

CHAPTER 33: FINANCE AND REVENUE

Section

General Provisions

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§ 33.01 ADMINISTRATION OF FINANCES; FISCAL YEAR.

(A) The Board of Trustees shall control the finances of the village. (ILCS Ch. 65, Act 5, § 8-1-1)

(B) The fiscal year for the village shall begin on May 1 of each year and shall end on April 30 of the following year.

§ 33.02 ANNUAL APPROPRIATION ORDINANCE.

(A) The Board of Trustees shall pass an ordinance within the first quarter of each fiscal year, to be termed the annual appropriation ordinance. In this ordinance the Board may appropriate sums of money deemed necessary to defray all necessary expenses and liabilities of the village, including the amounts to be deposited in the reserves provided for in the state Pension Code ILCS Ch. 40, Act 5, §§ 1-101 et seq., and shall specify the objects and purposes for which these appropriations are made, and the amount appropriated for each object or purpose. Among the objects and purposes specified shall be the reserves provided for in the state Pension Code.

(B) Except as provided in § 33.03, no further appropriations shall be made at any other time within the same fiscal year, unless a proposition to make each additional appropriation has been first sanctioned by a petition signed by electors of the village numbering more than 50 % of the number of votes cast for the candidates for President at the last preceding general village election at which a President was elected, by a petition signed by them, or by a majority of those voting on the question at a regular election or at an emergency referendum authorized in accordance with the general election law. The Board of Trustees may by ordinance initiate the submission of the proposition.

(C) At least ten days prior to the adoption of the annual appropriation ordinance, the Board of Trustees of all villages over 2,000 in population shall make the proposed appropriation ordinance or a formally prepared appropriation or budget document upon which the annual appropriation ordinance will be based conveniently available to public inspection and shall hold at least one public hearing thereon. Notice of this hearing shall be given publication in one or more newspapers published in the village, or if there is none published in the village, in a newspaper published in the county and having general circulation in the village, at least ten days prior to the time of the public hearing. The notice shall state the time and place of the hearing and the place where copies of the proposed appropriation ordinance or formally prepared appropriation or budget document will be accessible for examination. The annual appropriation ordinance may be adopted at the same meeting at which the public hearing is held or at any time after that public hearing.

(D) After the public hearing and before final action is taken on the appropriation ordinance, the Board may revise, alter, increase, or decrease the items contained in the ordinance.

(E) Notwithstanding any provision of this section, any village in which ILCS Ch. 65, Act 5, §§ 5-1-1 et seq. becomes effective after the annual appropriation ordinance has been passed for the current fiscal year may amend the appropriation ordinance in any manner necessary to make ILCS Ch. 65, Act 5, § 5-1-1 et seq. fully operative in that village for that fiscal year. However, no such amendment shall be construed to affect any tax levy made on the basis of the original appropriation ordinance. (ILCS Ch. 65, Act 5, § 8-2-9)

(F) The Board of Trustees shall file with the County Clerk within 30 days of their adoption a certified copy of its appropriation and budget ordinances or resolutions, as well as an estimate, certified by the chief fiscal officer of the village, of revenues, by source, anticipated to be received by the village in the following fiscal year. If the Board fails to file the required documents, the County Clerk shall have the authority, after giving timely notice of the failure to the village, to refuse to extend the tax levy until the documents are so filed. In determining the amount of maximum tax authorized to be levied, the assessed valuation of the current year of property as assessed and reviewed by the village assessment officials, as equalized or confirmed by the state, shall be used. (ILCS Ch. 35, Act 200, § 18-50)

§ 33.03 SUPPLEMENTAL APPROPRIATION; TRANSFERS.

(A) During any fiscal year the Board of Trustees may adopt a supplemental appropriation ordinance in an amount not in excess of the aggregate of any additional revenue available to the village, or estimated to be received by the village after the adoption of the annual appropriation ordinance for that fiscal year, or from fund balances available when the annual appropriation ordinance was adopted but that were not appropriated at that time. The provision of § 33.02 prohibiting further appropriations without sanction by petition or election shall not be applicable to the supplemental appropriation for that fiscal year.

(B) The Board of Trustees at any time, however, by a two-thirds vote of all the members of the body, may make transfers within any department or other separate agency of the village government, of sums of money appropriated for one village object or purpose to another village object or purpose, but no appropriation for any object or purpose shall thereby be reduced below an amount sufficient to cover all obligations incurred or to be incurred against the appropriation. Nothing herein contained shall deprive the Board of Trustees of the power to provide for and cause to be paid from the funds of the village any charge imposed by law without the action of the Board of Trustees, the payment of which is ordered by a court of competent jurisdiction. (ILCS Ch. 65, Act 5, § 8-2-9)

§ 33.04 LIMITATIONS; EMERGENCY; BORROWING.

(A) Neither the Board of Trustees nor any department or officer of the village shall add to the village expenditures in any fiscal year anything over and above the amount provided for in the annual appropriation ordinance of that year. No expenditure for an improvement to be paid for out of the General Fund of the village shall exceed in any fiscal year the amount provided for that improvement in the annual appropriation ordinance.

(B) Nothing herein contained shall prevent the Board of Trustees, by a two-thirds vote, from making additional appropriations for the purpose of making improvements or restorations, the necessity for which is caused by any casualty or accident happening after the annual appropriation ordinance is passed, nor from making additional appropriations necessary to meet any emergency, happening after and unforeseen at the time of passing the annual appropriation ordinance. *EMERGENCY*, as used in this division (B), means a condition requiring immediate action to suppress or prevent the spread of disease, or to prevent or remove imminent danger to persons or property. For the purpose of providing for these additional appropriations, the Board of Trustees, by a two-thirds vote, may authorize the President to borrow the amount of money necessary therefore for a space of time not extending beyond the close of the next fiscal year. The sum borrowed and the interest thereon, shall be added to the amount authorized to be raised in the next general tax levy and embraced therein.

(C) Should a judgment be obtained against the village, the President, under the sanction of the Board of Trustees, may borrow a sufficient amount to pay the judgment for a space of time not extending beyond the close of the next fiscal year. This sum and the interest thereon shall in like manner be added to the amount authorized to be raised in the general tax levy of the next year and embraced therein. (ILCS Ch. 65, Act 5, § 8-1-6)

§ 33.05 LEVY AND COLLECTION OF TAXES.

The Board of Trustees shall levy and collect taxes for corporate purposes in the manner provided in ILCS Ch. 65, Act 5, §§ 8-3-1 et seq.

§ 33.06 ANNUAL AUDITS AND REPORTS.

(A) The Board of Trustees shall cause an audit of the funds and accounts of the village to be made by an accountant as required by ILCS Ch. 65, Act 5, §§ 8-8-3 et seq.

(B) The village shall, within six months after the close of each fiscal year, unless an extension is granted, file with the State Comptroller an audit report and supplemental report or financial report as required in ILCS Ch. 65, Act 5, §§ 8-8-3 and 8-8-4. (ILCS Ch. 65, Act 5, § 8-8-3)

§ 33.07 CONTRACTS.

(A) No contract shall be entered into by the village for goods or services, unless it shall be approved by resolution or ordinance duly passed by the Board of Trustees, except as hereinafter provided.

(B) The President may approve contracts for goods and services where the contract amount is less than \$500, without the approval of the Board of Trustees. However, the President shall report any such contract to the Board of Trustees at the Board meeting next following approval of the contract.

(C) All contracts of the village shall be signed by the President.

(D) No contract shall be approved for which there is no prior appropriation.

(E) Any work or other public improvement not paid for in whole or in part by special assessment or special taxation, when the expense thereof shall exceed \$5,000, shall:

(1) Be let to the lowest responsible bidder after advertising for bids in one or more newspapers of general circulation within the village or, in the case of public works, in such manner as may be established by the Board of Trustees after consultation with a registered professional engineer; or

(2) Let without bids if authorized by a vote of two-thirds of the Trustees then holding office, the President not voting.

Statutory reference:

General requirements for contracts, see ILCS Ch. 65, Act 5, §§ 8-9-1 et seq.

General requirements for contracts for water, see ILCS Ch. 65, Act 5, §§ 11-124-1 et seq.

Interest of village officers in contracts, see ILCS Ch. 65, Act 5, §§ 3.1-55-10 and 4-8-6; see also ILCS Ch. 50, Act 105, §§ 3 et seq. Construction of public works by village employees using purchased materials, see ILCS Ch. 65, Act 5, § 8-9-1