capital Projects	Water & Sewer	
Orig. Budg. 2026:	10.0K	19.0K	0.0K
Rev. Budg. 2026:	10.0K	33.1K	0.0K
Est. Act. 2026:	10.0K	33.1K	0.0K
Projected Budg. 2027:	95.0K	75.0K	0.0K
Projected Budg. 2028:	20.0K	30.0K	0.0K
Projected Budg. 2029:	20.0K	30.0K	0.0K
Projected Budg. 2030:	20.0K	30.0K	0.0K
Projected Budg. 2031:	20.0K	30.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	175.0K	195.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 370.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Building Equipment Replacement
TYPE:	Building/Land
PROJECT #:	BL9504
ACCOUNT #:	401-7101-550200-
PROJECT STRINGS:	BL9504-BUILDING-MAINT
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Various Municipal Buildings
DESCRIPTION:	Ongoing replacement of various building equipment and other miscellaneous equipment reaching end of useful life.
JUSTIFICATION:	Eliminate emergency repairs to old equipment and minimize disruption to employees and general public. Immediate needs are $20,000 per year in addition to scheduled projects.
COMMENTS:	Ongoing, active program. 2026: Imm. Needs ($20k), VH ejector pit ($50k) 2027: Imm. Needs ($20k), FS#1 Tankless hot water heater ($130k), VH fire alarm panel ($150k), Train Station Automated Door Lock System ($65k) 2028: Immediate Needs ($25k) 2029: Immediate Needs ($25k) 2030: Immediate Needs ($30k) 2031: Immediate Needs ($30k)

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	70.0K	0.0K	0.0K
Rev. Budg. 2026:	70.0K	0.0K	0.0K
Est. Act. 2026:	70.0K	0.0K	0.0K
Projected Budg. 2027:	365.0K	0.0K	0.0K
Projected Budg. 2028:	25.0K	0.0K	0.0K
Projected Budg. 2029:	25.0K	0.0K	0.0K
Projected Budg. 2030:	30.0K	0.0K	0.0K
Projected Budg. 2031:	30.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	475.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 475.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Municipal Buildings Refurbishing
TYPE:	Building/Land
PROJECT #:	BL9505
ACCOUNT #:	401-7101-550200-
PROJECT STRINGS:	BL9505-BUILDING-MAINT
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Various Municipal Buildings - Ongoing active program.
DESCRIPTION:	Ongoing maintenance projects to renovate various areas in municipal buildings, including carpet replacement, upgrading electrical systems, asbestos removal, wall finishes, etc.
JUSTIFICATION:	Maintain operational areas in good condition and periodically replace carpeting and other fixtures to provide for better working conditions relating to employee health and safety.
COMMENTS:	Annual ongoing program = $30k 2026: Police painting/carpet ($120k); FS#2 Bathrooms Update ($50k), FLT garage ceiling paint ($30k), VH 2nd Flr carpet ($225k); 2027: FS#4 garage/flooring ($80k), VH 3rd Flr carpet ($225k), PW/Fleet locker room/bathroom improvements ($180k); 2028: Gun Range Wall Replacement ($50k) 2029: FS#1 kitchen ($125k), PW kitchen ($100k) 2030: FS#1 Workout Rm Expansion ($85k), FS#3 Bay Floor ($100k), FS#4 Basement Bathroom Remodel ($50k) 2031: Annex Bathroom Update ($20k)

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	445.0K	0.0K	0.0K
Rev. Budg. 2026:	478.0K	0.0K	0.0K
Est. Act. 2026:	478.0K	0.0K	0.0K
Projected Budg. 2027:	515.0K	0.0K	0.0K
Projected Budg. 2028:	80.0K	0.0K	0.0K
Projected Budg. 2029:	255.0K	0.0K	0.0K
Projected Budg. 2030:	265.0K	0.0K	0.0K
Projected Budg. 2031:	50.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	1,165.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 1,165.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Roof Maintenance Program
TYPE:	Building/Land
PROJECT #:	BL9506
ACCOUNT #:	401-7101-550200-
PROJECT STRINGS:	BL9506-BUILDING-MAINT
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Various Municipal Buildings
DESCRIPTION:	Ongoing maintenance and replacement program for roofing systems of all municipal buildings, including coping and parapet repairs.
JUSTIFICATION:	Maintain weather tightness of buildings to prevent structural and equipment damage.
COMMENTS:	Immediate Needs = $20k annually 2026: Fire training tower/fall protection ($303k) 2027: FS#2 slope ($260k), 2028: VH slope ($450k), FS#2 center ($42k) 2029: Utility Pump Station ($15K) 2030: Lower PW Roof ($60k) 2031: PW Pump House ($69K) Fire Station #3 ($200K)

FUND SOURCE:	Capital Projects	Water & Sewer	
Orig. Budg. 2026:	323.0K	0.0K	0.0K
Rev. Budg. 2026:	793.2K	0.0K	0.0K
Est. Act. 2026:	793.2K	0.0K	0.0K
Projected Budg. 2027:	280.0K	0.0K	0.0K
Projected Budg. 2028:	512.0K	0.0K	0.0K
Projected Budg. 2029:	35.0K	15.0K	0.0K
Projected Budg. 2030:	80.0K	0.0K	0.0K
Projected Budg. 2031:	289.0K	68.3K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	1,196.0K	83.3K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 1,279.3K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Heating Plant/Air Conditioner Replacement
TYPE:	Building/Land
PROJECT #:	BL9601
ACCOUNT #:	401-7101-550200-
PROJECT STRINGS:	BL9601-BUILDING-MAINT
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Various Municipal Buildings
DESCRIPTION:	Replace aging and non-functioning equipment with more efficient, modern equipment. Also will allow for upgrade to meet new EPA regulations on CFC type Freon.
JUSTIFICATION:	The age of heating plants in a number of buildings indicates that the anticipation of major repair/replacement of these plants with more efficient, modern equipment would be beneficial at this time. Many existing air conditioners are reaching the end of their service life and should be scheduled for replacement. This will reduce the power loads on the circuits they are on, which will improve electrical loading. Also, some units still contain CFC type Freon and should be changed to avoid possible EPA violations, should they fail.
COMMENTS:	Annual ongoing program = $50k annually. 2026: Village Hall 4th Flr Dry Cooler Unit ($85k), Mini Split System in Fleet ($30k), VH Large Chiller and Controls($650k); 2029: Fleet boiler ($300k) 2030: Utility Area Air-Handler ($30k) 2031: Ongoing needs

FUND SOURCE:	Capital Projects	Fleet	
Orig. Budg. 2026:	815.0K	0.0K	0.0K
Rev. Budg. 2026:	994.5K	0.0K	0.0K
Est. Act. 2026:	994.5K	0.0K	0.0K
Projected Budg. 2027:	50.0K	0.0K	0.0K
Projected Budg. 2028:	50.0K	0.0K	0.0K
Projected Budg. 2029:	50.0K	300.0K	0.0K
Projected Budg. 2030:	80.0K	0.0K	0.0K
Projected Budg. 2031:	50.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	280.0K	300.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 580.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Ongoing Maintenance to Brick Exteriors
TYPE:	Building/Land
PROJECT #:	BL9603
ACCOUNT #:	401-7101-550200-
PROJECT STRINGS:	BL9603-BUILDING-MAINT
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Various Municipal Buildings
DESCRIPTION:	To survey and make necessary repairs to the brick-and-mortar exterior of municipal buildings throughout the Village.
JUSTIFICATION:	Costs to repair brick exterior walls are greatly reduced when damage is found early. This ongoing program will greatly extend life of the walls and allow for early identification of trouble locations.
COMMENTS:	Ongoing, active program ($40k, 5k). 2028: Beginning to repair issues related to tuck-pointing, caulking, and other general maintenance on hard-scape, coping stones, and Village Facilities; 2029: Tuck-pointing, caulking, and other maintenance on hard-scape, coping stones, at Village Facilities ($40k), Limestone repairs at train station ($50k), and ramp at VH ($50k) 2030: VH Sealant Repairs ($300k) 2031: Ongoing Repairs

FUND SOURCE:	Capital Projects	Parking	
Orig. Budg. 2026:	40.0K	5.0K	0.0K
Rev. Budg. 2026:	40.0K	5.0K	0.0K
Est. Act. 2026:	40.0K	5.0K	0.0K
Projected Budg. 2027:	40.0K	5.0K	0.0K
Projected Budg. 2028:	40.0K	5.0K	0.0K
Projected Budg. 2029:	130.0K	55.0K	0.0K
Projected Budg. 2030:	340.0K	5.0K	0.0K
Projected Budg. 2031:	40.0K	5.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	590.0K	75.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 665.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Historical Society Museum - Building Repairs
TYPE:	Building/Land
PROJECT #:	BL9604
ACCOUNT #:	401-7101-550200-
PROJECT STRINGS:	BL9604-BUILDING-MAINT
STATUS:	Active
PRIORITY:	Essential
DEPARTMENT:	Public Works & Engineering
LOCATION:	Historical Society Museum Complex
DESCRIPTION:	To allow for timely repairs of problems found at the museum buildings, including roof, brick walls, electrical systems, windows, etc.
JUSTIFICATION:	Due to age of buildings, even the simplest repair can have major impact if delayed. These funds will allow us to address both known problems and unforeseen difficulties.
COMMENTS:	Ongoing, active program = $25k annually. 2026: Alarm Panel, Security Alarm ($25k); 2027: Coach House Structure, Stairwell Repairs ($30k); 2029: Blasting & structural repairs to Muller House ($500k) 2030: Banta House Foundation Repairs ($100k) 2031: Regular Maintenance

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	50.0K	0.0K	0.0K
Rev. Budg. 2026:	50.0K	0.0K	0.0K
Est. Act. 2026:	50.0K	0.0K	0.0K
Projected Budg. 2027:	55.0K	0.0K	0.0K
Projected Budg. 2028:	25.0K	0.0K	0.0K
Projected Budg. 2029:	525.0K	0.0K	0.0K
Projected Budg. 2030:	125.0K	0.0K	0.0K
Projected Budg. 2031:	25.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	755.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 755.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Municipal Parking Lot Improvements
TYPE:	Building/Land
PROJECT #:	BL2102
ACCOUNT #:	401-7101-550200-
PROJECT STRINGS:	BL2102-BUILDING-CONSTRUCT-CPF
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Various Village Surface Parking Lots
DESCRIPTION:	For improvements at various Village owned parking lots.
JUSTIFICATION:	
COMMENTS:	2026: Old Metra Station Lot $175K CPF 2027: Lot "E" $50K PRK; 2028: Fire Station #3 $175k CPF 2030: Surface Lot Improvements $50k PRK

FUND SOURCE:	Parking	Capital Projects	
Orig. Budg. 2026:	0.0K	175.0K	0.0K
Rev. Budg. 2026:	0.0K	175.0K	0.0K
Est. Act. 2026:	0.0K	175.0K	0.0K
Projected Budg. 2027:	50.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	175.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	50.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	100.0K	175.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 275.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Senior Center Redevelopment
TYPE:	Building/Land
PROJECT #:	BL2501
ACCOUNT #:	401-7001-550200-
PROJECT STRINGS:	BL2501-BUILDING-CONSTRUCT-CPF
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Health & Human Services
LOCATION:	Senior Center, 1801 W Central Rd
DESCRIPTION:	In February 2021, the Village retained the services of a consultant to conduct a needs assessment and feasibility study to pursue a space utilization, modernization, and programming plan.
JUSTIFICATION:	With an aging population and a facility needing improvements, it is important to redevelop the Senior Center to maintain its relevance for future generations.
COMMENTS:	

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	18,115.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	18,115.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 18,115.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Municipal Building Security Improvements
TYPE:	Building/Land
PROJECT #:	BL2603
ACCOUNT #:	401-7101-550200-
PROJECT STRINGS:	BL2603-BUILDING-CONTRUCT-CPF
STATUS:	New
PRIORITY:	Essential
DEPARTMENT:	Public Works & Engineering
LOCATION:	Village-owned Buildings
DESCRIPTION:	Installation and renovations needed to make necessary security improvements at Village facilities.
JUSTIFICATION:	Updates are needed to improve the security around Municipal Buildings with items such as cameras, mirrors, glass partitions, automatic locks, etc. to ensure employee safety in and around municipal buildings.
COMMENTS:	2027: Remaining 1st Floor - $23,000; 2028: 2nd Floor - $20,000; 2029: 3rd Floor - $16,000; Baseline for immediate security needs - $5,000 each year.

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	28.0K	0.0K	0.0K
Projected Budg. 2028:	25.0K	0.0K	0.0K
Projected Budg. 2029:	21.0K	0.0K	0.0K
Projected Budg. 2030:	5.0K	0.0K	0.0K
Projected Budg. 2031:	5.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	84.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 84.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Operational Equipment - Public Works & Engineering
TYPE:	Equipment
PROJECT #:	EQ9401
ACCOUNT #:	401-7101-550150-
PROJECT STRINGS:	EQ9401-EQUIP-OPSPW
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Public Works Operations
DESCRIPTION:	Purchase of various equipment needing to be replaced on as-needed basis at end of useful life and acquisition of additional equipment needed to conduct operations.
JUSTIFICATION:	Replacement schedules have not been developed for equipment with short lives or unpredictable use such as chain saws, trash pumps, rollers, tampers and similar items. Anticipates average needs for these items, but actual costs vary every budget year as needs are assessed and determined.
COMMENTS:	

FUND SOURCE:	Capital Projects	Water & Sewer	
Orig. Budg. 2026:	103.5K	274.5K	0.0K
Rev. Budg. 2026:	103.5K	274.5K	0.0K
Est. Act. 2026:	103.5K	274.5K	0.0K
Projected Budg. 2027:	163.7K	155.0K	0.0K
Projected Budg. 2028:	91.5K	75.0K	0.0K
Projected Budg. 2029:	109.0K	85.0K	0.0K
Projected Budg. 2030:	165.0K	85.0K	0.0K
Projected Budg. 2031:	74.0K	90.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	603.2K	490.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 1,093.2K

Public Works & Eng. Operational Equipment - EQ9401

EQ9401-EQUIP-OPSPW
401-7101-550150

Budget	**2026**	1	Forestry | Snow blowers	2,000	
		2	Forestry | Hydroseeder 500 Gal	20,000	
		3	Traffic | Emergency Siren Upgrades	10,000	
		4	Traffic | Street Light Cabinet	12,000	
		5	Traffic | UPS Upgrades for Traffic Signals	10,000	
		6	Traffic | Traffic Detection Upgrades	10,000	
		7	Street | Hot Box Patchers (1)	25,000	
		8	Engineering | GIS Equipment	4,000	
		9	Engineering | Tech and Surveying Equipment	5,000	
		10	Engineering | Office Color Copier/Printer	5,500	
				Subtotal	**$ 103,500**
Projected	**2027**	1	Forestry | Chainsaws	4,000	
		2	Forestry | Gator Bags	10,500	
		3	Engineering | Technical and Surveying Equipment	5,000	
		4	Engineering | AutoCAD Autodesk Software	10,000	
		5	Traffic | UPS Upgrades For Traffic Signals	10,000	
		6	Traffic | Vehicle Detection Upgrades	10,000	
		7	Traffic I Mobile Traffic Signal Trailer	40,000	
		8	Maintenance I Traffic Control Supplies	20,000	
		9	Streets | MultiHog Sidewalk Attachment	45,000	
		10	Streets | Winter Maint. Liquid Deicer Pumps (2)	6,600	
		11	Streets | Winter Main. Traffic Camera	2,600	
				Subtotal	**$ 163,700**
Projected	**2028**	1	Building Maintenance | Lathe and Mill	3,500	
		2	Forestry | Snow Blowers	3,000	
		3	Traffic | UPS Upgrades	10,000	
		4	Traffic | Vehicle Detection Upgrades	10,000	
		5	Maintenance I Traffic Control Supplies	20,000	
		6	Maintenance I PW Yard Tent	20,000	
		7	Engineering | Drone Replacement	15,000	
		8	Engineering | GIS & Technical Equipment Repl.	10,000	
				Subtotal	**$ 91,500**
Projected	**2029**	1	Building Maintenance | Fitness Equipment Updates	10,000	
		2	Forestry | Chainsaws	4,000	
		3	Traffic | UPS Upgrades	10,000	
		4	Maintenance I Traffic Control Supplies	25,000	
		5	Traffic | Vehicle Detection Upgrades	10,000	
		6	Traffic I Mobile Traffic Signal Trailer	40,000	
		7	Engineering | GIS & Technical Equipment Repl.	10,000	
				Subtotal	**$ 109,000**

Public Works & Eng. Operational Equipment - EQ9401

EQ9401-EQUIP-OPSPW
401-7101-550150

Projected	**2030**	1	Building Maintenance | Storage Woodshop Upgrades	50,000	
		2	Forestry | Chainsaws	4,000	
		3	Streets | Hot Box Patchers (2)	50,000	
		4	Traffic | UPS Upgrades	10,000	
		5	Traffic | Vehicle Detection Upgrades	10,000	
		6	Maintenance I Traffic Control Supplies	25,000	
		7	Engineering | GIS & Technical Equipment Repl.	7,500	
		8	Engineering | Large Format Inkjet Printer	8,500	
				Subtotal	**$ 165,000**
Projected	**2031**	1	Forestry | Chainsaws	4,000	
		2	Traffic | UPS Upgrades	10,000	
		3	Traffic | Vehicle Detection Upgrades	10,000	
		4	Engineering | GIS & Technical Equipment Repl.	10,000	
		5	Maintenance I Traffic Control Supplies	25,000	
		6	Streets | Weather Stations & Cameras	15,000	
				Subtotal	**$ 74,000**
			Total Public Works & Engineering Operational Equipment		**$ 603,200**

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Operational Equipment - Police Department
TYPE:	Equipment
PROJECT #:	EQ9501
ACCOUNT #:	401-3001-550150-
PROJECT STRINGS:	EQ9501-EQUIP-OPSPOL-CPF
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Police
LOCATION:	Arlington Heights Police Department - 200 E. Sigwalt Street
DESCRIPTION:	Purchase of various equipment needing to be replaced on as-needed basis at end of useful life and acquisition of additional equipment needed to conduct operations.
JUSTIFICATION:	Replace police operational equipment at end of useful life.
COMMENTS:	The Police Department amended future CIP projections based on the useful life of safety response equipment and medical supplies for replacement in addition to the ongoing radio, speed enforcement equipment, audio/visual technology needs.

FUND SOURCE:	Capital Projects	Criminal Investigation	
Orig. Budg. 2026:	85.0K	100.0K	0.0K
Rev. Budg. 2026:	85.0K	100.0K	0.0K
Est. Act. 2026:	85.0K	100.0K	0.0K
Projected Budg. 2027:	144.0K	100.0K	0.0K
Projected Budg. 2028:	98.0K	120.0K	0.0K
Projected Budg. 2029:	110.0K	100.0K	0.0K
Projected Budg. 2030:	86.0K	100.0K	0.0K
Projected Budg. 2031:	98.0K	100.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	536.0K	520.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 1,056.0K

Police Operational Equipment - EQ9501

Police

EQ9501-EQUIP-OPSPOL-CPF / EQ9501-EQUIP-OPSPOL-CIF

401-3001-550150 / 231-3003-540110

Budget	**2026**	Capital Projects Fund			
		1 Mobile Radios & Peripherals	28,000		
		2 Audio/Visual Technology Updates	12,000		
		3 Weapons Replacements	12,000		
		4 LPR Cameras (11)	33,000		
			CPF Subtotal	**$**	**85,000**
		Criminal Investigation Fund			
		1 Police Equipment	100,000		
			CIF Subtotal	**$**	**100,000**
			Subtotal	**$**	**185,000**
Projected	**2027**	Capital Projects Fund			
		1 Mobile Radios & Peripherals	28,000		
		2 Audio/Visual Technology Updates	12,000		
		3 Safety Response Equipment	36,000		
		4 Automated External Defibrillator / Medical Kits	68,000		
			CPF Subtotal	**$**	**144,000**
		Criminal Investigation Fund			
		1 Police Equipment	100,000		
			CIF Subtotal	**$**	**100,000**
			Subtotal	**$**	**244,000**
Projected	**2028**	Capital Projects Fund			
		1 Mobile Radios & Peripherals	32,000		
		2 Audio/Visual Technology Updates	12,000		
		3 Traffic Calming Technology	18,000		
		4 Safety Response Equipment	36,000		
			CPF Subtotal	**$**	**98,000**
		Criminal Investigation Fund			
		1 K9 Acquisition	20,000		
		2 Police Equipment	100,000		
			CIF Subtotal	**$**	**120,000**
			Subtotal	**$**	**218,000**
Projected	**2029**	Capital Projects Fund			
		1 Mobile Radios & Peripherals	32,000		
		2 Camera Equipment	15,000		
		3 Drone Equipment Replacement	27,000		
		4 Safety Response Equipment	36,000		
			CPF Subtotal	**$**	**110,000**
		Criminal Investigation Fund			
		1 Police Equipment	100,000		
			CIF Subtotal	**$**	**100,000**
			Subtotal	**$**	**210,000**

Police Operational Equipment - EQ9501

Police

EQ9501-EQUIP-OPSPOL-CPF / EQ9501-EQUIP-OPSPOL-CIF

401-3001-550150 / 231-3003-540110

Projected	**2030**	Capital Projects Fund			
		1 Mobile Radios & Peripherals	32,000		
		2 Traffic Calming Technology	18,000		
		3 Safety Response Equipment	36,000		
			CPF Subtotal	**$**	**86,000**
		Criminal Investigation Fund			
		1 Police Equipment	100,000		
			CIF Subtotal	**$**	**100,000**
			Subtotal	**$**	**186,000**
Projected	**2031**	Capital Projects Fund			
		1 Mobile Radios & Peripherals	32,000		
		2 Audio/Visual Technology Updates	12,000		
		3 Traffic Calming Technology	18,000		
		4 Safety Response Equipment	36,000		
			CPF Subtotal	**$**	**98,000**
		Criminal Investigation Fund			
		1 Police Equipment	100,000		
			CIF Subtotal	**$**	**100,000**
			Subtotal	**$**	**198,000**
			Total Capital Projects Fund	**$**	**536,000**
			Total Criminal Investigation Fund	**$**	**520,000**
			Total Police Operational Equipment	**$**	**1,056,000**

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Operational Equipment - Fire Department
TYPE:	Equipment
PROJECT #:	EQ9502
ACCOUNT #:	401-3501-550150-
PROJECT STRINGS:	EQ9502-EQUIP-OPSFIRE
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Fire
LOCATION:	Fire Stations
DESCRIPTION:	Purchase of various equipment needing to be replaced on as-needed basis at end of useful life.
JUSTIFICATION:	Replace Fire operational equipment at end of useful life.
COMMENTS:	

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	173.5K	0.0K	0.0K
Rev. Budg. 2026:	331.7K	0.0K	0.0K
Est. Act. 2026:	309.7K	0.0K	0.0K
Projected Budg. 2027:	288.0K	0.0K	0.0K
Projected Budg. 2028:	507.1K	0.0K	0.0K
Projected Budg. 2029:	508.5K	0.0K	0.0K
Projected Budg. 2030:	510.0K	0.0K	0.0K
Projected Budg. 2031:	230.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	2,043.6K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 2,043.6K

Fire Operational Equipment

EQ9502-EQUIP-OPSFIRE
401-3501-550150

Budget	**2026**	1	New Vehicle Equipment	95,000	
		2	Thermal Imaging Camera Replacement (3)	24,000	
		3	SCUBA Tanks and Dry Suits	39,500	
		4	AED Replacements (5)	15,000	
		5	Encumbrance Rollovers	36,239	
		6	New Vehicle Equipment-Rebudget	56,000	
		7	Seagrave Restoration-Rebudget	22,000	
		8	Special Teams Equipment-Rebudget	44,000	
				Subtotal	**$ 331,739**
Projected	**2027**	1	IV Power Pumps (6)	12,000	
		2	AED Replacements (10)	30,000	
		3	Equipment for New Engine	37,500	
		4	Radio Package (Eng, Pub Ed, Hazmat)	30,000	
		5	Motorized Stair Chairs (2)	35,000	
		6	Dive Drysuits	12,500	
		7	Compressor Maintenance	14,000	
		8	Tower 1 ALS Equipment Monitor	60,000	
		9	Training Equipment Prop - Forcible Entry	17,000	
		10	Pub Ed Vehicle Lights and Graphics	20,000	
		11	Hazmat Vehicle Lights and Graphics	20,000	
				Subtotal	**$ 288,000**
Projected	**2028**	1	TRT Equipment Replacement	15,000	
		2	Rotary Saws	22,600	
		3	LUCAS CPR Device	28,000	
		4	EMS Training Mannequins	40,000	
		5	Thermal Imaging Camera Replacement	24,000	
		6	Equipment for New Ambulance (incl Knox Safe)	20,000	
		7	Dive Drysuits	13,000	
		8	Radio Package (Amb, Dive Squad)	20,000	
		9	Training Equipment Prop - Fixed Roof Simulator	14,500	
		10	CRR Fire Safety Simulator	295,000	
		11	Hazmat Monitors / Level B Suit Replacement	15,000	
				Subtotal	**$ 507,100**
Projected	**2029**	1	LUCAS CPR Device	30,000	
		2	Equipment for New Engine	40,000	
		3	EMS Intubation/CPR Training Devices	30,000	
		4	Thermal Imaging Camera Replacement	24,000	
		5	Equipment for New Squads	75,000	
		6	Lighting and Radios for Staff Vehicle	30,000	
		7	Burn Tower Maintenance, Storage Containers	110,000	
		8	Dive Drysuits	13,000	
		9	Radio Package (Eng, 2 Rescue Squads)	50,000	
		10	Training Prop - Mannequins	16,500	
		11	Hazmat Monitors	15,000	
		12	Department Scheduling Software	75,000	
				Subtotal	**$ 508,500**

Fire Operational Equipment

EQ9502-EQUIP-OPSFIRE
401-3501-550150

Projected	**2030**	1	Lighting and Radios for Staff Vehicle	30,000	
		2	TRT Equipment Replacement	20,000	
		3	Gear Extractor Replacement	240,000	
		4	Thermal Imaging Camera Replacement	25,000	
		5	Dive Drysuits / Surface Air Line Replacement	30,000	
		6	Training Room AV Upgrades	150,000	
		7	Hazmat Equipment Replacement	15,000	
				Subtotal	**$ 510,000**
Projected	**2031**	1	Station Compressor Replacement - 2	175,000	
		2	Thermal Imaging Camera Replacement	25,000	
		3	Hazmat Equipment Replacement	15,000	
		4	Dive Drysuits	15,000	
				Subtotal	**$ 230,000**
				Total Fire Operational Equipment	**$ 2,043,600**

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Office Equipment		
TYPE:	Equipment		
PROJECT #:	EQ9503		
ACCOUNT #:	401-****-550100-		
PROJECT STRINGS:	EQ9503-EQUIP-OFC****		
STATUS:	Active		
PRIORITY:	Maintenance/Replacement		
DEPARTMENT:	Finance		
LOCATION:	Various Municipal Buildings		
DESCRIPTION:	Ongoing replacement program for office equipment, office machines, office furniture, and similar items.		
JUSTIFICATION:	Replace equipment and furniture at end of useful life.		
COMMENTS:			
FUND SOURCE:	Capital Projects	Water & Sewer	
Orig. Budg. 2026:	85.0K	15.0K	
Rev. Budg. 2026:	115.0K	15.0K	
Est. Act. 2026:	115.0K	15.0K	
Projected Budg. 2027:	155.0K	15.0K	
Projected Budg. 2028:	42.0K	15.0K	
Projected Budg. 2029:	39.0K	15.0K	
Projected Budg. 2030:	15.0K	15.0K	
Projected Budg. 2031:	17.0K	15.0K	
Unspecified Budg.:	0.0K	0.0K	
Total Projected Budg:	268.0K	75.0K	0.0K
	TOTAL FUTURE COST (IN THOUSANDS):		343.0K

Office Equipment - EQ9503

EQ9503-EQUIP-*

401-****-550100 / 505-7201-550100

Budget	**2026**	Finance			
		1 Ongoing Replacements	20,000		
		Police			
		1 Office Copiers/Furniture	15,000		
		Fire			
		1 Fire Admin Furniture Replacement	50,000		
		2 Sta 3/4 Training Room Furniture	25,000		
		Health & Human Services			
		1 Conference Room	5,000		
			CPF Subtotal	**$**	**115,000**
		Public Works-Water Utility			
		1 Ongoing Replacements	15,000		
			WTR Subtotal	**$**	**15,000**
			Subtotal	**$**	**130,000**
Projected	**2027**	VMO			
		1 Village Hall Equipment/Furniture	15,000		
		Finance			
		1 Ongoing Replacements	20,000		
		Police			
		1 Office Copiers/Furniture	15,000		
		Fire			
		1 Misc Furniture/Office Equipment	20,000		
		2 Replace Admin Copier	10,000		
		3 Station Furniture	55,000		
		4 Bunkroom Furniture	20,000		
			CPF Subtotal	**$**	**155,000**
		Public Works-Water Utility			
		1 Ongoing Replacements	15,000		
			WTR Subtotal	**$**	**15,000**
			Subtotal	**$**	**170,000**
Projected	**2028**	Human Resources			
		1 Replacement Copier	7,000		
		Police			
		1 Office Furniture	5,000		
		Fire			
		1 Misc Furniture/Office Equipment	10,000		
		2 Bunkroom Furniture	20,000		
			CPF Subtotal	**$**	**42,000**
		Public Works-Water Utility			
		1 Ongoing Replacements	15,000		
			WTR Subtotal	**$**	**15,000**
			Subtotal	**$**	**57,000**

Office Equipment - EQ9503

EQ9503-EQUIP-*

401-****-550100 / 505-7201-550100

Projected	**2029**	Police			
		1 Office Furniture	5,000		
		Fire			
		1 Misc Furniture/Office Equipment	10,000		
		2 Bunkroom Furniture	24,000		
			CPF Subtotal	**$**	**39,000**
		Public Works-Water Utility			
		1 Ongoing Replacements	15,000		
			WTR Subtotal	**$**	**15,000**
			Subtotal	**$**	**54,000**
Projected	**2030**	Police			
		1 Office Furniture	5,000		
		Fire			
		1 Misc Furniture/Office Equipment	10,000		
			CPF Subtotal	**$**	**15,000**
		Public Works-Water Utility			
		1 Ongoing Replacements	15,000		
			WTR Subtotal	**$**	**15,000**
			Subtotal	**$**	**30,000**
Projected	**2031**	Police			
		1 Office Furniture	5,000		
		Fire			
		1 Misc Furniture/Office Equipment	12,000		
			CPF Subtotal	**$**	**17,000**
		Public Works-Water Utility			
		1 Ongoing Replacements	15,000		
			WTR Subtotal	**$**	**15,000**
			Subtotal	**$**	**32,000**
			Total Capital Projects Fund	**$**	**268,000**
			Total Water & Sewer Fund	**$**	**75,000**
			Total Office Equipment	**$**	**343,000**

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Operational Equipment - Municipal Fleet Services
TYPE:	Equipment
PROJECT #:	EQ9701
ACCOUNT #:	401-7501-550150-
PROJECT STRINGS:	EQ9701-EQUIP-OPSPW
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	L.A. Hanson Public Works Center - 222 N. Ridge Avenue
DESCRIPTION:	Purchase of various items not listed on capital replacement schedules but needing to be replaced on as-needed basis at end of useful life. Also includes acquisition of additional equipment needed to conduct operations.
JUSTIFICATION:	Replacement schedules have not been developed for equipment with short lives or unpredictable use. Anticipates average needs for these items, but actual costs vary every budget year as needs are assessed and determined.
COMMENTS:	

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	56.0K	0.0K	0.0K
Rev. Budg. 2026:	56.0K	0.0K	0.0K
Est. Act. 2026:	56.0K	0.0K	0.0K
Projected Budg. 2027:	60.0K	0.0K	0.0K
Projected Budg. 2028:	51.0K	0.0K	0.0K
Projected Budg. 2029:	70.0K	0.0K	0.0K
Projected Budg. 2030:	75.0K	0.0K	0.0K
Projected Budg. 2031:	49.5K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	305.5K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 305.5K

Fleet Services Operational Equipment - EQ9701

EQ9701-EQUIP-OPSPW
401-7501-550150

Budget	**2026**	1	CNC Plasma Table	35,000	
		2	Diagnostic Tools	5,000	
		3	Modular Storage for Stockroom	6,000	
		4	Alarm for Storeroom	10,000	
				Subtotal	**$ 56,000**
Projected	**2027**	1	Two Post Vehicle Lift	20,000	
		2	Diagnostic Tools	10,000	
		3	Storeroom Shelving - 18"	10,000	
		4	Vertical Bandsaw	10,000	
		5	Exhaust System	10,000	
				Subtotal	**$ 60,000**
Projected	**2028**	1	R1234 A/C machine	11,000	
		2	Diagnostic Tools	10,000	
		3	Storeroom Shelving - 18"	10,000	
		4	Modular Shelving for Squad Car Equipment Installs	15,000	
		5	Battery Chargers, Jump Start packs, and Jacks	5,000	
				Subtotal	**$ 51,000**
Projected	**2029**	1	High Lift Wheel Dolly	25,000	
		2	Diagnostic Tools	10,000	
		3	Pelican Adapter for Wheel Lifts	10,000	
		4	EV Toolkit	20,000	
		5	Battery Chargers, Jump Start packs, and Jacks	5,000	
				Subtotal	**$ 70,000**
Projected	**2030**	1	On Vehicle Brake Lathe for Trucks	25,000	
		2	Hydraulic Cylinder Pin Puller	20,000	
		3	Water Jet	25,000	
		4	Battery Chargers, Jump Start packs, and Jacks	5,000	
				Subtotal	**$ 75,000**
Projected	**2031**	1	Diagnostic Tools	20,000	
		2	Modular Storage for Stockroom	10,000	
		3	Alarm for Storeroom	12,000	
		4	Battery Chargers, Jump Start packs, and Jacks	7,500	
				Subtotal	**$ 49,500**
				Total Operational Equipment Fleet Services	**$ 305,500**

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Operational Equipment - Information Technology
TYPE:	Equipment
PROJECT #:	EQ0103
ACCOUNT #:	401-0601-550150-
PROJECT STRINGS:	EQ0103-EQUIP-OPSIT
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	IT
LOCATION:	Municipal Buildings
DESCRIPTION:	Purchase equipment, software and services necessary for the operation and maintenance of the computer system and network, including GIS applications.
JUSTIFICATION:	New equipment and software is often necessary to keep all systems upgraded and operational. Hardware has a defined support lifecycle and software needs to be updated to maintain security and provide feature updates.
COMMENTS:	

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	150.0K	0.0K	0.0K
Rev. Budg. 2026:	150.0K	0.0K	0.0K
Est. Act. 2026:	150.0K	0.0K	0.0K
Projected Budg. 2027:	150.0K	0.0K	0.0K
Projected Budg. 2028:	150.0K	0.0K	0.0K
Projected Budg. 2029:	150.0K	0.0K	0.0K
Projected Budg. 2030:	150.0K	0.0K	0.0K
Projected Budg. 2031:	150.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	750.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 750.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Patrol Vehicle Equipment Replacement Program
TYPE:	Equipment
PROJECT #:	EQ0803
ACCOUNT #:	401-3001-550150-
PROJECT STRINGS:	EQ0803-EQUIP-OPSPOL-CPF
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Police
LOCATION:	Arlington Heights Police Department - 200 E. Sigwalt Street
DESCRIPTION:	Purchase of replacement equipment necessary to outfit the interior of police vehicles as they have reached the end of useful life. This is an annual plan to improve emergency equipment in marked and unmarked police vehicles.
JUSTIFICATION:	In years past, squad car emergency equipment has been replaced on an as-needed basis which resulted in inconsistent and undesirable variations in squad car configurations. In an effort to achieve fleet uniformity and maximum utilization of warranty protection, the department has moved to scheduled replacement.
COMMENTS:	2027 Budget - Replacement equipment for 9 marked squad cars, including 5 specialty cars. 2028 Budget - Replacement equipment for 10 marked squad cars, including 1 K9 car and 3 specialty cars. 2029 Budget - Replacement equipment for 10 marked squad cars, including 5 specialty cars 2030 Budget - Replacement equipment for 2 marked squad cars. 2031 Budget - Replacement equipment for 1 marked squad car, a specialty transport van, and a specialty trailer.

FUND SOURCE:	Capital Projects	Criminal Investigation	
Orig. Budg. 2026:	115.0K	48.0K	0.0K
Rev. Budg. 2026:	115.0K	48.0K	0.0K
Est. Act. 2026:	115.0K	48.0K	0.0K
Projected Budg. 2027:	96.0K	0.0K	0.0K
Projected Budg. 2028:	85.0K	22.0K	0.0K
Projected Budg. 2029:	132.0K	0.0K	0.0K
Projected Budg. 2030:	47.0K	0.0K	0.0K
Projected Budg. 2031:	37.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	397.0K	22.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 419.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Body Worn Cams/Dash Cams/TASER/Digital Evidence Storage
TYPE:	Equipment
PROJECT #:	EQ2201
ACCOUNT #:	401-3001-550150-
PROJECT STRINGS:	EQ2201-EQUIP-OPSPOL
STATUS:	Active
PRIORITY:	Essential
DEPARTMENT:	Police
LOCATION:	Arlington Heights Police Department - 200 E. Sigwalt Street
DESCRIPTION:	Purchase of body worn cameras for sworn personnel and certain Public Service Officers. Included costs required for this project are docking stations, related hardware, management software, cloud-based data storage, new dash cameras for marked squad cars and body worn cameras for each officer.
JUSTIFICATION:	HB 3653 mandated that the police department have body worn cameras implemented by 2024. The department purchased and implemented the use of body worn cameras and will continue to utilize the statutorily required equipment. The department will maintain a contract with a body worn camera provider to include scheduled camera replacement, data storage, management software, and any necessary hardware. The current contract in place is for FY2026 through FY2030.
COMMENTS:	The estimated cost of the above listed equipment, software, data storage, and a 5-year service contract (FY2026 - FY2030) is $3,170,649.34. A significant portion of this is directly related to the considerable costs associated with cloud-based storage for the massive amount of evidence preserved which is subject to statutory time limits. The budget for 2031 was projected at an increase for the new 5-year contract. 2026 CPF expenditures will be offset by $317,000 and $150,000 grants. Additional funding for future years is being sought out.

FUND SOURCE:	Capital Projects	Criminal Investigation	
Orig. Budg. 2026:	456.3K	100.0K	0.0K
Rev. Budg. 2026:	456.3K	100.0K	0.0K
Est. Act. 2026:	456.3K	100.0K	0.0K
Projected Budg. 2027:	553.6K	100.0K	0.0K
Projected Budg. 2028:	553.6K	100.0K	0.0K
Projected Budg. 2029:	553.6K	100.0K	0.0K
Projected Budg. 2030:	553.6K	100.0K	0.0K
Projected Budg. 2031:	737.0K	100.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	2,951.4K	500.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 3,451.4K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Electric Vehicle Fleet Upgrades
TYPE:	Equipment
PROJECT #:	EQ2203
ACCOUNT #:	401-7101-550600-
PROJECT STRINGS:	EQ2203-EQUIP-OPSPW-CPF
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Throughout Village
DESCRIPTION:	The Village has been exploring opportunities to improve the electric charging infrastructure, and increase the purchasing of electric vehicles where appropriate. This program is designed to help offset the initial cost of an electric vehicle, compared to similar internal combustion engines (ICE).
JUSTIFICATION:	Meets Village Board strategic priority to identify, explore and implement sustainable and green initiatives.
COMMENTS:	$25k annually

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	25.0K	0.0K	0.0K
Rev. Budg. 2026:	25.0K	0.0K	0.0K
Est. Act. 2026:	25.0K	0.0K	0.0K
Projected Budg. 2027:	25.0K	0.0K	0.0K
Projected Budg. 2028:	25.0K	0.0K	0.0K
Projected Budg. 2029:	25.0K	0.0K	0.0K
Projected Budg. 2030:	25.0K	0.0K	0.0K
Projected Budg. 2031:	25.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	125.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 125.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Fire Turnout Gear Replacement
TYPE:	Equipment
PROJECT #:	EQ2401
ACCOUNT #:	401-3501-550150-
PROJECT STRINGS:	EQ2401-EQUIP-OPSFIRE-CPF
STATUS:	Active
PRIORITY:	Essential
DEPARTMENT:	Fire
LOCATION:	Fire Stations
DESCRIPTION:	Purchase of turnout gear needing to be replaced on as-needed basis at end of useful life and acquisition of additional turnout gear needed to conduct operations.
JUSTIFICATION:	Replace Fire turnout gear at end of useful life.
COMMENTS:	

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	126.9K	0.0K	0.0K
Rev. Budg. 2026:	132.9K	0.0K	0.0K
Est. Act. 2026:	132.9K	0.0K	0.0K
Projected Budg. 2027:	136.5K	0.0K	0.0K
Projected Budg. 2028:	143.5K	0.0K	0.0K
Projected Budg. 2029:	151.0K	0.0K	0.0K
Projected Budg. 2030:	159.5K	0.0K	0.0K
Projected Budg. 2031:	167.5K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	758.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 758.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Emergency Operations Center (EOC)
TYPE:	Equipment
PROJECT #:	EQ2601
ACCOUNT #:	401-3001-550150-
PROJECT STRINGS:	EQ2601-EQUIP-OPSPOL-CPF
STATUS:	New
PRIORITY:	Discretionary
DEPARTMENT:	Police
LOCATION:	Arlington Heights Police Department - 200 E. Sigwalt Street
DESCRIPTION:	The Emergency Operations Center (EOC) for the Village serves as a centralized location for strategic coordination, resource allocation, and communication during disasters and major incidents. The EOC would support incident operations in managing information, planning, and logistics at a location separate from the incident and field work.
JUSTIFICATION:	The current Emergency Operations Center (EOC) for the Village of Arlington Heights is approaching the end of serviceable life.
COMMENTS:	The Police Department, with assistance and feedback from public safety partners in the Fire, Public Works / Engineering, and any other departments as needed, will assess current EOC facility and technology infrastructures. Critical EOC components, including physical space, hardware and software, communications, security, and system integrations, will be evaluated to ensure robust operational readiness is maintained and aligns with current best practices. Recommendations will focus on enhancing the Village's ability to effectively coordinate emergency response and recovery operations, further increasing situational awareness and preparedness to support real-time decision-making capabilities of an EOC.

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	30.0K	0.0K	0.0K
Projected Budg. 2028:	960.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	990.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 990.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Replacement of SCBA Equipment
TYPE:	Equipment
PROJECT #:	EQ2605
ACCOUNT #:	401-3501-550150-
PROJECT STRINGS:	EQ2605-EQUIP-OPSFIRE
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Fire
LOCATION:	Fire Stations
DESCRIPTION:	Purchase of replacement Self Contained Breathing Apparatus (SCBA), to include the following components: air packs (70), RIT packs (3), standard bottles (135), extended life bottles (11), and individual masks per firefighter (114).
JUSTIFICATION:	This is the most important piece of safety equipment for a firefighter and per NFPA standards must be replaced every 10 years to ensure safe operation.
COMMENTS:	Current units were purchased in late 2019.

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	1,432.5K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	1,432.5K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 1,432.5K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Traffic Signal Replacements		
TYPE:	Signals		
PROJECT #:	SG2601		
ACCOUNT #:	401-7101-500300-		
PROJECT STRINGS:	SG2601-SIGNALS-MAINT-CPF		
STATUS:	New		
PRIORITY:	Maintenance		
DEPARTMENT:	Public Works & Engineering		
LOCATION:	15 Village-owned intersection locations throughout the Village		
DESCRIPTION:	Replacement of aging traffic signal fixtures and hardware (not poles).		
JUSTIFICATION:	The Village maintains 15 traffic signals within Village limits. The traffic signal fixtures require regular maintenance and replacement once they've reached their useful life. This program proposes the replacement of all the fixtures at two intersections per year over an eight-year period, utilizing in-house staff.		
COMMENTS:			
FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	25.0K	0.0K	0.0K
Projected Budg. 2028:	25.0K	0.0K	0.0K
Projected Budg. 2029:	25.0K	0.0K	0.0K
Projected Budg. 2030:	30.0K	0.0K	0.0K
Projected Budg. 2031:	30.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	135.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 135.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Utility Cabinet Replacements
TYPE:	Signals
PROJECT #:	SG2602
ACCOUNT #:	401-7101-500300-
PROJECT STRINGS:	SG2602-SIGNALS-MAINT-CPF
STATUS:	New
PRIORITY:	Maintenance
DEPARTMENT:	Public Works & Engineering
LOCATION:	Various locations throughout the Village
DESCRIPTION:	Replacement of aging streetlight cabinets, traffic signal cabinets, and tornado siren cabinets.
JUSTIFICATION:	The Village owns and maintains 15 traffic signal cabinets, 12 tornado siren cabinets, and 80 street light cabinets. This represents a systematic program to replace and standardize the sizing of aging streetlight cabinets (SLC), traffic signal cabinets (TS), and tornado siren cabinets (TSC). Each cabinet is estimated to have a 25-year life-expectancy before internal and external improvements are needed. Many of the cabinets are already beyond their useful life. This program proposes replacing 3 to 4 cabinets each year, utilizing in-house staff.
COMMENTS:	2027: $80k 1 TS, 2 SLC, 1 TSC 2028: $80k 2 TS, 2 SLC 2029: $80k 2 SLC, 1 TSC 2030: $90k 2 SLC, 1 TSC 2031: $90k 2 SLC, 1 TSC

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	80.0K	0.0K	0.0K
Projected Budg. 2028:	80.0K	0.0K	0.0K
Projected Budg. 2029:	80.0K	0.0K	0.0K
Projected Budg. 2030:	90.0K	0.0K	0.0K
Projected Budg. 2031:	90.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	420.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 420.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Traffic Signal Upgrades - Arlington Heights Road
TYPE:	Signals
PROJECT #:	SG2603
ACCOUNT #:	401-7101-500300-
PROJECT STRINGS:	SG2301-SIGNALS-CONSTRUCT-CPF
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Arlington Heights Road at Thomas Street, Olive Street, Oakton Street, and Park Street
DESCRIPTION:	Upgraded traffic signal systems and hardware at the four (4) intersections
JUSTIFICATION:	Arlington Heights Road in under IDOT jurisdiction, but the traffic signals at the four (4) intersections are maintained by the Village. The signals need upgrading to meet current standards which will increase visibility, redundancy, and safety.
COMMENTS:	Staff will explore additional funding sources for this project. Seeking grant funding. $750k per intersection beginning in 2031, for a total of $3m.

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	750.0K	0.0K	0.0K
Unspecified Budg.:	2,250.0K	0.0K	0.0K
Total Projected Budg:	3,000.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 3,000.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Street Program
TYPE:	Streets
PROJECT #:	ST9008
ACCOUNT #:	401-7101-550300-
PROJECT STRINGS:	ST9008-STREETS-CONSTRUCT
STATUS:	Active
PRIORITY:	Obligated
DEPARTMENT:	Public Works & Engineering
LOCATION:	Various Locations
DESCRIPTION:	Resurface and reconstruction of existing pavements, repair defective curbs as necessary, and replace defective concrete panels. The Village is required to update all intersections to ADA standards on roadways within the project limits, which can generally cost approximately $20k per intersection.
JUSTIFICATION:	Repair existing deteriorated streets in accordance with Village Board goal of continuing infrastructure repair.
COMMENTS:	This ongoing program of pavement maintenance is coordinated with the pavement management system. Included in this program is professional engineering consultant fees, material and soil consulting, and other peripheral costs associated with the projects.

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	2,625.0K	0.0K	0.0K
Rev. Budg. 2026:	5,140.4K	0.0K	0.0K
Est. Act. 2026:	5,140.4K	0.0K	0.0K
Projected Budg. 2027:	5,000.0K	0.0K	0.0K
Projected Budg. 2028:	5,100.0K	0.0K	0.0K
Projected Budg. 2029:	5,200.0K	0.0K	0.0K
Projected Budg. 2030:	5,300.0K	0.0K	0.0K
Projected Budg. 2031:	5,400.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	26,000.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 26,000.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Weber Dr/Old Wilke Rd Street Reconstruction
TYPE:	Streets
PROJECT #:	ST2102
ACCOUNT #:	401-7101-550300-
PROJECT STRINGS:	ST2102-STREETS-CONSTRUCT
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Weber Dr/Old Wilke Rd from IL 62 (Algonquin Rd) to Central Rd
DESCRIPTION:	Complete roadway reconstruction and ADA modifications. This road is located within the Village of Arlington Heights and the City of Rolling Meadows, with the municipal border running down the centerline of the right-of-way. The Village joined with Rolling Meadows in submitting a request for Federal STP funding through the Northwest Council of Mayors and CMAP. Rolling Meadows will act as the lead local agency to administer the contracts and the project.
JUSTIFICATION:	This project received STP funding with construction programmed for FY2026. Land acquisition issues have resulted in project delays.
COMMENTS:	Phase II 2023: Total Est: $242k, Fed: 99k, VAH/CRM: $143k Phase III 2026: Total Est: $2,594k, Fed: $1,279k, VAH/CRM: $1,315k Phase III Eng: Total Est: $242k, Fed: $116k, VAH/CRM: $126k IGA Executed for both PH II and III, 50/50

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	653.5K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	721.1K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	721.1K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 721.1K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Dryden Avenue Reconstruction
TYPE:	Streets
PROJECT #:	ST2303
ACCOUNT #:	401-7101-550300-
PROJECT STRINGS:	ST2303-STREETS-CONSTRUCT-CPF
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Dryden Avenue between Oakton Street and Windsor Drive
DESCRIPTION:	Reconstruction of Dryden Ave from Oakton St to Windsor Drive.
JUSTIFICATION:	This project was submitted for consideration of Federal Surface Transportation Program - Local (STP-L) funding through the Northwest Municipal Conference. Construction funds have been proposed for 2031.
COMMENTS:	VAH will front Eng costs. IDOT will front construction costs, bill VAH for local share. Year 1: Phase I Eng, total est $369.1k - 100% VAH Year 2: Phase II Eng, total est $553.7k - 100% VAH Year 3: Phase III Con/Con Eng, total est $5,306.1k, 80% Fed, 20% VAH. VAH budget $1,614.9k

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	60.0K	0.0K	0.0K
Rev. Budg. 2026:	60.0K	0.0K	0.0K
Est. Act. 2026:	60.0K	0.0K	0.0K
Projected Budg. 2027:	369.1K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	553.7K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	1,614.9K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	2,537.7K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 2,537.7K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Hintz Road Reconstruction
TYPE:	Streets
PROJECT #:	ST2305
ACCOUNT #:	401-7101-550300-
PROJECT STRINGS:	ST2305-STREETS-CONSTRUCT-CPF
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Hintz Road between Kennicott Avenue and Arlington Heights Road
DESCRIPTION:	Reconstruction of Hintz Road from Kennicott Ave to Arlington Heights Rd
JUSTIFICATION:	This project was submitted for consideration of Federal Surface Transportation Program - Local (STP-L) funding through the Northwest Municipal Conference. Year 1: Awarded 2025, $315k Year 2: Phase II Eng, total est $711k - 100% VAH Year 3: Phase III Const, total est $5.0m - 80% Fed, 20% VAH = $2.2m, Phase III Eng, total est $821k -100% VAH
COMMENTS:	VAH will front Eng costs, get reimbursed by IDOT. IDOT will front construction costs, bill VAH for local share. Secured federal funding of $106,500 for Phase II Engineering design in 2026 will get reprogrammed in 2028. Construction/Phase III Engineering in 2031. Total anticipated construction cost is $2,836,000 using the MFT Fund. $3.0 million in STP funding secured for construction. Up to an additional $2.0m in federal funding will be pursued by staff.

FUND SOURCE:	Capital Projects	Motor Fuel Tax	
Orig. Budg. 2026:	213.0K	0.0K	0.0K
Rev. Budg. 2026:	484.3K	0.0K	0.0K
Est. Act. 2026:	484.3K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	711.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	3,000.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	711.0K	3,000.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 3,711.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Kennicott Avenue Reconstruction
TYPE:	Streets
PROJECT #:	ST2306
ACCOUNT #:	401-7101-550300-
PROJECT STRINGS:	ST2306-STREETS-CONSTRUCT-CPF
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Kennicott Avenue between Hintz Road and Happfield Road
DESCRIPTION:	Reconstruction of Kennicott Avenue from Hintz Road to Happfield Road
JUSTIFICATION:	This project was submitted for consideration of Federal Surface Transportation Program - Local (STP-L) funding through the Northwest Municipal Conference.
COMMENTS:	VAH responsible for Eng costs. IDOT will front construction costs and bill VAH for local share. Year 1: Phase I complete. Year 2: Phase II Eng, total est $400k - 100% VAH Year 3: Phase III Const, total est $6.7m - 80% Fed, 20% VAH = $2.7m, Phase III Eng, total est $675k - 100% VAH - Exceeds funding threshold On the contingency list* for construction/Phase III Engineering in 2028. Anticipated construction cost is $6,689,000 with the Village share being approx. $3.4m.

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	372.0K	0.0K	0.0K
Rev. Budg. 2026:	798.9K	0.0K	0.0K
Est. Act. 2026:	798.9K	0.0K	0.0K
Projected Budg. 2027:	400.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	3,000.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	3,400.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 3,400.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Thomas Street Resurfacing
TYPE:	Streets
PROJECT #:	ST2307
ACCOUNT #:	401-7101-550300-
PROJECT STRINGS:	ST2307-STREETS-CONSTRUCT-CPF
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Thomas Street between Kennicott Rd and Rand Rd
DESCRIPTION:	Resurfacing of Thomas Street between Kennicott Rd and Rand Rd.
JUSTIFICATION:	This project was submitted for consideration of Federal Surface Transportation Program - Local (STP-L) funding through the Northwest Municipal Conference. Federal funding was approved by CMAP in the 5-year program for $1,624,000. Also, approximately 50% of construction and construction observation costs will be split with Cook County. VAH has to front County and VAH portion. (~$7,900,000). Cook County share is approximately $4m and should be reflected as reimbursable / revenue in the programmed year.
COMMENTS:	Federal STP-L funding for resurfacing is 75%/25% for Phase III only. Year 1: Phase I Eng, total est $662k - 100% VAH Year 2: Phase II Eng, total est $994k - 100% VAH Year 3: Phase III Const, total est $8.28m, Const Observ, total est. $1.74m. After reimbursement, estimated construction and construction observation expense to VAH is approximately $3,000,000. Staff will seek up to an additional $3.4m in advance of the project through the STP funding program.

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	662.0K	0.0K	0.0K
Projected Budg. 2028:	994.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	7,903.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	9,559.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 9,559.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Windsor Drive Resurfacing
TYPE:	Streets
PROJECT #:	ST2308
ACCOUNT #:	401-7101-550300-
PROJECT STRINGS:	ST2308-STREETS-CONSTRUCT-CPF
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Windsor Drive between Jane Avenue and Hintz Road
DESCRIPTION:	Resurfacing of Windsor Dr between Jane Ave and Hintz Rd. This is a continuation of the initial capital project entitled Windsor Drive Road Diet.
JUSTIFICATION:	This project was submitted for consideration of Federal Surface Transportation Program - Local (STP-L) funding through the Northwest Municipal Conference. Funding for Phase III construction was approved by CMAP for Federal FY 2027 in the amount of $1,458,150. Also, a grant award of $1,967,130 through the Illinois Transportation Enhancement Program (ITEP) for Phase II & III Engineering & Construction.
COMMENTS:	Phase I complete. Phase II Eng total est $337k - $71k VAH, $267k State Phase III Const, total est $3.71m - $1.35m Fed, $641k VAH, $1.71m State Phase III Eng in 2027, total est $430k - 108k Fed, 65k VAH, $257k State

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	258.0K	0.0K	0.0K
Est. Act. 2026:	258.0K	0.0K	0.0K
Projected Budg. 2027:	1,100.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	1,100.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 1,100.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Sidewalk & Curb Replacement		
TYPE:	Streets		
PROJECT #:	ST9011		
ACCOUNT #:	401-7101-550450-		
PROJECT STRINGS:	ST9011-STREETS-SIDEWALK		
STATUS:	Active		
PRIORITY:	Maintenance/Replacement		
DEPARTMENT:	Public Works & Engineering		
LOCATION:	Various locations		
DESCRIPTION:	Replacement of damaged and deteriorated public sidewalks and curbs. This ongoing program is coordinated with the street resurfacing and street rehabilitation programs, and to bring sidewalks into ADA compliance.		
JUSTIFICATION:	Repair hazardous conditions in compliance with IRMA guidelines. Reduce Village liability exposure consistent with Village Board goal to continue infrastructure repair.		
COMMENTS:			
FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	650.0K	0.0K	0.0K
Rev. Budg. 2026:	650.0K	0.0K	0.0K
Est. Act. 2026:	650.0K	0.0K	0.0K
Projected Budg. 2027:	700.0K	0.0K	0.0K
Projected Budg. 2028:	750.0K	0.0K	0.0K
Projected Budg. 2029:	750.0K	0.0K	0.0K
Projected Budg. 2030:	750.0K	0.0K	0.0K
Projected Budg. 2031:	750.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	3,700.0K	0.0K	0.0K
	TOTAL FUTURE COST (IN THOUSANDS):		3,700.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Pavement Crack Sealing Program
TYPE:	Streets
PROJECT #:	ST9201
ACCOUNT #:	401-7101-550400-
PROJECT STRINGS:	ST9201-STREETS-CRACKSEAL
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Various streets throughout Village
DESCRIPTION:	Street surface maintenance and rehabilitation through use of crack sealing and patching on various streets throughout the Village. Will be adding annual water main project and edge grinding projects to program.
JUSTIFICATION:	Maintains street surfaces in optimum condition to delay need for overlays and reconstruction.
COMMENTS:	Ongoing multi-year project.

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	225.0K	0.0K	0.0K
Rev. Budg. 2026:	225.0K	0.0K	0.0K
Est. Act. 2026:	225.0K	0.0K	0.0K
Projected Budg. 2027:	225.0K	0.0K	0.0K
Projected Budg. 2028:	237.0K	0.0K	0.0K
Projected Budg. 2029:	249.0K	0.0K	0.0K
Projected Budg. 2030:	261.5K	0.0K	0.0K
Projected Budg. 2031:	275.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	1,247.5K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 1,247.5K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Street Light Cable Replacement
TYPE:	Streets
PROJECT #:	ST0001
ACCOUNT #:	401-7101-550300-
PROJECT STRINGS:	ST0001-STREETS-CONSTRUCT
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Various locations throughout Village
DESCRIPTION:	Replace old direct bury cable with new cable in duct.
JUSTIFICATION:	High failure/fault rate results in frequent outages. Replaces frequent faulted lines improving service to the neighborhood street lighting systems.
COMMENTS:	Ongoing, active program. Includes the replacement of conduit or cabling during capital road reconstruction projects.

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	20.0K	0.0K	0.0K
Rev. Budg. 2026:	20.0K	0.0K	0.0K
Est. Act. 2026:	20.0K	0.0K	0.0K
Projected Budg. 2027:	100.0K	0.0K	0.0K
Projected Budg. 2028:	100.0K	0.0K	0.0K
Projected Budg. 2029:	100.0K	0.0K	0.0K
Projected Budg. 2030:	100.0K	0.0K	0.0K
Projected Budg. 2031:	100.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	500.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 500.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Paver Brick Maintenance
TYPE:	Streets
PROJECT #:	ST0501
ACCOUNT #:	401-7101-550300-
PROJECT STRINGS:	ST0501-STREETS-CONSTRUCT
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Downtown
DESCRIPTION:	Planned repairs to brick paver sidewalks throughout Village-owned brick sidewalks, parking lots, and driveway areas.
JUSTIFICATION:	This program is designed to reduce trip hazards.
COMMENTS:	Ongoing, active program.

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	100.0K	0.0K	0.0K
Rev. Budg. 2026:	100.0K	0.0K	0.0K
Est. Act. 2026:	100.0K	0.0K	0.0K
Projected Budg. 2027:	100.0K	0.0K	0.0K
Projected Budg. 2028:	100.0K	0.0K	0.0K
Projected Budg. 2029:	100.0K	0.0K	0.0K
Projected Budg. 2030:	100.0K	0.0K	0.0K
Projected Budg. 2031:	100.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	500.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 500.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Downtown Street Furniture
TYPE:	Streets
PROJECT #:	ST1401
ACCOUNT #:	401-7101-550300-
PROJECT STRINGS:	ST1401-STREETS-CONSTRUCT
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Downtown
DESCRIPTION:	New benches, living rooms, and refuse containers to replace worn out Downtown street-scape appurtenances. Maintenance of existing design features and hardscapes.
JUSTIFICATION:	Annual replacement of streetscape benches, living rooms, and 131 refuse containers. Over time the furniture chips and cracks and requires replacement. We also are occasionally asked to place new containers.
COMMENTS:	Immediate Needs = $20k annually 2026: Arlington Alfresco fencing ($75k) (Will be reprogrammed with new design) 2028: Trash receptacles ($30k) 2029: Trash receptacles ($30k) 2030: Downtown Furniture ($30k) 2031: Imm. Needs

FUND SOURCE:	Capital Projects	Arts, Entertainment & Events	
Orig. Budg. 2026:	95.0K	0.0K	0.0K
Rev. Budg. 2026:	95.0K	0.0K	0.0K
Est. Act. 2026:	20.0K	75.0K	0.0K
Projected Budg. 2027:	50.0K	0.0K	0.0K
Projected Budg. 2028:	50.0K	0.0K	0.0K
Projected Budg. 2029:	50.0K	0.0K	0.0K
Projected Budg. 2030:	50.0K	0.0K	0.0K
Projected Budg. 2031:	20.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	220.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 220.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Downtown Streetscape Improvements
TYPE:	Streets
PROJECT #:	ST1535
ACCOUNT #:	401-4001-550300-
PROJECT STRINGS:	ST1535-STREETS-CONSTRUCT
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Planning
LOCATION:	Evergreen Avenue between Sigwalt and Campbell; Dunton Avenue south of Campbell; Campbell
DESCRIPTION:	Mid-block crossings on Evergreen Avenue and Dunton Avenue have been completed. There is one last crossing to complete on Campbell Street and Highland Avenue.
JUSTIFICATION:	To enhance the downtown pedestrian environment and safety.
COMMENTS:	

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	150.0K	0.0K	0.0K
Rev. Budg. 2026:	150.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	150.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	150.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 150.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Northwest Highway (Rt. 14) Corridor Landscaping Improvements
TYPE:	Streets
PROJECT #:	ST1620
ACCOUNT #:	401-7101-550300-
PROJECT STRINGS:	ST1620-STREETS-CONSTRUCT
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Northwest Highway (Rt. 14) from Wilke Road to north of Central Road
DESCRIPTION:	Remove and replace the landscaping across five acres of land with a native species that bloom throughout all seasons.
JUSTIFICATION:	Previously a 1.2 million dollar estimate for improvements to the corridor was submitted as part of the CIP process. The Village Board asked staff to evaluate the request, lower the cost by reducing the scope of the project, and develop a long-term plan in-house that will address the corridor and assist with future planning and grant procurement. In addition, the plan will support the 2016 Comprehensive Plan Goals and Policies for Thoroughfare and Transportation. The Comprehensive Plan states as a goal "to landscape where possible arterial roadways; screen parking areas; improve street graphics and improve the appearance of signalization and other elements related to traffic and transportation." Program anticipated to be completed at end of 2028. 2029 and on, maintenance costs will be reflected in operating budget.
COMMENTS:	The landscaping is showing its age with gaps of material and considerable die back due to their harsh environment (salt and standing water). 2026: Landscape Upgrades $15k 2027: Landscape Upgrades $15k 2028: Improvements to soft and hardscapes to, and around fountain. 2029: Landscaping, hardscaping, improvements/maintenance. Ends 2029.

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	15.0K	0.0K	0.0K
Rev. Budg. 2026:	15.0K	0.0K	0.0K
Est. Act. 2026:	15.0K	0.0K	0.0K
Projected Budg. 2027:	15.0K	0.0K	0.0K
Projected Budg. 2028:	210.0K	0.0K	0.0K
Projected Budg. 2029:	25.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	250.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 250.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Surface Treatment - Streets
TYPE:	Streets
PROJECT #:	ST1802
ACCOUNT #:	401-7101-550300-
PROJECT STRINGS:	ST1802-STREETS-CONSTRUCT
STATUS:	Active
PRIORITY:	Essential
DEPARTMENT:	Public Works & Engineering
LOCATION:	Various Locations
DESCRIPTION:	Application of treatment to the roadway's surface quickly after road resurfacing further protects the road from water penetration.
JUSTIFICATION:	A test was performed in 2014 on a few streets that were reconstructed in 2013. The streets were inspected in 2016 and found that the section that had received an application of asphalt emulsions did not require crack sealing unlike the section that did not receive the application of asphalt emulsions which did require crack sealing. This process has proven to extend the life of the pavement. Increased road maintenance efforts and material costs have driven up quantities, and costs.
COMMENTS:	Long term maintenance efforts are designed to lengthen the time before resurfacing streets. Includes streets from Water Main Replacement Projects. Application of asphalt emulsions scheduled at year one and year six are planned. This will be an ongoing expense.

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	400.0K	0.0K	0.0K
Rev. Budg. 2026:	400.0K	0.0K	0.0K
Est. Act. 2026:	400.0K	0.0K	0.0K
Projected Budg. 2027:	531.7K	0.0K	0.0K
Projected Budg. 2028:	511.2K	0.0K	0.0K
Projected Budg. 2029:	563.7K	0.0K	0.0K
Projected Budg. 2030:	548.0K	0.0K	0.0K
Projected Budg. 2031:	466.5K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	2,621.1K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 2,621.1K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	LED Street Lighting Conversions
TYPE:	Streets
PROJECT #:	ST1901
ACCOUNT #:	401-7101-550300-
PROJECT STRINGS:	ST1901-STREETS-CONSTRUCT
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Village owned street lights
DESCRIPTION:	An eight-year phased approach to converting all Village owned street lights to energy efficient LEDs.
JUSTIFICATION:	Staff have evaluated LED street light fixtures and have chosen a preferred, durable, and manufacturer supported fixture. Staff believes these fixtures will provide a long service life and lower long term maintenance costs. The LED street lights will also significantly reduce energy costs.
COMMENTS:	This conversion will reduce energy usage Village wide. $64,000 will fund the in-house replacement of 400 fixtures each year expected for residential streets and 250 per year when replacing larger arterial lighting. This funding also includes some overtime costs related to the installation. This conversion program will continue until 2026. Beginning in 2027, the program will replace fixtures in the downtown area, and will include funding for replacements needed from initial conversions. The downtown is anticipated to be completed in three years, but due to anticipated life of 10 years, this will be an ongoing annual program.

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	64.0K	0.0K	0.0K
Rev. Budg. 2026:	64.0K	0.0K	0.0K
Est. Act. 2026:	64.0K	0.0K	0.0K
Projected Budg. 2027:	200.0K	0.0K	0.0K
Projected Budg. 2028:	200.0K	0.0K	0.0K
Projected Budg. 2029:	200.0K	0.0K	0.0K
Projected Budg. 2030:	25.0K	0.0K	0.0K
Projected Budg. 2031:	30.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	655.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 655.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Bike Plan/Bike Route Pavement Marking
TYPE:	Streets
PROJECT #:	ST1904
ACCOUNT #:	401-7101-550300-
PROJECT STRINGS:	ST1904-STREETS-CONSTRUCT
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Throughout Village
DESCRIPTION:	Provide bike infrastructure improvements throughout the Village
JUSTIFICATION:	Bike Plan approved by the Village Board. Bike signage per new regulations.
COMMENTS:	Includes new or updated signage or other bike infrastructure improvements in certain locations along bike routes.

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	20.0K	0.0K	0.0K
Rev. Budg. 2026:	20.0K	0.0K	0.0K
Est. Act. 2026:	20.0K	0.0K	0.0K
Projected Budg. 2027:	25.0K	0.0K	0.0K
Projected Budg. 2028:	25.0K	0.0K	0.0K
Projected Budg. 2029:	25.0K	0.0K	0.0K
Projected Budg. 2030:	25.0K	0.0K	0.0K
Projected Budg. 2031:	25.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	125.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 125.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Promenade Improvements
TYPE:	Streets
PROJECT #:	ST2001
ACCOUNT #:	401-4001-550300-
PROJECT STRINGS:	ST2001-STREETS-CONSTRUCT
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Planning
LOCATION:	Vail Avenue
DESCRIPTION:	To improve and maintain vibrant, unique downtown and build a one-of-a-kind regional destination.
JUSTIFICATION:	
COMMENTS:	

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	36.3K	0.0K	0.0K
Est. Act. 2026:	36.3K	0.0K	0.0K
Projected Budg. 2027:	450.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	450.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 450.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Sustainable Bike Plan Improvements
TYPE:	Streets
PROJECT #:	ST2201
ACCOUNT #:	401-7101-550600-
PROJECT STRINGS:	ST2201-STREETS-CONSTRUCT-CPF
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Throughout Village
DESCRIPTION:	In collaboration with feedback received from the public and the Village's Bike and Pedestrian Committee, this item is utilized to address enhancements, improvements, or general maintenance needs to the Village Bike Path system, under the jurisdiction of the Village, throughout the community. These would include filling short gaps in the system, improving roadway crossings, patching deteriorated areas, adding or improving bike path pavement markings, and alike.
JUSTIFICATION:	Meets Village Board priority to improve street safety conditions for pedestrian and bike traffic.
COMMENTS:	Funding assists in the long-term planning and design of pathways and connections in locations throughout the community that require improvements and additions. Larger bike path improvements will be submitted as separate project sheets or integrated into larger projects, especially when grant funding is available.

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	95.1K	0.0K	0.0K
Est. Act. 2026:	95.1K	0.0K	0.0K
Projected Budg. 2027:	10.0K	0.0K	0.0K
Projected Budg. 2028:	10.0K	0.0K	0.0K
Projected Budg. 2029:	10.0K	0.0K	0.0K
Projected Budg. 2030:	10.0K	0.0K	0.0K
Projected Budg. 2031:	10.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	50.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 50.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Other Sustainable Initiatives
TYPE:	Streets
PROJECT #:	ST2203
ACCOUNT #:	401-7101-550600-
PROJECT STRINGS:	ST2203-STREETS-CONSTRUCT-CPF
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Throughout Village
DESCRIPTION:	Funds serve to assist with programs, projects, and ideas that can be implemented throughout the Village that support green sustainable initiatives as directed by the Arlington Heights Sustainability Plan and Village Board Strategic Priorities.
JUSTIFICATION:	Meets Village Board priority to enhance environmental sustainability. Supports the Arlington Heights Sustainability Plan. As staff become more familiar with the newly adopted Sustainability Plan, they can incorporate goals into their projects. This fund will be used to fund these additions.
COMMENTS:	Ongoing costs $25k

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	25.0K	0.0K	0.0K
Projected Budg. 2028:	25.0K	0.0K	0.0K
Projected Budg. 2029:	25.0K	0.0K	0.0K
Projected Budg. 2030:	25.0K	0.0K	0.0K
Projected Budg. 2031:	25.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	125.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 125.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Downtown ADA Compliance
TYPE:	Streets
PROJECT #:	ST2301
ACCOUNT #:	401-7101-550300-
PROJECT STRINGS:	ST2301-STREETS-CONSTRUCT-CPF
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Brick Paver Sidewalks Throughout Downtown
DESCRIPTION:	The program will bring the downtown paver brick sidewalks into compliance with ADA.
JUSTIFICATION:	Ongoing, active program. This program will supplement ST0501 and will continue for 20 years (starting in 2023 and concluding in 2043). This project will fund ADA compliance issues as the downtown sidewalks are repaired and replaced. Alternating years will be used for required surveying, design, and brick purchase in odd years, with construction in even years.
COMMENTS:	Ongoing, active program.

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	500.0K	0.0K	0.0K
Rev. Budg. 2026:	593.8K	0.0K	0.0K
Est. Act. 2026:	593.8K	0.0K	0.0K
Projected Budg. 2027:	100.0K	0.0K	0.0K
Projected Budg. 2028:	500.0K	0.0K	0.0K
Projected Budg. 2029:	100.0K	0.0K	0.0K
Projected Budg. 2030:	500.0K	0.0K	0.0K
Projected Budg. 2031:	100.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	1,300.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 1,300.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Self-Assessment for Village ADA Transition Plan
TYPE:	Streets
PROJECT #:	ST2602
ACCOUNT #:	401-7101-550300-
PROJECT STRINGS:	ST2602-STREETS-MAINT-CPF
STATUS:	New
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Various Locations throughout the Village
DESCRIPTION:	Complete the Self-Assessment for the Village's ADA Transition Plan.
JUSTIFICATION:	The Village's original ADA Transition Plan was adopted on July 20, 1992 and has not been updated since adoption. The plan is a mandatory document for local governments with 50 or more employees that outlines how the Village will remove physical barriers to accessibility in public facilities, services, and transportation. This project is for the completion of one component of the ADA Transition Plan, which includes the inventory and programming of improvements required primarily at pedestrian crossings in the Village rights-of-way, throughout the community, and is specifically identified in the Village's Strategic Priorities for 2026 and 2027.
COMMENTS:	The Chicago Metropolitan Agency for Planning (CMAP) strongly emphasizes this compliance to maintain transportation funding. This project is currently unfunded. Funding assistance opportunities exist through the CMAP's Local Technical Assistance Program. The first component and the foundation of an ADA Transition Plan is the self-evaluation. This part of the overall plan only proposes the self-evaluation/survey of infrastructure (sidewalks and parking lots) falling under the Public Works and Engineering purview. The programming of the overall ADA Transition Plan requires input from multiple Departments and will be identified in a future year.

FUND SOURCE:	Capital Projects		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	100.0K	0.0K	0.0K
Projected Budg. 2028:	100.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	200.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 200.0K

MOTOR FUEL TAX FUND

2027 Key Projects

1. Campbell Street Reconstruction $5,700,000

Key Information

1. In 2027, the Campbell Street Reconstruction $5.7 million project from Wilke Road to Ridge Avenue is programmed for 2027. It is intended to reconstruct the roadway and provide enhanced pedestrian/bicycle infrastructure. In years 2028 to 2031, the annual Street Rehabilitation Program budget is programmed for $3.0 million per year. The Hintz Road Reconstruction $3.0 million project is scheduled for 2031.

MOTOR FUEL TAX FUND (211)

5 YEAR CAPITAL IMPROVEMENT PROGRAM (CIP)

ACCOUNT DESCRIPTION	Pg#	PROJ	2024 ACTUAL	2025 ACTUAL	2026 ESTIMATED ACTUAL	2026 BUDGET	2027 BUDGET	2028 BUDGET	2029 BUDGET	2030 BUDGET	2031 BUDGET
REVENUES											
MOTOR FUEL TAX ALLOTMENT			3,452,711	3,546,156	3,500,000	3,300,000	**3,500,000**	3,500,000	3,500,000	3,500,000	3,500,000
INTEREST INCOME			64,301	23,587	50,000	50,000	**50,000**	50,000	50,000	50,000	50,000
GRANTS			0	0	0	0	**0**	0	0	0	227,200
TOTAL REVENUES			3,517,012	3,569,743	3,550,000	3,350,000	**3,550,000**	3,550,000	3,550,000	3,550,000	3,777,200
EXPENDITURES											
SIGNALS											
Traffic Signal Maintenance	3	SG0302	57,367	350,505	155,100	155,084	**156,400**	157,700	159,000	160,300	161,600
SUBTOTAL - SIGNALS			57,367	350,505	155,100	155,084	**156,400**	157,700	159,000	160,300	161,600
STREETS											
Street Rehabilitation Program	4	ST9009	4,360,578	3,618,867	4,145,700	4,145,682	**0**	3,000,000	3,000,000	3,000,000	3,000,000
Hintz Road Reconstruction	5	ST2305	0	0		0	**0**	0	0	0	3,000,000
Campbell Street Reconstruction	6	ST2603	0	0	0	0	**5,700,000**	0	0	0	0
SUBTOTAL - STREETS			4,360,578	3,618,867	4,145,700	4,145,682	**5,700,000**	3,000,000	3,000,000	3,000,000	6,000,000
OPERATING TRANSFER OUT	-		165,000	0	0	0	**0**	0	0	0	0
TOTAL EXPENDITURES			4,582,945	3,969,372	4,300,800	4,300,767	**5,856,400**	3,157,700	3,159,000	3,160,300	6,161,600
BEGINNING FUND BALANCE			6,855,829	5,789,896	5,390,267	5,390,267	**4,639,467**	2,333,067	2,725,367	3,116,367	3,506,067
REVENUES OVER (UNDER) EXPENDITURES			(1,065,933)	(399,629)	(750,800)	(950,767)	**(2,306,400)**	392,300	391,000	389,700	(2,384,400)
ENDING FUND BALANCE			5,789,896	5,390,267	4,639,467	4,439,501	**2,333,067**	2,725,367	3,116,367	3,506,067	1,121,667
Fund Balance as a Percent of Expenditures							**40%**	**86%**	**99%**	**111%**	**18%**

PROJECTS WITH SECOND FUND SOURCE

Hintz Road Reconstruction	ST2305	Village share only - STP funding not included in this budget, partially funded with Capital Projects Fund revenue.

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Traffic Signal Maintenance
TYPE:	Signals
PROJECT #:	SG0302
ACCOUNT #:	211-7101-550400-
PROJECT STRINGS:	SG0302-SIGNALS-CONSTRUCT
STATUS:	Active
PRIORITY:	Obligated
DEPARTMENT:	Public Works & Engineering
LOCATION:	Illinois Department of Transportation (IDOT) and Cook County Highway Department (CCHD) roac
DESCRIPTION:	Contractual maintenance of traffic signal controllers on IDOT and CCHD roadways.
JUSTIFICATION:	To properly maintain functioning traffic flow.
COMMENTS:	

FUND SOURCE:	Motor Fuel Tax		
Orig. Budg. 2026:	126.2K	0.0K	0.0K
Rev. Budg. 2026:	155.1K	0.0K	0.0K
Est. Act. 2026:	155.1K	0.0K	0.0K
Projected Budg. 2027:	156.4K	0.0K	0.0K
Projected Budg. 2028:	157.7K	0.0K	0.0K
Projected Budg. 2029:	159.0K	0.0K	0.0K
Projected Budg. 2030:	160.3K	0.0K	0.0K
Projected Budg. 2031:	161.6K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	795.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 795.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Street Rehabilitation Program
TYPE:	Streets
PROJECT #:	ST9009
ACCOUNT #:	211-7101-550400-
PROJECT STRINGS:	ST9009-STREETS-CONSTRUCT
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Various locations
DESCRIPTION:	Rehabilitate existing deteriorated streets with complete curb replacement and in some cases complete pavement replacement.
JUSTIFICATION:	Repair deteriorated streets when existing conditions are more severe than those included in the street resurfacing program in accordance with Village Board goal of continuing infrastructure repair.
COMMENTS:	This on-going program of pavement maintenance is coordinated with the pavement management system. MFT funding for 2027 is being directed to ST2603 Campbell Street Reconstruction. Regular pavement maintenance with MFT funding will resume in 2028.

FUND SOURCE:	Motor Fuel Tax		
Orig. Budg. 2026:	3,800.0K	0.0K	0.0K
Rev. Budg. 2026:	4,545.7K	0.0K	0.0K
Est. Act. 2026:	4,145.7K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	3,000.0K	0.0K	0.0K
Projected Budg. 2029:	3,000.0K	0.0K	0.0K
Projected Budg. 2030:	3,000.0K	0.0K	0.0K
Projected Budg. 2031:	3,000.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	12,000.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 12,000.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Hintz Road Reconstruction
TYPE:	Streets
PROJECT #:	ST2305
ACCOUNT #:	211-7101-550300-
PROJECT STRINGS:	ST2305-STREETS-CONSTRUCT-MFT
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Hintz Road between Kennicott Avenue and Arlington Heights Road
DESCRIPTION:	Reconstruction of Hintz Road from Kennicott Ave to Arlington Heights Rd
JUSTIFICATION:	This project was submitted for consideration of Federal Surface Transportation Program - Local (STP-L) funding through the Northwest Municipal Conference. Year 1: Awarded 2025, $315k Year 2: Phase II Eng, total est $711k - 100% VAH Year 3: Phase III Const, total est $5.0m - 80% Fed, 20% VAH = $2.2m, Phase III Eng, total est $821k -100% VAH
COMMENTS:	VAH will front Eng costs, get reimbursed by IDOT. IDOT will front construction costs, bill VAH for local share. Secured federal funding of $106,500 for Phase II Engineering design in 2026 will get reprogrammed in 2028. Construction/Phase III Engineering in 2031. Total anticipated construction cost is $2,836,000 using the MFT Fund. $3.0 million in STP funding secured for construction. Up to an additional $2.0m in federal funding will be pursued by staff.

FUND SOURCE:	Capital Projects	Motor Fuel Tax	
Orig. Budg. 2026:	213.0K	0.0K	0.0K
Rev. Budg. 2026:	484.3K	0.0K	0.0K
Est. Act. 2026:	484.3K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	711.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	3,000.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	711.0K	3,000.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 3,711.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Campbell Street Reconstruction
TYPE:	Streets
PROJECT #:	ST2603
ACCOUNT #:	211-7101-550300-
PROJECT STRINGS:	ST2603-STREETS-CONSTRUCT-MFT
STATUS:	New
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Campbell St (Wilke Rd to Ridge Ave)
DESCRIPTION:	Reconstruction of Campbell Street (Wilke Road to Ridge Ave), with a multi-use path.
JUSTIFICATION:	Campbell St is a concrete road originally constructed in 1958 and is past it's life cycle. This project is intended to reconstruct the roadway and provide enhanced pedestrian/bicycle infrastructure with a separate multi-use path.
COMMENTS:	This project is being funded with MFT funds in 2027.

FUND SOURCE:	Motor Fuel Tax		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	5,700.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	5,700.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 5,700.0K

STORM WATER CONTROL FUND

2027 Key Projects

1.	Backyard Drainage Improvements	$300,000
2.	Storm Sewer Rehab/Replacement Program	$400,000
3.	Enhanced Overhead Sewer Program	$85,000

Key Information

1. Since the Storm Water Control Fund was established in FY2013, more than $40 million will have been invested through the 2026 Budget, marking a significant accomplishment in completing these projects. The Fund is now in a maintenance phase.

2. The ongoing "Backyard Drainage Improvement" program provides new or improved access for residents to Village storm sewers. The program only covers work on public right-of-way with any connections or work on private property being the responsibility of the property owner.

3. The annual "Storm Sewer Rehab/Replacement Program" budget will be devoted to storm sewer rehabilitation and replacement work identified by the analysis of the system.

STORM WATER CONTROL FUND (426)

5 YEAR CAPITAL IMPROVEMENT PROGRAM (CIP)

ACCOUNT DESCRIPTION	Pg#	PROJ	2024 ACTUAL	2025 ACTUAL	2026 ESTIMATED ACTUAL	2026 BUDGET	2027 BUDGET	2028 BUDGET	2029 BUDGET	2030 BUDGET	2031 BUDGET
REVENUES											
STORMWATER UTILITY FEE			1,606,250	1,677,288	1,630,400	1,630,400	**1,630,400**	1,630,400	1,630,400	1,630,400	1,630,400
GRANTS			845,000	600,000	1,300,000	0	**0**	0	0	0	0
INTEREST INCOME			194,302	154,505	100,000	0	**100,000**	100,000	50,000	50,000	50,000
OTHER INCOME			(884)	0	0	0	**0**	0	0	0	0
TOTAL REVENUES			2,644,669	2,431,793	3,030,400	1,630,400	**1,730,400**	1,730,400	1,680,400	1,680,400	1,680,400
EXPENDITURES											
OPERATING EXPENDITURES											
Contractual Services	-		2,845	0		0	**0**	0	0	0	0
SUBTOTAL - OPERATING EXPENDITURES			2,845	0	0	0	**0**	0	0	0	0
EQUIPMENT											
SCADA Enhancements	3	EQ1525	0	0	0	50,000	**50,000**	0	0	0	0
SUBTOTAL - EQUIPMENT			0	0	0	50,000	**50,000**	0	0	0	0
SEWERS											
Backyard Drainage Improvements	4	SW1102	10,573	236,458	300,000	300,000	**300,000**	300,000	300,000	300,000	300,000
Storm Sewer Rehab/Replacement Program	5	SW1520	326,275	21,013	700,000	700,000	**400,000**	450,000	500,000	550,000	550,000
Enhanced Overhead Sewer Program	6	SW1801	90,626	65,475	85,000	100,000	**85,000**	85,000	85,000	85,000	85,000
St. Ponding Area - Race Ave & Chicago Ave	-	SW2003	109,951	1,897,966	94,600	94,622	**0**	0	0	0	0
Area F - Forrest Ave Stormwater Improvements	-	SW2101	73,950	3,230,377	600,000	349,762	**0**	0	0	0	0
Evergreen-Maude Storm Sewer Improvements	-	SW2301	996,995	0	0	0	**0**	0	0	0	0
Scarsdale Estates Drainage Improvements	-	SW2302	57,239	94,178	308,400	308,382	**0**	0	0	0	0
Stormwater Lift Station Maintenance/Replacement	7	SW2501	0	0	0	0	**0**	75,000	1,300,000	0	80,000
Permeable Paver Alley Off NW Hwy (Wilshire to Carlyle)	-	SW2503	0	0	0	20,000	**0**	0	0	0	0
Storm Water Facility Maintenance	8	SW2601	0	0	0	0	**25,000**	25,000	25,000	25,000	25,000
Backyard Drainage Cost Share Program	9	SW2602	0	0	0	0	**15,000**	15,000	15,000	15,000	15,000
SUBTOTAL - SEWERS			1,665,609	5,545,466	2,088,000	1,872,766	**825,000**	950,000	2,225,000	975,000	1,055,000
OTHER EXPENSE											
Transfer to Debt Service	-		690,200	690,700	695,200	695,200	**693,400**	692,500	691,000	694,100	691,400
SUBTOTAL - Other Expense			690,200	690,700	695,200	695,200	**693,400**	692,500	691,000	694,100	691,400
TOTAL EXPENDITURES			2,358,654	6,236,165	2,783,200	2,617,966	**1,568,400**	1,642,500	2,916,000	1,669,100	1,746,400
BEGINNING FUND BALANCE			4,644,500	4,930,515	1,126,143	1,126,143	**1,373,343**	1,535,343	1,623,243	387,643	398,943
REVENUES OVER (UNDER) EXPENDITURES			286,015	(3,804,372)	247,200	(987,566)	**162,000**	87,900	(1,235,600)	11,300	(66,000)
ENDING FUND BALANCE			4,930,515	1,126,143	1,373,343	138,577	**1,535,343**	1,623,243	387,643	398,943	332,943
Fund Balance as a Percent of Expenditures							**98%**	**99%**	**13%**	**24%**	**19%**

PROJECTS WITH SECOND FUND SOURCE

SCADA Enhancements	EQ1525	Ongoing program partially funded with Water & Sewer Fund revenue.

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	SCADA Enhancements
TYPE:	Equipment
PROJECT #:	EQ1525
ACCOUNT #:	426-7101-550150-
PROJECT STRINGS:	EQ1525-EQUIP-OPSPW-STRM
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Publics Works and various booster and lift stations throughout the Village
DESCRIPTION:	Supervisory Control and Data Acquisition (SCADA) is the computer hardware and software system used to monitor and control pumps, motors and valves throughout the Village of Arlington Heights.
JUSTIFICATION:	Replacement and addition of hardware and software components to the SCADA System as they fail or require replacement.
COMMENTS:	Scheduled and non-scheduled critical replacement and additions to the SCADA System. 2026: Upgrade level controls for Wilke 1 & 2 storm stations 2028: Radio transmitter upgrades @ pump station 13 2029: Radio transmitter upgrades @ pump station 16 2030: SCADA server I replacement (5-year cycle) 2031: SCADA server II replacement

FUND SOURCE:	Water & Sewer	Storm Water Control	
Orig. Budg. 2026:	30.0K	50.0K	0.0K
Rev. Budg. 2026:	30.0K	50.0K	0.0K
Est. Act. 2026:	30.0K	0.0K	0.0K
Projected Budg. 2027:	30.0K	50.0K	0.0K
Projected Budg. 2028:	30.0K	0.0K	0.0K
Projected Budg. 2029:	30.0K	0.0K	0.0K
Projected Budg. 2030:	75.0K	0.0K	0.0K
Projected Budg. 2031:	75.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	240.0K	50.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 290.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Backyard Drainage Improvements		
TYPE:	Sewer		
PROJECT #:	SW1102		
ACCOUNT #:	426-7101-550250-		
PROJECT STRINGS:	SW1102-SEWER-CONSTRUCT-STRM		
STATUS:	Active		
PRIORITY:	Essential		
DEPARTMENT:	Public Works & Engineering		
LOCATION:	Various - see below		
DESCRIPTION:	Public drainage improvements to provide new access or improve existing access for residents to Village storm sewers to help alleviate chronic neighborhood drainage problems directly affecting residents' homes.		
JUSTIFICATION:	In many cases, the solution to a neighborhood drainage problem can be accomplished by drainage improvements on one property. Costs can be significant for one owner. The proposed public improvements provide a more convenient point of connection, allowing homeowners to address their drainage problems in a financially viable manner.		
COMMENTS:	Projects are at various locations throughout the Village.		
FUND SOURCE:	Storm Water Control		
Orig. Budg. 2026:	300.0K	0.0K	0.0K
Rev. Budg. 2026:	300.0K	0.0K	0.0K
Est. Act. 2026:	300.0K	0.0K	0.0K
Projected Budg. 2027:	300.0K	0.0K	0.0K
Projected Budg. 2028:	300.0K	0.0K	0.0K
Projected Budg. 2029:	300.0K	0.0K	0.0K
Projected Budg. 2030:	300.0K	0.0K	0.0K
Projected Budg. 2031:	300.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	1,500.0K	0.0K	0.0K
	TOTAL FUTURE COST (IN THOUSANDS):		1,500.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Storm Sewer Rehab/Replacement Program
TYPE:	Sewer
PROJECT #:	SW1520
ACCOUNT #:	426-7101-550250-
PROJECT STRINGS:	SW1520-SEWER-CONSTRUCT-STRM
STATUS:	Active
PRIORITY:	Essential
DEPARTMENT:	Public Works & Engineering
LOCATION:	The storm sewer system is located throughout the Village
DESCRIPTION:	The Village has completed the first assessment of the storm sewer system. The data has been used to develop a long-term maintenance strategy that will systematically address known and identified problems through categorical programs.
JUSTIFICATION:	Currently, Public Works repairs failures as they surface. This usually appears as sinkholes and collapsed storm structures. This program is designed to improve maintenance by programming replacement of the worst condition storm sewer and structures prior to failure.
COMMENTS:	Evaluate increase for storm improvements associated with road projects in 2026. 50% for repairs on the road program and 50% for repairs by staff and Red Zone repairs.

FUND SOURCE:	Storm Water Control		
Orig. Budg. 2026:	350.0K	0.0K	0.0K
Rev. Budg. 2026:	700.0K	0.0K	0.0K
Est. Act. 2026:	700.0K	0.0K	0.0K
Projected Budg. 2027:	400.0K	0.0K	0.0K
Projected Budg. 2028:	450.0K	0.0K	0.0K
Projected Budg. 2029:	500.0K	0.0K	0.0K
Projected Budg. 2030:	550.0K	0.0K	0.0K
Projected Budg. 2031:	550.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	2,450.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 2,450.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Enhanced Overhead Sewer Program
TYPE:	Sewer
PROJECT #:	SW1801
ACCOUNT #:	426-7101-550250-
PROJECT STRINGS:	SW1801-SEWER-CONSTRUCT-STRM
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Throughout the Village
DESCRIPTION:	The overhead sewer program (OHS) is designed to encourage the installation of overhead sewers including ejector pits and pumps needed to serve the lower level of residences. The enhanced OHS program offers a 75% Village reimbursement to the resident for the retrofit up to $11,250 per single family residence within the Combined Sewer Tributary Area (CSTA).
JUSTIFICATION:	Since the inception of the current program 10 years ago, roughly 180 homes have participated. The 2016 Combined CSTA report showed that overhead sewers were the most robust and cost-effective method of protecting a home against sewer backups. This program is designed as an incentive to encourage the installation of additional OHS.
COMMENTS:	

FUND SOURCE:	Storm Water Control		
Orig. Budg. 2026:	100.0K	0.0K	0.0K
Rev. Budg. 2026:	100.0K	0.0K	0.0K
Est. Act. 2026:	85.0K	0.0K	0.0K
Projected Budg. 2027:	85.0K	0.0K	0.0K
Projected Budg. 2028:	85.0K	0.0K	0.0K
Projected Budg. 2029:	85.0K	0.0K	0.0K
Projected Budg. 2030:	85.0K	0.0K	0.0K
Projected Budg. 2031:	85.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	425.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 425.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Stormwater Lift Station Maintenance / Replacement
TYPE:	Sewer
PROJECT #:	SW2501
ACCOUNT #:	426-7101-550250-
PROJECT STRINGS:	SW2501-SEWER-CONSTRUCT-STRM
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Throughout Village
DESCRIPTION:	The Village has five (5) different storm water lift-stations. These stations are necessary to move storm water through the system, downstream. The stations require regular maintenance and occasional significant structural and mechanical improvements.
JUSTIFICATION:	Mechanical systems have been installed to assist in the movement of storm water to reduce flooding in various areas of the community. These mechanical systems require regular maintenance and occasional improvements.
COMMENTS:	2028: $75k design engineering for Greenwood Lift Station improvements 2029: $1,300k Greenwood Lift Station construction and observation 2031: $80k design engineering for Salt Creek Lift Station improvements

FUND SOURCE:	Storm Water Control		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	75.0K	0.0K	0.0K
Projected Budg. 2029:	1,300.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	80.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	1,455.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 1,455.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Storm Water Facility Maintenance
TYPE:	Sewer
PROJECT #:	SW2601
ACCOUNT #:	426-7101-550250-
PROJECT STRINGS:	SW2601-SEWER-MAINT-STRM
STATUS:	New
PRIORITY:	Obligated
DEPARTMENT:	Public Works & Engineering
LOCATION:	Throughout Village
DESCRIPTION:	The Village maintains numerous facilities in compliance with storm water regulations. This includes regular maintenance of detention ponds, such as mowing for dry bottom basins and selective herbicide use, burning, and winter mowing for wet bottom basins. The costs to maintain native, wetland plant life and flourishing biodiversity are outside of normal maintenance, and are becoming the preferred design.
JUSTIFICATION:	These facilities and areas require routine maintenance and repairs in order to comply with regulations.
COMMENTS:	$25k ongoing costs

FUND SOURCE:	Storm Water Control		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	25.0K	0.0K	0.0K
Projected Budg. 2028:	25.0K	0.0K	0.0K
Projected Budg. 2029:	25.0K	0.0K	0.0K
Projected Budg. 2030:	25.0K	0.0K	0.0K
Projected Budg. 2031:	25.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	125.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 125.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Backyard Drainage Cost Share Program
TYPE:	Sewer
PROJECT #:	SW2602
ACCOUNT #:	426-7101-550250-
PROJECT STRINGS:	SW2602-SEWER-CONSTRUCT-STRM
STATUS:	New
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Various
DESCRIPTION:	Private property drainage requests continue to arise. Staff will review and assess drainage requests on private property and if qualifying, they will provide a cost share reimbursement of 50% up to $3,000 maximum.
JUSTIFICATION:	As large-scale public drainage improvements are addressed, residential issues become more isolated. This program will provide a tool to residents to resolve private property problems.
COMMENTS:	Projects are at various locations throughout the Village

FUND SOURCE:	Storm Water Control		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	15.0K	0.0K	0.0K
Projected Budg. 2028:	15.0K	0.0K	0.0K
Projected Budg. 2029:	15.0K	0.0K	0.0K
Projected Budg. 2030:	15.0K	0.0K	0.0K
Projected Budg. 2031:	15.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	75.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 75.0K

WATER & SEWER FUND

2027 Key Projects

1. Watermain Replacement Program	$4,700,000
2. Water Tank Repainting	$1,900,000
3. Sewer Rehab/Replacement Program	$600,000

Key Information

1. The Watermain Replacement program has increased significantly over the years. In 2015 the Village was spending about $500,000 per year on water main replacement. Due to the five-year rate changes in 2014 and 2019, the $9 million bond proceeds in 2020, and the $2.5 million allocation of American Rescue Plan Act federal grant funds, the Village is on a path to be able to sustain its goal of replacing over $4 million, or the industry standard of 1% of its water main system on an annual basis. The current plan reflects an annual program increase of $100,000 per year to cover cost increases, and to work towards reaching an average water main age of 50 years from our current 58-year average.

2. The Water Tank Repainting program provides for the repainting of the exterior and interior of Village-owned water storage tanks to maintain proper water quality and to reduce corrosion. The 2027 project is for the Hydro Pillar Well 12.

3. The Village maintains more than 210 miles of sanitary and combined sewer. The program aims to maintain capacity of existing collection systems and minimize infiltration into sewers as required by outside regulatory agencies.

WATER & SEWER FUND (505)

5 YEAR CAPITAL IMPROVEMENT PROGRAM (CIP)

ACCOUNT DESCRIPTION	Pg#	PROJ	2024 ACTUAL	2025 ACTUAL	2026 ESTIMATED ACTUAL	2026 BUDGET	2027 BUDGET	2028 BUDGET	2029 BUDGET	2030 BUDGET	2031 BUDGET
REVENUES											
WATER SALES			17,146,152	17,783,338	20,470,100	20,470,100	**21,033,000**	21,611,400	22,205,700	22,816,400	23,443,900
SEWER CHARGE			4,393,603	5,909,937	5,293,600	5,293,600	**5,439,200**	5,588,800	5,742,500	5,900,400	6,062,700
SERVICE CHARGE			772,672	803,446	780,000	780,000	**780,000**	780,000	780,000	780,000	780,000
OTHER CHARGES & FEES			506,061	419,039	317,000	317,000	**317,000**	317,000	317,000	317,000	317,000
INTEREST INCOME			838,255	730,826	500,000	500,000	**250,000**	250,000	150,000	50,000	50,000
SALES/REIMB./RENTS			35,812	21,419	58,000	58,000	**58,000**	58,000	58,000	58,000	58,000
OTHER			41,430	32,982	20,000	20,000	**20,000**	20,000	20,000	20,000	20,000
NWWC REVENUE			1,065,916	950,131	0	0	**0**	0	0	0	0
OPERATING TRANSFER IN			5,000,000	0	0	0	**0**	0	0	0	0
TOTAL REVENUES			29,799,901	26,651,119	27,438,700	27,438,700	**27,897,200**	28,625,200	29,273,200	29,941,800	30,731,600
EXPENDITURES											
OPERATING EXPENDITURES											
Personal Services	-		7,140,705	7,478,656	7,887,700	7,964,700	**8,358,500**	8,782,500	9,217,500	9,494,000	9,778,800
Contractual Services	-		3,312,828	3,324,225	3,457,700	3,476,087	**3,640,800**	3,755,000	3,856,700	3,972,400	4,091,600
Northwest Water Commission	-		4,446,013	4,586,506	4,763,500	4,702,300	**5,073,200**	5,402,900	5,754,100	6,128,200	6,526,500
Commodities	-		1,576,830	1,787,276	767,300	836,000	**898,600**	925,500	953,200	981,800	1,011,300
Other Charges	-		1,178,900	1,178,900	1,178,900	1,194,900	**1,178,900**	1,178,900	1,178,900	1,178,900	1,178,900
SUBTOTAL - OPERATING EXPENDITURES			17,655,276	18,355,563	18,055,100	18,173,987	**19,150,000**	20,044,800	20,960,400	21,755,300	22,587,100
BUILDING & LAND											
Overhead Door Replacement	3	BL9004	0	20,216	42,500	42,500	**47,500**	100,000	0	0	0
Public Works Annex Improvements	4	BL9302	8,849	14,878	33,100	33,100	**75,000**	30,000	30,000	30,000	30,000
Roof Maintenance Program	5	BL9506	0	0	0	0	**0**	0	15,000	0	68,300
SUBTOTAL - BUILDING & LAND			8,849	35,093	75,600	75,600	**122,500**	130,000	45,000	30,000	98,300
EQUIPMENT											
Operational Equipment - Public Works	6	EQ9401	46,486	86,022	274,500	274,500	**155,000**	75,000	85,000	85,000	90,000
Office Equipment	8	EQ9503	1,601	14,547	15,000	15,000	**15,000**	15,000	15,000	15,000	15,000
Emergency Generator Upgrades/Repl.	11	EQ9902	180,070	326,281	821,500	821,500	**0**	0	0	0	2,500,000
SCADA Enhancements	12	EQ1525	18,033	64,631	30,000	30,000	**30,000**	30,000	30,000	75,000	75,000
Pumps & Motor Controls Rehab/Repl.	13	EQ1530	145,094	37,128	60,000	60,000	**200,000**	350,000	90,000	60,000	70,000
SUBTOTAL - EQUIPMENT			391,284	528,609	1,201,000	1,201,000	**400,000**	470,000	220,000	235,000	2,750,000
SEWER											
Sewer Rehab/Replacement Program	14	SW9001	0	0	500,000	500,000	**600,000**	750,000	750,000	750,000	750,000
Manhole Rehabilitation	15	SW2004	48,425	49,888	50,000	50,000	**75,000**	75,000	75,000	85,000	85,000
S AH Rd Development Sewer	-	SW2401	143,434	108,388	2,073,500	2,073,500	**0**	0	0	0	0
Sanitary Lift Station Maintenance/Repl	16	SW2502	0	40,292	1,219,600	1,219,600	**0**	0	90,000	1,500,000	80,000
SUBTOTAL - SEWER			191,859	198,567	3,843,100	3,843,100	**675,000**	825,000	915,000	2,335,000	915,000
WATER											
Watermain Replacement Program	17	WA9001	3,868,817	4,489,358	4,593,400	4,593,400	**4,700,000**	4,800,000	4,900,000	5,000,000	5,100,000
Residential Meter & AMR System Repl.	-	WA0302	3,103,957	5,520,895	572,400	572,400	**0**	0	0	0	0
Water Tank Repainting	18	WA1101	1,282,537	34,378	3,710,100	3,710,100	**1,900,000**	2,500,000	0	1,000,000	0
Deep Well Rehabilitation	19	WA1102	5,670	0	20,000	20,000	**60,000**	100,000	20,000	17,500	0
Commercial Meter Replacement	20	WA2001	553,831	298,904	400,000	400,000	**400,000**	400,000	400,000	400,000	400,000
Risk & Resiliency Plan	21	WA2101	0	209,844	352,200	352,200	**700,000**	350,000	100,000	100,000	50,000
Water Valve/Hydrant Replacement Pro	22	WA2501	0	67,443	50,000	50,000	**50,000**	50,000	50,000	50,000	50,000
SUBTOTAL - WATER			8,814,812	10,620,822	9,698,100	9,698,100	**7,810,000**	8,200,000	5,470,000	6,567,500	5,600,000
TOTAL CAPITAL EXPENDITURES			9,406,804	11,383,091	14,817,800	14,817,800	**9,007,500**	9,625,000	6,650,000	9,167,500	9,363,300
OPERATING CONTINGENCY			0	0	0	300,000	**0**	0	0	0	0
TOTAL EXPENDITURES			27,062,080	29,738,655	32,872,900	33,291,787	**28,157,500**	29,669,800	27,610,400	30,922,800	31,950,400
BEGINNING WORKING CASH			14,454,712	17,192,533	14,104,998	14,104,998	**8,670,798**	8,410,498	7,365,898	9,028,698	8,047,698
REVENUES OVER (UNDER) EXPENDS.			2,737,821	(3,087,535)	(5,434,200)	(5,853,087)	**(260,300)**	(1,044,600)	1,662,800	(981,000)	(1,218,800)
ENDING WORKING CASH			17,192,533	14,104,998	8,670,798	8,251,911	**8,410,498**	7,365,898	9,028,698	8,047,698	6,828,898
Working Cash as % of Expenditures							**30%**	**25%**	**33%**	**26%**	**21%**

PROJECTS WITH SECOND FUND SOURCE

Public Works Annex Improvements	BL9302	Ongoing program partially funded with Capital Project Fund revenue.
Overhead Door Replacement	BL9004	Ongoing program partially funded with Capital Project Fund revenue.
Operational Equipment - Public Works	EQ9401	Ongoing program partially funded with Capital Project Fund revenue.
Office Equipment	EQ9503	Ongoing program partially funded with Capital Project Fund revenue.
S AH Rd Development Sewer	SW2401	Program partially funded with S AH Rd TIF Fund revenue.

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Overhead Door Replacement
TYPE:	Building/Land
PROJECT #:	BL9004
ACCOUNT #:	505-7201-550200-
PROJECT STRINGS:	BL9004-BUILDING-MAINT-WTR
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Various Municipal Buildings
DESCRIPTION:	Replace and repair damaged and deteriorated overhead doors throughout all Village buildings. Main Overhead Doors: Police 4, Fire Stations 26, Public Works 15
JUSTIFICATION:	Public Works provides the maintenance and replacement for 45 main overhead doors, 39 secondary overhead doors, and 3 access gates. Replacement of overhead doors at Village facilities.
COMMENTS:	Ongoing, active program. 2026: Overhead door repairs at Village Facilities 2027: Overhead door repairs at Village Facilities 2028: Replacement of OH doors at PW facilities 2029: Replacement of OH doors at Police facilities 2030: Complete Replacement of OH doors at FS2 2031: Overhead door repairs at Village facilities

FUND SOURCE:	Capital Projects	Water & Sewer	
Orig. Budg. 2026:	42.5K	42.5K	0.0K
Rev. Budg. 2026:	42.5K	42.5K	0.0K
Est. Act. 2026:	42.5K	42.5K	0.0K
Projected Budg. 2027:	47.5K	47.5K	0.0K
Projected Budg. 2028:	100.0K	100.0K	0.0K
Projected Budg. 2029:	82.5K	0.0K	0.0K
Projected Budg. 2030:	500.0K	0.0K	0.0K
Projected Budg. 2031:	25.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	755.0K	147.5K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 902.5K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Public Works Annex Improvements
TYPE:	Building/Land
PROJECT #:	BL9302
ACCOUNT #:	505-7201-550200-
PROJECT STRINGS:	BL9302-BUILDING-MAINT-WTR
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	2101 E. Davis Street (Old Treatment Plant Site)
DESCRIPTION:	Miscellaneous work to upgrade site and existing building for use by Public Works and Engineering Department as a general equipment and materials storage site. Provide drainage, paving, erosion control, security and lighting improvements. The addition of a Police evidence facility has been discussed and was added due to long term storage needs.
JUSTIFICATION:	Improve and maintain site usage and characteristics for material storage, handling, separation to comply with environmental regulations. Improves operations.
COMMENTS:	Ongoing, active program. ($20k/$30k) 2027: Replacement annex storage tent ($20k), Annex site improvements ($100k) 2028: New Equipment and Evidence Facility, unit heater, & exhaust fan, Material handling 2029: Regular maintenance, Material handling 2030: Regular maintenance, Material handling 2031: Regular maintenance, Material handling

FUND SOURCE:	Capital Projects	Water & Sewer	
Orig. Budg. 2026:	10.0K	19.0K	0.0K
Rev. Budg. 2026:	10.0K	33.1K	0.0K
Est. Act. 2026:	10.0K	33.1K	0.0K
Projected Budg. 2027:	95.0K	75.0K	0.0K
Projected Budg. 2028:	20.0K	30.0K	0.0K
Projected Budg. 2029:	20.0K	30.0K	0.0K
Projected Budg. 2030:	20.0K	30.0K	0.0K
Projected Budg. 2031:	20.0K	30.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	175.0K	195.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 370.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Roof Maintenance Program
TYPE:	Building/Land
PROJECT #:	BL9506
ACCOUNT #:	505-7201-550200-
PROJECT STRINGS:	BL9506-BUILDING-MAINT-WTR
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Various Municipal Buildings
DESCRIPTION:	Ongoing maintenance and replacement program for roofing systems of all municipal buildings, including coping and parapet repairs.
JUSTIFICATION:	Maintain weather tightness of buildings to prevent structural and equipment damage.
COMMENTS:	Immediate Needs = $20k annually 2026: Fire training tower/fall protection ($303k) 2027: FS#2 slope ($260k), 2028: VH slope ($450k), FS#2 center ($42k) 2029: Utility Pump Station ($15K) 2030: Lower PW Roof ($60k) 2031: PW Pump House ($69K) Fire Station #3 ($200K)

FUND SOURCE:	Capital Projects	Water & Sewer	
Orig. Budg. 2026:	323.0K	0.0K	0.0K
Rev. Budg. 2026:	793.2K	0.0K	0.0K
Est. Act. 2026:	793.2K	0.0K	0.0K
Projected Budg. 2027:	280.0K	0.0K	0.0K
Projected Budg. 2028:	512.0K	0.0K	0.0K
Projected Budg. 2029:	35.0K	15.0K	0.0K
Projected Budg. 2030:	80.0K	0.0K	0.0K
Projected Budg. 2031:	289.0K	68.3K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	1,196.0K	83.3K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 1,279.3K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Operational Equipment - Public Works & Engineering
TYPE:	Equipment
PROJECT #:	EQ9401
ACCOUNT #:	505-7201-550150-
PROJECT STRINGS:	EQ9401-EQUIP-OPSPW-WTR
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Public Works Operations
DESCRIPTION:	Purchase of various equipment needing to be replaced on as-needed basis at end of useful life and acquisition of additional equipment needed to conduct operations.
JUSTIFICATION:	Replacement schedules have not been developed for equipment with short lives or unpredictable use such as chain saws, trash pumps, rollers, tampers and similar items. Anticipates average needs for these items, but actual costs vary every budget year as needs are assessed and determined.
COMMENTS:	

FUND SOURCE:	Capital Projects	Water & Sewer	
Orig. Budg. 2026:	103.5K	274.5K	0.0K
Rev. Budg. 2026:	103.5K	274.5K	0.0K
Est. Act. 2026:	103.5K	274.5K	0.0K
Projected Budg. 2027:	163.7K	155.0K	0.0K
Projected Budg. 2028:	91.5K	75.0K	0.0K
Projected Budg. 2029:	109.0K	85.0K	0.0K
Projected Budg. 2030:	165.0K	85.0K	0.0K
Projected Budg. 2031:	74.0K	90.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	603.2K	490.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 1,093.2K

Water Utility Operational Equipment - EQ9401

EQ9401-EQUIP-OPSPW-WTR
505-7201-550150

Budget	**2026**	1	Distribution | Excavation Equipment	10,000	
		2	Distribution | Trash Pumps	10,000	
		3	Distribution | LED Balloon Lamps	17,000	
		4	Distribution | Leak Detector Replacement	22,000	
		5	Distribution | Mini Excavator	95,000	
		6	Production | Security Measures	25,000	
		7	Utility | Traffic Control Supplies	20,000	
		8	Utility | Hydroseeder 500 GAL	20,000	
		9	Meters | Fireline Meter Replacement New Construction	50,000	
		10	Administration | GIS Utility Plotter	5,500	
				Subtotal	**$ 274,500**
Projected	**2027**	1	Meters | Fireline Meter Replacement New Construction	50,000	
		2	Sewer | New TV Camera	75,000	
		3	Distribution | Excavation and Lighting Equipment	20,000	
		4	Production | Security Measures	10,000	
				Subtotal	**$ 155,000**
Projected	**2028**	2	Distribution | Pumps and Generators	15,000	
		3	Production | Security Measures	10,000	
		4	Utility | Traffic Control Supplies	20,000	
		5	Meters | Fireline Meter Replacement New Construction	30,000	
				Subtotal	**$ 75,000**
Projected	**2029**	1	Distribution | Excavation and Lighting Equipment	15,000	
		2	Distribution | Pumps and Generators	10,000	
		3	Production | Security Measures	10,000	
		4	Utility | Traffic Control Supplies	20,000	
		5	Meters | Fireline Meter Replacement New Construction	30,000	
				Subtotal	**$ 85,000**
Projected	**2030**	1	Distribution | Excavation and Lighting Equipment	15,000	
		2	Distribution | Pumps and Generators	10,000	
		3	Production | Station Equipment	10,000	
		4	Utility | Traffic Control Supplies	20,000	
		5	Meters | Fireline Meter Replacement New Construction	30,000	
				Subtotal	**$ 85,000**
Projected	**2031**	1	Distribution | Excavation and Lighting Equipment	15,000	
		2	Distribution | Pumps and Generators	10,000	
		3	Production | Security Measures	10,000	
		4	Utility | Traffic Control Supplies	25,000	
		5	Meters | Fireline Meter Replacement New Construction	30,000	
				Subtotal	**$ 90,000**
				Total Water Utility Operational Equipment	**$ 490,000**

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Office Equipment
TYPE:	Equipment
PROJECT #:	EQ9503
ACCOUNT #:	505-7201-550100-
PROJECT STRINGS:	EQ9503-EQUIP-OFCPW-WTR
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Finance
LOCATION:	Various Municipal Buildings
DESCRIPTION:	Ongoing replacement program for office equipment, office machines, office furniture, and similar items.
JUSTIFICATION:	Replace equipment and furniture at end of useful life.
COMMENTS:	

FUND SOURCE:	Capital Projects	Water & Sewer	
Orig. Budg. 2026:	85.0K	15.0K	
Rev. Budg. 2026:	115.0K	15.0K	
Est. Act. 2026:	115.0K	15.0K	
Projected Budg. 2027:	155.0K	15.0K	
Projected Budg. 2028:	42.0K	15.0K	
Projected Budg. 2029:	39.0K	15.0K	
Projected Budg. 2030:	15.0K	15.0K	
Projected Budg. 2031:	17.0K	15.0K	
Unspecified Budg.:	0.0K	0.0K	
Total Projected Budg:	268.0K	75.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 343.0K

Office Equipment - EQ9503

EQ9503-EQUIP-*

401-****-550100 / 505-7201-550100

Budget	**2026**	Finance			
		1 Ongoing Replacements	20,000		
		Police			
		1 Office Copiers/Furniture	15,000		
		Fire			
		1 Fire Admin Furniture Replacement	50,000		
		2 Sta 3/4 Training Room Furniture	25,000		
		Health & Human Services			
		1 Conference Room	5,000		
			CPF Subtotal	**$**	**115,000**
		Public Works-Water Utility			
		1 Ongoing Replacements	15,000		
			WTR Subtotal	**$**	**15,000**
			Subtotal	**$**	**130,000**
Projected	**2027**	VMO			
		1 Village Hall Equipment/Furniture	15,000		
		Finance			
		1 Ongoing Replacements	20,000		
		Police			
		1 Office Copiers/Furniture	15,000		
		Fire			
		1 Misc Furniture/Office Equipment	20,000		
		2 Replace Admin Copier	10,000		
		3 Station Furniture	55,000		
		4 Bunkroom Furniture	20,000		
			CPF Subtotal	**$**	**155,000**
		Public Works-Water Utility			
		1 Ongoing Replacements	15,000		
			WTR Subtotal	**$**	**15,000**
			Subtotal	**$**	**170,000**
Projected	**2028**	Human Resources			
		1 Replacement Copier	7,000		
		Police			
		1 Office Furniture	5,000		
		Fire			
		1 Misc Furniture/Office Equipment	10,000		
		2 Bunkroom Furniture	20,000		
			CPF Subtotal	**$**	**42,000**
		Public Works-Water Utility			
		1 Ongoing Replacements	15,000		
			WTR Subtotal	**$**	**15,000**
			Subtotal	**$**	**57,000**

Office Equipment - EQ9503

EQ9503-EQUIP-*

401-****-550100 / 505-7201-550100

Projected	**2029**	Police			
		1 Office Furniture	5,000		
		Fire			
		1 Misc Furniture/Office Equipment	10,000		
		2 Bunkroom Furniture	24,000		
			CPF Subtotal	**$**	**39,000**
		Public Works-Water Utility			
		1 Ongoing Replacements	15,000		
			WTR Subtotal	**$**	**15,000**
			Subtotal	**$**	**54,000**
Projected	**2030**	Police			
		1 Office Furniture	5,000		
		Fire			
		1 Misc Furniture/Office Equipment	10,000		
			CPF Subtotal	**$**	**15,000**
		Public Works-Water Utility			
		1 Ongoing Replacements	15,000		
			WTR Subtotal	**$**	**15,000**
			Subtotal	**$**	**30,000**
Projected	**2031**	Police			
		1 Office Furniture	5,000		
		Fire			
		1 Misc Furniture/Office Equipment	12,000		
			CPF Subtotal	**$**	**17,000**
		Public Works-Water Utility			
		1 Ongoing Replacements	15,000		
			WTR Subtotal	**$**	**15,000**
			Subtotal	**$**	**32,000**
			Total Capital Projects Fund	**$**	**268,000**
			Total Water & Sewer Fund	**$**	**75,000**
			Total Office Equipment	**$**	**343,000**

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Emergency Generator Upgrades and Replacement
TYPE:	Equipment
PROJECT #:	EQ9902
ACCOUNT #:	505-7201-550150-
PROJECT STRINGS:	EQ9902-EQUIP-OPSPW
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Booster Pump Stations 9, 13, 16 & 17 Lift Stations (12)
DESCRIPTION:	Overhaul, rebuild and replace existing emergency generators.
JUSTIFICATION:	Maintain generators in optimum condition and restore reliability.
COMMENTS:	Ongoing, active program. Booster Pump Stations at #9, #13, #16 and #17; 2031: replacement of generator and switchgear at Station #16

FUND SOURCE:	Water & Sewer		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	821.5K	0.0K	0.0K
Est. Act. 2026:	821.5K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	2,500.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	2,500.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 2,500.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	SCADA Enhancements
TYPE:	Equipment
PROJECT #:	EQ1525
ACCOUNT #:	505-7201-550150-
PROJECT STRINGS:	EQ1525-EQUIP-OPSPW-WTR
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Publics Works and various booster and lift stations throughout the Village
DESCRIPTION:	Supervisory Control and Data Acquisition (SCADA) is the computer hardware and software system used to monitor and control pumps, motors and valves throughout the Village of Arlington Heights.
JUSTIFICATION:	Replacement and addition of hardware and software components to the SCADA System as they fail or require replacement.
COMMENTS:	Scheduled and non-scheduled critical replacement and additions to the SCADA System. 2026: Upgrade level controls for Wilke 1 & 2 storm stations 2028: Radio transmitter upgrades @ pump station 13 2029: Radio transmitter upgrades @ pump station 16 2030: SCADA server I replacement (5-year cycle) 2031: SCADA server II replacement

FUND SOURCE:	Water & Sewer	Storm Water Control	
Orig. Budg. 2026:	30.0K	50.0K	0.0K
Rev. Budg. 2026:	30.0K	50.0K	0.0K
Est. Act. 2026:	30.0K	0.0K	0.0K
Projected Budg. 2027:	30.0K	50.0K	0.0K
Projected Budg. 2028:	30.0K	0.0K	0.0K
Projected Budg. 2029:	30.0K	0.0K	0.0K
Projected Budg. 2030:	75.0K	0.0K	0.0K
Projected Budg. 2031:	75.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	240.0K	50.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 290.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Pumps & Motor Controls Rehab and Replacement
TYPE:	Equipment
PROJECT #:	EQ1530
ACCOUNT #:	505-7201-550150-
PROJECT STRINGS:	EQ1530-EQUIP-OPSPW-WTR
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Various booster and lift stations throughout Arlington Heights
DESCRIPTION:	Rehabilitation and replacement of pumps, motors and motor control centers for various potable water booster stations, as well as various sewage and storm water lift stations.
JUSTIFICATION:	Routine and non-routine rehabilitation and replacement of pumps, motors, motor control centers, and valves at various water booster stations, storm water lift stations and sewage lift stations throughout the Village of Arlington Heights. Work would rehabilitate equipment when feasible and replace equipment when the useful lifespan has been expended.
COMMENTS:	Scheduled and emergency rehabilitation or replacement of critical pumps, motors, motor control centers, and valves. 2026: Replacement of two variable frequency drives (VFD) 2027: Replacement of critical valves at pump stations 2028: Motor control center upgrades/submersible pump upgrade at the Mt. Prospect lift station 2029: 3 VFD Replacements - Various Locations 2030: 3 VFD Replacements - Various Locations 2031: VFD Replacements - Various Locations

FUND SOURCE:	Water & Sewer		
Orig. Budg. 2026:	60.0K	0.0K	0.0K
Rev. Budg. 2026:	60.0K	0.0K	0.0K
Est. Act. 2026:	60.0K	0.0K	0.0K
Projected Budg. 2027:	200.0K	0.0K	0.0K
Projected Budg. 2028:	350.0K	0.0K	0.0K
Projected Budg. 2029:	90.0K	0.0K	0.0K
Projected Budg. 2030:	60.0K	0.0K	0.0K
Projected Budg. 2031:	70.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	770.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 770.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Sewer Rehab/Replacement Program
TYPE:	Sewer
PROJECT #:	SW9001
ACCOUNT #:	505-9001-550250-
PROJECT STRINGS:	SW9001-SEWER-CONSTRUCT-WTR
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Various Locations Throughout Village
DESCRIPTION:	Replace or repair defective or collapsed sewers and sewer structures. Cured in place pipe (CIPP) lining is a non-destructive method of rehabilitating older sewers. The process "sleeves" the interior of older clay sewers with a new epoxy fiberglass resin.
JUSTIFICATION:	The Village has over 210 miles of sanitary and combined sewer. Piping is counted on to last 100 years before replacement. At least 25% of both systems exceed this lifespan. This program aims to maintain capacity of existing collection system and minimize infiltration into sewers as required by IEPA and MWRDGC. Continuous program.
COMMENTS:	Ongoing, active program. Increases will be necessary over time to address aging infrastructure at a consistent rate. There are a variety of outside variables that can accelerate pipe degradation, including new connections, tree root intrusion, and poor workmanship.

FUND SOURCE:	Water & Sewer		
Orig. Budg. 2026:	500.0K	0.0K	0.0K
Rev. Budg. 2026:	500.0K	0.0K	0.0K
Est. Act. 2026:	500.0K	0.0K	0.0K
Projected Budg. 2027:	600.0K	0.0K	0.0K
Projected Budg. 2028:	750.0K	0.0K	0.0K
Projected Budg. 2029:	750.0K	0.0K	0.0K
Projected Budg. 2030:	750.0K	0.0K	0.0K
Projected Budg. 2031:	750.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	3,600.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 3,600.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Manhole Rehabilitation
TYPE:	Sewer
PROJECT #:	SW2004
ACCOUNT #:	505-9001-550250-
PROJECT STRINGS:	SW2004-SEWER-CONSTRUCT-WTR
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Manholes in the Sanitary Sewer System
DESCRIPTION:	Evaluate and provide long term repair of the Village's manholes. Repairs consist of grout or grout and epoxy. Repair type depends on the condition.
JUSTIFICATION:	The Village's aging infrastructure include many manholes. The manholes are subject to the harsh environment and require maintenance to ensure structural integrity.
COMMENTS:	*4,368 sanitary structures *1,345 combination structures

FUND SOURCE:	Water & Sewer		
Orig. Budg. 2026:	50.0K	0.0K	0.0K
Rev. Budg. 2026:	50.0K	0.0K	0.0K
Est. Act. 2026:	50.0K	0.0K	0.0K
Projected Budg. 2027:	75.0K	0.0K	0.0K
Projected Budg. 2028:	75.0K	0.0K	0.0K
Projected Budg. 2029:	75.0K	0.0K	0.0K
Projected Budg. 2030:	85.0K	0.0K	0.0K
Projected Budg. 2031:	85.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	395.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 395.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Sanitary Lift Station Maintenance / Replacement
TYPE:	Sewer
PROJECT #:	SW2502
ACCOUNT #:	505-9001-550250-
PROJECT STRINGS:	SW2502-SEWER-CONSTRUCT-WTR
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Throughout Village
DESCRIPTION:	The Village has seven (7) different sanitary sewer lift-stations. These stations are necessary to move sanitary sewer flows through the system, downstream to the MWRD system. The stations require regular maintenance and occasional structural and mechanical improvements.
JUSTIFICATION:	Mechanical systems have been installed to assist in the movement of sanitary sewer to MWRD sanitary sewer main collector systems for the community. The mechanical systems required to perform this function require regular maintenance and occasional improvements.
COMMENTS:	2026: $1,200k Regent Lift Station construction and observation 2029: $90k design engineering for Locascio Lift Station 2030: $1,500k Locascio Lift Station construction and observation 2031: $80k design engineering for Honeywell Lift Station

FUND SOURCE:	Water & Sewer		
Orig. Budg. 2026:	1,200.0K	0.0K	0.0K
Rev. Budg. 2026:	1,219.6K	0.0K	0.0K
Est. Act. 2026:	1,219.6K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	90.0K	0.0K	0.0K
Projected Budg. 2030:	1,500.0K	0.0K	0.0K
Projected Budg. 2031:	80.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	1,670.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 1,670.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Watermain Replacement Program
TYPE:	Water
PROJECT #:	WA9001
ACCOUNT #:	505-9001-550250-
PROJECT STRINGS:	WA9001-WATER-CONSTRUCT-WTR
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Various locations throughout Village
DESCRIPTION:	Replacing watermains at locations where corrosion, deterioration or inadequate fire flows are evident. The locations will be determined yearly based on soil testing and main break frequency, AI analysis, criticality of service, and roadway (and other infrastructure) construction.
JUSTIFICATION:	This project will reduce maintenance costs associated with main breaks, and provide more reliable fire flow capacity to areas served by small diameter watermains. Program proposes replacing 1% of system annually. Increases are based on estimated cost to replace 1% (2.64 miles) of system per year.
COMMENTS:	

FUND SOURCE:	Water & Sewer		
Orig. Budg. 2026:	4,470.0K	0.0K	0.0K
Rev. Budg. 2026:	4,593.4K	0.0K	0.0K
Est. Act. 2026:	4,593.4K	0.0K	0.0K
Projected Budg. 2027:	4,604.0K	0.0K	0.0K
Projected Budg. 2028:	4,742.0K	0.0K	0.0K
Projected Budg. 2029:	4,885.0K	0.0K	0.0K
Projected Budg. 2030:	4,950.0K	0.0K	0.0K
Projected Budg. 2031:	5,000.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	24,181.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 24,181.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Water Tank Repainting
TYPE:	Water
PROJECT #:	WA1101
ACCOUNT #:	505-9001-550250-
PROJECT STRINGS:	WA1101-WATER-MAINT-WTR
STATUS:	Active
PRIORITY:	Essential
DEPARTMENT:	Public Works & Engineering
LOCATION:	Various ground storage and elevated storage water tanks
DESCRIPTION:	Repaint interior and exterior surfaces of Village-owned water storage tanks.
JUSTIFICATION:	Maintenance of interior and exterior coatings is required to maintain proper water quality and reduce corrosion.
COMMENTS:	2026: 6 MG Well, South Tank - Phase 2 2027: 1 MG Hydro Pillar Well 12 2028: 6 MG Well 16 East 2030: 1 MG Reservoir @ Well #9

FUND SOURCE:	Water & Sewer		
Orig. Budg. 2026:	1,300.0K	0.0K	0.0K
Rev. Budg. 2026:	3,710.1K	0.0K	0.0K
Est. Act. 2026:	3,710.1K	0.0K	0.0K
Projected Budg. 2027:	1,900.0K	0.0K	0.0K
Projected Budg. 2028:	2,500.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	1,000.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	5,400.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 5,400.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Deep Well Rehabilitation
TYPE:	Water
PROJECT #:	WA1102
ACCOUNT #:	505-9001-550250-
PROJECT STRINGS:	WA1102-WATER-MAINT-WTR
STATUS:	Active
PRIORITY:	Essential
DEPARTMENT:	Public Works & Engineering
LOCATION:	Well #9; Well #11; Well #12; Well #13; Well #16; Well #17
DESCRIPTION:	Rehabilitation, repair and/or replace all deep well components: pump, motor, column pipe, line shaft, oil tube, etc. Well #9 Well #11 Well #12 Well #13 Well #16 Well #17
JUSTIFICATION:	Six deep wells are maintained for emergency water supply. Optimum performance of the deep wells is essential for redundant and emergency water supply. Well #12 is a primary backup well to be used in an emergency if our water supply from Northwest Water Commission or Evanston fails.
COMMENTS:	All six wells have been rehabilitated. This is the ongoing costs to cover routine inspections of the deep well systems, and minor building repairs. 2027: Pull and Inspect Well #12 2028: Well #12 Maintenance and repairs

FUND SOURCE:	Water & Sewer		
Orig. Budg. 2026:	20.0K	0.0K	0.0K
Rev. Budg. 2026:	20.0K	0.0K	0.0K
Est. Act. 2026:	20.0K	0.0K	0.0K
Projected Budg. 2027:	60.0K	0.0K	0.0K
Projected Budg. 2028:	100.0K	0.0K	0.0K
Projected Budg. 2029:	20.0K	0.0K	0.0K
Projected Budg. 2030:	17.5K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	197.5K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 197.5K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Commercial Meter Replacements
TYPE:	Water
PROJECT #:	WA2001
ACCOUNT #:	505-9001-550250-
PROJECT STRINGS:	WA2001-WATER-MAINT-WTR
STATUS:	Active
PRIORITY:	Essential
DEPARTMENT:	Public Works & Engineering
LOCATION:	Throughout Village
DESCRIPTION:	Replacement of aging, failing water meters, and the retrofitting or replacement of existing fire line meters. As of 2025, the Village has approximately 300 large commercial meters (of 450) that require replacement. To complete this program, it is proposed to replace approximately 20 large meters per year over the course of approximately 15 years.
JUSTIFICATION:	
COMMENTS:	Anticipated completion in 2036.

FUND SOURCE:	Water & Sewer		
Orig. Budg. 2026:	400.0K	0.0K	0.0K
Rev. Budg. 2026:	400.0K	0.0K	0.0K
Est. Act. 2026:	400.0K	0.0K	0.0K
Projected Budg. 2027:	400.0K	0.0K	0.0K
Projected Budg. 2028:	400.0K	0.0K	0.0K
Projected Budg. 2029:	400.0K	0.0K	0.0K
Projected Budg. 2030:	400.0K	0.0K	0.0K
Projected Budg. 2031:	400.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	2,000.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 2,000.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Risk & Resiliency Plan
TYPE:	Water
PROJECT #:	WA2101
ACCOUNT #:	505-9001-550250-
PROJECT STRINGS:	WA2101-WATER-OTHERCAP-WTR
STATUS:	Active
PRIORITY:	Essential
DEPARTMENT:	Public Works & Engineering
LOCATION:	Throughout Village
DESCRIPTION:	Each community with a water system serving a population greater than 3,300 persons shall assess the risks to, resilience of, its system.
JUSTIFICATION:	On October 23, 2018, America's Water Infrastructure Act (AWIA) was signed into law. AWIA section 2013 requires community drinking water systems serving more than 3,300 people to develop or update risk assessments and emergency response plans (ERPs). The law specifies the components that the risk assessments and ERPs must address, and establishes deadlines by which water systems must certify to EPA completion of the risk assessment and ERP.
COMMENTS:	2027: Install pressure reducing valve at Hydropillar to prevent tower from draining 2028: Full hydraulic model 2029: Water Vulnerability Updates 2030: Water Vulnerability Updates 2031: Water Vulnerability Updates

FUND SOURCE:	Water & Sewer		
Orig. Budg. 2026:	230.0K	0.0K	0.0K
Rev. Budg. 2026:	352.2K	0.0K	0.0K
Est. Act. 2026:	352.2K	0.0K	0.0K
Projected Budg. 2027:	700.0K	0.0K	0.0K
Projected Budg. 2028:	350.0K	0.0K	0.0K
Projected Budg. 2029:	100.0K	0.0K	0.0K
Projected Budg. 2030:	100.0K	0.0K	0.0K
Projected Budg. 2031:	50.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	1,300.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 1,300.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Water Valve & Hydrant Replacement Program
TYPE:	Water
PROJECT #:	WA2501
ACCOUNT #:	505-9001-550250-
PROJECT STRINGS:	WA2501-WATER-MAINT
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Throughout Village
DESCRIPTION:	The Village has 3,901 main line valves located underground in valve vaults and valve boxes, and 3409 fire hydrants located throughout the community. Both valves and hydrants are generally anticipated to last approximately 50 years before major maintenance or replacement is required.
JUSTIFICATION:	The water system is made of over 260 miles of underground infrastructure within the Village. This program is intended to replace various hydrants and valves that are in need of significant repair or have outlived their useful life and are outside the limits of the water main replacement program. Not including water main replacement projects, less than 10 valves/hydrants are replaced each year. This program will enable a greater percentage of water system components to be replaced before they fail.
COMMENTS:	

FUND SOURCE:	Water & Sewer		
Orig. Budg. 2026:	50.0K	0.0K	0.0K
Rev. Budg. 2026:	50.0K	0.0K	0.0K
Est. Act. 2026:	50.0K	0.0K	0.0K
Projected Budg. 2027:	50.0K	0.0K	0.0K
Projected Budg. 2028:	50.0K	0.0K	0.0K
Projected Budg. 2029:	50.0K	0.0K	0.0K
Projected Budg. 2030:	50.0K	0.0K	0.0K
Projected Budg. 2031:	50.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	250.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 250.0K

LEAD SERVICE LINE REPLACEMENT FUND

2027 Key Projects

1. Lead Water Service Line Replacement $3,995,000

Key Information

1. Effective January 1, 2022, Public Act 102-0613 requires the removal of lead service water lines to begin by 2027, and the US EPA is mandating to conclude by 2037. The Lead Service Line Replacement Fund was established by the Village through a one-time transfer of 2021 General Fund surplus funds. In 2024, as part of the 2024 bond issuance, bond proceeds were transferred in as a funding source.

2. Initial projections for the Lead Service Line Replacement Program anticipated higher overall expenditures. As the program has evolved, the Village has refined cost assumptions through increased understanding of replacement needs and implementation practices. By integrating lead service line replacements with other capital and infrastructure projects, the Village has achieved economies of scale, while in-house project coordination has generated additional efficiencies and cost savings. These factors have helped moderate overall program costs compared to original estimates.

LEAD SERVICE LINE REPLACEMENT FUND (506)

PROGRAM PLAN

ACCOUNT DESCRIPTION	Pg#	PROJ	2021 ACTUAL	2022 ACTUAL	2023 ACTUAL	2024 ACTUAL	2025 ACTUAL	2026 ESTIMATED ACTUAL	2026 BUDGET	2027 BUDGET	2028 BUDGET	2029 BUDGET	2030 BUDGET	2031 BUDGET	2032 BUDGET	2033 BUDGET	2034 BUDGET	2035 BUDGET	2036 BUDGET	2037 BUDGET	PROJECT TOTAL
REVENUES																					
INTEREST INCOME			0	55,489	166,259	728,249	1,019,731	1,000,000	180,000	**180,000**	75,000	180,000	180,000	150,000	150,000	100,000	50,000	50,000	50,000	50,000	**3,344,997**
BUSINESS/RESIDENT PAYMENTS			0	0	0	0	177,516	200,000	705,000	**648,900**	620,100	605,000	623,100	641,800	661,000	680,900	701,300	722,300	744,000	766,300	**8,319,700**
GRANTS			0	0	756,800	749,000	0	0	0	**0**	0	0	0	0	0	0	0	0	0	0	**1,505,800**
OPERATING TRANSFER IN			4,000,000	3,000,000	5,750,000	11,000,000	5,000,000	0	0	**0**	0	0	0	0	0	0	2,500,000	0	0	0	**26,250,000**
TOTAL REVENUES			4,000,000	3,055,489	6,673,059	12,477,249	6,197,248	1,200,000	885,000	**828,900**	695,100	785,000	803,100	791,800	811,000	780,900	3,251,300	772,300	794,000	816,300	**39,420,497**
EXPENDITURES																					
EQUIPMENT																					
Lead Service Line Replacement Equipment	3	EQ2303	0	0	92,165	86,122	246,891	166,100	166,109	**116,800**	119,100	121,500	123,900	126,400	128,900	131,500	134,100	136,800	139,500	142,300	**2,012,078**
SUBTOTAL - EQUIPMENT			0	0	92,165	86,122	246,891	166,100	166,109	**116,800**	119,100	121,500	123,900	126,400	128,900	131,500	134,100	136,800	139,500	142,300	**2,012,078**
WATER																					
Lead Service Line Replacement Prof Servic	4	WA2301	0	0	478,647	2,144,758	979,475	7,316,600	7,316,570	**3,995,000**	3,854,000	4,139,200	2,611,900	2,486,900	2,686,300	2,781,300	1,975,700	1,920,900	1,799,200	886,600	**40,056,480**
Lead Service Line Replacement - Rebates	5	WA2601	0	0	0	0	0	0	0	**200,000**	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	**2,200,000**
SUBTOTAL - WATER			0	0	478,647	2,144,758	979,475	7,316,600	7,316,570	**4,195,000**	4,054,000	4,339,200	2,811,900	2,686,900	2,886,300	2,981,300	2,175,700	2,120,900	1,999,200	1,086,600	**42,256,480**
TOTAL EXPENDITURES			0	0	570,812	2,230,880	1,226,366	7,482,700	7,482,679	**4,311,800**	4,173,100	4,460,700	2,935,800	2,813,300	3,015,200	3,112,800	2,309,800	2,257,700	2,138,700	1,228,900	**44,268,558**
BEGINNING WORKING CASH			0	4,000,000	7,055,489	13,157,735	23,404,104	28,374,986	28,374,986	**22,092,286**	18,609,386	15,131,386	11,455,686	9,322,986	7,301,486	5,097,286	2,765,386	3,706,886	2,221,486	876,786	
REVENUES OVER (UNDER) EXPENDS.			4,000,000	3,055,489	6,102,247	10,246,369	4,970,882	(6,282,700)	(6,597,679)	**(3,482,900)**	(3,478,000)	(3,675,700)	(2,132,700)	(2,021,500)	(2,204,200)	(2,331,900)	941,500	(1,485,400)	(1,344,700)	(412,600)	**(4,848,061)**
ENDING WORKING CASH			4,000,000	7,055,489	13,157,735	23,404,104	28,374,986	22,092,286	21,777,307	**18,609,386**	15,131,386	11,455,686	9,322,986	7,301,486	5,097,286	2,765,386	3,706,886	2,221,486	876,786	464,186	
Working Cash as % of Expenditures									**291%**	**432%**	**363%**	**257%**	**318%**	**260%**	**169%**	**89%**	**160%**	**98%**	**41%**	**38%**	

LEAD SERVICE LINES

Beginning Lead Line Inventory 4,554

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	TOTAL
Contractual Public Only	0	0	0	360	5	0	5	5	5	5	5	5	5	5	5	5	0	**415**
Contractual / Private or Combo.	0	0	0	2	55	397	324	324	324	200	200	200	200	150	135	125	70	**2,706**
In-House Public Side Only	58	126	109	133	80	45	45	45	50	50	50	50	50	50	50	50	50	**1,091**
Future Adjustments/Unplanned Replacements				53	19	30	30	30	20	20	20	20	20	20	20	20	20	**342**
Annual Total	58	126	109	548	159	472	404	404	399	275	275	275	275	225	210	200	140	**4,554**
Lead Line Inventory Balance	4,496	4,370	4,261	3,713	3,554	3,082	2,678	2,274	1,875	1,600	1,325	1,050	775	550	340	140	0	

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Lead Service Line Replacement: Capital Equipment/Supplies
TYPE:	Equipment
PROJECT #:	EQ2303
ACCOUNT #:	506-7201-550150-
PROJECT STRINGS:	EQ2303-EQUIP-OPSPW-LSLR
STATUS:	Active
PRIORITY:	Essential
DEPARTMENT:	Public Works & Engineering
LOCATION:	Throughout Village
DESCRIPTION:	Lead Service Line Replacement Program. Staff estimates there are 4,000 partial or full lead services within the municipal water system. Public Act 102-0613 requires the removal of lead services to start by 2027 and conclude by 2044. Staff estimates that a partial lead service replacement is approximately $9,000 and a full lead service replacement is $12,000.
JUSTIFICATION:	Supplies and equipment required for the in-house lead service line replacement program. The Village has developed an in-house trial program to begin lead service line replacements that only exist on the public side of the water main. The in-house program has proven to be cost effective, so staff will pursue additional equipment to improve efficiencies.
COMMENTS:	Annual program. Assumes 3% price increases annually.

FUND SOURCE:	Lead Service Line Replacement		
Orig. Budg. 2026:	113.0K	0.0K	0.0K
Rev. Budg. 2026:	166.1K	0.0K	0.0K
Est. Act. 2026:	166.1K	0.0K	0.0K
Projected Budg. 2027:	116.8K	0.0K	0.0K
Projected Budg. 2028:	119.1K	0.0K	0.0K
Projected Budg. 2029:	121.5K	0.0K	0.0K
Projected Budg. 2030:	123.9K	0.0K	0.0K
Projected Budg. 2031:	126.4K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	607.7K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 607.7K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Lead Service Line Replacement: Professional Services
TYPE:	Water
PROJECT #:	WA2301
ACCOUNT #:	506-9001-550250-
PROJECT STRINGS:	WA2301-WATER-MAINT-LSLR
STATUS:	Active
PRIORITY:	Essential
DEPARTMENT:	Public Works & Engineering
LOCATION:	Throughout Village
DESCRIPTION:	Lead Service Line Replacement Program. Staff estimates there are 4,000 partial or full lead services within the municipal water system. Public Act 102-0613 requires the removal of lead services to start by 2027 and conclude by 2037. Staff estimates that a partial lead service replacement is approximately $9,000 and a full lead service replacement is $12,000.
JUSTIFICATION:	Professional services for the Village's lead service line replacement program: services include engineering and design, specification review, and construction inspections and for a 0% state loan assistance program when applicable.
COMMENTS:	

FUND SOURCE:	Lead Service Line Replacement		
Orig. Budg. 2026:	3,914.0K	0.0K	0.0K
Rev. Budg. 2026:	7,316.6K	0.0K	0.0K
Est. Act. 2026:	7,316.6K	0.0K	0.0K
Projected Budg. 2027:	3,995.0K	0.0K	0.0K
Projected Budg. 2028:	3,854.0K	0.0K	0.0K
Projected Budg. 2029:	4,139.2K	0.0K	0.0K
Projected Budg. 2030:	2,611.9K	0.0K	0.0K
Projected Budg. 2031:	2,486.9K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	17,087.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 17,087.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Lead Service Line Replacement - Rebates
TYPE:	Water
PROJECT #:	WA2601
ACCOUNT #:	506-9001-550250-
PROJECT STRINGS:	WA2601-WATER-
STATUS:	New
PRIORITY:	Essential
DEPARTMENT:	Public Works & Engineering
LOCATION:	Throughout the Village
DESCRIPTION:	Lead Service Line Replacement Program (LSLR). Staff estimates there are 4,000 partial or full lead services within the municipal water system. Public Act 102-0613 requires the removal of lead services to start by 2027 and conclude by 2037. Staff estimates that a partial lead service replacement is approximately $9,000 and a full lead service replacement is $12,000.
JUSTIFICATION:	This accounts for up to 80 rebates of $2,500 to residents with lead services that are replaced outside of capital projects. If utilized, this will potentially reduce the length of the LSLR program, but not have an impact on the cost.
COMMENTS:	

FUND SOURCE:	Lead Service Line Replacement		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	200.0K	0.0K	0.0K
Projected Budg. 2028:	200.0K	0.0K	0.0K
Projected Budg. 2029:	200.0K	0.0K	0.0K
Projected Budg. 2030:	200.0K	0.0K	0.0K
Projected Budg. 2031:	200.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	1,000.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 1,000.0K

MUNICIPAL PARKING OPERATIONS FUND

2027 Key Projects

1. Parking Structure Maintenance/Repairs $678,000
2. Municipal Parking Lot Improvements $50,000

Key Information

1. Parking Structure Maintenance/Repairs includes structural repairs, waterproofing in 2027 and in 2028 an elevator modernization project.

2. Lot E will undergo asphalt resurfacing and some spot curb replacement to replace deteriorated existing curb areas.

MUNICIPAL PARKING OPERATIONS FUND (235)

5 YEAR CAPITAL IMPROVEMENT PROGRAM (CIP)

ACCOUNT DESCRIPTION	Pg#	PROJ	2024 ACTUAL	2025 ACTUAL	2026 ESTIMATED ACTUAL	2026 BUDGET	2027 BUDGET	2028 BUDGET	2029 BUDGET	2030 BUDGET	2031 BUDGET
REVENUES											
FEES & FINES			891,378	920,639	950,000	980,100	**950,000**	950,000	950,000	950,000	950,000
INTEREST INCOME			409,603	437,807	300,000	290,000	**300,000**	300,000	300,000	300,000	300,000
TRANSFER IN FROM CAPITAL PROJECTS FUND			2,500,000	500,000	0	0	**0**	0	0	0	0
TOTAL REVENUES			3,800,981	1,858,447	1,250,000	1,270,100	**1,250,000**	1,250,000	1,250,000	1,250,000	1,250,000
EXPENDITURES											
OPERATING EXPENDITURES											
Personal Services	-		456,081	454,807	593,600	593,600	**617,300**	642,000	667,700	694,400	722,200
Contractual Services	-		342,646	330,870	413,400	413,400	**415,700**	432,300	449,600	467,600	486,300
Commodities	-		87,858	84,688	105,200	105,200	**109,400**	113,800	118,400	123,100	128,000
Other Charges	-		0	0	0	0	**0**	0	0	0	0
SUBTOTAL - OPERATING EXPENDITURES			886,585	870,365	1,112,200	1,112,200	**1,142,400**	1,188,100	1,235,700	1,285,100	1,336,500
BUILDING & LAND											
Ongoing Maintenance to Brick Exterior	3	BL9603	0	5,890	5,000	5,000	**5,000**	5,000	55,000	5,000	5,000
Parking Structure Maintenance/Repairs	4	BL0006	332,270	1,240,530	1,710,600	1,710,647	**678,000**	664,000	855,000	550,000	670,000
Municipal Parking Lot Improvements	5	BL2102	1,300	50,000	0	0	**50,000**	0	0	50,000	0
SUBTOTAL - BLDG & LAND			333,570	1,296,420	1,715,600	1,715,647	**733,000**	669,000	910,000	605,000	675,000
EQUIPMENT											
Operational Equipment - Parking Fund	6	EQ0901	8,600	9,076	10,000	10,000	**10,000**	10,000	10,000	10,000	10,000
Parking Kiosks	7	EQ2602	0	0	0	0	**143,000**	0	0	0	0
SUBTOTAL - EQUIPMENT			8,600	9,076	10,000	10,000	**153,000**	10,000	10,000	10,000	10,000
TOTAL EXPENDITURES			1,228,755	2,175,861	2,837,800	2,837,847	**2,028,400**	1,867,100	2,155,700	1,900,100	2,021,500
BEGINNING FUND BALANCE			5,001,905	7,574,131	7,256,717	7,256,717	**5,668,917**	4,890,517	4,273,417	3,367,717	2,717,617
REVENUES OVER (UNDER) EXPENDITURES			2,572,226	(317,414)	(1,587,800)	(1,567,747)	**(778,400)**	(617,100)	(905,700)	(650,100)	(771,500)
ENDING FUND BALANCE			7,574,131	7,256,717	5,668,917	5,688,970	**4,890,517**	4,273,417	3,367,717	2,717,617	1,946,117
Fund Balance as a Percent of Expenditures							**241%**	**229%**	**156%**	**143%**	**96%**

PROJECTS WITH SECOND FUND SOURCE

Ongoing Maintenance to Brick Exteriors	BL9603	Ongoing program partially funded with Capital Project Fund revenue.

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Ongoing Maintenance to Brick Exteriors
TYPE:	Building/Land
PROJECT #:	BL9603
ACCOUNT #:	235-7101-550200-
PROJECT STRINGS:	BL9603-BUILDING-MAINT-PRK
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Various Municipal Buildings
DESCRIPTION:	To survey and make necessary repairs to the brick-and-mortar exterior of municipal buildings throughout the Village.
JUSTIFICATION:	Costs to repair brick exterior walls are greatly reduced when damage is found early. This ongoing program will greatly extend life of the walls and allow for early identification of trouble locations.
COMMENTS:	Ongoing, active program ($40k, $5k). 2028: Beginning to repair issues related to tuck-pointing, caulking, and other general maintenance on hard-scape, coping stones, and Village Facilities; 2029: Tuck-pointing, caulking, and other maintenance on hard-scape, coping stones, at Village Facilities ($40k), Limestone repairs at train station ($50k), and ramp at VH ($50k) 2030: VH Sealant Repairs ($300k) 2031: Ongoing Repairs

FUND SOURCE:	Capital Projects	Parking	
Orig. Budg. 2026:	40.0K	5.0K	0.0K
Rev. Budg. 2026:	40.0K	5.0K	0.0K
Est. Act. 2026:	40.0K	5.0K	0.0K
Projected Budg. 2027:	40.0K	5.0K	0.0K
Projected Budg. 2028:	40.0K	5.0K	0.0K
Projected Budg. 2029:	130.0K	55.0K	0.0K
Projected Budg. 2030:	340.0K	5.0K	0.0K
Projected Budg. 2031:	40.0K	5.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	590.0K	75.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 665.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Parking Structure Maintenance/Repairs
TYPE:	Building/Land
PROJECT #:	BL0006
ACCOUNT #:	235-7101-550250-
PROJECT STRINGS:	BL0006-BUILDING-CONSTRUCT-PRK
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Municipal Parking Garage, Vail Avenue Garage, North Garage, and Evergreen Underground Garage
DESCRIPTION:	Maintenance and repairs in four Village-owned parking structures.
JUSTIFICATION:	The parking structures are in excess of 30 years old. Although Public Works has provided a variety of maintenance activities, they are showing signs of their age. A parking structure evaluation was performed by a consultant in FY2014. All four garages were rehabilitated with work completed in 2018. The next phase continues modernization of the elevators within the parking garages, which started in 2024. Future costs are for recommended periodic maintenance.
COMMENTS:	2026: Structural repairs, caulking & waterproofing ($1,050k); Evergreen ramp repairs ($85k) 2027: Structural repairs and waterproofing ($678k); 2028: Structural repairs, caulking/waterproofing ($364k), elevator modernization ($300k); 2029: Repairs, caulk, waterproof ($855k); 2030: Structural repairs, caulking, and waterproofing ($550k); 2031: Structural repairs, caulking, and waterproofing ($670k)

FUND SOURCE:	Parking		
Orig. Budg. 2026:	1,050.4K	0.0K	0.0K
Rev. Budg. 2026:	1,710.6K	0.0K	0.0K
Est. Act. 2026:	1,710.6K	0.0K	0.0K
Projected Budg. 2027:	678.0K	0.0K	0.0K
Projected Budg. 2028:	664.0K	0.0K	0.0K
Projected Budg. 2029:	855.0K	0.0K	0.0K
Projected Budg. 2030:	550.0K	0.0K	0.0K
Projected Budg. 2031:	670.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	3,417.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 3,417.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Municipal Parking Lot Improvements
TYPE:	Building/Land
PROJECT #:	BL2102
ACCOUNT #:	235-7101-550250-
PROJECT STRINGS:	BL2102-BUILDING-CONSTRUCT-PRK
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Various Village Surface Parking Lots
DESCRIPTION:	For improvements at various Village owned parking lots.
JUSTIFICATION:	
COMMENTS:	2026: Old Metra Station Lot $175K CPF 2027: Lot "E" $50K PRK; 2028: Fire Station #3 $175k CPF 2030: Surface Lot Improvements $50k PRK

FUND SOURCE:	Parking	Capital Projects	
Orig. Budg. 2026:	0.0K	175.0K	0.0K
Rev. Budg. 2026:	0.0K	175.0K	0.0K
Est. Act. 2026:	0.0K	175.0K	0.0K
Projected Budg. 2027:	50.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	175.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	50.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	100.0K	175.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 275.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Operational Equipment - Municipal Parking Fund
TYPE:	Equipment
PROJECT #:	EQ0901
ACCOUNT #:	235-7101-550150-
PROJECT STRINGS:	EQ0901-EQUIP-OPSPW-PRK
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	All parking facilities - garages & surface lots
DESCRIPTION:	Pay box replacement, signage, miscellaneous replacement equipment, additional lighting, garbage cans, etc.
JUSTIFICATION:	Unforeseen needs and repairs.
COMMENTS:	

FUND SOURCE:	Parking		
Orig. Budg. 2026:	10.0K	0.0K	0.0K
Rev. Budg. 2026:	10.0K	0.0K	0.0K
Est. Act. 2026:	10.0K	0.0K	0.0K
Projected Budg. 2027:	10.0K	0.0K	0.0K
Projected Budg. 2028:	10.0K	0.0K	0.0K
Projected Budg. 2029:	10.0K	0.0K	0.0K
Projected Budg. 2030:	10.0K	0.0K	0.0K
Projected Budg. 2031:	10.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	50.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 50.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Parking Kiosks
TYPE:	Equipment
PROJECT #:	EQ2602
ACCOUNT #:	235-3001-550150-
PROJECT STRINGS:	EQ2602-EQUIP-OPSPOL-PRK
STATUS:	New
PRIORITY:	Discretionary
DEPARTMENT:	Police
LOCATION:	Downtown Business District Public Parking Garages and Lots
DESCRIPTION:	The Village of Arlington Heights utilizes a manual, cash paybox system to pay for parking in public garages and applicable public lots. Staff and residents would benefit from an upgrade in the technology utilized to accept payment, offering cashless payment options, or pay via a web-based application. Village staff would manage less U.S. currency and utilize more time conducting parking enforcement. Residents and visitors would be able to pay for parking with ease and the system would reduce error in payment.
JUSTIFICATION:	The Village of Arlington Heights current paybox system is out of date and beginning to degrade. The utilization of current technological advancements would create a more efficient process to collect payment and create a system easier for residents and visitors to pay for parking.
COMMENTS:	To implement a parking kiosk system, the equipment would be associated to a subscription service for software resulting in a yearly or monthly recurring fee anticipated to be in the operating budget FY28 and beyond.

FUND SOURCE:	Parking		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	143.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	143.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 143.0K

Other Funds

Criminal Investigation Fund ..... OTHER 1 – 6

TIF IV Fund ..... OTHER 7 – 9

TIF V Fund ..... OTHER 10 – 12

TIF Hickory/Kensington Fund ..... OTHER 13 – 14

TIF S Arlington Heights Rd Fund .....OTHER 15 – 16

Arts, Entertainment & Events Fund (A&E) .....OTHER 17 – 22

Fleet Operations Fund ..... OTHER 23 – 31

Technology Fund..... OTHER 32 – 36

CRIMINAL INVESTIGATION FUND (231)

5 YEAR FINANCIAL PLAN

ACCOUNT DESCRIPTION	Pg#	PROJ	2024 ACTUAL	2025 ACTUAL	2026 ESTIMATED ACTUAL	2026 BUDGET	2027 BUDGET	2028 BUDGET	2029 BUDGET	2030 BUDGET	2031 BUDGET
REVENUES											
INTEREST INCOME			59,264	56,933	50,000	50,000	**50,000**	0	0	0	0
STATE & FEDERAL AWARDS			377,638	461,723	100,000	100,000	**100,000**	100,000	100,000	100,000	100,000
TOTAL REVENUES			436,902	518,656	150,000	150,000	**150,000**	100,000	100,000	100,000	100,000
EXPENDITURES											
OPERATING EXPENDITURES											
Other Expenditures	-		266,183	224,430	97,900	97,900	**97,900**	97,900	97,900	97,900	97,900
SUBTOTAL - OPERATING EXPENDITURES			266,183	224,430	97,900	97,900	**97,900**	97,900	97,900	97,900	97,900
EQUIPMENT											
Operational Equipment - Police Department	2	EQ9501	20,188	88,104	100,000	100,000	**100,000**	100,000	100,000	100,000	100,000
Patrol Vehicle Equipment Replacement Program	5	EQ0803	2,627	13,831	48,000	48,000	**0**	22,000	0	0	0
Body Worn Cams/Dash Cams/TASERs/Digital Eviden	6	EQ2201	0	0	100,000	100,000	**100,000**	120,000	100,000	100,000	100,000
SUBTOTAL - EQUIPMENT			22,815	101,936	248,000	248,000	**200,000**	242,000	200,000	200,000	200,000
TOTAL EXPENDITURES			288,998	326,365	345,900	345,900	**297,900**	339,900	297,900	297,900	297,900
BEGINNING FUND BALANCE			1,646,254	1,794,158	1,986,448	1,986,448	**1,790,548**	1,642,648	1,402,748	1,204,848	1,006,948
REVENUES OVER (UNDER) EXPENDITURES			147,904	192,290	(195,900)	(195,900)	**(147,900)**	(239,900)	(197,900)	(197,900)	(197,900)
ENDING FUND BALANCE			1,794,158	1,986,448	1,790,548	1,790,548	**1,642,648**	1,402,748	1,204,848	1,006,948	809,048
Fund Balance as a Percent of Expenditures							**551%**	**413%**	**404%**	**338%**	**272%**

PROJECTS WITH SECOND FUND SOURCE

Operational Equipment - Police Department	EQ9501	Ongoing program partially funded with Capital Project Fund revenue.
Patrol Vehicle Equipment Replacement Program	EQ0803	Ongoing program partially funded with Capital Project Fund revenue.
Body Worn Cams/Dash Cams/TASERs/Digital Evidence	EQ2201	Ongoing program partially funded with Capital Project Fund revenue.

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Operational Equipment - Police Department
TYPE:	Equipment
PROJECT #:	EQ9501
ACCOUNT #:	231-3003-540110-
PROJECT STRINGS:	EQ9501-EQUIP-OPSPOL-CIF
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Police
LOCATION:	Arlington Heights Police Department - 200 E. Sigwalt Street
DESCRIPTION:	Purchase of various equipment needing to be replaced on as-needed basis at end of useful life and acquisition of additional equipment needed to conduct operations.
JUSTIFICATION:	Replace police operational equipment at end of useful life.
COMMENTS:	The Police Department amended future CIP projections based on the useful life of safety response equipment and medical supplies for replacement in addition to the ongoing radio, speed enforcement equipment, audio/visual technology needs.

FUND SOURCE:	Capital Projects	Criminal Investigation	
Orig. Budg. 2026:	85.0K	100.0K	0.0K
Rev. Budg. 2026:	85.0K	100.0K	0.0K
Est. Act. 2026:	85.0K	100.0K	0.0K
Projected Budg. 2027:	144.0K	100.0K	0.0K
Projected Budg. 2028:	98.0K	120.0K	0.0K
Projected Budg. 2029:	110.0K	100.0K	0.0K
Projected Budg. 2030:	86.0K	100.0K	0.0K
Projected Budg. 2031:	98.0K	100.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	536.0K	520.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 1,056.0K

Police Operational Equipment - EQ9501

Police

EQ9501-EQUIP-OPSPOL-CPF / EQ9501-EQUIP-OPSPOL-CIF

401-3001-550150 / 231-3003-540110

Budget	**2026**	Capital Projects Fund			
		1 Mobile Radios & Peripherals	28,000		
		2 Audio/Visual Technology Updates	12,000		
		3 Weapons Replacements	12,000		
		4 LPR Cameras (11)	33,000		
			CPF Subtotal	**$**	**85,000**
		Criminal Investigation Fund			
		1 Police Equipment	100,000		
			CIF Subtotal	**$**	**100,000**
			Subtotal	**$**	**185,000**
Projected	**2027**	Capital Projects Fund			
		1 Mobile Radios & Peripherals	28,000		
		2 Audio/Visual Technology Updates	12,000		
		3 Safety Response Equipment	36,000		
		4 Automated External Defibrillator / Medical Kits	68,000		
			CPF Subtotal	**$**	**144,000**
		Criminal Investigation Fund			
		1 Police Equipment	100,000		
			CIF Subtotal	**$**	**100,000**
			Subtotal	**$**	**244,000**
Projected	**2028**	Capital Projects Fund			
		1 Mobile Radios & Peripherals	32,000		
		2 Audio/Visual Technology Updates	12,000		
		3 Traffic Calming Technology	18,000		
		4 Safety Response Equipment	36,000		
			CPF Subtotal	**$**	**98,000**
		Criminal Investigation Fund			
		1 K9 Acquisition	20,000		
		2 Police Equipment	100,000		
			CIF Subtotal	**$**	**100,000**
			Subtotal	**$**	**198,000**
Projected	**2029**	Capital Projects Fund			
		1 Mobile Radios & Peripherals	32,000		
		2 Camera Equipment	15,000		
		3 Drone Equipment Replacement	27,000		
		4 Safety Response Equipment	36,000		
			CPF Subtotal	**$**	**110,000**
		Criminal Investigation Fund			
		1 Police Equipment	100,000		
			CIF Subtotal	**$**	**100,000**
			Subtotal	**$**	**210,000**

Police Operational Equipment - EQ9501

Police

EQ9501-EQUIP-OPSPOL-CPF / EQ9501-EQUIP-OPSPOL-CIF

401-3001-550150 / 231-3003-540110

Projected	**2030**	Capital Projects Fund			
		1 Mobile Radios & Peripherals	32,000		
		2 Traffic Calming Technology	18,000		
		3 Safety Response Equipment	36,000		
			CPF Subtotal	**$**	**86,000**
		Criminal Investigation Fund			
		1 Police Equipment	100,000		
			CIF Subtotal	**$**	**100,000**
			Subtotal	**$**	**186,000**
Projected	**2031**	Capital Projects Fund			
		1 Mobile Radios & Peripherals	32,000		
		2 Audio/Visual Technology Updates	12,000		
		3 Traffic Calming Technology	18,000		
		4 Safety Response Equipment	36,000		
			CPF Subtotal	**$**	**98,000**
		Criminal Investigation Fund			
		1 Police Equipment	100,000		
			CIF Subtotal	**$**	**100,000**
			Subtotal	**$**	**198,000**
			Total Capital Projects Fund	**$**	**536,000**
			Total Criminal Investigation Fund	**$**	**500,000**
			Total Police Operational Equipment	**$**	**1,036,000**

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Patrol Vehicle Equipment Replacement Program
TYPE:	Equipment
PROJECT #:	EQ0803
ACCOUNT #:	231-3003-540010-
PROJECT STRINGS:	EQ0803-EQUIP-OPSPOL-CIF
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Police
LOCATION:	Arlington Heights Police Department - 200 E. Sigwalt Street
DESCRIPTION:	Purchase of replacement equipment necessary to outfit the interior of police vehicles as they have reached the end of useful life. This is an annual plan to improve emergency equipment in marked and unmarked police vehicles.
JUSTIFICATION:	In years past, squad car emergency equipment has been replaced on an as-needed basis which resulted in inconsistent and undesirable variations in squad car configurations. In an effort to achieve fleet uniformity and maximum utilization of warranty protection, the department has moved to scheduled replacement.
COMMENTS:	2027 Budget - Replacement equipment for 9 marked squad cars, including 5 specialty cars. 2028 Budget - Replacement equipment for 10 marked squad cars, including 1 K9 car and 3 specialty cars. 2029 Budget - Replacement equipment for 10 marked squad cars, including 5 specialty cars 2030 Budget - Replacement equipment for 2 marked squad cars. 2031 Budget - Replacement equipment for 1 marked squad car, a specialty transport van, and a specialty trailer.

FUND SOURCE:	Capital Projects	Criminal Investigation	
Orig. Budg. 2026:	115.0K	48.0K	0.0K
Rev. Budg. 2026:	115.0K	48.0K	0.0K
Est. Act. 2026:	115.0K	48.0K	0.0K
Projected Budg. 2027:	96.0K	0.0K	0.0K
Projected Budg. 2028:	85.0K	22.0K	0.0K
Projected Budg. 2029:	132.0K	0.0K	0.0K
Projected Budg. 2030:	47.0K	0.0K	0.0K
Projected Budg. 2031:	37.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	397.0K	22.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 419.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Body Worn Cams/Dash Cams/TASER/Digital Evidence Storage
TYPE:	Equipment
PROJECT #:	EQ2201
ACCOUNT #:	231-3003-540110-
PROJECT STRINGS:	EQ2201-EQUIP-OPSPOL-CIF
STATUS:	Active
PRIORITY:	Essential
DEPARTMENT:	Police
LOCATION:	Arlington Heights Police Department - 200 E. Sigwalt Street
DESCRIPTION:	Purchase of body worn cameras for sworn personnel and certain Public Service Officers. Included costs required for this project are docking stations, related hardware, management software, cloud-based data storage, new dash cameras for marked squad cars and body worn cameras for each officer.
JUSTIFICATION:	HB 3653 mandated that the police department have body worn cameras implemented by 2024. The department purchased and implemented the use of body worn cameras and will continue to utilize the statutorily required equipment. The department will maintain a contract with a body worn camera provider to include scheduled camera replacement, data storage, management software, and any necessary hardware. The current contract in place is for FY2026 through FY2030.
COMMENTS:	The estimated cost of the above listed equipment, software, data storage, and a 5-year service contract (FY2026 - FY2030) is $3,170,649.34. A significant portion of this is directly related to the considerable costs associated with cloud-based storage for the massive amount of evidence preserved which is subject to statutory time limits. The budget for 2031 was projected at an increase for the new 5-year contract. 2026 CPF expenditures will be offset by $317,000 and $150,000 grants. Additional funding for future years is being sought out.

FUND SOURCE:	Capital Projects	Criminal Investigation	
Orig. Budg. 2026:	456.3K	100.0K	0.0K
Rev. Budg. 2026:	456.3K	100.0K	0.0K
Est. Act. 2026:	456.3K	100.0K	0.0K
Projected Budg. 2027:	553.6K	100.0K	0.0K
Projected Budg. 2028:	553.6K	100.0K	0.0K
Projected Budg. 2029:	553.6K	100.0K	0.0K
Projected Budg. 2030:	553.6K	100.0K	0.0K
Projected Budg. 2031:	737.0K	100.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	2,951.4K	500.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 3,451.4K

TIF IV FUND (263)

2002 - 2037 **5 YEAR FINANCIAL PLAN**

ACCOUNT DESCRIPTION	Pg#	PROJ	2024 ACTUAL	2025 ACTUAL	2026 ESTIMATED ACTUAL	2026 BUDGET	2027 BUDGET	2028 BUDGET	2029 BUDGET	2030 BUDGET	2031 BUDGET
REVENUES											
TAXES - PROPERTY TAXES			708,916	204,228	700,000	700,000	**1,000,000**	1,000,000	1,000,000	1,000,000	1,000,000
INTEREST INCOME			208,461	219,493	180,000	180,000	**180,000**	180,000	180,000	180,000	180,000
TOTAL REVENUES			917,377	423,721	880,000	880,000	**1,180,000**	1,180,000	1,180,000	1,180,000	1,180,000
EXPENDITURES											
OPERATING EXPENDITURES											
Professional Services	-		61,810	31,169	57,500	57,460	**50,000**	50,000	50,000	50,000	50,000
Discover Arlington	-		400	400	0	0	**0**	0	0	0	0
SUBTOTAL - OPERATING EXPENDITURES			62,210	31,569	57,500	57,460	**50,000**	50,000	50,000	50,000	50,000
BUILDING & LAND											
TIF IV Redevelopment	8	BL1605	0	0	5,935,000	5,935,000	**500,000**	1,000,000	0	1,000,000	0
SUBTOTAL - BUILDING & LAND			0	0	5,935,000	5,935,000	**500,000**	1,000,000	0	1,000,000	0
STREETS											
Green Corridor Beautification	9	ST9903	0	0	0	165,000	**165,000**	0	0	0	0
SUBTOTAL - STREETS			0	0	0	165,000	**165,000**	0	0	0	0
TOTAL EXPENDITURES			62,210	31,569	5,992,500	6,157,460	**715,000**	1,050,000	50,000	1,050,000	50,000
BEGINNING FUND BALANCE			4,505,248	5,360,415	5,752,567	5,752,567	**640,067**	1,105,067	1,235,067	2,365,067	2,495,067
REVENUES OVER (UNDER) EXPENDITURES			855,167	392,152	(5,112,500)	(5,277,460)	**465,000**	130,000	1,130,000	130,000	1,130,000
ENDING FUND BALANCE			5,360,415	5,752,567	640,067	475,107	**1,105,067**	1,235,067	2,365,067	2,495,067	3,625,067
Fund Balance as a Percent of Expenditures							**155%**	**118%**	**4730%**	**238%**	**7250%**

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	TIF IV Redevelopment
TYPE:	Building/Land
PROJECT #:	BL1605
ACCOUNT #:	263-4001-550250-
PROJECT STRINGS:	BL1605-BUILDING-CONSTRUCT-TIF4
STATUS:	Active
PRIORITY:	Obligated
DEPARTMENT:	Planning
LOCATION:	TIF IV - Northeast corner of Golf Road and Arlington Heights Road
DESCRIPTION:	Redevelopment costs associated with TIF eligible expenses. This includes the redevelopment of the International Plaza site in accordance with the Memorandum of Understanding (MOU).
JUSTIFICATION:	Implementation of redevelopment plan associated with the TIF IV District.
COMMENTS:	On November 20, 2023, the Village Board approved a MOU with Urban Street.

FUND SOURCE:	TIF IV		
Orig. Budg. 2026:	5,935.0K	0.0K	0.0K
Rev. Budg. 2026:	5,935.0K	0.0K	0.0K
Est. Act. 2026:	5,935.0K	0.0K	0.0K
Projected Budg. 2027:	500.0K	0.0K	0.0K
Projected Budg. 2028:	1,000.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	1,000.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	2,500.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 2,500.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Green Corridor Beautification
TYPE:	Streets
PROJECT #:	ST9903
ACCOUNT #:	263-4001-550300-
PROJECT STRINGS:	ST9903-STREETS-CONSTRUCT-TIF4
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Planning
LOCATION:	Various locations throughout the Village
DESCRIPTION:	Parkway enhancements to beautify the area. Decorative gateway and plantings.
JUSTIFICATION:	Enhances major gateways to the community and the Downtown and acts as traffic calming measures.
COMMENTS:	

FUND SOURCE:	TIF IV		
Orig. Budg. 2026:	165.0K	0.0K	0.0K
Rev. Budg. 2026:	165.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	165.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	165.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 165.0K

TIF V FUND (264)

2005 - 2028 **5 YEAR FINANCIAL PLAN**

ACCOUNT DESCRIPTION	Pg#	PROJ	2024 ACTUAL	2025 ACTUAL	2026 ESTIMATED ACTUAL	2026 BUDGET	2027 BUDGET	2028 BUDGET	2029 BUDGET	2030 BUDGET	2031 BUDGET
REVENUES											
TAXES - PROPERTY TAXES			1,577,922	1,529,163	1,555,000	1,555,000	**1,555,000**	1,555,000	0	0	0
INTEREST INCOME			171,673	149,414	160,000	160,000	**160,000**	160,000	0	0	0
TOTAL REVENUES			1,749,595	1,678,577	1,715,000	1,715,000	**1,715,000**	1,715,000	0	0	0
EXPENDITURES											
OPERATING EXPENDITURES											
Professional Services	-		4,961	113	20,500	20,518	**15,000**	15,000	0	0	0
Other Charges	-		400	400	0	0	**0**	0	0	0	0
Administrative Service Charge	-		30,000	30,000	30,000	30,000	**30,000**	30,000	0	0	0
Reserve for Tax Refunds	-		100,000	100,000	100,000	100,000	**100,000**	100,000	0	0	0
Surplus Distribution	-		1,000,000	1,000,000	1,000,000	1,000,000	**1,000,000**	1,400,000	0	0	0
SUBTOTAL - OPERATING EXPENDITURES			1,135,361	1,130,513	1,150,500	1,150,518	**1,145,000**	1,545,000	0	0	0
BUILDING & LAND											
Redevelopment	11	BL2103	170,000	426,000	0	500,000	**500,000**	500,000	0	0	0
SUBTOTAL - BUILDING & LAND			170,000	426,000	0	500,000	**500,000**	500,000	0	0	0
STREETS											
Rand Road Corridor Identification Enhancemei	12	ST1720	34,306	4,917	472,600	535,579	**315,000**	0	0	0	0
SUBTOTAL - STREETS			34,306	4,917	472,600	535,579	**315,000**	0	0	0	0
TOTAL EXPENDITURES			1,339,666	1,561,430	1,623,100	2,186,097	**1,960,000**	2,045,000	0	0	0
BEGINNING FUND BALANCE			3,670,782	4,080,711	4,197,858	4,197,858	**4,289,758**	4,044,758	3,714,758	3,714,758	3,714,758
REVENUES OVER (UNDER) EXPENDITURES			409,929	117,147	91,900	(471,097)	**(245,000)**	(330,000)	0	0	0
ENDING FUND BALANCE			4,080,711	4,197,858	4,289,758	3,726,761	**4,044,758**	3,714,758	3,714,758	3,714,758	3,714,758
Fund Balance as a Percent of Expenditures							**206%**	**182%**	**0%**	**0%**	**0%**

PROJECTS WITH SECOND FUND SOURCE

Rand Road Corridor Identification Enhancement	ST1720	Program partially funded with Capital Project Fund revenue.

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	TIF V Redevelopment
TYPE:	Building/Land
PROJECT #:	BL2103
ACCOUNT #:	264-4001-550250-
PROJECT STRINGS:	BL2103-BUILDING-CONSTRUCT-TIF5
STATUS:	Active
PRIORITY:	Essential
DEPARTMENT:	Planning
LOCATION:	Rand Road Corridor / TIF V
DESCRIPTION:	Redevelopment costs associated with TIF eligible redevelopment costs.
JUSTIFICATION:	
COMMENTS:	

FUND SOURCE:	TIF V		
Orig. Budg. 2026:	500.0K	0.0K	0.0K
Rev. Budg. 2026:	500.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	500.0K	0.0K	0.0K
Projected Budg. 2028:	500.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	1,000.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 1,000.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Rand Road Corridor Identification Enhancement
TYPE:	Streets
PROJECT #:	ST1720
ACCOUNT #:	264-4001-550300-
PROJECT STRINGS:	ST1720-STREETS-CONSTRUCT-TIF5
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Planning
LOCATION:	Corridor identification enhancement for the Rand Road/Arlington Heights Road/Palatine Road area
DESCRIPTION:	A corridor study and design was completed for streetscape improvements along parts of Rand Road, Palatine Road and Arlington Heights Road within what is being referred to as the Uptown Shopping District. Improvements include gateway signage, metal banners, platings, new median treatments, and upgrade pedestrian crossings. The updated cost estimate of $882,075 was provided earlier this year and will be used to bid the project in Spring 2026.
JUSTIFICATION:	Streetscape improvements along parts of Rand Road, Palatine Road and Arlington Heights Road within what is being referred to as the Uptown Shopping District. The improvements are meant to create an attractive gateway to these critical retail areas and help retain and attract new retail businesses in support of previous and existing TIF zone investments.
COMMENTS:	The gateway signage was completed in 2024 with the banners, medians, and pedestrian crossings to be completed in 2026.

FUND SOURCE:	Capital Projects	TIF V	
Orig. Budg. 2026:	43.0K	100.5K	0.0K
Rev. Budg. 2026:	460.0K	535.6K	0.0K
Est. Act. 2026:	412.0K	472.6K	0.0K
Projected Budg. 2027:	0.0K	315.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	0.0K	315.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 315.0K

TIF HICKORY/ KENSINGTON FUND (266)

2014 - 2037 **5 YEAR FINANCIAL PLAN**

ACCOUNT DESCRIPTION	Pg#	PROJ	2024 ACTUAL	2025 ACTUAL	2026 ESTIMATED ACTUAL	2026 BUDGET	2027 BUDGET	2028 BUDGET	2029 BUDGET	2030 BUDGET	2031 BUDGET
REVENUES											
TAXES - PROPERTY TAXES			1,029,573	1,549,972	1,080,000	1,080,000	**1,200,000**	1,200,000	1,200,000	1,200,000	1,200,000
INTEREST INCOME			186,667	209,105	170,000	170,000	**170,000**	170,000	170,000	170,000	170,000
OPERATING TRANSFER IN			165,000	0	0	0	**0**	0	0	0	0
TOTAL REVENUES			1,381,240	1,759,077	1,250,000	1,250,000	**1,370,000**	1,370,000	1,370,000	1,370,000	1,370,000
EXPENDITURES											
OPERATING EXPENDITURES											
Professional Services	-		37,703	15,959	29,200	29,183	**20,000**	20,000	20,000	20,000	20,000
Administrative Service Charge	-		15,000	15,000	15,000	15,000	**15,000**	15,000	15,000	15,000	15,000
School District Payments	-		0	0	75,000	75,000	**75,000**	75,000	75,000	75,000	75,000
SUBTOTAL - OPERATING EXPENDITURES			52,703	30,959	119,200	119,183	**110,000**	110,000	110,000	110,000	110,000
BUILDING & LAND											
TIF HK Redevelopment	14	BL1801	730,701	2,234	0	3,494,493	**1,500,000**	1,500,000	1,500,000	1,500,000	0
SUBTOTAL - BUILDING & LAND			730,701	2,234	0	3,494,493	**1,500,000**	1,500,000	1,500,000	1,500,000	0
TOTAL EXPENDITURES			783,404	33,193	119,200	3,613,676	**1,610,000**	1,610,000	1,610,000	1,610,000	110,000
BEGINNING FUND BALANCE			4,177,099	4,774,935	6,500,819	6,500,819	**7,631,619**	7,391,619	7,151,619	6,911,619	6,671,619
REVENUES OVER (UNDER) EXPENDITURES			597,836	1,725,884	1,130,800	(2,363,676)	**(240,000)**	(240,000)	(240,000)	(240,000)	1,260,000
ENDING FUND BALANCE			4,774,935	6,500,819	7,631,619	4,137,144	**7,391,619**	7,151,619	6,911,619	6,671,619	7,931,619
Fund Balance as a Percent of Expenditures							**459%**	**444%**	**429%**	**414%**	**7211%**

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Hickory Kensington TIF District Redevelopment
TYPE:	Building/Land
PROJECT #:	BL1801
ACCOUNT #:	266-4001-550250-
PROJECT STRINGS:	BL1801-BUILDING-CONSTRUCT-HKTF
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Planning
LOCATION:	Hickory Kensington TIF District
DESCRIPTION:	Redevelopment costs associated with TIF eligible expenses. This includes removing the utility poles in order to improve the streetscape along Kensington Road. This will be accomplished through under-grounding the electrical and telecommunication lines. The costs also include reimbursement to the developer at 4 N. Hickory in accordance with the adopted redevelopment agreement and projected costs for the 5 N. Douglas development which is in the entitlement phase. Future infrastructure assessments in 2027, and potential streetscape improvements on Hickory are included in future year projections.
JUSTIFICATION:	Implementation of the TIF District
COMMENTS:	

FUND SOURCE:	TIF Hickory/Kensington		
Orig. Budg. 2026:	2,600.0K	0.0K	0.0K
Rev. Budg. 2026:	3,494.5K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	1,500.0K	0.0K	0.0K
Projected Budg. 2028:	1,500.0K	0.0K	0.0K
Projected Budg. 2029:	1,500.0K	0.0K	0.0K
Projected Budg. 2030:	1,500.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	6,000.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 6,000.0K

TIF S ARLINGTON HEIGHTS RD FUND (267)

2020 - 2042 **5 YEAR FINANCIAL PLAN**

ACCOUNT DESCRIPTION	Pg#	PROJ	2024 ACTUAL	2025 ACTUAL	2026 ESTIMATED ACTUAL	2026 BUDGET	2027 BUDGET	2028 BUDGET	2029 BUDGET	2030 BUDGET	2031 BUDGET
REVENUES											
TAXES - PROPERTY TAXES			750,395	403,978	350,000	350,000	**2,000,000**	2,000,000	2,000,000	2,000,000	2,000,000
INTEREST INCOME			101,007	111,168	80,000	80,000	**80,000**	80,000	80,000	80,000	80,000
TOTAL REVENUES			851,402	515,146	430,000	430,000	**2,080,000**	2,080,000	2,080,000	2,080,000	2,080,000
EXPENDITURES											
OPERATING EXPENDITURES											
Professional Services	-		42,798	1,601	119,800	119,808	**100,000**	100,000	100,000	100,000	100,000
Administrative Service Charge	-		15,000	15,000	15,000	15,000	**15,000**	15,000	15,000	15,000	15,000
SUBTOTAL - OPERATING EXPENDITURES			57,798	16,601	134,800	134,808	**115,000**	115,000	115,000	115,000	115,000
SEWER											
S AH Rd Development Sewer	-	SW2401	9,637	1,027,524	1,375,900	1,375,871	**0**	0	0	0	0
SUBTOTAL - SEWER			9,637	1,027,524	1,375,900	1,375,871	**0**	0	0	0	0
STREETS											
S AH Rd Redevelopment	16	ST1903	105,120	1,101	0	822,500	**500,000**	250,000	3,500,000	3,500,000	3,000,000
SUBTOTAL - STREETS			105,120	1,101	0	822,500	**500,000**	250,000	3,500,000	3,500,000	3,000,000
TOTAL EXPENDITURES			172,555	1,045,225	1,510,700	2,333,179	**615,000**	365,000	3,615,000	3,615,000	3,115,000
BEGINNING FUND BALANCE			1,987,060	2,665,907	2,135,828	2,135,828	**1,055,128**	2,520,128	4,235,128	2,700,128	1,165,128
REVENUES OVER (UNDER) EXPENDITURES			678,847	(530,079)	(1,080,700)	(1,903,179)	**1,465,000**	1,715,000	(1,535,000)	(1,535,000)	(1,035,000)
ENDING FUND BALANCE			2,665,907	2,135,828	1,055,128	232,649	**2,520,128**	4,235,128	2,700,128	1,165,128	130,128
Fund Balance as a Percent of Expenditures							**410%**	**1160%**	**75%**	**32%**	**4%**

PROJECTS WITH SECOND FUND SOURCE

S AH Rd Redevelopment	ST1903	Program partially funded with Capital Project Fund revenue.
S AH Rd Development Sewer	SW2401	Program partially funded with Water & Sewer Fund revenue.

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	South Arlington Heights Road Corridor
TYPE:	Streets
PROJECT #:	ST1903
ACCOUNT #:	267-4001-550250-
PROJECT STRINGS:	ST1903-STREETS-CONSTRUCT-SAHT
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Planning
LOCATION:	South Arlington Heights Rd Corridor
DESCRIPTION:	Improvements to the South Arlington Heights Rd Corridor
JUSTIFICATION:	Pursuant to recommendations of the South Arlington Heights Rd Corridor Plan approved by the Village Board.
COMMENTS:	See SW2401 for sewer expansion project.

FUND SOURCE:	TIF S Arlington Heights Rd	Capital Projects	Unfunded
Orig. Budg. 2026:	822.5K	0.0K	0.0K
Rev. Budg. 2026:	822.5K	8.2K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	500.0K	0.0K	0.0K
Projected Budg. 2028:	250.0K	0.0K	0.0K
Projected Budg. 2029:	3,500.0K	0.0K	1,000.0K
Projected Budg. 2030:	3,500.0K	0.0K	1,000.0K
Projected Budg. 2031:	3,000.0K	0.0K	1,000.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	10,750.0K	0.0K	3,000.0K

TOTAL FUTURE COST (IN THOUSANDS): 13,750.0K

ARTS, ENTERTAINMENT & EVENTS FUND (515)

5 YEAR FINANCIAL PLAN

ACCOUNT DESCRIPTION	Pg#	PROJ	2024 ACTUAL	2025 ACTUAL	2026 ESTIMATED ACTUAL	2026 BUDGET	2027 BUDGET	2028 BUDGET	2029 BUDGET	2030 BUDGET	2031 BUDGET
REVENUES											
FOOD & BEVERAGE TAX			812,912	869,208	900,000	910,000	**938,000**	966,100	995,100	1,025,000	1,055,800
ALFRESCO FBT			197,130	186,969	190,000	200,000	**226,400**	233,200	240,200	240,200	240,200
BUILDING MANAGEMENT FEE			18,000	16,500	18,000	18,000	**20,000**	20,000	20,000	20,000	20,000
SPECIAL DETAIL PUBLIC WORKS			0	0	5,000	5,000	**5,100**	5,200	5,300	5,400	5,500
INTEREST INCOME			76,182	64,371	71,000	71,000	**71,000**	71,000	71,000	71,000	71,000
PREMIUM SPONSOR			7,587	18,000	15,000	15,000	**15,000**	15,000	15,000	15,000	15,000
SOUNDS OF SUMMER			27,000	35,500	35,000	35,000	**35,000**	37,000	38,000	39,000	40,000
OTHER INCOME			3,151	6,294	7,000	0	**0**	0	0	0	0
CAPITAL RESERVES			0	0	355,100	65,000	**192,600**	75,000	280,400	75,000	75,000
TOTAL REVENUES			1,141,962	1,196,841	1,596,100	1,319,000	**1,503,100**	1,422,500	1,665,000	1,490,600	1,522,500
EXPENDITURES											
EVENTS											
Frontier Days	-	AE0618	35,600	39,615	42,800	42,800	**44,100**	45,400	46,800	48,200	49,600
Halloween	-	AE0620	1,900	1,900	5,300	5,300	**5,500**	5,700	5,900	6,100	6,300
July 4th Parade	-	AE0626	25,065	30,257	48,000	48,000	**49,400**	50,900	52,400	54,000	55,600
Memorial Day Parade	-	AE0630	22,135	34,123	30,400	30,400	**31,300**	32,200	33,200	34,200	35,200
Sounds of Summer	-	AE0638	102,853	107,955	110,900	110,900	**114,200**	117,600	121,100	124,700	128,400
Tree Lighting Event	-	AE0640	31,042	26,510	30,600	30,600	**31,500**	32,400	33,400	34,400	35,400
Community Awareness Events	-	AE0646	0	0	10,000	10,000	**10,300**	10,600	10,900	11,200	11,500
Autumn Harvest	-	AE1001	15,051	15,674	16,300	16,300	**16,800**	17,300	17,800	18,300	18,800
Bike Arlington Heights	-	AE1704	2,300	1,500	2,400	2,400	**2,500**	2,600	2,700	2,800	2,900
Harmony Fest	-	AE2101	92,711	91,682	90,600	90,600	**93,300**	96,100	99,000	102,000	105,100
Arlington Alfresco	-	AE2102	87,586	195,118	203,900	203,900	**210,000**	216,300	222,800	229,500	236,400
Swing into Spring	-	AE2301	7,453	5,214	9,000	9,000	**9,300**	9,600	9,900	10,200	10,500
Arts Commission Film Festival	-		0	500	0	0	**0**	0	0	0	0
SUBTOTAL - EVENTS			423,696	550,049	600,200	600,200	**618,200**	636,700	655,900	675,600	695,700
STREETS											
Downtown Street Furniture	-	ST1401	0	0	200,000	0	**0**	0	0	0	0
SUBTOTAL - STREETS			0	0	200,000	0	**0**	0	0	0	0
SUBTOTAL - STREETS			15,051	15,674	216,300	16,300	**16,800**	17,300	17,800	18,300	18,800
METROPOLIS											
Metropolis Theater Operating Contribution	-	AE0504	280,000	285,000	290,000	290,000	**295,000**	300,000	305,000	310,000	315,000
SUBTOTAL - METROPOLIS			280,000	285,000	290,000	290,000	**295,000**	300,000	305,000	310,000	315,000
SUBTOTAL - OPERATING EXPENDITURES			703,696	835,049	890,200	890,200	**913,200**	936,700	960,900	985,600	1,010,700
EQUIPMENT											
Equipment Replacement - Metropolis	19	EQ0603	41,471	41,330	44,000	44,000	**45,000**	46,000	47,000	48,000	49,000
SUBTOTAL - EQUIPMENT			41,471	41,330	44,000	44,000	**45,000**	46,000	47,000	48,000	49,000
BUILDING/EQUIPMENT RESERVE EXPENSES											
Metropolis Theater Improvements	20	BL8001	193,592	30,000	320,100	320,100	**75,000**	75,000	75,000	75,000	75,000
Metropolis Theater Lighting	-	EQ8001	0	163,009	35,000	35,000	**0**	0	0	0	0
Metropolis Roof Replacement	21	BL2604	0	0	0	0	**0**	0	205,400	0	0
Metropolis Bathroom Refurbishment	22	BL2605	0	0	0	0	**117,600**	0	0	0	0
SUBTOTAL - BLDG/EQUIP RESERVES			193,592	193,009	355,100	355,100	**192,600**	75,000	280,400	75,000	75,000
TOTAL CAPITAL EXPENDITURES/EQUIPMENT			235,063	234,338	399,100	399,100	**237,600**	121,000	327,400	123,000	124,000
OPERATING											
Reserve for Restricted Contribution (Metropolis)	-		0	0	50,000	50,000	**50,000**	50,000	50,000	50,000	50,000
NON-OPERATING											
Reserve for Replacement (Metropolis)	-		55,678	50,750	75,000	75,000	**75,000**	75,000	75,000	75,000	75,000
Building Reserve - MCCA	-		0	0	55,000	55,000	**55,000**	55,000	55,000	55,000	55,000
Common Area Maintenance (CAM) Fees - MCCA	-		88,411	103,121	100,500	100,500	**103,500**	106,600	109,800	113,100	116,500
SUBTOTAL - NON-OPERATING			144,089	153,871	230,500	230,500	**233,500**	236,600	239,800	243,100	246,500
TOTAL EXPENDITURES			1,082,848	1,223,258	1,569,800	1,569,800	**1,434,300**	1,344,300	1,578,100	1,401,700	1,431,200
BEGINNING WORKING CASH			1,073,812	1,132,926	1,106,509	1,106,509	**1,132,809**	1,201,609	1,279,809	1,366,709	1,455,609
REVENUES OVER (UNDER) EXPENDS.			59,114	(26,417)	26,300	(250,800)	**68,800**	78,200	86,900	88,900	91,300
ENDING WORKING CASH			1,132,926	1,106,509	1,132,809	855,709	**1,201,609**	1,279,809	1,366,709	1,455,609	1,546,909
Working Cash as a Percent of Expenditures							**84%**	**95%**	**87%**	**104%**	**108%**

(1) Note: As of 4/30/08 the working cash calculation equals current assets less liabilities less a subtraction for the reserve for replacement. This provides a building/ equipment reserve for future major repairs and improvements to the Metropolis Theater. The building/equipment reserve is shown as a net asset in the Village's ACFR and will be increased each year by $75,000, unless some or all of the reserve funds are used with the advice of the theater operator, PAM, and per Village Board direction.

(2) Note: As of 12/31/15 the working cash calculation includes an additional subtraction for the restricted contribution to Metropolis. This represents a contribution to the Theater that is being held by the Village as the Theater demonstrates balanced budget and actual results.

ARTS, ENTERTAINMENT & EVENTS FUND (515)

5 YEAR FINANCIAL PLAN

	2027 BUDGET	2028 BUDGET	2029 BUDGET	2030 BUDGET	2031 BUDGET
	192,600	75,000	280,400	75,000	75,000

CUMULATIVE RESERVE FOR REPLACEMENT

	Metropolis		FY13	450,000
	Build/Equip Resv		FY14	525,000
Reduced by:	125,000	→	FY14	400,000
			FY15	475,000
Reduced by:	250,000	→	FY15	225,000
			8-Month	300,000
Reduced by:	30,655	→	8-Month	269,345
			2016	344,345
Reduced by:	105,438	→	2016	238,907
			2017	313,907
Reduced by:	122,519	→	2017	191,388
	50k res, incr. W. cash		2018	241,388
Reduced by:	68,930	→	2018	172,458
			2019	247,458
Reduced by:	155,968	→	2019	91,490
			2020	166,490
Reduced by:	12,926	→	2020	153,564
	575k reserve incr.		2021	728,564
Reduced by:	44,133	→	2021	730,697
			2022	805,697
Reduced by:	69,251	→	2022	736,446
			2023	811,446
Reduced by:	160,700	→	2023	650,746
			2024	725,746
Reduced by:	193,592	→	2024	532,154
			2025	607,154
Reduced by:	193,009	→	2025	414,145
			2026	489,145
Reduced by:	355,100	→	2026	134,045
			2027	209,045
Reduced by:	192,600	→	2027	16,445

CUMULATIVE RESTRICTED CONTRIBUTION

	reserve for restricted contribution:			
			8-Month	18,500
			2016	68,500
			2017	119,500
Reduced by:	49,000	→	2017	70,500
			2018	122,500
			2019	175,500
Reduced by:	19,200	→	2019	156,300
			2020	210,300
			2021	265,300
			2022	321,300
Reduced by:	200,000	→	2023	121,300
			2024	171,300
			2025	221,300
			2026	271,300
			2027	321,300

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Metropolis Theater Capital Equipment
TYPE:	Equipment
PROJECT #:	EQ0603
ACCOUNT #:	515-2005-550550-
PROJECT STRINGS:	EQ0603-EQUIP-METROPOLIS
STATUS:	Active
PRIORITY:	Routine/Maintenance
DEPARTMENT:	Finance
LOCATION:	Metropolis Theater - 111 W. Campbell Street
DESCRIPTION:	Purchase of various equipment needing to be replaced on as-needed basis at end of useful life and acquisition of additional equipment needed to conduct operations.
JUSTIFICATION:	Replacement equipment and furniture at end of useful life in following categories: - Theater lighting and equipment (including lobby and interior of Theater) - Classroom and office furniture, flooring and equipment - Computers and IT equipment
COMMENTS:	

FUND SOURCE:	Arts, Entertainment & Events		
Orig. Budg. 2026:	44.0K	0.0K	0.0K
Rev. Budg. 2026:	44.0K	0.0K	0.0K
Est. Act. 2026:	44.0K	0.0K	0.0K
Projected Budg. 2027:	45.0K	0.0K	0.0K
Projected Budg. 2028:	46.0K	0.0K	0.0K
Projected Budg. 2029:	47.0K	0.0K	0.0K
Projected Budg. 2030:	48.0K	0.0K	0.0K
Projected Budg. 2031:	49.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	235.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 235.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Metropolis Theater Improvements
TYPE:	Building/Land
PROJECT #:	BL8001
ACCOUNT #:	515-2005-550550-
PROJECT STRINGS:	BL8001-BUILDING-METROPOLIS
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Finance
LOCATION:	Metropolis Theater - 111 W. Campbell Street
DESCRIPTION:	Various improvements for the Metropolis Theater.
JUSTIFICATION:	
COMMENTS:	This project was renamed from "Metropolis Theater Infrastructure" to "Metropolis Theater Improvements" to better reflect the true nature of the expenditures. Funding from EQ8001 was also combined into this project to better optimize the budgeting and purchasing procedures for Metropolis.

FUND SOURCE:	Arts, Entertainment & Events		
Orig. Budg. 2026:	30.0K	0.0K	0.0K
Rev. Budg. 2026:	320.1K	0.0K	0.0K
Est. Act. 2026:	320.1K	0.0K	0.0K
Projected Budg. 2027:	75.0K	0.0K	0.0K
Projected Budg. 2028:	75.0K	0.0K	0.0K
Projected Budg. 2029:	75.0K	0.0K	0.0K
Projected Budg. 2030:	75.0K	0.0K	0.0K
Projected Budg. 2031:	75.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	375.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 375.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Metropolis Roof Replacement
TYPE:	Building/Land
PROJECT #:	BL2604
ACCOUNT #:	515-2005-550550-
PROJECT STRINGS:	BL2604-BUILDING-METROPOLIS
STATUS:	New
PRIORITY:	Essential
DEPARTMENT:	Finance
LOCATION:	Metropolis Theater - 111 W. Campbell Street
DESCRIPTION:	The Metropolis building is owned by the Village and was constructed in 1999. A capital reserve study was completed in 2025. The roof is more than 25 years old and is in need of replacement. The estimated costs of $445,000 are shared with all of the condo owners of which the Village is one of the owners.
JUSTIFICATION:	Remove and replace roof in 2029.
COMMENTS:	

FUND SOURCE:	Arts, Entertainment & Events		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	205.4K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	205.4K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 205.4K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Metropolis Bathroom Refurbishment
TYPE:	Building/Land
PROJECT #:	BL2605
ACCOUNT #:	515-2005-550550-
PROJECT STRINGS:	BL2605-BUILDING-METROPOLIS
STATUS:	New
PRIORITY:	Essential
DEPARTMENT:	Finance
LOCATION:	Metropolis Theater - 111 W. Campbell Street
DESCRIPTION:	The Metropolis building is owned by the Village and was constructed in 1999. A capital reserve study was completed in 2025. The rest rooms are original to the building. There are signs of rust at partitions, and overall wear. The estimated costs of $150,000 are shared by the owners who are on that floor of the building (two owners).
JUSTIFICATION:	Complete renovations of 1st floor restrooms.
COMMENTS:	

FUND SOURCE:	Arts, Entertainment & Events		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	117.6K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	117.6K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 117.6K

FLEET OPERATIONS FUND (621)

5 YEAR CAPITAL IMPROVEMENT PROGRAM (CIP)

ACCOUNT DESCRIPTION	Pg#	PROJ	2024 ACTUAL	2025 ACTUAL	2026 ESTIMATED ACTUAL	2026 BUDGET	2027 BUDGET	2028 BUDGET	2029 BUDGET	2030 BUDGET	2031 BUDGET
REVENUES											
CHARGES TO OPERATIONS			4,087,000	4,511,200	4,979,400	4,979,400	**5,228,400**	5,489,800	5,764,300	6,052,500	6,355,100
INTERGOVERNMENTAL / OTHER GRANTS			0	100,000	0	0	**0**	0	0	0	0
INTEREST INCOME			697,722	605,583	450,000	360,000	**450,000**	450,000	450,000	450,000	450,000
SALES/REIMB			341,934	325,197	130,000	130,000	**130,000**	130,000	130,000	130,000	130,000
OTHER			40,321	390,677	0	0	**0**	0	0	0	0
OPERATING TRANSFER IN			800,000	948,000	0	0	**0**	0	0	0	0
TOTAL REVENUES			5,966,977	6,880,657	5,559,400	5,469,400	**5,808,400**	6,069,800	6,344,300	6,632,500	6,935,100
EXPENDITURES											
OPERATING EXPENDITURES											
Personal Services	-		1,547,030	1,565,528	1,534,600	1,629,100	**1,666,800**	1,716,800	1,768,300	1,821,300	1,875,900
Contractual Services	-		319,485	281,559	398,900	398,900	**410,900**	423,200	435,900	449,000	462,500
Commodities	-		579,473	583,065	684,400	684,400	**704,900**	726,000	747,800	770,200	793,300
SUBTOTAL - OPERATING EXPENDITURES			2,445,988	2,430,151	2,617,900	2,712,400	**2,782,600**	2,866,000	2,952,000	3,040,500	3,131,700
BUILDING & LAND											
Heating Plant/Air Conditioner Replacement	24	BL9601	0	0	0	0	**0**	0	300,000	0	0
SUBTOTAL - BUILDING & LAND			0	0	0	0	**0**	0	300,000	0	0
VEHICLES											
Vehicle and Special Equipment Repl - PW	25	VH9501	1,874,977	2,134,798	2,232,900	2,232,900	**1,644,000**	912,300	1,013,000	599,300	560,700
Vehicle and Special Equipment Repl - W&S	26	VH9502	95,094	1,236,036	326,300	326,300	**1,216,000**	69,000	1,450,100	885,700	560,700
Vehicle Replacement - Police Department	27	VH9503	200,739	415,773	552,500	552,500	**215,600**	454,000	554,000	469,500	561,800
Vehicle Replacement - Fire Department	28	VH9504	1,456,489	2,391,520	4,651,800	4,651,800	**1,513,400**	7,100	2,583,900	62,200	334,700
Vehicle Replacement - Municipal Fleet Services	-	VH9506	69,579	0	0	0	**0**	0	0	0	0
Vehicle Replacement - Municipal Parking Opera	29	VH9508	0	0	67,900	67,900	**0**	36,900	0	0	99,700
Vehicle Replacement - Building & Life Safety	30	VH9510	0	106,514	116,500	116,500	**38,200**	42,100	0	0	0
Vehicle Replacement - Health & Human Service	31	VH9514	0	0	0	0	**187,200**	0	0	0	0
SUBTOTAL - VEHICLES			3,696,878	6,284,641	7,947,900	7,947,900	**4,814,400**	1,521,400	5,601,000	2,016,700	2,117,600
OPERATING CONTINGENCY	-		0	0	0	30,000	**0**	0	0	0	0
TOTAL EXPENDITURES			6,142,866	8,714,792	10,565,800	10,690,300	**7,597,000**	4,387,400	8,853,000	5,057,200	5,249,300
BEGINNING WORKING CASH			16,661,074	16,485,185	14,651,050	14,651,050	**9,644,650**	7,856,050	9,538,450	7,029,750	8,605,050
REVENUES OVER (UNDER) EXPENDITURES			(175,889)	(1,834,135)	(5,006,400)	(5,220,900)	**(1,788,600)**	1,682,400	(2,508,700)	1,575,300	1,685,800
ENDING WORKING CASH			16,485,185	14,651,050	9,644,650	9,430,150	**7,856,050**	9,538,450	7,029,750	8,605,050	10,290,850
Working Cash as a Percent of Expenditures							**103%**	**217%**	**79%**	**170%**	**196%**

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Heating Plant/Air Conditioner Replacement
TYPE:	Building/Land
PROJECT #:	BL9601
ACCOUNT #:	621-7501-550200-
PROJECT STRINGS:	BL9601-BUILDING-MAINT-FLT
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Various Municipal Buildings
DESCRIPTION:	Replace aging and non-functioning equipment with more efficient, modern equipment. Also will allow for upgrade to meet new EPA regulations on CFC type Freon.
JUSTIFICATION:	The age of heating plants in a number of buildings indicates that the anticipation of major repair/replacement of these plants with more efficient, modern equipment would be beneficial at this time. Many existing air conditioners are reaching the end of their service life and should be scheduled for replacement. This will reduce the power loads on the circuits they are on, which will improve electrical loading. Also, some units still contain CFC type Freon and should be changed to avoid possible EPA violations, should they fail.
COMMENTS:	Annual ongoing program = $50k annually. 2026: Village Hall 4th Flr Dry Cooler Unit ($85k), Mini Split System in Fleet ($30k), VH Large Chiller and Controls($650k); 2029: Fleet boiler ($300k) 2030: Utility Area Air-Handler ($30k) 2031: Ongoing needs

FUND SOURCE:	Capital Projects	Fleet	
Orig. Budg. 2026:	815.0K	0.0K	0.0K
Rev. Budg. 2026:	994.5K	0.0K	0.0K
Est. Act. 2026:	994.5K	0.0K	0.0K
Projected Budg. 2027:	50.0K	0.0K	0.0K
Projected Budg. 2028:	50.0K	0.0K	0.0K
Projected Budg. 2029:	50.0K	300.0K	0.0K
Projected Budg. 2030:	80.0K	0.0K	0.0K
Projected Budg. 2031:	50.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	280.0K	300.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 580.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Vehicle and Special Equipment Replacement - Public Works
TYPE:	Vehicles
PROJECT #:	VH9501
ACCOUNT #:	621-9003-550050-
PROJECT STRINGS:	VH9501-VEHICLE
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Public Works Department
DESCRIPTION:	Scheduled replacement for various Public Works vehicles and various specialty equipment such as sweepers and backhoes.
JUSTIFICATION:	Maintain vehicles and special equipment in good condition to provide required service. Vehicles and equipment replaced at end of cost-effective or useful life.
COMMENTS:	The vehicle replacement schedule presumes a 3% increase each year for inflation. If inflation exceeds this estimate, the overage will be paid for by contingency funds. Current vehicle pricing has been used where possible.

FUND SOURCE:	Fleet		
Orig. Budg. 2026:	436.8K	0.0K	0.0K
Rev. Budg. 2026:	2,232.9K	0.0K	0.0K
Est. Act. 2026:	2,232.9K	0.0K	0.0K
Projected Budg. 2027:	1,644.0K	0.0K	0.0K
Projected Budg. 2028:	912.3K	0.0K	0.0K
Projected Budg. 2029:	1,013.0K	0.0K	0.0K
Projected Budg. 2030:	599.3K	0.0K	0.0K
Projected Budg. 2031:	560.7K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	4,729.3K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 4,729.3K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Vehicle and Special Equipment Replacement - Water & Sewer
TYPE:	Vehicles
PROJECT #:	VH9502
ACCOUNT #:	621-9003-550050-
PROJECT STRINGS:	VH9502-VEHICLE
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Water Operations Department
DESCRIPTION:	Scheduled replacement of water operations vehicles and special equipment such as air compressors, sewer vacuum cleaner, end loader, etc.
JUSTIFICATION:	Maintain vehicles and special equipment in good condition to provide required service. Vehicles and equipment replaced at end of cost-effective or useful life.
COMMENTS:	The vehicle replacement schedule presumes a 3% increase each year for inflation. If inflation exceeds this estimate, the overage will be paid for by contingency funds. Current vehicle pricing has been used where possible.

FUND SOURCE:	Fleet		
Orig. Budg. 2026:	137.0K	0.0K	0.0K
Rev. Budg. 2026:	326.3K	0.0K	0.0K
Est. Act. 2026:	326.3K	0.0K	0.0K
Projected Budg. 2027:	1,216.0K	0.0K	0.0K
Projected Budg. 2028:	69.0K	0.0K	0.0K
Projected Budg. 2029:	1,450.1K	0.0K	0.0K
Projected Budg. 2030:	885.7K	0.0K	0.0K
Projected Budg. 2031:	560.7K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	4,181.5K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 4,181.5K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Vehicle Replacement - Police Department
TYPE:	Vehicles
PROJECT #:	VH9503
ACCOUNT #:	621-9003-550050-
PROJECT STRINGS:	VH9503-VEHICLE
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Police Department
DESCRIPTION:	Scheduled replacement of Police pursuit vehicles, unmarked vehicles, motorcycles, etc.
JUSTIFICATION:	Maintain vehicles in good condition to provide required service. Vehicles are replaced at end of cost-effective or useful life.
COMMENTS:	Police Explorer's increased to $35k. The vehicle replacement schedule presumes a 3% increase each year for inflation. If inflation exceeds this estimate, the overage will be paid for by contingency funds. Current vehicle pricing has been used where possible.

FUND SOURCE:	Fleet		
Orig. Budg. 2026:	552.5K	0.0K	0.0K
Rev. Budg. 2026:	552.5K	0.0K	0.0K
Est. Act. 2026:	552.5K	0.0K	0.0K
Projected Budg. 2027:	215.6K	0.0K	0.0K
Projected Budg. 2028:	454.0K	0.0K	0.0K
Projected Budg. 2029:	554.0K	0.0K	0.0K
Projected Budg. 2030:	469.5K	0.0K	0.0K
Projected Budg. 2031:	561.8K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	2,254.9K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 2,254.9K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Vehicle Replacement - Fire Department
TYPE:	Vehicles
PROJECT #:	VH9504
ACCOUNT #:	621-9003-550050-
PROJECT STRINGS:	VH9504-VEHICLE
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Fire Department
DESCRIPTION:	Scheduled replacement of Fire Department vehicles.
JUSTIFICATION:	Maintain vehicles in good condition to provide required service. Vehicles are replaced at end of cost-effective or useful life.
COMMENTS:	The vehicle replacement schedule presumes a 3% increase each year for inflation. If inflation exceeds this estimate, the overage will be paid for by contingency funds. Current vehicle pricing has been used where possible.

FUND SOURCE:	Fleet		
Orig. Budg. 2026:	36.6K	0.0K	0.0K
Rev. Budg. 2026:	4,651.8K	0.0K	0.0K
Est. Act. 2026:	4,651.8K	0.0K	0.0K
Projected Budg. 2027:	1,513.4K	0.0K	0.0K
Projected Budg. 2028:	7.1K	0.0K	0.0K
Projected Budg. 2029:	2,583.9K	0.0K	0.0K
Projected Budg. 2030:	62.2K	0.0K	0.0K
Projected Budg. 2031:	334.7K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	4,501.3K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 4,501.3K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Vehicle Replacement - Municipal Parking Operations
TYPE:	Vehicles
PROJECT #:	VH9508
ACCOUNT #:	621-9003-550050-
PROJECT STRINGS:	VH9508-VEHICLE
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Municipal Parking Operations - Police Department and Public Works Department
DESCRIPTION:	Scheduled replacement of Municipal Parking Operations vehicles.
JUSTIFICATION:	Maintain vehicles in good condition to provide required service. Vehicles are replaced at end of cost-effective or useful life.
COMMENTS:	The vehicle replacement schedule presumes a 3% increase each year for inflation. If inflation exceeds this estimate, the overage will be paid for by contingency funds. Current vehicle pricing has been used where possible.

FUND SOURCE:	Fleet		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	67.9K	0.0K	0.0K
Est. Act. 2026:	67.9K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	36.9K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	99.7K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	136.6K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 136.6K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Vehicle Replacement - Building & Life Safety Department
TYPE:	Vehicles
PROJECT #:	VH9510
ACCOUNT #:	621-9003-550050-
PROJECT STRINGS:	VH9510-VEHICLE
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Building Life Safety Department
DESCRIPTION:	Scheduled replacement of Building & Life Safety Department vehicles.
JUSTIFICATION:	Maintain vehicles in good condition to provide required service. Vehicles are replaced at end of cost-effective or useful life.
COMMENTS:	The vehicle replacement schedule presumes a 3% increase each year for inflation. If inflation exceeds this estimate, the overage will be paid for by contingency funds. Current vehicle pricing has been used where possible.

FUND SOURCE:	Fleet		
Orig. Budg. 2026:	116.5K	0.0K	0.0K
Rev. Budg. 2026:	116.5K	0.0K	0.0K
Est. Act. 2026:	116.5K	0.0K	0.0K
Projected Budg. 2027:	38.2K	0.0K	0.0K
Projected Budg. 2028:	42.1K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	80.3K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 80.3K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Vehicle Replacement - Health & Human Services Department
TYPE:	Vehicles
PROJECT #:	VH9514
ACCOUNT #:	621-9003-550050-
PROJECT STRINGS:	VH9514-VEHICLE
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	Public Works & Engineering
LOCATION:	Health & Human Services Department
DESCRIPTION:	Scheduled replacement of Health & Human Services vehicles.
JUSTIFICATION:	Maintain vehicles in good condition to provide required service. Vehicles are replaced at end of cost-effective or useful life.
COMMENTS:	The vehicle replacement schedule presumes a 3% increase each year for inflation. If inflation exceeds this estimate, the overage will be paid for by contingency funds. Current vehicle pricing has been used where possible.

FUND SOURCE:	Fleet		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	187.2K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	187.2K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 187.2K

TECHNOLOGY FUND (625)

5 YEAR CAPITAL IMPROVEMENT PROGRAM (CIP)

ACCOUNT DESCRIPTION	Pg#	PROJ	2024 ACTUAL	2025 ACTUAL	2026 ESTIMATED ACTUAL	2026 BUDGET	2027 BUDGET	2028 BUDGET	2029 BUDGET	2030 BUDGET	2031 BUDGET
REVENUES											
CHARGES TO OPERATIONS			2,370,500	2,304,500	2,431,400	2,431,400	**2,462,500**	2,596,100	2,570,200	2,656,600	2,725,400
INTEREST INCOME			176,259	148,396	120,000	127,800	**110,000**	110,000	110,000	110,000	110,000
OTHER INCOME			3,162	264	0	0	**0**	0	0	0	0
TOTAL REVENUES			2,549,921	2,453,160	2,551,400	2,559,200	**2,572,500**	2,706,100	2,680,200	2,766,600	2,835,400
EXPENDITURES											
OPERATING EXPENDITURES											
Personal Services	-		985,926	1,019,889	1,076,500	1,119,600	**1,113,400**	1,187,000	1,225,000	1,264,200	1,304,700
Contractual Services	-		693,193	734,146	1,114,100	1,219,491	**1,162,700**	1,197,500	1,233,400	1,270,400	1,308,500
Commodities	-		5,590	5,891	5,700	6,700	**6,900**	7,100	7,300	7,500	7,700
Other Charges	-		29,870	43,221	0	0	**0**	0	0	0	0
SUBTOTAL - OPERATING EXPENDITURES			1,714,579	1,803,147	2,196,300	2,345,791	**2,283,000**	2,391,600	2,465,700	2,542,100	2,620,900
EQUIPMENT											
IT Equipment Replacement	33	EQ9708	226,133	252,350	214,500	214,500	**214,500**	314,500	214,500	214,500	214,500
Village ERP Software Replacement	-	EQ1904	908,821	371,760	8,400	8,382	**0**	0	0	0	0
Budgeting Software	-	EQ2402	70,520	0	0	0	**0**	0	0	0	0
Village Wifi AP Upgrade	-	EQ2501	0	13,908	0	0	**0**	0	0	0	0
Village Hall UPS Battery Backup Runtime Ex	34	EQ2502	0	13,480	48,500	48,520	**0**	0	0	10,000	0
AH Metra Station/Harmony Park Surv. Cam	-	EQ2503	0	37,200	24,800	24,800	**0**	0	0	0	0
NAS to Modernize Backup Process	35	EQ2603	0	0	0	0	**15,000**	0	0	0	0
MGP M365 Services	36	EQ2604	0	0	0	0	**60,000**	0	0	0	0
SUBTOTAL - EQUIPMENT			1,205,474	688,698	296,200	296,202	**289,500**	314,500	214,500	224,500	214,500
TOTAL EXPENDITURES			2,920,053	2,491,845	2,492,500	2,641,993	**2,572,500**	2,706,100	2,680,200	2,766,600	2,835,400
BEGINNING WORKING CASH			3,725,440	3,355,308	3,316,622	3,316,622	**3,375,522**	3,375,522	3,375,522	3,375,522	3,375,522
REVENUES OVER (UNDER) EXPENDS.			(370,132)	(38,686)	58,900	(82,793)	**0**	0	0	0	0
ENDING WORKING CASH			3,355,308	3,316,622	3,375,522	3,233,829	**3,375,522**	3,375,522	3,375,522	3,375,522	3,375,522
Working Cash as a Percent of Expenditures							**131%**	**125%**	**126%**	**122%**	**119%**

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	IT Equipment Replacement
TYPE:	Equipment
PROJECT #:	EQ9708
ACCOUNT #:	625-0601-550100-
PROJECT STRINGS:	EQ9708-EQUIP-HW/SW
STATUS:	Active
PRIORITY:	Maintenance/Replacement
DEPARTMENT:	IT
LOCATION:	Municipal Building and all remote locations
DESCRIPTION:	Replacement schedule for personal computers, printers and servers.
JUSTIFICATION:	All PCs, desktop and laptops, are on a five-year replacement schedule to provide current and compatible PC hardware to the individual user. Funds are allocated to replace one 1/5th of all PCs each year. Printers are replaced on an as needed basis.
COMMENTS:	

FUND SOURCE:	Technology		
Orig. Budg. 2026:	214.5K	0.0K	0.0K
Rev. Budg. 2026:	214.5K	0.0K	0.0K
Est. Act. 2026:	214.5K	0.0K	0.0K
Projected Budg. 2027:	214.5K	0.0K	0.0K
Projected Budg. 2028:	314.5K	0.0K	0.0K
Projected Budg. 2029:	214.5K	0.0K	0.0K
Projected Budg. 2030:	214.5K	0.0K	0.0K
Projected Budg. 2031:	214.5K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	1,172.5K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 1,172.5K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Village Hall UPS Battery Backup Replacement
TYPE:	Equipment
PROJECT #:	EQ2502
ACCOUNT #:	625-0601-550100-
PROJECT STRINGS:	EQ2502-EQUIP-HW/SW
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	IT
LOCATION:	Municipal Building and all remote locations
DESCRIPTION:	Replace battery backup units that have reached end of life at Village buildings.
JUSTIFICATION:	Battery backup units are essential for business continuity, safety, and longevity of connected equipment.
COMMENTS:	

FUND SOURCE:	Technology		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	48.5K	0.0K	0.0K
Est. Act. 2026:	48.5K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	10.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	10.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 10.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Network Attached Storage (NAS) to Modernize Backup Process
TYPE:	Equipment
PROJECT #:	EQ2603
ACCOUNT #:	625-0601-550100-
PROJECT STRINGS:	EQ2603-EQUIP-HW/SW
STATUS:	New
PRIORITY:	Discretionary
DEPARTMENT:	IT
LOCATION:	Fire Station 2
DESCRIPTION:	We are looking to buy a second NAS for replication to our DR site which will allow faster backups and quicker restore times should we need it.
JUSTIFICATION:	Our current hardware and process are outdated and time consuming. Adding this storage will greatly reduce backup time, restore time, and complexity.
COMMENTS:	

FUND SOURCE:	Technology		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	15.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	15.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 15.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	MGP - M365 Shared Services
TYPE:	Equipment
PROJECT #:	EQ2604
ACCOUNT #:	625-0601-520050-
PROJECT STRINGS:	EQ2604-EQUIP-HW/SW
STATUS:	New
PRIORITY:	Discretionary
DEPARTMENT:	IT
LOCATION:	All Village
DESCRIPTION:	MGP offers a Microsoft 365 (M365) shared services program that provides our organization with access to a Business Analyst and Developer. Each quarter, this team will work with staff to configure and create solutions within our M365 environment to increase staff efficiency and standardize processes. By collaborating with other local governments, the program will foster a community where best practices are shared and implemented, ensuring everyone benefits from collective knowledge and experiences.
JUSTIFICATION:	We have many requests for modernizing workflows and applications that are similar to what MGP has created for other governments. MGP can provide these services and applications for less than we can in-house because of their service model and experience with other government requests. Examples are: HR Onboard / Offboarding process, Benefits Administration, Boards and Commission Appointments, Travel and Training form process, Tuition Reimbursement Process, etc.
COMMENTS:	

FUND SOURCE:	Technology		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	60.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	60.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 60.0K

Village of Arlington Heights

2027-2031 CAPITAL IMPROVEMENT PROGRAM

UNFUNDED PROJECTS

By Type and Project Name

Project Name	PM	Project #	Possible Funding Source	Total Cost Estimate (in thousands)
Building/Land				
Salt Storage at Annex	PW	BLUN20	Unfunded	1,500.0
Seized Vehicle & Long-Term Bulk Evidence Storage Structure	POL	BL2101	Unfunded	1,160.0
Electric Vehicle Charging	PW	BL2201	Unfunded	0.0
Public Art Program	PLN	BL2601	Unfunded	0.0
Partnership with Park District on Dt Community Ice Skating Rink	PW	BL2606	Unfunded	250.0
Signals				
Old Arlington Heights Road Traffic Signal	PW	SGUN01	Unfunded	300.0
Traffic Signal Upgrades - Wilke Road at Kirchhoff Road	PW	SGUN03	Unfunded	700.0
Streets				
South Arlington Heights Road Corridor	PLN	ST1903	Unfunded	3,000.0
Multi-Use Path in ComED ROW (unfunded portion)	PW	ST2501	Unfunded	16,500.0
Village Gateway Improvement Project	PLN	ST2601	Unfunded	0.0
Northwest Hwy Multi-Use Path	PW	ST2604	Unfunded	100.0
Thomas Street Reconstruction	PW	ST2605	Unfunded	400.0
Kensington Road - Roadway Improvements (Northwest Highway to Windsor Drive)	PW	STUN08	CPF	300.0
Sewer				
Scarsdale Estates Drainage Improvements (unfunded portion)	PW	SW2302	STRM	6,600.0
Permeable Paver Alley Off NW Hwy (Wilshire to Carlyle) (unfunded portion)	PW	SW2503	STRM	500.0

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Salt Storage at Annex
TYPE:	Building/Land
PROJECT #:	BLUN20
ACCOUNT #:	UNFUNDED
PROJECT STRINGS:	UNFUNDED
STATUS:	Unfunded
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Village's Annex site at 2101 E. Davis Street
DESCRIPTION:	Construction of a salt storage structure to supplement the salt dome at the L. A. Hanson Public Works Center.
JUSTIFICATION:	Every 3-5 years a supply shortage or transportation shortage causes significant disruption to the salt supply, which leads to significant cost increases and concerns over product availability. This improvement will allow us to store 80% of our average annual usage, and eliminate frequent fears of supply shortage or significant reduction in service levels.
COMMENTS:	

FUND SOURCE:	Unfunded		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	1,500.0K	0.0K	0.0K
Total Projected Budg:	1,500.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 1,500.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Seized Vehicle & Long-Term Bulk Evidence Storage Structure
TYPE:	Building/Land
PROJECT #:	BL2101
ACCOUNT #:	231-3003-540110-
PROJECT STRINGS:	BL2101-BUILDING-CONSTRUCT-CIF
STATUS:	Unfunded
PRIORITY:	Discretionary
DEPARTMENT:	Police
LOCATION:	Police Seized Vehicle Impound Lot - 2101 E. Davis Street
DESCRIPTION:	Construction of a permanent structure for the purpose of housing Police Department assets, seized vehicles, and vehicles required to be kept as evidence in the long term and in the case of a murder investigation, ad infinitum.
JUSTIFICATION:	The proposed structure increases emergency preparedness and greatly reduces response times by centralizing equipment in a climate-controlled environment. The structure will house and protect more than $500,000 in law enforcement assets and will preserve evidence requiring long-term storage.
COMMENTS:	Federal approval for construction is being sought as a qualified expenditure of forfeiture funds. A detailed report regarding further justification, cost estimates, and structural requirements has been prepared.

FUND SOURCE:	Unfunded		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	1,160.0K	0.0K	0.0K
Total Projected Budg:	1,160.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 1,160.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Electric Vehicle Charging
TYPE:	Building/Land
PROJECT #:	BL2201
ACCOUNT #:	401-7101-550600-
PROJECT STRINGS:	BL2201-BUILDING-CONSTRUCT-CPF
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Public Works
LOCATION:	Various Village Parking Structures
DESCRIPTION:	Electric charging stations.
JUSTIFICATION:	Meets Village Board priority.
COMMENTS:	

FUND SOURCE:	Capital Projects	Unfunded	
Orig. Budg. 2026:	38.0K	0.0K	0.0K
Rev. Budg. 2026:	38.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	0.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 0.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Public Art Program
TYPE:	Building/Land
PROJECT #:	BL2601
ACCOUNT #:	Unfunded
PROJECT STRINGS:	Unfunded
STATUS:	New
PRIORITY:	Discretionary
DEPARTMENT:	Planning
LOCATION:	Various locations
DESCRIPTION:	Funding to implement recommendations from the Public Art Plan through an annual work program.
JUSTIFICATION:	The Public Art Plan is being developed through the Arts Commission in response to a Strategic Priority set by the Village Board.
COMMENTS:	Funding is being evaluated as program is developed.

FUND SOURCE:	Unfunded		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	0.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 0.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Partnership with Park District on Downtown Community Ice Skating Rink
TYPE:	Building/Land
PROJECT #:	BL2606
ACCOUNT #:	
PROJECT STRINGS:	
STATUS:	New
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Eastman Street from Arlington Heights Road to Evergreen Avenue
DESCRIPTION:	Construction of an outdoor community ice skating rink in the downtown for the winter months. The Village will work in partnership with the Arlington Heights Park District to build and maintain the rink. This is the first phase of the potential multi-year improvement and full closure of Eastman Street from Arlington Heights Road to Evergreen Avenue.
JUSTIFICATION:	Strategic Priority #8 Total Cost Rink $150,000.00 Electric $ 20,000.00 Base Rental $ 40,000.00 (5 months) Pads, misc. $ 40,000.00
COMMENTS:	Budget assumes that there will be a 50/50 cost share with the Arlington Heights Park District. Costs include rink, rink mechanicals, structure, and skate mats. Operational costs will be necessary, and will be determined once level of service is established. Future expansion of program with Park District includes a second rink and gazebo and reconstruction of R.O.W.

FUND SOURCE:	Unfunded		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	250.0K	0.0K	0.0K
Total Projected Budg:	250.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 250.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Old Arlington Heights Road Traffic Signal
TYPE:	Signals
PROJECT #:	SGUN01
ACCOUNT #:	UNFUNDED
PROJECT STRINGS:	UNFUNDED
STATUS:	Unfunded
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Old Arlington Heights Road and Dundee Road
DESCRIPTION:	Traffic signal.
JUSTIFICATION:	Part of Old Arlington Heights Road Redevelopment Study.
COMMENTS:	

FUND SOURCE:	Unfunded		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	1,000.0K	0.0K	0.0K
Total Projected Budg:	1,000.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 1,000.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Traffic Signal Upgrades - Wilke Road at Kirchhoff Road
TYPE:	Signals
PROJECT #:	SGUN03
ACCOUNT #:	UNFUNDED
PROJECT STRINGS:	UNFUNDED
STATUS:	Unfunded
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	The intersection of Wilke Road and Kirchhoff Road
DESCRIPTION:	Upgraded traffic signal systems and hardware at the offset intersections of Wilke Road and Kirchhoff Road
JUSTIFICATION:	The signals need upgrading to meet current standards, which will increase visibility, redundancy, and safety. The traffic signals are under IDOT jurisdiction, the east leg of Kirchhoff Road is under IDOT jurisdiction, the west leg of Kirchhoff Road is und
COMMENTS:	Staff will explore additional funding sources for this project and seek collaboration with IDOT and the City of Rolling Meadows. Seeking grant funding.

FUND SOURCE:	Unfunded		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	1,000.0K	0.0K	0.0K
Total Projected Budg:	1,000.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 1,000.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	South Arlington Heights Road Corridor
TYPE:	Streets
PROJECT #:	ST1903
ACCOUNT #:	401-4001-550300-
PROJECT STRINGS:	ST1903-STREETS-CONSTRUCT-****
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Planning
LOCATION:	South Arlington Heights Rd Corridor
DESCRIPTION:	Improvements to the South Arlington Heights Rd Corridor
JUSTIFICATION:	Pursuant to recommendations of the South Arlington Heights Rd Corridor Plan approved by the Village Board.
COMMENTS:	See SW2401 for sewer expansion project.

FUND SOURCE:	TIF S Arlington Heights Rd	Capital Projects	Unfunded
Orig. Budg. 2026:	822.5K	0.0K	0.0K
Rev. Budg. 2026:	822.5K	8.2K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	500.0K	0.0K	0.0K
Projected Budg. 2028:	250.0K	0.0K	0.0K
Projected Budg. 2029:	3,500.0K	0.0K	1,000.0K
Projected Budg. 2030:	3,500.0K	0.0K	1,000.0K
Projected Budg. 2031:	3,000.0K	0.0K	1,000.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	10,750.0K	0.0K	3,000.0K

TOTAL FUTURE COST (IN THOUSANDS): 13,750.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Multi-Use Path in ComED ROW
TYPE:	Streets
PROJECT #:	ST2501
ACCOUNT #:	401-7101-550300-
PROJECT STRINGS:	ST2501-CONSTRUCT-SIDEWALK-CPF
STATUS:	Active
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Multi-Use Path in the ComED ROW
DESCRIPTION:	Construction of a new multi-use path within the existing ComED right-of-way connecting the Palatine path on the west at Anderson Dr and IL53 with the Prospect Heights path on the east at Schoenbeck Rd and Lake Arlington Dr
JUSTIFICATION:	A high priority project identified in the 2017 Bicycle and Pedestrian Plan proposes an off-road multi-use trail to be installed within the ComED right-of-way, filling in the gap between the existing Palatine and Prospect Heights trail systems to provide a vital regional connection. Staff applied for Congressional Community Funding Project grant. The Village received confirmation from Congressman Mike Quigley's office that $480,000 had been secured toward the Phase 1 study required for this project.
COMMENTS:	Year 1: Phase 1 Project Development Study is under contract and ongoing ($680k) Year 3: Phase 2 Design (Anticipated to be $1.5 million) Year 5: Phase 3 Construction (Anticipated unphased costs to be $15,000,000) A $480K grant has been secured, and $120K from Sustainability line item, used for Phase I. Future phases will be adjusted as Federal funding is secured.

FUND SOURCE:	Capital Projects	Unfunded	
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	480.0K	0.0K	0.0K
Est. Act. 2026:	480.0K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	1,500.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	15,000.0K	0.0K
Total Projected Budg:	0.0K	16,500.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 16,500.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Village Gateway Improvement Project
TYPE:	Streets
PROJECT #:	ST2601
ACCOUNT #:	Unfunded
PROJECT STRINGS:	Unfunded
STATUS:	Unfunded
PRIORITY:	Discretionary
DEPARTMENT:	Planning
LOCATION:	All roadway entry points into the Village
DESCRIPTION:	Program to design and install new gateway features along roadway entry points into the Village. This would potentially include, but not be limited to, new "Welcome To" signage with updated branding, landscaping, lighting, streetscape features, landscape islands, and banners.
JUSTIFICATION:	The existing entryway features and banners currently utilized the old Village branding and logo and are in need of updates and in some cases repairs. A program to redesign and update the features would allow for a comprehensive approach to bringing these features in line with current branding and to beautify highly visible gateway corridors into the Village.
COMMENTS:	

FUND SOURCE:	Unfunded		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	0.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 0.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Northwest Highway Multi-Use Path
TYPE:	Streets
PROJECT #:	ST2604
ACCOUNT #:	401-7101-550300-
PROJECT STRINGS:	
STATUS:	Unfunded
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Northwest Highway (Village limits)
DESCRIPTION:	Evaluate the feasibility of constructing a multi-use path along Northwest Highway in the Union Pacific right-of-way to facilitate pedestrian/bicycle infrastructure and providing connectivity with existing pedestrian/bicycle infrastructure, commuter train stations, and the downtown.
JUSTIFICATION:	This project would provide an enhanced and improved pedestrian/bicycle network along the Northwest Highway corridor. This project aligns with Strategic Priorities #4 by improving safety conditions for motorists and pedestrians; and Strategic Priority #6 for green infrastructure improvements. The project could be eligible for Illinois Transportation Enhancement Program (ITEP), Invest in Cook, and Congressional Appropriations.
COMMENTS:	2029: preliminary engineering

FUND SOURCE:	Unfunded		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	100.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	0.0K	0.0K
Total Projected Budg:	100.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 100.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Thomas Street Reconstruction
TYPE:	Streets
PROJECT #:	ST2605
ACCOUNT #:	401-7101-550300-
PROJECT STRINGS:	
STATUS:	Unfunded
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Thomas Street between Wilke Rd and Kennicott Ave
DESCRIPTION:	Street reconstruction including new storm sewer, possible drainage work at Virginia Terrace Park.
JUSTIFICATION:	
COMMENTS:	Year 1 - Phase 1/Phase 2 - $400k Year 2 - Phase 3 - Construction $4m, Construction Engineering $400k

FUND SOURCE:	Unfunded		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	400.0K	0.0K	0.0K
Unspecified Budg.:	4,000.0K	0.0K	0.0K
Total Projected Budg:	4,400.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 4,400.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Kensington Road - Roadway and Signal Improvements (NW Highway to Windsor Dr.)
TYPE:	Streets
PROJECT #:	STUN08
ACCOUNT #:	UNFUNDED
PROJECT STRINGS:	UNFUNDED
STATUS:	Unfunded
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Kensington Road between Northwest Highway and Windsor Drive
DESCRIPTION:	Resurfacing of Kensington Road.
JUSTIFICATION:	This project is necessary due to jurisdictional transfer from the State of Illinois. Scope is being expanded to evaluate the traffic signals and bicycle/pedestrian infrastructure to improve potential funding opportunities.
COMMENTS:	STP-L funding will be pursued in a future NWMC funding cycle.

FUND SOURCE:	Unfunded		
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	0.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	1,500.0K	0.0K	0.0K
Total Projected Budg:	1,500.0K	0.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 1,500.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Scarsdale Estates Drainage Improvements
TYPE:	Sewer
PROJECT #:	SW2302
ACCOUNT #:	426-7101-550250-
PROJECT STRINGS:	SW2302-SEWER-CONSTRUCT-STRM
STATUS:	Active
PRIORITY:	Essential
DEPARTMENT:	Public Works & Engineering
LOCATION:	Scarsdale Estates Subdivision (bound by AH Rd, Central, Rockwell, Beverly)
DESCRIPTION:	Reinstate functional ditch system and driveway culverts, storm sewer improvements, stormwater detention.
JUSTIFICATION:	This project grew out of community input and activism. The project will improve drainage along these unimproved streets, mitigate against flooding of private residences, and provide homeowners the opportunity to alleviate backyard drainage issues through permitted connections of private drainage systems to the roadside ditches or public storm sewers. The Village will pursue Federal funding for this project.
COMMENTS:	Phase II Eng - $441.8k If funding secured - Phase III Const - $6m, Phase III Eng - $600k, will be included in the next available program year. Project costs have exceeded ability to locally fund. Requesting Federal Grants. Project will be designed to improve chance of success for grant awards. Land has been acquired.

FUND SOURCE:	Storm Water Control	Unfunded	
Orig. Budg. 2026:	0.0K	0.0K	0.0K
Rev. Budg. 2026:	308.4K	0.0K	0.0K
Est. Act. 2026:	308.4K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	6,600.0K	0.0K
Total Projected Budg:	0.0K	6,600.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 6,600.0K

CAPITAL IMPROVEMENT PROGRAM 2027-2031
PROJECT REQUEST FORM

PROJECT NAME:	Permeable Paver Alley Off NW Hwy (Wilshire to Carlyle)
TYPE:	Sewer
PROJECT #:	SW2503
ACCOUNT #:	426-7101-550250-
PROJECT STRINGS:	
STATUS:	Unfunded
PRIORITY:	Discretionary
DEPARTMENT:	Public Works & Engineering
LOCATION:	Alley of NW Hwy, Between Carlyle and Wilshire Ln
DESCRIPTION:	Reconstruction of the existing alley with permeable pavers to address poor drainage and reduce stormwater runoff to combined sewer system.
JUSTIFICATION:	Staff applied for a Green Infrastructure (GI) grant through the Metropolitan Water Reclamation District (MWRD). This alley is located in "Area 5" as defined in the CDM Smith Combined Sewer Tributary Area Flood Study dated March 2017. The requested grant funding level is 50% of construction costs. Construction will not proceed without grant funding.
COMMENTS:	Year 1: Design Year 2: Construction

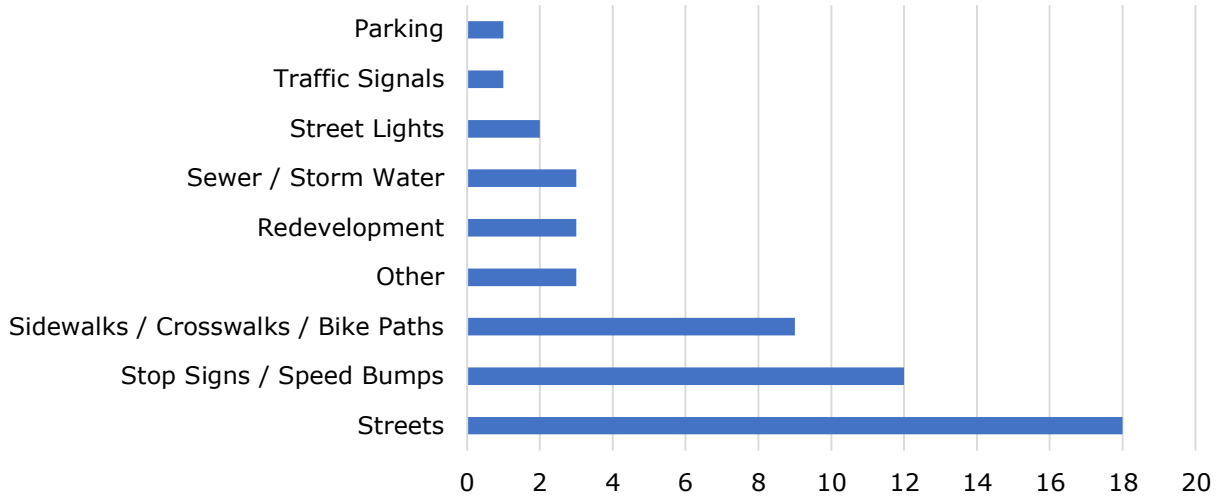
FUND SOURCE:	Storm Water Control	Unfunded	
Orig. Budg. 2026:	20.0K	0.0K	0.0K
Rev. Budg. 2026:	20.0K	0.0K	0.0K
Est. Act. 2026:	0.0K	0.0K	0.0K
Projected Budg. 2027:	0.0K	0.0K	0.0K
Projected Budg. 2028:	0.0K	0.0K	0.0K
Projected Budg. 2029:	0.0K	0.0K	0.0K
Projected Budg. 2030:	0.0K	0.0K	0.0K
Projected Budg. 2031:	0.0K	0.0K	0.0K
Unspecified Budg.:	0.0K	500.0K	0.0K
Total Projected Budg:	0.0K	500.0K	0.0K

TOTAL FUTURE COST (IN THOUSANDS): 500.0K

2027-2031 CAPITAL IMPROVEMENT PROGRAM
2026 ONLINE RESIDENT SURVEY SUMMARY

The Village received a total of 54 submissions for the 2027-2031 Capital Improvement Program, submitted through a survey portal that was open on the Village's website from April 9 – May 8, 2026. Of those submissions, two were forwarded to the Arlington Heights Park District. Each Village Department is provided with a list of the submissions to consider during future CIP review process. Suggestions covered infrastructure, safety, redevelopment, transportation, and environmental needs. Emphasis of the responses was on street repairs, traffic calming, and pedestrian/bicycle safety. The Village reviews all submissions received and evaluates them alongside other planning, operational, and financial considerations. A detailed list of submissions with names and addresses redacted, not including the items that were forwarded to the park district, can be found following this summary.

CIP 2026 Online Resident Survey Submissions by Category



The most frequently submitted concern related to streets, with 18 submissions received. The request for roadway improvements aligns with the Village's priorities and planned investments included in the 2027-2031 Capital Improvement Program. Most of these submissions were requests for resurfacing and repair of specific roads in the Village. Campbell Street and Euclid Avenue were both mentioned multiple times; these projects are already programmed in the CIP as Euclid is set to be completed this year and Campbell Street is proposed to be completed in 2027. Other streets mentioned were White Oak, Eastman, Miner; there were also a couple submissions that stated generally that streets in Arlington Heights need to be resurfaced or repaired. The Public Works Department maintains a schedule for street repaving based on age, condition, traffic, and other factors including future water

distribution or sewer projects. Some residents may see their streets listed under the Street Program sub-projects shown in the Capital Projects Fund; these projects are carved out of the broader Street Program as a result of applications for additional funding through grants and intergovernmental agreements.

Another common theme identified was traffic and safety. Several households on Cleveland Avenue requested traffic calming measures such as speed bumps, electronic speed displays, or additional stop signs to slow down traffic. There were also a few suggestions for adding protected or more clearly marked bike lanes and adding curb bump outs and raised crosswalks near schools and parks. Residents also noted a desire for sidewalks in neighborhoods in which there are none or gaps in the existing paths.

Other responses included storm sewer improvements near Pioneer Park, Westgate, and Ivy Hill, additional street lights, and redevelopment targeted for a few areas. One submission recommended the Village explore opportunities to add solar panels to municipal buildings; the Public Works building is currently covered in solar panels are provides energy.

Some residents explicitly stated opposition to any new taxes, while others supported revenue mechanisms tied to specific infrastructure. Among the recommended funding sources, the most common was Motor Fuel Tax, followed by Property Taxes, Sales Tax, Special Assessments, Stormwater Fees, and finally Water & Sewer rate increases.

The Village is appreciative of all of the online resident submissions for capital improvements and other projects. The submissions from this and previous surveys are considered as part of the overall process to develop the proposed 2027-2031 Capital Improvement Program. We encourage our community members to continue to help enhance the Village's quality of life through our capital improvement program.

2027-2031 CAPITAL IMPROVEMENT PROGRAM
2026 ONLINE RESIDENT SURVEY RESPONSES

Type of Capital Request	Location of CIP Project?	Describe the Improvement Needed:	Suggested Funding Source:
Other	Nothing	We don't need more taxes or to increase costs. Just maintain the town. Or allow gambling venues and use that revenue.	Sales Tax
Other	Open space area on the side of AH	We need a dog park in our half of the village.	Sales Tax
Other	unknown	From the sustainability final report "Operate a safe, clean and efficient fleet". This would be an excellent opportunity for the village to explore grant or other funding opportunities to add solar panels/wind options to municipal buildings or lots particularly the Public Works and Police Department buildings for village vehicle recharging. Otherwise charging with traditional electricity options will mean using non-renewable sources. This is a capitol investment that will pay for itself and save the village money overtime.	Motor Fuel Tax
Parking	Cleveland Ave.	Side white parking lines (for overnight parking, hopefully, as well) which will narrow Cleveland Ave. and take away the appearance of comfort for speeding.	Property Tax
Redevelopment	Arlington 425	This is valuable space going being wasted year after year. It should be repurposed for value added real estate for the community either via multi family housing, new commercial properties or shared community event space.	Property Tax Special Assessment
Redevelopment	Lot in between Highland, Campbell, Sigwalt and Chestnut	I would like a huge development there. Outdoor movie screen, courtyard. Outdoor bar, event space, small outdoor type mall or shops space. Think a small area similar to outside of wrigley field or Rockies park.	Stormwater Fees
Redevelopment	Palatine Rd & Arlington Heights Rd	Redevelop the land and utilities to allow for a large EV fast charging site (at least 10 stalls).	Motor Fuel Tax Property Tax
Sewer / Storm Water	Ivy Hill	Water mains break and rebreak in this neighborhood. There are three dug up spots on the south side of Camelot Park that have been there since last summer. There doesn't seem to be a plan for long term replacement, just temporary band aids.	Property Tax Stormwater Fees
Sewer / Storm Water	Pioneer Park	Sewage and drainage improvements; sidewalk improvements due to tree roots	Stormwater Fees
Sewer / Storm Water	Pioneer Park/Westgate Area	Storm Drain Improvement Project and Sewer Lines around Pioneer Park/Westgate Elementary School Area. Also, the storm drain is often clogged. and neighbors do not always clear the debris from the storm drains. Rumor has it that this may increase the flooding in nearby basements, but this has not been visually confirmed.	Special Assessment Water & Sewer Rate Increase Stormwater Fees
Sidewalks / Crosswalks / Bike Paths	Downtown Area & North side of AH Road containing brick pavers.	The brick pavers need to scrubbed clean. There's lots of gunk on them. I asked VAH to scrape them clean a couple years ago, and the response was, "it's not in the budget." We have spent a lot of money of the installation and repair of the brick pavers, and now let's take care of keeping our downtown area looking beautiful.	Sales Tax
Sidewalks / Crosswalks / Bike Paths	Village Bike Routes, Campbell St	The village has a good network of bike routes that covers most of the village. However, we have practically 0 infrastructure on the roads themselves that signify that it's a bike route - just a small sign every so often that is easy to ignore. The CIP should include a goal of using quick, cheap infrastructure methods like paint and plastic bollards to put clear bike lanes on all of the bike routes. Just recently we were in a group bike ride around the Westgate neighborhood, about 17 total people, a mix of kids and adults, and while riding on a bike route street a driver kept honking at us because we weren't moving over to let them pass, and then when they did pass they yelled they will call the cops on us. For riding on what is a bike route. This is a clear sign that many residents either don't know or don't care about the bike routes and so we need to add clear, delineated infrastructure to the routes. Regarding Campbell st specifically, as a resident of the street the amount of speeding cars is far too many. The village put in a speed limit sign with a speedometer on it across the street, so I can track how the majority of cars are approaching or over 30 mph as they come east down Campbell towards Dwyer. When this street is re-done, it MUST include physical traffic calming infrastructure. For example, a 2-way bike lane on the south side of the street, at least from Wilke to Salem. This should be painted bright green with bike lane symbols and have plastic bollards separating it from the car lanes. This will narrow the street and help make bike riders feel safe. I am fine riding on the street, but there is no way I would let my younger kids (8 and 4) ride on Campbell street as it is, even though it is a bike route. Additionally, curb bump outs should be installed periodically, including both places with stop signs and cross walks, but also at some intersections between stop signs. For example, at Campbell and Yale/Reuter or Campbell and Kennicott/Salem/Kaspar, etc. these would serve to allow traffic to continue, but would visually cue drivers to slow down while also shortening the distance between the N and S side of the street when people are crossing them. Currently there are long stretches without a protected crossing, essentially making Campbell a divider for the neighborhood. These curb extensions should be painted in bright colors and have plastic bollards in the early stage to stretch budget and test where it makes sense to install more permanent bump outs. This could also be done before any construction is planned and used as a pre-construction test of where to add them when doing construction.	Motor Fuel Tax Property Tax Sales Tax
Sidewalks / Crosswalks / Bike Paths	Villagewide, Arlington Heights	In line with the Village of Arlington Heights Strategic Priority #4, we advocate for the CIP to prioritize the following infrastructure improvements to slow vehicle traffic and support safer ways to bike, walk and roll for all visitors and residents: First, speed control protection such as curb bumpouts, raised crosswalks, bollards, chicanes and mini traffic circles should be tested and installed at intersections within 0.5 miles of all schools, parks, shopping districts, and places of worship. Because intersections are frequently where problems occur, protective improvements should be placed in addition to traditional traffic slowing tools like speed bumps and narrowed lanes. Second, all bike routes in the village must be upgraded to bike lanes that are clearly marked, separated, delineated, and/or protected from traffic. Paint treatments at a minimum are necessary to alert drivers and bikers of the bicycle route network, though physical separation and hard protection is strongly preferred in order to protect both bicyclists and drivers. Comment submitted on behalf of the Safe Streets Alliance of Arlington Heights.	Motor Fuel Tax Property Tax Special Assessment Sales Tax

2027-2031 CAPITAL IMPROVEMENT PROGRAM
2026 ONLINE RESIDENT SURVEY RESPONSES

Type of Capital Request	Location of CIP Project?	Describe the Improvement Needed:	Suggested Funding Source:
Sidewalks / Crosswalks / Bike Paths	E Lincoln st	Pedestrian safety. There are no sidewalks on this Main Street in our community. It is a high volume road used by many as it exits to the busse rd or Arlington heights road. Cars often disobey the speed limit by a significant amount. Children, adults, animals are either forced to risk their safety on the road or to walk through neighborsâ€™s lawns. My children cannot ride their bike in their own neighborhood without me carrying 2 bikes through grass. There is also an elementary school bus stop which requires young children to risk their safety. A sidewalk is necessary to safety. In addition, there needs to be frequent speed deterrents whether temporary (signs, speedometers) or permanent (speed bumps) to slow down traffic in a highly pedestrian used road.	Special Assessment
Sidewalks / Crosswalks / Bike Paths	S Walnut Ave, South of Central Road	Add sidewalks in the neighborhood	Property Tax
Sidewalks / Crosswalks / Bike Paths	Sidewalk replacement	Sidewalks throughout the Northgate sub-division are very inconsistent and there are many safety hazards. Specifically - safety hazards to me are uneven sidewalk blocks that are trip hazards. I find myself having to pay a lot of attention to the sidewalks as I walk through the neighborhood. A neighbor tripped and fell last week and fractured her wrist. As the sidewalks continue to become more hazardous, the cost of the replacement might wind up being less than the cost of medical issues when people hurt themselves.	Property Tax
Sidewalks / Crosswalks / Bike Paths	stop sign by Kennicott and Grove	Many children and pedestrians cross this all day and sometimes the traffic goes so fast that safety is a concern	Motor Fuel Tax
Sidewalks / Crosswalks / Bike Paths	Valley & Windsor	No change to the street configuration. Increase width of the sidewalks on the east and west sides of Windsor between Hintz & Palatine roads. Increase the width of sidewalks in the downtown area.	Motor Fuel Tax Sales Tax
Sidewalks / Crosswalks / Bike Paths	White oak	Create trail (big enough for 2 way biking) from Carefree park to Old Wilke. Remove parking on north side of the road to fit.	Property Tax
Stop Signs / Speed Bumps	All of Cleveland Ave.	Speed calming measures to be installed on Cleveland Ave. Neighbors have been asking for measures to SLOW DOWN traffic in this residential neighborhood for 25 years. Cleveland Ave is a cut through street and with the many children in the neighborhood, this is a dangerous combination. Thank you	Motor Fuel Tax
Stop Signs / Speed Bumps	Cleveland Ave	Reduce speeding	Motor Fuel Tax
Stop Signs / Speed Bumps	Cleveland Ave	Slow down traffic on Cleveland Ave	Motor Fuel Tax
Stop Signs / Speed Bumps	Cleveland Ave	Stop the speeding	Motor Fuel Tax
Stop Signs / Speed Bumps	Cleveland Ave	Speed calming investment would reduce the excessive speeding that we all witness every single day on Cleveland Ave. and on other Village owned streets.	Motor Fuel Tax
Stop Signs / Speed Bumps	Cleveland Ave Arlington Heights	Hello! We witness excessive speeding on Cleveland Ave causing unsafe conditions on this residential street. Please consider measures to calm the traffic on this street.	Motor Fuel Tax
Stop Signs / Speed Bumps	Cleveland Ave from Davis to Central	Permeant electronic speed displays with flashing lights when driving too fast.	Motor Fuel Tax Sales Tax Water & Sewer Rate Increase Stormwater Fees
Stop Signs / Speed Bumps	Cleveland Ave. Arlington Heights, IL	Speed calming on village street.	Motor Fuel Tax
Stop Signs / Speed Bumps	Speed calming measures on Cleveland Ave	Speed reducing measures to slow down traffic on Cleveland Avenue.	Motor Fuel Tax
Stop Signs / Speed Bumps	Speed calming on Cleveland ave	I would like to see roundabouts or other speed calming measures installed on Cleveland avenue to reduce the excessive speeding we experience on our street	Motor Fuel Tax
Stop Signs / Speed Bumps	Speed Cameras on Old Wilke Rd	Old Wilke from Algonquin to Central is a drag strip there are kids walking to Waverly Park, RM HS, and Clearbrook/Sr Center it is dangerous	Sales Tax
Stop Signs / Speed Bumps	N Brighton Place & E Brookwood	Stop signs on N Brighton Place for North and South traffic to slow down speeding vehicles and e-bikes and scooters through crosswalk and near Camelot Park. Stop signs were installed last year on E Brookwood, which has minimal traffic, and no crosswalk and only one house with cars on the East side of Brighton where one stop sign was placed, and eight houses on the West side of of Brighton.	Motor Fuel Tax Property Tax
Street Lights	Downtown	New poles with LED lighting that fits the character of the modern buildings that are part of the downtown area.	Motor Fuel Tax Special Assessment Water & Sewer Rate Increase
Street Lights	Highland & Olive	Street lighting. A tree took down the light on 3/13/26. There cars & suspicious activity in the parking lot. There is a need for a lot more lighting.	Property Tax
Streets	W Eastman St and Highland Ave, between NW Hwy and Vail AND E Miner St between NW Hwy and Dunton	Both of these small street segments should be converted into narrow, one-way roads OR (preferably) removed from the road network and turned into plazas or pocket parks. Neither are heavily traveled, none provide the only route of access for nearby buildings, and other nearby streets easily handle the area's traffic needs. And for the Miner location in particular, the angle approaching Northwest Highway is very sharp and creates dangerous conditions for turning on and off NW Highway. These tiny stubs are not worth the effort to maintain for traffic, and would be better off removed from the network. Converting this village-controlled space into small parks where people can gather is also an investment to increase foot traffic and spending at the businesses north of downtown, and can be a nice complement to Dunton Park further to the southeast.	Property Tax Special Assessment Sales Tax

2027-2031 CAPITAL IMPROVEMENT PROGRAM
2026 ONLINE RESIDENT SURVEY RESPONSES

Type of Capital Request	Location of CIP Project?	Describe the Improvement Needed:	Suggested Funding Source:
Streets	Moving railroad crossing between Cleveland Avenue and Arthur and moving it across from Arthur	We live at [redacted]. We have lived here since 1968 and we are in our 80s. The following is our input. The third week or so in April 2026, there was a crash in front of our house. Both cars were total losses. The damaged cars were taken away on flatbed trucks. Clearly, speeding was a major component of this crash. We called the police. They temporarily blocked the street to clean up the mess. A number of years ago, my brother parked his car on Cleveland Avenue on the east side of the street facing north. A car came speeding down the street and crashed into the back of his car. His back bumper ended up in the back seat of his car and the car was a total loss. The impact of the accident pushed his car 50 feet north of where he was parked, across the parkway on the east side of the street and over and past the pedestrian sidewalk and ended up on the front lawn of the building across the street. In addition, my wife Barbara's sister, has been living with us for the past ten years. A few years ago she had her car parked in the front of our house on the west side of Cleveland facing south, and her car was hit in the front causing more than $600 in damage. That accident was a hit and run. Our recommendation on the survey is to move the railroad crossing from midway between Cleveland and Arthur to immediately crossing the tracks at Arthur, channeling traffic down Arthur and its industrial corridor rather than through our residential neighborhood. This original placement of the crossing demonstrated a lack of concern for the safety of residents living on Cleveland Avenue.	Motor Fuel Tax Sales Tax
Streets	1208 E Northwest Hwy	resurfacing of 6 spaces in back parking lot. To level it out for our residents that have disabilities.	Stormwater Fees
Streets	All streets within Arlington Heights	The roads are crumbling. No more patching spots, they need major resurfacing. Residential side streets, major roadways, they are all in bad shape.	Sales Tax
Streets	Arlington hts rd and rand area	The roads and surrounding areas look run down and shabby. Too many vacant storefronts off of Rand and palatine road. It would be nice to see a more vibrant area across from Trader Joe's. The flower pot arrangements in the Trader Joe's and Panera areas are very beautiful! Something like that is needed along with ah rd improvement	Motor Fuel Tax
Streets	Campbell St	Campbell road stretching from Wilke and heading east needs to be repaved. As long as we have lived in AH (10 years) it has been repaired section by section continuing to make it a very bumpy and rough ride into the downtown area. This is a main passageway for visitors and residents coming into our downtown and it should be a presentable passageway.	Motor Fuel Tax
Streets	Campbell St	Campbell west of ridge and east of Wilke needs to have the concrete portions ripped out and changed to asphalt. This is the main thoroughfare leading to downtown and itâ€™s one of worst roads in Arlington Heights.	Motor Fuel Tax
Streets	Campbell St between downtown and New Wilke	repaving to smooth out all the bumps	Property Tax Special Assessment Water & Sewer Rate Increase
Streets	Campbell Street	Resurface or rebuild Campbell Street from Yale to Chestnut	Property Tax
Streets	Cleveland	Reducing traffic on Cleveland Ave	Motor Fuel Tax
Streets	Douglas south of Central	2 inch mill and overlay, including grade smoothing correction needed at Magnolia. Most cost effective would be to couple w nearby streets in similar condition/ life cycle	Motor Fuel Tax
Streets	Euclid Ave	It is a mess	Sales Tax
Streets	Euclid Avenue	Repave the street along the entire length of the village's responsibility.	Motor Fuel Tax
Streets	Euclid Avenue	repave Euclid avenue. Due to last year's construction on Euclid the roadway is in need of major repairs.	Motor Fuel Tax Sales Tax
Streets	Frederick & Beverly	Lots of flooding in our backyards and both Frederick and Beverly need to be repaved.	Stormwater Fees
Streets	Hickory Street corridor	Development of the vacant property acquisition/rezoning of the commercial industrial properties	Property Tax
Streets	Redo White Oak west of S New Wilke to Old New Wilke	Too many potholes. They just keep patching them haphazardly and the minute it rains or snows the patch washes out and makes the holes even bigger than before.	Stormwater Fees
Streets	Street improvements	Street repair.	Special Assessment
Traffic Signals	Euclid Ave & Dunton Ave	The stop lights at the corner of Euclid and Dunton are set for posted 25mph/speed limit. However, nobody obeys this law! My recommendation is to extend the yellow light in both directions by a few seconds to allow drivers enough time to stop instead of running the red light. These few additional seconds of yellow would benefit the drivers, bikes and pedestrians of this extremely busy intersection.	Property Tax

VILLAGE OF ARLINGTON HEIGHTS
INC. 1887

Committee of the Whole
6/22/2026

Item: Operating Fund Overview/Recommended Budget Ceilings – 2027

Department: Finance

Item Description:

The Operating Fund Overview and Budget Ceiling process serves as the Village Board's mid-year review of the Village's financial position, provides an initial property tax estimate for the coming year, and establishes budget ceilings for Village Departments as they prepare their budget proposals for the 2027 Budget. Each year in June, this information is presented as an initial step in the budget process. Once the budget ceilings are developed by staff, the Village Board provides additional guidance on other high-level financial goals and other objectives to aim for with the development of the budget.

A budget ceiling is a preliminary spending framework established at the beginning of the budget development process. In early July, this framework is provided to departments as they prepare their budget requests that align with the Village's anticipated revenues, financial policies, strategic priorities, and long-term fiscal objectives. The use of budget ceilings promotes fiscal discipline, supports a balanced budget, and helps ensure that limited financial resources are allocated in a manner that maintains service levels, funds critical capital improvements, and preserves the Village's long-term financial stability. The proposed budget for 2027 will be presented this fall to the Village Board.

The upcoming 2027 Budget cycle will continue to emphasize fiscal responsibility, strategic investment in capital improvements, and the delivery of high-quality municipal services. The Village's financial position remains strong; however, inflationary pressures, staffing requirements, and other economic uncertainties will continue to influence budget development. Key revenue sources, including sales taxes, have remained resilient, while the newly implemented Streaming Tax has performed above initial projections, providing additional support for Village operations and public safety services. The Village will continue to closely monitor revenue trends and expenditure demands to ensure long-term financial stability and maintain service levels expected by residents and businesses.

The 2027 budget ceilings include a preliminary planning assumption of a 2.0% property tax levy increase. This assumption provides modest flexibility during the budget development process and allows staff to account for potential expenditure and revenue uncertainties while additional fiscal year data becomes available. The 2.0% assumption is half of the amount of the current rate of inflation (May CPI – 4.2%) and does not represent a proposed levy recommendation. For example, the projection addresses a phased strategy for public safety needs. In addition, expenditures are affected by personnel costs and higher costs for supplies and services. Staff will continue to refine

projections throughout the budget process and work toward presenting a recommended 2027 budget that includes a 0% property tax levy increase.

Operating Funds Overview

The General Fund and Water & Sewer Fund are the Village’s primary operating funds and are the focus of this analysis. As of December 31, 2025, the General Fund's fund balance represented 39.42% of annual expenditures, exceeding the Village's minimum fund balance policy target of 25%.

Maintaining adequate reserves supports the Village's strong financial position and contributes to its favorable credit rating, which can reduce borrowing costs for future capital projects. Reserves also provide financial flexibility to respond to unforeseen circumstances, such as severe weather events, public health emergencies, economic downturns, or other unexpected operational and capital needs. For example, the Village has used surplus funds for Emerald Ash Borer removal and Lead service line replacement. In addition, a healthy fund balance allows the Village to make thoughtful, strategic decisions during periods of economic uncertainty while continuing to maintain service levels and invest in community priorities.

The Water & Sewer Fund is an enterprise fund reliant upon charges for service – water and sewer fees – to support its operations, including capital expenditures. The Village is a member of the Northwest Water Commission, which consists of four member communities – Arlington Heights, Buffalo Grove, Palatine, and Wheeling. The Northwest Water Commission owns and operates the regional water transmission system that delivers water from Evanston to the member communities. The Village’s annual water purchases from the Northwest Water Commission represent approximately 20% of operating expenses within the Water & Sewer Fund to deliver a long-term, dependable source of drinking water for residents and businesses.

The 2025 ending cash balance for the Water & Sewer Fund came in lower than the prior year due to planned expenditures. In 2024, the Village Board approved a five-year water and sewer rate adjustment plan. The plan adjusted water and sewer rates by 2.75%. One of the key goals of the next five-year plan will be to reach a sustainable annual funding level based on water and sewer revenues, without the need for transfers from other funds.

The three-year financial projections utilize disciplined revenue forecasting assumptions that align with the Village's long-standing approach to responsible fiscal management. Personnel expenditures are projected using a position-based budgeting methodology. Under this approach, salary and benefit costs are calculated based on authorized positions rather than only reviewing historical spending levels. The projections assume that all budgeted positions are funded during the year while also incorporating known staffing changes, anticipated retirements, contractual wage adjustments, anticipated vacancies, benefit cost trends, and other personnel-related factors when such information is available. This methodology provides a consistent and transparent framework for estimating personnel costs and ensuring that departments have the resources necessary to maintain service levels. For 2027, departments are projected at full staffing levels.

General Fund

The Village was able to maintain a strong fund balance in this fund over the last few

years with better than anticipated results from economically sensitive revenues such as Sales Taxes. As a result, the Village Board was able to approve transfers to selected Village capital, lead line replacement, and public safety pension funds. **Exhibits 1 and 2** show the history of Sales and Income tax receipts, respectively. These revenues have historically been the Village's key General Fund growth revenues that cover expenditure increases.

The Village's **long-term financial strategy** recognizes the relationship between operating fund performance and the ability to fund capital improvements in a sustainable manner. During periods of strong economic activity, revenues have performed better than initial estimates, allowing the Village to fully fund operational requirements while generating modest surpluses. With Village Board action, these surplus funds may be transferred to capital-related funds to support future infrastructure investments.

This approach provides several benefits. First, it allows the Village to reduce reliance on debt financing, lowering future borrowing costs and preserving debt capacity. Second, it creates a funding source that helps maintain a consistent level of investment in infrastructure regardless of economic cycles.

The relationship between economic conditions and capital funding is important. During strong economic periods, revenues tend to perform well, but construction and material costs are often elevated due to increased market demand. Conversely, during economic slowdowns, revenue growth may moderate, and fewer surplus funds may be available for transfer. However, the Village's infrastructure needs and service level expectations remain unchanged. Roadway improvements, utility rehabilitation projects, facility maintenance, and other capital investments cannot simply be deferred indefinitely because economic conditions weaken.

Maintaining capital reserves through prior-year surplus transfers helps balance these cycles. Funds accumulated during stronger economic periods provide resources to continue critical projects when revenues soften. In addition, economic slowdowns often create more competitive bidding environments, allowing the Village to obtain favorable pricing from contractors and stretch capital dollars further. By strategically transferring operating surpluses to capital funds when available, the Village is better positioned to deliver infrastructure improvements consistently, manage long-term costs, and avoid significant fluctuations in capital investment levels from year to year.

As we continue planning for the 2027 budget, staff will work toward developing a framework that incorporates the Village's surplus allocation process into the annual budget proposal. Integrating this process into the budget document will provide the Village Board with greater transparency regarding potential surplus uses and allow these funding decisions to be considered as part of the overall financial planning and budget development process.

The General Fund's primary revenue sources—property taxes (29%), sales taxes, including home rule sales tax (28%), and income taxes (16%)—account for 73% of total General Fund revenues and continue to provide a stable and diversified revenue base.

Sales tax revenue is showing some additional growth for 2026 with estimates increased for 2027. When reviewing both Sales Taxes and Home Rule Sales Taxes – each have been estimated higher for 2027 and in the upcoming years. The 2026 budget reduces

the Use tax revenues and moves the majority of the revenue to Sales tax revenue. Due to the recent changes in law, items previously taxed as Use tax are now covered under Sales Tax. Online shopping continues to be a growing component of the Village's overall sales taxes.

Use Tax (UT) distributions continue to decline. This is primarily a result of changes made to the Leveling the Playing Field Act, effective January 1, 2025. This downward trend will be compounded by legislation passed as part of the State of Illinois' budget that converts out-of-state servicepeople who have nexus in Illinois from remitting Service Use Tax to remitting Sales tax (Municipal Retailer's Occupation Tax) in effect at the destination. Sales tax projections assume incremental growth in the current and outlying years. While growth is expected to be more moderate than in recent years, revenues are projected to trend upward based on current economic conditions and historical performance.

Income tax receipts have remained strong year-over-year. For 2026 and 2027, receipts show some leveling due to economic conditions. We will continue to monitor as subsequent receipts come in. For FY2023 and FY2024, the State increased the local share of the Local Government Distributive Fund (LGDF), raising the municipal portion from 6.06% to 6.16% in FY2023, and then to 6.47% in FY2024. The municipal share remains the same for FY2027. The municipal share of the LGDF which is paid on a per capita basis, was originally 8.3% in 1969, increased to 10% in 1993, and was then decreased to 5.45% in 2017. A proposed reduction in the Local Government Distributive Fund (LGDF) share from 6.47% to 6.28% was not approved during the State of Illinois budget process. Therefore, the LGDF distribution rate remains at 6.47%.The balance of our income tax increase was due to increased inflation and low unemployment rates.

In 2025, a streaming tax was implemented to cover some of the costs of instituting a 5^{th} ambulance service within the community. Of the various revenue options, the streaming tax was chosen as it is essentially a replacement and continuation of the long-standing cable franchise tax as customers continue to "cut the cord". The 2026 budget included an estimate of $450,000. Actual performance indicates that the estimated year-end receipts to be $1.0 million. The annual estimates have been updated to reflect these anticipated receipts.

Building permit activity can fluctuate annually based on market conditions, redevelopment activity, and the timing and scale of construction projects. Based on market activity, building permits reflect increases each year. The Village's investment earnings continue to support the General Fund with approximately $1.0 million or more in investment returns each year.

As a service organization, employees are our most important assets. Every service the Village provides—whether ensuring public safety, maintaining roads, or supporting residents—depends on the dedication and expertise of the people who serve our community each day. The Village expects a continued challenge to find and hire top-level talent, as 22% of our current employees will be eligible to retire in 2026 and 23% in 2027. The Village takes a measured approach to staffing, adding positions only when necessary to meet service demands or new community priorities. Employee benefit coverage is an essential part of both attaining and retaining great employees. To be conservative, the Village's long-term projections typically assume an increase in health insurance costs of 8%.

Police and Fire Pensions are governed by state statute and operate separate defined benefit plans with benefits determined by years of service and salary. Funding consists of three primary components: employee contributions, employer contributions (required annual amount by statute) and investment earnings. State statute sets the contribution rates for each plan, and the same rates apply to both Tier 1 and Tier 2 members. Each plan has its own pension board for benefits, a separate investment policy and investments which are administered on a state-wide level.

Pension Actuarial Results and Tax Levy Impact

Exhibit 3 shows the two separate attachments from the actuary's calculation called "Actuarial Value of Assets". This exhibit shows a portion of the actuary's report related to deferred investment gains/losses. The Village's annual police and fire pension tax levy requirements are based on the results of the actuarial valuations prepared for each pension fund. As part of the actuarial process, investment gains and losses are recognized over a three-year period rather than entirely in a single year. This actuarial smoothing methodology helps reduce year-to-year volatility in required employer contributions and provides greater stability in pension funding requirements and the associated tax levy.

The 2022 fiscal year experienced significant investment market losses for the pension funds, which increased actuarially determined pension contribution requirements in subsequent years. As the 2022 loss year has now rolled out of the three-year smoothing period, its impact on the actuarial valuations has diminished. Combined with the Village's additional surplus transfers to the pension funds in recent years, the actuarial results produced a reduction in the Village's required police and fire pension contributions of approximately $1.7 million compared to the prior year.

This reduction in required pension funding lessens one of the most significant cost pressures on the property tax levy. While pension obligations remain a major long-term financial responsibility, the improved actuarial results provide additional flexibility as the Village develops the proposed budget and tax levy for the upcoming fiscal year. As a result, the pressure to increase the tax levy to support pension funding has been reduced compared to prior years.

Exhibits 4 and 5 – General Fund include a summary of revenues and expenditures and an alligator chart of General Fund revenues and expenditures for 2025 through 2029. The General Fund's revenue base consists of certain key "growth" revenues that are susceptible to economic changes, so balancing this fund is normally somewhat challenging. The attached summary shows that General Fund revenues are currently projected to come in above budget for 2026. However, there may be some sensitivity to consider for sales taxes, grants and interest earnings. The expenditure side of the 2026 General Fund projection is showing coming in less than 1% under budget. While there is an estimated surplus projected for 2026, this may change either up or down depending on the results in the next few months.

The historical and three-year projections for the General Fund for 2027 through 2029 reflect past performance, and provide estimates of the fund's projected revenues and expenditures. To project these expenditures, staff prepares detailed spreadsheets which include each authorized position.
Some key revenue and expenditures assumptions are shown below.

General Fund Assumptions

Revenues:
Food & Beverage Tax (FBT)
-1% in 2026 proj. -1% in 2027, +1% in 2028, and +1% in 2029
Home Rule Sales Tax
+15%* in 2026 proj. +15%* in 2027, +2% in 2028, and +2% in 2029
**Actual receipts coming in higher than budget due to the change in Use Tax and increases in online shopping*
Sales Tax
+2% in 2026 proj. +5% in 2027, +2% in 2028, and +1% in 2029
Income Tax
-2% in 2026 proj. 0% in 2027, +2% in 2028, and +2% in 2029
Property Tax (Village only)
+2.00% for the 2026 levy collected in 2027*, and 0% hereafter
**Assumption for a planning placeholder, with staff targeting a zero percent tax levy increase as the budget process progresses*
Telecommunications Tax
-6% in 2026 proj, -6% in 2027, 0% in 2028 and thereafter
Utility Tax
-7% in 2026 proj, -7% in 2027, 0% in 2028 and thereafter

Expenditures:
Salaries/Wages
Salary and wage projections include anticipated step increases, cost-of-living adjustments (COLAs), projected staffing levels and other known contractual changes based on labor agreements, the Village's compensation plan, and personnel policies.
Health Insurance +8% in 2027, 8% thereafter
Other 0%-3% in 2027 and thereafter

Property Tax Projections

One of Staff's key goals is to work to keep any proposed property tax increase as low as possible, as shown in **Exhibit 6 – Property Tax Levy History.** A second key Staff goal is to try to ensure that sufficient funds are available to provide a consistent, high level of Village services each and every year. For this year's budget cycle, it is recommended to begin with a proposed 2.0% planning assumption to provide flexibility during the budget development process while maintaining the goal of minimizing the impact on taxpayers whenever possible. Beginning the budget process with a zero percent levy increase assumption could unnecessarily constrain budget development and may ultimately require staff to return later in the process with a revised levy assumption if projected expenditures exceed available revenues. It should be noted that the 2027 budget projection includes a 2.0% tax levy increase. However, that amount will not be part of the ceiling for departments to use for their proposed budgets. In addition, years 2028 and 2029 show no tax levy increases as part of the projection.

The outlying years of the projection reflect the use of General Fund reserves as a result of assumed zero percent tax levy increases, moderating revenue growth, and planned expenditure increases. While a zero percent levy increase may be achievable in a given year, planning for no levy growth on an ongoing basis may not be fiscally sustainable and could result in the need for larger tax levy increases in future years. Maintaining a balanced approach helps preserve financial stability and avoid significant fluctuations in future tax levies.

As shown in **Exhibit 7 and below,** the planning assumption for the 2026 tax levy for

the 2027 proposed budget. The percentage is half the amount of the current rate of inflation and intended to provide some flexibility for planning purposes.

	2025 LEVY FOR 2026 BUDGET YEAR	**2026 LEVY FOR 2027 BUDGET YEAR**	DOLLAR CHANGE	% CHANGE	
POLICE PROTECTION	**5,931,600**	**7,008,300**	1,076,700	18.15%	
FIRE PROTECTION	**5,931,600**	**7,008,300**	1,076,700	18.15%	=> General Fd rev - e
IMRF	**1,417,300**	**1,500,400**	83,100	5.86%	Wage projections
FICA	**1,783,000**	**1,884,300**	101,300	5.68%	Wage projections
POLICE PENSION FUND	**5,285,000**	**4,224,000**	(1,061,000)	-20.08%	Actuary ARC
FIRE PENSION FUND	**7,226,000**	**6,544,000**	(682,000)	-9.44%	Actuary ARC
TOTAL GENERAL FUND	**27,574,500**	**28,169,300**	594,800	2.16%	
CAPITAL IMPROVEMENT	**5,800,000**	**6,000,000**	200,000	3.45%	
DEBT SERVICE	**6,495,000**	**6,497,600**	2,600	0.04%	Bond Documents
TOTAL VILLAGE TAX LEVY	**39,869,500**	**40,666,900**	**797,400**	**2.00%**	

*Planning assumption only

As we plan for next year's budget process, the first step in developing the Village's property tax levy is entering the known debt service payment requirements. The Village follows a long-term debt management strategy that replaces retiring debt with new bond issuances approximately every five years. This planned approach provides a predictable funding source for major capital improvements while maintaining financial stability. The debt service levy is structured to support the Village's objective of maintaining a 0% increase in the debt service levy line, while preserving the flexibility to issue new debt as existing obligations mature and are retired. The slight decrease of $2,600 from the prior levy is due to the amount shown on the originating bond documents.

The Capital Improvement levy provides a dedicated funding source for roadway improvements within the Capital Projects Fund. The proposed amount of $6.0 million reflects the Village's continued commitment to infrastructure investment. While competing levy pressures prevented an increase in this funding source last year, reduced police and fire pension contribution requirements have created additional capacity within the levy. As a result, the Village is able to increase funding for roadway improvements and address ongoing infrastructure needs.

The annual required contributions for the Police and Fire Pension levies are then entered based on annual actuarial studies. Annual gains and losses are smoothed over three years by the actuary in order to limit the one-year effect of a significant market change. As mentioned, the reduction in required pension funding lessens one of the most significant cost pressures on the property tax levy. The required amounts for both the police and fire pension funds have decreased by $1.7 million from the prior year.

Due to positive investment returns and actuarial changes approved by the IMRF Board over the last few years, the Village's IMRF contribution amounts remain fairly level. Wage projections drive the amounts for both IMRF and FICA (federal payroll tax).

The remaining property tax levies are for the General Fund's Police and Fire Protection levies, which are based on the revenue needed to balance the General Fund budget after all other revenues are projected.

To provide reasonable flexibility during the budget development process, the budget

ceiling forecast assumes a 2.00% tax levy increase. Staff remains committed to actively seeking cost savings, operational efficiencies, and other funding solutions to minimize the levy impact and, if feasible, achieve a zero percent increase.

Water & Sewer Fund

The Water & Sewer Fund continues to face long-term infrastructure and operational cost pressures that will require ongoing evaluation during future budget cycles. While the Village has maintained a proactive water main replacement program and currently replaces approximately 1% of its water main network annually, portions of the system continue to age, resulting in water main break rates that remain above industry benchmarks. Water main breaks not only increase repair and maintenance costs but can also contribute to water loss, service disruptions, and additional operational demands on Public Works staff. Future funding needs may include accelerating the replacement of aging water infrastructure and continued monitoring of current measures to address water loss within the Village's distribution system.

With investments made over the past ten years, the Village is on track to sustainably meet its goal of replacing $4 to $5 million worth, or 1% of our water mains each year. Pressures will continue more accurate meter readings and reduced water loss from water main breaks are expected to improve revenue for the Water & Sewer Fund. **Exhibits 8 and 9** show the historical and three-year projections for this fund.

Proposed Budget Ceilings for 2027

The Village's 2027 budget process begins early in the year with the preparation of the 2027–2031 Capital Improvement Program (CIP), which identifies infrastructure needs, capital investments, and funding strategies over a five-year planning horizon. The next step in the budget development process is a financial review of the Village's primary operating funds—the General Fund and Water & Sewer Fund. This review evaluates revenue and expenditure trends, reserve levels, and other key financial indicators and culminates in the establishment of budget ceiling amounts that guide the development of departmental budgets for the upcoming fiscal year. Departments prepare and submit detailed budget requests reviewed by the Village Manager and Budget Team. Through a series of reviews and refinements, departmental budgets are consolidated into a proposed budget presented in the fall to the Village Board for consideration, discussion, and eventual adoption.

Exhibit 10 is a draft copy of the budget planning calendar for the 2027 Budget.

The recommended expenditure ceilings for the General Fund and the Water & Sewer Fund are based on the following projections:

	General Fund	Water & Sewer Fund
Revenues	$ 99,964,600	$ 27,897,200
Expenditures	(99,964,600)	(28,157,500)
Surplus (deficit)*	0	(260,300)
Beginning Balance	37,929,339	8,670,798
Ending Balance	$ 37,929,339	$ 8,410,498

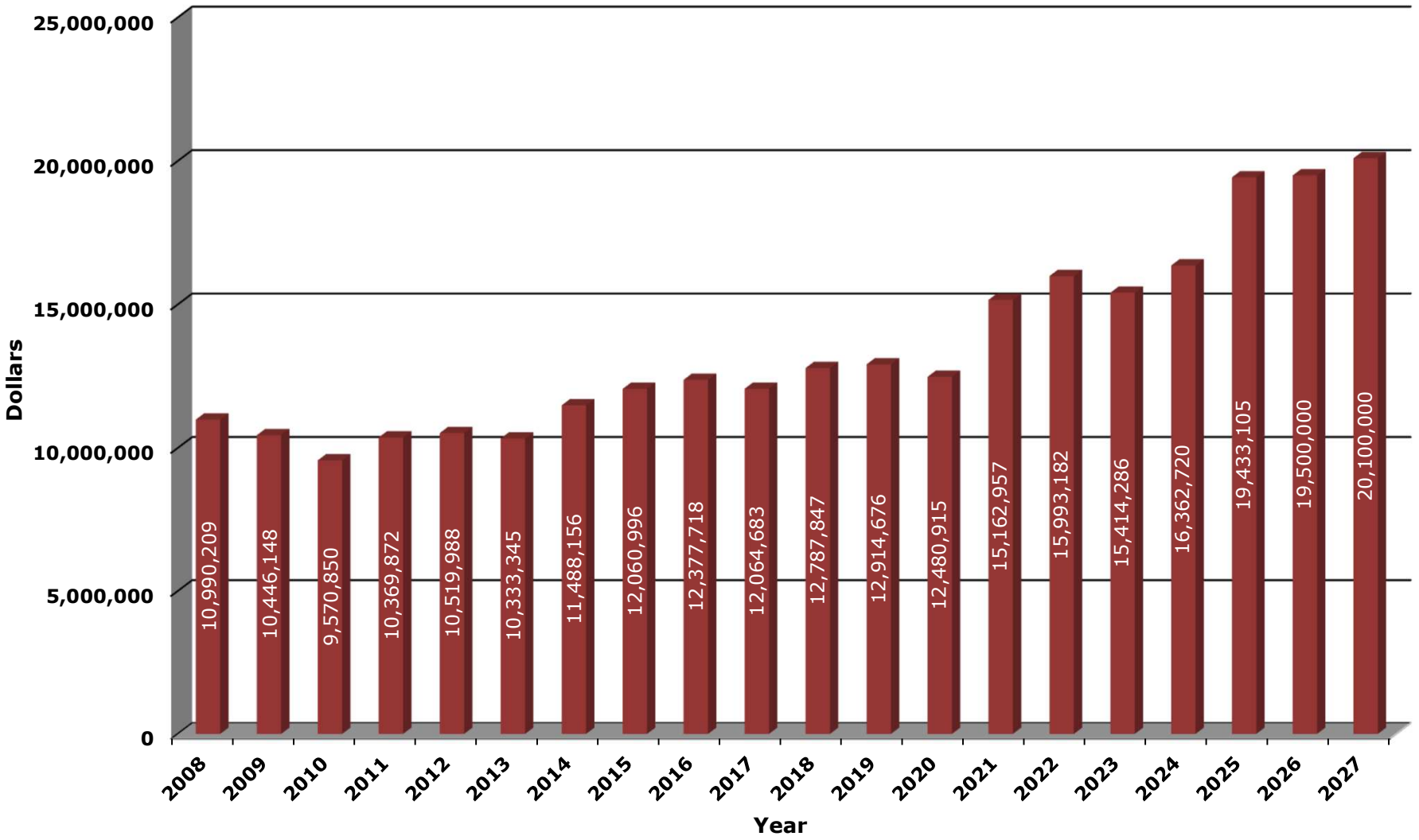
Recommendation:

Discussion of the proposed budget ceilings at the June 22nd Committee of the Whole Meeting. Review and further discussion would establish budget ceilings for Village Departments as they prepare their budget proposals beginning in July. It is recommended that the Board approve the proposed budget ceilings for 2027 of $99,964,600 for the General Fund and $28,157,500 for the Water & Sewer Fund.

ATTACHMENTS:

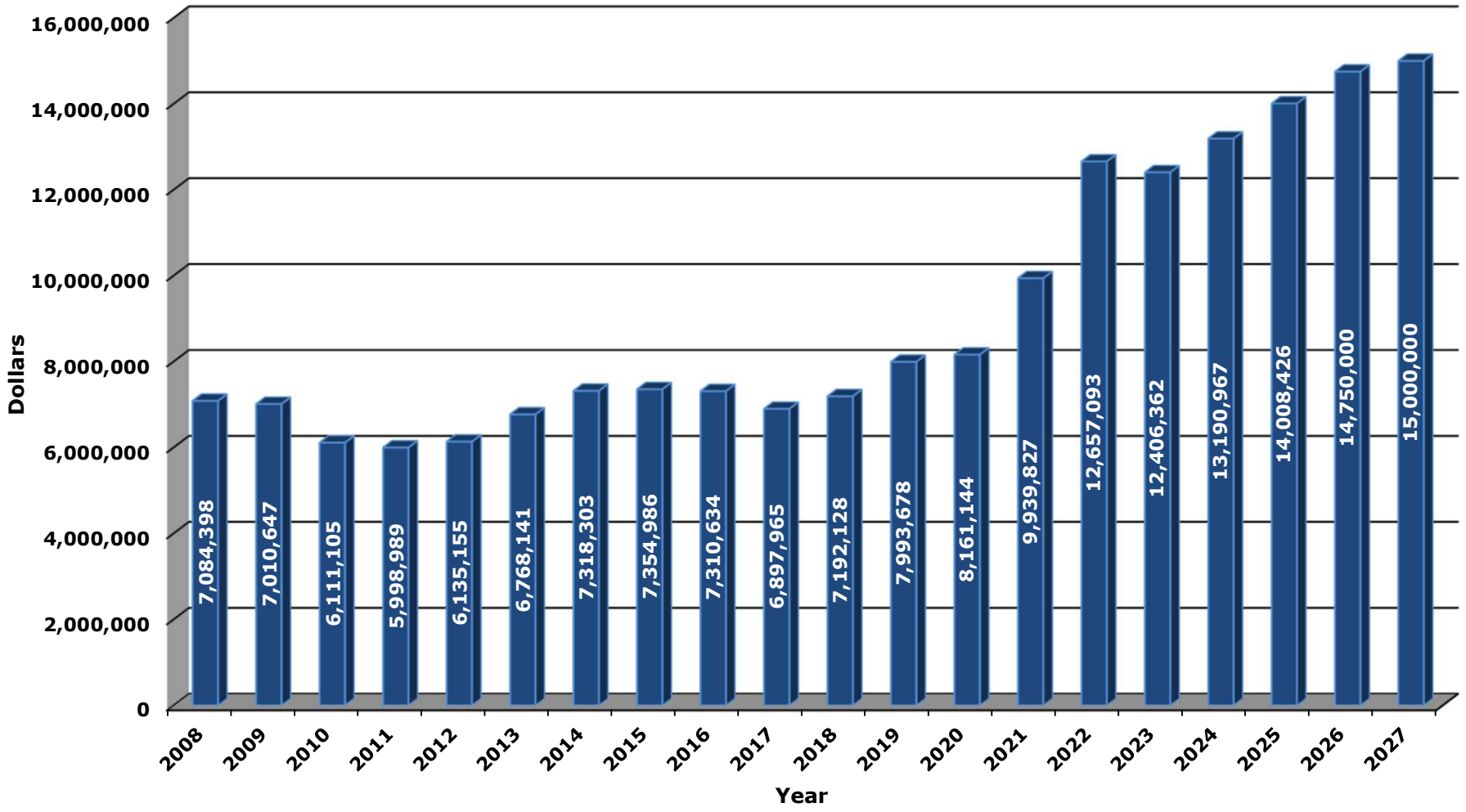
1. Budget Ceiling Exhibits 1-10

Sales Tax History



Note: The 8 month year was removed because of lower amount due to short year.

Income Tax History



Note: The 8 month year was removed because of lower amount due to short year.

Exhibit 3 – Actuarial Value of Assets

Under 40 ILCS 5/3, the statutory minimum required contribution is to be determined based upon Actuarial Value of Assets, which are asset values which have been smoothed, beginning with the year 2011. The Actuarial Value of Assets has been calculated below based upon the expected value of assets at January 1, 2026 with adjustments for the preceding year's gains/losses, which are reflected at the rate of 33-1/3% per year.

1. Expected Return on Assets	
a. Actuarial Value of Assets as of Beginning of Year	$ 187,820,636
b. Income and Disbursements During the year	
i. Contributions Received (weighted 50%)	$ 3,036,838
ii. Benefit Payments and Expenses (weighted 50%)	5,929,037
iii. Weighted net income (other than investment income) (i) – (ii)	(2,892,199)
c. Actuarial Value adjusted for income and disbursements	$ 184,928,437
d. Expected Return on Assets at assumed rate of 6.75%	**$ 12,482,669**
2. Actual Return on Assets for year	
a. Market Value of Assets (Beginning of Year)	$ 197,085,560
b. Income (less investment income)	6,073,675
c. Disbursements	11,858,073
d. Market Value of Assets (End of Year)	224,653,287
e. Actual Return on Assets (d) – (a) – (b) + (c)	33,352,125
f. Investment Gain/(Loss) for year 2(e) - 1(d)	**$ 20,869,456**
3. **Actuarial Value of Assets**	
a. Expected Actuarial Value of Assets as of End of Year	$ 194,518,907
b. Deferred Investment gains/(losses)	
i. 1/3 of 2025 gain of $20,869,456	6,956,485
ii. 1/3 of 2024 gain of $10,616,747	3,538,916
iii. 1/3 of 2023 gain of $11,655,883	3,885,294
iv. Total	14,380,695
c. Actuarial Value of Assets for statutory funding 3(a) + 3(b)(iv)	**$ 208,899,602**

The chart below shows the comparison of smoothed to market assets over the past five years:

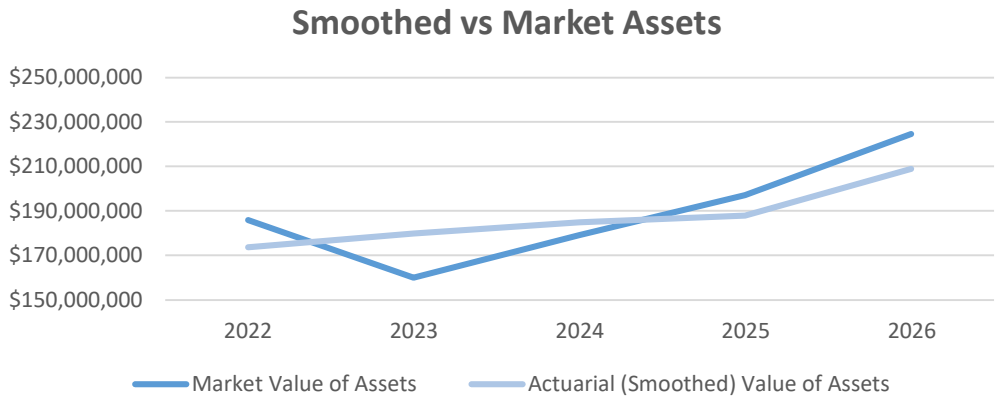
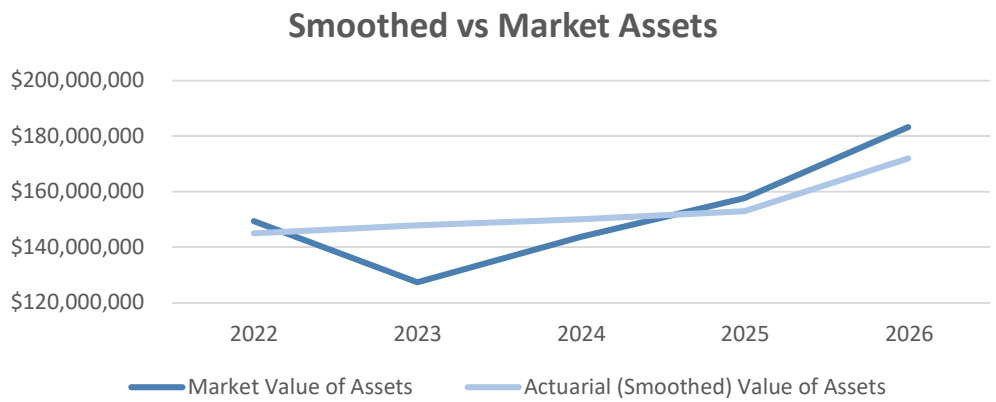


Exhibit 3 – Actuarial Value of Assets

Under 40 ILCS 5/4, the statutory minimum required contribution is to be determined based upon **Actuarial Value of Assets**, which are asset values which have been smoothed over a three-year period, beginning with the year 2011. The **Actuarial Value of Assets** has been calculated below based upon the expected value of assets at January 1, 2026 with adjustments for the preceding year's gains/losses, which are reflected at the rate of 33-1/3% per year.

1. Expected Return on Assets	
a. Actuarial Value of Assets as of Beginning of Year	$ 152,983,796
b. Income and Disbursements During the year	
i. Contributions Received (weighted 50%)	$ 4,019,157
ii. Benefit Payments and Expenses (weighted 50%)	4,765,169
iii. Weighted net income (other than investment income) (i) – (ii)	(746,012)
c. Actuarial Value adjusted for income and disbursements	$ 152,237,784
d. Expected Return on Assets at assumed rate of 6.75%	**$ 10,276,050**
2. Actual Return on Assets for year	
a. Market Value of Assets (Beginning of Year)	$ 157,710,269
b. Income (less investment income)	8,038,314
c. Disbursements	9,530,338
d. Market Value of Assets (End of Year)	183,291,696
e. Actual Return on Assets (d) – (a) – (b) + (c)	27,073,451
f. Investment Gain/(Loss) for year 2(e) - 1(d)	**$ 16,797,401**
3. **Actuarial Value of Assets**	
a. Expected Actuarial Value of Assets as of End of Year	$ 161,767,822
b. Deferred Investment gains/(losses)	
i. 1/3 of 2025 gain of $16,797,401	5,599,134
ii. 1/3 of 2024 gain of $5,249,036	1,749,679
iii. 1/3 of 2023 gain of $8,661,331	2,887,110
iv. Total	10,235,923
c. Actuarial Value of Assets as of December 31, 2025 3(a) + 3(b)(iv)	**$ 172,003,745**

The chart below shows the comparison of smoothed to market assets over the past five years.



GENERAL FUND
THREE YEAR PROJECTIONS
FISCAL YEARS 2026 THROUGH 2028

Exhibit 4

SOURCES OF FUNDS

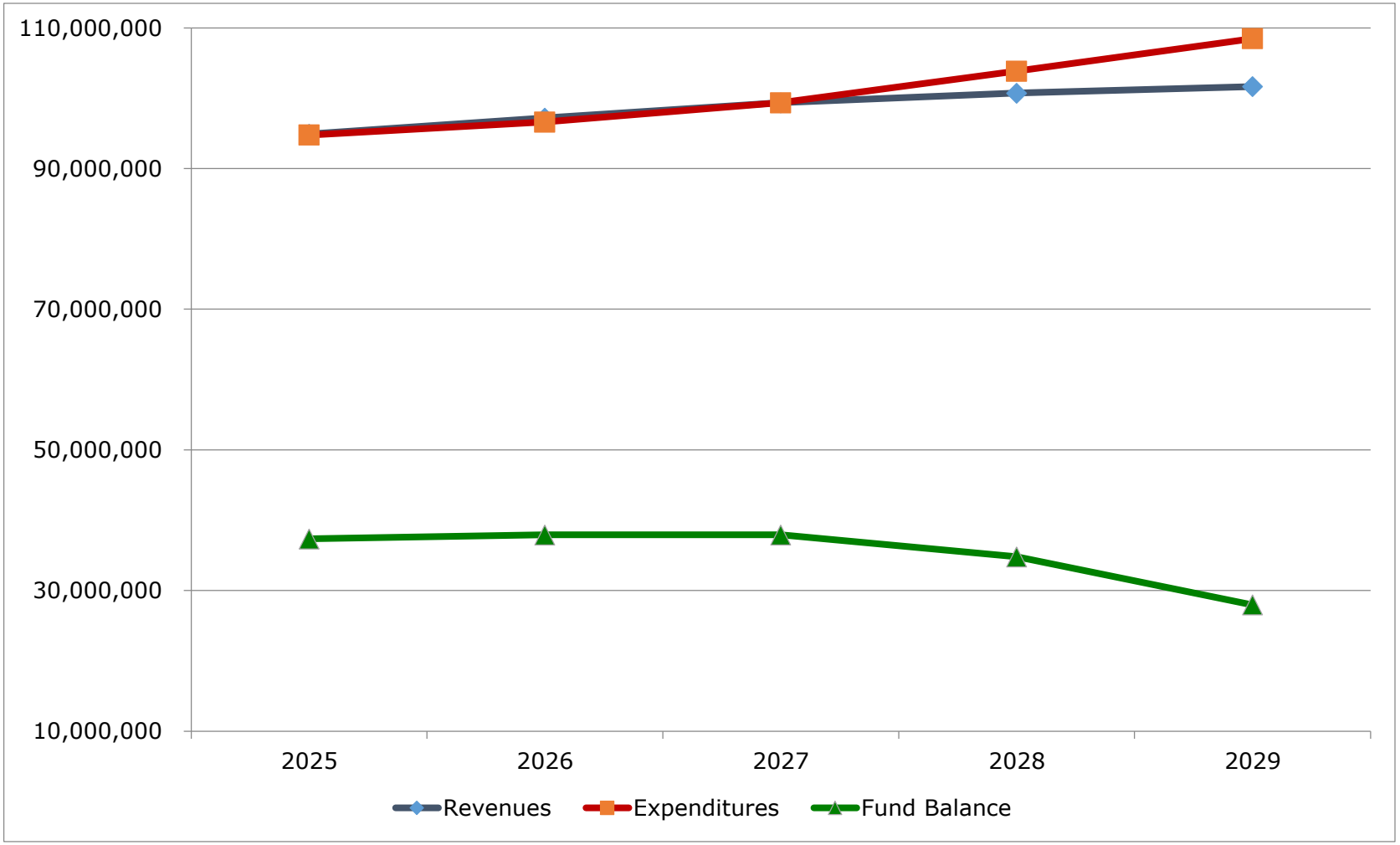
	2024 ACTUAL	2025 ACTUAL	2026 PROJ ACTUAL	$ +, - From Bud	% +, - From Bud	2026 CURR BUDGET	2027 PROJ BUDGET		2028 PROJ BUDGET		2029 PROJ BUDGET	
BEGINNING FUND BALANCE	**$ 34,155,398**	**$ 37,252,399**	**$ 37,371,023**			**$37,371,023**	**$37,929,339**		**$37,929,339**		**$34,792,339**	
TAXES												
Property Tax	$ 25,494,334	$ 26,003,893	$ 27,574,500	$ -	0%	$ 27,574,500	$ 28,169,300	2%	$ 28,169,300	0%	$ 28,169,300	0%
Sales Tax	16,362,720	19,433,105	19,500,000	300,000	2%	19,200,000	20,100,000	5%	20,502,000	2%	20,707,000	1%
Home Rule Sales Tax	7,483,183	9,271,820	9,300,000	1,200,000	15%	8,100,000	9,350,000	15%	9,537,000	2%	9,727,700	2%
Use Tax	2,737,220	798,357	500,000	350,000	233%	150,000	450,000	200%	400,000	-11%	350,000	-13%
Income Tax	13,190,967	14,008,426	14,750,000	(250,000)	-2%	15,000,000	15,000,000	0%	15,300,000	2%	15,606,000	2%
Food & Beverage Tax	2,609,939	2,597,475	2,700,000	(30,000)	-1%	2,730,000	2,700,000	-1%	2,727,000	1%	2,754,300	1%
Telecommunications Ta	1,675,344	1,836,583	1,600,000	(100,000)	-6%	1,700,000	1,600,000	-6%	1,600,000	0%	1,600,000	0%
Hotel Tax	1,038,147	1,176,433	1,000,000	-	0%	1,000,000	1,100,000	10%	1,100,000	0%	1,100,000	0%
Streaming Tax	-	133,048	1,000,000	550,000	122%	450,000	1,000,000	122%	1,200,000	20%	1,200,000	0%
Electric Utility Tax	2,666,164	2,630,941	2,600,000	(200,000)	-7%	2,800,000	2,600,000	-7%	2,600,000	0%	2,600,000	0%
Natural Gas Utility Tax	1,735,585	2,006,087	2,000,000	(100,000)	-5%	2,100,000	2,000,000	-5%	2,000,000	0%	2,000,000	0%
All Other Taxes	1,078,857	874,426	885,000	(260,000)	-23%	1,145,000	885,000	-23%	885,000	0%	885,000	0%
TOTAL TAXES	76,072,460	80,770,595	83,409,500	1,460,000	2%	81,949,500	84,954,300	4%	86,020,300	1%	86,699,300	1%
INTERGOVERNMENTAL	1,402,479	880,321	1,063,000	$614,000	137%	449,000	1,040,800	132%	1,043,600	0%	1,046,500	0%
LICENSES/PERMITS												
Business Licenses	642,801	417,776	650,000	$0	0%	650,000	650,000	0%	650,000	0%	650,000	0%
Building Permits	1,960,468	1,665,835	1,778,000	$80,500	5%	1,697,500	1,800,000	6%	1,900,000	6%	2,000,000	5%
All Other Licenses/Perm	426,924	441,250	425,000	$0	0%	425,000	425,000	0%	425,000	0%	425,000	0%
TOTAL LICENSE	3,030,194	2,524,861	2,853,000	$80,500	3%	2,772,500	2,875,000	4%	2,975,000	3%	3,075,000	3%
FEES	7,544,121	6,092,923	6,123,500	($911,500)	-13%	7,035,000	6,322,500	-10%	6,442,500	2%	6,564,500	2%
FINES	619,362	929,053	641,000	$7,000	1%	634,000	641,000	1%	654,000	2%	667,000	2%
SERVICE CHG	1,351,806	1,327,340	1,278,900	($45,000)	-3%	1,323,900	1,278,900	-3%	1,278,900	0%	1,278,900	0%
INTEREST INC.	1,559,394	1,336,120	950,000	($700,000)	-42%	1,650,000	1,380,000	-16%	1,407,500	2%	1,435,000	2%
SALES/REIMB/RENTS	89,464	120,033	214,500	$6,000	3%	208,500	214,500	3%	214,500	0%	214,500	0%
OTHER	732,418	729,582	440,900	($5,500)	-1%	446,400	457,600	3%	480,100	5%	498,500	4%
SUB-TOTAL	**$ 92,401,697**	**$ 94,710,827**	**$ 96,974,300**	$505,500	1%	**$ 96,468,800**	**$ 99,164,600**	3%	**$100,516,400**	1%	**$101,479,200**	1%
TRANSFERS IN	200,000	200,000	200,000	$0	0%	200,000	200,000	0%	200,000	0%	200,000	0%
TOTAL REVENUES	**$ 92,601,697**	**$ 94,910,827**	**$ 97,174,300**	$505,500	1%	**$ 96,668,800**	**$ 99,364,600**	3%	**$100,716,400**	1%	**$101,679,200**	1%

USES OF FUNDS

	2024 ACTUAL	2025 ACTUAL	2026 PROJ ACTUAL	$ +, - From Bud	% +, - From Bud	2026 CURR BUDGET	2027 PROJ BUDGET		2028 PROJ BUDGET		2029 PROJ BUDGET	
PERSONAL SERVICES												
Salaries	$ 42,105,311	$ 42,747,039	$ 45,745,722	$ 462,078	-1%	$ 46,207,800	$ 48,186,100	4%	$ 50,736,800	5%	$ 53,284,000	5%
Overtime	2,733,568	3,299,818	3,530,300	($736,000)	26%	2,794,300	2,878,200	3%	2,964,500	3%	3,053,500	3%
Special Details	433,763	427,216	435,000	$39,800	-8%	474,800	489,100	3%	503,800	3%	519,000	3%
Workers Compensation	2,220,200	2,308,600	2,354,900	$0	0%	2,354,900	2,402,000	2%	2,450,000	2%	2,498,800	2%
Medical Insurance	9,191,367	10,458,300	10,980,800	$0	0%	10,980,800	12,054,600	10%	13,229,800	10%	14,515,800	10%
Public Safety Pensions	10,071,000	11,453,000	12,511,000	$0	0%	12,511,000	10,768,000	-14%	10,768,000	0%	10,768,000	0%
IMRF	1,839,451	1,326,356	1,373,900	$43,400	-3%	1,417,300	1,500,400	6%	1,562,100	4%	1,640,500	5%
Social Security	935,748	954,834	1,037,700	$29,600	-3%	1,067,300	1,129,200	6%	1,171,400	4%	1,228,900	5%
Medicare	633,836	649,930	712,200	$3,500	0%	715,700	755,200	6%	792,300	5%	832,100	5%
Other	14,220	14,460	14,400	$0	0%	14,400	14,400	0%	14,400	0%	14,400	0%
PERSONAL SERVICES	70,178,464	73,639,552	78,695,922	($157,622)	0%	78,538,300	80,177,200	2%	84,193,100	5%	88,355,000	5%
CONTRACTUAL												
IT/GIS Service Charge	2,041,600	2,009,300	2,128,700	$0	0%	2,128,700	2,155,900	1%	2,164,400	0%	2,160,800	0%
Vehicle/Equip Lease Ch	3,433,000	3,692,300	4,064,100	$0	0%	4,064,100	4,186,000	3%	4,311,500	3%	4,440,800	3%
All Other Service Charg	7,849,607	7,925,940	8,214,362	$300,000	-4%	8,514,362	8,489,300	0%	8,717,000	3%	8,945,000	3%
TOTAL CONTRA	13,324,206	13,627,541	14,407,162	$300,000	-2%	14,707,162	14,831,200		15,192,900		15,546,600	
COMMODITIES	2,434,595	2,361,209	2,847,300	($91,439)	3%	2,755,861	3,319,600	20%	3,418,400	3%	3,520,500	3%
OTHER CHARGES	567,431	563,901	565,600	$116,583	-17%	682,183	636,600	-7%	649,000	2%	662,000	2%
SUB-TOTAL	**$ 86,504,696**	**$ 90,192,203**	**$ 96,515,984**	$167,522	0%	**$ 96,683,506**	**$ 98,964,600**	2%	**$103,453,400**	5%	**$108,084,100**	4%
CONTINGENCY	-	-	100,000	$0	0%	100,000	400,000	300%	400,000	0%	400,000	0%
TRANSFERS OUT	3,000,000	4,600,000	-	$0	0%	-	-	0%	-	0%	-	0%
TOTAL EXPENDITURES	**$ 89,504,696**	**$ 94,792,203**	**$ 96,615,984**	$167,522	0%	**$ 96,783,506**	**$ 99,364,600**	3%	**$103,853,400**	5%	**$108,484,100**	4%
SURPLUS (DEFICIT)	**3,097,001**	**118,624**	**558,316**			**(114,706)**	**0**		**(3,137,000)**		**(6,804,900)**	
ENDING FUND BALANCE	**$ 37,252,399**	**$ 37,371,023**	**$ 37,929,339**			**$ 37,256,317**	**$ 37,929,339**		**$ 34,792,339**		**$ 27,987,439**	
FUND BALANCE AS % OF EXP.	**41.62%**	**39.42%**	**39.26%**			**38.49%**	**38.17%**		**33.50%**		**25.80%**	

Note: Village policy is to maintain at least a 25% fund balance, to a maximum of 40%.

GENERAL FUND
REVENUES vs EXPENDITURES 2025-2029
Staff Proposal



	ACTUAL 2025	ESTIMATED ACTUAL 2026	PROPOSED BUDGET 2027	PROPOSED BUDGET 2028	PROPOSED BUDGET 2029
Revenues	94,910,827	97,174,300	99,364,600	100,716,400	101,679,200
Expenditures	94,792,203	96,615,984	99,364,600	103,853,400	108,484,100
Surplus/Deficit	118,624	558,316	0	(3,137,000)	(6,804,900)
Fund Balance	37,371,023	37,929,339	37,929,339	34,792,339	27,987,439
Fund Bal as % of Expend	39.42%	39.26%	38.17%	33.50%	25.80%

PROPERTY TAX LEVY HISTORY

LEVY YEARS 2003 - 2026

LEVY YEAR	VILLAGE % INCREASE	LIBRARY % INCREASE	TOTAL % INCREASE	COMMENTS	BUDGET YEAR
2026	2.00*		1.43		2027
2025	2.29	4.55	2.92		2026
2024	3.51	0.00	2.53	Actuarially determined Police & Fire Pension Fund increases	2025
2023	0.00	0.00	0.00		2024
2022	0.00	0.00	0.00		2023
2021	0.00	0.00	0.00		2022
2020	0.00	0.00	0.00		2021
2019	0.00	0.00	0.00		2020
2018	1.97	1.00	1.70		2019
2017	3.68	0.00	2.61	To cover sales and State income tax decreases	2018
2016	1.95	0.00	1.38	Entire increase for street purposes (Phase 2)	2017
2015	3.59	0.00	2.51	Entire increase for street purposes (Phase 1)	2016
2014	0.00	0.00	0.00		8-mo.
2013	2.65	0.00	1.84		FY2015
2012	1.74	0.00	1.20		FY2014
2011	0.00	0.00	0.00		FY2013
2010	4.30	0.00	2.93	Police/Fire Pension Funds - market crash	FY2012
2009	5.74	1.77	4.44	Police/Fire Pension Funds - market crash	FY2011
2008	0.32	0.00	0.21		FY2010
2007	2.48	4.90	3.26		FY2009
2006	11.14	9.20	10.51	Taxing districts captured expiration of TIF #1	FY2008
2005	14.67	4.99	11.32	Fire Pension benefit increase - State legislation	FY2007
2004	11.98	4.00	9.09	Police/Fire Pension benefit increase - State legislation	FY2006
2003	2.14	0.99	1.72		FY2005

*Planning assumption only

VILLAGE OF ARLINGTON HEIGHTS
TOTAL ESTIMATED VILLAGE CALCULATION
2026 Tax Levy for the 2027 Budget*

	2025 LEVY FOR 2026 BUDGET YEAR	**PROPOSED 2026 LEVY FOR 2027 BUDGET YEAR**	DOLLAR CHANGE	% CHANGE		
POLICE PROTECTION	**5,931,600**	**7,008,300**	1,076,700	18.15%		
FIRE PROTECTION	**5,931,600**	**7,008,300**	1,076,700	18.15%	=>	General Fd rev - exp gap
IMRF	**1,417,300**	**1,500,400**	83,100	5.86%		Wage projections
FICA	**1,783,000**	**1,884,300**	101,300	5.68%		Wage projections
POLICE PENSION FUND	**5,285,000**	**4,224,000**	(1,061,000)	-20.08%		Actuary ARC
FIRE PENSION FUND	**7,226,000**	**6,544,000**	(682,000)	-9.44%		Actuary ARC
TOTAL GENERAL FUND	**27,574,500**	**28,169,300**	594,800	2.16%		
CAPITAL IMPROVEMENT	**5,800,000**	**6,000,000**	200,000	3.45%		
DEBT SERVICE	**6,495,000**	**6,497,600**	2,600	0.04%		Bond Documents
TOTAL VILLAGE TAX LEVY	**39,869,500**	**40,666,900**	**797,400**	**2.00%**		

*Planning assumption only

WATER AND SEWER FUND
THREE YEAR PROJECTIONS
FISCAL YEARS 2027 THROUGH 2029

SOURCES OF FUNDS

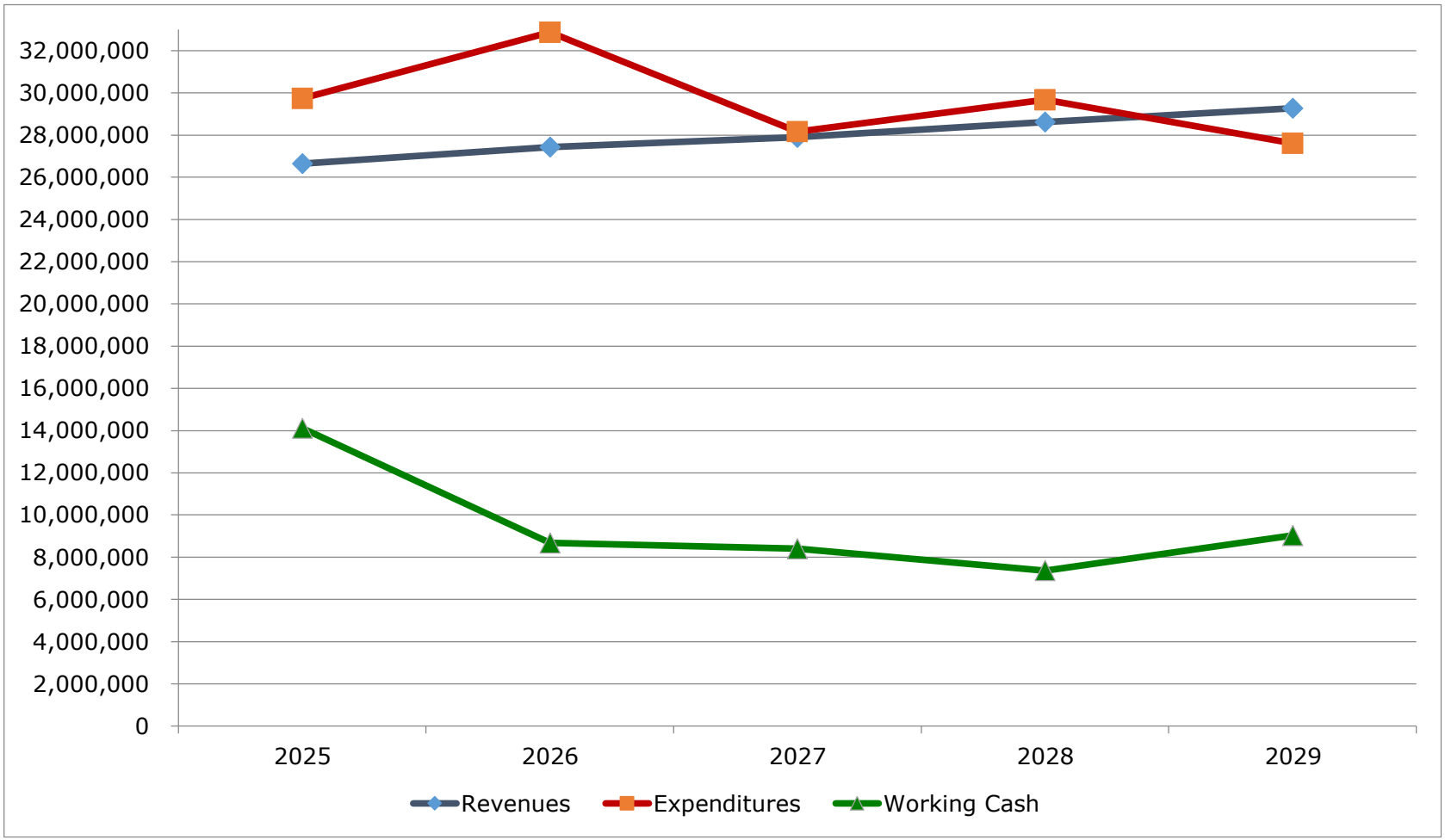
	2025 ACTUAL	2026 EST ACTUAL	2026 CURRENT BUDGET	2027 PROP BUDGET	2028 PROJ BUDGET	2029 PROJ BUDGET
BEGINNING WORKING CASH	**$ 17,192,533**	**$ 14,104,998**	**$ 14,104,998**	**$ 8,670,798**	**$ 8,410,498**	**$ 7,365,898**
CHARGES FOR SERVICE	24,915,761	26,860,700	26,860,700	27,569,200	28,297,200	29,045,200
INTEREST INC.	730,826	500,000	500,000	250,000	250,000	150,000
SALES/REIMB/RENTS	21,419	58,000	58,000	58,000	58,000	58,000
OTHER	32,982	20,000	20,000	20,000	20,000	20,000
NWWC REVENUE	950,131	-	-	-	-	-
SUB-TOTAL	**26,651,119**	**27,438,700**	**27,438,700**	**27,897,200**	**28,625,200**	**29,273,200**
TRANSFERS IN	-	-	-	-	-	-
TOTAL REVENUES	**$ 26,651,119**	**$ 27,438,700**	**$ 27,438,700**	**$ 27,897,200**	**$ 28,625,200**	**$ 29,273,200**

USES OF FUNDS

	2025 ACTUAL	2026 EST ACTUAL	2026 CURRENT BUDGET	2027 PROP BUDGET	2028 PROJ BUDGET	2029 PROJ BUDGET
PERSONAL SERVICES	$ 7,478,656	$ 7,887,700	$ 7,964,700	$ 8,358,500	$ 8,782,500	$ 9,217,500
CONTRACTUAL	3,324,225	3,457,700	3,476,087	3,640,800	3,755,000	3,856,700
NORTHWEST WATER COMMISSIO	4,586,506	4,763,500	4,702,300	5,073,200	5,402,900	5,754,100
COMMODITIES	1,787,276	767,300	836,000	898,600	925,500	953,200
OTHER CHARGES	1,178,900	1,178,900	1,194,900	1,178,900	1,178,900	1,178,900
CAPITAL ITEMS	11,383,091	14,817,800	14,817,809	9,007,500	9,625,000	6,650,000
SUB-TOTAL	**29,738,655**	**32,872,900**	**32,991,796**	**28,157,500**	**29,669,800**	**27,610,400**
CONTINGENCY	-	-	300,000	-	-	-
TRANSFERS OUT	-	-	-	-	-	-
TOTAL EXPENDITURES	**29,738,655**	**32,872,900**	**33,291,796**	**28,157,500**	**29,669,800**	**27,610,400**
SURPLUS (DEFICIT)	**(3,087,535)**	**(5,434,200)**	**(5,853,096)**	**(260,300)**	**(1,044,600)**	**1,662,800**
ENDING WORKING CASH	**$ 14,104,998**	**$ 8,670,798**	**$ 8,251,902**	**$ 8,410,498**	**$ 7,365,898**	**$ 9,028,698**
WORKING CASH AS % OF EXPENI	**47%**	**26%**	**25%**	**30%**	**25%**	**33%**

Note: Village policy is to maintain at least a 25% working cash balance.

WATER AND SEWER FUND
REVENUES vs EXPENDITURES 2025-2029



	ACTUAL 2025	ESTIMATED ACTUAL 2026	PROPOSED BUDGET 2027	PROPOSED BUDGET 2028	PROPOSED BUDGET 2029
Revenues	26,651,119	27,438,700	27,897,200	28,625,200	29,273,200
Expenditures	29,738,655	32,872,900	28,157,500	29,669,800	27,610,400
Surplus/Deficit	(3,087,535)	(5,434,200)	(260,300)	(1,044,600)	1,662,800
Working Cash	14,104,998	8,670,798	8,410,498	7,365,898	9,028,698
Fund Bal as % of Expend	47%	26%	30%	25%	33%

BUDGET CALENDAR

For Preparation of 2027 Budget

(January 1, 2026 – December 31, 2026)

Exhibit 10

DATE	DAY	ACTIVITY
February - June, 2026	–	2027-2031 Capital Improvement Program prepared.
June 12, 2026	Friday	CIP Recap released to Village Board for discussion at June 22nd Committee-of-the-Whole
June 12, 2026	Friday	Operating fund overview, recommended budget ceilings and proposed 2026 tax levy released to Village Board for discussion at June 22nd Committee-of-the-Whole.
June 22, 2026	**Monday**	**Committee-of-the-Whole reviews and discusses the 2027-2031 Capital Improvement Program, Operating Fund Overview, Recommended 2027 Budget Ceilings, initial proposed 2026 tax levy, and 2025 Annual Comprehensive Financial Report.**
July 6, 2026	Monday	Budget materials forwarded to departments. Departments prepare detailed budgets.
August 3, 2026	Monday	Department budget requests and projections due.
Aug 3 – Aug 28, 2026	–	Finance Department compiles departmental budget submissions.
August 28, 2026	Friday	First draft of 2027 Budget forwarded to Village Manager, Budget Team and all departments for review.
Sep 14 – Sep 18, 2026	–	Departments meet with Village Manager and Budget Team.
Sep 18 – Oct 29, 2026	–	Final draft of 2027 Budget prepared.
October 30, 2026	Friday	Release final draft of 2027 Budget to Village Board.
November 9, 2026	**Monday**	**1st Budget Meeting** – AH Memorial Library, Budget Overview, Budgets for Board of Trustees, Integrated Services, Legal, Health & Human Services, HR, Finance, Building Services, and Police
November 12, 2026	**Thursday**	**2nd Budget Meeting** – Budgets for Metropolis Theater, Boards & Commissions, Planning & Community Development, Public Works, Water & Sewer, Parking Operations, Fleet Services, and Fire
November 25, 2026	Wednesday	Notice of Public Hearing on 2027 Budget published in newspaper.
December 7, 2026	**Monday**	Board approves 2026 Tax Levy and Abatement Ordinances. Public Hearing on 2027 Budget. Approval of 2027 Budget at formal meeting.