VILLAGE OF FOX LAKE
2015-2016 FISCAL YEAR BUDGET

Village of Fox Lake
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Section 1

Transmittal Letter

Anne Marrin - Village Administrator

Village of Fox Lake

Established 1907

MANAGEMENT'S LETTER TO THE CORPORATE AUTHORIES OF THE VILLAGE OF FOX LAKE, ILLINOIS

April 28, 2015

Dear Mayor Schmit and Board of Trustees:

It is a pleasure to submit to the Village Board the proposed budget for the Village of Fox Lake for the Fiscal Year ending April 30, 2016. Primarily due to the strategic initiatives undertaken in the prior year, the Village will enter the Fiscal Year 2015-2016 with a surplus in its operating budget. While the Village's revenue profile remains stagnant in the current economy, a continued relatively strong financial position permits the Village to maintain predictable levels of service. The proposed budget reflects a continued commitment to maintaining sufficient reserves to cover the Village's operating needs, meet long-term financial goals and plan for the growth and development of the Village.

The Village has benefited from a history of sound financial planning and current initiatives focus more specifically on organizational efficiency, maintaining a stable tax environment, rehabilitating infrastructure and stimulating new development and redevelopment. The Village is making progress in many areas; such as, positioning itself to move forward with establishing long-term planning for infrastructure in the Water and Sewer fund, the Northwest Regional Reclamation Facility, and the establishment of a maintenance program for roads. The area that is still of concern is the need to fund deteriorating roads without acquiring additional debt, since a referendum failed requesting residents for taxes to maintain roads. The Village Board and staff have worked diligently to provide for a balanced tax structure with no new taxes proposed and appropriate public safety, infrastructure and general services.

The 2015-2016 budget documents follow a different format than previous years. The document was streamlined to provide the same information in a more condensed format. The new format allows the reader to go from a more summarized format to as much detail as desired. It begins with this transmittal letter, which explains the layout of the budget document, as well as an overview of the budget process and the financial impact of the budget.

The Financial Summaries section allows the reader to view the total budget, at a glance, both in chart form and graph form. Other information provided in this section includes Fund Balance Summaries, graphs and financial summaries of General Fund Revenues and Expenses, historical information on staffing levels, and Debt Service Schedules.

The remainder of the report is broken down into functions (revenues and general government, public safety, parks and recreation, community development, motor pool, and public works/streets expenditures) for the General Fund and then separate tabs for all other funds. Within each tab, the goal has been to try to provide budget notes (or

highlight) and a Summarized Financial Report for the respective section, followed by the detailed budgets for each account.

ECONOMIC AND POLITICAL CLIMATE

The Village is experiencing a slow rebound from the 2008 recession. At the national level, the unemployment rate has dropped from 6.3 percent to 5.4 percent year-over-year. While the unemployment rate has declined significantly, the year-over-year labor force participation rates have actually declined slightly, indicating weakened interest in sustained job searches for the unemployed or underemployed.

At the state level, a financial and political meltdown associated with the State of Illinois' unfunded and growing liabilities continues to affect statewide economic growth and resulting revenue streams. As a result, the state legislature passed an income tax hike in 2011 increasing the personal tax rate from 3.0 to 5.0 percent, which includes a partial sunset provision to reduce the rate to 3.75 percent on January 1, 2015. The state has been unable to effectively reduce its current and future liabilities in spite of the additional revenue raised (estimated to be around $30 billion) from the increase. The Village is concerned with the State of Illinois attempts to reduce the amount of State funds distributed to local governments. As such, the Village has taken a conservative budget approach to its reliance on state shared revenues. Improving organizational efficiency, becoming innovative with methods of service delivery and pursuing grant funding opportunities are factors that will be used to assist the Village with navigating the slow-to-recover economy. Moderate revenue growth combined with strict expenditure management should allow the Village to continue to deliver essential services at their current levels. However, in order fund future infrastructure improvements, capital expenditures, and major programs or purchases, it will be necessary to seek new revenue sources and analyze current Village fees and rates. Monitoring trends in the private sector and being responsive to changes in the market will also be needed for the Village to withstand any relapse in the economy.

Budget Process

This year's budget process continues the evolution of many of the 2014-2015 initiatives including in-depth analysis of organizational processes, personnel, services and long term liability management. The budget process started early with development of a preliminary budget for the General fund. The General fund provides the majority of the Village's services, such as public safety; building and zoning; engineering; public works; streets, drainage, building and vehicle maintenance recording and reporting requirements; financial services; and general administration. When preparing the General fund's preliminary budget, staff was provided with the following guidelines:

- Review the current year's budget and adjust estimated year-ends for any changes.
- Review revenue streams for changes. Adjust per capita revenue streams to reflect the 2010 population census data.
- Reflect salaries and wages with 1-10% salary increases.
- Include legal and regulatory requirements.

- Maintain operations at status quo (no additional additions or cuts in services or staffing levels).

The FY2015-2016 preliminary budget for the General fund reflected a deficit of $1,030,856. The Village Board completed an in-depth review of the General fund preliminary budget during its March 7th, 2015 Budget Workshop, April 14th and April 28th, 2015 Board meeting. Changes discussed during the budget workshops and meetings have been incorporated within this budget document. These revisions include the elimination of the insurance fund and including the revenues and expenditures in the general funds, the allocation of employee time to proper funds, salary adjustments, the realignment of the anticipated property tax revenue at the county established CPI of .8%, the reallocation of general legal expenses to administration versus including them in individual departments, the addition of expenses for salt as the Village is using less sand, the elimination of summer help for mowing and replacing with outside contractors, the postponement of the vactor replacement, the increase in expenses for engineering for system design in the Water & Sewer Department, and the decision to obtain an IEPA loan for a new water tower versus utilizing bond debt financing, .

Budget Summary – All Funds

The 2015-2016 Budget (All Funds) includes $28,315,182 in total revenues and other sources and $33,199,293 in total expenditures and other uses, resulting in a projected net deficit for 2015-2016 of $4,884,111. Detail regarding each fund's projected net fund income (loss) for the year is available in the Executive Overview section on the Fund Balance Projections by Fund schedule. *(see page 47)*

A review of the Fund Balance Schedule (All Funds) shows that several funds are projecting a net loss for Fiscal Year 2015-2016. For most funds, the net losses represent the use of accumulated reserves for capital improvements, debt reduction, or infrastructure assessments. Net losses are projected in the General Fund ($1,030,856), Motor Fuel Tax ($204,005), Commuter Parking Fund ($93,330), Water & Sewer fund ($1,529,275), and Northwest Regional Water Reclamation Facility $(2,451,091). All other funds reflect net income for the year.

General Fund:

The General Fund is projecting a deficit of $1,030,856. General fund revenues are project to total $13,367,988. This is a decrease of $1,118,114 in revenue generated by the debt issue in the prior year. General fund expenses are budgeted at $14,398,844. The increase relates to improvements to Lakefront Park to be reimbursed through a Park Grant. The Villages net income reflects intergovernmental taxes, local taxes, grant revenue, fines & fees, licensing, public safety revenue, and other general revenue. There were no fee increases; however, the Village did create a Places for Eating tax which increased local taxes by $355,500. The largest factor affecting the General fund continues to be its reliance on economically-driven revenue streams to support its basic Village services. This has been an ongoing concern that has been exacerbated by the economic downturn. From FY2008 to FY2014, the Village eliminated all capital and non-essential expenses in order to align expenses with revenues.

For the 2015-2016 Fiscal year, no significant service modifications are anticipated. The Village will continue its efforts to deploy new technologies that permit the conducting of Village business via the web, acceptance of credit/debit forms of payment and automation of processes. The purpose of these initiatives is three-fold: 1) to improve the services available to residents and those conducting business with the Village, 2) to reduce dual entry and streamline processes, thereby reducing costs, and 3) to improve internal controls over the Village's numerous financial transactions. The new financial software has been a major thrust of technology enhancement, with a new general ledger system, accounts payable, cash receipting, and utility billing modules which were implemented in February 2015. Also, integration of the new payroll and general ledger systems has streamlined the entire payroll recording process. The Village launched a new website in April 2015. The new website has an improved look with a better layout and a cleaner interface with a variety of new, innovative features which will make navigation easier. The Village will be continually adding more forms which will allow for more efficient government.

All other Funds:

The projected deficit of $204,005 in the Motor Fuel Tax Fund will be funded with accumulated reserves from prior years' revenues. The fund revenues are projected at $252,627 and lower than the prior year due to the elimination of the Jobs Now Program. Expenditures are budgeted at $456,631 as the Village continues to provide infrastructure improvements to its roads.

The TIF Fund has a surplus of $13,519 which will be used to spur economic development in the area. TIF revenues are projected at $36,327 or flat to prior years since improvements have not been made to the area.

The projected deficit of $93,330 in the Commuter Parking fund reflects the unfunded expenses and service charges associated with the Metra parking lots. Revenues are budgeted at $125,000 which is flat to prior years. Expenses related to the Commuter parking lots are $218,330. At current utilization levels and rates, the parking lot does not generate enough revenue to pay its operating costs; much less pay the depreciation expense for future repairs and improvements. The Village will be reviewing its options as it relates to the Metra parking lot management.

The Water and Sewer fund reflects a projected loss of $1,529,275. The operating budget reflects projected revenues to total $7,476,349. This is a $105,659 decrease from the prior year due to lower tap on fees and conservative estimates for penalties due to a new billing and collection process being implemented. The Water/Sewer fund expenditures are anticipated to be $9,005,624 which is $2,006,462 higher than the prior year. The Water/Sewer fund continues to issue debt and make infrastructure improvements. The Village commissioned a water rate study which indicated that the current rate structure did not adequately bill customers to cover expenses and maintain adequate reserves. The Village increased water rates in FY2014-15 to bring the fees more in line with actual costs and anticipates increases based upon inflation in the future. The Village Board plans to gradually increase fees to reach the appropriate

rates. Therefore, the Village will have a projected deficit for several more years until the rates cover expenses and proper reserves. Therefore, the loss is due to increases in depreciation and inadequate billing for reserves and infrastructure.

The Northwest Regional Reclamation Facility Fund reflects a projected loss of $2,451,091. The operating budget reflects projected revenues to total $5,097,800. This is a decrease of $24,000 related to reduction in miscellaneous income, tap-on fees, and remedial waste fees. Operating expenses are budgeted at $6,456,391. This increase of $132,613 reflects additional engineering costs related to a facility review and additional expenses related to running the facility due to inflation increase. The budgeted Capital expenditures are lower than the prior year by $1,169,200 as the capital budget will be assessed after the facility review is performed by the engineering firm.

The 911 Fund reflects a surplus of $11, 295. Revenues are projected at $1,042,500 and expenditures at $1,031,340 which reflects no significant change from the prior year projections. The 911 center is currently funded by the Police Department and any deficit to the fund is currently being absorbed by the General Fund. The Village will be reviewing all contracts and evaluating the feasibility of the 911 Center.

Pension Fund reflects an increase in fund value of $399,766. The increase illustrates the net amount of the Village's and employees' contributions and increase in investment values less the expenses related to pension costs and payments made to officers.

The development of an annual budget is both a monumental and rewarding task, reflecting the contributions of the entire organization. This year's preparation of the budget has been a team effort and I cannot overemphasize my gratitude to the entire Village staff for their diligence and perseverance in improving this important financial tool. Many thanks Finance Director/Treasurer Stephanie Hannon, Assistant Village Administrator Tara Semenchuk, Accounting Manager Laura Rudkin, Police Chief Michael Behan, Community Development Director, Donovan Day, Motor Pool Supervisor, Luke Catullo, FoxComm E911 Manager, Annette Wolf, Parks & Recreation Coordinator Amy Serafin, Public Works/Streets Supervisor, Dan Miller, Water & Sewer Supervisor Rocky Horvath, Northwest Regional Water Reclamation Facility Director Ryan Kelly, Network Administrator Tom Pederson, and Deputy Clerk Carol Ward for their contribution in creating this budget document and for their cooperation, responsiveness and ability to get the job done. Finally, the Village Board deserves sincere appreciation for their stewardship over Village finances and planning for the Village's future.

Sincerely,

Anne Marrin
Village Administrator

Section 2

Organization & Services

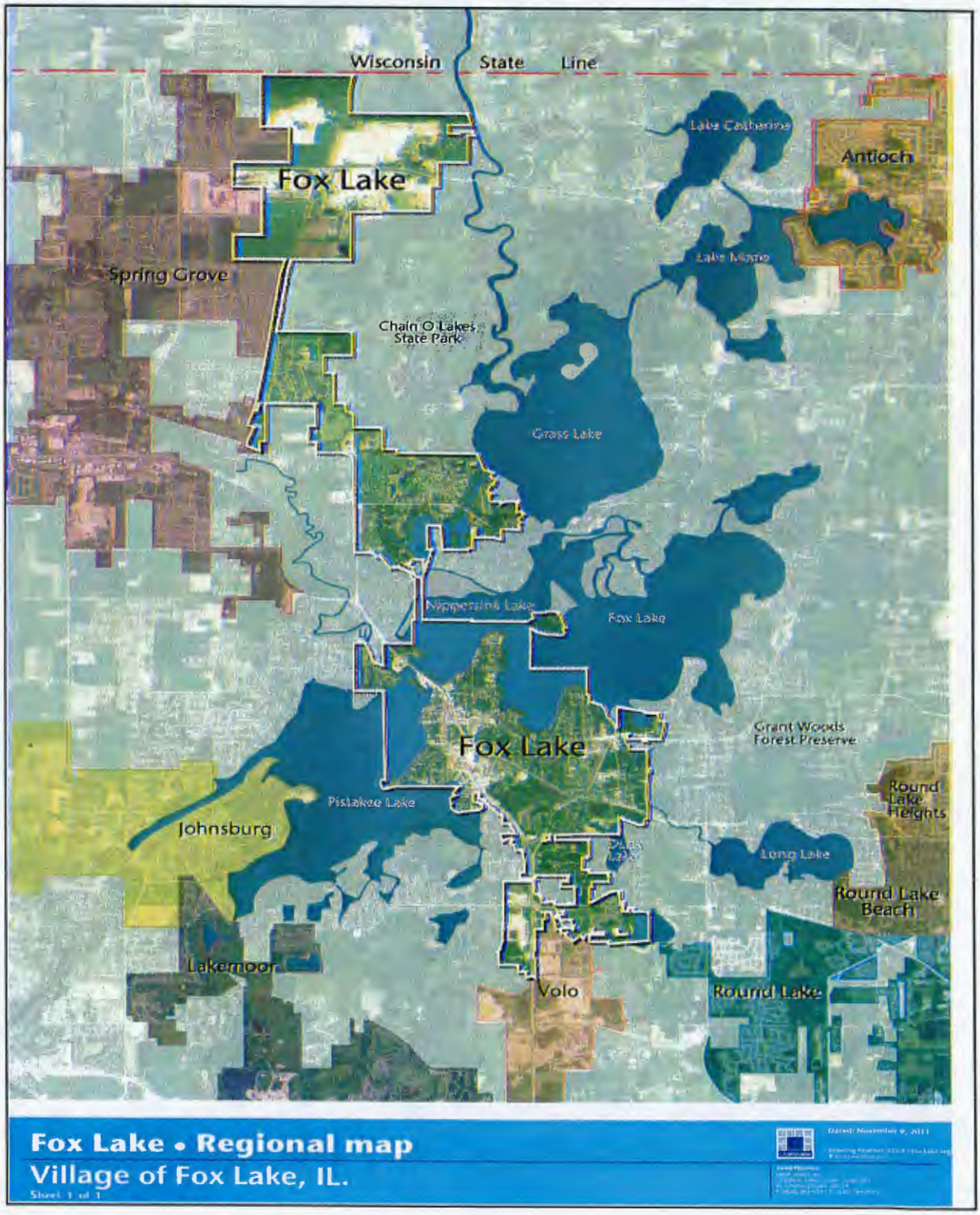
- Village of Fox Lake Map
- List of Principal Officers
- Organizational Chart
- Village Commissions, Committees, and Board
- Community Profile
- Community Characteristics

Budget Process and Structure

- Budget Process
- Budget Timetable
- Basis for Budgeting and Fund Structure
- Account Numbers

VILLAGE ORGANIZATION

Village of Fox Lake, Illinois



VILLAGE ORGANIZATION

Officers and Officials

Mayor

Donny Schmit

Village Board of Trustees

Jeff Jensen
Nancy Koske
Greg Murrey
Bernie Konwent
Brian Marr
Ron Stochl

Village Clerk

Niki Warden

Village Administrator

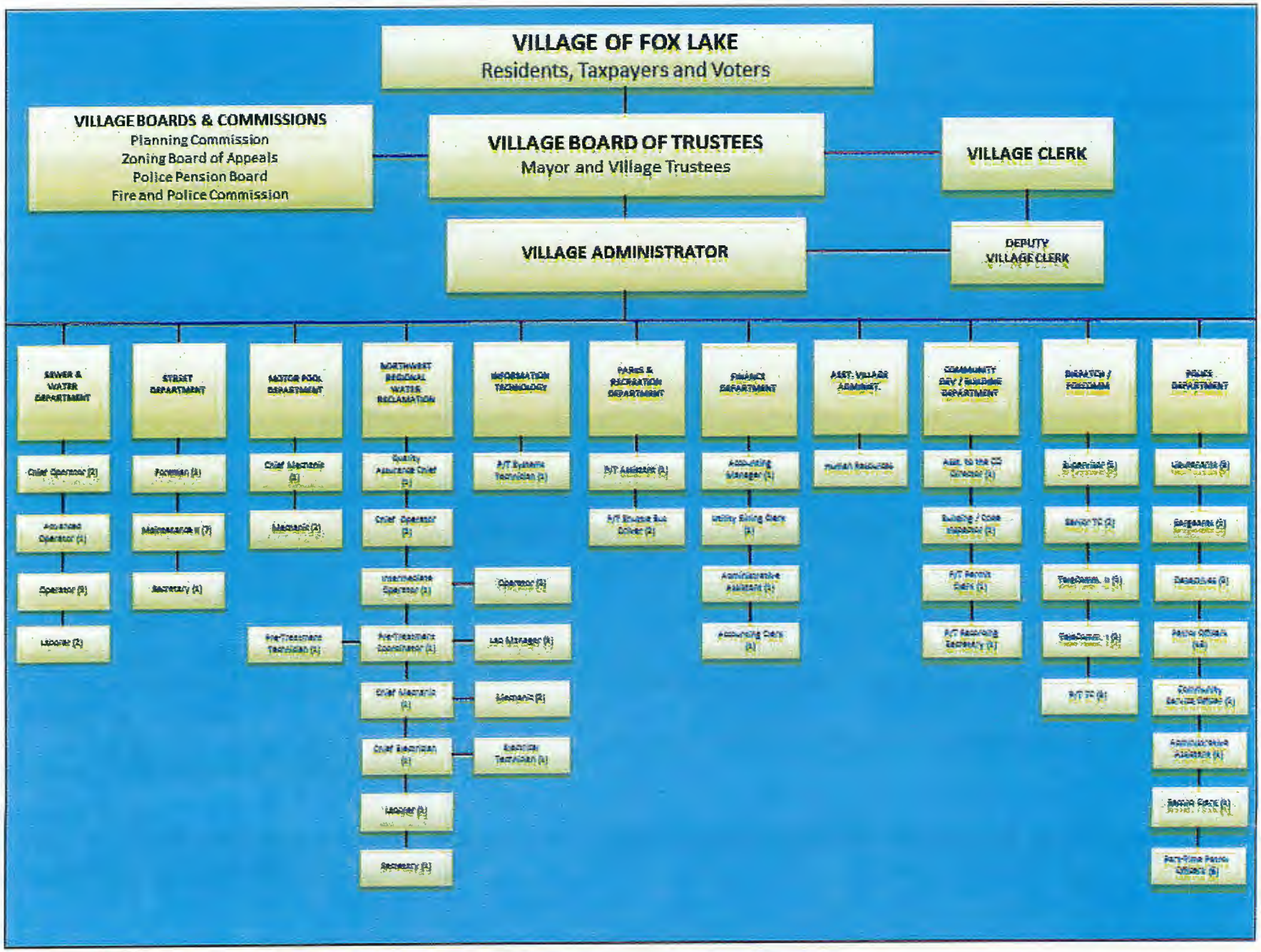
Anne E. Marrin

Village Treasurer/Finance Director

Stephanie L. Hannon

Village Attorney

Howard Teegan


VILLAGE OF FOX LAKE
Residents, Taxpayers and Voters
VILLAGE BOARDS & COMMISSIONS
Planning Commission
Zoning Board of Appeals
Police Pension Board
Fire and Police Commission
VILLAGE BOARD OF TRUSTEES
Mayor and Village Trustees
VILLAGE CLERK
VILLAGE ADMINISTRATOR
DEPUTY VILLAGE CLERK
SEWER & WATER DEPARTMENT
STREET DEPARTMENT
MOTOR POOL DEPARTMENT
NORTHWEST REGIONAL WATER RECLAMATION
INFORMATION TECHNOLOGY
PARKS & RECREATION DEPARTMENT
FINANCE DEPARTMENT
ASST. VILLAGE ADMINIST.
COMMUNITY DEV / BUILDING DEPARTMENT
DISPATCH / FOREMAN
POLICE DEPARTMENT
Chief Operator (2)
Advanced Operator (1)
Operator (3)
Laborer (2)
Foreman (1)
Maintenance II (7)
Secretary (1)
Chief Mechanic (1)
Mechanic (2)
Pre-Treatment Technician (1)
Quality Assurance Chief (1)
Chief Operator (1)
Intermediate Operator (1)
Pre-Treatment Coordinator (1)
Chief Mechanic (1)
Chief Electrician (1)
Laborer (1)
Secretary (1)
Operator (1)
Lab Manager (1)
Mechanic (1)
Electrician Technician (1)
P/T Systems Technician (1)
P/T Assistant (1)
P/T Shuttle Bus Driver (1)
Accounting Manager (1)
Utility Billing Clerk (1)
Administrative Assistant (1)
Accounting Clerk (1)
Human Resources
Asst. to the CD Director (1)
Building / Code Inspector (1)
P/T Permit Clerk (1)
P/T Recording Secretary (1)
Supervisor (1)
Senior TC (2)
Telecomm. II (5)
Telecomm. I (5)
P/T TC (1)
Lieutenants (3)
Sergeants (2)
Detectives (2)
Patrol Officers (12)
Community Service Officer (1)
Administrative Assistant (1)
Records Clerk (1)
Part-Time Patrol Officers (3)

Village Commissions, Committees and Boards

Village Commissions, Committees and Boards are approved by the Village's Corporate Authorities. Appointments are made by the Mayor, with the concurrence of the Board of Trustees.

911 Emergency Telephone System Board (ETSB)

Members of the emergency telephone system committee, also referred to as the 911 Committee, shall have the responsibility of the following:

- Planning a 9-1-1 system
- Coordinating and supervising the implementation, upgrading, or maintenance of the system and establishing equipment specifications and coding systems
- Receiving monies from the surcharge imposed under section 15.3 of the act for deposit into the emergency telephone system fund
- Authorizing all disbursements from the fund
- Hiring any staff necessary for the implementation or upgrade of the system
- Participating in a regional pilot project to implement next generation 9-1-1, as defined in the act

The 911 Committee meets on the first Monday during the months of March, June, September and December.

Police and Fire Commission

The Board of Fire and Police Commissioners shall appoint all members of the Fire and Police Departments of the Village, except the Chief of Police and the Chief of the Fire Department, which appointments shall be made by the Village President and Board of Trustees. The Chief of Police and the Chief of the Fire Department shall not be subject to this Chapter, nor to the rules made by the Board of Fire and Police Commissioners pursuant to the authority hereinafter granted. All appointments made by the Board of Fire and Police Commissioners shall be from the rank next below that to which the appointment shall be made, other than that of the lowest rank. The Board of Fire and Police Commissioners meets on the first Tuesday during the months of August through May.

Plan Commission

The Plan Commission reviews and makes recommendations to the Village Board regarding zoning changes, variations and subdivisions of land. The Plan Commission meets on the first Wednesday and the third Tuesday of every month.

Police Pension Board

The Police Pension Fund is created by Illinois state statutes to control and manage the pension fund of the Fox Lake Police Department. The five member board's duties include investing funds, enforcing contributions, keeping records of the board's meetings and other duties related to managing the Police Pension Fund. The Police Pension Board meets on a quarterly basis.

Zoning Board of Appeals

The Zoning Board of Appeals has the authority to hear and decide any requests for variation or conduct any hearing as specifically authorized pursuant to Section 9-1-6-3 of the Village zoning ordinance. The Zoning Board of Appeals meets on the second Wednesday and fourth Thursday of each month.

Community Profile

The Village of Fox Lake is a well-known resort and recreational community, located approximately 55 miles northwest of Chicago and is located in Lake County and McHenry County. Centrally located in the "Chain O' Lakes," Fox Lake offers its residents and visitors a rich history, natural beauty and unique business opportunities. The Illinois Fox River Chain of Lakes is the busiest inland recreational waterway per acre in the entire United States. With a population of 10,579 residents, the community encompasses 9.94 square miles, of which 1.82 square miles (or 18.3%) is water. Pace suburban bus services Fox Lake for commuting in and around the community. The Village is well connected to the Chicago and Milwaukee region by road and by Metra rail, making it an attractive residential and business location.

The Village is served by Lotus Elementary School, Big Hollow School District 38, Stanton Middle School Fox Lake School District 114, and Grant Community High School District 124. Fox Lake has one public library, a Fire Protection District, seven (7) parks with over 22 acres of open space and a contemporary regional water reclamation facility. Numerous opportunities for cultural and entertainment activities through the Village's Parks and Recreation Department are available for residents and visitors.

A View of the Past...

The Village of Fox Lake was incorporated in 1907. Known for its recreational attraction, the Village has been referred to the "Heart of Nature" and identified as "Far from the City's sweat and toil, but only 90 minutes away is a healthful, pleasurable and restful resort." That reputation continues today, but is growing beyond just its recreational attractiveness.

A Vision of the Future...

Today, Fox Lake remains a haven for water sports enthusiasts; the community boasts over 7,100 acres of water, 15 lakes and 45 miles of river. At the same time, the Village is looking into the future and exploring business and economic development opportunities. The Village's leaders have taken a progressive approach toward planning for the Village's future. In 2012, a new Comprehensive Development Plan was implemented. The new Comprehensive Plan will help shape and guide the type and quality of development opportunities in the Village. Grants from the Chicago Metropolitan Agency for Planning (CMAP) and the Regional Transportation Authority (RTA) have recently been awarded to the Village for improvements to the downtown area and expanding bikeways and greenways. The Village is also looking at redevelopment opportunities aimed at the downtown, diversifying area businesses and infrastructure improvements to its roadways. The community and its leaders are focused on preserving the Village's rich heritage, while implementing plans that will attract visitors to explore Fox Lake's recreational opportunities and improve the quality of life for the residents.

COMMUNITY CHARACTERISTICS

The following statistical data and graphs provide a demographic profile of the Village of Fox Lake. Notable changes from the 2000 to the 2010 Census are highlighted below. Unless otherwise noted, the source of data is the 2010 United States Census.

Population

- In 2000, Fox Lake's population was 9,178. As of the 2010 United States Census, the population grew to 10,579 residents, which represents a 13% increase.
- Those individuals with at least a high school degree represented 91.8% of the population

Housing Information

- In 2000, there were a total of 4,652 total housing units. In 2010, that number grew by 970, or 17.2%, to a total of 5,622 total housing units.
- There were 4,046 households in 2000. In 2010, there were a reported 4,770 households in the Village. This represents a 15% increase.
- In 2010, the median housing value was listed at $137,600.
- In 2010, the median household income was $54,521.

Age Distribution

- The median age in the Village in 2010 was 40.9 years. In 2000, the median age was 37.
- In the 4,046 households that were reported in 2010, 25.8% had children under the age of 18 living with them, 25.1% had individuals aged 65 or over living with them and 41.3% were married couples living together. The average household size was 2.21 and the average family size was 2.91.

Racial Composition

- The racial makeup of the Village in 2010 was 92.8% White, 1.0% Black or African American, 0.3% American Indian or Alaska Native , 1.0% Asian, 0.01% Native Hawaiian or Other Pacific Islander, 2.8% Some Other Race and 2.1% Two or More Races. Hispanic or Latino of any race was 8.9% of the population.

Budget Process and Structure

Budget Process

The Village of Fox Lake's Annual Operating Budget serves as the primary tool to accomplish the objectives and policies as set forth by the Village Board of Trustees. The budget process for the Village of Fox Lake involves the citizens, Mayor and Village Board, Village Administrator, Village Treasurer/Finance Director, Assistant Village Administrator, Department Directors, Managers and many other stakeholders throughout the community. Each person plays a critical role in the development of the budget for the upcoming fiscal year.

The goal of the budget process is to present a balanced budget to the Village Board of Trustees for review and adoption. A balanced budget is a budget in which revenues meet or exceed expenditures and cash reserves or fund balance is not considered a revenue source. The Village operates on a fiscal year basis beginning May 1st and ending April 30th of each year. The Finance Director/Treasurer presents the annual budget to the Mayor and Village Board for review and adoption prior to the beginning of each fiscal year.

Budget Preparation

Preparation of the annual budget typically begins in December with the establishment of a budget calendar by the Finance Director and Village Administrator. The Finance Director provides each department with budget worksheets, preliminary budget estimates and specific directives for developing their budgets.

The Department Directors review their programs and services, initial budget requests and submit them to the Finance Director. The Finance Director then consolidates all requests to analyze the budget as a whole. After an initial analysis, meetings are set up by the Department Directors, Finance Director, and Village Administrator. They review major operational changes, discuss objectives and review capital project requests. An effort is made to combine requests across departments and to discuss how to more efficiently accomplish departmental goals. Any unjustified items are eliminated from the budget at this time.

Over the next month, the Finance Department works to compile the budget document. In addition to developing budget summaries for each department which outline requests, the Finance Director reviews and updates other sections of the document. Before the first public hearing, the proposed budget is made available to the public in hardcopy format at the Village Hall. After the public meetings, the budget may be further revised and passed without further public inspection, notice or hearing. The final budget is typically approved in April.

Once the budget has been approved, the Village Administrator and Finance Director continue to monitor the Village's rate of revenue collections and expenditures to assure a healthy financial condition. If revenue projections drop below staff's original estimate, the Village Administrator will direct staff to reduce expenditures. Budget transfers within a fund may be authorized by the Finance Director who is the authorized budget officer. If a circumstance arises in which budget changes must be considered, the Village Board may approve a change by Ordinance. These budget amendments are usually necessary if anticipated expenditures are expected to exceed the total amount budgeted at the fund level, due to changing priorities or unexpected occurrences.

Budget Time Table

January 15, 2015	FY2015 Proposed Budget Worksheets distributed to staff
February 6, 2015	Completed General fund budget worksheets due to Finance
February 6 – February 23, 2015	Finance enters staff's FY2015 budgets in General fund and Prepares report of preliminary budget for Village Board
March 3, 2015	**6:30 pm Village Board Meeting** FY2015 General Fund preliminary budget provided to Village Board
March 7, 2015	**8:30 a.m. FY2016 Proposed Budget Workshop**
March 9 – March 23, 2015	Meetings with staff to review each department's proposed budgets
March 9 – March 23, 2015	Finance prepares budget narrative, tables, schedules
March 24, 2015	FY2016 Proposed Budget document distributed to Board/Staff **6:30 pm Village Board Meeting** Budget Discussion – FY2016 Public Hearing Notice Sent to paper for publication
April 3, 2015	Public Hearing Notice appears in Journal & Topics Fiscal Year 2016 Proposed Budget available to public
April 14, 2015	**6:20 pm Public Hearing** Fiscal Year 2016 Proposed Budget **6:30 pm. Regular Village Board Meeting** Fiscal Year 2016 Proposed Budget (1st Reading)
April 28, 2015	**6:30 pm Regular Village Board Meeting** Adopt Fiscal Year 2016 Budget (2nd Reading)
April 30, 2015	**Deadline for adopting Fiscal Year 2016 Budget**
May 29, 2015	**Filing Deadline with Lake and McHenry County Clerk** Certified copy of Fiscal Year 2016 Budget
June 15, 2015	Budget Bound and Distributed to Board and Staff

Basis for Budgeting and Fund Structure

Basis for Budgeting

The Village of Fox Lake accounts for all funds and adopts a budget based on generally accepted accounting principles (GAAP) A fund is a separate accounting entity with a set of self-balancing accounting that records assets, liabilities, fund equity, revenues, and expenses or expenditures. Funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with regulations, restrictions, or limitations.

Fund Structure

The Village may use the following fund types:

General Funds: use the modified accrual basis of accounting whereby revenues are recognized when they are "measurable and available" and expenditures are recorded when the related fund liability is incurred. The majority of the Village's business is accounted for in the General Fund.

Special Revenue Funds: use the modified accrual basis of accounting. Special Revenue Funds are required to account for the use of revenue earmarked by law for a particular purpose. State and federal fuel tax revenues require special revenue funds, because federal and state laws restrict these taxes to transportation uses. The Special Revenue Funds include: Motor Fuel Tax and TIF fund

Capital Projects Funds: use the modified accrual basis of accounting. Capital project funds are used to account for the construction or acquisition of fixed assets, such as buildings, equipment and roads. Depending on its use, a fixed asset may instead be financed by a special revenue fund or a proprietary fund. A capital project fund exists only until completion of the project. Fixed assets acquired and long-term debts incurred by a capital project are assigned to the government's General Fixed Assets and Long-Term Debts. The Village does not have a Capital Project Fund.

Debt Service Funds: use the modified accrual basis of accounting. Debt service funds are used to account for money that will be used to pay the interest and principal of long-term debts. Bonds used by a government to finance major construction projects, to be paid by tax levies over a period of years, require a debt service fund to account for their repayment. The debts of special assessment and proprietary funds are serviced within those funds, rather than by a separate debt service fund. The Village currently does not have a Debt Fund.

Special Assessment Funds: use the modified accrual basis of accounting. Special assessment funds account for public infrastructure improvements financed by special levies against property holders. The Village does not have a Special Assessment Fund.

Basis for Budgeting and Fund Structure (Continued)

Propriety Funds: use the full accrual basis of accounting. Under the full accrual basis, revenues are recorded at the time liabilities are incurred. Proprietary funds are used to account for business-type activities and include enterprise funds. Enterprise funds are used for services provided to the public on a user charge basis, similar to the operation of a commercial enterprise.

The Village currently maintains one type of proprietary fund – an enterprise fund. Enterprise funds are used to report the business-type activities the Village engages in and charge fees designed to recover the cost of providing services. The Village maintains a Water/Sewer Fund, NW Region Reclamation Facility Fund and Commuter Parking Fund which are included in this category.

Fiduciary Funds: are accounted for on a full accrual basis. Fiduciary funds are used to account for resources held in trust by the government for the benefit of individuals or other entities and that cannot be used to support the Village's own programs. Financial statements may further distinguish fiduciary funds as either trust or agency funds.

The Village acts as a fiduciary for the Police Pension Funds a Trust Fund. The fund is supported by employee and Village contributions and is established as single employer funds. The fund is managed by a pension board and is not available to support the Village's programs. Non-police personnel are covered by the Illinois Municipal Retirement Fund (IMRF), a multi-employer, defined benefit plan. The Village sends the employer and employee contributions directly to IMRF.

Agency funds are monies held on someone else's behalf with the funds eventually being distributed to the rightful owner. The Village has not established an Escrow Fund to account for road and bond escrows. The Village has chosen to include the escrow as a liability in the General Fund due to the relatively small dollar amounts maintained. The Village requires a cash bond in like amount of building permit fee to be posted for the project. After final approval of construction and/or a Certificate of Occupancy is issued, the bond posted shall be refunded.

Account Numbers

The account numbers used by the Village of Fox Lake identify the type of account, the department making the expenditure, the general category to be charged and the type of purchase. Account numbers appear as follows:

01-340-5700

The first two digits indicate the fund

01	GENERAL FUND
12	TIF FUND
15	MOTOR FUEL FUND
50	COMMUTER PARKING FUND
51	WATER FUND
52	NW REGIONAL RECLAMATION FACILITY
72	POLICE PENSION FUND
91	911 FUND

The second three digits indicate the department

000	BALANCE SHEET
100	REVENUES
105	LOCAL TAXES
110	INTERGOVERNMENTAL REVENUES
115	GRANTS REVENUE
120	LICENSES & FEES
125	FRANCHISE FEES
130	BUILDING REVENUE & FEES
140	PUBLIC SAFETY FINES & FEES
145	PUBLIC SAFETY SPECIAL REVENUE
155	REIMBURSABLE INCOME
165	GARBAGE REVENUES
170	OTHER REVENUES
180	TOTAL FEES
195	SERVICE CHARGES
200	OTHER FINANCING SOURCES
300	EXPENSES
311	ADMINISTRATION
314	MOTOR POOL
318	GARBAGE
321	PUBLIC SAFETY
325	POLICE & FIRE COMMISSION
327	PARKS & RECREATION
328	INSURANCE
330	FIRE DEPARTMENT
341	STREETS
354	BUILDING & DEVELOPMENT
400	DEBT SERVICE
500	CAPITAL OUTLAY GENERAL
600	OTHER FINANCING USES

The third four digits indicate category to be charged

4000-4099	SALARIES
4100-4199	INSURANCE BENEFITS
4200-4299	PENSION BENEFITS
4300-4399	OTHER BENEFITS
5000-5099	MAINTENANCE SERVICES
5100-5199	PROFESSIONAL SERVICES
5200-5299	COMMUNICATIONS
5300-5399	PROFESSIONAL DEVELOPMENT
5400-5499	SERVICE CHARGES AND FEES
5500-5599	OTHER CONTRACTUAL SERVICES
5600-5649	MAINTENANCE SUPPLIES
5700-5799	GENERAL SUPPLIES
5800-5849	GRANT EXPENSES
5900-5949	GRANT EXPENSE
5950-5999	OTHER EXPENDITURES
6000-6099	DEBT SERVICE
7000-7099	CAPITAL OUTLAY
8000-8099	OTHER FINANCING USES

Section 3

Executive Overview

- Budget in Brief
- Strategic Planning
- Revenue Trends and Projections
- Expenditure Trends and Projections
- Debt Position
- Fund Balance Projections by Fund

Village of Fox Lake

Established 1907

Executive Overview

Budget in Brief

The Village of Fox Lake embraces a fiscally conservative and forward looking approach to budgeting for the operations of municipal government. The basis for developing the overall budget relies upon the initial forecast of anticipated revenues derived from taxes, fees, licenses, intergovernmental revenues, fines, investment proceeds and interfund transfers. The following table depicts total revenues for all funds for the years ending 2013 to 2016.

Revenues by Category

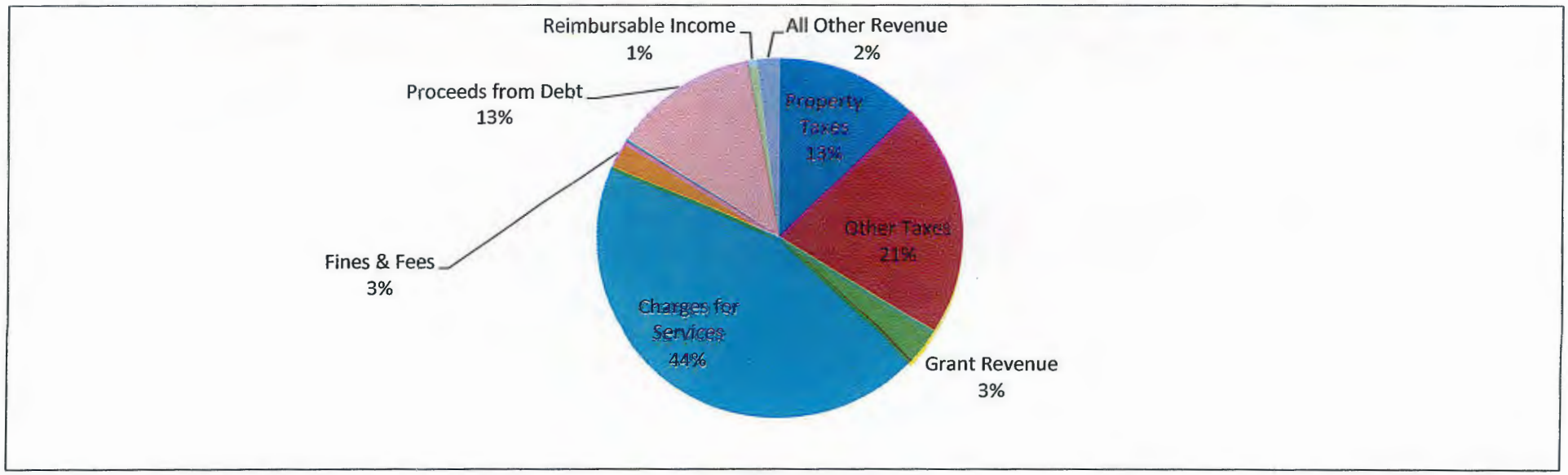
The total revenues budget for fiscal year 2015-2016 is $27,799,565.

Account Category	Actuals 2012-2013	Actuals 2013-2014	Budget 2014-2015	Budget 2015-2016
Property Taxes	$3,326,366	$3,418,174	$ 3,460,853	$ 3,508,494
Other Local Taxes	1,176,385	1,358,693	1,306,142	1,668,152
Intergovernmental Taxes	4,133,076	4,280,053	4,192,885	4,263,234
Grant Revenue	721,640	210,788	200,421	840,000
Vehicle Stickers	101,836	96,779	95,000	-
Licenses	86,879	68,491	67,450	67,450
Franchise Fees	129,158	130,923	130,000	130,000
Building & Zoning Fees	112,576	126,159	113,600	127,700
Public Safety Revenues	379,513	303,376	274,289	294,300
Parks Programs	115,654	101,744	90,650	91,340
Interfund Service Charges	858,638	948,690	1,355,007	1,151,984
Reimbursable Income	209,683	245,849	188,724	231,900
Garbage Revenues	934,379	872,394	898,015	919,740
Other Revenues	426,519	375,169	367,210	362,648
Parking Revenues	133,618	130,191	125,000	125,000
Water Revenues	2,644,077	3,164,502	3,920,500	3,907,841
NW Region Revenues	5,447,559	5,185,667	5,121,800	5,097,800
Police Pension	1,153,180	1,336,430	524,270	400,974
911 Revenues	379,701	396,115	1,042,500	1,042,500
Proceeds from Debt	-	-	3,541,000	3,568,507
Interfund Transfers	32,500	91,027	195,000	-
Grand Total - All Fund Revenue	**$22,502,937**	**$22,841,215**	**$ 27,210,316**	**$ 27,799,565**

Summary of Revenues by Source – All Funds

The chart below summarizes total revenues by source including transfers. The other taxes classification incorporates state shared taxes including: income, sales, motor fuel taxes, and local taxes including: use tax, telecom tax, utility taxes, places for eating tax, rental car tax, and hotel tax. Charges for services includes: service charges, water & sewer billing, NW Region Reclamation Facility fees, Metra station parking fees, 911 contract fees, and garbage fees collected on behalf of Waste Management. Other category includes: pension contribution made by sworn officers, and interest revenue.

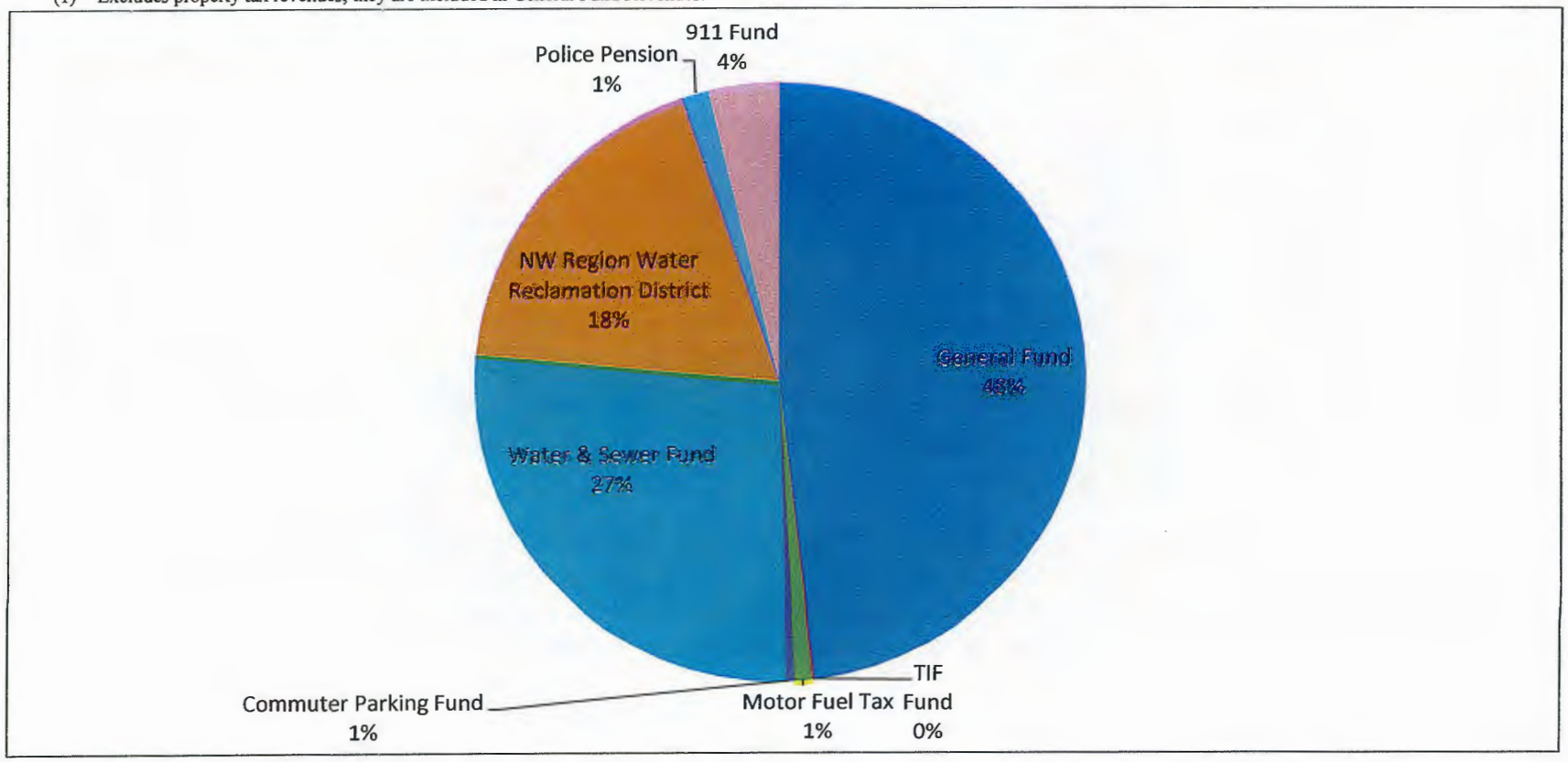
Description	General Fund	MFT	TIF	Commuter Parking Fund	Water/Sewer Fund	NW Region Reclamation Facility	Police Pension Fund	911 Fund	All Funds
Property Taxes	$3,472,167		$36,327						$3,508,494
Other Taxes	5,678,760	252,627							5,931,387
Grant Revenue	840,000								840,000
Licensing/Stickers	67,450								67,450
Charges for Services	2,146,264			125,000	3,903,341	$5,085,800		$1,042,500	12,302,905
Fines & Fees	719,948								719,948
Police Safety Rev	65,100								65,100
Proceeds from Debt	-				$3,568,507				3568,507
Operating Transfers	231,900								231,900
All Other Revenue	146,400	-			4,500	12,000	400,974		563,874
Total Revenue	$13,367,988	$252,627	$36,327	$125,000	$7,476,349	$5,097,800	$400,974	$1,042,500	$27,799,565



Summary of Revenue by Fund

	Actuals 2012-2013	Actuals 2013-2014	Actuals 3-31-15 YTD	Amended Budget 2014-2015	Budget 2015-2016	Increase/ (Decrease)
General Fund	$11,934,460	**$12,164,785**	**$13,087,431**	$14,486,399	$13,367,988	$(1,118,411)
TIF Fund	42,944	37,505	36,326	36,327	36,327	-
Motor Fuel Tax	444,612	418,098	328,304	360,520	252,627	(107,893)
Commuter Parking Fund	138,473	134,284	121,435	125,000	125,000	-
Water & Sewer Fund	2,654,177	3,164,502	5,221,334	5,513,500	7,476,349	(105,659)
NW Regional Water Reclamation Facility	5,755,390	5,189,379	3,579,949	5,121,800	5,097,800	(24,000)
Police Pension (1)	1,153,180	1,336,430	1,021,015	524,270	400,974	(90,026)
911 Fund	379,701	396,115	332,552	1,042,500	1,042,500	-
Total Funds	**$22,502,937**	**$22,841,099**	**$23,728,346**	**$27,210,316**	**$27,799,565**	**$ (1,445,988)**

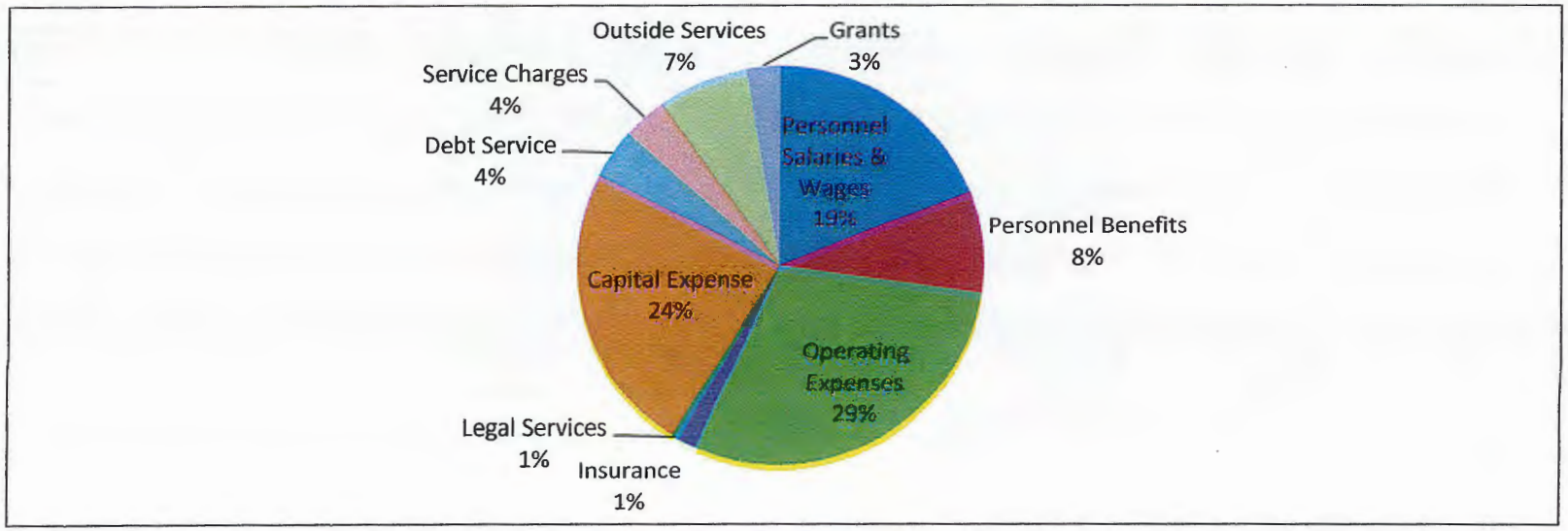
(1) Excludes property tax revenues, they are included in General Fund Revenues.



Summary of Expenditures by Category – All Funds

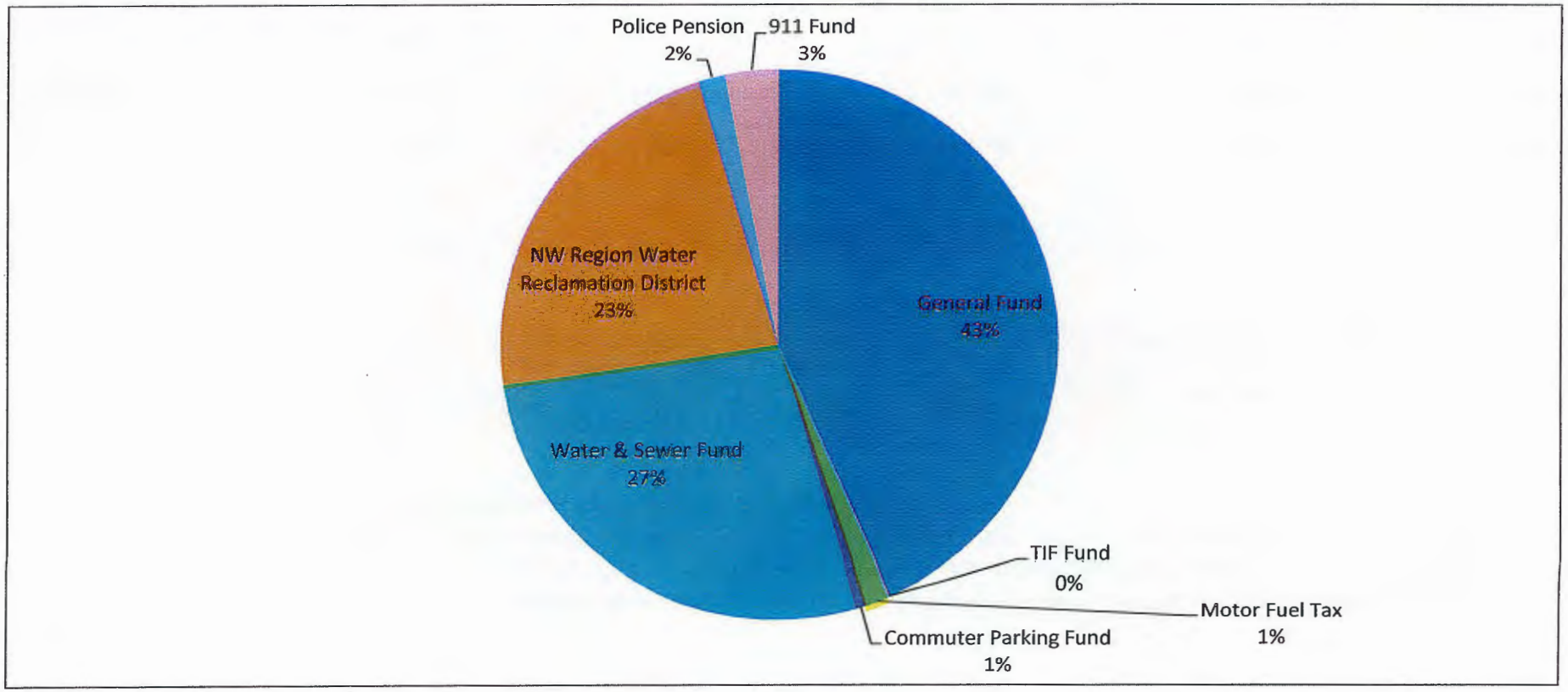
The development of projected expenses relies upon the forecasting of categorical expenditure in the areas of personnel salaries and benefits, operating expenses, insurance and liability expenses, legal expenses, capital equipment and improvement expense, and interfund transfers. As a service provider, the majority of the Village's budget (27 percent) is allocated to personnel salaries and benefits. Thus a great deal of effort is expended in managing collective bargaining activities, wage compensation programs and employee benefits as a core cost containment strategy. The following table depicts total expenses by category for all funds for the Fiscal Years ending 2013 to 2016 (proposed)

	Actuals 2012-2013	Actuals 2013-2014	Actuals 3-31-15 YTD	Amended Budget 2014-2015	Budget 2015-2016	Increase/ (Decrease)
Personnel Salaries & Wages	$5,685,063	$5,875,295	$5,372,511	$5,931,132	$6,313,779	$382,647
Personnel Benefits	2,028,383	2,279,951	2,128,309	2,775,469	2,738,768	(36,701)
Operating Expenses	7,857,196	8,056,840	4,396,810	9,480,819	9,760,439	133,807
Insurance	373,825	362,564	513,118	636,336	461,269	(175,067)
Legal Services	274,063	274,951	221,023	253,076	219,250	(33,826)
Capital Expense	1,198,389	348,972	5,335,239	7,365,670	7,907,000	541,330
Debt Service	473,761	637,156	863,601	899,704	1,354,096	454,392
Service Charges	858,638	948,690	1,259,230	1,355,007	1,151,984	(203,023)
Fire & Garbage	2,111,819	2,169,947	2,212,662	2,357,404	2,406,108	48,704
Grants	-	4,110	31,047	73,400	886,600	813,200
Total Expenses	**$20,861,136**	**$20,958,477**	**$22,333,549**	**$31,128,017**	**$33,199,293**	**$1,925,462**



Summary of Expenditures – All Funds

	Actuals 2012-2013	Actuals 2013-2014	Actuals 3-31-15 YTD	Amended Budget 2014-2015	Budget 2015-2016	Increase/ (Decrease)
General Fund	$ 11,194,585	$ 10,440,981	$ 10,692,536	$ 13,289,099	$ 14,398,844	$ 1,110,295
TIF Fund	1,920	2,100	3,966	3,000	22,808	19,808
Motor Fuel Tax	300,876	283,876	393,175	402,560	456,631	54,071
Commuter Parking Fund	143,437	197,040	241,985	299,629	218,330	(81,299)
Water & Sewer Fund	2,421,182	2,588,999	4,123,866	6,999,161	9,005,624	1,860,099
NW Regional Water Reclamation Facility	5,456,565	5,981,777	5,543,389	8,585,478	7,548,891	(1,036,587)
Police Pension	458,132	474,175	476,003	506,725	516,825	10,100
911 Fund	884,439	989,530	858,629	1,042,365	1,031,340	(11,025)
Total Funds	**$ 20,861,136**	**$ 20,958,477**	**$ 22,333,549**	**$ 31,128,017**	**$ 33,199,293**	**$ 1,925,462**



Summary of Expenditures by Fund and Category

The chart below provides expenditure summary for all 7 Village funds and the Pension Fund and further divides those fund totals into expenditures by category. The total budget for all Village Expenditures in 2015/2016 is $33,199,293. The total is 6.2 percent higher than the 2014/2015 budget and 58.4 percent high than actual amounts spent in 2013/2014. 48 percent of all expenditures support the General Fund. The General Fund is the main operating fund of the Village and accounts for critical core services such as police, motor pool, and public works (street department).

	Salaries & Benefits	Operating Expenses	Legal Services	Capital Expense	Debt Service	Service Charges	Fire & Garbage	Insurance	Grants	Total
General Fund	$5,874,415	$2,459,523	$178,250	$1,790,500	$611,427		$2,406,108	$192,021	$886,600	$14,398,844
TIF Fund		22,808							-	22,808
Motor Fuel Tax		356,631		100,000						456,631
Commuter Parking Fund	27,435	57,104	1,000			132,131		660		218,330
Water & Sewer Fund	780,727	2,153,442	10,000	4,924,000	734,039	338,268		65,147		9,005,624
NW Regional Water Reclamation Facility	1,581,498	3,974,302	20,500	1,092,500		681,585		198,506		7,548,891
Police Pension		512,325	4,500							516,825
911 Fund	788,473	224,303	5,000		8,630			4,934		1,031,340
Total Funds	**$9,052,547**	**$9,760,439**	**$219,250**	**$7,907,000**	**$1,354,096**	**$1,151,984**	**$2,406,108**	**$461,269**	**$886,600**	**$33,199,293**

Personnel and Benefits

The Village of Fox Lake relies upon a lean and efficient professional staff to accomplish the mission, vision and strategic goals of the operation. The Village has historically maintained a highly competitive total workforce compared to other municipalities in the region. The Village's employee count per 1,000 population has remained flat. The Village feels with the current full-time headcount levels are sufficient to maintain Village services at appropriate levels,

The following table depicts total employees by department as of April 30th 2013 to April 30th 2016.

	Actual Year-End FY2012-2013		Actual Year-End FY2013-2014		Actual Year-End FY2014-2015		Budgeted FY2015-2016	
Department	FT	PT	FT	PT	FT	PT	FT	PT
Administration	7	1	7	1	5.5	1	6.5	2
Motor Pool	3	0	3	1	4		4	
Public Safety	29	6	29	5	28.5	6	29.5	6
Parks & Recreation	1	1	1	1	1	1	1	3
Public Works/Streets	10	0	10	0	10	2	10	2
Community Development	3	1	3	0	3	1	3	1
Commuter Parking	0	0	0	0	.5		.5	
Water & Sewer	9	0	9	0	10		10	
NW Regional Reclamation Facility	20	0	19	0	17.5		18.5	
911 Center	8	3	12	3	11	3	10	3
Total	89	12	93	11	91	15	93	17
Full and Part-Time Grand Total	101		104		106		110	

Strategic Planning

It is proposed for FY 2015/2016 that the Village further develop its strategic planning process. The Village strives to align its financial plan with its core values.

Core Values

The core values of the Village of Fox Lake are centered on a matrix of one-word descriptors. These words represent the values we hold; and which form the foundation on which we perform work and conduct ourselves.

Strategy: Ongoing operations and future services are defined in terms of short, intermediate, and long-term strategies that reflect the high-level service requirements, expectations, and demographics of the community. Our core strategy focuses on fiscally-prudent, high-quality and differentiated services to residents.

Efficiency: The Village strives to deliver products and services in the most cost effective manner, seeking to minimize time and resources obligated to core services and to lower the cost of service delivery through competition, collaboration, and innovation.

Culture: The Village maintains a culture of service, loyalty, and dedication to our competencies through adherence to a series of performance metrics and accountability.

Technology: The Villages' priority is to launch technology as a means to provide better and more efficient services to our internal and external customers. We evaluate and implement the newest technology as an ongoing effort to improve efficiency and enhance communications.

Strategic Priorities

Five strategic priorities drive how resources are expended within the Village of Fox Lake. These priorities provide a framework for decision making. While the Vision and Mission statements are the "how" of what we do – the strategic priorities are the "what."

Service Optimization - Based on needs and expectations of the community and prioritization of core services, provide optimal service by supporting an adaptive and efficient workforce.

Organization Culture - Create and maintain an environment that engages and empowers all employees in the mission of the Village and encourages the development of human capital and resources.

Revenue Growth - Maintain a positive financial position with a long term perspective by diversifying revenue sources, aligning fee structures to adequately reflect service demands, reducing the Village's reliance on property and state shared taxes, and ensuring revenues adequately fund services and infrastructure needs.

Economic Development - Maintain and enhance the quality of life in the community through ongoing assessment, public and private partnerships, and by leveraging resources to meet community objectives. Create an inviting environment for doing business in the community through targeted communication and marketing methods, consistent with the needs and values of the village.

Infrastructure Sustainability - Assess and maintain reliable high quality infrastructure which includes Village buildings, streets, utilities (including water, sanitary sewer and drainage systems), information assets, vehicle fleet, and other assets necessary for maintaining service levels. Plan for the financial resources necessary to maintain current infrastructure, upgrade for efficiency or enhanced capabilities, and plan for the future infrastructure needs of the community.

Department	Mission	Objectives	Programs
Administration	Provide for a comprehensive approach to the delivery of services, development of the community and advancing the interest of the Village in a diverse and inclusive environment.	Access and implement changes in process work flows staffing and operations to provide for greatest efficiency in delivering services at expected levels.	Develop strategies to maintain a highly qualified, motivated, innovative, skilled and well trained workforce within a competitive environment
Parks & Recreation	The mission of the Parks and Recreation Department is to enhance the quality of life for residents. We strive to attract residents and members of surrounding communities by providing safe events and programs that promote a sense of community through cultural, educational and recreational activities for all generations to enjoy.	Prioritize quality in our programs and accountability in our fiscal management to provide excellent and affordable recreation that invites everyone to come out and play. Continue to build on our existing partnerships with organizations in the community while fostering new relationships as well.	Provide professionalism, communication and team work to serve as the foundation for park programs the community is seeking.
Community Development	Improve public awareness of services offered by the Community Development Department, as well as, quality of services to protect life and property.	Improve project completion and reporting. Code upgrade and adoption.	Integrate inspection to deliver comprehensive services to residents and businesses.
Finance	Develop and enhance existing long term financing strategies that support the Village's infrastructure, operations and enterprise functions.	Improve and strengthen internal controls	Automate processes and provide for web based services to residents and businesses, improve internal controls and reporting functions.
Technology	Drive down the costs of IT by sharing service providers, making joint purchases, and sharing infrastructure.	Responsible for the maintenance of local and wide area networks that facilitate interdepartmental communication among Village offices and facilities.	Complete a fiscally constrained Technology Plan including customer service metrics, training and application platforms.
Motor Pool	Provide preventive maintenance and repair for all Village vehicles and equipment in a timely, cost effective professional manor.	Work with department directors to maintain vehicles and equipment in a safe and dependable condition.	To operate a service facility and fueling center, maintain a Preventive Maintenance program, provide service and repair for outside agencies and continue training for mechanics.
Public Works **Streets** **Grounds & Forestry** **Building Maintenance**	Maintain and enhance the Village's core infrastructure including streets, buildings, forestry and grounds with adequate levels of service for each asset category.	Develop and explore opportunities to minimize the use of resources, both labor and capital where adequate levels of service can be maintained. Seek multi-agency cooperation where economies of scale may be realized.	Maintain a highly trained workforce with diverse skill sets, providing flexibility in times of need and adaptability to changing infrastructure conditions.

Police	Provide high quality patrol, investigation and records management services to residents and businesses and at an adequate level of service.	Cultivate a talent pool of new and existing employees with diverse backgrounds and experiences, encourage innovation and new perspectives. Provide leadership development opportunities.	Deploy communications and reporting systems that meet applicable requirements, provide stable communications infrastructure, and assist operational actives.
Water & Sewer	To provide safe, reliable, and economical sewer and water services to the residents of the Village of Fox Lake.	Maintain system in accordance with the guidelines and regulations established by all state and federal agencies including the Illinois Environmental Protection Agency.	Operate and maintain all aspects of the Village of Fox Lake's sewer and water systems. Including 3 water towers, 1 reservoir, 1 wastewater treatment plant, 6 wells, 24 lift stations, 45 miles of water main, 35 miles of sewer main, 750 hydrants, and 1120 manholes. Programs include hydrant maintenance, sewer televising, sewer system cleaning, valve maintenance, water and sewer repairs, water meter reading and installations, compliance sampling of the sewer and water systems, overseeing and implementing capital projects, root cutting, and providing excellent customer service.
NW Region Water Reclamation District	The mission of the NWRWRF is to manage and operate safe, cost-efficient, and environmentally sound services for the benefit of the Village of Fox Lake and Northwest Lake County.	We are committed to protecting and preserving the environment by maintaining regulatory compliance and educating the public.	Our Pretreatment Program controls and/or limits levels of certain pollutants in wastewater discharged to the sewer system to prevent interference with the operation of the NWRWRF and to prevent the introduction of pollutants that could pass through the wastewater treatment plant untreated and into the Fox River.
911 Center	Provides professional emergency dispatch services and public safety communication support to the residents of Fox Lake, as well as to five (5) additional outside agencies.	Strive to meet standards established by the National Academy of Medical Emergency Dispatching (NAOMED), in conjunction with the Northern Illinois Medical Center Emergency Medical System (EMS) Coordinator and the Condell Medical Emergency Medical System (EMS) Coordinator.	Pursue additional clients for the 911 center services, plan to reduce or eliminate overtime, costs on contracts and agreement service, explore consolidation of 911 center programs, equipment services, and operations,.

Revenue Trend and Projection

As a part of the development of both long-term financial forecasting and the corresponding annual budget, the Village continually reviews external and internal factions that impact, or may impact, the collection of revenue. Evaluating the impact of the national economy (macro) influences the local economy (micro) is in important step in the process.

The national economy affects both state and local economies, although this impact varies by jurisdiction and may actually have an inverse effect on a community. Some of the economic indicators the Village uses in financial analysis include; inflation, employment, housing starts, vehicle sales, interest rates, and manufacturing activity.

Inflation – As inflation goes up, the cost of goods sold go up, increasing retail sales tax revenue. As prices rise, so will business income tax receipts. Conversely, the Village will have to pay more for goods and services.

Employment – Retail and vehicle sales tend to have inverse relationships with the unemployment rate. Sales tend to move in the opposite direction of the unemployment rate. Chronic unemployment often spills over into the residential real estate market resulting in lost real estate transfer tax revenue.

Housing starts - This indicator provides a sense of the overall demand for housing, which can be indicative of local housing activity. Data maintained by local realtor groups is useful in projecting the future of market recoveries.

Vehicle sales – sales and use tax revenues tend to fall with vehicle sales, which are heavily dependent upon both employment and interest rates. However, if increases in new vehicles are expected to reduce the value of used vehicles, the sales and use tax base can actually decline if the depreciation of used vehicles is not equally offset by the value of new vehicles.

Interest rates – Interest rate impact the Village's revenues in several ways. First, investment income will be affected by interest rates. Second, the availability and cost of capital directly affects business expansion and retail purchases. As credit is extended and/or rates are lowered, revolving purchases may increase, thereby increasing development plans and retail sales and, by extension, sales tax and business licenses revenues.

Manufacturing activity – If a Village has a large manufacturing sector, the ISM (Institute of Supply Management Index) becomes a significant factor in revenue analysis and forecasting. Manufacturers respond to the demand for their products by increasing production, building up inventories to meet the demand. The increased production often requires new workers which lowers unemployment figures and can stimulate the local economy.

Property Taxes
There are several components to the property tax levy: the Police Pension, Ambulance, Audit Tax, Corporate, Fire Protection, IMRF, Police Protection/System, Social Security, and Tort Judgement/Liability Insurance.

Police Pension
The tax levy for the Police pensions are based upon an independent actuarial analysis of fund cost as well as an amount to provide funds necessary to amortize a portion of the unfunded actuarial liability. The Village utilized the actuarial report for the Police Pension requirements. The FY2014-2015 amounts reflect a change with respect to mortality rates. The mortality rate assumption has been changed to RP2000 Mortality Table from the 1971 GA Mortality Table. There were no changes with respect to Plan Provisions or Actuarial Methods from the prior year. The estimated actuary valuation results for 5/1/14 utilizing an interest rate of 9.95% of return on investment was $565,894. The Village budgeted a $120,312 increase to the actuarial recommended contribution to calculate the FY2015-16 budget to allow the Village to catch-up from prior underfunded years. Note: the Village is a non-home rule community: therefore, tax levies for Pension funds are limited by law commonly called "tax caps," the Property Tax Extension Limitation Law (PTELL). The law does not cap either individual property tax bills or individual property tax assessments. The PTELL allows a taxing district to receive a limited inflationary increase in tax extensions on existing property, plus an additional amount for new construction, and voter-approved rate increases. The limitation slows the growth of property tax revenues to taxing districts when property values and assessments are increasing faster than the rate of inflation. As a whole, property owners have some protection from tax bills that increase only because the market value of their property is rising rapidly. Payments for bonds issued without voter approval are subject to strict limitations. If a taxing district determines that it needs more money than is allowed under the PTELL, it can ask the voters to approve an increase."

Utility Use Taxes
The Village of Fox Lake levies three utility taxes for electricity, natural gas, and telecommunications.

Electricity Tax
The amount levied for electricity is the maximum allowed by state statue and is based on a sliding scale that net approximately $0.05 per kilowatt hour. Revenue is budgeted to be $424,725 for FY2015-2016. Since electricity use tax is based on unit pricing, there is no fluctuation due to commodity pricing. Absent any increase in households or commercial buildings within the village, this revenue source has little room for future growth. Weather conditions are the primary reason for changes in revenue, but the movement for more efficient building technologies and appliances will be a constant pressure downward on the collection of this revenue. The amount has been projected flat based upon trends by the IL Department of Revenue.

Natural Gas Tax
Utility taxes for natural gas are levied at a rate of 5% of gross receipts and budgeted at $105,000 for FY2015-2016. The natural gas tax is based upon gross receipts; therefore, price and demand both play a role in the amount of the tax. From FY2008 to FY2015, the utility taxes have trended downward due to an increase in residential and commercial property vacancy rates due to the economic recession, unusually warm weather and credits by large taxpayers for overpayments made in prior years. The Village is projecting taxes to level off and remain flat.

Telecommunications Tax

The tax levied at six percent on all types of telecommunication except for digital subscriber lines (DSL) purchased, used, or sold by a provider of internet service (effective July 1, 2008). The exemption of DSL service has had a significant negative impact on collections. Combined with the economic decisions to consolidate, or eliminate additional phone lines, revenue is down 50% from the peak in FY2006-2007. Voice over Internet Protocol (VoIP) phone services such as those provided by Xfinity/Comcast and Vonage are subject to taxation. Telecom receipts are expected to decline as consumers continue to switch from landline telecommunications services to cellular phones and data plans, the latter of which are preempted from state taxation by federal law. Decline expected to plateau, but not before further decline in revenues. Decline projected at 3%. The Village imposes a 13% telecommunication tax on its residents.

Hotel/Motel Taxes

The Hotel/Motel Tax also called the Hotel Operators' Occupancy Tax. The tax is collected by the hotel's owner, operator, or manager from their guests. For the purposes of the tax, a hotel is considered to be any building in which members of the public rent sleeping accommodations. The tax covers hotels, motels, and bed and breakfasts, as well as condominiums, apartments, and houses rented for less than 30 consecutive days. Hotel/Motel tax does not apply to hospitals, sanitariums, nursing homes, student dormitories operated by colleges and universities, or condominiums, apartments, and houses leased for more than 30 consecutive days. The Village imposes a 5% tax and is responsible for collecting the local hotel/motel taxes from the hotels.

Road & Bridge Taxes

The Road and Bridge Tax is levied at one-half of the tax collected on property lying within a municipality. Streets and alleys that are under the care of the municipality must be turned over to the municipality to be included in the tax base. This revenue must be used for the improvement of roads or streets. If a municipality does not appropriate this tax revenue for the improvement of roads or streets within one year from the date of receipt, then the non-appropriated portion of the tax revenue is to be returned to the Road District Treasurer. The tax has been budgeted to remain the same as the prior year's forecast.

Rental Car Taxes

The rental car tax is a tax paid by the consumer on the rental of a passenger car for a period of less than 30 days. The rental company reports the tax to the Department of Revenue. The rental car tax is in addition to the retail sales tax. The rate consists of the following: State Rate 5%, Village of Fox Lake Rate 1%, and Metropolitan Pier & Exposition Authority 6% for a total rate of 12%. The total tax has been budgeted to increase slightly by the CPI of .8%.

Places for Eating Taxes

The Places for Eating tax was approved by the Village Board in April 2015 on food and beverages prepared for immediate consumption. The tax is 1.5% and is payable directly to the Village. The tax only applies to those businesses that prepare food and provide a place for customers to dine in. The 2015-2016 Budget is the first year of this new tax and is based upon most current 12 month actuals food/beverage sales tax revenue of $237,000 at a rate of 1.5% tax rate.

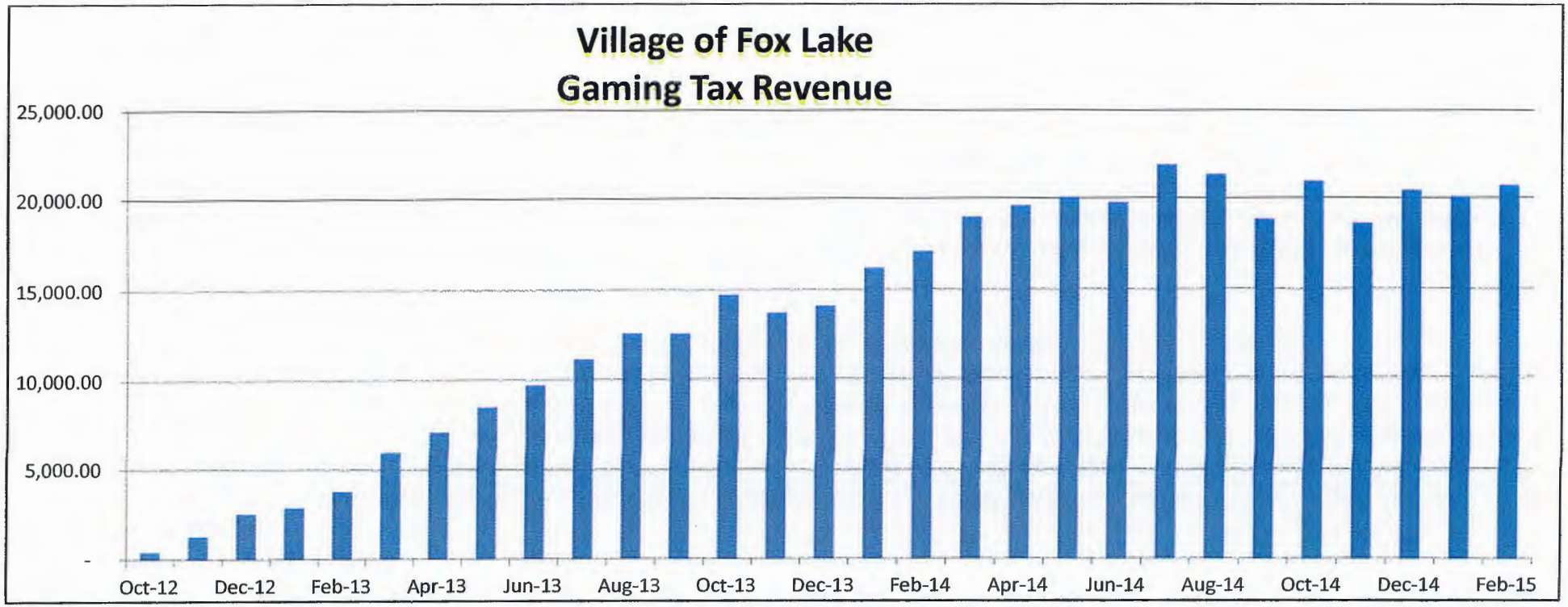
Video Gaming Tax

On July 13, 2009 Governor Pat Quinn signed the Illinois Video Gaming Act making video gaming terminals legal in Illinois. The Act allows for video gaming terminals to be placed in certain liquor establishments, truck stops and fraternal/veterans clubs throughout the state.

The Illinois Gaming Board (the IGB or Board) has the responsibility of implementing and regulating video gaming in Illinois. Initially, the Board established several administrative rules and guidelines for all businesses that apply for the required gaming license. The rules will provide guidance on matters such as, but not limited to, standards, testing requirements, application procedures and violation hearings.

The Village of Fox Lake Board approved the installation of video gaming machines within permissible establishments as allowed by the Video Gaming Act on June 13, 2012. Jurisdiction over video gaming oversight is with the State of Illinois Gaming Board.

Since the passage the Village's gaming ordinance, there are now 22 establishments that are licensed under the Act. From the beginning of operations by the first establishment approved in October 2012 to date, the Village has received $396,737 in gaming tax. We are projecting $240,000 in income for FY2015/16. The gaming tax has provided the Village with a revenue source not directly imposed on its residents and will help to balance our overall budget.



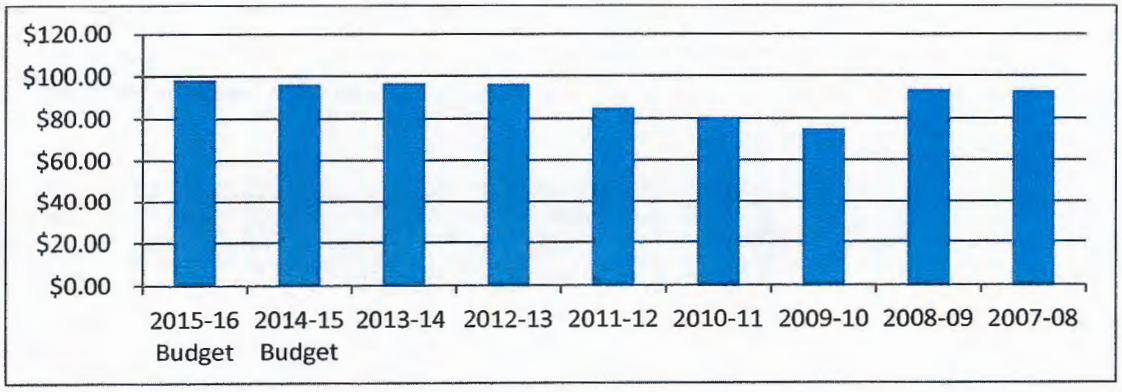
Illinois Income Tax

Illinois Income Tax is imposed on every individual, corporation, trust and estate earning or receiving income in the state. The tax is a flat five percent of income for individuals and seven percent for corporations. The Village receives a pro rata allocation of Income Tax from the State of Illinois based on six percent of net personal and corporate taxes. The five percent income tax is scheduled to rollback to 3.75 percent on January 1, 2015. Regardless of the change, it is anticipated that the change with not impact municipal collections, although there is a perennial concern that the Illinois legislature will reduce the amount remitted to municipalities to address state budget deficits.

Income taxes are allocated on a per capita basis to municipalities. The 2010 Census Population and Housing Occupancy Status information was related last year and reflects the Village at a population rate of 10,579 which is a 120 decrease from the 2000 Census of 10,699. Based upon data provided by the Illinois Municipal League (IML), the tax is projected at $99.00 per capita or $1,047,321.

Unemployment in the state of Illinois is beginning to recover to pre-recessionary levels. The state unemployment rate is 6.0 percent (March 2015) compared to 7.7 percent one year ago. Sectors still adding jobs include professional and business services, education, healthcare and trade, transportation and utilities. Government has lost the most jobs since January, 2010. Historical Illinois Income Tax is reflected below:

Fiscal Year	Revenues	Per Capita	% inc/(dec)
2015-16 Budget	$ 1,047,321	$ 99.00	2.0%
2014-15 Budget	$ 1,026,163	$ 97.00	-.4%
2013-14	$ 1,030,884	$ 97.45	.3%
2012-13	$ 1,027,830	$ 97.16	11.2%
2011-12	$ 909,022	$ 85.93	3.6%
2010-11	$ 871,117	$ 81.42	7.3%
2009-10	$ 811,980	$ 75.89	-19.8%
2008-09	$ 1,011,791	$ 94.57	.4%
2007-08	$ 1,008,020	$ 94.22	15.6%



Use Tax

The Village receives a share of the total collections of the State use tax that is extended to items purchased outside of Illinois. The State distributes this tax to the municipalities on a per capita basis. The Use tax is based upon an estimate of $18.34 per capita. History of local use taxes is presented below:

(1) Fiscal year 2011-12 and prior are based upon the 2000 census figures of 10,699.

Fiscal Year	Revenues	Per Capita	% Inc/(dec)
2015-16 Budget	$ 193,991.00	$ 18.34	4.9%
2014-15 Budget	$ 185,000.00	$ 17.49	0.3%
2013-14	$ 185,604.00	$ 17.54	11.0%
2012-13	$ 167,196.00	$ 15.80	-10.3%
2011-12 (1)	$ 151,609.00	$ 14.33	-0.8%
2010-11	$ 152,832.00	$ 14.45	-21.5%
2009-10	$ 127,233.00	$ 11.89	-16.4%
2008-09	$ 152,245.03	$ 14.23	-0.8%
2007-08	$ 151,011.00	$ 14.11	13.1%

Personal Property Replacement Tax

Replacement taxes are revenues collected by the state of Illinois and paid to local governments to replace money that was lost by local governments when their powers to impose personal property taxes on corporations, partnerships, and other business entities were taken away. These taxes resulted when the new Illinois Constitution directed the legislature to abolish business personal property taxes and replace the revenue lost by local government units and school districts. In 1979, a law was enacted to provide for statewide taxes to replace the monies lost to local governments. Corporations, partnerships, trusts, S corporations and public utilities pay these taxes. The rates are as follows: Corporations pay a 2.5 percent tax on income, partnerships, trusts, and S corporations pay a 1.5 percent tax on income, public utilities pay a 0.8 percent tax on invested capital.

The proceeds from these taxes are placed into the Personal Property Replacement Tax Fund to be distributed to local taxing districts. The total collections are divided into two portions. One portion (51.65 percent) goes to Cook County. The other portion (48.35 percent) goes to downstate counties. The Cook County portion is then distributed to the taxing districts in Cook County on the basis of each district's share of personal property tax collections for the 1976 year. This percentage is called the district's "allocation factor." The Village receives portions from the State, Grant Township, and Antioch Township.

Motor Fuel Tax

The Motor Fuel Tax is imposed on the privilege of operating motor vehicles on public highways and recreational watercraft on waterways in Illinois. It is paid by distributors and suppliers who collect the tax from their customers. The FY2015-16 budgeted MFT proceeds of $386,893 based upon amounts estimated by the Illinois Municipal League. This revenue is distributed on a per capital basis. The amount is estimated at $23.80 per capita. The amount is approximately $10,400 lower than prior years due to the elimination of the Jobs Now program funding.

Elevated fuel costs, alternative energy, high unemployment numbers, and technological advancement that allow for more employees to telecommute, will continue to impact growth in this revenue. These revenues are used to fund the annual street maintenance program for Nippersink, salt purchases, electricity charges, and the CDBG, TARP, TIP and STP grant matching road projects.

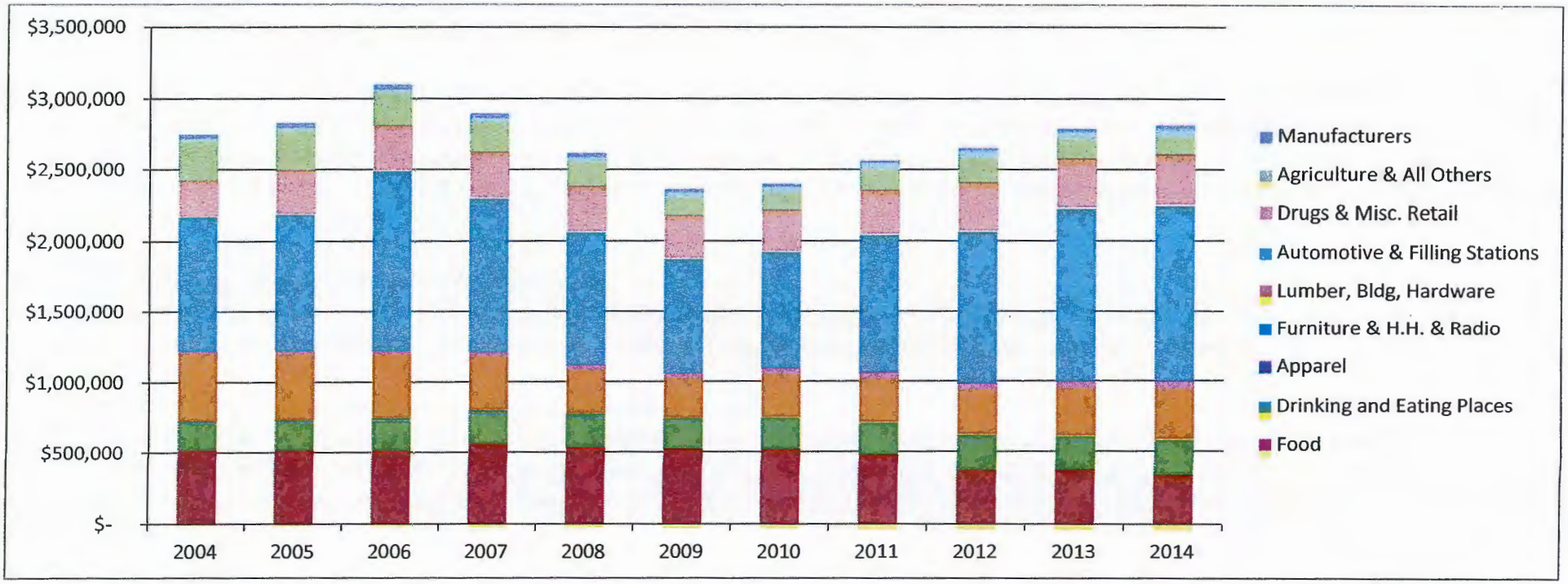
Sales Tax

The Village receives one cent ($0.01) for each dollar of retail sales. The largest sales tax generators are Drug and Miscellaneous retailers (Walgreens) whose sales are not heavily influenced by economic conditions. The impact of the recession continues to affect all retailers as revenues are down 9.2% from the pre-recessionary peak in 2006. Largely contributing to the precipitous decline was the loss of Dominick's Grocery Store. The following chart summarizes sales tax collections over the last ten years. The FY2015-2016 sales tax revenues are projected to increase by 2.26% based upon the COGFA projection.

The Village's Sales tax rate are collected by the State of Illinois and divided among the taxing districts as follows: State Tax: 6.25%, Regional Transportation Authority.75%, and Village Municipal Tax 1% (included in the State Rate) for a total Sales Tax Rate of 7.0%.

Sales Tax Collections

Sales Tax	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Food	$520,132	$519,654	$565,622	$540,466	$527,192	$522,189	$481,014	$381,078	$383,077	$347,674
Drinking & Eating Places	214,357	221,537	227,460	229,205	215,499	223,768	228,608	239,470	228,940	239,173
Furniture & H.H. & Radio	5,461	8,318	11,112	9,516	3,375	2,474	2,308	3,554	2,940	1,473
Lumber, Bldg, Hardware	476,295	465,976	400,436	336,271	313,370	341,702	349,903	362,996	384,466	411,442
Automotive & Filling Stations	977,545	1,278,789	1,093,991	952,671	819,569	838,954	985,218	1,084,031	1,229,127	1,250,317
Drugs & Misc. Retail	302,560	322,873	327,670	314,369	302,174	288,182	306,314	335,845	349,119	359,823
Agriculture & All Others	304,554	251,362	241,420	205,603	157,073	159,155	192,115	225,447	192,005	178,934
Manufacturers	37,881	41,247	38,355	36,180	28,910	27,180	24,721	28,381	31,006	37,414
Total	**$2,840,790**	**$3,111,762**	**$2,908,073**	**$2,626,290**	**$2,369,172**	**$2,405,614**	**$2,572,212**	**$2,662,815**	**$2,800,680**	**$2,826,252**



Grant Revenue
The grant revenue reflects the following grants:

Grant Name	Grant Amount	Village Match
Illinois Park and Recreational Facility Construction Grant	$800,000	$160,000
DECO Lighting Grant	$ 40,000	$ 10,000

Illinois Park and Recreational Facility Construction Grant - The Park and Recreational Facility Construction Act (PARC) was created by Public Act 096-0820 effective November 18, 2009 to provide grants to be disbursed by the DNR to eligible local governments for park and recreation unit construction projects. A park or recreation unit construction project means the acquisition, development, construction, reconstruction, rehabilitation, improvements, architectural planning, and installation of capital facilities consisting, but not limited to, buildings, structures, and land for park and recreation purposes and open spaces and natural areas. The Village will be using the funds to remodel the Lakefront Park facilities.

Department of Commerce and Economic Opportunities – DECO has provided through its Illinois Energy Now program a portfolio of electric and natural gas efficiency programs administered by the State of Illinois that includes incentives for public sector equipment upgrades. The Village has taken advantage of this program to improve lighting in several of its facilities: Motor Pool, Street Department, Fire Department Station #2, Lakefront Park, Metra parking lots and the Police Station.

Franchise Fees
The Village receives a Cable Franchise Fees from the Cable from Comcast. The Cable franchise fees are projected to remain flat from year to year. The fees are 5% of the semi-annual gross revenues.

Vehicle Stickers & Licenses
The Village has chosen to put a moratorium on the Vehicle Sticker program as it evaluates its current revenue sources. A decision will be made in December on whether to proceed with the program. Currently, the Village has not budgeted revenues for this line item.

Building & Zoning Revenue & Fees
A significant percentage of this revenue should be considered as non-recurring and is reliant upon the economic conditions. Total building revenue and fees are estimated to be $119,700 which is an increase compared to the prior year forecast. A slow but anticipated economic turn-around is projected. The Community Development department is working on new fee schedules which should increase the revenue stream related to building; including permit fees, public hearing fees, certificate of occupancy fees, and building re-inspection fees.

Impact fees are fees collected from developers. The fees collected are used to pay for the purchase of land. The Village has estimated $8,000 for the collection of impact fees related to the Bright Oaks and several other developments.

Park Fees

The Parks & Recreation department sponsors classes, events and programs such as the Egg Hunt, Polar Plunge, Celebrate Fox Lake, Cardboard Boat Race, Concert by the Lake, 5K Walk/Run, Holiday Events, Santa's House, Turkey Dinner, Senior Events, Venetian Night, Classes for Lakefront, Plays, Sports Program, Movie Night, Zombie Camp Teen Program, and the Dance Program. Fees for these programs are projected to bring in $90,200.

Garbage Fees

The Village has a contract with Waste Management who supplies the refuse pick up in the Village. The Village collects garbage fees from the residents bi-monthly through their utility bills and pays Waste Management on a monthly basis. The Village's current contract with Waste Management is for a period of (7) years, effective in 2011. The contract includes an annual 3% increase in user fees for collection and disposal services.

Fees

The Village receives several fees: Alarm royalties at $7,000 annually, Cell Tower rental income of $98,987, 911 center rent for use of the Police Department facilities, and an externality fee which is received from the NW Region to be used for beautification and improvements. The externality fee is based upon 4.5% of NW Region Water Reclamation revenues.

Public Safety Fines and Fees

Public Safety Fines and Fees are anticipated to remain flat at $229,200. The Village applied to be a part of the State's Debt Recovery program. The Village plans to be fully implemented in the system by the end of this fiscal year and begin collection efforts in FY2016/17.

Police Special Revenue

Police Special Revenue includes revenue from: Forfeitures from drug seizures - $1,300, reimbursement by Grant Community High School for a School Resource Officer (SRO) who is a sworn law enforcement officer who is responsible for providing security and crime prevention services in the High School, and Charitable Games Tax - $1,800 related to a tax which is imposed on the net proceeds of charitable games. Annual license fees are imposed on suppliers and providers of such games. Operators must pay a license fee every two years.

Reimbursable Income

Reimbursable income is comprised of: Professional Engineering and Attorney Fees Reimbursement which includes reimbursement from developers for the Village's out-of-pocket costs for engineering and legal services; Public Safety reimbursement related to billable special detail, Motor Pool reimbursable which includes labor and expenses the Motor Pool department performs for outside agencies; Fire Department reimbursable costs are expenses which are paid for by the Village and charged to the Fire Department such as Motor Pool labor and expenses, fuel usage, and utilities for Village owned facilities which the Fire Department uses.

Interfund Service Charges

The General Fund provides a variety of services that support the activities and projects of other funds. In order to recognize the cost of those services in the appropriate fund, and to reimburse the General Fund, these schedules have been developed. The schedules demonstrate and track the methodology for cost allocation, and provide a basis for future continuity in the application of cost transfers. The Interfund charges are based upon direct costs which are costs that provide measurable, direct benefits to particular programs plus indirect expenses based upon an indirect cost rate.

Indirect costs are those costs that cannot be directly charged to a particular program, but are attributed to services, which are necessary to operate the program. Such services include, but are not limited to, accounting, budgeting, payroll preparation, personnel management, and purchasing. The Village outsources this function to the Maximus firm. A report is provided annually to the Village so costs may be properly charged to the enterprise funds.

The allocation of indirect costs to programs is important because general management costs are necessary for any program to exist. For instance, all programs will use the business office at one time or another for services such as contracts, purchasing, payroll checks, and personnel management. By using the maximus report, indirect costs are efficiently recovered and shared with the Enterprise Funds.

Investment Revenue

The Village's investments are guided by two investment policies related to the Police Pension Fund and All Other Village Funds. Total revenue is expected to be $20,500 for non-Pension funds. The Village funds are invested in money market accounts with expected yields of 0.10% to 0.35%. Due to the Village's current increased cash position, alternative investments are being investigated to increase the yield. The Police Pension funds have interest rate targets of 9% for their actuarial assumptions and the Village chose to not budget interest revenues in order to be conservative. The Pension fund is the only Village fund that purchases equity investments.

Police Pension Revenues

The Village maintains a police pension trust fund mandated by Illinois Compiled Statues for sworn police officers. All other full-time Village employees are covered by the Illinois Municipal Retirement Fund (IMRF).

Revenues estimates for the Police Pension Funds are calculated by an independent actuary. The Village estimated revenues are conservative with no revenues budgeted versus the actuarial estimate of 9%. The actual FY2014-2015 investment return as of March 31, 2015 was a positive $956,570. The property tax levy for FY2015-16 was increased by .8% (rate of inflation) as limited by the Property Tax Extension Limitation Law (PTELL). The Village will contribute $200,000 based upon commitments made to the Department of Insurance.

Sale of Village Property

The Village is anticipating selling 2 vehicles for $5,000 each.

Commuter Parking Fees

The Parking Fund was established as an enterprise fund to track the revenues and expenses associated with operating and maintaining the Metra parking facilities located along Milwaukee District/North Line railroad tracks.

The Parking Fund derives its revenues in this fund from daily fees and permits issued for use of the 450 parking spaces located within the lots. Historically, the Village has experienced an occupancy rate of 71%. The Village attributes this underutilization due to lower gas prices

The Village's daily fee ($1.50) is comparable to nearby communities, while the monthly permit fee of ($27) is lower than nearby communities.

Water & Sewer Fees

Total fees budgeted for the sale of water for FY2015-2016 is $3,907,841. The water fund accounts for the provision of the potable water services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including administration, operations, maintenance, depreciation expense, financing, and billing and collections.

All customers share equally in the cost of operation, depreciation and debt service. In addition, the customer pays for water consumed at a fixed rate per 1,000 gallons. Monies for the Water Fund are generated by the sale of water to the Village's current base of 3,795 water customers or 4,875 units and 4,400 sewer customers or 5,509 units.

Water Rates:

1. Metered Consumer: For each user of water service that is individually metered, there shall be charged a rate computed as follows: A fixed cost charge of forty one dollars eighty cents ($41.80) per two (2) month period, plus a usage charge of three dollars ten cents ($3.10) per one thousand (1,000) gallons per two (2) month period.

2. Nonmetered Consumer: For each user of water service that is not individually metered, there shall be charged a rate computed as follows: A fixed cost charge of forty one dollars eighty cents ($41.80) per two (2) month period, plus a usage charge of three dollars ten cents ($3.10) per one thousand (1,000) gallons based on an assumed average usage of eight thousand (8,000) gallons per two (2) month period.

3. Multiple-Dwelling Single Metered Consumers: For multiple-dwelling unit developments that are not individually metered but have a single meter, there shall be charged a rate computed as follows: A fixed cost charge for each individual dwelling unit of forty one dollars eighty cents ($41.80) per two (2) month period, plus a usage charge of three dollars ten cents ($3.10) per one thousand (1,000) gallons.

Local Sewer Rates:

Local Sewer User Service Charges: The local sewer user service charge shall be determined by the amount of revenue funds required to operate and maintain the local sewer system; to provide funds for the replacement of components parts for each fiscal year; a debt service charge; and a surcharge.

Local Sewer Service Fee: A fixed cost charge of forty one dollars eighty cents ($41.80) per two (2) month period, plus a usage charge of:

a. For nonmetered sewer users, eighty seven cents ($0.87) per one thousand (1,000) gallons discharged based on an assumed bimonthly discharge of fifteen thousand (15,000) gallons. Usage exceeding fifteen thousand (15,000) gallons in a two (2) month cycle shall be billed at eighty seven cents ($0.87) per one thousand (1,000) gallons. None of this fee shall be allocated to the NWRWRF.

b. For metered sewer users, eighty seven cents ($0.87) per one thousand (1,000) gallons discharged in a two (2) month cycle based on water meter usage or sewer meter usage if applicable.

c. Outside Village Limits: The sewer user service charges for all users outside the corporate limits of the village shall include a surcharge of fifty percent (50%) of the debt service charges for users within the corporate limits of the village.

The water sales budget reflects projected consumption of 190.3 million gallons at the above listed rate and sewer usage of 218.1 million gallons. The delivery charges, infrastructure maintenance budget, and debt service budget reflects 4,875 water units and 5,509 sewer units at the above stated rates.

NW Regional Water Reclamation Fees

The regional sewer treatment user service charges is determined by the amount of revenue funds required to operate and maintain the NWRWRF; to provide funds for the replacement of component parts; to provide funds for contingencies which may arise regarding operation of the NWRWRF; to provide for payment of any debt service; and a general fund transfer to compensate the village for certain externality costs incurred by the village through operation of a regional treatment plant. The Village has 3,028 users of the system. There are two components of the fee: the basic user charge and an I and I surcharges detailed below.

Regional Sewer Service Fees entail:

a. Basic User Charge: A basic user charge of thirty three dollars fifty cents ($33.50) per two (2) month period per residential customer equivalent, with a minimum bimonthly charge of thirty three dollars fifty cents ($33.50), plus two dollars twenty three cents ($2.23) per one thousand (1,000) gallons (or part thereof) over fifteen thousand (15,000) gallons used per two (2) month period.

b. I And I Surcharge: An inflow/infiltration surcharge of three dollars ($3.00) per two (2) month period beginning with the sewer user period which starts on January 1, 2014.

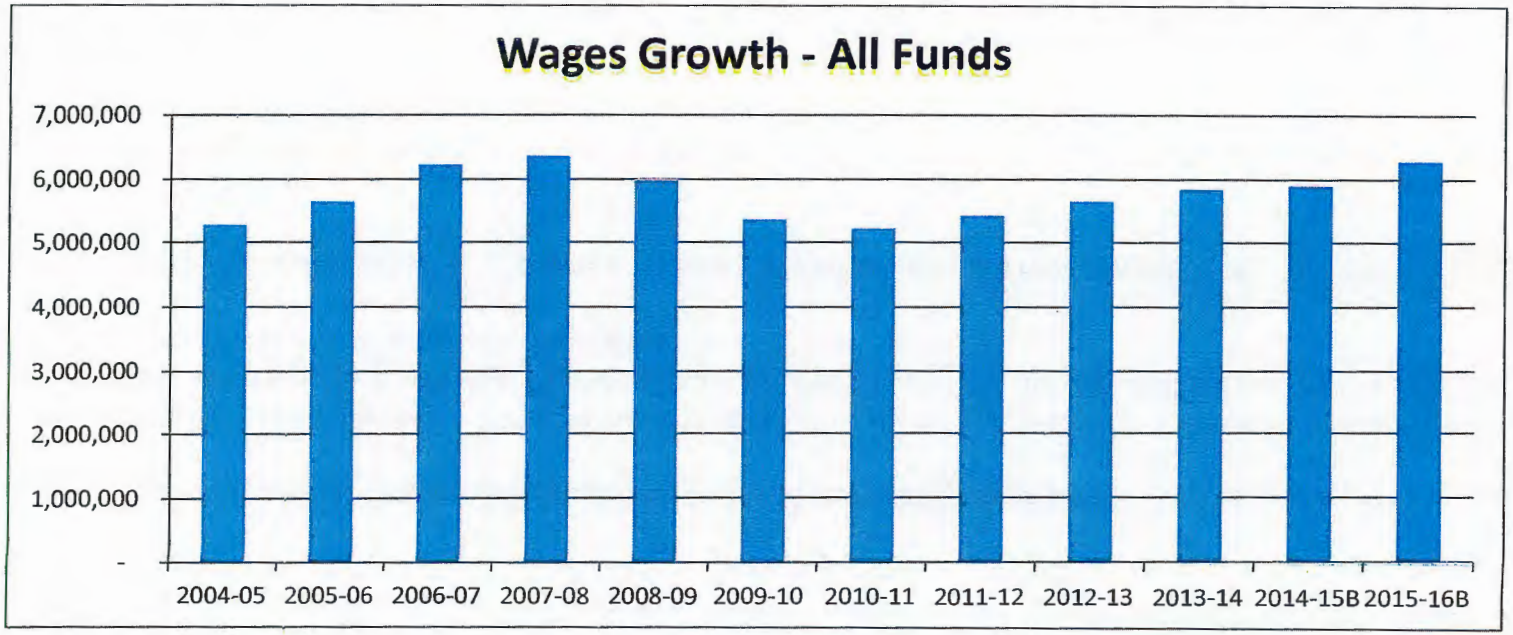
Expenditure Trends and Projections

Personnel Services

The primary purpose of the Village of Fox Lake is to provide high quality services to the residents and those employed within its boundaries. To accomplish that purpose in FY2015-2016, 25 percent of all Village expenditures are allocated to salaries and wages.

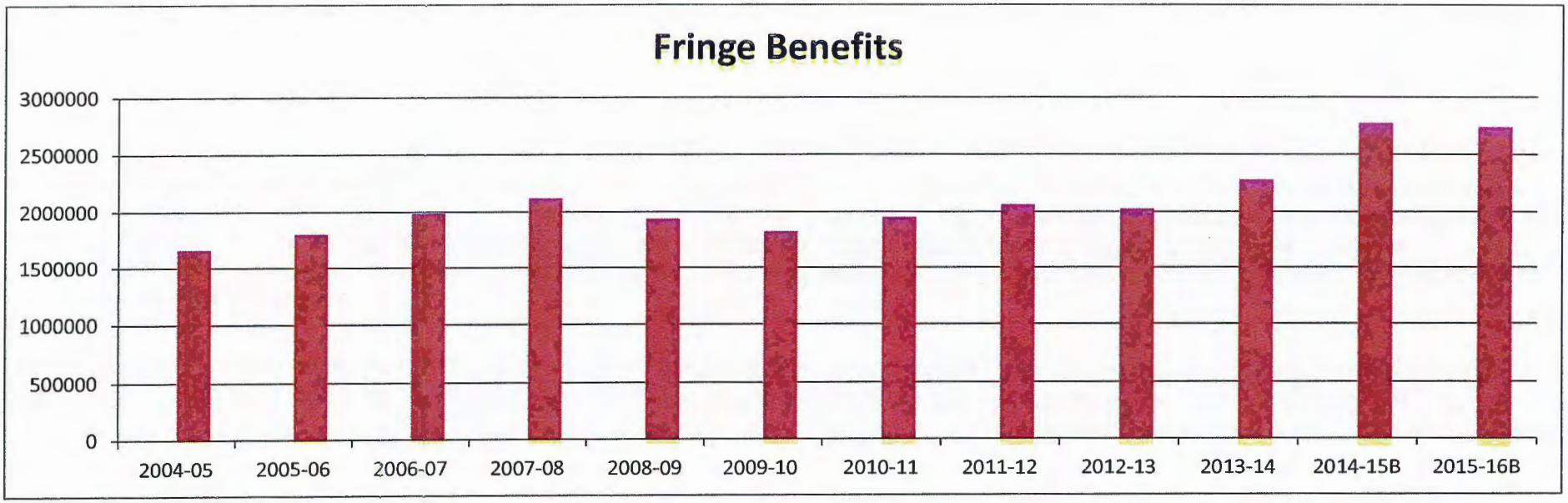
The Village's pay ranges are evaluated each year to establish both internal and external equity within the market and to ensure fair competitive wages. The recession has been a catalyst in reevaluating the Village's pay plan to better adapt to a stagnant economy.

The Village has three unionized labor groups subject to collective bargaining agreements: Illinois Fraternal Order of Police Labor Council, Fox Lake Fraternal Order of Police Lodge No. 90 representing the police officers and effective through April 30, 2016, AFSCME Council 31 representing the Treatment Plant and Sewer and Water and effective through April 30, 2017, and the Illinois Fraternal Order of Police Labor Council for Telecommunicators representing 911 telecommunicators and effective through April 30, 2017. The Village has budgeted salary increases of 1% to 10% based upon merit and union contracts effective May 1.



Personnel Benefits

The Village has been proactive in trying to contain medical costs. The Village's PPO plans for CY 2014 and CY2015 experienced between 4% and 8% increase while the HMO plan between 8% and 12.7%. All employees who chose to elect medical benefits contribute 20 percent of the medical benefits and receive one of the following: single - $2,250, family - $4,250, and employee/child or spouse - $4,500 for reimbursement of their deductible. The decrease from FY2014-15 to FY2015-16 is reflective of the Village elimination of the unemployment tax and has chosen to become self-insured. The savings is anticipated to be $27,651.



Capital Projects

Capital projects and expenses are those that typically exceed $20,000. Each year, all proposed capital expenditures are assessed in terms of reliability, performance and forecast maintenance experience. The Village then develops a plan to maintain the asset, extending its service life or placing a new asset into service. The Village of Fox Lake prepared its first five year Capital Improvement Plan in FY2014-15.

The Village has included a total of $7,907,000 in the FY2015-2016 budget for improvements to be completed this fiscal year. The capital improvements related to the general fund are for improvements which consist of the purchase of land, LUST tank removal and remediation, road improvements to Sayton Road, Phase II of the road program where Meade Ct, North Pistakee, South Pistakee and West Grand Ave will be resurfaced. The capital improvement related to the Water Department are for the Phase II of the SCADA system upgrade, connect the North Well to Iron Filters, Line 2,000 feet of sewer, water main improvements at Lakewood and Glen, drive replacement in Tall Oaks, electric upgrade at well #4, design a system interconnect, build the North Tower water tower. Capital Improvements related to the NW Regional Water Reclamation Facility are for excess flow property demolition and development.

Other Operating Expenditures

In general, when prices cannot be accurately determined or specific quantities identified, an incremental analysis is preformed comparing the estimated actual expense for FY2014-15 along with expenditure trend information. A reasonable estimation of expenditure is developed for FY2015-2016 and included within the line item budget.

Debt Service Expenditures

The Village currently has seven bond issues outstanding as of May 1, 2015. The Village has six General Obligation Bonds (Series 2003A, 2006, 2007, 2011B, 2014A, 2014B) and one Waterworks & Sewerage System Revenue Bonds, IEPA Junior Lien Series. Bond descriptions and amortization schedules are listed within the Debt Profile of this section.

Capital Equipment

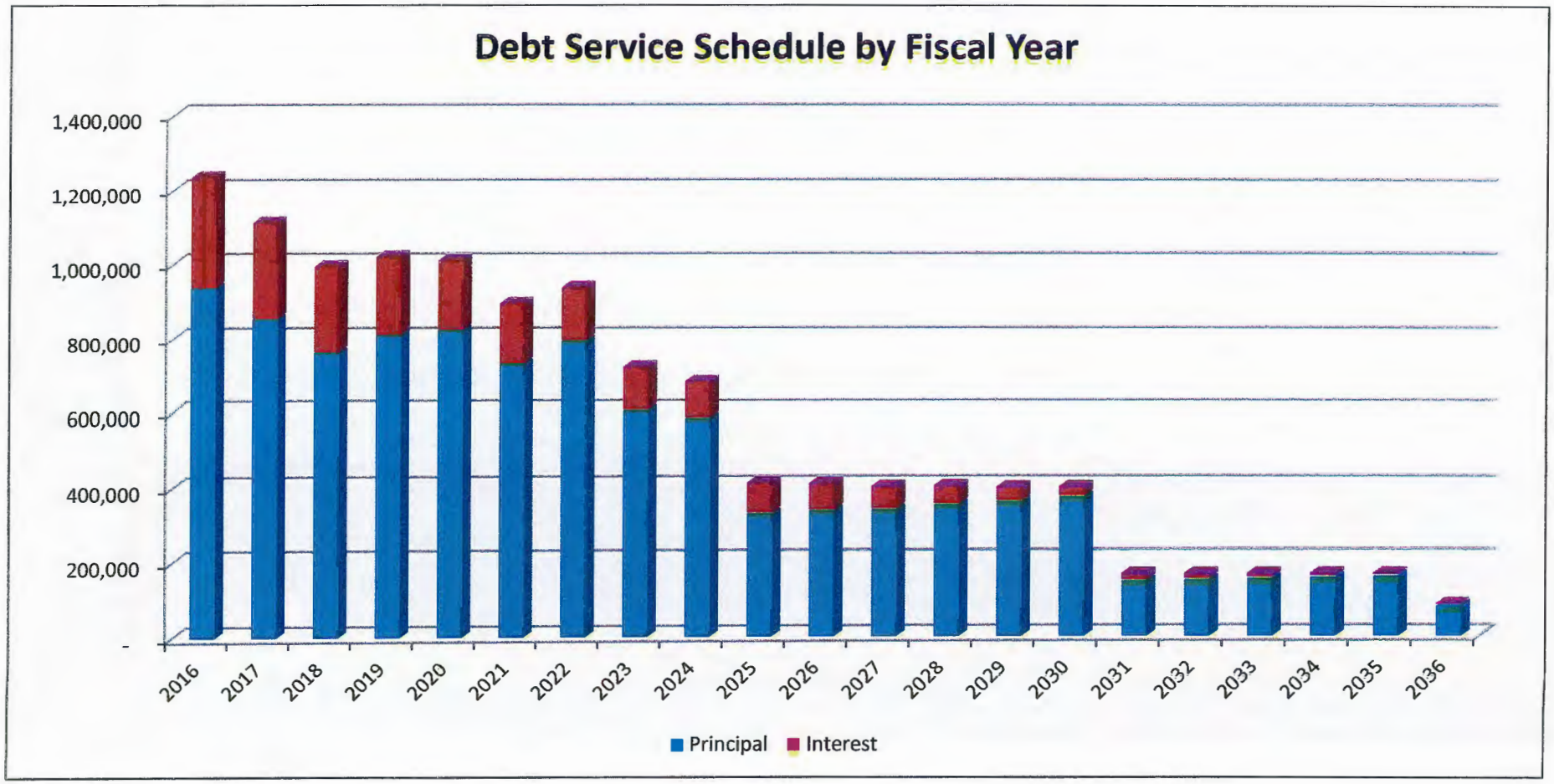
The Village plans to maintain a capital reserve account for the purchase of capital equipment. The reserve will provide a funding mechanism for eventual replacement of assets. Vehicles are scheduled for replacement based on their anticipated life at purchase. Ultimate replacement decisions are based upon age, mileage and physical conditions. The Village aggressively recovers the salvage value of the retired asset through auctions. The Village anticipates purchasing 2 dump trucks for the Streets Department, purchasing a mainline repair truck and equipment, a F530 with a utility box, and six inch pump for the Water/Sewer Department and acquiring an ammonia monitor, UV control panel, poly pump replacement and process blower for the NW Regional Water Reclamation Facility.

Enterprise Fund Expenses

The Commuter Parking Fund, Water& Sewer Fund, and NW Regional Water Reclamation Facility Fund are considered enterprise funds. Rate structures and user fees should be set at levels that are sufficient to pay related expenses. Property tax subsidies are not used to balance enterprise fund operations. In FY2015-2016, there are no anticipated advances to the Water/Sewer Fund; however, there is a $93,330 advance to the Commuter Parking Fund from the General Fund. As noted, the Water & Sewer Fund rates are being evaluated to determine whether increases are needed to provide for sufficient operating revenues and capital reserves.

Debt Position

From time-to-time, the Village may use the issuance of long-term debt to further the Village's Capital Improvement Program. Long-term debt is used only for capital projects that cannot be financed from current revenue sources. The Village accounts for repayment of long term debt in several accounts: The General Fund for the G.O. Debt Certificates, Series 2003A, Series 2006, Series 2007, Series 2011B and Water Fund for the G.O. Debt Certificates, Series 2011B, Series 2014A, and Series 2014B and a Waterworks & Sewerage System Revenue Bond - IEPA Junior Lien. Total debt outstanding as of April 30, 2016 is $9,878,536 in principal and $2,053,147 in interest for a total of $11,931,683. Below is a chart depicting the future principal and interest payment of all debt. The current debt limitation for the Village is $22,227,698 which is significantly in excess of the Village's outstanding general obligation debt.



Debt Service Schedules

Fiscal Year Ending	Bond, Series 2003A Issue Date: June 30, 2003 Date of Maturity: June 30, 2019 Amount of Contract: $1,300,000 Interest Rate: 4.375% Interest Payable: 06/30 Principal Payable: Annually on 06/30 Payable to: Lakeland BMO Harris Funding Source: General Fund			G.O. Debt Certificate, Series 2006 Issue Date: May 15, 2006 Date of Maturity: May 15, 2016 Amount of Contract: $249,000 Interest Rate: 4.40% Interest Payable: 05/15 and 11/15 Principal Payable: Annually on 5/15 Payable to: 5th 3rd Bank Funding Source: General Fund - Streets			G.O. Debt Certificates, Series 2007 Issue Date: December 3, 2007 Date of Maturity: January 1, 2023 Amount of Contract: $212,000 Interest Rate: 4.4% Interest Payable: 05/15 Principal Payable: Annually on 05/15 Payable to: BMO Harris Funding Source: General Fund - Parks		
April 30th	Principal	Interest	Total P&I	Principal	Interest	Total P&I	Principal	Interest	Total P&I
2016	$ 97,022	$ 23,511	$120,534	$16,700	$1,102	$17,802	$ 14,000	$5,720	$ 19,720
2017	101,273	19,260	120,534	16,700	367	17,067	15,000	5,104	20,104
2018	105,818	14,715	120,534				15,000	4,444	19,444
2019	110,512	10,022	120,534				16,000	3,784	19,784
2020	115,414	5,120	120,534				16,000	3,080	19,080
2021							17,000	2,376	19,376
2022							18,000	1,628	19,628
2023							19,000	836	19,836
2024									
2025									
2026									
2027									
2028									
2029									
2030									
2031									
2032									
2033									
2034									
2035									
2036				-	-	-			
TOTAL	$530,040	$ 72,628	$602,668	$33,400	$1,469	$34,869	$130,000	$26,972	$156,972

Debt Service Schedules (continued)

Fiscal Year Ending	G.O. Debt Certificates, Series 2011B Issue Date: November 15, 2011 Date of Maturity: November 1, 2023 Amount of Contract: $3,640,000 Interest Rate: 2.5% - 4.5% Interest Payable: 5/1 & 11/1 Principal Payable: Annually on 11/1 Payable to: UMB Bank Funding Source: General Fund 46.65%, Water 36.85%, Parks 15.07%, 911 1.43%			G.O. Debt Certificates, Series 2014A Issue Date: June 3, 2014 Date of Maturity: May 1, 2016 Amount of Contract: $550,000 Interest Rate: .75% - 1.05% Interest Payable: 5/1 & 11/1 Principal Payable: Annually on 5/1 Payable to: UMB Bank Funding Source: Water & Sewer Fund			G.O. Debt Certificates, Series 2014B Issue Date: June 3, 2014 Date of Maturity: May 1, 2029 Amount of Contract: $3,180,000 Interest Rate: 2.0% - 4.0% Interest Payable: 5/1 & 11/1 Principal Payable: Annually on 5/1 Payable to: UMB Bank Funding Source: General Fund 63% & Water/Sewer 37%		
April 30th	Principal	Interest	Total P&I	Principal	Interest	Total P&I	Principal	Interest	Total P&I
2016	$ 500,000	$103,500	$ 603,500	$ 50,000	$27,510	$77,510		$128,398	$ 128,398
2017	385,000	83,500	468,500	55,000	25,510	80,510		93,950	93,950
2018	250,000	68,100	318,100	55,000	23,310	78,310	280,000	91,150	371,150
2019	260,000	60,600	320,600	55,000	21,110	76,110	310,000	85,250	395,250
2020	265,000	52,150	317,150	60,000	18,910	78,910	310,000	79,050	389,050
2021	275,000	44,200	319,200	60,000	16,390	76,390	320,000	72,750	392,750
2022	285,000	34,575	319,575	65,000	13,750	78,750	370,000	64,000	434,000
2023	300,000	21,750	321,750	70,000	10,760	80,760	160,000	56,050	216,050
2024	300,000	10,500	310,500	70,000	7,400	77,400	155,000	51,325	206,325
2025				75,000	3,900	78,900	200,000	46,000	246,000
2026							205,000	38,900	243,900
2027							205,000	30,700	235,700
2028							215,000	22,300	237,300
2029							220,000	13,600	233,600
2030							230,000	4,600	234,600
2031									
2032									
2033									
2034									
20									
TOTAL	$2,820,000	$478,875	$3,298,875	$550,000	$7,112	$557,112	$3,180,000	$878,023	$4,058,023

Debt Service Schedules (continued)

Fiscal Year Ending	Waterworks & Sewerage System Revenue Bonds, IEPA Junior Lien Series Issue Date: November 15, 2014 Date of Maturity: November 25, 2035 Amount of Contract: $2,608,507.43 Interest Rate: 1.995% Interest Payable: 04/25 and 10/25 Principal Payable: Annually on 4/25 & 10/25 Payable to: Illinois Environmental Protection Agency Funding Source: Water & Sewer			VILLAGE OF FOX LAKE ALL ISSUES – COMBINED TOTAL DEBT		
April 30th	Principal	Interest	Total P&I	Principal	Interest	Total P&I
2016	$ 32,305	$ 27,614	$ 59,918	$940,027	$ 295,540	$1,235,567
2017	68,279	51,558	119,837	856,252	255,157	1,111,409
2018	114,513	49,995	164,509	765,332	228,405	993,736
2019	116,809	47,699	164,509	813,321	207,355	1,020,676
2020	119,151	45,357	164,509	825,565	184,757	1,010,322
2021	121,540	42,968	164,509	733,540	162,294	895,835
2022	123,977	40,532	164,509	796,977	140,735	937,712
2023	126,463	38,046	164,509	605,463	116,682	722,145
2024	128,998	35,510	164,509	583,998	97,335	681,334
2025	131,585	32,924	164,509	331,585	78,924	410,509
2026	134,223	30,286	164,509	339,223	69,186	408,409
2027	136,914	27,595	164,509	341,914	58,295	400,209
2028	139,659	24,850	164,509	354,659	47,150	401,809
2029	142,459	22,050	164,509	362,459	35,650	398,109
2030	145,315	19,193	164,509	375,315	23,793	399,109
2031	148,229	16,280	164,509	148,229	16,280	164,509
2032	151,201	13,308	164,509	151,201	13,308	164,509
2033	154,232	10,276	164,509	154,232	10,276	164,509
2034	157,324	7,184	164,509	157,324	7,184	164,509
2035	160,479	4,030	164,509	160,479	4,030	164,509
2036	81,442	812	82,254	81,442	812	82,254
TOTAL	$2,635,096	$588,068	$3,223,164	$9,878,536	$2,053,147	$11,931,683

Fund Balance Projections by Fund

The fund balance is the fund equity of governmental funds. Changes in fund balances are the result of the difference of revenues and expenditures. Fund balances increase when revenues exceed expenditures and decrease when expenditures exceed revenues.

The Village of Fox Lake uses cash and investments as a proxy for fund equity in the enterprise funds. The following table depicts the proposed revenues and expenditures by fund for the FY 2015-16 Budget, with surplus (deficit) shown for each fund.

Fund	Estimated Balance 4/30/15	FY2015-2016 Revenue	FY2015-2016 Expenditures	Excess of Revenue over Expenditures	Fund Balance 4/30/16	Reserve/ Restricted Funds	Available Funds
General Fund	$6,414,517	$13,367,988	$14,398,844	$(1,030,856)	$5,383,661	$ 4,751,618	$ 1,521,786
Special Revenue Funds							
TIF Fund	279,538	36,327	22,808	13,519	293,056	293,056	
MFT Fund	790,882	252,627	456,631	(204,005)	586,877	586,877	
Enterprise Funds							
Commuter Parking Fund	(111,556)	125,000	218,330	(93,330)	(204,886)	0.00	
Water & Sewer Fund	(869,508)	7,476,349	9,005,624	(1,529,275)	(2,398,783)	0.00	
NW Regional Reclamation Facility	9,432,773	5,097,800	7,548,891	(2,451,091)	6,981,682	6,981,682	
911 Fund	135	1,042,500	1,031,340	11,160	11,295	11,295	
Fiduciary Fund							
Police Pension (1)	13,238,280	916,591	516,825	399,766	13,638,046	13,638,046	
Total Funds	$29,175,060	$28,315,182	$33,199,293	$(4,884,111)	$24,290,949	$26,262,575	$ 1,521,786

(1) Police Pension revenues include the tax levy. All other schedules exclude the amount from revenue since it is already recorded in the General Fund. Therefore, to reflect the proper Fund Balance it is included in the report.

Section 4

General Fund Summary and Detail

- General Fund
- Administration
- Motor Pool
- Garbage
- Public Safety
- Police & Fire Commission
- Parks & Recreation
- Insurance
- Fire Department
- Public Works/Streets
- Community Development
- Grants
- Debt Service
- Capital Outlay

Village of Fox Lake

Established 1907

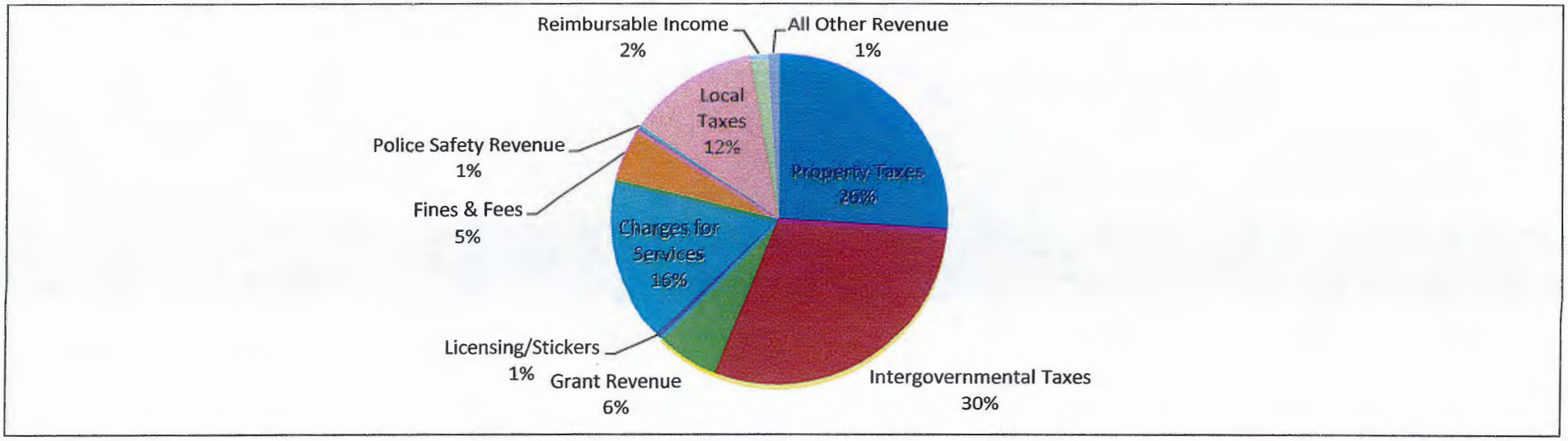
General Fund Summary and Detail

General Fund

The Village of Fox Lake is a non-home rule municipality which levies taxes in two communities, Lake and McHenry Counties. The General Fund Revenue Budget for FY2015-2016 is $13,367,988 representing a decrease from the prior year. The Village derives the majority (30%) of its revenue in the General fund from Intergovernmental Taxes, Property Taxes (26%), Charges for Services (16%), and Local Taxes (12%). Intergovernmental taxes include Sales tax, Income tax, and Personal Property Replacement tax. Local Taxes include the, utility taxes (telephone, electricity, and natural gas), auto rental tax, Road & Bridge tax, hotel tax, use tax, video gaming, and Places for Eating Tax. Real Estate Taxes include the Ambulance, Audit, Corporate, Fire Protection, Police Pension, IMRF, Police Protection/System, Social Security, and Tort Judgement/Liability Insurance. Aside from taxes, the Village obtains funding for its general operations by charging for services provided to the public, for licenses and permits, for special police details, and by charging other funds in the Village for internal services provided by administration, finance, community development, parks, motor pool, and streets staff. In addition, the Village receives, to a lesser degree, funding from police fines and forfeits.

The Village's ability to increase its revenues in the General fund is limited since the majority of its revenues are linked either to its population or its ability to develop new sales-generating businesses; however, some opportunities do exist. The Village does have the following potential developments opportunities: Sayles property (TIF), Bright Oaks (104 units), Route 12 and 134 (13 acres), and Theelan property north of the Village with missed use of business and residential.

For more detailed description on revenues and assumptions refer to Section 4 Executive Overview.



General Fund Revenues

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-105-3000	REAL ESTATE TAXES	$1,727,811	$1,753,728	$1,778,299	Prior year actuals plus .8% for CPI adjustment
01-105-3001	REAL ESTATE TAXES - IMRF	123,030	124,876	127,178	Prior year actuals plus .8% for CPI adjustment
01-105-3002	REAL ESTATE TAXES - INSURANCE	340,810	345,922	352,943	Prior year actuals plus .8% for CPI adjustment
01-105-3004	REAL ESTATE TAXES - FIRE	1,189,017	1,200,000	1,213,746	Prior year actuals plus .8% for CPI adjustment
01-105-3010	UTILITY - ELECTRIC TAX	461,658	424,725	424,725	Flat growth
01-105-3011	UTILITY - NATURAL GAS TAX	159,224	105,000	105,000	Average therm use based upon FY2012-13 usage which reflects normal weather conditions and new agreements based upon $0.035 per therm vs FY2014 rate of $0.051 decrease of 31%. Therm rate reflected in FY2014-15 budget; therefore, no rate change to current budget.
01-105-3012	UTILITY- TELEPHONE TAX	263,102	223,637	216,928	Telecom receipts are expected to decline as consumers continue to switch from landline telecom services to cellular phones & data plans. Decline expected to plateau, but further decline projected at 3%.
01-105-3015	USE TAX	185,604	185,000	193,991	IML forecast at a 4.86% growth
01-105-3020	HOTEL/MOTEL TAXES	5,627	5,500	5,500	Trending based upon prior year - potential new hotel revenues not anticipated until FY2016-17
01-105-3030	ROAD & BRIDGE TAXES	127,325	122,250	126,478	Prior year plus .8% for CPI adjustment
01-105-3040	RENTAL CAR TAXES	35	30	30	Trending based upon prior year
01-105-3050	PLACES FOR EATING TAX	-	-	355,500	Based upon most current 12 mth actuals places for eating tax revenue of $237,000 at a rate of 1.5% tax rate
01-105-3060	VIDEO GAMING PROCEEDS	156,118	240,000	240,000	Average revenue $20,000 per month - amount expected to remain flat for next year.
	Total Local Taxes	$4,739,362	$4,730,668	$5,140,319	
01-110-3100	INCOME TAXES	$1,030,884	$1,026,163	$1,047,321	IML projection $99 per capita of 10,579
01-110-3101,2,3	PERSONAL PROPERTY REPLACE TAX	67,124	65,849	65,849	IML projection is no change to prior year
01-110-3110	SALES TAXES	2,864,010	2,833,403	2,897,438	Commission on Gov't Forecasting & Accountability (COGFA) projecting a 2.26% increase
	Total Intergovernmental Taxes	$3,962,018	$3,925,415	$4,010,608	

General Fund Revenues (continued)

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-115-3215	GRANT - PARKS	$ -	$ -	$ 800,000	Illinois Park and Recreational Facility Construction Grant dollars to pay for the improvements at the Lakefront Park
01-115-3200	GRANT - REVENUE	107,075	14,421	40,000	DECO Lighting Grant $50,000 @ 80%
	Total Grant Revenue	$ 107,075	$ 14,421	$ 840,000	
01-120-3300	VEHICLE STICKERS	$ 96,779	$ 95,000	$ -	Proposal to place moratorium on vehicle sticker sales until a decision is made on a non-home rule sales tax referendum
01-120-3340	LICENSES - ANIMALS	1,055	1,050	1,050	Prior year actuals
01-120-3341	LICENSES - LIQUOR	37,696	36,400	36,400	No increase is number of licenses or amount of fees; therefore, forecasted to remain flat
01-120-3342	LICENSES - BUSINESS	29,739	30,000	30,000	No increase is number of licenses or amount of fees; therefore, forecasted to remain flat
	Total Licenses	$ 165,270	$ 162,450	$ 67,450	
01-125-3350	CABLE FRANCHISE FEES	130,923	130,000	130,000	Based upon prior year actuals
	Total Franchise Fees	$ 130,923	$ 130,000	$ 130,000	
01-130-3400	BUILDING PERMITS	$116,156	$106,000	$115,000	Current trends
01-130-3403	IMPACT FEES	4,000	2,000	8,000	Country Club Hills Townhome development
01-130-3402	ZONING PERMITS	2,000	1,500	1,500	Current actuals
01-130-3401	ZONING/PUBLIC HEARING FEES	4,003	4,100	3,200	Current forecast - prior year actual
	TOTAL COMMUNITY DEV FEES	$126,159	$113,600	$127,700	
01-135-3450	PROGRAM FEES	$100,833	$90,200	$90,200	Flat
01-135-3451	PROGRAM FEES-CENTENIAL	911	-	-	All fees will be inc in program fee line – acct eliminated
01-135-3460	DONATIONS - PARKS	-	100	100	One donation anticipated
01-135-3470	PACE FEES	-	350	1,040	$20 per week
	TOTAL PARK FEES	$101,744	$90,650	$91,340	
01-140-3500	COURT FINES	$211,781	$168,000	$168,000	Avg: Redflex $5,000/mth - Court fines $9,000/mth
01-140-3501	COURT FINES-DUI	12,095	13,200	13,200	Averaging: $1,100 per month
01-140-3505	ORDINANCE & PARKING FINES	50,118	48,000	48,000	Averaging: $4,000 per month
	Total Public Safety Fines & Fees	$273,993	$229,200	$229,200	

General Fund Revenues (continued)

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-145-3510	FORFEITURES - DRUG SEIZURE	$2,699	$1,300	$1,300	Averaging $108 per month
01-145-3515	POLICE REVENUE - SRO	17,885	40,000	60,000	Amount billed to schools
01-145-3520	POLICE REVENUE - GAMING TAX	2,552	1,989	2,000	Same as prior year budget
01-145-3525	POLICE REVENUE - REPORTS	2,154	1,800	1,800	Averaging: $150 per month
	TOTAL PUBLIC SAFETY SPECIAL REV	$25,290	$45,089	$65,100	
01-155-3600	ENGINEERING REIMBURSABLE FEES	$ -	$19,509	$77,700	LUST fund reimbursement -70% of expenses
01-155-3605	ATTORNEY REIMBURSABLE FEES	-	-	2,000	Building & Zoning related attorney costs
01-155-3610	MOTOR POOL REIMBURSABLE EXP	134,318	85,000	85,000	Amount moved from Motor Pools (external) plus additional services to be reimbursed from Fire Department(s) - Lake Villa & Fox Lake
01-155-3615	FIRE DEPT REIMBURSABLE EXP	56,872	72,000	65,000	Utilities, Fuel Charges, supplies - Avg $6,000/mth - Anticipating natural gas cost to decr due to milder winter
01-155-3625	INSURANCE REIMBURSABLES	47,344	12,015	-	Insurance payment for repairs & claims - none projected
01-155-3630	PUBLIC SAFETY REIMBURSABLE EXP	7,316	100	2,000	Special Detail
01-155-3650	EMPL/ELECTED OFFICAL REIM	-	100	200	Amount received for reimb of expenses paid by Village
	TOTAL REIMBURSABLE INCOME	$245,849	$188,724	$231,900	
01-165-3815	GARBAGE FEES	$864,209	$873,000	$899,190	Garbage fee increase of 3%
01-165-3816	GARBAGES PENALTIES	(40)	16,800	16,800	Garbage penalties avg $1,400/mth
01-165-3817	RECYCLING REBATE	7,801	7,500	3,750	Recycling market has experiences major losses, Lake County will no longer offer electronic recycling services. Anticipate loss of revenue
01-165-3680	LANDSCAPE STICKERS	425	715	-	Ace Hardware will be selling the sticker
	TOTAL GARBAGE FEES	$872,394	$898,015	$919,740	
01-170-3700	INTEREST INCOME	$729	$1,250	$6,000	Anticipated return this FY .2% due to new banking relationship & investing funds in accts that pay returns
01-170-3715	DONATIONS	-	750	-	None anticipated
01-170-3720	SALE-FIXED ASSETS	8,462	10,000	10,000	2 vehicles
01-170-3710	MAYOR'S RUN	553	400	400	Actual revenue
01-170-3726	MAPS	277	-	-	Moved to miscellaneous income - none anticipated
01-170-3750	MISCELLANEOUS INCOME	33,956	5,000	-	None anticipated - budgeting conservatively
	TOTAL OTHER REVENUES	$43,977	$17,400	$16,400	

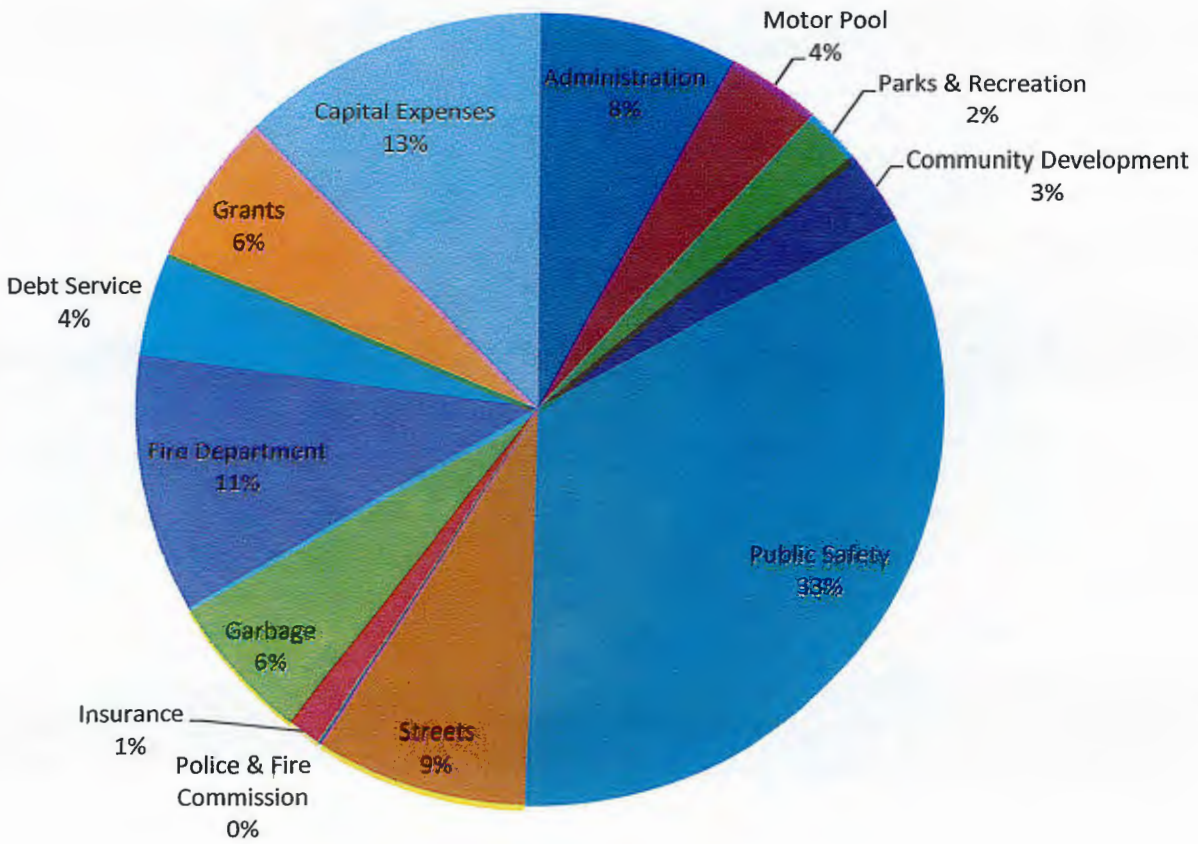
General Fund Revenues (continued)

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-180-3800	RENTAL INCOME	$88,650	$98,795	$98,987	Cell Tower Revenue - 30 Earnest, Verizon, $1,850 for 12 mths, 216 Washington - $3,205.05 for 12 mths, 104 Honing: AT&T $1,368.79 for 12 mths plus American Tower $1,825.05 for 12 mths
01-180-3801	RENTAL INCOME-GUN RANGE	2,400	500	-	None anticipated
01-180-3802	RENTAL INCOME - 911 CENTER	-	11,400	11,400	Rent to be paid for 911 center use of building
01-180-3803	EXTERNALITY FEE	232,624	232,065	228,861	NW Region revenue $5,097,800 @ 4.5% per agreement
01-180-3804	ALARM ROYALTY FEES	7,340	7,000	7,000	Remaining flat
	TOTAL FEES	$331,014	$349,760	$346,248	
01-195-3850	SERVICE CHARGES - COMMUTER	$ -	$176,908	$132,131	FY2013-14 Adj to actual $44,776, FY2013-14 amount est for FY 2014-15 of $132,131
01-195-3851	SERVICE CHARGES - WATER	-	459,792	338,268	FY2013-14 Adj to actual $121,524, FY2013-14 amount est for FY 2014-15 - $338,268
01-195-3852	SERVICE CHARGES - NW REGION	-	718,307	681,585	FY2013-14 Adj to actual $36,722, FY2013-14 amount est for FY 2014-15 of $681,585
01-195-3860	SERVICE CHARGES	948,690	-	-	Separated by enterprise fund
	TOTAL SERVICE CHARGES	$948,690	$1,355,007	$1,151,984	
01-200-3900	PROCEEDS FROM DEBT ISSUED	$ -	$2,041,000	$ -	Debt Certificate 2014B plus premium in FY2014-15 - None anticipated this Fiscal Year
01-200-3990	INTERFUND TRANSFER IN	91,027	195,000	-	None anticipated
	TOTAL BONDS & TRANSFERS OUT	$ 91,027	$2,236,000	$ -	
	General Fund Total Revenues	$12,164,785	$14,486,399	$13,367,988	

General Fund Expenditures

The General Fund Expenditures for FY2015-2016 total $14,398,844 which represents a $1,110,295 increase from the prior fiscal year budget. The increase reflects the Village's focus on Capital Improvements. The General Fund budget includes expenses for the following departments: Village Board & Commissions, Administration, Public Safety, Motor Pool, Streets, Community Development, Parks and Recreation, Garbage, Insurance, and Building and Zoning. The expenditures also include capital expenses, debt expense, public safety special revenue expenses, reimbursable expenses, refunds and rebates, and grant expense.

Below is a breakdown of expenses:



Administration

The Administration Department in the Village of Fox Lake is responsible for all of the day-to-day activities in the Village, as well as overseeing personnel administration and treasury management. The Administration Department includes elected officials and appointed staff members.

The objective of the Village Board is to assure the community efficient and economical government service, and to establish policy and enact ordinances that protect the health, safety and welfare of the Village residents. The Mayor, Board of Trustees and Village Clerk are part-time elected officials. They are elected to staggered, four (4) year terms. The Board establishes the vision and direction for the Village, and coordinates through the Village Administrator.

Village Administrator

The Village Administrator is the chief administrative officer of the Village and is directly responsible for planning, organizing and directing the day-to-day operations of Village. The Village Administrator ensures that all laws and ordinances governing the Village of Fox Lake are faithfully enforced.

The Village Administrator provides general management, staff leadership, and administrative review and oversight to all Village departments. The Village Administrator's work includes:

- Recommendations to the Village Board on municipal ordinances and regulations;
- Implementation of policies established by the Village Board;
- Supervision, coordination and evaluation of all departmental activities and responsibilities, including the budgeting process;
- Analysis and policy recommendations concerning land use and development proposals, zoning and development regulations and transportation issues;
- Participation in activities of community organization, other governmental agencies and the private sector to represent the Village;
- Staff support to designated standing and adhoc commissions and committees;
- Coordination of communications with the community, including residents, businesses and other organizations, concerning Village programs and policies;
- Human resource function which is structured to provide support to all Village departments, including but not limited to recruitment, selection, training, promotion and retention of quality employees; compensation and benefit program administration; employee labor relations; collective bargaining negotiation and management of current labor agreements; policy administration and interpretation, and employee recognition program.

Village Treasurer/Finance Director

The Finance Department is established to provide the Village with a wide range of financial, analytical, and administrative tasks.

- Control of Village's financial operations including accounting, banking, billing and collections, and treasury management;
- Development of an annual budget, working with the Village administrator and other Village department heads and with the approval of the Village Board;
- Preparation of the Comprehensive Annual Financial Report (CAFR);
- Assurance that the Village's financial systems meet GASB, GAAP and other appropriate standards;
- Assistant in the development, maintenance and audit of the accounting systems;
- Oversee investment portfolios of the Village.

Assistant to the Village Administrator
The Assistant to the Village Administrator is responsible for payroll, general services, and human resources function.

Network Administrator
The Network Administrator provides management of the Village's Information Technology program. The Network Administrator is responsible for the infrastructure of the Village's Information Technology platform and provides a review and oversight of all Village information system needs including, but not limited to; 1) intra-department computer and telephone support; 2) planning, evaluating and maintaining the Village's hardware, software and network choice acquisitions; 3) project technology management; and 4) guaranteeing the integrity and security of the overall system and its data, including all local and wide area networks, from internal and external conditions.

Accounting Manager
The Accounting Manager is responsible for the general bookkeeping and accounting of the Village.

The Deputy Clerk
The Village Clerk's Office employs a Deputy Village Clerk, who is responsible for direct administrative support for the Mayor and the Village Board of Trustees. The Deputy Village Clerk provides operational support to the Village Clerk through coordination and maintenance of all official records, contracts, ordinances, resolutions and minutes of Village proceedings, licensing transactions, Freedom of Information Act (FOIA) requests, and Open Meetings Act (OMA) compliance.

Administrative Assistant
The Administrative Assistant is responsible for cash receipting responsibilities.

Utility Billing Clerk
The Utility Billing Clerk provides accurate utility billing information; processes and maintains accounting transactions; receives, accesses utility billing paperwork and mainframe computer database for customer billing records for Garbage, the Water/Sewer Department, and NW Regional Water Reclamation Facility.

Account Clerk
The Account Clerk provides analysis and services to the Water/Sewer Department and the Finance Department.

Legal
The Village Attorney provides legal service and advice to the Village's staff, Board, Commissions, Committees, and Boards on a variety of legal matters pertaining to Village operations. The Village Attorney attends Village Board meetings and is available for staff conferences as needed. Additional funds are budgeted for legal costs incurred by specific research, ordinance preparation, contracts and litigation. The Village also receives legal service from the Village Prosecutor to represent the Village's interest in court and a Labor Attorney to represent the Village in union negotiations and other labor issues.

Budget Analysis

The Administration Department FY2015-2016 budget is $135,827 higher than the prior year budget. The increase in expenses is due to the anticipated expense related to labor negotiation for union contracts, the addition of a part-time IT technician, and additional computers and printers.

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-311-4000	WAGES	$293,233	$464,708	$546,569	Finance Director included in Salaries and not Professional Services & other staff reallocated to admin to properly reflect work time allocation - time allocated based upon Maximus report
01-311-4010	OVERTIME	1,377	1,500	-	Additional hours due to loss of accounting firm
01-311-4001	WAGES - ELECTED OFFICIALS	47,016	48,000	48,600	Same as prior year - no increase anticipated
01-311-4002	WAGES - PART-TIME	6,071	4,000	24,000	IT part-time employee
01-311-4100	HEALTH INSURANCE	28,530	64,386	65,088	Anticipated 10% increase in health benefits projected
01-311-4110	LIFE INSURANCE	354	387	469	No increase projected
01-311-4120	UNEMPLOYMENT INSURANCE	7,024	2,207	-	Village as of 1/1/15 is self-insured cost has been eliminated
01-311-4200	SOCIAL SECURITY & MEDICARE	26,588	35,340	41,196	6.2% for Social Security and 1.45% for Medicare
01-311-4220	IMRF	26,228	43,947	59,792	IMRF Calendar Year 2015 - 10.68% to IMRF CY 2016 - 12%
01-311-5000	BUILDING MAINTENANCE	18,043	21,875	18,375	HVAC maintenance & repairs $2,300, Janitorial services $14,400, shampoo carpets $400, alarm tests APR $300, fire alarm test $350, pest control $625
01-311-5100	PROFESSIONAL SERVICES	120,260	21,642	25,000	Civic Maintenance, Misc services $3,500, branding $5,000
01-311-5101	AUDIT SERVICES	-	-	7,102	New Audit Firm fee
01-311-5102	ACCOUNTING SERVICES	49,186	32,675	-	Accounting Services (none anticipated), Audit and payroll fees moved to their own line item
01-311-5103	PAYROLL SERVICE FEES	-	4,000	4,000	Pro-Data expenses
01-311-5110	ENGINEERING SERVICES	907	-	-	None Anticipated
01-311-5120	LEGAL SERVICES	42,907	75,000	50,000	Lawsuits, Ordinances, contracts, resolutions, meeting attendance, annexations, plats of Easements $40,000, Labor attorney admin $25,000 ($10,000 - Litigation updates and review)
01-311-5121	LABOR ATTORNEY	-	-	50,000	Union negotiations

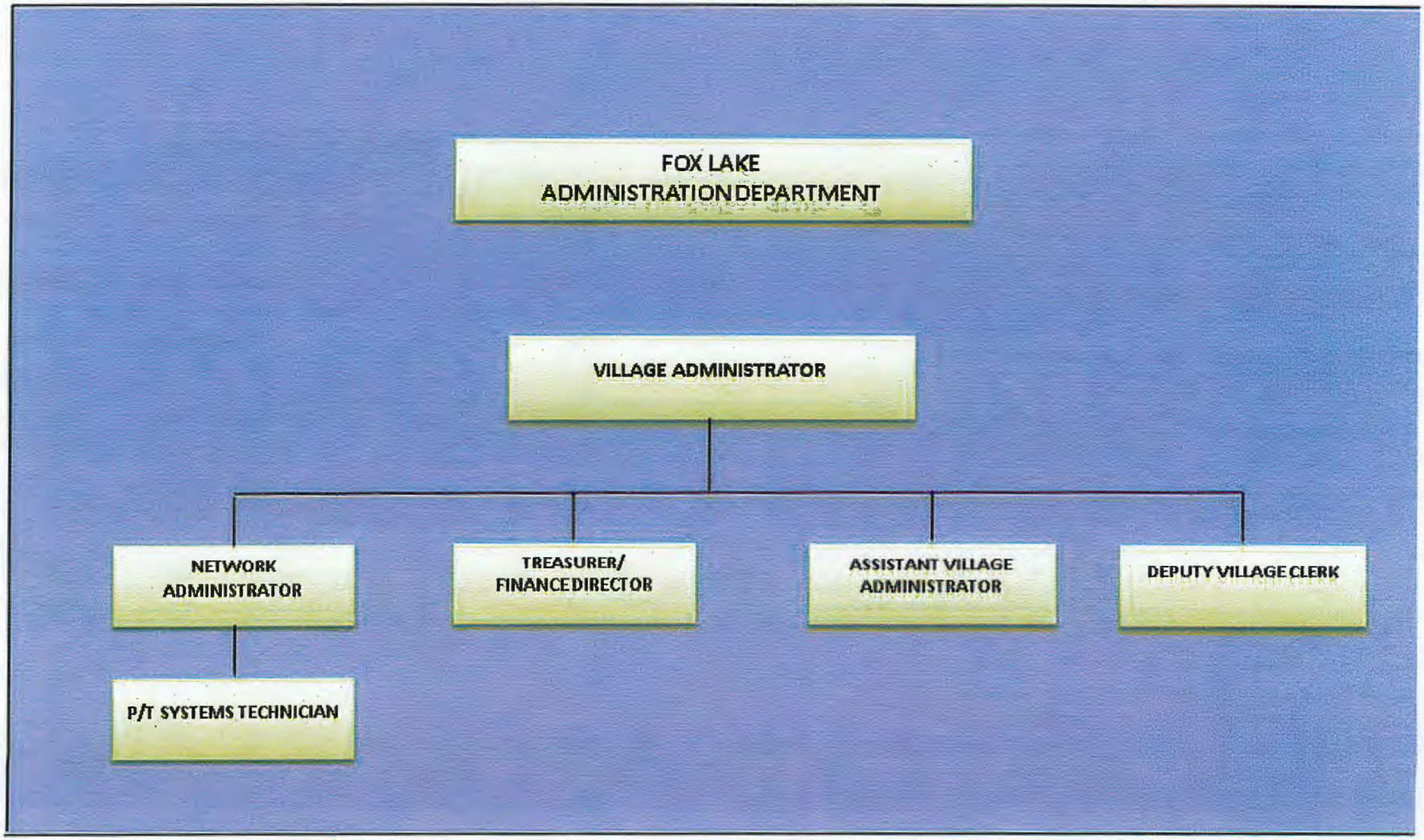
Administration Budget (continued)

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-311-5160	TECHNOLOGY	60,824	37,710	51,379	Trend Micro Antivirus $950, AppRiver Spam Filter $900, Barracuda Archiver support/replace $2,500, website support/hosting $3,050, Internet T1 Backup/E-mail $5,300, PTPT1 VH to PD Phone $3,000, ABN 40 hours IT consultant $5,700, ID supplies Badges, $200, Tech supplies $750, Tech upgrades $2,000, equip repairs $2,000, telecom repairs/programming $2,000, NAS storage redundancy $6,000, Laptop Village Admin $1,400, Printer & Computer replace (2), IT/Mayor $2,400, UPS 2 server 2 pc $6,300, access control software $2,629, 2 monitors finance $550
01-311-5200	POSTAGE	9,202	14,600	14,600	General $3,200, newsletter $5,600, Vehicle stickers $2,200, follow up letter $1,200 - Current trend
01-311-5220	PHOTOCOPY	5,352	6,600	6,200	New Copier rental $3,300, maintenance $1,250, postage machine $1,650
01-311-5221	PRINTING	19,215	23,700	21,700	TMA $2,500, Sticker printing $3,000, general $500, stationary $2,000, newsletter $12,000, business plaques $500, 2nd notice letter $1,200
01-311-5223	RECORDING FEES	2,961	5,000	5,000	Annexations, plats, easements, new employee and liquor license background checks (Plats of surveys and recording documents - easements, purchase of property)
01-311-5224	PUBLISHING	3,890	7,000	7,000	Codifying $6,000, host fee $500, misc $500
01-311-5310	MEMBERSHIPS	9,270	13,135	13,135	IML $1,000, LCML $1,200, SHRM $180, MuniClerks $70, Intl Clerks $135, ICMCA $40, ICMA (2) $1,500, ILCMA $400, IAMMA $50, Metro Mgrs (2) $30, local gov't news email subscription (6) $500, GFOA $200, IGFOA $200, IPELRA $205, public salary.com $310, $5,000 for NW Municipal Conference and $2,115 Lake County Partners
01-311-5320	TRAVEL	3,332	2,600	2,100	Front desk $500, business meetings $500, Village Administrator $500, tech miles $100, IML $1,000, AVA
01-311-5330	TRAINING	2,885	4,000	8,150	Technology Pederson $2,000, Trustees $450*7 = $3,150, Village administrator $2,000, AVA $1,000
01-311-5340	TUITION REIMBURSEMENT	808	1,500	1,500	$500/semester allowance

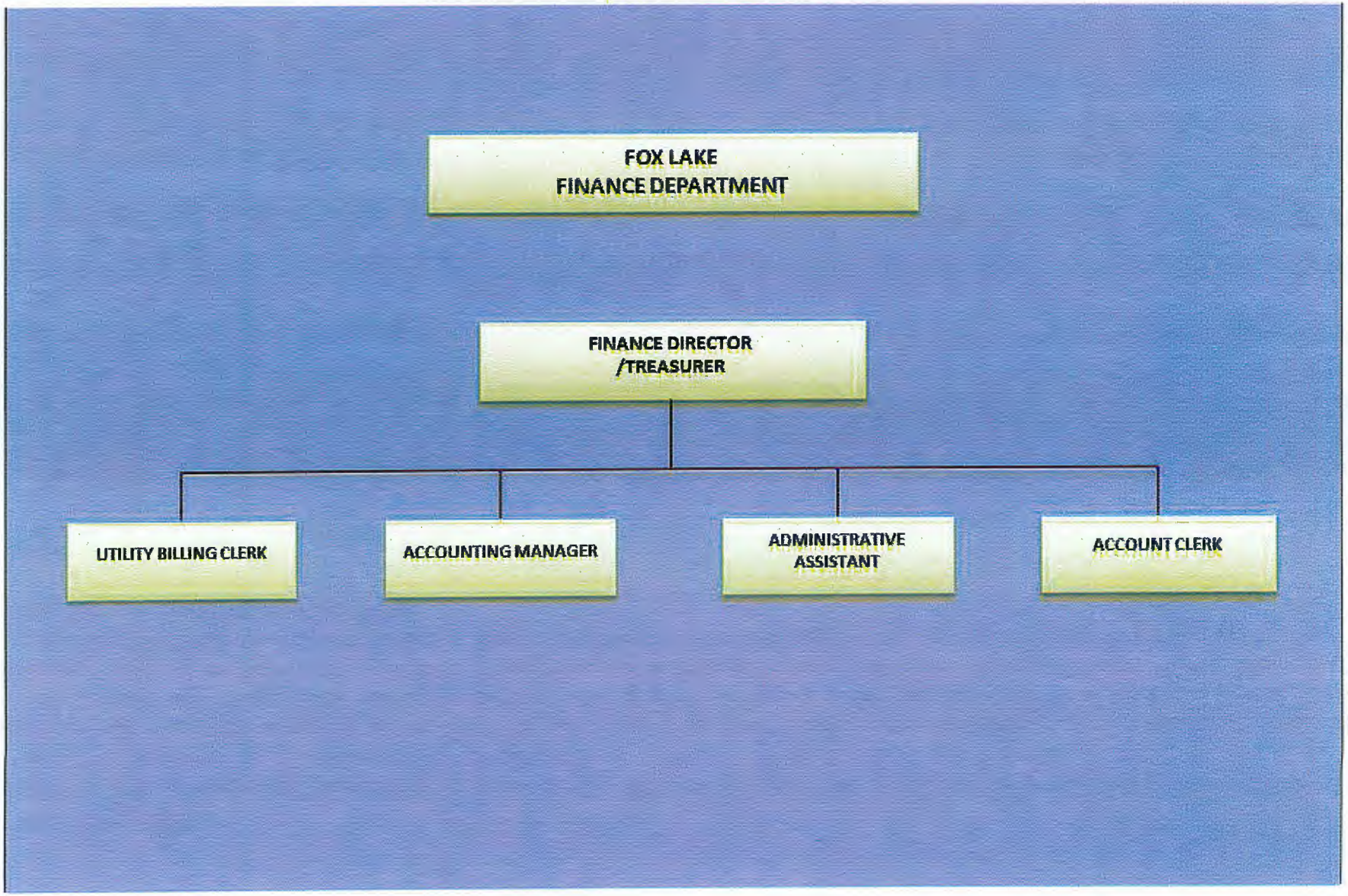
Administration Budget (continued)

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-311-5410	UTILITIES	7,067	11,000	11,000	CIMCO $8,000, Tech Phone $600, Village administrator $800, sewer & water, NICOR the City uses all its therms by April another cold winter amount budgeted to remain same as last year
01-311-5430	CREDIT CARD & BANK CHARGES	100	-	1,000	Allocation of credit card fees
01-311-5450	PROPERTY TAXES	929	200	-	None anticipated
01-311-5515	TAXI PROGRAM	1,764	2,300	2,300	Prior year budget
01-311-5525	BUSINESS INCENTIVES	311,919	19,500	25,500	Val's Food $18,000, Ace Hardware $7,500
01-311-5600	BUILDING MAINT SUPPLIES	3,187	2,000	1,500	Light bulbs & filters
01-311-5700	OFFICE SUPPLIES	5,506	5,650	4,800	General supplies $4,800
01-311-5710	OPERATING SUPPLIES	1,073	6,000	6,000	Toner, water cooler rental
01-311-5751	FUEL	398	850	700	200 gallons $3.50/gal - more than anticipated usage of car
01-311-5780	SOFTWARE	30	7,602	8,000	New Accounting Software - Contract over 3 years and less than anticipated
01-311-5950	SPECIAL EVENTS	14,812	11,225	5,500	Community sponsors $1,000, general $1,500, holiday decorations $3,000
01-311-5951	EMPLOYEE RECOGNITION	1,545	1,590	2,000	Flowers, plaques, luncheon, dinner, holiday party for Village employees non-enterprise fund
01-311-5999	MISCELLANEOUS EXPENSE	11,771	1,000	1,000	Based upon prior year budget
	Total Administration Expenses	**$1,145,562**	**$1,004,429**	**$1,140,256**	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Administration Department
April 30, 2015



VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Finance Department
April 30, 2015



Motor Pool Expenses

The Motor Pool Department is an integral internal service department in the Village organization. With a staff comprised of one (1) supervisor and three (3) full-time mechanics, the department is responsible for ensuring the maintenance and repair of the Village of Fox Lake's vehicle fleet is in safe, operable condition and readily accessible. The Motor Pool Department also serves as additional vehicle maintenance resource to other area municipalities, performing contractual service for the Fox Lake Fire Protection District, Lake Villa Volunteer Fire, Lindenhurst Park District, and recently, the Lake Villa Public Works Department. The Motor Pool Department oversees all vehicle purchases to ensure they are aligned with the Village's Vehicle Replacement Program and industry specifications. Staff members in the Motor Pool Department continually work to improve their training and certifications in order to perform repairs and maintenance to Village vehicles as efficiently and cost-effectively as possible.

Budget Analysis

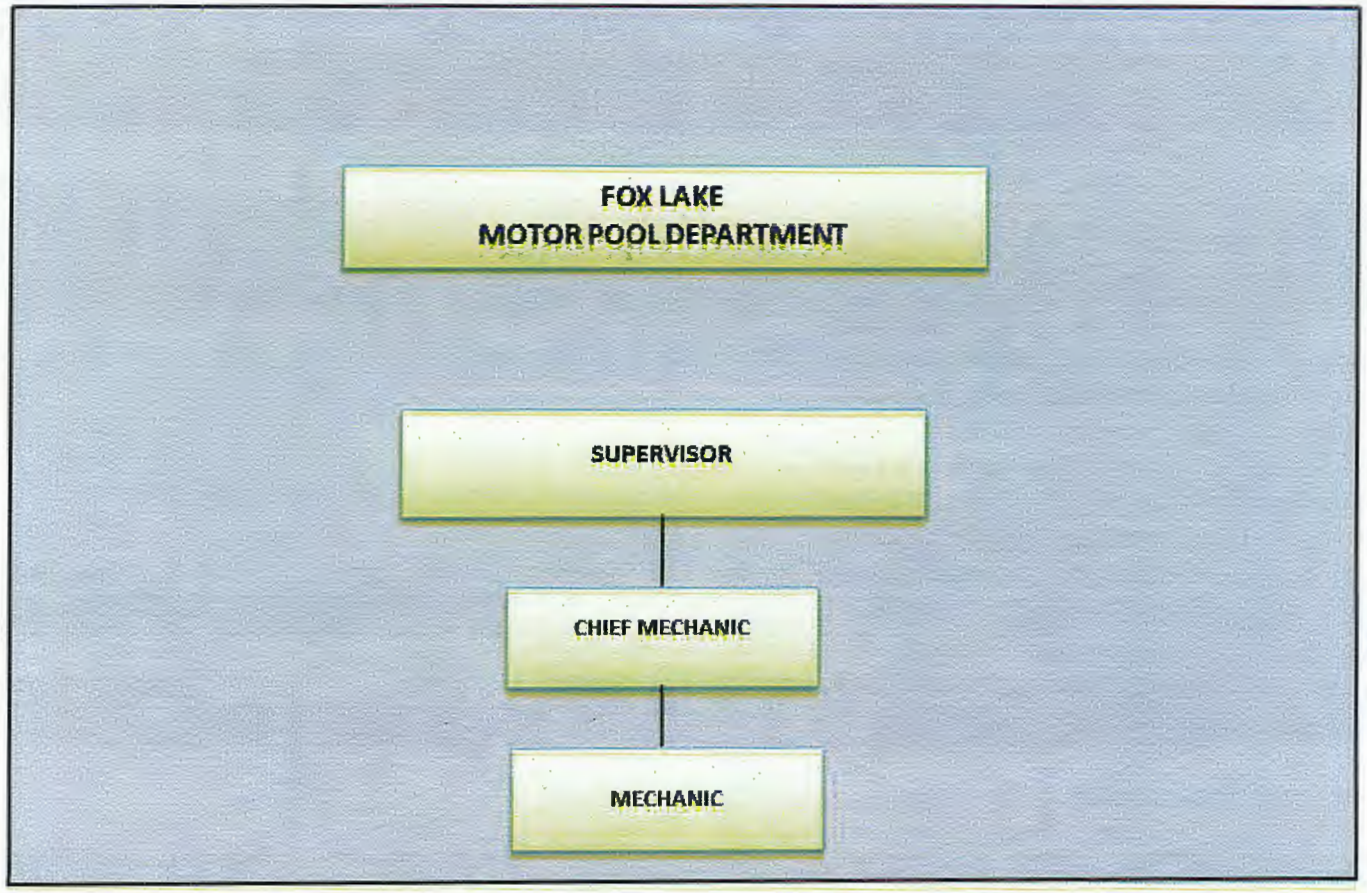
The Motor Pool Department FY2015-2016 budget is $5,004lower than the prior year budget. The decrease in expenses is due to better purchasing management.

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-314-4000	WAGES	$182,512	$233,457	$234,953	Sick time payout changing from 80 to 40 hrs
01-314-4002	WAGES - PART-TIME	15,667	-	-	None Anticipated
01-314-4010	OVERTIME	2,382	3,000	5,000	Less due to mild winter
01-314-4100	HEALTH INSURANCE	38,621	71,910	49,928	One less person on insurance
01-314-4110	LIFE INSURANCE	190	268	268	Based upon 4 employees
01-314-4120	UNEMPLOYMENT INSURANCE	4,410	1,059	-	Village as of 1/1/15 is self-insured cost eliminated
01-314-4200	SOCIAL SECURITY & MEDICARE	20,975	18,280	18,253	Based upon 4 employees
01-314-4220	IMRF	20,565	26,493	25,907	IMRF CY 2015 - 10.68% to IMRF CY 2016 - 12%
01-314-5000	BUILDING MAINTENANCE	128	4,340	2,500	O/H door repair $1,200, misc $500, plumbing inspect $300, wire new outlets - computer & fuel system $500
01-314-5100	PROFESSIONAL SERVICES	669	2,000	2,000	Bids/contract preparation & review
01-314-5112	MOTOR POOL REIMBURSABLE EXP		10,000	13,275	Billable to outside vendors (Lake Villa and Lindenhurst Park District, Fox Lake Fire Dept) - new account for recording of expenses
01-314-5160	TECHNOLOGY	18,230	2,150	6,195	CFA Program maintenance support $1,700, CFA License CAL/TAL $1,295, Training $900, Cabling Hardware $250, Equip Repairs $500, Microsoft office $250, Computer replace shop $900, Monitor $250, UPS cable $150
01-314-5310	MEMBERSHIPS	30	218	500	American Public Works Association $425, Chicago Metro APWA $15, Municipal Fleet Mgr Assoc $60

Motor Pool Continued (continued)

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-314-5330	TRAINING	1,119	1,300	1,300	Municipal Fleet Mgr's Assoc Ford Training $600, ASE testing $150, EVT testing $100, misc $150, training incentive (3) $100 each - $300
01-314-5410	UTILITIES	581	891	900	Cell Phone $34.21/mth $411, Office $40/mth $480
01-314-5600	BUILDING MAINTENANCE SUPPLIES	317	3,050	22,050	Light grant replacement $1,000 per light 20 lights, wire new outlets for computer & fuel system $750, other $1,000
01-314-5700	OFFICE SUPPLIES	334	700	700	Toner $500, other $200
01-314-5710	OPERATING SUPPLIES	221,851	164,581	155,491	Shop rag service $21.69/52 wks = $1,128, Lubricants - oil $9,000, chemicals $5,500, fittings electrical wire hardware $8,000, welding tank rental $75.78/mth $909, welding supplies $1,500, parts & outside services $118,730, anti-freeze disposal $1,500, parts cleaning tank service $350/4 = $1,400, Bucket Truck Inspection $1,200, fuel system repairs $1,500 tire disposal $1,200, safety equipment $1,500, hand soap $676, floor soap $670, hand towel service $478, water & misc $500
01-314-5730	SMALL TOOLS	2,758	9,850	8,040	Air tools repair, jack repair, replace broken tools - Hand tools $2,350, specialty tools $1,500, Mitchell repair service $2,400, Sefac Lift Inspection $1,300, car lift inspection (2) $490
01-314-5740	UNIFORMS	2,311	2,172	3,000	$30.98/wk $1,611, T-shirts (20) @ $10 = $200, gloves, shoes, safety equip $800, 3 jackets $387
01-314-5751	FUEL	2,718	2,513	3,138	725 gallons @ $3.50/gal regular and 150 gallons @ $4.00/gal diesel - lower gas prices
01-314-5951	EMPLOYEE RECOGNITION	95	370	200	End of winter recognition - holiday party in admin
	TOTAL MOTOR POOL EXPENSES	$536,463	$558,602	$553,598	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Motor Pool Department
April 30, 2015



Garbage

The Village bills residents for garbage collection and disposal services within the Village's corporate boundaries, using a volume-based approach to reduce overall pricing. Revenue for this fund comes from a user fee that is charged to residents. Currently, the user fee is included on resident's bi-monthly utility bills.

The Village's current contract with Waste Disposal is for a period of seven (7) years, effective in 2011. The contract includes an annual 3% increase in user fees for collection and disposal services.

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-318-5200	POSTAGE	$ 1,482	$ 1,500	$ 1,000	Postcards - expenses less than prior year
01-318-5420	GARBAGE DISPOSAL	854,782	865,400	891,362	Contract increase 3%
	TOTAL GARBAGE	$ 856,264	$ 866,900	$ 892,362	

Public Safety

The Police Department delivers a variety of local law enforcement services to the community. Police services include matters concerning crime, traffic, order maintenance, ordinance enforcement and emergency assistance.

Mission Statement

The mission of the Fox Lake Police Department is to provide the highest quality professional police services with fairness, honesty, integrity and pride. The department is always striving to improve services through education, diligence and problem solving.

Values

The Fox Lake Police Department, which exists to protect and serve the community, must always be guided by the principle that every individual has dignity and worth. In all we do, we must show respect for the citizens we serve and for the men and women of the Fox Lake Police Department recognizing and encouraging their individual needs, aspirations, and capabilities.

The mission and goals of the Fox Lake Police Department shall be carried out in alignment with the following values:

- Service Orientation: Provide supportive, professional service to the community by promoting human rights, mutual respect, and courtesy.
- Partnership: Work in partnership with the community, Village Board and other Departments, Service Agencies, and Criminal Justice systems.
- Empowerment: Encourage decision making at the most effective level and promote citizen responsibility and involvement.
- Problem Solving: Use problem-solving methods to reduce the incidence and fear of crime and to improve management and operational approaches.
- Accountability: Promote responsibility among Police management, employees, the community, the Village Board and other agencies, for public safety resources, strategies and outcomes.

History

The Fox Lake Police Department was established on April 13, 1907. The Police Department employs 24 sworn officers, 6 part-time officers, two (2) Community Service Officers and a professional, administrative support staff. The Fox Lake Police Department is committed to raising the quality of life in the community and works very closely with the public in providing a wide range of programs and information. The Department's Officers provide a full range of law enforcement services.

The Department is divided into three basic divisions:

- Operations includes the uniformed patrol and traffic branch
- Support Services includes Records, Youth Services, Evidence & Property Control and Crime Prevention
- Investigations includes Detectives

Budget Analysis

The Public Safety Department's FY2015-2016 budget is forecasted to increase from the projected FY2014-2015 budget by $71,372. The Police department added two additional part-time police officers.

Public Safety Budget

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-321-4000	WAGES - ADMINISTRATION	$2,267,443	$ 2,085,578	$ 562,437	Rehire of officer
01-321-4002	WAGES - PART-TIME	46,405	32,541	75,850	Lower than anticipated
01-321-4003	WAGES - SWORN OFFICERS	-	-	1,658,288	Moved from Wages
01-321-4011	OVERTIME	58,019	103,173	85,000	Police Dept OT was incurred to cover hours needed instead of PT
01-321-4100	HEALTH INSURANCE	377,051	456,710	483,984	Employees change in coverage
01-321-4110	LIFE INSURANCE	1,800	1,920	1,977	New employee
01-321-4120	UNEMPLOYMENT INSURANCE	37,450	7,415	-	Village as of 1/1/15 is self-insured cost has been eliminated
01-321-4200	SOCIAL SECURITY & MEDICARE	38,191	40,301	44,416	Lower due to les part-time help utilized
01-321-4220	IMRF	19,848	21,237	17,111	IMRF Calendar Year 2015 - 10.68% to IMRF CY 2016 - 12%
01-321-4230	POLICE PENSION - TAXES	475,218	482,347	486,206	Prior year tax levy plus .08%
01-321-4231	POLICE PENSION - VILLAGE PORTI	-	200,000	200,000	Amount submitted to the Department of Insurance
01-321-5000	BUILDING MAINTENANCE	44,367	56,275	37,275	Janitorial Supplies $13,000, Water $1,000, Misc $2,000 HVAC Maintenance $3,500, Generator Maint $1,800, Elevator main/insp $3,000, Water Softener Main $1,600, Fire Alarm Testing $500, Press Test Elevator $750, Fire Ext testing $500, cross connection insp $625, roof main $5,000, jail cell main $3,000, furnace filters & light bulbs $1,000.
01-321-5010	EQUIPMENT MAINTENANCE	27,063	52,850	38,850	LEADS Comm $9,000, Cameras $1,500, Radars $2,400, Calibration CO2 $1,000, squad computers $3,000, copier lease $3,000, Copier lease main $650, Bicycle repair main $2,200, Beast system $1,200, Identity Kit System $600, Lexis Nexis $800, Taser Repair $1,500, Narrowbanding programming $1,500, misc repairs $3,000, Detective Hard Drives $500, & radios portable $7,500
01-321-5020	VEHICLE MAINTENANCE	2,602	4,800	4,800	Squad Car Washing $4,000, parts/supplies $800

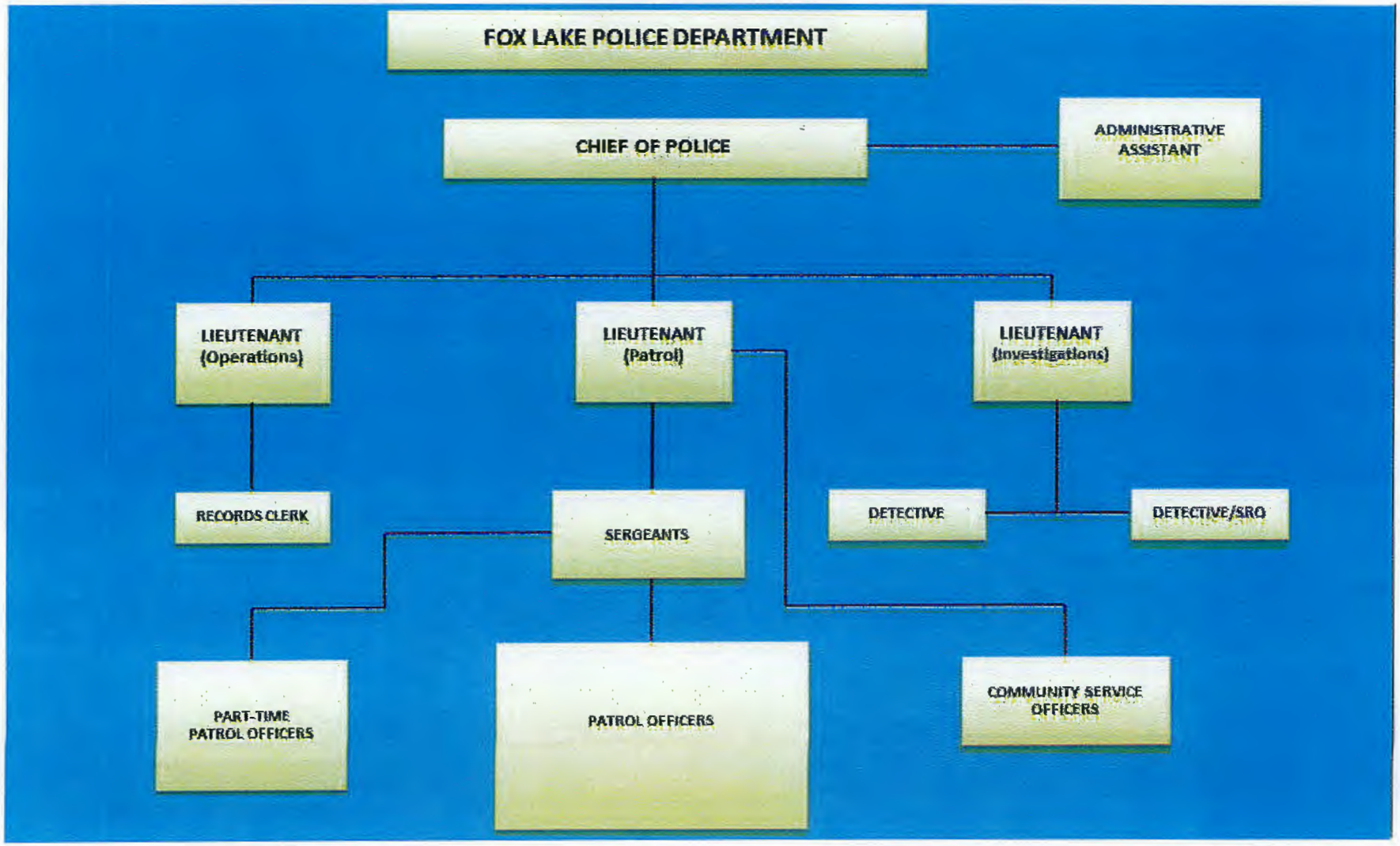
Public Safety Budget (continued)

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-321-5100	PROFESSIONAL SERVICES	76,536	74,500	68,900	Range main $3,500, Crime Lab $14,000, NIPAS $3,500, NEMRT $3,500, Northwest Radio Repeaters $19,600, Service on System $4,500, MCAT $2,500, MET (1/2) $7,000, PBT $2,000, MCTF $2,000, Crime stoppers $700, Medical Record Copies $1,000, Critical Reach Support $1,500, Lie Detector Service $500, Misc Services $2,500, Gun Buy Back $600
01-321-5120	LEGAL SERVICES	84,024	100,250	70,250	Prosecution $40,000, Labor Attorney $25,000, Admin Adjudication $5,250
01-321-5135	DISPATCHING	-	645,000	645,000	Amount of 911 Center Loss
01-321-5140	PRISONER MEALS	6	1,000	-	Prisoner meals
01-321-5141	ANIMAL CARE & CONTROL	1,320	4,000	2,000	Animal Control - less animals to send to the shelter
01-321-5160	TECHNOLOGY	77,548	75,774	77,650	Morpho Track Live Scan $25,000, Tri-Tech Licenses $2,900, Net motion $1,000, Offline Date storage (50%) $2,500, Comcast 75% ($4,000), verizon cards squad access $9,100, misc tech upgrades $2,000, equipment repairs $4,000, network video recorder replacement $13,250, IP camera replacement $5,800, possible NAS (50%) $3,000, download $2,000, computer replacement $2,800, monitor replacement, UPS $300
01-321-5200	POSTAGE	1,409	2,500	2,500	Mail & Shipping
01-321-5220	PHOTOCOPY	9	-	-	
01-321-5221	PRINTING	4,703	5,600	6,100	Printing $5,500, Hearing supplies $600
01-321-5224	PUBLISHING	-	500	-	Moved to printing
01-321-5310	MEMBERSHIPS	1,003	2,400	2,000	Int'l Chief of Police, IL Police Chiefs, Lake County Chiefs, McHenry County Chiefs, Lake County Juvenile, SRO Officer, Dare Officer, IL Conservation Law, Record Clerk Dues, State surplus Dues, Liquor/tobacco dues
01-321-5320	TRAVEL	40	2,100	2,400	Training $1,700, LEAP Conference $400
01-321-5330	TRAINING	4,947	21,000	22,400	Non-NMERT Training, Explorer training, LEAP conference
01-321-5410	UTILITIES	15,835	20,700	20,700	Landlines, cells, pagers, repair, new phones, misc supplies, Water/Sewer $2,700, South Street $2,000, Other $2,000
01-321-5700	OFFICE SUPPLIES	5,474	5,700	5,500	Misc $5,000, Admin Adjudication $500

Public Safety Budget (continued)

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-321-5710	OPERATING SUPPLIES	12,201	69,650	39,250	Ammunition $14,000, Flares $500, Holster & Gun Belts $1,500, Spotlights - Building $350, Hand gun repairs $1,200, Fingerprinting supplies $1,000, Investigation Supplies $1,500, Taser Cartridges $2,500, OC Reliapon Spray $600, Body Armor $7,000, Pepperball Trng Supplies $500, Taser cartridges for training $1,500, misc supplies $6,000, fire extinguisher $800, digest aid $300
01-321-5720	COMMUNITY RELATIONS	3,936	3,000	3,000	Chip Dog, Subdivision mtgs, Citizens Police Academy, Shop w/cop, Expo's, Senior outreach, Halloween, Bike Rodeo, Safe Ride home, Explorers
01-321-5740	UNIFORMS	4,156	12,000	12,000	replacement and new hires
01-321-5751	FUEL	90,661	100,000	96,250	27,500 gallons @$3.50/gal regular - lower gas prices
01-321-5951	EMPLOYEE RECOGNITION	1,672	1,900	2,000	Gifts and Dinner
01-321-5980	DUI EXPENSE	2,355	22,000	12,000	Basset Liquor $6,000, Misc $2,000, DUI/Homicide Camera $4,000
01-321-5981	DRUG SEIZURE EXPENSE	7,001	8,500	8,500	MEG 1/2 $7,000, Undercover Exp $1,500
	Total Public Safety	**$3,790,292**	**$4,723,221**	**$4,794,593**	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Public Safety Department
April 30, 2015



Police and Fire Commission

The Village of Fox Lake Board of Police and Fire Commission is established and administered pursuant to the Illinois Revised Statutes for the purpose of examining applicants for entry into and promoting within the Police Department.

It shall be the duty of the Board of Police and Fire Commission to make appointments to the Police Department of the Village where applicable and said Board shall conduct and hold all entrance and promotional examinations and exercise such other powers and duties as provided by law.

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-325-4000	WAGES	$1,950	$4,000	$4,000	Meetings by Commissioners
01-325-4200	SOCIAL SECURITY & MEDICARE	149	200	306	
01-325-5100	PROFESSIONAL SERVICES	400	8,000	8,000	Agility test, polygraph, psychological, background check, medical exam, attorney regs to update Rules and Regs.
01-325-5200	POSTAGE	69	150	150	
01-325-5224	PUBLISHING	-	500	500	
01-325-5310	MEMBERSHIPS	375	500	500	Illinois Fire and Police Commissioner's Association dues
01-325-5320	TRAVEL	464	1,000	2,400	Travel to seminars
01-325-5330	TRAINING	350	750	2,700	Training seminars. IFPCA seminars @ $450.00 registration fee times 6 attendees.
01-325-5700	OFFICE SUPPLIES	160	500	500	
	TOTAL POLICE AND FIRE COMMISSION	$3,917	$15,600	$19,056	

Parks and Recreation Department

The Parks and Recreation Department in the Village of Fox Lake spearheads special events, cultural programs and recreational activities for residents of the community. In addition to creating engaging activities and events for the residents of Fox Lake, the Parks and Recreation Department is continuously reaching beyond the Village's border and exploring alternative venues to entice members of other communities to visit and enjoy Fox Lake. The Parks and Recreation Department strives to provide quality recreation and leisure opportunities in an entertaining and informative environment.

The Village is proud of its network of park and recreational facilities in the community. Educational and physically stimulating playground equipment for children, as well as picnic tables and park benches, have been installed in select locations. Numerous acres of open space allow for outdoor activities and leisure opportunities. Some parks include specialized facilities, equipment and aquatic features.

The Parks and Recreation department consists of a full-time Coordinator and part time assistant. With assistance from the Street Department, the Parks and Recreation Department maintains the following facilities and parks.

- Lakefront Park and Building - designated fishing area, pavilion and 22 benches along the shoreline of Nippersink Lake
- Community Center
- Veteran's Memorial Park - two (2) picnic pavilions, skate park and outdoor grilling area
- Eagle Point Park
- King's Island Park
- Millennium Park - gazebo adorned with personalized bricks and connecting trails to a community bike path
- Round Hill Park

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-327-4000	WAGES	$40,323	$40,206	$50,000	One full-time
01-327-4002	WAGES - PART-TIME	14,695	14,690	21,800	Pace program drivers salary & part-time assistants
01-327-4010	OVERTIME	2,580	5,000	-	Full-time employee moved from non-exempt to exempt status
01-327-4100	HEALTH INSURANCE	1,513	1,500	1,500	Opt-Out for Health Insurance
01-327-4110	LIFE INSURANCE	63	67	67	One Employee
01-327-4120	UNEMPLOYMENT INSURANCE	2,057	530	-	Village as of 1/1/15 is self-insured cost has been eliminated
01-327-4200	SOCIAL SECURITY & MEDICARE	4,206	4,582	5,493	Additional overtime and part-time hours
01-327-4220	IMRF	5,224	5,143	5,717	One Full time employee

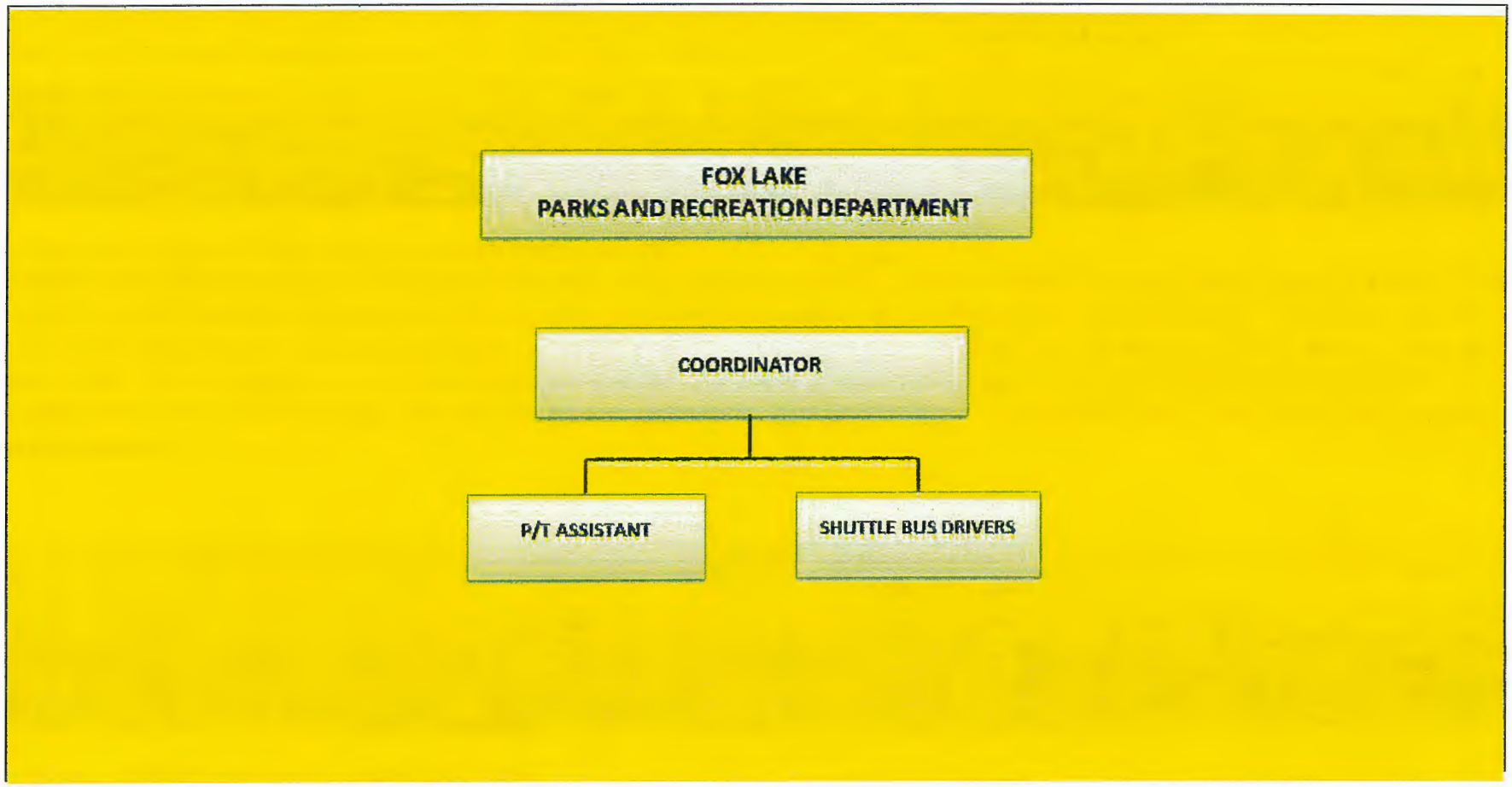
Parks & Recreation (continued)

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-327-5000	BUILDING MAINTENANCE	16,384	22,250	12,150	HVAC (2 bldgs Community Center, Lakefront Park) $650, Fire Alarm $300, Janitorial (Mars) $6,500, Roof & Plumbing $1,200, Landscape restoration $1,000, Swings, Nets, Signage, $2,500
01-327-5010	EQUIPMENT MAINTENANCE	-	-	2,900	Color copier
01-327-5100	PROFESSIONAL SERVICES	1,750	2,500	27,975	$175/event Explorers (Egg hunt, concert in the park, Polar Plunge, Celebrate Fox Lake, Venetian Night, Cardboard Boat Race, 5K Race, Holiday Parade/Tree Lighting, Movie by the Lake) $2,200/month Ripple Consulting
01-327-5120	LEGAL SERVICES	689	1,326	-	None anticipated
01-327-5160	TECHNOLOGY	1,107	590	1,000	Computer supplies to connect computers in new building & ups cables
01-327-5200	POSTAGE	2,928	4,950	5,240	Magazines $600, Newspapers $600, Mailings theater trips, senior trips, seasonal catalog mailing $1,800, postage machine brushes $150 - Additional seasonal mailing
01-327-5221	PRINTING	9,142	9,950	9,950	Banners, Event cards shared with chamber/township & Volunteer Fire Dept $3,550, employee appreciation printing $200, Seasonal catalog (2) $3,100 each
01-327-5222	ADVERTISING	6,244	5,000	4,517	Shaw Media $3,887 (13 ads @$299), grapevine publishing $30, iStock Photo $600
01-327-5310	MEMBERSHIPS	1,134	1,285	1,179	Illinois Parks & Rec $244, Fox Lake Chamber of Commerce and Industry $110, NPRA $200, Lake County Health Dept Food Service $450, Water permit (2) buildings $175
01-327-5320	TRAVEL	549	1,000	940	IPRA Annual Conference $440, PT help mileage $500
01-327-5330	TRAINING	443	1,000	950	IPRA Conference $400, NPRA Webinars $150, IPRA Leadership Academy $400
01-327-5340	TUITION	-	-	1,000	2 Classes at $500 per class
01-327-5410	UTILITIES	5,036	9,900	11,700	Community Center Bldg Water/Sewer- $2,000, Gas, Electricity - Nicor $4,000 - Comcast $1,600, Cell phones $600, CIMCO 4 lines $1,500 actual costs @$750/line, Water park building $500

Parks & Recreation (continued)

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-327-5516	PACE PROGRAM - RENTAL FEE	-	1,700	2,800	$150/mth $1,800 Supplies & rental of $1,000
01-327-5545	PROGRAMS	-	-	113,400	Egg Hunt $1,350, Polar Plunge $250, Celebrate Fox Lake $20,000, Cardboard Boat Race $4,000, Concert by the Lake $4,500, 5K Walk/Run $8,000, T-Shirts $1,000, Holiday Events $11,300, Santa's House $300, Turkey Dinner $5,250, Octoberfest/Fall Festival postponed for 1 year, Senior Events $10,000, Venetian Night $8,000, Classes for Lakefront $5,000, Other programs/plays $15,000, Expo Fee $950, Sports Program $7,000, Movie Night $1,300, Zombie Camp Teen $3,200, Dance Program $7,000
01-327-5600	BUILDING MAINTENANCE SUPPLIES	6,049	7,745	10,800	Paint, Salt, Toilet Paper, light bulbs, filters $4,800, mulch & park restoration $3,000, Painting Comm Center $3,000
01-327-5700	OFFICE SUPPLIES	2,259	2,400	15,100	Folders, pens, paper $5,100, Furniture $10,000
01-327-5710	OPERATING SUPPLIES	105,210	98,700	1,000	Moved to programs - $1,000 for general items
01-327-5751	FUEL	95	250	2,000	Shuttle van
01-327-5950	SPECIAL EVENTS	-	-	10,000	4th of July and Venetian Night $5,000 each
01-327-5951	EMPLOYEE RECOGNITION	244	100	100	Employee appreciation
01-327-5955	CONTRIBUTIONS TO ORGANIZATIONS	-	-	2,000	Donations to 501(c) organization related to Fox Lake
01-327-5970	REFUNDS	-	-	2,000	Fees returned for cancelled events or classes or residents dropping out of classes
	TOTAL PARKS AND RECREATION	**$229,925**	**$242,364**	**$323,277**	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Park & Recreation Department
April 30, 2015



Insurance

The Insurance Department denotes funding for the cost of liability and workers compensation coverage through a combination of insurance companies, which specialize and offer the best coverage at affordable rates. The Village collects taxes through the levy to pay for insurance expenses. The insurance coverage is through ICRMT – Illinois Counties Risk Management Trust.

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-328-5500	LIABILITY & WORKERS COMP INS	$189,647	$263,331	$172,021	Newer firm with lower rates
01-328-5501	INSURANCE DEDUCTIBLE EXPENSE	-	120,000	20,000	2 claims estimates
	TOTAL INSURANCE DEPARTMENT	$189,647	$383,331	$192,021	

Fire Department

The Fire Department denotes funding for the cost related to the Fire Department. The Village of Fox Lake does not have a Fire Department within the Village organization; rather, it is serviced by the Fox Lake Fire Protection District. The Village collects Fire Protection and Ambulance tax revenues through the Tax Levy which it uses to pay the Fire Department for their services. The Fox Lake Fire Protection District is contracted through the Village to provide timely fire, rescue and advanced life support ambulance services to Village residents. Along with the residents of Fox Lake, the Fire Protection District provides emergency services to surrounding communities. In addition to emergency response, the Fox Lake Fire Protection District provides a Fire Prevention Bureau that includes safety and fire prevention services such as public education and first aid/CPR training.

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-330-5000	BUILDING MAINTENANCE	$560	$1,000	$-	None originally budgeted – exp related to Fire House building
01-330-5450	REAL ESTATE TAX DISTRIBUTOIN	1,222,543	1,182,504	1,213,746	Actual collections of Real Estate Taxes for Fire and Ambulance collected by Village.
01-330-5530	FIRE DEPARTMENT CONTRIBUTION	-	235,000	235,000	$210,000 agreement plus $25,000 for fire inspector
01-330-5113	FIRE DEPT BILLABLE EXPENSES	90,581	72,000	65,000	Expense billed and reimbursed by fire dept - utilities, gas, etc. Average: $6,000/mth lower due to milder winter and utility expense $30,000 Motor Pool parts
	TOTAL FIRE DEPARTMENT	**$1,313,683**	**$1,490,504**	**$1,513,746**	

Public Works/Streets

The Village of Fox Lake Public Works/Streets department is for a comprehensive and diverse range of responsibilities in the Village. One of the major responsibilities is the repair and maintenance of approximately 60 miles of roadways, easements and sidewalks within the Village's corporate boundaries. This also includes repairs to curb and gutter, parkway tree maintenance, pavement marking and crack sealing, storm sewer maintenance and repairs to Village signs and streetlights. Snow and ice control during the winter months is another major responsibility of the Street Department.

There are twelve (12) staff members and twelve (12) vehicles that are available during a winter weather emergency to ensure safe driving conditions. Another key component of the Streets Department is their assistance during Village special events and community festivals.

Building Maintenance

The Public Works/Streets department provides a clean, healthy, safe and efficient working environment in each facility for Village employees and in public areas and meeting places utilized by the public and the various committees and commission of the Village's government structure. The department provides predictive, preventative and emergency maintenance on all building systems including the Village Hall, Streets Building, Motor Pool Building, Police Department, Community Center, Lakefront Park, and Parking Structures – Metra Station. The department also oversees maintenance and operation of the street lighting system in order to aid pedestrian and vehicular traffic along major streets and throughout the community at intersections and crosswalks after dark.

Streets, Drainage, and Water/Sanitary Sewer

The Public Works/Streets department oversees the maintenance of streets, curb, gutters, and storm sewers so as to insure that they are smooth, clean, safe, and structurally sound for vehicular travel in a variety of weather conditions. Whenever street conditions are unsafe, it is necessary to take measures that will ensure continuous safe vehicle travel through the community. The department also provides for safe and efficient vehicular traffic movement through the use of traffic control devices, movement markings, and signage to inform operator of motor vehicles and pedestrians of conditions and regulation so as to minimize traffic accidents while accommodating smooth and reasonably rapid traffic movements. During a winter weather advisory, equipment is readied and loaded with road salt and liquid de-icer. Typically, the Village Police Department notifies the Street Department when road conditions require snow and ice control.

The Public Works/Streets department provides for the preventative maintenance annual cleaning and inspection of the Village storm sewer and drainage system in compliance with the NPDES program

Forestry and Grounds

The Public Works department provides for maintenance and care of parkway trees, as well as, maintenance of the six (6) parks in the Village, including mowing and repairs to playground equipment. Several tasks are performed to insure the vitality of parkway trees and nursery stock including spraying to arrest or prevent disease; trimming to shape and improve aesthetics; tree removal in the event of storm damage, disease, or insect infestation (the conformation of the Emerald Ash Borer in Fox Lake); and tree replacement of those trees that will have to be removed.

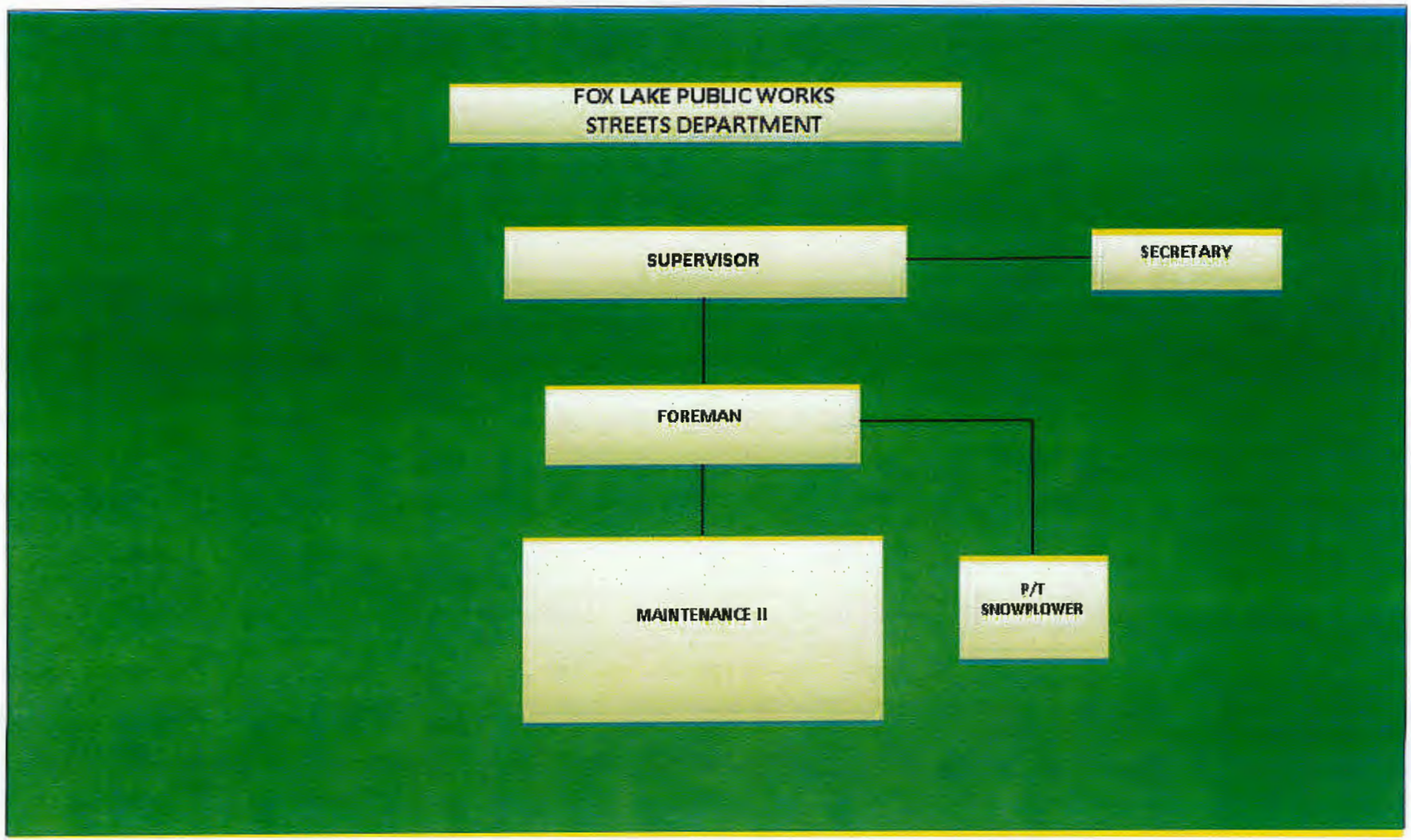
Public Works/Streets Budget

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-341-4000	WAGES	$469,405	$479,224	$490,422	Cost of living increases
01-341-4002	WAGES - PART-TIME	20,299	24,750	16,500	2 part-time employees
01-341-4010	OVERTIME	55,249	35,000	40,000	Snow plowing events
01-341-4100	HEALTH INSURANCE	104,095	120,328	126,673	Anticipated increases
01-341-4110	LIFE INSURANCE	612	670	670	No change
01-341-4120	UNEMPLOYMENT INSURANCE	13,473	2,648	-	Village as of 1/1/15 is self-insured cost -no cost anticipated
01-341-4200	SOCIAL SECURITY & MEDICARE	33,216	41,232	41,681	Lower due to Sick time payout changing from 80 to 40 hours & less overtime
01-341-4220	IMRF	64,806	58,089	56,481	IMRF Calendar Year 2015 - 10.68% to IMRF CY 2016 - 12%
01-341-5740	UNIFORMS	3,514	4,500	6,912	Uniforms, t-shirts, safety equipment upgrade to safety attire $768 for 9 emp
01-341-5000	BUILDING MAINTENANCE	9,703	30,000	45,000	HVAC, fire extinguishers, water doors, first aid, floormats, towels, plumbing, electrical, overhead doors $15,000, Roof Street Dept $30,000
01-341-5010	EQUIPMENT MAINTENANCE	3,961	2,000	2,200	Copier
01-341-5030	STREET MAINTENANCE	44,772	29,000	41,500	trump/tree removal $6,000, debris removal (appliances, etc.) $18,000, contractual work curb/street $10,000, LED streetlight replacement (Cambridge Subdivision) $7,500 - Debri removal more than prior year due to regulatory testing, Beautification $10,000
01-341-5040	PARKS MAINTENANCE	1,072	2,300	-	Included in parks department
01-341-5100	PROFESSIONAL SERVICES	24,708	16,500	20,760	Contractual snowplowing for subdivisions $19,000, Lake County Stormwater management permits $440 (4)
01-341-5110	ENGINEERING SERVICES	77,702	40,500	41,000	Stormwater NPDES permit $1,000, Bridge inspections $5,000 (3 bridges), General engineering $35,000
01-341-5120	LEGAL SERVICES	2,858	4,000	-	Moved to admin
01-341-5160	TECHNOLOGY	1,846	2,075	1,750	Repairs $600, switch $75, PC replace $900, UPS cable $150
01-341-5200	POSTAGE	3	100	100	Minimal anticipated
01-341-5310	MEMBERSHIPS	-	200	650	APWA - $150, IPW Man - $500

Public Works/Streets Budget (continued)

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-341-5330	TRAINING	200	450	1,000	ROW herbicide certification and mosquito larvacide training & testing
01-341-5410	UTILITIES	9,987	10,500	10,500	Water/Sewer, Nicor and Electric, Osmosis system, telephone
01-341-5413	ELECTRICITY CHARGES	81,577	96,000	96,000	Street lighting - Municipal Streets - Trending at $8,000 per month and replaced with LED lighting
01-341-5510	RENTALS	336	750	750	Emergency equipment: i.e. trencher, generator, chipper, pumps, barracades
01-341-5600	BUILDING MAINTENANCE SUPPLIES	1,594	12,000	43,300	In House repairs to street dept bldg $7,000, all other building exterior repairs $5,000, park maintenance $1,300, DECO/ICE lighting grant expense
01-341-5610	EQUIPMENT MAINTENANCE SUPPLIES	3,944	5,000	7,500	Small engine repairs - will be done in-house
01-341-5700	OFFICE SUPPLIES	1,161	1,500	1,200	Files, calendars, pens
01-341-5710	OPERATING SUPPLIES	33,879	39,200	48,000	Signs, posts, hardware, dirt, sand gravel, striping paint, storm sewer supplies, grass seed/fertilizer, mosquito control (briquettes), herbicides/pesticides, mulch landscaping parks, playgrounds, village buidlings plus storm sewer supplies
01-341-5712	SIGN PROGRAM	-	25,000	15,000	Federal mandate for street replacement program
01-341-5713	STONE & CONCRETE	-	20,000	20,000	Sidewalk replacement program: Grand Avenue & other areas
01-341-5730	SMALL TOOLS	6,976	5,500	6,000	Saws, rakes, shovels, chainsaw replacement - current trend lower
01-341-5751	FUEL	63,731	45,000	50,648	2,225 gallons $3.5/gal reg - 10,715 gallons $4.0/gal diesel
01-341-5750	CHEMICALS	2,154	3,200	-	Herbicides/pesticides general usage moved to operating supplies
01-341-5951	EMPLOYEE RECOGNITION	274	1,050	500	$500 winter operations
	TOTAL PUBLIC WORKS/STREETS	$1,137,106	$1,158,266	$1,232,697	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Public Works/Streets Department
April 30, 2015



Community Development Department

The mission of the Community Development Departments is to protect the life safety and welfare of the public. To achieve this mission, the department functions to secure safety to life and property from hazard or incidents regarding the design, erection, repair, demolition and occupancy of buildings, structures and property improvements. The department also works on economic development strategies to encourage new businesses and families to move to Fox Lake, as well as to assist and support existing businesses.

The Community Development Department is responsible for implementing and enforcing current applicable codes and ordinances within the Village of Fox Lake. Building permits are required for new construction, as well as for specific scopes of work to alter or repair existing structures or property. The department oversees the construction process at various stages through building inspections to confirm the scope of work is being done per current codes and ordinances.

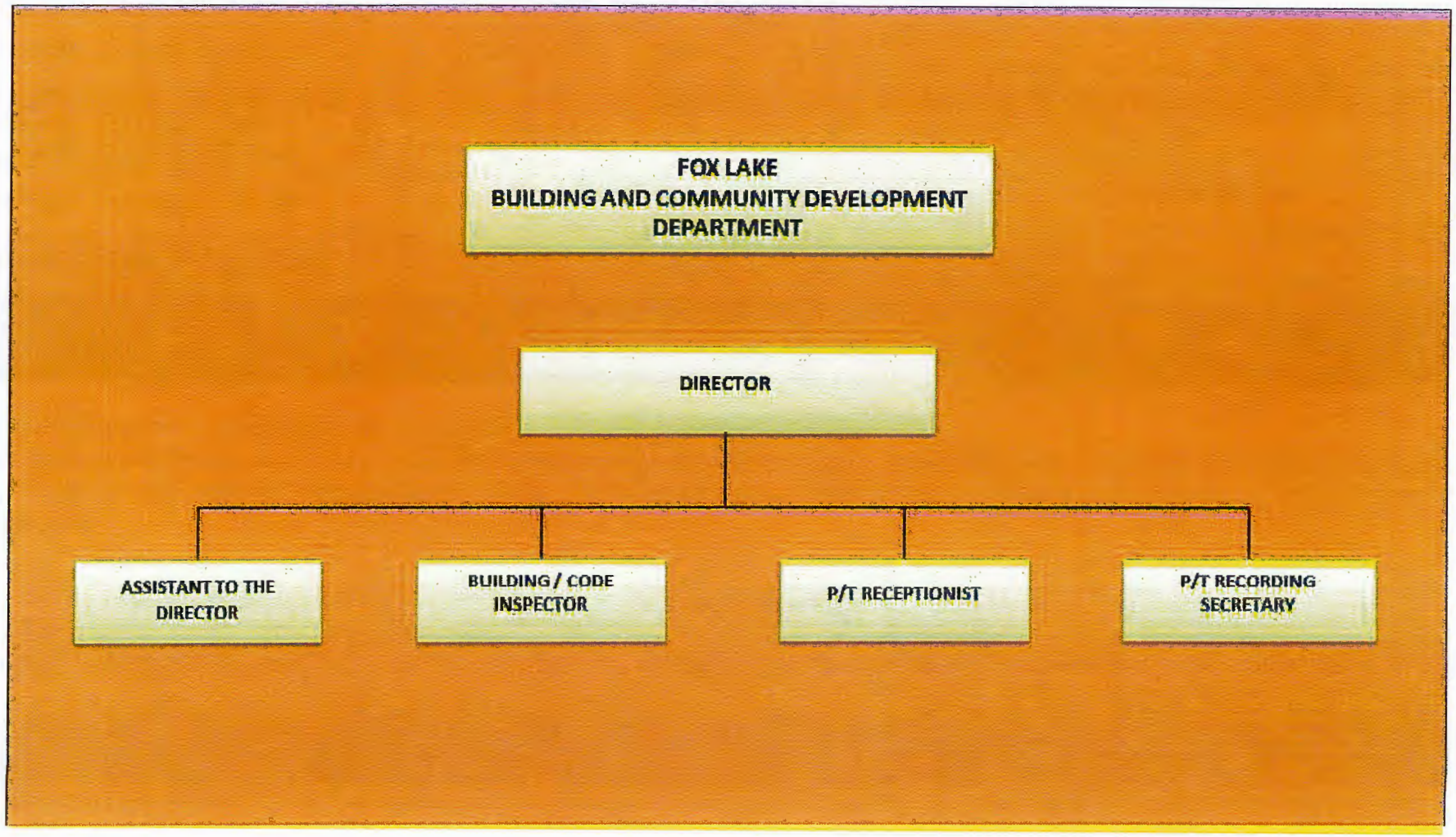
The Community Development Department is comprised of the Building Commissioner, Assistant to the Director, Code Enforcement/Inspector and a part-time Permit Clerk.

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-354-4000	WAGES	$142,748	$119,361	$156,694	Community Develop Director full salary in FY2015-16
01-354-4010	OVERTIME	1,449	250	-	None Anticipated
01-354-4002	WAGES - PART-TIME	15,725	33,240	34,150	Includes one part-time employee in Community Development and $22,768 for Plan Commission & PBZA
01-354-4100	HEALTH INSURANCE	14,565	52,631	58,521	Two employees changed from opt-out to family coverage
01-354-4110	LIFE INSURANCE	142	167	201	Comm Develop Director full-time
01-354-4120	UNEMPLOYMENT INSURANCE	4,765	1,984	-	Village as of 1/1/15 is self-insured cost has been elimin
01-354-4200	SOCIAL SECURITY & MEDICARE	11,460	11,693	12,096	Higher due to full salary of Comm Dev Director
01-354-4220	IMRF	16,713	15,433	16,151	IMRF Calendar Year 2015 - 10.68% to IMRF CY 2016 - 12%
01-354-5010	EQUIPMENT MAINTENANCE	526	7,680	-	Copier removed from department
01-354-5100	PROFESSIONAL SERVICES	52,456	37,492	52,908	Bi-annual elevator insp $43/elevator $1,892, reinsp $516, plumbing insp $15,000 (49 weeks, $59/inspection/day), nuisance abatement $2,000, CAV list compliance work $31,000, admin adjudication $2,500
01-354-5110	ENGINEERING SERVICES	49,275	15,000	20,000	Field inspections, plan reviews $15,000, Floodplain violations CAV list elevation certificates $6,000 non-reimbursable
01-354-5111	BILLABLE ENGINEERING FEES	-	15,000	12,000	Reclassification of engineering expense to reimbursable

Community Development Budget (continued)

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-354-5114	BILLABLE BUILDING & ZONING EXP	-	500	200	Reimbursable legal notices
01-354-5120	LEGAL SERVICES	69,830	15,000	-	Moved to Administration
01-354-5125	BILLABLE ATTORNEY FEES	-	7,500	8,000	Attorney expenses reimbursed by developer
01-354-5160	TECHNOLOGY	6,475	10,180	9,940	BS&A Support $1,440, Offline Data Storage (25%) $1,500, Technology Upgrades-Video Card $100.00, Equipment Repairs $750.00, Computer Replacement (2) FM/Clerk $1,800, Monitor Replacement (1) $150, UPS (2) $300, Copy Machine $1,000
01-354-5200	POSTAGE	1,500	2,000	2,000	Fed ex, UPS, plan comm & zoning bd hearings $1,500, Certified Citations $500
01-354-5221	PRINTING	4,248	5,000	5,000	Prior year trend
01-354-5224	PUBLISHING	1,744	3,000	2,500	Legal notices and public meeting notices
01-354-5310	MEMBERSHIPS	1,450	1,195	1,910	ABCI Dues $120, ICC dues $75, BOCA Dues $75, IEPA/NPDES Permit $1000, ICSC $100, Recorder of Deeds Online Access Subscription $540
01-354-5320	TRAVEL	180	400	250	Mileage, parking, meals
01-354-5330	TRAINING	1,113	3,339	3,000	Seminars: Plan commission $400, Zoning Board $300, IML $195,admin user $250, ICC permit technician (2) $360, Civic Leadership Academy Zoning Code Enforcement $380, Lake County Stormwater mgmt, FEMA, mapping-arc-GIS $1,134
01-354-5410	UTILITIES	1,118	3,240	840	Cell phones $70/mth
01-354-5700	OFFICE SUPPLIES	2,441	3,700	5,000	Forms, pens, folders
01-354-5710	OPERATING SUPPLIES	10,344	3,450	-	Moved to Office supplies
01-354-5712	SIGNS	-	-	15,000	Village signage and banners
01-354-5720	COMMUNITY PROGRAMS	-	20,000	30,000	Façade Improvement program
01-354-5740	UNIFORMS	571	1,000	250	shirts
01-354-5751	FUEL	1,146	2,500	2,000	575 gallons - $3.50/ gal regular Reduced Fuel/Oil amount by $2,000
01-354-5951	EMPLOYEE RECOGNITION	95	620	100	Dinner
	TOTAL COMMUNITY DEV DEPT	$412,077	$392,555	$448,711	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Community Development
April 30, 2015



Grant Expense

The Village received an Illinois Park and Recreational Facility Construction Grant. Expenses related to the grant will be expensed to a dedicated account

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-370-5810	PARK GRANT EXPENSE	$4,110	$73,400	$886,600	Illinois Park and Recreational Facility Construction Grant dollars to pay for the improvements at the Lakefront Park plus Village match of 20%.
	Total Reimbursable Expenses	**$4,110**	**$73,400**	**$886,600**	

Debt Service

The Village may use the issuance of long-term debt to further the Village's Capital Improvement Projects. Long-term debt is used only for capital projects that cannot be financed from current revenue sources. The following debt serve relates to Series 2003, Series 2006, Series 2007, Series 2011B and Series 2014B Debt Certificates in the amount of $2,450,000 issued for the purpose of funding various capital projects.

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-400-6000	PRINCIPAL PAYMENT	$313,233	$326,151	$330,272	2003 Installment Note $92,902 & 2011B Debt Certificate $233,250
01-400-6010	INTEREST EXPENSE	90,519	81,746	152,685	2003 Installment Note $27,632 & 2011B Debt Certificate $54,114 & 2014B Debt Certificate $80,891
01-441-6000	PRINCIPAL PAYMENT	16,700	16,700	16,700	G.O. Debt Certificate, Series 2006
01-441-6010	INTEREST EXPENSE	2,567	1,837	1,102	G.O. Debt Certificate, Series 2006
01-441-6020	BOND ISSUANCE COSTS	-	40,000	-	Cost of Road Construction Debt Certificate 2014B
01-427-6000	PRINCIPAL PAYMENT	61,235	88,350	89,350	G.O. Debt Certificates, Series 2007 & G.O. Debt Certificates, Series 2011B
01-427-6010	INTEREST EXPENSE	24,952	23,773	21,317	G.O. Debt Certificates, Series 2007 & G.O. Debt Certificates, Series 2011B
	TOTAL DEBT EXPENSE	$509,206	$578,557	$611,427	

Capital Outlay

The Village's operational needs for capital expenditures must be weighed against the ability of the Village to finance these projects. Capital improvement projects represent the equipment and infrastructure resources that all municipalities need to provide resident and business services and generally provide future benefits with long service lives. Capital expenditures are costs that create future benefits. A capital expenditure is incurred when the Village spends money to buy fixed assets or add value to an existing fixed asset. The Village capitalizes all equipment purchases over $20,000. Additional detail is located in the Capital Improvement Plan detail in Section 8.

General Ledger #	General Ledger Acct Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
01-511-7010	LAND	$-	$195,000	$275,000	Land purchases as opportunities arise
01-511-7030	EQUIPMENT	-	-	62,000	Generator for Village Hall
01-514-7011	LAND IMPROVEMENTS	64,614	25,870	111,000	LUST tank removal & remediation $111,000 @ 70% reimbursement estimated contract amount
01-521-7020	BUILDING	8,479	55,000	-	
01-521-7030	EQUIPMENT	8,793	-	-	
01-521-7040	VEHICLES	133,358	140,000	-	None budgeted
01-541-7081	ROAD IMPROVEMENT - NW REGION	-	50,000	400,000	Sayton Road in NW Region - externality fees used to pay expense
01-541-7030	EQUIPMENT	189	50,000	-	None budgeted
01-541-7040	VEHICLES	-	-	228,000	Dump truck $68,000, 5 yard dump truck - 4 wheel drive - $160,000,
01-541-7080	ROAD CONSTRUCTION	-	1,285,500	714,500	Phase II road bond - Meade Ct., North Pistakee, South Pistakee, West Grand
	TOTAL CAPITAL EXPENSE	**$ 245,573**	**$1,801,370**	**$1,790,500**	

Total General Fund Revenues, Expenditures and Net Income

The Village of Fox Lake General Fund Net Income for FY2015-2016 is anticipated to have a net loss of $1,030,856.

	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016
Total General Fund Revenues	$12,164,785	$14,486,399	$13,367,988
Total General Fund Expenses	10,440,981	13,289,099	14,398,844
Net Income	$ 1,723,804	$ 1,197,300	($ 1,030,856)

Section 5

Special Revenue Funds

Motor Fuel Tax

TIF

Special Revenue Accounts

Special Revenue accounts are used to account for general government financial resources that are restricted by law or contractual agreement to specific purposes other than debt service or major capital projects. The funds exist as long as the government has resources dedicated to specific purposes.

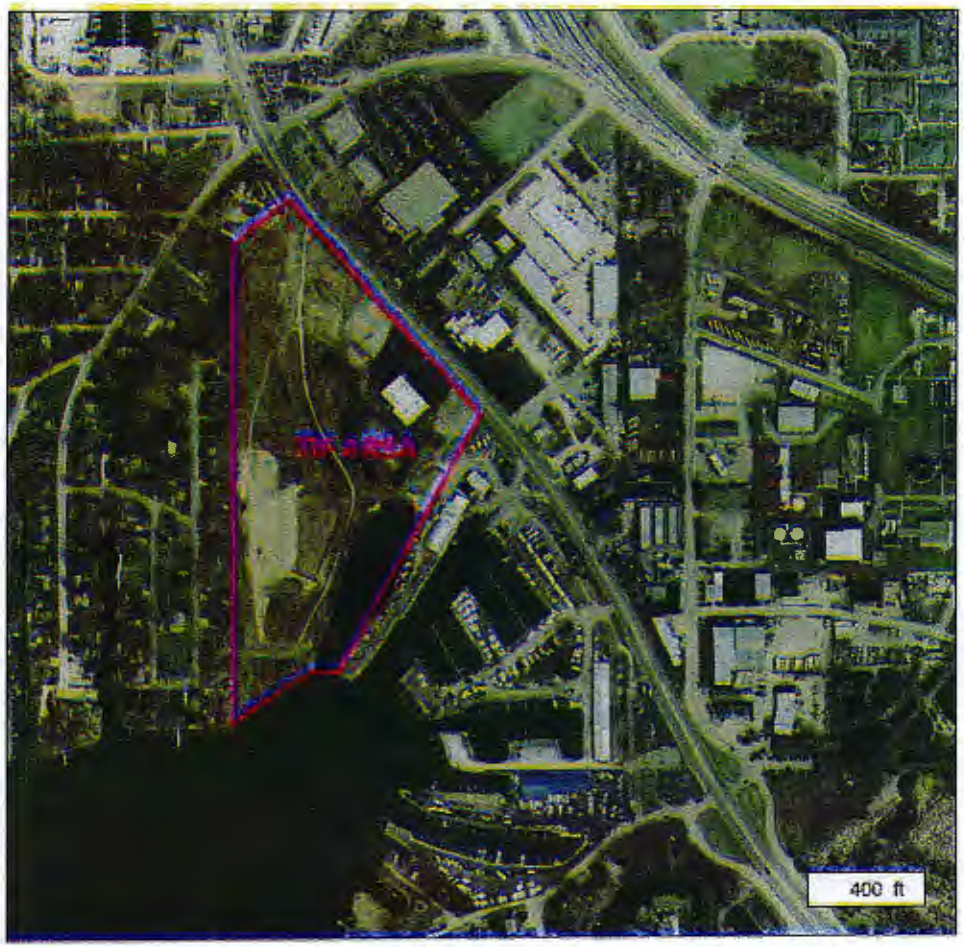
TIF Fund

The Tax Increment Financing (TIF) Fund was created as a method of public financing for development in the Village. It is a tool used to secure future gains in taxes in order to finance infrastructure improvements, which will in turn, create conditions for future gains. Subsequently, infrastructure improvements can lead to an increase in the value of property and potentially, present new investment opportunities in the Village.

General Ledger #	General Ledger Account Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
12-100-3000	REAL ESTATE TAXES	$37,505	$36,327	$36,327	Flat - Development anticipated in next fiscal year
12-100-3700	INTEREST INCOME	-	-	-	None anticipated
	Total Revenues	$37,505	$36,327	$36,327	
12-300-5100	PROFESSIONAL SERVICES	$2,100	$3,000	$22,808	Attorney expenses related to develop $20,000 and audit fees $2,808
	Total Expenses	$2,100	$3,000	$22,808	
	Total TIF Fund	$35,405	$33,327	$13,519	

TIF Boundary Map

The proposed TIF is generally south of Illinois Route 12 and Satyon Road within the Village of Fox Lake.



Motor Fuel Tax Fund

The State of Illinois distributes taxes paid by consumers at the gas pump to municipalities on a per capita basis. The use of these funds is restricted to the following purposes:

- Pavement Repair and Maintenance
- Construction of Roads
- Snow & Ice Removal
- Traffic Control Devices and School Crossing Signals
- Utility Adjustments
- Street lighting
- Traffic Signal Maintenance
- Parkway Maintenance
- Bicycle Signs and Markings
- Engineering Services
- Off-Street Parking Facilities
- Retirement of Indebtedness
- Payment of Principal and Interest on Road Bonds
- Miscellaneous Expenses in Connection with Bond Issue
- Salt Storage Facilities
- Storm Sewers
- Sidewalks and Curb Ramps
- Wages or Salaries and Benefits
- Equipment Operating Costs
- Tree Trimming and Tree Removal
- Workers' Compensation Insurance Premiums
- Improvements Railroad Signal Protection and Crossing Work

The Village has experienced stagnation and then a decline in this revenue stream, which directly correlates to the change in statewide sales of gasoline. Logical reasons for this decline include the use of more fuel-efficient vehicles, increased use of carpooling, increased use of public transportation, and a decline in discretionary travel for recreation and shopping.

The proposed budget for FY2015-2016 was developed assuming a slight decrease in the per capita rate from to $24.30 to $23.80 based upon the Illinois Municipal League projections; a population of 10,579 (2010 Census); and no additional revenue from the High Growth Cities fund of $10,400 and from the Jobs Now Program. The decrease in revenues reflects these changes.

Motor Fuel Tax Fund (continued)

Below is historical information on the Village's motor fuel tax receipts.

Fiscal Year	Revenues	Rate Per Capita
FY2007-2008	$ 307,969 *	27.92
FY2008-2009	$ 288,305 *	26.10
FY2009-2010	$ 270,011 *	24.43
FY2010-2011	$ 270,665 *	24.53
FY2011-2012	$ 316,313 *	28.80
FY2012-2013	$ 306,581 *	27.68
FY2013-2014	$ 318,035 *	27.66
FY2014-2015 (B)	$ 267,470	24.30
FY2015-2016 (B)	$ 252,627	23.80

*Includes Job Now & High Growth Cities receipts

General Ledger #	General Ledger Account Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
15-100-3130	MOTOR FUEL TAX	$318,035	$267,470	$252,627	IML projection$23.8 which is lower than the prior year amount of $24.3 per capita of 10,579 less $10,400 from High Growth Cities not anticipated
15-100-3200	GRANT REVENUE	100,000	93,000	-	None anticipated
15-100-3700	INTEREST INCOME	63	50	-	None anticipated
	Total Revenue	**$418,098**	**$360,520**	**$252,627**	
15-300-5110	ENGINEERING SERVICES	$16,746	$12,960	$100,000	Phase I - Nippersink, TARP grant, CDBG, TIP, STP
15-300-5100	PROFESSIONAL SERVICES	6,997	125,000	21,631	Road Striping, $5,000 - ThermoPlastic - $15,000 and audit $1,631
15-300-5413	ELECTRICITY CHARGES	24,877	35,000	35,000	Shared intersections with IDOT & LCDOT
15-300-5710	OPERATING SUPPLIES	132,066	100,000	200,000	Snow & Ice Control Materials - Rock Salt and De-Icing Liquid
15-500-7080	ROAD CONSTRUCTION	103,191	129,600	100,000	CDBG matching road project and other grant matching
	Total Expenses	**$283,876**	**$402,560**	**$456,631**	
	Total Motor Fuel Tax	**$134,222**	**$(42,040)**	**$(204,005)**	

Section 6

Enterprise Funds

Commuter Parking Fund
Water & Sewer Fund
Northwest Regional Water Reclamation Facility
Dispatch – 911 Department

Fiduciary Funds

Police Pension

Village of Fox Lake
Established 1907

Enterprise Funds

Commuter Parking Fund

The Parking Fund was established as an enterprise fund to track the revenues and expenses associated with operating and maintaining the Metra parking lots.

The Commuter Parking Fund is designed to account for all revenue and expenses related to the operation of the Metra commuter parking facilities located along the Milwaukee District/North Line railroad tracks. The parking lots include over 450 daily parking spaces. The Village of Fox Lake is responsible for repairs and maintenance, as well as capital improvement projects, to the commuter parking lot. This includes pavement repairs, pay machine maintenance, snow removal and infrastructure upgrades

Expenses recorded in the Commuter Parking Fund include supplies, pavement repairs, maintenance, snow removal, infrastructure upgrades, insurance, depreciation, utilities, and reimbursement to the General Fund for staffing (accounting, public works, pay box collections, etc).

The Commuter Parking Fund is unable to support its related costs of operation. The Commuter Parking Fund is budgeted at a deficit for the year of $93,330. The Village cannot continue to subsidize this operation or future large-scale maintenance; therefore, the Village will continue working with Metra to review fees and expenses.

General Ledger #	General Ledger Account Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
50-100-3505	ORDINANCE & PARKING FINES	$4,093	$-	$-	Revenue should be included in General Fund - moved to ordinance fines
50-100-3820	PARKING FEES	129,753	125,000	125,000	Averaging $10,400/mth
50-100-3700	INTEREST INCOME	2	-	-	None Anticipated
50-100-3750	MISCELLANEOUS INCOME	436	-	-	None Anticipated
	Total Revenues	$134,284	$125,000	$125,000	
50-300-4000	WAGES	$ 6,130	$10,165	$22,471	One-half of an officer assigned to commuter parking
50-300-4002	WAGES - PART-TIME	5	-	-	2 summer help
50-300-4100	HEALTH INSURANCE	-	300	750	Related to one-half officer
50-300-4120	UNEMPLOYMENT INSURANCE	39	8	-	Village as of 1/1/15 is self-insured cost has been eliminated
50-300-4200	SOCIAL SECURITY & MEDICARE	602	778	1,719	Related to one-half officer
50-300-4220	IMRF	941	36	2,494	Related to one-half officer
50-300-5010	EQUIPMENT MAINTENANCE	8,163	5,000	1,000	Refurbish pay boxes

Commuter Parking Fund (Continued)

General Ledger #	General Ledger Account Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
50-300-5104	PROF SERVICES - SNOW REMOVAL	17,430	15,000	15,000	Based upon prior year budget
50-300-5040	PARKS & GROUNDS MAINTENANCE	29,614	38,300	23,000	Crack Fill/Seal Coating 4 lots ($8,000), Metra/Nippersink Blvd Hill $5,000 , $10,000 for mowing/landscaping
50-300-5102	ACCOUNTING SERVICES	5,554	4,311	1,568	Audit
50-300-5120	LEGAL SERVICES	728	1,000	1,000	New Metra contract
50-300-5100	PROFESSIONAL SERVICES	4,128	3,020	-	None Anticipated
50-300-5200	POSTAGE	343	500	500	Mailing of passes
50-300-5221	PRINTING	3,050	4,000	3,000	Printing of passes
50-300-5320	TRAVEL	183	250	-	None anticipated
50-300-5410	UTILITIES	4,667	6,000	5,000	Com-Ed and NiCor trending $500 per month
50-300-5500	LIABILITY & WORKERS COMP	19,887	25,817	660	Allocation based upon Work's Comp audit and actual equipment/building assets
50-300-5700	OFFICE SUPPLIES	-	200	-	None Anticipated
50-300-5710	OPERATING SUPPLIES	3,187	3,000	3,000	$500 per lot for salt
50-300-5401	SERVICE CHARGE - GENERAL FUND	87,354	176,908	132,131	Maximus cost allocation of general fund expenses
50-300-8000	DEPRECIATION	5,036	5,036	5,036	Based upon depreciable properties - land not depreciable
	Total Expenses	$197,040	$299,629	$218,330	
	Total Parking Fund	$(67,756)	$(174,629)	$(93,330)	

Water/Sewer Fund

The Water/Sewer Fund accounts for the provision of potable water services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including administration, operations, maintenance, depreciation expense, financing, and billing and collection.

The Village of Fox Lake's Sewer and Water system has been in operation since 1928. Today, the Water Systems supply between 500,000 to 1,000,000 gallons of potable water per day for over 5,000 Village customers. The Village operates the Tall Oaks Wastewater Treatment Plant, as well as the Village's sewage collection system that flows to the Northwest Regional Water Reclamation Facility.

In the South System, the Village operates and maintains 4 wells, 2 water towers, and 18 lift stations. In the North System (formerly referred to as "Leisure Tech"), the Village operates and maintains 2 wells, 1 reservoir, 6 lift stations and 1 sewage treatment plant.

The Sewer and Water Department has a current staffing level of nine (9) personnel for both the South and North System. Staff members attend numerous training sessions every year in order to stay abreast of current regulations and maintain their IEPA licensing. The Water and Sewer Department provides 24-hour call service for all customers and is committed to providing safe, reliable and economical sewer and water services. Fox Lake residents are the department's highest priority and staff takes pride in their commitment to customer service.

General Ledger #	General Ledger Account Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
51-100-3830	WATER SALES	$3,133,786	$3,750,000	$3,800,000	Rate increase anticipated in October
51-100-3200	GRANT REVENUE	-	93,000	-	None anticipated in FY2015-16
51-100-3700	INTEREST INCOME	1,079	2,500	2,500	Bond and Note Payable payments reducing cash balance
51-100-3720	SALE-FIXED ASSETS	-	2,000	2,000	sale of scrap & surplus dept equip
51-100-3750	MISCELLANEOUS INCOME	2,439	5,000	2,000	Conservative estimate
51-100-3831	WATER METER SALES	2,288	13,000	5,120	4 new residential @ $1,280 more development than expected
51-100-3840	TAP-ON-FEES	12,500	50,000	37,600	4 new residential @ $9,400
51-100-3841	REMEDIAL WASTE	12,486	22,000	8,621	Conservative estimate
51-100-3845	PENALTIES	(75)	76,000	50,000	Conservative estimate
	Revenue from Operations	$3,164,502	$4,013,500	$3,907,841	
51-200-3900	PROCEEDS FROM IEPA LOAN	$ -	$1,500,000	$568,507	IEPA loan reimbursement of the Holiday Park Tower
51-200-3901	DEBT PROCEEDS - PREMIUM	-	-	-	
51-200-3902	NEW IEPA LOAN	-	-	3,000,000	New IEPA loan for North Tower
	OTHER FINANCING SOURCES	$ -	$1,500,000	$3,568,507	Flat
	Total Revenue	$ 3,164,502	$ 5,513,500	$ 7,476,349	

Water/Sewer Fund Budget (continued)

General Ledger #	General Ledger Account Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
51-300-4000	WAGES	$ 438,987	$500,039	$505,158	No change in personnel
51-300-4002	WAGES - PART-TIME	419	1,000	-	None Anticipated
51-300-4010	OVERTIME	38,444	43,090	37,800	Trending close to prior year actuals
51-300-4100	HEALTH INSURANCE	76,714	166,362	139,317	Change in employee coverage
51-300-4110	LIFE INSURANCE	454	691	677	No change in personnel
51-300-4120	UNEMPLOYMENT INSURANCE	9,866	3,443	-	Village as of 1/1/15 is self-insured cost has been eliminated
51-300-4200	SOCIAL SECURITY & MEDICARE	36,137	41,549	41,337	No change in personnel
51-300-4220	IMRF	56,382	60,064	56,438	IMRF Calendar Year 2015 - 10.68% to IMRF CY 2016 - 12%
51-300-5000	BUILDING MAINTENANCE	18,941	28,500	65,000	HVAC yearly inspection $2,000, repairs $1500, backflow preventers $500,Holiday Park Fence $21000, Holiday Park Roof $10,000, Holiday Park Building Paint $4,000, New Doors Wells 1/2$4,000, New AC Unit Well #4 $7,000, Install Driveway at Lippincott Lift $5,000, Add parking & asphalt at Well #4 $10,000
51-300-5010	EQUIPMENT MAINTENANCE	18,229	33,000	43,500	Repair pumps/controls $29,000 , calibration of scales $1,000, calibration of chlorine gas detectors, Influent Sampler Tall Oaks $9,000, Flow Meter Tall Oaks $3,500, Load Bank Testing Generators $8,000
51-300-5021	VEHICLE MAINTENANCE - MP	27,974	28,840	36,000	Maintenance & Repairs: 1995 Chevy van, 2002 Ford F-350 (2), 2001 Ford explorer, 2005 Vactor and 2010 Ford F-450,2014 F150,2014 Ford Van, Mini Excavator,Ford F350(x3)
51-300-5050	UTILITY SYSTEM MAINTENANCE	263,515	354,400	371,060	Emergency System repairs $250,000, water meter testing & calibration $6,000 annual, water leak survey $10,000 annual, paint hydrants $65 @700 $45,500 (Lake county joint contract), Restoration Materials $10,000, Paving and Patching $13,000, Bulk Materials $4,000, Clean Water Towers $20,000, Equipment Rentals $2,000, Root Removal $10,560
51-300-5100	PROFESSIONAL SERVICES	51,771	63,379	40,550	IEPA Permit Tall Oaks $8,350, Lien Fees $5,000 Zee Medical safety supplies $700, Fire Extinguisher service $600, Metra Easements $3,200, misc $1,000, Fulcrum $1200, GIS ELA Program $10,000 recurring exp, BSI Cross Connection $600, Calibrate Lab Meter HACH $800, JULIE Fee $2100,Sensus $2,000

Water/Sewer Fund Budget (continued)

General Ledger #	General Ledger Account Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
51-300-5102	ACCOUNTING SERVICES	28,966	25,150	1,568	Allocation of audit
51-300-5105	JULIE	1,626	2,000	-	Moved to 51-300-5100
51-300-5110	ENGINEERING SERVICES	63,900	298,500	175,000	General Engineering Costs ($70,000), GIS Phase #2 $100,000
51-300-5115	OUTSIDE LAB TESTING	8,224	30,205	30,488	NWRWRF Lab $10,900, sludge handling $3,000, sludge testing $2,300, IEPA, State & Federal, public wtr monitoring requirements North/South Systems-$11,288, Admin contract lab $580, sample contingency $3,000
51-300-5120	LEGAL SERVICES	21,979	19,000	10,000	Billing related issues
51-300-5150	PHYSICAL EXAMS	152	1,100	1,800	Vaccines $1800, drug testing
51-300-5160	TECHNOLOGY	5,694	50,000	18,790	Anti-virus $106, spam $140, equip repairs $500, outside tech service $1,200, Antenna PM $550, Backup Data Storage $1,500, Monitor(x1)300,Upgrade Computer $2,000, NAS for Server $3,000, Server $7,500 Camera System Well #4 $2,500
51-300-5200	POSTAGE	16,397	15,500	15,800	$10,900 Sewer and Water Billing, shipping $1,000Cross Connection Survey-$3900
51-300-5221	PRINTING	1,529	5,000	5,130	Letterhead $300, Window Envelopes $200, Window envelopes w/o indicator $200, regular envelopes $150, hang tags $1,200, delinquency notices $430, invoices $1,000, shipping labels $50, business cards $100,Cross Connection Survey $1,700, Misc $1,500
51-300-5224	PUBLISHING	8,472	5,000	7,250	job posting, bids, system maintenance
51-300-5310	MEMBERSHIPS	471	1,045	1,170	AWWA $400, CSWEA $150, FVOA $50, WEF $120, North Suburban Labs $150, APWA $300
51-300-5320	TRAVEL	14	-	-	move to 51-300-5330
51-300-5330	TRAINING	2,411	2,700	5,200	Seminars & Workshops $1,350, safety manuals & videos $600, EPA seminars $750, Utility Billing training $300, Tuition Reimbursement $1,200, Chlorine cylinder
51-300-5401	SERVICE CHARGE – GF	216,473	459,792	338,268	Maximus report allocation of general fund expenses
51-300-5410	UTILITIES	160,843	177,800	162,950	NICOR $12,000, Com-Ed/Mid American $135,000, Utility Bill $350, Cell phone (9 phones, 2 IPAds) $5,000, (3 cimco phone line $2,700), water system CRT lines for system control Omni Wireless (25 alarms) $6,900, wireless card (Tall Oaks) $1,000

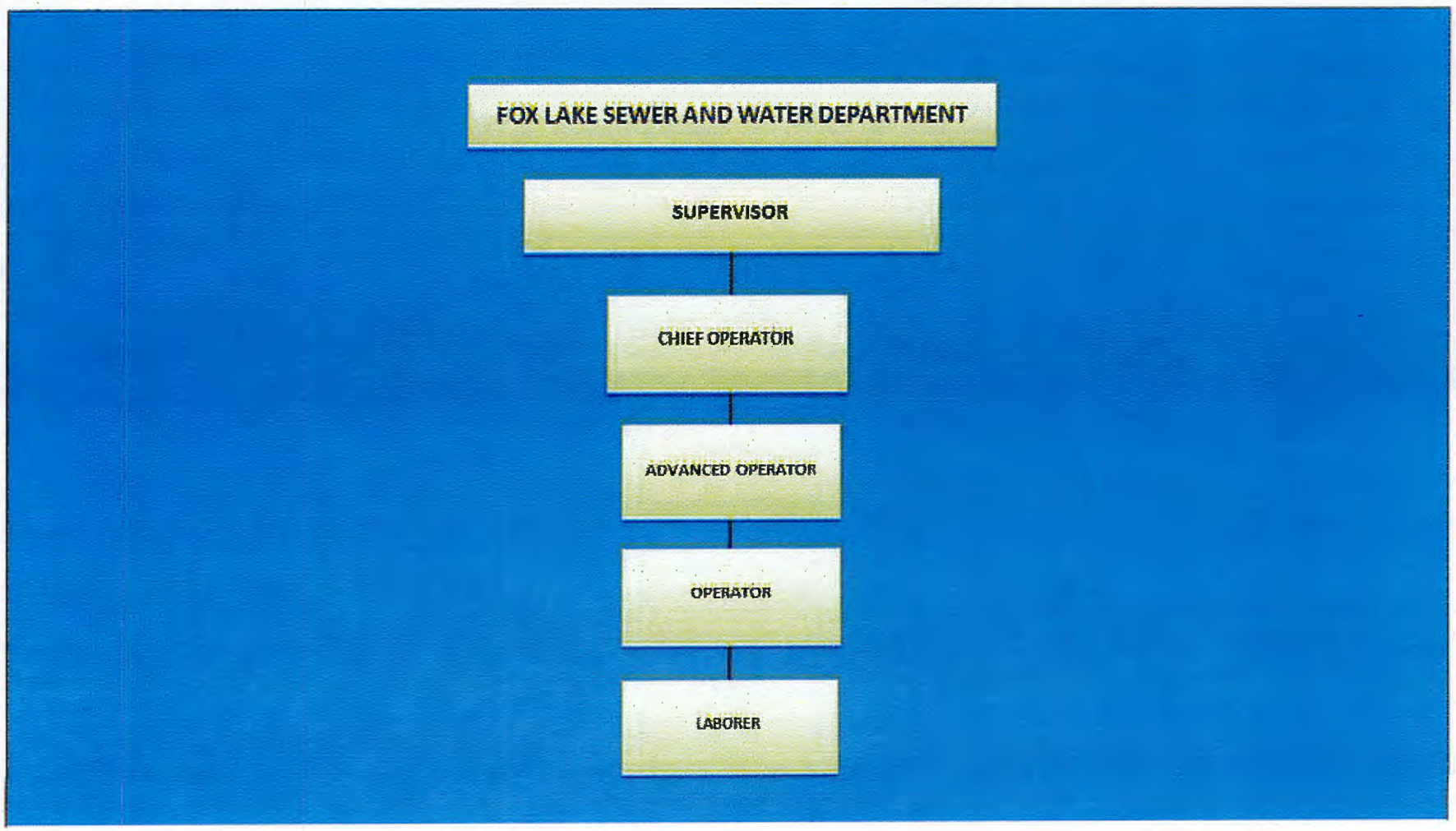
Water/Sewer Fund Budget (continued)

General Ledger #	General Ledger Account Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
51-300-5430	CREDIT CARD & BANK CHARGES	3,173	2,750	5,000	Bond handling fee & Credit Card fees
51-300-5500	LIABILITY & WORKERS COMP INS	74,141	82,614	65,147	Allocation based upon Work's Comp audit and actual equipment/building assets
51-300-5510	RENTALS	110	-	-	Moved to Maint & Service Utility System
51-300-5600	BUILDING MAINTENANCE SUPPLIES	26,534	38,050	42,100	Cleaning sup $3000, Electrical Parts $9,000,Lubricants-$1,000, Locks-$500 paint/sup $3000, paper products $1,000, Locate Sup $1500, Construction Materials $3500, Landscaping Sup $1000, Plumbing Parts $3000, Soap/Disinfectant $800, Sump Pumps $800, Signage $500,Wrap Lift Stations $3,500, Weed Killer $1200, Fasteners-$1000,Misc $4500, Cylinder Rental Fees $100, Batteries $200, Light Bulbs Fixtures $3,000
51-300-5610	EQUIPMENT MAINTENANCE SUPPLIES	1,393	22,000	7,500	Pumps, saws mowers, air compressor, Jet/vac, portable emergency generator $7,500
51-300-5620	VEHICLE PARTS	3,593	9,000	7,900	Vehicles $2,000, Vactor - nozzles, hoses, tubing $5,000 blue tooth truck $900
51-300-5630	UTILITY SYSTEM MAIN SUPPLIES	8,101	18,350	8,000	IEPA required field testing CL2 $1,100, Fluoride $2500, Phosphate $300, Iron $400, Standards $500, Contingency $1000, Treatment Plant $1,200
51-300-5640	WATER METERS	29,375	68,940	84,050	Water meters - $10,000 MXU radio transmitter for house $1,300, Meter supplies $6,000, change meters to MXU (150 total $130/each) $19,500, Meter Changeouts $22,000, Hydrant Meters $2,500
51-300-5650	FIRE HYDRANTS	5,427	24,000	-	Moved to 51-300-5710
51-300-5700	OFFICE SUPPLIES	3,232	4,280	2,525	Water/sewer office $2,225, flow charts $300
51-300-5710	OPERATING SUPPLIES	38,332	35,000	58,000	System supplies, clamps, sleeves, couplings, b-boxes, valve boxes,water & sewer pipe, manhoe and valve box risers $39,000, $3,000 chemical feed equip, Hydrant Parts-Tags $14,500.Chlorine Scale Tall Oaks $1500 Note 51-300-5650 moved to this account
51-300-5730	SMALL TOOLS	6,492	9,500	13,200	Small tools $4,000, safety equip $5,000, Barricades $1,500, Hydrant Diffuser $1200 Pipehorn Safety Sweep $1500
51-300-5740	UNIFORMS	10,203	12,910	13,185	Uniform rental (8) per wk plus add emp $3,000, Supervisor uniforms $500, Shoes $1,575,shirts,coats,coveralls $4,610, Damage Exp-$1,000,Jeans Return-$1500,New Emp-$1,000

Water/Sewer Fund Budget (continued)

General Ledger #	General Ledger Account Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
51-300-5750	CHEMICALS	22,210	35,000	36,830	5200 lbs CL2 $3,000, 7500 lbs Floride $3,780, 5000 lbs Poly $5,000, 600 lbs Hypochlorite $350, Sewer: 1700 lbs Cl2 $1,000, 4400 gallons FERRIC $7,700, 5500 lbs Bl sulfate $1,500, Drytec Granular 500 lbs $1,000, delivery charges $2,000, contingency 2,500, enzymes for lift station grease $9,000
51-300-5751	FUEL	25,195	36,525	36,350	Gas/Reg 100 gal small equip, 4,000 gal veh @ $3.50/gallon - Diesel 4,000 vehicles, 1,500 generators @$4.00/gallon
51-300-5752	LAB SUPPLIES	14,120	-	-	Combines with outside lab testing
51-300-5780	SOFTWARE	-	10,000	10,000	New Accounting System - to be funded over a 3 year period
51-300-5951	EMPLOYEE RECOGNITION	236	-	300	Lunches
51-300-8000	DEPRECIATION	495,781	576,443	695,193	Last yr actuals plus current assets based upon 45 year useful life
51-300-8020	AMORTIZATION EXPENSE	106,556	111,312	5,689	Bond issuance costs amortized over 15 years
	Total Water Fund Expenses	$ 2,449,186	$3,513,823	$ 3,347,585	
51-400-6000	PRINCIPAL PAYMENT	$ -	$184,250	$567,675	Principal Bonds: 2011B, 2014A, 2014B & IEPA Junior Lien Bond
51-400-6010	INTEREST EXPENSE	116,917	42,746	146,364	Interest payment on Bonds
51-400-6020	BOND ISSUANCE COSTS	4,756	85,342	20,000	New Tower will require debt - IEPA loan less
	TOTAL DEBT	$ 121,673	$ 312,338	$ 734,039	
51-500-7010	LAND	$ -	$ 3,000.00	$ -	None anticipated
51-500-7020	BUILDING	5,217	2,650,000	-	None anticipated
51-500-7030	EQUIPMENT	-	520,000	-	None anticipated
51-500-7040	VEHICLES	-	-	174,000	Mainline Repair Truck $95,000, F350 with utility box $40,000, Six Inch Pump $25,000,Equip new trucks $14,000,
51-500-7050	WATER & SEWER SYSTEM	-	-	4,750,000	SCADA Phase #2 $250,000, Connect North Well to Iron Filter $160,000, Line 2000 feet of sewer $200,000, Watermain Lakewood and Glen $700,000, Drive Replacement Tall Oaks $150,000, Electric Upgrade at Well #4 $40,000, Design System Interconnect - $250,000, $3,000,000 North Tower
	CAPITAL IMPROVEMENTS	$ 5,217	$ 3,173,000	$ 4,924,000	
51-600-8090	INTERFUND TRANSFER OUT	12,923	-	-	None anticipated
	Water Fund Net Income (Loss)	$ 575,503	$(1,485,661)	$(1,529,275)	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Water & Sewer
April 30, 2015



NW Regional Water Reclamation Facility

The Northwest Regional Water Reclamation Facility (NWRWRF) is owned and operated by the Village of Fox Lake. The NWRWRF is a regional wastewater treatment facility serving the communities of Fox Lake, Hainesville, Lakes Region Sanitary District, NW Lake County, Lake Villa, Round Lake, Round Lake Beach, Round Lake Heights, Round Lake Park and Volo.

A combination of physical, chemical and biological processes are utilized by the facility to remove impurities from the wastewater and achieve a required degree of treatment prior to discharge to protect the water quality in the Fox River Water Shed. The NWRWRF was originally designed to treat an average of 9.0 million gallons per day (mgd), with a design maximum flow of 22.5 mgd. Driven by capacity and regulatory demands, the facility has undergone expansion work and can now treat 12.0 mgd, with a design maximum of 30 mgd.

The NWRWRF is managed by a team of professional, skilled staff members who work together under the leadership of one (1) supervisor and two (2) chief operators to ensure wastewater is properly treated and discharged, while meeting IEPA requirements and providing a safe work environment.

General Ledger #	General Ledger Account Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
52-100-3200	GRANT REVENUE	$ 3,713	$ -	$ -	None anticipated
52-100-3505	FINES	788	-	-	None anticipated
52-100-3700	INTEREST INCOME	9,604	13,000	12,000	Slightly lower do to use of reserves
52-100-3750	MISCELLANEOUS INCOME	10,346	15,000	-	None anticipated
52-100-3835	SEWER CHARGES	781,627	720,000	720,000	Averaging: $60,000/mth
52-100-3836	SEWER SURCHARGES	12,228	8,000	12,000	Industrial Users - current trend
52-100-3837	COUNTY SEWER CHARGES	3,874,152	4,020,000	4,020,000	$335,000 x 12 months per agreement
52-100-3840	TAP-ON-FEES	484,460	306,000	300,000	Connection to sewer system-current trend lower than budgeted
52-100-3841	REMEDIAL WASTE	12,486	23,000	17,000	Average of last two years
52-100-3845	PENALTIES	(23)	16,800	16,800	Averaging: $1,400/mth
	REVENUES	$5,189,379	$ 5,121,800	$ 5,097,800	

Northwest Regional Water Reclamation Facility Budget (continued)

General Ledger #	General Ledger Account Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
52-300-4000	WAGES	$ 985,287	$ 931,642	$ 938,669	1/2 person less than prior yr & 2.5% incr per union contract
52-300-4002	WAGES - PART-TIME	200	-	-	None anticipated
52-300-4010	OVERTIME	21,656	24,400	36,000	Down 1/2 operator and overtime covers their time
52-300-4100	HEALTH INSURANCE	208,508	268,332	256,347	Down an operator for 1/2 a year
52-300-4110	LIFE INSURANCE	1,223	1,114	1,106	Down an operator for 1/2 a year
52-300-4120	UNEMPLOYMENT INSURANCE	22,331	4,767	-	Village as of 1/1/15 is self-insured cost has been elimin
52-300-4200	SOCIAL SECURITY & MEDICARE	73,015	73,137	74,018	Based upon decrease of ½ person, plus o/t, & merit inc
52-300-4220	IMRF	113,995	103,793	101,625	IMRF Calendar Year 2015 - 10.68% to IMRF CY 2016 - 12%
52-300-5000	BUILDING MAINTENANCE	213,869	119,050	97,250	Janitorial $9,400, rags and towels $1,600, Concrete Repairs $20,000, Concrete Crack Filling $20,000, HVAC repairs $3,000, security gate $2,000, fire extinguishers $750, carpet cleaning $400, boiler service $2,000, Coping Caulking services $20,000, door services $1,500, Hydrant repairs $2,000, window service $1,800, water level control unit $3,000, weed control $1,800, bio process diagnostics $1,500, landscaping $5,000, roof maintenance $1,500
52-300-5010	EQUIPMENT MAINTENANCE	102,226	189,995	46,120	Copier $3,030, carbon media (prep skid) $5,000, Washer $2,200, seal rebuild/replace Moyno, Wmco, Hayward Gordon $8,000, vfd repair/replacement $6,000, Elec Motor Rebuild $7,000 (Odor control moved to professional services), sump pump $950, spectrophometer maintenance $640, backflow $1,500, generator service $1,000, lab DI water system $1,250, lab maint $1,000, meter calibration $1,000, hoist inspection $850, washer parts #790 $1,500, UPS batteries $400, filter cartridges millipore $2,000, drill press $2,800
52-300-5021	VEHICLE MAINTENANCE - MP	7,096	8,675	9,000	Money allocated to motor pool to perform preventative maintenance to and repair NWRWRF Vehicles

Northwest Regional Water Reclamation Facility Budget (continued)

General Ledger #	General Ledger Account Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
52-300-5100	PROFESSIONAL SERVICES	70,858	80,743	214,112	Odor control service contract $146,000, Maximus report $10,500, NPDES $50,000, Air emissions $200, Sludge permit $2,500, S&W filing fees $4,392, boiler permit $520
52-300-5102	ACCOUNTING SERVICES	25,868	21,840	4,182	Allocation of accounting, audit
52-300-5110	ENGINEERING SERVICES	43,962	50,000	95,000	General engineering $50,000, 5 year facility review $45,000
52-300-5115	OUTSIDE LAB TESTING	5,906	9,150	13,400	ERA testing $1,600, Sludge $8,650, outside testing $3,000 (increased volume due to new npdes regs), Blackstone lab service $150
52-300-5120	LEGAL SERVICES	21,977	20,000	20,000	Based upon prior year
52-300-5130	SLUDGE REMOVAL	97,024	102,279	110,000	Sludge hauling - 8,220 cubic yards
52-300-5150	PHYSICAL EXAMS	-	470	300	Vaccines and physicals
52-300-5160	TECHNOLOGY	10,963	22,415	20,500	Antivirus $200; Appriver $250, Allmax waterwater operating software $5,000, new server 25% of $2,500, DVR replacement $600, offline data storage 50% of $3,000, equipment repairs $1,750, LCD monitor $1,200, Monitor mount/cable $200, misc technology upgrades $1,000, telecom repairs/programming $1,000, possible NAS 50% of $6,000, computer replacement $2,000, UPS $300
52-300-5200	POSTAGE	6,344	15,370	15,090	General $1,000, Utility billing $11,200, lab shipping $1,140, pre-treatment postage $250, instrument shipping $500, ship/freight $1,000
52-300-5221	PRINTING	4,044	6,865	4,110	Utility billing $2,060 job ads $500, public notices $200, bids $600, po's letterhead, business cards envelopes $750
52-300-5224	PUBLISHING	262	650	500	Manuals and references
52-300-5310	MEMBERSHIPS	5,420	6,755	6,555	WEF $400, FVOA $200, CHMM $425, ILWA $5,000, AWWA $265, FET $85, MWAA $75, IAWPCO $50, notary $55
52-300-5320	TRAVEL	1,091	1,000	1,900	WEFTEC (1), Pittcon Lab (1)
52-300-5330	TRAINING	1,973	4,570	5,450	Utility billing clerk $150, ops seminars $1,800, midwest analysis $120, lab seminars $150, WEFTEC conference (1) $600, mechanics training $1,000, electricians training $1,000, secretary $200, PittCon $400, various courses

Northwest Regional Water Reclamation Facility Budget (continued)

General Ledger #	General Ledger Account Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
52-300-5340	TUITION REIMBURSEMENT	490	430	460	one class - electrical
52-300-5401	SERVICE CHARGE – GF	644,863	718,307	681,585	Maximus report allocation of general fund expenses
52-300-5410	UTILITIES	523,798	422,495	405,000	Mid-American Energy Electricity $328,500 (6 million* .05127/ kwh+10%), NICOR $2,700/mth $32,200, Village of Fox Lake water $2,430/bi mthly $22,600, Mobile $650/month $7,800, Phone $1050/month $12,600, SCADA wireless $90/mth $1080, WIN 911 equipment alarm dialer $220.
52-300-5420	GARBAGE DISPOSAL	-	1,000	1,000	chemical waste
52-300-5500	LIABILITY & WORKERS COMP INS	78,890	144,574	198,506	Workers Comp - based upon audit, Liability based upon actual building & equipment values
52-300-5510	RENTALS	-	2,000	2,000	General $300, Crane rental $1,200, Lift Rental $500
52-300-5540	EXTERNALITY FEE	232,624	207,996	228,861	Based upon agreement
52-300-5600	BUILDING MAINTENANCE SUPPLIES	81,877	167,900	254,191	Bldg 10 $850, Bldg 12 $400, Bldg 14 $400, Bldg 38 $5100, Bldg 20 $41,800, Bldg 22 $1,450, Bldg 30 $14,800, Bldg 31 $250, Bldg 35, 36 $1,000, Bldg 40 $69,100, Bldg 45 $3,000, Bldg 48 $3,500, Bldg 50 $4,700, Bldg 55 $550, Bldg 60 $5,490, Bldg 65 $3,610, Bldg 66 $500, Bldg 69 $7,080, Bldg 70 $32,400, Bldg 72 $475, Bldg 75 $52,650, Bldg 79 $4,086, Bldg 92 $1,000
52-300-5610	EQUIPMENT MAINTENANCE SUPPLIES	25,600	32,450	26,550	Pressure gauges $500, Paint $1,000, paint supplies $750, plumbing supplies $2,500, electrical supplies $2,000, light bulb replacement $1000, oil $4,000, grease $3,500, steel stock $2,000, rubber $1500, belts $3,000, air filters $1,800, replacement door hardware $1,800, antifreeze for generator $650, hardware $300, SS anchors $250
52-300-5620	VEHICLE PARTS	1,461	1,800	2,500	General $1,000, Tires for amt's & 1445 $400, small engine parts & seats for gator, mowers, snow blower $1100
52-300-5630	UTILITY SYSTEM MAIN SUPPLIES	565	-	-	Moved to operating supplies

Northwest Regional Water Reclamation Facility Budget (continued)

General Ledger #	General Ledger Account Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
52-300-5700	OFFICE SUPPLIES	3,175	3,530	3,605	Paper, paper clips, pens, pencils staples, folders, hanging folders, loos-leaf notebooks, report folders, tap scissors, hi-liters, markers, computer sup $1,500, print cartridges $1,500, water billing office sup $350, cartridges $255,
52-300-5710	OPERATING SUPPLIES	13,139	21,610	18,920	General supplies $5,000, welding/torch gas $1,000, mulch/top soil $1,400, All Hoses & Fittings $2,700, drinking water $1,200, mechanics consumables $2,000, office furniture $1,400, Janitorial Sup incl paper products $4,220
52-300-5711	SAFETY SUPPLIES	3,930	9,185	8,500	Videos/Books $250, First Aid Supplies $300, Safety Glasses $150, breathing mask cartridges $400, face shields $100, dust masks $100, work gloves $200, arc flash $200, Nitrile gloves $1,500, harness $300, fall protection rebuild $600, gas sensors $2,000, Arc flash glove service $100, LED exit sign $1,200, micro max service $1,200, Cal gas $950
52-300-5730	SMALL TOOLS	4,968	23,800	7,700	Electrician Tools $500, Operator Tools $300, Mechanics Tools $1,400, ShopVac $100, Dado Saw Blade set $100, Weed Whips (2) $600, Bottoming taps $400, Lab Incubator (70%) $3,500, Welding Gun $800
52-300-5740	UNIFORMS	9,419	14,760	15,000	$1,650 per employee (coats, boots, t-shirts, rain gear, winter gear, sweat shirts, coveralls)
52-300-5750	CHEMICALS	255,427	328,800	351,550	Acid-Muriatic $200, Calcium Hypochlorite $5,800, Calcium Hypochlorite Tabs$ 21,420, Deodorant Blocks $1,250, Sulfuric Acid $3,100, UV Algaecide $500, Ferric Chloride $100,800, Micro Nutrients $4,668, Lime Dry $2,500, Lime Liquid $2,000, Polymer $140,877, Salt (Softeners) $4,450, Salt (Ice Melts) $785, Sodium Hypochlorite $50,500, Fertilizer sticks $250, Weed Killer nonselective $300, 50-r Caustic Cleaner $2,400, Hydrex 4921 Filter Cleaner $3,750, Siloxane Media Bldg #79 $6,000
52-300-5751	FUEL	15,311	22,400	20,450	Generator Fuel $10,000, Fork Lift Fuel $450, Vehicles $10,000 (includes pretreatment vehicles)

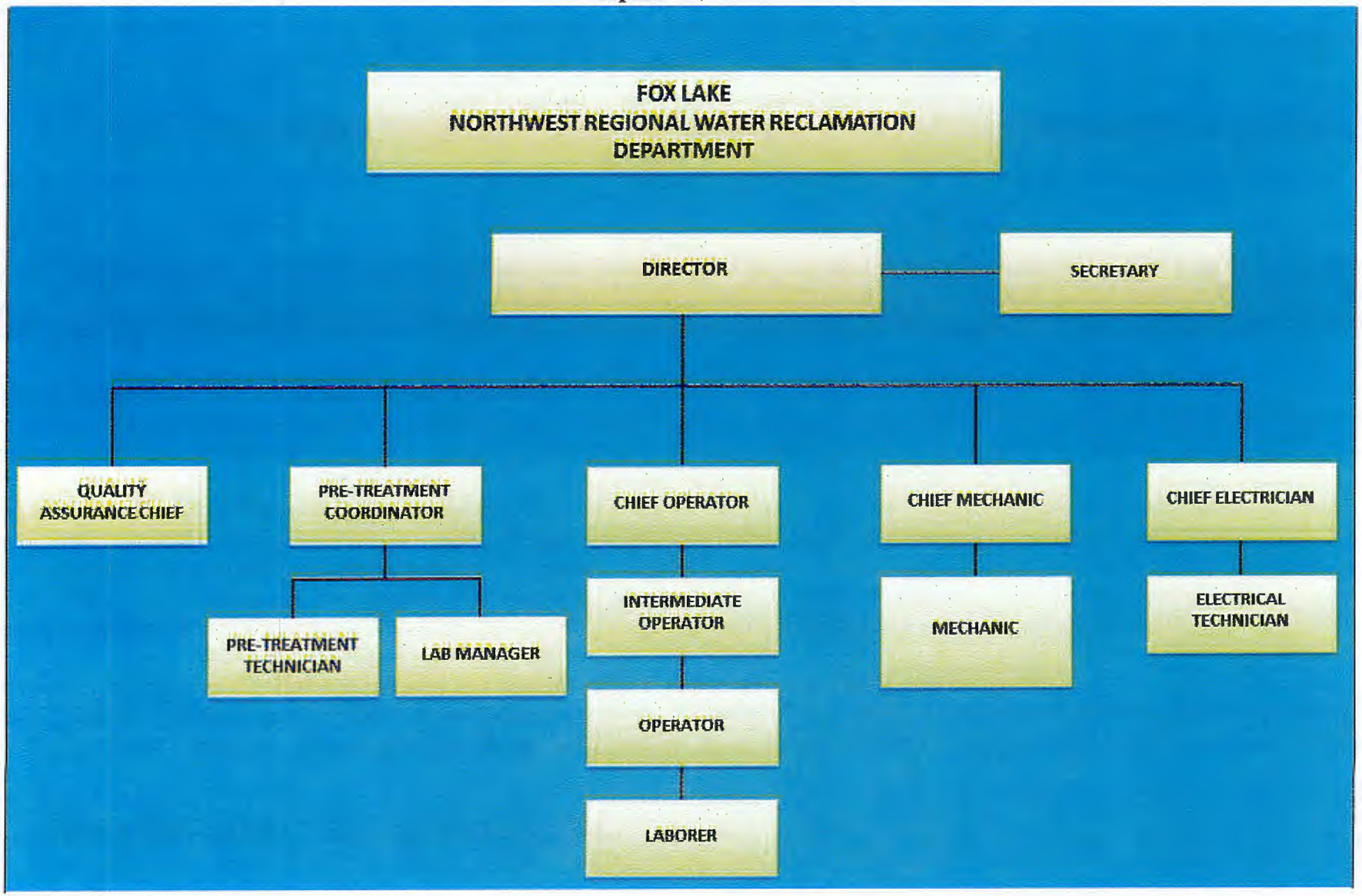
Northwest Regional Water Reclamation Facility Budget (continued)

General Ledger #	General Ledger Account Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
52-300-5752	LAB SUPPLIES	27,229	44,560	28,050	Equipment: Meters, probes, glass, plastic bottles, balance $2,000, 888 Titrando Titrator $13,500, TSS Filter Apparatus $500, Consumables: filter paper $1,750, solutions & soaps $1,500, DO membranes $450, Electodes, BOD bottles $500, Lab kits $20,000, electrodes $200, Pipette $1,600
52-300-5780	SOFTWARE	-	10,000	10,000	New Accounting Software to be paid over 3 years
52-300-5951	EMPLOYEE RECOGNITION	554	400	700	Cards, flowers, lunches
52-300-5970	REFUNDS	-	5,400	-	Change in fees refund to Lake Region Sanitary - None antic
52-300-8000	DEPRECIATION	1,805,508	1,877,646	1,919,146	Depreciation based upon 15 to 45 year useful lives
	SUB-TOTAL EXPENSES	$5,773,925	$ 6,128,055	$ 6,255,508	
52-310-4000	WAGES	$ 105,046	$ 106,759	$ 116,436	Based upon union contracts
52-310-4010	OVERTIME	500	1,000	1,000	Same as prior year
52-310-4100	HEALTH INSURANCE	30,422	36,299	34,855	No changes anticipated
52-310-4110	LIFE INSURANCE	47	134	134	No change in personnel
52-310-4120	UNEMPLOYMENT INSURANCE	891	852	-	Village as of 1/1/15 is self-insured cost has been elimin
52-310-4200	SOCIAL SECURITY & MEDICARE	7,374	8,244	8,984	Cost of living adjustments
52-310-4220	IMRF	11,510	12,590	12,324	IMRF Calendar Year 2015 - 10.68% to IMRF CY 2016 - 12%
52-310-5021	VEHICLE MAINTENANCE - MP	1,691	2,500	2,500	Van maintenance
52-310-5100	PROFESSIONAL SERVICES	68	860	850	Sample Repair $500, H2S Meter Service Plan $350
52-310-5110	ENGINEERING SERVICES	500	500	500	General
52-310-5115	OUTSIDE LAB TESTING	12,743	16,900	13,900	SIU's 5@ $500 2x/yr $5,000, FOG monitoring 40@$50 each $2,000, 110 Pollutants 2@$500 = $1,000, 1/4 INF & EFF 4@$1,250 = $5000, Eff LL HG 4@$225=$900
52-310-5120	LEGAL SERVICES	-	500	500	General
52-310-5150	PHYSICALS/SHOTS	-	55	55	Shots $55
52-310-5160	TECHNOLOGY	54	910	410	Spam protection $50, Anti-Virus $60, Equip repairs $300

Northwest Regional Water Reclamation Facility Budget (continued)

General Ledger #	General Ledger Account Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
52-310-5330	TRAINING	60	750	2,350	Pretreatment Conference $600, Seminars/Classes $400, Annual pre-treatment Conference - Hotel $600, Airfaire $600, Meals $150
52-310-5410	UTILITIES	977	870	870	Cell Phones (2)
52-310-5700	OFFICE SUPPLIES	131	310	460	Toner $160, Supplies $160
52-310-5710	OPERATING SUPPLIES	2,874	3,000	4,525	Small tools $100, Batteries $500, Sampler Supplies $500, Oda Logger purchase $1,500, Glassware $50, Test Kit Refills & H2S supplies $250, H2S sensors (ODA Logger) $750
52-310-5711	SAFETY SUPPLIES	191	230	230	Safety glasses $30, Gloves $50, Bump Gas $150
52-310-5740	UNIFORMS	1,488	1,360	-	None budgeted
52-310-5751	FUEL	1,465	1,100	-	moved to 52-300-5751
52-310-5752	LAB SUPPLIES	151	-	-	Eliminated moved to operating supplies
	TOTAL	$ 178,184	$ 195,723	$ 200,882	
52-500-7010	LAND	$ -	$ 1,050,000	$ -	Right of Way land acquisition - Actual payment
52-500-7011	LAND IMPROVEMENTS	-	-	525,000	Excess flow Property Demolition and Development
52-500-7020	BUILDING	1,625	33,000	-	
52-500-7021	BUILDING IMPROVEMENTS	-	-	567,500	Ammonia Monitor $28,000, UV control panel $52,000, Poly Pump Replacement #75 $27,500, Process Blowers $460,000
52-500-7030	EQUIPMENT	15,988	629,600	-	None anticipated
52-500-7040	VEHICLES	7,519	-	-	None anticipated
52-500-7050	INFRASTRUCTURE IMPROVEMENTS	-	549,100	-	None anticipated
	TOTAL CAPITAL EXPENSES	$ 25,132	$ 2,261,700	$ 1,092,500	
52-600-8090	INTERFUND TRANSFER OUT	4,535	-	-	None anticipated
	NW REGION INCOME/(LOSS)	$(792,397)	$(3,463,678)	(2,451,091)	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Northwest Regional Water Reclamation District
April 30, 2015



FOX LAKE DISPATCH - 911 DEPARTMENT

The Village of Fox Lake's emergency dispatch department is officially named the "FoxComm E911 Center." FoxComm E911 provides professional emergency dispatch services and public safety communication support to the residents of Fox Lake, as well as to five (5) additional outside agencies; Fox Lake Fire Protection District, Grayslake Fire Protection District, Lake Villa Fire Protection District, Lake Villa Police and Lindenhurst Police.

FoxComm E911 delivers a high-level of professional dispatch services, using a coordinated team approach and an emphasis on time sensitive response. The department is supervised by one (1) Manager's, who is responsible for overseeing all communication services and ensuring that the department's operations, systems, recordings and records are held in accordance with the Federal Communications Commission's (FCC) procedures ad requirements. FoxComm E911 operates on a 24-hour a day, 12-hour shift schedule. Two (2) LEAD Telecommunicators assist the FoxComm E911 Manager with supervising eight (8) full-time Telecommunicators and three (3) part-time Telecommunicators.

In addition to public safety communication and support services, FoxComm E911 continuously strives to meet standards established by the National Academy of Medical Emergency Dispatching (NAOMED), in conjunction with the Northern Illinois Medical Center Emergency Medical System (EMS) Coordinator and the Condell Medical Emergency Medical System (EMS) Coordinator.

General Ledger #	General Ledger Account Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
91-100-3810	VOIP SURCHARGE	$32,568	$25,500	$25,500	Averaging $2,125 per month
91-100-3811	WIRELESS SURCHARGE	74,011	72,000	72,000	Averaging $7,000 per month
91-100-3812	CONTRACTUAL 911 SERVICES	289,536	300,000	300,000	Adjustment based upon current contract values
91-100-3813	INTERNAL 911 FEES	-	645,000	645,000	911 Center Expenses not covered by external contracts
	Total Revenues	$396,115	$1,042,500	$1,042,500	
91-300-4000	WAGES	$ 489,099	$481,359	$475,569	No Change
91-300-4002	WAGES - PART-TIME	34,954	30,000	66,411	Based upon current union contract
91-300-4010	OVERTIME	70,023	70,000	60,000	8 shifts being picked up full timer based upon union contract - last years
91-300-4100	HEALTH INSURANCE	108,008	92,730	81,977	1 less employee
91-300-4110	LIFE INSURANCE	555	676	670	No Change
91-300-4120	UNEMPLOYMENT INSURANCE	15,712	2,738	-	Self-Insured
91-300-4200	SOCIAL SECURITY & MEDICARE	41,526	38,656	45,526	Additional Part-Time
91-300-4220	IMRF	63,593	67,072	58,320	IMRF Calendar Year 2015 - 10.68% to IMRF CY 2016 - 12%

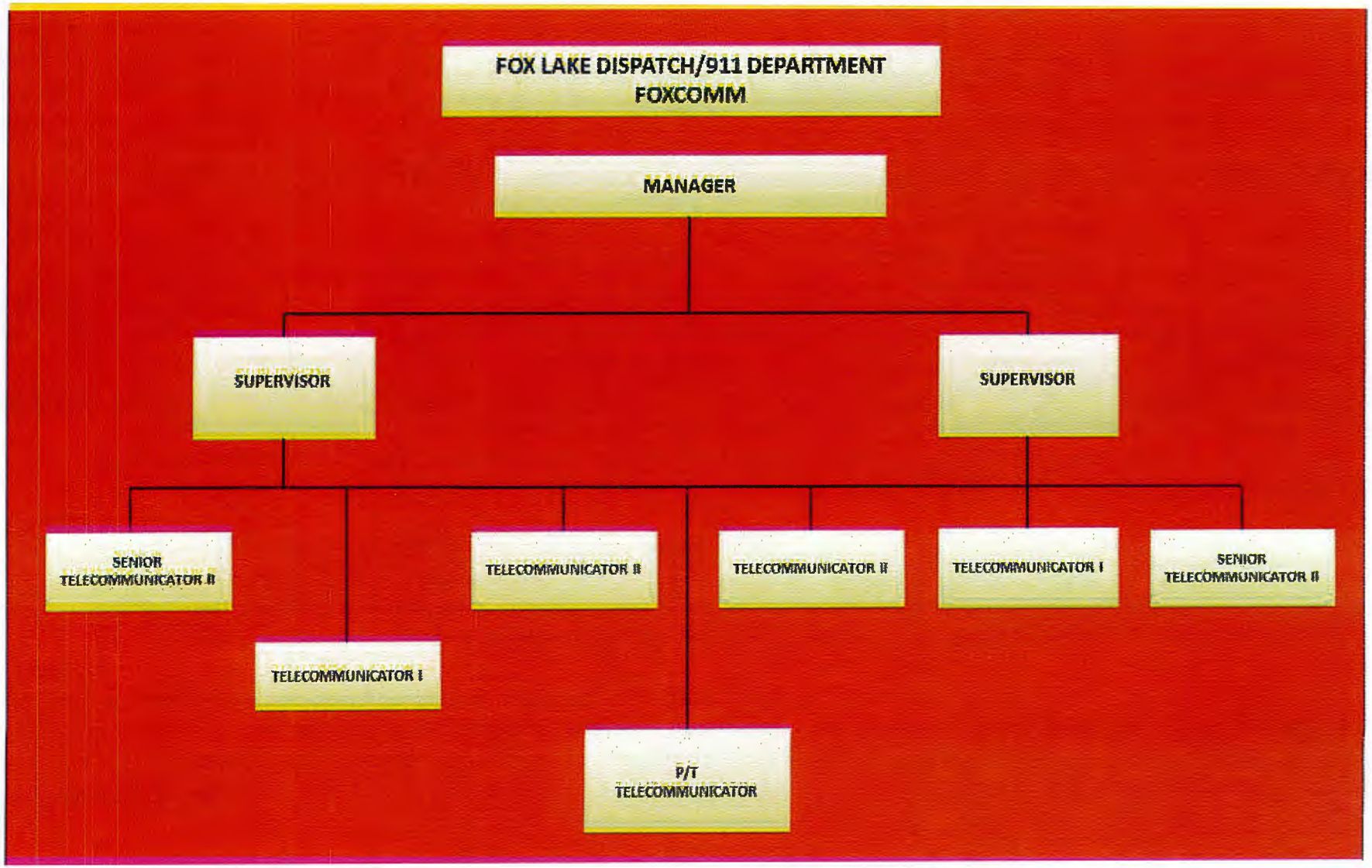
FOX LAKE DISPATCH - 911 DEPARTMENT (continued)

General Ledger #	General Ledger Account Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
91-300-5000	BUILDING MAINTENANCE	3,548	2,650	950	Light bulbs, filters budgeted at $300, actuals $600, carpet shampoo $150, other $500: Hinckley Water $600 moved to office supplies, Fire extinguisher inspect not budgeted $500
91-300-5010	EQUIPMENT MAINTENANCE	35,736	-	-	
91-300-5011	RADIO LEASE/MAINTENANCE	-	39,659	36,850	Radicom Service Agreement $30,000, Goodman plumbing $350, HVAC 911 tower $700, Allied humidity sensor $400, CIS LEADS ISP license $5,400
91-300-5012	VOICE DATA LOGGING LEASE	-	3,000	3,000	Radio Com
91-300-5013	UPS POWER MAINTENANCE	-	6,500	3,639	Eaton Corporation
91-300-5014	CAD LEASE/MAINTENANCE	-	19,000	13,000	Lake County ETSB lease maintenance and license
91-300-5015	MICROWAVE/BROADBAND CONNECT	-	1,000	1,000	Sentinel Tech
91-300-5120	LEGAL SERVICES	26,401	5,000	5,000	agency contract review
91-300-5100	PROFESSIONAL SERVICES	6,373	16,300	8,517	Priority Med Systems $6,000, Drug Testing $600,audit $1,917
91-300-5106	REPAIRS	-	2,500	3,000	Equipment repairs
91-300-5160	TECHNOLOGY	8,888	17,525	16,110	Anti-Virus $150, Spam Filter $180, Computer Pos 3 & 4 - $2,400, 6 monitors 32" LED - $2,400, Offline data storage 50% - $1,500, Comcast Internet 25% $1,500, Telephone changes/repairs $1,000, NAS storage/redundancy 50% - $3,000, wireless card $480, Printer replacement Dispatch laser $1,000, Tablet with 4g card - $2,500
91-300-5200	POSTAGE	167	1,000	1,000	Mailings - Lake County States Attorney requests and FOIA
91-300-5224	PUBLISHING	367	300	300	Public Education Booklet
91-300-5310	MEMBERSHIPS	536	1,550	4,450	APCO (3 members) $330, NENA (3 members) $330, 9-1-1 Magazine $100, NaoMed center $600, IPELRA $190, accreditation EMD $2,250 plus re-cert $650
91-300-5320	TRAVEL	3,035	4,400	4,400	APCO Intl Hotel $750, EMD Conference Utah $750, Travel $2,150, Meal Reimbursement $750
91-300-5330	TRAINING	7,029	8,850	7,150	APCO Continuing Ed $1,000, EMD Continuing ED/recert $1,800, Power Phone Continuing ED $500, APCO Conference $1,000, NAOMED (EMD) conference $800, IDPH license fee $450, Tuition reimbursement $1,000, NEMERT $600
91-300-5410	UTILITIES	55,248	4,627	4,627	Water/Sewer - $1,507, phone (Frontier) $260/mth)

FOX LAKE DISPATCH - 911 DEPARTMENT (continued)

General Ledger #	General Ledger Account Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
91-300-5411	911 SYSTEM PROVIDER CHARGES	-	16,800	16,800	$1,400/mth - 911 lines
91-300-5412	ADMINISTRATIVE PHONE LINES	-	12,000	12,000	Comcast Phone (CimCo) $1,000/mth
91-300-5414	ADMIN WIRELESS PHONES	-	1,800	1,800	Verizon $150/mth
91-300-5415	TELEPHONE	-	23,060	24,260	AT&T/w T1 911 Lake County $15,600, Lake County Data Line $6,480, AT&T long distance $500, Wireless card $480
91-300-5500	LIABILITY & WORKERS COMP INS	-	-	4,934	Workers Comp - based upon audit, Liability based upon actual building & equipment values
91-300-5510	RENTALS	-	11,400	11,400	Rent paid by 911 center to general fund for 1,750 square feet @ $6.50/sq ft or $950/mth
91-300-5610	EQUIPMENT MAINTENANCE SUPPLIES	5,645	1,924	1,250	Cleaning supplies $500, toilet paper $350, paper towels $400
91-300-5700	OFFICE SUPPLIES	3,980	6,100	5,800	Paper $1,000, staples $4,000, misc $300 H&S water $600
91-300-5710	OPERATING SUPPLIES	1,573	1,200	1,200	CD/DVD $300, Data Storage Hard Drive $500, Medical Supplies $150, Misc $100
91-300-5740	UNIFORMS	556	650	900	15 Fleece jackets and 15 polos
91-300-5951	EMPLOYEE RECOGNITION	701	1,530	900	Staff meetings $200, TC Week $500, Employee Appreciation
91-300-8000	DEPRECIATION	-	40,000	40,000	Based upon current equipment
91-400-6000	PRINCIPAL PAYMENT	4,565	7,150	7,150	Debt Certificate Series 2011B
91-400-6010	INTEREST EXPENSE	1,712	1,659	1,480	Debt Certificate Series 2011B
	Total Expenses	$989,530	$1,042,365	$1,031,340	
	Total 911 Center	$(593,414)	$135	$11,160	

VILLAGE OF FOX LAKE, ILLINOIS
Organizational Chart – Dispatch - 911 Department
April 30, 2015



Police Pension Fund

The Police Pension Fund provides retirement, disability and survivor benefits for all sworn police personnel. The defined benefit plan is in conformance with Illinois State Statutes under the oversight of the Illinois Division of Insurance. Standards have been established regarding investment returns and salary increases in order to actuarially determine annual employer contribution levels.

Revenues:

- The Village has budgeted for a contribution amount of $638,057 based upon actuarial assumptions. Approximately 43.26% or $276,000 of the Village's contribution will be funded by police pension property tax receipts, with the balance provided by other General Fund revenues.
- Police officers contribute 9.91% of their base wage.
- Interest earnings/investment returns were budgeted at a 5% rate of return.

Expenses

- The disability expenses reflects the prior year number of officers that have claimed and been approved for disability. There are currently three officers receiving disability; of which two are duty-related and one is non-duty related.
- The pension payments are for the Village's two retirees from the police department and a one-time payout to an employee that left the Village.

General Ledger #	General Ledger Account Description	Actuals 2013-2014	Amended Budget 2014-2015	Budget 2015-2016	Description
72-100-3007	PROPERTY TAXES	$475,218	$482,347	$515,617	Based upon prior year plus .08%
72-100-3826	CITY CONTRIBUTION	-	200,000	200,000	Based upon catch-up for prior years
72-100-3700	INTEREST INCOME	121,598	135,805	-	Conservative budgeting
72-100-3701	REALIZED GAINS & LOSS	1,022,382	-	-	Conservative budgeting
72-100-3825	MEMBER CONTRIBUTIONS	192,450	188,465	200,974	$2,027,994 wages at 9.91%
	Total Revenues	$1,811,648	$1,006,617	$916,591	
72-300-4020	WAGES - RETIRED	$ 256,670	$382,800	$390,456	11 members @ average of $2,958/mth
72-300-4025	WAGES - DISABILITY	169,377	97,200	99,144	3 members @ average of $2,754/mth
72-300-5100	PROFESSIONAL SERVICES	13,399	16,725	16,725	Invest advisor fees, Sec, new acct firm fees, actuarial
72-300-5120	LEGAL SERVICES	3,557	4,500	4,500	Projected same as last year,
72-300-5700	OFFICE SUPPLIES	32	-	-	
72-300-5310	MEMBERSHIPS	2,823	3,500	3,500	Illinois State Treasurer $2,300, IPPFA $775
72-300-5330	TRAINING	2,193	2,000	2,500	Northern Illinois Conference - Travel, registration
72-300-5535	INVESTMENT EXPENSE	23,482	-	-	Moved to Professional Services
72-300-5999	MISCELLANEOUS EXPENSE	28	-	-	None anticipated
	Total Expenses	$ 471,560	$506,725	$516,825	
	Total Police Pension	$1,002,716	$934,622	$1,002,569	

Section 7

Capital Improvement Plan

- Introduction
- Community Development
- Public Works/Streets
- Public Safety
- Parks & Recreation
- Water & Sewer
- Northwest Regional Reclamation Facility
- Dispatch - 911

Village of Fox Lake

Established 1907

Capital Improvement Plan 2015/2016 – 2019/2020

INTRODUCTION

Like most communities, the Village of Fox Lake does not have sufficient funds to accomplish all of the infrastructure and public improvement projects required by a growing community. The Village of Fox Lake is faced with the universal dilemma of attempting to meet the needs of its residents for improved public services and facilities with limited revenues, coupled with the continued increase of costs for providing these same requested services and facilities. This situation is further compounded by the non-Home Rule status of the Village where there are no property taxes.

In an effort to meet this challenge, the Village of Fox Lake has developed an objective and uniform method of establishing project priorities and identifying the amount and source of funds available to undertake these capital projects. The Village is also charged with the responsibility of insuring that the public funds are spent wisely and efficiently. A Capital Improvement Program (CIP) is the process best suited to assist the Mayor and Village Board in accomplishing this objective.

Among the primary responsibilities of municipal officials is to preserve, maintain, and improve the Village's inventory of buildings, streets, parks, and water and sewer facilities. Capital Improvement Planning is recognized as a practical financial management tool and a necessary planning practice. Maintenance and upkeep of facilities today may prevent emergency and major replacement costs tomorrow.

Equally important, communities that are seeking to attract business investment to guarantee a balanced and stable economic base recognize that a carefully-planned infrastructure program is critical to this effort. In conjunction with the Fox Lake Comprehensive Plan Update, Water Master Plan, Sewer Master Plan, Lake Front Park Plan, Metra/Train Station Plan and Stormsewer Master Plan the CIP brings all these together and promotes new investment in locations that can accommodate development with quality systems and services.

As presented, the FY2014/2015 – FY2018/2019 CIP attempts to balance the competing needs of maintaining existing facilities (i.e., what we have) with expanded and/or new facilities to meet present and future needs (i.e., what we need). This process also aids in distinguishing a "want" from a "need".

WHAT ARE CAPITAL IMPROVEMENTS?

Capital Improvements are, basically, public improvements that meet a set of pre-determined criteria. They represent projects involving the expenditure of public funds, over and above annual operating expenses, for the purchase, construction, or replacement of physical facilities of a community. Examples include:

- Streets/Roads/Sidewalks
- Public Buildings and Facilities
- Water Treatment/Pump House
- Parks
- Water & Sanitary Sewer Systems

Capital Improvement Plan 2015/2016 – 2019/2020 (Continued)

WHAT ARE THE GENERAL CHARACTORISTICS OF CAPITAL IMPROVEMENTS?

1. They are large in scope.
2. The have a substantial price tag.
3. The have long-term usefulness and permanence (10-30 years).
4. The involve expenditures of a non-recurring nature (The routine maintenance of a facility once in place become part of the annual operating budget).
5. They usually provide a governmental facility for public service.
6. They add substantially to the value of the Village's fixed assets.

Although some characteristics are common in communities, the actual types of projects included in the CIP vary from place to place. For example, The Village of Fox Lake has chosen to include major replacement projects. The Village has chosen to follow its Capital Asset Policy and include assets that follow the policy threshold.

1. Road & Bridges	$200,000
2. Land	$ 50,000
3. Buildings & Improvements	$ 50,000
4. Machinery & Equipment	$ 20,000
5. Vehicles	$ 10,000
6. Water & Sewer mains	$ 10,000
7. Sidewalks/Paths	$ 50,000

This is common practice in smaller municipalities with a limited budget. Any projects below this amount will be incorporated into the departmental budgets as part of our Annual Budget Review and Workshop.

WHAT IS CAPITAL IMPROVEMENT PLANNING?

Capital improvement planning is the multi-year preparation, scheduling and updating of a list of proposed projects and related equipment to be built or purchased by the Village within a specified period. It covers the entire gamut of public facility and service requirements. The program lists all future projects, the project type and the amount requested to be appropriated and expended in that year. Also included is an explanation of why the project is needed and the proposed funding sources.

Capital Improvement Plan 2015/2016 – 2019/2020 (Continued)

THE CAPITAL BUDGET YEAR

The first year of scheduled projects is referred to as the "capital budget year" and includes those projects recommended to be funded in the upcoming fiscal year. The CIP does not in and of itself, raise money for capital projects. Instead, these projects will subsequently be included in the Fiscal Year 2014-2015 Budget submitted to the Board for their review and approval.

PROGRAMMING PERIOD

The Capital Improvement Budget is a multi-year short and long range plan for the physical development and links the Village's Comprehensive Plan as well as other planning documents with the annual budget. It provides a mechanism for:

- Estimating capital requirements
- Proposing revenue sources for existing and needed projects
- Planning, scheduling and implementing projects
- Coordinating the activities for various department project schedules
- Monitoring and evaluating the progress of the capital projects

The CIP is a five year plan for project funding and is considered most suitable. Two or three years is too little time for effective planning, programing and funding as the processes take a large amount of time and coordination. In contrast, any time over five years is too long and may skew the numbers and accuracy of projections to the point of becoming obsolete or meaningless. The CIP is not static and should be reviewed and updated each year in conjunction with the budget process to reflect changing priorities, unexpected events, unforeseen opportunities, cost changes and alternate funding sources.

CIP PROCESS

During the month of December the Village Administrator meets with the Departments Heads to conduct a review of requests for projects. The projects are then prioritized according to their perceived economic and operational value. The months of December and January are dedicated to the development of the Capital Budget document. Goals and policy recommendations, detailed project descriptions and 5-year budget estimates are developed for each of the categories. The budget estimates are then allocated to the appropriate funding source-General Fund, Water/Sewer Fund, NW Water Reclamation Facility, MFT Fund etc. The CIP document is then given to the Village Board for their review and consideration and discussed at greater length at the CIP Budget Workshop Meeting.

The entire CIP process ensures that the projects reflect community-wide goals and identified the resources available. It requires the collective overview of projects as opposed to singularly to determine their value to the community. This type of advanced programming can help avoid mistakes that can be costly and duplications. The projects in the CIP are prioritized in part, on the basis of the greatest benefit to the greatest number of Village residents as opposed to usually narrower department objectives.

Capital Improvement Plan 2015/2016 – 2019/2020 (Continued)

Coordination of capital projects can reduce scheduling problems and overlapping projects. For example, it can prevent paving a street one year just to tear it up two years later to install a sewer. The CIP grants the opportunity to plan the location, timing and financing of improvements and reduces the frequency of unplanned and unbudgeted expenditures that can endanger the financial well-being of the Village. Lastly, the CIP has a positive impact on the Village's credit rating and makes the community more attractive to business and industry. It also improves the Village's chances of obtaining grant funds through documentation of projects as officially identified community needs.

CIP REVENUE

CIP revenues are dependent on and susceptible to unforeseen and external factors over which the Village has no control. In earlier year 2008-2010, the recession and economic factors presented the Village with great budgetary challenges in revenue and limited the ability to address any capital needs. The current down trend in housing development and business has given the Village a significant increase in foreclosures and vacant businesses.

CIP funds typically invest their cash balances until needed by applicable projects. The short-term interest rates continue to be adversely influenced by the Federal Reserve Rate and offer minimal rates of return at this point.

The CIP process will prove to be a vital planning tool for the Village generating substantial benefits by prioritization and completing projects using the Village's limited resources, without the need to use other financial bases such as bonds.

As with the Village's operating budget, CIP expenditures are delayed until the associated revenues are available or their receipt is imminent. It is in part for this reason< (i.e. the failure to receive pledged or anticipated funds) that some projects will be unable to be completed in their entirety. However, there may be instances when delinquent funds will arrive and the project can be completed the following fiscal year when funds become available. There may be external factors, such as state and federal approval processes (i.e. grants), that may delay a project.

Existing fund balances consisting of revenues carried over from the previous year combined with current year revenues will provide the necessary funding for the Village's comprehensive FY 2015-16 Capital Improvement Program. It is important to remember that some of these funds are specifically earmarked by state statute (I.e. grant funds, MFT funds etc.), or other regulations that restrict their use to a defined purpose (i.e. bond proceeds).

Capital Improvement Plan 2015/2016 – 2019/2020 (Continued)

The Village of Fox Lake detailed Capital Improvement Plan by department are detailed below:

ADMINISTRATION

Project Type	Est Replace-ment Cost	Expensed in FY2015/16	Assigned Reserve Amount FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Total	Description
Beginning Assigned Balance Administration			$ -	$66,000	$132,000	$ 198,000	$ 264,000		
IT Improvements	$350,000		$-	$35,000	$35,000	$35,000	$35,000	$140,000	Phone system/servers/aging computers/cameras
Land Purchases	$275,000	$275,000	$275,000	$250,000				$525,000	
Parking Lot Repairs (avg 20 yr life)	$120,000	$-	$6,000	$6,000	$6,000	$6,000	$6,000	$30,000	Over 20 years
Building Improvements (avg 50 yr life)	$3,000,000		$60,000	$60,000	$60,000	$60,000	$60,000	$300,000	Over 50 years
Expensed			$(275,000)	$(250,000)			$(125,000)	$(650,000)	Land Purchases and 2020 new
TOTAL	$3,395,000	$275,000	$66,000	$66,000	$66,000	$66,000	$(59,000)	$205,000	

COMMUNITY DEVELOPMENT

Project Type	Est Replace-ment Cost	Expensed in FY2015/16	Assigned Reserve Amount FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Total	Description
Beginning Assigned Balance Community Development			$ -	$13,000	$(6,500)	$6,500	$(13,000)		
Vehicle - Replacement/upgrade	$65,000		$13,000	$13,000	$13,000	$13,000	$13,000	$65,000	
Expense				(32,500)		$(32,500)			2 new cars
TOTAL	$ 65,000		$ 13,000	$(19,500)	$13,000	$(19,500)	$ 13,000	$ 65,000	

Capital Improvement Plan 2015/2016 – 2019/2020 (Continued)

Public Works/Streets/Motor Pool

Project Type	Est Replace-ment Cost	Expensed in FY2015/16	Assigned Reserve Amount FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Total	Description
Beginning Assigned Balance Public Works/Streets/Motor Pool			**$ -**	**$1,277,786**	**$2,369,333**	**$3,489,452**	**$ 4,581,000**	**$5,701,119**	
Tree Replacement Program	$ 200,000	$-	$-	$50,000	$50,000	$50,000	$50,000	$200,000	
Road Repair/Maintenance	$30,000,000	$1,114,500	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$10,000,000	
Dump Truck	$ 68,000	$68,000	$68,000					$68,000	
4 Yard Dump Truck	$ 160,000	$160,000	$160,000					$160,000	
Vehicle Replacement Program - (avg 10 yr life)	$1,418,000		$170,000	$170,000	$170,000	$170,000	$130,000	$810,000	
Stormsewer Replacement (50 yr life)	$2,000,000		$40,000	$40,000	$40,000	$40,000	$40,000	$200,000	
Utility-Street Lighting/Repair/Replacement	$ 200,000		$40,000	$40,000	$40,000	$40,000	$40,000	$200,000	
Bridge Improvements	$ 250,000			$12,500	$12,500	$12,500	$12,500	$50,000	
Equip Replacement - (avg 14 yr life)	$ 570,000		$145,000	$123,000	$40,714	$40,714	$40,714	$390,143	
Expensed Tree Program				$(50,000)	$(50,000)	$(50,000)	$(50,000)	$(200,000)	
Expensed Roads			$(1,114,500)	$(1,000,000)	$(1,000,000)	$(1,000,000)	$(1,000,000)	$(5,114,500)	
Expensed Vehicles - (1 every year)			$(50,000)	$(235,000)	$(170,000)	$(170,000)	$(130,000)	$(755,000)	A plower/dump truck/yr & pick-up truck (2 dump trucks 2017)
Expensed Stormsewers			$-	$-	$-	$-	$-	$-	
Expensed Lighting			$-	$(40,000)	$(40,000)	$(40,000)	$(40,000)	$(160,000)	
Expensed Bridge			$-	$-	$-	$-	$-	$-	
Exp Equipment - (1 every other year)			$-	$(165,000)	$(65,000)			$(230,000)	End loader 2017, chipper & roadside mower 2018
TOTAL	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	

Capital Improvement Plan 2015/2016 – 2019/2020 (Continued)

PUBLIC SAFETY

Project Type	Anticipated Est Replace-ment Cost	Expensed in FY2015/16	Assigned Reserve Amount FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Total	Description
Beginning Assigned Balance Public Safety			$-	$145,000	$205,000	$265,000	$325,000		
Building Improvement	$3,000,000		$60,000	$60,000	$60,000	$60,000	$60,000	$300,000	
Vehicles - 2 per year replacements/with Light Bars	$42,500	$85,000	$85,000	$85,000	$85,000	$85,000	$85,000	$425,000	
Expensed			$-	$(85,000)	$(85,000)	$(85,000)	$(85,000)	$(340,000)	
TOTAL PUBLIC SAFETY	$3,042,500	$85,000	$145,000	$60,000	$60,000	$60,000	$60,000	$385,000	

PARKS & RECREATION

Project Type	Anticipated Est Replace-ment Cost	Expensed in FY2015/16	Assigned Reserve Amount FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Total	Description
Beginning Assigned Balance Parks & Recreation			$-	$20,000	$100,000	$130,000	$210,000	$240,000	
Building Improvement	$ 3,000,000	$ 960,000	$ 960,000	$ 60,000	$ 60,000	$ 60,000	$ 60,000	$ 1,200,000	
Playground Equipment	$ 100,000	$ -	$ 20,000	$ 20,000	$ 20,000	$ 20,000	$ 20,000	$ 100,000	
Expensed			$ (960,000)	$ -	$ (50,000)	$ -	$ (50,000)	$ (1,060,000)	Building Remodeling - Park Grant & New Playground Equipment
TOTAL Parks & Recreation	$ 3,100,000	$ 960,000	$ 20,000	$ 80,000	$ 30,000	$ 80,000	$ 30,000	$ 240,000	

Water & Sewer Department

Project Type	Est Replace-ment Cost	Expensed in FY2015/16	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Total	Description
					Assigned Reserve Amount				
Beginning Assigned Balance Water/Sewer			**$ -**	**$1,277,786**	**$2,369,333**	**$3,489,452**	**$ 4,581,000**	**$5,701,119**	
Beginning Assigned Balance Water			$-	$538,117	$1,866,233	$2,789,133	$3,560,583		
North Tower	$3,000,000	$3,000,000	$3,000,000					$3,000,000	In 2016
Repaint/Raise Washington Tower (in 3 yrs)	$1,400,000		$466,667	$466,667	$466,667			$1,400,000	In 2018
Replace Tall Oaks Street	$150,000	$150,000	$150,000					$150,000	In 2016
Interconnect North and South System	$2,250,000		$250,000	$2,000,000				$2,250,000	In 2017
Abandon Tall Oaks Flow to NWRWRF	$9,400,000			$9,400,000				$9,400,000	In 2017
Rebuild Main Lift Station	$600,000			$600,000				$600,000	In 2017
Rebuild Lippincott Lift Station	$238,703			$238,703				$238,703	In 2017
Install Standby Generator Well #5	$240,000		$48,000	$48,000	$48,000	$48,000	$48,000	$240,000	In 2020
Rebuild Wildwood Lift Station	$260,000		$52,000	$52,000	$52,000	$52,000	$52,000	$260,000	In 2020
Install Auxiliary Generators at All Sites (x10) 20 yrs	$309,000		$15,450	$15,450	$15,450	$15,450	$15,450	$77,250	In 20 years
Additional Equipment Storage IN 10 yrs	$660,000		$66,000	$66,000	$66,000	$66,000	$66,000	$330,000	In 10 years
Upsize 4" and 6" water mains (50 yr life)	$28,000,000		$900,000	$560,000	$560,000	$560,000	$560,000	$3,140,000	Over 50 years
Rehab Wells	$900,000	$40,000	$90,000	$90,000	$90,000	$90,000	$90,000	$450,000	Over 10 years
New Vehicles and Equipment – (avg 12.5 yr life)	$1,000,000	$424,000	$424,000	$80,000	$80,000	$190,000	$80,000	$854,000	
Expense - Water System			$(4,500,000)	$(12,238,703)	$(405,217)		$(872,127)	$(18,016,047)	FY2015/16 Expenses: Connect North Well to Iron Filter$160,000, Line 2000 feet of sewer $200,000, Watermain Lakewood and Glen $700,000, Drive Replacement Tall Oaks $150,000, Electric Upgrade at Well #4 $40,000, Design System Interconnect - $250,000
Expense - Trucks & Equipment			$(424,000)	$(50,000)	$(50,000)	$(250,000)	$(50,000)	$(824,000)	$250,000 Scada & New Trucks
TOTAL WATER/SEWER DEPARTMENT	$48,407,703		$538,117	$1,328,117	$922,900	$771,450	$(10,677)	$(18,840,047)	

Capital Improvement Plan 2015/2016 – 2019/2020 (Continued)

Northwest Regional Water Reclamation Facility

Project Type	Est Replace-ment Cost	Expensed in FY2015/16	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Total	Description
					Assigned Reserve Amount				
Beginning Assigned Balance NW Region			$-	$5,317,357	$11,862,214	$18,027,071	$14,858,929		
Infrastructure (avg 28 year life)	$18,000,000		$642,857	$642,857	$642,857	$642,857	$642,857	$3,214,286	Over 28 years
Equipment & Vehicles (avg 12.5 yr life)	$5,800,000		$464,000	$464,000	$464,000	$464,000	$464,000	$2,320,000	Over 12.5 years
Building Improvements - (avg 16 yrs)	$10,000,000	$3,000,000	$625,000	$625,000	$625,000	$625,000	$625,000	$3,125,000	Over 16 years
Land Improvements	$525,000		$525,000					$525,000	In 2016
Sidestream Treatment	$4,000,000	$150,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000		$4,000,000	In 2019
RAS Chlorination / RAS Pump Upsizing	$620,000		$620,000						In 2017
W3 Water Filtration	$1,000,000		$333,000	$333,000	$333,000			$1,000,000	In 2018
Sludge Dewatering / Storage Barn	$6,000,000			$2,000,000	$2,000,000	$2,000,000		$6,000,000	In 2019
Outfall Pipe Rehab/Replacement	$22,000,000		$2,200,000	$2,200,000	$2,200,000	$2,200,000	$2,200,000	$11,000,000	over 10 years (In 2025)
Expense - Infrastructure				$(620,000)	$(1,000,000)			$(1,620,000)	
Expense - Equipment & Vehicles				$(100,000)	$(100,000)	$(100,000)		$(300,000)	Two vehicles/year
Expense - Building Improvement			$(567,500)			$(10,000,000)		$(10,567,500)	Ammonia Monitor $28,000, UV control panel $52,000, Poly Pump Replacement #75 $27,500, Process Blowers $460,000
Expense - Land Improvements			$(525,000)					$(525,000)	Excess flow Property Demo & Develop
TOTAL NW Regional Water Reclam	$67,945,000	$3,092,500	$5,317,357	$6,544,857	$6,164,857	$(3,184,143)	$3,931,857	$18,171,786	

Dispatch – 911 Department

Project Type	Anticipated Est Replace-ment Cost	Expensed in FY2015/16	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Total	Description
					Assigned Reserve Amount				
Beginning Assigned Balance 911 Center			$ -	$ 56,000	$ 112,000	$ 168,000	$ 24,000		
Equipment - (avg 12.5 life)	$700,000	B	$ 56,000	$ 56,000	$ 56,000	$ 56,000	$ 56,000	$ 280,000	Over 12.5 year life
Expensed				$ -	$ -	$ -	$ (200,000)	$ -	New equip purchase FY2018-19
TOTAL 911 CENTER	$700,000		$ 56,000	$ 56,000	$ 56,000	$(144,000)	$ 56,000	$ 80,000	

Section 8

Supplemental Information

- Financial Policy
- Investment Policy
- General Fund Reserve Policy
- Glossary

Village of Fox Lake

Established 1907

Financial Policies

CAPITAL BUDGET POLICY (Revised March 2014)

CASH MANAGEMENT

In order to properly manage the funds of the Village and the commingled cash accounts that the Village maintains, it is necessary that from time to time interfund loans and transfers may be needed to cover negative cash balances. The Village Treasurer is authorized to make such interfund loans and transfers as necessary in order to eliminate negative cash balances. Such loans and transfers shall be recorded on the books and records of the Village and shall be audited as part of the annual Village audit.

COLLECTION

The Village will take an aggressive approach in pursuing all revenues due for services provided, and ensure that fines and permits due the Village are collected in a reasonable fashion. This policy will hold true for revenues generated in operating, enterprise, and special revenue funds.

DEBT MANAGEMENT

The Village will confine long-term borrowing to capital improvements and moral obligations, and the use of short-term debt for tax anticipation purposes only.
The Village will follow a policy of full disclosure on every financial report and bond prospectus.
The Village will take advantage of every opportunity to refinance current debt in order to save tax dollars needed to support debt payments.

ENTERPRISE FUNDS

Northwest Regional Treatment Plant, Local Water and Sewer, and Commuter Parking funds will be self-supporting from all operations and capital outlay. However, grant funding will be secured where appropriate. These funds will retain an adequate operating fund balance. All operating and capital improvement expenditures will be evaluated separately reflecting the condition of each individual enterprise fund. It is the policy of the Village to maintain the capital structure of these enterprise funds at the most efficient levels in order to reflect their best use.

FIXED ASSETS

A fixed asset inventory is herein established to insure compliance with government financial reporting standards and to safeguard Village assets.
Fixed assets shall include land, buildings, machinery, and equipment and be capitalized in accordance to the Village of Fox Lake Fixed Asset Policy.

FUND BALANCE

The Village will establish an adequate fund balance to pay for expenses caused by unforeseen emergencies or for shortfalls caused by revenue declines.

- GENERAL FUND BALANCE (Established February, 2014)

CAPITAL BUDGET POLICY (Continued)

LEVEL OF SERVICE

The operating budget will be compiled in a manner to maintain the existing level of service to the community. Increases or decreases in service levels will be prioritized by the Village Board at budget sessions or during the fiscal year as required. This will also reflect current staffing levels.

OPERATING BUDGET

The Village will maintain a budgetary control system to ensure adherence to the budget and will prepare regular reports comparing actual revenues and expenditures to budget.

PROPERTY TAX

In accordance with Chapter 24, Section 8-3-1 of the Illinois Revised Statutes, the Village is authorized to levy a property tax for corporate purposes. The Village levies property taxes for:

- Corporate
- IMRF
- Social Security
- Audit Tax
- Police Protection
- Fire Protection
- Ambulance Service
- Garbage Disposal
- Police Pension
- Liability Insurance

The Village is required to stay within the 5% cap required by statute.

RISK MANAGEMENT AND LOSS CONTROL

The Village is committed to provide a safe work environment, manage all risks in an appropriate manner and conduct loss control measures to insure that liability and workers compensation losses are kept at manageable level.

VEHICLE REPLACEMENTS

Village vehicles and equipment will be replaced according to an established schedule. The schedule will be reviewed annually at budget sessions or as necessary during the fiscal year.

General Fund Reserve Policy

The Village of Fox Lake believes that sound financial management requires sufficient funds be maintained by the Village for unanticipated expenditures and revenue shortfalls during the course of the fiscal year. Generally, fund balances should be maintained at levels that provide adequate cushioning in the event of economic downturns, emergencies or unanticipated revenue shortfalls. Low fund balances will permanently reduce investment income and have a negative impact on the Village's credit ranking. Excessive fund balances may reflect stockpiling by management or a lack of financial planning.

The General Fund's Fund Balance is the accumulated difference between assets and liabilities. A sufficient fund balance allows the Village to meet its contractual obligations, mitigate negative revenue implications of federal or state budget actions, mitigate economic downturns, fund disaster or emergency costs, provide funds for cash flow timing discrepancies and fund non-recurring expenses identified as necessary by the Village Board of Trustees.

The Governmental Accounting Standards Board (GASB) issued Statement Number 54, "Fund Balance Reporting and Governmental Fund Type Definitions" effective for periods after June 15, 2010. The objective of this Statement was to enhance the usefulness of fund balance information by providing clearer fund balance classification that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes limitations on the purpose for which the Fund Balance can be used.

I. ***Non-spendable Fund Balance.*** This portion of the fund balance is inherently non-spendable. An example of these funds include assets that cannot be spent due to their form (inventories of supplies) or because they must remain intact pursuant to legal or contractual requirements (the principle of an endowment).

II. ***Restricted Fund Balance.*** A restricted fund balance reflects resources that are subject to externally enforceable limitations on use. These limitations are typically imposed by parties altogether outside of the Village, such as creditors, grantors, contributors or through laws and regulations. Limitations can also be imposed when revenue being raised for a particular purpose (i.e., a gas tax imposed for road repair and construction) pursuant to enabling legislation.

III. ***Committed Fund Balance.*** This portion of the fund balance encompasses limitations imposed on the Village by itself (i.e., the Village Board through a resolution). Committed fund balances are often used with "stabilization funds" or rainy day funds. In addition, the limitations imposed by the Village Board can only be removed by the Village Board.

IV. ***Assigned Fund Balance.*** Assigned fund balances are used to describe the portion of the fund balance that is intended for a particular use. Assigned fund balances can be imposed by the Village Board, a finance committee or an official designated for that purpose. As a practical matter, existing resources that are expected to be used in connection with open contracts and purchase orders would be classified in this category. Assigned fund balances may be used to offset a gap in the budget stemming from a decline in revenue.

V. ***Unassigned Fund Balance.*** The final component of a fund balance is its unassigned fund balance. This is the net balance after consideration of the other four portions. It is often identified as a surplus or a deficit.

General Fund Reserve Policy (Continued)

The last three components (committed, assigned and unassigned) together comprise the unrestricted fund balance. The unrestricted fund balance is typically the Village's "reserves."

It shall be the policy of the Village of Fox Lake that the General Fund's unrestricted fund balance will be maintained in an amount at least 33%, but no more than 50%, of the annual General Fund Operating Budget, including the annual debt service. This amount approximates between four (4) to six (6) months of working capital. The objective of this reserve level is to ensure adequate funds are set aside in a planned and consistent manner and that these monies are not spent for regular Village expenditures or used to reduce property taxes.

Annually, the Village Board of Trustees will propose funding for the General Fund reserve levels through the budget process to maintain the balance at the amount authorized. If expenditures reduce the unrestricted fund balance below the minimum amount authorized, the Village Board will, as part of its review and approval, adopt a plan to restore the funds to the prescribed level. If revenues exceed the unrestricted reserve fund balance above the maximum amount authorized, the surplus revenue will be used to meet the following purposes, as determined by the Village Board:

- Transfer to Capital Improvement Program Fund Balance
- Cash Payments for Capital Improvement Program Projects
- Pension Funds
- Retirement or Refinancing of Existing Debt

Capital Improvement Program and Budget Policy

The Village of Fox Lake believes that sound financial management requires sufficient funds be maintained by the Village for unanticipated expenditures and The Village of Fox Lake has a significant investment in its streets, facilities, parks, natural areas, infrastructure and other capital improvements. The Village Board has demonstrated a firm commitment to investing in Village capital projects. The guidelines set forth in this policy establish and maintain capital asset parameters that comply with governmental financial reporting standards, provide for adequate stewardship over Village resources and encourage planning for future growth and infrastructure repair. The Capital Improvement Program (CIP) is a multi-year financial plan for the construction or acquisition of capital assets. The CIP not only identifies future capital needs, but it estimates the capital costs to be incurred to complete each project and acquisition, the funding sources for each project and the impact that each project will have on the operating budgets.

I. DEFINITIONS

For purposes of this policy, the Village of Fox Lake will use the following definitions:

Capital Asset – Any expenditure that results in the acquisition of or addition to a capital asset, which is held or used for more than **three (3) years** and cost at least **$20,000.** Capital assets include land, land improvements, buildings, building improvements, construction in progress, machinery and equipment, vehicles and infrastructure.

Capital Budget - A capital budget, which is often contained within a CIP, is the annual appropriations for capital projects and acquisitions, which are approved by the Village Board.

Capital Improvement Program – the Village Board's approved financial plan of capital projects for a period of five years. The CIP identifies capital project and acquisition needs; provides cost or expenditure estimates for those needs; identifies probable sources of financing; evaluates, prioritizes, and schedules projects and acquisitions; and forecasts the likely impact of projects and acquisitions on the operating budget.

Infrastructure Assets – long-lived capital assets that normally can be preserved for a significantly greater number of years than most capital assets and that are normally stationary in nature and cost at least **$50,000.** These include roads, sidewalks, bike paths, bridges, buildings, drainage systems, water systems, sewer systems, etc.

Useful Life – the period over which a capital or infrastructure asset has utility to the Village in performing the function for which it was purchased.

Capital Improvement Program and Budget Policy (Continued)

II. CAPITALIZATION THRESHOLD

The capitalization threshold, or minimum value of an asset at the time of acquisition, is established at $50,000 for infrastructure assets and $20,000 for capital assets. The capitalization threshold is established to clarify what capital expenditures belong in the capital budget.

III. GENERAL POLICIES

The Village shall maintain a Five-Year Capital Improvements Program and capital improvements will be made in accordance with that plan. The program shall be updated annually through the budget process.

The corresponding year of the Capital Improvement Program will be incorporated into the annual operating budget as the Capital Budget. Each year, the Village Board will develop a capital budget that lists and describes the capital expenditures to be undertaken by the Village during the coming fiscal year.

The CIP will be arranged to indicate order of priority of each capital project and to state for each project the following:

a) A description of each proposed project and the estimated total cost of the project
b) The proposed method of financing, indicating the amount proposed to be financed by direct budgetary appropriation or duly established reserved funds, the amount estimated to be received from the federal or state government and the amount to be financed by the issuance of debt obligations showing the proposed type or types of obligations, together with the period of probable usefulness for which they are proposed to be issued.
c) An estimate of the effect, if any, upon operating costs of the Village

As part of the development of the Capital Improvements Program, the condition of Village infrastructure will be evaluated to appropriately prioritize and schedule maintenance and replacement.

Capital Improvement Program and Budget Policy (Continued)

VI. PRIORITY CRITERIA

Capital projects and/or assets will receive a higher priority if they meet some or most of the following criteria:

- The project or asset meets a policy goal or fulfills a strategic objective of the Village Board
- The project or asset is required under a state or federal mandate, law or regulation.
- The project or asset will mitigate or eliminate a known safety hazard.
- The project or asset will maintain and improve the delivery of public services to the majority of the population.
- The project or asset will improve the quality of existing infrastructure.
- State or federal grant funds are available to assist in funding project or asset.

VII. IMPROVEMENT, REPAIR AND MAINTENANCE EXPENSES

Routine repair and maintenance costs will be expensed as incurred and will not be capitalized. Street resurfacing, patching, etc. is considered maintenance and will not be capitalized. Repairs of water and sewer assets will not be capitalized unless the repairs materially extend the life of the original asset.

VIII. FUNDING SOURCES

All Village capital improvements will be constructed and expenditures incurred for the purpose as approved by the Village Board, with funds rolled over from year to year until a project is deemed complete. The Village will use a variety of different sources to fund capital projects and assets, with an emphasis on the "pay-as-you-go" philosophy. Funding for operating and maintenance costs for approved capital projects and assets must be identified at the time capital improvements are approved.

Investment Policy

WHEREAS, the Corporate Authorities believe it is necessary and expedient to adopt an Investment Policy for the Village of Fox Lake;

NOW, THEREFORE, be it resolved by the President and the Board of Trustees of the Village of Fox Lake, Lake and McHenry Counties, Illinois, as follows:

SECTION I: The following is adopted as the Village of Fox Lake Investment Policy:

"GLOSSARY OF TERMS
Accrued Interest – The accumulated interest due on a bond as of the last interest payment made by the issuer.

Agency: A debt security issued by a federal or federally sponsored agency. Federal agencies are backed by the full faith and credit of the U. S. Government. Federally sponsored agencies (FSAs) are backed by each particular agency with a market perception that there is an implicit Government guarantee. An example of a Federal agency is the Government National Mortgage Association (GNMA). An example of a FSA is the Federal National Mortgage Association (FNMA).
Amortization: The process of paying the principal amount of an issue of bonds by periodic payments either directly to bondholders or to a sinking fund for the benefit of bondholders.

Arbitrage: Usually refers to the difference between the interest paid on the tax-exempt securities and the interest earned by investing the proceeds in higher yielding taxable securities. Internal Revenue Service regulations govern arbitrage (reference I.R.S. Reg. 1.103-13 through 1.103-15).

Arbitrage Bonds: Bonds which are deemed by the I.R.S. to violate federal arbitrage regulations. The interest on such bonds becomes taxable and the bondholders must include this interest as part of gross income for federal income tax purposes (I.R.S. Reg. 1.103-13 through 1.103-15).

Asked: The price at which securities are offered.

Assessed Value: An annual determination of the just or fair market value of property for purposes of ad valorem taxation.
Average Life: The average length of time that issues of serial bonds and/or term bonds with a mandatory sinking fund feature is expected to be outstanding.

Bankers' Acceptance (BA): A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

Basis Point: 1/100 of one percent.

Bid: The indicated price at which a buyer is willing to purchase a security or commodity. Bond - Written evidence of the issuer's obligation to repay a specified principal amount on a date certain, together with interest at a stated rate, or according to a formula for determining that rate.

Investment Policy (continued)

Bond Anticipation Notes (BANS) - Short-term interest bearing notes issued by a government in anticipation of bonds to be issued at a later date. The notes are retired from proceeds of the bond issue to which they are related.

Broker: A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides; he does not position (take ownership of securities). In the money market, brokers are active in markets in which banks buy and sell money in interdealer markets.
Callable Bond: A bond which permits or requires the issuer to redeem the obligation before the stated maturity date at a specified price, the call price, usually at or above par value.

Cash Sale/Purchase: A transaction which calls for delivery and payment of securities on the same day that the transaction is initiated.

Certificate of Deposit (CD): A time deposit with a specific maturity evidenced by a certificate.

Collateralization: Process by which a borrower pledges securities, property, or other deposits for the purpose of securing the repayment of a loan and/or security. Also, refers to securities pledged by a bank to secure deposits of public monies.

Commercial Paper: Very short-term, unsecured promissory notes issued in either registered or bearer form, and usually backed by a line of credit with a bank.

Comprehensive Annual Financial Report (CAFR): The official annual report for the Village of Fox Lake. In addition to a combined, combining (assembling of data for all funds within a type), and individual balance sheet, the following are also presented as appropriate on a combined, combining, and individual basis: (1) statement of revenues, expenditures, and changes in fund balance (all funds); (2) statement of revenues, expenditures, and changes in fund balances, budget and actual (for government fund types); (3) statement of revenues, expenses, and changes in retained earnings (for proprietary funds); and (4) statement of changes in financial position (for proprietary funds).

Convexity: A measure of a bond's price sensitivity to changing interest rates. A high convexity indicates greater sensitivity of a bond's price to interest rate changes.

Coupon:
1. The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value.
2. A certificate attached to a bond evidencing interest due on a payment date.
Coupon Rate: The annual rate of interest payable on a coupon bond (a bearer bond or bond registered as to principal only, carrying coupons evidencing future interest payments), expressed as a percentage of the principal amount.

Investment Policy (continued)

Credit Risk: The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

Current Yield (Current Return): A yield calculation determined by dividing the annual interest received on a security by the current market price of that security.

Dealer: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling securities from an inventory on hand.

Debenture: A bond secured only by the general credit of the issuer. When the Village issues bonds of this they are termed General Obligation (G.O).

Delivery versus Payment: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt (also called free). Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of signed receipt for the securities.

Derivative Security: Financial instrument created from, or whose value depends upon, one or more underlying assets or indexes of asset values.

Discount: The amount by which the par value of a security exceeds the price paid for the security.

Discount Securities: Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value: e.g. U.S. Treasury Bills, Zero Coupon Bonds.

Diversification – A process of investing assets among a range of security types by sector, maturity, and quality rating. The purpose of diversification is to minimize risk from default or market fluctuations.

Duration: A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed income security. This calculation is basedon three variables; term to maturity, coupon rate and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

Enterprise Funds: Funds that are financed and operated in a manner similar to private business in that goods and services provided are financed primarily through user charges.

Federal Credit Agencies: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals; e.g. S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

Investment Policy (continued)

Federal Deposit Insurance Corporation: A Federal Agency that insures deposits and retirement accounts in member accounts for up to $250,000, protecting depositors in the event of bank failure.

Federal Funds (Fed Funds): Funds placed in Federal Reserve banks by depository institutions in excess of current reserve requirements. These depository institutions may lend to Fed Funds to each other overnight or on a longer basis. They may also transfer funds among each other on a same-day basis through the

Federal Reserve banking system. Fed funds are considered to be immediately available funds.

Federal Funds Rate: Interest rate charged by one institution lending federal funds to the other.

Federal Home Loan Bank: FHLB system now primarily focuses on increasing the amount of loanable funds available for affordable housing and community development projects. It continues to have a material impact on housing and development financing, offering funds to member institutions at rates that are usually lower than commercially competitive prices.

Federal National Mortgage Association: FNMA, commonly known as Fannie Mae, is a government-sponsored enterprise that is the largest purchaser and guarantor of home mortgages in the country. Headquartered in Washington, D.C., Fannie Mae buys mortgages from such lenders as banks and savings and loans, packages them, and resells them on the open market, thus creating fluidity and lessening lenders' risk. Fannie Mae's creation of this secondary mortgage market enables low- and middle-income individuals and families to obtain mortgages and purchase homes. The corporation was founded (1938) by the federal government to buy and sell mortgages insured by the Federal Housing Administration or guaranteed by the Veterans Administration (now the Veterans Affairs Dept.).

Federal Reserve System: The seven-member Board of Governors of the Federal Reserve System determines the reserve requirements of the member banks within statutory limits, reviews and determines the discount rates established by the 12 Federal Reserve banks, with each one serving member banks in its own district. This system, supervised by the Federal Reserve Board, has broad regulatory powers over the money supply and the credit structure.

Government National Mortgage Association: (GNMA), or Ginnie Mae, which is administered by the Dept. of Housing and Urban Development and helps to finance public housing. Fannie Mae's corporate credibility was damaged by revelations (2004) that it manipulated its earnings from 1998 to 2004, in part to maximize bonus payments to its corporate executives. Problems in the housing and mortgage industry that began in 2007 led in 2008 to increasing losses at and concern about a possible bankruptcy of Fannie Mae and especially Freddie Mac (the Federal Home Loan Mortgage Corporation), and resulted in a federal takeover of the two mortgage guarantors.

Government Securities: An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market.

Investment Policy (continued)

Interest Rate: See "Coupon Rate."

Interest Rate Risk: The risk associated with declines or rises in interest rates which cause an investment in a fixed – income security to increase or decrease in value.

Liquidity: An asset that can be converted easily and quickly into cash.

Local Government Investment Pool (LGIP): An investment by local governments in which their money is pooled as a method for managing local funds.

Market-to-Market: The process whereby the book value or collateral value of a security is adjusted to reflect its current market value.

Market Risk: The risk that the value of a security will rise or decline as a result of changes in market conditions.

Market Value: Current market price of a security.

Maturity: The date upon which the principal of a municipal bond becomes due and payable to bondholders.

Net Asset Value: The market value of one share of an investment company, such as a mutual fund. This figure is calculated by totaling a fund's assets which includes securities, cash, and any accrued earnings, subtracting this from the fund's liabilities, and dividing this total by the number of shares outstanding.

Net Interest Cost (NIC): The traditional method of calculating bids for new issues of municipal securities. The total dollar amount of interest over the life of the bonds is adjusted by the amount of premium or discount bid, and then reduced to an average annual rate. The other method is known as the true interest cost (see "true interest cost").

Par Value or Face Amount: In the case of bonds, the amount of principal which must be paid at maturity.

Principal: The face amount or par value of a bond or issue of bonds payable on stated dates of maturity.

Prudent Person Rule: An investment standard outlining the fiduciary responsibilities of public funds investors relating to investment practices.

Investment Policy (continued)

Ratings: Evaluations of the credit quality of notes and bonds, usually made by independent rating services, which generally measure the probability of the timely repayment of principal and interest on municipal bonds.

Repurchase Agreement (RP or REPO): An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price or at a specified later date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and terms of the agreement are structures to compensate him. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money; this is, increasing bank reserves.
Safekeeping: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SEC RULE 15C3-1: See definition of Uniform Net Capital Rule in this subsection.

Secondary Market: A market made for the purchase and sale of outstanding issues following the initial distribution.

Securities and Exchange Commission: Federal agency created by the securities exchange act of 1934 to administer that act and the securities act of 1933, formerly carried out by the federal trade commission. The SEC supervises the exchange of securities so as to protect investors against malpractice.

Short-Term Debt: Short-term debt is defined as any debt incurred whose final maturity is three years or less.
Swap: Trading one asset for another.

Term Bonds: Bonds coming due in a single maturity.

Total Return: The sum of all investment income plus changes in the capital value of the portfolio.

Treasury Bills: A short-term obligation of the U.S. Treasury having a maturity period of one year or less and sold at a discount from face value. The return to the investor who holds it to maturity is the difference between the price paid and the face value at maturity.

Treasury Bond: A long-term obligation of the U.S. Treasury having a maturity period of more than ten years and paying interest semiannually.

Treasury Notes: An intermediate-term obligation of the U.S. Treasury having a maturity period of one to ten years and paying interest semiannually.

Uniform Net Capital Rule (Net Capital Rule and Net Capital Ratio): Securities and Exchange Commission requirement that member firms as well as non-member broker/dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

Investment Policy (continued)

Volatility: A degree of fluctuation in the price and valuation of securities.

Weighted Average Maturity (WAM): – The average maturity of all the securities that comprise a portfolio.

Yield: The current rate of return on an investment security generally expressed as a percentage of the security's current price. (a) Income Yield is obtained by dividing the current dollar income by the current market price for the security, (b) Net Yield or Yield to Maturity is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

Yield to Maturity: The rate of return to the investor earned from payments of principal and interest, with interest compounded semiannually and assuming that interest paid is reinvested at the same rate.

Zero Coupon Bond: A bond which pays no interest, but is issued at a deep discount from par, appreciating to its full value at maturity.

VILLAGE OF FOX LAKE INVESTMENT POLICY

I. POLICY

The intent of the Investment Policy of the Village of Fox Lake is to define the policies for maximizing the efficiency of the Village's Cash Management System and for prudent investment of the Village's Funds, and to provide guidelines for suitable investments.

The ultimate goal is to enhance the economic status of the Village while protecting its funds.

The Village's Cash Management System is designed to monitor and forecast expenditures and revenues accurately, thus enabling the Village Administrator and Finance Director/Treasurer to invest funds to the fullest extent possible. The Village Administrator and Finance Director/Treasurer shall attempt to obtain the highest investment return using authorized instruments that meet the criteria established for safety and liquidity while meeting the Village's daily cash flow demands in conformance with the Municipal Code.

The investment policies and practices of the Village Administrator and Finance Director/Treasurer for the Village of Fox Lake are based upon Federal, State, and Local law and prudent money management. The Policy has been prepared in accordance with the Public Funds Investment Act (30 ILCS 235 / 2.5). The primary goals of these policies are:

1. To assure compliance with all Federal, State and Local laws governing the investment of monies under the control of the Village Administrator and Finance Director/Treasurer.
2. To protect the principal monies entrusted to these Offices, and
3. To generate the maximum amount of investment income within the parameters of this Investment Policy and the guidelines for suitable investments.

All participants in the Village's investment process shall act responsibly as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust.

II. SCOPE

This investment policy applies to the investment of available assets of all Village funds under the direct management of the Village's Administrator and Finance Director/Treasurer.

The policy for the Illinois Municipal Retirement Fund (IMRF) and the Police Pension Fund will be as determined by the appropriate Boards of Administration and not covered by this Policy.

Funds set aside to decrease Village debt in conjunction with an advance refunding agreement will be invested in accordance with appropriate bond documents.

Investment Policy (continued)

Should bond covenants be more restrictive than this policy, funds will be invested in full compliance with those restrictions.

Funds held by the County Treasurer during tax collection periods shall be governed by the County's investment policies to the extent that they do not conflict with this policy and should be invested by the County Treasurer for the benefit of the Village of Fox Lake as stipulated by the Village in accordance with 55 ILCS 5/3-11006.

All investments of the Village of Fox Lake must be made in compliance with Federal and State law and in accordance with applicable legal interpretations. Investment of any tax exempt borrowing proceeds and of any debt service funds must comply with the 1986 Tax Reform Act if the act applies to the debt issued.

III. PRUDENCE

Investments shall be made with judgment and care-under circumstances then prevailing-that persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

IV. OBJECTIVE

The primary objective in the investment of Village funds under control of the Village Administrator and Finance Director/Treasurer is to ensure the safety of principal, while managing liquidity requirements of debt service and other financial obligations of the Village and providing the highest investment return using authorized investment instruments.

The primary objectives of the Village of Fox Lake investment activities are as follows:

Legality: The Village's investments will be in compliance with all statutes governing the investment of public funds.

Safety: Investments of the Village will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that the Village Administrator and Finance Director/Treasurer prudently manage market interest rate and credit risk.

Liquidity: The Village's investments will remain sufficiently liquid to enable the Village to meet all operating requirements that might be reasonably anticipated.

Investment Policy (continued)

Return on Investments/Yield: The Village's investment portfolio shall be designed to obtain the highest available return, taking into account the Village Administrator and

Finance Director/Treasurer investment risk constraints and cash flow needs. The Village Administrator and Finance Director/Treasurer shall seek to obtain the highest available return using authorized investments.

V. ETHICS AND CONFLICT OF INTEREST

It is the policy of the Village that no person acting on behalf of the investment function shall, in any manner, have any interest, either directly or indirectly, in any investments in which the Village is authorized to invest, or receive in any manner, compensation of any kind, from any investments from the sellers, sponsors, or managers of such investments. All persons authorized to trade on behalf of the Village must refrain from personal business activity that could potentially conflict with proper execution of this Investment Policy or impair their ability to make impartial decisions.

Investment advisors and money managers must adhere to a minimum level of standards consistent with the Association for Investment Management and Research Code of Ethics. If a more stringent regulation applies under an advisor's or manager's certification standard, then this policy dictates as the ethical benchmark.

VI. DELEGATION OF AUTHORITY

Management responsibility for the investment program is hereby delegated to the Village Administrator and Finance Director/Treasurer who shall establish written procedures for the operation of the investment program consistent with this investment policy and approved by the Village Board. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Village Administrator and Finance Director/Treasurer and approved by the Village Board. The Finance Director/Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

VII. AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

The Village Administrator and Finance Director/Treasurer will maintain a list of financial institutions authorized to provide investment services in the Village. The selection process for inclusion on this list will be detailed in the written administrative procedures for investments. No public deposits shall be made except in municipal depositories approved by the Village Board.

Depositories: The Village shall allow only regularly organized state or national banks insured by the Federal Deposit Insurance Corporation ("FDIC") and federal and state savings and loan associations insured by Savings Association Insurance Fund of the FDIC to be designed as possible municipal depositories. Depository institutions should be economically viable and have practices that would not impair the safety of investments.

Investment Policy (continued)

Broker/Dealer: The Village Administrator and Finance Director shall evaluate interested broker/dealers on the basis of criteria set by the Village Administrator and Finance Director, including the firm's prior experience, financial stability, and other requirements deemed necessary. All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Treasurer/Finance Director with the following: audited financial statements, proof of National Association of Security Dealers certification, and proof of State registration. An annual review of the financial condition and registrations of qualified bidders will be conducted by the Finance Director/Treasurer.

Authorized Advisors/Money Managers: This policy requires that investment advisors possess the following qualifications:

1. Minimum five (5) years' continuous service for municipal clients.

2. Minimum three (3) years' municipal clients as current references.

3. Minimum licensing and certification as accepted in the industry for the service engaged.

VIII. AUTHORIZED INVESTMENTS

The Village of Fox Lake is empowered to invest in certain types of securities as detailed in the Public Funds Act 30 ILCS 235. Among the authorized investments are:

1. Bonds, notes, certificates of indebtedness, treasury bills or other securities now or hereafter issued, which are guaranteed by the full faith and credit of the United States of America as to principal and interest;
2. U.S. agency and instrumental obligations which are limited to the following issuers:
    a. Federal Home Loan Bank (FHLB)
    b. Federal Home Loan Mortgage Corporation (FHLMC)
    c. Federal Farm Credit Bank (FFCB)
    d. Government National Mortgage Association (GNMA)
    e. Federal Agricultural Mortgage Corporation (FarmerMac)
    f. Tennessee Valley Authority (TVA)
    g. Federal National Mortgage Association (FNMA)
    h. Any other agency created by an Act of Congress

Investment Policy (continued)

3. Institutional size depository investments such as interest-bearing savings accounts, interest-bearing certificates of deposit or interest-bearing time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act, including bankers' acceptance and bank notes.
    a. The instruments or issuers shall have short-term ratings in one of the highest 2 classifications without regard to gradation by at least two rating agencies, one of which must be Standard and Poor's ("S&P") or Moody's, and long-term rating in one of the highest 3 classifications without regard to gradation by at least two rating agencies, one of which must be S&P or Moody's.
    b. Investments may be made only in banks which are insured by the Federal Deposit Insurance Corporation. Any amount of the deposit in excess of the federal deposit insurance shall be either: (1) fully collateralized at least 110% percent by: (i) marketable U.S. government securities marked to market at least monthly; (ii) bonds, notes, or other securities constituting the direct and
4. general obligation of any agency or instrumentality of the United States; or (iii) bonds, notes or other securities constituting a direct and general obligation of any county, township, city, village, incorporated town, municipal corporation, or school district, of the State of Illinois or of any other state, or of any political subdivision or agency of the State of Illinois or any other state which are rated in either the AAA or AA rating categories by at least two accredited ratings agencies and maintaining such rating during the term of such investments; or (2) secured by a corporate surety bond issued by an insurance company licensed to do business in Illinois and having a claims-paying rating in the top rating category as rated by a nationally recognized statistical rating organization and maintaining such rating during the term of such investment;
5. Short term obligations of corporations organized in the United States with assets exceeding $500,000,000 if (i) such obligations are rated at the time of purchase in either the AAA or AA rating categories by at least 2 standard rating services and which mature not later than 180 days from the date of purchase, (ii) such purchases do not exceed 10% of the corporation's outstanding obligations and (iii) no more than 5% of the public agency's funds may be invested in short term obligations of corporations; or
6. Money market mutual funds registered under the Investment Company Act of 1940, provided that the portfolio of any such money market mutual fund is limited to obligations described in paragraph (1) or (2) of this subsection and to agreements to repurchase such obligations and that such fund has a short-term rating of "AAAm" by S&P or Aaa by Moody's.
7. Interest bearing bonds of any county, township, city, village, incorporated town, municipal corporation, or school district. The bonds shall be registered in the name of the Village or held under a custodial agreement at a bank. The bonds shall be rated at the time of purchase within the 4 highest general classifications established by at least two accredited rating agencies of nationally recognized expertise in rating bonds of states and their political subdivisions.
8. Bond funds registered under the Investment Company Act of 1940, as amended from time to time, provided that the portfolio is limited to bonds, notes, treasury bills, or other securities which are guaranteed by the United States government or agreements to repurchase these same types of obligations, and qualified U.S. agencies under 30 ILCS 235 et. seq.
9. Public Treasurers' Investment Pool created under Section 17 of the State Treasurer Act with a short-term rating of "AAAm" by S&P.
10. Repurchase agreements pursuant to the Investment Act. The securities, unless registered or inscribed in the name of the Village, shall be purchased through banks or trust companies authorized to do business in the State of Illinois. The term "repurchase agreements" as used herein shall include flexible repurchase agreements that permit the Village to withdraw funds as needed and master repurchase agreements that permit the deposit, withdrawal and redeposit of funds over time.

Investment Policy (continued)

The securities described in clauses (1) and (2) above, or any other securities that the Village is authorized to acquire under law, may be acquired pursuant to agreements entered into between the Village and suppliers of such securities under which agreements suppliers agree to sell to the Village specified securities on specific dates at specific prices, all as established at the time of execution and delivery of any such agreements and as set forth in such agreements.

IX. INVESTMENT RESTRICTIONS

The Village Administrator and Finance Director/Treasurer will not utilize investment of leveraged transactions, financial forwards, futures, hedged investments, index amortizing notes, dual index notes, de-leveraged bonds, range bonds, inverse floaters, interest only, principal only bonds and any other financial derivative. The Village Administrator and Finance Director/Treasurer is not authorized, without the approval of the Village Board, to (i) invest in financial agreements whose returns are linked to or derived from the performance of some underlying asset such as bonds, currencies or commodities products, or (ii) borrow against or otherwise obligate Village investments.

X. COLLATERALIZATION

In order to protect the Village public funds deposits, collateralization shall be required on all deposits, certificates of deposits, investments and repurchase agreements. So as to anticipate market changes and provide an adequate level of security for all funds, the collateralization level will be at least 110% of market value of principal and accrued interest. Collateral is required as security for any amount in excess of the federal deposit insurance limit. Collateral is limited to government or approved securities or surety bonds issued by top-rated insurers and Letters of Credit issued by the Federal Home Loan Bank equal to 110% of the amount of funds deposited that exceed the coverage limits provided by the FDIC.

Collateral will always be held by an independent third party with whom the entity has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the entity and retained. The bank will provide the Village a copy of the Board minutes that approved the collateralization. Each time collateral is changed it must be approved by the Village. The change must be recorded in the next Bank Board Minutes and a copy of the minutes must be furnished to the Village.

XI. SAFEKEEPING AND CUSTODY

To protect against potential fraud, embezzlement, or losses caused by collapse of individual securities dealers, all investment securities purchased by the Village, including collateral on repurchase agreements, shall be held by the Village or in safekeeping by the Village's custodian bank or a third party bank trust department, acting as agent for the Village under the terms of a custody or trustee agreement executed by the bank and by the Village. The primary agent shall issue a safekeeping receipt to the Village listing the specific instrument, rate, maturity, and other pertinent information.

All securities transactions conducted by the custodian on behalf of the Village are to be on a delivery-versus payment (DVP) only basis.

Investment officials shall be bonded to protect the Village against loss due to possible embezzlement and malfeasance.

Investment Policy (continued)

XII. DIVERSIFICATION

A variety of financial instruments and maturities, properly balanced, will help to ensure liquidity and reduce risk or interest rate volatility and loss of principal. Diversifying investments and maturities will avoid incurring unreasonable risks in the investment portfolio regarding specific security types, issuers or individual financial institutions.

XIII. MATURITIES

To the extent possible, the Village will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Village will not directly invest in securities maturing more than three (3) years from the date of purchase. However, the Village may collateralize its repurchase agreements using longer-dated investment.

Reserve or Capital Improvement Project monies may be invested in securities not to exceed three (3) years. The maturity of such investments is made to coincide as nearly as possible with the expected use of the funds.

XIV. RISK MANAGEMENT

1. Market Risk, Credit Risk, and Liquidity Risk, are typically associated with fixed income portfolio management. Their definition and the techniques used to control, evaluate and manage them are also discussed below:
2. Market Risk - the risk that the value of a security will rise or decline as a result of changes in market conditions.
    a. Control Technique - the Village Administrator and Finance Director/Treasurer shall provide for market to market valuations on a monthly basis.
3. Credit Risk - the risk that an issuer will default in the payment of interest and/or principal on a security.
    a. Control Technique - the Village Administrator and Finance Director/Treasurer will limit investments to the safest types of securities, pre-qualify the financial institutions, broker/dealers, intermediaries and advisers with which the Village will do business, and diversify the investment portfolio so that potential losses on individual securities will be minimized. The Finance Director shall provide ongoing evaluation and monitoring of creditworthiness of all counterparties.
4. Liquidity Risk - the risk that an asset cannot be converted quickly and easily into cash.

a. Control Technique - the Village Administrator and Finance Director shall create and maintain cash flow forecasts and will select securities and maturities that meet cash flow needs and provide for diversification within the portfolio to ensure compliance with established policy limits.

In addition to the aforementioned control techniques, any investment manager who is retained to manage assets on behalf of the Village is also required to participate in the risk management process and adhere to the Village's Investment Policy.

Investment Policy (continued)

XV. INTERNAL CONTROLS

The Village Administrator and Finance Director/Treasurer, as the Chief Investment Officer, shall maintain a system of internal controls and written operational procedures that shall be documented. The Village is subject to annual independent review of its internal controls by an independent accounting firm. This review will provide assurance that policies and procedures are being complied with. Such review also may result in recommendations to change operating procedures to improve internal control. The controls shall be designed to prevent loss of public funds due to fraud, error, misrepresentation by third parties, unanticipated market changes, or imprudent actions by employees or officers of the Village.

In addition, the Village's Investment Officer has established a system of internal controls to ensure that staff positions and functional duties are adequately segregated for separation of duties between investment and accounting operations.

XVI. PERFORMANCE STANDARDS

The Village's investment portfolio will be designed to obtain a market average rate of return during budgetary and economic cycles, taking into account the Village's investment risk constraints and cash flow needs.

The Village's Finance Director will utilize the average three-month Treasury Bill return or other appropriate benchmarks to determine whether average yields are being achieved.

XVII. ACCOUNTING

All investment transactions shall be recorded in the various Village Funds in accordance with generally accepted accounting principles as promulgated by the Government Accounting Standards Board.

XVIII. REPORTING

The Village's Finance Director shall submit quarterly an investment report to the Village Board that summarizes recent market conditions, economic developments and anticipated investment conditions. The report shall summarize the investment strategies employed in the most recent quarter, description of the portfolio in terms of investment securities, maturities, risk characteristics and other features. The report shall explain the quarter's total investment return and compare the return with target rate of return projections and budgetary expectations.

XIX. CORRECTION OF NONCOMPLIANCE

In the event of changes in market, the Investment Act or other applicable law, current holdings could fail to meet the guidelines of this policy. Whenever that occurs, the Village's Finance Director will immediately notify the Village Administrator, and appropriate action will be taken.

Investment Policy (continued)

XX. INVESTMENT POLICY ADOPTION

The Village's investment policy shall be adopted by ordinance of the Village Board. The policy shall be reviewed annually by the investment officer and any modifications made thereto must be approved by the Village Board.

This policy supersedes all prior investment policies.

GLOSSARY

The Annual Budget contains terminology unique to public finance and budgeting. This glossary was prepared to assist the reader of this document in the understanding of some of these terms.

- **Accountability** – The condition, quality, fact or instance of being obliged to reckon or report for actions or outcomes.
- **Accrual Basis of Accounting** – A method of accounting that recognizes financial transactions when they occur regardless of the time the intake of cash.
- **Activity** – A specific service performed by a component unit of a governmental organization that is responsible for a function such as police is an activity of the public safety function.
- **Agency Fund** – A fund normally used to account for assets held by a government as an agent for individuals, private organizations or other governments and/or other funds.
- **Annexation** – The incorporation of land into an existing city with a resulting change in the boundaries of that city.
- **Appropriation** – A specific amount of money authorized by city Council to make expenditures and incur obligations for specific purposes, frequently used interchangeably with "expenditures."
- **Assessed Value** – A valuation set upon real estate or other property by the Township Property Appraiser as a basis for levying taxes.
- **Asset Allocation** – The process to determine which types of investments are to be included in the composition of an overall investment portfolio.
- **Audit** – A systematic collection of sufficient, competent evidential matter needed to attest to the fairness of the presentation of the City's financial statements. The audit tests the City's accounting system to determine whether the internal accounting controls are both available and being used.
- **Available Fund Balance** – The portion of fund balance collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.
- **Balance Sheet** – That portion of the City's financial statement that discloses the assets, liabilities, reserves and balances of a specific governmental fund as of a specific date.
- **Basis of Accounting** – A term used when revenues, expenditures, expenses, transfers, assets and liabilities are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the nature of the measurement, on the cash, modified accrual or the accrual method.
- **Basis of Budgeting** – A method used to determine the recognition of Revenues and Expenditures for the budgetary process.
- **Bond** – A written promise to pay a specified sum of money, called face value or principal, at a specified date in the future, called maturity date, together with periodic interest at a specified rate.
- **Bond Refinancing** – The payoff and re-issuance of bonds, to obtain better interest rates and or bond conditions.
- **Budget** – A comprehensive financial plan of operations which attempts to allocate limited revenues among competing expenditure requirements for a given time period.
- **Budgetary Control** – The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of authorized appropriations and available revenues.
- **Budget Revision** – A change to the adopted budget as authorized by the City Council.
- **Business-type Activities** – One of two classes of activities reported on government-wide financial statements. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. These activities are usually reported in enterprise funds.

Glossary (continued)

- **Capital Budget** – The appropriation of bonds or operating revenue for improvements to facilities and other infrastructure.
- **Capital Equipment** – Equipment with a value in excess of $20,000 and an expected life of more than five years such as automobiles, data processing equipment and furniture.
- **Capital Improvements** – Charges for the acquisition at the delivered price including transportation costs of equipment, land, buildings, or improvements of land or buildings, fixtures, and other permanent improvements with a value in excess of $25,000 and a useful life expectancy of at least two years.
- **Capital Improvements Projects** – An undertaking that has a specific objective, can be easily distinguishable from other work being performed, has a definite beginning and end, does not occur annually, and has a total cost in excess of $100,000.
- **Capital Outlay** – Expenditures that result in the acquisition of or addition to fixed assets.
- **Capital Projects Fund** – Used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).
- **Cash Basis of Accounting** – Basis of accounting that recognizes transactions or events when related cash amounts are received or disbursed.
- **Cash Management** – The management of cash necessary to pay for government services while investing temporary cash excesses in order to earn interest revenue. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds in order to achieve the balance of the highest interest and return, liquidity and minimal risk with these temporary cash balances.
- **Charges for Service** – User charges for services provided by the City to those specifically benefiting from those services.
- **Commodities** – Items which, after use, are consumed or show material change in, or an appreciable impairment, of their physical condition, and which generally have limited value and characterized by rapid depreciation.
- **Comprehensive Plan** – An official public document adopted by a local government as a policy guide to decisions about the physical development of the community. It is general long-range physical plan.
- **Constituent** – One represented politically or in business; a voter; client.
- **Debt** – A financial obligation resulting from the borrowing of money. Debts of government include bonds, notes, and land contracts.
- **Debt Ratio** – Ratios that provide a measure of assessing debt load and ability to repay debt, which play a part in the determination of credit ratings. They are used to evaluate the City's debt position over time and against its own standards and policies.
- **Debt Service** – The payment of principal and interest on borrowed funds.
- **Debt Service Funds** – Used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.
- **Deficit** – The excess of expenditures or expenses over revenues or income during a single accounting period.
- **Department** – An organizational unit responsible for carrying out a major governmental function, such as Finance or Public Works.
- **Depreciation** – The decrease in value of physical assets due to use and the passage of time.
- **Encumbrance** – The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a future expenditure.

Glossary (continued)

- **Enterprise Fund** – Used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the costs of providing goods or services are financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.
- **Equalized Assessed Value** – The value of property resulting from the multiplication of the assessed value by an equalization factor to make all property in Illinois equal one-third of its market value.
- **Equalization Factor** – A factor determined by the State which when applied to the counties' assessed value will cause all property to equal one-third of its market value.
- **Expenditures** – Decreases in net financial resources. Expenditures include current operating expenses requiring the present or future use of net current assets, debt service and capital outlays, and intergovernmental transfers.
- **Expenses** – Charges incurred, whether paid or unpaid, resulting from the delivery of goods or services.
- **Façade** – The front, visible part, or most conspicuous component of a building. St. Charles has implemented a façade improvement program for its downtown businesses, in an effort to revitalize the area.
- **Fiduciary Funds** – Funds that are used when a government holds or manages financial resources in an agent or fiduciary capacity.
- **Fiscal Policies** – The City's policies with respect to revenues, spending, and debt management as these relate to government services, programs and capital investment. Fiscal policy provides an agreed upon set of principles for the planning and programming of government budgets and their funding.
- **Fiscal Year** (FY) – Any consecutive twelve-month period designated as the budget year. The City's budget year begins May 1, and ends April 30 of the following calendar year.
- **Fixed Assets** – Assets of long-term character which are intended to continue to be held or used. Examples of fixed assets include items such as land, buildings, machinery, furniture, and other equipment.
- **Franchise Fee** – A fee paid by public service businesses for use of City streets, alleys and property in providing their services to the citizens of a community. Services requiring franchises include telephone, natural gas and cable television.
- **Full Time Equivalent (FTE)** – A standardized unit of measure used to determine the equivalent number of full-time employees. It is calculated by dividing the total hours actually worked or planned for a job class (regular and overtime) by a standard number of hours a full-time employee would work for the job class.
- **Fund** – Fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities, residual equities, revenues, and expenditures, or balances, and changes therein, that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulation, restrictions, or limitations.
- **Fund Balance** – The fund equity of governmental funds. Changes in fund balances are the result of the difference of revenues to expenditures. Fund balances increase when revenues exceed expenditures and decrease when expenditures exceed revenues.
- **Generally Accepted Accounting Principles** – Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of an entity. GAAP encompass the conventions, rules and procedures necessary to define accepted accounting practice at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provide a

Glossary (continued)

- standard by which to measure financial presentations. The primary authoritative body on the application of GAAP to state and local governments is the Governmental Accounting Standards Board (GASB).
- **General Fund** – The general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.
- **General Obligation Bonds** – Those bonds that are backed by the "full faith and credit" of a municipality. The taxing power of local government is pledged in the covenant of one of these bond issues.
- **Goal** – A long-range desirable development attained by objectives designed to implement a strategy.
- **Governmental Fund Types** – Funds that account for a government's "governmental-type" activities. These funds are the general fund, special revenue funds, debt services funds and capital project funds.
- **Grant** – Contributions of gifts of cash or other assets from another government to be used for a specified purpose, activity, or facility. Grants may be classified as either categorical or black, depending on the amount of discretion allowed the grantee.
- **Improvements** – The necessary changes to a parcel(s) of land that is required for its future development. These often include modifications of the roadways, water and sewer mains, and the parcels capacity for electricity.
- **IMRF** – Illinois Municipal Retirement Fund. Retirement system established for municipal employees of the state.
- **Income** – A term used in proprietary fund type accounting to represent: (1) revenues; or (2) the excess of revenues over expenses.
- **Infrastructure** – The permanent foundation or essential elements of a municipality. Roadways are a component of a local government's infrastructure.
- **Interfund Transfer** – Payment from one fund to another fund primarily for work or services provided.
- **Intergovernmental Revenues** – Revenues from other governments in the form of grants, entitlement, shared revenues, or payments in lieu of taxes.
- **Investment** – The placing of money, capital, or other resources to gain in a profit, as in interest.
- **LEADS** – Law Enforcement Agency Data System in a system used as a nationwide tool to track criminal activity, such as warrants for arrest and missing persons.
- **Levy** – (Verb) To impose taxes, special assessments, or service charges for the support of governmental activities. (Noun) The total amount of taxes, special assessments or service charges imposed by the City.
- **Liability** – Debt or other legal obligations arising out of transactions in the past, which must be liquidated, renewed or refunded at some future date.
- **Line Item** – A specific item or group of similar items defined by detail in a unique account in the financial records. Revenue and expenditure justifications are reviewed, anticipated and appropriated at this level.
- **Liquidity** – The amount of cash and easily sold securities a local government has at one time.
- **Millage** – The tax rate on real property based on $1.00 per $1,000 of assessed property value.
- **Mobile Data Terminals (MDT)** – Mobile Data Terminals are terminals that will allow police officers instant access from the squad cars to the National Crime Information Center. This will allow the officer to immediately check on stolen property or check a warrant.
- **Modified Accrual Accounting** – A basis of accounting in which revenues are recorded when collectable within the current period or soon enough thereafter to be used to pay liabilities of the current period, and expenditures are recognized when the related liability is incurred. Governmental fund types utilize this basis of accounting.

Glossary (continued)

- **MFT** – Motor Fuel Tax is a tax on fuel consumption. Distribution of the tax collected is based on population. There are also state-funded programs for street resurfacing, curb and gutter work and storm sewer work.
- **Net Income** – Proprietary fund excess of operating revenues, non-operating revenues, and operating transfers-in over operating expenses, non-operating expenses, and operating transfers-out.
- **Non-Operating Expenditures** – The costs of government services which are not directly attributable to a specific City program or operation. Examples include debt obligations and contributions to Human Service organizations.
- **Non-Home Rule Municipality**
- **Objective** – Something to be accomplished in specific, well-defined, and measurable terms and is achievable within a specific time frame.
- **Operating Budget** – A financial plan that presents proposed expenditures for the fiscal year and estimates of revenue to finance them.
- **Portfolio** – A compilation of investments held by an entity.
- **Privatization** – The transfer of services from the public sector to the private sector in an attempt to save tax dollars. This has been done to varying degrees and levels of success across the country.
- **Private Sector** – Business owned and operated by private individuals, as opposed to government-owned operations.
- **Public Sector** – The policies and procedures as conducted by local governments, states and the federal government. The majority of these activities are financed through tax levies.
- **Program** – An organized set of related work activities within a Bureau of a department, which are directed toward a common purpose or goal and represent a well-defined use of City resources. Each City department usually is responsible for a number of related service programs.
- **Property Tax** – A tax levied on the assessed value of real property (also known as "ad valorem taxes").
- **Proprietary Fund Types** – The classification used to account for the City's ongoing organizations and activities that are similar to those often found in the private sector (i.e., enterprise and internal service funds.) All assets, liabilities, equities, revenues, expenses and transfers relating to the government's business and quasi-business activities are accounted for through proprietary funds. The Generally Accepted Accounting Principles used are generally those applicable to similar businesses in the private sector and the measurement focus is on determination of net income, financial position and changes in financial position. However, where the Governmental Accounting Standards Board has issued pronouncements applicable to those entities and activities, they should be guided by these pronouncements.
- **Referendum** – The submission of a proposed public measure or law, which has been passed upon by legislature or convention, to a vote of the people for ratification or rejection.
- **Revenue Bonds** – Bonds whose principal and interest are payable exclusively from earnings of a specific, defined activity or facility which can be public, quasi-public, or private.
- **Retained Earnings** – An equity account reflecting the accumulated earnings of the City's proprietary funds.
- **Revenues** – Funds that the government receives as income. It includes such items as tax receipts, fees from specific services, receipts from other governments, fines, forfeitures, grants, shared revenues and interest income.
- **SCADA** – Supervisory Control and Data Acquisition. Computer controlled system operation and information in regards to the City's electrical and water system.

Glossary (continued)

- **Special Revenue Funds** – Funds used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.
- **Tax Levy** – The total amount to be raised by general property taxes for operating and debt service purposes.
- **Tax Rate** – The amount of tax levied for each $100 of assessed valuation.
- **Tax Increment Finance District (TIF)** – A special district established to revitalize a degenerating parcel of land/building funded through incremental property taxes.
- **Trust and Agency Funds** – Funds used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.
- **User Fees** – A fee charged for receipt of public service to the party who benefits from the service.
- **Yield** – The yield on a fixed-income security is its current rate until maturity, based on its face value, it current market price and any interest coupons.